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I. Azerbaidjan

1. A Welcome New Stage in Azerbaijani-Israeli Ties
01.06.2009, The Jerusalem Post
READ MORE: http://www.jpost.com/servlet/Satellite?cid=1243872307395&pagename=JPArticle%2FShowFull

Israel has actively sought to establish friendly relations with Azerbaijan and other Muslim states in the post-Soviet space. Relations between Israel, Azerbaijan and Kazakhstan serve as a model for cooperation between the Jewish state and Muslim nations. As a result of the meeting between Azerbaijani President Ilham Aliyev and Israel's new Foreign Minister Avigdor Lieberman in Prague on May 6, an agreement about a state visit by President Shimon Peres to Baku has been reached. Peres is scheduled to visit Azerbaijan near the end of June as a part of his tour of the Muslim republics of the CIS. The visit to Baku will take place "at the highest level and with all honors."

II. Bulgaria

1. Black Sea Mayors Oppose Burgas-Alexandroupolis Oil Pipeline Construction
04.06.2009, FOCUS Information Agency
READ MORE: http://www.focus-fen.net/index.php?id=n183278

The mayors of the seaside municipalities of Burgas, Sozopol, Pomorie and Nesebar have united in a statement and have categorically expressed disagreement with the future implementation of the Burgas-Alexandroupolis oil pipeline project.

III. Georgia

1. Georgian Official Calls Rail Blast a Terror Attack
02.06.2009, Radio Free Europe/Radio Liberty
READ MORE: http://www.rferl.org/articleprintview/1744822.html

A railway line connecting east and west Georgia has been damaged by an explosion in what a local railway official described as a "terrorist" attack. The explosion on the Tbilisi-to-Zugdidi line occurred at around 3:30 a.m. (2230 GMT on June 1), two hours before a passenger train was due to travel the route. "I think it's a pure terrorist attack because some explosives and a clock mechanism were used," Zurab Gogokhia, the chief of Georgian Railways for the west of the country, said. "Thank God it happened before the passenger train appeared," he told Reuters. An Interior Ministry official said the route is not one of those used to ship Caspian oil from Azerbaijan to Georgia's Black Sea coast.

2. Georgia's Alasania Seeks a Middle Ground for Opposition
02.06.2009, Radio Free Europe/Radio Liberty
READ MORE: http://www.rferl.org/articleprintview/1745078.html

Irakli Alasania, Georgia's former UN ambassador and head of the Alliance for Georgia opposition umbrella group, has emerged as the leading moderate voice in the country's fractious antigovernment ranks. Alasania, who has objected to roadblocks and other radical protest tactics by the opposition, is forming his own political party and calling for immediate dialogue with the government. RFE/RL's Tbilisi bureau chief Marina Vashakmadze sat down with Alasania to talk about his proposals for guiding Georgia out of its current political deadlock.
### 3. Violence Mars Georgian Protests

**29.05.2009, BBC**


Several people have been injured as opposition protesters clashed with police during a rally outside the Georgian parliament in Tbilisi. A police spokesman said three officers were stabbed and six others wounded by a gang wielding sticks and knives. The opposition denied the report, saying some 20 plainclothes police had attacked its supporters with batons. Hours before the violence the Orthodox Church urged the government to hold snap elections or negotiate.

### 4. The Opposition Locks Itself up, and out

**28.05.2009, The Economist**


Georgia’s political drama was inspired by a television reality show in which a pop singer imprisoned himself in a mock cell, from where he lambasted the government for betraying the country. Within a few weeks, on April 9th, the opposition set up hundreds of mock cells in the streets of central Tbilisi, blocking traffic and paralysing the work of parliament. The cells, they said, symbolised the police state run by Mikheil Saakashvili; he had to stand down.

### 5. Thousands Attend Georgia Protest

**26.05.2009, BBC**

**READ MORE: [http://news.bbc.co.uk/2/hi/europe/8068498.stm](http://news.bbc.co.uk/2/hi/europe/8068498.stm)**

More than 50,000 opposition supporters in Georgia have gathered on independence day to demand President Mikhail Saakashvili’s resignation. The crowd sang the national anthem and heard speeches by opposition leaders in a stadium in the capital, Tbilisi. The opposition has been holding daily rallies since April. Critics accuse Mr Saakashvili of bungling last year’s war with Russia and restricting democracy. Earlier, the government called off a major military parade to avoid clashes.

### 6. Clinton Urges Ending Stalemate in Georgia

**25.05.2009, www.xinhuanet.com**


U.S. Secretary of State Hillary Rodham Clinton on Monday urged Georgia’s government and opposition to end stalemate and promote the democratic process. "The United States and the European Union urge Georgia’s government and opposition to end the current stalemate and begin negotiations immediately and without precondition on a new program of reforms to invigorate Georgia's democracy," Clinton said in a statement. "We call on all Georgians to respect the rule of law, abide by Georgia’s Constitution, avoid violence, and honor the right of peaceful protest," said the state secretary.

