

POLICY PAPER

№ 16 / 28.04.2022

Belarus-EU Relations:

From one vicious circle to another

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The Ryanair flight incident in May 2021 became a new starting point for Belarus's international relations. The escalation of tensions between Minsk and Western capitals, specifically, the latter's unprecedented restrictive measures, began to modify the structural foundations of both Belarus's foreign policy and security in the East European region. The trend was accelerated by the migration crisis on the Belarus–EU border and the commencement of the Russia–Ukraine war. In its special series of policy briefs Minsk Dialogue experts continue to scrutinize the impact of these processes on Belarus's relations with its key partners.

Key trends in Belarus-EU relations after May 2021

- Sharp unprecedented escalation of tensions following the Ryanair flight incident; unwinding sanctions-countersanctions spiral amid the migration crisis and the onset of the war in Ukraine;
- Suspension of cooperation in most areas (except nuclear and radiation safety); dismantling of the cooperation achievements of the previous decade and many of the foundations that had been holding the relations together since 1991;

- Securitization of relations and growing perception of each other as sources of hybrid security challenges; spillover of bilateral tensions into the realm of regional security;
- Of all the EU member states, Minsk has developed the most conspicuous tensions with its neighbours;
- Amid the political conflict, two-way trade (especially Belarusian export deliveries) showed a marked expansion in 2021 and early 2022.

Main developments and processes in the relationship after May 2021

The darkest period in Belarus–EU relations over its entire thirty-year-long history began at the end of May 2021. Even before 23 May, when the incident with the *Ryanair* plane occurred, the relations were already tense in the wake of the EU's reaction to the domestic political developments in Belarus and Minsk's response. Nevertheless, there were many signals indicating potential to stop the escalation spiral. Specifically, the diplomatic community in Brussels began to voice unofficially its doubts whether further increase in the sanctions pressure on Belarus was a solid move to make. However, the situation with the *Ryanair* airplane changed a lot and heralded even greater shocks.

Sanctions and countersanctions

A detailed overview of the EU's current restrictions against Belarus and Minsk's counter-sanctions is <u>available</u> in Backgrounder 18/20.04.2022. Since the 2020 presidential election, Brussels has already adopted six packages of restrictive measures. In almost each case Minsk responded with symmetric and/or asymmetric sanctions against the EU. However, the incident with the forced landing of the *Ryanair* plane brought the sanctions–countersanctions spiral to an all-new level: following 23 May, all decisions imposing restrictions and retaliatory measures can be regarded as unprecedented. Each new sanctions package contributed to the escalation of tensions between Belarus and the EU, with increasingly devastating consequences both for bilateral relations in various areas and for regional security.

At the same time, the stated objective of the EU's sanctions remained unchanged — to get Belarus to alter its conduct in accordance with Brussels' expectations. However, neither rhetoric, nor actions of official Minsk implied any possibility of such changes under the sanctions pressure. Long before the incident with the *Ryanair* plane, the Belarusian authorities had emphasized that new sanctions packages adopted by the EU would only lead to new retaliatory actions by Minsk. In other words, the Belarusian government originally showed its determination to pursue dialogue and constructive engagement with the EU only in the absence of any sanctions.

Minsk's warnings about countersanctions caused scepticism among most EU officials. First, many of them do not perceive Belarus as a significant European-wide actor. Second, in their

analysis, they reasoned from the erroneous assumption that the relationship with the EU was extremely valuable for Minsk (just as Minsk apparently initially proceeded from the false expectation that the EU would not impose major sanctions) and therefore perceived statements by Belarusian spokespeople as a bluff.

