

# Bystander in its neighbourhood?

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The European Union's involvement in protracted conflicts  
in the post-Soviet space

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## Introduction

Twenty years after the collapse of the Soviet Union, some of its successor states are still riddled by conflicts with secessionist entities that erupted in the late 1980s and early 1990s. Due to their seemingly dormant state and the failure of the parties to achieve a final settlement, these conflicts have been referred to as “frozen conflicts” or “unresolved conflicts”. In this paper, the term “protracted conflict” will be used, which in contrast emphasizes the evolving nature of the conflicts.<sup>1</sup> Four of the conflicts under analysis have resulted in the creation of *de facto* states, namely the self-proclaimed Abkhazian Republic, the Republic of South Ossetia, the Pridnestrovian Moldavian Republic (usually referred to as “Transnistria”) and the Nagorno-Karabakh Republic. *De facto* states are political entities that enjoy sovereignty over a territory and a population but are not recognized by any or the vast majority of other states.<sup>2</sup> Of the four *de facto* states under analysis, only Abkhazia and South Ossetia have obtained limited international recognition.<sup>3</sup> Transnistria and Nagorno-Karabakh have not been recognized by their key international financial and military supporters, Russia and Armenia respectively.

The four conflicts in question differ from one another in terms of scope, history and international actors involved. However, they share several essential features, including a protracted conflict between the secessionist entity and the parent state, the *de facto* state's economic and military dependence on a patron state and the gradual consolidation of semi-independent state structures during the last two decades.<sup>4</sup> Russia acts as patron state for Abkhazia and South Ossetia, which were both breakaway provinces of Georgia, as well as for Transnistria, which was part of Moldova when the latter gained its independence from the USSR. Armenia is the patron state of Nagorno-Karabakh and is officially still at war with Azerbaijan, the breakaway province's parent state. Given Armenia's military and economic dependence on

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1 The term was adopted also by the Organization for Security and Co-operation in Europe, which has a “Special Representative for Protracted Conflicts” to represent the organization at the Geneva talks on the Abkhaz and South Ossetian conflicts.

2 D. Lynch, *Engaging Eurasia's Separatist States: Unresolved Conflicts and De Facto States* (Washington: United States Institute of Peace Press, 2004), p. 16.

3 Russia, Venezuela, Nicaragua and Nauru have recognized both Abkhazia and South Ossetia. As of 31 May 2011, Abkhazia was recognized also by Vanuatu – see [http://www.governmentofvanuatu.gov.vu/index.php?option=com\\_content&view=article&id=95:vanuatus-recognition-to-the-republic-of-abkhazia&catid=1:latest-news&Itemid=65](http://www.governmentofvanuatu.gov.vu/index.php?option=com_content&view=article&id=95:vanuatus-recognition-to-the-republic-of-abkhazia&catid=1:latest-news&Itemid=65) (accessed on 17 July 2011).

4 M. Kapitonenko, 'Resolving post-Soviet “frozen conflicts”: is regional integration helpful?', *Caucasian Review of International Affairs*, Vol. 3, No. 1 (2009), p. 37. The term “parent state” refers to the state to which the secessionist entities belong according to international law; the “patron state” is the international actor that supports the secessionist entity and its consolidation as a *de facto* state.

Russia, it is sensible to argue that the Kremlin has at least some influence on the Nagorno-Karabakh conflict as well.<sup>5</sup>

Since Russia is a key player in all four conflicts, its policies and role will be a subject of analysis in this paper. However, in order to understand the specificities of each conflict the analysis will first draw on the most recent literature to outline the current state of the four conflicts and the role of international conflict resolution efforts. In this context, particular attention will be devoted to the European Union's (EU) contribution to conflict resolution until now. The EU gradually became more involved in these conflicts during the last decade, particularly through the appointment of Special Representatives and the deployment of civilian missions close to the separatist entities. Furthermore, the EU concluded Action Plans with partner states within the framework of the European Neighbourhood Policy (ENP), which *inter alia* stipulate priorities for both sides to address the conflicts.

However, so far EU policies have kept a low profile and focused mostly on the monitoring of borders and local economic rehabilitation. The analysis will show that this strategy has not paid. The EU is currently excluded from negotiations on the Nagorno-Karabakh conflict and has no influence on internal developments in Abkhazia and South Ossetia. Transnistria constitutes a partial exception, as this is the only conflict where the EU has some noteworthy leverage on both the parent state and the secessionist entity. However, also in this case Brussels has achieved only very modest results. This paper will argue that the EU cannot make a significant contribution to the conflict resolution process due to its lack of internal coherence, political will and economic and military leverage. As will be shown, it is highly unlikely that the EU will step up its efforts and play a more prominent role in any of these conflicts in the short and medium term.

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5 Armenia is a member of the Collective Security Treaty Organization, a military alliance under heavy Russian influence. Furthermore, Russia is by far the main international investor in Armenia, as well as Yerevan's main creditor; see H. Khachatrian 'Foreign Investment in Armenia: influence of the crisis and other peculiarities', in *Caucasus Analytical Digest*, No. 28 (June 2011), p. 18.

## Protracted conflicts and *de facto* states in the post-Soviet space

### Geopolitical context and external actors.

The four conflicts under analysis take place in areas which are of considerable strategic importance for both Russia and the European Union. The conflicts in Abkhazia, South Ossetia and Nagorno-Karabakh constitute the main determinant of instability in the South Caucasus, a region that the European Union has identified as a key transit corridor in its plans for the diversification of energy supplies.<sup>6</sup> For Russia, the South Caucasus is strategically significant both as an area within the post-Soviet space, which the Kremlin considers a top priority of its foreign policy<sup>7</sup>, and as a territory bordering with its own troublesome North Caucasian republics, which have recently witnessed secessionist wars, the spread of Islamic terrorism and a deep economic and structural crisis.<sup>8</sup>

The National Security Strategy of the Russian Federation to 2020 states that “The main threats to the border-related interests and security of the Russian Federation are the presence and possible escalation of armed conflicts near its state borders [...]” and emphasizes the risks related to the spillover of illegal activities such as terrorism and arms and drug trafficking from the conflict areas to Russia’s bordering regions.<sup>9</sup> However, the Kremlin has applied a different rationale to the Transnistrian conflict, where it supports a separatist government that earns considerable revenues from illegal activities such as those listed in the National Security Strategy. Due to the proliferation of such activities, Transnistria constitutes a security challenge for the European Union, whose eastern borders are a mere 150 kilometres away from the secessionist province. For Russia, the security risks posed by criminal activities in Transnistria are mitigated by the relative distance of its borders. Most importantly, these risks are offset by

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6 ‘Energy infrastructure priorities for 2020 and beyond - A Blueprint for an integrated European energy network’, *Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions* (17 November 2010), pp. 10-11, available at [http://www.energy.eu/directives/com-2010-0677\\_en.pdf](http://www.energy.eu/directives/com-2010-0677_en.pdf) (accessed on 18 July 2011).

7 In this regard, see the National Security Strategy of the Russian Federation to 2020, which is one of the main primary sources outlining the Kremlin’s key strategic interests. The original document (in Russian) is available at: <http://www.scrf.gov.ru/documents/99.html> (accessed on 18 July 2011); for a translation, see <http://rustrans.wikidot.com/russia-s-national-security-strategy-to-2020> (accessed on 18 July 2011). For a critical analysis of the whole document, see S. Dimitrakopoulou and A. Liaropoulos, ‘Russia’s National Security Strategy to 2020: a great power in the making?’, *Caucasian Review of International Affairs*, Vol. 4, No. 1 (2010) and M. de Haas and H. Schroeder, ‘Russian National Security Strategy’, *Russian Analytical Digest*, No. 62 (June 2009).

8 For an introduction to the key features of the North Caucasus, see ‘North Caucasus: guide to a volatile region’, *BBC* (25 January 2011), available at <http://www.bbc.co.uk/news/world-europe-12274023> (accessed on 18 July 2011).

