"Eastern Partnership: The Next Stage in European Integration?" international conference was held in Yerevan, Armenia on October 29 to 30, 2009. It was organized by the International Center of Human Development (ICHD), one of the leading think tanks in Armenia with the support of the EC Delegation, The Black Sea Trust for Regional Cooperation and the Friedrich Ebert Foundation.

The conference brought together representatives of various interested organizations from Armenia, Georgia, Ukraine, Turkey, Bulgaria and Romania as well as major European institutions such as the EU, NATO, OSCE, CoE. It focused on cooperation and integration issues, which are viewed as the best way to promote European values, European Neighbourhood Policy (ENP), IPAP, and commitments undertaken by Armenia upon becoming a member of the Council of Europe.

The conference was attended by more than 25 foreign and 130 local participants, representing government agencies and nongovernmental organizations, as well as a number of foreign missions in Armenia and leading international institutions.

This publication includes the speeches made and papers presented at the conference.



# **EASTERN PARTNERSHIP:**The Next Stage in **European Integration?**

## A Collection of Conference Speeches







### EASTERN PARTNERSHIP: The Next Stage in European Integration?

International Conference October 29-30, 2009 Yerevan, Armenia

A Collection of Conference Speeches



**International Center for Human Development** 

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What happens in the countries in the Eastern Europe and in the Southern Caucasus affects the European Union. Successive EU enlargements have brought these countries closer to the EU and their security, stability and prosperity increasingly impact on the EU's. The potential these countries offer for diversifying the EU's energy supplies is one example. All these countries, to varying degrees, are carrying out political, social and economic reforms, and have stated their wish to come closer to the EU. The conflict in Georgia in August 2008 confirmed how vulnerable they can be, and how the EU's security begins outside its borders.

An important step on the road of the European integration of the EU neighbors became the establishment of the Eastern Partnership initiative by the European Union (EU) presented by the foreign minister of Poland with assistance from Sweden on 26 May 2008. It was meant to complement the Northern Dimension and the Union for the Mediterranean by providing an institutionalised forum for discussing visa agreements, free trade deals and strategic partnership agreements with the EU's eastern neighbours, while avoiding the controversial topic of accession to the European Union. Its geographical scope covered Armenia, Azerbaijan, Georgia, Moldova, Belarus and Ukraine. The Eastern Partnership implies new association agreements including deep and comprehensive free trade agreements with those countries willing and able to enter into a deeper engagement, gradual integration in the EU economy and allow for easier travel to the EU through gradual visa liberalisation, accompanied by measures to tackle illegal immigration. The Partnership also promotes democracy and good governance; strengthens energy security; promotes sector reform and environment protection; encourages people to people contacts; supports economic and social development; offers additional funding for projects to reduce socio-economic imbalances and increases stability.

ICHD's 2009 European Integration International conference focused on the role that the Eastern Partnership could play on the relations between the European Union and Armenia and Armenia's European integration track at large. Supported by the EC Delegation Office in Yerevan, Black Sea Trust for Regional Cooperation (BST), a Project of the German Marshall Fund of the U.S, and the Friedrich-Ebert-Stiftung (FES), ICHD brought together 150 representatives of governments, civil societies and development partners throughout the Eastern Partnership region and the European Community at the international conference "Eastern Partnership: the Next Stage in European Integration?" in Yerevan, on 29-30 October, 2009.

The six sessions of the two-day conference moderated by the high ranking Armenian and Foreign officials, focused on policy issues and the role of Eastern Partnership in enhancing cooperation between the European Union and Armenia. ICHD consolidated and published the proceedings of the conference.

Minister of Foreign Affairs of the Republic of Armenia

### Dear guests, ladies and gentlemen:

I would like to welcome all the organizers and participants of this conference devoted to the relations between Armenia and Europe - a continent the name of which today is perceived as the synonym of solidarity, tolerance, protection of human rights and human values, and which is often referred to as the "old continent".

The continent is old and so are the ties between Armenia, the Armenian nation and Europe. They go back to the old times when our history and geography were in perfect harmony and when the sons of our nation contributed to the formation of the values, which are now called European values.

In this respect Armenia's policy of getting closer to Europe is happening to some extent in a more natural way, as in terms of its worldview, language, religion and culture this process does not mean going back. In terms of our fundamental value system we have remained in the same place, true to the origins, which belong also to Europe.

Though today Europe is really perceived as a synonym of peace and tolerance, we also know the painful price that the European nations have paid for it. There is almost no other place in the world where the wars and conflicts have been as cruel as they were here. That might explain why the European nations aspire to the vision of peace. As does Armenia, and the Armenian nation, which, unfortunately, knows too well the real value of peace. After such cruel wars and two grave World Wars, finding strength for rebirth and creating a peaceful and joint destiny for the nations, Europe has become the symbol and guideline of peace, stability, harmony and unity for the whole mankind.

Today Armenia has the same vision.

After conflicts and hostility among neighboring countries that lasted for centuries, European nations decided to unite their dream, will and determination for creating a peaceful, safe, free and well-off future built on common values.

Today Armenian has the same vision.

Today tribute is paid to European statesmen, their wisdom and courage, their political will and determination, which enabled the European nations to regain confidence for future and returned the hope of secure future to their people.

Today Armenia has the same vision. And having that vision Armenia believes that global values will be finally ensured in our region, pulling the nations closer to each other, as well as to Europe.

#### Ladies and Gentlemen:

Since Armenia's independence, the European direction has been one of the priorities of the RA foreign policy. Consistently increasing its involvement in different European organizations, Armenia has always paid special attention to its relations both with European member states, using a bilateral format, and with the European Union itself. The European Union is an important partner for Armenia in terms of cooperation in economy, foreign policy and implementation of domestic reforms.

The EU/Armenia Action Plan of the European Neighborhood Policy having been implemented since 2007 is a tangible example of protean cooperation.

During the last years the dynamically developing political dialog has been brought onto a new quality level by the initiative of Eastern Partnership which was launched last May in Prague. This initiative implies not only closer relations between Armenia and the European Union, but also gives an opportunity for new cooperation among six partner countries.

In this sense the European Union has a certain potential to stimulate cooperation among the South Caucasus countries, and it can promote stability and solidarity in our region. Regretfully, not everybody shares the pan-European approach to establishing an atmosphere of regional cooperation and mutual trust. Still in the preparatory stage of Eastern Partnership as well as during its first meetings, Azerbaijan adopted a position of excluding cooperation with Armenia within the framework of the initiative. I think it is a short-sighted approach, which yet should be adequately evaluated by our European partners.

The "value added" of the Eastern Partnership initiative is the fact that clear and extensive mechanisms are defined for bilateral cooperation, as well as a concrete prospect is offered to participant countries. In this case it is about the deep and comprehensive free trade and the Association agreement. The latter will substitute the present agreement about Partnership and cooperation, which was signed in the conditions of other political realities in Europe.

Each country participating in this initiative chooses for itself the intensity and depth of its participation, depending on the level of its political ambition. Each country will be evaluated according to its willingness to cooperate. However, the final success of the program will be conditioned by the status of cooperation among the participant countries and the consistency of the European Union in this respect.

The cooperation of Armenia with EU in the context of domestic reforms is very systematized and institutional. In May of the current year by an RA presidential decree a list of activities has been defined, to ensure the implementation of EU/Armenia Action Plan of the European Neighborhood Policy for 2009-2011. According to the defined timetable, state agencies regularly report to the RA government regarding the accomplishments in corresponding sectors.

By the immediate initiation of the President of the Republic of Armenia, since March of this year a group of EU consultants has been working in Armenia. Experts from EU provide consultancy support to RA state agencies to make reforms according to EU standards in legislative, executive and judicial systems. During the RA-EU cooperation session held on the 22nd of September, 2009, it has been announced that the

activities of the Advisory Group will be prolonged for another year. Armenian authorities emphasize the significance of successful implementation of this project.

At the 10th meeting of the EU-Armenia Cooperation council held in Luxemburg several days ago, while meeting with the EU high-rank officials, we discussed almost all the aspects of bilateral relations. I once again confirmed the willingness of Armenia to actively engage in bilateral and multi-lateral relations in the context of Eastern Partnership, to which the initiative and consistency of our country is a vivid proof. Armenia is actively participating in various meetings focusing on political, economic, humanitarian and energy issues. Discussions are held towards the liberalization of visa procedures and establishment of a deep and comprehensive free trade zone.

#### Dear friends,

We are pleased to note that the partners of Armenia are also in good relations with the European Union, which in many ways expands the possibility of our cooperation. Russia, the USA, China and many other countries are today the largest partners of EU.

The advantages of the present and future cooperation defined by the pro-European policy of Armenia are obvious. The political leadership of Armenia has enough will to realize the projects designed together with EU.

This cooperation is important not only because of our commitment to EU, but most importantly, it is in the interest of our country to make reforms in economy, effective governance, democracy, human rights, rule of law and in all the spheres of social life.

I would like to emphasize one more time that this is the conscious choice of our nation, a choice that has its roots deep in the past centuries.

I would like to thank the organizers of this conference and wish everyone productive work.

Deputy Minister of Foreign Affairs of the Republic of Armenia

Since Armenia's independence the relations with the European Union have always been high on our foreign policy agenda.

With a strong national identity, based upon the language belonging to the Indio-European group, Christianity adopted as state religion in 301 AD, considering also the large Armenian communities residing in Europe, Armenia sees herself as a natural constituent part of Europe.

EU-Armenia cooperation agenda is an encompassing one, ranging from political dialogue to human rights, from economic issues to the institutional reforms. From 2007 we are invited to align ourselves with the EU's Common Foreign and Security Policy declarations and statements and consider that as another manifestation of our commitment to further strengthening the relations with the European Union.

The complex situation in our region poses new challenges and requires renewed cooperative approaches. From the very beginning of the Eastern Partnership initiative Armenia readily embraced the idea and engaged itself in this process. We are of the view that the Eastern Partnership will raise the political dialogue and the overall relations with the EU to a qualitatively new level.

Stabilization and modernization of our region will undoubtedly bring benefits to the EU and its Eastern partners, as well as to all others who perceive this region as important to their interests. Armenia welcomes any initiative that might strengthen the cooperation and promote stability in the region.

The Eastern Partnership should also become a consolidating force for the cooperation among the Eastern Partners themselves. Regretfully, the first round of platform meetings was marked by the unwillingness of a certain country to engage itself into constructive and cooperative dialogue in line with the objectives of the Eastern Partnership. From the very start of the initiative Azerbaijan has taken a rejectionist policy towards the EU proposed multilateral regional initiatives wherever Armenia's participation is envisaged. We are of the view that one of the goals of the Partnership is the establishment of trust and promotion of favorable environment among the partners and the EU has the potential to encourage neighboring countries to commit themselves to confidence building measures and cooperation, rather than to war rhetoric and incitement of hatred.

