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**THE BLACK SEA MONITOR**

The ICBSS has identified the need for a special circular on developments in and around the Black Sea region that goes beyond the mere news brief format. Therefore, the Centre has set up a quarterly electronic review focused particularly on the Black Sea region, aiming to provide stakeholders and other interested parties around the globe with an exclusive information service. The Monitor offers brief commentaries and refers key documents, publications and events of interest that impact on the wider Black Sea region.
The crisis over South Ossetia in August 2008 and the ensuing series of events is symptomatic of a changing global environment where the tectonic plates holding it together are undergoing readjustment. With regard to the wider Black Sea area some conclusions are relatively easy to be made:

1. The ‘frozen’ conflicts are not frozen. This development was in evidence before the 5-day war although now it is a foregone conclusion.

2. Key regional stakeholders such as Russia and Turkey find themselves in the midst of major policy reappraisal.

3. Other regional actors such as the Caucasian States, Ukraine and Moldova are hereby (re)evaluating this relationship within their neighbourhood.

4. EU regional stakeholders such as Greece, Romania and Bulgaria have come to the conclusion that they need to work together and with their other 24 EU partners not only in the sphere of CFSP and ESDP by enhancing the Union’s tools conflict prevention, conflict resolution and rehabilitation tools, but in assuring that EU policies already in place such as the European Neighbourhood Policy and the Black Sea Synergy take hold over the medium to long term and contribute to peace, security, development and stability of the Black Sea region.

5. The United States and the steadfast supporters of NATO enlargement in the region are having a harder time today gaining the support of their allies in favour of NATO membership for Ukraine or Georgia at this stage.(continued on page 3)
The crisis and the resulting verbal and political confrontation between the United States and the Russian Federation lead one to the conclusion that the security framework of the Black Sea-Caucasus region needs to be reassessed. Are the developments simply a tell tale sign of the quest for regional hegemony by Washington and Moscow? To this end, do they signal the beginning of a “new Cold War” as many commentators have rushed, either cynically or with conviction, to describe? Or do the developments point to a move in the direction of a post-American or multipolar world that is in transition or formation, whereby actors like the European Union together with Russia, the United States and other regional stakeholders define the agenda? One could describe the region at hand as the meeting place of regional hegemons each with its own agendas and priorities which either clash or allow for collaboration with their counterparts depending on the issue at hand.

The issues of energy security, NATO and EU enlargement (linked to the question of the frontiers of Europe to a certain extent), the persistent conflicts (with global implications) and the various attempts to work together in the areas of transport, trade, migration and the environment among others imply that the wider Black Sea region (encompassing the Caucasus) is increasingly becoming a priority for policymakers in Europe, Asia and North America. The (un)frozen conflicts can no longer be contained in terms of their impact in today’s globalised environment as the implications of a change in the status quo has direct implications on the rest of the world. As a result of the crisis, Georgia’s stability has been severely questioned as has its ability to be a reliable transit state for the various oil and natural gas pipelines either traversing its territory or planned to do so. For Russia, its aspiration to join the WTO is threatened while its membership in the G8 is being questioned by some of its partners.

The impact of globalisation is also in evidence with the implications of the US financial crisis which has had a direct impact on Moscow’s stock exchange where stocks have dropped to low values while the withdrawal of funds by international investors globally might well suggest, as an analyst has recently written, that when “the United States catches a cold, the emerging economies contract pneumonia.” Add to this reduced consumption –especially for oil in this case– leading to reduced revenues for Russia and the vulnerability of the exchange rate mechanisms coupled with a poor banking system and the impact on the country’s economy is great.

Therefore, in this context, the solution, at least in the eyes of this observer, lies in the direction of further cooperation. While the political context remains volatile (at least until the first Tuesday of November when it will be decided who will lead the next American administration), the region’s stakeholders, both local and extraregional, have an interest in defining together how to best enhance the common neighbourhood that is the Black Sea Region by allowing international and regional organizations such as the European Union, the OSCE, the IFIs, and the BSEC among others to implement policies and define synergies that benefit all the countries of the region and their societies.

DIMITRIOS TRIANTAPHYLLOU
The Council adopted the following conclusions:

1. The Council welcomes the agreement on implementing the plan of 12 August, which was recorded in Moscow and Tbilisi on 8 September as a result of mediation by the European Union. That agreement should lead initially to Russian forces being completely withdrawn from the zones adjacent to South Ossetia and Abkhazia to the lines held prior to the outbreak of hostilities, within 10 days of the deployment in those zones of the international mechanisms, including at least 200 observers from the European Union, which should take place by 1 October 2008 at the latest.

2. With reference to the Council conclusions of 1 September, the Council calls on all parties to fully implement this agreement, as well as the agreement of 12 August, and to do so in an effective manner and in good faith within the time limits that have been set, including the withdrawal of all Russian forces and the return of Georgia's military forces to their bases.

3. The Council recalls that the European Union is ready to play a full role in the resolution of this crisis, including on the ground and in future international discussions and the preparations for them, and in supporting efforts towards a peaceful and lasting solution to the conflict in Georgia. The Council recalls that a peaceful and lasting solution to the conflict in Georgia must be based on full respect for the principles of independence, sovereignty and territorial integrity recognised by international law, the Final Act of the Helsinki Conference on Security and Cooperation in Europe and United Nations Security Council resolutions. In this context, the Council deplores any action that runs contrary to a solution based on these principles.

4. The Council supports the idea of an independent international inquiry into the conflict in Georgia.

5. The Council has decided to appoint Mr Pierre Morel as the Special Representative of the European Union for the crisis in Georgia.

6. In accordance with the conclusions of the Extraordinary European Council meeting on 1 September, the Council has decided to send an independent civilian observer mission to Georgia, under the European Security and Defence Policy, which will be deployed by 1 October in accordance with the arrangements set out in the agreement of 8 September, in close coordination with the OSCE and the United Nations and in addition to the international mechanisms of UNOMIG and the OSCE. The Council notes with satisfaction the contributions announced by the Member States with a view to deploying at least 200 observers by 1 October.

7. The Council invites the Commission to actively and swiftly prepare for the donors' conference to help with the reconstruction and recovery of the Georgian economy and with the return of displaced persons, and to hold it next month in Brussels in the light of an overall assessment of needs. The Council has taken note of the Commission proposal to mobilise financial aid for Georgia which could be of the order of EUR 500 million for the period 2008-2010 and which must be consistent with the financial perspective. The Council also invites the Member States to prepare a significant contribution for the conference in terms of financial support. It welcomes the Commission's commitment regarding the strengthening of the EU-Georgia relationship, in particular by expediting the preparatory work on the facilitation of visas and on readmission, as well as on free trade.
1. Joint Declaration on the EU-Ukraine Association Agreement

Presidents Yushchenko, Sarkozy and Barroso have met today and agreed on the following joint declaration:

The Presidents welcomed the fact that, since the adoption of the EU-Ukraine Action Plan in 2005, the partnership between the European Union and Ukraine has advanced considerably in all areas of common interest: cooperation on foreign policy and crisis management, economic and energy cooperation, cooperation in the field of justice, freedom and security including visa policy, and in many other sectors.

The successful holding of parliamentary elections in September 2007 bears witness to Ukraine’s progress in implementing its democratic reforms, and its accession to the World Trade Organisation in 2008 rewarded its economic reforms. In this connection, the Presidents emphasised that political stabilisation in Ukraine, constitutional reform, the consolidation of the state of law, also in relation to investment, and full implementation of the undertakings given in the framework of the WTO are indispensable conditions for pursuing reforms and deepening the EU-Ukraine relationship based on our common values, notably democratic principles, good governance and human rights.

As stated in the second joint interim report on the negotiations for the new enhanced agreement, the negotiations have made substantial progress since their launch under the German Presidency of the EU in early 2007. The sections on political cooperation and Justice, Freedom and Security are virtually finalised now, as is the bulk of the section on economic and sectoral cooperation. The negotiation of a deep and comprehensive free trade area, which will be an integral part of the new agreement, began in February 2008 as a result of Ukraine’s accession to the WTO, and the negotiations are progressing rapidly in a very constructive climate.

The Presidents, aware of the strategic importance of the relationship between the European Union and Ukraine, decided at the Evian summit to provide a decisive impetus for the development of our relations.

They recognized that Ukraine as a European country shares a common history and common values with the countries of the European Union. They are pleased that the new agreement between the European Union and Ukraine will be an association agreement, which leaves open the way for further progressive developments in EU-Ukraine relations. The EU acknowledges the European aspirations of Ukraine and welcomes its European choice. The presidents acknowledge that gradual convergence of Ukraine with the EU in political, economic and legal areas will contribute to further progress in EU-Ukraine relations.

The Association Agreement will renew our common institutional framework, facilitate the deepening of our relations in all areas, strengthen political association and economic integration between Ukraine and the European Union by means of reciprocal rights and obligations. It will provide a solid basis for further convergence between Ukraine and the EU on foreign policy and security issues, including promoting respect for the principles of independence, sovereignty, territorial integrity and inviolability of borders. The EU and Ukraine shall address in a timely manner the challenges to these principles at all appropriate levels of the political dialogue, including ministerial level. The establishment of a deep and comprehensive free trade area with large-scale regulatory approximation of Ukraine to EU standards will contribute to the gradual integration of Ukraine to the EU Internal Market. The Association Agreement will also enhance cooperation on a broad range of aspects of

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Manuel Barroso, President of the European Commission, accompanied by the Commissioner in charge of External Relations and European Neighbourhood Policy, Ms Benita Ferrero-Waldner, and the Commissioner for Trade, Mr Peter Mandelson. Ukraine was represented by Mr Viktor Yushchenko, President of Ukraine, accompanied by Mr Volodymyr Ogryzko, Minister for Foreign Affairs of Ukraine.
justice, liberty and security, including migration issues.

Taking into account the substantial progress in the negotiating process, the presidents underlined the importance of developing a new practical instrument to replace the Action Plan in March 2009 with a view to preparing the implementation of the Association Agreement.

They also decided to launch a visa dialogue, developing the relevant conditions, with the long-term perspective of establishing a visa free regime between the EU and Ukraine.

Based on the discussions between the European Union and Ukraine, the Presidents hope that the Association Agreement, which will be as ambitious as possible, will be finalised rapidly and can be signed as soon as possible.

2. Georgia

The European Union and Ukraine are gravely concerned by the open conflict which has broken out in Georgia, by the resulting violence and by the disproportionate reaction of Russia. Military action of this kind is not a solution and is not acceptable. We deplore the loss of human life, the suffering inflicted on the population, the number of displaced persons and refugees, and the considerable material damage.

The European Union and Ukraine recall that a peaceful and lasting solution to the conflict in Georgia must be based on full respect for the principles of independence, sovereignty and territorial integrity recognised by international law, the Final Act of the Helsinki Conference on Security and Cooperation in Europe and United Nations Security Council resolutions.

The European Union and Ukraine emphasise that all European States have the right freely to determine their foreign policy and their alliances, while respecting international law and the principles of good neighbourliness and peaceful cooperation. They are concerned by the impact which the current crisis is having on the whole of the region and affirm their common desire to participate actively in the strengthening of regional cooperation.

The European Union and Ukraine undertake to contribute actively to the full implementation of the six-point agreement signed by the parties to the conflict, to the lasting restoration of peace in Georgia and to the humanitarian, economic and social rehabilitation of the areas affected by the hostilities.

3. Deepening EU-Ukraine Cooperation

Action Plan – New Joint Instrument

The leaders of Ukraine and the EU welcomed the closer cooperation achieved in the past year, notably through the EU-Ukraine Action Plan, and looked forward to a further deepening of the relationship in the future. They confirm their commitment to implementing the Action Plan, including the additional measures agreed at the EU-Ukraine Cooperation Council in March 2008, and recalled the decision to develop a new practical instrument to replace the Action Plan in March 2009.

Foreign and Security Policy

While discussing foreign policy and security issues the Parties reiterated full and wholehearted commitment to strict adherence to and respect of internationally recognized principles of sovereignty and territorial integrity as well as inviolability of borders. They expressed their satisfaction with the development of cooperation between Ukraine and EU in this field, leading to ever closer political convergence.

Further convergence in positions on regional and international issues within the existing framework on political consultations, Ukraine’s alignment with EU statements and positions, as well as Ukraine’s participation in EU efforts on crisis management were particularly emphasized. The Parties recognized a new horizon for practical cooperation in the given field, which has been opened by entrance into force of the Framework Agreement on Ukraine’s participation in EU led operations on crisis management.
The Summit welcomed the establishment and encouraged further development of regular dialogue between the military bodies, namely the EU Military Committee and the General Headquarters of the Armed Forces of Ukraine. The Parties expressed their intention to explore the potential for developing military and technical cooperation. Ukraine and the European Defence Agency will establish close contacts to discuss military capability issues.

Cooperation in the Energy Sphere

The Parties reaffirmed their joint strategic interest in energy co-operation and reconfirmed that the energy security needs of the EU and Ukraine are intrinsically linked. The Parties welcomed the commitment of Ukraine to progress in the reforms of the gas sector and to establish efficient financial mechanisms for the modernisation of the gas transit system of Ukraine. In this context, the Parties welcome the forthcoming conference on the gas transportation system of Ukraine.

They also welcomed the significant progress achieved in implementing the priorities of the EU-Ukraine Memorandum of Understanding on co-operation in the field of energy of 1 December 2005, as reflected in the 3rd progress report presented to the Summit. They agreed to continue co-operation with the aim of advancing Ukrainian energy sector reform and of ensuring safe, reliable and transparent energy transit through Ukraine. The leaders welcomed progress made on Ukraine's integration into the EU's energy system, in particular the imminent start of negotiations regarding Ukraine's accession to the Energy Community Treaty and the preparatory studies concerning the synchronous interconnection of the Ukrainian electricity network with that of the Union for the Coordination of the Transmission of Electricity. They also welcomed the continuing good progress on nuclear safety cooperation.

Justice, Liberty and Security

The leaders of Ukraine and the EU discussed the implementation of agreements on facilitation of issuance of visas and readmission. The leaders underlined the need for full and effective implementation of the visa facilitation and readmission agreements by the authorities of EU Member States and Ukraine, acknowledging that Ukraine has exempted EU citizens from the visa obligation. Ukraine emphasised the importance of improving visa issuance procedures.

The leaders of Ukraine and the EU encouraged the maximum use of possibilities offered by Community legislation on local border traffic. They underlined the benefits of agreements on local border traffic and encouraged intensified co-operation aimed at the prompt entry into force of the relevant agreements of Ukraine with EU neighbouring countries, in full respect of the EC Local Border Traffic Regulation, in order to foster people-to-people contacts and economic development in the local border areas.

The leaders encouraged Ukraine and neighbouring EU Member States to examine possibilities for the introduction of joint border controls at the border crossing points on common borders, as an effective instrument of facilitating cross-border movement and trade, while respecting security requirements and relevant legislation.

