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### I. GEORGIA

#### 1. Georgia Shoots 3 Men Wanted in Rebellion

22.05.2009, New York Times

**READ MORE:** [http://www.nytimes.com/2009/05/22/world/europe/22georgia.html](http://www.nytimes.com/2009/05/22/world/europe/22georgia.html)

The Georgian police shot three former military commanders suspected of planning a brief mutiny earlier this month, killing one, the authorities announced Thursday. The three men had been sought since May 5, when a 300-man tank battalion announced a rebellion against the government, causing several hours of panic which ended when the unit surrendered. Late Wednesday night, the police said, the men opened fire after they were surrounded as they drove in a village outside Tbilisi, the capital. The police said the three were planning to cross into South Ossetia, which declared independence from Georgia last year with Russia’s backing.

#### 2. U.S. Transfers USD 53 mln Assistance for Georgia

21.05.2009, Civil Georgia

**READ MORE:** [http://www.civil.ge/eng/_print.php?id=20966](http://www.civil.ge/eng/_print.php?id=20966)

The United States has allocated USD 53.3 million as part of its USD 1 billion assistance pledge made for Georgia after the August war, U.S. ambassador in Tbilisi, John Tefft, said on May 21. The first installment USD 250 million in frames of USD 1 billion assistance pledge came in November, 2008. USD 20 million from the recent installment will aim at programs involving good governance, civic participation, election and media.

#### 3. Georgia Mutiny Suspect Killed in Police Shootout

21.05.2009, REUTERS

**READ MORE:** [http://www.reuters.com/articlePrint?articleId=USTRE54K1Z320090521](http://www.reuters.com/articlePrint?articleId=USTRE54K1Z320090521)

Georgian police shot dead a man suspected of playing a leading role in a mutiny at a tank base this month and wounded two others when they resisted arrest overnight, the Interior Ministry said on Thursday. The former military servicemen were accused of organizing a brief, bloodless mutiny at a base east of Tbilisi on May 5, which Georgia said was part of a Russian-backed bid to foment a wider rebellion against President Mikheil Saakashvili.

#### 4. Brother of Alleged Georgian Mutiny Mastermind Beaten in Detention

16.05.2009, Radio Free Europe/Radio Liberty

**READ MORE:** [http://www.rferl.org/articleprintview/1733070.html](http://www.rferl.org/articleprintview/1733070.html)

Ten days after the reported mutiny by members of a Georgian tank battalion at the Mukhrovani military base east of Tbilisi, the number of suspects detained or charged remains unclear, the daily “Rezonansi” says. Initial reports said that 10 servicemen were detained and a further 50 were being questioned in connection with the incident. On May 13, police arrested Nugzar Otanadze, whose brother Koba has been identified by the Interior Ministry as one of the masterminds behind the
alleged revolt. Nugzar Otanadze was formally charged on May 14 with resisting arrest and remanded on May 15 in pre-trial detention for two months.

5.

Radical Georgian Opposition Considers Shift in Tactics
12.05.2009, Jamestown Eurasia Daily Monitor
READ MORE: http://www.jamestown.org/single/?no_cache=1&tx_ttnews%5Btt_news%5D=34977

On May 11 in Tbilisi, a four-member delegation of the opposition's coalition held talks with President Mikheil Saakashvili and Parliamentary Chairman Davit Bakradze. This was the first time the extra-parliamentary opposition took up the government's often-repeated invitation to hold talks, since the start of daily anti-government demonstrations April 9 in Tbilisi. With those demonstrations losing steam and never picking up outside the capital, the radical opposition is reconsidering its tactics on two tracks: a dialogue with the authorities and an equally possible escalation in the streets to the brink of using force.

6.

Georgia's Political Stalemate Could End in Violence
11.05.2009, REUTERS
READ MORE: http://www.reuters.com/articlePrint?articleId=USTRE54A1BV20090511

The risk of violence is rising in Georgia after a month of political deadlock between a president determined to cling to power and an opposition which lacks the numbers and unity to unseat him. President Mikheil Saakashvili, re-elected in January 2008 amid opposition allegations of fraud, has so far resisted demands to quit over his record on democracy and last year's disastrous war with Russia. The United States and Russia, each for its own strategic reasons, are watching out for instability in the potentially volatile region. Georgia is a major conduit for the transit of Caspian gas and oil to Western markets.

7.

Georgia Talks Fail to Find Way out of Stalemate
11.05.2009, REUTERS
READ MORE: http://www.reuters.com/articlePrint?articleId=USTRE54A1O520090511

Talks Monday between Georgian President Mikheil Saakashvili and opposition leaders demanding he quit failed to find a way out of the month-long political stand-off in the former Soviet republic. "Clearly we don't have the same appreciation of reality," Salome Zurabishvili, one of four opposition leaders who met the president, told reporters after the two-hour meeting. "Our visions and our paths do not intersect," she said. Saakashvili agreed to the talks after violent clashes with police and a brief mutiny at a tank base increased the possibility of wider unrest in Georgia, a US ally and an important transit route for energy flows to Europe.

II. GEORGIA – RUSSIA
1.

Russian Reports on Troops Deployment Plan in Abkhazia
20.05.2009, Civil Georgia
READ MORE: http://www.civil.ge/eng/_print.php?id=20953

There have been conflicting reports in the Russian media about deployment of Russia's T-90 main battle tanks in Abkhazia. The Russian daily, Vedomosti, reported on May 19 quoting unnamed official from the Russian Ministry of Defense that Russia had already deployed T-90s, the most modern tank currently in service with the Russian army, in Abkhazia. But on the same day, Interfax news agency reported, also quoting an unnamed official from the Russian MoD, that there were no
plans for deployment of T-90s in Abkhazia. “There is no place for such military hardware in Abkhazia,” Interfax quoted the source. “At first local landscape in Abkhazia with mountainous areas does not allow to effectively use T-90. And on the other hand, the military base [in Abkhazia] is not tasked with conducting large-scale offensive operations.”

2.
Russia Scales down Plans for Troops in Abkhazia, S.Ossetia
19.05.2009, globalsecurity.org

Russia will deploy fewer personnel at military bases in Abkhazia and South Ossetia than previously planned, a first deputy defense minister said on Tuesday. "We have no reason to deploy all [the planned] personnel at military bases in Abkhazia and South Ossetia. Part of the contingent could be deployed in Russia [close to the border],” Col. Gen. Alexander Kolmakov said. He added, though, that the composition and the structure of military contingents at the bases "would be comparable to a brigade-level unit." Russia’s Defense Ministry has said it plans to open one base in Gudauta, in the west of Abkhazia, and another in Tskhinvali, the capital of South Ossetia, to be fully operational by the end of 2010.

3.
Georgia says Russian pressure Led to Changes in UN Caucasus Report
19.05.2009, RIA Novosti
READ MORE: http://en.rian.ru/world/20090519/155043798-print.html

Georgia’s foreign minister claimed on Tuesday that the UN Secretary General’s draft report on the situation in the Caucasus region had been amended due to pressure from Russia. The revised draft report was submitted by UN General Secretary Ban Ki-moon three days later than anticipated and, unlike previous drafts, makes no mention of Georgia’s sovereignty over its former republic of Abkhazia. "The document has some positive points, but also points clearly indicating that they were introduced under pressure from Russia," Grigol Vashadze told reporters. He added that the report was an interim document and served as a compromise solution to advance stalled Geneva talks aimed at trying to reduce tension in the region following a brief conflict between Russia and Georgia last August.

4.
Georgian FM: ‘Russia Wants to Kill UN Mission’
19.05.2009, Civil Georgia
READ MORE: http://www.civil.ge/eng/_print.php?id=20946

Grigol Vashadze, the Georgian foreign minister, said there were some “positive elements” in UN Secretary General’s recent report on situation in Abkhazia, but also added that the document contained “some elements, which were obviously included as a result of pressure by Russia.” The text of the report is not yet made public. According to the Russian sources the name of the document does no longer contain wording “Abkhazia, Georgia” and is called “Report of the Secretary-General, pursuant to Security Council Resolutions 1808, 1839 and 1866.” Reuters reported that the report cited the official title of “United Nations Observer Mission in Georgia”, but otherwise it skirted round the sensitive question of whether Abkhazia was part of Georgia or not.

5.
Mediators Work to Salvage Russia-Georgia Talks
18.05.2009, REUTERS
READ MORE: http://www.reuters.com/articlePrint?articleId=USL167590920090518

International mediators struggled to salvage the latest round of security talks between Russia and Georgia on Monday after Moscow’s delegation walked out. Delegations from Russia and the Moscow-
backed rebel region of South Ossetia withdrew from the Geneva talks, citing the refusal of another Moscow-backed rebel region, Abkhazia, to attend, due to a delay in a U.N. report, both sides said. But Russian Foreign Minister Sergei Lavrov indicated that Russia could rejoin the two-day talks on Tuesday if U.N. Secretary-General Ban Ki-moon issues that report on its operations in the Abkhaz region. The U.N. chief is in Geneva.

6. **Russia Pulls out of Georgia Talks – Agency Report**
18.05.2009, REUTERS

**READ MORE: [http://www.reuters.com/articlePrint?articleId=USTRE54H44B20090518](http://www.reuters.com/articlePrint?articleId=USTRE54H44B20090518)**

Russia said on Monday it had pulled out of security talks with Georgia, citing the refusal of the Moscow-backed rebel region of Abkhazia to attend. Delegations from Russia and another Moscow-backed rebel region, South Ossetia, had withdrawn from the talks, Interfax news agency quoted Russian Deputy Foreign Minister Grigory Karasin as saying in Geneva. "To discuss serious questions about security without one of the parties would be a doomed exercise," Karasin was quoted as saying. "South Ossetia has pulled out of the consultations along with us."