With the launch of the Eastern Partnership we have got new opportunities for intensified political dialogue and trade, people-to-people contacts and cultural exchanges and Armenia is determined to make best use of them. The initiative includes areas which are very important to all Eastern Partner Countries - institutional capacity building, visa facilitation and the free trade agreements.

We have welcomed the EU's intention to start negotiations on Association Agreements with the South Caucasus countries. It will reflect the results of our cooperation with EU for the past ten years and will set up a new, ambitious agenda for the development of our relations. We are also interested in promptly launching negotiations with the EU on Deep and Comprehensive Free Trade Agreement.

We hope that all partner countries treat the Eastern Partnership initiative with the seriousness it deserves and will make good efforts to implement the goals enshrined in the Prague Declaration. The goals of the initiative require political will from the Eastern Partners not only to implement the necessary domestic reforms but also to cooperate with each other in good faith with a view of prosperous future.

We understand also the concerns the EU countries have regarding diversification of energy supplies and routs of its transportation and hope that this by no means will create new dividing lines in the region. We view this EaP initiative as aimed at building a genuine partnership between the EU and the countries of the region through

engagement of all interested countries in multilateral projects including in the field of energy and transport.

Establishment of lasting peace and stability and brooder cooperation in the South Caucasus region remains a priority in our foreign policy agenda. Indeed the European aspirations and deeper integration with the European Union are probably the most notable aspects that have the potential of fostering close links between the countries of our region and the wider neighbourhood.

Vice-Minister, Ministry of Foreign Affairs of Lithuania

# Eastern Partnership - The Next Stage in European Integration

The last two waves of EU enlargement have brought Armenia and other five Eastern neighbours to the Union's doorstep. Over the years, the EU has substantially strengthened relations with its Eastern neighbours and has supported their reform efforts. The progress is visible, but the process is not yet finished. The Eastern Partnership is a significant step forward - it finally gives us a strategy towards the East.

The difficult political, financial and economic situation in the Eastern neighbourhood, which might have long term consequences, makes the case for Eastern Partnership even stronger. The challenge is now to make it work.

EaP instruments can not be the value itself. Only by using it constructively we will have the real outcome. Partners' initiative in defining the needs and EU's determination to come forward with an adequate response should get the process going: own problems – common solutions. Enhanced support from EU should be keyed up with strong will from Partners'.

EaP is a guide for getting into the process where reforms might go faster. While adjusting high ambitions to the principle of conditionality our Eastern neighbours can work out a road-map for domestic reforms bringing them closer to the EU. Improved domestic situation gives Partners instruments that Eastern Partnership has to offer and which at the same time provide a response to partner's aspirations for closer relations.

To make Eastern Partnership a real success, cooperation among governments and governmental agencies is not enough. We need contacts and exchange among parliaments, civil societies, non-governmental and youth organisations.

As you are well aware, Eastern Partnership goes beyond the current European Neighbourhood Policy and is aimed at:

- strengthening horizontal links between neighbours and the EU.
- providing both a long-term vision of an enhanced EU policy and detailed worldplan.
- bringing a tangible support for the Partners' democratic and structural domestic reforms.
- deepen bilateral co-operation and offer a more profound integration with the EU.
- create a framework for multilateral co-operation complementary to the existing regional co-operation schemes.

Eastern Partnership responds to the desire of our Eastern neighbours to move closer to the EU. On the other hand, it is also in the EU's vital interest to contribute to the development of stability, better governance and economic development at its Eastern borders.

After the Prague Summit we are ought to exploit the momentum to implement what was agreed and to guarantee the continuous attention and engagement of the EU Member States as well as the partner countries towards the Eastern Partnership.

The Eastern Partnership sets out clearly the objective of establishing deep and comprehensive free trade areas between the EU and the partner countries. It confirms visa liberalization as a goal, albeit a long term one. It offers enhanced cooperation on energy security, including increased energy efficiency, diversification of sources and increased use of renewables.

Aiming at the opening of the dialogues on visa free travel in the long term, in the meantime the examples of good cooperation between EU and Ukraine, Moldova as well as Georgia hopefully will motivate Armenia and Azerbaijan to follow.

Diversification of energy sources is the key for energy security. In this regard we see Caspian and Black Sea region as one of the most viable partners, whose potential at the moment is not duly used. Today we have an opportunity to come closer to the vision of the area of greater security between Europe and the Black and Caspian countries by implementing viable energy projects.

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We also need to ensure a full functioning of a newly established framework for multilateral cooperation and move forward implementing flagship initiatives and projects. The multilateral component of the Eastern Partnership is a common challenge for both, the EU and the Eastern partners. For the EU it is a new formula that will be tested in practice together with the neighbors. At this stage projects are, in fact, the most realistic and tangible tool for EU's and EaP Partners' steps towards achieving Eastern Partnership goals.

All four EaP platforms are of the same added value and participation in all four is important for the Six. There is however self-selection. Those more active would move closer to the EU and become better plugged in into the European day to day activities. And even some of them will shape their own future within the EU.

Our experience shows that the assistance is more efficient when provided through more complex projects. Lithuania's institutions are in the process of preparation of over 30 projects which might be implemented together with our partner countries within the framework of EaP's thematic platforms. With our Belarusian and Ukrainian colleagues we are about to agree on a common list of projects for the EaP in the areas of customs, transport, energy, environment, social affairs and historical and cultural heritage. Both sides see it as a perfect ground for extending those projects towards other countries of the region.

Earlier this month in the Eastern Partnership Integrated Border Management panel meeting in Odessa Lithuanian experts presented projects for cooperation in the field of customs which were welcomed with a great interest by our Ukrainian colleagues and which could and should be extended also to other Partners.

We are determined to stand the pace and in the nearest future work out the common projects with Armenia as well. Lithuania's overall ambition for the Eastern Partnership is to develop the ambitious agenda with EaP countries, to contribute to the consolidation of the multilateral framework, to participate actively in preparation and implementation of the programs and projects and to make progress in each partner's bilateral relationship with the EU.

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European integration has proven over the years to be the best guarantor of prosperity and peace. Economic well-being requires secure environment and stability. Interdependence in today's world is real, as is responsibility. We should also understand that the closer our Eastern neighbours are to the EU in terms of standards, economic ties, cultural links and human contacts, the bigger are the benefits will be for both – the EaP countries and the EU.

Eastern Partnership, however, is not only about trade, energy and visa liberalization. Partner nations, if they are serious about participation in the Eastern Partnership, have to adhere to the universal values and principles – democracy, human rights and respect of territorial integrity of other countries.

We believe that a full-fledged partnership with the European Union, which is based on the principles of the rule of law, democratic political systems, respect for human rights and guaranteed freedoms of expression, is possible only when our Belarusian neighbours embrace the values and principles that represent the core of the European Union.

EU and six partner nations own EaP equally – it is not EU's 'façade' initiative, nor is it partners' business only, either. It is a common undertaking with stakes – political and otherwise - equally high for both EU27 and EaP6.

Our common goal should be to put high-sounding statements of the Prague declaration into practise. Of course, it is not a panacea for all problems in the region, but it indeed opens doors for a deeper and more intensified cooperation and creates a unified area of political stability and economic reforms for EU27 and EaP6 underpinned by the same values and principles.

Still many questions arise today while debating what the real purpose of the Eastern Partnership is and what additional value it will bring in reality. To see good or bad sides of the EaP, we have to make it work. The development of the projects and initiatives will settle down the aspects which are raised in the questions today.

EaP should survive the test of financial crisis through sustained commitment by the EU and Partners. Commitments have to be backed by adequate resources. However, it is not only finances that would make a difference at the end of the day.

In long-term I see this common space of thirty-three – or maybe even more - nations to become truly common: with free movement of people, goods, capital and services. We are embarking now on the way with ultimate goal of a more secure, stable, stronger Europe.

EaP stands for Enthusiasm and Possibilities. Let us keep our energy high to sweat out the maximum for a braver, bolder, brighter Europe. Senior Manager of the European Programme International Renaissance Foundation Ukraine

# Eastern Partnership as a reform-promotion policy

This presentation tries to give an answer to the question whether the newly launched Eastern partnership (EaP) can provide new impetus for reform in the partner countries, on the example of Ukraine. But before getting down to the analysis, several reservations are to be made. First, it is not an assessment of the Eastern partnership in general, because support for reforms is not the only one goal of this policy: the other one is to promote cooperation among the partner countries themselves, and there is also the third one to contribute to the EU's energy security. Second, this presentation is made from a Ukrainian perspective, based on Ukrainian experience of European integration, which is different from the Armenian one, since most of EaP offers had been already offered to Ukraine before the EaP was launched, so EaP brings not much added value for Ukraine compared to Armenia. But, from another perspective, exactly this makes Ukraine an interesting testing case for other EaP partner countries so that they can look at how these offers are implemented in reality. And third reservation: EaP is still a policy-in-the-making, i.e. in many aspects it is still unclear what is the content, and that is why it is sometimes difficult to give an assessment already now.

The reform-promoting tools in disposal of the EU are widely known since its Eastern enlargement. They are: conditionality, guidance, socialisation and capacity building. The same tools have been used within the European neighbourhood policy (ENP), but in a much weaker way, and this weakness is basically the reason for the ultimate failure of the ENP as a reform-promotion policy – something which has been only implicitly recognized by the EU with the very launching of the Eastern partnership – a new policy initiative for the same partner countries. So, in order to answer the ques-

tion whether EaP can become a new impetus for reform, let us dwell upon what is the EaP's added value as regards reforms-promotion tools compared with the ENP.

On guidance, there have been much expectations in Ukraine related with the Association agenda – a new politically committing document in substitution for the expired ENP Action plan. However, the text of the Association agenda (http://delukr.sdv.com. ua/files/pages/Array/10.pdf) has turned out to be disappointedly vague and processoriented in the same way as the Action plan was – which allows assuming that its implementation results will be much the same too. The only chance for a better result is that the European Commission makes a serious extra effort to organise and support implementation of what seems to be an unmonitorable and unimplementable document; it remains to be seen whether this is a realistic option.

Another guidance element remaining to be seen is the so-called 'peer review' activity within the EaP multilateral thematic platforms: so far, not much information is open to the public on how this exercise is to be organised.