### IV. GEORGIA–RUSSIA

#### 1. Russia Defends Military Buildup in Caucasus

**04.06.2009, Taiwan News**


Russia defended its military buildup in Georgia’s breakaway territories of South Ossetia and
Abkhazia on Thursday, disputing claims it is violating cease-fire agreements. Earlier this week, Georgia officials in Washington warned that Russia has been building military bases, storage facilities for supplies and roads in the regions since the two countries fought a war last August. Georgia also says the Kremlin maintains 6,000 Russian troops in each territory in violation of a cease-fire that ended the five-day conflict.

2.

Another Summer in Georgia
04.06.2009, The Washington Post
READ MORE: http://www.washingtonpost.com/wp-dyn/content/article/2009/06/03/AR2009060303485.html
A year ago, Russian military maneuvers and provocations of the former Soviet republic of Georgia caused a couple of astute observers to predict that Moscow was laying the groundwork for a military invasion of its democratic and pro-Western neighbor. The warnings were laughed off -- until Russian forces poured across Georgia's borders on the night of Aug. 7, routing the Georgian army and driving thousands of ethnic Georgians from two breakaway provinces. Ten months later, with another summer approaching, Russia is once again mounting provocations on the ground and in diplomatic forums; once again it has scheduled a large military training exercise for July in the region bordering Georgia.

3.

U.S. Denounces Separatist Elections in South Ossetia
02.06.2009, Radio Free Europe/Radio Liberty
READ MORE: http://www.rferl.org/articleprintview/1744737.html
The United States has joined condemnations of the separatist elections in the South Ossetia region of Georgia. State Department spokesman Robert Wood said in a written statement that the United States "regrets the decision to hold so-called 'elections'" in South Ossetia on May 31, and said Washington recognizes neither the legality nor the results of the vote for the separatist legislature. Reuters reported that parties supporting the pro-Moscow leader of South Ossetia won the parliamentary elections by a landslide. The U.S. statement described the election as representing "a step away from a peaceful and negotiated solution" to the conflict over South Ossetia, and said the United States continues to support Georgia's sovereignty and territorial integrity within its internationally recognized borders.

4.

Pro-Moscow Parties Win Poll in Rebel Georgian Region
01.06.2009, Radio Free Europe/Radio Liberty
READ MORE: http://www.rferl.org/articleprintview/1744119.html
Parties supporting the pro-Moscow leader of Georgia's rebel South Ossetia province won parliamentary elections by a landslide, the region's chief spokeswoman has said. The May 31 vote, denounced by Georgia as illegal, is the region's first election since Russian forces repelled a Georgian attempt to retake the region by force last August and pushed deep into Georgian territory. South Ossetian leader Eduard Kokoity has hailed the election as a vindication of South Ossetia's independence -- recognized only by Russia and Nicaragua. "Preliminary results show Unity is leading, followed by the Communists and the People's Party," South Ossetia's minister for press and information, Irina Gagloyeva, told Reuters by telephone from the region's capital, Tskhinvali.

5.

Ban denies charge of bowing to "Russian blackmail"
29.05.2009, Reuters
READ MORE: http://uk.reuters.com/article/worldNews/idUKTRE54R6BS20090528
Secretary-General Ban Ki-moon on Thursday rejected Georgia's accusation that he caved in to
"Russian blackmail" by changing the language in his latest report on the Caucasus state. Georgia's U.N. ambassador accused Ban on Wednesday of succumbing to Russian pressure to depart from past practice and not refer to the breakaway region of Abkhazia as part of Georgia in his report delivered to the Security Council on May 18.

6. Does Russia Even Need to Invade Georgia?
26.05.2009, Radio Free Europe/Radio Liberty
READ MORE: http://www.rferl.org/articleprintview/1739947.html

Nearly nine months after the war between Russia and Georgia last August, the situation surrounding the breakaway Georgian regions of Abkhazia and South Ossetia remains tense. Some observers, including former European Commission Ambassador to Georgia Denis Corboy, have warned that fighting in the region could flare up again within the next few months. They suggest that Russia's aim is to gain control of the export of Caspian hydrocarbons, but Russia could accomplish that objective without recourse to a new war by exerting the right kind of pressure on Azerbaijan, at present the sole source of oil and gas for the export pipelines that traverse Georgian territory.

