



University of Tartu

European College

Master thesis

Making sense of EU's conflict management strategy in South Caucasus

Student: Sara Ghazaryan

Supervisor: Prof. Eiki Berg

Tartu 2015

I have written the Master's thesis independently.

All works and major viewpoints of the other authors, data from other sources of literature

and elsewhere used for writing this paper have been referenced.

Sara Ghazaryan 14/05/2015

Student's code: B35271

The defense takes place: Tartu,

Opponent: Dr. Stefano Braghiroli

ACKNOWLEDGEMENTS

I am grateful to my supervisor Prof. Eiki Berg for his assistance and guidance provided throughout the whole academic year. I would also like to thank my Professors of the University of Tartu to guiding me through these two challenging years in my life, full of new and interesting information and standpoints, for their assistance and engagement. Special thanks to Dr. Stefano Braghiroli for his supportive attitude and constrictive comments to my thesis.

I would like to thank Akaba Natella, Mayilyan Masis, Bagdasaryan Gegham and two other experts interviewed for their time and answers.

I am grateful to whole staff of European College for the support and assistance during these two years, for the networking and socializing initiatives. My greatest thanks go to European College and University of Tartu for providing me with an opportunity to discover entirely new world, to get unforgettable experience.

Finally, my thanks to the most important people: my family and friends simply for being part of my life and making me stronger.

ABSTRACT

The thesis is focused on EU conflict management strategy in case of South Caucasus. EU conflict management is widely discussed by scholars in the contexts of democratization, regional cooperation, security, with conclusions urging for EU active participation in conflict settlement. The aim of this thesis is to assess EU conflict management through the prism of the engagement strategy. The engagement strategy reveals the motivation and reasons of EU actions. To do that two aspects are discussed: how EU is engaged with conflicts; why EU is engaged.

The thesis is based on the concept of engagement approach. The concept of engagement refers to the use of non-coercive means to ameliorate the non-status quo elements of [targeted state's] behavior. The ultimate goal of the strategy is protection of the international order. In the scope of this thesis EU is the status-quo power in relation to South Caucasus and is engaged with Abkhazian, SO and NK conflicts from this particular position. The method of case study is chosen; academic and official sources are analyzed.

Based on provided analysis of developments in the region and EU responses this thesis argues that EU engages with conflicts from the position of protector of status quo. The aim of EU is to minimize conflict in order to avoid war and meanwhile keep immunity of the existing international order. Analysis reveals that Russia, in 2008 explicitly intervening into the erupted conflict between Georgia and SO on the side of the latter threatened status quo and provoked EU active engagement with Abkhazian and SO conflicts. Meanwhile, EU perception in Armenia, Azerbaijan and Georgia determines the extent EU is engaged with conflicts, whereas EU perception in Abkhazia, SO and NK does not affect EU decision engage or not to engage.

Keywords: engagement, conflict, EU, South Caucasus, status quo

TABLE OF CONTENTS

Introduction	8
1. Theoretical Framing and Methodology	12
1.1. Theoretical framing	12
1.1.1. Key concepts	12
1.1.2. Engagement as EU`s conflict management strategy	15
1.1.3. EU engagement with South Caucasus	18
1.2. Methodology	20
1.2.1. Data analysis	22
1.2.2. Data sampling.....	23
2. How EU is engaged with the conflicts of South Caucasus?.....	27
2.1. EU in South Caucasus in 1990s	27
2.2. EU engagement with conflicts of South Caucasus in 2000-2008	33
3. Assessment of EU engagement with conflicts	41
3.1. EU engagement with conflicts of South Caucasus since 2008.....	41
3.2. Conditions determining EU engagement with South Caucasus conflicts	50
Conclusions	59
Bibliography.....	65
Appendixes	86
Appendix 1	86
Appendix 2	87

LIST OF ABBREVIATIONS

AA Association Agreement

AP Action Plan

ASEAN Association of Southeast Asian Nations

CEE Central and Eastern Europe

CFSP Common Foreign and Security Policy

CIS Commonwealth of Independent States

COE Council of Europe

C-R Conciliation Resources

EC European Commission

EEAS European External Action Service

EEU Eurasian Economic Union

ENP European Neighborhood Policy

EU European Union

EUMM European Union Monitoring Mission

EUSR EU Special Representative

ICG International Crisis Group

IDPs Internally displaced persons

JCC Joint Control Commission

MG Minsk Group

MFA Ministry of Foreign Affairs

NATO North Atlantic Treaty Organization

NGO Non-governmental organization

NK Nagorno-Karabakh

NREP Non-recognition and engagement policy

OSCE Organization for Security and Cooperation in Europe

RF Russian Federation

SO South Ossetia

UK United Kingdom

UN United Nations

U.S. United States of America

Introduction

European Union (EU) is one of the most important players in conflict resolution. In fact, EU was set up to end bloody wars between neighbors, maintain and further promote peace (Treaty constituting European Coal and Steel Community 1951). EU has succeeded in it as after its establishment there has been no armed conflict between member states. Being an actor of the international order EU could not ignore conflicts outside its borders. Changing circumstances have forced EU to review its strategies and policies to be able to face new challenges. As a result, EU came up with definition of its conflict management as ‘treating the root causes of conflict implies creating, restoring or consolidating structural stability in all its aspect: sustainable economic development, democracy and respect for human rights, viable political structures and healthy environmental and social conditions, with the capacity to manage change without to resort to conflict’ (EC 2001).

This approach towards conflicts was reflected in European Neighborhood Policy (ENP), which covers also countries of South Caucasus. Conflict treatment was presented through promotion of social and cultural interchange, expansion of EU programs and activities in education, culture, and bilateral visitor programs, ‘people-to-people’ activities (EC 2004). In light of EU's latest large enlargement there was a need to take more active position in South Caucasus and its problems as ‘neighbors who are engaged in violent conflict... pose problems for Europe’ (European Council 2003a).

South Caucasus is a small region with countries, sharing common history and social preferences, moral and behavioral standards (Asatryan 2002; 21). The region accumulates interests of all key international actors, i.e. EU, Russian Federation (RF), North Atlantic Treaty Organization (NATO), United States (U.S.), Turkey and Iran. Experiencing bloody conflicts in early 1990s, the region up to day is exposed to consequences of these wars. EU has had different intensity of engagement with the region in general and its conflicts in particular. In 1990s, the region was not in the list of EU's top interests. After EU's enlargement and development of its neighborhood policies, South Caucasus has a focal role due to 1) its potential threat to EU's security

(European Council 2003a), 2) energy, natural resources (Patten 2003) and 3) its geopolitical and geographical location (German 2007).

Analysis of EU official statements, joint strategies, and policy papers addressing South Caucasus revealed that EU defines itself as engaged with conflicts. 'EU is ready to consider ways to strengthen further its engagement in conflict resolution and post conflict rehabilitation' (EC 2006a; 2006b; 2006c). Thus, in light of all abovementioned the aim of the thesis is to assess main determinants of EU engagement strategy in the case of South Caucasus conflicts, to reveal the motivation and reasons of EU actions. To do that two aspects are discussed: how and why EU is engaged with conflicts.

In parallel to EU's engagement with conflicts in South Caucasus EU conflict management became an area of interests for researchers. EU policy toward the conflicts of South Caucasus is analyzed through the prism of 1) Europeanization (Coppieters et al 2004), linking final resolution of conflicts to the integration of conflicting parties with European structures, 2) Democratization (Babayan 2014), linking conflicts resolution to democracy promotion. Some publications portray conflicts as challenge, obstacle for EU promoted regional cooperation (Babayan 2012), security (Boonstra and Melvin 2011), which EU addresses through its two main strategies, i.e. ENP and Eastern Partnership (EaP) (German 2007; Simão 2011; Babayan 2012). The main conclusion from the publications and EU strategies review is that it addresses conflicts indirectly assisting countries in their political reforms, economic development, and confidence building (EC 2004) as important aspects of its conflict resolution policy.

Review of literature revealed that EU policy in South Caucasus is more widely discussed before 2008 (Kamov 2006; Tocci 2007; 2010; 2011; Simão and Freire 2008) than after. These publications address EU's role separately in Georgian conflicts (Whitman and Wolff 2010) and Nagorno-Karabakh (NK) conflict (Wolff 2007; Simão 2010). Majority of publications addresses foreign policy mainly through the context of ENP or EaP (German 2007; Simão and Freire 2008; Bardakçı 2010; Johansson-Nogues 2007; Łapczyński 2009). Some publications discuss EU's impact in peacefully transforming conflicts by engaging with non-governmental organizations (NGOs), working in conflicting countries (Popescu 2010; Simão 2010).

Assessing EU conflict management from a different perspective the thesis is aimed to provide a contribution to analysis of EU conflict management. Another contribution of this thesis is assessment of Russia's role in the context of EU engagement in the context of its triggering factor for EU's engagement. Finally, the thesis assesses the perception of EU by the targeted countries as a possible determinant of EU's willingness to engage.

Taking into account that research covers contemporary topic and there is possibility that new features of EU conflict management can be revealed, case study method of analysis fits well to the scope of discussion. It provides opportunity to generate and test hypotheses (Flyvbjerg 2006). The case study is based on the research design suggested by Yin (2009; 2013). Analysis addresses questions how EU is engaged with the conflicts and why its engagement is different from conflict to conflict.

This thesis relies on analysis of EU official statements, documentation, published strategies, policy papers, and EU implemented engagement mechanisms and actions. The limited access to EU's internal data can be considered as one of the obstacles for this research, especially in case of analyzing EU's non-engagement. Lack of possibility to fully access EU documents in light of absence of any official statement or report, addressing EU's non-engagement makes it difficult to cross-check the motives of such decisions. Another limitation of this thesis is related to the lack of possibility to contact EU conflict management providers to get their assessment.

The thesis is organized as follows. The introduction is followed by the first chapter, which presents the guideline for assessment of EU engagement in South Caucasus conflicts. Literature and concepts presenting engagement mechanisms, EU engagement discussion are analyzed and appropriate conclusions, applicable in the context of the questions are presented. The used methodology supported by the case selection is also discussed. Empirical part of the thesis is presented in the second chapter, which starts with retrospective analysis of EU's engagement with the conflicts of the region. The main regional and international circumstances relating to EU engagement are discussed to explore how EU projects itself in these conflicts, what is the niche EU attempted to occupy in the context of its engagement, what is EU's added

value to the conflict management. The chapter covers period from EU's entrance into the region up to the 2008 Russian-Georgian war. The third chapter examines EU engagement after the 2008 war as well as presents factors, affecting decision to engage. Conclusions, the list of used sources are provided as well.

1. Theoretical Framing and Methodology

1.1. Theoretical framing

Literature review on EU foreign policy revealed that EU policy towards the conflicts of South Caucasus is analyzed in the context of 1) Europeanization (Coppeters et al 2004), conceptualized as process which is activated and encouraged by European institutions, primarily by EU, by linking the final outcome of the conflict, to a certain degree of integration of the parties involved in it into European structures (Ibid) 2) Democratization (Babayan 2014), defined as process through the institutional, political, economic and wider societal contact and dialogue between EU and third states. Through participation in or close contact with EU's institutional framework, EU actors engage in dialogue, awareness raising, persuasion, argumentation, as well as shaming and denunciation vis- à-vis conflict parties. Conflict parties, in turn, may alter their beliefs, priorities and strategies in a manner conducive to conflict resolution (Ibid).

This thesis analyzes the EU foreign policy in narrower scope, i.e. in the context of conflict management from the perspective of engagement.

1.1.1. Key concepts

First, following key terms should be defined:

Status quo (international order) – established world order, international system (Taylor 2007).

Status quo powers - defined by Schweller and cited in Kupchan (2010; p.28) as states, 'aimed to preserve the existing international order and seeking security, not power'.

Revisionist powers (targeted states) - aimed to overturn the existing international order and recast it to their advantage. They are greedy states, seeking to maximize their power, not their security (Ibid).

Engagement as a foreign policy tool

Engagement is a widely used term in foreign policy. It refers to the use of non-coercive means to ameliorate the non-status quo elements of [targeted state's] behavior (Schweller 2005) aimed to ensure that changes of behavior in targeted country are 'consistent with entailed changes in regional and global order' (Ibid., p. 14). According to Lynch (2002), engagement policy is aimed to discover the preferences of the targeted state, shape those preferences in desired directions, create stable international institutions or keep status quo. Smith (2005; p.23) defines 'Engagement' as a foreign policy strategy of building close ties with the government and/or civil society and/or business community of another state. The intention of this strategy is to undermine illiberal political and economic practices, and socialize government and other domestic actors into more liberal ways. Thus, engagement aim is change of behavior towards more liberal system. In other words, engagement opts for preservation of the existing international order and is aimed rather to change attitude of the targeted country to this order. Besides of this ultimate goal, Schweller (2005) identified three other additional goal: to trace the real intentions of targeted country; to buy time for arrangement of its policy; to prevent formation of alliances (Schweller 2005; pp. 14-15).

After conceptualizing engagement next stage should be identification of the mechanisms of the engagement policy. Proponents of realistic engagement use such instruments, as promotion of political reforms rather than economic assistance and put emphasis on direct engagement and integration with targeted countries' citizens, companies, and NGOs into the democratic fold (McFaul 2001). Rationalist models of engagement rely on logic of behavioral modification through incentives and threat of sanctions (Lynch 2002) and they rule out endogenous preference change except through political or institutional change at the domestic level (Ibid). Neoliberal model of engagement relies on assumption that economic integration will provide behavioral changes in targeted country (Kahler and Kastner 2006). Liberal approach to engagement emphasizes peace, stability, democracy, human rights and the rule of law as targets and preconditions for change of behavior (Lynch 2002). Haas and O'Sullivan (2000) have combined mechanisms of the engagement policy into two general groups: 1) engagement with state institutions through economic incentives, such as export

credits investment, loans, economic aid, access to global market, as well as removal of penalties and political incentives, such as diplomatic recognition, access to regional or international institutions, and 2) engagement, targeted building people-to-people contacts through incentives, such as funding NGO, promoting tourism and the exchange of students.

Overall, whether through economic or political incentives, or strengthening rule of law and democracy, the engagement policy provides alternatives to punitive policies (Haass and O`Sullivan 2000), relying rather on the promise of reward (Schweller 2005).

To assess the engagement policy, the precondition of the success has to be identified. Some scholars claim that sanctions are not reliable tool, as they can work if all neighbors of the targeted country would have to enforce it (Sigal et al 2000), whereas others tend to think that sanctions should not be excluded from any engagement strategy (Reissner et al 2000). Third group argues that failure of engagement policy is mainly a reflection of domestic politics (Suettinger 2000) and to be successful engagement needs support both on international level and at home (Reissner 2000). These preconditions refer to status quo powers. Meanwhile, scholars put stress on the characteristics the targeted country should have for engagement to succeed.

According to Schweller (2005, p.15) 1) the targeted country must have limited revisionist aims. There can be no irreconcilable conflicts of vital interests between the status quo power and targeted state, 2) in parallel to concessions credible threats should be used to satisfy the targeted country, otherwise, targeted country can always demand more, 3) the final aim of two sides should coincide. Otherwise, if the status quo power desires to keep status quo and targeted country to change it, the engagement policy hardly can succeed.

It is concluded from the above-mentioned that overall the engagement policy is aimed to keep existing international order and change behavior of those countries, which can put at danger this order, through providing incentives. For policy to succeed it needs 1) international and domestic support in status quo countries, 2) limited

revisionist aims in the targeted country, 3) coincidence of interests and aims between status quo and targeted countries.

The main instruments of the engagement policy are economic, political incentives, funding NGO, promoting tourism and the exchange of students.

Thus, based on this conceptualization of the engagement policy the next section discusses it in the context of EU conflict management.

1.1.2. Engagement as EU's conflict management strategy

EU is succeeded peace project based on particular principles. Those principles are democracy, the rule of law, universality and indivisibility of human rights and fundamental freedoms, respect for human dignity, equality and solidarity, and respect for the principles of the United Nations (UN) Charter and international law (Treaty constituting European Coal and Steel Community 1951). In addition, the Treaty on EU stipulates that the Union's action on the international scene shall be guided by the principles, which have inspired its own creation, development and enlargement (Ibid). Displaying the conceptualization of engagement policy into the context of EU principles, EU foreign policy conceptualized as promotion of its values in accordance with respect to the existing international order.

Review of the literature and EU common papers revealed that the main instrument of EU foreign policy and conflict management are:

- conditionality (EC 2004; Pippin 2004; Kamov 2006; Tocci 2007; 2010), a bargaining strategy of reinforcement by reward, under which EU provides external incentives for a targeted government to comply with its conditions (Schimmelfennig and Sedelmeier 2004) and
- constructive engagement (Tocci 2007), approach, which entails the use of a wide variety of diplomatic, economic, social, cultural, and military instruments, normally deployed through contractual arrangements with third-party countries (Ibid). These contractual relations take different forms, foreseeing different degrees of integration into and cooperation with EU (Ibid). The objectives of contractual relations are twofold. First, the aim is achieving varying degrees of economic, social, institutional, and legal cooperation with EU. Second, these

contractual ties are aimed at fostering long-run structural change, such as conflict transformation, within and between third countries (Ibid).

Both address governments as a priority target: ‘promising benefits to a state if it fulfills the conditions and terminating those benefits if state violates the conditions’ (Smith 2005; p.23).

Thus, the goals, method and instruments of EU conflict management coincide with the ones of the engagement policy. EU addresses rather treatment of causes of conflict than symptoms: aimed to change behavior of wide circles of society. To do this EU puts stress on interests and needs of civil society. In addition, EU projects itself as engaged: ‘We are seen as engaged but not threatening; active but without a geo-political agenda. Perhaps the greatest value of EU is to act as a principled champion of rules-based, co-operative security and this is its added value’ (O’Sullivan 2013).

The engagement policy was implemented outside EU borders in Central and Eastern Europe (CEE) countries after Communism collapse in early 1990s. EU promised to the countries membership in EU if they develop in line with EU norms and values (Falkner and Treib 2008). As a result, in 2004-2007 countries of CEE became members of EU, despite of their ‘unhappy history’ (Jovic et al 2009). In contrast to Western Balkans and South Caucasus, they did not immerse into wars and conflicts and entered international system without threatening status quo. Eagerness of elites and societies of CEE countries to have the closest relations with EU, association with the Union was an important precondition for EU success in engagement with CEE countries (Ibid).

