

The background of the cover is a photograph of a sunset over a body of water. The sun is low on the horizon, creating a bright orange and red glow that reflects on the water's surface. A dark, irregular silhouette of the map of Georgia is overlaid on the lower half of the image, partially obscuring the sunset. The title text is white and set against the dark silhouette.

THE ENP AND CONFLICT RESOLUTION IN GEORGIA

TBILISI, 2009

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Established in 1998, *the Georgian Foundation for Strategic and International Studies* (GFSIS) is an independent, non-profit policy think tank dedicated to helping improve public policy decision-making in Georgia through research and analysis, training of policymakers and policy analysts, and public education about the strategic issues, both domestic and international, facing Georgia and the Caucasus in the 21st century. GFSIS activities are aimed at promoting democracy and fostering political and economic reforms; enhancing regional cooperation; creating a friendly and secure investment environment; and providing local private sector and the international business community opportunities to participate in the economy of the Caucasus region.

Crisis Management Initiative (CMI) is an independent, non-profit organisation that innovatively promotes and works for sustainable security. CMI works to strengthen the capacity of the international community in comprehensive crisis management and conflict resolution. CMI's work builds on wide stakeholder networks. It combines analysis, action and advocacy.

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FOREWORD

Since 1992 when Georgia effectively gained independence, the grave problem of its territorial integrity, questioned by lasting conflicts in the break-away regions of Abkhazia and South Ossetia, has attracted the interest of the international community. The UN and the OSCE have been the main international actors to mediate the peace and resolution. Indeed, the relative passiveness of other international actors like the EU and the US has led to the unilateral prevalence of Russia in practical issues such as peace-keeping, the effective control of the ceasefire and the mediation of settlement. This fact has crucial consequences for the process which has gradually deteriorated and, as a result, rendered a final settlement less viable.

The introduction of European Neighbourhood Policy has opened up new prospects and opportunities for stronger EU engagement in the process of conflict resolution and brought about higher expectations amongst those interested in reaching a fair solution and a reconciliation of the communities.

Unfortunately, several factors have prevented the EU from achieving an efficient full involvement within the conflict resolution process. Amongst these factors are its relatively scarce resources available for deployment, its limited experience in conflict resolution, the absence of political will on the part of Russia to co-operate with the EU in the context of this conflict and an increased gap between the visions of the conflicting sides. The new outbreak in August 2008 has not only further deepened this gap but also changed the status-quo and added a new dimension to the conflict by bringing in Russia as a side to the conflict. This new reality calls for a rethinking and a reconsideration of past approaches and mechanisms for conflict resolution with the aim of finding new grounds for solution.

Considering that the presented report was written before the August events, its value lies in its analysis of the pre-war situation. This analysis may help in the evaluation of the mechanisms employed by the actors, the steps undertaken towards the settlement,

the identification of the weak and strong policies and a re-evaluation of mistakes which have hindered the settlement process. This re-evaluation will provide an important basis for the improvement of existing approaches in conflict resolution in general as well as in the new context of this particular conflict.

Were international actors productive in their work in Georgia? Were the conflict sides genuinely interested in settlement? Should Russia be allowed to stay as the only arbiter in the process? Should the EU have been more dedicated to the process and have committed more efforts? Most importantly, is the international community—and the EU in particular—ready to respond to this kind of conflict? The reader will not find direct answers to these questions in this publication. Instead, the report provides substantial information for reflection which will assist in finding the answers to these pressing questions.

The report reviews the background of the conflicts in Georgia, institutional and legal aspects, the state of economic and the social and political development in the breakaway regions and the rest of Georgia. It also deals with the causes of the conflicts and describes the mechanisms employed by international organisations in the processes of conflict resolution. Special attention is paid to the EU's role whilst also providing recommendations for the future work of the EU.

We hope this report will be useful for everyone interested in the conflict resolution issues in general or with specific interest in the region of South Caucasus.

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| AP | (ENP) ACTION PLAN |
| APIP | (ENP) ACTION PLAN IMPLEMENTATION PROGRAMME |
| CFSP | COMMON FOREIGN AND SECURITY POLICY |
| CIS | COMMONWEALTH OF INDEPENDENT STATES |
| CISPKF | COMMONWEALTH OF INDEPENDENT STATES PEACEKEEPING FORCES |
| EBRD | EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT |
| EC | EUROPEAN COMMISSION |
| ENP | EUROPEAN NEIGHBOURHOOD POLICY |
| ENPI | EUROPEAN NEIGHBOURHOOD AND PARTNERSHIP INSTRUMENT |
| ERW | EXPLOSIVE REMNANTS OF WAR |
| ESDP | EUROPEAN SECURITY AND DEFENCE POLICY |
| EU | EUROPEAN UNION |
| EUR | ISO 4217 CODE FOR EURO (CURRENCY) |
| EUSR | EUROPEAN UNION SPECIAL REPRESENTATIVE |
| FTA | FREE TRADE AGREEMENT (FTA) |
| GDP | GROSS DOMESTIC PRODUCT |
| GEL | ISO 4217 CODE FOR LARI (GEORGIAN CURRENCY) |
| GSP+ | GENERALISED SYSTEM OF PREFERENCES WITH SPECIAL INCENTIVE ARRANGEMENT FOR SUSTAINABLE DEVELOPMENT AND GOOD GOVERNANCE (+) |
| IDP | INTERNALLY DISPLACED PERSON |
| IMF | INTERNATIONAL MONETARY FUND |
| JCC | JOINT CONTROL COMMISSION (FOR SOUTH OSSETIA) |
| MAP | MEMBERSHIP ACTION PLAN (NATO) |
| NATO | NORTH ATLANTIC TREATY ORGANISATION |
| NGO | NON-GOVERNMENTAL ORGANISATION |
| NIP | NATIONAL INDICATIVE PROGRAMME |
| OSCE | ORGANISATION FOR SECURITY AND COOPERATION IN EUROPE |
| PKF | PEACE KEEPING FORCE |
| PRGF | POVERTY REDUCTION AND GROWTH FACILITY |
| SSR | SECURITY SECTOR REFORM |
| TRANSCAM | TRANSCAUCASIAN HIGHWAY |
| UN | UNITED NATIONS |
| UNM | UNITED NATIONAL MOVEMENT |
| UNOMIG | UNITED NATIONS OBSERVER MISSION IN GEORGIA |
| UNSC | UNITED NATIONS SECURITY COUNCIL |
| UNSG | UNITED NATIONS SECRETARY GENERAL |
| UNV | UNITED NATIONS VOLUNTEERS |

1 INTRODUCTION

The aim of this report is to critically assess how the European Union has employed the instruments at its disposal to contribute to the resolution of the conflicts in Georgia and how it can better use the European Neighbourhood Policy (ENP) to advance the resolution of the country's internal conflicts. Specifically, this report will seek to:

- offer a comprehensive assessment of the conflict so as to contribute to strategic planning at the EU level (Commission/Council/MemberStates) on the resolution of the country's internal conflicts,
- provide for an overview of existing international responses and identify the EU's position regards to other actors,
- critically assess how the EU utilised its policy instruments at its disposal within the framework of the European Neighbourhood Policy and how the implementation of its instruments has contributed to the resolution of the Georgia's internal conflicts and
- identify challenges, needs and options for future EU involvement in conflict resolution process.

The report reflects the work of the council of experts on the ENP and conflict resolution in Georgia which was established in September 2006 and which has engaged in regular meetings with government officials and independent experts on various issues related to the resolution of Georgian conflict

2 THE EUROPEAN NEIGHBOURHOOD POLICY IN GEORGIA

2.1 ENP Implementation in Georgia

The European Union's Neighbourhood Policy Action Plan with Georgia was adopted in November 2006 and defines a five-year¹ framework in which the desired goals of gradual economic integration and deeper political collaboration are sought to be achieved through the elaboration of clear priorities and based upon EU norms and standards. The priorities include the rule of law and governance, the protection of human rights, economic development and poverty reduction, trade, migration, the CFSP, energy, transport and regional co-operation with conflict resolution also considered as one of the main priorities.

The implementation of the ENP Action Plan² (herein after also ENP AP) is monitored by the European Commission through annual progress reports, by the Georgian Government and by civil society organisations which are involved in regular reporting and independent assessments as well as in advising the Georgian Government on legal approximation and implementation of the needed reforms. The Georgian Government's implementation of the ENP Action Plan began with the elaboration of the Implementation Programme which describes concrete measures to be taken by different Georgian agencies in accordance with the individual provisions of the Action Plan. Each year the Government develops an annual strategy and implementation is reported to the European Commission. Following the Commission's own assessment, the document is reconciled with the views of the partner government, in this case Georgia following further consultations. The process takes a rather informal character which is reflected in non paper-type reports. The EC's annual progress report is the only official document describing the status of the implementation of the ENP AP.

There are different expectations as regards the clear vision of the ENP action plans. The EU considers the ENP to be a more effective tool for managing its relations with its neighbours without a radical change of the legal framework governing those relations such as, in this case, between the EU and Georgia (the Partnership and Co-operation Agreement is to be replaced by an Enhanced Agreement as an ultimate goal) whereas the medium- to long-term interest for Georgia is to prepare the country for future integration into the European Union.