7. **U.S. Frustrated with Russia over Georgia Monitors**
16.05.2009, Radio Free Europe/Radio Liberty

**READ MORE: [http://www.rferl.org/articleprintview/1732950.html](http://www.rferl.org/articleprintview/1732950.html)**

Signaling U.S. frustration as Washington seeks better relations with Russia, the United States has criticized Moscow for blocking a deployment plan for peace monitors in Georgia. State Department spokesman Ian Kelly urged Moscow to change its stance on keeping monitors from Europe's top security and human rights watchdog in Georgia, which is a major conduit for the transit of Caspian gas and oil to Western Europe. Russia briefly invaded Georgia last year. "It is disappointing and we hope that Russia will reverse its stance," Kelly told reporters. The Greek chair of the Organization for Security and Cooperation in Europe (OSCE) failed this week to get consensus over extending its mission in Georgia due to Russian opposition about language in the proposal.

8. **Russia-Backed Abkhazia to Boycott Geneva Talks**
16.05.2009, Radio Free Europe/Radio Liberty

**READ MORE: [http://www.rferl.org/articleprintview/1733230.html](http://www.rferl.org/articleprintview/1733230.html)**

The Russian-backed rebel region of Abkhazia will not attend international peace talks on Georgia next week, a top Abkhaz official has said, blaming the United Nations for not sending a key document in time. Russia and ally Nicaragua recognized Abkhazia and another rebel region, South Ossetia, as independent states last year after a war with Georgia, but the rest of the world still considers the provinces part of Georgia. The latest round of talks between Russia, the separatists and Georgia are set to take place in Geneva on May 18-19. The talks are co-chaired by the United Nations, European Union, and Organization for Security and Cooperation in Europe.

9. **Preventing A New Crimean War**
15.05.2009, Radio Free Europe/Radio Liberty

**READ MORE: [http://www.rferl.org/articleprintview/1732310.html](http://www.rferl.org/articleprintview/1732310.html)**

The Russia-Georgia war in August 2008 has seriously exacerbated Russia’s already damaged relationships with the West. If the Republican presidential nominee, Arizona Senator John McCain, had won last November’s election in the United States, the two countries might have moved to the next level of confrontation – possibly of a military nature.
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<th>10.</th>
<th>South Ossetian Opposition Leader Bewails 'Lost Opportunity'</th>
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<td>13.05.2009, Radio Free Europe/Radio Liberty</td>
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Speaking at a press conference in Moscow on May 12, Oleg Teziyev, who served in the early 1990s as prime minister of the then-unrecognized breakaway republic of South Ossetia, accused the republic's current president, Eduard Kokoity, of squandering the opportunity to build a truly independent republic after Russia formally recognized South Ossetia as an independent state.

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<th>Russia Vetoes Deal on OSCE Monitors in Georgia</th>
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<td>13.05.2009, Radio Free Europe/Radio Liberty</td>
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Russia has vetoed a plan for keeping monitors from Europe's top security and human rights watchdog in Georgia, insisting on terms that drove home its view of breakaway South Ossetia as an independent territory. Moscow sent in troops to repel Georgia's move to retake South Ossetia in a war last August, then blocked an extension of the Organization for Security and Cooperation in Europe's observer mandate in Georgia on its December 31 expiry. The OSCE must be out of Georgia by June 30 unless current chairman Greece can forge agreement among its 56 member states including Russia and Georgia to renew the mission. On May 11, Greece floated a revised plan omitting mention of Georgia or South Ossetia, skirting the hot issue of the rebel region's status, while stipulating free movement for monitors across the August cease-fire line.

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<td>20.05.2009, European Voice</td>
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The EU needs realism in its approach to Moldova -- but realism without hypocrisy and cynicism. Moldova's parliament, reconstituted after a disputed election on 5 April, is to choose a new president today (20 May). The choice is not simply about who should lead Europe's poorest country for the next four years. It is also about whether the ruling Communists will be able to sit out the storm that gathered after the elections, which the three opposition parties – by and large liberal and pro-Romanian – described as fraudulent. Additionally, it is about the European Union's ability to effect change in a neighbouring state.

| 2. | Moldova Lurches towards Instability |
| 20.05.2009, EurActiv |

Moldova's ruling Communist Party appeared unlikely to secure enough votes to elect a new president on 20 May, in a parliamentary vote that could plunge the former Soviet state into further political turmoil. Parliamentary elections that sparked riots last month left the Communists one vote short of the 61 required to elect a replacement for their veteran communist leader Vladimir Voronin, who is unable to stand for a third term. Voronin, who says he hopes to keep a decision-making role, has since been elected speaker of parliament in Europe's poorest country.
IV. RUSSIA

1. Europe and Russia Fail to Agree on Gas Deal
23.05.2009, New York Times

Russia and the European Union failed Friday to reach an agreement that would prevent future disruptions of energy supplies to Europe, and the two sides appeared unable to draw closer on a range of other matters. Russia’s president, Dmitri A. Medvedev, and his counterparts from the European Union sought to play down their differences at the end of their summit meeting by saying that the discussions had been useful. The Czech president, Vaclav Klaus, whose country holds the rotating presidency of the 27-member European Union, said the meetings had enhanced “mutual trust.” Still, the very location that the Kremlin chose for the get-together — the city of Khabarovsk, in Russia’s Far East, near the Chinese border and the Sea of Japan — seemed intended to highlight its unease at the state of relations.

2. EU-Russia Summit Ends with Prickly Exchange over Energy
23.05.2009, EUobserver
READ MORE: http://euobserver.com/9/28173?print=1

Originally billed as an uneventful meeting on technical issues such as trade tariffs, the EU-Russia summit in the Far East on Friday (22 May) ended in open disagreement over foreign policy and energy security. Russian President Dmitry Medvedev warned that the EU’s new Eastern Partnership project to improve relations with six former-Soviet states risks inflaming political tensions.

3. Russia Threatens EU with New Gas Crisis for Links to Eastern States
22.05.2009, Telegraph

Dmitri Medvedev, the Russian president, has attacked the European Union for seeking to forge closer relations with former Soviet states. A summit between the EU and Russia designed to promote closer ties failed to disguise a widening rift. Divisions over a new EU partnership with six ex-Soviet states is complicating a drive by Barack Obama, the US president, to seek reconciliation with Moscow.

4. Russia Sees Gloom Despite Rise in Oil
19.05.2009, Wall Street Journal
READ MORE: http://online.wsj.com/article/SB124268574591032095.html

Gloomy news about Russia’s economy – figures on Monday showed April industrial production plunged 17% year-on-year – has been mixed with some rare positives in recent weeks. Oil prices are surging, the ruble is up and Russian stocks have taken off. But even the good news has economists worried. "Oil prices now are as awful as they could be – not low enough to force real reform and not high enough to allow free spending like before," says Vladimir Mau, a prominent economist who heads an advisory panel to a government team dealing with the financial crisis.

5. Russia’s National Security Strategy
19.05.2009, Jamestown Eurasia Daily Monitor
READ MORE: http://www.jamestown.org/programs/edm/single/?tx_ttnews%5Btt_news%5D=35010&tx_ttnews%5BbackPid%5D=407&no_cache=1

The Russian National Security Strategy until 2020, approved by President Dmitry Medvedev on May 12, has been portrayed as innovative while clarifying the nature of the strategic environment facing
the country. Much attention was devoted to the potential risk of future energy wars, in regions including the Arctic, where Russia will defend its access to hydrocarbon resources. Nevertheless, despite continued credence being given to the concept of a "resurgent Russia," the new strategy appeared more conciliatory than widely expected.

6. The Doctrine and the Practice
19.05.2009, EU-Russia Centre
A long-awaited new national security concept of Russia has now been approved by the President and published. The finished 7,000-word document was immediately seized by journalists and experts for analysis, and they have noted three things – the language is conspicuously democratic (despite a veiled threat to NGOs), vague enough to leave room for both cooperation and confrontation with the United States, and it will have next to no impact on how the security services actually work.

18.05.2009, Jamestown Eurasia Daily Monitor
READ MORE: http://www.jamestown.org/programs/edm/single/?tx_ttnews%5Btt_news%5D=35006&tx_ttnews%5BbackPid%5D=407&no_cache=1
On May 12 Russian President Dmitry Medvedev approved the latest version of the "National Security Strategy of the Russian Federation up to 2020". The text of the 7,300 word document was posted on the website of the Russian Security Council and is certain to be studied by analysts in the hope of finding clues to Russian behavior in the years to come.

8. Russia Signs Deals for its 'EU Rival' Pipeline
16.05.2009, EUBusiness.com
Russia on Friday signed agreements with its partners to build the South Stream pipeline to carry its gas to European markets, dismissing the rival EU-led Nabucco project as politically inspired. Russian Prime Minister Vladimir Putin and his visiting Italian counterpart Silvio Berlusconi, Russian gas monopoly Gazprom and Eni, its Italian co-shareholder in South Stream, also agreed to increase the capacity of the planned pipeline across the Black Sea. Gazprom meanwhile established joint ventures with its counterparts in Greece, Serbia and Bulgaria and agreed with them the principles of cooperation during "the pre-investment stage of the project." Putin said the Gazprom-led South Stream pipeline made economic sense and cast doubt on the rationale for the Nabucco project which aims to deliver gas from the Caspian Sea region to Europe while bypassing Russia and Ukraine.

