Europe’s Unrecognised Neighbours
The EU in Abkhazia and South Ossetia


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Abstract
The EU can do little to achieve its policy objectives in its Eastern neighbourhood without facing the issue of secessionist conflicts. This paper deals with EU policy towards Georgia and the secessionist regions of Abkhazia and South Ossetia. It discusses the reasons for and constraints on EU policies, their effects and perception in the secessionist entities. The paper concludes with recommendations on how the EU can contribute to conflict resolution in Georgia through a greater inclusion of the conflict regions into the European Neighbourhood Policy.
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EUROPE’S UNRECOGNISED NEIGHBOURS
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1. Introduction

From the Balkans to the Middle East, and from the South Caucasus to Western Sahara, the EU is encircled with conflicts which affect the security of the EU. The EU has little choice but to consider action: “In its neighbourhood and beyond, the EU cannot […] confine itself to the economic and political spheres; it also needs to be able to guarantee stability, prevent conflicts and manage crises on its own doorstep.” In 2003, the European Neighbourhood Policy (ENP) was launched with conflict resolution as one of its priorities. Recently there has been an increasing engagement with neighbours under the Common Foreign and Security Policy (CFSP). The EU has appointed Special Representatives (EUSR) for most of the crises regions in its neighbourhood and has launched EU operations in Macedonia, Bosnia-Herzegovina, Moldova/Ukraine, the Palestinian Authority and Georgia. In a difficult milieu, the EU has been increasingly, though hesitantly, active in the conflict regions in its neighbourhood.

The secessionist conflicts in the EU’s Eastern neighbourhood are important tests for the whole web of the EU’s bilateral and multilateral relations with all of its Eastern partners. The conflict in Transnistria is a test for EU relations with Moldova, Ukraine and Russia. The conflicts in Abkhazia and South Ossetia are a test for EU relations with Georgia and Russia. And the Nagorno-Karabakh conflict is at the heart of EU relations with Armenia and Azerbaijan, but is also a factor in EU-Turkey and EU-Russia relations. The EU can do little in the East without stumbling on these secessionist conflicts.

The present paper deals with the EU policies towards the conflicts of Abkhazia and South Ossetia in Georgia. These conflicts raise important dilemmas for the EU regarding the scale of its involvement in its neighbourhood and its relations with Russia. The development of an EU approach to these conflict regions has been uneven. While the reasons for a greater EU role in Georgia’s conflicts are compelling, the constraints are formidable. The EU policies on the secessionist conflicts have been pursued at two levels. At a first level, the EU supports Georgia’s transformation and reforms, which could make Georgia more attractive to Abkhazians and South Ossetians. In its efforts to support Georgia’s transition, the EU has signed an ENP Action Plan with Georgia, deployed EUJUST Themis Rule of Law Mission under the ESDP, and has assisted Georgia’s border management reform through a EUSR Border

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2 In the entire EU’s eastern neighbourhood, only the EU’s relations with Belarus are not affected by the existence of a secessionist conflict.
3 See author’s paper on Russian policy towards the secessionist entities, Outsourcing de facto statehood: Russia and the secessionist entities in Moldova and Georgia, CEPS Policy Brief No. 109, Centre for European Policy Studies, Brussels, 20 July 2006. On the survival of Abkhazia and South Ossetia, see the author’s “Abkhazia i Juzhnaia Osetia: nezavisimost ili vyzhivanie?” (Abkhazia and South Ossetia: Independence or survival?), Pro et Contra, Vol. 10, No. 5-6 (34), Carnegie Moscow Center, 2006, pp. 40-52 (in Russian).
Support Team. The second level of EU policies specifically targets the secessionist entities. The EUSR South Caucasus has been exploring ways for the EU to contribute to conflict resolution. The European Commission has been involved in conflict settlement talks on economic issues in South Ossetia. The EU has financed the rehabilitation of the conflict zones and from 2006 became the biggest international donor to South Ossetia and Abkhazia. Overall, the EU also prioritised the conflict in South Ossetia over Abkhazia. This paper discusses these two-level EU policies, the reasons and constraints for a greater EU involvement in Georgia’s conflicts, as well as the effects and perception of EU actions in the secessionist entities. The paper concludes with a number of recommendations on how to engage the secessionist entities of Abkhazia and South Ossetia through the ENP.

2. The EU’s Hesitations in Georgia

2.1 EU policies in the 1990s

EU policies towards the countries of the South Caucasus were to a large extent marked by the instability and the conflicts in these countries. A 1999 EU document on the region remarked that “the root cause of a number of the three countries' problems was their inability to resolve ethnic conflict. This stalemate has worsened humanitarian problems and held back the development of democratic institutions and a market economy; correspondingly, the three countries depend increasingly on international aid, which itself grows increasingly less effective.”

Because of ethnic conflicts in the middle of the 1990s, the EU was even debating whether a Partnership and Cooperation Agreement (PCA) with the countries of the region could be signed. A 1995 European Commission Communication on the South Caucasus was questioning “how realistic is it to expect full implementation of the relatively high levels of obligations inherent to a PCA, by countries which were facing the difficulties which confront the Transcaucasian republics”, i.e. the countries of the South Caucasus. Still the EU signed and ratified framework agreements with the states of the South Caucasus.

The Partnership and Cooperation Agreement defining relations between the EU and Georgia entered into force in 1999. But even before that, EU-Georgian relations were defined by a PCA framework, modelled on the type of relations the EU was developing with all the CIS states and Mongolia. Under the PCA, a financial assistance programme (TACIS) was launched for 13 beneficiary states, including Georgia. Overall, Georgia has received some €370 million in EU assistance between 1992 and 2003. Out of these some €27 million were allocated for the rehabilitation of conflict zones.

Assessments of the effectiveness of PCA and TACIS are rather critical. On 17 July 2006, the EU Council of Ministers noted in relation to TACIS spending in Russia “that the efficiency of the use of TACIS funds in the Russian Federation has been low. It regrets that the objectives were not met in a number of the audited projects and that projects...”

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5 Communication Towards a European Union Strategy for Relations with the Transcaucasian Republics, Brussels, 31.05.1995, COM(95) 205 final, p. 10. The document refers to South Caucasus as ‘Transcaucasia’, i.e. across the Caucasus Mountains, which is a translation from the Russian ‘Zakavkazie’. The three countries are certainly not ‘across the Caucasus’ from the EU’s standpoint. Thus, even symbolically at a discursive level the South Caucasus did not exist yet for the EU but as a Russian ‘province’ across the Caucasus Mountains.
6 European Commission, EU’s relations with Georgia, Overview (http://ec.europa.eu/comm/external_relations/georgia/intro/index.htm).
7 Ibid.
were deemed sustainable in only a few cases.\textsuperscript{8} The same ineffective spending patterns have been characteristic for most TACIS countries.

The EU approach to the region however was not defined only by the PCA. Other EU projects that raised high hopes were the EU-supported TRACECA (Transport Corridor Europe-Caucasus-Asia) and INOGATE (Interstate Oil and Gas Transport to Europe) programmes.\textsuperscript{9} In the late 1990s, the South Caucasus’ expectation was that “the TRACECA project seems to be an extremely timely and important tool for developing certain economic sectors of the states of the Caucasus. Designed as an economic instrument, TRACECA project will serve as a powerful tool for creating and strengthening regional co-operation. Ultimately, it will even be an important element of regional security. Because all three Caucasian states are small, acquiring a transit function will contribute very significantly – if not decisively – to their economic resurrection and cooperative development.”\textsuperscript{10} By 2006, however, Vladimir Socor was claiming that “starved of EU funding and political support […] TRACECA has practically been abandoned in this region.”\textsuperscript{11} Thus, TRACECA and INOGATE have failed to materialise as significant EU policy instruments in the South Caucasus.

EU policies towards the South Caucasus in general and Georgia in particular have been marked by a ‘Russia-first’ approach. The 1995 Commission Communication stated that “a key element in an eventual resolution of the conflicts will be the attitude of Russia.” However the EU was also realistic about the Russian role in the region as it acknowledged that “it is not clear that Moscow considers that its interests in the region will be best served by the pursuit of political settlements brokered by the OSCE or other international bodies.”\textsuperscript{12} However, even if the EU claimed that “given Russia’s drive to dominate the region militarily, many look at the EU as the only other actor capable of playing a major political role”, it did not undertake such a role. The South Caucasus was too far away and too messy for the EU, and too close and important for Russia.

With little EU foreign policy action on South Caucasus, EU thinking on the region was relatively widespread among policy makers. In 1997, the EU set up of a ‘Conflict Prevention Network’ (CPN) of NGOs funded by the European Commission, to provide analysis and recommendations on how the EU should act in conflict regions. One of the task forces under the CPN was dedicated to the South Caucasus. The CPN task force on the South Caucasus has held a number of meetings and produced analytical reports and recommendations for the European Commission. One of the results of the CPN was a number of studies on the EU’s conflict prevention role, one of them advocating greater EU involvement in the Caucasus because “the region deserves attention primarily because of the great number of conflicts, the amount of

\textsuperscript{8} Council Conclusions on Russia - TACIS programme - Court of Auditors report; 2743\textsuperscript{rd} General Affairs Council meeting, Brussels, 17 July 2006.

\textsuperscript{9} The websites of these programme are http://www.traceca-org.org/ and http://www.inogate.org/. For more information on TRACECA, see also the web page of the ministry of transport of Romania (http://www.mt.ro/traceca/ingleza/eng_01_prezentare_traceca.htm).


\textsuperscript{12} Communication from the Commission, op. cit., 1995, p. 6.
energy resources and its dependence on safe transit routes for oil and natural gas.”

However, the entire exercise was considered not entirely effective and ceased to exist by 2001.

In any case, it is relatively difficult to talk of an EU policy towards the conflicts in the South Caucasus in the 1990s. There was virtually none. This was due to a number of reasons. Firstly, Georgia was geographically too far from the EU and its problems seemed too grave for the EU to make a real impact. Second, the EU was too consumed by internal developments: reforming itself through three new treaties in less than a decade – Maastricht in 1993, Amsterdam in 1997 and Nice in 2000 – and preparing for enlargement. Third, the EU did not have a proper framework for foreign policy action. Until the appointment of the EU High Representative for CFSP in 1999, the EU did not have a more or less clear and coherent institutional set-up to play a more active EU foreign policy role. Even if the Commission had been exploring ways to play a more active role in the region under a ‘conflict prevention’ label, it lacked the mandate to push such activities too far. In the words of Dov Lynch, “the EU retained a low overall profile, with little presence in the negotiating mechanisms, no direct involvement in mediation, and an undefined strategy to lead policy.”

In some respects the 1990s-style of the EU policy towards Georgia and the South Caucasus ended in 2003. This was due to a number of broader trends in the development of the EU and the region.

2.2 Why more EU engagement?

First, internal EU trends played a role. By 2003-04, the enlargement to the east was almost accomplished, the institutional set-up for CFSP had been developed and the EU had acquired the minimum toolbox of capabilities for security policy action under ESDP. This meant that the EU had for the first time the potential to play a role in the region.

Second, the result of the above internal developments in the EU resulted in the launch of the European neighbourhood policy and the adoption of a European Security Strategy. Both served the role of focusing the EU’s attention on the South Caucasus. Despite the fact that initially the South Caucasus was not included in the ENP in 2003, the European Security Strategy of 12 December 2003, clearly stated that the EU “should now take a stronger and more active interest in the problems of the Southern Caucasus, which will in due course also be a neighbouring region.” The South Caucasus was included into the ENP in 2004, as it could not be de-linked from the challenges that the EU faced in its neighbourhood.

Third, the broader success of EU policy towards Georgia and the South Caucasus depends on at least some progress towards conflict resolution in Abkhazia and South Ossetia. The EU country strategy paper on Georgia claimed that “the EU wants Georgia to develop in the context of a politically stable and economically prosperous Southern Caucasus. In this respect, the conflicts in Abkhazia (Georgia) and Tskhinvali region/South Ossetia remain a major impediment” and “the resolution of internal conflicts also appears as a major condition for sustainable economic and social development.”

This necessitated a greater involvement of the EU in the conflict settlement process if the overall success of EU policy towards the region was to be attained.