9 National Security Strategy of the Russian Federation to 2020, paragraph 41.

the strategic advantages of having a friendly government in the secessionist entity that practically thwarts any Moldovan ambition to join NATO or the European Union.<sup>10</sup>

Following NATO's and the EU's eastern enlargement in the years 1999-2004, the protracted conflicts in the post-Soviet space have become one of the instruments in the Kremlin's toolkit to prevent any further eastward expansion of both organizations close to Russia's borders. Neither the EU nor NATO would accept a new member state which does not have full control over its territory, is involved in internal conflicts with breakaway regions and has Russian troops on its soil.<sup>11</sup> Thus, the conflicts with Abkhazia and South Ossetia are one of the main factors preventing Georgia from undertaking the desired path of NATO membership. Moldova and Azerbaijan have not manifested an interest in joining the Atlantic alliance until now; if they decided to do so, the conflicts over Transnistria and Nagorno-Karabakh would most likely be an insurmountable obstacle in the path to accession.<sup>12</sup>

The Georgian-Russian war of August 2008 provides the best example of the wider geopolitical significance of the protracted conflicts in the post-Soviet space. The "de-freezing" and rapid escalation of the conflicts in Abkhazia and South Ossetia was mainly the consequence of US-Russian disputes in the international arena and the direct and indirect intervention of foreign powers in the conflicts. Kosovo's declaration of independence in February 2008 and its recognition by the United States and its allies, in violation of existing international law, angered Russia and provided secessionist entities with a pretext to revive their demands for international recognition.<sup>13</sup> Furthermore, Washington's strong backing of the Saakashvili government in Georgia, which rapidly increased military spending and took an aggressive stance towards Abkhazia and South Ossetia, emboldened Tbilisi to seek a solution of the secessionist conflicts by military means.<sup>14</sup>

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10 A. Akçakoca, T. Vanhauwaert, R. Whitman and S. Wolff, 'After Georgia: conflict resolution in the EU's Eastern neighbourhood', *EPC Issue Paper*, No. 58 (April 2009), p. 11.

11 This is also one of the main reasons why Russia maintains a military presence in Transnistria, Abkhazia and South Ossetia. According to available statistics, there are approximately 3,800 Russian troops in each of Abkhazia and South Ossetia and approximately another 1,100 in Transnistria. See Akçakoca, Vanhauwaert, Whitman and Wolff, 'After Georgia', Annex 5, p. 51.

12 For a more detailed overview of the strategic relevance of the protracted conflicts, see also U. Halbach, 'Ungelöste Regionalkonflikte im Suedkaukasus', *SWP Studie* (March 2010), pp. 8-11.

13 The relevance of the Kosovo case to the conflict in Abkhazia has been discussed at length in M. Siddi, 'Abkhazia, Kosovo and the right to external self-determination of peoples', *Central Asia and the Caucasus*, Issue 12, No. 1 (2011), pp. 62-70, available at <http://www.ca-c.org/journal/2011-01-eng/06.shtml> (accessed on 18 July 2011). See also H. Krueger, 'Implications of Kosovo, Abkhazia and South Ossetia for international law', in *Caucasus Review of International Affairs*, Vol. 3, No. 2 (2009), pp. 121-142; B. Harzl, 'Conflicting perceptions: Russia, the West and Kosovo', *Review of Central and East European Law* 33 (2008), pp. 491-518.

14 US policies are analyzed in S. Blank, 'What Comes After the Russo-Georgian War? What's at Stake in the CIS', *American Foreign Policy Interests*, Vol. 30, No. 6 (November 2008), pp. 379-391; J. Nichol, 'Georgia (Republic)

Following the August 2008 war, the United States have kept a low profile in their policies towards the four secessionist conflicts and attempted to obtain Russia's cooperation on issues to which they attach a higher priority, most notably Iran's nuclear programme and the war in Afghanistan. Conversely, Russia has maintained its strategic position and even stepped up its military and economic presence in Abkhazia and South Ossetia. Following the crisis, the Kremlin also undertook some mediation efforts in the context of the Transnistrian and the Nagorno-Karabakh conflicts, but failed to achieve any significant breakthroughs. As will be discussed below, the EU increased its civilian and diplomatic presence in the region, but it is still unable to significantly influence the situation on the ground in any of the four conflicts under analysis.

## Abkhazia

Abkhazia is a strip of land covering approximately 8,700 square kilometres, which amounts to 12% of the area that became part of Georgia after the collapse of the Soviet Union. Abkhazia's territory is delimited by the main ridge of the Greater Caucasus in the north-east and the Black Sea coast in the south-west. According to the Abkhaz census of 2003, the region is inhabited by approximately 216,000 people, including 94,500 Abkhazians (44.2%), 45,000 Armenians (21.0%), 44,000 Georgians (20.6%), 23,500 Russians (10.9%) and some smaller Ukrainian, Greek and Estonian minorities.<sup>15</sup> These statistics do not include the 200,000 Georgians who were expelled from the region during the 1992-1993 war and have not returned to their homes.<sup>16</sup>

The history of the Georgian-Abkhaz conflict dates back from the early twentieth century. The first military clashes between the ethnic groups took place during the revolutionary period and the civil war, when the Abkhazians sided with the Bolsheviks and the Georgians with the Mensheviks. In 1922 Abkhazia joined the Soviet Union as an independent Union Republic (the

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and NATO enlargement. Issues and implications', *CRS Report for Congress* (7 March 2008); F. Ismailzade, 'US policy towards the South Caucasus: how to move forward', *Caucasus Analytical Digest*, No. 13 (February 2010), pp. 5-8.

15 *2003 Census of the Republic of Abkhazia*, <http://www.ethno-kavkaz.narod.ru/rnabkhazia.html> (accessed on 18 July 2011).

16 In 1989 the total population of Abkhazia was of 525.061, of which 45.7% (239.872) were ethnic Georgians. However, it should also be kept in mind that Abkhazians had become a minority in their own land as a result of their forced expulsion during the tsarist empire and the resettlement of ethnic Georgians in Abkhazia during the Stalinist period. In 1886, Abkhazians made up around 85% of the population, Georgians only 6%. In 1959, shortly after the end of Stalinism, Abkhazians were a mere 15%, while Georgians had grown to 39%. Today most ethnic Abkhazians live in Turkey. D. Müller, 'Demography', in G. Hewitt (ed.), *The Abkhazians* (Richmond, 1999), pp. 235-237; *НАСЕЛЕНИЕ АБХАЗИИ (Population of Abkhazia)*, available at <http://www.ethno-kavkaz.narod.ru/rnabkhazia.html> (accessed on 18 July 2011).

Abkhaz Soviet Socialist Republic). However, in 1931 Stalin demoted the status of Abkhazia to that of Autonomous Socialist Federal Republic within the Georgian Republic and intensified the policy of “Georgianisation” of the province.<sup>17</sup> In the post-Stalinist era tensions between Abkhazians and Georgians persisted, as the former felt discriminated by Abkhazia's administrative inclusion in Georgia and the latter complained about their underrepresentation in the political structures of the autonomous republic.<sup>18</sup>

When the Soviet Union collapsed, Georgia declared its independence, but it soon fell in a civil war involving rival Georgian factions and South Ossetians. In August 1992 Georgian forces invaded Abkhazia and started a civil war that lasted more than a year, causing large material destruction and thousands of casualties. The conflict was ended by Russia's intervention and mediation. Georgia had to sign the Agreement on a Ceasefire and Separation of Forces, concluded on 14 May 1994 in Moscow under the mediation of Russia and the United Nations (UN), and accept the deployment of 3,000 Russian peacekeepers under the mandate of the Commonwealth of Independent States (CIS). The CIS mission was to operate under the supervision of a UN mission, the United Nations Observer Mission in Georgia (UNOMIG). The subsequent negotiations for a resolution of the conflict produced no significant results.<sup>19</sup>

Mikhail Saakashvili's rise to power in Georgia and his policies aimed at recovering sovereignty over the country's breakaway provinces led to another escalation of the crisis in the summer of 2008. In the attempt to thwart Georgia's application for NATO membership, Russia increased its support to the breakaway provinces and intervened militarily on their side when Tbilisi launched a military operation against South Ossetia in August 2008. The war ended with the defeat of Georgian military forces and both sides' acceptance of a Six-Point Ceasefire Agreement mediated by French President Nicolas Sarkozy.<sup>20</sup>

On 26 August 2008 Russia recognized the independence of both Abkhazia and South Ossetia. During the following months the Kremlin increased its military presence in both regions and made considerable investments in the economies of both secessionist entities.

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17 S. Lakoba, 'History: 1917-1989', in G. Hewitt (ed.), *The Abkhazians* (Richmond, 1999), pp. 89-94; *Report of the Independent International Fact-Finding Mission on the Conflict in Georgia*, Vol. II, p. 67; R. G. Suny, *The making of the Georgian nation* (Bloomington, 1994), p. 215.

18 C. Zürcher, *The Post-Soviet Wars* (New York, 2007), pp. 120-121.

19 A. Petersen, 'The 1992-93 Georgia-Abkhazia war: a forgotten conflict', *Caucasian Review of International Affairs*, Vol. 2, No. 4 (2008), pp. 195-197; *Security Council Document S/1994/583. Annex I: Cease-Fire and Separation of Forces Agreement*, Moscow, 14.5.1994; information on UNOMIG is available at <http://www.un.org/en/peacekeeping/missions/past/unomig/> (accessed on 19 July 2011); *Report of the Independent International Fact-Finding Mission on the Conflict in Georgia*, Vol. II, pp. 80-89.

20 The Six Point Ceasefire Agreement is available in *Report of the Independent International Fact-Finding Mission on the Conflict in Georgia*, Vol. III, p. 587.

