Due to the domestic events in the Soviet Union, the prospect of a new EEC-USSR framework agreement soon became obsolete. The disintegration of the Soviet Union in general and the restoration of the Baltic States in particular raised many questions. With regard to the EEC’s future relations with Estonia, Latvia and Lithuania three possible scenarios could be distinguished. First, the EEC could decide to include the Baltic States in its policy towards the former Soviet Union. This option would not be very consistent with the explicit recognition of the Baltic thesis on state continuity but entailed some practical advantages such as the avoidance of potential frictions in the Community’s bilateral relations with Russia. Second, proceeding from the principle of state continuity it could be argued that the Baltic States did not formally belong to the area of the former Soviet Union and, therefore, Estonia, Latvia and Lithuania could be covered by the EEC’s policy towards the countries of Central and Eastern Europe. This option clearly challenged the idea that the Baltic States belonged to Russia’s traditional geopolitical sphere of influence and could potentially affect the Community’s relations with Russia. Third, the Community could opt for a pragmatic solution in between both policies. This ‘third way’ would be consistent with the specific legal status of the Baltic States in comparison to the Newly Independent States without jeopardising the Community’s relationship with Russia. It would, however, leave the Baltic States in a grey zone between the countries of Central and Eastern Europe, on the one hand, and Russia, on the other.

Discussions on the most feasible scenario started immediately after the recognition of the Baltic States’ independence. Hans-Dietrich Genscher, the German Minister of Foreign Affairs, and his Danish colleague, Uffe Elleman-Jensen, proposed to start negotiations with a view to signing association agreements as soon as possible.\textsuperscript{30} Within the Community,
however, this was a minority view. The other Member States and the European Commission argued in favour of a less ambitious approach. Taking into account the economic situation of the Baltic States and their recent past as Soviet republics, they considered it inopportune to sign association agreements, as had already been done with a number of other Central and Eastern European countries.\(^{31}\) Alternatively, the then Commission president, Jacques Delors, proposed to conclude less far-reaching Trade and Co-operation Agreements to substitute a similar agreement that had been signed with the Soviet Union in 1989.\(^{32}\) Simultaneously, Delors also called for a “strong political signal” in order to reassure the Baltic States that they belonged to the “European democratic family”.\(^{33}\) This signal came when the Commission Vice-President Frans Andriessen visited the three Baltic republics on 9 September 1991. Andriessen confirmed the Community’s intention to negotiate Trade and Co-operation Agreements, promised that the Baltic States would receive 400 million ECU under the programme for technical assistance of the USSR and, most importantly, indicated that the three republics could be included in the PHARE-programme from January 1992 onwards.\(^{34}\) A Commission report on co-operation with Estonia, Latvia and Lithuania reiterated this intention,\(^{35}\) which was later confirmed by the G-24 in a meeting on 11 November 1991.\(^{36}\) Finally, the Council approved the extension of the PHARE-programme to include the Baltic States (and Albania) on 23 December 1991.\(^{37}\)

\(^{31}\) Agence Europe, 29 August 1991, p. 5.


\(^{33}\) Ibid., p. 4.


\(^{35}\) Bull. EC (1991) 9, 1.3.12.

\(^{36}\) Bull. EC (1991) 11, 1.3.10.