9. EU-Russia Summit to Focus on 'Hard Security'
14.05.2009, EurActiv
'Hard security' will be the main topic at the EU-Russia summit in the far-eastern Russian city of Khabarovsk near the border with China on 21-22 May, the country's ambassador to the EU told journalists in Brussels yesterday. Vladimir Chizhov insisted that the time had come to move forward a recent proposal by Russian President Dmitry Medvedev to discuss a new European Security Treaty and transform an existing set of "rather vague political commitments" into "legally-binding obligations". Among these obligations, Chizhov singled out a commitment "not to enhance one's own security at the expense of the security of others". Russia has opposed attempts to join NATO by countries in its 'near abroad', especially in the case of Georgia.
10. **Russia Hints at Readiness to Restore Arms Treaty**  
14.05.2009, Radio Free Europe/Radio Liberty  
READ MORE: http://www.rferl.org/articleprintview/1731931.html  
Russia hinted on May 14 it was ready to rejoin a key arms control treaty it walked away from two years ago, but said its next move depended on agreeing a wider package of deals with the United States. Moscow and Washington have repeatedly stated they want to improve ties and "reset" their strained relations but have yet to show progress in overcoming rows over issues like NATO expansion, energy supplies, and last year's war in Georgia. "The Russian Federation believes that the chance to revive the treaty is still there," Foreign Ministry spokesman Andrei Nesterenko said at a press briefing in Moscow on May 14.

11. **Russia Offers to Revive European Arms-Control Deal**  
14.05.2009, Kyiv Post  
READ MORE: http://www.kyivpost.com/world/41413/print  
Russia says it is proposing a new version of a key European arms-control treaty and may return to the agreement if the United States and its NATO allies accept it. The Foreign Ministry statement is a sign of Kremlin hopes for better ties with Washington under President Barack Obama.

12. **Mikhail Gorbachev Says Europe 'Misunderstands' Russia**  
14.05.2009, Telegraph  
READ MORE: http://www.telegraph.co.uk/news/worldnews/europe/russia/5321159/Mikhail-Gorbachev-says-Europe-misunderstands-Russia.html  
Mikhail Gorbachev has said that Europe still misunderstands Russia nearly two decades after the Soviet Union collapsed, and he dismissed as nonsense portrayals of his country as an aggressive force. Mr Gorbachev, who resigned as the Soviet Union's last president when the Cold War superpower disintegrated in 1991, said Russia does not want military conflict but suggested it should be treated as an equal.

13. **US, Russia Arms-Control Talks Will Not be Derailed by Georgia**  
11.05.2009, New Europe  
READ MORE: http://www.neurope.eu/print.php?id=94164  
US President Barack Obama touted an “excellent opportunity” for the United States and Russia to kick-start relations that have frayed in recent years, after a meeting on May 7 with Russian Foreign Minister Sergei Lavrov. “I think we have an excellent opportunity to reset the relationship between the United States and Russia on a whole host of issues,” Deutsche Presse-Agentur (dpa) quoted Obama as saying, as the two countries work to improve ties that last year reached one of their lowest points since the Cold War.

**V. TURKEY**

1. **Turkey and Brazil to Jointly Explore for Petroleum in Black Sea**  
23.05.2009, Today’s Zaman  
READ MORE: http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=176099  
Brazil's state-run oil company Petrobras and the Turkish Petroleum Corporation (TPAO) signed an agreement on Friday to invest $800 million in an offshore drilling project, President Abdullah Gül has said. Gül and Brazilian President Luiz Inácio Lula da Silva held a joint press conference yesterday.
at the Çankaya presidential palace announcing that an agreement had been signed between the Turkish state-run exploration company TPAO and Brazil's Petrobras to jointly explore for oil in the Black Sea. Stating that there was political will on both sides regarding efforts to boost bilateral relations between the two countries, Gül said oil production was likely to be possible in the coming years thanks to this agreement.

2.

Turkey Joins Georgian Construction Fair
21.05.2009, Today’s Zaman
READ MORE: http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=175914
Thirty-two companies representing Turkey have set up booths at the 14th International Fair for the Building and Interiors (Caucasus Build 2009) in the Georgian capital of Tbilisi.

3.

Putin to Visit Turkey Next Month
20.05.2009, Today’s Zaman
READ MORE: http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=175797
Turkey’s ambassador in Moscow has announced that the prime ministers of Turkey and Russia, who have held bilateral talks eight times in the last five years, will meet once more next month when the latter pays a visit to Turkey. The Turkish ambassador in Moscow, Halil Akýncý, was delivering a presentation at a round-table meeting held in Moscow on Monday when he spoke of rising momentum in the bilateral relations between Russia and Turkey.

4.

Turkey Shocked by Franco-German Election Rhetoric
11.05.2009, EurActiv
Turkish Foreign Minister Ahmet Davutoglu has strongly rejected German Chancellor Angela Merkel's idea of a "privileged partnership" between the EU and Turkey, saying his country would not accept any alternative to full membership of the European Union.

5.

German, French Leaders Emphasize Opposition to Turkey Joining EU
11.05.2009, Hurriyet Daily News
ISTANBUL - German Chancellor Angela Merkel and French President Nicolas Sarkozy on Sunday reiterated their opposition to Turkey joining the EU as the two leaders geared up for next month's European Parliament elections. Merkel, who has advocated having a vaguely defined partnership with Turkey, said at an event organized by her conservative Christian Democrats before the June 7 European Parliament vote that "we cannot take in everyone in Europe as a full member." "We have to talk about the borders of this Europe," she was quoted by AP as saying. "It makes no sense if there are ever more members, and we can’t decide anything anymore," she added.

VI. UKRAINE

1.

Russia, Ukraine on Verge of New Gas Row – Source
21.05.2009, REUTERS
READ MORE: http://www.reuters.com/articlePrint?articleId=USLL573320090521
Russia and Ukraine are on the verge of a new gas dispute, a Russian government source said on Thursday, adding the row was now centred around gas stocks in Ukraine to ensure smooth Russian
gas transit to Europe. "(Ukrainian energy company) Naftogaz has already received advance payments for Russian gas transit for the whole of 2009," the source said on condition of anonymity. He was speaking ahead of talks between Russian Prime Minister Vladimir Putin and Ukrainian Prime Minister Yulia Tymoshenko scheduled for Friday in the Kazakh capital.

### VII. BSEC

1. **President, Secretary General of BSEC Parliamentary Assembly Meet in Istanbul**

21.05.2009, BSANNA News


Ukrainian President Viktor Yushchenko has met with the secretary general of the international secretariat of the Parliamentary Assembly of the Black Sea Economic Cooperation (BSEC), Alexey Kudryavtsev.

2. **Mahmud Mammadguliyev: Our Priority is to Increase the Efficiency of the Organization of the Black Sea Economic Cooperation and Strengthen the Relations with the European Union**

15.05.2009, APA Azeri Press Agency


Azerbaijan's priority during chairmanship of the Organization of the Black Sea Economic Cooperation is to continue reforms to increase the efficiency of the organization and strengthen the relations with the European Union, Deputy Foreign Minister of Azerbaijan Mahmud Mammadguliyev told journalists, APA reports. He said that the experience of the European Union might be useful for BSEC. Mammadguliyev said events had been planned in two spheres – information technologies and elimination of emergency situations. "Azerbaijan is the head of the working group on information technologies. In connection with this the meeting of the ministers for information technologies will be held by October 2009," he said.

### VIII. EU

1. **Abkhaz Leadership, Opposition Exchange Accusations**

24.05.2009, Radio Free Europe/Radio Liberty

**READ MORE:** [http://www.rferl.org/articleprintview/1738893.html](http://www.rferl.org/articleprintview/1738893.html)

Over the past week, opposition parties and leaders in Abkhazia have issued a series of individual or joint statements criticizing recent moves by President Sergei Bagapsh that, they claim, constitute unwarranted concessions to Russia likely to inflame anti-Russian sentiment within Abkhazia. On May 21, the United Abkhazia party that supports Bagapsh, and the political movements Amtsakhara and Nartaa aligned with it, convened a press conference in Sukhumi to respond to those charges. In a statement released the same day, the three organizations condemned the opposition's "efforts to fuel tensions" and the "falsified and gross" charges directed against Bagapsh personally as a "threat to national security." The ongoing standoff could provide Moscow with a pretext for pressuring Bagapsh to step down and installing in his place a politician amenable to signing an agreement with Russia analogous to the Russia-Belarus Union.

2. **At EU-Russia Summit, Signs of Strategic Division, not Strategic Partnership**

22.05.2009, Radio Free Europe/Radio Liberty

**READ MORE:** [http://www.rferl.org/articleprintview/1737474.html](http://www.rferl.org/articleprintview/1737474.html)
The EU-Russia summit, which concluded on May 22 in the far-eastern Russian city of Khabarovsk, served to expose the depth of the disagreement which increasingly bedevils the relationship between the two sides. Emerging from the summit, EU and Russian leaders appeared to differ on all major issues currently facing them -- from security to energy and trade. The bulk of the post-summit press conference was spent on mutual recriminations – voiced discreetly by the EU, less so on the part of Dmitry Medvedev, the Russian president.

3. Trade and Security Dominate Russia-EU Talks
21.05.2009, Euro News
READ MORE: http://www.euronews.net/2009/05/21/trade-and-security-dominate-russia-eu-talks/
Moscow and Brussels are a long way apart on several issues, and perhaps holding these talks in Russia’s far east is meant to underline that. Khabarovsk is nine hours ahead of central Europe, and close to China. Maybe the Kremlin wants to point out it has other important partners. Nevertheless, ties with Europe remain strong – Russia’s recent boom means western luxury goods are available to those who can afford them. And Moscow would like to strengthen those ties. Next week the World Trade Organisation meets in Geneva, as Russia renews its decade-long pursuit of membership. All WTO members must approve membership before a country can join, and an invitation to the party has been stalled by American anger at Russia’s military incursion in Georgia last summer. Then too, Moscow is still furious at Washington’s plans for an anti-missile shield in Poland and the Czech Republic. President Obama has indicated the matter may be re-thought, but it is still on the table.