With a view to launching a dialogue on the establishment of a visa-free regime for short stay travel between the EU and Ukraine as a long-term perspective, the leaders encouraged the experts to start this dialogue as soon as possible this year.

Specific attention would be paid to issues such as document security, illegal migration including readmission, public order and security, and external relations.

The Environment

The EU and Ukraine agreed on the importance of taking further practical steps to implement commitments under the Espoo, Aarhus and other relevant multilateral environment agreements, and of identifying and taking measures to reach full compliance.
The Parties confirmed their intentions to deepen further their co-operation on environment protection, including through high-level meetings, in particular concerning the development and implementation of Ukraine’s national environment strategy. They welcomed the progress made towards the upgrading of an administrative arrangement on civil protection, in particular to ensure that its coverage extends to assessment of the environmental impact of disasters. In this regard, they highlighted the valuable role played by the European Commission’s Monitoring and Information Centre during the recent flooding in Ukraine. They also noted the good progress in bilateral co-operation on climate change and stressed the need to complete negotiations on a global and comprehensive post-2012 agreement by 2009.

**Trade, Economy and Transport**

The Parties discussed the possible future applicability to Ukraine of the European Charter for Small Enterprises, which seeks to improve the business environment for SMEs and encourages their establishment and growth. They noted that the Charter can be a successful tool for structuring SME policies, exchanging best practices, setting benchmarks and monitoring progress. They agreed that such a process should be the basis for a new EU-Ukraine enterprise policy dialogue.

The leaders welcomed the significant progress towards achieving a more predictable and safe investment climate, and underlined the need for further improvements in the business environment, notably in relation to regulation and supervision in the field of financial markets and services which should be seen as a priority. Considering the importance of the financial sector as an engine for growth, they agreed that it is crucial to pursue regulatory approximation in this area in the context of the Free Trade Area, which will form an integral part of the Association Agreement, on the basis of clear objectives, priorities and timeframes. They committed to promote closer cooperation in this field, including through adequate cooperation between EU and Ukrainian regulators.

The Summit welcomed the launch in December 2007 of EU-Ukraine negotiations on a Common Aviation Area and recognized the importance of an expeditious conclusion of the agreement. They emphasised the importance of safety and of the adoption of the new Ukrainian draft Air Code.

They resolved to cooperate more closely on the upgrading of Ukraine’s land transport infrastructure, with reference to the High Level Group’s Report on extension of the Trans-European Transport Networks and with particular regard to ensuring that Ukraine has the best possible transportation system in place by the time of the 2012 UEFA European Football Championships.

**Euro-2012**

Ukraine and the EU welcomed the fact that Ukraine and Republic of Poland were appointed as the co-hosting countries for the Euro-2012 finals.

The decision to place the part of the Euro-2012 Championship finals in Ukraine is an additional impetus for investment flows into the Ukrainian economy, which, in turn, could positively influence the development of Ukraine’s infrastructure.

The sides agreed to use where appropriate existing forms of cooperation to facilitate the Ukrainian side’s preparations for co-hosting the 2012 European football championships.

**Republic of Moldova/Transnistria**

The Parties expressed their strong interest in resuming the negotiations in the “5+2” format with the view to speeding the process of the conflict settlement. They expressed particular satisfaction with the on-going positive cooperation with the EU Border Assistance Mission at the Ukrainian-Moldovan border. The EU welcomed progress achieved so far in the demarcation of the Ukrainian/Moldovan state border, and reiterated its readiness to support this process.
The meeting of the European Council was preceded by an exposé by the President of the European Parliament, Mr Hans-Gert Pöttering, followed by an exchange of views.

1. The European Council is gravely concerned by the open conflict which has broken out in Georgia, by the resulting violence and by the disproportionate reaction of Russia. This conflict has led to great suffering on both sides. Military action of this kind is not a solution and is not acceptable. The European Council deplores the loss of human life, the suffering inflicted on the population, the number of displaced persons and refugees, and the considerable material damage.

2. The European Council strongly condemns Russia’s unilateral decision to recognise the independence of Abkhazia and South Ossetia. That decision is unacceptable and the European Union calls on other States not to recognise this proclaimed independence and asks the Commission to examine the practical consequences to be drawn. It recalls that a peaceful and lasting solution to the conflict in Georgia must be based on full respect for the principles of independence, sovereignty and territorial integrity recognised by international law, the Final Act of the Helsinki Conference on Security and Cooperation in Europe and United Nations Security Council resolutions.

3. The European Council emphasises that all European States have the right freely to determine their foreign policy and their alliances, while respecting international law and the principles of good neighbourliness and peaceful cooperation. It is also legitimate for the security interests of each to be taken into account, so long as the fundamental principles of respect for sovereignty, territorial integrity and the independence of States are respected.

4. The European Council is pleased that the six-point agreement achieved on 12 August on the basis of the European Union’s mediation efforts has led to a ceasefire, improved delivery of humanitarian aid to the victims, and a substantial withdrawal of Russian military forces. The implementation of that plan has to be complete. The European Council calls on the parties to continue the full implementation in good faith of the agreement they have signed. The military forces which have not yet withdrawn to the lines held prior to the outbreak of hostilities must do so without delay. Besides the provision of assistance to the victims, the urgent issue at the moment is to finalise the international monitoring mechanism, in which the Union is prepared to participate, and which is provided for in point 5 of the agreement, so as to replace the Russian additional security measures in the zone adjacent to South Ossetia. It is also a matter of urgency to begin the international talks provided for in point 6 of the agreement concerning the security and stability arrangements in Abkhazia and South Ossetia.

5. The European Union is ready to commit itself, including through a presence on the ground, to support every effort to secure a peaceful and lasting solution to the conflict in Georgia. To that end, the Member States of the European Union are making a significant contribution to strengthening the OSCE observer mission in South Ossetia, by sending observers and by making substantial material and financial contributions. The European Union has also decided on the immediate dispatch of a fact-finding mission with the task of helping to gather information and defining the modalities for an increased European Union commitment on the ground, under the European Security and Defence Policy. The European Council invites the relevant Council bodies to conclude all the necessary preparatory work in order that a possible decision to commit such an observer mission can be taken by the Council by 15 September 2008, depending on how the situation develops, and in close coordination with the OSCE and the United Nations. To this end the European Council requests the President of the Council and the SG/HR to undertake all the necessary contacts and discussions.
6. The European Union has already supplied emergency aid. It is prepared to supply aid for reconstruction in Georgia, including the regions of South Ossetia and Abkhazia. It is ready to support confidence-building measures and the development of regional cooperation. It also decides to step up its relations with Georgia, including visa facilitation measures and the possible establishment of a full and comprehensive free trade area as soon as the conditions are met. It will take the initiative of convening an international conference shortly to assist reconstruction in Georgia and requests the Council and the Commission to start preparations for this conference.

7. The European Council notes with concern the impact which the current crisis is having on the whole of the region. The European Union considers that it is more necessary than ever to support regional cooperation and step up its relations with its eastern neighbours, in particular through its neighbourhood policy, the development of the “Black Sea Synergy” initiative and an “Eastern Partnership” which the European Council wishes to adopt in March 2009; to this end it invites the Commission to submit proposals in December 2008. In this context the European Council stresses the importance of the forthcoming summit between the European Union and Ukraine on 9 September.

8. The European Council decides to appoint a European Union Special Representative for the crisis in Georgia and asks the Council to make the necessary arrangements.

9. Recent events illustrate the need for Europe to intensify its efforts with regard to the security of energy supplies. The European Council invites the Council, in cooperation with the Commission, to examine initiatives to be taken to this end, in particular as regards diversification of energy sources and supply routes.

10. With the crisis in Georgia, relations between the EU and Russia have reached a crossroads. The European Council considers that given the interdependence between the European Union and Russia, and the global problems they are facing, there is no desirable alternative to a strong relationship, based on cooperation, trust and dialogue, respect for the rule of law and the principles recognised by the United Nations Charter and by the OSCE. It was for this reason that we launched negotiations for a new framework agreement between the Union and Russia last July.

11. We call on Russia to join with us in making this fundamental choice in favour of mutual interest, understanding and cooperation. We are convinced that it is in Russia’s own interest not to isolate itself from Europe. For its part, the European Union has shown itself willing to engage in partnership and cooperation, in keeping with the principles and values on which it is based. We expect Russia to behave in a responsible manner, honouring all its commitments. The Union will remain vigilant; the European Council requests the Council, with the Commission, to conduct a careful in-depth examination of the situation and of the various aspects of EU-Russia relations; this evaluation must begin now and continue in the run-up to the forthcoming summit scheduled to take place in Nice on 14 November 2008. The European Council gives a mandate to its President to continue discussions with a view to the full application of the six-point agreement. To that end, the President of the European Council will go to Moscow on 8 September, accompanied by the President of the Commission and the High Representative. Until troops have withdrawn to the positions held prior to 7 August, meetings on the negotiation of the Partnership Agreement will be postponed.
June 2008,

– having regard to its resolution of 15 November 2007 on strengthening the European Neighbourhood Policy and its resolutions of 17 January 2008 on a more effective EU policy for the South Caucasus and on a Black Sea Regional Policy Approach,

– having regard to the European Neighbourhood Policy’s Action Plan adopted with Georgia, which includes a commitment to cooperation for the settlement of Georgia’s internal conflicts,

– having regard to Council Joint Action 2008/450/CFSP of 16 June 2008 regarding a further contribution of the European Union to the conflict settlement process in Georgia/South Ossetia, and other previous Council joint actions on the same subject,

– having regard to its previous resolutions on EU-Russia relations, particularly its resolution on the EU-Russia Summit of 19 June 2008,

– having regard to the conclusions of the meeting of the General Affairs and External Relations Council’s Conclusions on the situation in Georgia of 13 August 2008,

– having regard to the conclusions of the extraordinary meeting of the European Council held in Brussels on 1 September 2008,

– having regard to UN Security Council Resolutions 1781 (2007) and 1808 (2008), which support the territorial integrity of Georgia and extend the mandate of the UN Observer Mission in Georgia (UNOMIG) until 15 October 2008,

– having regard to OSCE Permanent Council Decision No 861 on increasing the number of military officers in the OSCE mission to Georgia,

– having regard to the NATO Bucharest Summit Declaration of 3 April 2008 and to the outcome of the NATO Council meeting of 19 August 2008,

– having regard to Rule 103(4) of its Rules of Procedure,

A. whereas the EU remains committed to supporting the independence, sovereignty and territorial integrity of Georgia within its internationally recognised borders,

B. whereas the distribution of Russian passports to citizens in South Ossetia and support for the separatist movement, together with increased military activity by separatists against villages with Georgian populations, have increased the tensions in South Ossetia, combined with large-scale Russian military manoeuvres close to the border with Georgia during July,

C. whereas, after several weeks of increased tension and skirmishing between the parties, and provocations by the South Ossetian separatist forces involving bomb attacks, deadly clashes, shootouts and shellings which caused the deaths of many civilians and left many more injured, during the night of 7 and 8 August 2008 the Georgian army launched a surprise artillery attack on Tskhinvali followed by a ground operation using both tanks and soldiers aimed at regaining control over South Ossetia,

D. whereas Russia responded immediately, after a long-term military build-up, with a massive counter-attack, sending in tanks and ground troops, bombing several locations in Georgia, including the town of Gori, and blocking Georgian Black Sea ports,

E. whereas about 158 000 people were uprooted by the crisis and forced to leave their homes and must now be assisted in their efforts to return; whereas the presence of cluster munitions, unexploded ordnance and landmines, as well as the Russian warnings and the lack of cooperation, make any such return unsafe,

F. whereas the infrastructure of Georgia has been heavily damaged by the Russian military actions and whereas humanitarian aid is needed,

G. whereas international human rights
researchers and military analysts have documented the use by Russian troops of cluster munitions in Georgia, which has left thousands of items of unexploded ordnance in the conflict areas; whereas Georgia has also admitted to the use of cluster bombs in South Ossetia near the Roki tunnel,

H. whereas on 12 August the Presidents of Georgia and Russia committed themselves to an agreement on the basis of the mediation efforts carried out by the EU providing for an immediate ceasefire, the withdrawal of Georgian and Russian forces to their positions prior to 7 August and the opening of international talks on an international mechanism to be set up rapidly in order to prepare for a peaceful and lasting solution to the conflict,

I. whereas on 19 August NATO suspended regular top-level ties with Russia, saying that Russia’s military action had been ‘disproportionate’ and ‘inconsistent with its peacekeeping role in parts of Georgia’ and that ‘business as usual’ could not continue while Russian troops remained in Georgia,

J. whereas on 22 August Russia withdrew tanks, artillery and hundreds of troops from their most advanced positions in Georgia, but still controls access to the port city of Poti, south of Abkhazia, and the Russian Government announced that it would keep troops in a security zone around South Ossetia, establishing eight checkpoints at which Russian troops will be deployed,

K. whereas on 25 August Russia’s upper house of parliament adopted a resolution asking the President to recognise the independence of Georgia’s breakaway regions of Abkhazia and South Ossetia, which was followed on 26 August by President Medvedev’s decision that Russia would formally recognise the two regions as independent states,

L. whereas this conflict has far-reaching implications for regional stability and security, going well beyond the direct relationship between all sides in the conflict, with possible repercussions for the EU-Russia relationship, the European Neighbourhood Policy, the Black Sea region and beyond,

M. whereas the European Union must maintain full political unity in response to the crisis in Georgia and must speak with one voice, in particular in relations with Russia; whereas the process towards a peaceful and stable solution to the conflicts in Georgia and in the Caucasus will demand a comprehensive revision of the EU Neighbourhood Policy and a new engagement with the whole region, in cooperation with all European and international organisations, notably the OSCE,

N. whereas last week the Georgian Government broke off diplomatic relations with Russia and the Russian Federation responded by doing the same,

1. Takes the view that there cannot be a military solution to the conflicts in the Caucasus and expresses its firm condemnation of all those who resorted to force and violence in order to change the situation in the Georgian breakaway territories of South Ossetia and Abkhazia;

2. Calls on Russia to respect the sovereignty, territorial integrity and inviolability of the internationally recognised borders of the Republic of Georgia, and therefore strongly condemns the recognition by the Russian Federation of the independence of the breakaway Georgian regions of South Ossetia and Abkhazia as contrary to international law;

3. Points out that any decision on the final status of South Ossetia and Abkhazia must be conditional on compliance with the basic principles of international law, including the Helsinki final act, with regard, in particular, to the return of refugees and respect for their property and guarantees of, and respect for, minority rights;

4. Condemns the unacceptable and disproportionate military action by Russia and its deep incursion into Georgia, which violates international law; underlines that there is no legitimate reason for Russia to invade Georgia, to occupy parts of it and to threaten to override the government of a democratic country;
5. Deplores the loss of life and human suffering caused by the use of indiscriminate force by all parties engaged in the conflict;

