

GUAM AND OTHER REGIONAL ORGANIZATIONS

EU-GUAM: ENGAGEMENT OR ESTRANGEMENT?

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I n t r o d u c t i o n

The wider Black Sea and Caspian Sea regions have so far figured as relatively peripheral concerns for the European Union.

While the enlargement of the EU has created incentives for a stronger commitment to these regions, the motives for a more strategic European

engagement in the Caucasus, Central Asia, and around the Black Sea have always existed. These regions provide access to energy outside the control of OPEC and Russia and provide a transit corridor connecting Europe with the Middle East, South Asia, and East Asia. Remarkable benefits may also accrue the EU if a proactive rather than reactive approach is taken toward the region. These benefits do not only include energy diversification and transit but also relate to the security and stability of Europe's vicinity and, by extension, Europe itself. So far, the EU has, however, showed little interest in working with regional organizations such as BSEC, GUAM, the Black Sea Forum and others but preferred to engage with the states in the region on a bilateral basis.

GUAM belongs to the organizations which Europe has given little or no attention despite the fact that both work, more or less, toward the same goals. These include energy diversification, both in production and transit routes, and a less dominant position of Russia over the energy resources and politics of the region. Conceived as such, it is tempting to conclude that the EU should push for stronger engagement with GUAM (and other similar organizations). However, this article argues that there are few areas in which these two organizations could cooperate fruitfully. This is primarily due to the inefficiency of GUAM, the geopolitics involved, and most importantly, to the fact that EU could favorably pursue its interests in other formats.

GUAM: A Background

The founding of GUAM in 1997 was intended as an organizational alternative to the Commonwealth of Independent States, aimed at countering Russian influence over its "near abroad." Uzbekistan became a member in 1999 during a meeting of the Council of the Euro-Atlantic Partnership (CEAP) in Washington, but decided to withdraw in 2005 following the deterioration of its relations with the U.S. and Europe. In its previous form, GUAM produced very few concrete results; yet the organization was symbolically important in constituting a cooperative effort among states of the region which was not imposed by any foreign or regional power, but was based on their common interests. However the organization did enjoy significant political and financial support from the U.S.¹

Moreover, GUAM provided a venue for the coordination of policies of former Soviet republics, seeking to resist Russian attempts to use the CIS as an instrument for exerting influence over the post-Soviet expanse. More specifically, it served as a useful framework for coordinating these four states' interests within the CIS itself. From the Russian perspective, the grouping was perceived to be no more than a vehicle through which the U.S. could create a rift within the CIS and reduce Russian influence over the Soviet successor states. These Russian fears have been exacerbated through claims by senior officials in Ukraine, Georgia and Moldova that discontinuing membership in the CIS was indeed a realistic option for them.² The formation of a group in which these states could coordinate such plans was therefore fiercely resisted by Russia.

Although the *raison d'être* of GUAM was initially to serve as a counterweight toward the CIS and Moscow, and thus primarily had security-political concerns as its main drivers, the organization subsequently incorporated other issues onto its agenda as well. With the adoption of the GUUAM Yalta Charter in 2001 the organization put more emphasis on deepening cooperation in the energy and

¹ See: V. Socor, "GUAM at Ten," *Eurasia Daily Monitor*, 20 June, 2007.

² See: "Analysis: GUAM—A Regional Grouping Comes of Age," *RFE/RL*, 24 May, 2006.

trade spheres and revitalization of the regional transportation corridors. The introduction of a free trade area and customs union among the members was also floated at this point in time but failed to materialize, primarily due to diverging interests among the member states.

In the past few years, GUAM also has added “European integration” as one of its aims and sees greater cooperation with the EU as a cornerstone in its future role and mission.³ What spurred this introduction of a stronger Euro-Atlanticist agenda was domestic political transformation in the member countries, along with the NATO- and EU enlargements which provided increasingly realistic perspectives for European and Transatlantic integration.

