

2015 Vol.: 4 No: 4

Cilt: 4

## THE EUROPEAN UNION IN CENTRAL ASIA: A ONE-DIMENSIONAL STRATEGY

# Çiğdem ŞAHİN

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#### Abstract

By adopting 'The EU and Central Asia: Strategy for a New Partnership' in 2007, the European Union (EU) was supposed to implement a comprehensive strategy for Central Asia. Although the framework of the Strategy was broad in content, energy and transport links have been the outstanding priorities regarding EU strategic interests, namely, security and stability. The aim of this paper is to review and analyze EU's engagement with the region by examining, the content of the EU strategy, especially the focus on energy. The analysis shows that although the EU presents a comprehensive strategy aiming at cooperation with a balanced bilateral and regional approach in several areas, there are problems with implementation because of its late entry into the region. Moreover, the focus on energy corresponds to neglect in other areas. This suggests that the EU strategy is designed to serve EU interests more than those of Central Asian states.

Keywords: EU, Central Asia, Strategy for a New Partnership.

#### Introduction

The European Union (EU) adopted the document titled, 'EU and Central Asia: Strategy for a New Partnership' in 2007 (CA Strategy) as its first strategy towards Central Asia (General Secretariat of the Council, 2007). Of course, it was not the first engagement with the region, but it was the first significant engagement with individual states that were formed following the collapse of the Soviet Union. After the collapse of the Soviet Union, the EU has delivered technical development assistance mainly through 'Technical Assistance to the Commonwealth of Independent States (TACIS), covering Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan together with other CIS countries. This was more a technical approach designed to serve as a tool for helping newly independent economies in transition. At the same time, in the 1990's the EU started to initiate Partnership and Cooperation Agreements (PCAs) with countries in the region. But within EU and non-EU developments at the beginning of the 2000s, such as the expected 2004 enlargement, the energy situation, the 9/11 attacks and the war on terrorism,

international-global security challenges made it necessary for the EU to revise and restructure its engagement policy with the region as a whole. In 2002, the EU launched 'Central Asia Strategy Paper 2002-2006' as a new separate strategy for providing technical assistance to the region, including the TACIS Indicative Programme for Central Asia for 2002-2004. That was a preliminary signal of a framework for a new assistance structure for the region. And finally, a Central Asia Strategy was adopted which was in line with the 'Regional Strategy Paper for Assistance to Central Asia for the period 2007-2013', also adopted in 2007 (European Commission, 2007a).

Previously, the EU played the role of a technical supporter and donor for transition assistance to liberal markets for countries in the region. But this time, with the Central Asia Strategy, it drew a picture of an overall strategy that also has political aims, classified objectives, suggestions for concrete steps supported by a more priority-based budget compared to the previous period. It was committed to both bilateral and regional dialogue, with several instruments and actors in several areas, such as education, democracy, energy and transport, etc. This new approach awakened expectations from the EU "... to go beyond the assistance programme with generic developmental goals...", as Kassenova stated (2008:1).

However, as the years went by, the EU did not and could not continue the same engagement strategies, especially at the regional level. Today it is unclear whether the EU will emerge as a strong actor in Central Asia. The reasons for this can be best illustrated through a brief history of the EU's engagament with the region. The analysis shows that although the EU presents a comprehensive strategy aimed at cooperation with a balanced bilateral and regional approach in several areas, this strategy faces significant implementation problems. The main reasons for these problems include: the relatively late engagement by the EU in Central Asia; the narrow focus on energy issues to the exclusion of other issues; and the relative priority of EU interests over those of regional actors.

# EU's Engagement with Central Asia: A Brief Account

It is often suggested that in international politics Central Asia was a 'terra incognito' until the collapse of the Soviet Union (Melwin, 2008:1; Özalp, 2011:17; Sürücü, 2004). The term 'terra incognito' is mainly used to describe areas or territories that have not been explored or mapped geographically. But contemporary scholars use the term as a metaphor for all kinds of research areas that are unexplored or unknown (Kleinhans, 2005; Reiss, 2000; Boin, 2009). This was true of Central Asia until the collapse of the Soviet Union. As a Soviet territory, the region was not on a stage by and as itself. Even after independence Central Asia

has remained invisible to much of the world. This is changing for two reasons: *powers* from outside and *energy resources* inside the region. These two factors have always had a significant impact on political relations throughout the history of the world. On this account, Central Asia has become a partly non-terra incognito in recent years (Şahin, 2015: 2).

