# Procedure file

Basic information		
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Relations with the Transcaucasian Republics: Europ	bean Union strategy	
Subject 6.40.04.04 Relations with Caucasus countries		

Key players			
European Parliament	Committee responsible   AFET Foreign Affairs, Security and Defense Policy	Rapporteur	Appointed 29/09/1995
		UPE <u>CARRÈRE</u> D'ENCAUSSE Hélène	
	Committee for opinion   ENER Research, Technological Development and   Energy	Rapporteur for opinion	Appointed
	RELA External Economic Relations	PPE DIMITRAKOPOULOS Giorgos	29/05/1996

# Council of the European Union

events			
31/05/1995	Non-legislative basic document published	COM(1995)0205	Summary
08/05/1996	Committee referral announced in Parliament		
09/09/1996	Vote in committee		Summary
09/09/1996	Committee report tabled for plenary	A4-0279/1996	
17/01/1997	Debate in Parliament	5	
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17/01/1997	End of procedure in Parliament		
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Technical information	
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Stage reached in procedure	Procedure completed
Committee dossier	AFET/4/07793

Documentation gateway				
Non-legislative basic document	COM(1995)0205	31/05/1995	EC	Summary
Committee report tabled for plenary, single reading	<u>A4-0279/1996</u> OJ C 347 18.11.1996, p. 0004	09/09/1996	EP	
Text adopted by Parliament, single reading	T4-0023/1997 OJ C 033 03.02.1997, p. <u>0113-0133</u>	17/01/1997	EP	Summary

## Relations with the Transcaucasian Republics: European Union strategy

OBJECTIVE: to define an overall aid strategy for the 3 Transcaucasian republics of the former Soviet Union (Georgia, Armenia and Azerbaijan) which takes account of the specific difficulties of these countries (mainly due to local armed conflicts) and to set out a framework for continuing cooperation, including in the field of contractual relations. CONTENT: faced with resolving major problems caused by internal conflict, Georgia, Armenia and Azerbaijan are almost completely cut off from the outside world and unable to overcome their serious economic handicap, which is why the Union is fast becoming one of their foremost partners (the Union has been running one of the most important individual food aid and technical assistance projects in these countries since 1994). At a political level, the region is still unstable (especially as the result of the failure to comply with the ceasefire in Abkhazia and the resurgence of conflict in Nagorny-Karabakh), resulting in increasing dependence on humanitarian aid and a catastrophic economic situation. In order to mitigate these various problems, the Union, which has geopolitical and economic interests in the region (especially in the energy sector) and a moral obligation to help these 3 republics, is proposing an overall coordinated aid strategy based on: - negotiation, on suitable terms, of a partnership and cooperation agreement with each of the republics in question: the Commission is unwilling at this stage to propose agreements similar to those being adopted with the other 6 ex-Soviet republics (which contain serious political constraints) or agreements which are less ambitious but contain an open-ended "human rights" clause (taking the view that a partnership agreement would constitute an important political signal) and - measures designed to guarantee the survival of the population (food and humanitarian aid) and technical assistance with post-war reconstruction, mainly in the form of one-off loans granted by the Union under IMF stand-by agreements. This strategy would be based on the following elements: . political support for sovereignty, independence and territorial integrity (recognizing the inviolability of the borders and excluding recourse to force), . political dialogue on a bilateral/regional basis (in the aim of resolving regional conflicts), . aid with strengthening democratic institutions, . humanitarian, food and energy aid, . financial aid to help the 3 republics resolve their balance of payments problems, . aid with post-war reconstruction through the TACIS programme (to promote exchanges and investments, provide technical assistance in setting up institutions, support business, restructure agriculture and energy and promote means of communication both within the region and with its neighbours), . cooperation with the other main donors. It is also essential for the Community to be present in the region in order to promote its interests in the energy sector (especially in Azerbaijan, in the oilfields of the Caspian Sea). Europe also intends to strengthen political dialogue with these 3 republics and with Russia, Turkey and the Economic Cooperation Organization (ECO), of which Azerbaijan is a member. Finally, the Commission communication proposes that the Council adopt a common position (under the CFSP) in order to support its proposal for coordinated action (especially in the area of political cooperation, support for democratic institutions and, possibly, certain aid sectors).?

### Relations with the Transcaucasian Republics: European Union strategy

The Committee on Foreign Affairs adopted the own initiative report by Mrs CARRERE-D'ENCAUSSE, which called for the European Union to develop an active presence in Armenia, Azerbaijan and Georgia. The specific measures proposed included a call for the Council and the Commission to open embassies in these three states. The EU strategy in this region should seek to consolidate the independence of these three states, work towards finding a negotiated solution to the political crises, promote the civil society in these three countries and encourage economic development within the framework of a social market economy and respect for the environment. These considerations should form the basis of a common position on relations between the EU and Transcaucasia (pursuant to article J.2 of the Treaty). Cooperation agreements were signed with these three countries on 22 April of this year. The report also called for the blockade imposed on Armenia to be lifted as a matter of urgency and recommended that the role of the OSCE be strengthened. The rapporteur stressed the need to "act as quickly as possible in a region scarred by conflicts but which also enjoys considerable resources and which the EU can help to stabilize".?

### Relations with the Transcaucasian Republics: European Union strategy

In adopting the report by Mrs Hélène CARRERE D'ENCAUSSE (UPE, F) Parliament considered that the European Union must adopt a strategy on Transcaucasia (which includes Armenia, Azerbaijan and Georgia). The goals of this strategy should be to: - consolidate the independence of these three states, - work towards finding a negotiated solution to the political crises which affect the region, applying the same general criteria and taking account of possible interaction between various potential trouble spots, - promote democracy and civil society, - encourage the economic development of these three countries within the framework of a social market economy and respect for the environment. Calling for the adoption of a Council common position on this matter, Parliament welcomed the partnership and cooperation

agreements signed in April 1996 with these three countries and which provided for closer economic cooperation. These agreements should make it possible to restore the traditional trade links (energy, raw materials, agricultural products). However Parliament called for more to be done and for measures to be taken to step up trade with the Union, to promote regional cooperation, to develop a modern banking system and transport, energy and telecommunications networks, etc.. On a political level Parliament called on the Union to take steps to find a peaceful solution to the crises affecting this region. Drawing attention in particular to the dramatic plight of refugees in Azerbaijan, Armenia and Georgia, it called on the Union to continue its humanitarian activities. More specifically, it called for the immediate lifting of the blockade imposed on Armenia by Turkey and Azerbaijan and, in the case of the latter country, for steps to be taken to ensure greater democratization. Similarly Parliament called on the Commission through its TACIS programme to work towards greater coexistence and mutual understanding between these states. On a financial level, Parliament proposed the granting of loans tied to specific investment projects for trans-European networks (EBRD and EIB loans). Recalling its concerns about nuclear power-stations of Soviet design, it hoped that TACIS would provide aid in the area of nuclear safety for the Medzamor power station in Armenia. The European Union should pay closer attention to the role which the Black Sea could play in developing its relations with the Transcaucasian States given that it links the region with the industrial heartland of Europe through the Rhine-Danube river link. Lastly, Parliament drew attention to the fact that the transportation of oil from the Black Sea ports across the straits might represent a considerable ecological risk. It therefore called on the Union to give its support to the construction of the oil pipeline between Burgas (Bulgaria) and Alexandropolis (Greece