The peaceful revolutions in Georgia and Ukraine, along with the Moldovan government’s increasingly pro-European stance and the emergence of Azerbaijan as an energy player, also provided new opportunities for revitalizing the grouping. Preparatory discussions were conducted at the GUUAM summit in Chisinau in April 2005, and subsequently the Organization for Democracy and Economic Development—GUAM was formally established at the Kiev summit in May 2006. These measures were aimed at institutionalizing GUAM and providing it with credibility as an international organization, rather than an informal group of former Soviet republics. Measures included adopting a GUAM charter, introducing a secretary general and scheduling regular high-level meetings. The organization also defined its objectives and prioritized the area of energy security along the Caspian-Caucasus-Black Sea axis, as well as the promotion of a free trade area and democratic values among ODED—GUAM member states.⁴

Black Sea Regional Cooperation Frameworks and an Increasing EU Interest

GUAM has thus lately sought to sustain its function in the Wider Black Sea region. The attempt to revitalize the organization should be viewed within an increasingly decisive commitment to regional cooperation among the smaller regional states. Other cooperation frameworks that have emerged in the region in recent years include the Community of Democratic Choice, the Rumanian initiative Black Sea Forum, and overall increasing linkages between new EU members and the EU’s near abroad. These initiatives signal an increasingly cooperation-oriented environment around the Black Sea. However, enthusiasm for regional cooperation within these frameworks is mainly present among the region’s smaller actors, whereas Turkey and Russia are far less enthusiastic toward frameworks of which they are not part. In this regard, Russia has naturally been skeptical toward GUAM due to the organization’s intended function, and tends to attribute similar functions to other cooperative initiatives not initiated by Russia itself.

The Black Sea Economic Cooperation (BSEC) remains the only institutionalized and all-encompassing cooperation framework in the region, and has since its establishment in 1992 been the region’s primary cooperation body. BSEC’s broad membership indeed provides it with legitimacy and credibility as a coordinating body for cooperation in the region. It is also considered less geopolitically sensitive than other regional initiatives which exclude Russia.⁵ Simultaneously, the organi-

³ See: “GUAM: Test for Ability to Act,” *Policy Paper #5, Ukrainian Monitor*, Center for Peace, Conversion and Foreign Policy of Ukraine, June 2005.

⁴ See: F. Tazzariani, “A Synergy for Black Sea Cooperation: Guidelines for an EU Initiative,” Center for European Policy Studies, Brussels, *CEPS Policy Brief*, No. 105, June 2006, p. 2.

⁵ The members of BSEC include Albania, Armenia, Azerbaijan, Bulgaria, Georgia, Greece, Moldova, Rumania, Russia, Serbia, Turkey and Ukraine.

zation has in the past been criticized for a lack of concrete progress on its objectives and a failure to attract significant funding from its members.⁶ BSEC's perceived inefficiency for long provided for a reluctant attitude on the part of the EU for engaging in deeper relations with the organization.⁷ However, recent efforts of reforming BSEC have apparently yielded results in this regard, and the European Commission applied for and was granted observer status on 25 June, 2007.

This signals an increasing interest on the part of the EU in the regional dimension of its relations with Black Sea states. A significant factor in this regard has been its enlargement with Rumania and Bulgaria, bringing the Union to the shore of the Black Sea. This has produced a gradual realization within the EU of the Wider Black Sea Region's strategic significance for European security, and of the rationale for regional approaches to several of the challenges the regional states and the EU are facing in the region. Previous EU policies toward the regional states have included three strategies: enlargement with Rumania and Bulgaria and prospects for the eventual inclusion of Turkey; the EU's strategic partnership with Russia; and the ENP including Ukraine, Moldova and the three South Caucasian states. These strategies have all been largely bilateral in nature; however the EU's post-enlargement abilities to function as a geopolitical actor in the region have provided the rationale for a set of regional cooperation initiatives on the EU's part, envisioned as "Black Sea Synergy," released on 11 April, 2007. The document outlines the key sectors which will benefit coordinated action on a regional level as energy, transport, environment and security.⁸ The document does recognize the significance of BSEC due to its broad membership, and envisions a role for EU-BSEC links in serving "primarily for dialog on a regional level."⁹ It also mentions the Black Sea Forum as an important facilitator of "regional partnerships and networks."¹⁰ Other regional cooperation frameworks are not mentioned explicitly; however a role for "Black Sea regional organizations" is envisioned in "developing effective democratic institutions, promoting good governance and the rule of law."¹¹