Following the termination of UNOMIG and of the mission of the Organization for Security and Co-operation in Europe (OSCE) in Georgia, which were both determined by a Russian veto on their extension in 2009, there is no other significant international presence in Abkhazia and South Ossetia. The European Union Monitoring Mission in Georgia (EUMM), established in October 2008 by the EU Council, has been denied access to the Abkhaz and South Ossetian side of the border and operates exclusively on undisputed Georgian territory.<sup>21</sup>

## **South Ossetia**

Although the latter phase of the Abkhaz and South Ossetian conflicts are closely intertwined, their history and international mediation attempts therein differ for the most part. Thus, these should be analyzed separately for South Ossetia. South Ossetia covers an area of approximately 3,900 square kilometres, most of which are mountainous territory. Most of its estimated 70,000 inhabitants live in the southern part of the region, close to the administrative border with Georgia proper. According to the last Soviet census, Ossetians constituted around 66% of the population, followed by Georgians (29%), Russians (2%), and other smaller ethnic groups. Contrary to Abkhazia, the ethnic balance in the region has remained fairly stable over the last century.<sup>22</sup>

Although also the first clashes between South Ossetians and Georgians date back from the civil war period (1918-1920), relations between the two ethnic groups were relatively good throughout the Soviet era.<sup>23</sup> The situation deteriorated quickly at the time of the Soviet Union's collapse. The Georgian nationalist government led by Zviad Gamsakhurdia attempted to bring the region under tight Georgian control. South Ossetia had enjoyed the status of Autonomous Oblast within the Georgian Soviet Socialist Republic under the Soviet Union and, perceiving the threat of losing any form of autonomy, it proclaimed its full sovereignty within the Soviet Union in September 1990. The clash with Tbilisi led to a military escalation that resulted in a destructive war lasting from January 1991 until June 1992. In the summer of 1992 the Georgians accepted a Russian-brokered ceasefire and an agreement establishing a security corridor along the administrative border between South Ossetia and Georgia proper, a Joint Control Commission (with representatives from Georgia, Russia, North Ossetia and South

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21 *Report of the Independent International Fact-Finding Mission on the Conflict in Georgia*, Vol. II, pp. 89-91 and 211-219, Vol. III, pp. 587-594. The Six Point Ceasefire Agreement is available in Vol. III, p. 587.

22 *НАСЕЛЕНИЕ ЮЖНОЙ ОСЕТИИ (Population of South Ossetia)*, available at <http://www.ethno-kavkaz.narod.ru/rsossetia.html> (accessed on 19 July 2011).

23 *Report of the Independent International Fact-Finding Mission on the Conflict in Georgia*, Vol. II, p. 4.

Ossetia) and a Joint Peacekeeping Force of Russian, Georgians and Ossetian soldiers. Furthermore, the OSCE dispatched a mission to monitor the peacekeeping operation.<sup>24</sup>

The re-escalation of the conflict in South Ossetia took place in parallel to that of the Abkhaz conflict. Georgian attempts to re-establish control over the region revived tensions starting in the summer of 2004. On 7 August 2008 the Georgian army shelled the city of Tskhinvali, killing more than a hundred civilians, ten Russian peacekeepers and wounding many others, and launched a major military operation against South Ossetia. This provoked Russia's military intervention, which repelled the Georgian attack and expelled Tbilisi's troops from the entire region. In the process, around 20,000 Georgian civilians were also expelled from South Ossetia.<sup>25</sup> The subsequent phases of the conflict, including the achievement of a ceasefire and Russia's recognition of the separatist entity's independence, coincide with the events described above with regard to Abkhazia. For both Georgian separatist republics negotiations on the resolution of the respective conflicts with Tbilisi are taking place within the framework of the Geneva process and are co-chaired by the EU, the OSCE and the UN.<sup>26</sup>

### **Nagorno-Karabakh**

The self-proclaimed Nagorno-Karabakh Republic constitutes one of the most daunting obstacles to regional stability in the Southern Caucasus, especially due to the persisting state of war between the two main parties involved in the conflict, namely Armenia and Azerbaijan. In 1989, according to the last Soviet census, Nagorno-Karabakh had a population of almost 200,000 people, amongst whom 76% were Armenian, 23% Azerbaijani and the rest Russian and Kurdish. Current estimates place the population size at around 130,000, though no official data is available. Since the formal cessation of hostilities, Nagorno-Karabakh and the seven districts that surround it remain effectively under Armenian occupation. This area constitutes 17% of Azerbaijan's total territory.<sup>27</sup>

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<sup>24</sup> *Report of the Independent International Fact-Finding Mission on the Conflict in Georgia*, Vol. II, pp. 89-91 and 211-219, Vol. II, pp. 92-100; Halbach, 'Ungelöste Regionalkonflikte', pp. 12-15; P. Baev, C. Zürcher and J. Koehler, 'Civil Wars in the Caucasus' in Paul Collier & Nicholas Sambanis (eds.), *Understanding Civil War: Evidence and Analysis* (Washington, 2005), pp. 267-275; Akçakoca, Vanhauwaert, Whitman and Wolff, 'After Georgia', p. 12.

<sup>25</sup> Halbach, 'Ungelöste Regionalkonflikte', p. 14; for details on the military operations in the South Ossetian sector during the August 2008 conflict, see the *Report of the Independent International Fact-Finding Mission on the Conflict in Georgia*, Vol. II, pp. 203-211.

<sup>26</sup> However, negotiations have made little progress so far; see N. Mikheilidze, 'The Geneva talks over Georgia's territorial conflicts: achievements and challenges', *Documenti Istituto Affari Internazionali*, No. 10/25 (Rome, November 2010).

<sup>27</sup> Akçakoca, Vanhauwaert, Whitman and Wolff, 'After Georgia', p. 14.

Also the conflict over Nagorno-Karabakh has its roots in the years of the Russian revolution and civil war.<sup>28</sup> In 1988, in the power vacuum left by the dissolving Soviet empire, an ethnic conflict between Armenia and Azerbaijan broke out again, shortly after the parliament of the Nagorno-Karabakh Autonomous Oblast in Azerbaijan unilaterally decided to join the enclave with Armenia. In 1992, following a referendum boycotted by the Azerbaijanis, the Armenians of Nagorno-Karabakh declared full independence. In May 1994 a ceasefire was achieved with Russian mediation. However, the six-year conflict left more than half a million of internally displaced peoples (IDPs) in Azerbaijan, causing one of the most severe refugee crises to date.<sup>29</sup> What is more, the Nagorno-Karabakh area remains a landmine-ridden, devastated and largely de-populated region.<sup>30</sup>

Despite both sides' official adherence to the ceasefire, regular incidents resulting in casualties have occurred and Azerbaijan and Armenia have involved themselves in a major arms race.<sup>31</sup> Today, approximately 30,000 Azerbaijani and Armenian troops face each other along a 175-kilometre fault line, which is monitored by a mere total of six OSCE observers.<sup>32</sup> The latter cannot patrol the area without prior notification to both conflict sides, which effectively renders their efforts to nothing. The volatile truce is far from conflict resolution, leaving a possibility of an even more deadly war between Armenia and Azerbaijan in this context of escalation.<sup>33</sup>

Settlement attempts have been in vain so far. The so-called "Basic Principles" document, put forward by the OSCE mediators in 2007, is the most recent settlement proposal. These "Basic Principles" require *inter alia*: the return of the territories surrounding Nagorno-Karabakh to Azerbaijani control (entailing the complete withdrawal of Armenian forces from five out of the seven occupied districts and a progressive withdrawal from a sixth one); a corridor linking Armenia to Nagorno-Karabakh; an interim status for Nagorno-Karabakh for 10-15 years, providing guarantees for security and self-governance; future determination of

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28 Especially in the 1918-20 Armenian-Azerbaijani war over border delineation. For a historical discussion of the conflict see M. P. Croissant, *The Armenia-Azerbaijan Conflict: Causes and Implications* (London, 1998).

29 Halbach, 'Ungelöste Regionalkonflikte', pp. 18-20; Akçakoca, Vanhauwaert, Whitman and Wolff, 'After Georgia', pp. 14 and 17.

30 Akçakoca, Vanhauwaert, Whitman and Wolff, 'After Georgia', p. 14.

31 'Armenia and Azerbaijan: Preventing War', *International Crisis Group Europe Briefing* N°60, 8 Feb 2011, available at: <http://www.crisisgroup.org/en/regions/europe/caucasus/azerbaijan/B60-armenia-and-azerbaijan-preventing-war.aspx> (accessed on 26 July 2011).

