

EUROPEAN UNION'S ENGAGEMENT WITH CENTRAL ASIA

Dr. Adam Saud
Kinza Arif

Abstract

Over the past decade, the European Union (EU) has become an active player in Central Asia promoting energy and cyber security besides economic and political engagements. EU and Central Asian states are also engaged to counter extremism, terrorism, drugs and human trafficking. Furthermore, EU assists the region for good governance and institution building. Central Asia has become an important asset for EU's future energy security prospects. This region provides EU with an alternative choice especially with regards to its persistent energy dependencies upon Russia. This article attempts to assess EU's growing interests within Central Asia. It finds that Russia and China are the major competitors for EU in energy and cyber security. Similarly, landlocked nature of Central Asia and no direct border connections between the two regions force EU to rely on Russia for its energy imports from Central Asia. the BRI project may intensify EU's engagement with the later. EU has to go a long way and work hard in order to strengthen its position into the region. Investment into educational and cultural areas is the need of time for EU. This research is exploratory, analytical, and critical.

Keywords: CARs-EU, Regional Economic Integration, Energy Security, Energy Cooperation

Introduction

Central Asia's geopolitical significance has intensified over the last few decades. The regions hydrocarbons are of pivotal importance to its neighbors in both Asia and Europe.¹ The tidal shifts created under China's growing economic expansion, US resurgent interests in the region and Russia's persistent links have garnered limelight on the region under the sphere of resource diplomacy progressively. Geographically being located at the center of the Eurasian continent it offers an important bridge between

¹ Johannes F. Linn, "Central Asian Regional Integration and Cooperation: Reality or Mirage?", Eurasian Development Bank, Eurasian Integration Yearbook (2012):96-117. URL?

Europe and Asia, generating desired economic and research opportunities.² Nonetheless, regional security and robust economic integration remains to be a critical prerequisite for the long term growth of the region and effective regional cooperation with other international players.³ Assessing the regional dynamics generated by key players such as, China, Russia and US, room for cooperation within Europe and Central Asia intensifies further. Central Asia appears to be a lucrative hub for European states to invest and engage with.

Under the Soviet control, Central Asian economies were more oriented towards Moscow. However, in the recent decade they have shifted their foreign policies to engage with other players in Asia, Europe, Middle East and Europe. More importantly, whilst maintaining their strong links with Russia.⁴ Central Asian economies have steadily expanded their influence in the global economy. Resultantly, for Europe Central Asian economies are valuable new market hubs.⁵

Each state within CARs gives birth to a diverse political mosaic. For instance, Kazakhstan* despite being world's biggest landlocked state enjoys fruits of its resource diplomacy, tilting it to become a regional success story. Uzbekistan being the only state bordering all states of Central Asia including Afghanistan gains focus for being a regional security lynchpin. Turkmenistan holds the title of being amongst the world's top gas reserves holders strictly adheres to the principles of permanent neutrality and regional disengagement. While the two smallest and under-developed states; Kyrgyzstan and Tajikistan are major international aid recipients and have little instruments to pursue wider regional diplomacy.⁶ In spite of certain

² Michal Romanowski, "The EU in Central Asia: The regional context", European Parliament Think Tank, Policy Department, Directorate-General for External Policies, January 2016, accessed June 19, 2019, [http://www.europarl.europa.eu/RegData/etudes/IDAN/2016/535020/EXPO_IDA\(2016\)535020_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/IDAN/2016/535020/EXPO_IDA(2016)535020_EN.pdf).

³ See Johannes F. Linn, "Central Asian Regional Integration?", 96-97.

⁴ Ibid.

⁵ P.Kilybayeva, A.Ibrayeva, M.Mametay, "The EU Strategy for Central Asia – 2019: Goals, Challenges and Prospects", Concorde, N 5, 2018, accessed June 19, 2019, <https://cyberleninka.ru/article/v/the-eu-strategy-for-central-asia-2019-goals-challenges-and-prospects>.

* Kazakhstan holds the second-largest oil reserves among former Soviet Republics.

⁶ See Michal Romanowski, "The EU in Central Asia", 4.

limitations, the region's rich hydrocarbons push all actors to the forefront, in ambitions to integrate globally where interests of various subjects align.

The geopolitical fabric of the region took various turns as it witnessed the decline of US influence—which was essentially symbolized through the drawdown of the U.S.-led security presence in Afghanistan, the re-engagement of Russia particularly in security domain, and the unparalleled Chinese economic entry into Central Asian markets. Centering focus on Europe engagements with CARs, EU policies over the years have been reformed and shifted to intensify regional integration. A prominent shift occurred during the period of 2007-2017 under which EU significantly intensifies regional engagements with the CARs. EU became more engaged within the region whilst struggling to find the ideal balance of mutual cooperation with CARs and aligned interests with other regional and global actors in this regard. The most attractive spheres of cooperation between EU and CARs rightfully appeared in the energy sectors. During the period mentioned above, the need for energy resources intensified further as the domestic energy productions within EU also witnessed a decrease. More importantly, serious changes occurred in European oil and gas markets after the fall of world prices for hydrocarbons in 2014, the competition between major European suppliers - Russia, Norway and Algeria has been intensified.⁷ Russia had been maintaining its position as key supplier of oil and natural gas to the EU; via its "preeminent role through Gazprom (51% share), state-owned oil company Rosneft and state-owned Transneft."⁸ However, the regional dynamics shifted when the Ukrainian crisis erupted as both US and EU imposed sanctions on Russia. Whilst US imposed sanctions on both oil and gas companies, EU only imposed sanctions on oil companies to avoid the disruption of gas flows into EU states.⁹ In the aftermath of the crisis, the EU policy was shifted and became keen to reduce its energy dependency on Russia.

⁷ See P.Kilybayeva, A.Ibrayeva, M.Mametay, "The EU Strategy for Central Asia – 2019", 50.

⁸ Konstantinos Hazakis and Filippas Proedrou, "EU-Russia Energy Diplomacy: The Need for an Active Strategic Partnership", EU Diplomacy Papers, (2012), accessed on June 19, 2019, http://aei.pitt.edu/39237/1/edp_4_2012_hazakis_proedrou_0.pdf.

⁹ Daniel Gros and Federica Mustilli, "The Effects of Sanctions and Counter-Sanctions on EU-Russian Trade Flows", Centre for European Policy Studies (CEPS), July 5, (2016), accessed on June 19, 2019, <https://www.ceps.eu/publications/effects-sanctions-and-counter-sanctions-eu-russian-trade-flows>.