13 See Reinhardt Rummel and Claude Zullo (eds), Rethinking European Union Relations with the Caucasus, SWP Conflict Prevention Network (SWP-CPN), Baden-Baden, Nomos Verlagsgesellschaft, 1999, p. 141.
Fourth, internal developments in Georgia have resulted in greater visibility for the country on the EU and US agendas. The Rose Revolution of November 2003 has been a first popular revolt against rigged elections in what was seen as a new broader trend towards democratisation in the former Soviet Union and even in the greater EU neighbourhood – from Georgia, through Ukraine to Kyrgyzstan and Lebanon. One can debate how similar were the revolutions, which of them was more democratic or less, and how sustainable they were. However, it is undeniable that they attracted international attention and particularly in the case of Georgia and Ukraine, they challenged the assumption that these states were irreversibly stalled in the slough of post-Soviet fake democracy, corruption or outright authoritarianism. In the new context, Georgia had to be helped to succeed in its post-revolutionary ‘re-transition’, which was in line with the EU’s foreign policy of supporting democracy in Europe and beyond.

Fifth, one of the consequences of the post-Rose Revolution environment was a new Georgian activism on the conflict resolution path. For the Saakashvili administration, the status quo around South Ossetia and Abkhazia was no longer acceptable. In addition, the success in reintegrating Ajaria, a semi-uncontrolled region, into Georgia in May 2004, has encouraged the Georgian pro-active policy on the conflicts. The EU, in particular, given that it was already involved in post-conflict rehabilitation in Abkhazia and South Ossetia, could not stand aside. Georgia’s activism challenged the EU to consider ways of increasing its role in the region.

Sixth, the EU also has energy interests in the region, and Georgia is a key country for any transit routes of gas and oil from Central Asia and the Caspian to Europe. TRACECA was an early indication of that status, and developments in 2005-06 made the hands-off approach of the 1990s unsustainable. A Commission Communication on energy policy for the enlarged EU and its neighbours stated that “secure and safe export routes for Caspian oil and gas will be important for the EU’s security of energy supply as well as crucial for the development (economic, but also social and political) of the Caspian region.” Georgia is a key for state the transit of oil and gas. This is particularly so in the context of rising tensions around Iran’s nuclear development programme and Russia’s pro-active use of energy policy as a political tool.

The list of EU interests in the region in 2007 is the same as a decade ago. Already in 1995 the European Commission’s Communication on South Caucasus clearly outlined that the EU interests in the region are related to supporting democracy, promoting regional stability, lessening humanitarian suffering, having access to energy supplies in the Caspian and protecting the environment. What changed after 2003 was a new sense of urgency for the EU to start engaging with Georgia. The timing was ripe for a more pro-active approach to the region. However, the trend of greater EU involvement in Georgia has not been an irreversible drive towards becoming a central actor in conflict resolution. The EU also has faced a number of constraints, which we examine in the following section.

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17 The term is used by Kristi Raik in *Promoting Democracy through Civil Society: How to Step up the EU’s Policy towards the Eastern Neighbourhood*, CEPS Working Document No. 237, Centre for European Policy Studies, Brussels, February 2006.

2.3 EU constraints

First, South Caucasus is one of the very few regions where greater EU involvement in conflict resolution is both sought and opposed. And it is opposed by one of the EU’s most important partners – Russia. This opposition is partly shared by the leadership of the secessionist entities of Abkhazia and especially South Ossetia. This situation poses significant problems for the EU, as it cannot become involved in a meaningful way without the consent of all conflicting parties. In addition, the South Caucasus is more important for Russia than for the EU. Russia’s higher ‘intensity of preferences’ in the region makes it readier to commit more political and economic resources to achieve its foreign policy goals in the South Caucasus.19

Contrary to widespread opinion in the South Caucasus, however, the EU’s policy towards the region has not been a ‘Russia-first’ policy for several years now. The equation has been more complex. Russia is an important part of the EU foreign policy calculation, but not the only one, nor the most important one. The Russia factor constrains the way the EU engages with the secessionist conflicts, but the very fact of such an engagement is proof that the ‘Russia-first’ policy has given way to a ‘Russia-aware’ policy.

Second, the South Caucasus may seem unstable because of its conflicts, but it is not the most unstable region in the greater EU neighbourhood. Actually, both to the North and South of Georgia, Armenia and Azerbaijan, the situation is significantly less stable. North Caucasus and Chechnya to the North, and the Kurdish, Iranian and Iraqi problems to the south make South Caucasus look relatively stable. Thus there is a sense that South Caucasus is urgent, but not the most urgent task for EU foreign policy. And even in the South Caucasus, solving Nagorno-Karabakh is sometimes perceived as being more important to achieve regional stability and cooperation than solving Georgia’s conflicts. Nagorno-Karabakh lies at the heart of a South Caucasus security complex and it affects Azerbaijan, Armenia and Turkey, while Abkhazia and South Ossetia are at the fringes of the region and they concern mainly Georgia. In addition, Russia is more cooperative on Nagorno-Karabakh than it is on South Ossetia or Abkhazia. Thus from an EU standpoint it is not always clear why Georgia’s conflicts should be a first regional priority for the EU.

Third, the EU has many competing priorities. Developments in the neighbourhood and beyond also put a strain on EU foreign and security capabilities. The Balkans, Moldova and the Middle East are closer geographically to the EU, and they also need greater EU foreign policy commitment. In the Balkans, the possible emergence of an independent Kosovo under some kind of EU protectorate and EU peacekeepers will require considerable EU commitments under the ESDP. At the same time, sub-Saharan Africa, Afghanistan and Sudan are perceived as more urgent than the South Caucasus due to continuing bloodshed in these regions. Indeed, in all these regions the EU has ongoing ESDP missions or the EU member states are engaged militarily.20 Certainly, different member states perceive the urgency of dealing with the South

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19 Andrew Moravcsik’s theory of liberal intergovernmentalism argues that in international bargaining it is not only the relative influence of states, but also the intensity of their preferences that shapes the outcome of bargaining, and the behaviour of states. Transposing this idea to the EU and Russian behaviour in the South Caucasus, one could argue that even though the EU has more foreign policy resources at its disposal, the EU’s intensity of preferences in the South Caucasus is much lower; thus, it is not prepared to devote more resources to achieve its foreign policy goals than Russia is (see Andrew Moravscik, *The Choice for Europe: Social Purpose and State Power from Messina to Maastricht*, Ithaca, NY: Cornell University Press, 1998).

20 In the Western Balkans, the EU has deployed the EU Military Operation in Bosnia and Herzegovina (EUFOR-Atlhea), the EU Police Mission in Bosnia-Herzegovina (EUPM), the EU Police Advisory Team in the Former Yugoslav Republic of Macedonia (EUPAT). In Southeast Asia, the EU deployed the Aceh
Caucasus differently. But unlike in the Balkans, there is no general consensus in the EU that South Caucasus is an urgent matter.

Fourth, in a context of competing priorities, the EU has limited resources for foreign policy actions. Some tough decisions on priorities are required. For example, the CFSP budget for 2005 amounted to only €62.5 million, with €56.6 million dedicated for actions on “conflict resolution, verification, support for the peace process and stabilisation”, which include ESDP missions.21 However, only in 2005 the EU needed some €85 million simply to meet its existing international commitments.22 Thus, the CFSP budget for 2005 was exhausted by the end of September. The CFSP budget for 2006 was increased to €102.4 million,23 but this was still far from enough for a robust ESDP. For the new financial perspective of 2007-13, there has been a significant increase in EU funds for foreign policy, but so have been possible EU foreign policy commitments.

Thus, the EU CFSP budget is rather constrained when it comes to launching new missions. This does not mean that the EU cannot launch a new mission, but it means that its financing is greatly complicated by the need to obtain additional financial support from member states. The launch of the EU missions to Aceh region of Indonesia and Moldova have all run into complicated discussions about funding. Budgetary issues complicate not only the possible involvement of the EU under ESDP, but also its conflict rehabilitation efforts. In 1995, the EU asserted that it “does not have the means to enable it to participate actively in post-war reconstruction through major transfers of resources” in the South Caucasus.24 Compared to 1995, the situation has improved by 2007, but not radically.

Fifth, the EU has a preference for getting involved in conflicts where it can make a difference, i.e. conflicts that are potentially solvable.25 The EU was quick in deploying a monitoring mission to Aceh Province in Indonesia in September 2005, because the conflict’s parties agreed on a peace accord, and the EU was asked to assist in its implementation. In Bosnia, Macedonia and Indonesia the EU got involved in the implementation of previously agreed peace deals. In Moldova, the EU perceived it can potentially have a great impact to support conflict resolution. Furthermore, when in February 2006, the presidents of Azerbaijan and Armenia were allegedly close to a deal on Nagorno-Karabakh, the EU had discussed the possibility of sending

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21 Email correspondence with the public information unit of the Council of the EU, 17 August 2006. Also see document CFSP Budget Report - State of play on 31 December 2005, 5534/06, PESC 56, FIN 16, 20.01.2006.


25 But is not always the case. The EU become involved in the Democratic Republic of Congo, Sudan (support mission for the African Union) and the Middle East because it could not ignore such conflicts for humanitarian reasons, even though it recognised that the potential EU impact would be small.
peacekeepers to assist in the implementation of the expected peace accord.\textsuperscript{26} Without a solution in sight, the EU is reluctant to commit to an open-ended process. In the words of an EU official: \textquote{The EU cannot send peacekeepers for decades into conflicts which have no prospects of being solved.}\textsuperscript{27} Few of the conditions for conflict resolution are present in Georgia: the conflicts do not look easily solvable in the near future, the EU’s impact on resolving the conflicts is not likely to be crucial and the parties are far from agreeing on a settlement. This limits the prospects for greater EU involvement.

Sixth, the EU also tends to assume that many of its priorities in Georgia can be achieved without necessarily committing all its political and economic attention to Georgia’s conflicts, but rather concentrating on supporting reform in Tbilisi. Georgia’s economic reforms and transition to democracy are to a large extent dependent on conflict resolution. However, many changes, from reform of the judiciary to a freer mass media, or better border management even in areas uncontrolled by the secessionists can be achieved without progress on conflict resolution in Abkhazia and South Ossetia. Many of Georgia’s reforms can be achieved without necessarily betting the success of Georgia’s transformation on the chances of reaching settlements in Abkhazia and South Ossetia. Thus, the EU’s main priority is to support reform and democratisation in Georgia, while Georgia’s first priority is resolution of the conflicts.

Thus, comparing the reasons for greater EU involvement in conflict resolution against the constraints it faces, one can easily explain the rather uneven and problematic development of EU policies towards the conflicts in Abkhazia and South Ossetia. While the reasons for a greater EU role were compelling, the constraints were formidable. Georgia is too far from the EU to be really important, while it is too close to the EU to be ignored. This dilemma has resulted in a gradual, shy and hesitant EU involvement in the conflicts, but one that is still increasing.

3. EU Policy towards Georgia

The EU sees that “its main contribution to conflict resolution should be assisting Georgia create a state based on European values and standards, which ultimately could be more attractive to South Ossetia and Abkhazia than independence or closer integration with Russia.”\textsuperscript{28} This is a rather broad understanding. It can easily lead to the conclusion that every instance of EU policy towards Georgia is an instance of EU policy towards the conflicts as well. Such an approach is not particularly useful in trying to analyse what the EU is doing with the secessionist conflicts in Georgia. Therefore, this paper adopts a narrower approach. It looks into those political and security aspects of EU policies towards Georgia that were designed with the aim to contribute to conflict resolution.

3.1 The ENP Action Plan

Under the European Neighbourhood Policy, the EU and Georgia agreed on a joint Action Plan for reforms and cooperation in November 2006. The ENP Action Plan per se was not an instance of EU policy towards the conflicts, but provisions on conflict resolution have been a priority area for EU-Georgian relations.

