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SECURITY SECTOR GOVERNANCE IN THE SOUTHERN CAUCASUS - TOWARDS AN EU STRATEGY

The EU and Security Sector Governance

The EU Commission's Communication on Conflict Prevention of April 2001 attributes importance to security sector reform as a key part of a conflict prevention strategy.³¹ The Communication states: 'The security sector has not traditionally been a focus of Community cooperation. However, in many countries achieving structural stability may require a fundamental overhaul of the state security sector (i.e. the police, the armed forces and democratic control of the security forces as a whole).' The Communication concludes that: 'Within the limit of its competencies, the Commission intends to play an increasingly active role in the security sector area. This will take the form of activities aimed at improving police services, promoting conversion and decommissioning both as regards weapons of mass destruction and conventional weapons. The Commission could support human rights training for the whole security sector.' At the declaratory level, therefore, the EU has recognized the role of healthy security sector governance in conflict prevention, and for ensuring the structural stability of states and supporting conflict settlement.

In practice, however, the EU has yet to engage actively in promoting security sector governance. The Union has thus far only on an episodic basis provided some support, mainly financial assistance, to security sector related concerns. EU programmes in this area have been usually comprised within the framework of Justice and Home Affairs activities,

³¹ Communication from the Commission on Conflict Prevention (COM 2001 211 Final: Brussels, 11.04.2001); available at: europa.eu.int/comm/external_relations/cfsp/news/com2001_211_en.pdf

and not the Common Security and Foreign Policy (CFSP), and the focus has fallen often on supporting the reform of border control services with the aim of ‘enhancing integrated border management.’³² The Commission’s Strategy Paper on Central Asia has a particular emphasis on this area.³³

More relevant for the subject of this paper, the EU has undertaken a handful of activities that could be considered related to security sector governance in the South Caucasus. The Country Strategy Paper 2002-2006 for Georgia, adopted by the Commission in December 2001, provided for assistance to the reform of the Georgian Border Guards with two objectives: ‘To conduct an in-depth study of the best approach and methodology for the reform of the Georgian Border Guards, with implications also for other interior forces; to train personnel and promote exchanges and contacts with EU countries.’³⁴ One million Euros was foreseen to support the development of a strategic concept for the development of Georgia’s border guards. While the results of this line of activity remain yet unclear, EU engagement in this area is a sign to be welcomed.

Despite recognition in Brussels of the need to promote healthy security sector governance, the realization is still nascent. EU activity remains at the declamatory level, and concrete actions in this area are piece-meal and limited. Instead, in line with the Commission’s Communication on Conflict Prevention, the EU should make security sector governance a major plank of its promotion of security and stability on and around its borders. The European Security Concept, drafted by High Representative Javier Solana in 2003, pledges the creation of a ring of well-governed countries on the Union’s borders. The aim is to have

³² See the section on this in the *Tacis Regional Cooperation: Strategy Paper and Indicative Programme 2004-2006* (adopted by the Commission, 11 April 2003); available at: europa.eu.int/comm/external_relations/ceeca/rsp/04_06_en.pdf.

³³ *Central Asia: Regional Strategy Paper 2002-2006 & Indicative Programme 2002-2004* (adopted by the Commission, 30 October 2002); available at: europa.eu.int/comm/external_relations/ceeca/rsp2/02_06_en.pdf.

³⁴ *Country Strategy Paper 2002-2006 & National Indicative Programme 2002-2003 Georgia* (adopted by the Commission 27 December 2001); available at: europa.eu.int/comm/external_relations/georgia/csp/02_06_en.pdf.

friendly and stable states that are institutionally strong and capable on the borders of the EU.³⁵ Healthy security sector governance is a key to achieving these objectives. The promotion of security sector reform, in fact, could become a niche activity of the EU, especially as it encompasses a wide range of personnel and tasks that are not necessarily best addressed by other organizations, such as NATO in its out-reach activities with the member states of the Partnership for Peace programme. For this, it may be best to place such activities in the context of CFSP and not only Justice and Home Affairs.

Moreover, security sector good governance should be included in the implementation of the EU's *Wider Europe* initiative with neighbouring states, and particularly in the Action Plans that are concluded with these states. On March 11, 2003, the Commission published its Communication on *Wider Europe – Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours*, which launched a debate about EU policy to its new neighbours.³⁶ Security sector reform must assume more priority in the Union's new approach to its neighbours.