US reemergence in European markets and Brexit chaos in UK and EU is further changing the dynamics of EU markets. Presently, liquefied gas from the US accounts for a small share in European imports, but by 2020 Washington is planning to increase energy exports to 96 billion cubic meters. US increased involvement within the EU markets is highly undesirable for few players whilst pragmatically positive for others. For instance, for Germany it could be undesirable as it is still more inclined towards Moscow but for Poland such a scenario is welcoming.¹⁰ Under this realm of affairs, the need to diversify its energy imports becomes more vital for Europe as it is in direct connection to their sovereignty and political stability. Steering European interests in the alternative regions of oil and gas production such as, the Middle East and Central Asia.

If we analyse the history of engagement, the early onset Western engagements with the region during 1990s focused towards energy and cultural understanding and awareness. However, EU remained hesitant to engage on all fronts. EU had started to establish bilateral engagements with Kazakhstan, Kyrgyzstan and Uzbekistan under “Partnership and Cooperation Agreements (PCAs).”¹¹ After their independence EU provided them with technical development assistances predominantly via “Technical Assistance to the Commonwealth of Independent States” (TACIS), covering CARs together with other CIS states.¹² TACIS acted as the much needed tool for helping the newly independent economies with transitioning, along with encouraging the development of pluralistic democratic societies.¹³ During this period, EU started to initiate talks towards PCAs with CARs.¹⁴

Though during the period of 1990s EU adopted a relatively detached approach towards the region which was influenced under its lack of resources and interests. The dynamics swiftly changed after 2001 as EU started to emerge as a much more active player with rooted interests in the region. 9/11 post scenario brought strategic and security changes in the region which brought the US at center stage of the region for a short period

¹⁰ See P.Kilybayeva, A.Ibrayeva, M.Mametay, “The EU Strategy for Central Asia – 2019”, 50.

¹¹ Çiğdem ŞAHİN and Turgay DÜĞEN, “The European Union in Central Asia”, *MANAS Journal of Social Studies*, Volume 4, No 4(2015):52-65.

¹² *Ibid*, 54.

¹³ “TACIS”, European Commission, [http://europa.eu/rapid/press-release MEMO-92-54_en.htm](http://europa.eu/rapid/press-release_MEMO-92-54_en.htm).

¹⁴ See Çiğdem ŞAHİN and Turgay DÜĞEN, “The European Union in Central Asia”, 52.

of time.* The mounting energy needs, energy security, and energy supplies further motivated EU to intensify its integration within the region and abolish its policy of detachment. EU assistance to CARs during 1991-2001 remained 944.4 € million; “366.3 € million of which was under the TACIS program.”¹⁵ There had been some other financial arrangements in this regard. For instance, until 2001, “the European Commission’s Humanitarian Aid and Civil Protection Department (ECHO) provided aid to Tajikistan and Kyrgyzstan by allocating 153.5 € million. Fonds Européen d’Orientation et de Garantie Agricole (FEOGA) supported Kyrgyzstan, Turkmenistan and Tajikistan with an amount of 137.4 € million. Also a total 279.7 € million was allocated to all five states under the European Commission financial power.”¹⁶ Under ECHO flagship, EU also initiated a disaster preparedness program in CARs, known as “DIPECHO” and since 2003 it has funded over 110 projects worth 47€ million.¹⁷

In 2002, EU launched a new strategy under the umbrella of European External Action to engage with CARs. The new strategy aimed at “promoting the stability and security of the countries of Central Asia and to assist in their pursuit of sustainable economic development and poverty reduction.”¹⁸ The new strategy formulated that TACIS operates along three ‘Tracks’:

- Track 1: Regional cooperation programme,
- Track 2: Regional Support for programmes implemented at national level,
- Track 3: Pilot Poverty Reduction Scheme).¹⁹

* In 2000 the growing energy demand and search for new energy resources pushed the EU to look for new resources. Central Asia’s increasing geopolitical importance and discoveries of new oil and gas resources forced EU to view Central Asia from a different perspective.

¹⁵ “Strategy Paper 2002-2006 & Indicative Programme 2002-2004 for Central Asia”, European External Action Service (EEAS), October 30, 2002, accessed June 19, 2019, http://eeas.europa.eu/archives/docs/central_asia/rsp/02_06_en.pdf.

¹⁶ See Çiğdem ŞAHİN and Turgay DÜĞEN, “The European Union in Central Asia”, 55.

¹⁷ “Central Asia-Factsheet: European Commission’s Humanitarian Aid and Civil Protection Department”, European External Action Service (EEAS), 2019, accessed June 19, 2019, https://ec.europa.eu/echo/where/europe-and-central-asia/central-asia_en.

¹⁸ See “Strategy Paper 2002-2006 & Indicative Programme 2002-2004 for Central Asia”, 1-10.

¹⁹ Ibid, 20.

The aligning objective was “promoting security, conflict prevention, eliminating sources of political and social tension and improving the climate for trade and investment”, with an overall budget of 150 million.²⁰

In 2007, a new regional strategy was initiated.²¹ Though this was not the first engagement with the region but it marked critical significance as it dealt with intensified diplomatic pursuits under prioritized domains. It was extensive and focused towards achieving various tiers of cooperation and development in fields of energy, combating terrorism and border protection, education, development of legislation and law, and human rights protection.²² Simultaneously, various implementation approaches were envisioned for each domain of interest. Stressing towards a multilateral and region-wide format to ensure staunch diplomatic engagements within the region.²³

With a budget of 719 € million, the Regional Strategy Paper prioritized three objectives to achieve; Central Asia regional cooperation which was allotted 30-35% of total budget, reducing poverty and increasing living standards and allotted 40- 45 % of total budget and promoting good governance and economic reform which was allotted 20- 25% of total budget.²⁴ The “Central Asia Indicative Programme (2007-2010)” outlined the detailed four-year period assistance given to CARs.²⁵ Lastly, “Central Asia DCI Indicative Programme (2011-2013)” aimed at the key interests alongwith budget allocations for the three year period.²⁶

The current adopted EU plan aimed at ‘Multiannual Indicative Programme for the region till 2020’. Increasing financial support to intensify the regional and bilateral cooperation. The allocated budget within the programme is 1.68 € billion, which amounts to an astounding 56% increase than the

²⁰ See Çiğdem ŞAHİN and Turgay DÜĞEN, “The European Union in Central Asia”, 56-52.

²¹ “Regional Strategy Paper for Assistance to Central Asia for the period 2007-2013”, European External Action Service (EEAS), 2007, accessed June 19, 2019, http://eeas.europa.eu/archives/docs/central_asia/rsp/nip_07_10_en.pdf.

²² See P.Kilybayeva, A.Ibrayeva, M.Mametay, “The EU Strategy for Central Asia – 2019”, 49.