However, again and again Minsk demonstrated its firm political resolve to respond to every new restrictive decision by Brussels, even despite its own growing costs. For example, Belarus's <u>reaction</u> to the 4th (*Ryanair*-related) package of the EU's sanctions became emblematic: among other things, Minsk suspended its participation in the Eastern Partnership initiative. This is symbolic not only because Belarus abstained from such a move back at the height of the diplomatic conflict in 2011–2012, but also because in the absence of a bilateral basic agreement, the Eastern Partnership was essentially the only platform for Minsk's regular communication and diversified cooperation with the EU.¹

At the same time, due to the small size of its own economy and the accordingly limited economic toolkit at its disposal, Minsk made five areas the main target of its counter strikes:

- 1. It introduced and expanded its own list of persons who are denied entry in Belarus and the Union State;
- 2. It reduced mutual diplomatic presence with the EU institutions and member states, curtailed the channels and intensity of communication;
- 3. It limited/eliminated the capacity of the EU countries and institutions to work within the framework of political and humanitarian projects inside Belarus (i.e., a "blow" to the EU's political and humanitarian interests inside Belarus);
- 4. It limited/discontinued cross-border security cooperation with the EU countries;
- 5. It redoubled repression against opposition activists and NGOs inside Belarus.

Making its own list of EU officials is the simplest and least painful response, which, according to the principle of reciprocity, has been applied since the first round of the European sanctions. As the range of the EU's restrictions expanded, Minsk changed to narrowing the formats of cooperation and infringing on the EU's interests in the territory of Belarus. The latter applies to not only its engagement with European political foundations and NGOs, but also educational and cultural programmes on the basis of the European embassies, as well as the terms for the operation of Belarusian NGOs and media, which receive EU funding. In this context, the EU's

¹ Although in many respects Minsk's decision to suspend its EaP membership became a reflection of the status of the relations that had evolved by that time, which made it impossible for Belarus to maintain its participation in the initiative in the existing volumes and formats.

sanctions were taken on board enthusiastically by the proponents of socio-political mopping-up in the Belarusian government.

At the end of 2021, in a new round of confrontation, Minsk <u>adopted</u> a retaliatory package of economic sanctions (embargo on the supplies of certain groups of goods from the EU) which, in the <u>words</u> of Prime Minister Raman Halouchanka, were already "neither asymmetric, nor formal." In February 2022, a ban on rail transit through Belarus of several categories of goods loaded at the stations of the Lithuanian Railways was <u>added</u> to the set of economic counter-sanctions. That restriction was a response to Vilnius's <u>decision</u> to cease the transit of Belarusian potash fertilizers through its territory. In response to the 6th ("military") package of the EU's sanctions, Belarus <u>included</u> all of the EU member states in the list of "unfriendly countries" and <u>legalized</u> multiple restrictions against their legal entities and individuals. Furthermore, Minsk <u>mirrored</u> the <u>restrictions</u> against Belarusian road carriers.

Following the imposition of significant "military" sanctions by the EU and the U.S., the Belarusian government set up an emergency operational centre operating the "in mobilization mode". Consultations have been held on a regular basis and decision-making has been coordinated also at the level of Belarus–Russia working groups. The first attempts to synchronize the anti-sanctions policy were made within the framework of the EAEU back in 2021. Belarusian Deputy Prime Minister Ihar Petryshenka said that in October 2021, the bloc came up with six measures to respond to the restrictions. However, the potential of those arrangements should not be overestimated: the launch of a joint mechanism should be agreed for each case. This implies that each time the EAEU member states affected by the sanctions will have to overcome the reluctance of other member states to join the collective countersanctions because of the possible damage to their own economic and political interests.

Political dialogue and sectoral cooperation

Thus, a year and a half after the adoption of the first package of the EU's restrictive measures, there is sufficient evidence and data to analyse the first results of the sanctions confrontation and understand its aftermath for the cooperation between Belarus and the EU in various areas.