The first test for EU in conflict management outside of its borders refers to EU engagement within Western Balkans. In early 1990s when the Federal Socialistic Republic of Yugoslavia fell apart, the region immersed in conflict between the former parts (Pippan 2004). EU with other involved international actors engaged in conflict resolution. However, EU was not successful in prevention and resolution of conflicts in Balkans in 1990s, when the region was immersed in war (Pippan 2004). EU implemented its policy of incentives to end hostilities, however ‘it was U.S. that put an end to war’ (Ibid). As to EU engagement, EU conditionality was unable to provide

reforms and to generate local consensus in Western Balkans as it had no strong enough impetuses (Anastasakis and Bechev 2003). The more resistant regional governments have shown themselves, the more EU has compromised (Hartmann et al 2009). In addition, EU Common Foreign and Security Policy (CFSP) was in early stage of its formation. After Kosovo war in 1998-1999 EU reviewed its strategy in the Balkans. As a result, the Council stated the prospect of membership for the states of Western Balkans as the most attractive condition (Pippan 2004). EU launched the first ever Common Security and Defense Policy (CSDP) mission, appointed EU Special Representative (EUSR) (Ibid). As a result, from countries of the region Croatia is a member of EU, and the prospect of EU membership remains open to the official candidate countries (the former Yugoslav Republic of Macedonia, Montenegro and Serbia) as well as to the potential candidates: Albania, Bosnia and Herzegovina, and Kosovo (Ibid).

The main precondition of EU successful engagement in Western Balkans are cooperation with other international actors and strong incentives (Pippan 2004), such as prospect of membership. In addition, the necessity of coincidence of capabilities and existing external and internal circumstances for successful engagement was identified (Pippan 2004).

In the context of EU engagement assessment valuable example is EU engagement with Aceh, province in Indonesia, fighting for independence over 30 years. In 2005 the agreement was signed between the Government of the Republic of Indonesia and the Free Aceh Movement under EU direct engagement and cooperation with Association of Southeast Asian Nations (ASEAN). According to the agreement, Aceh received autonomy status and abandoned its fight for independence (Braud and Grevi 2005). EU provided key liberal designs to help bring peace and stability to Aceh and acted largely because it could: the circumstances in Aceh were suitable (Ibid, p. 117). The following circumstances are considered as suitable: all parties accepted EU role, cooperation with regional organization ASEAN and common position of EU member states (Ibid). Respectively, lack of domestic support, in case of EU also lack of reconciliation between EU member states, reluctance of targeted governments to support EU programs that are not in their interests, difficulties in providing effective

programs in permanently changing circumstances in the conflict affected countries are identified as decisive conditions, affecting negatively EU engagement (Furness 2014).

Review of available literature on the issue of EU engagement revealed that the latter acts in line with traditional engagement tools, such as trade, investment, tourism, cooperation assistance, cultural exchanges, and political dialogue, NGOs, but it also engages through its institutions, such as European Security and Defence Policy missions, EUSR, EU participation in mediations. Through its institutional framework EU was/is engaged in Aceh (Braud and Grevi 2005), Balkans (Pippan 2004) and the target of this thesis - South Caucasus (Tocci 2010).

1.1.3. EU engagement with South Caucasus

Narrowing the concept of engagement as EU's conflict management strategy down to the level of South Caucasus conflicts the following features in and around the targeted country should be noted. First, when EU entered the arena of conflicts in South Caucasus, there already have been done 'some adjustments in territory and spheres of influence' (Schweller 2005). In contrast to EU engagement with CEE and Western Balkans, existed status quo in South Caucasus was formed without EU's direct engagement. Such international actors, as U.S., Russia, the Organization for Security and Cooperation in Europe (OSCE), and UN have been involved in conflict management. Therefore, there was a need to identify a niche that EU could occupy in this context without damaging international order and to have possibility to benefit the conflict resolution.

Secondly, when increasing its engagement EU had strict position on one of the conflicts but not the other. EU uniquely expressed its commitment to territorial integrity of Georgia (EC 2006c), whereas in NK conflict EU position was twofold: support to the principle of territorial integrity in the framework of engaging Azerbaijan (EC 2006b) and principle of self-determination in case of Armenia (EC 2006a). These features and their consequences had to affect EU engagement in one or another way.

Third, analysis of EU official statements, joint strategies, and policy papers addressing South Caucasus revealed that EU defines itself as engaged with conflicts.

‘EU is ready to consider ways to strengthen further its engagement in conflict resolution and post conflict rehabilitation’ (EC 2006a; 2006b; 2006c).

Bearing in mind discussion supra EU engagement with conflicts of South Caucasus conflicts is conceptualized as policy aimed to minimize conflict to avoid the war, threatening status quo. Means of the engagement should be in line with the EU proclaimed principles. Assessing EU conflict management in the context of the engagement strategy this thesis relies on the concepts and assessment instruments, provided by Schweller (2005) with some adjustments.

First, as regards goals, Schweller (2005; pp. 2-3) discusses the engagement in the context of managing the rise of a great power, as a possible response to a rising power as a danger, affecting balance of power, threatening the existing international order. In this context, EU conflict management strategy in South Caucasus targeted conflicts as a threat, as a renewed conflict can affect the existing international order in uncontrolled manner and can threaten EU security (European Council 2003a). Therefore, the first aim of EU in the region is to prevent the escalation of conflict to avoid war.

Secondly, bearing in mind that the engagement targeted changes of behavior of the object, this thesis supports the assumption that the ultimate aim of EU engagement with the conflicts of South Caucasus is rather gradual transformation of conflict through long-term change of structure and behavior of countries and entities. Conflict transformation assumes that if successful, conflict will persist, but the way actors see themselves and relate to each other will have been transformed to such an extent that they will not resort to violent means, and ideally will change their identity so that conflict is fundamentally altered (Diez and Pace 2007, p.3).

As the engagement policy is aimed to provide an alternative to formation of counter-balancing alliances, provision of an alternative to other extra-regional actors engagement is defined as a third aim of EU engagement. A brief overview of the goals of engagements and its adjusted version to the situation in South Caucasus is available in Appendix 1.

1.2. Methodology

The thesis examines EU conflict management in South Caucasus in the context of the engagement strategy. Taking into account that EU was/is engaged with the conflicts differently over time and over conflicts; the thesis is aimed to reveal the motivation and conditions determining the direction of EU engagement with conflicts. In order to reveal factors decisive for EU engagement and to assess it the main research question has been formulated as follows:

What are the main determinants of EU engagement with conflicts of the South Caucasus?

To answer the question EU engagement was analyzed over time, including retrospective review of EU engagement with region since 1992, when EU first regional project was launched, and up to the present time. The discussion includes review of formed and then changed regional and international circumstances, EU internal developments as directors of EU strategies, statements and implemented policies. As a result of analysis factors that either provoked EU engagement with the conflicts or prevent it were identified. In order to reveal to what extent these factors are influential in the context of EU engagement two hypotheses have been elaborated.

In the literature on EU policy in South Caucasus external impetuses, namely Russia's factor is mentioned as a decisive and influential in the context of EU actions. The discussions address this topic in the context of EU member states interests, which provokes EU internal division. The scholars argue that some member states, such as Germany and France, having business interests in Russia, hamper EU active engagement with South Caucasus (Leonard and Popescu 2007). Meanwhile there are states, such as Poland or Baltic states whose position is strongly anti-Russian and they promote active engagement of EU with South Caucasus (Ibid). This thesis considers established the fact that there is internal division among EU member states about their attitude and level of cooperation with Russia. At the same time, analysis of EU response to the 5-day war in 2008 between Georgia and Russia demonstrates that in conditions of threat to existing power balance EU intervened, launched mechanisms,

such as mediations, Geneva talks, EU monitoring mission (EUMM), non-recognition and engagement policy aiming at recovering pre-war balance. To check whether EU engagement activation is motivated by Russia's factor the following hypothesis has been elaborated:

Hypothesis 1 (H1): EU engagement is more likely in case of Russia's explicit involvement in conflict threatening status quo.

To test the Russia's possible role EU official statements on the level of Presidency and High Representative, Russia's and EU policy on the ground have been assessed.

Before the 2008 Russian-Georgian war EU engagement in the region was limited to providing significant funding to support reform efforts in Armenia, Azerbaijan and Georgia (EC 2012d; 2013d; 2014; 2015d). EU engagement with Georgia increased after 2003, when the latter declared about its pro-Western orientation and has been gradually activated also in Abkhazia and SO. Namely, EU is considered a large donor of Abkhazia and SO before 2008 (Delegation of EU to Georgia 2010). After 2008 EU engagement with the conflicts of Abkhazia and SO activated even more. Namely, in 2009 EU launched NREP addressing directly Abkhazia and SO (Fischer 2010a), aimed to combine a variety of political and economic tools and policy instruments into one approach for conflict resolution and confidence building. Its declared aims are establishing contacts with de facto officials, civil society, population, authorities, internally displaced persons (IDPs) in Abkhazia and SO (Caspersen and Herrberg 2010). However, the third unrecognized state of the region NK is excluded from this initiative (Fischer 2010a), EU continued to keep the position of a passive supporter of the OSCE Minsk Group mandated to deal with NK conflict (OSCE 2014) and funded only NGOs dealing with peace-building in and around NK.

In light of abovementioned to reveal whether EU engagement is affected by the attitude of direct conflicting parties towards EU the following hypothesis has been elaborated:

Hypothesis 2 (H2): EU engagement in conflicts is more likely when there is an interest of conflicting parties to deeply cooperate with EU in the context of EU declared values and norms.

The H2 has been tested separately for Armenia, Azerbaijan and Georgia and Abkhazia, SO and NK. To assess the perception, first, statements of the officials of the countries, as well as EU statements in this regard have been reviewed. Secondly, available analytical reports, statistical data, interviews, provided by EU funded NGOs have been reviewed. Third, interviews with civil society representative from Abkhazia, SO and NK have been conducted.

In line with Russia`s factor and perception of the conflicting parties there are also other factors affecting EU engagement with the conflicts in the region. Among such factors are the role of other key extra regional actors (U.S., Turkey, Iran), interests and positions of EU member states, directing EU actions and decisions. However, these factors are extensively discussed in the literature (Bardakçı 2010; Whitman and Wolff 2010; Simão and Freire 2008, German 2007) and are just briefly addressed in the scope of this thesis.

1.2.1. Data analysis

The thesis relies on qualitative method of research. In particular case study method has been applied.

According to one of the seminal researchers of Case study Robert Yin (2009, p.18) ‘a case study is an empirical study that investigates a contemporary phenomenon in depth and with its real-life context’. Yin (2013) considers case study research preferable method in case if 1) the study addresses ‘how’ and ‘why’ questions; 2) the researcher has little or no control over events and behavior of those involved in the study, and 3) topic is contemporary phenomenon.

The topic addresses contemporary phenomenon: EU conflict management in South Caucasus up to date. The second criterion is also met. The discussion addresses questions how EU is engaged with the conflicts and why EU engagement differentiated from conflict to conflict. In addition, taking into account that research covers contemporary topic and there is possibility that new features of EU

conflict management can be revealed, case study method of analysis fits well to the scope of discussion. It provides opportunity to generate and test hypotheses (Flyvbjerg 2006).

The research provides analysis of EU conflict management strategy over time and over conflicts. The level of EU engagement with the conflicts since 1992 is discussed in the context of the external, internal changing circumstances. It is done to demonstrate how EU engagement with the conflicts has been changed over time and what are determinants of this change. For instance, in 2006 EUSR assured that it was too early for EU to begin preparing for increased involvement in the conflicts of South Caucasus (ICG 2006), whereas in 2008 EU directly engaged in the conflict as a third party mediator, established and implemented new mechanisms and improved the old ones.

Taking into account the fact that EU foreign policy in South Caucasus before 2008 Russian-Georgian war was broadly analyzed (Kamov 2006; Tocci 2007; 2011; Simão Freire 2008), the thesis relies on these publications to avoid repetition and focuses on analysis of EU policy after 2008, where necessary with cross-references to the approach of EU applied before 2008.

1.2.2. Data sampling

When it comes to data sampling the thesis relies on combination of procedures, suggested by Yin (2003). Particularly, Yin (2009) identified six main sources for case study research: 1) document review, 2) archival records, 3) interviews, 4) direct observation, 5) participant observation, and 6) physical artifacts. In addition to validity construction the thesis applied the technique of data triangulation, suggested by Yin (2003), that is use of multiple sources of evidence. Therefore, the following data collecting procedures have been applied:

1. Document review and analysis:
 - Working documents of European Commission (EC), as an institution, representing the interests of EU as a whole and monitoring implementation of the programs of EU.

- Documents of the EU Council, as an institution, which defines and implements EU foreign and security policy, on the countries of South Caucasus or conflicts.
- The resolutions of EU Parliament addressing countries of South Caucasus and/or conflicts.
- Statements of the EU Presidency and High Representative

To avoid repetition situation analysis related to period before 2008 is based mainly on existing literature, cross-checked with the available official documents.

2. Policy on the ground:

In the scope of this thesis EU implemented mechanisms addressing conflicts of South Caucasus and their role have been assessed over time to reveal how EU is engaged with the conflicts in question. These mechanisms are: 1) direct mediations as a support for cease fire signing between Georgia and Russia, 2) EUSR, as an institution, who meets not only the authorities of metropolitan states, but also with de facto authorities of the unrecognized states, it is a direct link to EU 3) EUMM, the first and only monitoring activity of EU in the region, 4) NREP, as an illumination of EU attitude towards the unrecognized states, 5) financial aid and NGOs, as the most common tools of EU in conflict management.

- ## 3. Behavior, attitudes and perception of other actors (regional, extra regional) are analyzed through:
- Statements of representatives of governing elites in the countries of South Caucasus on their perception of EU, their readiness to implement EU rules and norms. The time frame covers the period from 1992 up to the present time
 - Signed agreements, participation in EU led initiatives by the regional actors. These data is important evidence to assess the attitude toward and the perception of EU in the countries of the region
 - Surveys, statistical data as secondary sources

4. Interviews:

Interview is supplementary part of the research. Expert interviews were semi-structured on the basis of a questionnaire (Appendix 1). Five representatives of the civil society from Abkhazia, SO and NK were interviewed as experts to enrich the aspects related to the perception of EU in the disputed entities and to get feedback on EU's initiative addressing unrecognized entities – NREP, to reveal to what extent the perception of EU has been changed during the time, if at all. Identification and selection of the interviewees was done on the basis of their involvement in EU funded peace-building initiatives given that NGOs are one of the instruments of EU engagement. Most prominent NGOs have been selected based on their experience in peace-building and how long the NGO is involved in peace-building, how active they are and whether they have made statement or assessment of EU NREP. All of NGOs are partners in the EU funded project aimed at building Coalition for Trust in South Caucasus. In Abkhazia representatives of the following NGOs were interviewed: Centre for Humanitarian Programmes and Association of Women of Abkhazia. The Director Natella Akaba has answered questionnaire in written form, whereas the representative (name withheld upon the interviewees request) of the second NGO participated in a phone interview. In SO a phone interview was conducted with a representative (name withheld upon the interviewees request) of Journalists for Human Rights NGO.

In NK the President of Stepanakert Press Club Gegham Baghdasaryan was interviewed via skype. The second interviewee is the President of Public Council for Foreign and Security Policy, working in NK since 2008, a partner organization of EU funded European Partnership for the Peaceful Settlement of the Conflict over NK (EPNK) provided his contribution in writing.

5. Other sources

The articles from academic journals have been reviewed. Other publications were sampled based on the two indicators. First, publications from global network of policy research centers, dealing with South Caucasus, such as Carnegie Endowment for International Peace, Friedrich-Ebert-Stiftung. Second, EU created and/or funded

agencies, such as the European Union Institute for Security Studies. Third, articles, published by EU funded organizations, engaged with the conflicts of South Caucasus directly, such as International Crisis Group (ICG), Conciliation Resources (C-R).

To supplement the qualitative analysis some quantitative data measuring was used for interpretation of attitudes towards and perception of EU in South Caucasus countries. Namely, Trust to EU in Armenia, Azerbaijan and Georgia was interpreted based on results, provided by the Caucasus Research Resource Centers (CRRC), data on GDP growth annual from World Bank and data on Freedom in the world from Freedom House.

Mainly publications written in English have been reviewed in order to avoid confusions, possible in case of translation. This point does not harm the quality of research, as the case study of topic is EU and its policy, which is addressed more in English than in any of languages of South Caucasian countries.

2. How EU is engaged with the conflicts of South Caucasus?

This chapter discusses EU engagement with the conflicts of the region with a view to:

- 1) identify the circumstances under which EU entered the conflict management arena in the region, change of the circumstances and how EU engagement has been changed, if at all, under these circumstances,
- 2) analyze the mechanisms used by EU to find out under what conditions they were implemented, to what extent they have reached their goals, and whether they cover Abkhazian, SO and NK conflicts equally.

2.1. EU in South Caucasus in 1990s

Regional context

According to most accounts, first step towards confrontation between Georgia and minorities living there started when the State Program for the Georgian Language was adopted in 1989 (ICG 2006b). In the summer of 1990, confrontation turned into direct military confrontation between Georgian government forces and Ossetians (Ibid). Reportedly, the Abkhaz revolt, which later developed into a direct war, was provoked by Tbilisi's steps to get independence from the USSR and return to its 1921 Constitution (ICG, 2006b). Cease-fire agreements backed by Russia were signed in 1992 in SO and in 1994 in Abkhazia respectively. Russian troops were placed as peacekeepers (Ibid). In addition to already stationed Russian troops, in 1993 UN Observer Mission in Georgia (UNOMIG) was established to verify compliance with the cease-fire agreement (Security Council of UN 1993).

In addition, in 1993 a group of Friends of UN Secretary General comprising France, Germany, Russia, United Kingdom (UK) and U.S. was created with the view to promoting stabilization of the situation and the achievement of a political settlement, including a settlement on the future political status of Abkhazia within the State of

Georgia (ICG 2006b). Negotiations between Georgia and Abkhazia occur within Geneva Peace Process, chaired by UN (Ibid).

For the purpose of settlement of Georgian-Ossetian conflict in 1992 a quadrilateral Joint Control Commission (JCC) was established, with Georgian, Russian, North and SO representatives, plus participation of the OSCE (ICG 2007a). However, being previous, for the logic of the story it must be said that the JCC for Settlement of Georgian-Ossetian Conflict ceased its operation, when Georgia withdrew from it after RF invalidated all peacekeeping and conflict resolution formats that had been in place until 2008 by its belligerent actions against Georgia (Ministry of Foreign Affairs (MFA) of Georgia 2008). Still, multilateral efforts had their effect. Overall situation remained relatively quiet in this period.

