



Strategic Partnership as an  
Instrument of EU Foreign Policy –  
Workshop Report

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## **Workshop: Strategic Partnership as an Instrument of EU Foreign Policy**

**April 13, 2015, 8:30 AM - 5:30 PM**  
**River Building, 2nd Floor Conference Rooms**

Carleton University's Centre for European Studies (European Union Centre of Excellence) and the SSHRC-funded Canada-Europe Transatlantic Dialogue (CETD), housed at Carleton, co-sponsored a workshop analyzing the European Union's strategic partnerships from a comparative perspective. The workshop provided the opportunity to evaluate the instrument's future potential, while taking note of differing challenges in using the tool as the basis of relationships with established democracies, emerging democracies, and semi-authoritarian systems.

The European Union has used the rubric of "strategic partnership" to frame its relations with a variety of important countries. In applying the notion to such a wide range of international actors, the basis of selection, as well as the nature of the relationship, is not explicitly defined. As the EU continues to deepen relations with some strategic partners such as Canada, South Korea, and the US through negotiations about, and the conclusion of, deep and comprehensive trade agreements and associated political agreements, other strategic partnerships, such as that with Russia, seem under threat. At the same time, the EU shows increasing interest in developing partnerships with rising world powers, such as the other BRICS countries.

The concept of strategic partnership is only vaguely conceptualized in EU usage. However, implicit in the notion of strategic partnership is an element of long-term mutuality of interest and of joint decision-making. Two criteria seem to be particularly important: normative congruence and the long-term importance of the relationship on a broader (economic, security) scale. The workshop helped unpack the EU's notion of strategic partnership and offered assessment on its viability as a framework for the EU's pursuit of a role as a global actor, as well as on the utility of the approach in terms of the EU's underlying goals and objectives. The workshop also looked at the state of Canada's strategic partnership with the EU and placed it in a comparative context.

Presenters have provided summaries of their presentations below.

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Editors: Dara Marcus and Marcel Sangsari, Canada-Europe Transatlantic Dialogue

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# I

## Keynote Address

*Strategic Partnerships in the EU's Foreign Policy Approach: Challenges and opportunities* by Urszula Pallasz, Senior Advisor, Strategic Planning Division, European External Action Service, Brussels

### Introduction

In looking at the history of the EU's strategic partnerships, we will start with the present, then return to the past, and then look to the future. The EU has 10 strategic partnerships with the following countries: Brazil, Canada, China, India, Mexico, Japan, the Republic of Korea (South Korea), Russia, South Africa, and the US. The EU also has strategic partnerships with several regions, which will not be addressed in this summary: the African Union, the Community of Latin American and Caribbean States (CELAC), and NATO.

Strategic partnerships are an important bilateral means of fostering international cooperation. The EU has made investing in strategic partnerships a priority, while being aware that the group is heterogeneous, and bearing in mind that some de facto strategic partners, e.g., Australia, Indonesia, and Turkey, don't have official strategic partner status.

The EU has identified two operational objectives of strategic partnerships as critical:

- a more integrated approach could help EU institutions and member states work in a more coherent way; and,
- there is a need for tailor-made strategies to better factor in the peculiarities of each partnership.

### What are the origins of the EU's Strategic Partnerships?

The term "strategic partnership" first appeared in 1998, in relation to Russia. The context was the financial crisis in Russia at that time. In response, EU leaders stated that they considered Russia to be a strategic partner, and were therefore willing to help and support the country to overcome its problems, including through food aid. When the "strategic partner" term was first used, the EU already had strong relations with Canada, the US, and Japan.

In 2003, the EU adopted its Security Strategy, which mentioned that relations with the US are irreplaceable and that, acting together, the EU and US could be a formidable force for good in the world. It also stated that the EU should develop further strategic relations with Canada, China, Japan, and India, as well as all of those countries that share EU values and are prepared to act in their support. The strategy also said that the EU should work more closely with Russia, a major player in the EU's security and prosperity, and that respect for common values would reinforce progress towards a strategic partnership.

The EU's established partnerships, like its partnership with the US, were not based on formal agreements. This was the same for the EU's partnership with Japan, and, until recently, for its

partnership with Canada. The other six partnerships were established between 2003 and 2010, following the adoption of the EU Security Strategy: China in 2003, India in 2004, Brazil and South Africa in 2007, Mexico in 2008, and South Korea in 2010.

While establishing these more recent strategic partnerships, the EU was creating its new legal framework in parallel. The Lisbon Treaty indirectly indicates what could be the legal basis for establishing partnerships. Articles 21 and 22 of the Lisbon Treaty provide the essential criterion for choosing strategic partners: the partnership should be based on normative convergence. The Treaty also says it is for the European Council to define the strategic interests of the EU. The Lisbon Treaty entered into force in December 2009, and the last strategic partnership was formed in 2010.

After the Lisbon Treaty entered into force, the European Council decided to take a closer look at its existing strategic partnerships and asked the High Representative for Foreign Affairs to conduct its evaluation. The first follow-up discussion on the subject was conducted in December 2010; a subsequent European Council discussion focused on individual partners.

### **Evolutionary process of establishment**

As a result of these developments, there is no single public EU document that collectively defines the EU's strategic partnerships. Given the changes to the internal nature of the EU and to the global environment, partnerships were established in different ways: some are based on a formal documents, while others are not. More recently, it seems the EU is incrementally defining procedures without officialising them. In practical terms, the EU is developing an ideal set of procedures for establishing its partnerships.

From 2003 on, and for five of the newest six partnerships, the procedure used to form new strategic partnerships started with the Commission making a formal proposal, usually through a Commission communication. Then, the proposal was transferred to the Council of the Member States for their approval to establish the partnership. The EU Parliament was asked for its opinion, and then, in agreement with the partner, a joint statement was made to formally announce the partnership. This process was used for the EU's strategic partnerships with China, India, South Africa, Brazil, and Mexico. The EU-South Korea Strategic Partnership did not follow this procedure; it was announced at a summit in 2010 without the formal proposal and communication.

### **Substance of the partnerships**

There are three main elements of the EU's approach to strategic partnerships:

- Promoting trade and investment
- Looking for allies to promote multilateralism and strengthen international cooperation
- Burden-sharing in security matters.

Economics remains the basis for partnerships, especially since the end of the Cold War, when focus was diverted from political, defence, and security matters to the development of economic security.

It's important to note that the EU is the **biggest** trading partner for six of its strategic partners (based on 2013 figures): Brazil, China, India, Russia, South Africa, and the US. It is Canada's

second-largest, the third-largest partner for both Japan and Mexico, and South Korea's fourth. Additionally, China might become the EU's largest trading partner in the near future.

When proposing partnerships in the early 2000s, the Commission was looking to strengthen the EU's global economic role. The Commission launched a trade policy strategy entitled "Global Europe: competing in the world" with the goal of opening markets around the world.

There are several other key dates to note. In 2001, the term "BRIC" (Brazil, Russia, India, and China) was coined, and in 2006, the foreign ministers of those countries first met for political dialogue. In 2009, it was agreed that the G20 would be the main council of wealthy nations. All of the EU's strategic partners are also part of the G20.

With time, the focus of the partnerships has expanded to include horizontal, multilateral, and foreign policy issues. For example, the 2013 EU-China 2020 Strategic Agenda for Cooperation starts with security and peace. The EU is now consulting with China in this area.

Areas of strategic partnerships include, for example, discussion on respective neighbourhoods of the EU and its partners, and horizontal topics, like counterterrorism, climate change, and development issues.

Against this background, the EU aims to have more comprehensive bilateral regulatory frameworks by advancing a so-called "holy trinity" of agreements: modernized trade and investment agreements, an all-encompassing political agreement, and a framework participation agreement, which would allow partners to participate in EU crisis management operations. South Korea is the only strategic partner so far with which the EU has signed all three agreements.

With the US, the EU has its densest legal and practical network. The EU and US are currently engaged in crucial negotiations on a Transatlantic Trade and Investment Partnership (TTIP).

A similar process is now going on with EU-Japan relations, with negotiations on both strategic partnership and free trade agreements ongoing. There are also preliminary considerations aimed at upgrading the EU-Mexico partnership.

In this context, the current juncture in EU-Canada relations is vital. We have concluded two major agreements – the Strategic Partnership Agreement and the Comprehensive Economic and Trade Agreement. These two agreements will significantly strengthen the relationship and take it to another level. Moreover, Canada has contributed to nine of the EU's Common Security and Defence missions. EU-Canada cooperation includes the recent Afghanistan mission and current missions in Palestine, Kosovo, Niger, and Mali. This cooperation might expand shortly to include Ukraine.

The EU is seeking similar cooperation with its other strategic partners to the extent that other partners are willing to work on these issues. EU-Japan relations are being strengthened with common security and defence policy exercises. The EU is also engaged with South Korea and, increasingly, with China – the latter is escorting World Food Programme vessels along the coast of the Horn of Africa off of Somalia. And the EU is conducting military exercises with China for the first time. The EU also holds cyber dialogues with the US, China, India, Japan, and South Korea, and counterterrorism dialogues with Canada, the US, and Japan.

The EU's approach is to try to adapt its many dialogues to its various partnerships to help determine whether its partners are interested. The EU has increasingly deep and interesting dialogues on development policy with some strategic partners, and not only on the ground, where the practical implementation provides a different experience, but also at a strategic level, i.e., how to define development policy on the global stage.

### **What is the value of Strategic Partnerships from the EU's perspective?**

From an operational perspective, strategic partners help improve coherence between different EU instruments, but this is not the main objective.

In 2010, the European Council said strategic partners are an instrument for pursuing EU objectives and interests, but only if they are based on mutual interests and benefits. The EU should promote its interests and values more assertively, and in a spirit of reciprocity and mutual benefit, the Council has continued.

The strategic partnership concept is imperfect, but it is an essential instrument that enables dialogues and cooperation for effective multilateralism. Strategic relations are those that should be maintained over time, not abandoned while traversing difficulties; they are a long-term investment. The EU's 2008 economic and financial crisis might have lessened the EU's attractiveness to some partners. At present, the terms and perceptions of relationships with some large partners, e.g., with India and Brazil, are changing, and a lot of work has to be done. The EU has to ask itself, for example, whether it is a relevant strategic partner for India, a partner that values sovereignty and state-to-state relations.

There is some positive indication that the EU's role in the immediate neighbourhood and in the Iranian nuclear negotiations is recognized and valued. The more relations with the EU appear unavoidable and necessary to its partners, the more they will cooperate with the EU on a range of issues.

### **Conclusion**

The subject of strategic partnerships ranked high on the EU's political agenda when the Lisbon Treaty was brought into force. But then the EU switched to crisis mode, and more imminent challenges had to be tackled. Nonetheless, there is a sense in Brussels that the EU is grappling with simultaneous crises in unprecedented number and scale, and it is inhabiting a rapidly changing and increasingly unstable world, particularly in the EU's immediate and wider neighbourhoods (i.e., neighbours of neighbours, beyond North Africa, including the Sahara, Horn of Africa, and central Asia), where situations are quite challenging.

Today's challenges are compounded by a deeper realization that the post-WWII international system no longer reflects current realities. Therefore, global partnerships are key. The EU can play an important role in matters such as the current situations in Iran and Ukraine. Against this demanding background, the EU is now taking a hard look at its existing external policies. The High Representative will assess and report to the European Council (heads of state and government) in June on changes in the global environment. The outcome of this report will allow the EU to consider starting a strategic reflection, which might lead beyond the 2003 Security Strategy. It should give the EU a sense of direction and help it prioritize. It should also help the

EU determine how best to mobilize instruments and develop partnerships in serving common goals.

In conclusion, the strategic partnership concept will feature prominently on the EU's agenda in the years to come, and there will be plenty of material to organize future seminars on this topic.



## II

# Canada and the United States as Strategic Partners of the European Union

This panel assessed the EU's transatlantic partnerships with the US and Canada. Speakers evaluated the nature of the pivotal US-EU relationship, transatlantic trade links, and the spillover effects and areas of common (and diverging) interests of the EU-Canada and EU-US partnerships.

