






Procedure file

| Basic information | | |
|---|--------------------------------|---------------------|
| INI - Own-initiative procedure | 2007/2076(INI) | Procedure completed |
| More effective EU policy for South Caucasus | | |
| Subject 6.40.04.04 Relations with Caucasus countries | | |

| Key players | | | |
|---------------------|---|-----------------------------------|------------|
| European Parliament | Committee responsible | Rapporteur | Appointed |
| |  Foreign Affairs | | 17/04/2007 |
| | Committee for opinion | ALDE POLFER Lydie | Appointed |
| |  International Trade | Rapporteur for opinion | 07/05/2007 |
| European Commission | Commission DG | Commissioner | |
| | External Relations | FERRERO-WALDNER Benita | |

| Key events | | | |
|------------|--|---|---------|
| 26/04/2007 | Committee referral announced in Parliament | | |
| 18/12/2007 | Vote in committee | | Summary |
| 20/12/2007 | Committee report tabled for plenary | A6-0516/2007 | |
| 16/01/2008 | Debate in Parliament |  | |
| 17/01/2008 | Results of vote in Parliament |  | |
| 17/01/2008 | Decision by Parliament | T6-0016/2008 | Summary |
| 17/01/2008 | End of procedure in Parliament | | |

| Technical information | |
|----------------------------|--------------------------------|
| Procedure reference | 2007/2076(INI) |
| Procedure type | INI - Own-initiative procedure |
| Procedure subtype | Initiative |
| Legal basis | Rules of Procedure EP 54 |
| Stage reached in procedure | Procedure completed |
| Committee dossier | AFET/6/48801 |

| Documentation gateway | | | | | |
|-----------------------|---|---------------------------|------------|----|--|
| Committee opinion |  | PE392.366 | 11/10/2007 | EP | |

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|---|--|------------------------------|------------|----|---------|
| Committee draft report | | PE394.090 | 12/11/2007 | EP | |
| Amendments tabled in committee | | PE398.430 | 11/12/2007 | EP | |
| Committee report tabled for plenary, single reading | | A6-0516/2007 | 20/12/2007 | EP | |
| Text adopted by Parliament, single reading | | T6-0016/2008 | 17/01/2008 | EP | Summary |
| Commission response to text adopted in plenary | | SP(2008)1176 | 27/02/2008 | EC | |

More effective EU policy for South Caucasus

The Committee on Foreign Affairs adopted the own-initiative report by Lydie POLFER (ALDE, FI) in response to the Commission communication on a more effective EU policy for the South Caucasus (Armenia, Azerbaijan and Georgia). It reaffirms that the principal objectives of the EU in the region are to encourage the development of the South Caucasus countries into open, peaceful, secure and stable states, able to contribute to good neighbourly relations in the region and to regional stability and ready to share European values and to develop institutional and legal interoperability among themselves and with the EU.

The main issues dealt with by the committee are as follows:

Armenia, Azerbaijan and Georgia in the framework of the European Neighbourhood Policy (ENP): although the committee is satisfied with the progress made by these countries, it considers that progress is still needed to strengthen integration and regional cooperation. The report stresses that the ENP reviews and funding must be used to promote institution-building, respect for human rights, the rule of law, democratisation and regional cooperation.

The Commission is called upon to report regularly on the progress of the regional cooperation process and to adapt its policies and instruments accordingly. The committee looks forward to increasingly constructive relations being developed between the EU and the different stakeholders, particularly civil society, in the partner countries, in order to make the ENP process more dynamic and transparent. Enhanced cooperation is requested in the areas of freedom, security and justice, in particular in border management, migration and asylum, the fight against organised crime, trafficking in human beings and drugs, illegal immigration, terrorism and money laundering.