The South Caucasus was a footnote in the *Wider Europe* Communication: 'Given their location, the Southern Caucasus therefore also falls outside the geographic scope of this initiative for the time being.' However, only three months later, the EU Council appointed a Special representative to the South Caucasus, the Finnish diplomat, Heikki Talvitie, with a six-month mandate to draw up a strategy to guide EU policy in this region.³⁷ The decision was declared to be in line with the Council's wish to play a 'more active political role' in the region.³⁸ Before examining elements of what might be included in an EU strategy

³⁵ Solana, Javier. *A Secure Europe in a Better World*. Thessaloniki European Council, 20 June 2003. <http://ue.eu.int/pressdata/EN/reports/76255.pdf>

³⁶ *Wider Europe – Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbour* (Commission Communication COM (203) 104 final: Brussels, 11.3.2003).

³⁷ Decision Taken by Written Procedure (11027/03: Brussels, 7 July 2003).

³⁸ Parts of this paper are a reduced and revised version of the conclusions by the author of *The South Caucasus: A Challenge for the EU* (Chaillot Paper no. 65, EU Institute for Security Studies: Paris, December 2003).

to the South Caucasus, this paper will explore the process that led the Union to appoint the Special representative. It is vital to understand this wider context in order to grasp the ambition of the EU, and, perhaps more importantly, its limits, with regard to this region. The argument is divided in four parts. The first part outlines the wider trends that drive increasing attention by the EU to the South Caucasus. A second part examines specific conditioning factors that have affected EU thinking on its ability to assume a more active political role. Third, the paper discusses the debates that occurred in the EU since 1999 about how best to reinforce the Union's policies. The last part proposes elements of an EU strategy, which include a focus on security sector governance.

The Wider Trends

The combination of the EU enlargement and the drafting of a constitutional treaty represent a revolution in the composition and internal workings of the EU. These two processes also will impact greatly on the EU's external responsibilities and policies. There are four wider trends to note.

First, the EU will have new member states, which will have different interests than the older members. In the run-up to their accession, Lithuania and Latvia were active in developing military ties with the three South Caucasian states. The new member states will bring new urgency to questions that have hitherto only been touched on superficially by the EU.

Second, the enlarged EU will have new borders, immediately on Belarus, Ukraine, and Russia, and, after 2007, on the Black Sea. The new borders also bring a new immediacy to EU thinking about the states on its periphery, and the policies that should be adopted in response to potential and actual threats emerging from these regions.

Third, partly in response to these pressures, the EU has started to rethink policy to the states on its new borders. For much of the 1990s, EU 'foreign policy' revolved around the dichotomy of membership/non-membership: if membership was on the cards, then the EU had a fully developed policy towards a given state; if it was not, then the EU had

little policy at all. This is changing. The Commission's *Wider Europe* Communication reflects an attempt to develop policies to states where the EU has significant interest but where membership is not in perspective for now. This process is seeing the birth of the EU as a fuller foreign policy actor, able to act beyond the debate of accession/non-accession by drawing on a range of policies to promote its interests abroad.

Finally, for all the clarion calls of the death of the EU's common foreign and security policy (CFSP) in 2003 because of divisions between member states over policy towards Iraq, the EU has emerged as a security actor. In 2003, the EU launched three missions – in Bosnia-Herzegovina, the Former Yugoslav Republic of Macedonia and the Democratic Republic of Congo. These operations have been mandated tasks from law enforcement and ceasefire monitoring to security and humanitarian crisis management. Over 2.000 police and military personnel have been involved in the three operations.³⁹ The military operations, in particular, are the first test cases of the Union's ability to apply some of the military policy instruments envisaged under the 1999 Helsinki Headline Goal. More widely, the Iraqi crisis stimulated thinking on the development of an EU Security Strategy, drafted by Javier Solana. A major point made in the Security Strategy is the need to have a belt of well-governed countries on the EU's borders. With all this, the EU is developing a strategic view of its borders, which will impact on its policies in and around the South Caucasus. These developments augur an increasing attention by the EU to its neighbours. Until 2003, the EU had a low security profile in the South Caucasus. This is set to change.

³⁹ See discussion in D. Lynch and A. Missiroli, *ESDP Operations* (Forthcoming on EU ISS website, www.iss-eu.org, 2003).

Conditioning Factors

EU thinking about the South Caucasus has been influenced by internal and external factors.

External Factors

First, the region is crowded with other international actors. The United Nations (UN) and the Organisation for Security and Cooperation in Europe (OSCE) have taken the lead since the early 1990s in promoting conflict settlement. An informal division of labour guides their activities, with the UN leading negotiations between the central Georgian authorities and the separatist leaders in Abkhazia and the OSCE active in the Georgian-South Ossetia conflict and through the Minsk Group for the Nagorno-Karabakh conflict.

