

# THE ROLE OF THE EU IN CONFLICT RESOLUTION

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**Table of Contents**

**Part One: Introduction** .....5

The Research Area – Conflictology .....6

The Research Topic – Conflict Resolution .....8

The Research Question .....8

**Part Two: Theoretical Framework**.....9

Literature Review.....9

The Theories.....11-12

The Hypothesis.....12

**Part Three: Methodology**.....13

Case Selection.....13

The ENP.....14

The cases of Transnistria and Nagorno-Karabakh.....16

**Part Four: Analysis** .....18

How is the EU involved? .....18

EU’s policy toward Transnistria .....19

EU’s policy toward Nagorno-Karabakh .....22

Factor 1 – Intergovernmental Nature of CFSP .....30

Factor 2 – Third Party Involvement .....30

Factor 3 – Interest .....34

Present situation in Nagorno-Karabakh and Transnistria.....41

What the EU has been doing so far?.....43

**Part Five: Conclusion and Recommendations .....44**

## **Abbreviations:**

AP – Action Plan

CFSP – Common Foreign Security Policy

EEA – External Action Service

ENI - European Neighbourhood Instrument

ENP – European Neighbourhood Policy

ENPI - European Neighbourhood and Partnership Instrument

EPC - European Political Cooperation

ESDP – European Security and Defense Policy

EU – European Union

EUBAM - European Union Border Assistance Mission

EUMM - European Union Monitoring Mission

EUSR – European Union Special Representative

MRT – Moldovan Republic of Transnistria

NATO – North Atlantic Treaty Organization

N-K – Nagorno-Karabakh

NKAO - Nagorno-Karabakh Autonomous Oblast

OSCE - Organization for Security and Co-operation in Europe

UN –United Nations

US – United States

USSR – Union of Soviet Socialist Republics

WEU - Western European Union

## The Role of the EU in Conflict Resolution

### Abstract

This Master Thesis deals with the research area of conflictology, and within this area with the role of the EU in conflict resolution. In order to resolve conflicts EU tries to achieve this with the help of its ENP. However, it is found out that in some ENP countries EU influence is stronger than in others. Hence, the research question addressed in this thesis is: Why is the involvement of the European Union more in the conflict resolution of some members of the European Neighbourhood Policy than in the conflict resolution of others? With the help of, first, the theory of Intergovernmentalism established by Stanley Hoffmann in the mid 1960-s; second, the Interest-based theory of Sebastian Mayer from 1990-s and, third, the control variable - third party involvement, it is hypothesized that the EU's involvement in the conflict resolution of ENP members is likely to be successful (1) when there is an interest of conflicting parties to cooperate with the EU and vice versa; (2) it is unsuccessful because of intergovernmental nature of CFSP and (3) when there is a third party intervention in the conflict. The cases tested and compared are the cases of Transnistria and Nagorno-Karabakh.

## **Part1. Introduction**

In June 1991, the Luxembourg Foreign Minister and then President of the European Council Jacques Poos announced: “This is the hour of Europe”. This phrase can be seen in almost any analysis dealing with the foreign and security policy of the European Union. The occasion was the beginning of the Yugoslav crises which marked the beginning of a process when the EU slowly started to realize that taking more active role in conflict resolution and providing peace outside its borders is as important as providing it inside them.

In the 1991 Maastricht Treaty, the EU specified for the first time the foreign policy objectives. These included conflict resolution as well as strengthening international security, promoting regional cooperation, combating international crime, and promoting democracy, the rule of law and human rights (Article J.1). Since then, the EU has remained firm on its objectives. The draft Constitutional Treaty states that the Union’s external action would aim at ‘preserving peace, preventing conflicts and strengthening international security’ (Art III-193(2c)), and in doing so, it would be ‘guided by, and designed to advance in the wider world, the principles which have inspired its own creation, development and enlargement’ (Art III-193 (1)). These principles include democracy, human rights, fundamental freedoms and the rule of law (Art I-2 and I-3). The EU Security Strategy then pinpointed the neighborhood as a key geographical priority of EU external action.

Conflict resolution and creation of a peaceful environment is a very important topic for world security. International humanitarian law was created to bring at least some sort of rules in armed conflicts and to reduce casualties. It sees war as given social reality. However, first of all, not only armed conflicts or wars are necessary to deal with and to resolve. Conflicts of very different nature are likewise at stake in the world today,

including opposing ideas and disagreements, conflicts of interests etc. Human rights breaches can be seen as in conflict to international standards and with, for example, EU ideals. Ensuring security refers to the overall situation in the countries meaning that for guaranteeing a secure EU area or global security respectively, the stability of a country in all policy areas is essential next to good relations with the neighbours; it is part of preventing violent conflicts to arise.

Global security is a very broad area, including many topics. Many actors are involved, many policies, many kinds of conflicts. One actor thereof is the European Union, following a foreign policy towards its neighbours called ‘the European Neighbourhood Policy’ (Geiselhart, 2010, 4).

The ENP provides important incentives for its participants to cooperate and to adopt EU values and bring about change. It develops with each country individually Action Plans and monitors the progress each country makes. Hence, the ENP is implemented on a bilateral basis between the EU and the respective country, enabling the country to negotiate benefits. On the one hand, it should draw the neighbour country closer to the EU, to EU values, to EU standards etc. So, some kind of regional integration is involved without the prospect of full integration into the EU which means EU membership is not an option for ENP participants.

### **The Research Area**

The research area of this thesis is **Conflictology**. Conflictology - As a term ‘conflictology is the study of the nature of conflicts, kinds of conflicts, causes of conflict, causing conflict, principles of conflict management and resolution, and the resolution and management of conflicts based on these principles’. –*Professor C.S. Momoh, Department of Philosophy and Dean of Faculty of Arts, University of Lagos*

The subgroup of conflictology is **ethnic conflict** - two major problems surround the meaning of ethnic conflict. First, the issue of definition is largely ignored. Second, there is no agreed upon meaning of ethnic conflict (Jemma, 2012). Some attempt to define it in the context of domestic politics, while others tend to also consider the international aspect of inter-ethnic clash.

Ethnic conflict takes different forms. That is, its nature varies substantially ranging from peaceful expression of grievances to outright use of physical force or violence. This means depending on the prevailing circumstance, the parties involved in the conflict and the means preferred to settle the dispute, ethnic conflict varies from peaceful reflection of conflict of interests to a violent struggle and civil wars, etc.

There is no agreement among academics in the field on the sources of ethnic conflict. Most of the scholars consider discriminatory government policies as root causes of ethnic conflict. According to this view, conflict would take place where political power holders favor their ethnic group politically and economically, while excluding other ethnic communities. This is what is known as the politics of exclusion. Besides, cultural domination or fear of assimilation does also lead to inter-ethnic clash.

In addition to those that stem from power relationship, i.e., between a dominant ethnic group, the "in-group" and the excluded ethnic identities - the "out groups", ethnic conflict may take place horizontally.(Jemma, 2012) This concerns the clash that may emerge between or among neighbouring ethnic communities often because of competition over economic resources. On the other side are those researchers who tend to confuse fundamental causes of ethnic conflict with "triggering" factors, such as weakening of central authority, economic shock or external intervention. However, to others these are just factors that may accelerate the explosion of ethnic conflict; they cannot engender conflict by themselves.



## **The Research Topic**

**'Conflict resolution'** can be broadly defined as “a situation where the conflicting parties enter into an agreement that solves their central incompatibilities, accept each other's continued existence as parties and cease all violent action against each other”(Wallensteen, 2002: 8). Conflict transformation is a term often used to signify comprehensive conflict resolution that tackles the root causes of conflict, requiring “real changes in parties' interests, goals, or self-definitions” (Miall, Ramsbotham, Woodhouse, 2002: 75).

### **1.3 The Research Question**

Traditionally, the EU has worked through mediation and peace-building among its members to solve disagreements, and so seeks to expand this method to other, “hotter” conflicts. Mediation is a form of third party intervention involving “various forms of assistance and facilitation, short of judicial or coercive steps, designed to help the parties reach an acceptable outcome” (Bercovitch 1991: 3). It can include a range of activities, including “facilitating communication, creating parity, suggesting options and providing resources” (Ayres 1997: 432). It includes confidence-building activities designed to create contacts and build trust between conflicting parties. These measures are particularly important in the case of ethnic conflicts, since they “seek to reassure ethnic peoples about their future” (Lake and Rothschild, 1996: 57).

