

Policy Paper

The Future of EU-Russia Relations

Four Scenarios to 2035

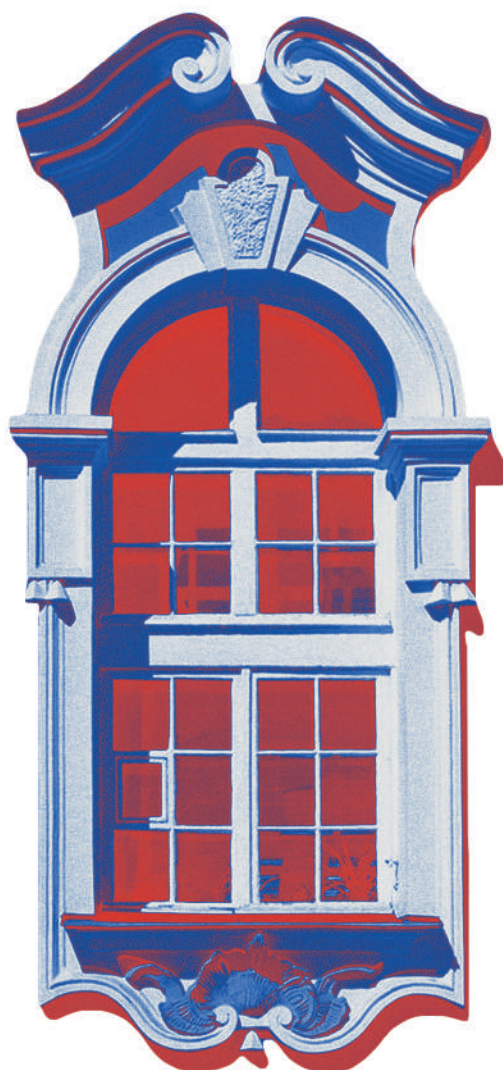
Nicolò Fasola, Eleonora Tafuro Ambrosetti

Contributors:

Andrei Kolesnikov

Kristi Raik

Marco Siddi



ISPI

Table of Contents

IN BRIEF	7
WHAT'S AT STAKE	8
Why it matters	8
Economy: the failure of liberal interdependence	9
BOX 1 - EU-Russia Energy Relations: Present and Future, <i>Marco Siddi</i>	11
Europe and Russia's security spiral	13
Education and culture: when people-to-people contact is not enough	15
Russian elite perspectives on relations with Europe and the 'collective West'	16
BOX 2 - The Making of Russia's Anti-European Narrative, <i>Andrei Kolesnikov</i>	19
EXPLORING OPTIONS - FOUR SCENARIOS TO 2035	22
Scenario 1: High-stakes mutual containment	24
Scenario 2: Managed diffidence	25
Scenario 3: Archipelago Europe	26
Scenario 4: Transactional accommodation	27
BOX 3 - The newly emerged Nordic-Baltic unity on Russia – and its limits looking ahead, <i>Kristi Raik</i>	29
Our Take	32
Notes	34
About the Authors	37

BOX 1**EU-RUSSIA ENERGY RELATIONS: PRESENT AND FUTURE**

Marco Siddi

In 2021, Russia was the largest external supplier of oil, natural gas and coal to the European Union, as well as its third largest uranium provider. This situation resulted from a combination of factors, including natural endowments, geographical proximity, cost competitiveness, personal and political ties and path dependencies consolidated over decades. Since the 1970s, Western European countries considered energy ties with Moscow as a vehicle of political détente with huge reciprocal economic benefits. Wandel durch Handel, “change through trade”, was one of the mottos of Germany’s Ostpolitik, encapsulating the cooperative foreign policy approach to Moscow. For half a century, this logic prevailed: interdependence in the energy sector was seen as the vehicle to integrate post-Soviet Russia with the EU’s economy.

After Russia’s full-scale attack on Ukraine on 24 February 2022, decoupling from Russia’s energy supplies became a top priority for the EU. The mainstream EU discourse now depicted imports from Russia as a key vulnerability and a source of revenue for Russia’s war machine. The REPowerEU Plan presented by the European Commission in May 2022 set out the goal of cutting imports from Russia through the diversification of suppliers, an increase in renewable energy generation and

energy savings. Coal imports from Russia were banned. Legal oil and petroleum imports were nearly stopped, with exceptions granted to three countries – Hungary, Slovakia, and Czechia – that were particularly dependent on (or keen to retain) imports of Russian oil via the Druzhba pipeline.