7. Is a New Russia-Georgia War on the Horizon?
26.05.2009, Radio Free Europe/Radio Liberty
READ MORE: http://www.rferl.org/articleprintview/1740028.html

Army mutineers stage a deadly shoot-out with Georgian police. Opposition protesters paralyze Tbilisi with noisy street protests. Russia masses more and more troops and arms near the border. As Georgia marked Independence Day, it looked increasingly like a country on the brink. Mushrooming discontent with the leadership of President Mikheil Saakashvili has sparked a debilitating political crisis that is escalating just as fears mount that another armed conflict with neighboring Russia could be looming on the horizon. Georgian officials and some Western diplomats have been issuing increasingly dire warnings that the Kremlin – which has made no secret of its desire to see Saakashvili deposed – is laying the groundwork for an invasion, less than a year after the two countries fought a five-day war last August.

8. Georgia, Russia to Hold Talks on Reopening Border Crossing Point
26.05.2009, Civil.Ge
READ MORE: http://www.civil.ge/eng/article.php?id=20990

Nearly three years after closing the Zemo Larsi border crossing point between Russia and Georgia, Moscow notified Tbilisi about its readiness to reopen it, the Georgian Foreign Ministry said on May 26.

V. MOLDOVA

1. Communist Leadership Splits ahead of Moldova's Presidential Showdown
02.06.2009, Radio Free Europe/Radio Liberty
READ MORE: http://www.rferl.org/articleprintview/1745326.html

The leadership of Moldova's ruling Communist Party was facing a crucial split the day before lawmakers in Chisinau were due to meet for one last attempt to elect a president. That vote failed when opposition deputies stuck to their pledges to boycott the process, putting the country on an almost certain path to fresh elections. Former parliament speaker Marian Lupu, who was widely seen as the Communists' candidate as the next prime minister, suggested to RFE/RL's Moldovan Service the day before the vote that he no longer considered himself a member of the Communist Party.
### VI. RUSSIA

#### 1. Study Lists Russia as Authoritarian
05.06.2009, The Moscow Times

READ MORE: http://www.themoscowtimes.com/article/1010/42/378050.htm

Russia is part of a clique of four authoritarian states that use their wealth and influence to undermine global democracy and rule of law, a study by U.S.-funded agencies said Thursday. Authoritarian capitalist Russia and China have built systems that twin "impressive economic development with an equally impressive apparatus of political control," says the study by Freedom House, Radio Free Europe/Radio Liberty and Radio Free Asia. Iran and Venezuela held managed elections, it says.

#### 2. Putin Warns on Europe Gas Transit
04.06.2009, Financial Times

READ MORE: http://www.ft.com/cms/s/0/dfa6269e-5066-11de-9530-00144feabdc0.html

The Kremlin stepped up pressure on the European Union to help Ukraine pay for gas on Wednesday, warning that Russian gas transit across Ukraine to Europe could stop within a month causing energy shortages on the continent. Vladimir Putin, the Russian prime minister, said, "We are giving an early warning that gas transit (across Ukraine) might halt at the end of June or the beginning of July." Ukraine has pledged to meet a June 7 deadline to pay for Russian gas supplies in May, although Gazprom claims Naftogaz, the Ukrainian state gas company, may be insolvent.

#### 3. Hungry Russians Block Highway to Demand Help
02.06.2009. Radio Free Europe/Radio Liberty

READ MORE: http://www.rferl.org/articleprintview/1745151.html

Hundreds of workers have blocked a highway in northern Russia as anger at job cuts and unpaid wages boiled over. Trade unions say about half the inhabitants of Pikalyovo are living in poverty after the town’s three main employers stopped production. Residents say they cannot feed their families. "We want the factories to work and for people to get their wages, which we have not received since March," said Oleg, a worker at a local alumina factory that is controlled by tycoon Oleg Deripaska’s Basic Element holding group.

#### 4. Putin Confirms: Ukraine Is Russia’s
29.05.2009, theTrumpet.com

READ MORE: http://www.thetrumpet.com/print.php?q=6218.4639.0.0

Prime Minister Vladimir Putin warned the West that Ukraine belongs to Russia, the Russian press reported last Sunday. Putin visited the graves of Russian nationalist heroes and thinkers last weekend to mark Slavic Written Language and Culture Days. After laying a wreath on the grave of Anton Denikin, a military commander who led the white Russians against the Bolsheviks, he urged the journalists present to read Denikin’s diaries.

#### 5. Basescu: Russia Is Most Important –and Most Trying – EU Neighbour
26.05.2009, Financiarul

READ MORE: http://www.financiarul.ro/2009/05/26/basescu-russia-is-most-important-and-most-trying-eu-neighbour/

Romanian President Traian Basescu says the European Union should accept Russia as it is and ask for predictability and a minimum economic efficiency instead. "Russia is the biggest and the most important European Union neighbour, but also the most trying, since the list of disagreements is rather long. Russia is the EU’s third-biggest commercial partner, with the main component of the..."
exchanges being the Russian shipments of gas and oil. The bilateral cooperation is structured by four big chapters that contain economic and environmental issues, internationals security issues, research and education as well as justice and home affairs’, Basescu said on Tuesday in opening remarks to the Europe-Russia Economic Forum being held in the Romanian capital.

