



# Analizy natolińskie

2(2)/2005

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## Moving towards a broader approach?

*Finland, the Northern Dimension and the new Eastern neighbours of the EU<sup>1</sup>*

### Summary:

Finland's interest in the EU's policies towards the East has been strongly dominated by the Northern Dimension (ND). The ND still continues to hold a central place in the Finnish debate, and Finland is determined to continue the ND in future, with a focus on north-west Russia and pragmatic cooperation in a variety of fields including the environment, transport and health and social issues.

The future of the ND needs to be seen as inherently linked to both EU policy towards Russia and the ENP. So far, the new Eastern neighbours and the ENP have been taken on board in the Finnish debate not so much as issues that would be important for Finland *per se*, but they have been mostly addressed from the perspective of their implications for the ND. However, Finland's interest towards the EU's new Eastern neighbours, in particular Ukraine, is increasing. The main reason why Finland should indeed be more interested in Ukraine's development is the huge impact that the direction of Ukraine has on Russia.

Finland and Poland will most probably continue to pursue their specific interests in the East: it is natural for Finland to maintain a leading role with regard to north-west Russia, and for Poland towards Ukraine, Moldova and Belarus. However, the two countries should support each other's specific interests and aims. This is more than a bargain in order to receive support for one's own activities, since their basic interests are the same: a stable and secure neighbourhood, the promotion of European values in the neighbouring countries, functioning relations with Russia, a more coherent EU policy towards Russia, and the EU's interest in and commitment (including funding) to a variety of countries and issues in the Eastern neighbourhood.

The ND is the dear child of Finnish EU policy – no matter how we judge its actual achievements, it has made Finland widely known as an active member state that is willing to promote, and is capable of promoting, its interests within the EU. The Finnish initiative serves as a model for other, especially small and new member states, with respect to bringing their interests on the EU agenda. As a proud parent of the ND, Finland feels a responsibility to continue the policy and to take a leading role in adapting it to the post-enlargement context. In order to shed light on the future prospects of the ND and its linkages with the Eastern neighbourhood policy, we should take a brief look at the nature of the initiative, its achievements and problems.

### **1. THE UNIQUE NATURE OF THE ND**

The ND became part of EU foreign policy in the late 1990s. Since then, it has succeeded in bringing the specific concerns of the EU's north-eastern border regions to the attention of the whole Union. The ND activities, as defined in the two Action Plans for the years 2000-2003 and 2004-2006, have been focused on the north-western regions of Russia, ranging from the Arctic areas to Kaliningrad. The main sectors of activity have been environment, nuclear safety, social issues such as health and education, economy and infrastructure, justice and home affairs (including fight against organised crime) and cross-border cooperation. Among these, environment stands out as by far the most important sector which has been able to attract the largest funds.

The list of sectors indicates one of the main characteristics of the ND: the focus on 'soft' as opposed to 'hard' security issues. The latter have been deliberately excluded. The exclusion of hard security and other politically sensitive issues has helped to make the initiative uncontroversial and acceptable to all partners. It has thus made possible practical cooperation in a variety of sectors and at a variety of levels, with a clear purpose of solving perceived problems. While hard security issues tend to be politically sensitive and conflict-oriented, the improvement of soft security problems requires and promotes cooperation. In other words, while it is common to think in terms of a 'zero-sum' game in the former field, in the latter it is a 'win-win' game that prevails and that has characterised the ND.

Another outstanding feature of the ND has been its emphasis on partnership or ‘joint ownership’<sup>2</sup>. The specific inclusive and multilateral approach has aimed at the ‘involvement of all stakeholders’<sup>3</sup> – not only the partner countries and the EU, but also other relevant organisations, regional and local authorities and civil society. Thus, the ND has been seen to create an innovative kind of regional approach to the EU’s external relations, which could bridge old dividing lines and increase openness and partnership on different levels of society.

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The specific features of the ND also entail important weaknesses. To the extent that the ND has pursued the larger aim of promoting good-neighbourly relations between the EU and Russia, it can hardly be called a success, considering the current state of the relationship. It is also questionable whether the ND has helped to soften the dividing line on the EU’s north-eastern border. It has not touched upon politically and strategically important issues such as, for example, the situation of democracy and human rights in Russia, relations between Russia and the Baltic States, or the status of the CFE Treaty (Conventional Armed Forces in Europe) in the region.

The large number of actors has also been a burden and not just an asset. One can speak of an overload of institutions in the region: the preparation and implementation of the ND has involved, in addition to EU institutions, the Council of Baltic Sea States, the Barents Euro-Arctic Council, the Arctic Council, and the Nordic Council of Ministers. At the same time, the ND has lacked its own organisation and budget. It has drawn funding from various EU programmes (Phare, Tacis, Interreg), international institutions (EBRD, EIB, NIB) and participating countries.

Furthermore, it has been one of the weaknesses of the ND that it has remained first and foremost a *Finnish* initiative, designed from the perspective of specific Finnish interests and concerns. The other Nordic countries, the Baltic States and the other Baltic Sea states have never opposed the ND and have taken part to varying degrees, but their engagement has been far from the level of Finland’s activity. Now that

Finland is leading the discussion on the future of the ND, it needs to pay special attention to ensuring the commitment of its partners in the EU.