*US and EU Perspectives on their own dense, yet non-existent “Strategic Partnership”*  
by Daniel S. Hamilton, Centre for Transatlantic Relations, Washington, DC

It is important to note that, when discussing strategic partnerships, the term is not generic; it is a specific diplomatic term of art used in particular ways, many of them quite formal, by scores of countries around the globe. Underlying motivations vary, but many countries have decided that pursuing identified strategic partnerships may pay dividends for their national interests, despite the rather vague nature of the term.

### **American Perspectives on Strategic Partnership**

The United States (US) has forged formal bilateral strategic partnerships and developed strategic dialogues with scores of partners around the globe. Some are outgrowths of historical alliances, such as those with NATO members or non-NATO allies such as Israel, Egypt, Australia, or the Philippines. Others include Afghanistan, India, Pakistan, Brazil, and Indonesia. The US has used strategic partnerships to further Euro-Atlantic integration, such as with Romania, Bulgaria, Georgia, and Ukraine, and to build a regional architecture of supportive ties in East Asia and the Pacific. It has wielded the term “strategic dialogue” to signal its intent to improve relations, as with Nigeria, Angola, South Africa, and Vietnam, or to manage difficult ties, as with Russia and China. It has cobbled together a variety of partnership arrangements to deal more effectively with adversaries such as Iran and North Korea. Both strategic partnerships and strategic dialogues are part and parcel of a differentiated global network of overlapping bilateral and regional relationships designed to advance US values and interests and promote what the US believes would constitute a stable and legitimate international order.

Today, the “American way of partnership” reflects the Obama Administration’s view that many transnational challenges cannot be addressed adequately by unilateral action. In an age of austerity, the administration views partnership mechanisms as a potentially more effective and efficient means to leverage constrained resources.<sup>1</sup> In other words, strategic partnerships promise to give

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<sup>1</sup> M. Flournoy and J. Davidson, ‘Obama's New Global Posture’, *Foreign Affairs*, 91:4, 2012; US Department of Defense, *Quadrennial Defense Review*, Washington, DC: Department of Defense, 2014; US Department of Defense, *Sustaining US Global Leadership: Priorities for 21st Century Defense*, Washington, DC: Department of Defense, 2012; and H.R. Clinton, 'America's Pacific Century', Remarks delivered at the East-West Center, Honolulu, HI, 10 November 2011.

the US more bang for the buck. The Obama Administration has also turned to strategic partnership mechanisms that go beyond traditional government-to-government engagement to reach foreign citizens directly.

Finally, the administration has sought to employ strategic partnership mechanisms to cope with what former State Department Planning Director Anne-Marie Slaughter<sup>2</sup> has termed the “disaggregated state,” meaning that governments increasingly engage the world not only through traditional state-to-state diplomacy administered by foreign ministries, but also via a host of other government agencies, each of which tends to pursue its own agenda and forge its own networks with foreign partners, and is reluctant to submit to the authority of the State Department.<sup>3</sup> When it comes to specific elements of a strategic partnership agenda with another country or set of countries, the administration has sought to move beyond such agency “stovepipes” and to be more systematic about the respective roles and responsibilities – and thus disposition of resources and authority – of particular agencies and departments in the US government. The premise is that such a whole-of-government approach can prevent confusion, mitigate inter-agency friction, discipline bureaucracies, and enable agencies to align or even integrate their efforts more effectively, leveraging both hard and soft power and facilitating linkages and trade-offs that would be unavailable if single agencies were left to pursue their own agendas. The US strategic dialogue with Pakistan, for instance, involves 10 working groups bringing together cabinet secretaries and experts from a range of agencies in both governments. The US dialogue with India engages 22 different agencies, and the one with China, 30 agencies.

Formal strategic partnerships are usually aimed at advancing various goals simultaneously, ranging from immediate, concrete results to longer-term, less tangible outcomes such as enabling partners to do specific things (domestically, bilaterally, and together vis-à-vis third issues); giving the United States better situational understanding; ensuring US access; shaping partners’ perceptions and decision-making; and engaging on broader regional and global issues. They may include specific goals to be achieved by both parties, but more often than not they are framed around a set of thematic areas in which both parties commit to exchange views, either with an eye to identifying specific areas in which each, or both together, can advance common interests or values; or to enable cross-cutting linkages and trade-offs to be made among various goals and issues. A strategic partnership is “more than just a grandiose phrase, and it is not merely an abstraction,” former US Deputy Secretary of State Strobe Talbott noted in Bucharest in 1998 when signing the US-Romanian Strategic Partnership. “Rather, the strategic partnership refers to a systematic pattern of joint effort on behalf of shared goals.”<sup>4</sup>

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<sup>2</sup> A.M. Slaughter, *A New World Order* (Princeton: Princeton University Press, 2004).

<sup>3</sup> Individual US government agencies often create their own functional ‘strategic partnerships’. One example is the 2009 ‘strategic partnership agreement’ between USAID and the Arab Network for Environment and Development (RAED) to increase regional capacity, share best practices and develop joint approaches to critical water issues in the Middle East and North Africa. A relatively little-noticed but high impact effort is the 63 partnerships the US National Guard has established with 69 different countries. Individual US states even sign ‘strategic partnerships’ with other countries. The state of Maryland, for instance, has a ‘strategic partnership’ with Montenegro.

<sup>4</sup> S. Talbott, ‘The United States and Romania: A Strategic Partnership,’ US Department of State, Address at Bucharest University, Romania, 19 March 1998.

US interactions with neighbouring Mexico and with its Canadian and European allies are so dense and varied that they transcend formalistic designations such as “strategic partnership,” although officials routinely describe US relations with these countries as strategic partnerships.

### **EU Perspectives on Strategic Partnership**

For the EU, strategic partnerships serve other purposes unique to the ongoing European experiment. In fact, the primary drivers behind the EU’s effort to forge formal strategic partnerships appear to be internal rather than external. Forging a common frame for a strategic partnership among 28 diverse countries inevitably means that the document itself represents more a floor of minimal consensus rather than an agenda for operational action. It is in part a disciplining device to ensure that individual member states – each of which conducts its own foreign policy with all EU strategic partners – do not stray too far from the baseline consensus. The process behind formulating an agreed strategic partnership also can serve as a legitimizing function for the EU bureaucracy in the daily give and take with the member states over relative competencies for the conduct of the Union’s external policies. Formal agreement by other countries to a strategic partnership with the EU is a further legitimization vehicle for the EU’s global standing as a recognized foreign policy actor, which in turn enhances yet again its standing within and among its own member states.

It is in this context of very different approaches to this diplomatic tool that the US-EU strategic partnership may be understood.

### **The Non-Strategic Strategic Partnership**

On the one hand, perhaps the most unique US strategic partnership is not with another country, but is in fact with the European Union. The US-EU partnership is among the most complex and multi-layered economic, diplomatic, societal, and security relationship that either partner has, especially if it is seen to encompass the relationships the US maintains with the EU’s 28 member states, as well as its Brussels-based institutions. In terms of values and interests, economic interactions, and human bonds, the EU and the US are closer to one another than either is to any other major international actor. A vast range of operational dialogues, institutionalized exchanges, and stakeholder networks reach deeply into each other’s societies.

Yet while US officials increasingly work directly with EU institutions, their experience has been that the Treaty of Lisbon and other EU innovations have done little to reduce the EU’s institutional complexity or render the EU a united or coherent actor on many issues within or beyond Europe. They are acutely aware that, despite continual institutional rejigging in Brussels, at the end of the day, all policy-making in the EU still depends on the consent of member states, which remain sovereign, and that the US continues to need strong bilateral relationships with individual EU member states. As a result, US officials advance their agenda directly in Brussels as well as in national capitals. Similarly, individual EU member states often try to use their strategic, or privileged, bilateral relations with the US to get Washington to influence inner-EU debates.

The overall consequence is that, while the US-EU relationship is arguably more strategic than many other so-called strategic partnerships, it has acquired a reputation as a technocratic exercise marked by an overabundance of process disproportionate to actual output, producing laundry lists of deliverables that fail to fire political or popular imagination. Despite efforts to generate

collective action and strategic purpose from stove-piped governmental structures, the relationship too often degenerates into a grab bag of issues dealt with in rather ad hoc fashion by a range of disparate agencies, with little sense of urgency or overall direction. In fact, as Secretary Clinton noted to her European colleagues, “the system is designed so we can’t have a strategic dialogue.”<sup>5</sup> Priorities are often mismatched, with the US looking for efficiency and concrete outcomes, and the EU seeking legitimacy and symbolic US validation of the ongoing process of European integration.

The US and the EU have sought to address these deficits in part by launching negotiations on a Transatlantic Trade and Investment Partnership (TTIP), which is intended to include free trade in goods across the North Atlantic, but to go beyond traditional agreements to encompass services, investment, alignment of regulatory differences, and to create a living agreement by which the two partners can work more effectively in the future. The State Department describes the TTIP as “building on our economic and strategic partnership.”<sup>6</sup>

In the end, however, here’s the kicker – there is actually no formal US-EU Strategic Partnership. Each has formal strategic partnerships with countries around the world, yet not with each other, at least in the same formal use of this diplomatic vehicle. The current frame for the US-EU relationship is still the New Transatlantic Agenda of 1995, with its four baskets and considerable ambition, but which has atrophied over the years and devolved into workman-like processes of collaboration.

It’s not so neat conceptually, but it can be handy practically. And that, perhaps, is not such a bad thing.

### ***The EU-Canada Relationship by David Long, Norman Paterson School of International Affairs, Carleton University***

Given the variation of parties to and the nature of strategic partnerships, a reasonable question to ask is ‘why have one type of agreement for everyone?’ When we think of these matters in terms of laws and norms, the thought is that strategic partnerships must all be the same. But I’d argue that it is a naturalistic fallacy, conceiving of this as a scientific law. We should think of Strategic Partnership Agreements, rather, in terms of normative laws. In this sense, what is important is not the similarity of the partnerships, but the encouragement of similar behaviors.

Canada has a strategic partnership agreement with the EU. Compared to Japan, China, and the US, you could say that Canada is a minor player. This insecurity has been a theme in Canadian foreign policy; a common question asked is: do we belong in the G7? But we are indeed a big player; we’re in the G7, G20, and NATO – Canada does belong.

Why is Canada a strategic partner of the EU? It has had a series of agreements with the EU dating back to a 1959 agreement with the European Atomic Energy Community on the import and export

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<sup>5</sup> D.S. Hamilton (ed.), *Shoulder to Shoulder – Forging a US-EU Strategic Partnership* (Washington, DC: Center for Transatlantic Relations, 2010).

<sup>6</sup> US Department of State 2013.

of nuclear materials and equipment.<sup>7</sup> Since then, the path towards the contemporary strategic partnership has been marked by a number of other key agreements and declarations. I will give a short history to show how Canada is a strategic partner of the EU because of this long history of agreements.

The strong run of agreements began in 1976 with the signing of the Framework Agreement<sup>8</sup> by Canadian and European authorities. First, we will look at the difference between the 1976 Framework Agreement and the 2015 Strategic Partnership Agreement. The prior reflected the nature of the EU at the time. Agreements with the European Community at that time were mostly of an economic or technical nature. As such, the framework agreement was quite narrow and technical. But it did set up the formal institutional relationship that helped create the new framework for formal relations in the strategic partnership agreement.

We will now look at why there was an agreement between the European Community and Canada in 1976. On the Canadian side, our interest in the EU stemmed from the fact that it was not the US. Canada has always had a preoccupation with the possibility of being absorbed into the US, and we've always looked for an alternative or counterweight to the strong presence of the US in our international relations. By default, with no other options, Europe – alongside Japan – became the other option in Canada's attempt to strategically pivot away from the US.

The next major milestone in the context of Canada and European Community relations was the 1990 Declaration on Transatlantic Relations, which added several transnational challenges to the scope of the framework agreement, including terrorism, the environment, nuclear weapons, and crime. Here, in the 1990 declaration, the label of “partnership” between the two sides is first mentioned. This agreement parallels agreements with the US, and its nature reflects the era of the post-cold war period.

The last major undertaking between Canada and the EU was the Joint Political Declaration and Action Plan of December 1996. Like the Declaration on Transatlantic Relations, this declaration mirrored the EU's relationship with the US. The same issues come up repeatedly: fostering links and transatlantic cooperation. The relationship is built on and reflects this long history.