Peace-building is generally understood as a long-term process aimed at establishing the conditions for peace (Miall, Ramsbotham and Woodhouse, 1999). It has become a politically loaded term, and is associated with the promotion of liberal economic and

political reforms by international actors (Paris, 1997). Context is important in conflict resolution, and a 'one size fits all' approach to the reconstruction of conflict-ridden societies does not find support among conflict resolution scholars or practitioners (Miall, 2004; Lederach 1996). The activities by the EU that contributes to tackling the root causes of conflict, and includes the direct and indirect impact of economic reconstruction and aid.

Though having the common approach towards the conflicts, still the degree of EU's involvement differs in each conflict case of ENP members and, thus leads to the question: **Why does the degree of involvement of the EU in conflict resolution differ among different cases?**

In order to answer this question, this paper will discuss two conflict cases of ENP members chosen and make a comparison of these cases, to find out the factors that determine this differed degree of involvement, which means that the EU is more involved in one case, rather than another.

## **Part Two: Theoretical Framework**

### **Literature Review**

One of the sources of literature I used is '**The EU and Conflict Resolution**' by **Nathalie Tocci**: Through the study of five ethno-political conflicts lying on or just beyond Europe's borders, this book analyzes the impact and effectiveness of EU foreign policy on conflict resolution. Conflict resolution features strongly as an objective of the European Union's foreign policy. In promoting this aim, the EU's geographical focus has rested primarily in its beleaguered backyard to the south and to the east. Taking a strong comparative approach, Nathalie Tocci explores the principal determinants of conflict dynamics in Cyprus, Turkey, Serbia-Montenegro, Israel-Palestine and Georgia in order to assess the impact of EU contractual ties on them. The volume includes topical analysis

based on first-hand experience, in-depth interviews with all the relevant actors and photography in ongoing conflict areas in the Middle East, the Eastern Mediterranean, the Balkans and the Caucasus. This revealing study shows that the gap between EU potential and effectiveness often rests in the specific manner in which the EU collectively chooses to conduct its contractual relations. The EU and Conflict Resolution will be of interest to all readers who wish to acquire an excellent understanding of the EU's impact on conflict contexts and will appeal to scholars of European politics, security studies and conflict resolution.

Another source of literature is: **'No settlement without a proactive policy: the European Union and the secessionist conflicts in the post-Soviet space, by Marco Siddi & Barbara Gaweda.** The abstract of the book is: Twenty-one years after the collapse of the Soviet Union, the international community has not yet managed to solve the four separatist conflicts that broke out in the wake of the USSR's demise. With the help of their patron states (Russia and, in the case of Nagorno-Karabakh, Armenia), the self-proclaimed Republics of Transnistria, Abkhazia, South Ossetia and Nagorno-Karabakh have become de facto states with separate political institutions and economic structures.

The existence of these entities, which have obtained very limited or no international recognition, constitutes a security challenge for EU countries. Following the launch of the European Neighbourhood Policy (ENP) in 2006, the European Union has become more involved in the resolution of the four conflicts. The ENP Action Plans with Moldova, Georgia, Azerbaijan and Armenia set a list of priorities for the EU to contribute to conflict resolution. Brussels deployed border monitoring missions in Moldova and Georgia in 2005 and 2008 respectively. In addition, it attempted to increase its presence in the field by appointing Special Representatives for Moldova, the South Caucasus and the 2008 crisis in Georgia.

## **Theories: Intergovernmentalism and Interest-based Theory**

These two theories are applied to the research question: ‘Why the degree of the European Union involvement in the conflict resolution of some cases is different from the involvement in the conflict resolution of the others?’ in order to find out whether these theories can give an answer to the question or not.

### **Intergovernmentalism**

Theory of Intergovernmentalism - both a theory of integration and a method of decision-making in international organizations, that allows states to cooperate in specific fields while retaining their sovereignty. In contrast to supranational bodies in which authority is formally delegated, in intergovernmental organizations states do not share the power with other actors, and take decisions by unanimity. In the European Union, the Council of Ministers is an example of a purely intergovernmental body, while the Commission, the European Parliament, and the European Court of Justice represent the supranational mode of decision-making. Virtually all other integration initiatives, including those among developing countries, are almost fully intergovernmental.

As a theoretical approach to the study of European integration, intergovernmentalism was developed in the mid-1960s. Building on realist premises, writers such as Stanley Hoffmann highlighted the convergence of national interests and the will of states to cooperate as central to the analysis of regional integration. More recently Andrew Moravcsik's ‘liberal intergovernmentalism’ incorporates the role of domestic interests in helping define national state preferences, while still arguing that states have the ultimate control over the process and direction of integration. In studying European integration, both the realist and the more liberal variants of

intergovernmentalism have focused on major sets of inter-state bargains (especially intergovernmental conferences) and on the decision-making of the Council of Ministers, rather than on the role of the Commission, European Parliament, or societal actors.

### **Interest-based theory**

It is important to know how political interests are born. As Sebastian Mayer outlines in his scientific work, national interests in the democratic OSCE-world originate from the political processes. Interests are not steadfast but result of a political identity-building process (Reese-Schaefer 1999). The post-modern representatives in the international relations conceptualize interests as only interpretations which are influenced neither from the concrete world nor from the material abilities (Campbell 1998; Shapiro/Alker 1996). In other few cases, interests can alter following material circumstances (Zuern 1992, Wendt 1992). In this respect, Ernst Haas (2001) argues that interests of the actors are originated from their political imaginations. Sometimes, as abovementioned, these interests are influenced by the material structures surrounding the actors. **Thus, interests can be understood as affinity, aim and intention of individual or collective actors, which depend on material grounds and, at the same time, could be influenced by international factors.**

### **The Hypothesis**

According to the above-mentioned theories, the following hypothesis can be formulated: the EU's involvement in the conflict resolution of ENP members is likely to be successful (1) when there is an interest of conflicting parties to cooperate with the EU and vice versa; (2) it is unsuccessful because of intergovernmental nature of CFSP and (3) when there is a third party intervention in the conflict.

### Part 3: Methodology

The hypothesis includes the independent variables, 'intergovernmental nature of CFSP', 'Third party intervention (Russia)', 'interest from the conflicting side to cooperate with the EU and vice versa', and the dependent variable 'EU's involvement'. Since it is a complex phenomenon to be studied it is tested by a comparative case study.

The units of analysis in this study are ENP participants; more specifically Azerbaijan, Armenia and Moldova. The main sources of information are newspaper articles, government websites and international organizations websites. Hence, data was produced by analyzing documents and filtering necessary information.

#### Case Selection

For the case selection it is to say that there are a rather limited amount of case countries and conflicts to choose from because the ENP is a relatively new policy instrument and this thesis deals exclusively with the conflict management within the framework of the ENP; the Action Plans thereof respectively. Moreover, the amount of cases chosen shall also contribute to a high reliability and validity of the results and exclude chance. As already mentioned, the case selection follows a purposive sampling method and uses control variables to choose the countries. The aim is to make the cases as similar as possible and to make sure that cases vary in the characteristic to be explained: the degree of EU influence.

**The control variable is the existence of powerful third actors**, claimed by Helly (2007) as reason why EU influence is weak in a country. This narrows the choice to ENP countries in which powerful third actors are involved.

Another point for approaching the appropriate cases to be studied is to make the third actor the same for each case. That is because variations in the third actors involved might also change EU influence in the country. Hence, the case selection is narrowed down to countries in which Russia is involved as the powerful third actor. Russia because in Europe or among the ENP participants are a lot of countries in which Russia is involved and the aim of this thesis is to produce relevant results in order to be able to make recommendations to improve ENP processes and thereby increase EU influence.

To sum up, case countries must be ENP participants in which the powerful third actor is Russia and which vary in their degree of EU influence. On the basis of this, **Moldova, Azerbaijan and Armenia constitute the case countries.** The cases that will be tested are the cases of Transnistria and Nagorno-Karabakh. As found out, EU's degree of influence in the conflict resolution of Nagorno-Karabakh is less than in Transnistria. Another point common to these three countries and supporting the selection of them is the fact that they are part of the Eastern Partnership, excluding a further factor as reason for differences in EU influence.

### **What is the ENP and how it works?**

The European Union's European Neighbourhood Policy (ENP) aims at bringing Europe and its neighbours closer, to their mutual benefit and interest. It was conceived after the 2004 enlargement of the EU with 10 new member countries, in order to avoid creating new borders in Europe.

In May 2011, the EU reconfirmed the importance of the relationship with the neighbourhood countries, pledging to strengthen its 'more funds for more reform' approach.

The ENP supports political and economic reforms in sixteen of Europe's neighbouring countries as a means of promoting peace, stability and economic prosperity

in the whole region. It is designed to give greater emphasis than previously to bilateral relations between the EU and each neighbouring country.

Sixteen countries participate in the ENP, Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, the occupied Palestinian territory, Syria and Tunisia in the South, and Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine in the East.