On conditionality, the major limitation for efficiency of the EU's policy has been the lack of political will of the EU's member states to present considerable offers ('carrots') to stimulate reforms. Of course, there is lack of the mega-incentive – the membership perspective, but this is not the only one point. For instance, the visa-free travel would be an attractive offer, but there is no political will among the EU member states to offer not the visa-free regime at once, but merely a list of conditions – a roadmap – fulfilment of which would lead to such a regime. Such roadmaps have been offered to each of the Western Balkan countries when they started a 'visa dialogue' with the EU in the beginning of 2008; after two years, in December 2009, Macedonia, Serbia and Montenegro fulfilled the conditions and were granted the visa-free regime. Importantly, a number of conditions contained in the roadmap related to reforms to safeguard respect for human rights and fundamental freedoms. Now let us compare with Ukraine, who conducts a 'visa dialogue' with the EU also since the beginning of 2008, but without the roadmap offered, and, hence, without much progress achieved.

Another leverage to make a country do reforms is money, especially in the time of financial crisis. So, indeed, in March 2009 European Union has committed itself to invest in Ukraine's gas infrastructure provided profound sector reforms are made. However, it seems that the Russian alternative offers can be perceived as not less attractive / generous by some of Ukraine's decision-makers. It is understood that if EU fails to move reforms in Ukraine on the most strategically important issues for the EU itself, its ability to promote reforms in other sectors will be questioned even more.

It is also important that European Union has not presented any immediate considerable offer to be felt by citizens of Ukraine. This contributed to the rising Euroscepticism among Ukrainian public, what can be seen, inter alia, from the ongoing presidential election campaign, where all the candidates, even the minor ones (except for the president-in-office Viktor Yushchenko), do not put EU on their agenda. This widely present feeling of frustration is caused not only by absence of the EU's membership perspective for Ukraine; the other important reason is, again, the offensive visa regime. From this perspective, it is clear that, by weakening its own attractiveness, EU is weakening its 'soft power' to persuade the partners to do painful reforms.

On socialisation and capacity building, a new thing within the Eastern partnership is the announced 'Comprehensive institution building programme' – which is still, however, an absolutely vague concept and therefore more information on it needs to be provided before any assessment can be made of how this new instrument can contribute to raising administrative capacity in the partner countries.

Coming to the conclusion, it seems that the only new impetus for reform in Ukraine in the near future can be expected from the Association agreement with EU, which is to include provisions on establishment of a deep and comprehensive free trade area. Negotiations on that agreement had started before the EaP was launched – therefore it is questionable whether it is appropriate to consider it a part of EaP package for Ukraine (but for Armenia and other partner countries, of course, this is one of the major added values of the EaP). The Association agreement will replace the loose Partnership and Cooperation Agreement and provide for Ukraine's legally binding obligations to adopt acquis and to reform in a wide range of areas. Hopefully, the

ongoing negotiations on this agreement will be concluded in not more that one or two years' time.

Ambassador, EU Special Representative for the South Caucasus

(a video presentation)

Excellencies, ladies and gentlemen, dear friends,

It has become a tradition for me to participate in the annual conference organized by the International Center for Human Development in Yerevan.

I would like to thank Tevan Poghosyan for inviting me once again. I very much regret that due to other obligations I'm unable to be in Yerevan to take active part in the discussions this time.

I will briefly speak about the latest developments in the South Caucasus region, since this is the focus of the conference. The obvious place to start is the Turkish-Armenian normalization process: the protocols on the establishment of diplomatic relations and the development of bilateral relations have not been signed. I was a witness in this in Zurich; I was a witness there just how sensitive this process is. The EU hopes, that the protocols can be ratified and implemented in the near term. It's important to keep the momentum in a situation, where both Yerevan and Ankara are facing pressures. On several occasions I have stated, that it takes courage and vision for the Armenian and Turkish leaderships to move forward with this historic step.

The EU attaches great importance to rapid implementation without preconditions of the two protocols. It's our conviction that the normalization of relations will result in greater stability for the region as a whole. For our part we have offered our political and technical support to assist in the facilitation of the process. This includes border-

ing infrastructure, customs assistance, capacity building and so on. This important development is taking place in a contest where EU is stepping up its engagement in the region as a whole. The launch of the Eastern Partnership demonstrates that the EU is committed to promoting stability, security and prosperity in this important region. This is as much in the EU's own interests as in the interests of the countries in the region. The Eastern partnership gives the EU better possibilities to respond to the specific characteristics of the region and the individual aspirations of Armenia and the other countries that are part of it.

The Eastern Partnership includes a stronger bilateral link with each individual country through association agreements, free trait and steps to improve the freedom of movement. It also has a multilateral dimension, which will give the countries of the region several platforms for discussing issues they may face with each other together with EU partners.

A stable and prosperous Eastern neighborhood will require a strong political commitment on both sides: on the part of the EU as well as of its partners. The next important step will be the negotiations of association agreements. It's clear that the unresolved conflicts in the region are the most important obstacle to sustainable political reforms and developments, their major problem in consolidating stability and security in the region. The conflicts also have the potential to negatively impact on the EU's own security through escalation or impacting on energy supplies and trade roots. The conflicts have indeed slowed down relations between the EU and the individual countries in the region. The EU therefore has a direct interest in cooperating closely with its partners to promote settlement of the conflicts. In the current protracted state they're acutely volatile as the August war of Georgia clearly demonstrated.

On NKR the EU continues to fully support the OCSE Minsk group efforts and stands ready to offer support in particular through effort to promote confidence building and people to people contacts. The leaders of both Armenia and Azerbaijan need to take difficult steps. It will not be possible to precisely foresee the outcome of those steps. The uncertainty can be compensated to some degree by support from external partners such as the EU, but most importantly there is a need to establish trust for these steps to seem less risky. There's a need for trust at all levels, from political leaders to

rank and file citizens. We expect the Eastern partnership will give further possibilities to improve people to people contacts, mainly through its multilateral dimension. This is an indispensable element of trust building and conflict resolution. But there's also need for trust within the societies of the region to make them strong enough to deal with the challenges that they face. Democracy and good governance are intimately linked to stability, growth and sustainable development.

The political situation of the countries of the Eastern neighborhood and in particular the South Caucasus has been quite too mailitious during the last few years. In many ways the fabric of societies has been tested. Armenia in particular is still going through painful process of overcoming the consequences of last years' state of emergency.

Let me conclude where I started on relations between the countries in the region and between them and their immediate neighbors. Too many borders in this region remain close today. This is an unnatural phenomenon which hinders trait, hinders contacts between people and obstructs political solutions to the regions conflicts. We will therefore continue to actively encourage all forms of regional cooperation and constructive dialogue. Regional cooperation is the key for stability and security.

Thank you very much for your attention and I wish you good luck with the rest of the conference.

Researcher European Stability Initiative Georgia

# **European Neighbourhood: Latest development in the South Caucasus**

November 14th, 2009 marks the third anniversary of signing EU-Georgia European Neighbourhood Policy Action Plan (ENP Action Plan). The time has come to evaluate the achievements, bearing in mind the promise of the Georgian government to accomplish ENP AP commitments in three years time.

#### How did it start?

EU/Georgia ENP Action Plan was signed on November 14th, 2006 in Brussels. This is not a legally binding document, however it has political significance. Apart from its legally non-binding character Georgian government took it very seriously and with great enthusiasm. At the government session which was held on February 21, 2007, President Mikheil Saakashvili appealed to the government - "we should understand that this is the entire government's action plan. We should not simply sign these or those commitments, thinking that either they [EU] will forget about it or we will cheat them. They will not forget anything and we will not cheat anyone. Everything should be done seriously" <sup>1</sup>.

Although the document was signed with the timeline of five years, the promise made by the government of Georgia was to accomplish ENP Action Plan commitments in three years time.

Georgian government took the selective approach towards the document; meaning to fulfill not every single commitment listed in the document but only those, which the

<sup>1)</sup> http://civil.ge/eng/

government considered as essential for Georgia's further development. In general terms, three main goals where identified from ENP AP as key priorities: 1. to promote conflict resolution, 2. to sign the free trade agreement and 3. to sign the visa facilitation agreement with the EU.

Although the document was signed with the timeline of five years, the promise made by the government of Georgia was to accomplish ENP Action Plan commitments in three years time.

Georgian government took the selective approach towards the document; meaning to fulfill not every single commitment listed in the document but only those, which the government considered as essential for Georgia's further development. In general terms, three main goals where identified from ENP AP as key priorities: 1. to promote conflict resolution, 2. to sign the free trade agreement and 3. to sign the visa facilitation agreement with the EU.

#### What was achieved?

1. Promoting internal conflict resolution – The August war, in 2008 between Russia and Georgia introduced a new reality in respect of settling Georgia's internal conflicts. The frozen conflicts became active again and that affected Georgia's policy approach towards its internal conflicts.

The major objective that the government set after the war was to hinder the process of recognizing the independence of Abkhazia and South Ossetia. At the ambassadorial meeting held in Tbilisi in September, 2009 Georgian ambassadors were given two main instructions: 1. to stop the process of recognizing the independence of Abkhazia and South Ossetia 2. to attract foreign direct investments to Georgia.

However, Georgian-Russian war contributed largely to EU-Georgia's rapprochement. After the August war the EU engaged more actively in Georgia's internal conflicts

through different means. The Bloc brokered the ceasefire agreement between Georgia and Russia and together with the OSCE and the UN mediated the talks involving negotiators from Georgia, Russia, United States, as well as from breakaway enclaves of Abkhazia and South Ossetia. Under the EU auspices the negotiation process was launched in Geneva to address post conflict realities. The EU strengthened its presence in Georgian with sending the EU Monitoring Mission. Nevertheless, this was not what the Georgian government aimed in November 2006. The goal of promoting conflict resolution was not achieved but was rather postponed for uncertain period of time.

- 2. Visa Facilitation agreement with the EU Georgia definitely attained some tangible results in this respect. Although the visa facilitation agreement has not been signed so far, the final draft has been tabled. According to Paata Papuashvili, head of analytical board of Consular Department at the Ministry of Foreign Affairs, "the agreement presumably will be signed until the end of the current year" and "will presumably enter into force from next summer" <sup>2</sup>. Nevertheless, Georgia still needs to do a lot to fulfill the commitments envisaged by the readmission agreement with the European Union. Proper implementation of the agreements will be a step farther towards putting Georgian in the EU "white list" that will grant country's citizens the opportunity to travel to the EU member states without visas.
- 3. Free Trade Agreement with the EU The European Union is one of the main trade partners of Georgia. Initially Georgian government aimed to have a simple free trade agreement with the EU though the EU turned it down. Georgia was offered deep and comprehensive free trade agreement instead, that envisages eradicating not only tariff but also non-tariff barriers. According to the feasibility study prepared by the Polish think-tank Centre for Social and Economic Research CASE (contracted by European Commission) the simple free trade agreement had no added value for Georgia's economic development <sup>3</sup>. The country already benefits from EU's General System Preferences plus (GSP+), giving Georgian producers opportunity to export more than 7 200 items to the EU market without paying any taxes and levies. Hav-

<sup>1)</sup> http://www.parliament.ge/

<sup>2)</sup> Ibid.