In NK the war started in 1988 when NK Autonomous Region in Soviet Azerbaijan primarily populated by Armenians applied to the Supreme Councils of Azerbaijan and Armenia respectively with a request of secession from the former and joining Armenia (ICG 2006a). In this conflict a cease-fire agreement was signed in 1994, which was also backed by Russia (Ibid). However, in contrast to Abkhazian and South Ossetian conflicts no peacekeeping mission was deployed here (Ibid). In NK peace negotiations the leading international actor is the OSCE MG established in 1994 and co-chaired by Russia, U.S. and France (OSCE n.d.). Since 1994 OSCE MG serves as the only format in NK conflict settlement. Despite a number of high level meetings organized by the co-chairs for the Presidents of Armenia and Azerbaijan and respective Ministers of Foreign Affairs, little progress was achieved by 2000 (ICG 2007b: ICG 2007a; Siddi 2012). Moreover, regular ceasefire violations and mounting casualties were usual (ICG 2006a). None of the breakaway entities was recognized as a state in this period.

Collapse of the USSR and eruption of the abovementioned conflicts damaged not only bilateral relations between countries but also their economies. This have brought about high degree of poverty and favored development of corruption, centralization of political and economic power, locked development of civil society, and establishment of a genuine democratic system (NATO Parliamentary Assembly 2004). In addition, countries of the region have tense relations with other, extra

regional neighbors: for instance, Georgia with Russia (Kapanadze 2014), Armenia with Turkey (European Parliament 2015), and Azerbaijan with Iran (Gavarli 2014).

The role of other key international actors

The situation in the region is also affected by positions and actions of other key extra-regional actors. Thus, in 1990s Russia still bearing the legacy of “parent state” actively participated in brokering cease-fire agreements in the conflicts of South Caucasus. However, since then and up to the beginning of the new century it did not have an active role in conflict settlement being overwhelmed with internal problems and chaos brought by “shock therapy” market liberalization reforms, inflation, privatization and institutional changes and armed conflict in Chechnya (Söderlund 2006). Moreover, in 1990s ‘Russia was eager to join the Western world and placed a high priority on democratic reforms and supporting those reforms in neighboring republics’ (Ryabov et al 2011; p. 260).

The state, which could afford to spend its time and resources in South Caucasus in early 1990s was U.S. It was the largest donor of aid to Georgia (Nichol 2013) and assisted financially both Azerbaijan and Armenia. U.S. took active stance on NK conflict. In May 1991 U.S. Senate adopted resolution condemning violence in NK and called for the end to the blockades and other uses of force and intimidation directed against Armenia and NK (U.S. Congress 1991). In October 1992 U.S. Congress passed the Freedom Support Act restricting assistance to Azerbaijan until the latter takes steps to cease all blockades and other offensive uses of force against Armenia and NK (U.S. Congress 1992). In addition, U.S. is the only country, except Armenia, which has been allocating direct financial aid to NK since 1998 (Hayrumyan 2012). According to estimations, the role of the Armenian Diaspora in U.S. was crucial in formation of U.S. position (Foreign and Commonwealth Office 2014).

The attitude of Turkey toward South Caucasus was and is mainly determined by its good-neighborly relations with Azerbaijan. Particularly, in 1993 Turkey unilaterally closed its border with Armenia in solidarity with Azerbaijan (Tocci 2007) until a negotiated agreement between Armenia and Azerbaijan is reached and Armenian forces withdraw from occupied Azeri territory (Ibid). Turkey position in regard to Abkhazian

and SO conflicts is mainly detached. The reason is that there are many ethnic Abkhaz (approximately 500,000) living in Turkey (Eissler 2013). Turkey treats Georgian and NK conflict similarly from the perspective of principle of territorial integrity. Given that and in light of its own Kurdish problem, Turkey has consistently supported Georgia's position (Cornell 2005). In addition, Turkey and Georgia are tightly connected in the frame of energy project Baku-Tbilisi-Ceyhan. This is additional stimulus for cooperation.

Iran's interest to South Caucasus is linked to its security and economic concerns. Iran has common border with Azerbaijan, Armenia and NK and is interested in stable neighbors without conflicts for its own security. In 1990s Iran's relations with Azerbaijan were tense because of Azerbaijani then President promotion of the idea of the 'Greater Azerbaijan', which implied reunification of all worldwide spread Azerbaijani, including in Russia and Iran (Mehdiyeva 2003). Being a country with large Azerbaijani minority, to prevent threat of separatism Iran launched campaign in Azerbaijan, supporting Azerbaijani minorities with Persian identity (Gresh 2006). In light of this twofold minority problem, Iran was interested in strong Armenia. Iran benefits with status quo keeping Azerbaijan is busy with NK problem and not switching its attention to the less "burning" issues. In Georgia Iran has had low presence (Ibid).

EU in the region

In 1990s EU's presence in the region were mainly linked to the energy aspect of South Caucasus potential (Halbach et al 2011). The region has energy resources: Azerbaijan's proven gas reserves amount to 2.3 trillion cubic metres (EC 2015b) and proven oil reserves of 2 billion metric tones (SOCAR 2014). This fact becomes important from the perspective of the EU's need of energy supplies diversification and lessening energy dependence South Caucasus serves as a transit route for Caspian energy resources on Russia to supply gas and oil to Europe.

Some EU member states had have their own national interests in the region and implemented their own policy. Thus, UK has been implementing its energy projects in the region since 1990s (BP n.d.). France has business related to Azeri gas and oil as

well (Ibid). In Armenia French interests related mainly to domestic level and were connected with the Armenian Diaspora in France. Having alternative routes to Central Asia is a key priority for Germany (Federal Foreign Office 2015) therefore South Caucasus is important for Germany in the context of its geopolitical location.

EU entrance to the region

Given the context EU entered the region with technical assistance projects: the program of Technical Assistance to the Commonwealth of Independent States (Frenz 2006), Transport Corridor Europe-Caucasus-Asia program (TRACECA 2010) and Energy technical assistance program Interstate Oil and Gas Transport to Europe (INOGATE n.d). In 1996 EU and South Caucasus countries signed Partnership and Cooperation agreement aimed to establish political dialogue and support economic and democratic transition (European Communities 1996a; 1996b; 1996c). In 1990s EU also granted €301.3 million to Georgia, €335.7 to Azerbaijan and €280.3 to Armenia (ICG 2006). As to the diplomatic relation, in 1995 EU opened its Delegation to Georgia (Delegation of EU to Georgia n.d.).

EU engagement in conflicts was limited to the level of some member states participation in conflict resolution. As it was already mentioned supra, France co-chairs OSCE MG. The MG also includes other six EU member states, such as Germany, Italy, Portugal, Sweden, the Netherlands and Finland (OSCE n.d.). The role of EU, as a Union, was limited to providing financial support to conflict resolution process.

EU provided a grant of 3.5 million Common Unit of account (ECU) in 1997 to support rehabilitation in the zone of conflict in SO. These funds were used to support infrastructure and economic rehabilitation, with special emphasis on projects that bridged the two communities - Georgians and South Ossetians (ICG 2006b). Under the second allocation of €1.5 million EU proposed to reactivate economic links between SO and Georgia proper (Ibid). EU projects in Abkhazia focused mainly on infrastructure rehabilitation rather than traditional confidence building (Ibid). As to NK conflict, EU was neither engaged directly in the conflict resolution process, nor provided funding for postwar rehabilitation (Kamov 2006). In addition, EU has continuously funded various international and local NGOs engaged in conflict

resolution and peace-building in the region. For instance, EU funded International Alert and Conciliation Resources which have been working with Georgian-Abkhaz conflict since 1997 (IA n.d.; C-R n.d.).

Assessing EU's role in conflicts in 1990s some scholars explain EU's active role in the conflict of SO by the following reasons: 1) SO is perceived as a conflict that is easier to solve than Abkhazia, 2) solving SO is more important for Georgia's performance as a functioning state, than solving the Abkhazian issue. Tskhinvali is some 100 km away from Tbilisi, and because of its lack of control over SO, Georgia cannot control a significant part of the border or the Roki tunnel, the main route linking Georgia to Russia, 3) EU member states individually are not involved in conflict settlement in SO, but are involved in Abkhazia and NK, where room for EU as an institution is limited (Popescu 2007). Importantly from EU engagement perspective with SO up to 2004 is that SO has promoted two options: full independence and international recognition, or integration into RF (ICG 2004b). In this sense EU prospects of engagement were wider in the context of promotion the model of EU and/or Georgia as an alternative to Russia.

When assessing EU's role in the conflicts in the context of engagement strategy, it should be kept in mind that EU entered the region when there was already particular status quo formed. EU needed niche it could occupy without damaging this order, that is why EU in the first instance targeted civil society, by providing funding to postwar reconstruction and to NGOs dealing with people's security, rehabilitation and confidence building. In addition, SO was not so strict in its ambitions to get independence and EU had room for maneuvering here. It should be noted, however, that overall EU missed the chance to become an influential international actor in the region in 1990s, period when EU's future main rival in the region – Russia – was eager to join the Western world and adhere to its values and norms.

Given that EU prefers to keep status quo rather than to challenge existing balance of power, according to the engagement determined goal to avoid armed conflict and to keep international order, overall EU opted to continue providing technical support and funding to the state for the purpose of democratic reforms rather than to actively participate in conflict settlement.

2.2. EU engagement with conflicts of South Caucasus in 2000-2008

Regional context

In early 2000s the situation in and around the region has changed. First, in 1999 Georgia, and in 2001 Armenia and Azerbaijan became members of the Council of Europe (COE n.d.). At that time the respect for democratic values in all countries of the region was questionable. According to the data of Freedom House (2004), in 2003 Azerbaijan, Abkhazia were ranked as not free, Georgia, Armenia, and NK – partly free (no data for SO). Meanwhile the rapid decline of economy was followed by economic growth (World Bank n.d.).

In political context in November 2003 Rose revolution in Georgia brought to power pro-Western government and Georgia got strongly pro-Western orientation (Mitchell 2006). New Georgian president stated recovering of territorial integrity of the country and took a course into integration with NATO and EU (Grono 2010). Since 2004 the Georgian government tried to de-frozen conflicts through internationalization of mediations as part of the intention to restore territorial integrity (Grono 2010; Lynch 2006; ICG 2006b). Georgia started with restoring its authority over Adjara, which, however, had no ambitions on independence and negative experience of war (ICG 2004a). Notably, Russia did not resist Georgia's action in Adjara (Ibid).

EU, in its turn, on the level of EU Presidency and High Representative welcomed the restoration of Georgian government authority in Adjara and welcomed the constructive role played by RF in helping to bring the situation concerning Adjara to a peaceful resolution (Delegation of EU to Georgia 2004). After success in Adjara then President Saakashvili switched his attention to SO. In summer 2004 an incident involving civilian casualties in SO took place (ICG 2004b). Tbilisi accused Russia of supplying weapons to SO. EU responded to escalation with high level statements expressing its concern about the situation and urged all parties concerned to fully respect the terms of the cease-fire (EU Presidency 2004b). There was no visible progress or change in positions of the parties of NK conflict.

Extra regional actors in the context of conflict management

To understand the context and EU's position while keeping in mind aims of EU engagement it is necessary to analyze the positions of other international actors at that time and developments in the region.

The attitude of Russia towards the West and South Caucasus has been changed in 2000s, in parallel with stabilization of political situation and economic growth (World Bank n.d.). In 2000 RF declared the integration within Commonwealth of Independent States (CIS) framework as a priority (MFA of RF 2000). The wave of deeper economic cooperation efforts with CIS countries started. Rose Revolution in Georgia in 2003 also pushed Russia to be more proactive and aggressive (Babayan 2014). Russia aimed to establish integration initiative addressing former constituents of the USSR (Krotov 2012). Russia re-activated its role as an influential player in conflicts in South Caucasus. Russia's relationships with the states of South Caucasus and disputed entities developed in different scenarios. Russia and Azerbaijan were important partners in energy sector, around 2 of the 8 million inhabitants of Azerbaijan live and work in RF (EC 2007b).

Armenia is dependent on Russia in its energy and military security hosting the only Russian military base in the region as well as trade (EC 2007a; Babayan 2014), Armenia has the largest Diaspora in Russia (Foreign and Commonwealth Office 2014). As it was stated supra, Georgia principally changed its orientation towards the West. This harmed relations with Russia. The period from 2004-2008 was marked with security and diplomatic incidents between the two countries. Moscow tried to put pressure on Georgia by increasing gas and oil prices in 2005, followed by severe supply disruptions of energy supplies from Russia in January 2006, and a total import ban of Georgian exports (EC 2007c). In addition, since 1999 the Russian government has pursued as active 'passportization' policy towards the populations of South Caucasus (Lynch 2006) which provides RF with additional leverage in the conflicts in the context of its proclaimed responsibility to protect its citizens (OCSE 2009). By 2006 the majority of the population in SO and Abkhazia had Russian passports (Ibid).

U.S. regional goals were formulated in the view of checking Russian reassertion, preempting an expansion of Iranian and Chinese influence, and reducing Islamist penetration (Nation 2007). U.S. cooperated with South Caucasus states on political, security and energy issues. It intensified negotiation process of NK conflict which in April 2001 culminated in a meeting of the Presidents of Armenia and Azerbaijan in Key West. Despite the broad optimism (U.S. Department of State 2001), the negotiations proved to be not successful. U.S. Department of Defense announced the beginning of the Georgia Train and Equip program (GTEP), to enhance its counter-terrorism capabilities (U.S. Department of Defense 2002). In 2002 U.S. also dispatched the representative for Eurasian conflicts Rudolf Perina to meet then Georgian President Shevardnadze and pledge a more active U.S. involvement in finding solution to the dormant conflicts of Abkhazia and SO (Devdariani and Hancilova 2002).

European Union and main policy determinants

As for EU, the period of early 2000 was marked with preparation activities aimed at enlargement of EU. As a result of it, South Caucasus became the immediate neighbor of EU. Therefore, EU had to reassess the role of South Caucasus in its foreign policy agenda: ‘We should now take a stronger and more active interest in the problems of the Southern Caucasus, which will in due course also be a neighboring region’ (European Council 2003; p.8). Since 2000 South Caucasus became important not only in the context of EU energy but also security policy. As a result of EU enlargement in 2004-2007 EU expanded its borders and acquired new neighbors in the East in face of South Caucasus (European Council 2003a) with its corruption, poverty, disenchantment political climate and unresolved conflicts (Lynch et al 2003). EU is interested in well-governed neighbors (European Council 2003a), whereas in ‘an absence of good faith political dialogue and a lack of trust between governing parties and opposition in the countries of South Caucasus have a negative impact on the domestic environment throughout the region’ (Semneby 2012). Therefore, South Caucasus is a vulnerable region, which requires a special attention (ESS 2003).

Meanwhile EU’s growing energy demands and strong dependence on Russia in this regard forced EU to manage seriously energy supply diversification. EU gets from

Russia about a quarter of its total gas supplies, some 80% of which is pumped through Ukraine (BBC 2009). The incidents of 2006 and 2009, when Russia halted gas supplies, strongly affected EU member states. The EU needs in energy supplies are growing, it is estimated that in 2026-2036 around 70 % of the Union's energy requirements, compared to 50% today, will be met by imported products (EC 2006d). Importance of South Caucasus in this context leaves no doubt.

Third dimension in the context of South Caucasus importance is its geopolitical and geographical location. The region is considered as a key part of a 'new Silk Road' that will include pipelines, railways, fiber-optic cables and power transmission grids linking Western China with Europe (German 2007). Thus, South Caucasus can be a natural corridor between Europe and Central Asia, and, in a perspective, to huge market of China with population over 1,3 billion (World Bank 2013).

Thus, the main factors that objectively determine EU's interest in the region since 2000 are: 1) the genuine interest in the stability and safety of the neighbor, which in its turn predetermines safety of EU borders, including the issue of refugees and illegal immigrants, 2) the interest in the distribution of the regions energy supplies with maximum benefits to EU, 3) the general geopolitical importance of the region, located on the crossroads of important communication, trade and energy routes.

EU assistance and mechanisms

Following EU enlargement the Union started facing a new challenge, i.e. EU internal division became evident in case of South Caucasus. Though EU member states' interests mainly intersect in the region, Russian factor became the negative stimulus inside EU. Leonard and Popescu (2007) identified two general groups, based on the approach of states to Russia: 1) those who view Russia as a potential partner, i.e. France, Germany, Italy, Spain, Cyprus, Greece, Austria, Belgium, Bulgaria, Finland, Hungary, Luxembourg, Malta, Portugal, Slovakia and Slovenia and 2) member states who consider Russia as a threat, i.e. Czech Republic, Denmark, Estonia, Ireland, Latvia, the Netherlands, Romania, Sweden, Lithuania and Poland.

EU included countries of South Caucasus in ENP aimed to reinforce and further develop regional and subregional cooperation, reinforce stability and security and contribute to efforts at conflict resolution (EC 2004). The key message of ENP was that enlargement was over and the new policy goal was to establish good neighborhood relations with the bordering countries aimed at creating a zone of stability, security and prosperity around EU (Ibid). In the context of ENP the most important documents revealing EU attitude towards the conflicts in the region were Action Plans (AP), signed with every country separately. Namely, in AP with Georgia conflicts are mentioned under the priority area 6 titled “promote peaceful resolution of internal conflicts”, which reflects EU;s adherence to the principle of territorial integrity in case of Georgia (EC 2006c). In APs with Armenia and Azerbaijan the conflicts are mentioned under the priority area 7 and priority area 1 respectively (EC 2006a; EC 2006b). Moreover, in AP with Armenia self-determination is mentioned as a basis for settlement (EC 2006a), whereas in AP with Azerbaijan the principle of territorial integrity is mentioned as common value of mutual commitment of EU and Azerbaijan (EC 2006b).

Therefore, if in case of Georgia EU position is commitment to the Georgian territorial integrity, in case of Armenia and Azerbaijan uncertain position of EU puts NK conflict on a different dimension in comparison to the conflicts in Abkhazia and SO. In this regard it is important to mention the Country Strategy Papers, national indicative programs where differentiated approach of EU to the engagement with the conflicts is presented. In the Strategy Paper for Georgia EU engagement with conflicts is mentioned as a priority (EC 2007c), whereas Strategy Papers for Armenia and Azerbaijan does not contain such issue (EC 2007a; 2007b).