Pioneering principles such as “joint ownership” are promoted through the ENP, and an innovative funding mechanism, the European Neighbourhood and Partnership Instrument (ENPI) was launched in January 2007. From 2014, the ENPI will be replaced by the European Neighbourhood Instrument (ENI), an increasingly policy-driven instrument, which will provide for increased differentiation, more flexibility, stricter conditionality and incentives for best performers.

The ENP is not, however, about enlargement, nor does it offer participating countries the possibility of accession. It aims to promote good governance and social development in Europe’s neighbours, through:

- Closer political links
- Partial economic integration
- Support to meet EU standards
- Assistance with economic and social reforms

The EU sees the ENP as a way to build "upon a mutual commitment to common values - democracy and human rights, rule of law, good governance, market economy principles and sustainable development." The level of the relationship depends on the extent to which these values are effectively shared.

Negotiations cover the four ENP action areas to:

- Strengthen the rule of law, democracy and respect for human rights
- Promote market-oriented economic reforms
- Promote employment and social cohesion



- Cooperate on key foreign policy objectives such as countering-terrorism and the non-proliferation of weapons of mass destruction

The ENP also forms part of the EU's strategy to reinforce security in neighbouring countries. A key element of the Neighbourhood Policy is the bilateral ENP Action Plan mutually agreed between the EU and each partner country. The Action Plan sets out an agenda of political and economic reforms with short and medium-term priorities. It is preceded by the Country Report.

### **The cases of Transnistria and Nagorno-Karabakh**

Before making an analysis it is interesting to know how and when the conflicts of Transnistria and Nagorno-Karabakh evolved.

The Transnistrian conflict is the so-called “frozen conflict” in the post-Soviet space. Although the tensions between Moldova and its eastern region Transnistria have some historical roots, the conflict itself broke out after the fall of the USSR. The conflict cannot be described as an ethnic one, given the fact that even prior to 1989 the biggest ethnic group in Transnistria were the Moldavians. However, it has to be noted that Transnistria is inhabited as well by Russians and Ukrainians.

In 1991 Moldova declared independence and for some time thought on the possibility of unifying with Romania – a country with deep historical ties with Moldova. Respectively, Transnistria sought to remain close with the Soviet Union and after its dissolution with Russia, but eventually declared independence under the name of Pridnestrovskaya Moldavskaya Respublika (PMR). The Moldovan authorities started a short war in 1992, and around 1500 people were killed as a result. The decisive moment for the end of the armed conflict was the intervention of the 14<sup>th</sup> Russian Army, stationed in Transnistria. Since then, the Russian troops remained on Transnistrian territory as peace-keeping forces. In 1994 Moldova signed an agreement with Russia for the gradual removal of the Russian troops in three years, which became one of the key problematic

points in the conflict. Another concern for Moldova is more than 40.000 tonnes of Russian military equipment and ammunitions, stockpiled in Transnistria(Kamov.2006.53). During the OESCE Istanbul summit in 1999, Russia again committed itself for the withdrawal of its troops and equipment from Transnistria.

The unresolved dispute between Armenia and Azerbaijan over the majority Armenian-populated enclave of Nagorno-Karabakh is one of the mostworrying unresolved conflicts in the Caucasus region, both because it isbetween two sovereign states and because the three principal regional powers Russia, Turkey and Iran\*all have a differing stance towards the issue, raising fears that, if there was a renewal of fighting, it could rapidly become internationalized (German.2012.366). The conflict dominates the foreign policies of Armenia and Azerbaijan, with each seeking allies to strengthen their position, reinforcing the fears that a renewed conflict could quickly acquire an international dimension. The Armenian and Azeri leaders have held discussions intermittently, but negotiations over the disputed territory have failed to produce any tangible result in recent years.

Nagorno-Karabakh is an enclave within Azeri territory, mainly populated by ethnic Armenians. Violence erupted at the end of the Soviet era over demands or autonomy, violence which soon developed into full-blown civil war between Azerbaijan and the enclave, supported by Armenia. The war lasted from 1988 to 1994, resulting in a definitive defeat for Azeri government forces. At least 20,000 people were killed during the fighting and Azerbaijan lost as much as 20 per cent of its territory (Nagorno-Karabakh and the broad Lachin security corridor that connects Nagorno-Karabakh with Armenia). Also, large parts of Azeri territory kept as a “security zone”by NKR forces, including whole towns depopulated (Agdam, Fizuli). The conflict area includes not only Nagorno-Karabakh, but also the total or partial territory of eight surrounding districts of Azerbaijan, occupied by the Armenians during the 1992-94 war. Although it is over a decade since a cease-fire agreement was signed, the two countries are still officially at war over the

mountainous region and deadly skirmishes happen regularly on the frontline. The ensuing stalemate has brought no real peace or stability and there are fears that the conflict could be easily reignited.

#### **Part Four: Analysis**

This part of the thesis describes the analysis of the relationship between the independent variables (third party involvement – Russia; intergovernmental nature of CFSP, the interest of conflicting parties to cooperate with the EU and vice versa) with the dependent variable ('EU's degree of involvement') and the examination of the hypothesis respectively by a comparative case study. The cases studied and compared are the cases of Transnistria and Nagorno-Karabakh.

#### **How is the EU involved?**

The conflicts observed and compared are the conflicts of Transnistria and Nagorno-Karabakh. **The time slot of observation** starts from the 1990s because major changes in EU policy towards the involvement in selected cases was observed since the beginning of the last decade of the 20th century. The European Union designed its policy towards the South Caucasus and Transnistria after the collapse of the Soviet Union, stressing the necessity to resolve the conflicts in the region and later caring about the stability and safety of the EU borders on the East, where the conflicts could become the threat to the safety of the EU periphery.

The EU policy in the conflict resolution process is guaranteed via economic assistance and intervention, but the system lacks the possibility to use sanctions and embargoes as far as the recommendation presented to the ENP countries do not have any binding force and have consultative character only, which makes the region fragile for the occurrence of violent conflicts. The EU policies in the region and its aim to resolve the ethnic conflicts can become a basis to judge the EU as a mediator in conflict resolution

process, though the term mediation and its characteristic elements do not completely describe the EU role. The mediation practically promises the involvement in the resolution making process to further the possible violence at a relatively low cost. The EU is not directly involved in the resolutions making process in the case of Nagorno-Karabakh, addressing the conflict resolution issues under the same logic of the Neighborhood Policy, but is more involved in the conflict of Transnistria, although still it is not a negotiator or mediator, but addresses the conflict directly, without any other third states.

One of the most important assumptions is that all the conflicts have secessionist character and different parties involved in the conflict either tend to unify the territorial entity with one of the parties or to promote the complete secession and the de jure recognition as sovereign. Both conflicts are ethnic, however different.

**In order to confirm that the EU is more involved in the case of Transnistria rather than Nagorno-Karabakh, we need to look at the policies that the EU is following towards each case. The more policies the EU pursues in a case, the more it is involved in it.**

The similarity of the conflicts of Nagorno-Karabakh and Transnistria is the “frozen” logic of the conflicts which erupted between the years 1992-1994 and became frozen conflicts(Margaryan,2010,38). Time horizons for Nagorno-Karabakh are long, as far as EU relatively weaker role in the region is predicted by the absence of common border, meanwhile the conflict of Transnistria is assumed to have a solution in a short run perspective.

### **EU policy toward Transnistria**

The conflict of Transnistria is different from other ethnic conflicts so far there is no violence in the region, no fighting, people are not dying but still the conflict exists and it is on the EU border challenging the Security of the Union with the high level of trafficking in arms, people and drugs, organized crime, money-laundering and smuggling. The conflict of Transnistria, as already mentioned above, is not a classic ethnic or religious

conflict: rather is in the benefit of the local elites enjoying the status quo and the support of different powerful groups inside Russia, Ukraine and Moldova.

The Moldovan conflict is one of the salient problems that EU faces: after 2003 the EU has used different CFSP instruments to address the conflict for the support of the settlement. In 2003 the EU dedicated a range of statements to the Transnistrian problem, credibly committing itself to the resolution of the conflict, as far as the sanctions took a shape of creating a perspective for the EU involvement in the process.

The appointment of the EUSR in Moldova became a significant step towards the conflict settlement. The EU Special Representative to Moldova appointed in March 2005 aimed at contributing to conflict settlement and the ENP Action Plan signed in 2004 the EU agreed to put sanctions with the US against separatist leadership of Transnistria under the strengthened and more visible CFSP.