4. Verheugen Advocates Pan-European Single Market
20.05.2009, EurActiv
European and Mediterranean countries should develop a common market, according to European Commission Vice-President Günter Verheugen, drawing lessons from his mandates as EU enlargement and enterprise commissioner. Speaking at a conference hosted jointly by Eurochambres and the European Commission's SME Week in Prague (14 May), Commissioner Verheugen was critical of barriers to cross-border entrepreneurship across the continent and called for greater cooperation in order to allow Europe to compete with emerging markets in Asia. He also expressed disappointment with the development of the internal market to date. "Member states display great creativity when it comes to creating new hurdles for entrepreneurs coming from other countries," he said, adding that the success of enlargement is not sufficiently talked about.

5. Russia Profile Weekly Experts Panel: The EU Leaves out Russia
15.05.2009, Russia Profile
Last week, the European Union launched its new strategic foreign policy initiative (Eastern Partnership) meant to provide a unified political framework to deal with former Soviet States, at a summit in Prague to which Europe invited some of the most unsavory post-Soviet leaders, including Belarus President Alexander Lukashenko (he did not attend), Uzbekistan’s President Karimov, and Georgia’s besieged President Mikheil Saakashvili. Why is the EU focusing on the relationship with former Soviet states, as opposed to making the EU-Russia relationship a clear priority? How should Russia react to the EU’s thrust into its zone of privileged interests?
### IX. NATO

#### 1. Georgia Conflict Transformed Situation Facing NATO in Europe

15.05.2009, UPI


The North Atlantic Treaty Organization for 40 years through the Cold War focused on its mission of being able to fight a defensive war in Europe if necessary against the military forces of the Soviet Union and, after 1955, of the Soviet-led Warsaw Pact. In the nearly two decades since the Soviet Union started to disintegrate in 1989, NATO's national leaders and defense ministers have seen its prime purpose as ensuring internal and regional stability among and between its member states. There have also been bold calls for NATO to act as a regional policeman, and the alliance is now projecting its forces -- weakly and ineptly -- as far away as Afghanistan. But the one thing alliance leaders and planners never thought their organization would ever have to do was to actually fight a conventional war, ever again, let alone against Russia -- until last August.

### X. OSCE

#### 1. OSCE Initiative Irks Moscow

16.05.2009, Kathimerini

**READ MORE:** [http://www.ekathimerini.com/4dcgi/_w_articles_politics_1_16/05/2009/107220](http://www.ekathimerini.com/4dcgi/_w_articles_politics_1_16/05/2009/107220)

The Russian Embassy in Athens yesterday issued a statement expressing its regret at a decision by Greece, who currently holds the rotating chairmanship of the Organization for Security and Cooperation in Europe (OSCE), to suspend talks regarding the dispatch of a new mission to Georgia. The statement also called for recognition of “the new reality” in the region.

#### 2. OSCE Presence in Georgia

15.05.2009, US Department of State

**READ MORE:** [http://www.state.gov/r/pa/prs/ps/2009/05/123540.htm](http://www.state.gov/r/pa/prs/ps/2009/05/123540.htm)

The United States deeply regrets that consensus could not be reached on the Greek OSCE Chairmanship’s proposal for an OSCE Office in Tbilisi and monitoring mission in Georgia. For several months, the Greek Chair tirelessly pursued a compromise proposal that would avoid any pronouncement on South Ossetia’s political or legal status.
3. **Russia Rejects Greek Proposal on OSCE Monitors in Georgia**  
14.05.2009, Civil.Ge  
READ MORE: [http://www.civil.ge/eng/_print.php?id=20920](http://www.civil.ge/eng/_print.php?id=20920)  
Russia turned down OSCE Greek chairmanship’s proposals on keeping the organization’s monitors in Georgia with right of free movement across the South Ossetian administrative border. The proposal, which made no mention of Georgia or South Ossetia in order to avoid the breakaway region’s status, offered stationing of 22 OSCE monitors in the village of Karaleti on the Georgian side of administrative border and eight monitors in Tskhinvali with the right of free movement across the administrative border. According to Reuters Russia’s version crossed out references to “free and unimpeded contact and movement.”

4. **OSCE Halts Moscow-Blocked Talks on Georgia Mission**  
14.05.2009, Radio Free Europe/Radio Liberty  
READ MORE: [http://www.rferl.org/articleprintview/1731926.html](http://www.rferl.org/articleprintview/1731926.html)  
Europe's top security and human rights watchdog on May 14 halted talks on keeping peace monitors in Georgia after Russia blocked a deployment plan, but it stood by the proposal and nudged Moscow to reconsider. Russia sent in troops to crush Georgia’s move to retake its separatist South Ossetia region in a war last August, then rejected an extension of the Organisation for Security and Cooperation in Europe's 16-year-old monitoring mission in the former Soviet republic when it expired on December 31. The military and civilian monitors face a June 30 deadline to pull out. On May 13, Russia barred a revised monitoring proposal from OSCE chairman Greece by insisting on language driving home its view of South Ossetia as an "independent" state – rejected by Georgia and not endorsed elsewhere in the 56-nation group.

XI. **EASTERN PARTNERSHIP**

1. **Russia and the Eastern Partnership - Loud Criticism, Quiet Interest in Cooperation**  
05.2009, Stiftung Wissenschaft und Politik  
On 7 May the Eastern Partnership initiative will be launched at a summit held in Prague under the auspices of the Czech EU Council Presidency. In addition to the twenty-seven EU heads of state and government, political leaders from Belarus, Ukraine, Moldova, Georgia, Armenia and Azerbaijan have also been invited to attend. The initiative represents a continuation of the European Neighbourhood Policy (ENP) as well as an intensification of its eastern dimension. A newcomer to the forum is Belarus, which the EU had not previously included in the ENP on account of its poor democratic record. The EU is still unclear about how extensive Russian involvement in the Eastern Partnership should be. The Russian government has commented harshly on the new EU initiative, yet Moscow seems willing in principle to participate in specific projects of the Eastern Partnership. How can these contradictory Russian attitudes be explained? And what repercussions are they likely to have for relations between the EU and Russia?

2. **Russia Alarmed over New EU Pact**  
22.05.2009, BBC  
Russian President Dmitry Medvedev has warned the European Union not to turn a proposed
partnership with former Soviet countries against Moscow. Mr Medvedev was speaking at the end of a Russia-EU summit held against a background of deep divisions over security, trade and energy supplies. He also signalled a new gas crisis may lie ahead, suggesting Ukraine lacks the money to pay for gas Russia provides. A row over prices severely affected supplies to Europe in January.

3.
European Union – Eastern Partnership PA Enhances Ties with EU Eastern Partners: European Parliament Representative
21.05.2009, Trend News

The establishment of the Parliamentary Assembly of the European Parliament "European Union – Eastern Partnership" is important to enhance and complement the EU relations with all countries of the Eastern Partnership, but not to replace bilateral relations, said Adviser to the President of the European Parliament Robert Golanski. "European Union – Eastern Partnership" Parliamentary Assembly will do the same thing on the parliamentary level as the Eastern Partnership is doing on bigger level, on the level of countries and governments," Golanski told Trend News over telephone from Brussels. "So the main thing is to step up to enhance cooperation between the European Union on one hand and six eastern countries."

4.
EU Looks East, again
21.05.2009, IPS
READ MORE: http://www.ipsnews.net/print.asp?idnews=46927

The European Union’s Eastern Partnership, promoting closer cooperation between the EU and former Soviet Republics, has been enthusiastically endorsed in Eastern Europe, ignored in the West, and criticised in Russia. The Polish-Swedish initiative, approved by an EU summit on May 7 in Prague, aims at giving the supranational organization an eastern dimension to its policies, but stops short of offering membership prospects to the EU’s eastern European neighbours. For Poland, the largest of the Eastern European member states, the adoption of the Eastern Partnership represents the first major Eastern European initiative to be embraced by the EU.

5.
Abrahamyan and Semneby Discussed Eastern Partnership Perspectives
16.05.2009, PanARMENIAN.Net
READ MORE: http://www.panarmenian.net/news/eng/?nid=31814

RA NA Speaker Hovik Abrahamyan met special representative of EU at South Caucasus Peter Semneby on May 16 in Yerevan. The meeting was attended by RA NA Eurointegration Committee Chairman Avet Adonts, Head of Eurocommittee Delegation in Armenia, Ambassador Raul de Lutsenberger and Ambassador of Poland to Armenia Tomash Knotkhe. RA NA Speaker gave high assessment to implementation of Eastern Partnership program and increased interest of EU to regional issues. He expressed a hope that the meeting of Eastern Partnership member states will be followed by parliamentary speakers meeting and emphasized the importance of parliamentary ties’ intensification. Dwelling on NKR conflict settlement issues, he stressed the importance of MG OSCE mission as an intermediary and stated that NKR conflict should be settled based on principles of self – determination and non-use of force.

6.
Partnership? What Partnership?
14.05.2009, International Business Times
READ MORE: http://www.ibtimes.com/services/pop_print.htm?id=271076&tb=bh

European Union policy toward its neighbors to the east is in trouble, despite the launch of its new Eastern Partnership. European public opinion is increasingly introspective and sporadically
protectionist. So what is to be done about the “grey zone” to Europe’s east – the six countries that now lie between the EU and Russia? Inaction is unacceptable. The region has been badly hit by the economic crisis, made all the worse by internal political turmoil and serious security dangers.

7.

CIS Message: “Eastern Partnership” Countries Can Face with Problems
14.05.2009, APA Azeri Press Agency
The countries joined the EU Eastern Partnership Program can face with problems, said CIS Executive Secretary Sergei Lebedev, APA reports quoting BelaPAN agency. He said coordination of legislation with the EU standards demanded to review the CIS agreements, which makes the Eastern Partnership make choices. “As a man, who knows the countries’ economy, I can say that the European Union cannot compensate the losses the Eastern Partnership countries can face in the current situation”.