In 2000s provided funding has been increased. ‘After the 2003 Rose Revolution, EU’s attitude towards Georgia has been changed and financial allocations to Georgia increased drastically, providing more than €5 million support to reinforce the rule of law and democratic processes’ (ICG 2006b; pp. 5-6). EU considered Georgia as a target, hence the Union had to support state building, because it is on Europe’s borders, and because Georgia has made a democratic choice but faces multiple challenges’ (Lynch 2006).

As to the conflict management tools, in 2003 the post for EU SR for South Caucasus was established and Finish Diplomat Heikki Talvitie was appointed as EUSR (European Council 2003b). His mandate included, inter alia, provision of assistance in conflict resolution supporting UN and OSCE; intensification of EU dialogue with the main interested actors concerning the region; assistance to the Council in further developing a comprehensive policy towards South Caucasus (Ibid).

In 2006 Swedish diplomat Peter Semneby was appointed as a new EUSR his mandate was expanded. New mandate implies contribution to the conflict settlement in close coordination with UN and OSCE (European Council 2006). In addition, budget, provided to EUSR was increased from €370.000 to €2.960.000 (Wolff 2007). Change in mandate indicates EU's intention to engage more actively with South Caucasus conflicts. EUSR traveled to unrecognized states as well. EUSR made regular trips to Abkhazia and SO, regularly met with officials and civil society representatives both in Georgia, Abkhazia and SO before the 2008 war. However, despite EUSR's efforts and warnings about a possible conflict in the region, he was unable to prevent the escalation (mediatEUr 2012). As to NK conflict, for years EU has avoided to have high-level contacts with NK not to displease official Baku. For instance, in 2007 Peter Semneby canceled his visit to NK on half way upon demand of Azerbaijani officials (pers. comm., 2007). On 1 September 2005 EUSR Border Support Team in Georgia was established as '...a response to Russia's veto on OSCE Border Monitoring Mission mechanism' (Grono 2010).

In 2000s the number and geography of EU funded NGOs also increased. In the Georgian-Abkhazian and Georgian-Ossetian conflicts, most active role was played by such international NGOs as International Alert, Safer World, and Conciliation Resources. As regards NK, since 2003 EU funded three organizations, International Alert, Conciliation Resources and London Information Network on Conflicts and State Building (LINKS), which created Consortium Initiative to guide the efforts of European civil society to resolve NK conflict (Simão 2010). EU also supported confidence building activities in conflict zones. Up to 2006 EU is the largest donor in Georgia's conflict zones, having allocated EUR 25 million of assistance to Abkhazia and almost EUR 8 million to SO since 1997 (EC 2007c; p.34). In addition, just over

€100 million was spent on humanitarian assistance under EC Humanitarian Aid and Civil Protection department between 1993 and 2006, primarily ‘targeting population groups affected by the conflict (Ibid). No funding was provided to NK.

In the period from 2000 to 2008 EU gradually increased its presence in South Caucasus through providing incentives. In Georgia, which EU considered as ‘country that has made a democratic choice’, EU engagement has been increased in parallel to its democratic reformation. The period of tensions between Russia and Georgia witnessed a greater activation of EU in Georgia. Particularly, in January 2007 EU fact-finding team visited Georgia, Abkhazia and SO (Popescu and Wilson 2008). The mission suggested a number of small steps for EU engagement in the conflict zones. These included relatively uncontroversial proposals such as offering greater support and funding for civil society and youth in Abkhazia and SO and greater support for institution-building in Georgia's customs service; opening of European Information Centers in Abkhazia and SO; the appointment of two EU police officers to work with the secessionist authorities; and the possibility for two EU border experts to develop a dialogue on border-control issues in Abkhazia and SO (Ibid).

EU engagement in the region gradually increased in line with decrease of U.S. role. However, as a result of replacement of U.S. by EU the international order was not harmed, it was rather a result of the change of roles. Through engagement EU aimed at prevention of possible escalation of the conflict situation, which could harm status quo in the region against the backdrop of tense relations between Russia and Georgia. By providing incentives EU promoted its values and norms to socialize domestic actors into more liberal ways (Smith 2005) and to balance interests of status quo country and targeted country. Meanwhile engagement with the position opposite to Russia's one in the region in general and conflicts in particular is aimed to provide countries with an alternative and to eliminate possibility of formation of alliances led by Russia. EU is mainly interested in supporting current UN and OSCE negotiation efforts and formats and sees its main contribution to conflict resolution in assisting Georgia in creating a state based on European values and standards, which ultimately could be more attractive to SO and Abkhazia than independence or closer integration with Russia (ICG 2006b).

Expanding number and geography of the NGOs EU covered a wider range of civil society needs and life aspects, putting emphasis on civil society engagement. In this regard appointment of EUSR for the region is important. The post covers the whole region. EUSR visits the region, maintains contacts with NGOs, working in the region, meets not only the authorities of metropolitan states, but also with de facto authorities of the unrecognized states and serves a direct link to EU. Thus, it was the first step in the engagement of unrecognized states through visualization of possible alternative to actively engaged Russia.

Analysis of EU engagement with the conflicts of South Caucasus should take into account that the main criterion is interest in stability of the region (European Council 2003a) in the context of the security near EU borders (Ibid), and successful production and transportation of energy (EC 2004). In this context, EU engagement is aimed, in the first instance, to prevent possible escalations in the region. In addition, in line with growing role of Russia in the region, EU targeted civil societies of the countries through engaging with them and funding to suggest them alternative perspective.

Overall analysis provided in this chapter revealed the motivation of EU engagement with conflicts, the gradual change of the engagement in parallel to changing regional and international circumstances. Thus, in 1990s EU was not among international actors involved in the process of negotiating cease fire agreements (ICG 2006) and was not involved in any format of negotiations targeting conflict resolution whereas EU member states and other international actors had their niche. EU stepped up and provided strong economical and political support to Georgia, which eventually made EU a key actor in the region, including the conflict settlement issues. However, despite Georgia's ambitions to regain control over the rebel regions, EU is interested in stability and prevention of any hostilities near its borders. Therefore, on the one hand, EU is rightly perceived as a pro Georgian actor in the region, but on the other hand, it is interested in peaceful resolution of the conflict situation, which would please all the actors involved.

3. Assessment of EU engagement with conflicts

This chapter presents the analysis of EU engagement with the conflicts after 2008 Russian-Georgian war, as well as EU implemented mechanisms and the changes in the strategy to assess the motivation of EU activation. The discussion will be concluded by revealing factors that affect EU decision to engage or not to engage with conflicts.

3.1. EU engagement with conflicts of South Caucasus since 2008

Developments on regional and international level

Up to 2008 EU having its place in the conflict management process in the region, gradually increased its engagement without threatening status quo. The turning point for EU engagement with the conflicts of South Caucasus was Russian-Georgian war in 2008. On 7-8 August 2008 Tbilisi launched a military operation against Tskhinvali in SO and Moscow rushed ‘to help Russian citizens’ in SO (Grono 2010). This resulted in a 5-day war between Georgia and Russia. EU represented by then Presidency France mediated end of hostilities and signature of a six-point ceasefire agreement on 12 August 2008 (Ibid).

Meanwhile, Russia, having lost its peacekeeping status, intensified its open support of the breakaway regions. Following the 2008 war, Russia officially recognized independence of Abkhazia and SO (President of Russia 2008). Except for a few countries, overwhelming majority of states, including EU members and U.S. condemned this move. Although this, as well as the requirements of the cease-fire agreement had not prevented Russia to deploy troops in SO and Abkhazia ‘for the foreseeable future in order to avert Georgian attempts to regain control’ (Harding and Percival 2008), Russia also has heavily increased its political and economic presence in the breakaway regions since 2008 (Babayan 2014). In Russian-Abkhazian agreement on alliance and strategic partnership and Russia-SO agreement on alliance and integration (President of Russia 2015a; 2015b) the future format of the cooperation of the Contracting Parties was formulated: partnership for Abkhazia and integration for

Ossetia. It means that despite EU proposed engagement program, SO, nevertheless, opted for integration with Russia.

Georgia formulated its own State Strategy on Occupied Territories: Engagement through Cooperation and a Georgian Action Plan for Engagement aimed to attract Abkhazian and Ossetian populations through various instruments and incentives, such as Status Neutral Travel Liaison Mechanism, Status Neutral Travel documents, a Trust Fund (Government of Georgia 2010). These efforts are results of EU work with Georgia. However, both Abkhazia and SO refuse to embrace a Western approach and are actively trying to undermine any efforts that are linked to the Georgian strategy; they argue that EU's approach is, in fact, aiming to restore Georgia's territorial integrity, and confidence-building measures are therefore seen as a threat to their de facto statehood (Caspersen and Herrberg 2010). Change of the Government in Georgia following the Parliamentary elections in 2013 did not affect the country's pro-EU orientation.

To increase influence and facilitate work, EU Delegations were officially opened in Baku and Yerevan (European Court of Audit 2010; p.52). Armenia continued its cooperation with EU trying to balance its relationships both with Russia and with the Union. This policy was successful until 2013. To remind, in November 2013 Armenia and Georgia along with other EaP states were supposed to sign Association Agreement (AA) with EU. This issue will be discussed in detail below.

Azerbaijan continued its cooperation with EU member states in energy supply sphere. At the same time, overall human rights situation has deteriorated.

No significant developments were observed in the settlement of NK conflict. However, escalation of the situation has been growing and involved increased casualties on both sides.

U.S. did not intervene into the conflict settlement directly, however following the war in August 2008 U.S.-Polish agreement on missile defense was signed (Blank 2008). That treaty not only secures the introduction of U.S. missile defenses in Poland, but it was actually clearly intended against Russian threats (Ibid). Following the war U.S. became more low profile in conflict management.

Among one of the most important developments after the Russian-Georgian war was the fact that following Russian veto UNOMIG ceased to exist (UN n.d.). OSCE Mission to Georgia's mandate expired on 31 December 2008 after OSCE Permanent Council failed to reach consensus on its renewal in the wake of the hostilities in SO in August (OSCE n.d.). To fill the vacuum of international oversight and ensure implementation of the cease-fire agreement, in October 2008 Geneva consultations involving all major actors and the parties to the conflict were launched. This format allowed bringing together representatives of Tbilisi, Moscow, Sukhumi and Tskhinvali (Grono 2010). Co-mediated by EU, UN and OSCE, the talks got off to a slow start and are still a loose mechanism (Ibid).

Russian-Georgian war demonstrated the EU's greater opportunities in the context of stabilization and control of regional conflicts: ceasefire has been established under EU direct mediation, EU engagement with the region has deepened by introducing additional instruments. It turned out that the careful position EU had held by that time helped it to become a key player in the management of the escalated conflict situation. Indeed, Russia accepted the activation of EU then headed by France, Russia's traditional partner within EU borders, and Georgia in its turn had sufficient trust in EU. The circumstances created a floor for EU to become a key actor in conflict settlement processes in the region.

The role of EU

EU engagement with Abkhazian and SO conflicts: The role of EU as a direct participant, a third party involved in brokering and signing the cease-fire agreement between Russia and Georgia was unprecedented and so far the only experience in the region for EU.

EU remained committed to continue supporting people who were affected by conflicts in Georgia (EU Delegation to Georgia 2010). The Commission provided €9 million worth of immediate humanitarian aid for IDPs and co-hosted with World Bank the Georgia donors' conference on 22 October 2008, at which it pledged some €500 million for various rehabilitation measures, including further humanitarian assistance (€8 million) and support for IDPs (€61.5 million) (Whitman and Wolff 2010; p.7).

Even more, the war and Russia's actions in the region, such as recognition of the independence of SO and Abkhazia (President of Russia 2008) and growing military presence in these entities, pushed EU to initiate projects and mechanisms to balance Russia's presence in the region. Explicit activation of European diplomacy can be traced to the rapid deployment of EUMM. On 15 September 2008 the terms of deployment of EUMM were defined, and on 1 October 2008 the mission began its work (European Council 2008b). EUMM had to monitor implementation of the six-point Agreement with the aim to contribute to stabilization, normalization and confidence building (Ibid).

In fact, presence of EU observers in the conflict-affected areas around Abkhazia's and SO's borders was the first serious initiative of peace-keeping operations outside its borders without any direct support of U.S. or NATO. Moreover, despite the fact that the mandate of EUMM was only for a year, it was prolonged a few times and EUMM is present in the region up to date, being the only international permanent monitoring mission in Georgia and in South Caucasus region in general after withdrawal of UN from Abkhazia and OSCE mission from SO (Whitman and Wolff 2010).

After 2008 Russian-Georgian war, EU Council appointed a Special Representative for the Crisis in Georgia. According to his mandate, he had to help prepare for the international talks to be held under the settlement plan of 12 August 2008, to help establish and represent EU's position at these talks and to facilitate the implementation of the six-point agreement (EEAS n.d.). In fact, EU had two EUSRs in South Caucasus in the period from 2008 to 2011.

EUSR Semneby kept his wider, regional and conflict-related mandate intact and from September 2008 to February 2011 concentrated on developing a policy on how EU should interact with the breakaway regions of Georgia in the new situation that had emerged after 2008 war. This eventually served as basis for EU NREP (mediatEur 2012), another new mechanism implemented after 2008 war. In particular, following Russia's recognition of the independence of Abkhazia and SO (President of Russia 2008), it was necessary to discuss and formulate a policy for the involvement of EU in

Abkhazia and SO (Semneby 2012). As a response to this necessity NREP was adopted in December 2009, elaborated by the then EUSR Semneby and his team (Fischer 2010a). It was based on two pillars: non-recognition and engagement (Fischer 2010a).

The policy was agreed by Political and Security Committee Ambassadors of EU member states in the non-paper format on the parameters for EU's non-recognition and engagement policy for Abkhazia and SO (ICG 2010). In fact, through NREP EU legalized its engagement with Abkhazia and SO without compromising EU commitment to the principle of territorial integrity of Georgia (Fischer 2010a). NREP is based on six essential tenets: 1) EU's position on territorial integrity and sovereignty; 2) contacts with de facto officials from Abkhazia and SO; 3) contacts with civil society and populations in Abkhazia and SO; 4) CBM projects in the breakaway regions; 5) contacts with Abkhaz and SO authorities recognized by the Georgian government; contacts with IDPs populations; and 6) contacts with Russian officials and military in breakaway regions (Caspersen and Herrberg 2010).

The idea of engagement of unrecognized states of South Caucasus was reflected also in the resolution of European Parliament regarding South Caucasus and Eastern Partnership 'On the revision of European Partnership Program - East direction' adopted on 7 April 2011. It calls upon EU's executive body, keeping European policy of non-recognition, to implement programs aimed at creating a climate of trust and call for a new life mission and strategy of social interaction, including the number of "pragmatic initiatives and innovative approaches, such as informal contacts and meetings with the societies of "secessionist territories" (European Parliament 2011). Notably, after August 2008 European support projects inside SO have come to an end and EU engagement targeted rather Abkhazia.

EU engagement with NK conflict: As to NK, there was and is no permanent monitoring mission. Although OSCE conducts regular monitoring of the Karabakh-Azerbaijan Line of Contact (OSCE 2014), nevertheless they are not stationed there permanently. Discourse on peacekeepers in NK was always strong both in Armenia and Azerbaijan. Positions of all immediate sides of conflict coincide that there is no need for peacekeepers (Radio Free Europe/ Radio Liberty 2014). This is the only issue

that conflicting parties agree on. However, growing number of ceasefire violations leading to casualties and Russia's open supply of weapons to Azerbaijan have generated discourse in Armenia that incidents on the border can be provoked by Russia to deploy peacekeepers in order to ensure leverage (Capon 2015).

As to EU position, first, in 2010 the then EUSR called for an up-grading of the observer mission (Paul 2010), secondly, the Brussels-based European Friends of Armenia (EuFoA) released a survey of opinions among members of European Parliament regarding Europe's option in NK, revealing that 'MEPs believe that sending a permanent non-military EU observer mission to the region and upgrading EU's commitment to a peaceful settlement in the region by contributing to democratic capability building are the best ways of avoiding military escalations in NK' (Ghazaryan 2010). However, EU does not consider the question of observers on the relevant level, responsible for factual policy implementation, even in light of the growing escalation on the border (EC 2015b). EUSR does not travel to NK and meets with de facto authorities of NK in Armenia. However, there is a change in rhetoric of EU officials.

In 2012 for the first time the need for unconditional access for representatives of EU to NK and surrounding regions was underlined in the Council conclusions on South Caucasus (European Council 2012). However, there is no available information on the progress of this initiative. NREP continues not to include NK as a target, whereas it was declared that if adapted to other conflict situations NREP could become a model for EU's conflict resolution policy in the neighborhood (Fischer 2010a).

The only instrument visualizing EU engagement with NK conflict was and continues to stay support to NGOs. Since 2010 EPNK works in NK. It was created, which consists of five member organizations: Conciliation Resources, Crisis Management Initiative, International Alert (lead agency), Kvinna till Kvinna Foundation and LINKS and is funded by EU (EPNK n.d.). EPNK attaches special importance to media initiatives, promotes women's empowerment and participation in NK peace process, cooperates with the most affected group – young people and contributes to a broader understanding of NK conflict in a wider regional and

international context (EPNK n.d.). In 2012 EU announced launch of the second phase of the civil society program EPNK. This program aims to support peace-building efforts concerning the conflict over NK by facilitating dialogue between civil society, media and policy-makers (EC 2012).

Regional aspect and current situation

In addition to the direct mechanism, addressing the conflicts, in 2009 ENP was complemented by regional initiatives, such as Black Sea Synergy, the Euro-Mediterranean Partnership proposed by France and EaP proposed by the Foreign Ministers of Poland and Sweden (Łapczyński 2009). EaP was aimed to promote democracy and rule of law, respect of human rights and freedoms and commitment to market economy. EaP programs were launched and developed, up to the point of the soonest signing of AA, suggesting political association, economic integration, and mobility (European Council 2009). ENP suggested that ‘pace of development of EU’s engagement with (targeted country) will depend on the degree of their commitment to common values’ (EC 2004) and EaP suggested: ‘those partners most engaged in reforms will benefit most from their relationship with EU, in line with the incentive based approach ("more-for-more")’ (European Council 2013).

However, at a certain stage, the initiative inevitably had to cross the border of Russia's interests and political achievements in EaP countries. The peak of the confrontation of the counter strategies was reached in Ukraine. The situation in Ukraine has certainly influenced the policies of all actors in the region of South Caucasus. The further development of EaP initiative has taken slower pace and illustrated that Russia explicitly considers further cooperation of EU with EaP countries as a political threat. Thus, Russia’s initiative of EEU and EU initiative of AA became conflicting integration processes involving, *inter alia*, Armenia, Azerbaijan and Georgia.