6. Expresses deep concern at the effect of Russian mines on the social and economic activity of Georgia, in particular with regard to the blowing up of a railway bridge near Kaspi on the main rail link from Tbilisi to Poti on 16 August and the explosion caused near Gori on 24 August to the fuel train carrying crude oil from Kazakhstan for export through Poti; underlines that both actions violated the ceasefire commitment;

7. Reiterates its firm belief in the principle that no third country has a veto over the sovereign decision of another country to join any international organisation or alliance or the right to destabilise a democratically elected government;

8. Stresses that the partnership between Europe and Russia must be based on respect for the fundamental rules of European cooperation, upheld not just in words but in action;

9. Praises the EU Presidency for the efficiency and speed with which it has reacted to this conflict and the unity shown by the EU Member States in mediating between the two sides, enabling them to sign a ceasefire peace plan; welcomes in this regard the conclusions of the extraordinary meeting of the European Council held in Brussels on 1 September 2008;

10. Strongly urges Russia to honour all its commitments under the ceasefire agreement reached and signed through the diplomatic efforts of the EU, beginning with the complete and immediate withdrawal of its troops from Georgia proper and the reduction of its military presence in South Ossetia and Abkhazia to the Russian force deployed as peacekeepers in the two provinces before the conflict erupted; condemns the extensive looting perpetrated by the Russian invasion forces and accompanying mercenaries;

11. Demands that an independent international investigation be carried out as a matter of urgency in order to establish the facts and bring greater clarity to certain allegations;

12. Urges Georgia, which ratified the Rome Statute of the ICC, and the Russian authorities to lend support to and fully cooperate with the Office of the Prosecutor of the International Criminal Court as regards its investigation into the tragic events and the attacks against civilians which took place during the conflict in order to determine responsibility and bring those responsible to justice;

13. Calls on the EU and NATO and its members to use, on the basis of a common position, all available means to persuade the Russian Government to abide by international law, which is the necessary condition for playing a responsible role in the international community; reminds Russia of its responsibility as a UN veto power for a global order of peace;

14. Calls on the Council and Commission to review their policy towards Russia should Russia not fulfil its commitments under the ceasefire agreement; supports in consequence the decision of the European Council to postpone the Partnership and Cooperation Agreement negotiations until the withdrawal of the Russian troops to their positions prior to 7 August;

15. Calls on the Commission to propose visa facilitation and readmission agreements with Georgia at least equivalent to those for Russia;

16. Calls on the EU Member States to review the issuing of visas for economic activities based in South Ossetia and Abkhazia;

17. Strongly condemns the forced resettlement of Georgians from South Ossetia and Abkhazia and calls on the de facto South Ossetian and Abkhazian authorities to guarantee the safe return of the displaced civilian population, in line with international humanitarian law;

18. Welcomes the initiatives taken by the OSCE to increase the number of unarmed observers; calls for a further strengthening of the OSCE Georgia Mission, with full freedom of movement throughout the country, and encourages the EU Member States to make a
contribution to these efforts;

19. Calls for a robust contribution by the European Union to the planned international mechanism for the resolution of the conflict and therefore asks the Council to consider the deployment of an ESDP (European Security and Defence Policy) monitoring mission to complement the UN and OSCE missions and to ask for a UN mandate for an ESDP peace mission;

20. Welcomes the EU’s active and continued support for all international efforts to find a peaceful and lasting solution to the conflict, in particular the Council’s commitment to supporting all UN, OSCE and other efforts to settle the conflict; welcomes in particular the decision to appoint an EU Special Representative for the crisis in Georgia;

21. Welcomes the Commission’s € 6 million fast-track humanitarian aid package for civilians, which must be bolstered by further funds on the basis of a needs assessment on the ground; notes the urgent need for reconstruction aid in the aftermath of the conflict;

22. Welcomes the Council’s decision to convene an international donors’ conference for the reconstruction of Georgia, and urges the Council and the Commission to examine the possibility of a major EU plan to provide financial support for the rebuilding of the affected areas of Georgia and to establish a stronger EU presence in the country and throughout the region;

23. Calls on all parties to the conflict to allow full and unfettered access for humanitarian assistance to victims, including refugees and internally displaced persons;

24. Takes the view that the search for solutions to the conflict in Georgia, along with the other unresolved conflicts in South Caucasus, will benefit from increased internationalisation of conflict resolution mechanisms; proposes therefore that the European Union convene a ‘Trans-Caucasian Conference for Peace’ as a key element of this process; considers that such a conference should discuss international guarantees concerning full respect for civil and political rights and the promotion of democracy through the international rule of law; stresses that the conference should also provide an opportunity to listen to the voice of the unrepresented or silenced groups of the Caucasian region;

25. Calls on the Council and Commission to develop the European Neighbourhood Policy further by making it better adapted to the needs of our eastern partners, including a strengthening of EU involvement in the Black Sea region, to take up the European Parliament’s proposal for a European Economic Area Plus or the Swedish-Polish proposal and to speed up, in relation to Georgia, Ukraine and the Republic of Moldova in particular, the establishment of a free trade zone; notes that liberalisation of EU visa policy towards these countries must take account of the fact that Russia has been granted better conditions in this area than they have;

26. Stresses the inter-relatedness of a number of problems in the South Caucasus region and the need for a comprehensive solution in the form of a stability pact, with the involvement of the major external actors; underlines the need to enhance cooperation with the neighbouring countries of the Black Sea region by setting up a special institutional and multilateral mechanism such as a Union for the Black Sea, and organising an international security and cooperation conference on the South Caucasus region; asks the Commission, therefore, to make a specific proposal to the Council and Parliament on the setting-up of a multilateral framework for the Black Sea region, including Turkey and Ukraine; considers that neighbouring countries, such as Kazakhstan, should be involved in the interests of the whole region’s stability and energy flows;

27. Recalls that at the Bucharest Summit on 3 April 2008 NATO agreed that Georgia would become a member of the Alliance, and takes the view that Georgia is still on track eventually to join the Alliance;

28. Stresses the importance of Georgia in improving EU energy security by providing an alternative to the Russian energy transit route; considers it crucial that existing
infrastructure such as the BTC pipeline be effectively protected, and calls on the Commission to offer Georgia all necessary assistance to this end; expects a strong EU commitment in pursuing the Nabucco pipeline project, recognised as an EU priority project that would cross Georgia’s territory;

29. Takes the view that cooperation in the South Caucasus should not be about mutually exclusive zones of influence between the EU and Russia (so-called ‘spheres of interest’) but, on the contrary, about a coordinated approach;

30. Takes the view that the role of the EU in the current crisis underlines the need to strengthen the European foreign, defence and security policy, and believes that the Treaty of Lisbon, including the creation of the position of High Representative, the solidarity clause and the EU Energy Security Policy, represents the right way of doing this;

31. Stresses the need to safeguard stability in the South Caucasus region and calls on the Armenian and Azerbaijani Governments to contribute to achieving this aim, while respecting all their international commitments;

32. Reaffirms the principle that pluralistic and democratic governance, with functioning opposition parties and respect for human and civil rights, constitutes the best guarantee for stability in the entire South Caucasus region;

33. Instructs its President to forward this resolution to the Council, the Commission, the Member States, the Presidents and Parliaments of Georgia and the Russian Federation, NATO, the OSCE and the Council of Europe.

**Relations with Russia**

Russia’s actions raise wider questions about the nature of our relations in both short and long term.

Its failure - until now - to honour the 6-point plan brokered by the Presidency and its decision to recognize Abkhazia and South Ossetia are against the basic principles that underpin international relations.

We have been seeking to rework our relations, into a modern partnership to reflect our growing economic integration. Fundamental mutual interests are at stake – economic interdependence, the need to find common approaches on non-proliferation or counter-terrorism or many other international issues.

Keeping channels of communication open with Russia is vital.

However, relations with Russia cannot remain "business as usual" in the light of recent events. We must strike the right balance between maintaining channels of communication and sending a clear signal to Russia. The right approach is for our existing joint work and dialogues to continue – but for new initiatives to be put on hold.

Therefore, the Commission will review all new initiatives under way to deepen our relations, which will allow the Council to draw conclusions ahead of the Nice Summit in November.

**Long-term implications for other policies**

Recent events will give a new importance to some areas of policy:

Our commitment in June to develop the Eastern partnership and the European Neighbourhood Policy demonstrate the EU’s legitimate interests in the region. These policies underline that we will not accept new dividing lines in Europe, and that partners like Georgia, Ukraine and Moldova can count on our support for their territorial integrity and sovereignty. We are ready to accelerate and deepen our work on the new Eastern partnership in order to submit our proposal as soon as possible.
Second, energy is at the heart of our relations with Russia. What we do on energy inside Europe will directly shape our relations with Russia. So we must keep up the momentum to develop a coherent and strategic energy policy for Europe.

Conclusion

Recent events have posed a real challenge the EU and we will need in the coming months to continue to show that we can rise to tasks ahead. Today has been an important marker. Only through coherent strategy and concerted action can we defend European interests and values. I applaud the commitment of this Parliament, and trust that we will all play our parts in ensuring that the Union maintains a strong and united front.

EU General Affairs and External Relations Council (GAERC)
Conclusions on the Situation in Georgia
(Brussels, 13 August 2008)

The Council adopted the following conclusions:

1. The Council recalls that the Union had expressed its grave concern at recent developments in Georgia, and the open conflict that has broken out between Russia and Georgia. Military action of this kind is not a solution. This war has caused the loss of many human lives, inflicted suffering on the population, resulted in substantial material damage and further increased the number of displaced persons and refugees.

A peaceful and lasting solution to the conflict in Georgia must be based on full respect for the principles of independence, sovereignty and territorial integrity recognised by international law and UN Security Council resolutions.

2. In this context, the absolute priority is to stop the suffering and bring the fighting to an end. In this respect the Council welcomes the agreement subscribed to by the parties yesterday on the basis of the mediation efforts carried out by the Union.

The principles to which the parties have subscribed are as follows:

1. Not to resort to force;

2. To end hostilities definitively;

3. To provide free access for humanitarian aid;

4. Georgian military forces will have to withdraw to their usual bases;

5. Russian military forces will have to withdraw to the lines held prior to the outbreak of hostilities. Pending an international mechanism, Russian peace-keeping forces will implement additional security measures;

6. Opening of international talks on the security and stability arrangements in Abkhazia and South Ossetia.

The Council calls on the parties to honour all these commitments, beginning with an effective ceasefire, and to ensure that they are implemented effectively and in good faith both on the ground and in the relevant fora. The international mechanism should be set up rapidly.

3. The Council emphasises the Union’s commitment to contribute actively to effective implementation of these principles. They will be embodied in a UN Security Council resolution as soon as possible.

Rapid reinforcement of the OSCE’s observer capabilities on the ground is crucial. The Union will take action to this effect at the OSCE. The Council urges the parties not to obstruct the observers’ activities.

The Council also considers that the European Union must be prepared to commit itself, including on the ground, to support every effort, including those of the UN and the OSCE, with a view to a peaceful and lasting solution to the conflict in Georgia. It asks the Secretary General/High Representative, in liaison with the Commission, to prepare proposals on the matter with a view to the informal meeting in Avignon on 5 and 6 September.

4. The Council stresses the humanitarian emergency and the Union’s resolve to
provide vital assistance to the population. An outline has been given of initial measures undertaken, both by the Commission and by the Member States. The Council requests the Commission, in liaison with the Presidency, to continue to coordinate European assistance and to encourage pooling arrangements designed to enhance its effectiveness and relevance.

It is essential that all parties undertake to respect international humanitarian law and to facilitate the unimpeded delivery of humanitarian assistance to all the population groups affected, without discrimination.

In addition, in view of the destruction caused by the conflict, the Council emphasises the need to identify reconstruction requirements as of now and to prepare to make a significant contribution to meeting those requirements at Union level. It invites the Commission to report back to it on this matter before its next meeting.

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19. Suggests, therefore, that, as regards those eastern neighbours which, in view of their political, economic and social situation and the EU’s current integration capacity, at present do not enjoy membership prospects but at the same time fulfil certain democratic and economic conditions, the EU should establish an area based on common policies covering, in particular, the rule of law, democracy and human rights, foreign and security policy cooperation, economic and financial issues, trade, energy, transport, environmental issues, justice, security, migration, visa-free movement and education; takes the view that these common policies should pursue the overall goal of assisting the eastern neighbours gradually to achieve EU standards and thus open the way for their closer integration into the European fold; is also convinced that the common policies referred to above should be shaped jointly with the participating countries on the basis of specific decision-making mechanisms, and should be underpinned by adequate financial assistance; takes a positive view of the Polish-Swedish proposal for an Easternpartnership submitted to the meeting of the General Affairs and External Relations Council of 26-27 May 2008, provided that the initiative which that proposal involves is pursued within the framework of the EU;

21. Reiterates, in the context of the above-mentioned specific regional cooperation frameworks, the importance of devising a more sophisticated and comprehensive EU strategy for the Black Sea region, that goes beyond the current synergy initiative and envisages the establishment of a Black Sea Cooperation Agreement, which should include the EU, Turkey and all Black Sea littoral states as equal partners, while seeking the full involvement of Russia, and which could, at a later stage, develop into a Union of the Black Sea; believes that such a multilateral framework would not only offer

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**EU General Affairs and External Relations Council (GAERC) Conclusions on Ukraine** (Brussels and Geneva, 22-29 July 2008)

[...] The Council held an exchange of views on EU-Ukraine relations. It took note of preparations for the forthcoming EU-Ukraine summit, which is to be held in Evian on 9 September 2008, and took stock of progress in negotiations on a new enhanced agreement between the European Union and Ukraine. These follow the Council’s adoption of negotiating directives on 22 January 2007.

Discussions covered the title of the future agreement, its preamble, and the question of a dialogue on visas. In the light of those discussions the Presidency will continue work on these issues with a view to the summit and continuing negotiations.

[...]
the countries involved the possibility of strengthening their cooperation with the EU across a wide variety of policy fields, but would also allow the EU to play a more active role in finding peaceful solutions to the region’s conflicts, thus contributing positively to security in the region;

**Joint Statement of the EU-Russia Summit on the Launch of Negotiations for a New EU-Russia Agreement (Khanty-Mansiysk, 27 June 2008)**

We, the leaders of the European Union and the Russian Federation, today in Khanty-Mansiysk launched the negotiations for a New EU/Russia Agreement to replace the current Partnership and Cooperation Agreement which entered into force on 1 December 1997. We have agreed that the existing Agreement will remain in force until replaced by the New Agreement.