However, a relevant question to ask is: why sign a strategic partnership agreement now? What has provoked the signing of a new agreement? The answer has to do with the Canada-EU Comprehensive Economic and Trade Agreement (CETA). From the EU side, the strategic partnership was important to conclude alongside CETA. The EU's Partnership Agenda from 2004 mentioned reframing the Union's legal arrangements. CETA and the Strategic Partnership Agreement are part of what the EU wanted; Canada resisted the idea of having an official strategic partnership agreement alongside CETA, but gave in, signed, and is now a strategic partner.

What are the fundamental interests and tensions between countries of the EU and Canada, besides our shared history and fighting wars together? I'd argue that it's not about the values we share with the EU, of which we are well aware; rather, it's about the contrast with those with whom we do

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<sup>7</sup> Agreement between the Government of Canada and the European Atomic Energy Community (EURATOM) for Co-operation in the Peaceful Uses of Atomic Energy, November 1959.

<sup>8</sup> Framework Agreement for Commercial and Economic Cooperation between Canada and the European Community, July 1976.

not share these values. It's obvious and unimportant when values are discussed with the US or EU, but discussing such values with others – for example, the WTO, Ukraine, ISIL, or in discussing relations with China and Russia, such issues are perhaps not so obvious.

These overarching, general shared values don't really drive the relationship between Canada and the EU; it's the irritants that drive the relationship. These are things over which there is conflict, but the relationship is generally stable, with small problems here and there. I can't encompass all of the relationship, but I will discuss a few areas that are critical when one wants to talk about a Canada-EU strategic partnership.

The first is **security and defence**. Canada's interests in its relations with the EU are overshadowed by the large presence of NATO. At the same time, Canada has agreed to participate in the EU's common security and defence policy missions. This has happened in Palestine, Afghanistan, and Kosovo, and, shortly, in Ukraine. But although that sounds significant, Canada's involvement in these missions is minimal, limited to a few police officers in the various theatres. Canada's small contribution doesn't add much to the strategic relationship. And while it's agreed that something needs to be done, NATO can't deal directly with Ukraine because of geopolitical and strategic implications vis-à-vis Russia. If Canada can participate, it indicates symbolically that Canada is concerned and involved, willing to do something other than just having some boots on the ground.

The second important area of the partnership is in **energy and the environment**. The EU has an Energy Union now, and much has been promised. We shall see what will be made of the energy dialogue between Canada and the EU. Price and infrastructure, as well as other purchasers and players, are important considerations in energy policy. But until recently, people ignored price, and people still ignore infrastructure. For big oil companies, the Canada-EU relationship is worth watching, as the EU is a net oil importer and it is re-evaluating its relationship with Russia as a key energy supplier, but we have no idea what will happen. We are also recovering from a spat over the EU's fuel quality directive, under which Canadian oil interests were very concerned about the EU's labeling of oil sands bitumen as dirty oil.

**Human rights** is a significant issue, but I can't imagine Canada and the EU have a big difference of opinion on human rights. However, one of the new parts that has been introduced into the new strategic partnership agreement that was not in the old agreements is the EU's insistence on a human rights clause, as well as a non-proliferation clause. Both sides observe human rights and believe that human rights and democracy are shared values. So why the insistence on the EU side and the reluctance on the Canadian side? Does it have to do with sovereignty, or is it related to the issue of seal hunting and the European Parliament's criticism of this practice, as a way to get at Canadian behaviour in the North? Is Canada sensitive to its experience with international human rights committees, where human rights accords have led to Canada getting scolded over its treatment of native populations? In any case, Canada was reluctant, but did sign the agreement. Why was the EU so insistent on making sure Canada would follow human rights laws?

I'd argue that the EU is not concerned with Canada observing human rights; the point is a function of templatism. There's a tendency by the EU to use a cookie-cutter strategic partnership agreement. It's an attempt to project forward its normative law. To put it simply, the EU is effectively saying, "no offense, Canada, we want it in there because we have it in all strategic partnership agreements." So, as the EU has applied it to agreements with other countries, the EU continues to behave accordingly in a world of multiple bilateralisms (and not multilateralisms), to sequence its

relationships. To expect the strategic partnership agreement to actually do something, be it regulatory or otherwise, is to expect too much. These agreements set out general matters. They're filled out by the narrower agreements and by future behaviours on the part of the parties. Canada-EU relations are shaped only generally by the strategic partnership agreement, and it is important to recognize that, as a speech-act, the agreement is part of a wider network, a wider web of relations across the Atlantic. It's a significant but tiny part of the relationship.

**Comments by Frédéric Mérand (discussant), European Union Center of Excellence,  
Université de Montréal/McGill University**

The term “Strategic partnership” does not have a precise meaning. If you go online and look up “strategic partnership” and “Canada,” you see that most government departments have strategic partnerships of some kind. In the framework of the EU, it describes what the EU has always done: structural foreign policy. The EU has institutionalized ways of understanding foreign policy, structuring relations around a document – in this case, a strategic partnership document. The challenge when you work this way is to decide where you stand on the question of deepening versus widening. Do you want to have a really close partnership with a few countries you really care about, or do you want to have strategic partnerships with almost everybody? Do you have partnerships with your friends, with those countries with which you're interdependent, or the big states? The answer to this is not clear when one looks at the EU's strategic partnership policy.

The EU used to call this inter-regionalism, the understanding being that the EU would structure relationships not with other states, but with regions. Why have they shifted now to this EU-to-state relationship, instead?

In relation to specific challenges for the transatlantic area, the EU-US/Canada relationship is not about widening, but about deepening the already-strong existing relations.

But there are specific challenges. First, most EU partnerships with other countries and organizations are deeply asymmetrical, but with the US and Canada, there is a symmetric interdependence. This explains some things Dr. Long discussed – why does Canada object to having to sign a clause on human rights or weapons of mass destruction? Because Canada is well-positioned to say that it doesn't care about such a clause, that it's considered a minor detail. In the case of the US, it is even clearer: the EU will not get what it wants when it negotiates with the US, if only because the US has more power than the EU. This fundamental difference between these partnerships and some of the other partnerships examined in this workshop needs to be addressed.

Furthermore, the economic relationship between the EU and North America is very dense and strong; the military relationship is also strong, but through NATO, not through bilateral relations. The economy is bound to dominate security issues (similarly to Japan). Now that the EU has its strategic partnership, it needs a strategy. One reason it has no strategy is that it doesn't have a lot of military power and it isn't involved in big issues. In the case of Japan, we hear that the EU is the *demandeur* on the strategic partnership agreement, much like it is with Canada, the reason being that they want to talk security, but Canada doesn't necessarily want to talk about security in the same way that the EU does.

Additionally, we need to talk about the West. Between the EU, US, and Canada, we may think we're very different, but the rest of the world thinks we're all the same. The Islamic State (ISIL) doesn't see a difference between Europe and the US. How does the whole project of creating an Atlantic community or western community fit into the equation? TTIP and CETA could create the basis for a more ambitious community. Does this make sense, or is it an illusion?

The SP agreement with Canada is, by definition, a low-pain, low-gain business for the EU. There are not many problems, but the advantages are not that clear, either. The disciplinary mechanism is not very important. With Russia and other regions, it makes sense, but it's not necessary with Canada. Strategic partnership agreements are a great way to keep locally-elected officials engaged. The EU is not very good at personal relations. Most EU leaders are unknown or unattractive to foreign heads of government, so a strategic partnership is a good way to convince them to hold a summit. With a strategic partnership, you have set meetings, you can tell your prime minister you have to go to that meeting, and it's very important at all levels of government. When Slovenia held the presidency of the EU Council, Canada's prime minister was not interested in meetings, but when Germany was president, the PM was interested. When we think about strategic partnerships, they may not do a lot, but they provide a name and the structure for a dense relationship at the political and bureaucratic levels.

I'm currently writing a policy paper on fighter jet procurement and what Canada can learn from the EU. It's interesting that Canada never considered buying EU fighter jets. It was clear from the start that we would buy a US one. This makes a lot of sense, and many EU countries did the same. But if you want a partnership and you want to call it strategic, you'd at least have to "consider considering" EU options in the defense industry sector. Here, we could say the strategic partnership is not just about discussions, but also about considering the other partner as someone with whom you engage in security measures.



### III

## The Troubled Partnership: The EU and Russia

This panel assessed the origins and evolution of the EU-Russia Strategic Partnership. Speakers evaluated the use of the instrument in the relationship and reasons for partnership breakdown.

### *The Troubled Partnership: The EU and Russia* by Arkady Moshes, Finnish Institute of International Affairs, Helsinki

The zenith of EU-Russia relations was reached in May 2003 when, at their summit in Saint-Petersburg, the parties committed themselves to building a relationship of quasi-integration known as “common spaces” in the spheres of economy, justice, home affairs, external security, culture, research, and education.

This vision, however, did not materialize. On the contrary, negative trends gained prevalence. As Russia was becoming progressively authoritarian, the value gap was yawning, and this fact could not be ignored in political interaction. Economic convergence was not taking place. Even Russia’s accession to the WTO did not lead to the adoption of common economic rules, but only produced new quarrels. The energy partnership, expected to become a cornerstone of mutually beneficial economic relations, was becoming more and more problematic over time and pushing the sides to diversify their strategies and to weaken, rather than strengthen, mutual interdependence. The EU-Russia so-called “Common Neighbourhood” became a contested territory and a scene of a zero-sum game, despite the EU’s refusal to view the situation in that way. The security cooperation on global problems was sporadic and unable to create positive momentum that could positively influence the debate on European security and alleviate mutual concerns. Some bilateral relationships between Russia and individual EU member states were developing better than others, but again, this could not serve as compensation for the general stagnation and, at times, even open conflicts between Russia and the EU.

In a nutshell, the relationship, even though economically important to both players, was gradually sliding towards a trade and investment partnership of necessity, rather than of choice. Successful strategic cooperation in other areas was not on the agenda.

The crisis over Ukraine was, therefore, not a turning point, not a break of a trend, but a culmination of a process started a long time ago. A Russian analyst rightly observed that the real impact of the Ukraine crisis was that “now everyone can stop pretending. Russia can stop pretending that it is part of Europe, and Europe can stop pretending it agrees.”<sup>9</sup>

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<sup>9</sup> Georgy Bovt, “Russia Makes Truces with the West, not Peace,” The Moscow Times, 16 September 2014, <http://www.themoscowtimes.com/opinion/article/russia-makes-truces-with-the-west-not-peace/507256.html>.

In other words, a fundamental problem in the EU approach to Russia was its failure to admit that the “strategic partnership” had been conceptualized for and concluded with another Russia – less affluent, but more pluralist, viewing the Europe of today as a role model. Therefore, the failure of the EU’s partnership with the new Russia, the Russia of the 2000s, was systemic.

The often-repeated mantra that the EU needed to engage with Russia was wrong on at least two grounds. As a strategy, it tended to view engagement as a goal in itself, not as an instrument that can help only when the sides agree to solve problems together. As a discourse, it created an impression that the EU was more interested in improving bilateral relations than was Russia, which consistently demonstrated that it did not want to see “the drama” in the state of affairs as it was. The “Partnership for Russia’s Modernization” – the initiative trumpeted in the EU during the presidency of Dmitry Medvedev – is the best illustration of the futility of engagement for the sake of engagement.

But, apparently, an even bigger problem has been the inability of both Russia and the EU, as a part of the West, to calculate and predict each other’s behaviour in a situation of conflict and, consequently, to calibrate their own responses. Both sides seemed to be overly self-confident when the Ukraine crisis was breaking.

The EU failed to seriously take into account Russia’s open warnings that it would see the EU’s Association Agreement with Ukraine as an unfriendly act, as a crossing of the “red line.” This is not to say that the EU should not have signed the agreement, which is in its interest, but Brussels should have prepared a contingency plan for how to meet with Russian resistance and, perhaps, even to have conveyed it to Moscow as a precaution. More generally, the Western perception of Russia is often based on its economic deficiencies. It fails to appreciate that, even if it’s economically weak and has fewer resources, Russia has the resolve and skills to play geopolitical games, which gives it serious advantages in the conflict.