Regional EU initiatives are nevertheless intended as being complementary to existing bilateral cooperation between EU and the regional states. The importance attributed to regional organizations within the EU's regional strategy, partly with the exception of BSEC, are thus envisioned to be quite limited.

Challenges Facing GUAM

Similar to other regional organizations in the post-Soviet expanse, GUAM has encountered difficulties in consolidating its activities and achieving concrete results. These difficulties are both a consequence of disharmony within the organization and external geopolitical factors affecting the prospects for efficient cooperation negatively. From the EU's perspective, these impediments have also reduced GUAM's appeal as a potential partner at the same time as establishment of contacts between the two organizations have been conceived as problematic. Though many hopes have been

⁶ See: M. Emerson, M. Vahl, "Europe and the Black Sea—Model European Regionalism Pret-a-Porter," in: *Europe's Black Sea Dimension*, Center for European Studies/International Center for Black Sea Studies, Brussels/Athens, 2002, p. 31.

⁷ Interview, Official, Ministry of Foreign Affairs, Bucharest, July 2006.

⁸ See: Communication from the Commission to the Council and the European Parliament, "Black Sea Synergy—A New Regional Cooperation Initiative," Brussels, 11 April, 2007, p. 2.

⁹ *Ibid.*, p 9.

¹⁰ *Ibidem.*

¹¹ *Ibid.*, pp. 3-4.

raised that GUAM may finally get its act together with the formalization of the organization in 2006, there is little evidence today suggesting that any major change has taken place within the organization.

GUAM Members: Differing Priorities and Diverging Interests

The institutionalization process that was initiated in 2006 has so far displayed little progress and neither the Ukrainian nor the Moldovan parliament has ratified the GUAM charter. Also, the decision taken in Kiev in 2006 to set up a secretariat and appoint a secretary general has not been put into effect as envisaged. The turbulent domestic political situation in Ukraine is a clear factor in the organization's paralysis, with Victor Yanukovich's Party of Regions representing a strongly GUAM-skeptical faction in parliament. Moldova, for its part, seeks to balance its foreign policy orientation between Russia and the West and thus perceives a need to weigh its relationship with Russia against decisive engagement with GUAM. It thus remains unclear whether ODED—GUAM will prove able to implement its ambitious new agenda.

There are also other internal factors and diverging interests among the GUAM members impeding further institutionalization. These are partly ideologically manifested in the pro-Western alignment of Georgia, Ukraine's internal divisions on its foreign policy orientation; Moldova's balancing act and a pro-western, yet cautious position of Azerbaijan. More important, however, is that all members of the group continue to promote national interests which are not fully compatible within the organization's framework, let alone that the members of this group of states are in differing transition-phases from their communist legacy.