We agreed that the aim is to conclude a strategic agreement that will provide a comprehensive framework for EU/Russia relations for the foreseeable future and help to develop the potential of our relationship. It should provide for a strengthened legal basis and legally binding commitments covering all main areas of the relationship, as included in the four EU/Russia common spaces and their road maps which were agreed at the Moscow Summit in May 2005.

The New Agreement will build on the international commitments which bind the EU and Russia. It will contain the appropriate institutional provisions to ensure the efficient functioning of the EU/Russia relationship.

The first round of negotiations will take place in Brussels on 4 July.

**Joint Statement of the EU-Russia Summit on Cross Border Cooperation (Khanty-Mansiysk, 27 June 2008)**

The European Union and the Russian Federation, aiming to promote their strategic partnership and in line with the priorities set out in the Roadmaps of the Four EU – Russia Common Spaces announce their agreement to cooperate in seven joint Cross Border Cooperation programmes over the period of 2007-13.

These programmes will promote economic and social development in regions on both sides of common borders, environmental protection and support cross-border “people to people” actions.

Both sides agree that such financial cooperation is based on the principles of equal partnership and mutual interests. Local and regional actors on both sides of the borders have been working together on the joint programmes with the Russian Federation contributing € 122 million, the European Community € 307 million, in addition to contributions from EU Member States and other partner countries. The Parties intend to start implementing these Programmes in early 2009.

**Declaration by the Presidency on Behalf of the European Union on the Deterioration of the Situation in South Ossetia (Georgia) (Brussels, 27 June 2008)**

The European Union expresses its grave concern over the violent fighting in South Ossetia (Georgia).

It calls for the immediate cessation of hostilities by all the parties and the swift resumption of negotiations in order to find a political solution to this crisis, respecting the sovereignty and territorial integrity of Georgia.

The European Union fully supports the efforts of the OSCE Chairman-in-Office as well as the OSCE mission in Georgia and calls for immediate cooperation with the mission by all parties.

The European Union, together with all the parties concerned, is working towards a ceasefire in order to prevent further escalation of this conflict.

The Candidate Countries Turkey, Croatia* and the former Yugoslav Republic of Macedonia*, the Countries of the Stabilisation and Association Process and
potential candidates Albania, Bosnia and Herzegovina, Montenegro, and the EFTA countries Iceland, Liechtenstein and Norway, members of the European Economic Area, as well as Ukraine and the Republic of Moldova align themselves with this declaration.

* Croatia and the former Yugoslav Republic of Macedonia continue to be part of the Stabilisation and Association Process.

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**Council of the European Union Presidency Conclusions on the Eastern Partnership (Brussels, 20 June 2008)**

68. The European Council welcomes the proposals for developing the eastern dimension of the European Neighbourhood Policy, which will aim at enhancing EU policy towards eastern ENP partners in bilateral and multilateral formats.

69. The European Council agrees on the need to further promote regional cooperation among the EU's eastern neighbours and between the EU and the region, as well as bilateral cooperation between the EU and each of these countries respectively, on the basis of differentiation and an individual approach, respecting the character of the ENP as a single and coherent policy framework. Furthermore, such cooperation should bring added value and be complementary to the already existing and planned multilateral cooperation under and related to the ENP, in particular the Black Sea Synergy and the Northern Dimension.

70. In line with this, the European Council invites the Commission to take the work forward and to present to the Council in Spring 2009 a proposal for modalities of the "Eastern Partnership", on the basis of relevant initiatives.

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1. Introduction

In May 2007 the Council adopted Conclusions on the Commission Communication "Black Sea Synergy – a New Regional Cooperation Initiative". It invited the future Presidencies and the European Commission to continue work on an enhanced and coherent EU engagement in and with the Black Sea region. Given the strategic importance of the Black Sea area for the EU, the Council invited the Commission to carry out a review in the first half of 2008 of the development of the Black Sea Synergy Initiative.

The Black Sea Synergy has been a recurrent topic of discussion in the relevant Council Working Party both under the Portuguese and the Slovenian Presidencies. This has given ample opportunities for Member States and the Commission to examine its evolution.

The European Parliament has adopted a Report on the Black Sea Synergy. It underlines the need for the EU to concentrate on a limited set of priority objectives, avoiding dispersion and duplication of efforts. The European Parliament also considers that, in order to adopt a coherent, effective and result-oriented regional policy approach, the Communication has to be followed by further consistent steps to encourage a genuine regional dimension tailored to this area. It considers that Bulgaria, Greece and

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11 COM 2007 (160) final, adopted 11. 04. 2007
12 The Black Sea region (See Map in Annex) includes Greece, Bulgaria, Romania and Moldova in the west, Ukraine and Russia in the north, Georgia, Armenia and Azerbaijan in the east and Turkey in the south. Though Armenia, Azerbaijan, Moldova and Greece are not littoral states, history, proximity and close ties make them natural regional actors.
Romania, as EU Member States in the Black Sea region, could and should lead the way in promoting enhanced cooperation with and within the region.

The Committee of the Regions has completed an opinion on the Black Sea Synergy which was adopted by its Plenary of 6-7 February 2008.\textsuperscript{14}

At the request of the Commission, the Economic and Social Committee is preparing an exploratory opinion on the 2007 Black Sea Synergy Communication.

This report on the first year of the Black Sea Synergy describes the progress achieved so far in implementing the tasks set by the 2007 Communication. It also renders account of the series of contacts and discussions with partners in the Black Sea region. These have led to the launch and endorsement of the Synergy as a collective endeavour and have produced a number of forward-looking proposals.

The Black Sea Synergy Initiative is complementary to the European Neighbourhood Policy, the enlargement policy for Turkey and the Strategic Partnership with the Russian Federation.

2. Progress in Carrying Out the Concrete Tasks

The 2007 Communication formulated concrete goals and tasks in sectors or thematic fields. The Commission has started implementing most of these tasks.

Environment

The Commission is examining the conditions for European Community accession to the Convention to protect the Black Sea against pollution. It has supported studies on the legal changes that would allow for accession. The Ministerial Conference of the Convention to be held in Kyiv in October 2008 is expected to address this question. Full membership of the Bucharest Convention is particularly relevant in view of the recently adopted Marine Strategy Framework Directive. The latter relies largely on regional cooperation, including the framework of regional sea conventions. Work has begun on exploring the feasibility of replicating the approach of the DABLAS Task Force\textsuperscript{15} for other environment sectors, waste being the most promising area. Furthermore, the Commission has launched a project to continue and intensify the work of the Task Force. As a result, the DABLAS Secretariat will provide services for the full DABLAS region, as well as direct investment support to river basin management–related projects.

The Commission will launch soon a climate change technical assistance project which includes the Black Sea region. This will focus on enhancing capacity to implement the Kyoto Protocol and to participate in international negotiations on a post-2012 agreement.

Discussions are under way with our partners about region-wide efforts to address climate change.

Maritime policy and fisheries

In the framework of the recently adopted Integrated Maritime Policy for the European Union\textsuperscript{16} the Commission is promoting better cooperation between national authorities responsible for offshore government activities, including in the Western Black Sea region, through the creation of an integrated network of maritime surveillance systems. In this context, it will also look at the possibility of extending such a network to other non-EU Black Sea littoral states. The Black Sea countries have already established Exclusive Economic Zones and currently prepare to develop a regional Strategy for Integrated Coastal Zones Management. The Commission will complete a Road Map in order to facilitate the development of maritime spatial planning by the end of 2008. Member States in the Black Sea region are encouraged to start their own reflection on maritime spatial planning and learn from the experience of other Member States.

\textsuperscript{14} RELEX-IV-008 COR

\textsuperscript{15} The Danube-Black Sea Task Force was set up by the countries of the Danube and the Black Sea regions to encourage a strategic focus in investments concerning water.

The Commission is in the process of establishing a European Marine Observation and Data Network for all sea basins, including the Black Sea. EU fisheries management measures have been established in the Council Regulation fixing the fishing opportunities and the conditions relating to certain fish stocks applicable in the Black Sea for 2008. These measures refer only to Bulgaria and Romania while fisheries management and a correct ecosystem approach need to involve all countries around the Black Sea. Therefore the Commission has started working on options for establishing regional fisheries management cooperation. The results of this analysis and the concrete proposals will be consulted with the Member States and the Black Sea coastal states.

Energy
The Black Sea region has made good progress in mobilising existing instruments and resources. The Republic of Moldova, Turkey and Ukraine have confirmed their intention to engage in formal negotiations to join the Energy Community Treaty, which provides for the implementation of the Community acquis in the electricity and gas sectors. Georgia was accepted as an observer in December 2007.

Concerning energy infrastructure, the Commission has sponsored a feasibility study on a Trans-Caspian-Black Sea Gas Corridor which is examining all the transportation options (pipeline and non-pipeline).

Transport
The Commission has started streamlining the various transport cooperation efforts. It has launched exploratory talks with the countries of the region on extension of the trans-European transport networks. This involves the possibility of preparing the TRACECA\(^{17}\) structures to serve as institutions for the south-eastern axis. Together with the TRACECA countries, the Commission is preparing a Transport Ministerial Meeting for the end of 2008 that might adopt the relevant decisions.

Through a series of related projects the Commission has increased its focus on maritime safety and security. Furthermore, it has begun to implement the Motorways of the Sea concept in the Black Sea, closely linked to the TRACECA programme. Work has started to extend the Common Aviation Area to the Black Sea countries, involving improvement of safety oversight and strengthening of the civil aviation authorities.

Managing movement and improving security
The Conclusions on the Global Approach to Migration adopted by the European Council in June 2007 endorsed a number of priority actions, including the establishment of a Cooperation Platform on Migration in the Black Sea region. In April 2008 the EU decided to establish this platform, bringing together Member States, EU agencies, countries bordering the Black Sea and regional organisations. The platform will aim to provide for a focused and strengthened migration dialogue and for improving practical cooperation between Member States and the countries in the region, as well as between those countries themselves.

There are advanced plans to fund the further development of the Burgas Black Sea Coordination Centre.\(^{18}\) Each Black Sea country is expected to establish national centres that will feed/exchange relevant information to/through the Coordination Centre. The Commission is co-funding two projects against trafficking in human beings through labour market based measures and police measures respectively.

Research, science and education networks
The Commission has been supporting institutional cooperation and structural reforms in higher education via the Tempus programme. Black Sea regional cooperation in higher education will benefit from the

\(^{17}\) The TRAnsport Corridor Europe-Caucasus-Central Asia (TRACECA) programme provides assistance covering road, rail, aviation and maritime transport connections.

\(^{18}\) Black Sea Border Coordination and Information Centre based in Burgas, Bulgaria.
The Black Sea Interconnection (BSI) project (approved for funding in 2007) will build a regional research and education network linking it to GÉANT2, the high bandwidth, pan-European research network. This flagship project is the largest of its kind in the region. The Commission also supports regional scientific cooperation, i.a. through the INCONet EECA project which started in January 2008.

**Employment and social affairs**

Activities at regional level started recently. They either address specific issues of the Black Sea region (such as a seminar on social dialogue to take place in 2008) or, in a larger context, thematic subjects (such as the seminar on gender equality in November 2007).

**Trade**

The EU has continued to encourage Black Sea regional trade liberalisation, supporting in particular the partner countries’ efforts to join the WTO.

**Democracy, respect for human rights and good governance**

The first of a series of Black Sea Synergy civil society seminars on human rights issues took place in May 2008 in the Republic of Moldova. This event presented standards on freedom of expression in a civil society perspective. Participants included government officials and members of civil society from the Black Sea countries. Recommendations to governments concerning freedom of expression were adopted.

**The “frozen conflicts”**

The Commission has continued to advocate an active EU role in addressing the underlying causes of these conflicts, i.a. in the Black Sea regional framework. Attention has been paid to promoting confidence-building measures also in wider regional context, including cooperation programmes specifically designed to bring the otherwise divided parties together.

### 3. Cross-border Cooperation, Working with Civil Society

The European Neighbourhood and Partnership Instrument Cross-border Cooperation programmes promote cooperation between local authorities of bordering regions addressing common challenges. They also facilitate people-to-people contacts.

The Black Sea CBC Programme is in its launch phase. A “Joint Operational Programme” has been drawn up by the parties (representing the national and regional authorities of 10 states19). The programme is allocated € 17.5 million.20 The first calls for proposals are expected to be published before the end of 2008. The Romania-Moldova-Ukraine CBC programme covers the north-western coast of the Black Sea with an allocation of € 126 million. Its implementation should start in the autumn of 2008.

The Black Sea Forum21 has increased its focus on civil society. Its first civil society activities have already taken place. The Black Sea Synergy has attracted considerable NGO interest. An alliance of 29 environmental NGOs met in Odessa on 7 February 2008 and adopted a position paper on “Greening the Black Sea Synergy”.

### 4. Assistance

In 2007 € 837 Million worth of Community assistance under ENPI and the Instrument of Pre-Accession were committed for the seven non-EU countries of the Black Sea region. (Details are provided in the Annex.) In addition, the creation of the Neighbourhood Investment Facility (NIF) offers a vehicle for pooling grant resources from the Community

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19 Armenia, Azerbaijan, Bulgaria, Georgia, Greece, Moldova, Romania, Russian Federation, Turkey and Ukraine
20 The participation of Turkey in the programme is financed additionally by funds under the Instrument of Pre-Accession
21 A Romanian initiative
and the Member States. These resources can also leverage additional loan financing from European public finance institutions for investments in neighbouring countries, including in the Black Sea region. The NIF will make it easier to mobilise additional funding for priority projects and can thus also sustain Black Sea regional cooperation efforts.

5. Other Cooperation with Partner Countries, Regional and International organisations

All Black Sea countries have been involved in Black Sea Synergy discussions. The Presidencies and the Commission have conducted a series of consultations with them in different formats.

The recent period has seen the rapid development of relations between the European Union and the Organisation of the Black Sea Economic Cooperation (BSEC). In June 2007 the Commission obtained observer status in the BSEC. Representatives of the EU Presidency, the incoming Presidency and the Commission joined the Foreign Ministers of the BSEC at a working breakfast in Kyiv in February 2008. The extended BSEC troika had three meetings with the respective Council Working Party. Commission representatives attended all high level BSEC meetings and contributed to the activities of BSEC Working Groups.

6. The Foreign Ministers’ Meeting in Kyiv (14 February 2008)

A Foreign Ministers’ meeting took place at the initiative of the European Union involving all regional partners, the EU Member States and the EU institutions. The meeting launched the Black Sea Synergy as a common endeavour. A Joint Statement was adopted by participants. It welcomes the Black Sea Synergy and states that greater involvement by the European Union can increase the potential of Black Sea regional cooperation. The Black Sea Synergy will benefit from the European Neighbourhood Policy and other EU policies applied in the relationship with countries of the region. EU support to Black Sea regional cooperation is aimed at producing tangible results in a number of priority areas, notably energy, transport, communication, trade, environment, maritime policies, fisheries, migration, law enforcement and the fight against organised crime. The Statement adds that increased EU engagement has the potential to bring benefits also in the fields of trade, science, research, culture and education as well as employment and social affairs.