²³ Ibid.

²⁴ See “Regional Strategy Paper for Assistance to Central Asia for the period 2007-2013”, 3.

²⁵ Ibid, 4.

²⁶ See Çiğdem ŞAHİN and Turgay DÜĞEN, “The European Union in Central Asia: A One-Dimensional Strategy”, MANAS Journal of Social Studies, 57.

previously opted funding tranches in 2007-2013.²⁷ Though the allocation of budget funds is not equal in every domain, it still reverberates a powerful message which supports the intensification of bilateral and regional cooperation amidst EU and CARs.

EU's Economic Interests in Central Asia and Energy Dependencies

Energy policy traditionally is a concern of national policy in Europe. The member states are energy consumers and importer. So the soaring demand and declining energy productions have increased their dependence on imported energy resources. On the other hand, Ukrainian gas crises of 2006 and 2009 led shortage of gas supplies to EU. The Ukrainian gas pipelines delivering to various EU member states were either entirely disrupted or witnessed a fall in gas volumes.²⁸ This was perceived as a wakeup call by EU as they decided for over reducing its energy dependencies on Russia and forcing EU to look towards CARs. This crises fueled the debate about the security of supply of gas and Russia's role as an energy supplier. Russia's previously adopted aggressive policies towards its neighbors which further drove EU to implement a common energy policy. For instance, in order to pressurize Baltic States to dismiss their demands for the withdrawal of stationed Russian troops there, gas supplies to these states were stopped by Russia.²⁹ The chronology of event suggested that 1990s, 'Transneft' ceased the oil supplies to Lithuania. These efforts were strategized to pressurize the latter to hand over the "Lithuanian port and refinery of Mazeikiu Nafta".³⁰ In 2004, Belarus had to face gas stoppage by 'Gazprom' in order to force the later to sell its gas network assets to the former.³¹ In 2007, Transneft also followed the footprints of Gazprom's prior pursued initiatives and stopped oil supplies to Belarus with the same purpose. This once again led to interruptions of energy supplies to EU member states such as Poland,

²⁷ Anna Gussarova and Māris Andžāns, "Political and Security Relations -Analysis of the EU's Comparative Advantages and Central Asian Interests", Strengthening and Energizing EU-Central Asia Relations (SENECA), Policy Paper No 10, February (2019): 1-16.

²⁸ See Çiğdem ŞAHİN and Turgay DÜĞEN, "The European Union in Central Asia: A One-Dimensional Strategy", MANAS Journal of Social Studies, 58-59.

²⁹ See Konstantinos Hazakis and Filippas Proedrou, "EU-Russia Energy Diplomacy: The Need for an Active Strategic Partnership", 10.

³⁰ Ibid.

³¹ Lithuania and Poland are both EU member states.

Slovakia, and Bulgaria etc.³² all such developments forced the EU to develop a new strategy 'Energy Policy for Europe' to secure its energy interests.³³

In 2008, when EU was opting for a common energy policy for its members state, Russia-Ukraine crises resulted in total cut off the Russian exports to Ukraine.³⁴ These crises also affected the gas supply to almost half of the EU members as well as Moldova in 2008.³⁵ These crises not only triggered criticism that Russia is using energy as a political tool against EU but also force EU to look for alternatives sources that can provide sustainable, secure and affordable energy.

Statistics from 2017 and 2018 indicative of the fact that crude oil and natural gas remained to dominate EU imports in energy products at a share of 72 % and 23 %, where Russia dominated this market as being the largest supplier of hydrocarbons to the EU.³⁶ Though Russia was a more dominant player in imports of natural gas than in petroleum products but was still a chief player in comparison to EU's energy suppliers. (See fig 1 and fig 2) In 2017, 38.9 % of the EU's imports of hard coal were from Russia and remains to be largest hard coal supplier to the EU in the last decade.³⁷ Assessing the 2017 and 2018 EU member states energy dependency ratios on Russia depict the following statistics; "for natural gas, the largest importers are Germany (at more than 20 %) followed by France, the Netherlands, and the United Kingdom (all between 10 % and 20 %). While for petroleum oils the largest importers were

³² See Konstantinos Hazakis and Filippou Proedrou, "EU-Russia Energy Diplomacy: The Need for an Active Strategic Partnership", 11.

³³ See Çiğdem ŞAHİN and Turgay DÜĞEN, "The European Union in Central Asia: A One-Dimensional Strategy", MANAS Journal of Social Studies, 58-59.

³⁴ Andrew E. Kramer, "Russia Cuts Gas, and Europe Shivers", New York Times, January 6, 2009, <https://www.nytimes.com/2009/01/07/world/europe/07gazprom.html>.

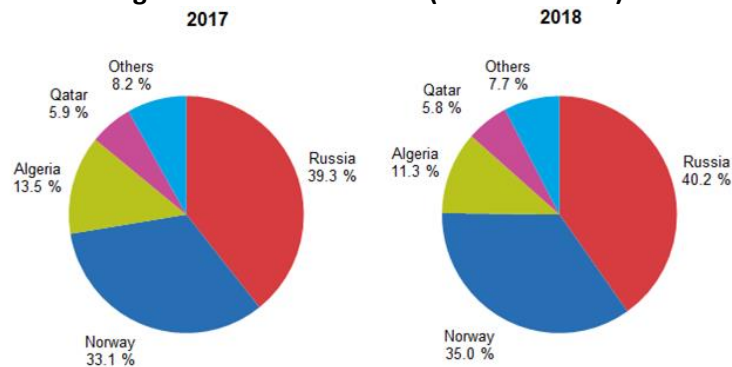
³⁵ Aleksandar Kovacevic, "The Impact of the Russia-Ukraine Gas Crisis in South Eastern Europe", Oxford Institute for Energy Studies, NG 29, March 2009, accessed June 21, 2019, <https://www.oxfordenergy.org/wpcms/wp-content/uploads/2010/11/NG29-TheImpactoftheRussiaUkrainianCrisisinSouthEasternEurope-AleksandarKovacevic-2009.pdf>.

³⁶ "EU imports of energy products - recent developments", European External Action Service (EEAS), May 2019, accessed on June 19, 2019, https://ec.europa.eu/eurostat/statistics-explained/index.php/EU_imports_of_energy_products_-_recent_developments#Main_suppliers_of_natural_gas_and_petroleum_oils_to_the_EU.

³⁷ "Energy production and imports", European External Action Service (EEAS), June 2019, accessed on June 19, 2019, https://ec.europa.eu/eurostat/statistics-explained/index.php/Energy_production_and_imports#More_than_half_of_EU-28_energy_needs_are_covered_by_imports.