Moldova has been a very active demander for a greater EU role in conflict settlement efforts for a number of years. Moldova has consistently requested EU support for the transformation of the Russian-dominated peace keeping format into an international one and in the efforts to stop smuggling on the Transnistrian-controlled section of the Moldova-Ukraine border, which was a key sustaining factor for the secessionist authorities of Transnistria (Popescu, 2009,461). Partly responding to these demands from 2002 the EU has deployed a growing range of foreign policy tools to help advance the conflict resolution.

The EU policies in Nagorno-Karabakh and Transnistria are reflected through the ENP as a means and tool to address the conflicts, meanwhile the added value to the conflict settlement efforts is different in both cases. Rather highly committing itself to Transnistrian conflict resolution process through ENP AP, EUSR, opening the office of Commission in Chisinau and the phase of the negotiations for visa facilitation, the EU intensified contacts between EU and Moldova. This assumes more direct involvement in this conflict compared to Nagorno-Karabakh case. The EU joined the mediation process

with the USA in a 5+2 formatted negotiations in 2005, which replaced the five-party format, becoming the only conflict where the EU is a part of the settlement process. The same year, the EU launched an EU Border Assistance Mission to Moldova and Ukraine (EUBAM). EUBAM numbers some 120 EU border and customs experts monitoring the border between Moldova and Ukraine, with a special focus on the section of this border controlled by the secessionist region of Transnistria. ‘The launch of EUBAM in 2005 was only possible because the post-Orange revolution administration in Ukraine was much more open to cooperation with the EU on Transnistria than Kuchma-led administration’ (Popescu.2009.462). Thus the launch of EUBAM was owed to a window of opportunity opened by Ukraine’s Orange Revolution, more than anything else.

The EU involvement is double-edged. First, the EU puts pressure on Transnistriato reduce the benefits of the secessionist status quo. In 2003 it introduced a travel ban against seventeen Transnistrian leaders. The deployment of EUBAM in the region significantly reduced smuggling opportunities around Transnistria (Popescu.2009.462). The secessionist authorities of Transnistria have ceased to receive substantial incomes from smuggling and trafficking activities, which was a key sustaining factor before 2005. This made the status quo less attractive and, more than ever before, exacerbated intra-elite tensions in the region. Moreover, in 2006 the EU pressured Ukraine not to accept Transnistrian exports without Moldovan customs stamps. This forced more than 400 Transnistrian companies – virtually all the exporters from Transnistria – to register with the Moldovan government. This increased their dependence on the Moldovan government and the EU, not only contributing indirectly to a reintegration of Transnistrian businesses into the Moldovan economy but also making this economically attractive.

Second, the EU has supported Moldova’s Europeanization, in order to make it more attractive to the inhabitants of Transnistria. The EU offered Moldova a visa facilitation agreement entered into force in early 2008, made Moldova the second biggest recipient of EU assistance in the European Neighbourhood(after Palestine), and promised a new

association agreement between the EU and Moldova to replace the outdated Partnership and Cooperation Agreement. Most importantly the EU liberalized trade with Moldova under the so-called generalized system of preferences plus and then extended autonomous trade preferences (a regime applied only to Moldova and the Western Balkans). The results of these measures can have far-reaching consequences. In November 2007 Transnistrian businessmen asked the EU Special Representative on Moldova to make it possible for them to benefit from visa facilitation to the EU as Moldovan citizens.

On 12.01.2010 in Chisinau, the European Union and Moldova launched officially negotiations on a new Association Agreement. The Association Agreement is a concrete way to exploit the very positive dynamics in EU-Moldova relations, focusing on support to core reforms, on economic recovery, governance and sector co-operation.

A wider Mobility Partnership between EU and Moldova was signed in June 2008. In June 2010 a visa dialogue opened, examining conditions for visa-free travel of Moldovan citizens to the EU as a long-term goal. Since 2010, the Republic of Moldova is a full member of the Energy Community Treaty. Due to trade facilitation and registration of companies in Moldova, Transnistrian exports to the EU rose by 59% in 2006–2008. The global economic crisis drastically hit Transnistrian exports but also increased even more Transnistria's dependence on the EU market (Popescu, 2009, 462). For most of 2009 some 60% of Transnistrian exports went to the EU (the rest to Ukraine and Russia), making the Transnistria the most economically dependent on the EU post-Soviet entity – secessionist or not. Should the EU move towards a visa-free regime with Moldova, this might prove the single biggest incentive for Transnistrians to seek reunification with Moldova.

### **EU Policy toward Nagorno-Karabakh**

The conflict in Nagorno-Karabakh could easily qualify as a first candidate for priority EU involvement in conflict resolution in the South Caucasus (Popescu, 2009, 471).

Nagorno-Karabakh is the most serious obstacle to regional stability and cooperation since all regional projects are blocked by the state of de jure war between Armenia and Azerbaijan over Nagorno-Karabakh (which is supported by Armenia). Moreover, Azerbaijan has an energy partnership with the EU, is an oil and gas producing country, and is the only transit route for Caspian energy resources circumventing Russia or Iran. It is also the main source of oil for the Baku-Tbilisi-Ceyhan oil pipeline and the only guaranteed supplier of gas for the Nabucco gas pipeline, a priority energy project of the EU.

Despite that, Nagorno-Karabakh is also the conflict in which the EU is least involved and its position is most ambiguous. 'Unlike in the other post-Soviet conflicts, the EU is not involved in the rehabilitation of the conflict zone around Nagorno-Karabakh; it applies neither pressure nor incentives to push the conflict resolution process; it does not have a policy of strengthening neither Armenia nor Azerbaijan or Nagorno-Karabakh itself'(Popescu, 2009, 471). In other words the EU has little, if any, policy toward the conflict in Nagorno-Karabakh.

The only way the EU is involved in the conflict resolution process in the Nagorno-Karabakh conflict is via OSCE Minsk groupco-chaired by Russia, France, and the United States.

The respect for democracy, principles of international law, human rights, and the principles of the market economy are the essential elements on which the EU-Azerbaijan partnership is based. These elements are outlined in the Partnership and Cooperation Agreement (PCA), which was signed in April 1996 and entered into force at the beginning of July 1999. Since then the PCA has provided the legal framework for EU-Azerbaijan bilateral relations in the areas of political dialogue, trade, investment, economic, legislative, and cultural cooperation. The various joint institutions set up under the PCA (Cooperation Council, Cooperation Committee, Subcommittee on Trade, Economic and Related Legal Affairs, as well as the Parliamentary Cooperation committee) have



functioned efficiently and have ensured a regular dialogue at the political and technical level.

The decision taken by the European Council on 14th June 2004 to incorporate the countries of the Southern Caucasus into the framework of the European Neighbourhood Policy (ENP) is indicative of the EU's willingness to extend its cooperation with Azerbaijan beyond what is provided for under the existing framework of the Partnership and Cooperation Agreement (PCA). As a first step in this direction, a Country Report assessing the progress in Azerbaijan towards political and economic reform was published on March 2, 2005. The Country Report highlighted areas in which bilateral cooperation could be feasibly and valuably strengthened.

In the context of the European Neighbourhood Policy, the EU developed an Action Plan in consultation with Azerbaijan which both reflects the specificity of the country and contains concrete goals and actions to be achieved in the short and medium term. The five-year ENP Action Plan (ENP AP) for Azerbaijan was adopted in Brussels at the EU-Azerbaijan Cooperation Council on November 14 2006. It focuses especially on democratisation, human rights, socio-economic reform, poverty alleviation, energy, conflicts and sectoral issues. The Action Plan is currently in its implementation phase.

In the context of the ENP Action Plan, EU and Azerbaijan signed on 7 November 2006 a Memorandum of Understanding aimed at establishing a partnership in the field on energy. The MoU represents a crucial step to strengthen EU's energy relations with Baku, assisting at the same time the country to modernise, make more efficient and reform its domestic energy sector.

The EU has a strong interest in developing a politically stable and economically prosperous Southern Caucasus. In this respect, the conflict with Armenia over Nagorno-Karabakh (NK) remains the major impediment to development and contributes to the overall regional instability. In July 2003 the creation of the post of the EU Special Representative for the Southern Caucasus became a way to facilitate the dialogue between

the EU and the countries of the region. The mandate of the EU Special Representative for the Southern Caucasus (position currently held by Swedish diplomat Ambassador Peter Semneby) includes assisting the EU in developing a comprehensive policy towards the region, and to support the conflict-prevention and peace-settlement mechanisms in operation. For conflict settlement on Nagorno-Karabakh the EU Special Representative works closely with the co-chairs of the OSCE Minsk Group (currently The US, France and the Russian Federation).

Negotiations for association agreements with Armenia and Azerbaijan were launched in July 2010. So far 24 out of 28 negotiating chapters have been closed in negotiations with Armenia and 13 out of 28 with Azerbaijan. Visa facilitation dialogues with both countries were launched in March this year. Both agreements will need Parliament's consent to enter into force.