The strict pursuit of national interests is also a thread which runs through the history of the organization. At the early stages of GUAM's formation, Azerbaijan focused one-sidedly on settling the conflict with Armenia while Georgia primarily raised the Russian presence in Abkhazia and South Ossetia; Moldova advocated greater emphasis by GUAM on the Transnistrian issue but had few interests going beyond this single issue; Ukraine, for its part, seemed to have European integration as its primary concern although it has also engaged in the Transnistrian conflict; Uzbekistan had few concerns in line with the others and remained passive and skeptical toward further integration.¹² Cooperation within specific sectors has also been hampered as a result of these discrepancies. A "free trade area" is unlikely to be of benefit to Georgia and Moldova who are WTO members while the issue of a GUAM peacekeeping force is met with skepticism among both these countries. At the Baku summit in June 2007, Georgia sought to delay the formation of this battalion to "the final phase of GUAM's institutionalization" and opposed its use on GUAM territory, while Moldova declined to participate in any such activities alluding to its "neutrality."¹³ Neither was it popular when Ukraine at the GUAM summit in 2005 unilaterally proposed a solution to Moldova's Transnistrian conflict without consulting the other members beforehand—an action which almost derailed the entire GUAM project. In short, GUAM has faced many of the same problems that other regional groupings have encountered including inefficiency, disparate interests among members, and changing domestic political environments.

¹² See: "GUAM: Test for Ability to Act," p. 1.

¹³ V. Socor, V. Socor, "Summit Takes Stock of GUAM's Projects, Institutional Development," *Eurasia Daily Monitor*, The Jamestown Foundation, Vol. 4, Issue 120, 20 June, 2007.

The Geopolitical Context

From the very beginning, the driving force of GUAM was not energy or trade but security, politics, and integration with the West. But even if GUAM's geopolitical role to a great extent is determined by the member countries prospective integration into Euro-Atlantic institutions, energy and transit have lately emerged as the key components employed by the U.S. to promote this. By giving these countries economic development through options that are outside of Russian control, the U.S. can increase the GUAM countries' independence and subsequently also their freedom to engage with other multilateral structures than CIS. GUAM's Baku Declaration adopted on 19 June, 2007 titled "GUAM: Bringing Continents Together" is indicative to GUAM's newfound role to prioritize these issues and provide this transit corridor. This geostrategic aspect is also something which prevents the EU from any closer relationship with GUAM. Although the EU has an equal interest in developing alternative energy and transit corridors to those controlled by Russia, it is safe to assume that the EU perceive it far too controversial, vis-à-vis Russia, to pursue such issues within U.S.-supported GUAM. However, even if the EU has been reluctant in engaging GUAM, the latter has frequently referred to the value it ascribes to a formal dialog with the EU. Indeed, GUAM's sustainability and institutionalization is largely dependent on the development of its relations with Euro-Atlantic institutions and its integration into their larger strategies for the Wider Black Sea and Caspian Sea regions. Until present, EU support in this regard has failed to materialize and substantial changes do not seem to be forthcoming. The EU was not represented at the Baku summit, or any previous summits for that matter, despite the fact that GUAM's pro-European orientation is closely aligned with the goals set by the EU's regional approach. Similarly, the stated intent of GUAM to act as a transit corridor in energy and goods between Asia and Europe, and specifically between Central Asia and Europe, is dependent on engagement from Turkmenistan and Kazakhstan. These states have however devoted little interest to the organization and have sent neither their heads of state, nor any senior officials to GUAM's annual summits, most recently rejecting invitations to participate at the Baku summit. Austria—whose company OMV is the leader of the Nabucco project—also turned down the invitation.¹⁴ This is not to suggest that Kazakhstan, Turkmenistan, or Austria for that matter, do not have an interest in engaging with the GUAM countries bilaterally. For example, both Turkmenistan and Kazakhstan have initiated discussions with the GUAM members on utilizing their territory as transit states for Kazakh oil delivered via Baku and Supsa or Novorossiisk through the Odessa-Brody pipeline.¹⁵ But with regards to engagement with GUAM as an organization, the reaction has so far been one of disinterest.