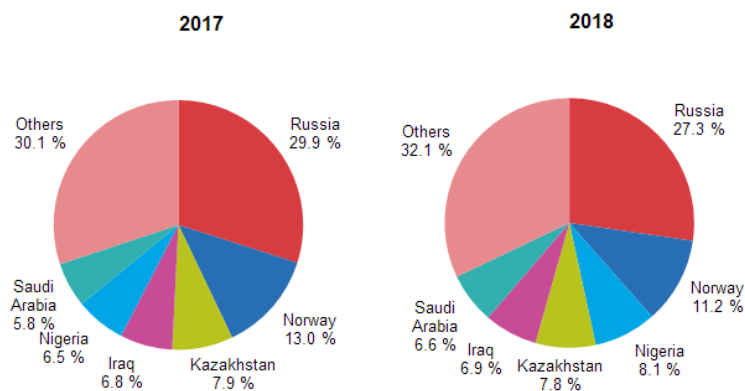
Germany, Spain, Italy and the Netherlands (between 10 % and 20 % of EU imports) respectively.”³⁸

Figure 1: EU's Largest Gas Trade Partners (2017 and 2018)



Source: Eurostat Database

Figure 2: EU Largest Petroleum Trade Partners (2017 and 2018)



Source: Eurostat Database

The EU's dependency on energy imports has increased from 47% in 2000 to 54% in 2017.³⁹ In regards to Russia, some EU members like Italy and Germany

³⁸ See "EU imports of energy products - recent developments".

³⁹ "Shedding light on energy in the EU - A guided tour of energy statistics", Eurostat, 2018, accessed on June 21, 2019, <https://ec.europa.eu/eurostat/cache/infographs/energy/bloc-2c.html>.

are even heavily dependent on the former for their natural gas.⁴⁰ The facts and figures show that Russia is the main energy supplier to the EU followed by Norway⁴¹ and this (Russian) supply counts over 15% of EU's total energy needs.⁴²

Under the context, EU is going to determine its policy goals in engagement with CARs as achieving the following; a) to enhance the energy security of the CARs and the EU via integrated cooperation, b) the convergence of EU and CARs energy markets via synchronized relevant legislative and regulatory frameworks c) to support "sustainable energy development, including the development of energy efficiency and renewable energy sources, d) and lastly, attracting investment for energy projects of common and shared regional interest."⁴³

EU commitments to the energy sector steers focus on three elements; 1) long term, transparent and stable agreements in order to get competitive prices alongwith fair opportunities for all involved actors.⁴⁴ The existing framework of 'Baku Initiative'⁴⁵ can be helpful in this regard. 2) To explore the new venues for hydrocarbons as well as hydroelectricity venues while focusing on the upgradation of existing facilities. 3) To remain committed in aspirations of supproting the establishment of an 'integrated Central Asian energy market'. While supporting both private and public partnerships that further encourage EU investments within the region.⁴⁶

Trade Relations

EU still ranks as the second largest trading partner of CARs after China. Since 90s, Kazakhstan ranks as a key trading partner within EU. Trade volume

⁴⁰ See Anttoni Saarinen, "The EU's dependency on Russian energy and the Energy Union".

⁴¹ Larsson, Robert L. (2007), "Nord Stream, Sweden and Baltic Sea Security", FOI, Stockholm, accessed on June 15, 2019, <http://www.iaea.org/inis/collection/NCLCollectionStore/Public/39/015/39015071.pdf>.

⁴² See Anttoni Saarinen, "The EU's dependency on Russian energy and the Energy Union".

⁴³ See Çiğdem ŞAHİN and Turgay DÜĞEN, "The European Union in Central Asia: A One-Dimensional Strategy", MANAS Journal of Social Studies, 61.

⁴⁴ Ibid, 63.

⁴⁵ A policy dialogue on energy and transport cooperation between the European Union, Turkey, and the former Soviet republics, undertaken as part of the Interstate Oil and Gas Transportation to Europe (INOGATE energy) and Transport Corridor Europe-Caucasus-Asia (TRACECA) transport programmes.

⁴⁶ See Çiğdem ŞAHİN and Turgay DÜĞEN, "The European Union in Central Asia: A One-Dimensional Strategy", MANAS Journal of Social Studies, 63.

increased from “\$6.2 billion in 2003 to \$38.2 billion in 2014 and met a sharp decline in 2015 and 2016 \$22-23 billion.”⁴⁷ While it remained at \$1.9 billion each with Turkmenistan and Uzbekistan in 2016. Meanwhile, trade with Kyrgyzstan and Tajikistan remained minuscule in 2016 and amounted at \$0.32 billion and \$0.27 billion respectively. Though investments is limited it is often scored under the EU assistance programs.⁴⁸

Assessing EU's global trade with its other partners, volume of trade amidst EU and CARs was stagnant and amounted at 16 % for 2007 to 2017 period— while its trade increased 39% with other trade partners. During the same time, EU's trade with Kyrgyzstan remained much better due to the later's increased gold export to the former.⁴⁹ While EU's trade values declined with Tajikistan and Uzbekistan, its trade and investments rocketed within Kazakhstan—predominantly in its oil sectors.⁵⁰ Although trade volume between Tajikistan and EU is very limited, still it counts third largest on the part of Tajikistan. “Trade and economic relations between the EU and Tajikistan are governed by Tajikistan's WTO membership and by the bilateral Partnership and Cooperation Agreement (PCA).”⁵¹ EU has also signed PCA with Uzbekistan which has been in force since 1999— paving way for a broader bilateral relations under various sectors such as; economic and cultural cooperation and financial collaboration in the field of technical assistance etc.⁵² In 2017 alone, trade between EU and Uzbekistan amounted at €1.9 billion; statistically unravelling mineral fuels at 4%, crude materials at 6%, food at 10%, manufactured goods at 27%, chemicals and related products at 53%.⁵³

⁴⁷ See Sebastien Peyrouse, “A Donor without Influence- The European Union in Central Asia”, 3-5.

⁴⁸ Ibid, 2-4.

⁴⁹ Martin Russell, “The EU's new Central Asia strategy”, European Parliamentary Research Service (EPRS), January 2019, accessed on June 21, 2019, [http://www.europarl.europa.eu/RegData/etudes/BRIE/2019/633162/EPRS_BRI\(2019\)633162_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/BRIE/2019/633162/EPRS_BRI(2019)633162_EN.pdf).

⁵⁰ Ibid, 3-4.

⁵¹ “EU-Tajikistan Relations”, European Union-Factsheet, https://eeas.europa.eu/sites/eeas/files/2.factsheet_on_eu-tajikistan_relations.nov_18.pdf.