NKR and Armenia are very closely linked and “shyness” of the EU on the N-K could be explained by a strong Armenian presence in the EU. The French co-chairman of the Minsk Group himself has recognized the weakness of the process, the process of N-K conflict resolution, viewing it as a political forum without a real power to resolve the conflict. In addition, several attempts were made by OSCE to address the issue in the UN Security Council, but they were turned down by Russia (due to its close ties with Armenia), by the United States (with large Armenian diaspora and energy interests in Azerbaijan), or by France (with strong Armenian diaspora as well).

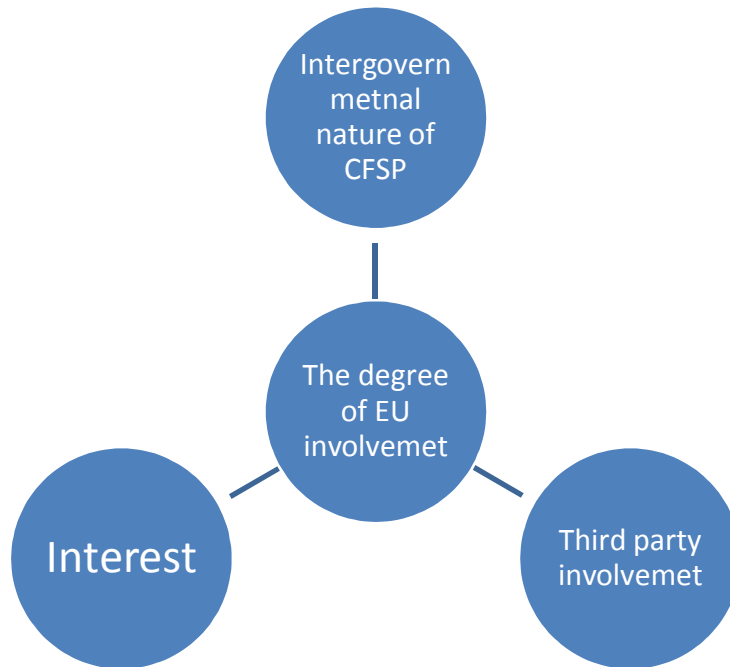
**To sum up, we can see that the EU is much more involved in the case of Transnistria compared to Nagorno-Karabakh, as long as it has more policies pursued in the case of Transnistria. Here is the table showing the policies of the EU for each case:**

EU policies on Transnistria	EU policies on Nagorno-Karabakh
1. Directly involved	1. Indirectly involved
2. Appointed the EUSR in Moldova in	2. In July 2003 the creation of the post of the

<p>March 2005</p>	<p>EU Special Representative for the Southern Caucasus became a way to facilitate the dialogue between the EU and the countries of the region</p>
<p>3.The EU joined the mediation process with the USA in a 5+2 formatted negotiations in 2005, which replaced the five-party format, becoming the only conflict where the EU is a part of the settlement process</p>	<p>3. The only way the EU is involved in the conflict resolution process in the Nagorno-Karabakh conflict is via OSCE Minsk group co-chaired by Russia, France, and the United States.</p>
<p>4.The same year, the EU launched an EU Border Assistance Mission to Moldova and Ukraine</p>	<p>4. -</p>
<p>5.A wider Mobility Partnership between EU and Moldova was signed in June 2008</p>	<p>5. -</p>
<p>6.In June 2010 a visa dialogue opened, examining conditions for visa-free travel of Moldovan citizens to the EU as a long-term goal.</p>	<p>6. The EU has held its first round of negotiations on the visa facilitation and readmission agreements with Azerbaijan, in March 2012.</p>
<p>7.Since 2010, the Republic of Moldova is a full member of the Energy Community Treaty.</p>	<p>7. Azerbaijan has an energy partnership with the EU, is an oil and gas producing country, and is the only transit route for Caspian energy resources circumventing Russia or Iran.</p>
<p>8.The EU puts pressure on Transnistria to reduce the benefits of the secessionist status quo. In 2003 it introduced a travel ban</p>	<p>8.EU applies neither pressure nor incentives to push the conflict resolution process; it does not have a policy of strengthening</p>

against seventeen Transnistrian leaders.	neither Armenia nor Azerbaijan or Nagorno-Karabakh itself.
9. On 12.01.2010 in Chisinau, the European Union and Moldova launched officially negotiations on a new Association Agreement.	9. Negotiations for association agreements with Armenia and Azerbaijan were launched in July 2010.

Now it is important to find out what determines the difference of the EU's involvement in each case, i.e. why the EU is more involved in the case of Transnistria compared to Nagorno-Karabakh. In order to answer this question, it is necessary to find out the factors that determine this difference. After closely reading the sources of literature, articles, news, governmental web-sites concerning the EU and the cases of Transnistria and Nagorno-Karabakh, the following factors were found relative to both cases, hence, which are the main reasons of differed EU's involvement in the conflict resolution of Transnistria and Nagorno-Karabakh. These are the following factors: independent variables –1. Intergovernmental nature of CFSP; 2. Interest from the EU side to cooperate with the conflicting parties and vice versa; 3. The control variable – involvement of a third party – Russia; and the dependent variable is 'the degree of EU's involvement'.



### **What is the intergovernmental nature of CFSP?**

Before applying the theories to the cases, it is necessary to define what does the intergovernmental nature of CFSP mean. In general, it could be argued that the security role of the European Union evolved at three levels: (1) a strong union with one centre (the CFSP) rather than a polycentric structure (within NATO, WEU or the OSCE); (2) an “external anchor” for the periphery; and (3) a direct military capacity. The Treaty of Maastricht transformed the old European Political Cooperation (EPC) into a Common Foreign and Security Policy (CFSP). Moreover, though the Western European Union (WEU), for the first time it added a military capability to it. But the actual development of the CFSP and later on of the European Security and Defence Policy (ESDP) can be seen in the light of its failure in the Balkans, most notably in Bosnia and Kosovo. There, the EU fell into the so-called “capabilities expectations” gap. There were strong expectations on the EU to act, but it was able to match these expectations only through a response based on economic capabilities, because it did

not possess political or military ones. The EU was forced to rely on a UN backed response and the political and military strength of the United States in bringing the conflicts to a close. Moreover, the negotiations were led by a self-appointed Contact Group of larger EU member states (Great Britain, France, Germany and Italy), the US and Russia. The EU was further hampered because of the intergovernmental nature of the CFSP, which prevented the EU member states from formulating a common approach.

This is quite important for the EU's foreign actions, especially in the field of conflict resolution and prevention, because now the competences are divided between the Commission and the Council, i.e. between supranational and the intergovernmental institution. This creates rivalry between the two institutions and lack of coordination. The Treaty also proposes the creation of a European Foreign Minister, who will serve more as a "consensus-builder" rather as an independent actor because of the remaining intergovernmental character of the CFSP. According to the Constitution, the EU's Foreign Minister should be elected by a qualified majority in the European Council, while at the same time serving as a vice president of the Commission – a sort of a "double-hatted" figure. The Constitution envisages as well the creation of an External Action Service staffed by civil servants from both the national diplomatic services and the European Commission delegations in order to support the Foreign Minister.

The policy making in this domain is divided between the European Commission and the Council of the EU, while the role of the European Parliament and the member states should also be mentioned. In general, the European Commission is largely responsible for structural, or long-term conflict prevention, being in charge of managing the EU's external aid and development programmes. 'While the Commission and the Council both have competences in medium-term crisis management, the Council has the decision-making power'(G. Kamov).

Short-term capacities remain largely under the control of member states and the institutional primacy of the Council.

Two more elements in the conflict prevention/management system of the EU should be mentioned. The first is the European Parliament, which has a limited role of a consultative institution in the CFSP/ESDP. The other element consists of the foreign policies of the individual member states, which in principle should be coordinated with the common EU policy. However, it is clear that if a certain decision contradicts the interests of a given member state, it will prefer to decide on its own. **Moreover, the countries have different strategic backgrounds and capabilities, which often creates difficulties in their cooperation. This explains the fact that some members emphasize on the importance of a certain region or participate more actively in the resolution of a given conflict, while others have priorities and interests, pointing elsewhere.**

The example showing the consequences of intergovernmental nature of CFSP is given below together with the factor 2 (Third actor involvement).