It is consistently <u>emphasized</u> in the documents adopted by the EU that the purpose of the sanctions is "to put pressure on the Belarusian political leadership to **prevent further violence** and repression, to **release all political prisoners** and other unjustly detained people, and to initiate a **genuine and inclusive national dialogue** with broader society." Apparently, the six packages of restrictive measures already adopted have failed to achieve these objectives, despite the unprecedented nature and scale of the three latest packages. On the contrary, in terms of each of the objectives declared by the EU, the situation in Belarus has deteriorated since the sanctions were slapped, and this aggravation has been significant. Moreover, the sanctions war has expectedly resulted in the dismantling of all the achievements of the 2016–2020 normalization

period and many of the cooperation pillars, on which the relationship had been built since 1991. This, as clearly demonstrated by the migration crisis and the developments following 24 February, implies extremely negative consequences for both the bilateral agenda and regional security.

Since as early as the end of May 2021, a free fall has been observed in the relations between Belarus and the EU. It became obvious then that there was no way the diplomatic conflict could be resolved on either side's terms, but since the forced landing of the *Ryanair* plane the logic of the opponents' acts has been driven almost exclusively by the tactical need for response and absence of any long-term vision. It was against that backdrop that the issue of the securitization of the relationship occurred, which quickly caused the two sides to perceive each other as sources of hybrid security challenges. A painful process of severing many basic economic, institutional, and social ties between Belarus and the EU countries was also underway.

Both sides still emphasize their willingness to return to dialogue and cooperation if their respective conditions are met. For example, after each new statement about reciprocal restrictions, the Belarusian Foreign Ministry reiterates that "Belarus's proposal to pursue dialogue, engagement and cooperation with the European Union on the basis of the principles of equity and mutual respect remain effective." In this context, it is telling that Minsk suspended its membership in Eastern Partnership, rather than withdrew from the initiative completely. This wording leaves more opportunities in case the situation develops according to a favourable scenario. The same goes for the <u>decision</u> to suspend the readmission agreement: it essentially dismantles one of the landmark achievements of the normalization period of 2016–2020, but at the same time leaves additional flexibility of future steps.

The problem, however, is that the strife has already gone too far. It has dragged the parties into such a deep funnel of confrontation that it is extremely difficult to get out of it, even if both Belarus and the EU have the political will to do so. Even though simple diplomatic communication continues, it has been reduced to unprecedented formats and substance. The level of mutual distrust and disrespect turns many contacts into an unpleasant formality, where it is hard to look for and find points of contact. At the same time, sectoral cooperation has already been halted in virtually all areas, except for peaceful nuclear energy. Minsk insists that its continuing cooperation with ENSREG on nuclear energy is an expression of its good will, but after 24 February the possibility that engagement will be terminated in this area as well can hardly perform any deterrent function.

Almost immediately after the sharp escalation of the sanctions confrontation, the rupture of the fabric of the Belarus–EU relations started to gain a conceptual dimension. In July 2021, Aleksandr Lukashenko <u>declared</u> the need for "a serious adjustment" of the foreign policy strategy in the wake of "last year's election campaign and the sanctions harassment of Belarus that followed." He stressed as he addressed Foreign Ministry officials: "the Ministry should clearly understand that the present-day world is not limited to the countries of the European Union. It is

much wider." He suggested refocusing diplomatic efforts to such countries as China, India, Pakistan, Vietnam, Turkey and other countries in Africa, Latin America and the Middle East. In the eyes of the Belarusian leadership, even the European market was beginning to look politically risky in spite of its traditional profitability. This provided a strong impetus to change the country's strategic guidelines for the diversification of Belarusian export supplies.

In the second half of February 2022, the Foreign Ministry presented an <u>overview</u> of the results of Belarus's foreign policy and activities of the Ministry of Foreign Affairs in 2021. It was expected and quite symbolic that Belarus's relations with the EU ranked only 9th on the list of its foreign policy priorities: they were behind not only the "far arc", but even Africa, the Middle East, Latin America, and the Caribbean (compare, for example: in the 2019 review, the relationship with the EU ranked 4th, following Russia, the EAEU and the CIS). However formalistic this ranking might be, it reflects the perception of strategic opportunities in the European dimension that has taken root in Minsk.