But Russia’s reading of the West and the EU in particular also concentrates on perceived weaknesses, which distorts the real picture. Another influential Russian analyst characterized the West as a “directionless gaggle, beset with economic insecurities and losing sight of its moral convictions,” which goes along well with the statements of Russia’s 2013 Foreign Policy Concept that speak about the decline of the historical West.<sup>10</sup>

It is obvious that, in 2014-15, Moscow did not expect that Europe would demonstrate such a high level of support for Ukraine. But it should be admitted that the grounds for this misperception and the expectation that the EU would yield to firmness and pressure existed. In the mid-2000s, Moscow persuaded Europe to shelf its policy of Russia’s democratization and to choose so-called pragmatic interests over liberal values. In 2008, European NATO members blocked Ukraine and Georgia’s Membership Action Plan applications in order not to provoke Russia. After the Russia-Georgia conflict, the EU rushed to restore “business as usual” in relations with Moscow, despite the fact that the EU-brokered agreements were not respected in full. The reaction to Russia’s annexation of Crimea was essentially rhetorical and economic sanctions were introduced very reluctantly, whereas the discussion about lifting them, on the contrary, has been and remains vivid

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<sup>10</sup> Sergei Karaganov, “Western delusions triggered conflict and Russians will not yield,” *The Financial Times*, 14 September 2014, <http://www.ft.com/intl/cms/s/0/05770494-3a93-11e4-bd08-00144feabdc0.html#axzz3cAtHIjq9>.

and visible, even though the conditions were not met at all. Each and every example of this sort invited not reciprocal compromise, but more assertiveness.

At this juncture, the immediate and medium-term future of EU-Russia relations does not look inspiring. The conflict over Ukraine can be frozen or even partly resolved, but the damage done will not be overcome quickly. So, the paradigm of “strategic partnership” has to be retired. Transactional economic relations will, of course, be preserved, but probably at a lower level, including a lower level of ambitions. First, pre-conflict trends (diversification of energy cooperation, for example) will continue. Of particular note, if Russia was not willing to liberalize its markets even to comply with its WTO commitments, it is very unlikely that it will be truly committed to a system of comprehensive free trade from the Atlantic to the Pacific that would include the EU and the Eurasian Economic Union. Second, Russia’s current economic crisis will make it less attractive for foreign investors. As long as the prospect of another downward turn in political relations and of another round of sanctions remains, businesses will have to apply additional caution. In turn, all of this will weaken the machinery of Russia-friendly lobbying in Brussels, as well as in individual member states, as there will be less money available. Third, the trust between political leaders of Europe and Russia cannot be restored any time soon.

But, to repeat, even this scenario of pragmatic interaction critically depends on the resolution, and not simply the freezing, of the conflict in and over Ukraine.

*The EU-Russia Strategic Partnership: Its nature and perspectives by Vadim Voynikov,  
Immanuel Kant Baltic Federal University, Kaliningrad*

**Strategic partnership in the EU’s external policy**

Traditionally, the EU has developed external relations with third countries according to two main approaches. The first approach concerns developed countries, such as the US, Canada, and Japan, which have longstanding economic and political relations with the EU. This partnership could be characterized as an **equal partnership**.

The second approach concerns countries whose level of development is less than that in the EU (Eastern and Southern neighbors of the EU). Such a partnership could be defined as a **junior partnership**. According to this approach, the EU, as a senior partner, uses special algorithms and programs for the junior partners. The aim of such partnerships is to help the EU’s neighbours realize economic and political reforms in order to approximate national systems to the standards of the EU.

The new form of the equal partnership is the **strategic partnership**, which is based on common interests and takes into account the mutual respect of the partners. At the moment, the EU has developed strategic partnerships with ten countries: Brazil, Canada, China, Mexico, Japan, India, Russia, South Africa, South Korea, and the US.

The EU has different grounds to establish strategic partnerships with certain countries. That is why each strategic partnership has its own nature, and thus, the strategic partnership is not a universal

tool in the EU's external policy. In this regard, it is advisable to define a strategic partnership not with a universal definition, but in terms of particular bilateral relations.

### **The EU-Russia Strategic Partnership**

The purpose of this paper is to study the nature of the EU-Russia Strategic Partnership. Looking at the history of EU-Russia relations, we can distinguish the following circumstances that determined the establishment of the EU-Russia Strategic Partnership:

- Geographical proximity, common borders, high level of people-to-people contact
- Interdependence of economies: Russia is a main supplier of natural resources for the EU, and the EU is a main supplier of technologies and customer goods. Russian tourists occupy a significant share of the EU's tourism market. Russian citizens are regular consumers of goods and services in the EU.
- Close historical, cultural, and personal relations. This includes a common history and an extensive experience of interaction.
- Participation of Russia and the EU as global actors in the settlement of regional conflicts in the world

The Russian Federation and the EU could be considered very important and very difficult partners. On the one hand, mutual cooperation is vital for each partner. On the other hand, there are a lot of misunderstandings and contradictions between the parties. That is why the EU-Russia Strategic Partnership combines close cooperation in many areas with disagreements on certain issues.

The EU-Russia Strategic Partnership is based on two key documents: the Partnership and Cooperation Agreement (PCA), concluded in 1993 in Corfu and entering into force in 1997,<sup>11</sup> and Road Maps for the Common Spaces, adopted in May 2005 in Moscow.<sup>12</sup> The PCA is a legal act that regulates a wide range of policy areas including political and economic issues. The Road Maps are soft law acts that contain a number of short- and medium-term instruments for the implementation of the four Common Spaces: the Common Economic Space; the Common Space on Freedom, Security, and Justice; the Common Space on External Security; and the Common Space on Research, Education, and Culture.

In the beginning of 2014, the Ukraine crisis seriously affected EU-Russia relations, and the question arose: are the EU and Russia still strategic partners?

According to the Statement on Ukraine of March 6, 2014,<sup>13</sup> the European Council decided to suspend bilateral talks with Russia on visa matters, as well as talks on a new EU-Russia Strategic Partnership Agreement. Most EU-Russia Area of Freedom, Security, and Justice (AFSJ) projects and negotiations have been suspended. The European Council also suspended EU-Russia summits.

The freezing of relations didn't mean the cancellation of common projects. The EU and Russia remain important partners, but with a certain degree of mistrust and mutual condemnation. In other

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<sup>11</sup> OJ 28.11.1997. C327

<sup>12</sup> [http://eeas.europa.eu/delegations/russia/documents/eu\\_russia/road\\_maps\\_en.pdf](http://eeas.europa.eu/delegations/russia/documents/eu_russia/road_maps_en.pdf)

<sup>13</sup> Statement of the Heads of State or Government on Ukraine Brussels, 6 March 2014, [http://www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/en/ec/141372.pdf](http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ec/141372.pdf)

words, the EU unilaterally froze the further development of relations with Russia, but didn't cancel existing projects.

Starting in March 2014, the EU imposed a number of sanctions towards Russia that could be divided into three types. The first type is **individual sanctions**, which were introduced in March-July 2014. These sanctions concern certain persons and entities who, according to the EU, took part in actions undermining or threatening the territorial integrity, sovereignty, and independence of Ukraine. The second type is **sanctions against Crimea and Sevastopol**. These were sanctions adopted on 23 June 2014 in response to the accession and, later, full integration of Crimea and Sevastopol into Russia. The third type is **economic sanctions**, introduced at the end of July, shortly after the crash of Malaysia Airlines Flight 17.

At the moment, EU-Russia relations have largely been determined by the political situation in Ukraine. The disputes over the Ukraine crisis prevent the realization of common projects within the EU-Russia Strategic Partnership, which are subjects of common interest. On the other hand, the EU and Russia are not ready to give up their strategic partnership. That is why, from the EU side, EU-Russia cooperation could be defined as a “forced strategic partnership.”

Nonetheless, even without formal contacts or EU-Russia summits, in a wider sense, Russia and the EU continue to consider each other important and necessary partners. Thus, we can conclude that there is a strategic partnership between EU and Russia, but it is in a frozen state.

In the current circumstances, we can distinguish the following five key issues in EU-Russia relations:

### **1. The negotiation of a new EU-Russia Strategic Partnership Agreement**

Since June 2008, the EU and Russia have been negotiating a new basic agreement on the strategic partnership. Negotiations are currently postponed due to the Ukraine crisis. The new agreement should replace the PCA and create a new platform for the partnership.

### **2. The visa issue, including visa facilitation and visa liberalization**

In 2007, the EU and Russia started visa-free dialogue, the final goal of which is the mutual abolishment of visa requirements for short-term visits (up to 90 days in a 180-day period). Discussions of the visa-free dialogue are held under the 2011 Common Steps.<sup>14</sup> There were significant achievements in this direction. But even before the Ukraine crisis, it was absolutely clear that the EU didn't intend to abolish visas for Russian citizens, so the visa-free dialogue became more political than operational.

The other component of EU-Russia visa relations is visa facilitation. In 2006, Russia and the EU concluded a visa facilitation agreement,<sup>15</sup> which contained some privileges in terms of visa issuing for Russian and EU citizens. To make travelling easier, the EU and Russia have started negotiations on amendments to the existing agreement. But due to disagreements on the service passports<sup>16</sup> and data protection, the amended agreement was not signed.

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<sup>14</sup> [http://ec.europa.eu/dgs/home-affairs/what-we-do/policies/international-affairs/russia/docs/common\\_steps\\_towards\\_visa\\_free\\_short\\_term\\_travel\\_en.pdf](http://ec.europa.eu/dgs/home-affairs/what-we-do/policies/international-affairs/russia/docs/common_steps_towards_visa_free_short_term_travel_en.pdf)

<sup>15</sup> OJ 17.05.2007, L129.

<sup>16</sup> Service passports (in Russian служебный паспорт) are passports issued for officials of state bodies (e.g., ministries or state services), used for official trips. Russia and some CIS countries (e.g., Belarus and Ukraine) have several types of passports: diplomatic, service, and regular.

After events in Ukraine in 2014, the EU decided to suspend bilateral talks with Russia on visa matters. Within the context of the severe degradation of relations over Ukraine, the suspension of the visa-free regime seems to be relatively minor.

### **3. The new architecture of relations due to Russia's accession to the Eurasian Economic Union (EAEU)**

On January 1, 2015, Russia became a Member State of the EAEU.<sup>17</sup> This is a new supranational organization that is based on internal market principles (i.e., free movement of goods, workers, services, and capital). Initially, the EU viewed the EAEU project negatively, seeing it as an attempt to rebuild the Soviet Union. But now, the EAEU is a reality and EU-Russia relations should be developed taking into account Russia's membership in EAEU.

### **4. EU-Russia energy dialogue**

The first element of EU-Russia energy relations is the dispute between Russia and the EU on the Third Energy Package (TEP). From a legal point of view, the TEP consists of two EU Directives and three Regulations. The main principle of TEP is unbundling, which should stipulate the separation of companies selling energy from the transmission network; this is not in Russia's interest.

The second element, which is interconnected with the first, is the transmission of natural gas to the EU via the Black Sea (South Stream pipeline). Due to disagreement with the European Commission, Russia had to cancel the South Stream project, which planned for gas to be transferred from Russia to the southern EU Member States bypassing Ukraine. Instead, Russia proposed a new pipeline project running through Turkey.

### **5. Settlement of the Ukraine crisis**

The settlement of the Ukraine crisis is a subject of common interest of the EU and Russia. At the February 11-12, 2015 Minsk Summit, the leaders of Ukraine, Russia, France, and Germany agreed to a package of measures for the settlement of the Ukraine crisis (the Minsk II agreement), which contains a number of mutual obligations for the self-proclaimed Republics, as well as for the Ukrainian government.

Measures under the Minsk II agreement are divided into two phases: 1) the cease fire, release, and exchange of all hostages and illegally held persons; and 2) constitutional reform, local elections, and restoration of border control. Parties have implemented most obligations under the first phase. As for the second, there is no common understanding of how to realize it.

After one year of silence, Russian and EU authorities are trying to find a solution to restore the Strategic Partnership. According to its official position, Russia has a strong interest to resume relations with the EU, but will not change its position on Ukraine. Russia's plan is to find a common position on the Ukraine issue by mutual concessions.