### **Factor 1.Third actor involvement; Factor 2.Intergovernmental nature of CFSP**

The EU failed twice to follow through discussions on EU peacekeeping involvement in Moldova (because of Russia's involvement)(Popescu, 2009,463 ). In 2003 the Dutch OSCE Chairmanship-in-office proposed the deployment of an OSCE peace support operation in Moldova, which would be conducted by the EU as the lead organization (with possible Russian and Ukrainian contributions). **However, the Russian foreign ministry issued a statement in July 2003 explicitly opposing any change in the Russian-dominated peacekeeping format in Transnistria. Talks of EU peace-keeping in Moldova immediately faded after Russia opposed it.**

A second episode of the EU failing to pursue the idea of a peacekeeping contribution in Moldova happened in 2006 (because of intergovernmental nature of CFSP). The then EUSR Moldova Adriaan Jacobovits de Szeged started to promote inside the EU the idea of changing the peacekeeping format in Transnistria, whereby the EU would press Russia to accept a joint EU-Russia operation in Moldova, instead of the existing Russia-led operation. **But a significant number of EU Member States opposed the initiative.** There were two main reasons for that. One was the lack of a formal conflict settlement between the conflict parties in Moldova. Sending EU peacekeepers to Moldova without a conflict settlement agreement could have locked EU forces for many years in a conflict whose settlement has been frozen for over a decade. The EU would have no exit strategy in such a case and did not want to commit to an open-ended process, which could not be a success. It has been argued elsewhere that EU peacekeeping is indeed dominated by a desire for exit strategies and departure deadlines, and Moldova's case only confirmed that.

But these reasons could not explain the outright refusal of some EU Member States to even discuss contingency planning for EU involvement in case a settlement would be achieved.

Paradoxically, the EU was readier to send peacekeepers to Moldova in 2003 (when no EU state was openly against) than in 2006. **In 2003 the EU plans to send peacekeepers to Moldova failed in the face of Russian opposition, while in 2006 they failed due to internal opposition in the EU** (Popescu, 2009, 464). And all this despite the 2004 EU enlargement to the East, the much greater EU involvement in conflict resolution in Transnistria and the launch of the ENP in 2003. This showed that despite a strong EU interest on the ground in advancing conflict resolution in Moldova, many, though not all, Member States considered relations with Russia more important. Still the EU has been very active in those niches of the conflict settlement process where cooperation with Russia can be avoided: strengthening border controls, applying pressures and offering incentives to



Transnistrian businesses, and strengthening the Moldovan state. This working on the 'low politics' of conflict resolution has made the EU increasingly influential on the economic, social aspects, and soft security dimensions of the Transnistrian conflict.

**The Russian elites in Transnistria sanctioned as Russian “peacekeepers” created whole problem**, against which Ukraine and Moldova raised their voices: The Ukrainian government as well was interested in the solution of the conflict in favor of Moldova, but the presence of Russians in Ukraine’s Eastern border and the territorial losses after the collapse of the Soviet Union prevented Ukraine to raise its voice against Russian military presence in Transnistria (Margaryan, 2010, 33). Russia after the collapse of the Soviet Union kept supporting the separatist movements for two reasons: already involved local military units and the post-Soviet Russia’s dependence on the army. Russia should have withdrawn the troops and armaments from Transnistria before the end of 2002 according to the OSCE Istanbul Commitments, but it failed to. The Eu-Russia dialogue involves two key issues – withdrawal of Russian military troops from Transnistria, reform of the peacekeeping mechanisms that exist now, assuming that status quo is not possible to break if the troops are not fully withdrawn and the peacekeeping forces’ setup is not changed.

The obstacle for the EU to enter into the process with full capacity and get credibly involved in the conflict settlement process of Transnistria is Russia’s strong influence over Transnistria, its support to the local leadership and the presence of the Russian troops in Transnistria.

Between Russia and the secessionist region of Transnistria it has always been a strong relationship. Russia has always been the mediator of the Transnistrian conflict, pledging for either maintaining the status quo or for finding a solution favorable for the secessionist side. Maintaining its control over this region, it will continue to have a Trojan horse within Moldova, thus the higher power Transnistria has, the higher power and leverage Russia can have over the state. The status-quo also suits Russia’s interests, because as long as the society remains collided, it can pursue with its “divide et impera”

policy(Tony Vaux, Jan Barrette, 2003, 14). On these lines, Russia's proposals of settling the conflict were created as to increase the power of the Transnistrian region within Moldovan state. The Kozak Memorandum proposed by Russia in 2003 reduced considerably Moldova's chances to European integration, as it assessed the formation of a federal Moldovan state in which Tiraspol would have had veto power over the internal and foreign policy decisions, and hence over Moldova's decision of joining an international organization. Tiraspol's veto power would have actually been used according to Russia's interests. NATO was specifically considered when creating this memorandum, but this policy could have also blocked Moldova's access within the EU, if Transnistria would veto against. This scenario was seriously taken into account when deciding whether to accept the memorandum or not. Nevertheless, it was not signed by Voronin, which made Russia install an economic blockade over Moldovan wines. This measure drove Moldova into an economic crisis, and the negotiations for settling the conflict have been stalled until 2006 when the 2+1 format (Russia, Transnistria, Moldavia) was resumed.

As an additional interest or leverage tool, on Transnistrian territory there is a large number of Russian citizens, reckoned to be around 15% of the population(Popescu, 2006,8). Because it is quite a large minority, it creates the legitimate ground for Russia to represent the interests of the secessionist entity, or to put it better, to intervene in its internal and external affairs through various measures. Among those, it is to be pointed out Russia's support for institution building in Transnistria, the security institutions being outsourced to the Russian state institutions. Also, Transnistria's economy has been sustained by Russian subsidies and investments. For years, Transnistria has benefited from free gas supply from Gazprom.

The Union is constantly being criticized for the lack of a coherent approach while addressing sensitive ethno-territorial conflicts in its eastern neighborhood. When it comes to the South Caucasus, there are many reasons for this, where historical and geopolitical issues seized a particular place.

As, for the case of Nagorno-Karabakh, traditionally, the region has always been under the influence of Russia, Iran, and Turkey. After the dissolution of the USSR, the US took a lead, actively participating in the conflict management process.

European countries, particularly member states of the EU, have almost no experience and no history of constant relations/cooperation with the countries of the South Caucasus. However, they do have (as well as the EU) an experience of distinct and comprehensive cooperation with the countries that play a decisive role in the region. Hence, from one side any attempt of the EU to get involved is challenged, first of all by the major regional policy actors. From the other side, it makes harder to seek a political consensus among the member states towards the sensitive regional political issues when future intergovernmental relations with Russia or the US are at stake. Hence, again, in the case of Nagorno-Karabakh, one of the reasons of EU's weakness to tackle the conflict is the intergovernmental nature of EU's foreign policy.

Another, reason of EU's failure concerning Nagorno-Karabakh is that some reshuffling of priorities has occurred within the OSCE Minsk Group itself. After years of the US being a key driver of the peace process, Russia took an active role as mediator. The place for the EU to take a lead in this format is even farther than before.

### **Factor 3: Interest**

#### **Interest from the EU side to cooperate with the conflicting parties**

The interest of the EU in resolving the conflict has started to increase since 2002, when it acknowledged it to be a threat to the enlarged Union, a threat which did not seem to fade away under the mediation of Russia and OSCE. In order to understand why the Moldovan conflict was considered of great importance, it is necessary to reveal the meaning the EU attributes to this conflict. The frozen conflict is acknowledged by the EU

as “the most important impediment for the political and economic development of the Republic of Moldova, and one of the main causes of poverty” (Popescu,2003). In a declaration of the European Commission it was stated that “Transnistria is a magnet for organized crime and it can destabilize or completely undermine the process of state’s edification, political consolidation and durable development. The EU has a clear interest in solving this mutual defiance” (European Commission, March 11, 2003:9). Enhancing its eastern frontier security in Moldova is thus a top priority in its foreign policy agenda, which needed a special approach, towards not only conflict settlement, but also towards economic and political issues, which have altogether impeded the development of the country and its efforts into lining up to the EU membership criteria.

One EU diplomat in Baku explained: ‘The EU is more enthusiastic with playing a role in Transnistria. But Nagorno-Karabakh is too difficult. And unlike Moldova, Armenia and Azerbaijan did not force the issue on the agenda.’ The attitude was that ‘no one has allowed us to do anything in Nagorno-Karabakh... we would do something if we were asked by the sides’. Such an approach on the part of the EU has been consistent with the claim that the ENP is a demand-driven policy, but it also went against the EU’s professed interest in stabilizing its neighbourhood. The EU’s lack of involvement in the conflict settlement process in Nagorno-Karabakh has also been limited by French opposition to seeing a greater EU role. France, which is a co-chair of the OSCE Minsk Group, has been against a possible EU role in conflict mediation.

Hence, EU is more successful in the Transnistrian conflict resolution process, which is usually labeled as one of the conflicts more likely to be solved in short run, whereas the EU is the least successful the Nagorno-Karabakh conflict, because it lacks appropriate framework to directly address the conflict.