32 A. Paul, 'Nagorno-Karabakh - A ticking bomb', *European Policy Centre* 17 September 2010, available at [http://www.epc.eu/prog\\_forum\\_details.php?cat\\_id=4&pub\\_id=1148&forum\\_id=18&prog\\_id=3](http://www.epc.eu/prog_forum_details.php?cat_id=4&pub_id=1148&forum_id=18&prog_id=3) (accessed at 26 July 2011).

33 For a more detailed strategic analysis, see also A. Jackson, 'The Military Balance in Nagorno-Karabakh', *Caucasus update*, Issue 18 (19 January 2009), available at <http://www.cria-online.org/CU - file - article - sid - 19.html> (accessed on 19 July 2011).

the final legal status of Nagorno-Karabakh through a legally-binding referendum; the right of all IDPs and refugees to return to their former places of residence; international security guarantees that would include a peacekeeping operation (numbering around 10,000).<sup>34</sup>

Azerbaijan maintains that any resolution must entail the restoration of what they consider to be the native Azerbaijani territory of Nagorno-Karabakh, while Armenia favours a self-determination option for the entity. For the past 15 years the OSCE Minsk Group, the main (highly confidential) conflict settlement discussion mechanism co-chaired by Russia, France and the United States, has not been able to put enough pressure on both sides to make them agree on a solution. For the time being, it seems that the *status quo* narrowly satisfies both Armenia and Azerbaijan, making inaction the name of the game.<sup>35</sup>

The *de facto* statehood of Nagorno-Karabakh is dependent on the material support of Armenia and its powerful diaspora overseas. In 2006, a said 98% of Nagorno-Karabakh voters supported a referendum calling for the enclave's independence. The referendum, however, was not recognized by the international community. In terms of internal politics, the separatist entity remains under martial law. Although civil rights are curbed, the government has tried to hold free elections, mainly in order to gain public support in the international arena.<sup>36</sup>

On the identity and nation-building side, Nagorno-Karabakh retains close ties to Armenia, as in all other areas of its *de facto* statehood project. What exacerbates the situation and makes the conflict even more volatile is the fact the Armenian and Azeri populations have maintained no contact with each other and there were no bottom-up attempts to bridge the gap between them. On the contrary, both populations have been exposed to and encouraged by the intense hate propaganda pursued by their respective governments in domestic debates. As a consequence, public opinion on both sides of the conflict remains sternly opposed to any

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34 *Statement by the OSCE Minsk Group Co-Chair countries*, Press release 10 July 2009, available at <http://www.osce.org/item/51152> (accessed on 12 August 2011).

35 Akçakoca, Vanhauwaert, Whitman and Wolff, 'After Georgia', p. 15; Halbach, 'Ungelöste Regionalkonflikte', pp. 20-21. In the most recent round of talks convened in June 2011 no progress on the resolution of the dispute over the enclave was achieved; E. Barry, 'Azerbaijan and Armenia Fail to End Enclave Dispute', *The New York Times*, (24 June 2011), [http://www.nytimes.com/2011/06/25/world/asia/25karabakh.html?\\_r=1](http://www.nytimes.com/2011/06/25/world/asia/25karabakh.html?_r=1) (accessed on 19 July 2011). For recent developments on the ground, see also 'Armenia and Azerbaijan: preventing war', *International Crisis Group, Europe Briefing No. 60* (8 February 2011), available at <http://www.crisisgroup.org/en/regions/europe/caucasus/B60-armenia-and-azerbaijan-preventing-war.aspx> (accessed on 28 July 2011).

36 Freedom House rated these elections as "partly free" and considered them as no less democratic than the ones in both Armenia and Azerbaijan; see 'Nagorno-Karabakh Country Report 2010', Freedom House, <http://www.freedomhouse.org/template.cfm?page=22&country=7955&year=2010> (accessed on 19 July 2011).

concessions, largely turning settlement compromises to unwanted political choices.<sup>37</sup>

## Transnistria

The “Pridnestrovian Moldavian Republic” (Transnistria in Moldovan; Pridnestrov’e in Russian), is located on the thin strip of land on the left bank of the river Dniester, wedged between Moldova and Ukraine. While it remains a *de jure* part of Moldova, it has been a *de facto* separate state entity for 20 years – since its declaration of independence on 27 August 1991. Out of all the post-Soviet conflict zones, the term “frozen conflict” is most fitting here, as there have been no reports of incidents resulting in casualties since the ceasefire in July 1992.<sup>38</sup>

Transnistria declared independence from Moldova merely a day before the Moldovan declaration of independence from the USSR.<sup>39</sup> However, Transnistrian leaders did not manage to secure international recognition or reach a deal with the parent state on secession. The military conflict itself was directly spurred by Chisinau’s decision to establish Moldovan as the state language of the new republic. Following months of skirmishes, in the spring of 1992 Moldovan forces attempted to retake the left bank of the Dniester River, triggering a full-fledged war and a prompt intervention by the Russian army. By the summer of 1992 a ceasefire was signed and the conflict “froze”, basically in an “as-is” form up to this day.<sup>40</sup>

Currently, there are approximately 1,200 Russian troops in Transnistria, namely the remnant of the former Soviet 14<sup>th</sup> army, as well as large amounts of Soviet-time ammunition. Since the 1992 war there have been various conflict settlement attempts. On the whole, all of the proposals advocated the return of Transnistria to Moldova, and all were rejected by either side. Any agreement in the case of the Transnistrian conflict would have to entail the resolution of a number of distinct but interconnected issues.<sup>41</sup> The proposals tabled in the years 1993-2007, by actors ranging from the CSCE, through Ukrainian and Russian politicians, to the Moldovan side, have addressed questions such as the distribution of powers, potential federalism, external and internal guarantees for compliance and the permission of secession in the case of a Moldovan merge with Romania<sup>42</sup>. The current round of negotiations in a 5+2

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37 Akçakoca, Vanhauwaert, Whitman and Wolff, ‘After Georgia’, pp. 15-16.

38 S. Wolff, ‘The Prospects of a Sustainable Conflict Settlement for Transnistria’, Research Seminar, 9 February 2011, p. 1.

39 Blakkisrud and Kolstø, ‘From Secessionist Conflict Toward a Functioning State: Processes of State- and Nation-Building in Transnistria’, p. 183.

40 Wolff, ‘The Prospects of a Sustainable Conflict Settlement for Transnistria’, p. 2.

41 Wolff, ‘The Prospects of a Sustainable Conflict Settlement for Transnistria’, p. 2.

42 See the CSCE Report of 1993 (*Report No. 13 by the CSCE Mission to Moldova*, 13 November 1993), available at <http://www.osce.org/moldova/42307> (accessed on: 17 August 2011); Kozak Memorandum of 2003

format, including Moldova, Transnistria, Russia, Ukraine, the OSCE, as well as the EU and the US as observers, has not yielded any solutions so far.<sup>43</sup>

Transnistria remains a “net importer” of security, as a result of Moscow’s long-standing involvement in the conflict. Its *de facto* statehood ultimately depends on Russia’s willingness to renew its security guarantee.<sup>44</sup> In terms of securing physical territorial control, Transnistrian authorities have managed to maintain a fixed and deliberately delineated border, as well as full control over the territory within it. The Joint Control Commission, a trilateral force consisting of Russian, Moldovan and Transnistrian security and peacekeeping forces with a common command structure, has been established to patrol the Transnistrian-Moldovan frontier areas. In practical terms, border control carried out in conjunction with external actors has helped to entrench the Transnistrian territorial *status quo*. Initially, the Transnistrian-Ukrainian border was given less attention. As a result, it became a hub for the lucrative market of smuggling, trafficking of human beings, drugs and weapons. Looking back, however, the reports about the dire border situation seem to have been overblown and exaggerated from the start.<sup>45</sup>

Although Transnistria is not recognized internationally by any state besides the other three separatist entities discussed in this paper, it has established and consolidated state-like features. The Transnistrian political system is highly centralized, with the balance of power shifted towards the presidency. So far, elections were held four times since the declaration of independence, and the current and long-standing President Smirnov has had real competition in none. Even so, the Transnistrian leadership enjoys at least some degree of popular support, especially since the parliamentary life reinvigorated in 2005 through a nascent party movement.<sup>46</sup>

The general sentiment that Moldovans are much worse off economically pervades among Transnistrians. Moreover, significant political and economic interest groups have a

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(Меморандум Козака), available in Russian at <http://www.regnum.ru/news/458547.html> (accessed on 17 August 2011); Mediator Proposals of 2004 (*Proposals and recommendations of the mediators from the OSCE, the Russian Federation, Ukraine with regards to the Transdnistrian settlement*, 13 February 2004), available at <http://www.osce.org/moldova/23585> (accessed on: 17 August 2011); Ukrainian Plan of 2005 (*Plan for the settlement of the Transdnistrian problem*, 2005), available at <http://www.stefanwolff.com/files/Ukrainian-Plan.pdf> (accessed on 17 August 2011); Moldovan Framework Law 2005 (law ‘*On Fundamental Regulations of the Special Legal Status of Settlements on the Left Bank of the River Nistru (Transnistria)*’, 22 July 2005); and Moldovan “Package” Proposal of 2007. For the detailed analysis of all settlement proposals see Wolff, ‘The Prospects of a Sustainable Conflict Settlement for Transnistria’, pp. 1-29.