During the negotiations throughout 2006, the EU approach was to downplay provisions on conflict resolution, while Georgia had the opposite objective of emphasising conflict resolution

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\textsuperscript{26} Interview with a Council Official, 7 February 2006.
\textsuperscript{27} Ibid.
at the expense of other issues. As Archil Gegeshidze argues, “the EU’s objectives are predominantly process-oriented and are aiming at long term perspective. The nature of these objectives is mainly related to strengthening democracy and building functional market economy. Georgia’s priorities are mostly short term and are focused on national security issues requiring immediate action”. The Georgian government wanted the conflict resolution issues to be the first priority in its ENP Action Plan with the EU. In the Action Plan negotiations, Georgia was seeking EU support for implementing the Georgian peace plan for settlement of the conflict in South Ossetia, including assistance in demilitarisation, confidence-building, and economic development, and wanted to include in the Action Plan more instruments from the ESDP toolbox to promote regional stability and crisis management. But in the words of a Georgian official involved in the negotiations of the Action Plan, “the European Commission was irritated because Georgia came with its own priorities”.

In the end, the conflict resolution provisions were listed as Priority Area 6 in the Action Plan. The EU declared that it is ready to “contribute to the conflicts settlement in Abkhazia, Georgia and Tskhinvali Region/South Ossetia, Georgia, based on respect of the sovereignty and territorial integrity of Georgia”. However, the measures to achieve this objective have not been very concrete. The Action Plan just mentioned that there is a need to “to increase the effectiveness of the negotiating mechanisms”, to develop the role of the EUSR for the South Caucasus in conflict resolution, and to include the issue of settlement of Georgia’s conflicts in EU-Russia political dialogue. Thus the Action Plan did not envisage any clear steps on greater EU contribution to conflict resolution in Georgia, although it acknowledges the importance of greater EU-Georgian cooperation on conflict resolution.

3.2 EUJUST Themis

A second type of EU policy on Georgia designed with conflict resolution in mind has been action undertaken under CFSP/ESDP. These include the Rule of Law mission to Georgia (EUJUST Themis) and the EUSR Border Support Team in Tbilisi.

EUJUST Themis was launched on 16 July 2004. By launching the mission, the EU aimed to help the transition process in Georgia and “assist the new government in its efforts to bring local standards with regard to rule of law closer to international and EU standards”, as well as to

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32 Interview with a Georgian official, Tbilisi, 2 March 2006.
33 EU/Georgia ENP Action Plan.
“embed stability in the region”, in which instability could seriously endanger regional and European security.\textsuperscript{36}

On the technical level, the mission had to help Georgia to address problems in the criminal-justice sector and to advise on future criminal-justice reform. More specifically, the mission was assigned four tasks: first, to assist the government in drafting the new criminal justice reform strategy; second, to support the overall coordinating role of the relevant Georgian authorities in the field of judicial reform and anti-corruption; furthermore, to support the planning for new legislation as necessary, and finally, to support the development of international and regional cooperation in the area of criminal justice.

The mission consisted of several senior EU experts (including judges, prosecutors and penitentiary experts) to be located at key positions within the Georgian government. EU experts were placed in the Ministry of Justice, the Ministry of Interior, the General Prosecutor’s Office, the Supreme Court of Georgia, the High Council of Justice and the Public Defender’s Office, the Court of Appeals in Tbilisi and the City Prosecutor’s Office in Tbilisi. In October 2004, the Georgian government created a High Level Working Group, an inter-agency commission presided over by the Minister of Justice, to lead the criminal-justice reform. The most important achievement of the mission recognised by both optimists and sceptics was the adoption of a Strategy for Criminal Justice Reform by the Georgian government in May 2005.\textsuperscript{37}

Their reasons for launching EUJUST THEMIS were quite broad. These included “to send a clear political signal to the Georgian leadership about the EU’s full support to reforms and commitments to democratic values. For the EU itself, it was a good opportunity to test civilian crisis management capabilities in the field of Rule of Law[…] Since the mission was a first ever ESDP operation in the former Soviet Union, it was also a test for EU relations with Russia.”\textsuperscript{38}

The mission was supposed to “bridge the gap between urgent security measures and longer-term development assistance.”\textsuperscript{39}

3.3 The failed border monitoring

Probably one of the most telling characteristics of the EU approach to Georgia and its conflicts is not what the EU did, but what it narrowly failed to do. At the end of 2004, Russia vetoed the continuation of the OSCE Border Monitoring Operation (BMO) in Georgia, which was monitoring the Russian-Georgian border. Georgia invited the EU to take over the terminated OSCE BMO and conduct a similar operation under an EU flag.\textsuperscript{40}

In response to Georgia’s invitation, the EU had discussed four possible options. The first, and most ambitious, option was to take over entirely the OSCE BMO, which would become an EU mission. A second option was to avoid placing the new mission under an EU flag, but support a ‘coalition of the willing’ mission to monitor the Georgia-Russian border. The third, weaker option was to launch an EU training mission for Georgian border guards. And the fourth,


\textsuperscript{37} Strategy of the Reform of the Criminal Legislation of Georgia (working group established by the Presidential Decree No. 914 of 19 October 2004), Tbilisi, 2005.

\textsuperscript{38} Damien Helly, op. cit., p. 91.

\textsuperscript{39} Ibid., p. 92.

weakest option was to send three EU border experts to advise Georgia on border reform.\textsuperscript{41} Inside the EU, the Baltic states, supported by the UK, were in favour of a border mission to Georgia, while France – with the support of Belgium, Italy, Spain, and Greece – and partly Germany opposed such a move.\textsuperscript{42} In the end after a few months of discussion, the fourth-weakest option prevailed. The choice for this option was conditioned by EU fears of irritating Russia.

Taking over the OSCE BMO was quite easy for the EU to do technically, but not politically.\textsuperscript{43} The OSCE BMO was less than 150 people, and it was probably feasible for the EU to deploy such a number of personnel. Moreover, under international law, Georgia and any international organisation or informal group of countries were fully entitled to deploy a BMO-type mission on Georgian territory. However, concerns about Russia made it difficult for the EU to agree internally on sending such a mission to Georgia.\textsuperscript{44}

The result of this failure was that in Georgia’s perception, “the EU’s reputation has been significantly undermined […], as the EU-Russia rapprochement prevented it from opposing Russia’s aggressive policy towards Georgia” and taking over the OSCE border monitoring.\textsuperscript{45}

### 3.4 EUSR Border Support Team

Failing to deploy a full border mission, the EU decided to contribute to the strengthening of the border management system of Georgia by deploying a team of experts under the EUSR to help Georgia transform its border management. The EU initially deployed three persons in spring 2005, but this number was subsequently increased in September 2005 and February 2006.

The rationale of the EUSR Border Support Team (EUSR BST) was two-fold. It was intended to support Georgia’s reform of the border management system, and to provide at least some kind of political cover for Georgia in the face of Russian or potential Russian accusations that Georgia does not control its frontier. In fact, Georgia faces two types of (interlinked) conflicts – the territorial conflicts over South Ossetia and Abkhazia, and a broader Georgian-Russian conflict. The EUSR border support team was intended to help Georgia de-escalate the Georgian-Russian tensions related to border controls, even though it was not aimed at helping Georgia solve its secessionist problems.\textsuperscript{46} With the EU involved in tackling the border issue, it would become more difficult for Russia to accuse Georgia of harbouring North Caucasian terrorists and threaten to bomb Georgian territory in retaliation, as Russia did on a number of previous occasions.

The functions of the EUSR support team, as outlined in its mandate, are to:

- provide the European Union with reporting and a continued assessment of the border situation and to facilitate confidence-building between Georgia and the Russian Federation, thereby ensuring efficient cooperation and liaison with all relevant actors; assist the Georgian Border Guard and other relevant government institutions in Tbilisi in preparing a comprehensive reform strategy; work with the Georgian authorities to increase communication between Tbilisi and the border, including mentoring. This shall be done by


\textsuperscript{42} Vladimir Socor, 10 April 2005, op. cit.

\textsuperscript{43} Interview with a former member of EUSR border support team, Brussels, June 2006.

\textsuperscript{44} See Vladimir Socor, op. cit.

\textsuperscript{45} Archil Gegeshidze, op. cit., p. 10.

\textsuperscript{46} Interview with EU official, Brussels, June 2006.
working closely with Regional Border Guard Centres between Tbilisi and the border (excluding Abkhazia and South Ossetia).\(^{47}\)

In April 2005, three EU civilian experts were sent to Georgia to observe the situation on the Georgian borders.\(^{48}\) The team was expanded in September 2005. The expanded EUSR's Border Support Team consisted of 13 EU personnel staff and seven Georgians (five reform experts, one administration, and one secretariat). Eleven EU staff members were seconded (nine on border guard issues, two on EUJUST Themis follow-up) and two EU staff were contracted (head of administration, procurement). Of the nine EU staff working on border guard issues, three worked on reforms in Tbilisi, five worked in the field, and one was team leader.\(^{49}\) The three experts working in Tbilisi were placed in Georgian institutions, including the National Security Council of Georgia and the Border Guard Service of Georgia. The five experts in the field were visiting all Georgian border crossing points at the border with Russia, Azerbaijan and Armenia, to identify needs and problems on the ground, as well as to mentor Georgian border guards. In November 2005, the EUSR Border Support Team finished a paper assessing Georgian border management with recommendations for reform. One of the key recommendations was to have professional border police, rather than using conscripts for border controls.

The EUSR border support team indicated two things about the way the EU proceeded with its policy on Georgia. Since the EU could not get involved substantially in Georgia’s border management at the initial stage after the OSCE BMO was terminated due to political complications, the EU chose another tactic. While initially the EU sent only three EU experts, it increased the number of experts on two later occasions. It was easier for the EU to get involved through small steps, in order to limit the political costs of such a measure. Over time, the EUSR border support team became comparable in personnel and involvement to ESDP missions in other places, with the sole difference that EUSR BST was an ‘invisible mission’. It is not an ESDP operation, it receives little mention on the EU websites where EU security operations are described and it does not have a distinguishable ‘brand’ like other missions. This is especially so if one considers that EU ESDP missions such as EUJUST Themis or EU COPS PATT in Palestine were actually smaller in scope and personnel than the EUSR Border Support Team, but were much more publicly visible. The EU has kept the profile of the EUSR border support mission as low as possible in order to avoid any substantial reactions from Russia. The EU simply pretended that nothing important happens, while looking for ways to gradually extend its assistance for border management in Georgia.

Policy exercises such as Themis or the EUSR Border Support Team are only distantly related to EU involvement in conflict resolution and they were intended to have only a long-term effect. However, as explored in the following section, the EU has also been engaged in more direct efforts to contribute to conflict resolution through policies that were specifically aimed to promoting conflict settlement.

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\(^{49}\) Interview and email correspondence with an EU Council official, Brussels, 22 November 2005.
4. EU Policies towards the Conflicts

4.1 Rehabilitation of the conflict zones

The first type of EU contribution to the efforts to tackle the conflicts in Georgia has been through rehabilitation assistance for the conflict zones. The European Commission started to finance such activities in 1997. The EU’s declared objective of providing assistance is “to build greater trust between the conflict-affected populations, […] improving living conditions of the population affected by the conflict and creating conditions for the return of internally displaced persons, as well as facilitating progress in a constructive dialogue” between the conflict parties (see Annexes 1 and 2).

Since 2006, the EU has become the largest international donor to both regions. Between 1997 and 2006, the EU committed some €25 million for projects in Abkhazia. EU-funded projects have been as depoliticised as possible and were not conditional on progress in the conflict resolution process. They have also been very technical. These projects in Abkhazia have focused on two priorities, the first of which was economic rehabilitation and humanitarian assistance. In the conflict zone (the Gali region in the south of Abkhazia and the Georgian districts bordering Abkhazia), the EU has financed the rehabilitation of the Inguri hydropower plant, electricity networks, hospitals, basic utilities (water, sewage and waste management), supporting farming and other agricultural activities. The EU has also supported de-mining efforts by HALO Trust in Abkhazia. From 2006, the EU has started to support activities outside the direct conflict zone through the so-called ‘decentralised Cooperation projects’. These would include other parts of Abkhazia, such as the capital of Sukhumi, and west Abkhazia. The EU supported projects on the development of income-generating activities. In addition, the EU offered support for civil society development and confidence-building measures. Projects in this area included capacity-building for NGOs and universities, supporting civil society dialogue with the authorities, as well as organising meetings between civil society leaders from Abkhazia and Georgia.

In South Ossetia, the EU has funded projects of approximately €8 million between 1997 to 2006. These projects concerned the rehabilitation of drinkable water supply networks, rehabilitation of schools, electricity and gas networks, railways, support for agricultural development in various towns and villages of the conflict region. More political projects were related to confidence-building activities through second-track diplomacy between Georgians and South Ossetians, as well as financial support for the Joint Control Commission (JCC).