6. Russia Faces Budget Cuts amid Crisis
26.05.2009, The Wall Street Journal
READ MORE: http://online.wsj.com/article/SB124328280433251967.html
Russian President Dmitry Medvedev painted a gloomy picture of the economy, warning that the deepening global crisis will necessitate deep budget cuts over the next three years. At a Kremlin meeting, the president instructed Prime Minister Vladimir Putin's cabinet to economize, as Russia's commodity-driven economy deteriorates faster than expected. "We all understand what a difficult situation the country and the economy are in," Mr. Medvedev said.

7. No Kremlin Guarantee of Gas to EU
25.05.2009, The Moscow Times
Russia cannot guarantee that there will be no halts in gas supplies to Europe, President Dmitry Medvedev warned at a news conference closing an EU-Russia summit in Khabarovsk on Friday. Further raising the specter of a new gas shut-off, Prime Minister Vladimir Putin separately indicated that the country would not extend any loans to Ukraine. Ukraine's failure to pay for Russian gas resulted in the halt of deliveries to more than 20 European countries in January.

VII. TURKEY

1. FM: Turkey Wants New Emphasis on U.S. Ties, Continued Armenia Talks
05.06.2009, Armenian Reporter
U.S.-Turkey relations should be forward-looking and "make contributions to humanity" rather than excessively focus, as they have, on military cooperation, Foreign Minister Ahmet Davutoglu told the American-Turkish Council (ATC) conference in a keynote address on June 2, Zaman reported. The annual ATC conference is primarily funded by major U.S. weapons producers with a long history of selling their products to the Turkish military. It featured appearances by top military officers from both countries - Admiral Mike Mullen and General Ilker Basbug - who, Mr. Davutoglu noted, have known one another for 30 years.

2. A ‘Devil’s Advocate’ Perspective on Turkey’s EU Accession
02.06.2009, Today’s Zaman
READ MORE: http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=176863
To be fair, we should be thankful for the idealism and faith shown by the European Union's founders. No doubt, the EU is the biggest political union and largest economic market in the world and its citizens live in democracy, peace, freedom and prosperity. The EU has achieved many stunning successes in its history.

3. Serbia, Turkey Sign Free Trade Agreement
02.06.2009, BalkanInsight.com
Serbian Deputy Prime Minister Mladjan Dinkic and Turkish Foreign Trade Minister Zafir Caglayan signed Monday in Istanbul a foreign trade agreement which will go into effect on January 1, 2010. The document, which envisages assymetrical trade liberalization in favor of Serbia, was signed during the Istanbul economic summit attended by 138 countries.

A New Ottoman Empire?
02.06.2009, Forbes

This week, Turkey assumed the presidency of the United Nation’s Security Council, and while that may just be a passing story in most countries, here it is a big deal. "This is very important and a big responsibility for our country," said Turkey’s Foreign Minister Ahmet Davutoglu— and he should know. Davutoglu has been the chief architect of Turkey's neo-imperial foreign policy that envisions a far greater role for this pro-western Islamic country than as an aspiring second-tier member of the European club. No one was surprised last month when Turkey’s Prime Minister Tayyip Erdogan appointed his longtime political adviser Davutoglu as the Foreign Minister. The soft-talking professor—who was also an adviser to President Abdullah Gul—has largely been responsible for reshaping Turkey's foreign policy over the past six years, moving it away from its isolationist roots and toward a role as a self-declared regional power broker in the Middle East.

VIII. EUROPEAN UNION

Europe Urged to Be 'Visionary' With Ukraine
29.05.2009, EurActiv

Experts from Washington have called on the EU to be more daring and propose closer ties with its large Eastern neighbour. But European Commission officials told EurActiv that the current mood in Europe was not exactly in tune with such an approach.

Global Insights: The EU’s Difficult Dialogues
26.05.2009, World Politics Review

Two frustrating EU summit meetings last week, with China and Russia, served to illustrate the EU’s well-known difficulties in conducting foreign policy under its presently awkward institutional structure. These problems have propelled efforts to adopt the Lisbon Treaty, which will restructure how the EU manages its foreign policy representation and decision-making. Even with more coherent foreign policy machinery, however, the EU would still find it difficult to achieve its objectives in the case of difficult dialogue partners such as China and Russia.