43 Akçakoca, Vanhauwaert, Whitman and Wolff, ‘After Georgia’, p. 20.

44 Blakkisrud and Kolstø, ‘From Secessionist Conflict Toward a Functioning State’, p. 186.

45 Blakkisrud and Kolstø, ‘From Secessionist Conflict Toward a Functioning State’, pp. 187-188.

46 Akçakoca, Vanhauwaert, Whitman and Wolff, ‘After Georgia’, p. 17; A. Racz, ‘Russian approaches to the ‘common neighbourhood: change or preservation of the status quo?’, *SPES Policy Papers* (November 2010), p. 13; Wolff, ‘The Prospects of a Sustainable Conflict Settlement for Transnistria’, pp. 2-5.

stake and a say in the Transnistrian independence bid. Transnistrian political elites have been the major beneficiaries of the “crony privatization” of the major industrial plants which dominate the country’s economy. Furthermore, Russia remains the primary export market, as well as the foremost provider of loans and subsidies. Thus, the main rationale for the Transnistrian independence bid remains economic. There have been no significant inter-ethnic tensions within Transnistria itself.<sup>47</sup>

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<sup>47</sup> Transnistrian society is roughly equally divided into thirds among ethnic Moldovans, Russians and Ukrainians.

## The European Union's involvement in the protracted conflicts

### Instruments and policies

The European Union started to look for a role in the resolution of the four conflicts in the late 1990s. In 1998, the Partnership and Cooperation Agreement (PCA) between the EU and the Republic of Moldova entered into force, followed by similar PCAs with Armenia, Azerbaijan and Georgia the year after. However, these documents dealt mainly with market reforms and the harmonization of national legislation with EU legislation, while the resolution of the conflicts did not feature prominently. The PCA with Moldova did not include any reference to the Transnistrian conflict and merely recognized Moldova's territorial integrity in the preamble.<sup>48</sup> The PCAs with Georgia, Armenia and Azerbaijan only stated that "Dialogue may take place on a regional basis, with a view to contributing towards the resolution of regional conflicts and tensions".<sup>49</sup> Abkhazia, South Ossetia and Nagorno-Karabakh were not even mentioned and no concrete guidelines were provided for a comprehensive EU approach to conflict resolution in the region.

In July 2003 the Union attempted to step up its presence in the South Caucasus by appointing a Special Representative (EUSR) for the area. In March 2005 a EU Special Representative for Moldova was also appointed and given the task of streamlining EU efforts in the 5+2 negotiation framework, in which the Union is involved as an observer. Although the mandate of both EUSRs included the task of contributing to the resolution of regional conflicts, they achieved little in this respect.<sup>50</sup> The EUSRs limited themselves to supporting existing

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48 Partnership and Cooperation Agreement between the European Communities and their Member States, of the one part, and the Republic of Moldova, of the other part, available at <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:21998A0624%2801%29:EN:HTML> (accessed on 19 July 2011).

49 Partnership and Cooperation Agreement between the European Communities and their Member States, of the one part, and Georgia, of the other part, available at [http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:21999A0804\(01\):EN:HTML](http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:21999A0804(01):EN:HTML) (accessed on 19 July 2011); Partnership and Cooperation Agreement between the European Communities and their Member States, of the one part, and the Republic of Armenia, of the other part, available at <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:21999A0909%2801%29:EN:HTML> (accessed on 19 July 2011); Partnership and Cooperation Agreement between the European Communities and their Member States, of the one part, and the Republic of Azerbaijan, of the other part, available at <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:21999A0917%2801%29:EN:HTML> (accessed on 19 July 2011).

50 Their weak performance may be one of the reasons why Catherine Ashton, High Representative of the Union for Foreign Affairs and Security Policy, decided to abolish both posts in 2010; A; Lobjakas, 'EU Plans To Scrap South Caucasus, Moldova Envoys', *Radio Free Europe* (31 May 2010), available at [http://www.rferl.org/content/EU\\_Plans\\_To\\_Scrap\\_South\\_Caucasus\\_Moldova\\_Envoys/2057672.html](http://www.rferl.org/content/EU_Plans_To_Scrap_South_Caucasus_Moldova_Envoys/2057672.html) (accessed on 19 July 2011). The mandate of the EUSR for Moldova is available at <http://www.eusrmoldova.eu/en/mandate> (accessed on 19 July 2011).

mediation efforts, proving that the EU lacked a proactive strategy for conflict resolution. This emerged clearly also in the European Security Strategy, published in December 2003, which only included vague statements on “dealing with the older problems of regional conflict” in order to “tackle the often elusive new threats”, without specifying what policies the Union would adopt in this respect.<sup>51</sup>

The Eastern enlargement of 2004 prompted the Union to adopt a new policy concerning its neighbourhood, which included the four conflicts under analysis. The European Neighbourhood Policy (ENP) was launched in 2004 and further developed through the adoption of bilateral Action Plans by the Union and each of Armenia, Azerbaijan, Georgia and Moldova between February 2005 and November 2006.<sup>52</sup> Although the Action Plans addressed each conflict more precisely than the PCAs, there was no substantial progress on the ground. Furthermore, the Action Plans did not establish a coherent policy of the Union towards the conflicts and were even contradictory in some respects. Most notably, the EU-Azerbaijan Action Plan included a reference to the territorial integrity of Azerbaijan, while the EU-Armenia Action Plan stressed the hardly reconcilable principle of self-determination of peoples as a priority in the resolution of the Nagorno-Karabakh conflict.<sup>53</sup>

The most visible EU effort on the ground during this phase was the deployment of a border assistance mission, EUBAM, at the Moldovan-Ukrainian border in November 2005. The mission was given the task of monitoring 1,222 kilometres of borders, including 472 of Transnistrian-Ukrainian frontier. The monitoring of this area was particularly important, as it significantly decreased Transnistrian revenues from smuggling and trafficking activities.<sup>54</sup> The EU deployed another monitoring mission in Georgia (EUMM) in September-October 2008, following the August crisis in the Abkhazia and South Ossetia. Although the mission does not

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51 'A secure Europe in a better world. European Security Strategy' (12 December 2003), p. 4, available at <http://www.consilium.europa.eu/eeas/security-defence/european-security-strategy.aspx?lang=en> (accessed on 19 July 2011); *Independent International Fact-Finding Mission on the Conflict in Georgia*, Vol. II, p. 53.

52 All Action Plans and the most recent progress reports can be found on the European Commission website, see [http://ec.europa.eu/world/enp/documents\\_en.htm#2](http://ec.europa.eu/world/enp/documents_en.htm#2) (accessed on 19 July 2011).

53 *EU-Azerbaijan Action Plan*, p. 1, available at [http://ec.europa.eu/world/enp/pdf/action\\_plans/azerbaijan\\_enp\\_ap\\_final\\_en.pdf](http://ec.europa.eu/world/enp/pdf/action_plans/azerbaijan_enp_ap_final_en.pdf) (accessed on 19 July 2011); *EU-Armenia Action Plan*, p. 9, available at [http://ec.europa.eu/world/enp/pdf/action\\_plans/armenia\\_enp\\_ap\\_final\\_en.pdf](http://ec.europa.eu/world/enp/pdf/action_plans/armenia_enp_ap_final_en.pdf) (accessed on 19 July 2011); the problems related to reconciling the principles of self-determination of peoples and territorial integrity have been discussed from a legal standpoint in M. Siddi, 'Abkhazia, Kosovo and the right to external self-determination of peoples', *Central Asia and the Caucasus*, Issue 12, No. 1 (2011), pp. 62-70.