The explanation for this disinterest and cautious approach from other actors is partly due to the geopolitics of the organization. The fact that GUAM has been a geopolitical project from its inception has both made the organization sensitive to changing political conditions in the member states and susceptible to pressure from external actors. It also appears evident today that the bilateral relations between the respective GUAM members and Russia will affect the organization's future shape. This pertains particularly to the role of Ukraine and whether the pro-Russian forces in the country will gain popularity. If this happens, it is difficult to see any other development than continued disruption of the organization. Moreover, since GUAM is primarily engaged in sectors of major strategic and geopolitical importance e.g. energy transit and conflict resolution in the Caucasus, this is also bound to affect the way the organization is perceived and received among external powers. This may either act as a trigger for greater engagement with GUAM, as has occurred in the case of the U.S., or function as a repellant, which seems to be the case with the EU. In

¹⁴ See: V. Socor, "Summit Takes Stock of GUAM's Projects, Institutional Development."

¹⁵ See: V. Socor, "GUAM Summit: A New Lease on Life (part 2)," *Eurasia Daily Monitor*, 21 April, 2005.

its designs for regional cooperation, the EU is indeed reluctant to engage in any formats which exclude the region's main players, Turkey and Russia. The EU may have an interest in supporting GUAM's ambitions in less controversial areas, such as democratization, but as long as GUAM pursues geopolitically controversial issues within the framework of the organization, this is bound to have implications for Europe's engagement.

Prospects and Problems for EU-GUAM Relations

However, although the EU so far has remained skeptical toward dealing with GUAM as a group, and seemingly sees the organization as adding little value to the bilateral relations already in place with these states, this is not to say that this approach is embraced by all EU member states. Especially Rumania, Poland and Lithuania, have all attended GUAM summits with a high-level representation and sought to lobby EU recognition for GUAM as an organization. During the recent summit in Baku, these three countries were represented by Presidents Traian Basescu of Rumania, Valdas Adamkus of Lithuania, and Lech Kaczyński of Poland. The presidents of Lithuania and Rumania both attended the summit in Chisinau in 2005 and Kiev in 2006 as well. Poland's engagement with GUAM has also been formalized in the GUAM-Poland meetings. The first of these was held in Baku coinciding with the GUAM summit in 2007, the second in New York in September the same year, while the third took place in Warsaw two months later. Combined, these three states have pursued GUAM's agenda within the EU and sought to convince EU of the strategic role this organization possesses in pursuing the EU's stated goals for the GUAM region. These goals are similar to those specified in the Black Sea synergy document and primarily relate to energy diversification and transit to the Caspian Sea region and resolution of the secessionist conflicts in line with EU's approach to the region.¹⁶ This backing for an EU-GUAM dialog has now also been formalized within the Group of GUAM Friends in EU, although it remains to be seen if this will achieve any results.¹⁷

GUAM may have achieved little in way of substantive results and has a proven record which appears dismal and ad hoc, thereby explaining the disinterest the EU has expressed in engaging the organization. Despite the fact that EU's stated ambitions for the region harmonize well with those of the GUAM members and the organization's aim to facilitate energy transit, democratization processes, and resolutions to the frozen conflicts, the EU scarcely mentions the organization in its regional strategy paper as part of its European Neighborhood Policy (ENP). True, beyond recognition from the EU there is probably little the EU and GUAM could accomplish in terms of practical cooperation. Nonetheless there is a tendency to evaluate GUAM for what it has not accomplished rather than what it has accomplished. Ignoring the fact that the member states of this organization have managed, against all odds, to stay together (with the exception of Uzbekistan) is perhaps worth due recognition in itself. Instead, a full explanation for the EU's disinterest in GUAM and overall approach to the region need not only be concerned with organizational efficiency as a yardstick but also with geopolitics.

Of the regional organizations around the Black Sea, the EU has so far only acknowledged BSEC, and to a limited extent the Black Sea Forum as prospective partners for EU engagement in the region. BSEC, encompassing all regional states, is able to function as a platform for regional

¹⁶ See: V. Socor, "GUAM at Ten."