According to independent experts, Georgia has three main short-term interests related to the European Neighbourhood Policy: free trade, a simplified visa regime and an increased role of the European Union in solving conflicts.³ These priorities are also reflected in official statements such as, for example, those by the Georgian State Minister for European and Euro-Atlantic Integration.⁴

In late 2008, trade and visa facilitation, as the two main EU incentives for Georgia, are still under question as the Georgian Government has hitherto not requested a start to the negotiations on these issues given the fact that important corrections have to be made in each of the respective policies. The European Commission received the consent of the Member States to start consultation on the future free trade agreement (FTA) with Georgia but only on the aspect of Deep and Comprehensive Free Trade which differs substantially from the simple FTA in that it also covers industrial goods and services and agricultural production. At the same time, it requires a considerable harmonisation of the trade-related legislation and regulatory practices with that of the EU. To this regards, Georgia, needs to introduce well functioning sanitary and phyto-sanitary control, implement food safety regulation and approximate to the processes of government procurement, competition and environmental legislation with that of the European Union.

As regards a visa facilitation agreement, two main conditions need to be in place—the signing of readmission agreements with the Member States and developing a migration policy in the country—in order for this issue to advance further. A readmission agreement supposes the commitment of the country (Georgia in this case) to re-admit nationals of Third Countries who have entered the EU through Georgia and were expelled from a Member State because of the violation of visa regimes. Such a commitment should be backed by a policy on the development of required

information, a passport and visa, migration statistics, refugee camps, the deregistration of foreigners and other relevant services.

It is still unclear whether or not Georgia will be sufficiently motivated to implement the necessary changes and fulfil the conditions required for the Deep and Comprehensive Free Trade and Visa Facilitation agreements as the Georgian Government presently considers that such changes would hinder the country's rapid economic growth.⁵ This refers to the very liberalist approach of the building of state institutions which limits state intervention and the regulation of economic activities on the market to a minimum. It is noteworthy that two of Georgia's more significant achievements in the last years are with regards to reducing administrative corruption and improving the business climate which was accomplished by abolishing many administrative regulations (and bodies).⁶

Main Achievements

The findings of the European Commission report for 2007⁷ and of some other sources describe the main achievements in the EU-Georgia ENP Action Plan as follows:

- Good progress on judiciary reform, improving state revenues and the fight against corruption has been achieved.⁸
- Progress has been recorded in improving the business climate, reforming Customs and Taxation and providing vocational training and education.⁹
- New policies and new approaches have been designed in the area of social security, regulation of conflict and sustainable development.¹⁰
- Some important legislative improvements have been achieved in the areas of democracy, the functioning of state and local administrative bodies and human rights and fundamental freedoms. The events of November 2007, however, demonstrate the need for a proper implementation of this legislation.¹¹
- Georgia has also undertaken important trade and investment related reforms in 2007. It strengthened investor protection and further simplified the tax code and permitting and registration procedures.¹²

Shortcomings

The observed shortcomings within the implementation process are as follows:

- Reconciling the Government's drive for a radical reduction of its role in the economy and the EU regulatory approach.¹³ In particular, this affects the field of sustainable development in Georgia which includes environmental standards, social protection and food safety.¹⁴
- Delays in adopting an ENP AP implementation programme wherein responsibilities, a budget and a timeline are clearly identified.¹⁵ This has also resulted in the fact that the commitment or the implementation of the ENP Action Plan has not been translated into concrete operational tasks at the ministerial levels.
This was illustrated by the discussions concerning the implementation and monitoring tools for the ENP Action Plan (ENP APIP, Strategy for Implementation of the ENP Action Plan). Interviews with various ministries during the discussion about implementation mechanisms showed that there was little concern with regards to the lack of an approved implementation strategy as each ministry already had its own reform plans (the implementation matrix for 2007 was approved by the Government in May 2007).¹⁶ At the same time, the Government decided to use the abovementioned matrix as a reference document for further actions on the implementation of the AP beginning from 2008.
- Areas for improvement include the rule of law, the reform of the court system, protection of human rights¹⁷ and the independence and impartiality of the judiciary as well as strengthening the institution of the ombudsman, environmental protection and social issues.

Whilst there is no doubt that the Georgian Government has embarked upon an ambitious reform plan, *the degree to which the ENP Action Plan is aimed at deepening the level of integration of Georgia with EU*—which is central to the Georgian reforms, especially in the economic field but also in social and environmental protection—is a question which remains. Additionally, there are still numerous issues which need to be addressed in relation to political reforms and good governance. The incentives available to the Georgian Government under the ENP

remain limited. An impact assessment of a possible (simple) free trade agreement between the EU and Georgia (the elimination of tariff barriers) shows that such an instrument will have little impact upon fiscal revenues and production and only slightly increase consumption and nominal GDP although the political impact of demonstrating the mutual willingness of the parties to enter into a long-term relationship will be the real positive outcome.¹⁸ A recent feasibility study, compiled by Maria Malizevska and others of the Centre for Social and Economic Research¹⁹ and financed by the European Commission, concluded that the real benefit for Georgia will be the establishing of a Deep and Comprehensive Free Trade with the EU. This would suppose a high convergence of the regulatory framework with the EU rules and standards.

2.2 The ENP Action Plan and the Abkhazia and South Ossetia Conflicts

Similar to the other countries of the South Caucasus and Moldova, the ENP AP for Georgia has conflict resolution fixed as priority area. Due to previous EU engagement in conflict resolution (the EU being the biggest donor in both Abkhazia and South Ossetia²⁰), Georgia is the only country in the ENP area which has conflicts mentioned as one of the priority areas with clear allocations under the European Neighbourhood Policy Instrument (herein after ENPI) in the National Indicative Programme (NIP) 2007-2010.²¹

The Action Plan refers to contributing to the settlement of the conflicts based upon respect of the sovereignty and territorial integrity of Georgia and includes specific actions regarding:

- **International Actors:** supporting the roles of the OSCE and the UN in existing frameworks, the Joint Control Commission for South Ossetia (JCC) and the Geneva Process (Abkhazia), respectively,
- **Negotiation:** increasing the effectiveness of the negotiating mechanisms which is measured by the implementation of all outstanding agreements previously reached and, in particular, by the start of demilitarisation, in the case of the JCC, and including the issue of Georgian territorial integrity and conflicts in the EU-Russia political dialogue,

- **EUSR:** further developing the role of the European Union Special Representative (EUSR) for the South Caucasus in conflict resolution, promoting confidence building, providing economic assistance in light of further progress in conflict settlement, accelerating the process of demilitarisation and of conflict resolution upon the basis of the 2005 Peace Plan for South Ossetia endorsed by the Ljubljana OSCE Ministerial Council,
- **IDP:** promoting the return of refugees and internally displaced persons (IDPs) and support the active involvement of civil society in the conflict resolution efforts, and
- **Conflict Settlement Process:** considering further confidence-building and economic assistance in light of the progress in the conflict settlement process.²² Possible additional support is mentioned in the NIP²³ for the elimination of the excessive accumulation of conventional weapons and explosive remnants of war (ERW).

As illustrated, the Action Plan refers mainly to the EU's involvement in conflict resolution and it has only few commitments as such taken by the Georgian Government (they refer mainly to promoting confidence-building and demilitarisation). Some of the specific actions included in the Action Plan, however, are conditioned by the further progress in conflict resolution especially concerning demilitarisation, economic assistance and the implementation of outstanding agreements in the case of the conflict in South Ossetia. The list of actions to be undertaken by the EU and Georgia on conflict resolution reflects the nature of the negotiation of the ENP Action Plan. Georgia has pressed for stronger wording in the document with the aim of obtaining clearer commitments from the EU regarding its support and its approach; that is, the internationalisation of the negotiation of the conflicts and the peace-keeping arrangements, reducing Russia's influence within and the provision of economic and other assistance for various conflict resolution activities. The EU, for various internal and external reasons, was not able to respond and match the level of Georgian interests and had to water down the actions included in the Action Plan. In reality, the EU has not reached the level of CFSP or ESDP development in order to be able to act more actively in a region such as Georgia wherein Russia's stake still remains high and any attempt to further "interfere" could cause serious disagreements

with Moscow. From the very beginning, therefore, the document was not based upon a common or shared approach for conflict resolution which became manifest in the implementation of the Action Plan (and the agreement of the ENPI assistance for conflict resolution as well as other confidence building measures) as will be further illustrated within this report.

Action Plan

In the Action Plan, the European Union draws upon various instruments available across the three pillars such as, for example:

- 1. **First Pillar:** the bulk of the assistance is directed towards economic rehabilitation and reconstruction in the conflict areas to include water, sanitation, electricity and medical infrastructure; assistance for the IDPs and to a lesser degree for the returnees, single community programmes in Abkhazia based upon capacity building for NGOs and media organisations to provide for certain social services to vulnerable groups and to ensure the protection of human rights, support for small business development and also for dialogue across the separation line either through joint participation in economic rehabilitation projects.
- 2. **Second Pillar:** EU-Georgia and EU-Russia political dialogue, the role of the EUSR in supporting the political track in conflict resolution processes.
- 3. **Third Pillar:** embedding police advisors to the UNOMIG and OSCE missions, support for border management and discussions on visa facilitation.

Progress Report

In the progress report on the implementation of the Action Plan, the Georgian Government points out the various initiatives which it has taken for ending the deadlock in political negotiations and for a peaceful resolution of the conflicts; namely:²⁴

- **Political Settlements:** Continued support for political settlements of the conflict based upon peaceful means (which was confirmed at all levels in the context of NATO integration) and upon

the basis of a “Peace Plan for South Ossetia” which was presented and adapted at the OSCE Ljubljana Ministerial Council in December 2005 and the “2006 Georgian Peace Plan (Road Map) for Abkhazia.”