The EU is one of the most recent actors to put the Central Asian region on its agenda. Although the region was open in the early 1990s and Western states' engagement with Central Asia focused on energy and cultural issues had already begun, the EU was more hesitant to engage (Melwin, 2008: 2). It started to build up bilateral ties and signed Partnership and Cooperation Agreements with Kazakhstan, Kyrgyzstan and Uzbekistan in the 1990s. <sup>1</sup> It also took a deliberate regional attitude that was seen as a narrow approach (Erdoğan, 2011: 6). But it would be wrong to say that the EU has been the only actor following a detachment policy towards the region in those years. During the first ten year period after independence, outside powers like the USA, Japan and China, of which Central Asian states may have been looking for support, also preferred to observe the region and mostly to act by following Moscow. Erdoğan characterizes the EU's hesitant attitude towards region during those years as 'having no policy' (2011: 13-15). But we can read this hesitancy as a provisional 'no-policy' policy towards Central Asia by remembering the complex and ambiguous political situation in the region along with the EU's internal concerns and developments during this period (e.g. the future of a divided Germany, the situation in Central and Eastern Europe, enlargement and development gaps between member states, reforms in regional support mechanism, etc.).

Besides having a weak political engagement with the region, the EU established technical assistance ties with the five countries mainly within the framework of TACIS. EU assistance provided to Central Asian states between 1991 and 2001 amounted to 944.4 € million of which 366.3 € million was under the TACIS program (European Commission, 2002:36-37). Amounts allocated to each state were: 118.2 € million for Uzbekistan, 134.6 € million for Kazakhstan, 63.2 € million for Kyrgyzstan, 42.3 € million for Turkmenistan and 8 € million for Tajikistan. Other financial instruments in addition to TACIS were also used to support states of the region. For instance, the European Commission's Humanitarian Aid and Civil Protection Department (ECHO) provided aid to Tajikistan and Kyrgyzstan by allocating 153.5 € million until 2001. Fonds Europeen d'Orientation et de Garantie Agricole (FEOGA) supported Kyrgyzstan, Turkmenistan and Tajikistan with an amount of 137.4 € million. Also a total 279.7 € million was allocated to all five states under the European Commission financial power.

<sup>&</sup>lt;sup>1</sup> PCA with Tajikistan was signed in 2004 and entered into force in 2010. PCA with Turkmenistan was signed in 1998 but it is not in force. In a recent development, The Enhanced Partnership and Cooperation Agreement between EU and Kazakhstan was initialed in Brussels on 20 January 2015.

For most of the 1990s Central Asia was not on the EU's foreign policy radar because of inadequate resources and lack of interest in the region (Warkotsch, 2011: 4). This situation changed after 2001 and the EU has become a much more active player. The year 2001 can be labeled as a breaking point of the EU's attitude towards Central Asia. The 9/11 attacks in the United States and the emerging global war on terror are central factors. Western intervention in Afghanistan caused the region to become a political and military arena for outside actors in a short time. Stability and security were the main concerns (Özel, 2005: 29). The intervention of the US led Western Coalition to Afghanistan and installation of military bases under the International Security Assistance Force (ISAF) in Uzbekistan and Kyrgyzstan paved the way to increasing the strategic importance of the region (Özalp, 2011: 18-19). This was also a motivation for the EU to take a more active role after 2001; an EU with a security concern appeared in the region, especially via Kazakhstan to which it has given priority during the 1990s. Also, the EU's 2004 enlargement and economic pressure from 10 new members, Common Foreign and Security Policy (CFSP) issues, and on top of all these, growing energy needs and security of energy and energy supply, forced the EU to terminate its provisional 'no-policy' policy towards Central Asia.