⁵² “EU-Uzbekistan Relations”, European Union-Factsheet, https://eeas.europa.eu/sites/eeas/files/2.factsheet_on_eu-uzbekistan_relations.nov_18.pdf.

⁵³ “EU-Uzbekistan relations”, European Union, 2018, https://eeas.europa.eu/headquarters/headquarters-homepage_en/11047/EU-Uzbekistan%20relations.

According to 2017 statistics, exports from Kazakhstan to the EU amounted at €17.6 billion—EU also represents 58% of FDI's in Kazakhstan.⁵⁴ 2017 statistics further showcase that Kazakhstan's oil sector "accounted for 85 % of its exports to the EU."⁵⁵ Kazakhstan remains to be key center of EU trade and investment, particularly its oil sector. It was successful to export its 85% of crude oil to the EU in 2017.⁵⁶ While total EU-Kyrgyz trade amounted to €459 million in 2017.⁵⁷ Though EU trade values remain in flux with CARs, EU still remains to be one of the biggest economic partners of CARs. That statistically values at 30% of the regions total trade—including direct investments worth € 62 billion. EU exports to CARs constitute of "manufactured goods such as, medicines, cars and machinery." The imports are dominated by raw materials and low value added manufactured goods such as Kazakh and Turkmen oil; Kyrgyz gold; Tajik aluminum, Uzbek textiles and chemicals.⁵⁸ In 2018, Central Asia's top trading partners were Russia, China and EU.⁵⁹ The following table depicts the trade values.

Figure 3: Central Asia Top Trading Partners in 2018

Ranking	States	Imports (Value Mio €)	States	Exports (Value Mio €)
1	Russia	15,483	EU-28	27,517
2	China	9,747	China	13,888
3	EU-28	8,837	Russia	6,230
4	South Korea	2,476	Switzerland	2,609
5	Turkey	2,227	South Korea	2,527

Source: European Commission

⁵⁴ See "EU – Kazakhstan Relations", European Union, 1.

⁵⁵ See Martin Russell, "The EU's new Central Asia strategy", 3-4.

⁵⁶ Ibid.

⁵⁷ "EU-Kyrgyz Republic Relations", European Union, 2018, https://eeas.europa.eu/headquarters/headquarters-homepage_en/4079/EU-Kyrgyz%20Republic%20relations.

⁵⁸ See Martin Russell, "The EU's new Central Asia strategy", 3-4.

⁵⁹ "European Union, Trade in goods with Central Asia 5", European Commission (2019), accessed June 19, 2019, https://webgate.ec.europa.eu/isdb_results/factsheets/region/details_central-asia-5_en.pdf.

Figure 4: European Union Top Trading Partners 2018

Ranking	States	Imports (Value Mio €)	States	Exports (Value Mio €)
1	China	394,847	USA	406,510
2	USA	267,626	China	209,846
3	Russia	168,266	Switzerland	156,462
4	Switzerland	108,999	Russia	85,196
5	Norway	83,829	Turkey	77,231

Source: European Commission

Figure 5 illustrate the total value of EU trade (imports and exports) with CARs over the span of 2015-2018.⁶⁰ The statistics reveal that EU imports have steadily increased in 2017 and 2018, whereas, its exports have increased in comparison to 2017 values but remains low in comparison to 2015.

Figure 5: EU Trade Value with CARs (2015-2018)

	Imports (Value Mio €)				Exports (Value Mio €)			
	2015	2016	2017	2018	2015	2016	2017	2018
	Total							
	17,029	13,743	18,295	21,887	9,318	8,278	8,131	9,052

Source: European Commission

Political Interests and Security Interests

CARs are geographically packed between two major powers: Russia and China which are the largest investors in the region as well. The landlocked CARs always welcome other alternatives, hence, EU engagements in the region are considered fruitful for various reasons. For instance, EU can be seen as fairly neutral entity, its modest and steady rate of investments further highlights its continued interests within the region in the long haul. European engagement within the region however comes with a values-driven element, as the EU expects CARs to become more democratic whilst

⁶⁰ Ibid, 7.

promoting facets such as; meeting standards of “international human rights, rule of law and good governance.”⁶¹

Multifaceted EU-engagement

EU’s engagements within the region over the last two decades has intensified, yet it has to bear the desired fruits. EU has to face many hurdles in materializing its interest in Central Asia. It has to face a range of issues like ethnic divisions within the region, border and water crises, poor infrastructure, challenge by other competitors, political animosities, and terrorism.⁶² EU’s 2011-2013 strategy centered towards ensuring that any instability generated within Afghanistan after withdrawal of NATO forces does not spill across into CARs. 2014-onwards it shifted another gear as EU started to view the region in light of tensions between Russia and Europe.⁶³ Attaining and maintaining peace and stability within Afghanistan will not only open new export possibilities for CARs hydrocarbons but also create market opportunities involving trade with the Middle East and Europe as well.⁶⁴

Countering drugs trafficking and extremism and terrorism are the two major issues at EU-CARs relations. Drugs trafficking has been a corresponding security interest of both actors, as CARs are used as a transit route to traffic drugs from Afghanistan into Europe. Organized crime falls under the same umbrella as it appears to be a subset that bears resemblance to terrorism but not in its entirety. Though it unravels into different strands of terrorism issues. At one end, it can be used to fund terrorist activities e.g. poppy cultivation in Afghanistan. On another, trafficking of insurgents and weapons opens another chapter of terrorism. The war on terrorism in Afghanistan brought newer regional challenges for CARs, as it became a crossroads for drugs and human trafficking. Facilitation of organized crime is closely related to corruption and trends of accountability. Rightful anti-corruption measures, a functioning judiciary along with decent standards of living are

⁶¹ See Jos Boonstra and Riccardo Panella, “Three Reasons Why the EU Matters to Central Asia”.

⁶² See Anna Gussarova and Māris Andžāns, “Political and Security Relations -Analysis of the EU’s Comparative Advantages and Central Asian Interests”, 3.

⁶³ See Jos Boonstra and Riccardo Panella, “Three Reasons Why the EU Matters to Central Asia”.

⁶⁴ Manmohan Parkash, “Connecting Central Asia- A Road Map for Regional Cooperation”, Asian Development Bank, 2006.

crucial to fighting the issue.⁶⁵ Political instability in Afghanistan is another coinciding interest of both actors as it creates serious security repercussions for CARs and the wider European security. EU's diplomatic engagements with CARs have been centered to address these issues timely. EU is further alarmed by the rising levels of radicalization and extremism within Europe which has links in Afghanistan.