## 2. FINNISH EFFORTS TO MAINTAIN THE ND

The enlargement of May 2004 and the new ENP initiative have aroused serious concern in Finland over the future of the ND. In spite of some critical voices in the Finnish discussion, which have brought into question the purposefulness of continuing the ND, the dominant view among the political elite is for maintaining the concept. Finland has taken a leading role in preparing a new action plan, with a view to the Finnish EU presidency in the latter half of 2006, which will offer a chance to revive this issue on the EU agenda. The end of 2006 will also be the time when the current Action Plan will be concluded; hence, the EU needs to decide on the future of the ND by then.

The main characteristics of the ND remain unchanged in the Finnish plans for the future, which means that also the strengths and weaknesses remain similar. The geographical focus will be north-western Russia even more clearly than before, although the ND continues to cover the whole Baltic Sea. Since Russia is left as the only non-EU country around the Baltic Sea, the ND as a *foreign* policy of the EU can nowadays only be directed towards Russia. As argued below, however, it is worth to consider the possibility of extending the ND to the EU's relations with Belarus.

One of the main challenges Finland is facing is to enhance the commitment of other member states and the EU as a whole to the ND. The EU members around the Baltic Sea are, of course, the ones most interested in the policy. Sweden has been the most active country beside Finland in preparing future ND activities. The Baltic countries (having a common border with Russia) are the most likely to become more involved, as they gradually work out their more precise policies and goals in the EU. However, probably the most important question when it comes to the involvement of EU member states is the commitment of Germany. Germany has shown interest in the future of the ND and seems to support the continuation of the ND as an EU policy, with a stronger role for the Commission. Finland also seeks to maintain the involvement of non-EU countries such as Norway, the US and Canada.

As for policy sectors, the environment is most likely to remain one of the main priorities of the ND in future. The practical orientation and the exclusion of hard security

and other politically sensitive or controversial issues are also maintained. In terms of interest-based as opposed to value-based cooperation – which, as we know, is one of the key questions in EU-Russia relations – the ND clearly falls into the former category. European values are possibly promoted indirectly through engaging elements of Russian civil society in ND activities, supporting education, and improving general welfare and stability. Whether these activities are at all effective in promoting the European values in Russian society is far from certain.

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In future, the ND is likely to become more clearly integrated into EU-Russia relations. It will thus be a regional element within a broader EU policy towards Russia. Due to the focus on ‘soft’ or low politics issues, its significance for the overall relationship is bound to remain limited. This is not to belittle the practical value of the ND in solving problems in the fields of environ-

ment, nuclear safety, social issues etc. However, from the perspective of politics in the sense of dealing with controversial issues that are high on the agenda of EU-Russia relations, the importance of the ND is quite marginal.

### 3. THE LIMITS OF THE ND AS A MODEL FOR THE EASTERN ENP

Ever since the idea of Eastern Dimension emerged, the ND has been seen as a model for it. First, it is a model as to how a small member state can promote its interests and take part in shaping the EU’s agenda. Second, it has been considered whether the form and substance of the ND could be applied in other EU relations with neighbours. The latter aspect has not, however, received concrete answers.<sup>4</sup>

On the whole, the specific nature of the ND does not actually seem to be well suited to the Eastern ENP. Yet there are certain aspects in the ND that are worth emphasising in the EU’s relations with its neighbours in general.

First, the principles of partnership and inclusion of various actors (e.g. local authorities and civil society of the partner countries) in the planning and implementation of activities are valuable for the ENP, too, and they are in fact included in the ENP strategy. Translating these principles into practice has not, however, proved an easy task. The ENP is largely based on the values and norms of the EU itself, and the partner countries are expected to adopt them. The exclusion of Belarus from full ap-

plication of the ENP is a clear indication of the decisive role of conditions set by the Union. The conditionality applied by the EU is even stronger with respect to those neighbours that aim at membership in the EU, including Ukraine. These countries obviously have to adopt EU rules in order to succeed in their aspirations; hence, the relationship is bound to be hierarchical.

Another aspect of the ND that could be applicable to some extent in the (Eastern) ENP is its multilateral nature. In relation to the new Eastern neighbours, specific attention should be paid to multi-country projects that may involve various international and/or regional organisations.

Third, **in relation to Belarus the EU could apply an „ND plus” model.** Cooperation in the sectors that are included in the ND can be to some extent developed in relation to Belarus even under the Lukashenka regime. Because of its focus on politically uncontroversial or ‘non-political’ issues, such cooperation is more acceptable to the authoritarian leadership than more expressly political activities. At the same time, it would make possible the development of contacts with different actors within Belarussian society. The EU would also become better known among the population. In addition to the ND model, however, the EU needs to develop a strategy for supporting the opposition and promoting regime change – which means adding a crucial ‘plus’ to the ND model.