¹⁷ The initiative was launched by Lithuanian President Valdas Adamkus in November 2007 at the conference "The Baltic States and EU Neighborhood Policy" held in Riga.

cooperation based on consensus on the part of these states, which is much to the EU's taste. Russia's membership in BSEC also reduces some of the geopolitical concerns Russia might have over the EU's engagement with the states surrounding the Black and Caspian Seas. GUAM, on the other hand, is perceived by the EU as an organization with a narrow coverage which in large part serves to promote and coordinate the political and security agendas of its members. Formal EU support for GUAM would thus imply an involvement in the region's geopolitics which the EU is not interested in, and potentially taking a stand on certain issues against other regional states including Russia.

This is especially evident regarding the GUAM members discussions on conflicts and peacekeeping. These have largely focused on the members' support for each others' territorial integrity and the need for internationalizing the peacekeeping and negotiation formats in Abkhazia, South Ossetia and Transnistria which since their inception have been dominated by Russia. Nagorno-Karabakh lacks peacekeepers and has a more internationalized negotiation format through the OSCE Minsk group which has, however, failed to produce tangible results. While the EU has begun to envision a need for engaging in these conflict resolution processes, its credibility as a future actor in these lies in its perceived neutrality. Formalized cooperation with GUAM in this regard could easily be interpreted as siding against Armenia in Nagorno-Karabakh, and possibly against Russia in Abkhazia, South Ossetia and Transnistria.

Regarding GUAM's energy agenda, projects pushed by the organization are largely in line with the EU's overall diversification strategy. However, the realism in implementing plans for reversing the oil flow through the Odessa-Brody pipeline and extending it to Gdansk is again highly dependent on Ukraine's future foreign policy orientation. Since Azerbaijani oil has proven insufficient for fueling the pipeline, the project is also dependent on the development of Trans-Caspian pipelines and serious commitment of above all Kazakh oil to this project. In this light, projects aimed at diversifying energy transit proposed by GUAM members largely rely on solving the same issues as other EU-sponsored energy projects. However the promotion of these projects within GUAM as an organization would potentially, from the EU's perspective, fuel the current controversies between EU and Russian designs for provisions of European energy security. Therefore, while the project itself may well attract more EU interest in the future, it is unlikely that the commitment needed from involved states would be secured through GUAM, rather than the EU's own regional diplomacy.

These and other geopolitical implications of EU-GUAM relations provide additional impediments to the prospects for Brussels to establish relations with the organization. It remains to be seen whether new EU members, which largely share the GUAM states' political and security agendas, may help tie the organization closer to EU regional cooperation initiatives.

C o n c l u s i o n

The ten year anniversary of GUAM can be said to mark an important accomplishment in itself, since the organization's members have managed to stick together in spite of serious past and present challenges facing the organization and its members. The revitalization of the organization in 2006 mirrors a set of positive geopolitical developments in the Black Sea region, as well as within the GUAM member states. The closer proximity of the EU to the regional states has provided increasingly realistic hopes for success in sustaining state-building and democratization processes, as well as sustainable economic development. GUAM as an organization does serve to promote these hopes on the part of its members, and provides a platform for coordinating their efforts in achieving their goals.

However, while cooperation and integration with the EU are probably the most efficient means of GUAM member states in achieving these objectives, it is questionable whether GUAM as an organization will play a significant role in this regard. Due to the divergences of interest and frequent lack of cohesion among the member states, one may indeed question what the EU would gain through engaging with GUAM that it is not already achieving through its bilateral cooperation frameworks with its member states. Indeed, considering the geopolitics intertwined with several of the issues on GUAM's agenda, commitment to the organization would in many respects counteract the EU's defined interests in Black Sea regional cooperation. This will not prevent ties between GUAM and individual EU states from developing and flourishing. For the EU as a whole, however, if future engagement with GUAM is established, this will likely circle around non-controversial issues compatible with the EU's larger strategy, and avoid issues that would challenge the interests of other regional players.