The EU has started to show and raise its political and legal presence in the region, especially after 2001. The first major step was creating delegations and diplomatic missions representing the EU. After developing legal and diplomatic relations with Kazakhstan, the EU started to position itself in the region by opening its first European Commission Delegation (which has been transformed into the Delegation of the European Union to Kazakhstan as of 1 December 2009 and moved to Astana in 2010) in Central Asia, in 1994 in Almaty. Two offices in Bishkek and Dushanbe were also established, headed under the authority of the Head of Delegation in Kazakhstan in 2004. Two offices in Kyrgyzstan and Tajikistan have been upgraded to fully fledged Delegations in 2010. The fourth and last Delegation was opened in Tashkent, Uzbekistan in 2011. There is no EU Delegation but there is a Chargé D'affaires for Turkmenistan today (European External Action Service, 2015). The second major step was appointing Jan Kubis as the first European Union Special Representative for Central Asia (EUSR) in 2005 (Official Journal, 2005). The EUSR who supports the work of the High Representative of the Union for Foreign Affairs and Security Policy and coordinates the relations in the region was changed two times until 2012.<sup>2</sup> When EUSR's Patricia Flor left her post in early 2014, Janos Herman was appointed as EU Special Envoy to Central Asia in April 2014 (European External Action Service, 2014). Regarding this development it has been disputed whether the EU is

<sup>&</sup>lt;sup>2</sup> After the resignation of Kubis in July 2006, Pierre Morel was appointed as the new EUSR for Central Asia. Morel took the position for six years. His mandate expired on 30 June 2012 and Patricia Flor was appointed to office starting from 1 July 2012.

downscaling political engagement in Central Asia by taking down the level of its legal presence in the region (Boonstra, 2014). This was really bad timing because the Central Asia Strategy has been implemented since 2007 and the second half of the financial assistance period (2011-2013) was about to end. After an ambitious year, with the suggestion of new High Representative Federica Mogherini, a EUSR was appointed again in April 2015 (Official Journal, 2015).

# **EU Development Assistance to Central Asia (2002-2020)**

With growing interest in the region, the EU has launched a financial support phase for Central Asia in 2002. In addition to the TACIS Program, the new programming period between 2002 and 2006, came along with the document, 'Strategy Paper 2002-2006 & Indicative Programme 2002-2004 for Central Asia'. This document can be seen as a sign that a new and transformed assistance framework will be developed. The 'Strategy Paper' set the core objective of EC assistance strategy in the period 2002-2006 as follows: "... to promote the stability and security of the countries of Central Asia and to assist in their pursuit of sustainable economic development and poverty reduction." (European Commission, 2002: 3). TACIS operates along three 'Tracks' (Track 1: Regional cooperation programme, Track 2: Regional Support for programmes implemented at national level, Track 3: Pilot Poverty Reduction Scheme) sharing common objectives as promoting security and conflict prevention, eliminating sources of political and social tension and improving the climate for trade and investment (European Commission, 2002: 21-29). The total budget for 2002-2004 for the five countries was 150 million the specific allocation of which can be seen in Table 2.

Table 1. Allocation Per Track and Country 2002-2004

	Kaz	Kyr	Taj	Tur	Uzb	(€ million)
Track 1						40
Track 2	19	13	13	6	29	80
Track 3						30

**Source:** (European Commission, 2002: 30)

After 2007, EU assistance to Central Asia has been delivered under a different framework, namely, Development Cooperation Instrument-DCI. This replaced TACIS "... with an overall objective of alleviating poverty and promoting sustainable economic and social development" in 2007 (European Commission, 2011a: 5). The DCI covers a broad range of development areas such as health, education and employment which were seen as necessary for promoting democracy, good governance, human rights and the rule of law.

These are also in line with the Millennium Development Goals.<sup>3</sup> There are three main documents that determine the EU assistance for the period 2007-2013.

The first one is 'Regional Strategy Paper for Assistance to Central Asia for the Period 2007-2013' which can be considered as the outlining the central policy of the period. With a budget of 719 € million earmarked to the region for the period, the Regional Strategy Paper sets the aim as follows: "... to promote the stability and security of the countries of Central Asia, to assist in their pursuit of sustainable economic development and poverty reduction and to facilitate closer regional cooperation both within Central Asia and between Central Asia and the EU" by focusing on three priority areas: Central Asia regional cooperation and good neighborly relations (30-35% of total budget), reducing poverty and increasing living standards (40-45 % of total budget) and promoting good governance and economic reform (20- 25% of total budget) (European Commission, 2007a: 3). The second document is 'Central Asia Indicative Programme (2007-2010)' which determines in detail four-year period assistance with focal priorities (European Commission, 2007b). Finally, the third document, "Central Asia DCI Indicative Programme (2011-2013)" defines the priorities and amounts specifically for three-year period (European Commission, 2011b). While allocating a total of 314 € million with an average annual budget of 78.5 € million for the period 2007-2010, total EU allocation for the period 2011-2013 was 321 € million with an average annual budget of 107 € million. Below are tables indicating priority areas and indicative breakdown of resources on regional and bilateral basis for the period 2007-2010.