Confrontation with the neighbouring countries

One of the main challenges of the conflict with the EU deserves a separate mention: it is with its neighbours — all of them, for good measure, — that Belarus has the worst tensions of all of the EU member states. The series of developments after August 2020 included both traditional democracy— and human rights-related issues, as well as, for example, Polish minority organizations in Belarus, and all-new problems: illegal migration, cross-border security, logistics, and rapidly escalating military risks.

Direct official communication with Lithuania and Latvia is virtually paralyzed. Diplomatic relations have not been severed with these countries; nor have the respective embassies in Minsk been closed, but after the expulsion of all diplomats, their operation remains frozen. The situation with the Belarusian embassies in Vilnius and Riga is similar. The diplomatic missions of Belarus and Poland remain operational but work in a reduced format.

Of the three EU neighbours, the conflict with Poland is admittedly the most significant one. There used to be a chance for putting an end to the Minsk-Warsaw escalation until mid-autumn 2021, which would have produced a positive impact on relations with the entire EU. At first, hopes were associated with the closed-door negotiations on the possible release from jail of the representatives of the unrecognized Union of Poles in Belarus. However, the negotiations were derailed because of both the position of the prisoners themselves and the actions of the negotiating parties, which eventually led to the disclosure of the confidential topic.

The second chance for de-escalation emerged at the very start of the migration crisis. On 16 August 2021, a working meeting was held within the framework of the Belarus-Poland intergovernmental coordination commission for cross-border cooperation. Following the meeting,

the press service of the Belarusian Foreign Ministry <u>reported</u>: "The sides exchanged views on the situation on the state border, development trends and challenges affecting border security. The delegations further addressed the development of the legal framework in the border area. As a result of the meeting, an agreement was reached to continue further engagement."

However, the ensuing events led to Warsaw recognizing the results of the meeting as unsatisfactory. This dramatically cut the number of Polish officials and diplomats willing to advocate de-escalation with Minsk. The meeting of the foreign ministers of the two countries on the side-lines of the UN General Assembly, which was frustrated at the last moment, became another proof that the two countries' approaches were incompatible. This was followed by the most acute phase of the migration crisis, which remained the main source of the conflict in the relationship for half a year.

Trade and economic cooperation

The trend, which had already been <u>observed</u> during the previous periods of confrontation between Belarus and the EU, continued throughout 2021: the deterioration of political relations was accompanied by a noticeable increase in trade and, in particular, in Belarusian export supplies. The growing sanctions pressure obviously did not contribute to the promotion of economic ties, but it did not override the impact of other growth factors: the recovery of the EU economies after the pandemic shock of 2020 and, consequently, the increased demand for some products made in Belarus.

It is indicative that of all the regions of the world, Belarusian commodity export to the EU grew the most in 2021. Belarusian export expanded by 74.4% year-on-year in 2021 (i.e., by USD 4.1 billion) to a total of USD 9.5 billion. Supplies increased to 21 EU member states. Two-way trade with the EU went up by 36.5% year-on-year to USD 16.3 billion. Belarus benefited from a surplus of USD 2.7 billion. These figures are far from the record-breaking 2012, when two-way trade amounted to USD 29.9 billion. However, last year's statistics are clearly better than the figures for 2019, when political relations between Minsk and Brussels peaked. Trade in services also showed a surplus for Belarus in 2021, at USD \$0.89 billion. Belarus exported USD 2.74 billion worth of services (which represents an increase by 7.3% year-on-year), whereas import went up by 20% to USD 1.85 billion.

At the start of 2022, the trend in commodity trade continued, although the pace of growth decreased. According to <u>Belstat</u> statistics service, in January and February, two-way trade between Belarus and the European Union amounted to USD 2,157.4 million (up by 0.8% year-on-year). Belarusian export reached USD 1,364.6 million, an increase by 4.3% from January–February 2021. Import from the EU countries was at USD 792.8 million, down by 4.6% from the first two months of 2021. Belarus enjoyed a surplus of trade in goods with the EU of USD 571.8 million. In the first two months of 2022, Belarus reported a marked increase in trade with Belgium, Finland, Ireland,

the Netherlands, Poland, Portugal, Romania, Slovenia, and Sweden. Trade in volume terms decreased the most with Austria, Croatia, Denmark, Germany, and Spain.