In the EU, there is no common idea among the 28 member states of how to develop relations with Russia. Some political powers suggest minimizing contact with Russia, while others demand restoring relations to "business as usual." But both the EU and Russia understand that there is no future without close relations with each other. The main question now is how to restore the partnership.

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<sup>17</sup> Eurasian Economic Union (EAEU), <https://docs.eaeunion.org/en-us>.

In preparation for the Foreign Affairs Council on January 19, 2015, the European External Action Service (EEAS) prepared an “Issues Paper” on relations with Russia.<sup>18</sup> In this paper, the EEAS proposed certain areas of cooperation that would be the basis for a gradual restoration of the EU-Russia partnership. The EEAS defined the main interests of Russia with regard to cooperation with the EU, as well the EU’s interests towards Russia. Moreover, the EEAS proposed to differentiate Crimea-related sanctions from sanctions related to the situation in Eastern Ukraine. According to the EEAS, Crimea sanctions should remain in force, taking into account that no change there is expected. As for the Eastern Ukraine sanctions, they should be dependent on the situation in this region. Unfortunately, the Council did not adopt a final decision on this “Issues Paper.” Moreover, after the attack in Mariupol, further discussion of the document was suspended.

From a short-term perspective, there are not enough conditions to fully restore the EU-Russia Strategic Partnership. The EU wants to punish Russia and harm the Russian economy, but realizes that such policies have a boomerang effect. Russia, in a defensive measure, is trying to undermine EU unity. Moreover, some countries inside and outside of the EU (e.g., the US, the UK, the Baltic countries) are strong opponents of close EU-Russia relations.

In order to improve this situation, irrespective of political disagreements on Ukraine, the EU and Russia have to identify and agree to areas of common interest and start the gradual resumption of relations.

### ***Comments by Joan DeBardleben (discussant), Institute of European, Russian, and Eurasian Studies, Carleton University***

First, I would like to address the question of what caused the internal shift in the Russian approach to the relationship, which became evident in the context of the Ukraine crisis, but began earlier. Arkady Moshes emphasized the importance of Russian domestic factors in explaining this shift. In my view, the hardening of the Russia position vis-à-vis Ukraine may have been in part a reaction to Western actions rather than only a response to domestic political factors. Most important here was NATO enlargement and potential future NATO enlargements into Russia’s neighbourhood, seen as representing an intrusion into Russia’s own sphere of influence and as a potential security challenge to Russia itself. Whether this perception was accurate is another question. It still may have influenced Russia’s behavior in a very fundamental way.

The importance of the external factor in explaining Russian actions in Crimea and in Eastern Ukraine also leads me to reflect on the nature of the EU-Russia strategic partnership, particularly in light of what we’ve learned about other such partnerships. There are several things that are unique about this partnership, but I’ll just mention two of them.

The first is that Russia is the only European country defined by the EU as a strategic partner. This introduces some additional baggage into the relationship because the EU deals with European partners differently from non-European partners. The presumption that Russia is a European country, which both partners seem to agree on for different reasons, may suggest to EU actors that

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<sup>18</sup> The paper is available here: <http://blogs.ft.com/brusselsblog/files/2015/01/Russia.pdf>.

European norms and values should apply and that Russia should be acting like a European country as the EU understands the term. This kind of framing assumption may not be as strong in the EU's relationships with other strategic partners or may be unproblematic there. In relation to Canada, the US, and Japan, values are not generally contested. In relations with China, values and norms are not such a prominent topic as with Russia. In relation to Russia, the 'values' issue is frequently raised in EU circles as potentially problematic but fundamental for the relationship. This tendency of the EU to inject a clear values agenda into the relationship (related to Russia's claim to "Europeanness") sets the EU-Russia strategic partnership apart from partnerships with other non-democratic countries.

The second distinctive feature of this partnership is that Russia is a direct neighbour of the EU. As the only strategic partner that is geographically contiguous with the EU, the issue of the shared neighbourhood is also uniquely present. This opens up the possibility of conflict, particularly in the context of the first factor I mentioned.

What is the basis of the partnership? As mentioned to a greater or lesser extent by other speakers, three factors are, in my view, most important: 1) common economic interests, clearly present – possibly the predominant, driving factor; 2) shared values, a proclaimed basis of the relationship in official documents, but actually problematic; and 3) other interests, which may or may not be shared. Here, security issues are of key importance. Both Russia and Europe are very concerned about security issues. For Europe, a major *raison d'être* of European integration is to prevent another war in Europe. A very important part of this logic is the post-war and post-cold war settlement of borders. Russia is also very concerned about security, for different reasons. As a 'pared-down' power that used to be an empire or a superpower, depending on your viewpoint, Russia is insecure about its nature, its status, its role. Is it a regional power? Is it a global power?

Russia faces all kinds of security challenges (traditional ones and nontraditional ones), some of which are uncontested security threats (e.g., terrorist attacks) and others that are more contested, but which Russia frames as security issues (e.g., declining influence in the near neighbourhood and NATO enlargement). While the EU and Russia share a mutual interest in security, this issue has never been dealt with as a central focus in the partnership, partly because the EU has only limited foreign policy capacity compared to its member states. Combined with the fact that the two partners are geographically contiguous and the fact of a shared neighbourhood, this aspect of relations with the EU forms the basis of a security dilemma for Russia. As Arkady Moshes mentioned, Russia made some overtures for cooperation in the security sphere, i.e., that there should be a new common European security framework. The West's rejection of that notion in favour of the primacy of the transatlantic NATO alliance was seen by the Russian leadership as a rebuff. So we have a strategic partnership which is primarily based on economics, where the value issue is problematic, and where the security issue is not adequately addressed. That combination lays the groundwork for possible conflict. I therefore believe that at least part of the reason for the shift in the Russian position is reactive, not simply a response to domestic political factors. If that's true, then any reset requires a deeper reflection about what the basis of any restored partnership might be, particularly in addressing security concerns.

I agree that the notion of "strategic partnership" should be retained in our vocabulary as a long-term reference point for EU-Russia relations. This may be helpful, as we think about what such a partnership could look like. What would we want the relationship with Russia to look like 10-15 years from now, if we can get past this current crisis? It would have to look quite different from



the nature of that partnership that Vadim Voynikov described or the pre-existing one that Arkady Moshes talked about. And it would have to take account of differences between the two parties in terms of norms and in terms of security concepts. A starting point for the EU might be to suspend the tendency to categorize Russia as a European country subject to EU norms. I know this may sound offensive, as it may appear to imply abandoning certain value premises. It need not, however, imply such a radical shift, but rather an acknowledgement that Russia is a country, like China, that cannot be assumed to accept the universality of EU values. Russia would likely frame this shift differently, namely, as acknowledging multiple definitions of what it means to be European. That might offer the way forward. Also, if we can visualize the destination of the relationship (10-15 years hence), rather than focusing on the current moment, perhaps we can find a road to get there.

### *Contingent relations by Merje Kuus (discussant), University of British Columbia*

These are comments with a small “c”: the effort is not to make big claims, but to add nuance to the discussion. I convey no new information on the EU-Russia Strategic Partnership—Arkady Moshes and Vadim Voynikov have given us two insightful analyses already. Rather, I highlight three dynamics in EU-Russia relations that require more attention at events like this one. Closer focus on these dynamics can help us examine the contingencies of EU-Russia relations with greater precision.

The first dynamic concerns the multiplicity of views regarding Russia inside the European Union. Many players wish that the EU could develop and sustain a more unified policy line on Russia. Analysts consequently try to distill the one position—the one that finally seems to be emerging—that can tie together the different agendas into one tidy compromise. Multiplicity is cast as a temporary hiccup. This is problematic because it sets up unrealistic expectations of what the EU can accomplish in the short term. On Russia, more so than on many other spheres of EU external action, the question is not only how to act in agreement, but also how to manage disagreement. Discussion about Russia is not a drop of tar in a honey-pot, but an integral part of EU decision-making. The course of that discussion is contingent rather than pre-ordained. This is well known in practice, but not always acknowledged in written analysis.

The second dynamic relates to Europe as a political, cultural, and geographical concept. The relations between European states and Russia have been entangled with the concept of Europe since the emergence of that concept in the 18th century. Russia and Europe have been, since that time, the touchstones by which each has secured its own self-identity. All strategic partnerships involve questions of identity to some degree, of course; with Russia, these questions go back farther and have more twists to them. Granted, the notion of identity—like plurality, multiplicity, or diversity—is sometimes used to obscure discussion. If all else fails as an argument, wheel in identity as the catch-all category to denote at once everything and nothing. Analyses should nonetheless acknowledge that underneath seemingly “objective” argumentation about current interests are often deeply held but rarely debated assumptions about how Europe and Russia should identify themselves on the world scene. In the EU side moreover, different member states bring in different understandings of self-identity. To say this is not to make any specific claim about how the EU and Russia should interact; it is simply to identify multi-layered identity politics as an

integral part of their relations. Identity is a contingent political construct rather than some mythical immutable essence. The play of identity politics in EU-Russia relations thus depends on many things: on domestic politics in Russia and in the EU member states, as well as the specific decisions that each side takes in formal diplomatic relations.

In light of the above argument, the European External Action Service (EEAS) matters beyond its formal mandate and competencies—and this is the third dynamic I highlight here. That service has the institutional memory, intellectual capacity, and internal diversity to work with the ambiguities at hand. This point does not downplay national diplomacies in Europe. It rather underscores that the EEAS adds an institutional setting in which the continuous consideration of contingencies can take place at the EU (as distinct from national) level.

## IV

# Europe's Asian Strategy: More than just trade?

This panel assessed the nature and importance of the EU's Asian strategy from a geopolitical viewpoint, including consideration of the balance of the EU's normative, economic, and political values and goals.

*More than just trade: Explaining the development of the EU-China strategic partnership*  
by Nicola Casarini, Istituto Affari Internazionali, Rome, and Wilson Center,  
Washington, DC

### Introduction

Since the mid-1990s, the EU has prioritized relations with China as part of the EU's *New Asia Strategy*. Economic considerations have driven Europe's engagement with the East. Today, China is the EU's biggest source of imports by far, and the EU has also become China's biggest source of imports. China and Europe now trade well over €1 billion/day, though this is not balanced. The EU has accumulated a constant trade deficit with China – its biggest bilateral trade deficit with any country, having increased from €89.6 billion in 2002 to around €170 billion in 2014.

The Sino-European strategic partnership is not limited to trade, but now covers all policy domains, from foreign affairs to security matters and global challenges such as climate change and global economic governance. The partnership has also become highly institutionalized. Since 2008, the annual EU-China Summit has been complemented by an EU-China High-Level Trade and Economic Dialogue – which follows on the heels of the US-China Strategic and Economic Dialogue – and, since 2010, by an annual EU-China High-Level Strategic Dialogue.

### The development of the EU-China strategic partnership

The EU-China strategic partnership was established in autumn 2003. Buoyant economic and trade relations between the two sides provided the backbone for it. But strategic considerations were also involved, as the partnership between Brussels and Beijing was launched during one of the most serious transatlantic rifts since the end of World War II, brought about by different views on the Iraq War and the unilateral policies of the Bush Administration. As a result, some of the initiatives undertaken by the EU and China gave the partnership a distinct “strategic” flavour, attracting the attention – and concern – of policymakers in the US and Japan. While strategic thinking was not a novelty for Chinese leaders, it was the first time that the EU had attempted to act strategically with regard to China and tried to go beyond its traditional role as a junior partner of the US.

Some European leaders led this new strategic thinking toward China. At the EU level, Romano Prodi, President of the European Commission from 1999 to 2004 and, at the national level, Gerhard Schroeder (Chancellor of Germany) and Jacques Chirac (President of France), in particular, supported the new approach toward Beijing, viewing it also as a way to send a message to Washington.

The elevation of EU-China relations was carried out on three cornerstones that were supposed to give meaning and content to the strategic partnership. The first was a shared understanding of the post-Cold War international system and the place of China and the EU within it. In this respect, the EU and China used multilateralism and multipolarity as two key concepts to define their strategic partnership.