IX. NATO

NATO’s Role in Energy Security to Upset Russia
31.05.2009, New Europe
READ MORE: http://www.neurope.eu/print.php?id=94546
Russia supports cooperation on energy security between Russia, the US and the EU, Russia’s ambassador to Brussels Vladimir Chizov told reporters in Athens, adding that Moscow is skeptical about any possible involvement of NATO. Any effort for international stability cannot exclude Russia, specifically if it concerns the energy field, he told a round-table discussion on May 25.

X. OSCE

1. Moscow Insists on Separate OSCE Mission in Tskhinvali

04.06.2009, Civil.Ge

READ MORE: www.civil.ge/eng/_print.php?id=21050

Grigory Karasin, the Russian deputy foreign minister, reiterated Moscow’s position on the need of having two separate OSCE missions one based in Tskhinvali and another one in Tbilisi to reflect the change of realities on the ground since the August war. He told the OSCE Permanent Council in Vienna that other options would keep organization member states “hostages of politicized and stalemated situation.” In his address Karasin spoke much about the Russia's interpretation of launch of the August war and post-war developments, justifying Russia’s recognition of Abkhazia and South Ossetia. Karasin also spoke against, what he called, “remilitarization” of Georgia.

XI. EASTERN PARTNERSHIP

1. Partnership 'against' Russia

29.05.2009, ISN ETH Zurich


The Eastern Partnership proves to be yet another bone of contention at the EU-Russia summit, Jeremy Druker comments for ISN Security Watch. The latest EU-Russia summit, which took place last week in the Russian Far East, made clear that the two sides have yet another topic that they fail to see eye-to-eye on. Along with energy and trade policy, Georgia and human rights - to name just a few - one can now add the Eastern Partnership.

2. Russia Condemns EU’s Eastern Pact

22.05.2009, Al Jazeera English

READ MORE: http://english.aljazeera.net/news/europe/2009/05/2009522105519932693.html

Dmitry Medvedev, Russia’s president, has condemned European Union plans to strengthen ties with former Soviet states as a "partnership against Russia". His comments came on Friday at a meeting between Russian and EU leaders in Khabarovsk, in Russia’s far east, which was aimed at improving relations strained last year’s Russia-Georgia war and a row over gas supplies.

XII. BLACK SEA

1. Migration in the Black Sea Region

04.06.2009, A1Plus.am

READ MORE: http://www.a1plus.am/en/print/politics/2009/06/04/migration

A new series of IOM reports published today provide a unique insight into migration flows to, through and from the Black Sea Region, a vast track of land connecting nations in Europe, the
Middle East and Central Asia. The region is home to an estimated 350 million inhabitants, including some 23 million migrants. The profiles, which detail migration patterns in 12 countries (Armenia, Albania, Azerbaijan, Bulgaria, Georgia, Greece, Moldova, Romania, the Russian Federation, Serbia, Turkey and Ukraine), underline the fact that poverty and a lack of job opportunities are the main push factors for migration flows within and outside of the region.

2.
Bulgaria and Finland Will Cooperate against Oil Pollution in the Black Sea
29.09.2009, Bulgarian National Radio
Specialists from Bulgaria and Finland are discussing in Sofia ways to prevent and deal with oil spills in the Black Sea.

3.
BSEC Young Socialists Pave Way to Big Politics
27.05.2009, PanARMENIAN.Net
READ MORE: www.panarmenian.net/news/eng/?nid=32248
BSEC member states’ International Union of Young Socialists (IUSY) was founded with the purpose of ensuring and maintaining peace in the region and promoting cooperation among young people, Union Vice President and person-in-charge for Black Sea region Dmitry Tsikashvili (Georgia) told a PanARMENIAN.Net correspondent. According to him, the IUSY activities are aimed at promoting democracy in the region and involving youth in national and regional processes.

XIII. CAUCASUS
1.
EU Wants Stability in the South Caucasus
03.06.2009, The Messenger
The EU wants to see stability in the South Caucasus and will facilitate conflict resolution in the region. It also welcomes the decision of the Turkish and Armenian Governments to normalize their relations. Javier Solana, the High Representative for the Common Foreign and Security Policy of the EU, has stated this in an interview with an Azeri news agency.