54 N. Popescu, 'EU and the Eastern neighbourhood: reluctant involvement in conflict resolution', *European Foreign Affairs Review*, No. 14 (2009), p. 462. The key facts of the EUBAM mission are available on its website, <http://www.eubam.org/en/about/overview> (accessed on 19 July 2011); for a detailed analysis of its activities, see G. Dura, 'The EU Border Assistance Mission to the Republic of Moldova and Ukraine', in G. Grevi, D. Kelly and D. Keohane (eds.), *European Security and Defence Policy. The first 10 years*, (Paris, 2009), pp. 275-286.

have access to Abkhazia and South Ossetia, it contributes to preventing the re-escalation of the conflict thanks to its presence on the Georgian side of the border.<sup>55</sup>

Following the August 2008 crisis, the EU has also become a co-chair of the negotiations for the resolution of the conflicts in Abkhazia and South Ossetia. A Special Representative for the Crisis in Georgia was also appointed and given *inter alia* the task of representing the EU's position in the negotiations.<sup>56</sup> However, except for these modest measures that were taken in the immediate aftermath of the August 2008 crisis, the EU has not developed any new effective policies or instruments to tackle the four conflicts under analysis. The recent review of the ENP only summarized very shortly the efforts undertaken by the EU so far, without providing substantial guidelines on future policies.<sup>57</sup> Furthermore, the technicalities related to the current restructuring of the EU's external relations services, particularly the establishment of the European External Action Service (EEAS), have not helped to strengthen the EU's focus on the four conflicts.<sup>58</sup>

### **Abkhazia and South Ossetia**

Although the Abkhaz and South Ossetian conflicts have a different history and developed independent of each other, the EU has always had a single approach to both of them. For this reason, EU policies towards the two conflicts shall be analyzed together. EU involvement in the Abkhaz and South Ossetian conflicts during the period 1992-July 2008 went through different stages and gradually became more significant. However, it was always too cautious and half-hearted to play a decisive role in conflict resolution and conflict prevention. As emerges from the bilateral treaties between the Union and Georgia, the EU dealt with the conflicts merely as part of its broader relations with Tbilisi, which downplayed the complexity of the conflicts and the actual strength of separatist forces in Tskhinvali and Sukhumi.<sup>59</sup>

In November 2006 a bilateral ENP Action Plan between the EU and Georgia was adopted for the next five years. The Action Plan defined conflict resolution as one of the EU's priorities

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55 An analysis of EUMM's deployment and the early stages of its operation is available in S. Fischer, 'EUMM Georgia. The European Monitoring Mission in Georgia', in G. Grevi, D. Kelly and D. Keohane (eds.), *European Security and Defence Policy. The first 10 years* (Paris, 2009), pp. 379-390. For additional information on the mission, see <http://www.eumm.eu/> (accessed on 19 July 2011).

56 See <http://www.consilium.europa.eu/policies/foreign-policy/eu-special-representatives/pierre-morel-%28crisis-in-georgia%29.aspx?lang=en> (accessed on 19 July 2011).

57 Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, 'A new response to a changing Neighbourhood' (Brussels, 25 May 2011), pp. 5-6, available at [http://ec.europa.eu/world/enp/pdf/com\\_11\\_303\\_en.pdf](http://ec.europa.eu/world/enp/pdf/com_11_303_en.pdf) (accessed on 19 July 2011).

58 Lobjakas, 'EU Plans To Scrap South Caucasus, Moldova Envoys.'

59 *Report of the Independent International Fact-Finding Mission on the Conflict in Georgia*, Vol II, p. 59.

for action and addressed directly the Abkhaz and South Ossetian conflicts. Point 4.2 of the General Objectives and Action advocated sustained efforts towards peaceful resolution of the conflicts by stepping up EU support to the existing UN and OSCE negotiation mechanisms. Furthermore, Priority Area 6 proposed to grant economic assistance depending on progress in conflict settlement, accelerate the demilitarization process, implement agreements previously achieved and include the issue of Georgia's internal conflicts in the dialogue between the EU and Russia.<sup>60</sup>

The Action Plan's outright and unconditional support for Georgia's sovereignty and territorial integrity constituted an unequivocal pro-Georgian bias. It also ignored the reality on the ground, notably the fact that the Abkhazians and South Ossetians had set up *de facto* independent institutions. In addition, the Action Plan focused mainly on political and economic transformation rather than on conflict settlement. This practically meant that the EU preferred to play a background role in conflict resolution, supporting negotiations without actively participating in them.<sup>61</sup> On the ground, the Russia-dominated peacekeeping forces played the leading role. Due to disagreements among its member states, the EU was not even able to take up the functions of the OSCE border monitoring mission.<sup>62</sup>

Thus, on the eve of the August 2008 crisis the EU had neither a coherent policy, nor sufficient presence on the ground to influence events. The visit of Javier Solana, High Representative for the Common Foreign and Security Policy (CFSP), to both Tbilisi and Sukhumi was all that the EU was able to achieve in the months preceding the crisis.<sup>63</sup> Furthermore, disagreements within the Union contributed to the failure of the peace plan for Abkhazia presented by German foreign minister Frank-Walter Steinmeier in mid-July 2008. Sarkozy's relative success in mediating the ceasefire in August was due to the fact that he acted out of his own initiative, without waiting for the formulation of a common EU position.<sup>64</sup> Sarkozy flew to Moscow

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60 *EU-Georgia Action Plan*, pp. 10 and 17, available at [http://ec.europa.eu/world/enp/documents\\_en.htm](http://ec.europa.eu/world/enp/documents_en.htm) (accessed on 9 August 2011).

61 German, 'The Caucasus and energy security', *Caucasus Review of International Affairs*, Vol. 2 No. 2 (2008), p. 362.

62 In 2005 the Georgian government had invited the EU to take up the functions of the OSCE border monitoring mission, which had been vetoed by the Russian government. The EU only sent a small border support team, in the attempt to avoid irritating Russia; *Report of the Independent International Fact-Finding Mission on the Conflict in Georgia*, Vol. II, p. 58; R. Eggleston, 'Russia/Georgia: Moscow vetoes OSCE's border monitoring mission', *Radio Free Europe* (30 December 2004), available at <http://www.rferl.org/content/article/1056632.html> (accessed on 9 August 2011); Popescu, 'EU and the Eastern neighbourhood', pp. 465-466.

63 *Report of the Independent International Fact-Finding Mission on the Conflict in Georgia*, Vol. II, pp. 56-59.

64 A group of EU member states headed by Poland, the Baltic States and the UK were in favour of a tougher stance towards Russia.

on 12 August 2008 and drafted the ceasefire plan together with Russian President Dmitry Medvedev, based on a proposal that had been prepared in Paris.

Russia's approval of the French initiative and the latter's pliability to Moscow's demands also facilitated the process. The Six-Point Ceasefire Agreement did not include any reference to Georgian territorial integrity, which the EU had been keen to stress until then, in order not to anger the Russians.<sup>65</sup> What is more, Russia did not implement the agreement in a timely manner and recognized the independence of both Abkhazia and South Ossetia on 26 August 2008. The EU responded by freezing the negotiations on a new partnership agreement with Russia, but did not impose additional sanctions. Relations with the Kremlin were normalized in November 2008, following the withdrawal of Russian troops from almost all uncontested Georgian territory. Nonetheless, Moscow simultaneously consolidated its military presence in both Abkhazia and South Ossetia, which the EU merely accepted as a *fait accompli*.<sup>66</sup>

On 15 September 2008 the Council of the European Union established a civilian mission, the EU Monitoring Mission in Georgia, in order to supervise the withdrawal of Russian troops from the areas adjacent to Abkhazia and South Ossetia.<sup>67</sup> EUMM was also given the tasks of monitoring the conflicting parties' behaviour and their full compliance with the Six-Point Agreement, implementing confidence-building measures and reporting events to Brussels.<sup>68</sup> 200 monitors were deployed on Georgian territory by 1 October; this was the fastest deployment in the history of European Security and Defence Policy (ESDP) missions. EUMM signed a memorandum of understanding with Georgia, in which Tbilisi pledged to give prior notification if it intended to deploy police forces in the area adjacent to the administrative border with the breakaway provinces. Georgia also agreed to refrain from large movements of troops and heavy equipment in this area and allowed EUMM to inspect Georgian army sites.<sup>69</sup>

The swift deployment of EUMM was a rare show of internal unity from the EU. The monitoring activities of the mission have contributed to defuse tensions and provide Brussels with

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65 M. Volkhonskiy, 'Medvedev-Sarkozy's six points: the diplomatic aspect of the South Ossetian settlement', *Central Asia and the Caucasus*, Vol. 58-59, No. 4-5 (2009), pp. 203-206.

66 T. Forsberg and A. Seppo, 'The Russo-Georgian war and EU mediation', in R. Kanet (ed.), *Russian Foreign Policy in the 21st Century* (Basingstoke, 2011), pp. 126-127.

67 *Council Joint Action 2008/736/CFSP* of 15 September 2008 on the European Union Monitoring Mission in Georgia, EUMM Georgia, available at <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2008:248:0026:0031:EN:PDF> (accessed on 10 August 2011).

68 Initially, EUMM was given a one-year mandate, which was later extended. The mission was also given a considerable budget of 49.6 million euros for the period 2008-2010; *Council Joint Actions 2008/736/CFSP* (15 September 2008) and *2009/572/CFSP* (27 July 2009), available at: [http://www.eumm.eu/en/about\\_eumm/legalbasis](http://www.eumm.eu/en/about_eumm/legalbasis) (accessed on 9 August 2011).