Comparing EU involvement in Abkhazia and South Ossetia one can note a few differences in approach of the EU. First, in South Ossetia, the EU has been less involved in projects for supporting civil society, youth, media, women and former combatants. The needs assessment focused on six priority areas: road engineering, civil engineering, finances, banking, agriculture and energy, not social, political or security projects. As some civil society activists in South Ossetia complained, “until recently the EU has been quite passive in dealing with the South

52 Ibid.
Ossetia problem [...] Compared to Abkhazia or Georgia, European structures are under-represented in South Ossetia. As a result of that, civil society is also less developed here.\(^5^4\)

Second, in South Ossetia, EU assistance has been more coordinated with the conflict settlement process with some of the EU financial assistance being made conditional on agreement between the conflict parties in the JCC. This was not unproblematic. Georgians and South Ossetians could not always agree, even if such agreement would have opened the way for greater EU financial assistance. For example, a Special Coordination Centre for the Law Enforcement Bodies of the Sides (SCC) bringing together Georgian and South Ossetian law-enforcement agencies since April 2001 ceased its activity in late 2003, despite EU financial support. In such instances, political imperatives from the secessionists prevailed over the offer of EU financial assistance.

Some assessments of EU support for conflict resolution are rather harsh. The International Crisis Group claims that “[t]he EU risks working around rather than directly on conflict. Its projects in the conflict zone focus mainly on local infrastructure, agriculture and social services. They allocate much less to more traditional conflict resolution fields such as demobilisation, disarmament and reintegration (DDR), rule of law, human rights promotion and media development. No substantial work has been done on security sector reform in Abkhazia, arms proliferation and re-integration of combatants, or improving rule of law through policing projects on either side of the Inguri. In Abkhazia, few projects support development of an independent judiciary, free media, critical civil society, female leaders or active youth.”\(^5^5\)

However, even humanitarian EU support has political reasons. Asked to explain the philosophy of the EU approach to assistance for Abkhazia and South Ossetia, an EU official argued that the EU objectives are: 1) to decrease the (financial) dependence of the secessionist entities on Russia and to give them an opportunity to diversify their options, 2) to create links between the secessionists and Tbilisi and promote reconciliation and 3) to promote knowledge about Europe and its values.\(^5^6\) But the EU is caught between two equally bad alternatives. One alternative is that the EU will provide ‘apolitical money’ which is not conditional on the peace process, and such assistance will improve the living conditions on the ground, but will not further the conflict settlement process. The other alternative is that the EU will qualify its assistance with conditions, but then its support will not be welcome in the conflict areas. Because as one EU official claimed: “The EU can get involved in the conflict areas because its assistance is apolitical. It is difficult for the EU to use political conditionality. The EU does not have enough leverage, or the right instruments.”\(^5^7\)

Mistrust of EU assistance in the secessionist entities is widespread. NGOs from Abkhazia that have received funding from international organisations, including the EU, have been under constant attack from conservative forces grouped around the Abkhaz opposition which lost power after the 2004 elections. They have typically claimed that organisations supported by the west are agents or spies of the west and work with Georgia against the secessionist entities, even though civil society activists in Abkhazia are strong supporters of Abkhaz independence. Similar accusations were made of civil society activists in South Ossetia.\(^5^8\) Moreover,

\(^{5^5}\) ICG report No. 173, op. cit., p. 18.
\(^{5^6}\) Interview with EU official, Brussels, 12 June 2006.
\(^{5^7}\) Interview with EU official, July 2006.
restrictions on foreign NGO activities in Russia and broader political centralisation have only encouraged greater pressures on the NGOs in the secessionist entities. Thus, in providing assistance, the EU has to operate in an environment that is not entirely friendly. Important conservative forces, ranging from intelligence services to de facto governmental officials, in the secessionist entities are wary of a greater EU role.

4.2 Participation in negotiations

Reflecting the EU’s financial contribution to the rehabilitation of South Ossetia, the European Commission has been participating in the sessions on economic issues of the Joint Control Commission for South Ossetia since 2001. The EU has also financed the working of JCC. The EU has provided €1.5 million to support the work of the JCC secretariat and its travel needs, as well as to promote cooperation between Georgian and South Ossetian law-enforcement agencies. The EU’s conditionality was, however, quite explicit as it was clearly implied that “disbursement of financial aid provided […] will be conditional upon the holding of regular meetings of the JCC and the other mechanisms in the JCC framework […] Both the Georgian and South Ossetian sides should make demonstrable efforts to achieve real political progress towards a lasting and peaceful settlement of their differences.”59 However, despite such financial involvement, the EU is not playing any important role in the political efforts to settle the conflict in South Ossetia.

The EU is not involved in any way in the negotiations process in Abkhazia, although three EU member states are members of the Group of Friends of the Secretary General of the UN on Georgia, which consists of Germany, France, the Russian Federation, the United Kingdom and the United States.

4.3 EU Special Representative

In July 2003, the EU appointed a EUSR for South Caucasus with the mandate to “assist Armenia, Azerbaijan and Georgia in carrying out political and economic reforms, notably in the fields of rule of law, democratisation, human rights, good governance, development and poverty reduction” and “to prevent conflicts in the region, to assist in the resolution of conflicts, and to prepare the return of peace, including through promoting the return of refugees and internally displaced persons.”60

Rather than mandating the EUSR to seek direct involvement in conflict resolution, the mandate mentioned that the EUSR should “support the United Nations Secretary General and his Special Representative for Georgia, the Group of Friends of the United Nations Secretary General for Georgia […] and the conflict resolution mechanism for South Ossetia under the aegis of the OSCE” 61.

The first EUSR for South Caucasus was a Finnish diplomat, Heikki Talvitie. In his first six months, the EUSR was even financed by Finland, and for the whole period of his stay he was based in Helsinki, but frequently travelling to the South Caucasus, Brussels and Moscow.

61 Ibid.
In February 2006, a new EUSR, Peter Semneby from Sweden, was appointed with an extended mandate. This time the EUSR received a mandate “to assist creating the conditions for progress on settlement of conflicts”, rather than just support existing frameworks of conflict resolution. Peter Semneby has also adopted a different stance on the negotiations format. He has stated in relation to the JCC in South Ossetia that he believes that it is an instrument for keeping the conflict frozen and that he intends “to support the conflict resolution mechanisms that are functioning for dialogue”, and to “see what [the EU] can do to complement them”.62 Thus, the EU has started to seek a greater ‘upstream’ role in conflict resolution.63

Despite such talks, the EU is not single-headed when it comes to involvement in conflict-resolution efforts in Georgia. It is the EU Council-appointed EUSR that has the mandate to work on conflict resolution in Georgia, but it is the European Commission (through its delegation in Georgia) that participates in JCC meetings and implements projects on the ground. This diminishes the potential impact of EU actions and poses problems of coordination and lack of political visibility for the EU in the conflict resolution framework, despite significant financial commitment. In the words of an EU official, “coordination in the EU is always a problem”, but on South Ossetia the main problem is not only coherence and coordination between the Commission and the Council, but “the lack of a political framework for Commission’s actions on rehabilitation” of conflict zones.64

4.4 Prioritising South Ossetia

As already described, the EU has been somewhat more involved in South Ossetia than in Abkhazia. The EU’s assistance to the region was conditioned with the continuation of negotiations, which enhanced the link between political issues of conflict resolution and humanitarian aid. The EU has also used its financial contribution to rehabilitation of the conflict zones to gain a seat at the negotiation table (even though on economic issues only) in South Ossetia, rather than Abkhazia. And generally there is a broad consensus in the EU that South Ossetia, rather than Abkhazia should be a primary focus of EU actions in Georgia.

There are a number of reasons why South Ossetia has been prioritised by the EU. Firstly, South Ossetia is perceived as a conflict that is easier to solve than Abkhazia, and the ‘ossified structures of the status quo’ might be broken more easily. The very same factors have also made Georgia focus on solving South Ossetia first, while leaving Abkhazia for a later stage. In such a way, the EU ensures that its actions are more in line with Georgia’s efforts to settle the conflict peacefully.

Second, solving South Ossetia is more important for Georgia’s performance as a functioning state, than solving the Abkhazia issue. Tskhinvali is some 100 km away from Tbilisi, and because of its lack of control over South Ossetia, Georgia cannot control a significant part of the border or the Roki tunnel, the main route linking Georgia to Russia. This had made South Ossetia a haven for smuggling activities, and organised crime has proliferated. Moreover, the presence of Russian troops and the alleged increasing militarisation of South Ossetia potentially pose a security threat to Georgia’s capital Tbilisi.65

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62 Peter Semneby, “A more active interest of the EU in resolving the conflicts”, Caucaz.com, 21.05.2006.
63 Dov Lynch, Why Georgia Matters, op. cit., p. 66.
64 Interview with EU official, Brussels, 12 June 2006.
65 A de facto official interviewed in Abkhazia mentioned that “in case of problems with Georgia, one should not underestimate that Tskhinvali is just 100 km away from Tbilisi”, Sukhumi, March 2006.
Third, EU member states are not involved in conflict settlement in South Ossetia, but are involved in Abkhazia. The implications of this factor are two-fold. On the one hand, it means that European views are part of the settlement process in Abkhazia, where France, Germany and the UK are involved through the UN. The second implication is that there is less room for the EU as an institution to play a role in Abkhazia, because big member states are less open to giving EU the lead in the conflict-settlement process.

In South Ossetia, the conflict-settlement format consists of Georgia, South Ossetia, Russia and the Russian republic of North Ossetia, and no EU member state is present. This leaves greater room for the involvement of the EU as an institution, without being potentially counterpoised against EU member states’ national foreign policies. If one sees this factor in a broader context, then one can note that the EU has been increasing its involvement in such conflicts as Transnistria and South Ossetia where no member states were involved, but not in Abkhazia or Nagorno-Karabakh where EU member states are part of the conflict-resolution formats. Thus, to some extent the involvement of EU member states in conflict-settlement efforts plays a certain inhibiting role for the EU’s efforts to step up its involvement in the conflict areas.

4.5 Perceptions of the EU in the secessionist entities

The effect of EU policies on the conflicts also depends on how the EU is perceived in the secessionist entities themselves. Such an analysis is complicated. There is no unified consensus on what the EU is and what it is doing. Moreover, the EU is not the most visible actor in the secessionist entities. It is not often seen as different from the ‘west’ or the US. Those who make the distinction often see the EU as weak. There is a belief that “it will be the US, not the EU who will solve the conflicts here.”

Recently, however, the EU has started to acquire a certain profile in the secessionist entities. There are a number of elements in this emerging profile. First, the EU is often seen as supporting Georgia, thus by definition being potentially hostile to the secessionist entities. Beslan Kubrava, de facto Deputy Prime Minister in Abkhazia, expressed such feelings by saying that “Europe and the world are arming Georgia. Against whom? Certainly not against Russia or Turkey. It is against us.” But not everyone sees EU-Georgian relations through the lenses of a zero-sum game. Civil society activists claimed that “the more Europeanised and democratised is Georgia, the better for Abkhazia. A real democracy is less likely to start a new war.”

Second, the EU is often seen as engaged in geopolitical competition with Russia in the South Caucasus and beyond. In the secessionist entities, some would favour a geopolitical alternative to Russia in the region. A de facto Abkhaz official stated that “we need a balance here. We don’t want only one power to dominate us. The West can also ensure its interests here.” Leonid Lakerbaia, de facto Deputy Prime Minister, stated that “You can’t put all you eggs into the same basket […] Even Russia is moving closer to Europe […] And I don’t think that there is anything bad if we will become part of wider Europe.”