The second cornerstone was cooperation in the high-tech and strategic industrial sectors. On the same day as the declaration of their strategic partnership, the EU and China signed a political agreement on the joint development of Galileo, the EU-led global navigation satellite system, an alternative to the dominant US Global Positioning System (GPS). China would be the most important non-EU partner in the Galileo project. Because of the dual-use nature of space technology and its different interpretations by EU member states, the existence of an arms embargo was felt to be a serious hindrance to the further development of EU-China space cooperation. This was one of the main reasons why some member states supported lifting the embargo. The proposal to lift it would eventually become the “highlight” of the elevation of EU-China political relations attracting most of the attention, and concern, of the US and its Asian allies.

The third area of elevated relations was closer economic and monetary ties, including support for the euro. As part of the newly-established EU-China Strategic Partnership, the People’s Bank of China (PBOC) made an informal commitment in autumn 2003 to further diversify its holdings of foreign reserves away from the dollar and into the euro.

When the strategic partnership was established in 2003, China and the EU had positive attitudes towards one another. This sentiment would change in the following years.

### **Problems emerge**

The official postponement of the decision to lift the arms embargo made by the Council of the EU in summer 2005 contributed to changing perceptions in Beijing towards the EU. At the same time, European perceptions of China were changing; negative attitudes towards China began to emerge, particularly in relation to trade, human rights, and the Tibetan question.

The economic dimension, in particular, took centre stage in the debate, with a growing perception among some EU members that China’s economic rise posed a threat, based on the argument that China was dumping European markets with cheap products and taking away jobs in manufacturing sectors. This viewpoint was strengthened by Beijing’s active industrial policy that was turning the country into a low-cost competitor in high-skill industries.

Politically, the Barroso Commission together with new – and more Atlanticist – leaders in some EU member states contributed to a reorientation of the EU’s policy on China. In addition, the Obama Administration took office in early 2009, promising a multilateral approach and openness to collaboration with European allies. The interest of EU policymakers in using relations with

China to deal with Washington's unilateral behaviour faded accordingly. Thus, when the global economic crisis broke out in autumn 2008, EU-China relations were at one of their lowest points. However, the Eurozone crisis focused minds around the monetary dimension that has, ever since, become the central strategic element of the partnership.

### **Financial and monetary connection**

Since March 2009, when the PBOC governor explicitly called for the creation of a new international reserve currency, Chinese policymakers have reiterated their desire for an alternative to the US's "exorbitant privilege." For China, the euro represents the strongest alternative to the dollar. For this reason, Chinese officials have intervened on a number of occasions during the Eurozone's debt crisis to reassure markets and Europeans that they will continue to buy Eurozone bonds. Moreover, Chinese investors have continued to make up a large proportion of the buyers of Greek, Portuguese, and Irish bailout bonds auctioned by the Eurozone's €440 billion rescue fund since 2010. And Beijing has also shown interest in investing in fully guaranteed and safe (i.e., AAA-rated) Eurobonds once they become reality.

In contrast to widespread euroskepticism coming mainly from Anglo-American banks and hedge funds, China has consistently been more euro-optimistic. Since summer 2011, China has accelerated the diversification of its holdings of foreign reserves. Today, according to informed guesstimates, China's holdings of euro-denominated assets are at around one-third of its total foreign reserves. This trend has been facilitated by the creation of a parallel "monetary diplomacy" by the European Financial Stability Facility (EFSF) – replaced in 2012 by the European Stability Mechanism (ESM) – and some Eurozone governments with regard to Beijing. Together with the purchase of euro-denominated assets, China has also fostered investments in Europe.

By the end of 2014, Beijing had invested USD\$54 billion in the stocks of European companies, becoming the fifth largest investor in the "Old Continent" – after the United States at \$3.2 trillion, Canada at \$155 billion, Bermuda at \$77 billion, and Japan at \$56.5 billion. China has also stepped up its involvement in project financing and mergers and acquisitions, and boosted monetary relations with European central banks through currency-swap agreements and yuan bank clearing.

The PBOC has signed bilateral currency swap agreements with a number of central banks in Europe. In October 2013, the PBOC and the European Central Bank (ECB) signed a bilateral currency swap agreement for a sum of €45 billion, the largest ever signed by Beijing outside the region. In November 2014, the ECB decided to add the Chinese yuan to its foreign-currency reserves. The PBOC has also designated a number of yuan clearing banks, known as RMB Qualified Foreign Institutional Investor (RQFII). Half of these "renminbi hubs" are in Europe, in places like London, Frankfurt, Paris, Luxembourg, and Prague. Growing monetary connections largely explains the interest by European countries to join the China-led Asian Infrastructure Investment Bank (AIIB) as founding members, regardless of Washington's criticism.

### **Conclusion**

To sum up, the strategic partnership with China has allowed the EU to achieve the following:

1. Promotion of Europe's economic interests: This has been facilitated by a division of labour within the EU. On the one hand, EU Member States have tended to refrain from raising contentious issues with Chinese leaders. At the same time, EU institutions have

- maintained a certain amount of political pressure (and criticism) toward Beijing through yearly human rights dialogues and the EU-China High-Level Strategic Dialogue.
2. Promotion of Europe's space and defence interests: both at the EU level (e.g., Sino-European cooperation in Galileo) and at the national level (arms sales).
  3. Support for the Eurozone: through China's purchasing of euro-denominated assets and backing of the EFSF/ESM's bailout programs.

### *EU-Japan Relations: Considerations by Michito Tsuruoka, National Institute for Defense Studies, Japan Ministry of Defense, Tokyo*<sup>19</sup>

#### **Development of the relationship**

Japan-EU relations have transformed a lot in the past several decades. From the mid-1970s to the mid-1990s, the relationship was dominated by trade conflicts. With the end of the Cold War, the two sides began exploring ways to develop a more comprehensive relationship beyond trade and the economy. The first step in such a direction was the July 1991 Hague Declaration, which was followed by the December 2001 Joint Action Plan.

Three major factors helped drive the transformation: first, trade conflicts between the two sides receded in the mid-1990s, which enabled Brussels and Tokyo to devote more time and resources to thinking about broader issues; second, from the early 1990s, the EU began expanding its role in foreign and security policy, boosted initially by the Maastricht Treaty that came into force in 1993; and third, at the same time, Tokyo sought to raise its political and security profile in the region and beyond. All of these factors resulted in successive calls for more political and security cooperation between the EU and Japan. Above all, the two sides have come to be seen as “natural partners” sharing fundamental values and interests.

#### **The parallel negotiations of the FTA/EPA and SPA**

The most recent and visible development in the EU-Japan relationship is the start of parallel negotiations on a free trade agreement (FTA)/economic partnership agreement (EPA) and a political/framework agreement, now tentatively called the EU-Japan Strategic Partnership Agreement (SPA), in 2013.

Initially, the Japanese pressed to conclude the FTA, thereby abolishing EU import tariffs, as the incoming EU-South Korea FTA would put Japanese companies in a disadvantageous position vis-à-vis Korean competitors in the EU market. Therefore, it was a defensive move to redress the situation, and the main focus has been on tariff barriers (TBs). In response, Brussels remained reluctant for a long time, as it was not interested in lowering TBs on imports from Japan. Instead, the EU emphasized the need to address non-tariff barriers (NTBs) and pushed the idea of concluding a political/framework agreement together with the FTA. For Japan, the SPA – as it

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<sup>19</sup> *The views expressed in this piece are the author's alone and do not represent those of the NIDS, Ministry of Defense or the Government of Japan.*

came to be called later – was in essence a price to pay to get FTA negotiations started. Therefore, it was not surprising that there were few positive rationales for the SPA from the Japanese side. On the other hand, for the EU, it has now become its standard practice – or, more precisely, a legal obligation for the EU – to conclude a political/framework agreement along with an FTA and link the two legally. But it has primarily stemmed from the EU’s internal reasons, and Japan (as well as other EU partners) is still wondering about the merits of such an approach.

### **Does the strategic partnership matter?**

While the fact that the EU has designated Japan as one of its “strategic partners” is perceived positively by the Japanese in general, the extent to which it matters for Japan is unclear at best. Since it is only natural for the EU to designate Japan as a strategic partner, given that the country still has the third largest economy in the world and that it shares fundamental values and a broad range of interests with the EU, Brussels’s decision to categorize Japan as a strategic partner did not seem to elevate the status of Japan for the EU or in the wider international community. Put simply, no matter what the EU calls it, Japan is a major country – if not rising – in the world. Also, in light of the proliferation of diplomatic loose-talk using words like “partners” and “strategic” between an increasing number of countries across the world, the relevance of calling each other strategic partners is decreasing in importance. Japan has its own growing list of countries that it calls strategic partners such as Australia and India, just as the EU does.

Because of the above, again, it can be reasonably assumed that the use of the term or the concept of strategic partners for Japan (and other countries in the same grouping) mainly serves the EU’s internal needs in terms of securing budgetary and other resources within EU institutions and keeping member states on board.

### **Challenges ahead**

In thinking about the future of the “strategic partnership” between the EU and Japan, two remaining challenges stand out. First, there is a question about the extent to which the EU and Japan need to institutionalize the relationship. The two sides are currently negotiating the FTA/EPA and the SPA. In addition, there have been ideas of concluding a Framework Participation Agreement (FPA) regarding Japan’s participation in the EU’s Common Security and Defence Policy (CSDP) missions and an Information Security Agreement (agreement on the security of classified information and materials). Some EU officials call the first three – FTA, SPA, and FPA – the “trinity” of the EU’s strategic partnerships. South Korea was the first Asian country to conclude all three agreements with the EU; Japan’s general approach is more pragmatic, and it is willing to conclude formal agreements only when necessary for practical reasons. Tokyo therefore remains rather skeptical about the EU’s tendency to emphasize the importance of (legally) institutionalizing the relationship.

Second, a persistent problem hindering the development of the relationship is low public awareness about the EU-Japan relationship. In addition to deep economic relations, there has been growing on-the-ground political, security, and even defence cooperation taking place between the EU (or individual European countries) and Japan. But few people outside the very limited circle of officials and experts who are in charge of the relationship on a daily basis are aware of what is taking place. This lack of knowledge often leads to skepticism, as people tend to be skeptical and dismissive about what they do not know well. Therefore, how to raise peoples’ awareness about

the EU-Japan relationship remains a substantial challenge, and more public diplomacy efforts are in order both in the EU and Japan.



# V

## Strategic Partnerships and Emerging Actors

This panel examined the EU's strategic partnerships and multilateral instruments in dealing with developing powers and changing geopolitical realities.

*Is the Mexico-EU Strategic Partnership of any relevance?* by **Stephan Sberro**, Instituto Tecnológico Autónomo de México, Mexico City

### Introduction

The history shared by Mexico and Europe dates back 500 years to when Europeans invaded and created what is now Modern Mexico. The agitated and often painful relations did not stop with the long and costly war of independence from Spain. European powers have intervened, including militarily, time and again in Mexico, although their presence progressively faded in comparison with US interventionism in the country. We do not aim here at writing a history of the relations between Mexico and Europe in the twentieth century.<sup>20</sup> From the onset, European integration changed the nature of the bilateral relationship. Mexico started its diplomatic relationship with the European Economic Community in the seventies,<sup>21</sup> but it really took off in 2000 with the conclusion of a “Global Agreement” between the two parties, which was tantamount to almost free trade, while creating an institutionalized political dialogue and updating the cooperation agreement that had prevailed since the seventies. Hardly nine years later, another groundbreaking agreement was signed: Mexico was deemed to be one of the ten countries in the world that are strategic to the EU.

Since the seventies, Mexico has been a pioneer in the developing world, enjoying any institutional possibility of cooperation and contending issues with the EU. So it comes as no surprise that after the end of the Cold War, despite, or thanks to, the special relations it built with the US and Canada with NAFTA in 1994, it has become the emerging country with the most ties with Europe. For example, Mexico was the first emerging country to become a member of the OECD, and it is also the only one to be an observer to the Council of Europe in Strasbourg. Hence, for the EU, Mexico is, undoubtedly, a special emerging country not only to the US, but also to Europe. There is remarkable convergence in international fora on topics such as climate change, economic governance, or in UN debates where voting patterns on delicate matters such as the Middle East or Human Rights show strong convergence with the EU as opposed to how other emerging

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<sup>20</sup> Lorena Ruano, "Relaciones México-Unión Europea: Tendencias actuales y perspectivas" in Jorge A. Schiavon y Rafael Velázquez Flores (Editores), *La Política Exterior de México 2012 - 2018: Diagnóstico y propuestas*, Asociación Mexicana de Estudios Internacionales, A.C. (AMEI), Mexico, 2012.