<sup>3)</sup> http://www.case.com.pl/upload/publikacja\_plik/21136629\_rc79.pdf

ing deep and comprehensive free trade agreement with the European Union means to adopt almost 80% of EU's Acquis Communaitaire. However Georgian government rhetoric often contradicts to those preconditions that are required by the EU in order to enjoy with deep and comprehensive free trade agreement.

In October 2008, European Commission's fact find mission visited Georgia to study the situation in ground and give recommendations. One of the recommendations given by the mission was to "draft and adopt general competition law, create independent competition agency". A year has passed but neither competition law has been adopted nor has the independent competition agency been created. Moreover, on October 6th, 2009 at the parliament session the President of Georgia presented the key characters of the Act of Economic Freedom according to which "setting up additional new regulatory agencies — would be banned by the law" and the relevant amendment would be introduced in Georgia's constitution. Even though Georgia has appointed chief negotiator to deal with the EU-Georgia deep and comprehensive free trade agreement negotiations the implementation of core reforms that are needed to start the negotiations on the agreement are still pending.

To sum up, the results are far from being perfect. After three years of signing the EU/Georgia ENP Action Plan none of the goals, identified by the government, are reached. Visa facilitation agreement has significant progress but final output is still missing. Promotion of conflict resolution and signing of the free trade agreement have very limited progress and consequently no tangible results are achieved. It could be firmly stated that in 2006 Georgian government was not realistic while setting its ENP Action Plan goals. Expectations were high and far from being real.

### Why is it so little progress?

No doubt that Georgian government has been facing some obstacles while implementing the ENP Action Plan. Georgia's EU integration process was negatively influenced by the war with Russia and global financial crisis. But none of the mentioned reasons are strong and universal arguments to justify every single failure. The Georgia

gian government had almost two years from November 2006 till August 2008 to achieve significant progress in implementing the ENP Action Plan. Despite President's arguments towards the government to treat the ENP Action Plan as "the entire government's action plan" the approach was not and still is not coherent.. The EU integration is not a model which is viewed by the entire government as an important tool for country's development

The delay in starting negotiations on FTA is to large extent the result of Georgia's economic reform policy architected by former influential government figure Kakha Bendukidze. The ultra-liberal economic policy aims to decrease the standards and number of regulatory state agencies largely contradicts to those preconditions that are set by the EU to start negotiations on the free trade agreement.

### Contradictory rhetoric about Georgia's EU integration

EU integration is elite driven project. The experience of new EU member states shows that a lot depends on the country authority's consistency and political will.

According to the Georgian constitution the country's President has a broad saying in its foreign policy. However the president's statements about Georgia's EU integration process are often contradictory. The table below provides the statements in which one can find out how Georgia's expectations about the EU have been changing in almost every two years. Some of the statements are even contradicting one another

Statement	Time
"Our supreme goal still remains integra-	President Mikheil Saakashvili's inaugura-
tion into the European structures"	tion speech on January 25, 2004
"In three years' time, Georgia will be invited to join both the European Union and NATO"	September 19, 2005; (Source: http://www.euractiv.com/en/east-mediterrane-an/georgia-eu-2008/article-144528)
"I know that we will join NATO during my second presidential term. Although we may not become an EU member – and I can in fact tell you that we won't become an EU member"	President Saakashvili on a live political talk shown on Rustavi-2; December 27, 2007

"Joining the European Union is mo	re
important to Tbilisi than being part	of
NATO since entering Europe is like	
coming home"	

President Saakashvili's speech during his visit in Barcelona, February 18, 2009

Despite the fact that Georgia wants to enjoy Deep and Comprehensive Free Trade Agreement, there is a big group of politicians who are still flirting with the Singapore or Dubai model of the country's economic development. Those two models have their pros and cons but they can not go hand in hand and are contradictory in sense. The Singapore model of Georgian economic development is broadly supported by the President of Georgia who reiterates that his "dream is to turn Georgia into Dubai and Singapore of the Caucasus" <sup>1</sup>.

Unlike government, on grassroots level EU integration enjoys higher support than NATO. According to the survey conducted by Eurasia Partnership Foundation in August 2009, 37 % of Georgia's population thinks that Georgia should first join the EU; 34 % thinks that Georgia should first join NATO, 4 % thinks that Georgia should not join any of them and 24 % has no answer. 34 % of the population agrees with the idea that EU membership is more important for Georgia than joining NATO, whereas 25 % disagrees with that.<sup>2</sup>

### What are the challenges and opportunities?

As a result of the joint efforts of Poland and Sweden, the European Union launched Eastern Partnership policy in May, 2009. At the current stage it is quite early to assess the success of the new policy, although it clearly differentiated the concepts "the European neighbours" and "neighbours of Europe". Now the European neighbours of the EU are not in the same basket where North African and Middle East states are.

Eastern Partnership grants Georgia another opportunity to get more integrated in the European Union. At present neither the European Union is ready to accept Georgia as its member state nor is Georgia ready to join the club. Hence the Eastern Partnership

<sup>1) &</sup>quot;Georgia's lighter tax burden comes with potential pitfalls for taxpayers"; Eurasianet; July 5, 2008

<sup>2)</sup> http://www.epfound.ge/files/eusurveyreport\_georgia\_aug09.pdf

is a proper tool to be used until the EU is suffering with the "enlargement fatigue". It should rather be viewed as an opportunity to get closer to the European Union. The EU has already adopted the Lisbon Treaty that envisages paying more attention to its external relations.

Nevertheless Georgia is still facing a risk that the upcoming Spanish and Belgian rotating EU presidencies (which will play crucial role defining the EU agenda) might pay little attention to the European neighbours and Eastern Partnership would not be viewed as a foreign policy priority.

Executive Director
International Association of Business and
Parliament (IABP) Armenian Representation
Special Representative of IABP
Secretary General in Armenia

Becoming European: Parliamentary Dimension

When the author talks about the Parliamentary dimension of becoming European he makes a personal assumption that Armenia is not in the process of becoming a European but is a country- part of a European family, which is making efforts to improve its the own internal trends in terms of well being in political, economic and social senses, i.e., is further integrating with the European family. It is within this framework that the article is discussing the role of the Parliament in the process of Armenia's European integration process.

In this framework the Parliament has to play a number of roles in Armenia's European dimension, and namely but not limited to:

- Parliament- serving the nation in its European endeavors
- Parliament- representing the nation in European Parliamentary Forums
- Parliament- carrier and implementer of Parliamentary Diplomacy

By mere implementing its formal functions the Parliament already has a big role to play in the process. European integration is about routine technical work and not about high and superficial words. It is about technical standards, it is about regulations, it is about new or improved legislation going in accord with those of the EU and mostly with EU Aquis Communautaire. And it is the role of the Parliament to ensure as a last instance before the adoption of the legislation and before it goes for a final signature to the President of the State that the legislation matches the norms accepted in the EU. This process shall be a standard procedure with the Parliament,

ideally being fully equipped with all the capacities necessary for the monitoring and supervising the process, including technical, human and professional expertise. Accordance to the European practice should be a routine check up process for the Parliament experts and the MPs should know on a routinely basis that if the draft has reached their eyes it automatically means that it has passed the test of concordance with the EU legislation. This kind of laws approved by the Parliament will gradually bring Armenia to a situation that Armenia's legislation will mostly be in harmony with the one of the EU, and will make it much easier further integration activities that are the job of the diplomats and statesmen to negotiate.

The next important role of the Parliament is Armenia's parliamentary representation in various international, and in particular, European forums. Armenia, as part of a European family, is a full member of many pan-European and international forums, and it is the role of the Parliament to represent the state wherever it is applicable to the Parliament. The Council of Europe, Parliamentary Assembly of the OSCE, parliamentary dimensions of many European initiatives, such as Parliamentary Dimension of the Eastern Partnership are just a few examples to mention. It is necessary to mention that Armenian Parliament takes an important note of its function in this area, and, as a normal practice, represents the Armenia in these forums as appropriate and as a regular practice.

The third role that in the opinion of the author is peculiar to the Parliament, in the framework discussed in the article, is the function of the Parliamentary Diplomacy. This is a very important function which could be of immense importance for the state if properly and duly implemented. MPs are people elected by people. They are in a position and can play a huge role in making background work in issues that the country is engaged, in their own, formal or informal capacity. Many issues pass through a very stiff discussion and push-and-pull process before becoming a formal agenda on the table before diplomats. And here the MPs as individuals and the Parliament as an institution are a solid mechanism in negotiating the issues informally and smoothing up the sharp angles and harmonizing the views and positions. The other, formal dimension of the Parliamentary diplomacy is the liaison of the Parliament with fellow Parliaments via official means of liaison and via informal groups of friendships within the Parliaments, as well as at an expert and programme levels. Armenian Parliament

is gradually and more and more actively engaging itself into this function, and the author believes it will soon be visible the positive consequences that this kind of exercise could give to Armenia's European integration endeavors.

The Parliament shall play an important role in the process of Armenia's European integration process, and it is gradually but steadily is increasing its capacity and is willingfully engaging itself in this process at various levels which is a very welcome process for our Armenian reality.

Head of the OSCE office in Yerevan

The role of the OSCE in promoting European values and supporting Armenia in European Integration

Dear Ladies and Gentlemen, in thinking up the title of my presentation I have kept to the overall theme of today's fourth session and I will elaborate mainly on that.

Let me start directly by clarifying the role of the OSCE in European Integration. It's important to look at the term 'European integration' and distinguish between the mere approximation to international best practices and standards and the joining and full integration into existing European structures, let's say the European Union. Assisting with the first is what the OSCE officially stands for, whereas assisting member states in joining an integration union is definitely not on its agenda. Hence, our role in European Integration is rather indirect, but it is still very significant and should not to be undervalued. In other words, we assist Armenia and other participating states where the OSCE has missions in adhering to our Organization's standards and commitments, which have the same or very similar value basis as in such international structures as the EU or the CoE.