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66 Interview with Abkhaz official, Sukhumi, 16 March 2006.
67 Interview with Beslan Kubrava, Deputy Prime Minister and Minister of Finance of Abkhazia, 17 March 2006.
68 Interviews with civil society activists, Sukhumi, 20 March 2006.
69 Interview with an Abkhaz official, Sukhumi, March 2006.
70 “Daleko li do Evropy?”, Grazhdansko Obshhestvo magazine, op. cit.
Third, Abkhazia seeks recognition from the international community. The quest for legitimacy encourages the use of pro-European discourses. President Bagapsh stated that “We have one aspiration – to be in Europe. We want to live in a European house. And we want openness and dialogue from the EU.”71 Another de facto official from Abkhazia stated that “Today we can go only to Moscow for research and education. If we had other possibilities we would had benefited. People have to see how things are done in Europe as well.”72

Fourth, the Kosovo precedent plays a role. The Abkhaz de facto President openly states that “if Kosovo is recognised, Abkhazia will be recognised in the course of three days. I am absolutely sure of that”.73 The EU is perceived as supporting independence for Kosovo, while refusing such a perspective to Abkhazia (and other secessionist entities). Thus, accusations of double standards are made against the EU and the US. This is reinforced by the fact that Abkhaz tend to think that the region has more reasons to be independent than Kosovo because Abkhazia functions better than Kosovo, which is governed by the UN.74 Some officials in Abkhazia claim that Abkhazia is “ready to be an external protectorate like Kosovo; it is ready to be an EU protectorate.”75

Fifth, Abkhazia fears isolation. This is expressed in a growing fear of exclusion from regional processes under the European Neighboorhood Policy. The emergence of the ENP and the discussions of a possible Black Sea dimension to the EU policy have encouraged a debate about the EU in Abkhazia.76 Stanislav Lakoba, Secretary of the Security Council stressed that “despite internal problems, the EU is approaching us. This is a reality […] The countries of the Black Sea basin, Romania, Bulgaria, Turkey, Ukraine and possibly Georgia have tentative dates for EU accession […] Only Russia and the self-determined state of Abkhazia stay aside. All the rest are moving towards the European Union”.77 There is also an emerging belief that “Abkhazia is gradually entering into a zone of direct interests of the EU.”78 Thus, in April 2006, the Abkhaz authorities put forward a peace plan where the spectre of the EU plays a visible role. The peace plan’s opening paragraph states: “The processes of economic integration in the Black Sea region and prospects for more intensive economic and regional cooperation within the framework of the “European Union’s broad neighbourhood strategy” could become the [guarantees for…] good-neighbourly relations”.79 And such thinking is also in line with a Georgian peace plan on Abkhazia presented in June 2006, which states that Georgia is ready to “to initiate consultations

71 Interview with Sergey Bagapsh, de facto President of Abkhazia, Sukhumi, 21 March 2006.
72 Interview with an Abkhaz official, Sukhumi, 16 March 2006.
73 Interview with Sergei Bagapsh, de facto President of Abkhazia, Svobodnaya Grazia, 28 February 2006, originally published in Vremya Novostei.
74 Interviews with Sergey Bagapsh, 21 March 2006, and Aleksandr Stranichkin, Deputy Prime Minister of Abkhazia, Sukhumi, 17 March 2006.
75 Interview with an Abkhaz official, March 2006.
78 Maxim Gunjia, “Abkhazia i Evrosoyuz”, op. cit.
on involvement of Abkhazia in European regional institutes and projects, including the European Union Neighbourhood Policy, and Black Sea cooperation processes.”

Sixth, the Russia factor is at the centre of Abkhaz thinking about the EU. Abkhaz support or oppose greater EU involvement depending on whether they think that Russia should be the sole ‘protector’ of Abkhazia, or they should diversify their options. In any case the ‘pro-Russia’ trend is so powerful, that even those who advocate a certain rapprochement with the EU often support it with the argument that Russia is doing the same. Again Lakoba claims that “it is no coincidence that Russia seeks integration with Europe. Why should not Abkhazia do the same? All the more so that there are direct preconditions for a direct dialogue between Sukhumi and Brussels […] Integration with Russia does not contradict integration with the EU.”

There are a number of similarities between the perception of the EU in South Ossetia and Abkhazia. The EU is seen as supporting and strengthening Georgia, and it is most often seen as a geopolitical competitor to Russia. But the differences of perception are at least as important.

South Ossetia has less pretence to being an independent state. It wants to join Russia. Thus it does not look for ‘geopolitical balances’ to diversify its future options. Its landlocked geography means that unlike Abkhazia, which is situated on the sea, South Ossetia can have only two choices – Russia to the North, or Georgia to the South. There is no other, however illusive, choice of orientations. Thus one of the most positive views one can hear about the EU is that of Alan Parastaev, a civil society activist in South Ossetia, who stated: “I am in favour of [European] integration. I can declare this on behalf of all the NGOs of South Ossetia. But I would like to stress that South Ossetia’s integration into the European structures goes hand in hand with integration into Russia.”

Moreover, as already discussed in the section on rehabilitation programme, there has been less international financial support for civil society in South Ossetia than in Abkhazia. And there is less knowledge and consequently a greater distrust of the EU in South Ossetia than in Abkhazia.

A de facto South Ossetian deputy speaker of parliament and chair of the committee for international affairs, defence and security stated: “The EU has invested more than a billion euro into the South Caucasus. Seventy percent of these went into Georgia. In South Ossetia they rebuilt a school in Java, the railway station in Tskhinvali and have put here houses in which it is simply impossible to live. We call them hen houses. What kind of help have they offered to South Ossetia? […] Of course international mediators normally expect political concessions in exchange for money […]. The activities of the EU should have a humanitarian character and no organisation should claim to solve political questions.”

4.6 The impact of EU policies

The impact of EU policies on the conflicts has been limited. EU support for the strengthening of the Georgian state is a long-term objective, with a relatively low level of political, security, economic and financial commitments on the part of the EU. During negotiations on the Action Plan, the EU has been reluctant to offer Georgia significant political or economic support.

80 “Considerations of the Georgian side on defining the basic principles of the joint “road map” for a comprehensive, peaceful political settlement of the conflict in Abkhazia”, Tbilisi, June 2006.
81 “Daleko li do Evropy?”, op. cit.
EUJUST Themis and the EUSR Border Support Team were small in scale and mandate, with a rather long-term focus and entirely dependent on Georgian goodwill to reform, without any possibility to apply EU conditionality to support the reforms. In addition, the external environment has not been conducive to Georgia’s capacity to concentrate on reforms. Russian economic and military pressures – from militarisation of the secessionist entities to the imposition of a wine embargo and transport blockades on Georgia have been damaging to Georgia’s economy and politics. Such external conditions made it all but impossible for Georgia to concentrate on issues of long-term democratic and economic transformation and reform, and made the government concentrate on short-term issues of economic survival in a state of permanent siege. In such a constantly degenerating environment, the long-term focus of the ENP has been increasingly out of touch with the pressing realities on the ground.

Despite limited resources, the EUSR Border Support Team has had some positive effects for Georgia. Politically the EU’s presence in border-related issues in Georgia took the heat off the Russian accusations that Georgia is not controlling its frontier, and is allowing international terrorists to pass to Chechnya. Moreover, EU support for border reform made it politically more difficult for Russia to threaten to bomb alleged Georgian ‘havens’ for terrorists, since the EU was helping Georgia reform its border management system. The EUSR Border Team played a limited, but non-negligible, role in internationalising the Georgia-Russia border-related arguments and in working on technical solutions to existing problems.

EU support for the rehabilitation of the conflict zones were effective in easing at least some of the difficulties that people in the conflict regions faced. The political effect of EU assistance was less important, however. EU assistance in Abkhazia was certainly not enough to radically alter the conflict-settlement patterns, or to promote significant degrees of cooperation, dialogue and reconciliation between Georgia and Abkhazia. The EU could not employ significant conditionality with Abkhazia – not even to make the conflict parties cooperate on EU-funded projects. Probably the biggest success of EU assistance to Abkhazia was the investment in civil-society development (other international donors besides the EU have also financed civil-society activities in Abkhazia). In many respects, the EU-supported socialisation and involvement of Abkhaz NGOs into the broader framework of cooperation with Europe through training and travelling has resulted in an Abkhazia that is surprisingly pluralistic, potentially open to the broader world and even proto-democratic. However, one of the unintended consequences was that international donors including the EU have helped build a credible civil society of a de facto independent entity, thereby strengthening the credibility of the secessionist movement.

The impact of EU assistance for South Ossetia has also been limited. Even though instances of limited EU conditionality on the projects were applied, they have been only partially successful. Ossetians have been more cooperative with the Georgians than the Abkhaz in any event, and thus EU conditionality for joint projects fell on a more fertile soil. But this was possible in depoliticised issues. When political sentiments ran high around South Ossetia, the EU has rarely been able to make an impact on either Georgia or South Ossetia.

In fact, the political profile of the EU in its efforts to promote conflict settlement has been seriously constrained by a careful balancing act between the need to ensure more visibility for EU actions, but not too much. Visibility, which came through increasing assistance and an increasing diplomatic role by the EUSR, is necessary if the EU wants to make a difference and gain leverage in the conflicts. However, in an environment where zero-sum game perceptions are the norm, there is a justified fear if the EU becomes too involved and too visible in the conflict zones, this would raise the stakes for Russia to step up its involvement too. Thus, the usual argument that the EU needs greater visibility to become more effective as a foreign policy actor is not entirely justified in the case of Georgia. The EU could do some things to promote conflict resolution in Georgia precisely because it was not very visible.
An important factor limiting the effects of EU policies is that the EU is in competition with another trend – that of de facto annexation of the secessionist entities to Russia. Despite some EU efforts in the conflict zones, the counter trend is faster. Thus, while the EU is working on long-term objectives in Georgia and on the fringes of the conflict-resolution processes, there might be no intra-Georgian conflicts to solve in a few years, but a big Russia-Georgia conflict on which the EU will be even less able to have a significant impact. The EU’s focus on long-term transformation issues has not answered the question of how to put Georgia on a firm path towards that long-term prospect in an environment where short-term contingencies and crises have consumed most of the political energy.

5. Conclusions

The EU’s policies towards the conflicts in Georgia have been slow to develop. Despite a certain interest in the South Caucasus manifested in the EU since mid-1990s, the EU has not been able to develop a clear vision of how to deal with the South Caucasus region. The EU policy became somehow more articulated from 2003 onwards when the EU appointed a EUSR for South Caucasus and progressed in the development of a European Neighbourhood Policy.

A more active EU policy towards the conflicts in Georgia emerged because of the growing importance of the neighbourhood for an enlarged EU, and the development of CFSP instruments that implied that the EU not only had to, but it also could act in the neighbourhood. The imperative of promoting stability, security and prosperity in the EU neighbourhood meant that the EU could not avoid the issue of conflicts in the South Caucasus, while a post-Rose Revolution Georgia was actively seeking a greater EU role in the secessionist conflicts. The growth of energy security issues on the international agenda had also meant that the South Caucasus as a transit region was increasingly important. However, the reasons for a greater EU involvement in the secessionist conflicts in Georgia were matched by a number of equally important constraints on EU actions. Russia’s opposition to a greater EU role in the Caucasus has been an important constraint. While the EU did not have a ‘Russia-first’ approach, it had a ‘Russia-aware’ approach to the region. Russia was also readier to commit more resources to the achievement of its foreign policy goals in the region than the EU was. This significantly constrained the EU foreign policy capacity. Moreover, on the map of the competing EU foreign policy priorities, Georgia was neither the most urgent, nor the most important source of security challenges in the European neighbourhood. Thus, an EU that was increasingly overburdened with ESDP missions and foreign policy contingencies from Iran to the Middle East could engage with Georgia’s conflicts only to a limited extent. The lack of possibilities to solve the conflicts in Abkhazia and South Ossetia only underlined the perceived non-urgency of the task. Thus, the EU chose to focus support on Georgia’s reform efforts, rather than the conflict-resolution agenda. Overall, Georgia is perceived as being too far from the EU to be really important, while being too close to the EU to be ignored. This resulted in an EU involvement in the conflicts that is gradual, shy and hesitant but still increasing.

The EU policies towards the conflicts in Abkhazia and South Ossetia were pursued at two levels. One level was related to the EU’s broader policies on Georgia. The EU approach consisted of the declared intention to help Georgia build a functioning, democratic and prosperous state which would facilitate in itself the resolution of the conflicts. With these aims in mind, the EU concluded an EU-Georgia ENP action plan, launched a rule of law mission EUJUST Themis and deployed in Tbilisi a Border Support Team working on the reform of the border management system in Georgia. However, the EU has also witnessed some failures in this broader approach. When the continuation of the OSCE border monitoring mission in Georgia was vetoed by Russia, the EU failed to take over despite the fact that it was legally and
technically possible. What the EU failed to do in Georgia reveals as much about the EU as a foreign policy actor as what it managed to do.