The Tashkent Conference of 2018 on Afghanistan focused over cooperation amidst EU-Afghanistan in the fields of counter-terrorism and counter-narcotics—which is a convergent security interest for both CARs and EU. The European Union is reforming its security approach within the region, as it has remained to be one of the central goals. EU is actively seeking mechanisms in the longer run to prevent the transformation of CARs into a new hotbed of terrorist activity.⁶⁶ For instance, the “Border Management in Central Asia (BOMCA) and Central Asia Drug Action Program (CADAP), implemented by the UNDP are the most distinguished EU programs on border securitization.”⁶⁷ BOMCA aims to ease the cross border trade while combating human and drugs trafficking.⁶⁸ CADAP focuses on “strengthening Central Asia’s policies to reduce demand for drugs and reinforce border security.”⁶⁹

The EU held its fifth round of “Annual Political and Security Dialogue” with CARs in July 2018 in Turkmenistan. During which several mutual security concerns were discussed including the “receding of the Aral Sea, issues around nuclear arms controls and approaches to countering violent extremism”.⁷⁰ Later in November 2018, Brussels hosted the ‘EU-Central Asia

⁶⁵ Anna Gussarova and Māris Andžāns, “Political and security relations Mapping EU-Central Asia relations”, Strengthening and Energizing EU-Central Asia Relations (SENECA), Policy Paper No 1, September 2018, accessed on June 26, 2019, https://www.seneca-eu.net/wp-content/uploads/2019/01/SENECA_Policy_Paper_01_2018.pdf.

⁶⁶ See P.Kilybayeva, A.Ibrayeva, M.Mametay, “The EU Strategy for Central Asia – 2019: Goals, Challenges and Prospects”, 50.

⁶⁷ See Sebastien Peyrouse, “A Donor without Influence- The European Union in Central Asia”, 2.

⁶⁸ Background of the Program, Border Management Programme in Central Asia,” BOMCA, 2018, <https://www.bomcae.org/en/programme/background>.

⁶⁹ “Central Asia – Border management,” European Commission, International Cooperation and Development, 2018, https://ec.europa.eu/europeaid/regions/central-asia/eu-support-border-management-central-asia_en.

⁷⁰ “The EU and the countries of Central Asia held their High-level Political and Security Dialogue in Ashgabat on 9 July 2018,” EU Liaison Office in Turkmenistan, July 2018,

Ministerial Meeting' to discuss the future EU's policy towards CARs, lime lighting its economic potential, and successive exploitation of its natural resources.⁷¹ Another hallmark of their growing diplomatic collaborations is that EU and CARs are also "cooperating to reduce the risks of exposure to 'chemical, biological, and nuclear weapons' via sharing technical assistance whilst improving the quality of public technical qualification."⁷²

Socio-cultural Interests

To support the developing economies of the world, EU grant funding mechanism divided into regional and bilateral programs. Under that notion, bilateral grants to Kazakhstan and Turkmenistan were stopped in 2014 and 2017 respectively. However, they remained eligible for EU's regional funding programs. EU financial support to CARs are provided in form of loans via the "European Bank for Reconstruction and Development" (EBRD) and the "European Investment Bank" (EIB). Both of which has invested up to €11.3 billion in the region, supporting programs such as, "improving municipal water supply and waste water systems, establishment of both solar and wind farms, finance SME expansion, and development of transport and energy infrastructure".

EU also uses an option of "Blending which essentially combines grants and loans via EU's Investment Facility for Central Asia (IFCA)."^{*} Since 2007, €3.4 billion worth of EU grants have financed over 380 blended projects across the globe; under which about 60% grants supported projects related to energy and transport infrastructure, 26% supported the investments social infrastructure such as, access to clean water, waste treatment etc. and 14% supported the growth of local private sector respectively.⁷³ Within CARs under the period of 2010-2015, IFCA approved 22 projects for grant financing of €119 million.⁷⁴ For instance, projects like "Kazakhstan

https://eeas.europa.eu/delegations/turkmenistan/48293/eu-and-countries-central-asia-held-their-high-level-political-and-security-dialogue-ashgabat-9_en.

⁷¹ Elya Altynsarina, "Kazakhstan presents proposals for new EU strategy on Central Asia," November 2018, <https://astanatimes.com/2018/11/kazakhstan-presents-proposals-for-new-eu-strategy-on-central-asia/>.

⁷² See Anna Gussarova and Māris Andžāns, "Political and Security Relations -Analysis of the EU's Comparative Advantages and Central Asian Interests", 6.

^{*} IFCA was established in 2010.

⁷³ "Blending operations", European Commission, https://ec.europa.eu/europeaid/policies/innovative-financial-instruments-blending/blending-operations_en.

⁷⁴ See "Investment facility for Central Asia (IFCA)", European Commission.

Sustainable Energy Financing Facility”⁷⁵, “Kyrgyzstan Sustainable Energy Efficiency Financing Facility” (KyrSEFF)⁷⁶ and “Improvement of solid waste management system in the City of Samarkand”⁷⁷ etc. fall under IFCA grants. EU also supports private sector in Central Asia through ‘Central Asia Invest Program.’ Major objective of the program is to “reduce poverty via boosting the growth and competitiveness of both small and medium-sized enterprises.”⁷⁸

EU’s “Transport Corridor Europe-Caucasus-Asia (TRACECA) program*” aims to connect EU with Central Asia through Caucasus and Turkey. This project aims regional integration in Central Asia as well as its integration with Europe.⁷⁹ Over the years, EU has allocated up to € 180 million under funding’s for many projects like; infrastructural development, trade facilitation and logistics.⁸⁰ “Promoting Integrated Water Resources Management and Fostering Transboundary Dialogue in Central Asia” and the “Regional Environmental Program for Central Asia” (EURECA) are the two major initiatives of EU for environmental protection in CARs.⁸¹

EU is also the biggest contributor to the “Global Partnership for Education”* (GPE), and has played an active function in supporting education systems in CARs—via allocations funding’s exceeding €100 million.⁸² While in the sphere of higher education, €65.5 million were allocated for Central Asia in

⁷⁵ The project aims at increasing investments in energy efficiency and renewable energy technologies in Kazakhstan.

⁷⁶ The project is designed to assist local financial intermediaries to support small-scale sustainable energy projects in the region.

⁷⁷ The project helps to modernize municipal waste collection and disposal, as well as to improve waste recycling.

⁷⁸ See Martin Russell, “The EU's new Central Asia strategy”, 4.

* The program was launched in 1993.

⁷⁹ “Central Asia - Transport”, European Commission, https://ec.europa.eu/europeaid/regions/central-asia/eu-support-transport-development-central-asia_en.

⁸⁰ Ibid.

⁸¹ “Central Asia – Environment”, European Commission, https://ec.europa.eu/europeaid/regions/central-asia/eus-development-cooperation-central-asia-environment_en.