Let me support my statement by a specific and quite illustrative example. The "Joint Declaration of the Prague Eastern Partnership Summit" adopted on 7 May 2009 states in its first paragraphs the following "The participants of the Prague Summit agree that the Eastern Partnership will be based on commitments to the principles of international law and to fundamental values, including democracy, the rule of law and the respect for human rights and fundamental freedoms, as well as to, market economy, sustainable development and good governance." Also, in the section of the European Commission's website devoted to the Eastern Partnership one can learn that "The Eastern Partnership is intended to promote democracy and good governance; strengthen energy security; promote sector reform and environment protec-

tion; encourage people to people contacts; support economic and social development; offer additional funding for projects to reduce socio-economic imbalances and increase stability."

The above listed values are among the most important values that the OSCE stands for and the OSCE Office in Yerevan is directly involved in all the above listed areas. Moreover, some of those values and/or areas are reflected in the names of current programmes of the OSCE Office in Yerevan in the three OSCE dimensions.

The OSCE, as a political organization, not only puts best international standards and practices, which also tend to be European ones, into concrete wording and commitments, but also implements projects while assisting member states in fulfilling their commitments and bringing them closer to each other. This is what, broadly speaking, the OSCE programmes and projects are targeted at. What we are trying to achieve in these programmes is very much in line with what the EU and other organizations are supporting, including the respect for human rights, freedom of expression and freedom of assembly, free and fair elections, an independent judiciary, an active civil society, combating corruption and economic and social development that benefits all.

Now, the breakup of the Soviet Union has led to a new situation. All three South Caucasus republics are now independent and they have become members of various international structures, including, of course the OSCE and the Council of Europe. The last two organizations are Europe-centric as indicated by their names, although the roots of the OSCE, going back to the Cold War, also means that it includes all successor states of the USSR, the US and Canada.

As I have mentioned, membership of the OSCE (and the Council of Europe) means obligations or commitments largely based upon values that have developed in Europe over centuries.

In a situation of years of dominance of an absolutely different socio-economic and political system, with a short modern history of independence and self-rule and with unresolved conflicts with neighboring countries, an argument could be made that it is difficult to embrace a host of new values and traditions imposed from the outside.

Now, I do not believe that. There is a correlation between security and wealth, and incorporating the values of democracy, good governance, the rule of law and the respect for human rights. Therefore this is not just something that is imposed from the outside but something that also naturally should be in the interest of governments and society.

To embrace new values is of course a process that takes time. To go from an international commitment to democracy and human rights to embrace those values in laws, in the implementation of laws and in political practice may be a long process. However, in today's world of globalization where technological change drives economic change quicker than ever before, where mobility is increasing and where borders break down it is necessary to be up to the task to develop political and economic systems that are competitive and that respond to the needs and demands of ordinary citizens and that effectively utilize their talents.

In this regard, the obligations and commitments of Armenia to the OSCE (and the Council of Europe) should be seen as tools to achieve the objectives of security and a better life for as many people as possible which I believe are goals that all Governments that represent their people can subscribe to.

While we share the fundamental values of the EU, we are not an organization with structural integration on the agenda as the EU. However, one could argue that this is an important aspect and a further step once a true community of shared values is embraced. In this regard, the Eastern Partnership offers great opportunities for Armenia of closer cooperation with the EU in a different way than with the OSCE. However, and I would like to close with this, to achieve such closer cooperation it is important to implement the commitments and embrace the values that our organization stands for as they also form the basis for achieving closer cooperation with the EU with the benefits that such cooperation will bring.

Research Professional Institute for Regional and International Studies Bulgaria

The EU and Its Black Sea Dilemma: Time to
Engage in Action
The Larger European Framework
of the CoE and OSCE

The issue of European integration regarding the Black Sea region and the South Caucasus in particular is a two-sided coin. On the one hand, there is the presence or absence of clear, strategic and committed approach on the part of the European Union and its member states to support stability, democratisation and institutional convergence here towards the embracing of European values and modes of development. On the other hand, it is a question of degree of acceptance, willingness and commitment to European integration as a foreign policy priority of the countries in the region. Both aspects of the process are essential to its overall outcome.

As concerns the EU part, the Union has to decide in what way it is going to be present in the Black Sea and the South Caucasus and how it is going to support the process of democratisation here. With the launch of the Black Sea Synergy in 2007 and the Eastern Partnership earlier this year, the EU has recognised the strategic importance of its immediate neighbourhood in the east. It is not only in terms of energy security that the Black Sea region is vital for the EU – it is also about having stable, democratic and prosperous neighbours, embracing your own values and cooperating with you on a variety of issues.

However, the EU has not yet devised a clear strategy, both political and economic, for the integration and democratisation of the region. Enlargement is no longer a political factor. Unlike the case with the Western Balkan countries, where the EU made clear commitments about future membership, accession is not explicitly on the agenda for any of the Black Sea countries. Enlargement has been the most effective tool of the EU in spurring positive changes in the Eastern European post-communist societies. Most of them are now EU members with functioning democracies and market economies. The accession incentive is so important that some of the new members, such as Bulgaria for example, ceased to reform after being accepted into the bloc and is now Brussels's problematic child. The Western Balkans received explicit guarantees in Thessaloniki in 2005 that one day they will be part of the common European family. For them, the question is When, not Whether. The Black Sea countries do not even have the Whether on the table. So by not setting a clear membership perspective for the Black Sea, the EU is forfeiting its most important democratisation tool.

What the EU is doing in terms of strengthening cooperation with the countries of the region is mainly along two lines: sectoral support and overall democratisation support. Sectoral support is concentrated in border control issues and economic issues. Here the incentives the EU is trying to give to the Black Sea countries is visa liberalisation for the populations and easier access to the common market for the firms. While those incentives may be effective, incentives regarding democratisation are lacking whatsoever, given the absence of an accession perspective. The EU is active in supporting bottom-up initiatives, such as civil society organisations and projects, but they generally do not encompass the entire societies. The top-down element, i.e. trying to directly influence the government's policies towards more democracy, accountability and institutional change, cannot be successful without the clear desire on the part of the governments themselves.

The EU is also experiencing internal problems which influence its Black Sea policies. It has institutional shortcomings, which are hopefully to be in part cured with the advent of the Lisbon Treaty; it has internal disagreements among member states; it has the problems with the new member states and the so-called "enlargement fatigue," a hybrid of public opinion pressure and internal solidarity, which is gaining grounds across the continent.

But the EU cannot afford to ignore its eastern neighbourhood, as it has a stake in the stability and prosperity of the region. It needs to redefine its involvement and work more actively towards guiding the democratisation and the political and institutional

development of the Black Sea countries. The efforts within BSS and the EaP need to be intensified, especially in terms of financial commitments.

On the other hand, the Black Sea countries have to demonstrate clear will for democratisation and reform in the spirit of European values and beliefs. No accession incentive or institutional reform effort whatsoever will be effective if the country in question does not see the EU as an example of a properly functioning democratic system.

## OSCE and CoE

Given the mixed role the EU has to play in the Black Sea region and the unclear set pattern of its relationship with the region, the OSCE and the CoE will continue to play a crucial role for the democratisation and development here — they are the outer frame of the European unification. The OSCE has been the most active and devoted international organisation in the South Caucasus ever since the fall of the Soviet Union, from democracy and human rights promotion to conflict management and election observation. The CoE has only recently welcomed the South Caucasus countries within its ranks, but has been actively promoting democracy here. The OSCE/ODIHR and the CoE's Venice Commission recommendations have contributed a lot to the democratisation and the institutional development of these countries.

However, the OSCE and the CoE are under great pressure from Russia to make ever greater compromises with their values and principles, especially with regard to Russia's policy towards its "near abroad" and the former Soviet Union. The OSCE decisions can be easily vetoed by any member, as Russia did on the Gerogia-Abkhazia-South Ossetia observation mission mandates. There are no consensus decisions in the CoE, but there Russia has several times threatened to leave if the decision is not according to its taste. So, within the OSCE and the CoE, the EU has increasingly more difficulties in reconciling its principles of international cooperation with the desire for good relations with Russia.

Despite that, neither the settlement of the post-Soviet "frozen conflicts" nor the successful development and democratisation of the region is possible without the active involvement of all European organisations and institutions. That is why it is always the

case that much more is expected from Europe than it is willing and able to give. In the end, Europe's role is to create a single space of peaceful and democratic prosperity in the post-Soviet area, in which process the biggest challenge is to convince Russia that this is not against its interests.

Deputy Head of Foreign Relations Department

Ministry of Defense

Armenia

NATO, Individual Partnership Action Plan (IPAP) and security reforms: Are the gaps in the security sector of the European neighborhood being filled?

Dear colleagues,

First, I would like to welcome all the participants, and thank the organizers of this event for initiating these interesting discussions and inviting the representative of the Ministry of Defense of the Republic of Armenia (RA). The RA Ministry of Defense welcomes such events, and is one of the interested agencies.

It is natural that the government of Armenia has readily responded to the initiative of Eastern Partnership. European integration has been one of the foreign policy priorities of Armenia after regaining its independence. In my opinion, this reality is conditioned by the fact that the Armenian society perceives the European value system as natural, both on conscious and subconscious levels, by perspectives based on the European model of organizing the society, and by the natural aspiration towards inculcating democratic values and building a civil society and market economy.

In this respect our expectation from the Eastern Partnership initiative is to provide practical contents to the European Neighborhood Policy. And as the President of Republic of Armenia mentioned during Eastern Partnership summit, "We want to see it succeed and show that the policy based on a value system may yield exceptional and unexpected results. To achieve that we all need to work with commitment and consistency".

Now, back to the key issue of this session, I would like to immediately answer the question: "Does Armenia-NATO IPAP fill the gaps in the security sector of the European neighborhood? It definitely does.

In the trajectory of Armenia's European development the relations with the organization ensuring the European security have an important role in the security system of Armenia. These relations being natural and not obligatory create favorable conditions for their sincere and effective development.

The Republic of Armenia has been in an individual partnership with NATO since 2005. Today we can assert that the project of Armenia – NATO Individual Partnership Action Plan has become one of the most effective leverages of modernization, democratization and defense and security reform in Armenia. It has proved its right to continue and expand with concrete results; it has been publicly acknowledged and is actively discussed in press and other spheres of our society, especially in the context of defense issues. This fact gives us an additional confidence in the consistent realization of reforms, thus we are trying to direct our experience towards supporting the projects implemented by other state agencies, which aim to raise public awareness.