In addition, the South Caucasus has received the attention of regional and great powers. The United States ratcheted up its presence in the wake of the 11 September terrorist attacks with a policy that has become more militarised as well as military-led. NATO stepped up its role in the region following the 2002 Prague Summit. The emphasis falls quite heavily on counter-terrorism. For Washington, the crisis over Iraq demonstrated the importance of NATO *partners*, more even than *members*, for U.S. strategic purposes. Russia also maintains a strategic military presence in the South Caucasus. Armenia and Russia agreed to a military alliance in 1997, and military ties are especially deep. Military relations have also come closer between Baku and Moscow since Putin's arrival to power. Relations with Georgia are difficult because of Russia's ambiguous policy towards the separatist regions of Abkhazia and South Ossetia, where there are relaxed visa regimes on the Russian border.

The presence of these important external actors has complicated EU thinking about a reinforced political role in the region by - apparently at least - leaving little room for the Union to claim as its own. The South Caucasus appears busy and confusing.

A second external factor conditioning EU thinking is the complexity of the region's problems. The range of economic, political and social

problems facing the South Caucasus is deep and pernicious. International organisations and European states have sought, with varying degrees of intensity, for a decade to assuage these problems. While the efforts have not been in vain, progress has come by drips. In such complex circumstances, what value may the EU add?

A third conditioning factor is that the states of the South Caucasus are not active *demandeurs* of an increased EU role. To rephrase: they are active *demandeurs* only if it serves their interests, and not necessarily if it serves the interests of the other states in the region. Armenia and Georgia have declared a European vocation, and even a long-term desire to postulate for EU accession. The governments in Azerbaijan have laid less emphasis on this direction of their foreign policy, although it is not absent. These states are not *demandeurs* of a reinforced EU role on the same level, for example, as the states of the western Balkans. The attraction in the South Caucasus for the EU is highly instrumental. The Union is seen as one more forum where these states may promote their own interests, and Brussels is often seen mainly as source of financial support.

Internal Factors

In addition, a number of factors specific to the Union itself have affected EU thinking. First, the South Caucasus is caught in a proximity/distance paradox with regard to the EU.

On the one hand, the region is close enough that the EU has been forced to consider its interests in promoting stability to avoid any regional aggravation that might spill over. At the same time, the region is distant enough that threats emerging from the region are not perceived as immediate. When combined with the reality that the South Caucasian states have not positioned themselves for EU accession, the distance of the region from Brussels becomes amplified.⁴⁰

Second, the South Caucasus did not have a lobbyist within the EU to

⁴⁰ The Conclusions from the Cooperation Council meetings note continually that lack of implementation of the Partnership and Cooperation Agreements by the South Caucasus states.

catalyse a greater interest from Brussels. Finland played a determining role in the formulation of a Northern Dimension for the EU, and Spain has been important in the Barcelona Process. The South Caucasus had no similar supporter in the Union. The picture is not entirely bleak, as certain member states have used their presidencies to focus EU attention on the region. The Finnish presidency in 1999 and the Swedish presidency in 2001 were significant in this respect. Moreover, with enlargement, the South Caucasus will gain sympathetic advocates in the Baltic States.

At the same time, a number of member states have developed definite, even special, positions in the region. The Group of Friends of the UN Secretary General on Georgia includes the United States, the United Kingdom, France, Germany and Russia. A German diplomat, Dieter Boden, held the post of a Special Representative of the Secretary General between 1999 and 2002, and played an influential role in the negotiation process. The British government appointed Sir Brian Fall as a Special Envoy to Georgia in 2002, and enlarged his remit to the South Caucasus in 2003. France holds one of the chairs of the Minsk Group with Russia and the United States. Despite these active roles, coordination between EU member states could certainly be more efficient and transparent.

Finally, the South Caucasus was never a region in itself for the EU. The initial approach, embodied in the Partnership and Cooperation Agreements (PCAs) that were reached with all former Soviet Republics, used the 'former Soviet Union' as the regional category of reference. EU assistance objectives were determined for the whole region — an area, which comprises twelve states with different geographies, political and economic systems and prospects. Differentiation in thinking about the former Soviet Union has been slow in coming – and the South Caucasus has been last on the list.

The Evolution of EU Thinking

EU thinking about the South Caucasus has been the subject of a series of debates. Participants have included the member states, the Commission, EU heads of mission in the region, the European Parliament, the Council General Secretariat, as well as the Policy Planning and Early Warning Unit. There are two phases to note in the evolution of thinking.