7. The Way Forward

Experience of the first year has proven the validity of the principles contained in the 2007 Communication. The initiative’s main goal remains to invigorate action at regional level promoting stability and prosperity in the Black Sea area. It is a flexible, inclusive and transparent framework, based on the common interests of the EU and of all Black Sea states. The Commission welcomes the fact that Black Sea Synergy participants envisage continuing the present pragmatic and project-oriented approach. Consequently, work should proceed to accomplish the tasks set by the 2007 Communication and the Kyiv Joint Statement.

Interaction with the BSEC and other regional bodies providing added value should continue. During the Foreign Ministers’ meeting in Kyiv and the months thereafter, EU Member States and Black Sea Synergy partners have made suggestions as to how the Black Sea Synergy cooperation process can be firmly rooted as a long-term endeavour. These proposals can provide new impetus to regional cooperation with our partners to the east of the European Union. The Commission intends to explore and actively take them

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22 The BSEC was established in 1992. Initially focusing on economic cooperation, its remit has been gradually widened. Membership includes all Black Sea countries as listed under footnote 2 plus Albania and Serbia.

23 The Russian Federation did not take part in discussions about the Joint Statement, since it preferred an EU-BSEC Statement. However, the Russian Federation stressed that it supported the increased EU role contained in the Joint Statement. Therefore it did not oppose the document’s adoption.
forward to promote more effective and ambitious action:

– Long-term, measurable objectives in fields like transport, environment, energy or maritime safety should be set to spur more concerted action. These would require the support of all BSS members. In each case a lead country and/or organisation should be identified to ensure coordination of activities which might be undertaken at national or regional level to achieve the objectives set.

– To facilitate the realisation of projects, sectoral partnerships could be established to provide a framework for co-financing (including through the NIF) and a basis for the involvement of IFIs. These partnerships might bring together all or some of the Black Sea Synergy participants to cooperate on a series of projects. The successful experience of the Northern Dimension provides a useful example of how this could work.

– The frequency of ministers’ meetings should reflect concrete needs. In some cases they could take place in the existing sectoral frameworks (such as TRACECA or the Baku Initiative) or could follow the Kyiv model (back-to-back with BSEC meetings, with full EU participation or involving an open troika). Foreign ministers could meet as required to mark the major milestones of the process. There have been a number of other proposals that also deserve further study:

– involvement of Belarus in some of the sectoral activities, related to the Synergy

– creation of a Black Sea Civil Society Forum

– strengthening of academic and student networks

– establishment of an Institute of European Studies in the Black Sea Region

Northern Dimension Partnerships select and finance projects serving agreed goals and using dedicated funds

The Commission stands ready to work with Member States and all stakeholders on these and other new ideas, strengthening Black Sea regional co-operation that:

– complement the bilateral, tailor-made cooperation we have with our partners under the ENP and other policies applying in the region

– are inclusive, involve all Member States and Black Sea countries

– provide added value

8. Conclusion

The initial results of the Black Sea Synergy reveal the practical utility and the potential of this new EU regional policy approach. The launch phase of the Synergy has been completed and implementation has begun. Participants favour the establishment of a long-term Black Sea cooperation process and have formulated converging ideas about its content and arrangements. Experience in the first year also demonstrates that the development of EU-supported Black Sea regional cooperation is a process taking place in a complex environment. Continued progress requires the consistent and active involvement of a growing number of actors, including both Member States and Black Sea partners. As in the first year, the Commission will be ready to contribute to this important work.

[...]

ANNEX II

EC Assistance to Countries covered by the Black Sea Synergy (Commitments € million)

<table>
<thead>
<tr>
<th>Country</th>
<th>2000-2006 under Tacis and instruments for Turkey</th>
<th>2007 under ENPI/IPA</th>
<th>2007 under EC humanitarian aid instrument</th>
</tr>
</thead>
<tbody>
<tr>
<td>Armenia</td>
<td>44,8</td>
<td>24</td>
<td></td>
</tr>
<tr>
<td>Azerbaijan</td>
<td>72,6</td>
<td>22</td>
<td>1.35</td>
</tr>
<tr>
<td>Georgia</td>
<td>65</td>
<td>28</td>
<td>8,2</td>
</tr>
<tr>
<td>Moldova</td>
<td>86,5</td>
<td>45,7</td>
<td>3</td>
</tr>
</tbody>
</table>

24 Northern Dimension Partnerships select and finance projects serving agreed goals and using dedicated funds
The fifth meeting of the Accession Conference with Turkey at ministerial level was held today in Luxembourg, following the start of accession negotiations on 3 October 2005. The European Union delegation was headed by Dimitrij Rupel, Slovenian Foreign Minister and current President of the Council. The Turkish delegation was led by Ali Babacan, Minister of Foreign Affairs and Chief Negotiator.

The Conference opened negotiations on two further new chapters (both with closing benchmarks), namely: Chapter 6 - Company law and Chapter 7 - Intellectual property law, thus advancing further the negotiating process.

For both chapters, and on the basis of negotiating positions, the Union has closely examined Turkey’s general state of preparedness in these areas. Taking into account Turkey’s present state of preparations, and in line with the Council conclusions on 11 December 2006 - as well as on the understanding that Turkey will continue to make progress in the alignment with and implementation of the acquis - the EU underlined main issues regarding the closing benchmarks to be met by Turkey, namely that Turkey has to fulfil its obligation of full non-discriminatory implementation of the Additional Protocol to the Association Agreement, and further that: Chapter 6 - Company law

- Turkey adopts the Turkish Commercial Code, the law on the entry into force and implementation of the Turkish Commercial Code aligning with the acquis, as well as all relevant legislation aligning with the EU acquis.
- Turkey modifies the Capital Markets Law in line with the relevant acquis.
- Turkey fully aligns its accounting, financial reporting and statutory audit legislation, including its secondary legislation, with the EU acquis.
- Turkey sets up the Turkish Auditing Standards Board as the sole supreme authority in determining auditing standards and ethics, authorising independent auditors and audit companies under a public oversight system and monitoring their activities within the frame of quality assurance.
- Turkey reinforces its capacity to appropriately implement and enforce the acquis under Company law.

Chapter 7 - Intellectual property law

- Turkey has engaged successfully in a dialogue on intellectual property rights issues according to the terms of reference submitted by the Commission to Turkey on 3 April 2008.
- Turkey makes sure that enforcing bodies dispose of sufficient administrative capacity to enforce the rights concerning the fight against piracy and counterfeit.
- Turkey provides a satisfactory track record of investigations, prosecutions and judicial treatment of violations and an improved performance concerning the effective enforcement of Intellectual Property Law, including a substantial reduction in the volume of counterfeited and pirated goods exported to the EU.
- Turkey completes the alignment with the Community acquis concerning the community exhaustion of rights and the introduction of supplementary protection certificates, and ensures that these rights will be enforced by accession.

In more general terms, the EU also underlined that it would devote particular attention to monitoring all specific issues mentioned in its common positions with a view to ensuring Turkey’s administrative
capacity, its capacity to enforce the acquis and its capacity to complete legal alignment in all the areas under both chapters.

The Union will monitor closely Turkey's progress in these two chapters throughout the negotiations.

Since the start of the negotiations, eight chapters have been opened, of which one has been provisionally closed.

**EU General Affairs Council Conclusions on Georgia/South Ossetia (Luxembourg, 16 June 2008)**

Georgia/South Ossetia—Further assistance to the conflict-settlement process

The Council adopted a joint action providing for a further EU contribution to the conflict-settlement process in Georgia/ South Ossetia (8539/08).

Following an appeal by the OSCE for further assistance, the EU agreed to offer additional financial assistance of EUR 223 000 for a period of 12 months to the conflict settlement process. The additional assistance will be focused on support for joint control commission meetings, steering committee meetings on an economic rehabilitation programme and a related newsletter, as well as a confidence-building workshop and a meeting of representatives of law enforcement bodies.

EU assistance is complementary to the work of the EU special representative for the South Caucasus, whose mandate is, inter alia, to contribute to the prevention of conflicts, to assist in conflict resolution and to intensify the EU’s dialogue with the main actors in the region.

**Speech by Benita Ferrero-Waldner, European Commissioner for External Relations and European Neighbourhood Policy, on “Perspectives of the European Neighbourhood Policy” at Parliamentary Conference on the “European Neighbourhood East” (Brussels, 5 June 2008)**

As you know, the ENP is a central priority of the EU. It is a strategic policy, which aims at the stability, security and prosperity of the common neighbourhood to which we all belong. It is based on a privileged relationship through which we draw our partners closer and closer, building upon common commitments and shared values.

Through the ENP, the EU uses its “soft and smart power” to project security and create prosperity. The ENP is a reform partnership. We do not seek to impose anything but want to support our partners’ own reform efforts. That is, if you will, the underlying rationale of the ENP: Security and prosperity through reform and modernization.

Let me also stress that this policy is not a uniform "straight-jacket". On the contrary: It is a framework policy, tailored to each partner’s needs, capacities and performance. This differentiated approach is a central element of the ENP and will become more prominent over time, as already reflected in the ENP Progress Reports that I presented two months ago.

This progress-based "individualization" of the ENP is particularly visible in our relations with our Eastern partners:

For instance, we are pursuing an ambitious enhanced agreement with the Ukraine which will substantially intensify our relationship and draw Kiev significantly closer. I am happy to say that negotiations are progressing well, and have progressed well in the past even in difficult phases.

We are also ready to consider an "upgrade" of our contractual relationship with Moldova, based on continued progress in the implementation of the ENP Action Plan.
The EU thus recognises good progress, also through our ENPI Governance Facility, which the Commission will this year grant to Ukraine, Moldova and Morocco. So we are always ready to give ‘more for more’.

We are developing deeper relations with the South Caucasus countries – in a variety of fields from freer trade to enhanced mobility, and we hope to engage much more with Belarus as soon as that is possible, based on the respect of democratic principles and human rights in that country.

So in short: Our relations with our European neighbours to the East are generally evolving rather well, even though there remains a lot to be done in terms of political and economic transformation, as the Progress Reports also demonstrated.

In addition to this bilateral track – which is and will remain the bedrock of the ENP, we are also building a multilateral, regional dimension. Not because we believe that our Eastern Neighbourhood – with its rich and complex political, economic and cultural fabric – is one uniform “entity”. As I said, that would be contrary to the tailor-made nature of our policy.

But very simply because it is evident that there are issues of mutual concern, which cannot be tackled effectively on a purely bilateral basis: From organized crime to environmental threats, from transport issues to energy connections.

We are already engaged in many activities with our Eastern neighbours, through the Black Sea Synergy, created last year with great impetus from Germany's Council Presidency. This Black Sea Synergy, which is now bearing fruit, sets out a specific agenda on many of the issues I just alluded to. Further to the Kiev Ministerial of last February, we are now putting our collective energy behind it and implementing it further, for instance:

- In the field of the environment – with projects on climate change and water quality;
- Through cross-border cooperation – with the launch of a programme with local authorities around the region;
- And in a variety of other areas like migration, law enforcement and the fight against organised crime, and certainly not least civil society cooperation, projects have commenced.

Regional cooperation will thus remain high on our common agenda, and good ideas to deepen it further are always welcome.

In this vein, the recent proposal of Poland and Sweden on an 'Eastern Partnership’ contains some interesting ideas, which we should reflect on very carefully.

At the same time, I think we all agree that such new elements must build upon, complement and add value to existing frameworks.

Therefore, let's not get caught in overly institutional discussions, and let us above all not duplicate work that is already being done. That would be an unfortunate loss of political energy. It is therefore good to see that the Polish-Swedish paper appears to take a rather pragmatic, action-oriented approach.

Also, it is clear that the strong bilateral strand of the European Neighbourhood Policy remains the driving force to bring our Eastern neighbours closer to the EU. This is what our neighbours want and also where the bulk of our assistance lies. This differentiated bilateral track is rightly reflected in the paper of my Polish and Swedish partners.

Thirdly, as regional cooperation in the East of the Union evolves, the emerging regional framework must of course be open to all EU Member States. That is important so that our Union can deploy its full political and economic weight and bring our partners gradually closer.

Last but certainly not least, new proposals must of course have the clear support of the
neighbours they are designed for. Without that, they simply would not work.

Ladies and Gentlemen,

Let us therefore continue to pursue our common goal: Assisting our Eastern partners in their transition. Let us in a results-oriented manner build on what we have achieved, in the regional context on the first accomplishments of practical Black Sea Synergy. I will shortly be publishing a report on the first year of Black Sea Synergy with some ideas for the way forward.

Let me also emphasize that I strongly believe that parliamentary exchanges on a regional basis have a very important role to play in relations with our Eastern neighbours. Parliamentary cooperation can help us share ‘democratic know-how’ both between EU and our partners, and between our partners themselves, which is of crucial importance for the promotion of democracy and the rule of law in the region. Therefore, setting up a Parliamentary Assembly with our Eastern neighbours, similar to the one existing in with our Southern partners, is a good idea.

Democracy has already made a promising start in our Eastern neighbourhood. In particular, we have recently seen another round of free elections in Ukraine, and local government elections have taken place in Moldova according to democratic standards. The latest elections in Georgia were not perfect but showed progress. But these positive developments cannot be taken for granted. Young open societies are obviously fragile.

We therefore need to continue nurturing democracy, for instance with constitutional reform in Ukraine, and we need to support further efforts throughout the Caucasus and work for help a political opening in Belarus.

All this makes parliamentary cooperation and contacts between our neighbours and the European Parliament all the more important.

And especially those of you who have so successfully shaped democracy in their own countries of Central and Eastern Europe over the last two decades, have an extremely valuable contribution to make.

[...]

The Assembly,

(i) Having revised its Charter and Rules of Procedure;
(ii) Noting that the parliamentarians of two Black Sea littoral states - Bulgaria and Romania - are now full members of the Assembly, while Turkey remains an associate member, thus establishing closer ties between Europe and a new geopolitical region;
(iii) Aware that European security and defence policies must henceforth take account of the eastern shores of the Black Sea;
(iv) Welcoming the work of the parliamentarians of the Parliamentary Assembly of the Black Sea Economic Cooperation (PABSEC), who are committed to change in their region and seek in parallel to make progress in establishing democratic values;
(v) Noting that the subjects dealt with by PABSEC members and the area of discussion covered by its sphere of activity are complementary in nature;
(vi) Taking account of the possible convergence of interests of the two assemblies and of the need to coordinate efforts in order to add value to the work of both,

CALLS ON ITS PRESIDENTIAL COMMITTEE

1. To invite all the parliaments of the countries bordering the Black Sea who are not members of this Assembly to become "partners" so that the whole of
this geographical area should fall within its geographical remit;

2. To propose a protocol of agreement defining the methods of cooperation with the Parliamentary Assembly of the Black Sea Economic Cooperation (PABSEC), with a view to coordinating work on subjects of common interest;

3. To set up a special Subcommittee tasked with analysing the security challenges on Europe's eastern border and drawing up an action plan tailored to the new geopolitical situation;

4. To use this new geographical dimension to establish the broad lines of parliamentary cooperation with the countries bordering the Caspian Sea, taking account of the relations between the two basins and the consequences for the European security policy.