- **Revision:** Demand for a revision of the peace process under UN auspices for the Abkhaz conflict.
- **Direct Dialogue:** Desired direct dialogue with de facto authorities. The Georgian State Minister for Conflict Resolution Issues paid a visit to Sokhumi on 25 October 2007 where he met with Sergei Shamba, the de facto Minister of Foreign Affairs.
- **Temporary Administration:** The establishment of a Temporary Administration for South Ossetia with the aim of restoring constitutional order in the area, promoting economic development and the establishment of conditions for democratic elections as well as the creation of a state commission for defining the autonomous status of the former autonomous district of Southern Ossetia within the Georgian state (working groups dealing with legal, economic and financial, cultural-educational directions have been set up).
- **Exile Government:** The establishment of the Abkhaz Government in Exile in the Upper Kodori Gorge following a law enforcement operation in the area.
- **Demilitarisation** of the South Ossetian region through unilateral steps such as the dismantling of the military-fortifications on the Georgian side of the conflict zone and the withdrawal of the military police subdivisions of the Ministry of Internal Affairs of Georgia from the Didi Liakhvi valley. Further agreement on demilitarisation and disarmament has not been reached within JCC meetings (23-24 October 2007).
- **Confidence-building** efforts made by the Georgian Government with regards to restoring contacts between the Abkhaz and Georgian societies are principally blocked from the part of the Sokhumi de facto authorities and their supporters although some unilateral actions undertaken for confidence-building such as the release of the seven-member Abkhaz armed sabotage group

which was arrested by the law enforcement bodies of the Georgian Government. The co-operation of representatives of veterinarian services of the Georgian Government and the Sokhumi de facto authorities produced joint efforts for the prevention of swine fever and avian flu.

- **IDPs:** Steps taken for the integration of IDPs through a more co-ordinated approach between governmental agencies and international actors based upon housing and the gradual closure of collective centres, education, integration programmes and new social programmes.²⁵
- **Rehabilitation in South Ossetia:** Participation in an economic rehabilitation programme in South Ossetia (through the allocation of 300,000 EUR to the joint rehabilitation basket for the international economic reconstruction programme and through the start of a 20 million GEL (approximately 8.9 million EUR) social-economic rehabilitation programme in the area controlled by the Temporary Administration.
- **Rehabilitation in Abkhazia:** Participation in the working meetings related to the implementation of the EU rehabilitation programme in the Abkhaz conflict zone (Zugdidi and Gali regions) and the proposal for an increased participation of the Georgian and Abkhaz (de facto) authorities in the implementation of the programme through a new Steering Committee with Secretariats and working groups in Tbilisi and Sokhumi.
- **Human Rights Protection:** the full operation of the UN Human Rights Office in Gali has hitherto not been achieved. Furthermore, there is an attempt from the part of the de facto authorities to substitute the UN Human Rights Office with a NGO centre which is not foreseen to ensure the protection of the human rights of local population and is, therefore, inadmissible for the Georgian side.
- **Police:** Georgia’s request for the establishment of an International Civil Police force for the Gali district was confirmed by the UN SC Resolution but has hitherto not been implemented.

Civil Society Experts

Civil society experts point out the need for a new approach to conflict resolution in Georgia based largely upon the “Europeanisation” track. Archil Gegeshidze, a noted specialist in the field, indicates that this should include:

- reconciliation, the strengthening democracy in Georgia and the use of exclusively peaceful means which should replace the mainly coercive approach presently used by the Georgian Government (sanctions, aggressive rhetoric based upon “enemy” images and military build-up),
- opening the conflict areas to support Europeanisation processes and
- attracting the necessary international support to convince Russia to be more constructive in the resolution of the conflicts.²⁶
- additionally, it is recommended that the EU supports the Georgian initiative for the creation of a provisional administrative unit in South Ossetia, to have quicker and tougher reactions to Russia’s destabilising policies towards Georgia and to support new formats for conflict settlement (political negotiations and peace-keeping arrangements).²⁷

Taking the abovementioned perspectives into account, it can be concluded that there are important differences in assessing both the critical factors that support the conflict as well as the necessary responses; namely:

- **EU and Experts:** The EU Progress Report²⁸ and some independent Georgian and international experts are quite critical with regards to the unilateral actions of the Georgian Government for changing the status quo and ask for a change in the Georgian approach to conflict resolution (renunciation of the use of force, the abolition of sanctions and confidence-building with the parties in the conflict).
- **Georgian Government and Experts:** The Georgian Government, supported by the opinion of other independent experts, considers that 1) the status quo is too costly for the Georgian Government and needs to be changed and 2) no constructive conflict resolution efforts can

- take place until Russia’s negative role in the conflict resolution is addressed as it impacts upon the effectiveness of confidence-building and reconciliatory approaches (which, in this case, further sustains the status quo).

3 THE INTERNAL CONFLICTS OF GEORGIA – AN ASSESSMENT

This section of the report provides a general overview of the issues related to “Europeanisation” and conflict resolution. These issues will be further discussed herein within assessments of the two conflicts and their dynamics as well as the international (and EU) engagement in conflict resolution in terms of types of responses, their implementation and effectiveness.

3.1 Georgia’s Internal Conflicts

Despite shared geopolitical factors enabling their continuation, such as Russian assertiveness and Georgia’s drive for Euro-Atlantic integration, Georgia’s conflicts with Abkhazia and South Ossetia are quite different from each other and, as such, should be assessed separately. This assessment will focus upon those issues and actors which are considered to play main roles in sustaining or resolving the conflicts. In order to provide a closer glimpse of the conflicts, a matrix will be used which focuses upon identifying four key factors within by looking at the societal level, governmental policies, the core issues behind the conflict and the actors with vested interests in the continuation of the conflicts.

3.2 Abkhazia – Issues and Actors

The four key factors sustaining the conflict identified by this assessment are: the non-reconciling positions on self-determination and territorial integrity and the lack of movement towards a common solution, the vested interests in maintaining the status quo and Russia’s policy therein, Georgia’s limited

attractiveness for reintegration and the lack of a ‘push factor’ from the society level. These factors are the result of various issues which are presented below:

| Factors | Self-determination v. territorial integrity | Vested interests in the status quo | Society level (lack of push factor) | Georgia’s limited attractiveness and capacity for reintegration |
|----------------|---|---|--|--|
| Issues | The opposing stances | Russian policy | Poverty | Coercive approach |
| | “Enemy” images / lack of trust between the sides | Economic dependence on Russia | Human Security | Capacity to manage the conflict |
| | Demography/IDPs | Smuggling/Corruption | Human rights | Economic grievances (poverty, unemployment, increasing inequality) |
| | Political elites and popular support for independence project | Linkages between Russian interests and political infighting between Abkhaz factions | Media Civil society and NGOs | Local development – weak demonstration effect |

Table 1: Critical factors and issues regarding Georgia’s conflict with Abkhazia

3.2.1 Self-Determination v. Territorial Integrity

The core issue behind the conflict is about reconciling self-determination aspirations which are seen as being fulfilled only within the framework of an independent state (Abkhazia) and Georgia’s drive to maintain territorial integrity within its internationally recognised borders.

The Opposing Stances

Political negotiations on the final status have failed and there are presently no substantial discussions on status issues. The two sides have made public their own proposals for a peace plan or road map. These are the Abkhaz “Key to the Future,” of May 2006, and the Georgian peace plan entitled “Fundamental Principles” of June 2006 and the most recent and broadly ambitious peace initiative of President Saakashvili of March 2008. Whilst the purpose of this assessment is not to discuss the various status proposals in detail, it is noteworthy that these public peace initiatives are dedicated mainly to internal and

external audiences and remain upon irreconcilable positions as concerns Abkhaz sovereignty and Georgian territorial integrity. At the present, the Abkhaz de facto authorities refuse to engage in negotiations on the political status until Georgia withdraws the Abkhaz Government in Exile from the Kodori Gorge. The position of the Georgian Government (as pointed out by the “Fundamental Principles” peace plan) is a package deal which includes the maintenance of the country’s sovereignty, the return of the IDPs and international and constitutional legal guarantees for Abkhaz large²⁹ autonomy.

“Enemy Images”

The self-determination drive in Abkhazia is closely linked to the demographic situation and to a still vivid memory of “Georgianisation” during the Soviet period. The memories of the conflict are quite vivid on both sides and “enemy” images abound whilst being further sustained by a weak and unprofessional media, aggressive rhetoric and limited contacts between people on the both sides.

Demography/IDPs

The large community of IDPs of Georgian ethnicity from Abkhazia (approximately 250,000 people) of which some have voluntarily returned to the Gali region (approximately 50,000 people from which 15,000 have returned permanently and approximately 35,000 have gone for seasonal work in agriculture³⁰) is at the core of the conflict. According to the opinion of different experts, the ethnic Abkhaz are presently the fourth ethnic group in Abkhazia after Armenians, Russians, and Georgians (mainly from the Gali region).³¹ The return of the ethnic Georgian population to Abkhazia represents a direct threat to the Abkhaz project of national state-building even if there are doubts surrounding the kind of statehood the Abkhaz elite is trying to build (a national state or a multi-national one). As a result, there is little political will from the Abkhaz side on agreeing to the return of the IDPs until the status issue is resolved (including for improving the security conditions in the Gali region where the IDPs are now returning voluntarily but within an unregulated and unsupervised manner).