Table 2. CA IP 2007-2010 Priority Areas

REGIONAL COOPERATION				
Priority Area 1	Promotion of Central Asian regional cooperation and good neighbourly relations			
	Networks: Transport, Energy and SME regional cooperation, with a focal sector on energy.			
	Environment, with focal sector on water.			
Focal priorities	Border and migration management, fight against transnational organised crime, and customs.			
	Promotion of educational exchanges, scientific and people-to-people activities as the			
	major focal sector.			
BILATERAL COOPERATION				
Priority Area 2	rea 2 Poverty reduction and increasing living standards			
Focal priorities	Regional and local community development			
Tocai priorities	Support for sector reform in rural development and social sectors			
Priority Area 3	Priority Area 3 Support for good governance and economic reform			
	Democratic development and good governance:			
Focal priorities	- Promotion of civil society, social dialogue and democratic processes.			
	- Promotion of Judicial reform and rule of law.			
	- Improvement of Public administration and Public Finance management.			
	Implement Trade and Market regulatory reforms, and administrative capacity building.			

**Source:** Data derived from European Commission, 2007b: 6-24.

<sup>&</sup>lt;sup>3</sup> After 2007, EU assistance to Central Asia became a complicated and multi-based structure. As Boonstra and Hale stated, being one of the six EU global financing instruments, the DCI can be divided into thematic and regional Programmes (2010: 5). Thematic Instruments and Programmes cover EIDHR, NSA-LA, Food Security, EU Food Facility, IfS, NSCI (Tsertsvadze and Boonstra, 2013: 6-7). For a more detailed analysis of EU development assistance to Central Asia, see (European Court of Auditors, 2013).

Table 3. Indicative Breakdown of Resources 2007-2010 Under DCI (CA IP)

REGIONAL COOPERATION						
Focal Sectors (Region	nal) Indicati	ndicative budget (€)				
• Education	25 million (8%)					
• Energy	22 million (7%)					
<ul> <li>Transport</li> </ul>	15 million (5%)					
<ul> <li>Environment</li> </ul>	16,2 million (5%					
<ul> <li>Border management</li> </ul>	16 million (5%)					
Total Regional Ce	94,2 million (30-%)					
BILATERAL COOPERATION						
National programmes	Of which					
Kazakhstan	44-million	20%				
<ul> <li>Kyrgyzstan</li> </ul>	55 million	25%				
• Tajikistan	66 million	30%				
<ul> <li>Turkmenistan</li> </ul>	22 million	10%				
<ul> <li>Uzbekistan</li> </ul>	32,8 million	15%				
Total Bil	ateral Central Asia	219,8 million (70%)				
	GRAND TOTAL	314 million				

Source: European Commission, 2007b: 5-6.

Following the last year of the previous period, the 2011-2013 period defines a threeyear programming with a relatively higher budget and some detailed priorities for each country. Below we provide tables that summarize priority areas and indicative breakdown of resources on regional and bilateral basis.

Table 4. Indicative Breakdown of Resources 2011-2013 Under DCI (CA IP): Regional Cooperation

<b>Focal sectors</b>	Indicative budget (€ million)			
Focal sector1 :Sustainable regional development	50			
- energy	25			
- environment	20			
- business cooperation Networks	5			
Focal sector 2: Education, Science and People- to-People activities	45			
Focal sector 3: Rule of law, border management,	10			
Customs and the fight against organized crime				
Total Regional Central Asia	105 million (33%)			
G				

**Source:** European Commission, 2011b: 14-15.

The EU now publishes 'Multiannual Indicative Programme Regional Central Asia 2014-2020' which is considerably revised and adjusted to meet the objectives defined in the Central Asia Strategy. This is especially evident in the last Progress Report on the implementation of the EU Central Asia Strategy published in January 2015 which criticizes the seven year implementation as slow and inadequate and warns for a re-organization (European Commission, 2015a). Implications of these critics on development assistance for the future period can easily be seen in the document. EU commits a total of 360 € million of which 115 € million is allocated to Erasmus+ for the next six years by emphasizing higher education a strategic sector. The amount is lower than the previous years but sector specification is more realistic and at the regional level. Lastly, the table below shows priority areas and indicative breakdown of resources for the period 2014-2020.