2.
Russia and the Caucasus
02.06.2009, The Brown Journal of World Affairs
READ MORE: http://www.bjwa.org/article.php?id=ae7cG2kZZUW4689bkL1wXWMrI2zJUEsopqHs1H6M
The Russia-Georgia war of August 2008 transformed the situation in Georgia and has had a profound effect on both the North and South Caucasus. However, the fundamental realities and trends in the region, which can be traced back to the collapse of the Soviet Union, continue to evolve. Russia is transitioning from a historical empire to a nation-state and a great power. To Moscow, the North and South Caucasus are inevitably interlinked. Historically, Russia’s conquest of the North in the 19th century became a necessity once the empire had absorbed Georgia and thus established a foothold in the South. Today, the North is a breeding ground of the principal internal threats to Russian security: separatism, religious radicalism, terrorism, and ethnic conflicts.
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<th>Armenians Launch Campaign against Pro-Turkey MEPs</th>
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<td><strong>02.06.2009, Today's Zaman</strong></td>
<td>In the run-up to this week's European Parliament elections, a Brussels-based Armenian diaspora organization has launched a campaign against pro-Turkey members of the European Parliament (MEPs) while lobbying for MEPs known to be in favor of claims that Anatolian Armenians were victims of genocide at the hands of the Ottoman Empire.</td>
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<td><strong>29.05.2009, Radio Free Europe/Radio Liberty</strong></td>
<td>UN Secretary-General Ban Ki-moon has rejected Georgia's accusation that he caved in to &quot;Russian blackmail&quot; by changing the language in his latest report on the Caucasus state. Georgia's UN ambassador accused Ban on May 28 of succumbing to Russian pressure to depart from past practice and not refer to the breakaway region of Abkhazia as part of Georgia in his report delivered to the Security Council on May 18.</td>
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<td><strong>29.05.2009, Radio Free Europe/Radio Liberty</strong></td>
<td>The U.S., Russian, and French diplomats cochairing the OSCE Minsk Group are in Baku on May 29 for talks with Azerbaijani President Ilham Aliyev. U.S. Deputy Assistant Secretary of State Matthew Bryza, the U.S. cochair, met in Yerevan on May 28 with Armenian Foreign Minister Eduard Nalbandian. Bryza told RFE/RL's Armenian Service that Aliyev and Armenian President Serzh Sarkisian made &quot;significant progress&quot; at their last meeting in Prague earlier this month and he &quot;expects the same in St. Petersburg.&quot;</td>
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<td><strong>29.05.2009, Institute for War and Peace Reporting</strong></td>
<td>Continued closure of Russian-Georgian border crossing leaves Armenia cut off from its most important market. The Armenian economy, already reeling from the global financial crisis, has suffered a new blow from Georgia's refusal to re-open a frontier crossing with Russia – Armenia's only link with its major ally. The Upper Lars border post, where the road between Tbilisi and Vladikavkaz crosses the central Caucasus, was closed unexpectedly by Russia in 2006, a major setback to Armenian exporters. Now, Russia has re-opened its side of the frontier but Georgia has declined to allow goods to pass through. Georgia, which fought a brief war with Russia last year, says it wants Swiss mediation before it will trust its northern neighbour.</td>
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<th>7.</th>
<th>Workshop Tackles Road Map in Armenian Issue</th>
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<td><strong>27.05.2009, Hurriyet DailyNews</strong></td>
<td>The Foundation for Political, Economic and Social Research gathers opinion makers from Turkey and Armenia in a two-day workshop in Istanbul. Participants discuss the road ahead on bilateral relations as well as the resolution stalemate over the Nagorno-Karabakh issue. With the prime minister's statement that a solution to Nagorno-Karabakh must be found before opening the border</td>
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with Armenia casting doubt on reconciliation, nongovernmental organizations have rolled up their sleeves to keep up momentum for reconciliation.

8.

**FM Davutoglu Says Azerbaijan’s Stability Highly Important for Turkey**

26.05.2009, Hurriyet Daily News


Turkish Foreign Minister Ahmet Davutoglu said Tuesday Azerbaijan’s stability, wellbeing, future and territorial integrity is highly important for Turkey. Speaking at a joint press conference with his Azerbaijani counterpart Elmar Mammadyarov in Baku, Davutoglu said that a strong Azerbaijan implies a strong Turkey. “Our Azerbaijani brothers and sisters should know that, just as in the past, Turkey will be on the side of Azerbaijan in the future,” Davutoglu said. “Our message to regional actors, including Armenia, is very clear. The region must be free of occupations and tensions,” Davutoglu noted.

9.

**The Caucasus in the Global Financial Crisis**

21.05.2009, ISN ETH Zurich

READ MORE: [http://www.isn.ethz.ch/isn/Digital-Library/Publications/Detail/?ots591=0C54E3B3-1E9C-BE1E-2C24-A6A8C7060233&lng=en&id=100521](http://www.isn.ethz.ch/isn/Digital-Library/Publications/Detail/?ots591=0C54E3B3-1E9C-BE1E-2C24-A6A8C7060233&lng=en&id=100521)

Just when formerly communist countries had begun to accept that capitalism brings with it inequalities and harsh competition, the financial meltdown that turned into a global economic crisis pushed the developed world itself to question the premises, excesses and dangers of laissez-faire capitalism. The crisis brought on soul-searching everywhere. The key question to consider here in the Caucasus is whether the crisis is, at its core, solely economic or actually political.