8.

Black Sea Synergy Stays on EU Agenda
13.05.2009, Financiarul
READ MORE: http://www.financiarul.ro/2009/05/13/black-sea-synergy-stays-on-eu-agenda/
Representatives of the European Affairs Committees of EU Parliaments approved the amendments proposed by Romania's delegation headed by vice-president of the Democratic-Liberal Party (PD-L) and Senate vice-president Anca Boagiu, in support of the Black Sea Synergy as an instrument complementing the Eastern Partnership. The amendment proposed by Romania, requiring the European Commission to identify measures that need to be taken in order to render European funds management procedures more flexible also cleared the meeting, informs a release on Tuesday.

9.

Eastern Partnership – Threat or Chance for Russia?
12.05.2009, EU-Russia Centre
7th May 2009 the European Union and its six neighbours in the European and Caucasus post-Soviet area – Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine launched the Eastern Partnership, building on the European Neighbourhood Policy. The adopted Joint Declaration of the Prague Eastern Partnership Summit states that the Partnership is based on “commitments to the principles of international law and to fundamental values” that its main goal is “to create the necessary conditions to accelerate political association and further economic integration between the European Union and interested partner countries.” The new initiative focuses on four main areas of cooperation: democracy and good governance, economic integration (through the deep and comprehensive FTAs), energy security, and people-to-people contacts. The Partnership sends a “clear political message about the need to maintain and bolster the course towards reforms”.

10.

The EU Backtracks on its Eastern European Partners
11.05.2009, TIME
READ MORE: http://www.time.com/time/world/article/0,8599,1897415,00.html
Initially conceived to forge a new relationship between the European Union and six former Soviet republics, the May 7 summit launching the EU’s Eastern Partnerships accord wound up more like the first date from hell. Instead of feeling the welcoming embrace the program had promised, representatives from Azerbaijan, Armenia, Belarus, Georgia, Moldova and Ukraine instead got a European straight-arm designed to keep them at a safe distance. Indeed, given the manner in which the courtship has begun, some observers now wonder whether any o the parties involved can ever
It's too big, it's constitution is in a mess and it is leaderless. But the European Union always played one card quite well - it has exported its political and economic prosperity to its neighbours. The EU's soft power worked best in Poland. It could one day heal the deep wounds of the Balkans. Why then should the same balm not stabilise six ex-Soviet states, with whom the EU signed an Eastern partnership agreement in Prague?

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### XIII. CAUCASUS

1. **Normalization and Peace in the South Caucasus: Is it still Possible?**

24.05.2009, Today’s Zaman

READ MORE: todayszaman.com/tz-web/detaylar.do?load=detay&link=176160

Where are we now with the normalization process between Turkey and Armenia? What is happening in Nagorno-Karabakh with the Organization for Security and Cooperation in Europe (OSCE) Minsk Group process? Are the optimistic predictions for a stable Caucasus over? These are some of the questions that continue to occupy the minds of people who are concerned with the South Caucasus. Such questions also busy decisionmakers and pundits outside the region. If a sober stocktaking is needed – maybe this is the time to do it.
2.

Expert Says Turkey's Influence Will Increase in Caucasus
23.05.2009, Today’s Zaman
READ MORE: http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=176117

Turkey's influence in the Caucasus will increase if Turkish-Armenian relations improve, but during the process of rapprochement, opposition forces increasingly come to the forefront, Alexander Iskandaryan, director of the Yerevan-based Caucasus Institute, has said. “There is a zero-sum game logic. It is based on the idea that Armenia would lose if Azerbaijan wins or Azerbaijan would lose if Armenia wins. This is not a true logic. There is a need to leave such a mentality out,” he said, speaking to a group of Turkish journalists this week. He added that even though Azerbaijani-Armenian relations should be independent from Turkish-Armenian relations, this is not the case in reality.

3.

Caucasian Triangles
22.05.2009, Al-Ahram Weekly
READ MORE: http://weekly.ahram.org.eg/print/2009/948/op5.htm

The Arabs could learn much from watching Iran, Turkey and Russia play their cards in the struggle for influence and power in the Caucasus, writes Mustafa El-Labbad. Iran and Turkey are locked in a neck-to-neck contest over regional roles not only in the Middle East but in the Caucasus as well. An analysis of the dynamics of their rivalry in that region is important from the Arab perspective, as it sheds light on the means and tactics, and skills and resources that they bring to bear on their contest in this region. This applies all the more so in view of the resemblance between the ways the two powers conduct their rivalries in the two regions. In both areas, they steer well clear of direct military involvement and, instead, build networks of alliances through which they can extend and consolidate their regional presence. A second common denominator is the involvement of a third and senior party in the business of policy design and role assignation: the US in the Middle East and Russia in the Caucasus.

4.

The Third Armenian-Azerbaijani Public Peace Forum
20.05.2009, International Alert

The Third Armenian-Azerbaijani Public Peace Forum aimed at contributing to the peaceful resolution of the Nagorno-Karabakh conflict took place in Vienna between 24th - 27th March. The Forum, organised by International Alert, marked a milestone in the Nagorno-Karabakh peace process as it brought together for the first time all the international mediators involved in the peacebuilding process as well as a large delegation of civil society representatives from all sides of the conflict divide.

5.

The Caucasus Business and Development Network Visits London and Brussels
20.05.2009, International Alert

The Caucasus Business and Development Network (CBDN), a project co-founded and supported by International Alert, recently visited London and Brussels to promote its work on economic approaches to peacebuilding and to publicise the initial results of its recent research. Between 17th and 25th March Alert’s partners gathered in London for a strategic planning meeting that was followed by seminars conducted by CBDN at King’s College in London and at the Centre for European Policy Studies in Brussels.
6. Confidence building – Working Together Towards the Peaceful Settlement of the Nagorno-Karabakh Conflict
20.05.2009, International Alert
The Third Armenian-Azerbaijani Public Peace Forum took place in Vienna between 24th and 27th March. During the 4 days of the Forum the Armenian and Azerbaijani participants worked together to develop concrete ideas and proposals for confidence building measures that could contribute to the peaceful settlement of the Nagorno-Karabakh conflict. The Forum defined three main areas in which confidence building initiatives and measures should be strengthened and actively implemented: internal work within each society, work to initiate and support direct people-to-people contacts and work to implement joint initiatives between Armenians and Azerbaijanis in areas where this is possible today.

7. Turkey 'Should Not Link Armenia Thaw to Karabakh'
20.05.2009, REUTERS
READ MORE: http://in.reuters.com/articlePrint?articleId=INLK965521200090520
Turkey should not link its efforts to normalize ties with Armenia to a settlement between Armenia and Azerbaijan over Nagorno-Karabakh, a French negotiator said on Wednesday. Ankara and Yerevan have been engaged for months in high-level talks aimed at establishing diplomatic relations after a century of hostility and last month announced a "road map" to reopen their borders. But after Turkey's Muslim ally Azerbaijan condemned the reconciliation moves, Ankara said there would be no progress until the Nagorno-Karabakh conflict was resolved. Turkey closed its border with Armenia in 1993 in solidarity with Azerbaijan, which fought a war with ethnic Armenian separatists in the 1990s over the Caucasus enclave.

8. Russia, Iran gradullay displaced from South Caucasus: Head of Social Research Foundation
20.05.2009, Trend News
Given the recent discussions regarding the opening of Turkish-Armenian "roadmap", which envisages normalization of relations between Ankara and Yerevan, a drastic change in the whole geopolitical situation is expected in the region, which is also linked to the displacement of Russia and Iran from the South Caucasus, Rashad Rzaguliev, Head of the Foundation of Social Development, said. "Russia and Iran, which have age-old interests in the region, desperately pushed out the third country. We will call it West, Rzaguliev said speaking at a round table of political scientists on discussions of the Turkish-Armenian "road map". The "Eastern Partnership" is one of those elements - a comparative set of activities of Turkey, the U.S. and the EU.

9. For Armenian Students, Studying Turkey Poses a Dilemma
20.05.2009, Today's Zaman
READ MORE: http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=175795
It is a small class of 12 master's students in the department of Turkology at Yerevan State University. For almost all of the Armenian students, Turkey is as close as a stone's throw even though the border remains closed, but Turks are as far away as one can ever imagine. "What does the word 'Turk' tell you?" was the question asked on Monday by a group of Turkish journalists who are in Yerevan for the International Hrant Dink Foundation's Turkey-Armenia Journalist Dialogue Project, funded by the Heinrich Böll Stiftung Association.
10. Georgia says Russian Pressure Led to Changes in UN Caucasus Report

19.05.2009, RIA Novosti

READ MORE: http://en.rian.ru/world/20090519/155045137.html

Georgia’s foreign minister claimed on Tuesday that the UN Secretary General’s draft report on the situation in the Caucasus region had been amended due to pressure from Russia. The revised draft report was submitted by UN General Secretary Ban Ki-moon three days later than anticipated and, unlike previous drafts, makes no mention of Georgia’s sovereignty over its former republic of Abkhazia. "The document has some positive points, but also points clearly indicating that they were introduced under pressure from Russia," Grigol Vashadze told reporters. He added that the report was an interim document and served as a compromise solution to advance stalled Geneva talks aimed at trying to reduce tension in the region following a brief conflict between Russia and Georgia last August.