Political Elite

As mentioned above, demography is working against the issue of Abkhaz statehood and the nature of their state-building process remains ambiguous. Following the 2004-2005 victory in the presidential elections which, according to various experts was due to the backing of the Georgian population in the Gali region, Sergei Bagapsh has increasingly profiled himself as the protector of national minority groups in general and, recently, of the Armenian community, in particular, as was pointed out during the 2007 Parliamentary elections.³²

Whilst the Abkhaz elite and society are publically united around the idea of Abkhaz independence, it is appreciated that the Abkhaz elite is split between those who favour independence (and some future integration within Europe) and those who consider de facto integration with Russia as the only realistic solution³³ (there is no visible constituency for reintegration with Georgia either at the society level or the elite level). An important part of the Abkhaz elite is distrusting in Russia's support for the Abkhaz independence project especially after the March-April Russian actions of further integration of the secessionist regions in Russia.³⁴ The March 2007 Parliamentary elections in Abkhazia also showed

that even if Bagapsh loyalists gained 28 of the 35 seats in the People's Assembly, the pro-Russian opposition movement, the Forum for Public Union, could become an important internal challenge for Abkhaz declared unity and drive for independence.³⁵ Moreover, experts show that Georgia's regaining control over the Upper Kodori Gorge in 2006 had the effect of weakening the pro-independence group as Bagapsh was under attack for not addressing the increasing "Georgian threat" and within which Russia strengthened its posture as the only external protector for Abkhazia.

3.2.2 Vested Interests in Maintaining the Status Quo

Russian Policy

Many local experts consider that Russia is using the conflict in Abkhazia to ensure leverage over Georgia, especially as other instruments (mainly coercive ones) did not show real results in dissuading Georgia from pursuing Euro-Atlantic integration. These have included the economic blockade, energy "blackmail" through the increase of prices to "market" level in 2005-2006, inconsistencies in deliveries and even alleged attacks on electricity infrastructure (the 22 January 2006 explosions on gas pipelines and electricity lines in Russia that were supplying Georgia), increased obstacles for the mobility of the Georgian population towards Russia (especially labour migration) and even the forced expulsion of Georgian immigrants from Moscow. Russian economic involvement in Georgia, however, remains important with Russian state and private companies heavily involved in key sectors like banking, gold mining, chemical enterprises, electricity generation and distribution and telecommunications³⁶). This economic influence was considered to have been instrumental in Russia agreeing to withdraw its military bases from Georgia in 2005 although the status of the Gudauta military base in Abkhazia is presently uncertain.

The conflicts remained as Russia's key instruments for controlling Georgia's policies and strategic directions. Local experts point out that the declarations of German and French high-officials linking the

resolution of Georgia's conflicts and obtaining the NATO MAP³⁷ gave Russia a feeling of self-assurance of having a free hand in Georgia. Moreover, within the framework of the discussion with regards to the Kosovo precedent, Russia threatened the "application of this precedent" with regards to Abkhazia and South Ossetia. Whilst no decision was made concerning the recognition of independence of the two entities, Russia took certain steps which in fact contributed to the further integration of the two areas into the Russian legal and political systems and on 6 March 2008 announced that it was no longer bound by the 1996 CIS decision on establishing sanctions against Abkhazia.³⁸ Furthermore, Vladimir Putin instructed his government to give assistance and legal protection to Russian citizens living in Abkhazia and South Ossetia, to recognise the laws and legal entities from the two conflict regions and to strengthen economic co-operation with the respective republics.³⁹ Russian aerial military incursions on Georgian territory continued in April 2008 with the violations being confirmed by a UNOMIG fact finding mission. Even more, under increasing aggressive rhetoric and mutual recriminations with regards to the use of military force, Russia increased its contingent under the CISPKF and brought in additional military troops for the declared goal of the restoration of the railway in Abkhazia.

Economic Dependence on Russia

Besides Russia, the benefits of the continuation of the conflict are reduced to a limited economic elite in Abkhazia (consisting of both local individuals and Russian investors). The economic dependence of both the Abkhaz authorities and the population of Russia is due to trade which accounts for 50 percent of Abkhaz budget revenues⁴⁰ with Russia representing the main market for cross-border activities for the local population. Further, the Abkhaz banking system functions through the intermediary of Russian banks. Russia does not offer direct budgetary support for Abkhazia but it does pay pensions to the local population. Russian investments took place in the transportation infrastructure, tourism and also in the acquisition of property (including that from Georgian IDPs). Russian investors are also pressuring the local authorities for making changes to the law prohibiting the acquisition of land (which currently

cannot be sold but only leased for a period of 40-50 years). The level of Russian economic involvement is already increasing in preparation for the Sochi Olympic games which raises certain benefits on the Abkhaz side (employed workers, more investments in infrastructure) but also fears with regards to increased prices for properties, demographic changes and environmental damage (unconfirmed reports say that the state of the environment in Abkhazia is at a deplorable level and is further exacerbated by Russian construction work).⁴¹ This economic dependence, therefore, makes for a formidable instrument for Russia to influence Abkhazian policies such as the closure of the border during the 2004 elections to support Hadjimba as Russia's preferred candidate.

Smuggling/Corruption

Formerly, the collusion of economic interests gained from smuggling and illegal trafficking between Russian peace-keepers, Georgian and Abkhaz law enforcement structures, local mafias and paramilitary structures was quite high. The effects were not so significant in terms of relevance for the Georgian economy—a 2004 study reported that smuggling through Abkhazia and the Tskhinvali Region was small in comparison to the volume of illegal trade through other (non-conflict) parts of the country such as the Black Sea port of Poti and the land borders with Azerbaijan and Turkey—but led to the formation of local networks with strong interests in preserving the conflict situation.⁴² Due to the Georgian anti-corruption campaign, the level of cross-border trafficking over the cease fire line was reduced significantly until the outbreak of the conflict and was based mainly upon the subsistence needs of the IDPs in Gali.⁴³ There are indications, however, that no changes took place with regards to certain forms of trafficking (drug trafficking, illegal trade in ferrous and non-ferrous scrap metals, etc.)⁴⁴ and there are still indications confirming the trafficking of nuclear materials.⁴⁵ Of increased concern is the fact that Abkhaz law enforcement structures and local mafias are using coercive practices, especially in the Gali region, during the hazelnut and citrus harvests.⁴⁶

Linkages between Russian Interests and Political Infighting between Abkhaz Factions

Besides economic and criminal structures benefiting from the conflict, the political structures in Abkhazia have been affected by limitations to the declared and desired pluralism based upon unity in the face of the “external threat of Georgia aggression,” economic isolation and dependence of Russia. According to a 2005 evaluation, the political and economic power are highly centralised in the hands of a few in Abkhazia.⁴⁷ Experts indicate that the two main factions—Sergei Bagapsh, the de facto President, which controls the security (military) structures and of Alexander Ankvab, the de facto Prime Minister, which controls the economic and financial structures—currently oppose each other. The 9 July 2007 attack on Ankvab, for example, was ascribed to this internal fighting⁴⁸ although Georgian experts explain the incident as Russian opposition to the Prime Minister’s declared intention of making an inventory of the real estate in Abkhazia and examining illegal transactions involving Russian companies.⁴⁹ This illustrates clear and strong linkages between Russian political and economic interests and the political infighting between Abkhaz factions which will be hard to break. The European vector in Abkhaz power politics seems to remain only as a weak desiderate especially as no definite steps are taken on the Georgian side to encourage opening Abkhazia to stronger interdependence with the European economic and political space.

3.2.3 Society Level: Lack of a Push Factor

According to a September 2007 public opinion poll, the resolution of the conflicts remains as one of the main three problems facing Georgia today (alongside unemployment and the economy) and it is considered to be the most important priority for the Georgian Government (followed by the creation of employment).⁵⁰ These findings show, however, that most of the population considers that no special autonomous status should be granted to either of the breakaway regions even if the Georgian Government has made public its various proposals on granting different degrees of autonomy to both South Ossetia and Abkhazia dating to 2005. A law was passed in 2007 which makes reference of the autonomous status for South Ossetia. Whilst no reliable opinion polls are available for Abkhazia, it is generally considered—and within almost unanimous agreement—that the Abkhaz population is only quasi united in its support for Abkhaz independence.

Georgian society remains as a weak factor in influencing approaches for the resolution of the Abkhaz conflict. Poverty, unemployment, limited political participation, a still weak media and civil society (with important differences between Georgia as such and the Abkhaz region) results in the conflict resolution policies being confined to the hands of a few. The public debate remains limited even at the level of political, intellectual and economic elites and, as such, there is limited space for the discussion of alternative options, compromise solutions and the identification and support for the key drivers for peaceful change.

Situation in Abkhazia

Poverty

The impoverished population of Abkhazia is largely focused upon ensuring its subsistence mainly through agriculture and cross-border trade with Russia (and, to some degree, with Georgia). Since the conflict, Abkhazia has an ageing population with approximately 45,000 pensioners in 2005 (receiving pensions from Russia in the main and symbolic ones from Abkhazia and Georgia for those which qualify for IDP status).⁵¹ Due to state monopoly over property, land is rented out for agricultural purposes although “the inadequate legislative framework and dubious regulatory practices permits households only access to sufficient land for them to survive but not sufficient for them to thrive.”⁵²

Human Security

The situation surrounding human security remains poor and is a factor of particular concern especially in the Gali region. There are some indications that initiatives have been fostered at the local level to respond to these security challenges and that some villages, for example, have their own “village militia” which will come to the rescue of a household if an alarm is raised.