<sup>21</sup> The agreement is dated September 15, 1975 between the Mexico and the European Economic Community, (Official Journal of the European Communities), N L247 of 23 September 1975. It was an instrument of trade and economic cooperation of non-preferential rate.

countries such as Brazil or Turkey vote. The consequence of this special position is the Strategic Partnership agreement.

Mexico is thus the non-European country with the most institutional ties to the EU, on par with Israel. It also was a co-founder of the ALCUE (Latin America, Caribbean, and EU) summits at Rio in 1999 and is a member of the G20.

In this context, it is legitimate to ponder the relevance of the Strategic Partnership agreement between the two parties, and to wonder what it could bring beyond recognition of the importance of Mexico on the world stage, as well as asking: is the partnership of any relevance for each side?

### **A redundant agreement?**

Fifteen years of a global agreement did change the nature of the relationship from 2000 to 2015. The signing of the Economic Partnership, Political Coordination, and Cooperation Agreement (Spanish acronym AAECPC) between the EU and Mexico, in Brussels on December 1997, was the culmination of a long process that began in 1992, when President Carlos Salinas de Gortari asked the European Union for a trade agreement with Mexico that would consolidate the opening process of the country. In their previous 23 years of institutional relations, the EU and Mexico had signed two agreements: one in 1975 and the Framework Agreement Cooperation of 1991.<sup>22</sup> By replacing these with the Global Agreement, Mexico and the EU maintained, and even slightly increased, the level of their exchanges, especially in international investments<sup>23</sup> despite NAFTA and the rise of China. They also consider each other as natural allies and consult on a regular and institutional basis.

So is the strategic partnership a qualitative step in the relationship? Likely with the one-year-old strategic partnership in mind, European Council President Herman Van Rompuy said on May 16, 2010: “The [Mexico-EU] summit signaled something new between the EU and Mexico, with a more active and constructive role for both parties.” To understand why a strategic partnership was deemed useful, despite the existence of a more ambitious and concrete global agreement, it is convenient to recall the context in which it was developed. In 2007, Brazil became the 7th country to be declared a strategic partner of the EU, which prompted Mexico to ask for the same status. Despite some initial reticence from some member states, negotiations progressed rapidly and all parties ratified the agreement in 2009. Skepticism on the agreement comes from two types of arguments. First, there is a problem with the very nature and definition of strategic partnerships. This debate is not proper to Mexico; it is hard to understand where lies the strategic alliance between the EU on one side and Russia, China, or even Brazil on the other side, given their problems or the positions they defend in international fora. The second argument is that there are already institutional and political instruments for the partnership, far more concrete and profound than those with any of the EU’s other strategic partners, including the US, Canada, or Brazil.

The criteria for choosing strategic partners are not clear. There are ten strategic partnerships with specific state partners, two with continents, and the union for the Mediterranean and European

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<sup>22</sup> “Acuerdo de asociación económica, concertación política y cooperación entre la comunidad europea y sus estados miembros, por un parte y los Estados Unidos Mexicanos, por otra”, [http://eeas.europa.eu/delegations/mexico/documents/eu\\_mexico/acuerdo97\\_es.pdf](http://eeas.europa.eu/delegations/mexico/documents/eu_mexico/acuerdo97_es.pdf)

<sup>23</sup> Europa en México, “Informe de actividades 2014”, *Delegación de la Unión Europea en México*, México, Lithografica Ambi SA de CV, 2015.

neighborhood. The place of the strategic partnership instrument within the European Common Foreign Policy is therefore undefined, as well.

The definition and the content of a strategic partnership are no longer precise and could be understood as, according to a common understanding, a “cooperative relationship between parts that share the desire to reach common high-priority goals.” It is thus not strategic in the military sense. In the Mexican understanding, it is rather an alliance to push mutual and common interests in multilateral fora like the UN, G8 + G5, G20, and the OECD, among others, or in big debates such as terrorism or climate change. It is not a legally binding contract, either. For countries like Mexico, being a strategic partner of the EU has more to do with status and relevance in the global arena given that, for more precise interests and negotiations, Mexico and the EU would rather use their global agreement.

This is the second part of the doubts about the relevance of a strategic agreement. With the EU already having ten strategic partners, including Mexico’s neighbours in North America, as well as Brazil, Mexico’s status is hardly preferential. On the other hand, the country does enjoy preferential treatment thanks to the Global Agreement and being part of the EU-CELAC (European Union-Comunidad de los Estados de Latino-America y el Caribe) interregional dialogue.

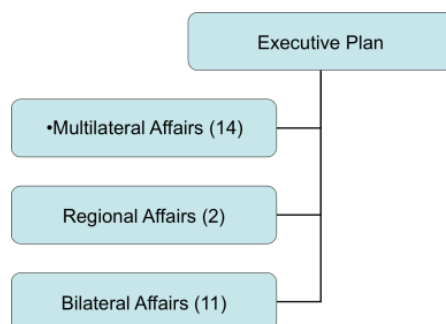
There are three sophisticated, concrete, and highly political instruments for dialogue with the EU that makes Mexico unique in Latin America and the world as far as the number of institutional links is concerned – namely, the global agreement, the strategic partnership, and the EU CELAC Summits.

### **A real contribution to the relationship?**

Nonetheless, obtaining a strategic partnership with the EU did mean concrete benefits for Mexico in its relationship with the EU, beyond success for its diplomatic service. These benefits are threefold.

First, symbols and statuses are relevant in international relations. Soft power is power, and for Mexico, not being considered a strategic partner with Canada and the United States would have had a cost. The strategic partnership entails three types of advantages for Mexico in big world gatherings on important issues: it eases alliances with the EU, it broadens the scope of these alliances to new areas such as human rights, security, and macroeconomic issues that were not included in the global agreement and, finally, it enhances the role of Mexico for its partners, whether or not they are strategic partners of the EU. It also enhances Mexico’s visibility in the EU, and since then, there have been planned special dedications to Mexico and its culture in France (which failed due to the tensions of the Florence Cassez case), Great Britain in 2015, and Germany in 2016.

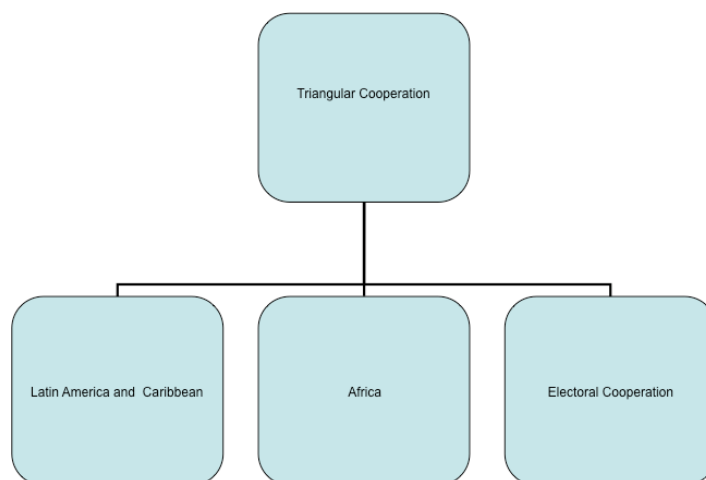
Secondly, the strategic partnership is an executive action plan, completed in May 2010 with four thematic groups, which are structured as per the graphic below.



Finally, the strategic partnership is innovative, as Mexico is relevant not only on its own merits, but also because it is a strategic part of two regional groupings particularly important to the EU: North America and Latin America. It also plays a special role in Central America and the Caribbean that could be theorized with two important international relations currents: comparative integration and inter-regionalism.

These two currents have gained strength with the theoretical and practical void left by the end of the Cold War. In comparative integration, NAFTA has different means and institutions to address the economic, social, and security challenges.

Inter-regionalism is a new element in the shaping of new global governance. Both the EU, as a prime mover, and Mexico, as a pivot state, are central to the development of this new way of multipolar world ordering. The strategic partnership offers concrete steps towards inter-regionalism, proposing triangular cooperation in three already-defined areas: Latin America and the Caribbean, Africa, and electoral assistance, as we can see on the graph below.



Triangular cooperation is even more interesting considering that Mexico would be both a recipient and provider of international assistance and could thus be an original and effective partner for the

EU. It will also provide an easier precedent for the EU's partnerships with China and India. The EU and Mexico have already produced a handbook containing common procedures for triangular cooperation, which could lead to strengthening both Mexico's presence in Africa and Europe's presence in Central America. To achieve this cooperation, there are concrete steps that can be followed. Some guidelines have already been defined, such as a project of integration and development in Central America, integrated programs on security and justice, and joint action in Africa to reach the objectives of the millennium development goals (MDGs).

## Conclusion

The strategic partnership with Mexico is different in nature from the nine others, and is both redundant and relevant. Its relevance and usefulness is not evident from the outset, hence the skepticism. It has offered fertile ground to maintain not only economic and trade flows, already secured by the global agreement, but also to supply a framework for both political dialogue and innovative action. It also offers stability to a new relationship that started off positively between 2000 and 2010. Mexico set out then on a dual process of economic and political opening while integration with Latin America and North America was most promising.

In the second decade of the twenty-first century, these positive features have disappeared. Hence, the strategic partnership is a way to maintain and structure the relationship. It offers two assets unforeseen in 2009.

By a turn of fate, the strategic partnership, which is less concrete and important than the global agreement, could become a crucial asset. It will help Mexico maintain its competitive edge at a time when huge progress is being made in EU-Canada and EU-US relations. It will be an important incentive for the successful renegotiation of the global agreement, which should start in 2016 in light of the obsolescence of the previous one signed in 2000, since the EU has obtained deeper agreements with other Latin American countries (Colombia, Peru, and Central America, which are not strategic partners). In a concrete way, it allows Mexico to negotiate and preserve more ambitious cooperation programs with the EU, no longer based on the merit of its underdevelopment, but because it is a strategic partner thanks to the "Strategic Instruments."

In conclusion, the strategic partnership with Mexico might not be as groundbreaking, visible, and important to the EU as its other partnerships. Nevertheless, it is rooted in a deep convergence of views and interests, and, in this sense, it is exemplary compared to almost all other ones, including those in the Americas.

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*The EU Strategic Partnerships with Emerging Powers* by Thomas Renard, Egmont Royal Institute for International Relations and Strategic Partnerships Laboratory, Brussels

The EU started reflecting upon the changing nature of its relations with a set of emerging powers in the early 2000s. In 2003, the EU published its first-ever ‘European Security Strategy’ (ESS), an important policy document resulting from a collective reflection under the guidance of the EU High Representative, Javier Solana. Although the document had some merit in identifying the EU’s global objectives and priorities, it was above all a political statement with important strategic implications. As a result of the European and transatlantic dissensions over the war in Iraq, the document essentially aimed at making three points. First, the EU has global ambitions. It is willing to defend its interests and values worldwide, and to shape things to come. Second, despite tensions over the Iraq war, the US remains an “irreplaceable” ally for Europeans, that is, the privileged partner in global affairs. However, thirdly, the US can no longer be considered the sole partner. More partners are to be considered in a world transitioning towards multipolarity, and the ESS mentions a number of potential “strategic partners”: Russia, Japan, Canada, China, and India.

The ESS was one of the first EU documents to acknowledge the growing imperative to engage emerging powers, but it was certainly not the last. Across all policy areas, since the early 2000s, emerging powers have started to challenge, compete, or partner with the EU, hence requiring a clear European response. This was very visible in the trade area, for instance. In 2006, the European Commission published a new trade strategy (called “Global Europe”) that was specifically designed to cope with the rising competition from emerging economies, and more particularly from the BRICS countries.

