



## **THE ROLE OF THE EU IN THE RESOLUTION OF CONFLICTS IN THE SOUTH CAUCASUS**

*The conflicts of the South Caucasus remain frozen and the region itself is thus “broken”. Based on the confidence all involved parties have in the EU and the increased interest of the EU in the region, there is certainly a role for the EU in the resolution of these conflicts. Though it has limitations, the European Neighborhood Policy is one means for EU influence. Ultimately, the conflicts need to be addressed in a larger framework, which includes a new paradigm of how identities are articulated in the region, based on values. Though the EU can play a role, it is up to the parties to resolve these conflicts.*

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**A**fter 15 years, the conflicts in the South Caucasus remain frozen. But changes in the environment around them have made the security situation more volatile. There is virtually no confidence between the parties, because there have been very few contacts across the confrontation lines. Tensions have accumulated over a long period of time as a result of various incidents. The explosive potential has increased because the conflicts prevent economic development and provide a fertile ground for crime. All of this has fuelled a sense of impatience among all parties involved in the conflicts.

If we look at recent changes in the international context, it is not clear what effect most of them have had on the conflicts. For example, it remains to be seen whether increasing oil wealth will be a factor for stability or tension. Ideally, the economic opportunities should make old political and national rivalries less relevant. But in the Nagorno Karabagh conflict, the oil wealth has sometimes been used by Azerbaijan as a way of putting pressure on the adversary, and has arguably contributed to a delay in resolving the conflict. The determined American policy toward Russia may also work in either direction. The intended effect would be to communicate to Russia what the bottom lines are, along with an expectation that solutions would eventually have to be found along those lines. But one can also argue that the public criticism has contributed to a more intransigent Russian position. Similarly, the effects of Georgia's NATO aspiration are unclear. On the one hand, or so the thinking goes, Russia would not have any more interest to maintain positions in the breakaway regions once it becomes clear that the conflicts themselves will not prevent Georgia from becoming invited to NATO. But on the other hand, others argue that Russia is still trying to use its influence in the conflict regions to make Georgia as unappetizing as possible to NATO.

The role of the European Union is increasing in the area. The latest wave of enlargement (Bulgaria and Romania) will bring the EU to the Black Sea shore, which will increase the interest of the EU in the Greater Black Sea area, to which the South Caucasus belongs. The need to diversify energy sources and supply routes has also enhanced the interest of the European Union. Finally, the start of membership negotiations with Turkey - a country that borders all three South Caucasus countries - is changing the perspective to the benefit of the South Caucasus.

The EU has a degree of confidence among all the conflict parties. It maintains a partnership with all three South Caucasus countries through the European Neighborhood Policy (ENP), as well as with the Russian Federation. The EU is a model in terms of governance, values and reconciliation for the governments of the South Caucasus countries and for the breakaway regions. This concerns a range of policies, trade, investments, diplomacy and technical assistance. The EU also has transformational power directly applicable to conflict situations because of its focus on common values, such as human rights, the rule of law, and the market economy.

Unlike 15 years ago, the EU now has a range of instruments at its disposal to pursue more active policies in the region. Some of them are targeted to the region in a narrow sense, such as the EU Special Representative. Others refer to a broader regional context, notably the European Neighborhood Policy, which now covers two distinct regions: many countries in North Africa and the Middle East, on the one hand, and several countries emerging from the Soviet Union in the Greater Black Sea region, on the other. Unlike the situation when the conflict emerged 15 years ago, the EU can now also make use of a set of instruments within the framework of the European Security and Defence Policy.

The European Neighborhood Policy is a framework that provides for broad and intensive interaction on large parts of the EU acquis. Clearly, it does not contain a membership perspective. It is firmly rooted in the shared values of the European Union, which means that the political agenda plays an important role in the Action Plans that are now being negotiated with the South Caucasus countries. It is flexible in the sense that its full potential will be attained based on the performance of the individual countries. Considerable resources - several hundred million euros - will be designated for each country during the period of the new EU financial perspective 2007-13.

The EU Special Representative (EUSR) function is another instrument. The EUSR has a broad mandate, but focuses mainly on conflict resolution, and can play a role in ensuring the consistency of EU activities with the overall policy objectives. Important parts of his field activities are related to the enhancement of EU profile and state-building activities. For example, the EUSR has overseen a rule of law mission in Georgia, the recommendations of which now form the basis for the legal reforms launched by the government. Currently, the EUSR maintains a team in Georgia to give advice on border management.

At the same time, there are limitations to EU policy. The European Neighbourhood Policy has gradually become a somewhat crude instrument, in particular after the addition of the countries in the Black Sea region, which have different backgrounds and outlooks than the Southern Mediterranean countries.

The role of Russia in the South Caucasus and the Black Sea deserves a few separate remarks. It is clear that it is well-nigh impossible to resolve the conflicts without the constructive involvement of Russia in a dialogue with other parties. The EU can potentially play the role as a facilitator, given its standing with all those involved. At the very least it could act as an honest broker. In theory, it is not difficult to identify common interests, in particular the stability and prosperity of Russia's neighborhood, which would also be of benefit for the serious socio-economic and rule of law problems that Russia faces in the different republics in its own part of the Caucasus.

The South Caucasus remains a broken region, which can only be repaired in a larger framework. On the very general level, the question of identity remains a challenge. There is a need to replace not only the failed Soviet identity, but also the old-fashioned ethnically exclusive nationalism that substituted it, with an identity that is based on values. The European Union can certainly help to provide the elements of such an identity. In fact, I have even heard American interlocutors advising newly-bred nationalists in power in the South Caucasus to be more European. In addition to the new role as provider of an identity, the EU could engage on the substantive issues as a non-adversarial actor. The values that form the base of the European identity are probably the most powerful instrument that is available for promoting change.

Ultimately it is up to the parties to resolve these conflicts. The EU can and does play a role as facilitator. The conflicts will remain frozen, with tensions and further conflict potential, unless the parties themselves rise to the challenge and take the main steps toward changing the logic of the conflicts and embracing reconciliation.