Human Rights

The human rights situation remains critical, most notably in the Gali region, where the DoS Human Rights Report for 2007 has indicated the following widespread violations: kidnapping, arbitrary arrests, deaths in custody, the failure of the de facto

authorities to conduct impartial investigations and to bring alleged perpetrators to trial, abuses by de facto law enforcement authorities including arbitrary arrests and detention, abduction, forced conscription in the Abkhaz militia (reduced for Georgian ethnics, but representing an effective pressure instrument on returnees or to prevent return) and the restrictive citizenship legal framework which excludes the possibility of dual Abkhaz-Georgian citizenship and limits the rights of the ethnic Georgian population in Abkhazia to participate in local electoral process.⁵³

Civil Society and NGOs

Civil society in Abkhazia remains weak but it is developing.⁵⁴ A 2005 directory mentions approximately 70 non-profit organisations in Abkhazia⁵⁵ although their viability is under question. Whilst in autumn 2004 there were 300 NGOs registered in Abkhazia, for example, a re-registration process finalised on 1 January 2005 led to the re-registration of only 150 NGOs of which the spokesperson of the Ministry of Justice stated that only 50-60 were active.⁵⁶

An analysis of the organisations included in the 2005 NGO directory indicates that most of them provide services to vulnerable groups and over half of them are based in Sokhumi. Of the organisations, 11 percent work on women's issues, 46 percent work with children, 19 percent offer free services to disabled people and 29 percent are engaged in different charitable activities (such as the distribution of clothes and medicine, home assistance to elderly people, etc.). Further, more than half (54 percent) are involved in educational activities with only a very limited number working to provide legal service (6 percent) or in encouraging small business (3 percent).⁵⁷ Some achievements have been registered such as those organisations working on disability issues co-operating with governmental structures, the involvement of the "League for Fair Elections" in monitoring the 2004 elections and the creation of some resource centres for NGOs and media organisations.⁵⁸

A 2006 evaluation report identifies three main categories of NGOs: 1) established ones, based in Sokhumi with some financial viability, 2) NGOs with poor management structures enjoying funding

from several donors but upon the basis of short-term grants and 3) NGOs with a limited donor base, highly dependent upon sporadic short-term funding without a clear organisational objective.⁵⁹ The same evaluation indicates that most NGOs are built around one individual who has rather good links with the governmental establishment.⁶⁰

It should be mentioned that the programmes for building local civil society capacity on the part of various international donors (UNDP, EC, some European countries) began mainly in 2005-2006. Representatives of international organisations working in Abkhazia have different opinions as regards the strength of civil society with some considering a certain degree of capacity and sustainability amongst a very limited number of NGOs (approximately 10) and others considering the Abkhaz NGO sector to be vibrant.⁶¹

Media

According to a June 2007 evaluation, independent reporting is available only from a limited number of privately-owned print media outlets in Abkhazia which constitute the sole alternative to Abkhaz state television or Russian television channels. The majority of newspapers, however, publish only weekly, in limited print runs and are not available outside larger urban centres. In November 2006, a local journalist described the problems faced by independent print media which include increasing costs of printing, the reluctance of state-controlled presses to print independent publications, distribution problems, draconian tax laws that are applied only selectively, the absence of a legal framework to safeguard the functioning of a free press and chronic stonewalling by government officials whom journalists approach for information.⁶²

Situation in Georgia

Media and civil society in Georgia as a whole play an important role in conflict resolution.

Civil Society

Whilst civil society in Georgia is considered to be quite vibrant, the trend in the last years has largely been one of stagnation. Improvements have taken

place in the legal environment regulating the activity of NGOs and the administrative requirements have been simplified. Local organisations, however, are still largely dependent upon foreign donors with a further limited participation of the citizenry as a whole and a decreasing public image especially as the November 2007 crisis and the subsequent presidential and parliamentary elections have led to an increased polarisation of the public space into pro-opposition and pro-government.

The main roles which have evolved for local Georgian CSOs in conflict resolution are: 1) providing services to excluded and or directly affected groups such as war veterans and IDPs, 2) public policy capacity, 3) fostering communication and public debate and 4) building confidence through second and third track diplomacy.

The effectiveness of the activities of CSOs in performing these roles is limited by the general issues characterising the 3rd sector in Georgia as well as the limited engagement from the governmental side on conflict resolution policies except for selected cases (based upon personalities involved or proven credentials).⁶³ Moreover, there are only a very few specialised organisations dealing with peace-building and conflict resolution with many think-tanks and NGOs dealing with conflict resolution as part of a larger mission which also and equally targets general political, economic and social issues (depending on the priorities of donors as well) within an overall still limited outreach to the general population and a decreasing public trust (due to the polarisation of political and intellectual elites). Whilst the expertise which exists at the civil society level is undeniable, the capacity of NGOs to develop larger, long-term programmes with a resulting greater impact is limited as the support received is mainly project-based.

Media

International and local reports point out that there have been improvements within the legal framework protecting the freedom of expression but serious problems relating to their implementation remain.⁶⁴ These include the intimidation and abuse of journalists (especially in the regions), a lack of transparency and shadow economic linkages between commercial

television, government and businessmen and the influence of governmental and opposition politicians over editorial and programming decisions through personal connections with media executives.⁶⁵ Civil society experts appreciate that “pressure upon journalists from the part of the authorities has been entirely transferred to a non-judicial and unofficial level.”⁶⁶ In terms of capacity issues, most of the 200 independent newspapers in Georgia are mainly local or have a limited circulation with a reduced commercial viability and, therefore, remain dependent upon political or business patrons.⁶⁷

With regards to the role of the media in conflict resolution, the experts point to rather frequent cases of misinformation by the Georgian media. The UNSG report on Abkhazia/Georgia indicates that whilst individual allegation may have limited impact, “the cumulative effect of inaccurate reports is of growing distrust and insecurity, increasing the chances for confrontation.”⁶⁸ Local experts assign the disinformation through Georgian media to very low level of journalistic professionalism and unverified information. There have been some initiatives coming from the governmental level with regards to alternative sources of information in terms of concrete steps to improve the information space for the conflict areas and to establish links across the conflict line, such as the “Alania” television station (South Ossetia and broadcast in Russian) and the radio station “Voice of Abkhazia,” but their professionalism is limited and they are largely associated with official propaganda and not independent reporting.⁶⁹ Local media representatives have made proposals for exchanges between Georgian and Abkhaz journalists (visit trips, internships) but the political atmosphere around the conflict has precluded any joint activities or engagement. International organisations, however, such as the IWPR, are involved in bringing together journalists from across the entire Caucasus region.

3.2.4 Georgia’s Limited Attractiveness and Capacity for Reintegration

Coercive Approach

The limited attractiveness of Georgia and its domestic capacity for reintegration is due to a large degree to

its coercive approach to conflict resolution which has been based upon (ineffective) sanctions, aggressive rhetoric, militarisation (there has been a notable increase of the military budget although it is now being reduced⁷⁰) and the threat of using military force. The *sticks* represented by this approach are thought to be complemented by the future *carrots* of a democratic and developed Georgian state which will be able to offer strong competencies at the local level (large autonomy within a federative republic) and to guarantee their implementation. Local experts and Georgian officials consider that a democratic Georgia would represent a reliable option for the Abkhaz pro-independence drive in time and would be preferred to the option of de facto annexation by Russia. The benefits of further European and Euro-Atlantic rapprochement are presented to Abkhazia within the clear explanation that these could be achieved only through reintegration with the Georgian state. As discussed above, however, the European vector in Abkhaz policy seems to be more determined by the desire for the increased sustainability of the Abkhaz “state” than a real and feasible drive for European integration. The problem in applying such a *sticks-and-carrots* approach is that it is only the so-called *sticks*, or negative approaches, which have hitherto been used whilst the *carrots*, or incentives, are still in the distance and, as such, remain without enough credibility to constitute a real offer. There are many reforms which still need to be made, especially as concerns the rule of law in Georgia, whilst at the same time there is no set time frame for the country’s desired European integration.

Capacity to Manage the Conflict

Georgia’s short-term policy as concerns the two conflicts is based upon the following legitimate objectives:

- **Spoilers:** To eliminate possible spoilers of the conflict resolution process; namely, by curbing corruption in the law enforcement agencies (thereby also affecting the structures involved in trafficking across the conflict line) and by eliminating paramilitary groupings in the Upper Kodori Gorge.⁷¹

- **Limit Russian’s Involvement:** To gain international support for limiting Russia’s role in the management of the conflict as both guarantor and peacekeeper and show the reduced willingness of the Russian peacekeepers to fulfil their mandate (especially with regards to the safe return of the IDPs and the security situation in the Gali region) and that the Russian establishment attempts to gradually incorporate de facto Abkhazia into Russia.
- **Increase European/International Involvement:** To reach an agreement with a certain level of European and international involvement in Abkhazia which will ensure some diversification of support for the local population (and thereby reduce dependency of Russia) and which could raise awareness with regards to possible future benefits of reintegration with Georgia.

The implementation of this approach, however, has contradictory results. As illustrated above, the law enforcement operation in the Upper Kodori Gorge had the effect of increasing reliance upon Russian support and strengthened the pro-Russian integration faction in Abkhazia. Further, the coercive approach towards Abkhazia limits the possibilities for the EU, as currently the biggest international donor in Abkhazia, to gain the necessary leverage in the conflict resolution process.⁷² Moreover, at the moment of writing (June 2008), Russia’s actions in Abkhazia are provoking a spiral of actions and reactions on both sides which further entrenches the parties in adversarial positions and limits the possibilities for a long-term reconciliatory approach. It is only a decisive EU and US intervention that can break the current spiral although the exact nature of the instruments which the EU and the US should use remains unclear.