Whereas in case of Georgia Russia had little influence to prevent deepening ties with EU and Azerbaijan was slowing down its cooperation in the frames of EaP and did not have the intention to sign AA in the end of 2013, in case of Armenia Russia put strong political pressure. As a result, currently only Georgia from South Caucasus states signed AA (EC 2015c), Armenia dropped the negotiations at the very last point

and joined the Russian-led EEU (EC 2015a). Armenian President Sargsyan said, ‘This is a rational decision, it is a decision based on Armenia’s national interests’ (President of Russia 2013). Armenia officially became a member of the successor of CU - EEU on 1 January 2015 (Commonspace 2015). At the same time Armenia tried to and EU supported re-activation of process of deeper cooperation with EU to the extent it was possible given the membership in EEU.

Azerbaijan’s oil-rich economy allows cooperating with EU in spheres it considers beneficial and does not rush to deepen ties either with EU or EEU. Notably, some 600,000 Azerbaijanis live in Russia, in this sense, it is dependent on remittances sent from Russia (Braux 2013); about 178, 000 Russian-speaking Lezgin ethnic minority lives in the Northern regions of Azerbaijan close to the Russian border (MFA of the Republic of Azerbaijan n.d.) and there is a threat that Russia can use the pretext of protection of them as a manipulation tool. Therefore, despite a relative economic independence of Azerbaijan at least in comparison with Armenia, yet there are some issues that can be manipulated. Overall, after ten years progress in the frame of ENP is limited in Armenia (EC 2015a), very limited in Azerbaijan (EC 2015b) and only Georgia made some progress in implementing ENP AP and the Association Agenda (EC 2015c).

Engaging with South Caucasus

2008 war between Russia and Georgia created new situation in the region. First, third party was needed for ending hostilities and, in contrast to 1990s, EU in 2008 was in such a position which made its mediation efforts acceptable for all the actors in the region. Secondly, after the war UN and OSCE presence in the region was eliminated, EU launched its monitoring mission in the region. Thus, after 2008 Russian-Georgian war EU was that status quo power, protecting international order in contrast to ‘not a status-quo player Russia’ (CEPS 2008). The role of mediator also allowed EU to enter in some relationship with the breakaway regions without strong resistance from both Georgia and Russia. Meanwhile, by launching NREP, EU responded to Russia’s growing presence in Abkhazia and SO. The core motivation of NREP was the fact that EU realized that ‘non-engagement will only push the entities

further into Russia's embrace' (Fischer 2010a), and EU may offer, 'an alternative perspective to the predominant Russian one' (Semneby 2012).

The EU strategy is far from pushing Georgia to resolve its territorial problems by aggressive means. Instead, under EU influence Georgia elaborates the policy of engagement to attract Abkhazia and SO. Yet whereas initiative of Georgia can be considered positive in the sense that it suggests alternative to Russia, however, these EU supported initiatives were not welcomed in Abkhazia and SO. The failure of NREP I suits to the logic of EU engagement with conflicts. As EU is committed to Georgia's territorial integrity, it does not consider Abkhazia and SO as independent players: Abkhazia and SO do not matter to many parties (CEPS 2008).

EU new strategy EaP in fact is also an alternative to Russia's promoted EEU. The developments in and around signing AA prove that EU rather seeks security than power. Namely, in 2015 EU restarted negotiations with Armenia in areas that do not compete with Armenian duties under EEU (EEAS n.d.) and for 2014-2017 suggested financial allocations of €140-170 million (Ibid).

Analysis demonstrates that in line with its engagement principles, only when the balance of powers was seriously disrupted as a result of 2008 war EU activated its engagement tools aimed to prevent further damage of international order and to counter-balance Russia in the region as the whole as well as in the disputed entities. However, as it was shown supra, the level of engagement of EU with the conflicts of South Caucasus differs. While EU has launched a number of mechanisms to be present in conflict management in Georgia, such as EUMM, thematic EUSR, serves as a co-mediator in the Geneva consultations, and NREP, similar steps have not been taken in relation to NK conflict. EU did not even discuss on the official level a possibility of sending any monitoring mission to NK conflict zone, despite the reported ongoing escalation in the frontline. EUSR does not travel to NK; five years after the adoption of NREP it has not been applied to NK yet.

Thus, EU engagement increased in the region only with Abkhazian and SO conflicts and not with NK conflict. The next section tests two variables, which are considered decisive in explanation of EU's differential engagement.

3.2. Conditions determining EU engagement with South Caucasus conflicts

As it was mentioned supra, the national interests of EU member states and as a result internal division of EU are among those key factors that because of the intergovernmental nature of CSDP affect EU foreign policy. Decisive is, in addition, the role of Russia in the context of EU reluctance to damage bilateral relations as there is an inescapable need of a number of EU countries in uninterrupted cooperation with Russia in many fields of international relations.

Assessment of EU conflict management in the context of the engagement strategy revealed Russia's role from the point of view of being decisive for EU active engagement with conflicts in South Caucasus. Analysis demonstrates that following the war in 2008 EU took the role of protector of status quo in contrast to revisionist Russia, threatening the status quo. Russia's factor was decisive in two aspects: 1) prior to 2008 relationships with Russia of some of its members states prevented EU from engaging more actively and thus triggering confrontation, 2) after 2008 Russia launched military offensive against Georgia on behalf of SO losing its status of an impartial mediator, EU activated its engagement with the conflict to counter-balance Russia and respond to the change of the status quo. This conclusion correlates with the H1 of this research:

(H1): EU engagement is more likely in case of Russia's explicit involvement in conflict threatening status quo.

First, EU before the war in 2008 in official terms viewed Russia as an impartial mediator in the conflicts of the region, while being well aware of Moscow's growing manipulation of them, and its direct influence over the secessionist authorities (Popjanevski 2008). Following 2008, Western powers have refused to accept Russia's insistence that it is not a party to the conflicts, yet the West has also failed to unequivocally accept the existence of a Russian-Georgian inter-state dispute as the main dynamic in the region (Ibid).

In addition, in the period up to 2008 despite the fact of Russia's policy of passportization in Abkhazia and SO, the campaign of Georgia to internationalize the

conflict by including EU in negotiation process, and the escalation in and around SO in 2004, EU was reluctant to engage directly with the conflicts. Only the war between Russia and Georgia provoked EU direct engagement with conflict resolution as a third party mediator in ceasefire signing and followed implementation of mechanisms, addressing consequences of the war.

Secondly, during one year EU launched different mechanisms in the region, such as direct mediation as a third party to settle the war between Russia and Georgia and to sign ceasefire agreement in 2008 (Grono 2010), appointment of second EUSR in the region (European Council 2008a), launching EUMM (European Council 2008b), elaboration of NREP (Fischer 2010a). Analysis of the implemented mechanisms, motivations of their elaboration and launching revealed that the mandates and tasks of all mechanisms included, *inter alia*, monitoring of implementation of ceasefire agreement in sense that Russia has to withdraw its troops to the pre-war level.

Thirdly, analysis of EU statements and actions shows that during the escalation in SO in 2004 EU responded to escalation with statements on the level of EU Presidency and High Representative expressing its concern about the situation and urged all parties concerned to fully respect the terms of the cease-fire (EEAS 2004). Review of EU perception of Russia at that time and Russia's actions in the region from the perspective of engagement approach illustrates clearly EU actions. Thus, when in 2004 Tbilisi accused Russia of supplying weapons, personnel carriers to the SOs (ICG 2004b), Russia portrayed itself as a guarantor of stability in the zone of conflict and as a party, that help mediate between Georgia and SO (Ibid; p.17). It is noteworthy that EU perceived Russia in these years as an impartial mediator in the conflicts of the region (EEAS 2004). For instance, in May 2004, when Georgia restored its authority in Adjara, EU welcomed the constructive role Russia played to help bring the situation concerning Adjara to a peaceful resolution (EU Presidency 2004). Meanwhile when in 2008 Russia intervened in conflict between Georgia and Abkhazia on latter's side EU engaged directly.

Lastly, the fact that EU remains idle in the third conflict in South Caucasus, *i.e.* in NK, is important as it is argued 'the potential for cooperation in the case of NK conflict could be higher, since Russia is not a party to the conflict' (Simão 2011).

Thus, EU engagement was activated, when Russia intervened in conflict and targeted protection of status quo, preventing further escalation of situation, counterbalancing Russia's growing presence through such mechanisms as EUMM and portrayed itself as an alternative to Russia through initiatives, such as NREP and EUSR.

Analysis of EU engagement with the conflicts revealed that EU activation was not uniform in terms of its engagement with the Abkhazian and SO conflicts and NK conflict. In the former conflicts EU engagement has been increased gradually up to 2008 and drastically after 2008 Russian-Georgian war, whereas in NK conflict 'EU remains reluctant to pursue its own initiatives' (Wolff 2007). The reason of EU active engagement after 2008 is explained from the perspective of H1. However, EU engagement with Abkhazian and SO conflicts and NK conflict was not balanced even before 2008. Only in 2003 EU increased its attention to NK by funding NGOs which work with NK civil society and implement peace-building initiatives and deploying newly appointed EUSR Talvitie to NK twice (Popescu 2010). However, after that EU engagement with NK conflict was limited to supporting regional initiatives or initiatives implemented by other, not local NGOs. To reveal a possible motivation of such a differentiated approach the following hypothesis has been tested:

(H2): EU engagement in conflicts is more likely when there is an interest of conflicting parties to deeply cooperate with EU in the context of its declared values and norms.

The perception of EU by Armenia, Azerbaijan and Georgia, and Abkhazia, SO and NK are analyzed separately.

Analysis of positions of immediate addressees of EU engagement shows that in reality the perceptions of and expectations of parties to the conflicts vis-à-vis EU do not coincide with EU vision of priorities. For instance, Wittich and Maas (2009) argue that the immediate conflict parties have a far greater interest in rapid conflict resolution, in a way that least compromises their aims. Otherwise, leaders may lose their legitimacy in the eyes of their entities. [EU], aiming at facilitating confidence building, however, takes a more long-term approach, considering the process of trust-building a prerequisite for 'real' conflict resolution. This 'short-term' versus 'long-term' issue

generates different priorities, which could result in conflicting actions (Ibid). Finally, some actors may oppose even any cooperation aimed at peace-building: they may have an interest in continuing 'no war, no peace' situation, especially profiteers of the shadow, coping and war economies. Any attempt toward conflict transformation would threaten their interests and they may thus block progress in peace-building (Ibid). In light of this, assessment of perceptions can be decisive for the success of the engagement.

Position of Armenia, Azerbaijan and Georgia

EU addresses countries of the region in frame of ENP and EaP emphasizing promotion of democratic reforms, including in such fields as elections, ensuring rule of law and good governance, development of civil society and the economy. However, the states in question are rather interested in financial support provided by EU. According to recent evaluations '...the emphasis on approximation with EU trade regulations is relevant to Georgia, but less so to Armenia and Azerbaijan. Other platforms (for example, on democracy, good governance, and stability) also inspire uneven interest among the three partners' (Boonstra & Delcour 2015).

In addition, the role of EU in conflict resolution and foreign policy of the countries of South Caucasus is not decisive. The reaction of South Caucasus states towards acceptance and implementation of EU initiatives and proposals on security, conflict resolution and democratization issues have mainly ostentatious character. Currently the only country requested internationalization of conflicts is Georgia. In addition, Georgia is eager to implement EU rules and practices and has pro-European orientation. However, the situation differs in Armenia and Azerbaijan. As it was mentioned supra, Armenia joined EEU and stopped negotiations on AA with EU.

However, the Armenian authorities have sought to preserve links with EU (Boonstra and Delcour 2015). In March 2015 EU Commissioner for European Neighbourhood and Enlargement Negotiations, Johannes Hahn during his visit to Yerevan highlighted EU's commitment to continue engagement in areas where this was compatible with Armenia's future obligations under EEU (EC 2015a). In addition, he

stressed that Armenia could count on the continued EU support to advance political and social reforms (EC 2015a) and pointed to the importance of making best use of the significant EU assistance of 140-170 million EUR for the period of 2014-2017 (EEAS n.d.), focusing on private sector development, public administration reform and justice sector reform (EC 2015a).

This approach also fits into EU's vision of engagement, including prevention of creation of alliances with other actors. By continuing to engage Armenia EU aims to keep as much contacts and cooperation as possible in light of Armenia's membership to Russia's led EEU. Despite the fact that Armenia seems to be eager to improve relations with EU, it is heavily dependent on Russia in security, economic and political issues. In short, Armenia wants to be engaged by EU but has limited capacity.

As to Azerbaijan, currently it is the only country in the region, which despite poor record in the spheres of human rights and respect for the rule of law (Freedom House 2014), due to 'Oil and gas profits in its diplomatic relations with EU, can take an arrogant and threatening stand without fear of consequences' (The Observatory 2015). Azerbaijan prefers cooperation with EU only in spheres, which are convenient for the elite. In January 2014, in the World Economic Forum in Davos, President of Azerbaijan Ilham Aliyev stated that Azerbaijan was not going to sign AA with EU: 'Today there's no necessity for our country to choose between cooperation with EU and Customs Union... Some choices or alternatives were never in question for us. We cooperate with both Custom Union members and EU members'.

In recent years, official Baku feels very confident in its relations with EU. Brussel has already condemned the low level of democracy and human rights in Azerbaijan, but this has a very small impact. Thus, when in February of 2013 European Parliament adopted resolution calling on Azerbaijani authorities for immediate release of opposition figures Ilgar Mammadov and Tofiq Yaqublu (European Parliament 2013), and issued a statement criticizing the authorities, President Aliev responded that Azerbaijan did not have any obligation to the organization, it did not associate in and they had no right to make any observation: 'EU representatives "had no right to interfere in Azerbaijan's internal affairs' (Mamedov

2013). At the end of 2014, the Head of the Political and Social Affairs Department of the Azeri Presidential Administration, Ali Hasanov, publicly accused “the West” of developing biased analyses and pursuing a double standard policy towards Azerbaijan, and stated that his country did not fear “groundless” pressures or threats from some international organizations or countries (The Observatory 2015).

Indeed, despite some criticism on human rights record of the country (European Union 2013; European Council 2013), EU is overall hesitant to be tough against Azerbaijan, in the context of the Union’s energy security (Boonstra and Delcour 2015).

Therefore, from countries of the region only Georgia demonstrates strong commitment to pro-European orientation. Armenia despite its interest in association with EU so far is limited in its actions. Azerbaijan is not interested to accept EU rules and practices at least in the official rhetoric.

Moreover, EU has agreed to a potential role as a peacekeeper, once an agreement is reached in NK conflict, but has refrained from any attempt to take on a role as a mediator (Simão 2011). The positions of EU coincide with the positions of Armenia and Azerbaijan, which support the current mediation format (Hajiyev 2015).

Finally, analysis of the public opinion surveys on the level of trust towards EU in states of South Caucasus demonstrates that the level of negative perception toward EU increased since 2009. According to dataset, in 2009 after EU active engagement in Georgia the share of respondents who distrust EU was 9% v. 43% of the respondents trusting EU, the share in Armenia was 20% of those lacking trust v. 31% expressing trust, and in Azerbaijan it made 19% of those who distrust EU v. 31% having positive attitude. To compare, in 2013 in Georgia the share of respondents distrusting EU increased to 13% v. 33% having trust in EU, whereas the share of those distrusting EU in Armenia increased to 29% and in Azerbaijan it made 27% v. 28% and 24% of respondents stating trust in EU respectively in Armenia and Azerbaijan (CRRC 2009; 2013).

Thus, collating the mentioned factors and data with EU statements and level of engagement with the conflicts, it can be concluded that perception of EU in Armenia, Azerbaijan and Georgia has influenced EU conflict management and decision to

engage more actively in Georgian conflicts and not to engage in the conflict in and around NK. The attitude of the conflicting parties is of crucial importance when analyzing the success or failure of potential engagement. As it was demonstrated in case of SO, the EU was in a very comfortable position for a very moment after 2008 war, with necessary amount of trust from Russia and Georgia and no other alternative for the conflicting parties. All these circumstances are absent in the NK case. As a result, we have a situation when EU is not that eager to be involved in a situation where wrongful steps would threaten its economic, mainly energy, policies in Azerbaijan and its influence in Armenia without any real political gains. There is also reluctance on the part of the conflicting parties to apply for the EU's help due to the skeptical attitude to the potential added value of the EU involvement to the existing efforts.

Position of Abkhazia, South Ossetia and Nagorno-Karabakh

Since 2008 Abkhazians perceive EU as pro-Georgian and accuse it of not living up to its verbal commitments to become more engaged in Abkhazia and play the role of an impartial mediator (Fischer 2010b). According to the analytical report, prepared in 2012 by the Abkhazian NGO the Centre for Humanitarian Programmes in partnership with EU funded Conciliation Resources, practically all the respondents expressed a high degree of frustration with Europe's position vis-à-vis Abkhazia and the Georgian–Abkhaz conflict (Kvarchelia 2012, p. 5) believing that EU was not interested in Abkhazia considering the latter as Russia's satellite (Ibid). EU is also criticized for unconditional support to Georgia. Respondents defined EU's long-term ambition in the region as aimed to compete successfully with Russia, rather than strive for peace, stability and human rights (Ibid). According to the report, respondents assess NREP in the same context: as a tool in EU's rivalry with Russia and support to Georgia.

Analysis of the expert interviews conducted in the frames of this study also confirms such perception of EU among the population in Abkhazia. 'Unfortunately, the efficiency of EU policy is much lower than one would expect, given the political, economic and intellectual potential of European Union' (Akaba 2015). According to the other interviewee (2015), when EU appeared in South Caucasus, in the eyes of many people, and Abkhazians, in particular, the image of EU was quite positive.

However, as argued both interviewees the situation was changing for worse in terms of EU perception because of EU support to the position of Tbilisi on the Georgian-Abkhaz conflict. As the second important reason Akaba (2015) has mentioned the fact, that citizens of Abkhazia, who hold Russian passport, are often denied Schengen visa and this fact negatively affects people attitude towards EU.

As to SO, it has less pretence to being an independent state. It aims to join Russia (Popescu 2007). Therefore, SO also opposes itself to EU as it has opted to ally with Russia and thus considers EU as a rival. The respondent from SO interviewed for the purposes of this research stated that according to the most common narrative in SO in regard to EU and its role in conflict management the population blames EU and the West in not interfering, not protecting them against the military offensive of Georgia, instead providing continuous support to Georgia.