69 S. Fischer, 'The European Monitoring Mission in Georgia', in *European Security and Defence Policy. The first 10 years (1999-2009)*, EU Institute for Security Studies (2009), pp. 379-389.

first-hand information. However, the mission's work is hampered by lack of access to the Abkhaz and South Ossetian side of the border. Abkhazia and South Ossetia will not grant access to EUMM as long as the EU continues to support unconditionally Georgia's territorial integrity, which in turn is a fundamental condition for Tbilisi to accept the mission's deployment. Furthermore, Abkhazia and South Ossetia perceive EUMM as being closer to Tbilisi than UNOMIG and the OSCE mission, which were under considerable Russian influence. In both breakaway provinces, attitudes to the EU have changed radically since August 2008. Prior to the crisis the Abkhaz leadership was interested in establishing closer relations with Brussels, but western public statements during the war aroused criticism in Abkhazia and EUMM is now perceived as materialization of the West's pro-Georgia policy.<sup>70</sup>

### **Nagorno-Karabakh**

Arguably, out of the four protracted conflicts discussed in this paper the EU has shown least determination and proactive focus on the resolution of the Nagorno-Karabakh issue. In essence, the EU has no policy towards the conflict.<sup>71</sup> Given that the status of this enclave remains the most volatile of all the protracted conflicts in the EU's eastern neighbourhood, limited EU engagement adds to the persisting impasse in the region. This lack of progress by the EU is a result of several developments. To begin with, the EU has no direct access to the negotiations of the Minsk Group and has to rely on information provided by the French co-chair.<sup>72</sup> Therefore, no direct input to the conflict resolution mechanism can be given by the EU as a whole. Instead, Brussels has been trying to include references to the resolution of the Nagorno-Karabakh conflict within its respective Action Plans with Armenia and Azerbaijan.<sup>73</sup>

However, the two Action Plans are contradictory. Although the Action Plan for Azerbaijan lists the resolution of the Nagorno-Karabakh conflict as the topmost priority for action, the Action Plan for Armenia puts the resolution of the conflict as only the seventh

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70 Fischer, 'The European Monitoring Mission in Georgia', pp. 386-389; B. Harzl, A. Engl and G. von Toggenburg, *Guidelines and recommendations for EU conflict prevention and management: the case of the South Caucasus* (Bolzano, 2008), p. 33.

71 Popescu, 'EU and the Eastern neighbourhood: reluctant involvement in conflict resolution', p. 471.

72 Popescu, 'EU and the Eastern neighbourhood: reluctant involvement in conflict resolution', p. ; It has been argued that the way in which the participant co-chairs of the OSCE Minsk Group have 'commandeered' all negotiations in the conflict settlement process of Nagorno-Karabakh has been odd. Apparently, the last proposal for a settlement has been kept so secret that not even the EUSR for the South Caucasus was permitted to see the written document – it was read out to him. See: Akçakoca, Vanhauwaert, Whitman and Wolff, 'After Georgia', pp. 15 and 24.

73 *EU-Azerbaijan Action Plan*, available at [http://ec.europa.eu/world/enp/pdf/action\\_plans/azerbaijan\\_enp\\_ap\\_final\\_en.pdf](http://ec.europa.eu/world/enp/pdf/action_plans/azerbaijan_enp_ap_final_en.pdf) (accessed on 19 July 2011); *EU-Armenia Action Plan*, available at [http://ec.europa.eu/world/enp/pdf/action\\_plans/armenia\\_enp\\_ap\\_final\\_en.pdf](http://ec.europa.eu/world/enp/pdf/action_plans/armenia_enp_ap_final_en.pdf) (accessed on 19 July 2011).

priority (out of eight). What is more, while “Priority area 7” of the EU-Armenia Action Plan recommends the application of the principle of self-determination of peoples in the peaceful solution for Nagorno-Karabakh, the “Introduction” to the EU-Azerbaijan Action Plan clearly commits both parties to “territorial integrity and the inviolability of internationally recognized borders.”<sup>74</sup> These two commitments stand in contradiction and therefore ring hollow. In addition to this, such an approach is also inconsistent with the EU support for Moldovan and Georgian territorial integrity in the face of their irredentist conflicts.

Moreover, in practice the EU has had limited leverage to pressure the conflicting parties, especially Azerbaijan, which is its key partner for the southern energy corridor. At the same time, the EU has a growing need to actively participate in the resolution of the Nagorno-Karabakh conflict, as its energy and economic interests are at stake – the Baku-Tbilisi-Ceyhan pipeline runs merely 15 kilometers away from the conflict fault line.<sup>75</sup> The current EU stance has left Azerbaijan feeling alienated and predisposed to a “siege mentality”. Consequently, Baku has opposed EUSR visits to Nagorno-Karabakh for a number of years.<sup>76</sup> Azerbaijan objects to greater EU involvement, lest it consolidates the Nagorno-Karabakh authorities and weakens the blockade on Armenia.<sup>77</sup>

While the EU has been unable to propose its own peace plan for Nagorno-Karabakh, the “Document on Basic Principles”, which has been updated and reconfirmed in 2008 and 2009, remains the main settlement proposal to date.<sup>78</sup> Should Armenia and Azerbaijan endorse these “Basic Principles”, the drafting of a comprehensive settlement is envisaged for the future. Accordingly, in both the Armenian and the Azerbaijani Action Plans, the EU calls for a strengthened commitment to the OSCE Minsk group negotiations on the basis of the “Basic Principles”. However, disagreement on the final status of Nagorno-Karabakh persists, with neither side willing to compromise their positions and the EU unable to propose effective incentives for conflict resolution.

Furthermore, while Russia has stepped up its mediating efforts (particularly since 2008), the EU has not followed suit and has not managed to secure any role of significance in

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74 *EU-Azerbaijan Action Plan*, p. 1, available at [http://ec.europa.eu/world/enp/pdf/action\\_plans/azerbaijan\\_enp\\_ap\\_final\\_en.pdf](http://ec.europa.eu/world/enp/pdf/action_plans/azerbaijan_enp_ap_final_en.pdf) (accessed on 19 July 2011); *EU-Armenia Action Plan*, p. 9, available at [http://ec.europa.eu/world/enp/pdf/action\\_plans/armenia\\_enp\\_ap\\_final\\_en.pdf](http://ec.europa.eu/world/enp/pdf/action_plans/armenia_enp_ap_final_en.pdf) (accessed on 19 July 2011).

75 Akçakoca, Vanhauwaert, Whitman and Wolff, ‘After Georgia’, p. 25.

76 *Statement by the EUSR for the South Caucasus Peter Semneby*, OSCE Permanent Council, Vienna 10 February 2011, p. 6, available at: [http://www.europarl.europa.eu/meetdocs/2009\\_2014/documents/dsca/dv/dsca\\_2011\\_0315\\_10/dsca\\_20110315\\_10en.pdf](http://www.europarl.europa.eu/meetdocs/2009_2014/documents/dsca/dv/dsca_2011_0315_10/dsca_20110315_10en.pdf) (accessed on: 16 August 2011).

77 Popescu, ‘EU and the Eastern neighbourhood: reluctant involvement in conflict resolution’, p. 472.

78 *Statement by the OSCE Minsk Group Co-Chair countries*, Press release (10 July 2009), available at <http://www.osce.org/item/51152> (accessed on 12 August 2011).

the conflict settlement discussions, remaining a passive bystander. While the EU has attempted to step up its role in Abkhazia and South Ossetia after the 2008 Russo-Georgian war, it has remained completely passive with regard to the Nagorno-Karabakh conflict. The Prague EU Summit of May 2009, which officially launched the Eastern Partnership, also let slip another chance of putting pressure for talks between Presidents Sargsyan of Armenia and Aliyev of Azerbaijan. Further OSCE Minsk Group talks during the Astana OSCE Summit in 2010 have shown how far apart the warring sides actually are and yielded no positive outcome.

## **Transnistria**

The conflict between Transnistria and Moldova has seen the highest and most intensive level of EU involvement in settlement efforts. Whether for reasons of geographical proximity, or due to the fact that Moldova has repeatedly asked for an EU role in conflict resolution mechanisms, Brussels has been directly implicated in the internationalization of the peacekeeping format. Accordingly, there is an EU Special Representative and an EU border assistance mission in Moldova; Brussels is also involved in the 5+2 negotiation format.<sup>79</sup> Even so, the EU has not played a more significant role in the negotiations, maintaining its observer status.<sup>80</sup> Also, the EU has not proposed any plan for the resolution of the conflict comparable to those proposed by Russia in 2003 or by Ukraine in 2005.<sup>81</sup>

As far as the EU's direct impact on the ground is concerned, the work of EUBAM has involved 120 border and customs experts.<sup>82</sup> In the years since its inception, EUBAM has been combatting cross-border crime and customs fraud through confidence-building measures, the simplification of border crossing, and the support for organizational development, among others.<sup>83</sup> Its success, as judged from its scope, should not be underestimated. The deployment of EUBAM has also had economic consequences for Transnistria, notably the reduction of the

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79 See above, pp. 13 and 15-16.