#### **4. WHY SHOULD THE EASTERN ENP BE A PRIORITY FOR FINLAND?**

While focusing on the ND, Finland has shown little, although increasing interest in the new Eastern neighbours and the ENP as such – apart from their implications for the ND. Finland has followed the positions of the EU and went along with the shifts that have taken place, for instance, in EU policy towards Ukraine. It has not been interested in assuming a similar, proactive role towards Ukraine, Moldova and Belarus as Poland and Lithuania, nor has it specifically expressed support to the activity of the latter.

Why, then, has Finland shown little enthusiasm towards the Eastern neighbourhood policy? One of the main reasons is sensitivity to Russian views. Finland is typically cautious about pursuing positions or activities that may irritate Russia or are considered harmful for the relations with the big Eastern neighbour. Since Ukraine, for in-

stance, has firmly belonged to the Russian sphere of influence, Finland's activity has been regarded as undesirable.

Secondly, the new Eastern neighbours are not seen as particularly important for Finland – these countries are relatively far away, very little is known about them, and there is no tradition of close relations. This is a crucial difference in comparison with the Baltic countries. Finnish policy towards the Baltic countries in the late 1980s and early 1990s was very cautious because these countries belonged to the Russian sphere of interest. However, the importance of the Baltic neighbours for Finland was never doubted, and Finland gradually developed an active policy of supporting their transition and European integration.

## Finland should

*reassess its positions towards the Eastern ENP and develop a proactive policy in cooperation with Poland, Lithuania and other EU members with similar interests.*

Thirdly, Finland is reluctant to become part of an „Eastern coalition” of member states within the EU. One of the reasons is, again, the hostile attitude of Russia towards such a coalition, which Russia sees as aimed against its interests. Moreover, the Baltic countries and Poland are in general not regarded as a particularly desirable reference group for Finland who emphasises and values its Nordic identity. The suspicion towards close cooperation with the Baltic countries and Poland has long historical roots, dating back to the period between the two world wars, when

Finland established itself as one of the Nordic countries and rejected an alliance with its southern neighbours.

Fourthly, it is a common view in Finland that, with respect to EU neighbourhood, Finland should continue to focus its activity and resources on its own border regions. Although the official view emphasises that the ND and the ENP must not be seen as competing with each other, it is still considered to be Finland's task to defend the interests of the ND in competition for EU resources allocated to neighbouring countries.

Finland should reassess its positions towards the Eastern ENP and develop a proactive policy in cooperation with Poland, Lithuania and other EU members with similar interests. The primary reason is Russia: an active policy towards Ukraine and other

new Eastern neighbours would be necessary for promoting Finland's long-term interests with regard to Russia. The Western orientation and democratisation of Ukraine and other countries that are part of Russia's 'near abroad' and traditional sphere of interest have a huge impact on Russia, creating pressures for the latter to move in a similar direction. This would obviously be a very desirable prospect from the Finnish viewpoint. Therefore, Finland should actively support the European aspirations of Ukraine and Moldova and promote an active policy of the EU towards that area.

At the same time, Finland could strengthen its position and image within the EU as an active member state by showing initiative in the Eastern ENP. Finland has a good reputation to build on, and thus its support for Polish and Lithuanian activities would definitely help to promote this issue on the EU agenda. As the ND has lost its novelty and is developing into a regional sub-field of EU-Russia relations, having minor political significance, new initiatives are needed in order for Finland to maintain a dynamic position in the EU.

Activity towards the new Eastern neighbours must not take place at the cost of the ND, quite the contrary. It can only be positive for the ND if Finland is active not just narrowly in its own immediate neighbourhood, but shows interest in broader EU neighbourhood. Furthermore, the problems and interests of the EU in the East are closely linked with each other; hence, a comprehensive approach is useful and necessary. It is also easier for Finland to receive support from other member states for ND activities if it is active in other areas, too.

Finally, the most difficult and sensitive task for Finland in the Eastern ENP would be to develop EU-Russia dialogue on their common neighbours. Finland's support for the Eastern ENP should be combined with aims to convince Russia that the EU policy is not intended to weaken Russia, and that the Eastern members are not building an anti-Russian coalition.

(October 2005)

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<sup>1</sup> For a broader analysis of the topic, see Grzegorz Gromadzki, Raimundas Lopata and Kristi Raik, *Friends or Family? Finnish, Lithuanian and Polish perspectives on the EU's policy towards Ukraine, Belarus and Moldova*. FIIA Report 12/2005, Helsinki: Finnish Institute of International Affairs, [http://www.upi-fiia.fi/julkaisut/upi\\_raportti/raportit/UPI-raportti\\_12.pdf](http://www.upi-fiia.fi/julkaisut/upi_raportti/raportit/UPI-raportti_12.pdf)



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<sup>2</sup> European Commission, European Neighbourhood Policy: Strategy Paper, May 2004.

<sup>3</sup> The Second Northern Dimension Action Plan (2004-2006), approved by the General Affairs Council on 29 September 2003.

<sup>4</sup> For example, the Commission has suggested that the ND could be used as a model to encourage regional cooperation between Russia and the WNIS. Communication from the Commission: Paving the way for a New Neighbourhood Instrument. 1 July 2003, COM(2003) 393 final, p.11.