Analysis of the rhetoric of EU perception in Nagorno-Karabakh revealed that the lack of concrete results from the multilateral process over two decades has eroded faith in those institutions and lowered expectations of what can be achieved (Safeworld 2012). In addition, public opinion survey conducted by EU funded Conciliation resources demonstrated that the respondents believed that EU as a body with both economic resources, wide and relevant experience among its member states, and an interest in supporting political settlement, was well placed to make the case, in practical terms. EU has been an important donor supporting a number of conflict resolution and confidence building projects and could do more in a situation where a final political settlement between Armenia and Azerbaijan remains elusive (C-R 2012).

Quite similar position was expressed by the interviewees. According to Mayilyan (2015), 'seeing the example of EU engagement in the Abkhazian and SO conflicts and their perception of EU's role in conflict management, the population of NK is very suspicious about EU's and other international actors' efforts. Meanwhile respondents are optimistic with NREP projection in Nagorno-Karabakh, considering it a first step for establishment and development of relations between EU and NK (Ibid) or 'NREP will create a good opportunity to continue dialogue between the societies of the conflicting parties' (Baghdasaryan 2015).

The interviewed experts representing civil society organizations from the disputed entities stressed that information about EU, its activities and objectives is lacking. To improve the image of EU, there is a need to provide better awareness raising on EU and its activities, for instance, EU should have information centers in the unrecognized states.

Taking into account EU ongoing projects, particularly in Abkhazia, and mechanisms created to ensure engagement on the one hand and the fact that EU is perceived negatively and as disappointing player on the other hand, whereas there is no EU engagement in NK, where people's attitude in general is cautious toward any international actor but not negative to EU, the assumption on perception of EU in the unrecognized countries as a decisive factor in the context of EU engagement can be considered as disproved, especially in light of the fact that on international arena behind disputed entities other states are considered as parties of the conflict: Russia in Abkhazia and SO and Armenia in NK.

As to the main goals of the engagement in 2008, the analysis demonstrated that EU's efforts aimed at restoring the status quo and engaging the breakaway regions of Georgia as alternative to Russia's role, have not resulted in noticeable outcomes. More importantly, the perception of EU in Abkhazia and Ossetia has become rather negative and no trust to EU is in place. On the contrary, Russia's expansion grew and as a result limited EU in its actions more than it was before 2008 Russia-Georgia war. At the same time it should be kept in mind that EU's measures have long-term nature, therefore it remains to be seen whether significant results are achieved. In NK the image of EU today is low but at least not negative, mainly because of EU's neutral position on the conflict, in contrast to Abkhazia and SO, where EU is perceived as Georgia's protector, and this fact pushes them away from EU and more toward Russia.

Conclusions

For already twenty five years conflicts of South Caucasus region remain not settled, despite the engagement in settlement process of such international organizations, as OSCE, UN and EU. EU's engagement in South Caucasus conflicts with a different scale of activity has a history of over two decades. Analysis demonstrates that EU is rather working on conflict transformation than conflict settlement.

The thesis was aimed first to reveal the motivation of EU engagement with the conflicts of the region, answering the question why. In this context EU and its member states' interests towards South Caucasus were analyzed, revealing that the priority in South Caucasus for EU as an entity is its security and satisfaction of its energy needs, guaranteed by stable and prosperous neighbourhood, whereas EU member states also pursue their own national interests. Level of EU engagement ranging from passive observation to active mediation and deal-breaking is conditioned by EU member states' positions rather than its own agenda as an entity. National interests of EU member states are important not only because of the bilateral relationship with the states of South Caucasus, but also because of the effects South Caucasus policies would have for the relationships with Russia, which plays a crucial role in the region. The latter factor seriously affects EU's willingness to engage and the scale of such engagement.

Secondly, the way EU is engaged in conflict settlement process was discussed to answer the question how. Particularly, mechanisms and tools used by EU in relation to the conflicts of South Caucasus were discussed. Analysis was conducted through the prism of conflict transformation theory, arguing that conflicts are transformed gradually, through a series of smaller or larger changes aimed rather to deep changes in societies than to conflict settlement (Miall 2004). More precisely, analysis of mechanisms used by EU revealed that the Union provides, for instance, financial aid not only in the form of direct budget support for reforms in the metropolitan states but also funds civil society projects aimed to confidence-building and deepening contacts between communities, different target groups from conflict affected areas from both sides, etc. Analysis of the tools shows that despite the fact that South Caucasus is

treated as one region, EU demonstrates differentiated approach to the conflicts in the region. EU exercises non-recognition and engagement policy towards conflicts in and around Abkhazia and SO, whereas this approach is not extended to the conflict in NK.

The main aim of the thesis was to reveal the main conditions (external and internal), determining EU's differentiated engagement in Abkhazian and SO conflicts vs. NK conflict. To answer the question two hypotheses were elaborated. Analysis of literature, official statements of EU representatives, logic of introduction of conflict settlement mechanisms revealed the decisive factor of Russia in EU policy formation. Particularly, in EU joint papers and EU officials' rhetoric Russia is mentioned as an actor, which should be taken into consideration when taking steps in South Caucasus. Analysis demonstrates that EU's deepen engagement with Abkhazia and SO, especially after the 2008 war, aimed to restrict their dependence on Russia and assist pro-European Georgia to resist Russia's influence.

EU has CSDP missions in every conflict it was engaged. Nevertheless, EU never, at least, publicly, discussed a possibility of sending such a mission to South Caucasus before the 2008 war. EU's reluctance to be engaged in conflicts is explained by EU's internal division that is the interests of member states linked to Russia. In this regard, there are two groups with opposite interests. Some member states, such as Germany, France, and Italy are rather inclined not to worsen the relations with Russia for a number of reasons, where energy dependency is one of the main factors. The others, not Russia-friendly group comprises the states of former Eastern Communism block, i.e. Poland and Baltic States. They have their own agenda and hostile attitudes to Russia because of the history and lesser dependence on Russia's resources and politics. Therefore, they are pushing forward any initiatives aimed to restrict Russia's influence and to decrease Russia's control and influence in any state possible. It was upon the initiative of the second group that a number of actions engaging the former USSR states were initiated, including EaP, etc. It is argued in the thesis that EU's more active role in the conflicts in and around Abkhazia and SO versus less active role in relation to Nagorno-Karabakh conflict is conditioned by the pressure of the member states belonging to the second group.

Apart from that, the time ordered analysis of EU approach and policy towards the conflicts of South Caucasus demonstrates that prior to 2008, when Russia military intervened on behalf of SO after Georgian army attacked Ossetia's capital, Tskhinvali, EU was more focused on so called constructive engagement which was aimed at achieving varying degrees of economic, social, institutional, and legal cooperation of the states of South Caucasus with EU. Prior to that, some EU member states prevented the Union as an entity from having a more active and explicit role in order not to disturb Russia. It is argued in the thesis that the main objectives of EU engagement is to avoid armed conflict, keep/restore status quo and serves as an alternative to other extra-regional actors engagement (mainly to Russia, supporting the unrecognized states). In light of these objectives the analysis proved that the change of the status quo in Abkhazia and SO following an armed conflict between Russian and Georgia in 2008 provoked more active EU engagement to counter-balance Russia in regard to these two conflicts while remaining idle in the third conflict in South Caucasus in Nagorno-Karabakh. The latter fact is explained by the fact that keeping status quo and lack of need to counter-balance any other international actor in the NK at the moment.

Taking into account the abovementioned, it is concluded that whereas Russia's factor is key from the perspective of EU's willingness to engage in a conflict, it serves both as a deterrent and a trigger, depending on the situation. While in most case it prevent the EU from more active engagement in the zones of Russian influence, when Russia intervenes in a conflict and becomes a party thus violating the existing status quo EU's engagement becomes more active and direct.

Second decisive factor of EU policy formation towards South Caucasus conflicts is EU's perception by conflicting parties. There is lack of awareness and information on EU, its principles and objectives in non-recognized states. It was argued that in non-recognized states EU is not perceived as a friendly actor. In Abkhazia and SO it is perceived as a defender of Georgia's territorial integrity and pro-Georgian actor, therefore an actor lacking objectivity. This is ruining the entire concept of mediation and harms the image of EU as a mediator of the conflict thus making the efforts inefficient. Such perception pushes the breakaway regions closer to Russia as the only defender of their interests as opposed to EU and U.S., friends of Georgia.

Analysis demonstrated that this fact has not affected the decision of EU to engage with the conflict as there was a strong consent of Georgia.

After Rose revolution in 2003 Georgia adopted strong pro-European position and did everything to ensure EU's more active involvement in the conflicts. In its turn, Georgia has cooperated and continues to do so with EUMM; it developed short-term and long-term APs aimed at adopting reforms in accordance with European principles and receives regular funding for implementation of these APs. As part of this cooperation, EU insisted on introducing relevant amendments to Georgia's legislation in relation to interaction with occupied territories and waiving criminal responsibility for visits there. All legislative amendments were aimed at engaging the population of Abkhazia and SO as opposed to deepening hostility and misunderstanding fueled by propaganda in media.

Unlike Georgia, Armenia and Azerbaijan do not perceive EU as a decisive actor in NK conflict settlement and consequently do not claim a counterbalance to the Russian influence in this issue. Armenia showed interest in deepening cooperation with EU, including in the area of reforms and trade. Despite change of the orientation from readiness to sign free trade and AA with EU to membership in the Russia-led EEU, Armenia continues to receive direct budget support from EU aimed at promoting democratic reforms in the country and is interested in continuation of cooperation. At the same time, Armenia is not willing to give EU more active role in the process of mediation and conflict settlement over NK conflict. Despite increasing criticism of the progress in negotiations, Armenia continues to insist that it is not willing to reconsider mediating parties involved, i.e. the format of the OSCE MG, including in favor of EU. This is also conditioned on the fact that EU does not have a single position on the conflict settlement: stating respect to territorial integrity in negotiations with Azerbaijan and referring to self-determination when working with Armenia.

Society of NK seems to be very cautious to EU's possible engagement, fearing that it would be in accordance with member states interest which would be rather against the position taken by the Armenians in light of business interests of some of them in Azerbaijan, including UK and France. EU's overall passive role in NK conflict

does not contribute to confidence building and does not allow to promote the ideas on which EU is grounded to show the benefits of EU's more active engagement.

Azerbaijan took a stance demonstrating that it could not be influenced by EU as an actor in relation to negotiation, no effective carrot and sticks policy has been applied on part of EU to Azerbaijan despite criticism of country's human rights record.

It was also concluded that while EU has some tools of putting pressure on Armenia it is not interested in changing the status quo for a number of reasons. First, EU is not ready to offer any solutions to the conflict and is rather working towards conflict transformation. Secondly, EU and its member states which invested in business projects in Azerbaijan, such as gas and oil supply pipelines do not want to take a risk of damaging the pipelines during possible hostilities as in some parts the pipelines go close to the line of contact. Fragile cease fire is better than armed conflicts, being the least of the evil in this situation for them.

Overall, it was concluded that while the perception of EU and its leverage on the metropolitan states play crucial role in prompting EU engagement, the attitude of the disputed entities is not decisive at all. EU is engaged with the conflicts in Abkhazia and SO despite the fact that it is perceived as biased and hostile whereas EU is not engaged in NK conflict despite of moderate and rather positive perception of EU there.

EU's differentiated engagement was determined also by other complimentary factors, such as EU's strong commitment to the principle of territorial integrity in relation to Georgia's conflicts versus more or less neutral position in the issue of NK status. Analysis showed that internal divides of member states, their different interests in relation to the conflicting parties played important role in determining differentiated approach towards the conflicts in the region. External players and relationships with them also play important role and influence EU's policies in the region. Overall analysis of EU's policies and activities in the region demonstrated that EU in its actions is rather reactive than proactive opting for the role of payer rather than player. For instance, NREP was launched only when Russia recognized independence of Abkhazia and SO, EUMM was sent only after 2008 war, etc.

It is suggested that EU should take more active role in the conflicts of South Caucasus. Recent Ukrainian example shows that situations may evolve rapidly from peace to active hostilities. Unfortunately, practice shows that EU as an entity is not ready to react adequately to armed conflicts, to work on prevention of armed conflicts or ensuring stable cease-fire. Given that there is already one active conflict going on at the borders of EU in Ukraine, being idle and reactive to existing risks of de-frozing of other conflicts in EU neighborhood, including in South Caucasus would lead to minimization of EU's role as a mediator and promoter of peace.

Bibliography

Books

Babayan, N. (2014). *'Democratic Transformation and Obstruction: EU, US and Russia in the South Caucasus'*, Routledge, London and New York

Cha, V. and Kang, D. (2003). *'Nuclear North Korea: A Debate on Engagement Strategies'*, Columbia University Press

Cornell, S. (2005). *'Small Nations and Great Powers: A Study of ethnopolitical conflict in the Caucasus'*, Routledge, UK

Kupchan, A.Ch. (2010). *'How Enemies Become Friends: The Sources of Stable Peace'*, Princeton: Princeton University Press, Princeton

Popescu, N. (2010). *'EU Foreign Policy and Post-Soviet Conflicts: Stealth Intervention'*, Routledge, New York

Reissner, J. (2000). *'Europe and Iran: Critical Dialogue'*, in R.N. Haass and M.L. O'Sullivan (ed.) *'Honey and Vinegar: Incentives, Sanctions, and Foreign Policy'*, Brookings Institution Press

Richard N. Haass (Editor), Maghan L. O'Sullivan (Editor) (2000). *'Honey and Vinegar: Incentives, Sanctions, and Foreign Policy'*, Brookings Institution Press

Schweller I.R. (2005). *'Managing the Rise of Great Powers'*, in A.I. Johnston and R.S. Ross (ed.) *Engaging China: The Management of an Emerging Power*, Routledge, New York

Sigal, V.L. (2000). *'The United States and North Korea: Cooperative Security in the Agreed Framework and Beyond'*, in R.N. Haass and M.L. O'Sullivan (ed.) *'Honey and Vinegar: Incentives, Sanctions, and Foreign Policy'*, Brookings Institution Press

Suettinger, R.L. (2000). *'The United States and China: Tough Engagement'*, in R.N. Haass and M.L. O'Sullivan (ed.) *'Honey and Vinegar: Incentives, Sanctions, and Foreign Policy'*, Brookings Institution Press

Tocci, N. (2007). *'The EU and Conflict Resolution: Promoting Peace in the Backyard'*, Routledge, London; New York

Yin, K.R. (2013). *'Case Study research: Design and methods'*, Fourth Edition, Applied Social Research Methods Series, vol.5, United States of America

Articles

Anastasakis, O. and Dimitar Bechev, B. (2003). *'EU Conditionality in South East Europe: Bringing Commitment to the Process'*, South European Studies Programme, European Studies Centre, University of Oxford, pp.1-20

Asatryan, S.G. (2002). *'Armenia and Security Issues in the South Caucasus'*, the Quarterly Journal, no. 3, pp.21-30

Babayan, N. (2012). *'Fear or Love Thy Neighbour?'*, The EU Framework for Promoting Regional Cooperation in the South Caucasus', Journal of Contemporary European Research. Vol. 8, issue 1, pp. 40-56

Bardakçi, M. (2010). *'EU Engagement in Conflict Resolution in Georgia: Towards a More Proactive Role'*, Caucasian Review of International Affairs vol.3, no.4, pp.214-236

Blank, J.S. (2008). *'Georgia: The War Russia Lost'*, Military Review, vol. 88, issue 6, pp.39-46

Boonstra, J. and Delcour, L. (2015). *'A broken region: evaluating EU policies in South Caucasus'*, Policy Brief, FRIDE a European Think Tank for Global Action. Available at

<http://fride.org/download/PB193_Evaluating_EU_policies_in_the_South_Caucasus.pdf> [Accessed 12 May 2015]

Boonstra, J. and Melvin, N. (2011). *'Challenging the South Caucasus security deficit'*, working paper N 108, a European Think Tank for Global Actions FRIDE

Braud, P. And Grevi, G. (2005). *'The EU mission in Aceh: implementing peace'*, Occasional paper no.61, The European Union Institute for Security Studies

Caspersen, N. and Herrberg, A. (2010). *'Engaging Unrecognised States in Conflict Resolution: An Opportunity or Challenge for the EU?'*, Crisis Management Initiative. Available at <<http://www.initiativeforpeacebuilding.eu/pdf/1012CMI.pdf>> [Accessed 12 May 2015]

Diez, T. and Pace, M. (2007). *'Normative Power Europe and Conflict Transformation'*, Paper for Presentation at the 2007 EUSA Conference, Montreal

Eissler, E.R. (2013). *'Can Turkey De-isolate Abkhazia?'*, Turkish Policy Quarterly, vol.12, no.3. Available at <http://turkishpolicy.com/pdf/vol_12-no_3-eissler.pdf> [Accessed 12 May 2015]

Falkner G. and Treib O. (2008). *'Three worlds of compliance or four? The EU-15 compared to new member states'*, Journal of Common Market Studies, vol. 46, no. 2, pp. 293-313. Available at <<http://www.cesruc.org/uploads/soft/130311/1-130311152042.pdf>> [Accessed 12 May 2015]

Fischer, S. (2010a). *'The EU's non-recognition and engagement policy towards Abkhazia and South Ossetia'*, Seminar co-hosted by the EUSR for the South Caucasus and the EU Institute for Security Studies. Available at <http://www.iss.europa.eu/uploads/media/NREP_report.pdf> [Accessed 12 May 2015]

Fischer, S. (2010b). *'How to Engage with Abkhazia?'*, European Union Institute for Security Studies

Flyvbjerg, G (2006). *'Five Misunderstandings About Case-Study Research'*, Qualitative Inquiry, vol. 12, no. 2, pp. 219-245

Foreign and Commonwealth Office (2014). *'Armenian Diaspora – its role and influence'*, a Foreign Office research analyst paper. Available at <<https://www.gov.uk/government/publications/armenias-diaspora-its-role-and-influence>> [Accessed 12 May 2015]