11. A Long Road to Peace

19.05.2009, Russia Profile

READ MORE: http://www.russiaprofile.org/page.php?pageid=International&articleid=a1242751303

The new phase of the Geneva talks is merely meant to lay the groundwork for future conflict resolution in the Caucasus. The latest round of talks between Russia, Georgia and the two breakaway regions of South Ossetia and Abkhazia got off to a predictably acrimonious start in Geneva on Monday. The Georgians flat-out rejected a Russian proposal that they sign a non-aggression agreement with South Ossetia and Akhazia. The Abkhazians refused to attend at all, because they felt the UN draft report did not adequately reflect their de-facto independence from Georgia. And late on Monday the Russians and South Ossetians followed suit, saying it was “pointless to discuss security in Abkhazia without the Abkhazians.”


19.05.2009, The Christian Science Monitor

READ MORE: http://www.csmonitor.com/2009/0519/p08s01-comv.html

Make one move in the unstable Caucasus region, and a host of difficult and far-reaching issues get tripped over – ethnic tensions, Russian dominance, and competition over oil and gas. So the world discovered when Russia’s military clashed with tiny Georgia’s last August. And so it’s discovering again under far more welcome circumstances: a long-awaited warming between Turkey and its Caucasus neighbor, Armenia. Yes, even such rapprochement can stir up this region, sandwiched between the Black and Caspian seas and bordered by Russia to the north and Turkey and Iran to the south.

13. Erdogan Seeks Russian Backing in Karabakh Peace Efforts

18.05.2009, Today’s Zaman

READ MORE: www.todayszaman.com/tz-web/detaylar.do?load=detay&link=175614&bolum=100

Prime Minister Recep Tayyip Erdoñan has discussed the Nagorno-Karabakh problem between Azerbaijan and Armenia in weekend talks with his Russian counterpart, Vladimir Putin, as Ankara seeks to normalize its ties with Yerevan without alienating Azerbaijan. “Turkey and Russia have responsibilities in the region. We have to take steps for the peace and wellbeing of the region,” Erdoñan said at a joint news conference with Putin in Sochi on Saturday. “This includes the
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<th><strong>Nagorno-Karabakh problem, the Middle East dispute, the Cyprus problem,” he added.</strong></th>
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<td><strong>Medvedev to Renew Call for Energy Treaty at Summit</strong></td>
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<td><strong>14.05.2009, European Voice</strong></td>
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<td>Russian president wants to abandon energy treaty will also suggest new security architecture. Dmitry Medvedev, the president of Russia, will present European Union leaders with a plan for a comprehensive global energy treaty at a summit in Khabarovsk, in Russia's far east, next week (21-22 May). Russia wants to convince the EU that it should abandon the energy charter treaty, signed in 1994 and in force since 1998, and back instead a new instrument to enhance energy security. “The offer on the table is to address, in a comprehensive way, the energy security issues of the producers, consumers and the transit countries,” Sergey Lavrov, Russia's foreign minister, said in Washington, DC, last week (7 May).</td>
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<td><strong>Erdogan Reassures Azerbaijan on Turkey's Border Policy with Armenia</strong></td>
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<td><strong>14.05.2009, Jamestown Eurasia Daily Monitor</strong></td>
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<td>READ MORE: <a href="http://www.jamestown.org/programs/edm/single/?tx_ttnews%5Btt_news%5D=34986&amp;tx_ttnews%5BbackPid%5D=27&amp;cHash=51ce753c03">http://www.jamestown.org/programs/edm/single/?tx_ttnews%5Btt_news%5D=34986&amp;tx_ttnews%5BbackPid%5D=27&amp;cHash=51ce753c03</a></td>
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<td>On April 23 it was revealed that Turkey and Armenia signed a roadmap outlining the rapprochement process between the two countries. According to the roadmap, Armenia must accept the Kars agreement signed between Turkey and the USSR in 1921 marking the border between Turkey and Armenia; a joint commission of historians must be formed to investigate Armenian &quot;genocide&quot; claims; the Armenia-Turkey borders will be re-opened and the relevant documents signed to launch trade relations; direct diplomatic relations will be established when Armenia and Turkey accredit their ambassadors to Ankara and Yerevan.</td>
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<td><strong>Turkey Seek to Ease Azeri Worries on Armenia Ties</strong></td>
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<td><strong>13.05.2009, REUTERS</strong></td>
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<td>READ MORE: <a href="http://uk.reuters.com/articlePrint?articleId=UKLD67716320090513">http://uk.reuters.com/articlePrint?articleId=UKLD67716320090513</a></td>
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<td>Turkish Prime Minister Tayyip Erdogan promised Muslim ally Azerbaijan on Wednesday that Ankara will not open its border with Armenia until Armenia ends its prominent role in the dispute over the Nagorno-Karabakh enclave. Erdogan was in Baku to ease Azerbaijan's concerns over reconciliation moves by Turkey and Armenia to end decades of hostility. These have alarmed Azerbaijan which first wants to resolve Nagorno-Karabakh, a territory over which it fought a war with ethnic Armenian separatists in the 1990s.</td>
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<td><strong>Turkey not to open Armenia Border Before Karabakh Occupation Ends – PM</strong></td>
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<td><strong>13.05.2009, Hurriyet Daily News</strong></td>
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<td>Turkey will not open its border with Armenia before the neighboring country ends its occupation of the disputed Nagorno-Karabakh region, Prime Minister Tayyip Erdogan said after meeting Azerbaijani president in Baku. Erdogan held a joint press conference with Azerbaijani President Ilham Aliyev in Baku, during a visit aimed at reassuring Azeri leaders that Turkey's efforts to reconcile with Armenia would not undermine the country's interests. &quot;The current situation in Nagorno-Karabakh cannot be accepted and will never be accepted. The closure of the border is a result of the occupation in Karabakh,&quot; Erdogan told reporters. &quot;I want to repeat once more that until the occupation ends, the border gates (with Armenia) will remain closed,&quot; he added. Erdogan also</td>
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urged the so-called Minsk group, set up in 1992 and co-chaired by Russia, the United States and France, to speed up efforts to find a solution to Nagorno-Karabakh.

### Armenia/Azerbaijan: Karabakh Remains Powderkeg 15 Years after Ceasefire
13.05.2009, Relief Web


Fifteen years after Armenia and Azerbaijan signed a ceasefire in their conflict over the Nagorny Karabakh region, the enclave remains a powderkeg in the strategically important South Caucasus. Despite internationally mediated talks inching forward, analysts say a long-term solution remains distant. Meanwhile the unresolved conflict and the threat of a new war are casting shadows over attempts to diversify European energy supplies and over US-backed efforts to reconcile Armenia and Turkey. "Despite mediators' optimism about a possible breakthrough, there is a long-running stalemate on several issues," the International Crisis Group wrote in a report last month. "The real risk of renewed conflict continues to threaten Caucasus stability and international access to Caspian energy," the Brussels-based think tank said.

### Caucasus: Regional Economic Outlook Bleak – IMF Report
12.05.2009, Eurasianet


Economic conditions in Armenia, Azerbaijan and Georgia are set to go from bad to worse before they start to slowly improve, according to an International Monetary Fund report. The economies of all three countries in the South Caucasus have virtually stagnated, as the crisis-fueled price crunch on oil and commodities exports impact sources of government revenue, the IMF said in its findings released May 11. Oil exporter Azerbaijan has been particularly hard hit by lower energy prices, but at least has the ability to cushion the economic blow by tapping into cash reserves accumulated during the boom years, the IMF noted. Both Armenia and Georgia have seen their export revenues - largely dependent on copper exports and ferro-alloy exports, respectively - weakened.

### Armenian President Criticized over Turkish Rapprochement
12.05.2009, Jamestown Eurasia Daily Monitor

READ MORE: http://www.jamestown.org/single/?no_cache=1&tx_ttnews%5Btt_news%5D=34979&amp;tx_ttnews%5BbackPid%5D=228&amp;cHash=a05547a818

Armenia's President Serzh Sarkisyan is facing mounting domestic criticism against his conciliatory policy toward Turkey, which is regarded as an initiative that has achieved few tangible results. A recent joint announcement by Ankara and Yerevan on a "roadmap" for normalizing bilateral ties has met with an overwhelmingly negative reaction in the country and especially within the worldwide Armenian diaspora. Many politicians and pundits believe that Sarkisyan effectively thwarted any official U.S. recognition of the mass killings of Armenians in the Ottoman Empire as genocide, without securing an explicit Turkish pledge to re-open the border with Armenia.

### XIV. ENERGY

1.

Multiple Pipelines, but no Happiness, at EU Russia Summit
21.05.2009, Radio Free Europe/Radio Liberty

READ MORE: http://www.rferl.org/articleprintview/1736349.html

In the 1990s, U.S. energy companies intent on shoring up oil and natural-gas supplies adopted the slogan "Happiness Is Multiple Pipelines." But no echoes of that sentiment are likely to be heard as the
leaders of the European Union and Russia gather for a two-day summit on May 21-22 in the Far Eastern city of Khabarovsk. Pipelines will definitely be on the agenda, but according to Anita Orban, the Budapest-based author of "Power, Energy, and the New Russian Imperialism," happiness probably will not. "What we are seeing is a competition in terms of rhetoric, competition in terms of signing declarations and agreements, and a competition of perceptions – which project will be built," Orban says. "Because still, the belief is that these projects are mutually exclusive."