The advantage of IPAP is that Armenia decides for itself in which spheres and to what extent should the relations with NATO develop, thus directing the cooperation with the North-Atlantic Treaty towards the realization of concrete goals. And it is not by chance that many reform goals, ideas and implementation mechanisms in the defense and security sector originate from RA-NATO IPAP. Through this project the Armenia–NATO relations totally serves to the realization of defense and security reforms. Moreover, these relations provoke the development cooperation with many other member states of the European Union in a bilateral format. Along with IPAP, the military cooperation with Germany, Great Britain, Greece, and many countries of Eastern Europe reflect the strategic spheres of defense reforms.

I have also to mention that the security environment in the region, the complicated picture of relations between the countries in the region, the difference of viewpoints regarding the security in the region, and the existence of the NKR (Nagorno Karabakh) conflict demand more serious efforts, strategic analyses and well calculated approaches while implementing defense reforms. It may sound illogical, however, the existing military and political issues have their "positive" influence on the quality of the reforms.

Speaking about the defense and security reforms, I can say that they are basically implemented by correlating national and international interests. This principle leads the defense reforms into two strategic goals- continuous development and integration.

To provide for the steady development and sustainability of the reforms, a strategic review of defense is presently being carried out, which is laid out by the RA-NATO IPAP as well. In order to implement it, an inter-agency committee and a specific timetable have been created by the decree of the RA President The goal of the strategic review is to provide a long-term development of the defense sector based on the analysis of the security environment and the long-term evaluation of threats, as well as creating a system, which will, in a long run, ensure that the capabilities of the Republic of Armenia, in particular its armed forces, correspond to the present and possible challenges of Armenia. The review process is planned to be complete by the following year, which will result in working out a long-term development plan for the armed forces.

However, without waiting for the outcomes of the strategic defense review, the RA Defense Ministry is already implementing reforms in a number of spheres. These are human resources management, introduction of the principle of civilian control of the military into the defense system, reforms in military education and others. As a result of enacting the laws adopted last year on "Defense" and "Special civilian service", it

has become possible to reform the structure of the RA MD and Armed Forces General Headquarters (AFGH), to introduce the principle of civilian service in the defense system and to improve the civilian control mechanisms. Towards this aim a new department of information and public relations has been established in the Ministry of Defense, as well as a Public Council has been founded, which expands its activities.

In order to implement the strategic goal of integration the interoperability of the Armenian armed forces is being increased. In particular, the RA peacekeeping contingent is constantly developing and expanding, which will provide the RA AF with the possibility of a long-term participation in NATO-led operations. In October the self-evaluation of the first peacekeeping contingent was carried out, based on the standards defined in the concept paper on operative capabilities, which brought it a step closer to the NATO standards.

Armenia also widens its involvement in international missions. In particular, 70 Armenian servicemen (the number is doubled) take part in operations in Kosovo since June 2008. On the 21st of October of this year Armenia was recognized as a country (43rd) deploying a contingent to the International Security Assistance Force in Afghanistan to the international security support forces in Afghanistan. Following the completion of participation procedures if the RA National Assembly ratifies the corresponding agreement, Armenian peacekeepers, under the command of Germany, will provide the security of Kudus airport.

Finishing my speech, I would like to emphasize one more circumstance. For the implementation of high standard reforms we need a large number of human and material resources, considerable consultancy support, and in this respect we perceive the cooperation with NATO and IPAP as the main cooperation project with the Euro-Atlantic family in the sphere of defense and security, at the same time cooperating with other international organizations and separate countries. I think all this will yield positive results in the nearest future, as the inter-agency harmonization mechanisms have become stronger. The RA National Security Council has taken the responsibility for managing both the European Neighborhood Policy and IPAP implementation interagency harmonization mechanisms in the context of European integration.

Finally, the goal of the defense and security reforms is to create a more flexible and modern defense system, which will correspond to the modern military demands and will be based on the principle of democratic governance, defense planning and civilian control. A system which will be able to provide the military security of the Republic of Armenia, defend the basic values of national security, respond operatively to all critical situations and provide the fulfillment of international commitments of the Republic of Armenia. Thus, the major goal of the defense reforms is to ensure the superiority of the RA armed forces over its adversaries based in its combat readiness; to develop and introduce standards into the armed forces which will fully correspond to the national security peculiarities of Armenia, thus completely addressing the national issues of military security. At the same time there will be enough opportunities for interoperability, which will allow Armenia to have its share in providing international security, in parallel to its increasing international reputation.

Researcher Romanian Center for European Policies Romania

## **Defence reform in Romania**

Romania is one of the former communist countries that made some of the most farreaching reforms in the security sector. This presentation will mostly deal with defence reform and does not intend to cover all areas of security sector reform (SSR).

At the beginning of the 1990s Romania had a large army with more than 300.000 men in uniform, more than half of them being in the armed forces. The army was oversized and used about one eight of Romania's 56 billion US dollars GNP <sup>1</sup>. Some of the first measures taken in the early 1990's regarded the removal of the officers that had been compromised by their involvement with the communist regime and the downsizing of the armed forces. These early measures were promoted by a so-called Committee of Action to Democratise the Army (CADA), an informal group of young reformist officers, which however was soon disbanded. The signing of the Conventional Forces in Europe treaty in 1990 also played a role in the decreasing of the size of the military.

This first phase of the restructuring process continued with the adoption of a new constitution in 1991 that set a democratic framework for the civilian control of the military. According to the constitution, the Parliament adopts defence legislation and important resolutions such as declaring mobilizations or declaring war. It also approves the defence budget and exercises parliamentary control through hearings and inquiries. The President of Romania is the commander-in-chief of the armed forces

<sup>1)</sup> Adrian Pop, "Romania: reforming the security sector", in David Greenwood and Peter Volten (eds.), Security-sector Reform and Transparency Building: Needs and Options for Ukraine and Moldova, Harmonie Paper 17, Centre for European Security Studies, Groningen, 2004, p. 50

and head of the Supreme Council of National Defense (CSAT) <sup>1</sup>, an autonomous administrative authority that has the task of coordinating the activities related to the defense of the country. The CSAT also plays a major role in the preparation of the most important security documents. The Ministry of Defence conducts national defence according to the laws and the strategy of national security, elaborates norms and drafts legislation in the military field. Civilian control of the military was improved when in 1993 a civilian deputy defense minister was appointed and when, in the following year, Gheorghe Tinca became the first Romanian civilian defense minister after 1945.

In 1994 Romania was the first post-communist country to join the Partnership for Peace (PfP) programme and in that same year Romania assumed the OSCE Code of Conduct on Political Military Aspects of Security. After initial hesitations in the early '90s, the Romanian political leadership choose to increase cooperation with Western militaries in order to eventually join the North Atlantic alliance.

The reform of the military continued in the second half of the '90s when the Ministry of Defense and the General Staff were reorganized in accordance with similar structures of NATO members. Military human resource management was modernized, a new military career management system was adopted and a Military Career Guide was approved in 2001 (later updated in 2007 to reflect the needs of a NATO member army).

However, Romania's military still faced serious problems: a reversed personnel pyramid, lack of funding and a lack of coordination between the various defense structures. Due to rapid promotions in the early 90s, in 2000 the Romanian army had a reversed personnel pyramid with a surplus of about 450 generals, 1,700 colonels, 3,800 lieutenant colonels and 5,000 majors <sup>2</sup>. The continuous downsizing of the military coupled with various training and governmental financial support programs to help employment in the civilian sector, together with the elimination of "exceptional"

<sup>1)</sup> The CSAT is lead by the President with the Prime minister as vice-president and the most important ministers, the directors of the intelligence services, the presidential counselor for national security and the chief of the Armed Forces General Staff as its members.

<sup>2)</sup> Adrian Pop, op. cit., p. 52

promotions in 2001, helped improve this unusual situation. The changes were not easy, especially considering they were made during times of economic hardship. In terms of numbers, the military reduced its size from 320,000 in 1989 to 200,000 in 1999, 140,000 in 2003¹ and currently comprises about 90,000 men and women, 75,000 of them being military personnel and the other 15,000 civilians. Coupled with the downsizing of the military, Romania started a process of professionalization of the armed forces and in 2005 it abolished compulsory military service.

The UN, the OSCE and the EU were involved in supporting security sector reform but NATO was the promoter par excellence of SSR. NATO ran many activities in order to modernize the Romanian military but also to develop civilian expertise in the security field. Its main instrument of assistance was the Partnership for Peace (PfP), but what was crucial for the reform of the armed forces in Romania was the Membership Action Plan (MAP), a tailored program launched at the 1999 Washington Summit that provided a roadmap for reforms.

Bilateral aid also played a major role. France, Germany, the United Kingdom, Canada, Turkey, the Netherlands, Greece and especially the United States were the most important donors for security sector reforms in Romania. The visits, seminars, advisers, personnel exchanges and training programs funded by US programs such as the Warsaw Initiative program, the International Military Education and Training (IMET) and MIL-TO-MIL played an important role in the modernization of the Romanian armed forces. Some of these funds went into military education institutions that moved closer to a US/UK model and into language (especially English) courses.

In order to increase its international profile Romania had also taken many new security obligations and had actively participated in various peace support operations. This was in line with the country's efforts of trying to be a security provider and a "good international citizen". Beginning with the early '90s Romania sent troops to UN and later European and NATO missions in Somalia, Angola, Albania, Bosnia, the Congo,

<sup>1)</sup> Marian Zulean, "Romania: Analysis of the Stability Pact Self-Assessment Studies" in Eden Cole, Timothy Donais & Philipp H. Fluri (eds.) Defence and Security Sector Governance and Reform in South East Europe Self-Assessment Studies: Regional Perspectives, Nomos, 2005

Kosovo, Afghanistan and Iraq. These missions played a role in increasing the armed forces interoperability and deployability.

The reform of the military was seen as essential for the country's admission to NATO, a foreign policy goal supported by the vast majority of the population. The army also benefited from some of the highest level of trust among citizens even though its image was from time to time affected by (corruption) scandals.

Romania supported NATO in its Kosovo campaign and granted approval for NATO to overfly Romanian airspace. This position, together with the one adopted after the September 11 attacks, positively influenced its relation with the US and NATO. At the 2002 NATO Prague Summit Romania was invited to start accession talks and on the 29 of March 2004 the country joined the North Atlantic Treaty Organization (NATO).

After a long effort the country joined the security umbrella provided by NATO but the accession was not an end of the road and defence reform and alignment with NATO standards continues. However, reform of the armed forces is hampered by insufficient funding, a problem aggravated by the current economic downturn. Even though the government made commitments to NATO to maintain defence spending at more than 2 % of GDP, the figure was 1,9% in 2007 and 1,3 % in 2009 (about 2.6 billion US dollars). About 60% of this is spent on personnel, 19% on defence investment and the rest on training, missions and other areas. This lack of funding is an impediment to realizing already identified modernization requirements, such as the acquisition of a new multirole fighter for the Air Force. It also seriously affects the military's capability of attracting the best human resources. From the point of view of civilian-military relations we can still see a reduced involvement of civil society organizations in matters related to the security sector. State security remains very much an attribute of the state and the non-governmental security community is rather underdeveloped.