One of the incentives for the EU engagement in the conflict resolution process in the South Caucasus is the significance of Caspian and Black Sea regions in terms of Energy issues. This should make the EU more committed to the conflict resolution process while

providing means for the democratization of the conflicting territory, development and reform, at the meantime the question arises how beneficial it is for the EU to assist to the development of Nagorno-Karabakh, which seeks secession and independence, while being interested in establishing friendly relations with Azerbaijan for economic benefits. The vagueness of the ENP AP to refer to this question is explained by the dilemmatic situation, lacking the possibility to identify exact steps, when the tools are available or can be made available. From the other hand the dilemma becomes even more problematic, while looking at the question from the hypothesized view: if the EU using tools, promotes the institutional change, reform and stability in the Nagorno-Karabakh, it both gives incentives for secession, but meanwhile guarantees the commitment of local authorities to the status quo or the condition beneficial for the EU, whereas the failure to invest in this framework may lead to more tensioned development of the conflict due to the lack of commitment and low costs for violence. This question is addressed by JaapOra, mentioning that the EU has an advantage to combine wide range of policies and tools offering rational and structured systematic assistance to improve the situation in the affected countries, but the EU “should also possess the political authority to push the current state-of-affairs shows that while having capacity without will to commit to the conflict settlement issues, the existence of tools and mechanisms is not enough, considering the lack of sanctioning and conditionality necessary to push in favor of the conflict resolution strategies(Margaryan,2010,44).

The conflict of Nagorno-Karabakh is also addressed in the confines of ENP Action Plan: expressing its “strong” commitment to the conflict settlement of Nagorno-Karabakh, in consultation with the OSCE Minsk group and EUSR without having its own strategies and prioritizing the conflict settlement necessity with the first number of the ENP AP Azerbaijan, and the 7th number of AP Armenia, the EU has even weaker role in the conflict, compared with the other cases. The EU is represented in the OSCE Minsk group with France co-chair, which in its turn reduces the level of the commitment and makes

the issues for the EU less salient and important. The first appointed EUSR HeikiTravilie was operating with a broad mandate, but with small budget and staff. The newly appointed EU special Representative Peter Semneby replacing HeikkiTalvitie got broader mandate gaining the right to support the economic and political reforms, conflict prevention and resolution.

Although significant increase of the number of staff, budget and mandate was obvious, Peter Semneby mentioned that in practical terms the change will not be dramatic, though it became a political signal. 'Although the strengthened role of the EUSR became a step forward for more credible commitment to the conflict resolution, still the change was not significant and did not have a remarkable impact on the conflict resolution process. Rather the argument that the EU has to be represented via its own co-chair replacing France co-chair in the OSCE Minsk Group is one of the proposals usually made, which still does not mean EU direct involvement in the conflict resolution process, meanwhile this proposal is not being considered yet as well. The ENP Action Plan only makes vague concepts towards conflict resolution, at the same time the EUSR does not have that broad mandate to affectonthe conflict resolution process'(Margaryan,2010,41). The OSCE Minsk Group which is the main body conducting the negotiations and providing background for political communication and dialogue yet has not reached any noteworthy achievement in the conflict resolution process. The only way the EU is represented in Minsk Group is via France co-chair, which does not mean that he represents the interests and benefits of the whole European Union.

While contradictions between Russia and Ukraine on gas transit continue, the notion of the "energy security" accompanied with the urgent need to diversify the European energy suppliers received primary attention from the EU policy-makers' side. Thus, in this context, the upgrade of bilateral relations with Azerbaijan to the level of strategic partnership in the energy realm is of particular interest. So far, numerous meetings between EU and Azerbaijani high-level officials within the framework of the

Eastern Partnership are mainly concentrated on perspectives of the Nabucco pipeline and underline importance of Azerbaijan as a transit country for the EU's energy supply. This visibly overshadows the Union's attempts to play a more assertive role in the Nagorno-Karabakh conflict resolution process.

Steps undertaken by the newly established European External Action Service (EEAS) and, particularly, its chief Baroness Catherine Ashton, are another concern. Despite numerous calls to get more engaged in the region, given the vulnerability of the Nagorno-Karabakh conflict and radicalization of both parties, she opted to abolish the mandate of the EUSR for the South Caucasus, which has been perceived by the regional stakeholders as an alarming sign.

#### **Interest from the conflicting parties to cooperate with the EU**

The initiative to arrange talks between Moldova and Ukraine for joint border control between the two countries in Moldova's territory was a response to Moldova's claims of creating a joint border control of Ukraine and Moldova's external borders. The conceptualization of the Transnistrian conflict as "near abroad" by the EU changed its interest in the Transnistrian conflict shifting from non-involvement and weak interest to commitment and credible involvement in the process (Margaryan,2010,31). After receiving the joint letter from the President of the Republic of Moldova and Ukraine, the EU Border Assistance Mission to the Republic of Moldova and Ukraine had been established in June 2005, addressing the border management, including customs issues on the whole border of the two countries and the border of Ukraine and Transnistria, as far as the Moldovan authorities are not able to be present on this border. A Memorandum of Understanding on the Border of Assistance Mission signed between the Commission and the Moldovan and Ukrainian governments in October 2005 established the technical and advisory missions' work, aimed at improvement of capacity of border and the customs

services, preventing trafficking of goods and humans, customs fraud, providing advice and training to the sides. The Mission acted in close ties with the EUSR for Moldova until November 2009, when the mandate of the Mission expired.

The negotiation format about the status of Transnistria consisting of Moldova and Transnistria, Russia, Ukraine and the OSCE was referred to as “Five-sided format”.

The EU involvement in active diplomatic actions with EUSR actions and the EU Border Assistance Mission shifted the format from five-sided to direct dialogue between the EU and other actors to increase the transparency and safety of Moldovan-Ukrainian border.

In 2003 the five-sided and peacekeeping format conflict resolution became useless in the current state of negotiations: Moldova did not trust Ukraine and Russia anymore and the peacekeeping operations were promoting only the status quo, which was not in the interest of Moldova, which started insisting on more credible involvement of EU and US in the negotiation process.

As it is known, the only way the EU is involved in the conflict resolution process in the Nagorno-Karabakh conflict is via OSCE Minsk group, which means that this way the EU lacks credibility or direct involvement in the conflict resolution, meanwhile looking at the other side of the problem it is necessary to note that in 2006 the diplomats of Armenian and Azerbaijan told OSCE Minsk Group French co-chair and the EUSR that they consider it too early for the EU to get involved in the conflict resolution process with increased policy proposals preferring to keep the monopoly in the hands of the OSCE Minsk Group. Thus, EU is weakly involved in the conflict-resolution process of Nagorno-Karabakh.

To sum up, as already mentioned in this work the EU is more involved in the conflict resolution of Transnistria rather than Nagorno-Karabakh, and in both cases there is the existence of the third actor involvement, Russia, that undermines EU's capacity in conflict resolution, first, by opposing the EU talks of peace-keeping in Moldova in 2003,



second, with the presence of Russian 'peacekeeping' troops in Transnistria and, third, by Russia's strong influence over Transnistria, its support to the local leadership. The reason of EU's failure concerning Nagorno-Karabakh is that Russia took an active role as mediator, which weakened EU's role in the negotiating format of "5+2".

The Intergovernmental nature of CFSP also complicates the EU's involvement in the cases. For example, in 2006 the EU plans to send peacekeepers to Moldova they failed due to internal opposition in the EU. In the case of Nagorno-Karabakh, the situation is the same, it makes harder to seek a political consensus among the member states towards the sensitive regional political issues when future intergovernmental relations with Russia or the US are at stake. Hence, again, in the case of Nagorno-Karabakh, one of the reasons of EU's weakness to tackle the conflict is the intergovernmental nature of EU's foreign policy.

The interest-based theory explains another reason of EU's less involvement in the N-K case. According to the theory, interests can be understood as affinity, aim and intention of individual or collective actors, which depend on material grounds. For example, the EU is indirectly involved in the case of N-K through representation in OSCE Minsk-Group. The EU is less concerned with this case, as it considers it more difficult to resolve rather than Transnistria's. The reason is that, first, there's no common border with Azerbaijan or Armenia, which makes it difficult to make a spillover effect of its policy over the case. While having common border with Moldova makes it much easier. Second, numerous meetings between EU and Azerbaijani high-level officials within the framework of the Eastern Partnership are mainly concentrated on perspectives of the Nabucco pipeline and underline importance of Azerbaijan as a transit country for the EU's energy supply. This visibly overshadows the Union's attempts to play a more assertive role in the Nagorno-Karabakh conflict resolution process.