The outbreak of the Russia–Ukraine war opened a new chapter in economic cooperation between Belarus and the EU. It will only be possible to assess the real damage done by the large-scale "military" sanctions and countersanctions after statistics appear. However, the rupture of the economic fabric of the relationship between Belarus and the EU is obvious. This applies not only to trade flows, but also to the entire structure of economic engagement, including transit routes. The latter is especially serious on a regional scale. The blocking or deformation of long-standing transport corridors and logistics chains will have consequences for the entirety of regional affairs and security in Eastern Europe. The dangerous "Balkanization" process in the region will be twice as fast.

Conclusions and outlook for the relations

- 1. The diplomatic and sanctions confrontation between Belarus and the EU has quickly reached a level when the very foundations of cooperation begin to crumble, thereby changing the logic of the two sides concerning each other. It is already a fundamentally more serious problem than just a lack of mutual trust and respect.
- 2. Previously (such as after the conflicts of 2006–8 and 2011–12), Minsk took the steps that were necessary to normalize relations not under pressure of sanctions, but rather when it wanted, for some reasons (economic and geopolitical), to use the opportunities available in its relations with the EU more actively, which is corroborated by research. Brussels appears to have neglected this aspect since August 2020. Therefore, as had been expected, the sanctions not only pushed the EU even farther from achieving its stated objectives in Belarus, but also ushered in a situation when Minsk sees increasingly fewer opportunities in the EU dimension amid the intensifying geopolitical turmoil. At least, the risks associated with the normalization of the relations are beginning to outweigh the opportunities in the eyes of the Belarusian leadership.
- 3. For their part, many in the EU also doubt that a new normalization of relations is capable of reinstating Minsk's stabilizing role in the region and helping improve the human rights situation inside Belarus. Furthermore, the idea that Belarus has lost its full sovereignty and is no longer able to conduct an independent foreign policy is spreading across the EU institutions and countries.
- 4. Under these conditions, real (not hypothetical) mutual benefits from a possible de-escalation in the relations become less and less obvious for Belarus and the EU. The problem is further aggravated by the dismantling of virtually every channel of diplomatic communication.

- 5. Such consequences were easy to <u>predict</u> even <u>prior to</u> the onset of the sanctions confrontation and during its <u>initial</u> stages. However, due to various objective and subjective reasons, these obvious prospects were ignored. Can we then expect that the parties will start showing more strategic wisdom in the new regional reality? The threats of further escalation and internationalization of the Russia–Ukraine war should serve as impetus. Therefore, the key driver of the relations between Belarus and the EU is the situation on the battlefield in Ukraine and the degree of involvement of Minsk and European capitals in the conflict.
- 6. However, as of the end of April 2022, there are hardly any indications that the negative trends in the relations between Belarus and the EU will disrupt quickly. *First*, we need to reiterate that the ratio of risks to opportunities as perceived by the parties is now in favour of the former. *Second*, the parties still think that concessions will be viewed as a manifestation of weakness and will eventually lead to even more damaging consequences. *Third*, the restrictions against Belarus (and Russia) are one of the few topics that currently unite almost the entire EU. Therefore, it is much easier for European politicians to "go with the flow" and slap new sanctions than to strategically go against the popular mainstream.
- 7. Moreover, there is a new vicious circle between Minsk and Brussels around the issue of Belarus's losing its sovereignty. The only way to probe into the degree of Minsk's independence is direct communication with the Belarusian authorities at various levels. However, the exact reason why many European diplomats have doubts whether such communication is advisable at all is their belief in Belarus's lack of sovereignty.

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