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<th>Turkey Downplays Iraqi Energy Ties</th>
<th>12.05.2009, UPI</th>
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<td>Turkish energy officials downplayed meetings scheduled for June with Iraq to discuss gas exports from the Akkas field near the Iraqi border with Syria. Al-Hayat newspaper in Saudi Arabia on Monday issued a report saying Iraqi oil officials hoped to reach a deal with their Turkish counterparts in June for gas exports to Europe. Meanwhile, Iraqi Oil Minister Hussain al-Shahristani tells the Anatolia news agency he invited Turkish energy companies to take party in the Iraqi energy sector.</td>
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<td>Armenia says it will build a $5 billion nuclear power plant to replace its aging Metsamor plant, RFE/RL's Armenian Service reports. Energy and Natural Resources Minister Armen Movsisian told RFE/RL on May 18 that the new plant will operate at twice the capacity of the older, Soviet-constructed facility, which is 30 kilometers west of the capital, Yerevan. Metsamor currently generates some 40 percent of Armenia's electricity.</td>
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<td>On May 16 in Sharjah (United Arab Emirates), the Hungarian oil and gas company MOL signed an agreement to acquire a 10 percent stake in Pearl Petroleum, the holder of exploration and production rights in two gas fields in the Kurdistan Region of Iraq. The fields, Khor Mor and Chemchemal, are earmarked to supply the planned Nabucco gas pipeline to Europe. MOL's move reconfirms and strengthens this privately-owned company's commitment to the EU- and U.S.-backed Nabucco project. MOL signed this agreement on the same day when a set of agreements on the rival project, Russian-led South Stream, were also agreed.</td>
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<th>5.</th>
<th>Russia Clears the Way for South Stream</th>
<th>18.05.2009, New Europe</th>
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<td>In a move that may give fresh momentum to South Stream, Russian gas monopoly Gazprom on May 15 signed agreements with transit states Bulgaria, Greece, Serbia and Italy to construct the Gazprom-backed natural gas pipeline to Europe. The agreements were appropriately signed in the Russian resort of Sochi since the pipeline will run through the nearby Black Sea.</td>
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6. Don’t Go It All Alone
18.05.2009, DGAP
READ MORE: http://en.dgap.org/publications/view/1de43aea1b5beea43ae11de8f976b6e546c7ee87ee8.html
The EU cannot secure its energy supplies without Russia, while Russia is also dependent on the EU as its key market. Since this interdependency is going to continue in the foreseeable future, both sides should work together from the very beginning and stop developing projects alone. These are doomed to fail because at a later stage neither the EU nor Russia is able to get the other side on board. The Energy Charter Treaty, which the EU has been promoting for years to no avail, the latest Russian counter proposal for a ‘New Legal Framework’, or the modernisation agreement for the Ukrainian pipeline system are telling examples. Beyond this, more projects that bring tangible benefits to both the EU and Russia are lacking, for instance in the sector of energy efficiency. Especially Germany, as a forerunner in environmental technologies, can benefit from such cooperation, since Russia is in dire need of energy saving and climate protection measures. The upcoming establishment of a Russian–German Energy Agency will send an important signal for further joint projects between the EU and Russia.

7. Russian Official Shrugs off Iraq Nabucco Gas Plan
17.05.2009, Guardian
READ MORE: http://www.guardian.co.uk/business/feedarticle/8511849/print
A deal that could kickstart the Nabucco gas pipeline project and reduce Europe’s dependence on Russia was no tragedy for Moscow, a Russian official said on Sunday. Russia opposes the Nabucco scheme and is developing the rival South Stream project to supply Europe. Moscow signed deals to accelerate South Stream on Friday. "I don’t see any tragic events (in this Iraq deal)," Alexander Saltanov, Russia’s special presidential representative for the Middle East and deputy minister of foreign affairs, told Reuters on the sidelines of the World Economic Forum in Jordan. Supplies from Iraq’s Kurdistan region through Nabucco would not make Russian gas supplies any less attractive to Europe in the future, Saltanov said.

8. Boost for Nabucco from Iraq Gas Deal
17.05.2009, Financial Times
READ MORE: http://www.ft.com/cms/s/0/00eb18dc-4324-11de-b793-00144feabdc0.html
Europe took a surprise step towards reducing its dependence on Russian gas on Sunday as two of its oil companies agreed to develop a gas field in Kurdistan, Iraq’s semi-autonomous region. OMV, of Austria, and Hungary’s MOL agreed the deal, which will feed the planned Nabucco pipeline. The 3,300km pipeline is the centrepiece of Europe’s energy policy and attempts to reduce imports from Russia by providing the region with gas from central Asia. However, it is struggling to find suppliers. OMV and MOL, with their regional partners, are to invest $8bn (€5.9bn, £5.3bn) in Kurdistan’s gas fields and believe they could eventually pump as much as 3bn cubic feet of gas – almost twice as much as the combined consumption of Belgium and Luxembourg. About half that gas could eventually flow to Europe via Nabucco.

9. Russia and Italy Sign gas supply deal
16.05.2009, Financial Times
READ MORE: http://www.ft.com/cms/s/0/afdd90d6-41a3-11de-bdb7-00144feabdc0.html
Russia and Italy agreed on Friday to increase the capacity of the planned South Stream gas pipeline under the Black Sea, in a move that will intensify concerns about the European Union’s reliance on
Russian supplies. The South Stream project is intended to open a new route for Russian gas to reach the west, avoiding Ukraine. Disputes between Russia and Ukraine have disrupted Europe’s gas supplies, most seriously in January this year when 20 countries suffered shortages.

10. Turkey Adopts a More Cooperative Position on Nabucco  
15.05.2008, Eurasia Daily Monitor  
READ MORE: http://www.jamestown.org/single/?no_cache=1&tx_ttnews%5Btt_news%5D=34994&tx_ttnews%5BbackPid%5D=7&cHash=2e8179d001  
According to a senior EU official a new deal has been struck between Turkey and the EU paving the way to sign the intergovernmental agreement for the Nabucco project in Ankara on June 25. The breakthrough was reportedly made possible by Turkey dropping its uncompromising negotiating position and offering an unconditional acceptance of the EU’s terms. In particular, Turkey relinquished its demand to purchase 15 percent of the gas transit at discounted prices (The Guardian, May 11). Although positive statements emerged from the EU summit in Prague last week, lending credibility to this report, the Turkish side has rebuffed claims that a concrete deal has been reached.

11. Russia Signs Gas Pipeline Deals  
15.05.2009, BBC  
READ MORE: http://news.bbc.co.uk/go/pr/fr/-/2/hi/europe/8051921.stm  
The Russian state gas firm, Gazprom, has signed agreements with a number of Balkan and southern European countries on the construction of a gas pipeline. South Stream will deliver gas from Central Asia and Russia to Central Europe and Italy through the Balkans. The pipeline is in competition with a European Union-backed one, Nabucco.

12. Russia’s Nord Stream Pipeline Project ‘on Track’  
14.05.2009, EurActiv  
The construction phase for the project, which is designed to bring Russian gas directly to Germany via the Baltic Sea, bypassing Ukraine, is due to start in April 2010, EurActiv has learned. Paul Corcoran, the Nord Stream consortium’s financial director, told EurActiv that he expected the necessary environmental permits to be delivered in December 2009. The project finance will be put in place in the third quarter of this year, allowing construction to begin in the spring of 2010 as planned, he said. The official insisted that there was a solid base for securing financing.

13. Bulgaria, Russia still at Odds over South Stream  
14.05.2009, Guardian  
READ MORE: http://www.guardian.co.uk/business/feedarticle/8507158/print  
Bulgaria and Russia have not yet overcome all disagreements about Moscow’s proposed South Stream gas route to Europe but Sofia will join a broader deal to build the pipeline on Friday, Bulgarian officials said. Russia’s Gazprom, which is developing South Stream to bypass Ukraine and bring more gas to southeast Europe, is due to sign a deal with the gas companies of all countries involved in the Black Sea resort of Sochi on Friday.

14. New Pipeline to Deliver Iranian Gas to Armenia  
13.05.2009, Radio Free Europe/Radio Liberty  
READ MORE: http://www.rferl.org/articleprintview/1730884.html  
Armenia is set to begin receiving natural gas from Iran for the first time this week, a key
development for a country heavily dependent on Russian energy. Armenian Energy Ministry spokesman Lusine Harutiunian told RFE/RL's Armenian Service that the deliveries could start as soon as May 12 and will be the first use of the two countries' new pipeline. According to a 2004 agreement, Armenia will import Iranian gas to generate electricity, some of which will then be exported to Iran. The electricity – transmitted by way of a new high-voltage power line – will effectively "pay" for Armenia's gas imports. Construction on the power line, which connects the two countries' power grids, is nearly complete.

15. Turkey PM Says to Discuss Azeri Gas Price Change

13.05.2009, Guardian

READ MORE: http://www.guardian.co.uk/business/feedarticle/8504762/print

Turkish Prime Minister Tayyip Erdogan said on Wednesday that officials from Turkey and Azerbaijan would discuss changing the price at which Ankara purchases Azeri natural gas. The new price, which Erdogan said would be more "fair" than the discount at which Ankara buys gas from Azeri state oil company Socar, may affect ongoing talks to boost the volume of Azeri gas to Turkey. "I cannot defend that price as fair. It is not fair. Our energy minister will meet Socar officials today, and I hope the price will come to a more just point," Erdogan said at a joint news conference with President Ilham Aliyev. He gave no further details. Turkey buys 6 billion cubic metres gas from Azerbaijan's Shah Deniz basin each year at $120 per 1,000 cubic metres, which is about half of what it pays for Russian and Iranian gas.

16. RosGas AG to Control 20 Percent of Hungarian Gas Distribution

11.05.2009, Jamestown Eurasia Daily Monitor

READ MORE: http://www.jamestown.org/single/?no_cache=1&tx_ttnews%5Btt_news%5D=34975

 Barely nine days after the Hungarian gas trader Emfesz KFT announced that it will begin receiving supplies of 3 billion cubic meters annually from the Zug (Switzerland) based company RosGas AG, rather than the now inactive RosUkrEnergo (RUE) the Russian press reported that Emfesz has been sold to RosGas (EDM, May 5; Vedomosti, May 7). Thus RosGas, a little-known company, now controls 20 percent of the Hungarian domestic gas distribution market. Emfesz was owned by Dmytro Firtash, a Ukrainian businessman who is also the 45 percent owner of RUE. The company was created in 2003, when Firtash secretly owned the Hungarian-based company, Eural Trans Gas (ETG) which then became the intermediary for Turkmen gas sales to Ukraine.