Democracy, human rights and the rule of law: the Armenian authorities are encouraged to make further progress in strengthening democratic structures, the rule of law and protection of

human rights. The report calls for further efforts to be made in establishing an independent judiciary, in promoting reforms in the police, the civil service and local government, in fighting corruption and in creating a vibrant civil society. MEPs express deep concern over the recent developments in Georgia, which escalated into a violent police crackdown on peaceful demonstrations, the closing-down of independent media outlets and the declaration of the state of emergency. They call on all political forces in Georgia to strive for a democratic political culture and engage in a meaningful dialogue with the opposition forces and with the public.

Moreover, MEPs call on the states in the region to stop the increase in their military spending.

Peaceful resolution of conflicts: the report considers that finding a peaceful solution to the post-Soviet unresolved conflicts is the key to achieving political stability and economic development in the South Caucasus. It regrets that efforts to bring the three countries of the region closer together are hampered by the persistence of unresolved conflicts caused by territorial claims and separatism. It underlines that conflict zones are often used as safe havens for organised crime, money laundering, drug trafficking and weapons smuggling. The report welcomes the Commission's efforts to give aid and spread information to Abkhazia and South Ossetia and supports the initiative by the EU Special Representative for the South Caucasus to open Information Offices in both regions. It asks the Commission and the EU Special Representative to extend the same kind of aid and information dissemination to Nagorno-Karabakh. Armenia and Azerbaijan are urgently called upon to seize any opportunities for the peaceful resolution of the Nagorno-Karabakh conflict.

To resolve the post-Soviet unresolved conflicts in the region, the committee suggests setting up of a 3+3 Conference on security and cooperation in the South Caucasus, comprising on the one hand the three South Caucasus states and on the other hand the EU, the USA and Russia.

Energy and transport cooperation: the committee recalls that the importance of the opening of the Baku-Tbilisi-Erzurum gas pipeline and the Baku-Tbilisi-Ceyhan oil pipeline which would contribute to economic and trade development in the region and would enhance the safety and security and diversification of energy supplies and transit systems from Azerbaijan and the Caspian basin to the EU market as well as contributing to the development of the common European foreign policy on energy. However, these infrastructure remain insufficient. MEPs reiterate their support for the creation of new infrastructure and viable transport corridors diversifying both suppliers and routes, such as the trans-Caspian/trans-Black Sea energy corridor and the Nabucco pipeline, as well as the INOGATE and TRACECA projects connecting the Black Sea and Caspian Sea regions. The committee notes that Azerbaijan's gas and oil reserves are estimated to be exploitable for the next fifteen to twenty years. The Azerbaijani Government is called upon to take the necessary steps to put in place the requisite legislative and operational framework in order to enable EU aid in the area of renewables and energy efficiency to be put to best use.

Other remarks: lastly, MEPs ask to be better informed about the political situation and measures taken in the area of CFSP in this region. They consider that strengthening the visibility of the EU Special Representative for the South Caucasus is highly important.

More effective EU policy for South Caucasus

The European Parliament adopted a resolution based on the own-initiative report drafted by Lydie POLFER (ALDE, FI) in response to the

Commission communication on a more effective EU policy for the South Caucasus (Armenia, Azerbaijan and Georgia). The resolution was adopted by 567 votes for, 25 against and 23 abstentions. Parliament highlights the geopolitical situation of Armenia, Georgia and Azerbaijan in relation to Russia, Iran and Turkey and the growing interest of other economic powers, such as Russia, the United States and China, in this area. It considers it of the utmost importance, therefore, that cooperation with the South Caucasus be given the highest priority, not least in matters relating to energy. It reaffirms that the principal objectives of the EU in the region are to encourage the development of the South Caucasus countries into open, peaceful, secure and stable states, able to contribute to good neighbourly relations in the region and to regional stability and ready to share European values and to develop institutional and legal interoperability among themselves and with the EU. It calls on the EU to develop a regional policy for the South Caucasus to be implemented jointly with the countries in the region, complemented by individual bilateral policies.