A second level was EU policies on the secessionist entities. The EU has financed projects on the rehabilitation of the conflict zones in both Abkhazia and South Ossetia. As of 2006, the EU became the biggest international donor to the secessionist regions. In its political efforts to contribute to conflict settlement, the EU has prioritised South Ossetia.

Overall, the impact of EU policies toward the conflicts has been limited. EUSR Border Support Team and EUJUST Themis have facilitated some progress in the efforts to make Georgia a better functioning and more democratic state. However, EU support for the strengthening of the Georgian state remained a long-term objective, with a relatively low level of political, security, economic and financial commitment on the part of the EU. In a constantly degenerating security environment around Abkhazia and South Ossetia and increasing tensions between Russia and Georgia, the long-term focus of the ENP has been increasingly out of touch with the pressing realities on the ground. EU financial support for the conflict regions had important humanitarian effects, but it was less successful in bringing closer a political solution to the conflicts. Despite this, EU and broader European financial support for civil society development in Abkhazia is one notable success.

The political profile of the EU in the efforts to promote conflict settlement has been seriously constrained by a careful balancing act between the need to ensure more visibility for EU actions, but not too much. The EU needed visibility to gain leverage and become more effective. But too much visibility could also undermine the EU’s effectiveness if it raised the stakes for Russia to step up its involvement too. The Russian policy towards the secessionist entities have been in any case a significant limiting factor on the effectiveness of EU policies. Despite EU efforts directed at Abkhazia and South Ossetia, the trend of de facto annexation of the secessionist entities to Russia remained predominant, limiting the scope for EU policies in the future.

In the conflict regions themselves, the EU has been involved in post-conflict rehabilitation and in efforts to raise its diplomatic profile. But in a region that was busy remilitarising, the impact of EU soft instruments can only be limited. The militarization of the whole South Caucasus also has an inhibiting effect on the EU, which has a preference for non-military ways to handle conflicts. An EU diplomat stated: “What the EU is seeing in the region is a war in the making. And we are asking ourselves – do we want to get caught in the middle?” Obviously the EU does not want that. But by not playing a greater role in conflict resolution in the region, the EU also makes the prospects of peace and democracy in the region bleaker, and the failure of the ENP a distinct possibility.

**Recommendations**

*To the European Union and EU member states*

- Before the EU policy on the secessionist entities can become effective, the EU should gain leverage over the secessionist governments. This can be achieved through a gradually increasing presence, engagement and visibility of the EU in Abkhazia and South Ossetia.

- The EU should explore ways to involve the secessionist entities in the ENP. Neither Abkhazia, nor South Ossetia can be fully included in the ENP, but for a start, they can benefit from inclusion in ENP projects in such areas as trade, education, culture, civil society-building, rural development, poverty reduction, transport and infrastructure development, environment, regional cooperation, people-to-people contacts, fighting human

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84 Interview with an EU diplomat in Brussels, June 2006.
trafficking. Georgia and Abkhazia’s most recent peace plans speak about the desire and readiness to include Abkhazia into the ENP. The EU should build on this common ground to extend parts of the ENP Action Plans to the secessionist entities with Georgia’s consent.

- The secessionist entities should be included in the emerging multilateral frameworks of dialogue in the Black Sea area. The forthcoming European Commission’s communication on the Black Sea Synergy should discuss the issue of engaging the secessionist entities in regional processes. The intra-South Caucasus dialogue is too narrow and tense to achieve meaningful regional cooperation. A multilateral Black Sea framework would enlarge the context of cooperation, and could facilitate Georgia’s dialogue with Abkhazia and South Ossetia in a more constructive way than in the tense conflict-settlement formats. It could also diversify the secessionists links away from Russia.

- Explain the ENP in the secessionist entities and involve civil society of the secessionist entities in a dialogue on the ENP. During visits to the secessionist regions, the EUSR, European Commission and EU member states officials could give lectures on the EU and the ENP at civil-society roundtables and universities in the secessionist entities, as well as explain the essence of the ENP to de facto officials.

- The EU should step up civil society and democracy-building support in South Ossetia, in the same way it has been acting in Abkhazia.

- The EU should intensify its dialogue with Turkey on Abkhazia. Turkey has some established links with Abkhazia due to the large Cherkess/Abkhaz diaspora in Turkey. The EU could enhance its policy on Abkhazia through greater coordination of EU-Turkey policies on the region.

- In the long run, the EU should support the alignment of the secessionist entities to the ENP Action Plan implementation which would prepare the ground for greater convergence between the political, economic and legal systems of Georgia and the secessionist entities. Europeanisation of Abkhazia and South Ossetia will serve the purpose of conflict resolution.

To European funding organisations

- Support the opening of non-governmental European Information Centres/Europa Houses in Abkhazia and South Ossetia. The Centres would provide access to information booklets, books, debates and internet resources about the EU and its policies.

- Fund development of EU-related courses in Abkhaz and South Ossetian universities.

To Georgia

- Georgia should facilitate and support the involvement of the secessionist entities into the ENP and Black Sea regional processes. This could serve the basis for greater approximation of the political, economic and legal systems of Georgia and the secessionist entities on a common European platform.

- Georgia should devise a new strategy of approaching the EU on conflict-resolution issues. Currently Georgia is requesting as much as possible from the EU in the hope to achieving at least something. A better way to engage the EU conflict settlement is to ask for small policy measures which over a longer period of time could constitute a bigger EU package. Locking the EU into a greater commitment to Georgia through a step-by-step, rather than overnight involvement is a better way to advance the conflict-resolution processes and increase the EU’s commitment to Georgia.
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Annex 1
Overview of European Commission Assistance in Abkhazia and South Ossetia (January 2007)*

The European Commission (EC) supports the peaceful resolution of the internal conflicts as the basis for meaningful negotiations and a continuing search for a political settlement. However, the EC is not directly involved in the political side of conflict resolution and prevention in Abkhazia or South Ossetia. Instead, the EC actively supports various economic rehabilitation and confidence-building activities in the Georgian-Abkhaz and Georgian-Ossetian zones of conflict as an important measure to build greater trust between the conflict-affected populations.

The EC-funded projects aim at improving living conditions of the population affected by the conflict whilst creating conditions for the return of internally displaced persons, as well as facilitating progress in a constructive dialogue between opposing social groups. The EC is the largest donor in the regions of South Ossetia and Abkhazia. The ongoing and planned programmes in Abkhazia and South Ossetia that are financed by the EC include humanitarian assistance, economic rehabilitation, confidence-building, democratisation and human rights projects. Below is an overview of ongoing, completed and planned EC projects in Abkhazia.

Abkhazia – Ongoing Projects

1. EC Economic Rehabilitation Programmes for Georgia/Abkhazia (€3.96 million total; start dates: Dec 2005 & Jan 2007)

The EC has launched a comprehensive rehabilitation programme for the Georgian-Abkhaz conflict zone (e.g. the districts of Gali, Ochamchira, and Tkvarcheli in the east of Abkhazia, as well as the Zugdidi district on the Georgian side of the ceasefire line) in order to improve living conditions of both ethnic Georgian and Abkhaz communities. The objective of the rehabilitation programmes of the European Union for Abkhazia is to support rehabilitation and reconstruction operations in the conflict zones in such a way that would create the right conditions for economic reconstruction and the safe and dignified repatriation of refugees and displaced persons. UNOMIG and UNDP are the main implementation partners of these programmes. This rehabilitation programme is divided into two separate phases and aims to provide for a linkage between the need for relief and development aid.

First EC Rehabilitation programme for Georgia/Abkhazia (€1.98 million, 24-36 months, start Dec 2005)

The first phase of the EC Rehabilitation programme includes the following components:

- Electricity (Gali, Ochamchira, Tkvarcheli, Zugdidi – UNOMIG, UNDP)
- Public health (hospital refurbishment) and basic services (i.e. water, sewage & waste management) (Gali, Ochamchira, Tkvarcheli and Zugdidi – UNOMIG, UNDP)
- Local agricultural development (Gali, Ochamchira, Tkvarcheli and Zugdidi – UNDP)

Description of the first phase of the rehabilitation programme

Second EC Economic Rehabilitation Programmes for Georgia/Abkhazia II (€1.77 million, 12-24 months, start Jan 2007)

The first phase of the EC Rehabilitation programme includes the following components:

- Electricity (Gali, Ochamchira, Tkvarcheli, Zugdidi – UNOMIG, UNDP)
- Public health (hospital refurbishment) and basic services (i.e. water, sewage & waste management) (Gali, Ochamchira, Tkvarcheli and Zugdidi – UNOMIG, UNDP)
- Local agricultural development (Gali, Ochamchira, Tkvarcheli and Zugdidi – UNDP)

Description of the first phase of the rehabilitation programme

The EC has launched a second phase of its comprehensive rehabilitation programme for the Georgian-Abkhaz conflict zone, which focuses on further rehabilitation works on the Enguri Hydro-Power Plant and will be implemented in parallel with the first phase. The EBRD as well as UNOMIG and UNDP are the implementation partners of this programme.

The second phase programme will complement the first phase with the following components:

- Further EC support to repairs at the Enguri Hydro Power Plant (HPP) in cooperation with the EBRD; Such a rehabilitation programme would be a follow-up to the EC-financed rehabilitation projects at Enguri HPP of €9.4 million that were completed in spring 2006 (Enguri HPP – EBRD, €1.57 million)
- Civilian police activities (Zugdidi – UNOMIG, €90,000)
- Enguri Shuttle Bus (Enguri Bridge at ceasefire line – UNOMIG, €20,000), and
- Information Sharing Centre (Sukhumi – UNDP, €90,000)

Description of the second phase rehabilitation programme for Georgia/Abkhazia

2. EIDHR micro projects – call for Abkhazia (€200,000, start June 2005)

Within the Programme European Initiative for Democracy and Human rights (EIDHR) the EC is supporting two projects of local NGOs in Abkhazia in the area of (1) promotion and protection of rights of vulnerable people and minorities, and (2) the monitoring of court cases and legal education of the judiciary in Abkhazia:

- Foundation Civic Initiative of Human Beings for the Future – “Monitoring of cases in court and legal education of representatives of the legal system in Abkhazia” (€60,000, 24 months)
- Association of Women of Abkhazia – “Promotion & Protection of Rights of Vulnerable Groups” (€47,760, 36 months)

3. Decentralised Cooperation (€950,000 Euros, start January/February 2006)

The EC rehabilitation programme will only address the needs outside the direct conflict zone. The Decentralised Cooperation initiative plans to complement rehabilitation intervention by extending the geographical location of the EC rehabilitation and confidence/capacity-building activities to all regions of Abkhazia. Under Decentralised Cooperation, activities similar to those of the rehabilitation programme will be introduced outside the conflict zone, e.g. in Sukhumi and west Abkhazia. The Decentralised Cooperation projects will be implemented by local NGOs, which may cooperate in partnership with international NGOs. The main project components for Abkhazia will be:

- Economic rehabilitation: community-based income-generation activities in Abkhazia, and
- Local NGO confidence- and capacity-building activities (universities, media, youth, disabled and women organisations, etc.).