The attempts from the Georgian state to address the concerns and fears at the level of the population have currently been significantly reduced as there is no favourable environment for people-to-people contacts and also due to the reluctance of Abkhaz elite to allow such exchanges. Some independent experts (both local and internationals) believe that the good progress in supporting informal dialogue between the

parties which was achieved during the mandate of the Georgian President's representative, Irakli Alasania, was lost and that the resistance at the Georgian official level towards informal dialogue processes which are not controlled by the formal factors is currently too strong.⁷³ Some steps for restoring trust were declared by Temur Iakobashvili, the newly-appointed Minister for Reintegration in 2008, which indicated the willingness of the Government to be more flexible on Abkhazia's contacts with the outside world.⁷⁴ Following the escalation of rhetoric and the movement of military troops, some steps have recently been taken to reopen a direct dialogue, such as Alasania's visit to Sokhumi, but the results of his meetings remain hitherto undisclosed.

Additionally, there is very limited public debate with regards to conflict resolution including for the assessment of the causes of the conflict and the past mistakes on the part of the Georgian side. Some separate developments have taken place, however, such as President Shevardnadze's admittance of partial responsibility for the war (the 1992 Georgian military operation) although the lion's share of the blame is apportioned to Tengiz Kitovani, the then leader of the National Guard, who allegedly defied the political authorities in starting the aggression.⁷⁵ With regards to South Ossetia, during a conference on the breakaway region which took place in Batumi on 10 July 2005, President Saakashvili declared: "Not only have we unilaterally acknowledged everything that *I personally* [authors' emphasis] think happened there, but we also invited them to form a truth commission and conduct joint investigations."⁷⁶ In 2006, as a part of the principles forming the basis of the Georgian peace plan for Abkhazia, Irakli Alasania spoke about the common responsibility of Abkhaz and Georgians to "objectively assess the mistakes of the past and to secure peace for each other"⁷⁷ although no concrete steps were taken by the Georgian side to this end. In 2007, a public "Sorry Campaign" was launched by a NGO to "repent" those mistakes which led to the war in Abkhazia but it did not acquire wide support with even the presidential level stating that no apologies are necessary.⁷⁸

Economic Grievances

In terms of Georgia's economic and political

attractiveness for reintegration, there have been important achievements in the last years in the form of continuous high economic growth despite the Russian blockade,⁷⁹ the improvement of the business climate,⁸⁰ the fight against corruption⁸¹ and an improvement of the transportation infrastructure (countrywide) and public utilities.⁸² This notwithstanding, important problems remain with regards to poverty⁸³ and unemployment,⁸⁴ social inequality,⁸⁵ corruption at the elite level⁸⁶ and human rights.⁸⁷

Local Development

Of specific interest with regards to Georgia's attractiveness for the integration of ethnic groups are the issues related to minority rights and effective local democracy (including for the existent Autonomous region of Ajara). Independent local and international reports point out the improvements made within the transportation infrastructure and Georgian language instruction for ethnic Armenian and Azerbaijani minorities in the regions within compact settlements (Samtskhe-Javakheti and Kvemo Kartli)⁸⁸ although recommending, however, for a clearer distinction to be made between integration and assimilation policies. In terms of local democracy, the assessment of the present situation is more critical and points out that the abolition of self-government at the village level and its introduction at district or municipality level as well as increased delegated duties from the central government, limited financial strength and the traditional weakness of self-governance pose a real risk to the establishment of a workable self-government.⁸⁹ In the second half of 2007, additional changes were made to the legislative framework but with no significant empowerment of local authorities in practice, the government maintains strict control over the self-governing units.⁹⁰

The case of Ajara deserves special attention especially as it was considered to have important demonstrative effects for the integration of South Ossetia (the organisation of an international conference on South Ossetia in Batumi in 2005 was directed to show the benefits from peaceful reintegration with Georgia). After the successful and peaceful ousting of the local "baron," Aslan Abashidze, in May 2004, a constitutional Law on the Status of the Autonomous Republic of Ajara was passed that same year which

was criticised by local observers as restricting the autonomy of the region through the extensive rights of the Georgian President who can appoint the Prime Minister, dismiss the Supreme Council if its activities endanger Georgian sovereignty or if it fails twice (consecutively) to approve the candidate for Prime Minister.⁹¹ Moreover, experts indicate that the specific duties of Ajara are very similar to those of the self-governmental units and that the income share of Ajara is not determined in the consolidated budget.⁹² Presently, the Supreme Council of Ajara is dominated by the UNM (with 72.1 percent of the votes with only the Republican Party securing additional representation in the June 2004 elections. New elections are expected in autumn 2008).⁹³

3.3 South Ossetia – Issues and Actors

A similar matrix which looks at self-determination, power structures and the local interests and benefiter from the conflict, Russia’s policy, society level and Georgian governmental capacity and attractiveness for reintegration will be used for the evaluation of the South Ossetian conflict. This assessment will not reiterate the aspects previously discussed in relation to the Abkhazian conflict, such as Russia-Georgia relations, Georgia’s achievements and unfinished business, but will focus only upon those issues with relevant special interest for the South Ossetian case.

| Factors | Self-determination v. territorial integrity | Russian Policy | Society level (lack of push factor) | Georgia’s limited attractiveness and capacity for reintegration |
|----------------|---|---------------------------|--|---|
| Issues | Identity issues (popular support for the Alania project) ⁹⁴ | Military presence | Poverty /Social needs | Provisional administration – Show case or real incentive for reintegration? |
| | North Ossetia/Russian integration | Political power | Security risks | Confidence building |
| | Local interests in the status quo, the greed factor (smuggling, organised crime, privatisation) | Unilateral rehabilitation | Media | Capacity to manage the conflict |
| | | Pensions | Civil society | Attractiveness (economic, governance, local democracy and minority rights) |
| | | Passports | | |

Table 2: Critical factors and issues regarding Georgia’s conflict with South Ossetia

3.3.1 Self-Determination and Local Interests in South Ossetia

Identity Issues

There is rather wide support for the Alania project within the Ossetian ethnic community in the Tskhinvali Region although this is not mirrored at the level of the Ossetian population living in other parts of Georgia. Moreover, together with factors related to economic viability and power structures in the Tskhinvali Region, the real interest and objective seems to be for integration in Russia (and reunification with North Ossetia) despite 99 percent of the people supporting independence in the 12 November 2006 referendum as claimed by the de facto authorities.⁹⁵

North Ossetia/Russian Integration

The Ossetian national movement is considered to have its centre in North Ossetia and has been shaped by the conflict with Georgia as well as the conflict with Ingushetia at the beginning of the 1990s and anti-Russian terrorist attacks related to the Chechen conflict (such as the 2004 Beslan hostage crisis). With the help of the Russian media, the Ossetian nationalist ideology seems to be linked with a pro-Moscow loyalty which differentiates the Ossetian Federative Republic from most of the other Northern Caucasian republics.⁹⁶ The Georgian governmental and non-governmental elite seems to largely neglect the identity issues and bases its assessment of the Ossetian conflict upon the limited allegiance towards the Alania project amongst ethnic Ossetians living in Georgia. In their interviews with civil society representatives in South Ossetia, international experts consider that it is the neglect of the identity question in the South Ossetian conflict which further fuels the mistrust of the local population towards Georgian governmental policies for reintegration based upon a solution calling for autonomy.⁹⁷

Local Interests in the Status Quo

From the economic point of view, South Ossetia's mountainous location is unfavourable for real economic viability with only limited agriculture and mining. The region is devoid of important investments and business is not developed to a significant degree with the exception of the bottling of mineral water as a local enterprise.⁹⁸ Customs duties on the import and export of goods to and from Russia made up 90 percent of the Republic's budget in 2006 although the

population relies upon social subsidies and pensions from Russia.⁹⁹ Agriculture, especially apples which are sold mainly to Russia, provides some subsistence occupation for the local population.

Important additional benefits were provided by the role of South Ossetia as a channel for smuggling and trafficking between Georgia and Russia through the Roki Tunnel and the Ergneti Market before 2004.¹⁰⁰ Goods were illegally traded by networks of criminal gangs, illegal or legal business groups, law enforcement bodies, the de facto authorities and the peace-keepers. According to a 2004 report, "the criminal dimension of "personal gain" is of particular importance insofar as elites use profits for patronage to accrue political power, not just enrichment."¹⁰¹ The Georgian anti-smuggling campaign in 2004, which closed the Ergneti Market, led to changes in the pattern of cross-border smuggling and organised crime in the area. There have been some indications of the re-establishment of cross-border trade as a result of the Russian economic blockade which made the uncontrolled border of South Ossetia an attractive opportunity for businessmen therein selling Georgian agricultural products, such as tangerines, on the Russian market.¹⁰²

The setting up of a provisional administration in 2007 in Kurta, however, has limited the space for contacts between the communities and diminished the possibilities for smuggling. The frequent blocking of the TRANSCAM, as well as the blockade around Georgian villages controlled by the provisional administration, limits the chances for the restoration of cross-border trade between the two ethnic communities. It also adds to the overall level of mistrust towards the Georgian Government even in the Georgian controlled areas.