Parliament makes the following points:

In the framework of the European Neighbourhood Policy (ENP): Parliament stresses that the ENP reviews and funding must be used to promote institution-building, respect for human rights, the rule of law, democratisation and regional cooperation. It looks forward to increasingly constructive relations being developed between the EU and the different stakeholders, particularly civil society, in the partner countries, in order to make the ENP process more dynamic and transparent. It considers that trade policy is a key component in ensuring political stability and economic development leading to a reduction in poverty in the South Caucasus, and that it is crucial for further integration between the EU and the South Caucasus. Parliament supports the Commission's initiative to undertake a feasibility study to evaluate the possibility of a free-trade agreement with Georgia and Armenia. Noting that Georgia has been under massive pressure as a result of the Russian economic embargo, Parliament stresses that the speedy conclusion of a free-trade agreement with Georgia is important in strengthening EU-Georgia relations and relieving the country of the consequences of the Russian embargo.

Democracy, human rights and the rule of law: the Armenian authorities are encouraged to make further progress in strengthening democratic structures, the rule of law and protection of human rights. Parliament reiterates its serious concern about the deterioration of the human rights situation and media freedom in Azerbaijan, and calls on the Azerbaijani authorities to prevent police violence and ensure media freedom. MEPs reiterate their continuing support for Georgia's efforts to introduce political and economic reforms, and express satisfaction that the overall assessment by the International Election Observation Mission was that the presidential elections held on 5 January 2008 were in essence consistent with most OSCE and Council of Europe standards for democratic elections.

Peaceful resolution of conflicts: finding a peaceful solution to the post-Soviet unresolved conflicts is the key to achieving political stability and economic development in the South Caucasus. Parliament regrets that efforts to bring the three countries of the region closer together are hampered by the persistence of unresolved conflicts caused by territorial claims and separatism. It underlines that conflict zones are often used as safe havens for organised crime, money laundering, drug trafficking and weapons smuggling. The resolution welcomes the Commission's efforts to give aid and spread information to Abkhazia and South Ossetia and supports the initiative by the EU Special Representative for the South Caucasus to open Information Offices in both regions. It asks the Commission and the EU Special Representative to extend the same kind of aid and information dissemination to Nagorno-Karabakh. Armenia and Azerbaijan are urgently called upon to seize any opportunities for the peaceful resolution of the Nagorno-Karabakh conflict.

Parliament suggests the setting-up of a 3+3 Conference on security and cooperation in the South Caucasus, comprising on the one hand the three South Caucasus states and on the other hand the EU, the United States and Russia, focusing attention on the creation of the proper context in which to resolve the unresolved post-Soviet conflicts in the region.

Energy and transport cooperation: Parliament attaches great significance to the opening of the Baku-Tbilisi-Erzurum gas pipeline and the Baku-Tbilisi-Ceyhan oil pipeline, and stresses the importance of the Trans-Caspian energy corridor projects. However, it strongly requests the countries involved and the Commission to include Armenia in the Baku-Tbilisi-Erzurum gas pipeline and in the Trans-Caspian energy corridor projects, in compliance with the regional cooperation objective promoted by the ENP. MEPs reiterate their support for the creation of new infrastructure and viable transport corridors diversifying both suppliers and routes, such as the Trans-Caspian/trans-Black Sea energy corridor and the Nabucco pipeline, as well as the INOGATE and TRACECA projects connecting the Black Sea and Caspian Sea regions. Parliament notes that Azerbaijan's gas and oil reserves are estimated to be exploitable for the next fifteen to twenty years. The Azerbaijani Government is called upon to take the necessary steps to put in place the requisite legislative and operational framework in order to enable EU aid in the area of renewables and energy efficiency to be put to best use.

Other remarks: lastly, MEPs ask to be better informed about the political situation and measures taken in the area of CFSP in this region. They consider that strengthening the visibility of the EU Special Representative for the South Caucasus is highly important.