XIV. ENERGY

1.

**US Special Energy Envoy Says No to Iran’s Involvement in Nabucco Gas Pipeline Project**

04.06.2009, Los Angeles Times


The U.S. does not support Iran’s involvement in the Nabucco gas project, a pipeline meant to supply Europe with gas, the U.S. special energy envoy said Thursday. Richard Morningstar, the U.S. special envoy for Eurasian energy issues, said Iran’s participation in Nabucco — which is to link the Caspian Sea region, Middle East and Egypt to the European Union via Turkey — could only be possible after a normalization of diplomatic ties. Morningstar told a group of reporters Thursday that inviting Iran to the project without a resolution to the standoff over its nuclear program could “have a negative effect.”

2.

**Putin’s New Gas Threats against Ukraine**

04.06.2009, EuroNews


There’s a new threat to Europe’s gas supplies from Russia. The Russian Prime Minister Vladimir Putin has said they could dry up at the end of this month if Ukraine does not pay its gas bill. Ukraine is a major transit route for Russian gas bound for Europe, and the payment row has disrupted EU supplies twice before. “All our requests to the European Commission for help in this case have been in vain. They only say: we have no money for Ukraine. So what’s going to happen now? At the first unpaid check, our energy company Gazprom will have the right to ask for payment in advance. No
advance – no gas. And that means at the end of June, beginning of July, the flow from Russia could completely stop”, Putin said.

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<th>3.</th>
<th>Russia-Ukraine 'Summer Gas Crisis' Looming</th>
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<td>04.06.2009, EurActiv</td>
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<td>Russia said on 3 June that it may cut gas supplies to Ukraine if the country does not pay for gas to be pumped into underground storage, once more threatening transit supplies to Europe. Analysts said they interpreted this new crisis as pressure to speed up work on the Nord Stream pipeline project. Russia's warnings about gas transit risks send shivers throughout Europe and are often followed by Russian calls to speed up construction of alternative gas export routes bypassing transit countries.</td>
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<th>4.</th>
<th>Azeri-Owned Black Sea Port to Launch Crude Shipments</th>
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<td>03.06.2009, Reuters</td>
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<td>READ MORE: <a href="http://in.reuters.com/articlePrint?articleId=INL321689020090603">http://in.reuters.com/articlePrint?articleId=INL321689020090603</a></td>
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<td>Azeri state oil firm Socar will start shipping crude from a new terminal on Georgia's Black Sea coast within the next few months after expanding the port for larger tankers, the head of the port said on Wednesday. Black Sea Terminal, 51 percent-owned by Socar, plans to increase overall shipments of oil and products from Kulevi port by at least 50 percent, General Director Karim Guliyev told Reuters in an interview.</td>
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<th>5.</th>
<th>Turkey Says Still Discussing 15 pct Nabucco Gas</th>
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<td>03.06.2009, Reuters</td>
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<td>READ MORE: <a href="http://in.reuters.com/articlePrint?articleId=INL347313920090603">http://in.reuters.com/articlePrint?articleId=INL347313920090603</a></td>
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<td>Turkey has not given up on a demand to use 15 percent of the gas pumped through the planned Nabucco pipeline, but hopes to reach an agreement with European governments in June, Turkey's Energy Minister said. Turkey's claims on Nabucco gas have caused much rife among the consortium, which aims to build the 31 billion cubic metre gas pipeline by 2014 to help relieve Europe's reliance on Russian natural gas supplies.</td>
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<th>6.</th>
<th>The Kurdistan Regional Government Launches Oil Exports through Turkey</th>
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<td>02.06.2009, Jamestown Eurasia Daily Monitor</td>
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<td>READ MORE: <a href="http://www.jamestown.org/programs/edm/single?tx_ttnews%5Btt_news%5D=35072&amp;tx_ttnews%5BbackPid%5D=407&amp;no_cache=1">http://www.jamestown.org/programs/edm/single?tx_ttnews%5Btt_news%5D=35072&amp;tx_ttnews%5BbackPid%5D=407&amp;no_cache=1</a></td>
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<td>The Kurdistan Regional Government (KRG) has started to export its oil to European markets, under partnerships with Turkish and other international energy companies. Following a new consensus on the distribution of revenues between the central administration in Baghdad and the KRG, oil from the Tawke and Taq Taq fields will be transported via the Kirkuk-Yumurtalik pipeline to the Turkish port of Ceyhan in the Mediterranean.</td>
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<th>7.</th>
<th>Moscow Playing with Multiple Options on Black Sea Pipelines</th>
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<td>29.05.2009, Jamestown Eurasia Daily Monitor</td>
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<td>READ MORE: <a href="http://www.jamestown.org/programs/edm/single?tx_ttnews%5Btt_news%5D=35052&amp;tx_ttnews%5BbackPid%5D=407&amp;no_cache=1">http://www.jamestown.org/programs/edm/single?tx_ttnews%5Btt_news%5D=35052&amp;tx_ttnews%5BbackPid%5D=407&amp;no_cache=1</a></td>
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<td>On May 17 in Sochi the Russian Prime Minister Vladimir Putin and his Turkish counterpart Recep Tayyip Erdogan concluded a deal on natural gas. Putin and Gazprom CEO Aleksei Miller promised to</td>
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8. EU Unlikely to Pay Ukraine's Gas Bills