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As for the interest from the N-K's conflicting parties' side, both Azerbaijan and Armenia cooperate with the EU mainly to get economic assistance, however, both of the sides keep breaching the cease-fire agreement of 1994. Neither of the sides, both the EU and conflicting parties have a strong will or interest of cooperation, which makes it difficult to resolve the conflict.

### **Present situation in Nagorno-Karabakh and Transnistria**

The Nagorno-Karabakh conflict has not witnessed any significant developments, except for the persistent armed skirmishes along the ceasefire line. Nagorno-Karabakh remains one of the most tense and volatile regions in the post-Soviet space and is strongly influenced by changes in the “balance of power” between Armenia and Azerbaijan on the international scene. March 2012 saw a series of meetings and visits to Yerevan, Baku and Nagorno-Karabakh by the OSCE Minsk Group, which is headed by a co-chairmanship consisting of France, Russia and the United States and has been set up to encourage a peaceful, negotiated resolution to the conflict. The joint statements of Presidents Medvedev, Obama and Sarkozy at L'Aquila in 2009, Muskoka in 2010, and Deauville in 2011 outlined elements of a framework for a comprehensive peace settlement. However, the mediation attempts of Russia (Kazan, June 2011) and the OSCE Minsk Group (Vilnius, December 2011) have not produced any significant results. The January 2012 joint statement by Presidents Aliyev, Sargsyan and Medvedev in Sochi expressed a seeming commitment of the two belligerent sides to accelerate efforts to reach agreement on the Basic Principles. The Minsk Group has been trying to urge the leaders of the sides to complete work on the framework agreement and the subsequent final settlement as soon

as possible. Despite these high-level meetings, the ceasefire agreement is being breached on a regular basis by both sides. Major incidents involving fatalities occurred numerous times throughout 2010 and 2011. In a sign of what can be seen as growing tensions, Armenia announced it would pull out of the 2012 Eurovision song contest in Azerbaijan.

The turn of 2011 and 2012 seemed a moment when conflict resolution in Transnistria would finally gain some traction, but is increasingly proving to be another missed opportunity. The negotiations on the Transnistrian conflict, which happen in a “5+2” format (and include Moldova, Transnistria, Russia, Ukraine, and the OSCE, plus the European Union and the United States as observers), have been stalled from 2006 to late 2011. In December 2011, the first formal talks since 2006 took place in Vilnius under the auspices of the Lithuanian OSCE chairmanship. However, the meetings saw low expectations from the outset and yielded no clear result. Later that month, Yevgeniy Shevchuk, a relatively new face in Transnistrian politics, won the elections in the separatist republic and replaced the long-standing president Igor Smirnov (who ruled for 21 years). A change of leadership also happened in Moldova. In March 2012, after 3 years of deadlock, the Moldovan parliament elected Nicolae Timofti as president, a relatively neutral political figure. Timofti defeated the veteran Communist leader Vladimir Voronin. In a joint statement with Štefan Füle, the EU enlargement commissioner, the EU’s High Representative Catherine Ashton said that the vote would open up dialogue in the country. Also the Romanian President, Traian Băsescu, said he had assured Timofti of Romania’s support for reform in Moldova and for moving closer to the EU. In view of this, it was hoped that the new leadership in both Chisinau and Tiraspol would help resolve the issue of Transnistria’s status. Until now, none of the sides and of the mediators has taken the initiative. In any case, it is unlikely that the conflicting parties will reach an easy compromise on the status issue. Meanwhile, Russia confirmed that it attaches utmost importance to its relationship with Transnistria by appointing Dmitry Rogozin to the post of Special Envoy of the Russian President for Transnistria. Rogozin

was a tough negotiating partner in his previous job at the NATO-Russia Council and is unlikely to make concessions on Russia's interests in the area.

### **What has the EU been doing so far?**

The EU is keeping a close eye on the developments in the South Caucasus, in particular after the conflict in 2008. On 26 August 2011, the EU Council appointed Philippe Lefort Special Representative for the South Caucasus and the crisis in Georgia. Lefort replaced both Peter Semneby, former Special Representative for the South Caucasus, and Pierre Morel, previously Special Representative for the Crisis in Georgia. The European Union Monitoring Mission (EUMM) in Georgia has continued to operate at the demarcation line between Tbilisi's separatist provinces, Abkhazia and South Ossetia, and rump Georgia. As a response to the EU's refusal to recognize them, the two secessionist republics have not allowed EUMM to access to their territory. However, no major clashes have occurred on the demarcation line and EUMM has contributed to stabilize the ceasefire.

In May 2010, the European Parliament adopted a report by a Bulgarian Socialist MEP urging the EU to craft a strategy for the South Caucasus region. The report "The Need for a Strategy in the South Caucasus" stressed the EU's obligation to be proactive with respect to stabilizing and encouraging the development of Armenia, Azerbaijan and Georgia. Since then, the European Parliament held debates on the situation in the regions in February and March 2012, but no concrete action followed as a result. Furthermore, the EU still plays no role in the negotiations of the OSCE Minsk Group for the resolution of the Nagorno-Karabakh conflict.

With regard to the Transnistrian conflict, the EU's border monitoring mission (EUBAM) has continued to operate along the Moldovan-Ukrainian border, of which more than a third (454 kilometres) coincides with the Transnistrian-Ukrainian border. EUBAM has proved successful at limiting human trafficking, smuggling and other illicit activities,

which allegedly provided a considerable part of Transnistria's revenues. However, the mission's success is offset by the EU's failure to build up a solid and continuous diplomatic representation in the region ( Gaweda, Siddi, 2012,4). In February 2011, Brussels abolished the post of Special Representative for Moldova. In addition, the former EU representative to the 5+2 talks on Transnistria, MiroslavLajcak, is moving from the External Action Service to the post of Foreign Minister of Slovakia. This inevitably affects EU policy in the short run, at a time when the reactivation of the 5+2 talks and political changes in both Transnistria and Moldova may have opened a window of opportunity for progress in negotiations.

#### **Part five: Conclusionand Recommendations**

This master thesis dealt with the role of the EU in conflict resolution of ENP members and its policies toward the conflicting parties mainly are: mediation and peace-building, involving various forms of aid and facilitation through ENP Action Plans. Though the EU works through mediation and peace-building among its members to solve disagreements, and so seeks to expand this method to other, "hotter" conflicts, the degree of the EU's involvement in the conflict resolution of some members differs from the other ENP members' conflicts. In order to find out the reason why it happens so, the following thesis was tested in this work: (1) the EU's involvement in the conflict resolution of ENP members is likely to be successful (1) when there is an interest of parties in conflict to cooperate with the EU and vice versa;(2) it is unsuccessful because of intergovernmental nature of CFSP and (3) when there is a third party intervention in the conflict. After making a comparison of cases of Nagorno-Karabakh andTransnistria, and applying

the Interest-Based theory, the theory of Intergovernmentalism and control variable 'third party intervention', **the hypothesis was confirmed.**

For enhancing EU's role in conflict resolution some possible solutions and recommendations are proposed:

1. In order to play a more active role in these conflicts, the EU needs a coherent "Eastern Neighbourhood Conflict Prevention and Resolution Strategy", clearly defining its interests, a common strategy and concrete road maps for implementation. The strategy should reiterate the EU's commitment to territorial integrity under international law, but simultaneously offer guidelines for an increased dialogue and cooperation with the separatist entities.

2. With regard to the Transnistrian conflict, the EU should match its economic leverage with bold diplomatic initiatives, which should result in a new and comprehensive peace plan that also takes into account Russian interests. Shevchuk's recent election in Transnistria and the reactivation of the 5+2 negotiations have opened a window of opportunity that Brussels should exploit.

3. The EU should include the Transnistrian conflict in the agenda of the biannual EU-Russia summits, where Brussels could make concessions in areas of high priority for Russia, such as visa liberalization, so as to obtain more cooperation from Moscow in negotiations concerning Transnistria.

4. With regard to the Nagorno-Karabakh conflict, the EU needs to define a consistent and coherent policy that applies to both Armenia and Azerbaijan, particularly on the issue of reconciling the principles of self-determination of peoples and states' territorial integrity. The current ENP Action Plans with Armenia and Azerbaijan are contradictory in this respect. The EU should also make sure that it gains direct access to the negotiations of the OSCE Minsk Group, either by taking over France's seat or at least by acquiring observer status.

5. It is important the EU builds trust and confidence in Azerbaijan and also between the conflicting parties Armenia and Azerbaijan.

6. The intergovernmental nature of CFSP hampers EU from formulating a common approach, as long as competencies are divided between the Commission and the Council, therefore, it is important to create a position of a European Foreign Minister who will serve more as a “consensus-builder”.

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