Table 5. Indicative Breakdown of Resources 2011-2013 Under DCI (CA IP): Bilateral Cooperation

Bilateral Programmes – Priorities (Focal Sectors)	In	Indicative budget (€ m)		
Kazakhstan				
Regional development and local governance	8			
Judicial reform	10			
Enhancement of public service capabilities for social and economic reforms	12			
Total		30		
Kyrgyzstan				
Social protection reform and income-generating activities	19			
Education reform	18			
Judicial law and rule of law	14			
Total		51		
Tajikistan				
Social protection and employment	20			
Health sector reform	20			
Private sector development	16			
(public finance reform / cross-cutting issue)	6			
Total		62		
Turkmenistan				
Strengthening economic and social development of rural areas	9			
Support for the improvement of human capital development	14			
Long term sustainable energy development	8			
Total		31		
Uzbekistan				
Raising living standards through rural and local development schemes	17			
Rule of law and judicial reforms, and support for local government bodies	15			
Enhancing mutual trade, business climate and SMEs development	10			
Total		42		
Total Bilateral Central Asia		216, 8 million (67%)		

Source: European Commission, 2011b: 16.

**Table 6.** Indicative Breakdown of Resources 2014-2020

<b>Priority Sector</b>	(€ mil)	2014	2015	2016	2017	2018	2019	2020
Regional Sustainable Development	170	24	24	24	24	24	26	24
Regional Security for Development	37.5	0	7	0	8	12.5	10	0
Multi-country Technical AssistanceFacility	35	5	5	5	5	5	5	5
Programme Support Measures	2.5	0.35	0.35	0.35	0.35	0.35	0.35	0.35
<b>Total Commitments</b>	245							

Source: European Commission, 2015b: 29.

# **EU**, Energy and CA Strategy

After the breakpoint of 2001 and the events that followed (e.g. the global war on terrorism, Western intervention in Afghanistan and increasing interest in Central Asia's energy resources) the most important step taken by the EU is the adoption of the first comprehensive Central Asia Strategy in June 2007. Prior to this development, another event paved the way for raising the Central Asia to a more prominent concern of EU: The Russian-Ukrainian gas crisis in January 2006 which directly affected many members of EU. Natural gas supply to Europe travelling through Ukrainian pipelines was entirely disrupted and the fall in gas volumes delivered to EU countries caused a loss all over Europe (Stern, 2006: 8-9).

This was perceived by the EU as a wakeup call. Dependency on Russian resources was questioned and the belief that urgent measures were needed became an important factor for EU policy in Central Asia. After adding up the internal energy market malfunctions, the EU decided to implement a common energy policy. An Energy Policy for Europe document was developed by the European Commission and adopted by the Council in 2007 (Commission of the European Communities, 2007).

During the first implementation year of the Central Asia Strategy another crisis occurred. While Europe was searching for and making efforts to constitute a common energy policy a second gas dispute occurred between Russia and Ukraine in December 2008. Russia cut off its exports to Ukraine on 1 January. Exports to 16 EU member states and Moldova via Ukraine were drastically reduced on 6 January and cut completely on 7 January. The European countries hit by these cutbacks faced serious humanitarian consequences for two weeks in the middle of winter (Kovacevic, 2009: 2, 10-15). These developments placed energy diversification and diversity in energy transport routes among the top issues of the EU agenda. Central Asia became one of the focal regions, especially, for diversification of energy supplies. These are all under the umbrella of the energy security issue; EU's regional dialogue with Central Asia is more understandable within the realm of energy security (Sahin, 2015: 3). The EU's high energy import dependency rate has been made energy security a must issue (47.5% in 2002, 52.2% in 2005, 54.7% in 2008 and 53.4% in 2012 in all energy products) (Eurostat, 2014a). Import dependency is diversified in terms of number of partners. But when it comes to dependency levels on each partner, the predominant place of Russia becomes transparent. In energy imports, Russia has met more than a quarter of solid fuels and more than one-third of crude oil and natural gas needs of EU (Eurostat, 2014a).

