

REPORT on Developments in the Caucasus—July 5, 2007

In a discussion jointly organized by ELIAMEP and International Centre for Black Sea Studies and Mr. Peter Semneby, EU Special Representative for the South Caucasus and General Secretariat for the Council of the European Union, gave a lecture on developments in the Caucasus.

Mr. Semneby pointed out that in spite of all different closed borders, there is economic growth. The most dramatic progress is in Azerbaijan, although Georgia and Armenia both have growth rates in the double digits. The economic growth is being helped by foreign investments in the region. There have also been political developments in terms of stability in the recent past. Although the recent parliamentary elections in Armenia were a cause of concern in Brussels, there was no serious instability. The political developments have also been facilitated largely by the European Union's commitment to remedy the situation through the media and to implement similar human rights regulations as in the EU. Although there is economic and political growth, there are still substantial problems imposed on these countries that also affect their neighbours. For this reason, Mr. Semneby suggested that there needs to be regional cooperation since they are too geographically divided and weak to manage those problems by themselves; the welfare and stability of one state depends greatly on the welfare of the others.

The importance of the EU and how its role is changing was also discussed. Since the geography of the EU has changed through enlargement, there is an increasing interest in the stability of the region as well as energy issues. There were three action plans of transformation put in effect in 2006 for five year periods. Semneby stated the two main focus points: the contribution to the resolution of conflict by removing sources of threats such as trafficking and smuggling, and preventing any further complications such as a relapse into crime. He argued that the EU has some advantages over the other major actors: it leads by example, and is not a dictating power, it has the transformational power of implementing a free market and human rights, and its values reflect the ambitions of many people in the conflict.

Semneby also shared outlined activities currently on the agenda that will hopefully help with the overall situation: widening the perspective, since these people have been living in isolation for at least fifteen years, creating common interests between these nations, and narrowing the scope of policy options.

Through the discussion that followed, new topics such as the role of Iran, Turkey and Russia were raised. Mr. Semneby responded by saying that the closed border is the main issue with Turkey, and that it will have a benign influence if it is to be resolved, and that it is in Turkey's best interest to open the border. He also underlined the importance of Armenia's agricultural exports for Russia. When asked about short-term prospects, he did not seem optimistic and argued that the parties are entrenched in their positions and that there are no substantial factors to support immediate solutions.