The South Ossetian conflict, therefore, is supported by a combination of identity issues, economic gains from the conflict linked to the de facto political structures and the mistrust at the population level towards Georgia due to a perceived (and real) lack of interest of the Georgian Government to treat the population as its citizens.

3.3.2 Russian Policy

In the case of South Ossetia, Russia uses conflict instruments similar to those put into place in Abkhazia (payment of pensions, passports, the main role as mediator and participant in the PKF as well as the desired recognition of legal acts in Russia). Additionally, it has employed innovations such as

the start of a unilateral 3 million EUR economic rehabilitation package part of which was completed by the end of 2006¹⁰³ (their implementation is outside of the auspices of the agreed joint structures, respectively JCC). Further, a gas pipeline project was launched on 27 October 2006 linking Tskhinvali and Russia and there are other plans for an electricity transmission line.¹⁰⁴

3.3.3 Society Level: Lack of a Push Factor

Security Risks and Social Needs

The population in the conflict area faces a dire security situation with crimes, detentions, shootings and exchanges of fire having become a routine part of daily life in addition to the limited economic opportunities.¹⁰⁵ Access to public utilities is restricted (gas, electricity, water) and this is often used as a political instrument by the Russian and Ossetian sides (electricity for the Georgian villages) or the Georgian side (water).¹⁰⁶

Civil Society and Media

Civil society overall is very weak in South Ossetia. In the 1990s, the main types of civil society organisations were those of veterans, youth groups and trade unions which were intended to protect the rights of their members.¹⁰⁷ More recently, organisations working for the promotion of democracy have been formed in Tskhinvali largely in response to the policies of international donors. The support infrastructure for civil society is very limited (such as information and resources centres) with a further unequal development of organisations between the Georgian and Ossetian communities in the area as a result of the donor policies which mainly support civil society initiatives in Tskhinvali and confidence-building and dialogue processes between Tskhinvali and Tbilisi whilst ignoring activities and engagement between the ethnic communities living in the conflict area.¹⁰⁸ It warrants special note that the informational environment is largely dominated by the Russian media.

3.3.4 Georgia's Limited Attractiveness and Capacity for Reintegration

Lack of Differentiation between the Population and the Elites

The lack of differentiation between the population and the ruling elite seems to be an important problem for the Georgian policy for South Ossetia. The 2004 anti-smuggling operation failed to make the distinction between the two main categories which were involved in smuggling; that is, the poor and otherwise vulnerable groups for whom smuggling was the main source of subsistence and frequent contacts and interaction between the ethnic communities and the bigger interests of key elites including those from Georgian law enforcement agencies. Moreover, the military escalation led to a deterioration of the situation both with regards to the security situation in the area and the break in the trust between the two communities

Provisional Administration

The parallel elections in 2006 and the establishment of the provisional administration in 2007 showed that Georgia had a change of approach which aimed at: 1) showing that independence and or integration into Russia is not an agenda shared by the entire Ossetian ethnic community, 2) offering the local population an alternative to Eduard Kokoity's corrupt regime, 3) re-establishing control over the Georgian villages under Georgian jurisdiction and 4) showing the economic benefits of reintegration into Georgia to local population in the conflict region.

Confidence-Building

Many issues, however, as concerns the implementation of the new approach were questioned by local and international experts, respectively:

- The "democratic" legitimacy of Dimitri Sanokoev whose election figures were inflated (voter list) and within which there is no independent monitoring to confirm that he represents the local population.¹⁰⁹ Local experts do evaluate that his support within the local population was very high in the initial stages although is now decreasing.¹¹⁰

- Tough retaliatory approaches from the de facto Tskhinvali authorities (roadblocks, aggressive rhetoric). Moreover, the Sanakoev administration failed to strengthen its appeal to the population living under the control of the facto authorities with civil society representatives from Tskhinvali showing that they are viewed as traitors by the majority of the population.¹¹¹
- The massive economic reconstruction programme which was started in the villages under Sanakoev's control needs to pay more attention to local realities (job creation, agriculture), the empowerment and participation of the local population and sustainability issues as this level of investment cannot be sustained by the Georgian Government over a long period of time.¹¹² Further, the attempts to relocate Ossetian families based upon various economic or financial incentives from the region under Kokoity's control has led to mass grievances at the level of the local Georgian population due to the fact that it does not enjoy the same attention from the provisional administration and that their subsistence basis (trade of agricultural products) was negatively affected by the blocking of the transportation routes which further reduced their already meagre profits.¹¹³

Capacity to Manage the Conflict

The Georgian Government still considers the 2005 Georgian-South Ossetian Conflict Peaceful Resolution Plan, which was endorsed by the OSCE Foreign Ministers in Ljubljana, to be the key document guiding their resolution approach. The experts, however, indicate that the intended obligations were not met by the Georgian Government within the duration of the plan (one year)¹¹⁴ and it was only the needs assessment and the launching of an international economic reconstruction programme from the list of proposed measures which were realised. The law on restitution and compensation of property to the refugees and IDPs was approved but the mechanism of implementation has hitherto not been created.¹¹⁵ Currently, the Government is assessing property costs and the number of refugees who might appeal for restitution.¹¹⁶ The unfortunate reality is that the various steps taken by the Georgian Government in 2006 and 2007 have created more

obstacles than opportunities in promoting the broad Georgian-Ossetian contacts as envisaged and offered in the Ljubljana resolution plan.

In April 2007, the Georgian Parliament adopted the Law on the Creation of Appropriate Conditions for the Peaceful Settlement of the Conflict in the Former Autonomous District of South Ossetia which is the first juridical instrument that mentions autonomy for the region (there are no mentions about South Ossetia in the Georgian Constitution). The Law, however, was mainly aimed at defining the links between the provisional administration and the Georgian Government with specific mandates on issues pertinent to South Ossetia.¹¹⁷

3.4 Dynamics in the Last Years¹¹⁸

Despite the fact that Georgia's conflicts are often described as "frozen," the reality is that their dynamics are far from it. The key turning points in the conflict situation are as follows:

- **1998:** Confrontation of Abkhaz militia and Georgian paramilitaries in the Gali region which displaced for a third time approximately 40,000 returning IDPs).
- **2001:** When the evacuation of Chechen guerrillas from the Pankisi Gorge faced a military reaction from the Abkhaz side with the Upper Kodori Gorge being at the centre of the confrontation).
- **2003, 2004, 2005:** The 2003 and 2004 elections in Georgia, respectively, and the 2005 presidential elections in Abkhazia, which led to a change of power through peaceful means.
- **2004:** The 2004 Georgian anti-smuggling operation in South Ossetia and the escalation of the confrontation. The anti-smuggling campaign was preceded by a humanitarian operation which proved controversial, however, and failed to achieve its goal due to widespread distrust and suspicion.¹¹⁹
- **2006:** The July 2006 Georgian operation in the Upper Kodori Gorge "to restore law and order" and the relocation of the Abkhaz Government in Exile¹²⁰ in the area which led to a perceived increased threat by the Abkhaz authorities and

also by the local population due to distorted media reports.¹²¹

- **2006:** The parallel elections in South Ossetia and the establishment of the provisional administration in 2006-2007.
- **2007 and 2008:** Russia's Provocative Policies in 2007 and notably in 2008 aimed at further annexation of the conflict areas.

As illustrated, the recent history of the conflict is dominated by a confrontational dynamic with very few and ineffective steps taken towards reconciliation and restoring trust. Georgia's economic reconstruction programme in the South Ossetian conflict areas is restricted to the Georgian villages with limited involvement in the economic reconstruction in the area controlled by the de facto authorities (Georgian participation in the OSCE-led reconstruction programme amounts to only 300,000 EUR¹²²). The limited confidence-building measures taken with regards to Abkhazia have had negligible effects as the environment is dominated by the hardening of rhetoric, various clashes and the recent threat of restoring territorial integrity through the use of military force. Russia remains the only international actor with real influence on the conflicts whilst that of the EU and the US remains very limited in terms of affecting Georgian governmental policies for conflict resolution.

4 INTERNATIONAL RESPONSES

4.1 Main International Actors

The main international actors assisting Georgia in the implementation of reforms are the international financial institutions such as the World Bank (USD 816 million since 1993 and USD 143 million for the Country Strategy Paper 2006-2009),¹²⁴ the IMF (a USD 20.2 million disbursement for the PRGF was approved in March 2006 bringing total disbursements to approximately USD 80.7 million),¹²⁵ the European Bank for Reconstruction and Development (EBRD) (49 investment loans totalling USD 401.3 million by 2006), the US (assistance is estimated at USD 63.8 million¹²⁶ for 2008 with additional assistance available through the Millennium Challenge Corporation in the form of a five-year USD 295.3 million grant¹²⁷), EU Member States (the UK, Germany, Sweden and the Netherlands making 240 million EUR available since 1992¹²⁸), the European Commission (120 million EUR for the ENPI 2007-2010 from which 31.5 million EUR is earmarked for economic reform and ENP AP implementation, 38.4 million EUR for poverty reduction, 31.5 million EUR for democratic governance and 19 million EUR for the peaceful resolution of the conflicts),¹²⁹ UN agencies (UNDP, UNICEF, UNHCR and others) and the OSCE. Other bilateral donors are the Governments of Norway, Switzerland, France, Lithuania and Poland which provide development assistance to Georgia.