The EU emphasizes the importance of security of energy supply in the Regional Strategy Paper for assistance to Central Asia relating to diversification of energy supply:

"The growing dependency of EU member states upon external sources of energy and ensuring security of energy supply are issues of especial concern to the European Union. Central Asia, with its significant hydrocarbon resources and favourable geographical location for transport routes to European markets, will play an important role in ensuring the EU's energy supplies.... The challenge for the EU and its partners in Central Asia is to develop a mutually beneficial dialogue between energy producers, transit countries and consumers at both bilateral and regional level. Relations with the main producer countries, Kazakhstan and Turkmenistan, need to be enhanced. Regional cooperation in this sphere will be pursued..." (European Commission, 2007: 5-6).

The EU's energy concerns and the impact of these concerns on its strategic initiatives in Central Asia can be explained by the data on proven oil and gas reserves. Kazakhstan's proven reserves of oil amounts to 3.9 thousand million tonnes, while the EU has only about a one fourth of this (0.9 thousand million tonnes). Also production and consumption level difference is important; Kazakhstan produces 1785 thousand barrels of oil and consumes 287 thousand barrels daily. The surplus of 1498 thousand barrels daily gives Kazakhstan significant economic power in its current and potential energy trade relations. Kazakh and Turkmen oil production generates nearly one and half of EU production. In the case of natural gas, Turkmenistan's proven reserves are also significant. It has more than ten times the EU's reserves but with a substantially lesser level of production. Natural gas reserves are significant in three countries of Central Asia and this helps to explain why the region is of deep interest (BP, 2014). In the light of these indicators, cooperation between the EU and Central Asia on energy issues is priority for the EU. This priority is reflected in a broad range of policy issues, ranging from promoting the development of sustainable energy resources, diversification of energy supply routes, exchange of know-how, to the actual development and use of new energy sources, especially of renewable energies. In this context, the EU determines its policy objectives as:

- the convergence of energy markets through the harmonization of the relevant legislative and regulatory frameworks,
- enhancing the energy security of the Central Asian countries and the EU through closer cooperation,
- supporting sustainable energy development, including the development of energy efficiency and renewable energy sources,
- attracting investment for energy projects of common and regional interest (EU Commission External Relations, 2014:1).

The Central Asia Strategy has an outstanding content with various instruments, actors and a strengthened approach (Partnership and Cooperation Agreements, Commission and Member States programmes, cooperation frameworks such as the Baku Initiative and political dialogue, cooperation with the United Nations (UN), the Organization for Security and Cooperation in Europe (OSCE), the Venice Commission of the Council of Europe, the North Atlantic Treaty Organization (NATO), international financial institutions- the World Bank (WB), the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB) and with other regional organizations, the European Union Special Representative (EUSR), EU Member State embassies and the European Commission delegations and new forms of cooperation, such as a regular bilateral human rights dialogue).

The EU defines its strategic interests as security and stability, having also a strong interest in a peaceful, democratic and economically prosperous Central Asia. In order to satisfy these interests while at the same time promoting human rights and the rule of law in Central Asian states, the EU will have to: "... to actively cooperate with the Central Asian States in reaching these goals as well as to contribute to safeguarding peace and prosperity in neighboring countries" (General Secretariat of the Council, 2007: 8). With cooperation in areas listed in the table below, the EU seeks to constitute a balanced bilateral and regional partnership.

**Table 7.** EU-Central Asia Cooperation

Bilateral Cooperation	Regional Cooperation			
'responding adequately to individual proposals'	'tackling common regional challenges'			
Human rights	Organized crime			
Economic diversification	Human, drugs and arms trafficking			
Energy and other sectoral issues, including youth and	Terrorism and non-proliferation issues			
education.	Inter-cultural dialogue			
	Energy			
	Environmental pollution			
	Water management			
	Migration			
	Border management			
	Transport infrastructure			

Source: Data derived from General Secretariat of the Council, 2007: 11.

