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A WIN-WIN EUROPEAN VISION FOR THE EU

CANDIDATE STATUS *AND* FOUR
FREEDOMS FOR UKRAINE

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As Russian artillery continue to destroy Ukrainian homes and Putin's aggression continues to claim the lives of soldiers and civilians the upcoming EU summit faces a hugely important decision on how to respond to the Ukrainian application for EU membership.

Public opinion in Ukraine today is overwhelmingly in favor of future EU membership. A recent Eurobarometer survey shows that in all EU states except one there is also a majority in favor of Ukraine membership when it is ready.¹

Assuming, the European Commission will recommend granting Ukraine candidate status: what will the upcoming European Council decide? Some member states continue to be skeptical when it comes to offering EU candidate status to Ukraine. Others ask whether candidate status would not also require opening accession negotiations without delay to be meaningful. And many point to the recent experience of the Western Balkans to warn that no breakthrough should be expected.

We are convinced that *not* granting Ukraine candidate status would be a serious blow to Ukraine, a potentially devastating signal to Putin, and a grave European mistake at a time of enormous military, economic and political pressure on Ukraine. We are also convinced that granting candidate status would not be enough.

The experience of the Balkans is telling. There exist no good arguments *against* granting Ukraine candidate status, given that the EU granted it

to Turkey already in 1999, to North Macedonia in 2005, to Montenegro in 2010 and to Albania in 2014. Clearly, granting it is no 'fast-track' to accession, as none of these four countries is currently considered to be close to membership. Nothing prevents the EU from sending an encouraging signal – granting Ukraine candidate status – and then to leave it there.

But this is a problem: if candidate status does *not* lead to the opening of accession talks - as in the case of North Macedonia and Albania - or if it only leads to accession talks that will then last forever without advancing - as in the case of Turkey and Montenegro: then what is the point? Ukraine needs a strong political signal, but signals alone are not enough.

On the other hand, are all the member states of the EU ready to admit new members? Some key leaders have stated that this would first require changes and reforms inside the EU – first deepening and only then widening. They worry about decision-making of the EU. The recent case with the Six package of EU sanctions against Russia illustrates this. The risks to transform the EU into something like the UN Security Council that is often unable to adopt a decision because of someone's veto is seen as a real threat by some members.

This would then suggest that even if accession negotiations would start these might end up like the talks led by Montenegro: they have been ongoing for close to ten years. Considering that Montenegro has been a member of NATO for more than five years, is at peace, and has a very small population of less than 700,000 inhabitants this reluctance on the part of the EU to see it join bodes ill for Ukraine, a bigger and more complex candidate. So what is to be done?

¹ *The one exception is Hungary where 48% support the membership of Ukraine.*



We propose a formula, a win-win approach, which is addressing EU concerns without lowering the ambition of Ukraine. The most realist scenario is that EU offers candidate status in June (EU Summit) and to open accession talks shortly after this, while also defining a concrete interim goal that is to be reached through these talks before full accession.

► We suggest to create a new version of European Economic Community² that offer access to the EU Single Market and to the Four Freedoms for all European democracies that meet the necessary conditions. That would allow opening accession talks on ALL chapters in **three-step accession process: *first*** candidate status for Ukraine, ***second***, entry in the EU Single Market and benefiting of the four freedoms, which is the core of the EU – through the creation of European Economic Community. The ***third*** step would then be full membership. This is how Austria, Finland and Sweden navigated the EU accession through European Economic Area (EEA) between 1990 and 1995 and succeeded.

An agreement of a new European Economic Community would unblock the Balkan stalemate. It would allow these countries, along with Ukraine, to move fast towards real integration in the EU. One this a principled agreement might be reached by the end of French presidency and negotiated and signed by the end of Czech presidency.

The agreement would mean for the Balkans a Schuman-like plan that would make conflict impossible and foster economic cooperation and integration. It would also offer something meaningful for Ukraine and Moldova, a clear signal for investors that the integration in the Single Market is achievable and thus foster investments.

The Association Agreement which EU has signed with Ukraine, Moldova and Georgia is already providing access to selected sectors of the European Single Market. Ukraine implemented over 60% of the AA and there are many achievements to be shown. But Ukraine, Moldova and the Balkans need full access to the four freedoms of the EU, which the Association Agreement does not offer.

According to some estimates, in case of being inside the European Single Market the GDP of members countries is on average 9% higher than it would be if the tariff and non-tariff restrictions would be in place³. Accelerated economic growth is precisely what Ukraine needs after the war ends.

The EU and its members states have already announced their support to the post-war reconstruction of Ukraine. However, this too would be much more efficient with Ukraine as an EU candidate and prospects to become fully part of the EU Single Market.

² The name could be different, but the substance remains the same.

³ Jan in't Veld, *The Economic Benefits of the EU Single Market in Goods and Services*, *Journal of Policy Modeling* 41 (2019), 803-818.



ABOUT NEW EUROPE CENTER

*The **New Europe Center** was founded in 2017 as an independent think-tank. Despite its new brand, it is based on a research team that has been working together since 2009, at the Institute for World Policy. The New Europe Center became recognized by offering high-quality analysis on foreign policy issues in Ukraine and regional security by combining active, effective work with advocacy.*

The New Europe Center's vision is very much in line with the views of the majority of Ukrainians about the future of their country: Ukraine should be integrated into the European Union and NATO. By integration, we understand not so much formal membership as the adoption of the best standards and practices for Ukraine to properly belong to the Euroatlantic value system.

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