Member of Executive Board of Economics and International Relations Institute

Bulgaria

"It is clear that no genuine political and economic liberalisation can be carried out as long as the defence and security sectors continue to be run by uniformed élites that lack political accountability and transparency."

This is a quote from one of the most detailed studies of Security Sector Reform (SSR) in the Eastern neighbourhood in the last few years. What does this elaborate phrase mean? It means that SSR should be the top priority for every country in the region, maybe even for most of the countries in the world.

But it is not. It's essential, it's important, yet almost nobody talks about it. Why? The answer is pretty much obvious - because it is too important and there is too much at stake to discuss it freely. Especially when a given country has wars and conflicts around it. Moreover, external meddling in SSR issues can easily be described as foreign intervention in sensitive internal matters.

But I think we can all agree that the world, Europe and the Caucasus are changing rapidly, especially in terms of security and the threats that we have to confront. This means that the governments need to manage the threats if they do not want to end up in trouble. A very recent example is the war in Georgia that took place last August.

Can the governments in the Eastern Partnership (EaP) area rely on the EU and NATO to jointly manage security challenges? First of all, we see the limits of the "NATO first, EU second" approach that dominated in Central and Eastern Europe and is still present in the Western Balkans. There was an important sequence - NATO tried to ensure SSR, particularly in defense, while the EU was focusing on police & judiciary.

Now they are doing the same in the EaP area, but none of them is offering membership prospects for the time being. This is not such a problem, because it makes it much easier for the EU, NATO and the countries themselves to push for certain issues and to create bridges and linkages to other policies and countries. In fact, the countries in the Caucasus are not in a race for membership – they are in a race for security and stability.

In addition to that, the EU and NATO are part of a much more complex picture in and around the Caucasus, which involves Russia, Turkey, Iran, the Middle East, Central Asia and organizations such as the SCO and the CSTO. This makes their involvement more challenging and dependent on fresh ideas and approaches.

One such idea is to combine NATO's work on SSR with the Comprehensive Institution Building (CIB) Programme, which is EaP's most important bilateral element. Moreover, these two elements might be coupled with a joint regional programme on SSR, which will make it a simultaneous process for all the countries. This could make the reforms more transparent and coordinated and partly remove the suspicion, present in each country in the region, about the bad intentions of the others. More coordination on organized crime and trafficking could represent a third element in such a framework.

Of course, nobody said it would be easy. Right now in Bulgaria there is a huge scandal around the National Security State Agency, which signals that the process of integrating and reforming the security sector is far from over event in EU and NATO Member States.

But SSR is not only about security. It's also about democratic control and openness, about dialogue and information. That's why we talk. We discuss. Yet it all comes down to decisions, such as the decision of Turkey and Armenia to move forward with their relations. Such decisions could hardly be taken unilaterally, which is good news for the EU and NATO. They still matter, but they have yet to use their full potential to make the EaP area a safer place for the people who live there. In the end, it should all be about them.

Honorary Rector of Louvain Catholic University

Belgium

## Armenia and the EU: Challenges and Opportunities for Both Parts

The title of the session, « What is next? Challenges and Opportunities for Eastern Partnership » invites us to suggest and discuss some ideas about a possible future of the relationship between the European Union and the eastern countries involved in this partnership. Several speakers, during the conference, have insisted on the point that European integration is not only about strengthening political and economic ties, but that it is also about embracing values. We have heard, from representatives of the countries involved in the Eastern Partnership, how deeply they consider themselves as Europeans, sharing common values with the member states of the EU.

I would like to start from that standpoint and to try to illustrate it mixing to kinds of considerations, based on the observation of the current political situation in Europe on the one hand, and drawn from my experience as specialist of the history of cultures in Europe and in the Near East, particularly in the Caucasus region, on the other hand.

I am not representative of a country or of any international organization, I am not a political leader. The ideas I shall develop are thus my own, resulting from my background and my experience, and could not be interpreted as expressing the views of a country or of an organization.

The first idea I want to stress here is that developing the Eastern Partnership does not depend on the eastern countries only; it requires from the EU to have a clear idea of its project, a clear vision of the future. In other words, if countries like Armenia and the other states involved in the Eastern Partnership keep telling that they are Europeans because they share the same values as Europe, it becomes quite important

for the member states of the EU and the EU itself to also have a clear idea of these famous values and to be conscious of them. And it can not be only words.

That also implies that all countries of the EU agree to play according to the common rules of the game. And this is not always the case.

Indeed, if we look at some recent events in the agenda of the EU, what do we notice?

We notice that, during the last years, at several occasions, political leaders or the people themselves refused proposals of reforms of the European system. Let us remind here, for instance that :

- Denmark rejected the Maastricht treaty in June 1992, before approving it in May 1993 after some changes had been brought into the treaty;
- Denmark refused to enter the Euro zone in September 2000;
- Ireland refused the Nice treaty in June 2001, before approving it in October 2002, again after some changes had been brought to the text;
- France and the Netherlands voted against the projet of a European Constitution in May and June 2005;
- Ireland voted against the Lisbon treaty, before recently agreeing to it;
- Tchequia, or at least its president, have long been reluctant to sign the Lisbon treaty.

There are many other examples of doubts and hesitations expressed by the member countries when new reforms are proposed to the EU system. All these examples are of course natural reactions of countries which are not ready to submit themselves to severe reforms before having seriously thought about them. We can and must understand these reactions, even more because they are the result of history, and I shall be back on this later on.

But these examples can also be seen as the first signs of a deeper and larger mood of scepticism spreading in many countries of the EU. There are other signs of that kind:

• when the financial and economic crisis broke out in 2009, there were people, and even political leaders, who criticized the Euro, blaming the European currency for weakening the European economies (not « economy » !);

• as a result of this crisis, it has become a natural attitude of European governments to defend jobs and industries in the country, rather than looking for solutions at an European scale. To give one example: in my own country, Belgium, an important car factory will most probably be shut down, although the car production is cheaper and more efficient in that factory than in the home country of the car company (Opel, Germany) or in other factories of the same group (General Motors).

The Opel story shows how national interests can be placed first before general interests in times of economic crisis. The question then is: how can an international, multi-governmental project like the EU project be favoured in such circumstances? The European project has always been faced with the defence of national interests, which is a quite normal phenomenon in an Europe made out of nation-states. We should never forget that the concept of nation-state, an invention of the 19th century romanticism, is at the core of the European identity, and fundamentally distinguish Europe from the other parts of the world, and we should not forget neither that Europe, the EU, is not and will never be a nation-state. This is why Europe is and will remain a challenge for quite a time ahead.

When the situation becomes difficult, as it is today, the national answer always seems the most appropriate to tackle the challenges, as such answer fits in more adequately with local and immediate needs. And it is particularly interesting to observe that the member states of the EU prefer national answers rather than European ones, while countries who are not members of the EU but would like to become ones, like the countries involved in the Eastern Partnership, precisely look to Europe and expect from it the answers they need to their problems. It seems to me that the expectations and sometimes the enthusiasms of the partner countries should remind the member states that European answers have to be given the priority, especially when times are more difficult. In other words, while many Europeans think that nations are the right answer to difficult challenges and Europe the right answer to easy ones, one lesson we can learn from the partner countries is that Europe is the right answer to difficult challenges. We need Europe not to organize what is easy to be organized, but we need Europe to solve what nations can't solve.

Let's go a little bit further in the reflection.

It is very common for national political leaders to blame Europe for not being democratic enough, and to blame « Brussels » for being the cause and source of all problems encountered in their countries, because, according to these leaders, Brussels is a place where decisions are taken by closed circles of experts lacking contacts with the real life of the citizens. When something goes wrong, it is always Brussels'fault. I am myself Belgian, born and raised in Brussels, and I must confess that I would sometimes prefer my city to be less famous than it is!

The truth is that European institutions, although they are not perfect yet, are democratic ones, composed of representatives elected by the citizens. Most if not all of the partners countries had to fight, until recently, for the defence of their freedom and the implementation of a democratic regime. Isnt'it a little bit paradoxical that the EU asks from the partner countries to improve democracy in order to fit the Copenhaguen criteria, while national leaders are allowed to pretend that the European institutions are not democratic enough?

Democracy is at the core of our values. What is at stake with the European project is democracy, human rights and peace. Both parts, EU and partner countries, can learn from each other in this respect.

But, in my view, that have to go a little bit further than that. If democracy, human rights and peace are enough to define the European values, one could conclude that the United States are a European country as well! If not, then we must be able to point out what distinguish Europe from the other parts of the world who share the same basic values.

And the answer to that question is our history : we must be able to find in our history what makes it possible for us to unite. And this brings me to my second consideration.

A second consideration I would like to put forward is that many decisions in Europe are shortsighted. I do not want to blame politicians for this, for I think that it has become more and more difficult to run public affairs in such a complex world as ours. The world is global, everything changes very rapidly, and we are all the time running after time, trying to face emergencies. We have the nose right on the problems, and

we lack distance, we are often too close to the problems for a proper view. Vision of the future precisely needs to take distance, and distance can be gained from the study of history.

What is it then that unites so many countries in this strange ensemble called "Europe"? The source of our possible union lies in what we have all been through in centuries and in our ability to turn our experiences, good and bad ones, into lessons and to draw from these lessons practical solutions for the construction of the future, a future which would preserve and defend democracy, peace and human rights.

Experiences, lessons and solutions of Europeans all go back to the original combination of three heritages: the Greek, Romand and Christian heritages. The hellenic civilisation developed the activity of reason and placed man at the centre of this activity; it developed tools to allow reason to extend to all aspects of individual and social life. So appeared philosophy, ethics and logics, dialectics and aesthetics; so emerged the first attempts to implement a political regime where collective and individual rights are protected from tyranny and dictatorship; so also art became the perfect expression of the ability of man to represent beauty and harmony. The Roman civilisation developed these Hellenic findings, adding to them the practical sense of the Romans: Roman law, public state, commerce, taxation, roads, as well as imperial ideology, were tools which Rome prepared and made adaptabvkle to all nations. Christianity then, spreading through all Europe, did not only brought monotheism and the idea of the superior value of the human person and of the family, but did also disseminated all over the continent the fruits of the Hellenic and Roman civilisations.