Central Asia has a significant strategic importance for the EU because:

- Strategic, political and economic developments as well as increasing trans-regional challenges in Central Asia impact directly or indirectly on EU interests.
- With EU enlargement, the inclusion of the Southern Caucasus into the European Neighborhood Policy and the Black Sea Synergy Initiative, Central Asia and the EU are moving closer together.
- Significant energy resources in Central Asia and the region's aim to diversify trade partners and supply routes can help meet EU energy security and supply needs. (General Secretariat of the Council, 2007: 8-9).

As the last point shows, energy is not only a cooperation area. As with the other six areas, it is one of the fundamental reasons for the existence and motivation of the Central Asia Strategy. The EU declared conducting a regular energy dialogue with Central Asian states as an element within the framework of the Strategy (General Secretariat of the Council, 2007: 7). Under the sub-heading strengthening energy and transport links, the EU stresses the region's energy resources again:

The key elements for a long-term partnership based on common interests and reciprocity can therefore be established in the years to come: the exploitation of the energy resources of Central Asian States calls for substantial and sustained investment as well as for

comprehensive policies addressing all the components of their energy sectors and facilitating access to most developed markets. The EU, for its part, is ready to consider all options for the development and transportation of these resources, in cooperation with other interested partners (General Secretariat of the Council, 2007: 19).

EU commitments to the energy sector rest mainly on three points. First, and most notable, is a market-based approach to investment and procurement of transparent, stable and non-discriminatory regulatory frameworks for all sources of energy. The aim here is to guarantee the best prices and increased opportunities for all stake-holders. This will be supported by conducting an enhanced regular energy dialogue with Central Asian States within the framework of the Baku Initiative. The second point is supporting exploration of new oil, gas and hydro-power resources and the upgrading of the existing energy infrastructure. Thirdly, the EU is committed to promoting the creation of an integrated Central Asian energy market and will support public-private partnerships which encourage EU investment (General Secretariat of the Council, 2007: 19-20).

## **Conclusion**

As summarized by the European Commission, the Baku Initiative aims "to facilitate the progressive integration of the energy markets of this region into the EU market as well as the transportation of the extensive Caspian oil and gas resources towards Europe, be it transiting through Russia or via other routes such as Iran and Turkey" (2015c). This will render secure and safe export routes for Caspian oil and gas that the EU needs. In Baku on 13 November 2004, Energy Ministerial Conference on Energy Co-operation participants agreed on:

- supporting the gradual development of regional energy markets in the Caspian Littoral States and their neighboring countries,
  - enhancing the attraction of funding for new infrastructures,
  - embarking on energy efficiency policies and programmes,
- making progress towards a gradual integration between the respective energy markets and the EU market (European Commission, 2015d).

Following the Baku Initiative, the EU plans to focus cooperation with Central Asian States on converging energy markets on the basis of the EU internal energy market principles. This strategy takes into account: the particularities of the partner countries; enhancing energy security by addressing the issues of energy exports/imports, supply diversification, energy transit and energy demand; transparency and capacity-building in statistics and in the governance of the energy sector; supporting and enhancing technological cooperation between the EU and Central Asian States in the energy sector; supporting sustainable energy development, including the

development of energy efficient, renewable energy sources and demand side management; attracting investment towards energy projects of common and regional interest; supporting the rehabilitation of existing pipelines and the construction of new pipelines and electricity transportation networks inside the region and towards Europe; supporting the Global Energy Efficiency and Renewable Energy Fund (GEEREF) initiative and encouraging the countries to take initiatives similar to those taken by the EU in the Action Plan for an Energy Policy for Europe (General Secretariat of the Council, 2007: 20-21).

These are all open statements in the Central Asia Strategy and there is no need to look for other documents to discover the central place of energy resources in EU policies towards Central Asia. The fact that energy resource concerns dominate EU policy helps to explain why policy objectives in other areas have been ineffective. Other cooperation areas such as education, human rights, democracy and the rule of law are given a lower priority within EU policy. The immediate interests are dominated by energy and energy security. This may be seen as reasonable given that EU-Central Asia relations are still in its infancy. The EU states explicitly its energy needs with reasons which are proven by the latest developments. But this makes the strategy a one-way expedition in favor of the EU and it subordinates the needs and expectations of Central Asian states to EU interests. The EU should seek mutually advantageous policy objectives in regional energy relations with Central Asia. A real regional dialog and cooperation would be far more feasible were this to come about.

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