* GPE serves as the only global partnership for education that brings together representatives of all education stakeholder groups including; partner countries, donors, international organizations, civil society groups and the private sector.

⁸² “EU-Central Asia Relations”, European Union, https://eeas.europa.eu/sites/eeas/files/2.factsheet_on_eu-central_asia_relations.nov_18.pdf.

the “Erasmus+”^{*} 2014-2017 budget.⁸³ According to EU Reports, around 6,000 students and technical staff have been given short term scholarships to the EU in 2015 only. Similarly, during the period of 2014-2018, more than 250 students from CARs under the Erasmus Mundus program were awarded with two-year Master-level scholarships.⁸⁴ Since 2014, “69 projects” have been selected involving CARs higher education institutions focusing towards curriculum development and modernization.⁸⁵ EU additionally supports “Vocational Education and Training” in CARs and is currently engaged in Tajikistan, Kyrgyzstan, Uzbekistan and Turkmenistan through bilateral support and via the “Torino Process”⁸⁶ managed by the European Training Foundation.^{*} Under the ‘Development Cooperation Instrument’ an amount of €1.1 billion has been allocated which is likely to further grow for next seven years’ (2021-2027) strategy.⁸⁷

On the sidelines, though highly competitive, integration of CARs and Europe can become fast tracked under China’s Belt and Road initiative. As it aims to link Asia with Europe via using CARs as a transit corridor. Under that umbrella, in parallel development engagements can be further intensified amidst European businesses and CARs as well. Though room for competition in the region will also intensify over the years between China and Europe, the benefits generated simultaneously are abundant. The up-gradation of technical facilities and infrastructure developments can diversify the economic opportunities for CARs.

Limitations

Central Asia was under the control of Russia for more than a century and still has former’s influence in many fields. The post-independence Chinese influence in the form of massive investment in the infrastructure and energy markets are challenges for the EU to exert its soft image in the Central Asian region. One of the main challenges EU faces is the growing competition for

^{*} The Erasmus Programme is European Union student exchange program.

⁸³ See “EU-Central Asia Relations”.

⁸⁴ Ibid.

⁸⁵ See “EU Builds a Strong and Modern Partnership with Central Asia”.

⁸⁶ The Torino Process (TRP) is a participatory process leading to an evidence-based analysis of the vocational education and training.

^{*} European Training Foundation (ETF) helps neighboring states make the most of their people’s abilities and skills by reforming their vocational education and training (VET) and labor market systems.

⁸⁷ See Martin Russell, “The EU’s new Central Asia strategy”, 4.

the “hearts and minds” of Central Asian people. As Russian and Chinese footprints in the region are strongly rooted and can pose a challenge for deepening EU engagements in region. Under the realm of security, Russian interests possesses an upper hand over EU for a couple of reasons. As Russia identifies series of specific threats that ultimately require hard security responses as they directly or indirectly impact Russian national sovereignty. For Russia it is pivotal to avoid any destabilization which could be detrimental to Moscow.⁸⁸ For instance, Russia has established multiple military bases in Kazakhstan, Kyrgyzstan and Tajikistan.⁸⁹ Under the umbrella of Shanghai Cooperation Organization (SCO), their militaries hold joint exercises. As the organizations focus is multifaceted, one of its core objectives is to ensure regional security via collaboration to counter issues such as terrorism, extremism and separatism. This facet ups the game for Russia over EU which does not have such a military relationship with CARs.

Similarly, China has gained an upper hand in the region in comparison to EU. China's interests with CARs are centered on three aspects: security, energy, and economy. Stable border with CARs is of pivotal interest to ensure the stability of the former. Formulating staunch relations with CARs is crucial for China as it also struggles with Uyghur discontent in the western province of Xinjiang which shares ethnic, cultural, and religious ties with the former states. Development of these regions will not only allow Beijing to counter these separatist groups with ease, but open economic opportunities as well.⁹⁰ CARs are one of the core conduits to reap benefits of BRI. China is also enhancing its security cooperation with the region through SCO. For instance, in 2002, the Chinese army conducted its first military drills abroad with Kyrgyzstan.⁹¹ In 2004, the Regional Anti-Terrorist Structure (RATS) under the auspices of the SCO was created in Uzbekistan with aim of combating terrorism, separatism, and extremism.⁹² Over the last decade, Chinese investments have been focused towards energy exploration and

⁸⁸ See Michal Romanowski, “The EU in Central Asia: The regional context”, 7.

⁸⁹ “Where are US and Russian Military Bases in the World?,” Radio Free Europe, <https://www.rferl.org/a/where-are-us-and-russianmilitary-bases-in-the-world/28890842.html>.

⁹⁰ See Michal Romanowski, “The EU in Central Asia: The regional context”, 8.

⁹¹ Marcel de Haas, “War Games of the Shanghai Cooperation Organization and the Collective Security Treaty Organization: Drills on the Move!”, *Journal of Slavic Military Studies*, 2016, accessed on June 27, 2019, <https://www.tandfonline.com/doi/pdf/10.1080/13518046.2016.1200383>.

⁹² See Michal Romanowski, “The EU in Central Asia: The regional context”, 8.

secure energy supplies in the CARs. For instance, oil imports from Kazakhstan initiated in 2006, and in contemporary era China owns about a quarter of oil production in Kazakhstan.⁹³

EU is likely to face competition in cyberspace from Russia and China as well. Both are engaged in cyber-cooperation with CARs through the SCO.⁹⁴ Through official structures within SCO, China is also engaged in cooperation with CARs on cyber-defense and counter-terrorism.⁹⁵ EU on the other end could increase its participation in the existing cyber security fora's. For instance, the World Bank led initiative 'Global Cyber Security Capacity Building Program' which provides assistance to states to understand gaps in their cyber capabilities and how to make it more robust and resilient.⁹⁶ Kyrgyzstan became the first partner of this program in 2018 which has been provided with \$50 million for technical assistance in the cyber security field.⁹⁷

Regional integration amidst Europe and CARs faces certain political and social challenges. Europe's more active policy in the region will lead to significant geopolitical shifts in the region and reiterating relations amidst regional players such as; Russia, US and China.⁹⁸ EU is broadly viewed as a secondary power in comparison to these main security and political players. Therefore, maintaining and promotion of European soft power is critical to further foster new levels of cooperation.⁹⁹ That itself becomes a challenge for the following reasons; a) lack of trust between EU and CARs which could be attributed as the aftermath of poor diplomatic relations of Cold War

⁹³ Ibid.

⁹⁴ "SCO responds to cyber challenges," Shanghai Cooperation Organisation, June 2011, <http://infoshos.ru/en/?idn=8349>.