[...]


At the March 2008 European summit government leaders agreed to take the idea of a Union for the Mediterranean forward. The initiative is intended to “open a new phase of cooperation in the Mediterranean”. The initiative could give new impetus to Europe’s multilateral cooperation with its southern neighbours.

The European Commission submitted its proposals for the ‘Barcelona Process: Union for the Mediterranean’ on 21 May 2008 ahead of a summit in Paris on 13 July 2008. While the initiative is to be welcomed, given the many common challenges around the Mediterranean, proposals for strengthened cooperation around that other European sea have been much less ambitious. The challenges, scope and need for common policies, but also Europe’s interests and the potential for conflict around the Black Sea are no less significant, however.

The PSE Group therefore calls on the European Council and the European Commission to embrace the idea of a “Union for the Black Sea”, which is to mirror Europe’s ambition towards its Southern Neighbours. The main elements of our proposal are outlined in this paper.

More than synergy

Europe’s regional cooperation in the Black Sea area is currently framed within the ‘synergy initiative’, which seeks to improve coordination between elements of its bilateral ENP Partnership agreements and focuses on concrete measures and projects. The European Commission is committed to use the full potential of its synergy initiative and, among others, wants to use it as a platform to seek peaceful solutions to the frozen conflicts in the region. At the same time the Commission also admitted to have taken a cautious, even limited, approach.

Possible future proposals for regional cooperation in the Black Sea basin are only to be taken after an evaluation of the first year of the Black Sea synergy initiative, which will be presented by the European Commission in June 2008.

Although the synergy initiative was welcomed as a step forward, the European Parliament, mainly at the initiative of the PES Group, has at several occasions asked the Commission to develop proposals to strengthen Europe’s long term strategy towards the Black Sea region.

The EU must commit itself no less to the Black Sea region than to the Mediterranean, which necessarily involves the engagement to play a more active role in resolving or defusing (potential) conflicts in the region. This requires a strategy that creates a common future for the region, in which the European Union is an important but equal partner.

We envisage a framework for multilateral cooperation that complements the existing forms of association, offers more opportunities than the Neighbourhood Policy to strengthen political and economic relations with the EU, and clearly goes beyond mere ‘synergy’ between existing
policies and bilateral cooperation. A Union for the Black Sea should create genuine partnership, rather than mere cooperation, with a view to tackle common challenges and contribute to the resolution of longstanding problems in the region.

**Turkey and Russia: key partners**

The rationale for a Union for the Black Sea is similar to that of the Union for the Mediterranean. However, there are important differences as well. In the first place, all non-EU countries involved are European, some of them having the explicit ambition to join the European Union one day.

Secondly, their formal relations with the EU are diverse. Two EU member states border directly on the Black Sea. Turkey is a candidate member; others are ENP states, while Russia enjoys a strategic partnership with the EU. Thirdly, all non-EU members around the Black Sea belong to the post-Soviet area, except for Turkey. As a consequence they share a number of characteristics and challenges, while Russia continues to be a significant (f)actor. A major such actor is absent in the case of the Mediterranean.

We regard it as crucial that both Russia and Turkey are fully involved in the initiative. Too many questions in the region (conflict resolution, security arrangements, energy cooperation) can only be addressed with their full participation. Russia should therefore be invited to closely cooperate in the Union for the Black Sea from the very beginning, possibly as an associated member at first. This could lead to full membership, conditional upon its unequivocal support for the independence, sovereignty and integrity of our neighbours.

Turkey could play a special role in both Unions. The country is an important link between the EU and both regions. Its active participation would show to the wider European public the importance of that country to our interests. Although neither Union should have formal implications for its membership prospects, Turkey’s accession process should naturally involve a greater contribution in the development of Europe’s external policies. Active and constructive Turkish involvement would help its accession process.

Multilateral cooperation and Europe’s enlargement strategy Black Sea cooperation cannot be fully dissociated from the future of the European Union’s enlargement strategy. A ‘Union for the Black Sea should provide a framework for much closer relations with the EU than the current (strengthened) ENP for those European countries that have European ambitions.

While not prejudging any possible future decisions on their membership perspectives, the proposed framework would help close the gap between their current status as ENP countries and possible future membership, thus providing the necessary incentives for their internal reform.

**Policy areas and institutional structure**

A Union for the Black Sea will need institutional underpinning, which needs to be relatively light and flexible. It should include a parliamentary dimension to explicitly aim to contribute to democratisation in the region. The initiative should make use as much as possible of existing structures, like the Organization of the Black Sea Economic Cooperation. The possibilities the Lisbon Treaty offers to create stronger links to the Union’s Common Foreign and Security Policy and the policies currently overseen by the European Commission, should be fully used.

A clear link should also be established with the forthcoming European External Action Service.

The priority areas for cooperation in the Union for the Black Sea should be commonly defined to underline the principle of equal partnership. Apart from the areas now covered in the synergy initiative (currently mainly environment, transportation and infrastructure, trade and investment) they should include energy cooperation, migration, regional security, conflict resolution and the fight against terrorism (including judicial cooperation). Finally, promoting mobility and exchange of
students, teachers and researchers would provide a visible and tangible testimony of the construction of a common area with a common future.

Jan Marinus Wiersma and Hannes Swoboda

**EU General Affairs Council
Conclusions on EU-Russia Relations: Negotiating Directives for a New Agreement (Brussels, 26 May 2008)**

The Council approved negotiating directives for an agreement that will provide a new comprehensive framework for the EU’s relations with Russia.

EU-Russia relations have developed considerably since the existing partnership and cooperation agreement was signed at Corfu in June 1994. In successive summit meetings since 2005, the EU and Russia have agreed to establish a new contractual basis for bilateral relations. The negotiations will aim to conclude a new agreement to replace the partnership and cooperation agreement, including a broader range of areas for cooperation and enabling the future development of bilateral relations in various sectors.

**EU External Relations Council
Conclusions on Georgia (Brussels, 26 May 2008)**

1. The Council examined the situation in Georgia following the parliamentary elections held on 21 May 2008 which were an important test for democracy. The Council congratulated the people of Georgia on the peaceful conduct of the elections, welcomed the efforts made by Georgian authorities since the last elections and urged them to take all necessary steps to address the shortcomings and problems identified by the OSCE-led International Election Observation Mission.

2. The Council stressed the need for constructive dialogue between the government and the opposition to agree on the way forward. It emphasised the importance of stability in Georgia and in the region and urged all parties concerned to respect the rule of law and to use only democratic and peaceful means in seeking to resolve political differences.

3. The Council reiterated the European Union’s serious concern about the recent series of events that have raised tensions between Georgia and the Russian Federation. In this context, the Council reaffirmed its full commitment to the principles of the sovereignty, independence and territorial integrity of Georgia within its internationally recognised borders, as most recently reaffirmed in the UNSC Resolution 1808 of 15 April 2008. The Council recalled the Presidency Declarations on behalf of the EU of 18 April 2008 and 2 May 2008. It underlined that it is essential now to reduce the risk of further escalation and take steps towards normalisation of relations. The Council emphasised that all parties should tone down public rhetoric and abstain from provocations and implementation of decisions that undermine the above principles.

4. The Council expressed its support for the UNOMIG investigation into the shooting down of a Georgian unmanned aircraft and looked forward to discussing its results as soon as possible. The Council believes that UNOMIG should be reinforced, as recommended in the UN Secretary General’s report S/2007/588 of 4 October 2007 and supported in UNSC Resolution 1781 of 15 October 2007.

5. The Council reconfirmed its support for international efforts aimed at a peaceful settlement of the Abkhazian and South Ossetian conflicts, especially the efforts by the UN, the Group of Friends of the UN Secretary-General and the OSCE. The Council welcomed the peace initiative on Abkhazia put forward by the Georgian President, as well as the recent direct talks by the parties, hoping that they will contribute to a constructive dialogue on the issue. The Council affirmed that the EU stands ready to contribute to all these efforts and called on the parties to continue these talks on a higher level in order to reach peaceful and sustainable solutions. The
Council underlined the importance of the work of the European Union Special Representative for the South Caucasus and recalled that the EUSR for the South Caucasus and the European Commission will continue to implement confidence-building measures in support of resolving the conflicts.

6. The Council looked forward to strengthening EU-Georgia relations through active continuation of EU-Georgia political dialogue and implementation of the ENP Action Plan. The Council welcomed the establishment of the EU-Georgia Subcommittee on Justice, Freedom and Security and the results of its first meeting on 30 April 2008. The Council took note of the Georgian wish for visa facilitation, and looks forward to continuing result-oriented work in the area of mobility. The EU is considering means of strengthening economic cooperation with Georgia and, if the necessary conditions are met, the possibility of a deep and comprehensive Free Trade Agreement.

7. The Council will continue to follow closely the situation in Georgia and will revert to it as appropriate.

**Joint Polish-Swedish Proposal Draft Paper**

**Eastern Partnership**

(23 May 2008)

There is a need to strengthen the European offer in the Eastern direction and to develop an Eastern Partnership. Such a partnership should be based on, but go beyond the current ENP, confirming, on the one hand, the differentiation principle towards relevant neighbours, in line with the ENP assumptions, and, on the other hand, building horizontal links between these neighbours and the EU. In this context, we propose:

- Deepening bilateral co-operation. An offer of more profound integration with the EU should be extended to all eastern partners. First and foremost Ukraine would benefit from this; others would follow according to ambition and performance.

- Creating a permanent formula for multilateral co-operation.

**A deepened bilateral cooperation will include:**

- Deepening cooperation on the broader migration agenda and moving towards a visa-free regime, and, in a short-term perspective, making a further step in the visa facilitation process. A road map towards visa freedom, with clearly laid down steps and conditions, should be established.

- Creating a deep Free Trade Area, built upon the basis of series of deep and comprehensive free trade agreements between the EU and the partner countries.

- Enhancing EU support to sector reforms in accordance with European standards.

- Intensifying people-to-people contacts through enhanced student and scholar exchange programmes, civil society platforms and seminars, cooperation and exchanges of local and regional partners etc.

- Adjusting the methodology of the internal reforms and promoting the EU integration process. A new generation of Action Plans, agreed with each of the partner countries, with clear benchmarks and linkage to the alignment towards EU legislation, standards and norms. Reforms should increasingly be assessed against EU standards, with due monitoring by the Commission.

- Successor agreements going beyond present PCA’s could be offered to all eastern neighbours in due time and depending on reform progress. The New Enhanced Agreement with Ukraine could serve as a reference, with necessary adaptations to each of the partner countries.

- Ensuring a distribution of EU assistance funds that reflects progress in implementing agreed reform objectives as well as absorption capacity.

- The principle of differentiation among the partner countries is a key element.

**Multilateral co-operation Geographical scope:** The co-operation will include 27 EU countries and 6 Eastern partners, embraced
by the ENP: Ukraine, Moldova, Azerbaijan, Armenia, Georgia and Belarus (the co-operation with Belarus would initially take place on a technical and expert level – an enhancement would take place if and when conditions allow). Projects within the ENPI framework could also be extended to Russia.

**Project-orientation:** The co-operation will be based on the implementation of concrete projects.

**Flexible participation in projects:** Involvement in activities conducted in the framework of the multilateral co-operation will be voluntary and dependent on the interest of particular countries in concrete projects.

**Complementarity with regional projects:** Multilateral co-operation with Eastern neighbours will be complementary with the existing regional initiatives: the Black Sea Synergy and the Northern Dimension.

**Added value**
- Encouraging multilateral co-operation between the Eastern neighbours themselves, which will foster regional links.
- Creating a multilateral format to enable addressing issues which not only concern the regions of the Black Sea and the Baltic Sea, but also those which go beyond them, e.g. concerning land borders and initiatives strictly related to EU co-operation with the Eastern neighbours in the ENP framework.
- Enhancing an offer for Belarus, which has not been embraced by any of the EU multilateral initiatives so far. The multilateral co-operation would open an opportunity for inclusion of various social groups, e.g. the youth, SMEs and junior officials, in the co-operation with the European Union.

**Financing**
Financial resources for the implementation of projects, launched within the multilateral co-operation, will come from the already available ENPI resources (including East regional and CBC lines). Therefore, strengthening the Eastern dimension will be neutral for the EU budget. The EU funds could be coupled with the EIB and EBRD credits, as well as resources handed over by willing EU member states, as well as EEA and other partner countries (promoting the Trust Fund mechanism).

**Institutional framework**
An institutional structure should be as lightweight and goal-oriented as possible. It should be based on well-tried community mechanisms. Appointing a Special Coordinator might be an adequate formula, as well as creating appropriate working bodies (e.g. conferences or tables) as the needs arise. As the multilateral cooperation develops, ministerial meetings might become a matter for consideration. They could include the EU troika, neighbouring countries and the willing member states. Multilateral parliamentary co-operation would also be of use.

**Areas of co-operation**
Areas of co-operation might be divided into the following subject fields:

I: political and security
- Democracy, common values, rule of law, as well as co-operation in the field of foreign and security policy, civil service and local administration;

II: Borders and trans-border movement
- Migrations, making visa regimes more flexible, border infrastructure;

III: economic and financial
- Implementation of reforms foreseen in the Action Plans; economic integration of the Eastern neighbours, removing trade barriers between the EU and the Eastern neighbourhood; development of transport and teleinformatic networks; co-operation between independent regulators; tourism;

IV: environment
- Countering climatic change, environment-friendly technologies, developing ecological consciousness within society;

V: social
- Cross-border co-operation, people-to-people contacts, development of co-
operation between NGOs, educational programmes, joint research.

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**Council of the European Union Declaration by the Presidency on behalf of the EU on the Escalation of Tension between Georgia and Russia (Brussels, 6 May 2008)**

The EU remains seriously concerned by the recent series of events that have raised tensions between Georgia and the Russian Federation. This includes the announcement by the Russian Ministry of Defence on 29 April to increase the number of CIS peacekeepers in Abkhazia and to establish 15 additional check-points along the administrative boundary-line and the incident involving the downing of a Georgian unmanned aerial vehicle in Georgian airspace on 20 April.

The EU calls on all sides to refrain from any steps that could increase tensions and urges the sides to take action to rebuild confidence.