The 1999 Debate

The Partnership and Cooperation Agreements (PCAs) that came into force in July 1999 represent the basic framework for EU relations with the three states.⁴¹ The PCAs regulate relations, and define objectives, the subjects for cooperation, and the institutional mechanisms of interaction. While the articles dealing with political dialogue call for closer ties ‘to resolve the region’s conflicts and tensions,’ the heart of the PCAs is economic and technical.

The coming into force of the PCAs sparked a discussion on the most fitting approach to be adopted by the EU. The Commission saw the need for the Union to lay down broad strategic objectives to the region.⁴² A Communication on EU relations with the South Caucasus under the PCA of June 1999 identified the conflicts as the root causes of the region’s political, economic and humanitarian problems.⁴³ In the Commission’s view, EU assistance could *only* be effective if two conditions were fulfilled: if the conflicts were settled and if regional cooperation became possible. For this, a regional strategy was deemed necessary.

The response from the General Affairs Council (GAC) in the Council was timid.⁴⁴ The GAC recognised that the ‘effectiveness of EC

⁴¹ All of these documents may be found on the EU website, ‘The EU’s relationship with the countries of Eastern Europe and Central Asia’: europa.eu.int/comm/external_relations/ceeca/index.htm.

⁴² Largely under the impulse of strong individuals in the Commission at the time. The Commission had already put forward similar notions in an earlier Communication in May 1995.

⁴³ See ‘Bilateral Relations – South Caucasus,’ *Bulletin EU* 6-1999, 1.3.98.

⁴⁴ See Press: 198 Nr:9008/99, Luxemburg, 21/6/1999.

assistance is directly connected to the development of the peace processes.’ However, the member states declared that the PCAs offered the best framework for the transformation of the three states. So, there would be no strategy and no political role other than that offered by the PCA framework. The GAC recognised that EU assistance would be ineffective without conflict settlement, but refused to create a framework that would actually enhance the prospects for their settlement, the PCAs patently not being enough for this purpose. The EU had entered something of a vicious circle, where the correct analysis was being made but without the political will to act on its conclusions.

Nonetheless, through the PCAs, the EU did develop something of a political profile. After 1999, EU activities in the region included:

- 1) Reinforced political dialogue with the three states through the PCA mechanisms, including also EU declarations and statements on developments in and around the region’s conflicts;
- 2) Support to the OSCE in South Ossetia, through EU funding of small-scale rehabilitation programmes on the ground, and the presence of the Commission as an observer in the Joint Control Commission (since April 2001) that runs the Russian-led peacekeeping operation in the conflict zone;
- 3) Some EU support to the rehabilitation of Azeri regions freed from Armenian occupation and a declared readiness to support large-scale rehabilitation in the case of a settlement between the two parties;
- 4) Episodic support to the Georgian border guards through three Joint Actions, as well as assistance to the OSCE in monitoring sections of the Georgian-Russian border;
- 5) Support to the rehabilitation of the Inguri power complex, shared between Abkhaz and Georgian control.

These activities are not negligible. However, the EU retained a low profile, with little presence as such in the negotiating mechanisms, no direct involvement in mediation, and an undefined overall strategy to lead policy. Certainly, none of these activities were directly related to the objective of promoting healthy security sector governance, although this may have been a limited side effect.

EU Politics from 2001 on

The Swedish presidency in early 2001 set the South Caucasus as one of its priorities. The lack of progress in conflict settlement and patent absence of regional cooperation convinced member states that a new approach was required beyond the PCAs.⁴⁵ The debate since 2001 circled around the question of appointing a Special Representative and developing a regional strategy.

A number of member states remained unconvinced that the EU should seek to develop an enhanced role in the region or appoint a Special Representative for this purpose. The arguments were familiar: the region was crowded with external actors; the settlement mechanisms were blocked; and the situation on the ground was proving dangerous for the EU (*viz.* the kidnapping of Peter Shaw). The value-added of an enhanced EU role was seen to be very limited. In contrast, other member states argued that the current EU policy was failing. Having no strategy to the region was still a policy – one of neglect. The argument put forward was that the EU should have a strategy in place that could be applied immediately in the aftermath of the transition election years in Georgia (2003), Armenia (2003) and Azerbaijan (2003). The EU had to be ready to act coherently in the perceived ‘window of opportunity’ opened by these elections. In this view, the EU should plan to undertake that which it does best: a long-term and comprehensive approach to the region and its conflicts, including offering the prospect of EU post-conflict rehabilitation.