17. Gas Deal between Turkey and European Union Breaks Russian Stranglehold

11.05.2009, Guardian

READ MORE: http://www.guardian.co.uk/business/2009/may/11/eu-turkey-nabucco-gas-pipeline/print

The European Union and Turkey have struck a ground-breaking gas pipeline deal unlocking a potential energy bonanza in the Caspian basin after more than a year of deadlock, according to senior EU officials. The agreement, to be signed in Ankara on 25 June, represents a major boost to the EU's ill-starred Nabucco pipeline project, which is intended to transport natural gas to Europe from central Asia, the Caucasus and the Middle East, and is the key to breaking the Kremlin's stranglehold over Europe's gas imports. "This is a complete breakthrough," said a senior EU official involved in the tough negotiations with Turkey. "The Turks have accepted our terms. There is no conditionality."

18. Turkey, EU Agree on Nabucco

11.05.2009, UPI
Turkey and the European Union reached a "breakthrough" agreement on the Nabucco natural gas pipeline without conditions, officials said. The Czech Republic hosted a regional summit in Prague last week on the so-called Southern Corridor, a network of energy transit routes that includes the heralded Nabucco gas pipeline. Turkey would host a major portion of the 2,050-mile pipeline. Ankara said in April it was waiting for European decisions on the pipeline, with a deal expected in June. European officials told The Guardian newspaper the deal was now expected June 25.

EU 'Silk Road' Summit Explores Gas Synergies
11.05.2009, EurActiv
The European Union moved to curb its heavy dependence on Russian gas on 8 May by signing an agreement to smoothe the way for more gas imports from the Caspian region. In return for their commitment to supply gas to Europe, the EU offered to provide more trade and stronger transport links to gas producers and transit countries such as Turkey and Azerbaijan, which form a so-called 'southern corridor'. The deal, signed in Prague by leaders from Europe, Azerbaijan, Turkey and Georgia, envisions the creation of a central EU gas-buying consortium and new terms for the transport of Caspian gas. The declaration commits the EU, as a consumer, to providing producer countries with reliable commitments on aggregate demand. It commits producer countries to identifying specific additional volumes of gas and oil that have not already been commercially committed, and which can be dedicated specifically to the EU. And it explicitly recognises the need for commitments by transit countries for a long-term, predictable and stable regulatory regime.

Putin’s New Energy Price Policy for the FSU Could Transform Russia’s Ties with Region
10.05.2009, Georgian Daily
READ MORE: http://georgiandaily.com/index.php?option=com_content&task=view&id=11606&Itemid=132
Russian Prime Minister Vladimir Putin said today that Moscow does not intend to continue to “subsidize the former republics of the Soviet Union” by selling them energy supplies at concessionary prices, a shift that is likely to transform the relationship between Russia and its neighbors but not necessarily in the way many might expect. On the one hand, this shift will put additional pressure on some of these states to make deals with Moscow in order to keep these energy supplies coming, possibly offering the Russian government even larger stakes in their energy transportation infrastructure in order to pay for what they could not otherwise afford. But on the other, Putin’s decision to demand market prices could have two very different sets of consequences for others, one of which he almost certainly does not expect and another which may open the door to even more invasive forms of Russian pressure on the countries around Russia’s periphery.

XV. FROZEN CONFLICTS
1.
U.S. Karabakh Envoy Defends His Role in Talks
15.05.2009, Radio Free Europe/Radio Liberty
READ MORE: http://www.rferl.org/articleprintview/1732712.html
Earlier this week, the Azerbaijani president’s foreign-policy adviser said he sees double standards and clear evidence of "Christian solidarity" among the co-chairs of the Organization for Security and
Cooperation in Europe's Minsk Group. Novruz Mammadov also said that the co-chairs might also be manipulating the talks for professional reasons. The Minsk Group mediates negotiations between Armenia and Azerbaijan over the disputed territory of Nagorno-Karabakh. Deputy Assistant Secretary of State Matthew Bryza, the group's U.S. co-chair, spoke with RFE/RL's Azerbaijani Service about the future of the Nagorno-Karabakh conflict and responded to Mammadov's comments.

Azerbaijani Official: Minsk Group Favors Armenia in Karabakh Dispute
13.05.2009, Radio Free Europe/Radio Liberty
READ MORE: http://www.rferl.org/articleprintview/1731148.html

Azerbaijani President Ilham Aliyev's foreign-policy adviser has said he sees double standards and clear evidence of "Christian solidarity" by the Minsk Group members in talks over the disputed territory of Nagorno-Karabakh. Novruz Mammadov told RFE/RL's Azerbaijani Service that the Russian, French, and U.S. co-chairs of the Minsk Group might also be manipulating the talks on the Nagorno-Karabakh conflict for professional reasons. "The co-chairs are interested in prolonging the conflict so they can travel to and fro and maintain their positions," Mammadov said.

XVI. SECURITY
1.
Russia Could Deploy Missiles Near Poland: Officer
21.05.2009, REUTERS
READ MORE: http://www.reuters.com/articlePrint?articleId=USTRE54K3HH20090521

Russia could deploy its latest Iskander missiles close to Poland if plans to install U.S. Patriots on Polish soil go ahead, Interfax quoted a senior Russian officer as saying on Thursday. Polish Deputy Defense Minister Stanislaw Komorowski told Reuters on Monday Warsaw wanted U.S. Patriot air defense missiles to be deployed this year regardless of whether President Barack Obama decided to press ahead with missile defense plans in Europe.

2.
Russia Links Nuclear Talks to U.S. Anti-Missile Plan
20.05.2009, Radio Free Europe/Radio Liberty
READ MORE: http://www.rferl.org/articleprintview/1735792.html

The United States must allay Russian concerns over its planned antimissile system in Europe if the two sides are to achieve a breakthrough on cutting nuclear weapons, Russia's foreign minister has said. U.S. President Barack Obama and his Russian counterpart Dmitry Medvedev last month agreed to pursue a deal on cutting nuclear weapons that would replace the 1991 Strategic Arms Reduction Treaty (START I), which expires in December. The world's two biggest nuclear powers began formal talks on May 19 to find a replacement for START and diplomats hope progress can be made before Obama and Medvedev meet in Moscow on July 6-8.

3.
US and Russia Start Hard Bargaining over Slashing Nuclear Weapons
20.05.2009, Times Online
READ MORE: http://www.timesonline.co.uk/tol/news/world/us_and_americas/article6322130.ece

The United States and Russia began the hard bargaining today over a deal to slash their stockpiles of nuclear weapons. An American negotiating team opened the first round of talks in Moscow with Russian officials about a replacement for the landmark 1991 Strategic Arms Reduction Treaty (START I), which expires on December 5. Both sides are under orders to produce results in time for President Obama's first official visit to Moscow in July. He and President Medvedev agreed to replace START with a new treaty when they met in London in April, and to work towards a long-term goal
The United States and Russia have begun talks in Moscow aimed at replacing the Strategic Arms Reduction Treaty (START), the 18-year-old cornerstone of strategic arms control, which expires in December. The three days of talks are expected to take place in a constructive atmosphere, as U.S. President Barack Obama is an enthusiastic supporter of nuclear disarmament and has made progress in this direction a priority of his administration. The aim of the Moscow talks is to help resolve some of the many differences between the two major nuclear powers, so that Obama and Russian President Dmitry Medvedev can refer at least to progress toward a new disarmament treaty at their coming Moscow summit on July 6.

XVII. TRANSPORT

1. 51 Per Cent of Caucasus-Poti Train Ferry’s Operator Belong to Russian Railways
   20.05.2009, PanARMENIAN.Net
   READ MORE: http://www.panarmenian.net/news/eng/?nid=31944
   Russian Railways has obtained 51 per cent of shares of the Black Sea Ferry Investment (BFI), the operator of Caucasus-Poti train ferry, reports RBC quoting a representative of Russian Railways. ”The purchase is aimed at establishing through rate in the fringes of operating Caucasus-Poti train ferry, said a representative of Russian Railways, explaining that a common tariff for railway and overseas transport in that direction is discussed. Memorandum on Caucasus-Poti train ferry was signed in Yerevan on February 13, 2007 between the Government of Armenia and the Swiss Reserve Capital Corporation. Capacity of the first Smat ferry, owned by Reserve Capital Corporation, is 50 wagons.

2. Transport Corridor VIII to be Extended All the Way to Constanta and Tulcea
   16.05.2009, Financiarul
   READ MORE: www.timesonline.co.uk/tol/news/world/us_and_americas/article6322130.ece
   Chairman of the Black Sea Euro-region Nicusor Daniel Constantinescu, Chairman of the Constanța County Council, has won the agreement for the expansion of pan-European transport corridor VIII all the way to Constanta and Tulcea. Constantinescu, the chairman in office of the Black Sea Euro-region, told Agerpres on Friday that he won the agreement for the inclusion of the Black Sea ports of Constanța and Tulcea in the pan-European transport corridor VIII based on the arguments and documentation presented to an international conference on the Adriatic Sea and Black Sea as two protagonist Euro-regions early this week in Rome.
Black Sea News Update (BSNU) is a fortnightly brief of political and economic developments covering the Black Sea region. It is produced by the ICBSS, a think-tank aiming to foster regional cooperation in the Black Sea area.

The contents of the BSNU are exclusive responsibility of the authors and do not necessarily reflect the opinions of the ICBSS.

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