- Frenz, A. (2006). *'The European Commission's Tacis programme 1991-2006 – A success story'*, EU Neighbourhood Info Centre. Available at <http://www.enpi-info.eu/maineast.php?id=91&id_type=9> [Accessed 12 May 2015]
- Gaertner, H. (2014). *'North Korea, deterrence, and engagement'*, Defense and Security Analysis, vol.30, issue 4, pp. 336-345
- Gavarli, O. (2014). *'Azerbaijan seeks warmer ties with Iran'*, Eurasia Daily Monitor, vol.11, issue 216. Available at <http://www.jamestown.org/programs/edm/single/?tx_ttnews%5Btt_news%5D=43152&cHash=6b921a9e465289b9f0741d7b66537537#.VVSkxvmqqko> [Accessed 12 May 2015]
- German, T. (2007). *'Visibly Invisible: EU Engagement in Conflict Resolution in the South Caucasus'*, European Security, vol. 16, no. 3-4, pp. 357-374
- Ghazaryan, S. (2010). *'Europe's options in Nagorno-Karabakh'*, an analysis of views of the European Parliament, European Friends of Armenia
- Gresh G. (2006). *'Coddling the Caucasus: Iran's Strategic Relationship with Azerbaijan and Armenia'*, Caucasian Review of International Affairs, vol.1, no.1
- Grono, F.M. (2010). *'Georgia's Conflicts: What Role for the EU as Mediator?'*, International Alert. Available at <http://www.initiativeforpeacebuilding.eu/pdf/Georgia_March2010.pdf> [Accessed 12 May 2015]
- Halbach, U. (2011). *'The European Union in the South Caucasus: Story of a hesitant approximation'*, in G. Erlor (ed.), *'South Caucasus – 20 Years of Independence'*, Friedrich-Ebert-Stiftung, pp. 300-315
- Hartmann, F. et al (2009). *'The ICTY and EU conditionality'* in J.Batt and J.Obradovic-Wochnik (ed.) *'War crimes, conditionality and EU integration in the Western Balkans'*, Chaillot Paper n 116, pp. 67-82. Available at <<http://www.iss.europa.eu/uploads/media/cp116.pdf>> [Accessed 12 May 2015]

ICG: International Crisis Group (2004a). *'Saakashvili's Ajara Success: Repeatable Elsewhere in Georgia?'*, Europe Briefing n. 34. Available at <http://www.crisisgroup.org/~media/Files/europe/040818_saakashvili_ajara_success_repeatable_elsewhere_in_georgia> [Accessed 12 May 2015]

ICG: International Crisis Group (2004b). *'Georgia: Avoiding War in South Caucasus'*, Europe Report no 159. Available at <http://www.crisisgroup.org/~media/Files/europe/159_georgia_avoiding_war_in_south_ossetia.pdf> [Accessed 12 May 2015]

ICG: International Crisis Group (2006a). *'Nagorno-Karabakh: Viewing the conflict from the ground'*, Europe Report N°166. Available at <http://www.crisisgroup.org/~media/Files/europe/166_nagorno_karabakh_viewing_the_conflict_from_the_ground.pdf> [Accessed 12 May 2015]

ICG: International Crisis Group (2006b). *'Conflict Resolution in the South Caucasus The EU's role'*, Europe Report N°173. Available at <http://www.crisisgroup.org/~media/Files/europe/173_conflict_resolution_south_caucasus.pdf> [Accessed 12 May 2015]

ICG: International Crisis Group (2007a). *'Georgia's South Ossetia Conflict: Make Haste Slowly'*, Europe Report N°183. Available at <http://www.crisisgroup.org/~media/Files/europe/183_georgia_s_south_ossetia_conflict_make_haste_slowly> [Accessed 12 May 2015]

ICG: International Crisis Group (2007b). *'Abkhazia: Ways Forward'*, Europe Report N°179. Available at <http://www.crisisgroup.org/~media/Files/europe/179_abkhazia_ways_forward.pdf> [Accessed 12 May 2015]

ICG: International Crisis Group (2008). *'Russia vs Georgia: the Fallout'*, Europe Report N°195. Available at <http://www.crisisgroup.org/~media/Files/europe/195_russia_vs_georgia_the_fallout> [Accessed 12 May 2015]

ICG: International Crisis Group (2010). *'Abkhazia: Deepening Dependence'*, Europe Report N°202. Available at http://www.crisisgroup.org/~media/Files/europe/202_abkhazia___deepening_dependence.pdf [Accessed 12 May 2015]

Johansson-Nogues, E. (2007). *'The (Non-)Normative Power EU and the European Neighbourhood Policy: An Exceptional Policy for an Exceptional Actor?'*, European Political Economy Review, no. 7, pp. 181-194

Jovic, D. et al (2009). *'Croatia after Tudjman: the ICTY and issues of transitional justice'* in J.Batt and J.Obradovic-Wochnik (ed.) *'War crimes, conditionality and EU integration in the Western Balkans'*, Chaillot Paper n 116, pp. 13-27. Available at <http://www.iss.europa.eu/uploads/media/cp116.pdf> [Accessed 12 May 2015]

Kahler, M. and Kastner, S.L. (2006). *'Strategic Uses of Economic Interdependence: Engagement Policies on the Korean Peninsula and Across the Taiwan Strait'*, Journal of Peace Research, vol. 43, no. 5, pp. 523-541

Kamov, G. (2006). *'EU's role in conflict resolution: the case of the Eastern enlargement and neighbourhood policy areas'*, Institut Européen des Hautes Etudes Internationales

Kapanadze, S. (2014). *'Georgia's vulnerability to Russian pressure points'*, European Council on Foreign Relations. Available at http://www.ecfr.eu/page/-/ECFR106_GEORGIA_MEMO_AW.pdf [Accessed 12 May 2015]

Krotov, I. (2012). *'Customs Union between the Republic of Belarus, the Republic of Kazakhstan and the Russian Federation within the framework of the Eurasian Economic Community'*, World Customs Journal, vol. 5, no.2. Available at <http://www.worldcustomsjournal.org/media/wcj/-2011/2/Krotov.pdf> [Accessed 12 May 2015]

Łapczyński, M. (2009), *'The European Union's Eastern Partnership: Chances and Perspectives'*, Caucasian Review of International Affairs, vol.3, no. 2, pp. 143-155

- Leonard, M. and Popescu, N. (2007). *'A Power Audit of EU-Russia Relations'*, Policy Paper, the European Council on Foreign Relations. Available at <http://www.ecfr.eu/page/-/ECFR-02_A_POWER_AUDIT_OF_EU-RUSSIA_RELATIONS.pdf> [Accessed 12 May 2013]
- Lynch, D. (2003). *'A regional insecurity dynamic'*, in D. Lynch (ed.) *'The South Caucasus: a challenge for the EU'*, Chaillot Paper, no 65, European Union Institute for Security Studies, pp. 10-21. Available at <<http://www.iss.europa.eu/uploads/media/cp065e.pdf>> [Accessed 12 May 2015]
- Lynch, D. (2006). *'Why Georgia matters'*, Chaillot Paper, no.86, European Union Institute for Security Studies. Available at <<https://infoeuropa.euroid.pt/files/database/000036001-000037000/000036733.pdf>> [Accessed 12 May 2015]
- Lynch, M. (2002). *'Why Engage? China and the Logic of Communicative Engagement'*, European Journal of International Relations vol. 8, no.2, pp. 187-230
- McFaul, M. (2001). *'Realistic Engagement: A new Approach to American-Russian Relations'*, Current History, vol. 100, no. 648, pp. 313-322
- MediatEU: European Forum for International Mediation and Dialogue (2012). *'Debriefing EU Mediators: Summary and key lessons from a debriefing with former EUSR for the South Caucasus, Peter Semneby'*. Available at <<http://www.themediateur.eu/resources/publications/item/193-debriefing-eu-mediators-semneby>> [Accessed 12 May 2015]
- Mehdiyeva, N. (2003). *'Azerbaijan and its foreign policy dilemma'*, Asian Affairs, vol. 34, no.3
- Mitchell, A.L. (2006). *'Democracy in Georgia Since the Rose Revolution'*; East European Democratization, vol.50, issue 4; pp. 669–676
- Nichol, J. (2013). *'Georgia [Republic]: Recent Developments and U.S. Interests'*, Congressional Research Service. Available at <<https://www.fas.org/sgp/crs/row/97-727.pdf>> [Accessed 12 May 2015]

- Paul, A. (2010). *'Nagorno-Karabakh – A ticking time bomb'*, European Policy Centre. Available at <http://www.epc.eu/documents/uploads/pub_1148_nagorno-karabakh.pdf> [Accessed 12 May 2015]
- Pippan, C. (2004). *'The Rocky Road to Europe: The EU's Stabilisation and Association Process for the Western Balkans and the Principle of Conditionality'*, European Foreign Affairs Review, issue 2, pp. 219–245
- Popescu, N. (2007). *'Europe's Unrecognized Neighbours, The EU in Abkhazia and South Ossetia'*, Centre for European Policy Studies
- Popescu, N. (2010). *'The EU and Civil Society in the Georgian-Abkhaz Conflict'*, MICROCON Policy Working Paper 15. Available at <http://www.microconflict.eu/publications/PWP15_NP.pdf> [Accessed 12 May 2015]
- Ryabov, A. (2011). *'Russian interests and strategies in the South Caucasus'*, in G.Erler (ed.), *'South Caucasus – 20 Years of Independence'*, Friedrich-Ebert-Stiftung, pp. 259-279
- Schimmelfennig, F. and Sedelmeier, U. (2004). *'Governance by Conditionality: EU Rule Transfer to the Candidate Countries of Central and Eastern Europe'*. Journal of European Public Policy, vol.11, no.4 pp.669-687
- Siddi, M. (2012). *'Engaging external actors: the EU in the geopolitics of the Nagorno-Karabakh conflict'*, IEP (Institut für Europäische Politik) Policy Briefs on Enlargement and Neighbourhood, no.7. Available at <http://iep-berlin.de/wp-content/uploads/2014/08/SIDDI_Engaging_external_actors_Sep2012.pdf> [Accessed 12 May 2015]
- Simão, L. (2010). *'Engaging Civil Society in the Nagorno Karabakh Conflict: What Role for the EU and its Neighbourhood Policy?'*, MICROCON Policy Working Paper 11. Available at <http://www.microconflict.eu/publications/PWP11_LS.pdf> [Accessed 12 May 2015]
- Simão, L. (2011). *'EU-South Caucasus Relations: Do Good Governance and Security Go Together?'*, Political Perspectives vol.5, no.2, pp 33-57

Simão, L. and Freire, M.R. (2008). *'The EU's neighbourhood Policy and the South Caucasus: Unfolding New Patterns of Cooperation'*, *Caucasian Review of International Affairs*, vol.2, no. 4, pp. 225-239

Smith, K. (2005). *'Engagement and conditionality: incompatible or mutually reinforcing?'*, in R.Youngs (ed.), *'New Terms of Engagement'*, The Foreign Policy Centre and The British Council Brussels, pp. 23-29

Söderlund, P. (2006). *'The Dynamics of Federalism in Russia'*; ÅBO Akademi University Press. Available at <<http://www.ut.ee/ABVKeskus/sisu/publikatsioonid/2006/pdf/SoderlundPhD.pdf>> [Accessed 12 May 2015]

Taylor, N. (2007). *'China as a Status Quo or Revisionist Power? Implications for Australia'*, *Security Challenges*, vol. 3, no. 1. Available at <<http://www.securitychallenges.org.au/ArticlePDFs/vol3no1Taylor.pdf>> [Accessed 12 May 2015]

Tocci, N. (2010). *'The European Union, Civil Society and Conflict Transformation'*. MICROCON Policy Working Paper 1. Available at <http://www.microconflict.eu/publications/PWP1_NT.pdf> [Accessed 12 May 2015]

Tocci, N. (2011). *'The EU in Conflict Resolution'*, Specialist Group on Ethnopolitics', in S.Wolff and Ch. Yakinthou (ed.) *Conflict Resolution: Theories and Practice*, Ethnopolitics. Available at <<http://www.ethnopolitics.org/isa/Tocci.pdf>> [Accessed 12 May 2015]

Whitman, R.G. and Wolff, S. (2010). *'The EU as a conflict manager? The case of Georgia and its implications'*, *International Affairs*, vol. 86, issue 1, pp. 87-107

Wittich, A. and Maas A. (2009). *'Regional Cooperation in the South Caucasus: Lessons for Peacebuilding, from Economy and Environment'*, *International Alert*. Available at <http://www.initiativeforpeacebuilding.eu/pdf/Regional_Cooperation_in_the_South_Caucasus.pdf> [Accessed 12 May 2015]

Wolff, S. (2007). *The European Union and the Conflict over the Nagorno-Karabakh Territory*, Report prepared for the Committee on Member States' Obligations Parliamentary Assembly of the Council of Europe, Centre for International Crisis Management and Conflict Resolution University of Nottingham

Yunusov, A (2011). *Twenty years of independence in Azerbaijan*, in G.Erler (ed.), 'South Caucasus – 20 Years of Independence', Friedrich-Ebert-Stiftung, pp. 60-75

Official Documents

EU

EC: European Commission (2001). *Communication from the Commission on Conflict Prevention*, COM(2001) 211 final. Available at <http://eeas.europa.eu/cfsp/crisis_management/docs/com2001_211_en.pdf> [Accessed 12 May 2015]

EC: European Commission (2004). *European Neighbourhood Policy*, COM(2004) 373 final. Available at <<http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52004DC0373&from=EN>> [Accessed 12 May 2015]

EC: European Commission (2006a). *EU/Armenia Action Plan*. Available at <http://eeas.europa.eu/enp/pdf/pdf/action_plans/armenia_enp_ap_final_en.pdf> [Accessed 12 May 2015]

EC: European Commission (2006b). *EU/Azerbaijan Action Plan*. Available at <http://eeas.europa.eu/enp/pdf/pdf/action_plans/azerbaijan_enp_ap_final_en.pdf> [Accessed 12 May 2015]

EC: European Commission (2006c). *EU/Georgia Action Plan*. Available at <http://eeas.europa.eu/enp/pdf/pdf/action_plans/georgia_enp_ap_final_en.pdf> [Accessed 12 May 2015]

EC: European Commission (2012). *'The European Union continues to support civil society peace building efforts over Nagorno-Karabakh'*, Press Release. Available at <http://europa.eu/rapid/press-release_IP-12-1175_en.htm> [Accessed 12 May 2015]

EC: European Commission (2013a). *'Joint Staff working document: Implementation of the European Neighbourhood Policy in Armenia Progress in 2012 and recommendations for action'*, SWD(2013) 79 final. Available at <http://eeas.europa.eu/enp/pdf/docs/2013_enp_pack/2013_progress_report_armenia_en.pdf> [Accessed 12 May 2015]

EC: European Commission (2013b). *'Joint Staff working document: Implementation of the European Neighbourhood Policy in Azerbaijan Progress in 2012 and recommendations for action'*, SWD(2013) 88 final. Available at <http://eeas.europa.eu/enp/pdf/docs/2013_enp_pack/2013_progress_report_azerbaijan_en.pdf> [Accessed 12 May 2015]

EC: European Commission (2013d). *'Joint Staff working document: Implementation of the European Neighbourhood Policy in 2012 Regional Report: Eastern Partnership'*, SWD(2013) 85 final. Available at <http://eeas.europa.eu/enp/pdf/docs/2013_enp_pack/2013_eastern_pship_regional_report_en.pdf> [Accessed 12 May 2015]

EC: European Commission (2014d). *'Joint Staff Working Document: Implementation of the European Neighbourhood Policy in 2013 Regional report: Eastern Partnership'*, SWD(2014) 99 final. Available at <http://eeas.europa.eu/enp/pdf/2014/regional/eastern_partnership_report.pdf> [Accessed 12 May 2015]

EC: European Commission (2015a). *'Joint Staff working document: Implementation of the European Neighbourhood Policy in Armenia. Progress in 2014 and recommendations for actions'*, SWD(2015) 66 final. Available at <http://eeas.europa.eu/enp/pdf/2015/azerbaijan-enp-report-2015_en.pdf> [Accessed 12 May 2015]

EC: European Commission (2015b). *Joint Staff working document: Implementation of the European Neighbourhood Policy in Azerbaijan. Progress in 2014 and recommendations for actions*, SWD(2015) 66 final. Available at <http://eeas.europa.eu/enp/pdf/2015/azerbaijan-enp-report-2015_en.pdf> [Accessed 12 May 2015]

EC: European Commission (2015c). *Joint Staff working document: Implementation of the European Neighbourhood Policy in Georgia. Progress in 2014 and recommendations for actions*, SWD(2015) 66 final, 25.3.2015. Available at <http://eeas.europa.eu/enp/pdf/2015/georgia-enp-report-2015_en.pdf> [Accessed 12 May 2015]

EC: European Commission (2015d). *Joint Staff working document: Implementation of the European Neighbourhood Policy Eastern Partnership Implementation Report*, SWD(2015) 76 final, 25.3.2015, Brussels. Available at <http://eeas.europa.eu/enp/pdf/2015/enp-regional-report-eastern_partnership_en.pdf > [Accessed 12 May 2015]

European Communities (1996b). *Partnership and cooperation agreement between the European Communities and their member states, of the one part, and the Republic of Azerbaijan, of the other part*, Volume 2104, I-36574. Available at <http://eeas.europa.eu/delegations/azerbaijan/documents/eu_azerbaijan/eu-az_pca_full_text.pdf> [Accessed 12 May 2015]

European Communities (1996c). *Partnership and cooperation agreement between the European Communities and their member states, of the one part, and the Republic of Georgia, of the other part*, Official Journal of the European Communities. Available at <<http://ec.europa.eu/world/agreements/downloadFile.do?fullText=yes&treatyTransId=632> > [Accessed 12 May 2015]

European Court of Audit (2010). *Is the new European Neighbourhood and Partnership Instrument successfully launched and achieving results in the Southern Caucasus (Armenia, Azerbaijan and Georgia)?*, Special Report No 13. Available at <<http://www.euenprelabeledjobs.eu/images/Court%20of%20Auditors%20report%20on%20ENP%20-%20South%20Caucasus.PDF>> [Accessed 12 May 2015]

European Council (2003a). *'A Secure Europe in a Better World', the European Security Strategy*. Available at <<https://www.consilium.europa.eu/uedocs/cmsUpload/78367.pdf>> [Accessed 12 May 2015]

European Council (2003b). *'Council Joint Action 2003/496/CFSP of 7 July 2003 concerning the appointment of an EU Special Representative for the South Caucasus'*, Official Journal of the European Union. Available at <<http://www.consilium.europa.eu/uedocs/cmsUpload/L169-8.7.2003.pdf>> [Accessed 12 May 2015]

European Council (2006). *'Council Joint Action 2006/121/CFSP of 20 February 2006 appointing the European Union Special Representative for the South Caucasus'*, Official Journal of the European Union. Available at <https://www.consilium.europa.eu/uedocs/cmsUpload/l_04920060221en00140016.pdf> [Accessed 12 May 2015]