The Decentralised Cooperation Programme includes the following projects, which started in January/February 2006:

- Danish Refugee Council – Economic rehabilitation in Western Abkhazia, (€97,000, 12 months)
- Accion Contra El Hambre – Community-based income generation programme in Gudauta District – West Abkhazia (€99,940, 12 months)
- World Vision – Business and management skills for Abkhazia (€100,000, 24 months)
• Association of Women in Abkhazia – Cooperation of civil society with local authorities in the sphere of human rights and rights of women (€50,000, 24 months)
• Union of Business Women of Abkhazia – Tools of support of development of women business –. Creation of business-incubators (€49,695, 24 months)
• Article 19 – International Centre Against Censorship – Building Capacity for Good Municipal Governance in Abkhazia – with a focus on freedom of information and women’s issues in Sukhum, Gudauta and Tkvarchel districts (€97,000, 24 months)
• Sukhum Media Club – Cooperation of civil society with local authorities in the sphere of human rights and rights of women (€35,197, 24 months)
• Centre for Humanitarian Programmes – Stimulating Cooperation between Civil Society and Local Government and Self-Government Structures for Effective Problem Solving on a Local Level (€99,734, 24 months)
• Civic Society Development Centre – Strengthening of a civil society, development of opportunities for Abkhazian NGO in the field of Human rights (€45,821, 36 months)
• Sukhum Youth House – Youth Initiative for the Future (€89,997, 36 months)
• Association ‘Inva-Sodeistvie’ – All different – All equal (€95,625, 24 months)

4. ECHO Humanitarian aid programme (€2 million November 2006-November 2007)
ECHO is financing humanitarian aid/recovery programmes in Western Georgia which aim at improving the living conditions of the most vulnerable households in Abkhazia (local population and returnees) and Samegrelo (IDPs). The following projects are currently supported.
• ICRC: Economic assistance programme (food aid and food security, income generation) – Abkhazia mainly, €500,000, November 2006-October 2007, (2,000 beneficiaries in Abkhazia).
• Accion contra el Hambre : Food security, income-generation programmes – Abkhazia, €290,000, December 2006-November 2007, 280 beneficiary households (1,100 people)
• Danish Refugee Council : Shelter rehabilitation and income-generation programmes – Abkhazia, Samegrelo, €600,000, December 2006-November 2007, (1,200 beneficiaries in Abkhazia, 800 in Samegrelo)
• Première Urgence: Food security, income-generation programmes – Abkhazia, €602.140, December 2006-October 2007, (550 beneficiary households/2,200 people)

5. Mine Action Abkhazia (€500,000, start October 2006)
The EC supports the HALO Trust to complete the ongoing mine action programme for Georgia/Abkhazia. The HALO Trust is a humanitarian demining NGO which is implementing a comprehensive mine clearance programme in Abkhazia. Upon completion of this demining programme, Abkhazia is expected to be declared mine-impact free.

6. Mine Ban Treaty advocacy (€500,000, start October 2006)
In an overall objective to secure an anti-personnel, mine-free South Caucasus, the EC also supports a project by the international NGO call ‘Geneva Call’, which aims at engaging non-state actors in Abkhazia, South Ossetia and Nagorno-Karabagh to ban such mines.
Abkhazia – Completed Projects

7. Rehabilitation projects of the Enguri Hydro-Power Plant (€9.4 million total, completed early 2006)

The EC has granted €9.4 million to Georgia for urgent repairs at the Enguri Hydro Power Plant (HPP) for two projects to replace the stoplog at the arch dam on the Georgian side and replace one of the generators of the power station on the Abkhaz side. These rehabilitation projects were intended as confidence-building measures.

a. Rehabilitation of the stoplog and its hoisting system at Enguri arch dam – Samegrelo (€4.4 million, finished end 2005)

The first project supported the rehabilitation of the Arch Dam of the Enguri Hydro Power Plant (HPP) through the replacement of the stoplog and its hoisting system at the arch dam of the Enguri HPP located in the upper Samegrelo region. The original stoplog sank during an accident in 1994. A new stoplog was needed for the refurbishment of the valve gates of the four operational low-level outlets of the Enguri arch dam, which are in seriously deteriorating condition and leaking water from the reservoir. The project is supervised by Engurhesi and implemented by DSD Dillinger Stahlbau. The works were completed in December 2005, and the final testing was carried out in July 2006. The public inauguration was held on 20 October 2006, to mark the completion of the programme.

b. Rehabilitation of generator No. 3 of the Enguri HPP power station – Abkhazia (€5 million, finished early 2006)

The second project supported the rehabilitation of the Enguri Hydro Power Plant (HPP) through the replacement of one of the five generators (unit No. 3) of the power station of the Enguri HPP, located in the upper Gali region in Abkhazia. The works included procurement of a new generator and implementation of electro-mechanical works. Once this new generator is operational, it would add a maximum capacity of 260Mw to the Enguri Hydropower Plant, which could provide for 10% of Georgia’s entire electricity supply. The project was managed by the EBRD and implemented by Voith Siemens. The works on the new turbine unit No. 3 were completed in April 2006 when the turbine was switched on. After the reopening of the Enguri HPP following temporary closure for works on the tunnel, the final public ceremony was held on 20 October 2006.

7. ECHO Humanitarian aid programme (€2 million from October 2005-October 2006)

ECHO has supported humanitarian assistance programmes to improve the living conditions of the most vulnerable households in Abkhazia and the rest of Western Georgia with the following projects:

- ICRC: Humanitarian relief and income-generation programme – Abkhazia, Western Georgia, €700,000, October 2005-March 2006
- Accion contra el Hambre: Food security, income-generation programme – Abkhazia, Samegrelo, €290,000, October 2005-October 2006
- Première Urgence: Food security programme – Abkhazia, €347,000, October 2005-October 2006
- Danish Refugee Council: Shelter assistance – Abkhazia, Samegrelo, Imereti, €363,000, April 2006-November 2006

ECHO has supported humanitarian assistance programmes to improve the living conditions of the most vulnerable households in Abkhazia and the rest of Western Georgia with the following projects:

- ICRC: Humanitarian relief programme – Abkhazia, Western Georgia, €1.5 million, July 2004-March 2005
- Accion Contra el Hambre: Food for Work Programme – Abkhazia, Samegrelo, €100,000, September 2004-June 2005
- Food security, income generation programme – Abkhazia, Samegrelo, €500,000, October 2004-September 2005
- Première Urgence: Food security, income-generation projects – Abkhazia, €340,000, October 2004-September 2005
- Danish Refugee Council: Rehabilitation of collective centres in Georgia (Tskhaltubo district), €210,000 and €310,000, August 2004-September 2005
- ALISEI: Rehabilitation of collective centres and schools in Georgia (Rustavi, Tbilisi), €500,000 and €200,000, August 2004-October 2005
- Médecins du Monde: Reproductive health in Samegrelo region, €540,000, September 2004-September 2005

9. RRM Confidence-building Abkhazia (2 x €300,000, 2 x 6 months, until August 2005)

Under the Rapid Reaction Mechanism (RRM), two confidence-building activities were implemented. Firstly, a project with International Alert (IA) included a series of joint confidence-building activities with Georgian/Abkhaz civic society leaders. The activities have focused on grass-roots security, divisive history, a needs assessment and media activities. Secondly, a project of Conciliation Resources (RC) combined components on study visits to Northern Ireland with expert visits to Tbilisi and Georgian-Abkhaz dialogue workshops in the style of the Schailing process.

The European Commission is currently the major donor in Abkhazia. Since 1997, the EC has allocated about €25 million of assistance to Abkhazia. During the period 1993-2003, Georgia has received €98.2 million through ECHO in emergency relief aimed at overcoming the effects of the civil war and the consequences of the collapse of the Soviet Union.

South-Ossetia – Completed and Ongoing Projects

1. Economic Rehabilitation Programme in the zone of the Georgian-Ossetian Conflict, Phase (€7.5 million, ongoing since 1998 to date)

Since 1998, the EC has been funding economic rehabilitation programmes in South Ossetia with the first objective to support the efforts of the Georgian Government to settle the Georgian-Ossetian conflict. The EC rehabilitation programmes in South Ossetia, with a total EC allocation to date of €7.5 million, promote the improvement of the living conditions of the local and returning population and the re-start of economic activity in the region as an essential instrument in creating the necessary preconditions for settlement of the peace process.

1a. First Phase EC Rehabilitation programme (€3.5 million, implemented 1998-2001)

The first phase of the EC Rehabilitation programme included the following projects:

- Rehabilitation of drinkable water supply network (Edisi pipe, Dsomach pipe, Tskhinvali chlorination station);
• Rehabilitation of schools in Java, Kheiti and Tamarasheni;
• Rehabilitation of the Kekhvi Dam (irrigation);
• Rehabilitation of the electricity network in Tskhinvali region; and
• Rehabilitation of establishment of three cooperatives for agriculture.

1b. Second Phase EC Rehabilitation programme (€1.5 million, implemented 2001-02)
The first phase of the EC Rehabilitation programme included projects on the rehabilitation of transport and energy infrastructure:
• Rehabilitation of the railway link Gori – Tskhinvali;
• Rehabilitation of the railway station in Tskhinvali;
• Rehabilitation of the gas network within Tskhinvali; and
• Rehabilitation of the electricity network in Tskhinvali region (Vardnilhesi power station).

1c. Third Phase EC Rehabilitation Programme (€2.5 million, 27 months, ongoing until July 2007)
The third EC funded rehabilitation programme is managed by the OSCE and implemented by UNDP and UNHCR. This programme consists of three components:
• Rehabilitation of basic infrastructures in support of the resident communities (with involvement of UNDP in the implementation). These include the following projects:
  ○ Gas distribution network in Tskhinvali (€70,000);
  ○ Water distribution network in Tskhinvali (€80,000);
  ○ Supply and installation of electricity meters and transformers in Tskhinvali (€80,000);
  ○ Local waste management project (€87,000);
  ○ Water pump in Kemerti (€35,000);
  ○ Edisi-Tskhinvali water pipe (€60,000);
  ○ Connection of Avnevi and Tamarasheni-Kekhvi to gas distribution network (€180,000);
  ○ Completion of the Edisi-2 hydropower plant (€510,000); and
  ○ Completion of previous EC funded school renovation projects (€62,900).
• Rehabilitation of basic infrastructures to complement the shelter assistance foreseen in the first part (with involvement of both UNDP and UNHCR in the implementation)
• Basic shelter assistance and repatriation kits to returnees and internally displaced persons (with involvement of UNHCR in the implementation)

2. Support to the Joint Control Commission for South Ossetia (€140,000, ongoing-July 2007)
Since 2001, the EC is assisting the Georgian and South Ossetian sides with financial support to the Joint Control Commission (JCC) related-activities through an EU grant to OSCE. The JCC is a quadripartite body, including the Georgian and Ossetian sides (the parties in the conflict), Russia and North Ossetia, that addresses issues related to the Georgian-Ossetian conflict.

3. RRM Confidence-building South Ossetia (€155,000, 6 months, February-July 2005)
Under the Rapid Reaction Mechanism (RRM), a third confidence-building activity has been implemented concerning South Ossetia. This project with the International Institute for Strategic Studies (IISS) has promoted confidence-building between Georgia and South Ossetia through a dialogue to develop a basis for transforming the recent crisis into a political dialogue leading eventually to political agreement between the two sides.
4. Support to the South Ossetia Needs Assessment Study (€50,000, November 2005-March 2006)

The EC has co-financed the OSCE-led needs assessment study for South Ossetia with a contribution of €50,000. This joint-donor needs assessment study started in October 2005. Its aim was to provide the JCC and the donor community with an appraisal of infrastructural and economic development needs for potential further project assistance in the Georgian/Ossetian conflict zone.

South-Ossetia – Planned Projects

5. Further rehabilitation/confidence building actions (€2 million, autumn 2006)

The EC has allocated €2 million for further rehabilitation activities under an OSCE-led multi-donor programme in the Georgian-South Ossetian conflict zone, following the donor conference in Brussels and the needs assessment study. The EC is likely to focus on energy and water projects under this new rehabilitation programme.

The European Commission is currently the major donor in South Ossetia. The EC assistance programmes to South Ossetia amount almost €8 million.

Internally Displaced Persons (IDPs)


The EC plans to launch a new Decentralised Cooperation programme to support NGO activities that address the needs of persons who are internally displaced as a result of the regional conflicts in Georgia. This programme will have the following priorities for cooperation on IDP issues: 1) capacity-building of NGOs representing IDPs or working on IDP issues; 2) Promotion of a social and policy dialogue on IDP issues between civil society and the government (including local authorities); 3) promotion of the rights of IDPs and their integration into the society in Georgia through the support to initiatives responding to the social and economic needs of the IDP population. A call for proposals was held June-August 2006. Contracts were signed in December 2006 and projects started by early 2007.