Other cultures have also influenced the development of the European identity, but none has had the same basic role than the unique combination of the Hellenic, Romand and Christian heritages. It is that combination which is at the source of the European identity, and of the values we are so often invocating.

As a matter of fact, all the countries involved in the Eastern Partnership share these same heritages with the member states of the EU, be it with local variations and other influences, as it is already the case among the EU. What they have in common with

the EU is not just democracy, peace and human rights, but precisely why and how, and through which hardships, they came to this triptych of modernity.

One author once said that « Those who cannot remember the past are condemned to repeat it » (George Santayana, in Life of Reason, Reason in Common Sense). A better understanding of where we come from should help us to better envision our future together. This is especially important regarding the partner countries, because most of the citizens of the current EU have almost no knowledge about who these countries are, I mean how much they are European, how much they belong to the same vision of the society and of the human rights, and therefore how much they deserve to be as close as possible to Europe, if not members of the EU, which is my personal wish. If EU citizens were asked today to give their opinion about a new enlargement, I am convinced that a vast majority of them would be against such a move, for two main reasons, one of them being that they do not consider these partner countries as European enough, and they do so because they do not know the history of these countries. And this is particularly true for a country like Armenia, who shares with Europe a lot of historical features and many values, but is today, due to history, separated from Europe. Europe is absolutely not prepared, intellectually and institutionnally, to deal with countries and recognize them as Europeans if they have no common border with the current EU. EU and partner countries have something to develop together in that regard, in order to enhance a better understanding of eachother history and identity, and a sense of a common destiny.

The second reason why EU citizens would be against a new enlargement, and this allows me to turn back to my previous point on the nation-states, is that they want to protect their privileges and are not keen on sharing these with to many people. In my opinion, Europe is about sharing wealth and privileges, and not about protecting them for ourselves. This is why national answers could not be the right ones, because they always protect national interests against other nations's interests, instead of sharing them. This should be accurately observed by partner countries, and it should bring them to realize that they should not evolve as to develop into nation-states. I think that such temptation exists in at least some of these countries. A nation-state is based on a very simple belief: one territory, one people, one language, one religion, one culture, make one nation-state. This very simple idea, which seems so attractive

simpply because it is easy to understand, has led to the worst conflicts of the last two centuries. Once again : « Those who cannot remember the past are condemned to repeat it ».

History of European integration shows how difficult it is for nation-states to accept to abandon some of their competencies and to delegate them to a supranational level. If partner- countries develop to nation-states on their own, they will not make the European process easier, on the contrary.

I have no ready-to-be-implemented solutions to answer all these questions. But I would certainly give the priority to one idea : invest on the young people. They are the future ; we can prepare it, but it is they who will have to develop it, to live with it and to pass it on to the next generations.

Education is the best investment you can make on the young people. There have been students attending the conference, and some of them have asked questions. I found it just great. They should have been given the floor also, to tell us what they expect us to do for them.

Let me drop some ideas.

Let's promote, but I mean seriously and really promote mobility of students. Most of the partner countries already belong to the Bologna process, which tries to create what is called an European Higher Education Area. I still do not understand how it came that the Bologna process has not been proposed by the EU, but has been proposed and implemented as an inter-governmental initiative. It is better than nothing, but that will never lead us to an integrated European Higher Education Area within which mobility of students could really be promoted.

Let's promote the teaching of the history of Europe, but not the way it is done today in most schools or universities: national history first, and eventually history of the technical construction of the EU system. But not one single word about the possible future members of the EU. History teaches us that mutual knowledge and mutual

understanding are the best tools to promote peace. If peace is at the core of our values, then let's do it.

Let's decide to transfer to the European level some of the competencies of the states regarding education. I know that that will be exetremely difficult, because education is also the best tool used by countries to promote national identity. But I am convinced that Europe has to take more initiatives and more responsibilities in the field of education.

Let's open a new chapter in the Eastern Partnership, a chapter on education. Up to now, education come second after membership: you have to be a member of the EU before discussing issues related to education. I suggest exactly the opposite: to discuss first issues related to education in order to base the future membership on mutual knowkedge and understanding.

What history teaches us, is that overcoming the nation-state dimension will be the most difficult challenge both for the EU and for the partner countries altogether, and this is why EU and partner countries should face it together, learning from eachother. The challenge might then be turned into an opportunity.

"Armenian Reporter" weekly

Tevan Poghosyan asked me to summarize the last two days' proceedings in about 15 minutes. This reminded me of an anecdote I recently heard about an author, who was asked to share everything he knew with an audience in 15 minutes. When the person complained how could he put his entire life's wisdom in 15 minutes? He heard in response: speak very slowly.

So as a disclaimer if you notice me speaking slowly it is not for lack of ideas, arguments or stories shared in the last two days.

Broadly, the conference illustrated the web of existing interconnections between the European Union and Eastern Partnership (EP) countries, as well as Russia. These interconnections start with people-to-people contacts and embrace a range of social, economic and security issues along with commitments and obligations to expand those ties based on overlapping or shared values and perception of priorities. There are also various degrees of disagreements, frustrations and problems.

- Leonidas Donskis, a European Parliament member from Lithuania noted that democratic values and a culture of compromise are core elements of what the European Union is about. He noted that not long ago the Baltic States and some of the other newer EU states were seen as not quite European by many in the older EU member-states. This should provide at least food for thought for all who find it difficult to imagine EP states in European Union.
- But as European Commission's representative in Armenia Raul de Luzenberger reminded everyone, Eastern Partnership is not about EU enlargement but rather about promotion of peace, good governance, and closer ties between EU & its neighbours constructed around future association agreements.
- Of all EP countries Armenia appears most satisfied with the current pace and content of EU's cooperation and doesn't appear to share many of the frustrations and skepticisms heard from experts from Georgia, Ukraine, Moldova and from newer EU states Romania and Bulgaria.

- We also heard of one unique EU program that is being tested in Armenia currently the EU advisory group attached to the Armenian government since last April and led by Rolf Boehnke, one of this conference speakers. Considered successful the program is now expected to be replicated in other EP countries.
- As we were told by Ms. Silvia Zehe of the Council of Europe and Col. Zbigniew Rybacki of NATO, Armenia will also play host to two important events in 2010: the Future of Democracy conference organized by CE and NATO crisis response exercises.
- Like other nations in EP, just as nations already in EU, Armenia hopes the EU integration would serve as a mechanism to address its national problems. In particular Foreign Minister Edward Nalbandian sounded hopeful that European integration would bring the Caucasus states closer together. Or in other words help heal what the EU envoy Peter Semneby had previously described as a region "broken" by several conflicts.
- There were cautionary tales from new and old EU members warning that major national problems do not end at membership. One illustrative example not discussed in the last two days is the case of Cyprus, which joined the EU without resolution of its territorial dispute.
- While EU membership perspectives for EP countries are distant at best, it is not unreasonable to expect that what is popularly referred to as "frozen conflicts" will remain unresolved in foreseeable future and perhaps even when EP countries might join the Union.
- In the end, the process of European Integration doesn't provide any kind of guarantee for resolution of major challenges the EP countries face. But it does provide these countries with a channel of support as they grow their economies and develop their political systems, as the work is done towards new association agreements between EU and Armenia and other EP countries.
- Yesterday, Economics Minister Nerses Yeritsian identified a 3 to 5 year timeframe for a free trade agreement to be reached between EU and Armenia. If successfully concluded, this long-term objective is likely to be touted as one of the sitting government's main accomplishments.
- Armenia like other EP countries has also identified easing of EU visa restrictions as one of priority issues for itself. At least two speakers, Bernard Coulie today and Michael Kambeck yesterday discussed the importance of education, and argued for a need to make EU more open to students from EP countries.

- Artak Apitonian from the office of President Sargsian introduced a number of themes into the conference just a few minutes ago. One that clearly stood out was the importance Armenia places on construction of a new nuclear power plant as a key prerequisite for its energy security, and that Armenia is determined to move ahead towards that goal with or without EU support.
- Earlier today, spokesman for Armenia's National Assembly Nairi Petrosian advsanced several provocative notions about relevance of certain organizations and of their policies. It is certainly democratic, useful, perhaps even European to question ideas taken for granted. And this is perhaps the most important function of conferences like this.





From left to right: Head of Delegation of the European Commission in Armenia Ambassador Raul de Lutzenberger, Minister of Foreign Affairs of Armenia Edward Nalbandyan, Secretary of National Security Coiuncil Arthur Baghdasaryan, ICHD Executive Director Tevan Poghosyan



From left to right: Raul de Lutsenberger, Edward Nalbandyan



From left to right: Ambassador Extraordinary and Plenipotentiary of Germany in Armenia Hans-Jochen Schmidt, Raul de Lutsenberger, Ambassador Extraordinary and Plenipotentiary of France in Armenia Serge Smessow



From left to right: Raul de Lutsenberger, Deputy Minister of Foreign Affairs of Armenia Karine Kazinyan, Vice-Minister of Foreign Affairs of Lithuania Evaldas Ignatavicius



From left to right: Team Leader of the EU Advisory Group to the Government of Armenia Rolf Boehnke, Economy minister of Armenia Nerses Yeritsyan



EU Special Representative to the South Caucasus Peter Semneby's video-statement for participants of the conference



Questiones and answers



First session of the Conference



From left to right: BSEC - EU Interaction Executive Manager, Eduard Panoian, European Parliament member (Lithuania) Leonidas Donskis, Armenian National Assembly Member Eduard Sharmazanov



From left to right: Armenian National Assembly President's spokesperson Nairi Petrosyan, Special Representative of CoE Secretary General to Armenia Silvia Zehe, Head of the OSCE office in Yerevan Sergey Kapinos, Scholar-in-Residence in Carnegie Endowment for International Peace (Moscow Center) Nikolay Petrov, Research Professional in Institute for Regional and International Studies (Bulgaria) Stefan Ralchev



From left to right: Director of the Armenian Center for National and International Studies Richard Giragossyan, NATO Liaison Officer to the South Caucasus Colonel Zbigniew Rybacki, Deputy Head of Foreign Relations Department of the Ministry of Defense of Armenia Major Levon Ayvazyan, Researcher in Romanian Center for European Policies Paul Ivan, Member of Executive Board of Economics and International Relations Institute (Bulgaria) Georgi Kamov



From left to right: Friedreich-Ebert-Stiftung South Caucasus Regional Office Director Mathias Jobelius, Honorary Rector of Louvain Catholic University (Belgium) Professor Bernard Coulie, Head of External Relations Department of Office to the President of Armenia Artak Apitonian