Over the past decade, the EU has progressively elevated its relations with a number of emerging powers to the level of strategic partners. This occurred partly as a result of these policy-specific reflections, and partly as a result of the broader impetus initiated by the ESS. China became a strategic partner in late 2003, India in 2004, and Brazil and South Africa in 2007. Russia was already considered a strategic partner – although a challenging one – by the 2003 ESS. Today, the EU counts ten strategic partners: Brazil, Canada, China, India, Japan, Mexico, Russia, South Africa, South Korea, and the United States.

The list presents an interesting mix of established and emerging powers, Western and non-Western ones, like-minded and unlike-minded countries. Although one can make sense of such a list – after all, these are all powers with significant influence over certain regions and/or policy areas – this was not the result of any strategic reflection at the European level. This was rather the outcome of various circumstances, which led to an “accidental” more than “strategic” list of partnerships.

It is also remarkable that these partnerships are neither equal nor identical. Clearly, some of these partners are “more equal than the others,” leading to different levels of prioritization among them. Furthermore, these partnerships are not identical in different aspects. First, they are underpinned by different political and legal bases. Second, they have different scopes and levels of ambition, as reflected in their Joint Action Plans and in the institutional architecture of these partnerships. Thirdly, there are different levels of maturity among these partnerships, some being more results-oriented whereas others are more process-oriented.

### **Three Core Purposes**

The EU’s strategic partnerships can be seen as fulfilling several purposes, organised on three levels. At the self-reflexive level, they are a manner for the EU to position itself vis-à-vis its member states, on the one hand, and vis-à-vis other powers, on the other hand. Internally, strategic partnerships are regarded as useful to position the EU as a coordinator-in-chief vis-à-vis its member states, in the process of strategy- and policymaking with regard to pivotal countries. They are also meant to facilitate EU inter-institutional policymaking. Externally, they serve to assert the EU’s global ambitions. When the EU establishes a strategic partnership, it is implied that it is a strategic partner itself. Strategic partnerships are thus operating as an effective narrative, internally and externally.

Second, at the bilateral level, they are meant to broaden and deepen relations with certain countries. Economic relations constitute the backbone of any strategic partnership, indisputably. This is the EU’s strength, and part of its DNA. It is thus not surprising to notice a certain parallel between the EU’s trade agenda and its strategic partnerships. The “special ten” are all important economic partners, as illustrated by trade and investment figures. The EU has negotiated or is negotiating free trade and investment agreements with most of them. The link was perhaps most visible with South Korea, which became a strategic partner in 2010, after the signature of a free trade agreement. Bilateral relations go beyond economics, however. EU partnerships are also about strategic and political issues, a myriad of sectoral issues, and people-to-people relations. The EU has thus negotiated or is negotiating important political frameworks with its partners while broadening its cooperation to encompass ever more policy areas. Since 2003, for instance, the number of policy dialogues between the EU and its partners has grown remarkably, to reach over 60 with the US and China, 38 with Brazil, 33 with South Korea, and 23 with South Africa. This suggests the growing breadth of the EU’s bilateral relations with established and emerging powers.

Third, at the structural level, bilateral partnerships are designed to complement and reinforce the EU’s (inter-)regional and multilateral approaches. Traditionally, the EU has promoted regional integration and effective multilateralism as a means to structure international relations and shape a favourable environment for the EU’s external action – one that privileges the power of rules over the rule of power. Yet, EU policymakers cannot deny that regional integration and the multilateral system have had better days, and that effective external action must rely, at least partly, on a bilateral approach. The 2008 review of the ESS suggested that bilateralism is compatible with multilateralism. It also clarified that strategic partnerships were developed specifically “in pursuit of that [effective multilateral] objective,” and in parallel to (inter-)regionalism. They are meant to substitute regionalism and multilateralism, where the latter are nonexistent or have failed. Bilateral partnerships are also an instrument to facilitate convergence or consensus within the multilateral system, and to implement multilateral decisions. Strategic partnerships are thus one dimension of the EU’s multi-dimensional external action.

## **Conclusion**

As a conclusion, we share six basic thoughts. First, EU political and economic relations with emerging powers pre-dated the so-called “strategic partnerships,” but the latter clearly boosted these relations, while adding a strategic value to them. Second, the EU’s strategic partnerships reflect a broader diplomatic practice – China or the US each have more than 50 such partnerships – as well as the rising importance of the EU as a global power. Third, it is remarkable that emerging powers reacted positively to the EU’s offer of a partnership, notably because it gave credit to their “emerging powers status.” In this regard, these partnerships are a kind of “legitimizing device.” Fourth, the EU’s practice of strategic partnerships is unique in the sense that it overlaps with those of its member states, which presents both challenges and opportunities. Fifth, EU strategic partnerships with emerging powers are heavily criticized – sometimes even dismissed – because they are perceived as under-delivering across policy areas. Yet, such criticisms miss the point that these partnerships are still quite recent, and that they are not all expected to deliver tangible outcomes – sometimes they are more about the process of exchanging information, creating trust, and/or maintaining communication. The success of strategic partnerships can only be measured against these yardsticks. Finally, and related to this, EU strategic partnerships are a long-term investment for both a more influential EU and a better-governed order.



## Speaker Biographies

NICOLA CASARINI is Senior Fellow for Asia at the Istituto Affari Internazionali in Rome and a Global Fellow at the Wilson Center in Washington, D.C. Prior to this, he was a Public Policy Scholar at the Wilson Center; Senior Analyst at the EU Institute for Security Studies in Paris; and Marie Curie Research Fellow and Jean Monnet Fellow at the European University Institute in Florence. He has published works on EU foreign policy, Chinese foreign policy, East Asia's security, EU-China and EU-East Asia relations, and transatlantic relations. He is the author of *Remaking Global Order: The Evolution of Europe-China Relations and its Implications for East Asia and the United States* (Oxford UP, 2009) and co-editor of *European Foreign Policy in an Evolving International System: The Road towards Convergence* (Palgrave MacMillan, 2007). He is currently working on a book on East Asia's security and the role of the EU.

JOAN DEBARDELEBEN is Chancellor's Professor in the Institute of European, Russian, and Eurasian Studies (EURUS) at Carleton University. She is Director of the Centre for European Studies and the Canada-Europe Transatlantic Dialogue. She also holds the Jean Monnet Chair in the EU's Eastern Neighbourhood Relations. Her recent research focuses on relations between the EU and Russia, as well as elections and regional politics in Russia. Recent publications include: *Economic Crisis in Europe: What it Means for the EU and Russia* (with Crina Viju, eds., Palgrave, 2013); "The Reinstated Gubernatorial Elections in Russia: A Return to Open Politics?" (with Mikhail Zharebtsov) in *Region: Regional Studies of Russia, Eastern Europe, and Central Asia*, no. 3 (2014); and "New EU-Russian Borders after Enlargement: From Local to Transnational Linkages," in *Shifting Priorities in Russia's Foreign and Security Policy*, Roger E. Kanet and Remi Piet, eds. (Ashgate, 2014).

DANIEL S. HAMILTON is Austrian Marshall Plan Foundation Professor and Director of the Center for Transatlantic Relations at Johns Hopkins University's School of Advanced International Studies. He also serves as Executive Director of the American Consortium on EU Studies. He has served in a variety of US diplomatic postings, including as Associate Director of the Policy Planning Staff for two Secretaries of State. He is conducting a research project together with two European think tanks on Strategic Partnerships around the world.

MERJE KUUS is Professor of Geography at the University of British Columbia. She is a political geographer whose work examines the creation of expert knowledge in transnational regulatory institutions. She is the author of *Geopolitics and Expertise: Knowledge and Authority in European Diplomacy* (Wiley Blackwell, 2014) and *Geopolitics Reframed: Security and Identity in Europe's Eastern Enlargement* (Palgrave MacMillan, 2007); she is also co-editor of the *Ashgate Research Companion to Critical Geopolitics* (Ashgate, 2013) and review editor of the journal *Geopolitics*. Her current research, funded by a five-year grant from the Social Sciences and Humanities Research Council of Canada, investigates transnational diplomatic training and practice in Europe.

DAVID LONG is Professor of International Affairs in the Norman Paterson School of International Affairs at Carleton University. He has published widely on the history of international relations theory, as well as on the European Union and transatlantic relations, in particular the CFSP and Canada-EU relations. His current research project is a study of the work

of C.A.W. Manning on international relations, involving, inter alia, his account of the failure of the League of Nations, the idea of interdisciplinary studies as it applies to International Relations, and the partial institutionalization of International Relations as an academic discipline.

FRÉDÉRIC MÉRAND is Associate Professor in the Department of Political Science and Director of the Université de Montréal centre d'études et de recherches internationales (CÉRIUM). After working as a policy advisor for the Canadian Department of Foreign Affairs, Trade and Development, he has held several positions at the Université de Montréal, including those of Director of the Centre for International Peace and Security Studies and Director of the European Union Centre of Excellence. He is the author or co-author of four books and several journal articles on European security, defence policy, and the European Union, including *European Defence Policy: Beyond the Nation State* (Oxford UP, 2008). He is also associate editor of the journal *Politique européenne*.

ARKADY MOSHES is Programme Director for the EU's Eastern Neighbourhood and Russia research programme at the Finnish Institute of International Affairs in Helsinki and an associate member of the Russia and Eurasia Programme at Chatham House. Between 1988 and 2002, he worked in the Institute of Europe in Moscow. His areas of expertise include Russian-European relations, Russia's policy towards the Western CIS states, and the internal and foreign policy of Ukraine and Belarus. He has authored a large number of academic and analytical publications and is a frequent commentator in European and Russian media. Recent publications include *The Eurasian Economic Union: Breaking the Pattern of Post-Soviet Integration?* (coauthored, 2014), *Economization versus Power Ambitions: Rethinking Russia's Policy towards Post-Soviet States* (2013), and *Russia's European Policy under Medvedev: How Sustainable Is a New Compromise?* (2012).

URSZULA PAŁLASZ has been a senior policy advisor in the Strategic Planning Division of the European External Action Service (EEAS) since 2012. She specializes in the EU's relations with its strategic partners, development and energy policy, and EU-Africa relations. Previously, she worked at the Polish Representation of Poland to the European Union. From 2002 to 2008, she was head of the "Institutional EU Affairs" division in the Polish Ministry of Foreign Affairs in Warsaw.

THOMAS RENARD is Senior Research Fellow at the Egmont Institute, a Brussels-based think tank, and Professor at Vesalius College. He leads the European Strategic Partnerships Observatory (ESPO), a joint project of the Egmont Institute and the Fundación para las Relaciones Internacionales y el Diálogo Exterior (FRIDE), which provides a wealth of data and analysis on EU strategic partnerships. He studied in Belgium, Spain, and the US.

STEPHAN SBERRO is Professor of International Relations at the Instituto Tecnológico Autónomo de México and Co-Director of the Institute of European Integration Studies. He is a National Researcher for CONACYT (The Mexican official council for developing science and technology). He has published extensively, writing books and articles in Spanish, English, and French on European Integration and Europe-Latin America relations as well as on the Middle East and Linguistics in International Relations. He was granted a Jean Monnet Chair *ad personam* by the European Commission, as well as a Jean Monnet Module.

MICHITO TSURUOKA is a Senior Research Fellow at the National Institute for Defense Studies (NIDS) in Tokyo. He is concurrently a Research Fellow at the Tokyo Foundation. Prior to joining the NIDS in 2009, he served as a Special Advisor for NATO at the Embassy of Japan in Belgium (2005-2008) and as a Resident Fellow of the German Marshall Fund at the United States (2009). He was a Visiting Fellow at the Royal United Services Institute for Defence and Security Studies in London from 2013 to 2014. He has published extensively on European security, NATO, European foreign policy (particularly Europe-Japan/Asia relations), deterrence, and nuclear policy.

VADIM VOYNIKOV is Associate Professor and Chair of International and European Law at Immanuel Kant Baltic Federal University (IKBFU). He serves as Coordinator of the European Law section at the EU Centre at IKBFU, and is a member of the Governing Body of the Russian Association of European Studies and Chairman of the Kaliningrad Regional Branch of the Association of European Studies. His research interests include the Common Space on Freedom, Security, and Justice; cooperation between Russia and the EU; EU-Russia visa-free dialogue; and the Local Border Traffic regime between Russia and Poland. He has authored 56 publications in Russian and English.