80 Many EU member states opposed the EUSR proposal to pressure Russia to accept a joint EU-Russian peacekeeping operation due to fears of alienating the Kremlin; see Popescu, 'EU and the Eastern neighbourhood: reluctant involvement in conflict resolution', pp.463-464.

81 L. Kuzmicheva, 'Unresolved conflicts in the common neighbourhood: a comparative analysis of EU and Russian policies', *SPES Policy Papers*, January 2011, p. 21. According to some observers, a more restricted 2+2 negotiation format (EU/Russia + Moldova/Transnistria) might prove more effective in achieving a resolution; see for instance Akçakoca, Vanhauwaert, Whitman and Wolff, 'After Georgia', p. 35 and Popescu, 'EU and the Eastern neighbourhood: reluctant involvement in conflict resolution', p. 462.

82 The information note on the establishment of EUBAM from the Commission to the Council, European Union Border Assistance Mission (27 November 2005), available at [http://www.eubam.org/files/20100902095239563496information\\_note\\_to\\_Council.pdf](http://www.eubam.org/files/20100902095239563496information_note_to_Council.pdf) (accessed at 11 August 2011).

83 *EUBAM IMPACT*, European Union Border Assistance Mission (2005-2010), available at <http://www.eubam.org/en/quick/impact> (accessed on 11 August 2011).

income available to the separatist authorities from smuggling and trafficking. This development, coupled with the effects of the financial crisis, resulted in Tiraspol reaching near-bankruptcy and made it depend even more on Russian financial help.<sup>84</sup> In turn, Moscow's increased economic role further emphasized the reality that any settlement the EU might want to see in the region would have to include Russian input.

Furthermore, given the relevance of economic factors to conflict resolution in Transnistria,<sup>85</sup> the EU has been much more adept at administering its economic pressure than in the case of other protracted conflicts. For instance, it has abolished tariffs on about 12,000 Moldovan products through the Autonomous Trade Preferences (ATP) agreement, thereby creating new incentives for Transnistrian business to cooperate with the Moldovan side. What is more, EU pressure on Ukraine only to accept Transnistrian exports carrying Moldovan customs stamps has resulted in the registration of some 95% of Transnistrian economic activity as Moldovan companies in order to benefit from the ATP concessions.<sup>86</sup> As a result, Transnistrian exports to the EU, flowing thanks to Moldovan licenses, rose by 59% between the years 2006-2008.<sup>87</sup>

In addition, the EU has included references to the Transnistrian conflict in its Action Plan for Moldova. The document states as one of its key objectives the support of a "viable solution to the Transnistria conflict" and, accordingly, sustained efforts for such a resolution are listed as the first priority for action.<sup>88</sup> However, the Action Plan simultaneously underlines the territorial integrity of Moldova "within its internationally recognized borders" and a system of efficient and effective border management "on all sectors of the Moldovan border including the Transnistrian sector."<sup>89</sup> Therefore, the EU commitment to Moldova concerning the *status quo* border situation paradoxically strengthens Transnistrian authorities, which control a long section of Moldova's external borders. Furthermore, the persistent stress on, and call for further negotiations within already-existing formats precludes the EU from taking any initiative on its own and increasing its mediating role outside those structures. Thus, despite having displayed increased efforts in conflict management, the EU has by no means exhausted its options for action in this conflict, as in all others discussed here.

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84 Akçakoca, Vanhauwaert, Whitman and Wolff, 'After Georgia', p. 13.

85 See p. 14. Most of the Moldovan heavy industry is located in Transnistria, which, in turn, depends on the export of its industrial products; Akçakoca, Vanhauwaert, Whitman and Wolff, 'After Georgia', p. 13.

86 Akçakoca, Vanhauwaert, Whitman and Wolff, 'After Georgia', p. 13.

87 Popescu, 'EU and the Eastern neighbourhood: reluctant involvement in conflict resolution', p. 462.

88 *EU-Moldova Action Plan*, pp. 1 and 3, available at [http://ec.europa.eu/world/enp/pdf/action\\_plans/moldova\\_enp\\_ap\\_final\\_en.pdf](http://ec.europa.eu/world/enp/pdf/action_plans/moldova_enp_ap_final_en.pdf) (accessed on 16 August 2011).

89 *EU-Moldova Action Plan*, pp. 4 and 11.

## Conclusion

This analysis has shown that the European Union plays a marginal role in all the four protracted conflicts under investigation. The EU is excluded from negotiations on the Nagorno-Karabakh conflict, has no access to Abkhazia and South Ossetia and, despite its considerable economic and diplomatic leverage, has been unable to propose a peace plan for the Transnistrian conflict. For the most part, the relevant objectives and priorities stated in bilateral Action Plans with partner countries have remained on paper only. When concrete action was undertaken by the EU, results were mixed. The civilian missions deployed in Georgia and Moldova helped defuse tensions and monitor borders but, in terms of conflict resolution, they were mere *ad hoc* palliatives. EU's diplomatic efforts to solve the conflicts, both on the ground, via the EUSRs and in the international arena, have been inadequate.

The most recent developments concerning the ENP suggest that the Union will not step up its conflict resolution efforts in the post-Soviet space in the foreseeable future. For instance, the paper issued by the Commission as a revision of the ENP general approach, "A new response to a changing neighbourhood", merely states that "EU geopolitical, economic and security interests are directly affected by continuing instability" and that Brussels is committed to confidence-building measures and to developing post-conflict reconstruction scenarios.<sup>90</sup> Once again, an opportunity is missed to provide concrete and specific guidelines for an EU approach to conflict settlement.

As some observers have noted, the EU would need a coherent "Eastern Neighbourhood Conflict Prevention and Resolution Strategy", clearly defining its interests, the common strategy and concrete road maps for implementation.<sup>91</sup> Furthermore, if the EU wants to have a role in the conflict regions it has to start a dialogue with the authorities of the *de facto* states. By avoiding diplomatic contacts and refusing to establish any economic relations, the EU will only push these entities further into a condition of total economic and political dependence on Russia.

As far as Abkhazia and South Ossetia are concerned, the EU should accept the fact that their independence and separation from Georgia is at this point irreversible. Russia will not withdraw its recognition of both entities and, given Moscow's preeminence in the region, it is

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90 Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, 'A new response to a changing Neighbourhood' (Brussels, 25 May 2011), pp. 5-6.

91 Akçakoca, Vanhauwaert, Whitman and Wolff, 'After Georgia', p. 37.

unlikely that any other actor will challenge the *status quo* by either political or military means. In addition, maintaining a confrontational attitude towards Russia on the issue of Abkhazia's and South Ossetia's status contributes to growing tensions in the Caucasus region, the stability of which is essential for the implementation of the EU's southern energy corridor. Conversely, accepting a compromise on the status question would enable the EU to gain the trust of Abkhaz and South Ossetian authorities and potentially increase its economic and political influence in both entities.

With regard to the Transnistrian conflict, Brussels should match its economic leverage with bold diplomatic initiatives, which should result in a new and comprehensive peace plan. In order to have some chance of success, such diplomatic initiatives should take into account Russian interests. Thus, the Transnistrian conflict should be included in the agenda of the biannual EU-Russia summits, where Brussels could make concessions in areas dear for Russians, such as visa liberalization, so as to reach an agreement. A similar bargaining approach could be adopted for the Nagorno-Karabakh conflict. In this case, however, the EU first needs to define a consistent and an externally coherent policy that applies to both Armenia and Azerbaijan, particularly with regard to the issue of reconciling the principles of self-determination of peoples and the states' territorial integrity. The EU simply cannot afford to pursue mutually exclusive policies, which alienate and further antagonize the involved parties.

Lastly, and most importantly, the success of Brussels' involvement in the resolution of protracted conflicts greatly depends on the member states' unity and their effective support for EU policies. In particular, member states need to make a decision whether they really want to have a strong CFSP, or whether they would like the EU to keep its current low profile, which has led to such meager results. This question is particularly relevant to large member states, such as France, which prefers keeping its seat in the OSCE Minsk Group on Nagorno-Karabakh, rather than transferring that role to the pertinent EU institutions. However, the question also applies to smaller Central-Eastern European member states that, as shown during the August 2008 crisis, tend to see the Eastern dimension of the CFSP as a means of defying Russia from a stronger diplomatic position.<sup>92</sup> Such attitudes within the EU ultimately prevent the formulation of constructive policies that could enhance the Union's diplomatic action with regard to the protracted conflicts.

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92 A. Schmidt-Felzmann, 'All for one? EU member states and the Union's common policy towards the Russian Federation', *Journal of Contemporary European Studies*, Vol. 16, No. 2 (2008), pp. 169-187.