⁹⁵ "China ready to improve security cooperation among SCO members: official", Xinhua, July 2017, http://www.xinhuanet.com/english/2017-04/07/c_136188345.htm.

⁹⁶ See Anna Gussarova and Māris Andžāns, "Political and Security Relations -Analysis of the EU's Comparative Advantages and Central Asian Interests", 10.

⁹⁷ Natalija Gerlvanovska-Garcia, "Building up cyber resilience in the Kyrgyz Republic", World Bank Blog, June 2018, <https://blogs.worldbank.org/europeandcentralasia/building-cyber-resilience-kyrgyz-republic>.

⁹⁸ See P.Kilybayeva, A.Ibrayeva, M.Mametay, "The EU Strategy for Central Asia – 2019: Goals, Challenges and Prospects", 52.

⁹⁹ See Nargis Kassenova, "Projecting soft power as an imperative for the EU in Central Asia", 5.

era.¹⁰⁰ b) A certain lack of knowledge, understanding, and exposure of Central Asian people to the EU, which could be the result of heavy travel expenses and attaining visas to Europe.¹⁰¹ In a broader sense, promotion of inter-cultural dialogue is vital to develop mutual trust and understanding to showcase desired levels of tolerance and respect for religious freedom.¹⁰² Secondly, EU can still reap benefits from the growing integration amidst China and CARs. For China, Europe's engagement in the region will simultaneously strengthen its goals of regional security and development as well. For instance, Kazakhstan is a key CARs trading partner of both China and Europe. Projects under the BRI can fast track the developing infrastructures of the state and further integrate Europe with the region. Allowing greater volume of trade will flow through these transit routes.¹⁰³

Despite struggling to intensify its engagement with CARs, EU's initiatives for good governance, protection of human rights, and promotion of democracy have not been able to gain popularity in CARs. Despite its status as being an important trading partner of CARs its influence within the region has been sidelined and becomes less visible.¹⁰⁴ The root cause of that is more complicated as EU despite acting as an independent actor faces lack of coordination within itself. For instance, Russia has widely succeeded on this front as being key energy supplier to exercise monopoly and patterns of dependency over the region. It has remained the major obstacle for EU's energy interest in the Central Asian region. Similarly, EU has been unable to fulfill the CARs expectations for FDI and integration of later into the former's markets. CARs also perceive the EU's conditions for good governance and promotion of human rights and democracy as a 'blackmail' in return to investment. Moreover, CARs prefer bilateral agreements with EU states than the multilateral engagements. Such moves on the part of CARs have also

¹⁰⁰ CARs political stances in this era were heavily influenced under the Soviet political discourse. Media and public broadcasts were censored accordingly therefore, perceptions about European leaders could be limited and unclear.

¹⁰¹ See Anna Gussarova and Māris Andžāns, "Political and Security Relations -Analysis of the EU's Comparative Advantages and Central Asian Interests", 11.

¹⁰² See Nargis Kassenova, "Projecting soft power as an imperative for the EU in Central Asia", 5.

¹⁰³ See Anna Gussarova and Māris Andžāns, "Political and Security Relations -Analysis of the EU's Comparative Advantages and Central Asian Interests", 9.

¹⁰⁴ See Sebastien Peyrouse, "A Donor without Influence- The European Union in Central Asia", 5.

effected the EU's influence.¹⁰⁵ Keeping in view all the circumstances, EU needs to build a more elaborative and genuine strategy.

Recommendations

In line with the previously presented limitations, EU could pursue these facets to enhance their connectivity with CARs.

- Since each state of Central Asia has unique socio-economic and political structure, it's pertinent for EU to adopt bilateral policy towards each CAR.
- One area for future cooperation between the EU and CARs is cyber security. Since CARs depend primarily upon Russia for this support, EU can be a better alternative.
- EU needs to focus on the less developed states of the region like Tajikistan and Kyrgyzstan. Engaging with these states for their socio-economic development will enhance EU image among the masses.
- EU should explore areas of convergence with other powers involved in the region. Regional integration, security, and trade activities are some domains in this regard. Similarly, it should avoid conflicts with these actors.
- Rigorous engagement by regional organizations especially Organization for Security and Cooperation in Europe (OSCE) can bring a real change to materialize the objectives of EU in Central Asia.
- Promoting EU's soft power in the region is crucial. Thus, enhancing people-to-people contacts in order to enhance cultural, political and religious awareness is key. Investing more towards student exchange programs, high levels diplomatic talks and establishment of training and vocational services will be fruitful as the public from both regions will become prone and open towards each another. Easy visa regimes and frequent and cheap direct flights will be helpful in this regard.
- One of the major areas of EU influence in CARs may be education and culture. It is very important for EU to invest heavy amounts into these sectors; may be on the pattern of USEF. It will not only build a soft image of EU there but students returning from Europe will help to develop a better understanding regarding Europe and its culture.
- EU needs to actively support both bilateral and multilateral initiatives that could integrate Europe with CARs further not only through trade and investments but also at human interaction levels via promoting

¹⁰⁵ Ibid.

exposure to new ideas and access to information. In relation to that, EU needs to continue to support human rights and democracy projects.

- EU's efforts to enhance democracy and human rights practices should not forget the socio-cultural, historical, and political dynamics of the region. This can happen through continuous and constructive engagements with CARs.
- EU needs to focus carefully on what flourishing opportunities it can create for CARs local entrepreneurs, along with explaining the limitations of economic engagement as well.

Over the years, EU has shifted from its detached policy towards CARs towards a more integrated one. The most prominent shift was witnessed under its '2007-2013 Strategy Paper' which shifted extensive focus towards achieving various tiers of cooperation and development in fields of energy, combating terrorism and border protection and education etc. 2014-onwards it shifted another gear as EU started to view the region in light of tensions between Russia and Europe. In parallel, EU's growing energy dependencies upon Russia enforced its policy makers to look for alternate energy sources for which CARs became more important. EU interests towards CARs follow a four tiered trajectory that aims towards; a) enhancing the energy security of the CARs and the EU via integrated cooperation, b) to develop market integration with CARs via synchronized relevant legislative and regulatory frameworks, c) to support sustainable energy development and lastly, attracting investment for energy projects of common and shared regional interest. Trade ties are steadily prospering amidst both entities, as EU is amongst CARs top three trading partners alongside, Russia and China.

In contemporary era, the empowered CARs leaders have a palette of opportunities to choose from hence, EU needs to restructure its approach towards the region. EU needs to engage with CARs on all the levels; social, economic, political, and diplomatic. This may help EU to build its positive image which will surely help it to enhance its energy trade with the Central Asian states.