Dependence on Russian gas was also cut from around 45% of total gas imports in 2021 to 13% in 2025. This was particularly significant due to the physical constraints of gas trade, which in Europe has been based predominantly on pipelines. While Russia itself began to reduce supplies in late 2021, disputes concerning sanctions, the currency used for payments and political motives led to a drastic reduction in gas trade in the second half of 2022. Four main export pipelines from Russia to the EU exist: flows via Yamal-Europe ceased in May 2022; Nord Stream was closed temporarily for technical reasons in summer 2022 and then significantly damaged by explosives placed by Ukrainian agents in September 2022. Flows via Ukrainian transit pipelines continued until December 2024, despite the war, until Kyiv decided not to sign another transit agreement with Russia. Today, Russian pipeline gas continues to reach Europe only via the TurkStream pipeline. Significant volumes of Russian gas continue to reach EU ports – especially in Spain, Belgium and France – in the form of liquefied natural gas (LNG). While these

imports increased after 2022, they are much smaller than volumes via pipeline until 2021.

The full termination of Russian gas imports – both pipeline gas and LNG – has been made mandatory by EU legislation passed in early 2026, despite the opposition of Hungary and Slovakia and Bulgaria's abstention in the EU Council. Imports of Russian LNG will be banned from January 2027, whereas pipeline gas imports will be banned from November 2027. Non-compliance with the legislation may result in severe penalties. EU members were also required to prepare national plans to diversify remaining gas and oil supplies away from Russia by March 2026.

The legislation was likely intended to signal to markets that the EU will not return to imports of Russian energy even after the war in Ukraine ends. This is especially true of gas imports, which are covered by the new legislation, whereas oil import bans are tied to the renewal of sanctions. The new legislation is more durable than sanctions, which require unanimous renewal in the European Council every six months. In response to news that US investors close to the Trump administration might relaunch EU-Russia gas trade via the Nord Stream pipelines, the EU also introduced legislation banning any transactions concerning the pipelines, thus preventing their completion, maintenance and operation.

The implementation of the full ban on gas imports from Russia faces some challenges. In February 2026, Hungary filed a lawsuit with the European Court of Justice, arguing that the ban was wrongly adopted as a trade policy measure to avoid unanimity. Budapest also argued that EU treaties leave the choice of energy mix and suppliers to member states. The most serious challenge, however, lies in the evolving situation of international energy markets after the US and Israel attacked Iran in late February 2026. The closure of the Strait of Hormuz and physical destruction at production sites stopped EU

imports of LNG from the region, particularly from Qatar, which was the EU's third largest LNG supplier in 2025 (accounting for 9% of total imports). QatarEnergy declared force majeure for key European customers, highlighting that gas flows will not resume in the short term.

This has made the EU even more reliant on LNG supplies from the US, which in 2025 accounted for 57% of all EU LNG imports and around 27% of the bloc's total gas imports. The EU risks swapping dependence on Russia with dependence on the US, at a time when the Trump administration has taken a hostile posture and used energy exports as a lever in fraught negotiations with the EU concerning tariffs. In this context, CEO of Italian energy major ENI, Claudio Descalzi, has urged the EU to reconsider and suspend its planned phase-out of Russian gas. Energy-intensive industries and utility companies have also expressed concern over higher energy costs, loss of competitive advantage, and potential supply shortages.

Ultimately, while the era of large-scale energy trade between the EU and Russia appears to be over, the exact terms of the divorce vary depending on the energy source. The end of the war in Ukraine, Putin's departure from power, protracted economic crisis and changes in the European political leadership may lead both sides to reconsider energy decoupling. For the foreseeable future, however, bans, sanctions and decoupling have become the leitmotiv of EU-Russia energy relations. Meanwhile, unless the EU puts greater effort into shifting to a renewables-based economy, dependence on fossil fuel suppliers will remain an issue: swapping Russian with US and Middle Eastern fossil supplies will only lead to different geopolitical challenges, further carbon lock-in and new dependencies.

Marco Siddi, Finnish Institute of International Affairs & University of Cagliari