The EU reiterates its firm commitment to the sovereignty, independence, and territorial integrity of Georgia within its internationally recognised borders as most recently reaffirmed in the UNSC resolution 1808 of 15 April 2008.

The EU continues to support international efforts towards a peaceful settlement of the Abkhazian and South Ossetian conflicts, in particular those of the United Nations, its Special Representative in Georgia, with the assistance of the United Nations Secretary General’s Group of Friends and the OSCE. The European Union Special Representative and the European Commission will continue to implement the package of confidence-building measures in support of resolving the conflicts.

The Candidate Countries Turkey, Croatia* and the former Yugoslav Republic of Macedonia*, the Countries of the Stabilisation and Association Process and potential candidates Albania, Bosnia and Herzegovina, Montenegro and the EFTA countries Iceland, Liechtenstein and Norway, members of the European Economic Area, as well as Ukraine and Azerbaijan align themselves with this declaration. * Croatia and the former Yugoslav Republic of Macedonia continue to be part of the Stabilisation and Association Process.

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**EU Presidency Declaration on Georgia (Brussels, 21 April 2008)**

The EU is seriously concerned about recent developments in the Georgian conflict areas, particularly regarding the latest decision of the Russian Federation, announced by the Russian Ministry of Foreign Affairs on 16 April 2008, to establish official ties with institutions of the de facto authorities in South Ossetia and Abkhazia without the consent of the Government of Georgia.

The EU reiterates its firm commitment to the sovereignty and territorial integrity of Georgia within its internationally recognised borders as reaffirmed in the UNSC resolution 1808 of 15 April 2008. The decision of the Russian Federation jeopardises the implementation of these principles. The EU calls on the Russian Federation not to implement its decision.

Furthermore the EU considers that this decision risks further increasing tensions and undermines the international peace efforts where the Russian Federation participates too.

The EU continues to support international efforts towards a peaceful settlement of the Abkhazian and South Ossetian conflicts, in particular those of the United Nations, supported by the UNSG’s Group of Friends, as well as the Russian Federation in its capacity as facilitator, regarding Abkhazia; and of the OSCE regarding South Ossetia.

The EU urges all parties involved to refrain from any actions that could lead towards the escalation of the situation in the region. The EU welcomes the fact that the Georgian President put forward a new initiative for the peaceful resolution of the conflict in Abkhazia, Georgia, and hopes that it will contribute to a constructive dialogue on the
issue. The EU stands ready to contribute to these efforts. In this regard, the efforts of the European Union Special Representative and the European Commission in implementing the package of EU confidence building measures in support of conflict resolution in Georgia will continue. The EU will keep the implementation of the confidence building measures and the situation in Georgia under review.

The Candidate Countries Turkey, Croatia* and the former Yugoslav Republic of Macedonia*, the Countries of the Stabilisation and Association Process and potential candidates Albania, Bosnia and Herzegovina, Montenegro, and the EFTA countries Iceland, Liechtenstein and Norway, members of the European Economic Area, as well as Ukraine and Azerbaijan align themselves with this declaration.

* Croatia and the former Yugoslav Republic of Macedonia continue to be part of the Stabilisation and Association Process.

**Kyiv Declaration of the Ministers of Foreign Affairs of the Member States of the Organization of the Black Sea Economic Cooperation** (Kyiv, 17 April 2008)

We, the Ministers of Foreign Affairs of the Member States of the Organization of the Black Sea Economic Cooperation (BSEC) – the Republic of Albania, the Republic of Armenia, the Republic of Azerbaijan, the Republic of Bulgaria, Georgia, the Hellenic Republic, the Republic of Moldova, Romania, the Russian Federation, the Republic of Serbia, the Republic of Turkey and Ukraine – met in Kyiv, on 17 April 2008.

Reaffirming our commitment to and trust in the Organization and its Charter as indispensable foundations for peace, stability and prosperity in the wider Black Sea area,

Taking guidance from the Declaration adopted by our Heads of State and Government on the occasion of the BSEC Fifteenth Anniversary Summit held in Istanbul, on 25 June 2007,

**Stressing** the importance of implementing the policy guidelines set at the highest political level and developing innovative projects of regional significance aimed at further enhancing the international profile of BSEC,

Taking into consideration the rising importance of the wider Black Sea area and the paramount responsibility which rests with BSEC, the full-fledged and the most inclusive cooperation organization in the region in promoting economic development and preserving security and stability,

Acknowledging that increased cooperation in the region through BSEC mechanisms not only generates economic benefits, but also contributes to the building of confidence and constructive dialogue in the wider Black Sea area,

Welcoming the new fast track cooperation modality within BSEC, which constitutes a significant pillar of BSEC reform in reinforcing cooperation among the BSEC Member States,

Underlining the importance of further promoting cooperation and coordination with regional and international organizations and initiatives in a transparent manner and avoiding duplication,

Highlighting the significance of establishing a strong, mutually beneficial, coherent enhanced relationship with the European Union (EU), with a view to institutionalizing these relations in this new era of intense cooperation between the two organizations,

Capitalizing on our past experiences and making use of the growing interest of the international community to our region,

We:

1. **Express** our resolve to continue fostering a pragmatic, project and result-oriented approach in spheres of common interest, where improved regional cooperation could create synergies and increase the efficiency of resources used, as the success of BSEC depends on the concreteness and effective implementation of common projects serving the benefit of all its members.
2. **Appreciate** the activities conducted and envisaged by the Ukrainian Chairmanship-in-Office, with the assistance of the Country Coordinators of the Working Groups, the BSEC Related Bodies and the BSEC PERMIS, pertaining to the areas of cooperation of particular prominence - namely, environmental protection, trade, transport, tourism, energy, telecommunications, science and technology and combating organized crime – which were highlighted in the Declaration of the BSEC Fifteenth Anniversary Summit dated 25 June 2007.

3. **Commend** the intensified cooperation, among the BSEC Member States and with the EU, which made it possible, during the Ukrainian Chairmanship-in-Office, through effective interaction with the BSEC PERMIS, to hold the Special Meeting of the BSEC Council of Ministers of Foreign Affairs and the Meeting of the Ministers of Foreign Affairs of the European Union and of the Countries of the Wider Black Sea Area, in Kyiv on 14 February 2008. In order to ensure an effective follow-up:

   a) **Ask** the BSEC Chairmanships-in-Office and the BSEC PERMIS to maintain permanent working contacts with the EU Presidencies and the relevant Directorates General of the European Commission, in parallel with the political consultations of the BSEC Troika in an open format with the appropriate EU bodies.

   b) **Reiterate** our wish to establish the BSEC-EU enhanced relationship, within which Ministerial Meetings in different formats could be held.

   c) **Appreciate** the concerted actions of the states which are both BSEC and EU members to facilitate, within the EU, the implementation of the Black Sea Synergy through appropriate current and future European Union policies and concrete projects. In this context, the continued efforts of negotiating countries and other BSEC Member States are highly appreciated.

   d) **Highlight** the importance of the preparation, by the BSEC Ad Hoc Group of Experts on BSEC-EU Interaction, coordinated by the International Centre for Black Sea Studies (ICBSS) and taking into account the contributions of Member States, of an outline of future steps, including a strategy paper and working documents, aimed for the follow-up of the issues with the European Commission and other European institutions, so as to achieve the objectives of BSEC-EU interaction.

4. **Stress** the significance of the meetings of the Ministers of the BSEC Member States in charge of Transport and Energy, as well as of the Meeting of the BSEC Heads of Customs during the Ukrainian Chairmanship-in-Office and note with satisfaction that the deliberations and results of such events have become more practical, with clear responsibilities and timelines for execution and follow-up.

5. **Reiterate** the importance of developing inter-modal transport systems and stronger maritime transport links among the ports in the BSEC region which will provide a solid foundation for the Member States to compete in the global economy through effective, reliable and efficient transport solutions.

6. **Call upon** the Member States to take practical measures for the implementation of the provisions of the Memorandum of Understanding on the Facilitation of the Road Transport of Goods in the BSEC Region as an important tool for coordinated development of the road transport at the regional level.

7. **Encourage** BSEC and the EU to work towards the establishment of a Black Sea Partnership on Transport, which will support the implementation of the Memoranda of Understanding on the Coordinated Development of the Black Sea Ring Highway and on the Development of the Motorways of the Sea, as well as any future projects in the field of transport in the region.

8. **Taking into consideration** that intra-BSEC trade and investments do not reflect the real potential and are not at the desired level, **support** the initiatives which have been launched recently within the framework of our Organization to contribute to the improvement of the intra-BSEC trade
situation, including the project, with the active involvement of the BSEC Business Council, to identify and eliminate trade barriers and business/investment disincentives which constitute obstacles to creating a more favourable business environment in the BSEC region, the Black Sea Trade and Investment Promotion Programme (BSTIP), which is the first joint project between BSEC and the United Nations Development Programme, as well as the Black Sea Central Asian Economic Outlook study regarding promotion of investments and economic development.

9. **Encourage** within the framework of the Ad Hoc Working Group on Cooperation among BSEC Member States in Exploration and Extraction of Hydrocarbon Resources the elaboration of a biennial Action Plan and further cooperation among Member States in this regard.

10. **Underline** the importance of deepening cooperation in the areas of culture and tourism with a view to promoting the well-deserved reputation of our region as one having some of the greatest cultural heritage sites of the world, as well as maximizing its significant tourism potential and developing its infrastructure, taking into account the Winter Olympic Games in Sochi in 2014.

11. **Welcome** the adoption of the new programme based budget system for BSEC, which will further contribute to increasing the efficiency, accountability and transparency of the budgetary system of the Organization.

12. **Emphasize** the importance of the contributions to the Project Development Fund and its reform, with a view to ensuring the sustainability and uninterrupted operation of the Fund, in line with the project-oriented vision of the Organization.

13. **Welcome** the establishment of the BSEC Hellenic Development Fund, which will constitute as yet another means of strengthening the project-oriented approach of BSEC, through supporting the efforts to further enhance cooperation among its Member States by targeting specific key areas of regional cooperation such as transport, renewable energy sources, environmental protection, business cooperation, trade facilitation, tourism and culture.

14. **Recognize** that the existing protracted conflicts in the region impede cooperation and emphasize the need for their earliest peaceful settlement on the basis of the norms and principles of international law.

15. **Commend** the intensified coordination between BSEC and the Parliamentary Assembly of the Black Sea Economic Cooperation (PABSEC) and the elaboration of the modalities of enhancing coordination with PABSEC.

16. **Welcome** the dynamic development of the Black Sea Trade and Development Bank (BSTDB) in the recent years, which allows the Bank to participate in investment projects of larger scale in the Member States and express our support to the BSTDB, in its efforts developed to become a partner institution for the implementation of the EU’s Neighborhood Investment Facility (NIF), supporting at the same time its close contacts with other International Financial Institutions in this regard.

17. **Express** our appreciation for the voluntary contribution of the Government of the Hellenic Republic for the modernization of the communications systems of the BSEC Permanent International Secretariat (PERMIS), which is significant for the improvement of the communications mechanisms between the BSEC PERMIS and the competent authorities of the BSEC Member States, thus playing an important part in increasing the efficiency of the work being done by the PERMIS.

18. **Stress** that the provisions of the Rule VI of the Regulations for the Staff stipulating that both principles of professionalism and balanced representation of the Member States in the PERMIS staff should be implemented in full.

We, the Ministers of Foreign Affairs of the BSEC Member States, express our gratitude to the Government, the Ministry of Foreign Affairs and the people of Ukraine for the warm hospitality extended to the
participants and the excellent organization of the BSEC Council Meeting in Kyiv.

**Joint Declaration on Cooperation in the Sphere of Transport in the BSEC Region (Odessa, 10 April 2008)**

The Ministers of Transport of the Member States of the Organization of the Black Sea Economic Cooperation (BSEC) met in Odessa on 10 April 2008, within the framework of the Ukrainian Chairmanship in BSEC;

The Ministers,

**Recognizing** the importance to continue working closely for the development of reliable, efficient, safe, integrated and sustainable transport systems in the BSEC region;

**Being determined** to make every effort to develop environment friendly transport in the BSEC Region through introduction of advanced technologies;

**Considering** the importance of transport for the close trade relations in the BSEC Region;

**Acknowledging** that the development of efficient and safe transport routes in the BSEC Region will provide additional transport options to existing and future trade flows between the BSEC Region, Europe and Asia, as well as facilitate participation of national economies of the BSEC Member States in global economy;

**Committed** to the removal of both physical and non-physical barriers in the BSEC Region at the key transport nodes and transshipment points including maritime ports,

**Reiterating** the significance of the development of transport infrastructure, multimodal transport connections and logistics centres in the BSEC Region;

**Convinced** that the realization by the Member States of common projects on the development of the Black Sea Ring Highway and Motorways of the Sea in the BSEC Region will advance the development of transport infrastructure and transport routes;

**Recognizing** the usefulness of sharing experiences in transport field with participation of relevant international organizations and financial institutions;

**Stressing** the importance of BSEC interaction with the EC and international organizations and bodies, such as UN ECE, UN ESCAP, TRACECA, CIS, EurAsEC, as well as IRF, IRU, on the development of the Euro-Asian transport linkages, passing through the BSEC region;

**Acknowledging** the necessity to intensify efforts for promoting road transport of goods in the BSEC Region through facilitation of border crossings and reduction of waiting times at the borders;

**Acknowledging** the importance of the UN ECE activities on developing internationally harmonized transport norms and standards for the efficient transport operations in the BSEC transport network;

**Stressing** the need and importance of following-up the implementation of the Joint Declarations previously adopted by the Ministers of Transport of the BSEC Member States;

**Have agreed:**

1. **To intensify** joint efforts for promotion of reliable, efficient, environmentally sound, safe, secure, integrated, sustainable transport systems and policies in the BSEC Member States;

2. **To make** every effort to develop environment friendly transport in the BSEC region and strengthen sustainable development, according to the relevant international conventions and treaties to which BSEC Member States are parties;

3. **To promote** the development of transport infrastructure, multimodal transport connections and logistics centers, sea ports in the BSEC Region with a view to providing additional transport options to the existing and future trade flows between the BSEC Member States, Europe and Asia, facilitate participation of national economies of BSEC Member States in global economy;
4. To ensure that practical measures are taken for the implementation of the provisions of the Memorandum of Understanding on the Facilitation of Road Transport of Goods in the BSEC Region as an important tool for coordinated development of the road transport at the regional level.

5. To ensure implementation of the internationally harmonized transport norms and standards stemming from UNECE transport conventions as a necessary step for efficient transport operations in the BSEC transport network;

6. To encourage BSEC and the EU to develop cooperation on an equal footing in the BSEC region, and work towards the establishment of a Black Sea Partnership on Transport, which will support the implementation of the Memoranda of Understanding on the Coordinated Development of the Black Sea Ring Highway and on the Development of the Motorways of the Sea, as well as any future projects in the field of transport in the region.