29.05.2009, European Voice


The European Commission said today that the EU is unlikely to give Ukraine money to help it pay its bills for Russian gas. Russian Prime Minister Vladimir Putin had asked the Commission whether it would be prepared to provide financial aid to Ukraine, because of concerns that the country would be unable to pay up. José Manuel Barroso, the president of the European Commission, said today that “it’s difficult with our budget now, if not impossible” to provide support to Ukraine.

9. Turkey to Help Push Nabucco ahead of Rival Pipeline

29.05.2009, EurActiv


Turkey is likely to give up problematic claims to the Nabucco gas pipeline project, the only way forward for the European Union-backed plan trying to push ahead of Russia's rival 'South Stream' project. Turkey is seeking to use 15% of all natural gas flowing through the nearly $11 billion Nabucco pipeline in exchange for letting nearly half of the pipe pass through Turkish territory. Nabucco, conceived as a way to lessen Europe's dependence on Russian gas, which accounts for a quarter of the continent's consumption, received crucial support from gas producers in northern Iraq earlier this month in the form of an $8 billion supply plan that would get the pipeline started.

10. Russia Wants IMF to Help Avert Gas Cuts

29.05.2009, Financial Times

READ MORE: http://www.ft.com/cms/s/0/2cdc69a2-4c6e-11de-a6c5-00144feabdc0.html

Russia is trying to earmark a planned $10bn credit to the International Monetary Fund to help Ukraine pay for gas supplies, Vladimir Putin, the prime minister, said on Friday. “We are convinced that the resources made available by Russia must be used first and foremost to help our neighbours in the Commonwealth of Independent States, including a solution to the problem that Ukraine has confronted in the sphere of energy,” said Mr Putin in remarks posted on the prime ministerial website. He said he had received a “constructive first reaction” from Dominique Strauss-Kahn, the IMF’s managing director, whom he had informed of the offer on Wednesday.

11. Central Asian Gas: An Opportunity Europe Seems Determined to Miss

29.05.2009, Radio Free Europe/Radio Liberty

READ MORE: http://www.rferl.org/articleprintview/1742586.html

If ever there was a time for the European Union to cut the Gordian knot of energy dependence on Russia – or, more precisely, cut out the Russian middleman currently controlling supply routes from the Caspian Sea region – it is now. With gas prices down considerably from their 2008 peak, Russia and Gazprom are on the ropes. Producer countries from Central Asia to the Caucasus are meanwhile desperate for alternatives to Russian transit. In other words, it’s a buyers’ market. Direct access to gas reserves in the Caspian Sea region and the Middle East would ensure substantial supplies to the EU for decades. After all, as European Commission officials often note, the region holds twice as much gas as Russia.
Nabucco and South Stream: The Race Heats up
25.05.2009, Caucasian Review of International Affairs
READ MORE: http://cria-online.org/CU_-_file_-_article_-_sid_-_42.html
The world of international pipelines usually moves at a glacial pace. So this week's developments were, by the standards of the industry, dramatic. On May 17 a gas deal was signed by Austria’s OMV and Hungary’s MOL with local partners in the Kurdish part of Iraq which could have – and, conceivably, may still – save the troubled Nabucco pipeline. But hopes were crushed the following day as officials in Baghdad insisted that the central government would block any unapproved export deals. Meanwhile on May 15 Russia secured support from Italy, Greece, Serbia and Bulgaria for its South Stream pipeline, Nabucco’s competitor (BBC News, May 15). And on May 22, the Russian Energy Ministry stated with confidence that South Stream would be built before Nabucco.

XV. SECURITY
1. Discontent Rises Sharply among Russian Troops
26.05.2009, The Washington Post
READ MORE: http://www.washingtonpost.com/wp-dyn/content/article/2009/05/25/AR2009052502184.html
As a young officer fresh out of a Soviet military academy, Alexander Primak was assigned to serve in this frontier city in the Russian Far East, eight time zones away from his home town in Ukraine. He spent the next quarter-century in the region, moving from garrison to garrison, rising to the rank of lieutenant colonel. But he always dreamed of moving back west, counting on the government's promise to reward officers with apartments upon retirement.

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