The nature of a possible Special Representative was another concern. Traditionally, EU Special Representatives (EUSR) are funded by the Council, with an office in Brussels, and are directed to follow an already defined strategy. A first view put forward was that a EUSR to the South Caucasus - if one were appointed – should follow the traditional approach. This implied either finding additional monies from a review of the other Special Representatives or waiting until a new budget could be

⁴⁵ For a full discussion, see the author’s concluding chapter to *The South Caucasus: A Challenge for the EU* (Chaillot Paper no. 65, EU Institute for Security Studies: Paris, December 2003).

put together. The argument was also that a EUSR would be most effective if working from a clearly defined strategy. Without this, the EUSR faced the risk of becoming a solution – and a false one - in itself and of being sidelined. The appointment of a EUSR was noted as a potentially useful idea only *if embedded* in a wider strategy and if provided with the necessary resources.

Another view called for an innovative approach to the mandate of a EUSR. In this, the EUSR would be appointed for a six-month period, during which he/she would consult with as many actors in and outside the region as possible and present a report to the Council on the shape of a possible EU strategy. The EUSR would play an idea-generating and strategy-formulating role, whose report would be discussed by the Political and Security Committee, after which a more targeted mandate would be adopted. In addition, during the first six-months, the costs of the EUSR would be assumed by a member state.

The appointment of Heikki Talvitie as the Special Representative on July 7, 2003, resolved the debate in favour of an innovative approach.⁴⁶ If anything, the appointment reflects the recognition by the member states that their individual policies to the region have had limited impact, and that an EU umbrella would bring value-added. However, the questions facing the EU since 1999 are not resolved by the appointment. How will the EU promote regional cooperation when it has failed to do so until now? How will the EU become better coordinated internally, between member states and in Council policy? Underlying all of these remains the central question: What value can the EU add to conflict settlement?

Elements for an EU Strategy

The EU is not set to become involved in the negotiating mechanisms for conflict settlement in the region. Nor should one expect a major and ambitious EU strategy that will paint the South Caucasus the

⁴⁶ Decision Taken by Written Procedure (11027/03: Brussels, 7 July 2003). For the full text of the Joint Action, see *Official Journal of the European Union* (8/7/2003, L 169/74 – L 169/75).

bleu and golden shades of the EU flag. Instead, the EU's reinforced political profile will seek to affect the conditions and the climate in which settlement talks are occurring by strengthening the three South Caucasus states. This is likely to include a focus on promoting security sector governance in the region, starting with Georgia. The main elements of an EU strategy may be inspired by the following principles.

An Indirect Approach to Conflict Settlement

The conflicts lie at the heart of the problems affecting the three states and block regional cooperation. Given that the current negotiating mechanisms are blocked, the EU should avoid seeking a direct role in mediation. Instead, an EU strategy should seek to affect the climate in which the talks occur. This would require a wide political/security approach to the region.

Embed the Region

The EU must not seek to build a region when the notion is premature. Yet, the EU can make use of the structures in which the three states cooperate. The South Caucasus Anti-Drug (SCAD) programme is an example of cooperation in anti-drug trafficking. All three states participate in Inogate and Traceca – programmes that can be more fully exploited by the Union. Cooperation between Armenia, Azerbaijan and Georgia is best embedded in wider and extra-regional structures.

Pursue Four Tracks

The Rule of Law

The EU should focus on the rule of law as the centre of gravity of state consolidation, conflict settlement and economic development. The rule of law must be fostered in state-society interactions, human and minority rights, the fight against organised crime and the development of market economic principles. The rule of law is a precondition for sustainable development.

Effective Multilateralism

The EU should seek to foster an effective multilateralism in the region by working with all its actors, key external states and the UN and the OSCE. The EU should make use of its strategic partnership with Russia to develop common approaches, and draw on its privileged ties with Turkey. The EU should coordinate members in the OSCE and the UN.

Coherence and Capabilities

It is vital that the EU develop greater coherence amongst its array of tools and with the activities of Members. The full range of EU policies – from diplomatic, assistance to crisis management support – must be joined.

Focus on Security Sector Governance

The promotion of healthy security sector governance is vital for the stability of the South Caucasus, and should become a niche policy for the EU. For this, the Union must launch a full-fledged programme with the new Georgian leadership, building on the limited and episodic support provided since 1999.

Link to Wider Europe

Finally, EU policy to the South Caucasus should be driven by the recognition of the Union's interdependence with Armenia, Azerbaijan and Georgia as part of the EU's future neighbourhood and a Wider Europe.

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