7. To take appropriate measures for the removal of both physical and non-physical barriers in the BSEC region at key transport nodes and transshipment points including maritime ports;

8. To develop cooperation in civil aviation without prejudice to international obligations of the BSEC Member States on regulatory/legal issues, training, airport infrastructure projects, as well as to encourage cooperation between the Civil Aviation Service providers (Airlines, ANSPs, Airports, etc.);

9. To strengthen cooperation of BSEC with the EC and international organizations and bodies, such as UN ECE, UN ESCAP, TRACECA, CIS, EurAsEC, as well as IRF, IRU on the development of the Euro-Asian transport linkages, passing through the BSEC region in order to coordinate ongoing activities in the field of transport;

10. To encourage the BSEC Sectoral Dialogue Partners to continue making their contributions to the BSEC efforts on the development of transport in the Region;

11. To promote the organization of regional training seminars, conferences and projects aimed at the exchange of experiences and best practices in the transport sector among experts of the BSEC Member States, other states and international organizations.

The Ministers expressed gratitude to the Ministry of Transport and Communications of Ukraine for the hospitality extended to the delegations and the excellent organization of the Meeting in Odessa.

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BSEC Declaration on Cooperation with the EU in the Field of Energy (Kyiv, 9 April 2008)

We, the Ministers of Energy of the BSEC Member States, having gathered in Kyiv on the 9th of April 2008, to discuss the state of cooperation in the field of energy and also the directions of interaction between BSEC and EU in the above-mentioned field:

Reaffirming our commitment to the provisions of the BSEC Declarations on cooperation in energy adopted in Baku (19 September 2003), Alexandroupolis (4 March 2005) and the Joint Statement, adopted in Sochi (27 September 2006), and emphasising the need for their expeditious practical implementation;

Guided by the provisions of the BSEC Summit Declaration adopted by the Heads of State and Government on the occasion of 15th Anniversary of BSEC on 25 June 2007 in Istanbul, in particular, by their call for deepening cooperation in priority areas with particular prominence given, amongst others, to energy;

Conscious of the call by the BSEC Council of Ministers of Foreign Affairs to explore on the possibilities of developing legally binding instruments in energy in the framework of BSEC;


Being concerned about the current trends in the global energy markets and, in particular,
Recognising that the issue of stability and security of energy supplies is an immediate priority for the BSEC Member States in the development of comprehensive regional cooperation in energy;

Cognizant of the growing interdependency of BSEC Member States in energy and the increasing role of the latter in the sustainable development of the BSEC Member States;

Acknowledging, in this regard, the necessity for more committed, consolidated, coordinated and result-oriented efforts of the BSEC Member States in the development of cooperation in the field of energy, aiming at the development of stable, and integrated regional energy market;

Cognizant of the increasing importance and significance of the Black Sea region in global and European energy security in terms of providing access to new alternative sources of energy supplies, as well as diversification of routes of energy supplies and energy transportation to BSEC Member States and to international markets;

Recognising that the growing interdependence between energy producing, consuming and transiting countries requires a strengthened partnership between all stakeholders to enhance energy security in the region;

Recognising the EU as an important regional stakeholder and its significant role in the promotion and development of cooperation in the field of energy between EU and BSEC Member States;

Being encouraged by the new initiatives in BSEC-EU interaction, in particular, the provisions of the Declaration of the Special Meeting of the BSEC Council of Ministers of Foreign Affairs adopted on 14 February 2008 in Kyiv, and opportunities and prospects for cooperation in the field of energy offered by the EU in the document “Black Sea Synergy - A New Regional Cooperation Initiative”, as well as the ongoing projects in the region;

Being confident that enhanced energy cooperation between BSEC and the EU will further facilitate the formation of a stable regional energy market and its convergence with the European energy market;

Being encouraged by the positive development of the process in the framework of the Energy Community Treaty, as a model for the development of an integrated energy market;

Emphasising the important role of the BSEC as a regional organisation in promotion and development of comprehensive cooperation in energy among BSEC Member States and between BSEC Member States and the EU;

Commending the contribution of the ICBSS to the facilitation of cooperation in energy among BSEC Member States, as well as to the BSEC-EU interaction through the preparation of studies;


Have agreed to:

Explore on the possibility of developing a BSEC regional energy strategy based on the provisions of the BSEC Declarations on cooperation in energy, as well as results of BSEC studies and reports in the field of energy;

Expedite, in this connection, the completion of the Compendium of National Energy Strategies of the BSEC Member States;

Explore on the possibilities for the beginning of a coordinated process of harmonization of legislation and regulation in the field of energy between BSEC Member States and the European Union;

Strengthen relations with international organisations in order to enhance energy cooperation in the BSEC region, in particular, with the UNECE, the Energy Charter Conference, the IEA, the ECT Secretariat, as well as market players with long-term strategic interests in the development of energy;

Develop practical, purpose-oriented cooperation with the European Commission to
enhance synergies of the EU and BSEC regional initiatives in the field of energy;

*Invite* the EU to support BSEC efforts in ensuring energy security in the region;

*Consider* the possibility of improvement of modalities of cooperation in the field of energy in the framework of BSEC, based on the recommendations of the reports of the Working Group on Energy, in order to increase the efficiency and effectiveness of cooperation in this field;

*Explore* on the possibilities of the elaboration of joint BSEC-EU Action Plan in the field of energy;

*Explore* on the possibilities of developing of multilateral legal instruments that would facilitate purpose-oriented activities in energy in the framework of BSEC;

*Enhance* the cooperation and coordination of the activities in the field of energy with the BSEC Related Bodies;

*Develop* the exchange of information, expertise and best practices, as well as training programmes between BSEC and the EU.

We express our gratitude to the Government of Ukraine, Ministry of Fuel and Energy of Ukraine and the people of Ukraine for warm hospitality and excellent organisation of the meeting.

In summary the report shows that although there were no major breakthroughs, day to day business was conducted efficiently under all the common spaces; progress continued to be made but much remains to be done and some important points agreed in principle are yet to be implemented in practice (Siberian overflights, energy early warning mechanism). Implementation was reviewed at the two summits and four meetings of the Permanent Partnership Council which took place. A number of the issues which were advanced but not finalized during 2007 may become soluble when the new Russian President and Government are in place. Completion of Russia's WTO accession would contribute to progress in a number of areas. Among the main achievements were:

**General**

- Adaptation of the EU/Russia Partnership and Cooperation Agreement to take account of Bulgarian and Romanian accession, including the annex to the Veterinary Memorandum;

- Announcement of EU and Russian contributions to Cross-Border Cooperation amounting to euro 429 million for 2007-13 (Kolarctic/Russia, Karelia/Russia, SE Finland/Russia, Estonia/Latvia/Russia, Lithuania/Poland/Russia, Black Sea and Baltic Sea Region programmes);

**Trade and Economic cooperation**

- Agreement on the gradual abolition of Siberian overflight payments approved by EU and by Russian Government but not signed;

- Agreement to set up energy early warning mechanism with terms of reference to be finalized;

- Lifting of Russian ban on Polish meat exports through bilateral implementing agreement on meat inspections; resumption of recognition of plant certification should take place after signing of EU/Russia Memorandum of Understanding on pesticide maximum residue levels;

**Freedom, Security and Justice**
- Entry into force of Readmission and Visa Facilitation Agreements;
- Launch of the Visa Dialogue;
- Signature and ratification of Russia/Latvia Border Agreement;
- Signature of Memorandum of Understanding between European Monitoring Centre on Drugs and Drug Addiction and the Russian Federal Drugs Control Service;
- Agreement on joint cooperation plan between FRONTEX and Russian Border Guard Service; External Security
- EU Joint Action in support of chemical weapons destruction in Russia;

*Research, Education and Culture*

- First PPC on Culture held on 25 October;
- New priorities agreed for Tempus and Erasmus Mundus education cooperation programmes;
- Four coordinated calls issued for co-funded research projects under the 7th Framework Programme;
- Introduction by Russia of the two cycle system of higher and postgraduate education in line with the Bologna Process.

Dialogue structures and contacts have continued under all four Common Space Road Maps as well as the implementation of EU cooperation under TACIS and the European Neighbourhood and Partnership Instrument and other Community instruments. The launching of three new dialogues on investment, macroeconomic/financial cooperation and inter-regional cooperation has completed the institutional framework of the common economic space. Efforts have begun to establish additional dialogues on employment and social policy and on health matters. All dialogues have substantially deepened mutual understanding of policies and rules thus providing the underpinning of the future negotiations of the New EU/Russia Agreement.

[…]

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Recent Publications by the ICBSS


Includes articles by:
- Svetlozar A. Andreev, “The Future of European Neighbourhood Policy and the Role of Regional Cooperation in the Black Sea Area,”
- Burcu Gültekin-Punsmann and Krassimir Y. Nikolov, “European Union Approaches to Fostering Synergies of Cooperation and Integration Around the Black Sea,”


In this Policy Brief, Alexandros Yannis elaborates on Europeanisation in the Black Sea region arguing that it is a dynamic process with an uncertain outcome. Yannis points out that the EU’s new concept and policy of the “Black Sea Synergy” has the potential to become an important piece of the jigsaw puzzle of the Black Sea geopolitical landscape by promoting inclusiveness over divisions in the region and between the EU and the region.


Burcu Gultekin-Punsmann focuses on the critical role of the Black Sea region in enhancing European energy security and contributing to the diversification
strategies by promoting the common good of all three elements of the energy chain: supplier countries, transit countries and consumer countries.


Recent years have witnessed the growing strategic importance of the Black Sea region that has become closely intertwined with the adjoining regions – the Caucasus, Balkans and Central Asia. Nowadays the Wider Black Sea Area is seen as one of the most important European and Asian transport and energy hubs, an area of dynamic political transformation, socio-economic processes and unresolved conflicts. It ranks high on Euro-Atlantic agenda and it constitutes the most crucial area in Russia’s foreign policy because its importance goes far beyond the regional boundaries. Strictly speaking, Russia’s problems with the GUAM countries or rivalry with the Western countries over alternative pipelines are not only regional problems. They are regional projections of fundamental problems that exist in the CIS space or the Russia-West relations. Therefore, with all the importance of multifaceted regional cooperation, one cannot but recognise that stability and security in the Wider Black Sea Area (as well as regional cooperation itself) will depend, first and foremost, on the major trends and processes in Russia-EU relations and Russia-West relations at large.

**Other Recent Publications on the Black Sea Region**

**BOOKS**


ARTICLES


NEWS and EVENTS

ICBSS OUTREACH PROGRAMME

Round-table discussion with Prof. Mark Entin, Director, European Studies Institute and Institute of European Law, MGIMO University, Moscow and Dr. Fraser Cameron, Director, EU-Russia Centre, Brussels, on “EU-Russia Relations”. The discussion was held in Athens, on 15 September 2008.

REGIONAL SUMMER SCHOOL ON SECURITY STUDIES

A two-week Regional Summer School on Security Studies organised by the Tirana-based Institute for Democracy and Mediation in cooperation with the ICBSS and the United Nations Institute for Training and Research took place in Durres, Albania, on 8-19 September 2008.

ICBSS INTERNATIONAL SYMPOSIUM 2008

The 1st International Symposium on “The Wider Black Sea Area in Perspective” organised by the ICBSS in collaboration with a number of international and Greek partners was held on the island of Kalymnos, Dodecanese/Greece, on 1-6 July 2008.

The Symposium received a lot of interest and finally 46 highly qualified young professionals from the wider Black Sea region, Western Europe, the US and Central Asia were selected to participate. The participants had the unique opportunity to gain insights into a wide range of issues related to Black Sea regional cooperation, such as security, energy, economic development and history inter alia (see programme). They followed a series of thematic lectures imparted by 24 international experts on the topics in hand including from the sphere of academia, policy making, and business. Complementary to the lectures, study groups encouraged the participants to further explore these issues. Discussion was not limited to the programmed sessions but actively continued during the free time and professional and personal contacts made during this week are expected to last for years to come. This was arguably the most important feat of the Symposium - bringing together participants and speakers in a multicultural and interdisciplinary environment of dialogue and learning, laying the foundation for a network of persons who are interested and engaged in the future development of the region. For more information click here.

THIRD ICBSS ANNUAL CONFERENCE

The Third ICBSS Annual Conference took place in Athens on Wednesday, 25 June 2008 on the occasion of the BSEC Day. The Conference focused on “The Wider Black Sea Area and the Great Energy Game”, an ever-present hot topic in the region and at global scale. Guest speakers included high-ranking officials, scholars and professionals involved in the energy “game”, from the wider Black Sea
region, the EU and the US inter alia.

THE WIDER BLACK SEA AREA AND THE TRANSATLANTIC ALLIANCE

The Warsaw-based Centre for International Relations, in cooperation with the ICBSS, the German Marshall Fund of the United States, the Black Sea Trust for Regional Cooperation, the Center for Peace, Conversion and Foreign Policy of Ukraine and the Youth Atlantic Treaty Association in Kyiv organised a Seminar on "The Wider Black Sea Area and the Transatlantic Alliance" in Kyiv, 13-14 June 2008.

TRANS-ATLANTIC PERSPECTIVES ON THE WIDER BLACK SEA REGION

A conference on "Trans-Atlantic Perspectives on the Wider Black Sea Region" organised by the Woodrow Wilson International Center for Scholars in cooperation with the ICBSS, the Johns Hopkins Center for Transatlantic Relations, the Austrian Institute for International Relations and the Austrian Marshall Plan Foundation, was held in Washington D.C. on 10 June. The Conference was transmitted via live webcast available from the Wilson Centre's website. For the event's programme click here.

REGIONAL DEVELOPMENT CHALLENGES OF EU AND BORDER REGIONS

The University of Tartu Institute of Government Studies and Eurocollege, Peipsi Center for Transboundary Cooperation, the ICBSS, the Institute of Advanced Studies and the Estonian Foreign Policy Institute, co-organised an International Conference on "Regional Development Challenges of EU and Border Regions in the Context of the Interaction between the EU and Countries of its Immediate ‘Neighbourhood’", held in Tartu, Estonia, on 16-17 June 2008.
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- Speech by Benita Ferrero-Waldner, European Commissioner for External Relations and European Neighbourhood Policy on “The European Union and Russia—future prospects” (Salzburg, 6 April 2008)
- NATO Bucharest Summit Declaration (Bucharest, 3 April 2008)
- Statement of the Heads of Customs Administrations of the BSEC Member States (Kyiv, 18 March 2008)
- EU Council Conclusions on European Neighbourhood Policy (Brussels, 18 February 2008)
- EU Council Conclusions on Relations with the Republic of Moldova (Brussels, 18 February 2008)
- Joint Statement of the Ministers of Foreign Affairs of the Countries of the European Union and of the Wider Black Sea Area (Kyiv, 14 February 2008)
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