European Council (2008a). *'Council Joint Action 2008/760/CFSP of 25 September 2008 appointing the European Union Special Representative for the crisis in Georgia'*, Official Journal of the European Union. Available at <<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2008:259:0016:0018:EN:PDF>> [Accessed 12 May 2015]

European Council (2008b). *'Council Joint Action 2008/736/CFSP of 15 September 2008 on the European Union Monitoring Mission in Georgia, EUMM Georgia'*, Official Journal of the European Union. Available at <<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2008:248:0026:0031:EN:PDF>> [Accessed 12 May 2015]

European Council (2009). *'Joint Declaration of the Prague Eastern Partnership Summit Prague'*. Available at <http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/er/107589.pdf> [Accessed 12 May 2015]

European Council (2012). *'Council conclusions on the South Caucasus'*, EUCO 146/13. Available at

<http://eeas.europa.eu/delegations/azerbaijan/documents/press_releases/2012_02_27_council_conclusions_on_the_south_caucasus.pdf> [Accessed 12 May 2015]

European Council (2013). *'Joint Declaration of the Eastern Partnership Summit, Vilnius, 28-29 November 2013 Eastern Partnership: the way ahead'*. Available at

<http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/EN/foraff/139765.pdf> [Accessed 11 May 2015]

European Parliament (2011). *'On the revision of European Partnership Program - East direction'*, Resolution of 7 April 2011. Available at

<<http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P7-TA-2011-0153+0+DOC+XML+V0//EN>> [Accessed 12 May 2015]

European Parliament (2013). *'European Parliament Resolution on Azerbaijan: the case of Illgar Mamaddov (2013/2668(RSP))'*. Available at

<<http://www.europarl.europa.eu/sides/getDoc.do?type=MOTION&reference=B7-2013-0293&language=EN>> [Accessed 12 May 2015]

European Parliament (2015). *'P8_TA-PROV(2015)0094 Armenian genocide 100th anniversary: European Parliament resolution of 15 April 2015 on the centenary of the Armenian Genocide (2015/2590(RSP))'*. Available at

<<http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+TA+20150415+SIT+DOC+PDF+V0//EN&language=EN>>

[Accessed 12 May 2015]

EU Presidency (2004). *'Declaration by the Presidency on behalf of the European Union on the situation in South Ossetia'*. Available at

<http://eeas.europa.eu/delegations/georgia/press_corner/all_news/news/2004/20040820_01_en.htm> [Accessed 12 May 2015]

EU: European Union (2013). *'Joint Statement by the spokespersons of EU High Representative Catherine Ashton and Commissioner Štefan Füle, on recent events in Azerbaijan'*. Available at

<http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/EN/foraff/135385.pdf> [Accessed 12 May 2015]

Other

COE: Council of Europe (n.d.). *'Our Member States'*. Available at <<http://www.coe.int/en/web/about-us/our-member-states>> [Accessed 12 May 2015]

Delegation of EU to Georgia (2004). *'Declaration by the Presidency on behalf of the European Union concerning the Georgian Autonomous Republic of Adjara and 'Javier SOLANA, EU High Representative for the CFSP, welcomes peaceful resolution in Adjara, Georgia'*. Available at <http://eeas.europa.eu/delegations/georgia/eu_georgia/political_relations/eu_documents_on_georgia/index_en.htm> [Accessed 12 May 2015]

Government of Georgia (2010). *'State Strategy on Occupied Territories: Engagement Through Cooperation'*. Available at <<http://www.civil.ge/files/files/SMR-Strategy-en.pdf>> [Accessed 12 May 2015]

Ministry of Foreign Affairs of Georgia (2008). *'Statement of the State Minister for Reintegration of Georgia'*. Available at <<http://georgiamfa.blogspot.com/2008/09/statement-of-state-minister-for.html>> [Accessed 12 May 2015]

Ministry of Foreign Affairs of the Republic of Azerbaijan (n.d.). *'Ethnic Minorities: Cultural Diversity in the Republic of Azerbaijan'*. Available at <<http://www.mfa.gov.az/en/content/114>> [Accessed 12 May 2015]

MFA of RF: Ministry of Foreign Affairs of the Russian Federation (2000). *'National Security Concept of the Russian Federation'*, Approved by Presidential Decree No. 24 of 10 January 2000. Available at <<http://www.mid.ru/bdomp/ns-osndoc.nsf/1e5f0de28fe77fdcc32575d900298676/36aba64ac09f737fc32575d9002bbf31!OpenDocument>> [Accessed 12 May 2015]

NATO Parliamentary Assembly (2004). *'Stability in the three South Caucasian Republics: Ten years after independence, progress and new challenges'*. Available at <<http://www.nato-pa.int/default.asp?SHORTCUT=503>> [Accessed 12 May 2015]

O'Sullivan, D (2013). *'Priorities for EU Diplomacy in East Asia'*, GRIPS (Graduate Institute for Policy Studies) Forum. Available at <http://www.eeas.europa.eu/asia/docs/20130205_grips_speech_final_en.pdf> [Accessed 12 May 2015]

OSCE: Organization for Security and Co-operation in Europe (2009). *'Statement Of the Permanent Representative of Georgia to the OSCE Mr. Paata Gaprindashvili On main findings of the Report of the Independent International FactFinding Mission on the Conflict in Georgia'*, Embassy of Georgia to the Republic of Austria; Permanent Mission of Georgia to the OSCE and Other International Organizations in Vienna. Available at <<http://www.osce.org/fsc/39863?download=true>> [Accessed 12 May 2015]

OSCE: Organization for Co-operation and Security in Europe (n.d.). *'OSCE Minsk Group.'* Available at <<http://www.osce.org/mg>> [Accessed 12 May 2015]

OSCE: Organization for Security and Co-operation in Europe (2014). *'Statement by the European Union at the 1025th Meeting of the OSCE Permanent Council in response to the Co-Chairmen of the OSCE Minsk Group, the Personal Representative of the Chairperson-in-Office on the Conflict Dealt with by the OSCE Minsk Conference and the Head of the High-Level Planning Group'*, PC.DEL/1345/14 14 November 2014. Available at <<http://www.osce.org/pc/126943?download=true>> [Accessed 12 May 2015]

President of Russia (2008). *'Statement by President of Russia Dmitry Medvedev'*, August 26, 2008. Available at <<http://en.kremlin.ru/events/president/transcripts/1222>> [Accessed 12 May 2015]

President of Russia (2015a). *'Law ratifying Russia-Abkhazia agreement on alliance and strategic partnership'*. Available at <<http://en.kremlin.ru/events/president/news/47622>> [Accessed 12 May 2015]

President of Russia (2015b). *'Press statement following talks with President of South Ossetia Leonid Tibilov'*. Available at <<http://en.kremlin.ru/events/president/transcripts/47876>> [Accessed 12 May 2015]

Security Council of UN: Security Council of United Nations (1993). *'Resolution 858 (1993)'*. Available at <<http://daccess-dds-ny.un.org/doc/UNDOC/GEN/N93/466/03/IMG/N9346603.pdf?OpenElement>> [Accessed 12 May 2015]

Treaty constituting the European Coal and Steel Community; 19 April, 1951, Paris; available at <<http://www.consilium.europa.eu/uedocs/cmsUpload/Treaty%20constituting%20the%20European%20Coal%20and%20Steel%20Community.pdf>> [Accessed 12 May 2015]

U.S. Congress: United States Congress (1991). *'102 Congress Senate Resolutions (S.Res.) 128 Condemning violence in Armenia'*. Available at <http://www.us-legislation.com/s_res/102/128.html> [Accessed 12 May 2015]

U.S. Congress: United States Congress (1992). *'An Act to support freedom and open markets in the independent states of the former Soviet Union, and for other purposes'*. Available at <<http://www.gpo.gov/fdsys/pkg/STATUTE-106/pdf/STATUTE-106-Pg3320.pdf>> [Accessed 19 April 2015]

Online news agencies and newspapers

BBC: The British Broadcasting Corporation (2009). *'European gas supplies disrupted'*. Available from <<http://news.bbc.co.uk/2/hi/europe/7812860.stm>> [09 April 2015]

Capon, F. (2015). *'Russia Arming Armenia and Azerbaijan' As Hostilities Increase*, Newsweek. Available from <<http://www.newsweek.com/russia-arming-armenia-and-azerbaijan-hostilities-increase-307443>> [Accessed 12 May 2015]

Commonspace (2015). *'Armenia becomes 4th member of EEU which came into being on 1 January 2015'*, European Society Initiative. Available at <<http://commonspace.eu/eng/news/6/id3148>> [Accessed 12 May 2015]

Hajiyev, H. (2015). *'Azerbaijan MFA comments proposal about the change of OSCE Minsk Group Co-chair countries'*, Report news agency. Available at <<http://report.az/en/nagorno-karabakh/mfa-of-azerbaijan-commented-on-proposal-about-the-change-of-the-osce-minsk-group/>> [Accessed 12 May 2015]

Harding, L. and Percival, J. (2008). *'Russian troops to stay in Abkhazia and South Ossetia'*, The Guardian news agency. Available at <<http://www.theguardian.com/world/2008/sep/09/georgia.russia>> Accessed 17 April 2015]

Hayrumyan, N. (2012). *'Karabakh Issue: Can resolution by smallest state indicate changing Western attitude to Armenia?'*. Available at <http://armenianow.com/karabakh/38177/rhode_island_resolution_nagorno_karabakh_independence> [Accessed 12 May 2015]

Mamedov, E. (2013). *'Azerbaijan and the EU: Recalibrating Relations?'*, 27.02.2013, Eurasianet news agency. Available at <<http://www.eurasianet.org/node/66617>> [Accessed 12 May 2015]

Patten, C. (2003). *'The Southern Caucasus lies at the doorstep of the EU'*, interview to Mediamax news agency, 16/02/2003. Available at <<http://www.mediamax.am/en/news/interviews/52/>> [Accessed 12 May 2015]

Popescu, N. and Wilson, A. (2008). *'Winning the peace in Georgia'*, EUobserver online newspaper. Available at <<https://euobserver.com/opinion/26621>> [09 April 2015]

Radio Free Europe/ Radio Liberty (2014). *'Amid Karabakh Tensions, Both Armenia And Azerbaijan View Russia Uneasily'*. Available at <<http://www.rferl.org/content/nagorno-karabakh-azerbaijan-armenia-wary-russia/26528994.html>> [Accessed 12 May 2015]

Semneby, P. (2012). *'The EU, Russia and the South Caucasus – Building Confidence'*, Russia in Global Affairs. Available at <<http://eng.globalaffairs.ru/number/The-EU-Russia-and-the-South-Caucasus--Building-Confidence-15507>> [Accessed 12 May 2015]

Other sources

AWA and C-R: Association of Women of Abkhazia and Conciliation Resources (2015). *'Dialogue and Diversity in Abkhazia: Public Opinion survey'*. Available at <http://www.c-r.org/sites/default/files/CR-AWA_Dialogue-Diversity_Research_EN.pdf> [Accessed 12 May 2015]

BP: British Petroleum (n.d.). *'BP Worldwide'*. Available at <<http://www.bp.com/en/global/corporate/about-bp/bp-worldwide.html>> [Accessed 12 May 2015]

CEPS: Centre for European Policy Studies (2008). *'The August war in Georgia: Views from Tbilisi and Europe'*. Available at <<http://www.ceps.eu/content/august-war-georgia-views-tbilisi-and-europe>> [Accessed 12 May 2015]

C-R: Conciliation Resources (2012). *'Beyond exclusion: rethinking approaches to status in the Nagorny Karabakh peace process'*, Discussion paper. Available at <http://www.epnk.org/sites/default/files/downloads/Status_Discussion_Paper_Web_English.pdf> [Accessed 12 May 2015]

C-R: Conciliation Resources (n.d.). *'South Caucasus'*. Available at <<http://www.c-r.org/>> [Accessed 12 May 2015]

CRRC: The Caucasus Research Resource Centers (2009). *'Caucasus Barometer 2009 regional dataset TRUSTEU: Trust towards EU (%)'*. Available at <<http://caucasusbarometer.org/en/cb2009/TRUSTEU/>> [Accessed 12 May 2015]

CRRC: The Caucasus Research Resource Centers (2013). *'Caucasus Barometer 2013 regional dataset TRUSTEU: Trust towards EU (%)'*. Available at <<http://caucasusbarometer.org/en/cb2013/TRUSTEU/>> [Accessed 12 May 2015]

Delegation of the European Union to Georgia (n.d.). *'Political and Economic relations'*. Available at <http://eeas.europa.eu/delegations/georgia/eu_georgia/political_relations/index_en.htm> [Accessed 12 May 2015]

EEAS (n.d.). *Peter Semneby*. Available at <http://eeas.europa.eu/policies/eu-special-representatives/former-special-representatives/pdf/peter_semneby.pdf> [Accessed 12 May 2015]

EEAS: European External Action Service (n.d.). *EU Relations with Armenia*. Available at <http://eeas.europa.eu/armenia/index_en.htm> [Accessed 12 May 2015]

EPNK: The European Partnership for the Peaceful Settlement of the Conflict over Nagorno-Karabakh (n.d.). *About us*. Available at <<http://epnk.org/about-us>> [Accessed 12 May 2015]

Freedom House (2004). *Freedom in the World*. Available at Available at <<https://freedomhouse.org/report/freedom-world/freedom-world-2004#.VVR5uvmqqko>> [Accessed 12 May 2015]

Freedom House (2014). *Azerbaijan*. Available at <<https://freedomhouse.org/country/azerbaijan#.VU8W8Pmqkko>> [Accessed 12 May 2015]

INOATE: Interstate Oil and Gas Transport to Europe (n.d.), *In brief*. Available at <<http://www.inogate.org/pages/1?lang=en>> [Accessed 12 May 2015]

Kvarchelia, L. (2012). *Perceptions of the EU in Abkhazia and prospects for the EU–Abkhazia engagement*, Analytical Report. Available at <http://www.c-r.org/sites/default/files/PPP_2012analysis1_EN_0.pdf> [Accessed 12 May 2015]

SOCAR: State Oil Company of Azerbaijan Republic (2014). *Total hydrocarbon reserves in Azerbaijan estimated at 10 bln tones*. Available from <<http://azeridaily.com/economy/1938>> [Accessed 12 May 2015]

The Observatory (2015). *Azerbaijan: Crackdown on Human Rights Defenders Intensifies as Baku Games Approach*, International Fact-Finding Mission Report. Available at <<http://www.omct.org/files/2015/04/23097/azerbaijanobsang2015web.pdf>> [Accessed 12 May 2015]

The World Bank (2013). 'China'. Available at <<http://data.worldbank.org/country/china>> [Accessed 12 May 2015]

The World Bank (n.d.). 'GDP growth (annual %)'. Available at <<http://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?page=2>> [Accessed 12 May 2015]

TRACECA: Transport Corridor Europe Caucasus Asia (2010). 'History of TRASECA'. Available at <<http://www.traceca-org.org/en/traceca/history-of-traseca/>> [Accessed 12 May 2015]

UN: United Nations (n.d.). 'United Nations Observer Mission in Georgia'. Available at <<http://www.un.org/en/peacekeeping/missions/past/unomig/background.html>> [Accessed 12 May 2015]

Interviews

Akaba, N. (2015). *Written response to questionnaire* (perception survey for MA thesis), 26/04/15

Baghdasaryan, G. (2015). *Skype interview* (perception survey for MA thesis), with Sara Ghazaryan, 08/05/15

Mayilyan, M. (2015). *Written response to questionnaire* (perception survey for MA thesis), 19/04/15

Representative of NGO 'Centre for Humanitarian Programmes' (2015). *Telephone conversation* (perception survey for MA thesis), with Sara Ghazaryan, 03/05/15

Representative of NGO 'Journalists for Human Rights s' (2015). *Telephone conversation* (perception survey for MA thesis), with Sara Ghazaryan, 29/04/15

Appendixes

Appendix 1

Table 1 presents a brief overview of the goals of engagements and its adjusted version to the situation in South Caucasus is available in Appendix 1. (Source: Schweller (2005), pp 14-15, modifications made by the author).

Table 1: Goals of EU engagement with South Caucasus conflicts

Goal of engagement by Schweller	Adjusted goal of engagement with the conflicts of South Caucasus
To minimize conflict and avoid war, without compromising the integrity of the existing international order	To avoid armed conflict, keep/restore status quo
To change the behavior of the target	To transform conflicts gradually through long-term change of structure and behavior of entities
To provide an alternative to the formation of a counter-balancing alliances that risk uniting the dissatisfied powers into a rival coalition	To provide an alternative to other extra-regional actors engagement (mainly to Russia with unrecognized states)

Questionnaire for expert interviews: Making sense of EU conflict management strategy in the South Caucasus region

1. What is the EU's position and policy towards the secessionist conflicts in the South Caucasus?
2. How the EU understands the end-goal of the conflict resolution, on your opinion?
3. How would you evaluate the effectiveness of the EU on the conflicts management in South Caucasus?
4. Which factors determine engagement of the EU in the conflict management in the region?
5. The fact that Russia is direct party of the conflict to what extent, if at all, affects the decision of the EU to engage in the conflict?
6. Do you see the effectiveness of the EU dependent on the general image of the EU among the conflicting parties? What could be done to raise the effectiveness?
7. Should the EU cooperate also with official governments of the unrecognized states? Why?
8. Why the EU differentiates its policy between Abkhazia and South Ossetia, on the one hand, and Nagorno-Karabakh, on the other?
9. How would you evaluate the strategy "Non-recognition and engagement"?
10. Can this strategy be applicable in NKR also? Why?

Non-exclusive licence to reproduce thesis and make thesis public

I, Sara Ghazaryan, (personal identification code: 48105020062),

1. herewith grant the University of Tartu a free permit (non-exclusive licence) to:

1.1. reproduce, for the purpose of preservation and making available to the public, including for addition to the DSpace digital archives until expiry of the term of validity of the copyright, and

1.2. make available to the public via the web environment of the University of Tartu, including via the DSpace digital archives until expiry of the term of validity of the copyright,

Master's thesis *Making sense of EU's conflict management strategy in South Caucasus*, supervised by Prof. Eiki Berg,

2. I am aware of the fact that the author retains these rights.

3. I certify that granting the non-exclusive licence does not infringe the intellectual property rights or rights arising from the Personal Data Protection Act.

Tartu, 14.05.2015