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Progress in integrating the South Caucasus countries with Europe

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The European Union started negotiations on visa facilitation and readmission agreements with Armenia on 27 February, and with Azerbaijan on 1 March. In its conclusions on 27 February, the EU Council also noted progress in negotiating Association Agreements with three countries in the Caucasus (particularly in the cases of Georgia and Armenia).On 20 February, the Commission decided to launch negotiations on a Deep and Comprehensive Free Trade Area (DCFTA) with Armenia, which has now met the prerequisites for introducing reforms in areas such as technical regulations, sanitary and phytosanitary standards, and intellectual property protection. In the case of Azerbaijan, which cannot begin DCFTA negotiations as it is not a WTO member, the EU has promised to extend the provisions of the Partnership and Cooperation Agreement (PCA) on trade and investment. In February, EU representatives held a series of talks in the region's countries, and in Russia, on settling the conflicts in Nagorno-Karabakh, Abkhazia and South Ossetia.

Commentary

- The rapprochement between the South Caucasus states and the EU is progressing as part of the European Neighbourhood Policy. The countries in the region have made some progress in European integration, gradually adjusting their legislation to EU standards, expanding their cooperation with EU institutions and agencies, and increasing their participation in EU programs. This closer co-operation is focused on areas in which the region's governments have been showing an interest, namely sectoral cooperation in selected areas, and support from the EU. As the European integration process with Ukraine is slowing down, and relations between the EU and Belarus are in deep-freeze, the countries of the Caucasus (particularly Georgia) are – as part of the bureaucratic process of strengthening their relations with the EU – slowly approaching the state of the Eastern European countries (and are already far ahead of where Belarus currently stands).

- Although the Caucasus is not currently a priority area of concern for Brussels, the processes listed above demand greater EU involvement in the region. The inadequate state of democracy in the region is a key threat to the European integration process. The dynamics of this process will be significantly influenced by elections in the various countries, specifically parliamentary elections in Georgia and Armenia in 2012, and presidential elections in all three countries in 2013. Pressure from the EU may prove to

be an important factor in encouraging these governments (especially Georgia) to hold fair elections. The very high levels of corruption in Azerbaijan and Armenia are also negative factors, as is the ineffective implementation of reforms in all the countries (many of them have remained only on paper) and the pace of implementing them.

- The EU has also promised to increase its involvement in settling regional conflicts. However, due to its weak political position in the region and its lack of any effective instruments, the effects of its activities are negligible, and it does not appear that the EU can bring about any breakthroughs in the foreseeable future. Therefore, the EU's action will probably focus on trying to activate dialogue between the conflicting parties, and running projects to stimulate contacts between societies.