- Union ‘Sachino’: IDPs Rights Protection and Promotion in Imereti Region (€90,000)
- Conciliation Resources (CR): Building IDP Capacity for Political Participation (€100,000)
- International Institute for Education Policy, Planning and Management: IDP Integration through Education (€96,786)
- Regional Centre of Human Rights Protection: Protection of the Rights of the IDPs in the Autonomous Republic of Adjara (€78,484)
- Danish Refugee Council (DRC): Strengthening State-Civic Dialogue on Housing Solutions for Collectively Accommodated IDPs (€99,939)

Project status: January 2007
The Decentralised Cooperation Programme supports activities to promote the linkage between relief, rehabilitation and development in ‘situations of difficult partnerships’. The European Commission supports a comprehensive rehabilitation programme for the Georgian-Abkhaz conflict zone (e.g. the districts of Gali, Ochamchira and Tkvarcheli in the east of Abkhazia, as well as the Zugdidi district on the Georgian side of the ceasefire line) in order to improve living conditions of people affected by the conflict on both sides. The EC rehabilitation programme, however, will only address the needs inside the direct conflict zone. The Decentralised Cooperation initiative will complement rehabilitation intervention by extending the geographical location of the EC rehabilitation and confidence/capacity-building activities to all regions of Abkhazia. Under the Decentralised Cooperation Programme projects, activities similar to those of the rehabilitation programme will be introduced outside the conflict zone, e.g. in Sukhumi and west Abkhazia. The Decentralised Cooperation projects, which started in January/February 2006, will be implemented by local NGOs, which may cooperate in partnership with international NGOs. The main project components for Abkhazia will be:

- Economic rehabilitation: community-based income generation activities;
- Local NGO confidence- and capacity-building activities (universities, media, youth, disabled and women organisations, etc.)

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<th>Name of Organisation (Partners)</th>
<th>Project Title</th>
<th>Project description</th>
<th>Duration/Start project</th>
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<td><strong>Danish Refugee Council</strong> <em>(Union of Business Women of Abkhazia)</em></td>
<td>Economic rehabilitation in Western Abkhazia</td>
<td>This project aims at supporting the economic rehabilitation in Western Abkhazia by increasing self-reliance on a community-based approach. Within the framework of this project, communities in the larger Gudauta and Gagra areas will be mobilised to identify their development needs, as well as existing opportunities. Communities will be capacitated to address their economic development priorities through a grant mechanism. This specific objective will be achieved by mobilising approximately 15 communities and by establishing cooperatives. These will undergo extensive capacity assessments and further training according to needs identified. Based on their acquired and consolidated fund and business management skills, cooperatives will jointly develop income generation or economic rehabilitation activities. Micro-projects will be implemented and a revolving fund established.</td>
<td>12 months / March 2006</td>
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<td><strong>Accion Contra el Hambre</strong> <em>(Young Leaders Association)</em></td>
<td>Community-based income generation programme in Gudauta District – West Abkhazia</td>
<td>The aim of the project is to empower the vulnerable population of Gudauta district by tackling the main constraints of the population and solve them in a sustainable and participatory way, through increased income and subsequently a better socio-economic situation. The general objective of the project is to improve the socio-economic conditions of vulnerable population living in the district of Gudauta, North-West Abkhazia, through empowerment and community-based involvement in local economic initiatives. The specific objective of the project is to increase the income of 120 households through the implementation of community-based income generation activities in agriculture.</td>
<td>12 months / March 2006</td>
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and non-agriculture sectors in the district of Gudauta, in northwest Abkhazia. By building the capacities of its local partner NGO in community mobilisation, ACH will enable communities to make the transition from relief to development, reduce poverty through income-generating activities and nurture a savings and business culture that will support communities to become eligible for credit in the future.

| **Association of Women Abkhazia**  
(Alashara; Civil Society Development Centre) | Cooperation of civil society with local authorities in the sphere of human rights and rights of women | This project aims to strengthen the capacity of women as well as NGOs and civic society at local level in Abkhazia by addressing human rights and women’s rights issues, through:  
- Development of institutional capacities of NGOs and local authorities in the sphere of protection of human rights and rights of women;  
- Lobbying of institutionalisation of protection of human rights and rights of women on legislative level; and  
- Target groups, who are the beneficiaries of the Action’s activity are – local women’s NGO in Pitsunda, Gagra, Gudauta, Sukhumi, Ochamchira, Tkvarcheli, Gali, local authorities, local communities. | 24 months / Feb 2006 |

| **World Vision Austria**  
(World Vision Georgia; Abkhaz State University) | Business and management skills for Abkhazia | This project aims at contributing to the economic development of Abkhazia by increasing the general managerial capacity of future entrepreneurs, local NGOs and District Administrations in Abkhazia, their willingness to engage in economic activities and create links amongst them. The aim will be achieved through opening a Business Resource Centre at the Abkhaz State University (ASU), organising a Business and Management Training Cycle for professors, creating a permanent Management School at the ASU (with two cycles occurring during the project time frame), organising a local NGO and District Administration Training Cycle and peer trainings in all seven district of Abkhazia, awarding eight small grants to the best business plans/project proposals, providing business coaching and publishing a guide on "How to start your own business in Abkhazia". Direct beneficiaries will be ASU professors, ASU students, local NGO staff, District Administration staff, as well as people from the general public. Indirect beneficiaries will be ASU students, ASU staff, local NGOs and the seven District Administrations. | 24 months / Feb 2006 |

| **Sukhum Media Club** | Development of a free and independent media in Abkhazia | The overall objective of this project with the Sukhum Media Club is the development of free and independent mass media in Abkhazia in order to establish an independent journalistic community in Abkhazia. Through this project Sukhum Media-Club will be the place where journalists, editors and mass media owners will be able to meet, discuss and find solutions for journalistic problems. During the action, monthly meetings of journalists will take place in the office of the Sukhum Media Club where they will be able to exchange information about situation within journalistic community, political and social situation and decide how journalists can impact on resolving of these problems. One or more press-conferences will be organised by Sukhum Media Club of politicians, civil society activists, representatives of different international organisations for journalists from governmental and independent mass media. A Sukhum Media Club Newsletter will be published once every three months, where the reports of monthly meetings, press conferences and political surveys will be published. Two seminars per year on journalistic skills and ethics will | 24 months / Jan 2006 |
| **Article 19, Global Campaign for Free Expression**  
(Sukhum Media Club, Association of Women of Abkhazia) | Building capacity for good municipal governance in Abkhazia – with a focus on freedom of information and women’s issues in Sukhumi, Gudauta and Tkvarcheli districts | The specific objective of this project is to develop freedom of information legislation for Abkhazia and increase openness of regional and municipal government institutions in Sukhumi, Gudauta and Tkvarcheli, whilst improving the capacity of women to access information important for their active political participation and the realisation of their other human rights, as well as improving the ability of media to provide quality information in the public interest. The project promotes the development of a consultative and responsive people-centred (in particular where it concerns the interests of women) approach towards policy-making and decision-making in Sukhumi, Gudauta and Tkvarcheli districts of Abkhazia. It aims to set a positive precedent for other Abkhaz districts, in particular those located in Gali and Ochamchira districts and in the seaside resort area. The project will also address Abkhaz society’s need for greater transparency and credibility of public institutions, promoting good municipal governance and offering knowledge of mechanisms about how it may be achieved. | 24 months / Feb 2006 |
| **Centre for Humanitarian Programme (CHP)**  
(Conciliation-Resources) | Stimulating cooperation between civil society and local government and self-government structures for effective problem-solving on a local level | The overall objective of the project with the Centre for Humanitarian Programmes project is to enhance the effectiveness of public participation and create new possibilities for the civil society to influence local decision-making. The specific objectives of the project are:  
- To assess the situation from the perspective of the degree of public participation in decision-making in various regions of Abkhazia. For that purpose a survey will be conducted to study public opinion about the effectiveness of local government (LG) and local self-government (LSG) in different regions of Abkhazia, as well as the degree of cooperation between LG and LSG.  
- To have expert opinion on laws concerning LG and LSG and work out proposals for the optimisation of legislature in the given sphere;  
- To raise awareness about the importance of influencing and public participation in local decision-making through information dissemination and public discussions (roundtable discussions, newspaper articles, television programme);  
- To develop institutional capacities of various actors (civic activists, members of LG and LSG bodies) through training in strategic planning, social partnership, alliance building. | 24 months / Feb 2006 |
| **Civic Society Development Centre, Gagra**  
(Youth Initiative of Tkvarchel) | Strengthening of a civil society, development of opportunities for Abkhazian NGOs in the field of human rights | The overall objective of this project with the Civil Society Development Centre is to promote the knowledge of human rights among the youth of Abkhazia (direct target group 180, indirect 1440 school children in six districts) through training and awareness-raising activities. The specific objectives of the project are to:  
- involve participants in human rights training at youth centres, schools and NGOs;  
- organise four seminars under human rights course;  
- create educational films and broadcast the films; and  
- form in each district two youth groups within the local youth centres of Gali, Tkvarcheli, Ochamchira, New Afon, Pitsunda and Gagra. | 36 months / Feb 2006 |
<table>
<thead>
<tr>
<th>Organisation</th>
<th>Initiative/Project</th>
<th>Objectives</th>
<th>Duration</th>
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<tr>
<td>Sukhum Youth House (Conciliation-Resources)</td>
<td>Youth Initiative for the Future</td>
<td>The purpose of the project is to increase the educational level of youth, to help them to solve communication problems, to involve them into the process of civil society development. The project objectives are the following: 1. To establish a network of youth organisations uniting eight regional youth centres in Abkhazia: Sukhumi, Gali, Tkvarcheli, Ochamchira, Gulripsh, Novy Afon, Gudauta and Gagra 2. To organise the functioning of the centres in a network on the following themes: - Civic education - Socio-psychological activities - Ecology and healthy way of life, and - Media. 3. To strengthen the professional teams of the youth centres and prepare trainers for the above-stated directions. 4. To create a joint publication, that covers the implementation of the project activity of all youth centres in Abkhazia (information bulletin), and also, to create a television programme specifically oriented towards the youth issues in Abkhazia.</td>
<td>36 months / Feb 2006</td>
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<td>Association of “Inva-Sodeistvie” (AIS) (Centre for Humanitarian Programmes, Conciliation-Resources)</td>
<td>All different – All equal</td>
<td>The overall objective of this project with the Association of Inva-Sodeistvie (AIS) is aimed at promoting social change through empowering people with disabilities, civil education, and the removal of existing physical and social barriers for people with disabilities on the level of social attitudes, legislation, and state and town planning. The geographical extent of the project is Sukhumi, Gulripsh, Gali and Ochamchira regions. Priority is given to the regions, where there are no working disability NGOs.</td>
<td>24 months / March 2006</td>
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<td>Union of Business Women of Abkhazia (Tkvarchal &amp; Ochamchira branches of Union of Business Women of Abkhazia)</td>
<td>Tools of support of development of women to business - Creation of business-incubators</td>
<td>The overall objective of this project with the Union of Business Women of Abkhazia aims to create favourable conditions for development of women’s business in Abkhazia, improve the practice of business conducting and to increase in economic opportunities of jobless women, create resource centres of support of women business in regions. Target group will be women who want to open their own business, and also women already engaged in business. One of the objectives of the project is training in regions that will facilitate access of the women engaged in enterprise activity to the information on establishing private business activities. Within the framework of the project, trainers will be prepared. In addition, a programme on the conduct of business will be developed, adapted and approved.</td>
<td>24 months / January 2006</td>
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Annex 3
Map of Georgia

Founded in Brussels in 1983, the Centre for European Policy Studies (CEPS) is among the most experienced and authoritative think tanks operating in the European Union today. CEPS serves as a leading forum for debate on EU affairs, but its most distinguishing feature lies in its strong in-house research capacity, complemented by an extensive network of partner institutes throughout the world.

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- To provide a forum for discussion among all stakeholders in the European policy process.
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- To disseminate our findings and views through a regular flow of publications and public events.

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- Energy, Climate Change & Sustainable Development
- EU Neighbourhood, Foreign & Security Policy
- Financial Markets & Taxation
- Justice & Home Affairs
- Politics & European Institutions
- Regulatory Affairs
- Trade, Development & Agricultural Policy

**Research Networks/Joint Initiatives**

- Changing Landscape of Security & Liberty (CHALLENGE)
- European Capital Markets Institute (ECMI)
- European Climate Platform (ECP)
- European Credit Research Institute (ECRI)
- European Network of Agricultural & Rural Policy Research Institutes (ENARPRI)
- European Network for Better Regulation (ENBR)
- European Network of Economic Policy Research Institutes (ENEPRI)
- European Policy Institutes Network (EPIN)
- European Security Forum (ESF)

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