Most of the assistance is directed towards (from existing public figures):

- **Economic development and poverty reduction**, including public utilities, transportation and energy infrastructure, business climate and enterprise development and regional development (World Bank and the UNDP

donating USD 17.53 million in 2008 and the MCC's ongoing 'Compact' programme amounting to USD 211.7 million, EC – 120 million EUR over a three-year period through the ENPI).

- **Public sector reform** including public finance management, (World Bank, DFID, the Netherlands and SIDA under a donor pooling arrangement of 13.8 million EUR¹³⁰ and the ENPI 2007 in the amount of 16 million EUR), twinning programmes (ENPI 2007 in the amount of 4 million EUR).¹³¹
- **Democratic governance** (the US providing USD 14.52 million in 2008, the EC -EDIHR micro assistance programme, the Netherlands providing 80,000 EUR for civil society initiatives¹³²).
- **Security reform** (the US providing USD 21.7 million in 2008).
- **Investing in people** (education, culture) with a USD 8.74 donation from the US in 2008.
- **Peaceful resolution of conflicts** (19 million EUR from within the ENPI 2007-2010).¹³³
- **Humanitarian assistance** (the US providing USD 1.8m in 2008).

Donor co-ordination is undertaken by the UN Resident Co-ordinator's Office which serves as the Secretariat for the Donor Co-ordination Group and which has established links with other sector specific co-ordination fora. Georgia's Donor Co-ordination Group experience was discussed as one of the best practices at a EU-US-organised seminar on Donor Co-ordination for New Donors which was held in Brussels on 6 December 2007.¹³⁴

4.1.1 Key International Actors/Donors

In Abkhazia

The key donors in Abkhazia are the European Commission, the Governments of Norway, Switzerland, Germany, Sweden, the Netherlands, the UK and the US, the UNDP, WFP, World Vision, ICRC, UNHCR, UNICEF and UNIFEM.

The European Commission is the largest donor in Abkhazia dating to 2006 and has implemented projects worth approximately 25 million EUR from which most of the assistance has been directed towards the rehabilitation of the Inguri power plant and humanitarian needs as follows:

- the rehabilitation of the Inguri Hydro Power Plant (9.4 million EUR for the first two phases which were concluded in spring 2006 and a follow-up programme of 1.57 million EUR).
- a programme of electricity, public health and the rehabilitation of local agriculture in the conflict area (Gali, Zugdidi, Ochamchire, Tkvarcheli) in the amount of 1.98 million EUR which began in December 2005.
- a second phase of the rehabilitation programme for civilian police (UNOMIG, Zugdidi) which began in January 2007, the Inguri shuttle bus service and the Information Centre in Sokhumi (200,000 EUR) with a third phase of the programme in preparation (4 million EUR).
- micro-assistance under the EDIHR for legal education and the protection of the rights of vulnerable groups (200,000 EUR) with a new call announced in 2008 (800,000 EUR).
- a rehabilitation programme for implementation outside the conflict area (Western Abkhazia) which is implemented by local and international NGOs (0.95 million EUR).
- humanitarian assistance for IDPs and returnees in Abkhazia (2 million EUR currently under implementation and another 8 million EUR between July 2004-November 2007).
- NGO co-financing for income generation activities (1 million EUR) implemented by Acción Contra el Hambre.
- mine clearance (0.5 million EUR) and a mine ban treaty (0.5 million EUR).
- confidence-building programmes under the Rapid Reaction Mechanism (0.6 million EUR).

The volume of assistance for the Abkhazian conflict from the other donors is not available. The UNDP-led Information Centre in Sokhumi offers some public

information with regards to the projects implemented. The main aspects targeted by these projects are informal Abkhaz-Georgian dialogue, capacity-building for civil society, media development, local governance, children and youth, women, social protection for vulnerable groups including disabled people, income generation and human rights.

In South Ossetia

The European Commission is involved in a programme of economic rehabilitation in South Ossetia with assistance hitherto amounting to 9.5 million EUR with further support to the JCC (140,000 EUR) and for confidence-building activities through unofficial dialogue (a 6-month project for 155,000 EUR) and support for the 2006 needs assessment for South Ossetia.

The European Commission's assistance to South Ossetia is mainly directed at the OSCE-led reconstruction programme which was agreed in 2006 by the parties and donors. The programme has a total budget of approximately 8 million EUR to which European Commission and US contributions amount to 2 million EUR with a further 1 million EUR each from Belgium and Sweden and a half-million EUR each from the Netherlands and Germany with other smaller donations received from Estonia, Poland, Lithuania, the Czech Republic, Italy, Croatia, the UK, Andorra, Hungary, Norway, Finland, France, Spain and Turkey.¹³⁵ Georgia and Russia have made initial pledges to match this funding although they are currently implementing parallel programmes (in the Tskhinvali Region by Russia and in the area under the control of the provisional administration by Georgia).

In Georgia

There is a great deal of development assistance in Georgia but it is not properly conflict sensitive. There is, however, important assistance for areas with indirect relevance to conflict resolution policies such as development in the country's regions with significant ethnic minority populations (Armenians in Samtskhe-Javakheti and Azerbaijanis in Kvemo Kartli), civil society development, media strengthening and public sector reform to strengthen professional capacity for developing and implementing policies and ensuring public debate.

Direct conflict resolution interventions are largely dedicated to humanitarian assistance and the integration of IDPs. There is some European Commission

involvement related to conflict resolution in Georgia as a whole, for example, such as projects dealing with the IDPs (500,000 EUR) and support for the State Ministry for Reintegration (184,242 EUR).¹³⁶ Joint co-operation on conflict resolution policies between civil society and the Government is supported by the DFID as part of a small regional project (CMI, GFSIS and others).

4.1.2 Implementing Actors and Mechanisms

Abkhazia

The main implementers in Abkhazia are the UN agencies such as the UNDP and UNOMIG for economic rehabilitation, the WFP, UNCHR and UNICEF, the ICRC, the MSF and international NGOs (CR, International Alert, Berghof Centre for International Peace Support, Acción Contra el Hambre, Halo Trust, World Vision, Toledo Centre for International Peace, Geneva Call, Article 19) and local NGOs (mainly the Centre for Humanitarian Programmes, Sukhum Media Club, Sukhum Youth Club, Union of Businesswomen, Association of Women of Abkhazia and others).

The implementation mechanism for the European Commission-funded and UNDP-UNOMIG-implemented rehabilitation programme is in the form of a Steering Committee which meets throughout the year but without the full participation of either the Georgian or the Abkhaz sides (especially on agreeing projects and monitoring implementation).¹³⁷ Both the Abkhaz and Georgian authorities have asked for a full fledged participation in this Committee but concerns have arisen that this would make the whole process more complicated and protracted. Moreover, the Georgian authorities would like to clarify certain points related to the nature of the engagement of the de facto authorities, the setting of priorities, the actors involved in the implementation (their capacity, local participation) and aspects of effectiveness.¹³⁸ The Georgian authorities believe that an implementation mechanism for the economic reconstruction similar to the JCC in South Ossetia could contribute to confidence-building between the sides provided that Russia would not have a participatory role.

South Ossetia

The key international donors in South Ossetia (EU, US, Sweden, Germany, Belgium, the Netherlands) came together within a joint economic reconstruction programme in 2006 which is led by the OSCE. The

programme's implementation is undertaken by Georgian and Ossetian contractors together with international and local experts.

The implementation mechanism for the economic reconstruction was established by a Steering Committee (which was set up under the JCC) and included the Georgian Government and the South Ossetian de facto authorities who agreed upon the projects to be approved and the mechanisms for joint implementation.¹³⁹ Both Georgian governmental and international actors consider this implementation mechanism to be quite effective even if it is not a very rapid one.

4.1.3 Approach of International Donors

Abkhazia

The UN has defined the overall approach to the settlement of the conflict based upon a "successful dialogue on security, the return of internally displaced persons and refugees, economic rehabilitation and humanitarian issues [which] would help bring about a comprehensive political settlement of the conflict, taking into account the principles contained in the document titled "Basic Principles for the Distribution of Competences between Tbilisi and Sukhumi" (the Boden Document).¹⁴⁰ The lack of progress, however, upon drawing nearer to a "comprehensive political settlement" and the unilateral actions of Russia and Georgia have rendered the achievement of important progress on security, return of the IDPs and economic rehabilitation impossible. Whilst international actors and local experts have often times suggested that the issue of final status should be postponed and concrete steps taken for confidence-building between the sides, the positions of the two main parties to the conflict still remain aside by placing the accent upon the return of the IDPs (Georgia) and, respectively, security guarantees (Abkhazia, namely the withdrawal of Georgian troops from the Upper Kodori Gorge and the agreement on the non-use of military force).

South Ossetia

The OSCE Mission to Georgia defines its approach for the peaceful resolution of the Georgian–Ossetian conflict as a comprehensive one which covers politico-military, economic and environmental and human areas of security.¹⁴¹

4.2 Categories of Response

4.2.1 Responses Addressing Economic Rehabilitation and Social Protection

Abkhazia

The main components of the economic rehabilitation programme in the conflict zone are water and energy infrastructure rehabilitation, agricultural development, provision of medical services and capacity-building for village council and district agencies in order to strengthen local participation. Additionally, certain income-generating and business development activities are also taking place in Western Abkhazia such as, for example, though the EU's decentralised co-operation programme. International actors have gradually moved from humanitarian assistance for vulnerable groups to income-generating activities and providing assistance to vulnerable groups through food-for-work and food-for-education schemes.

The UNICEF 2005 project, which ensured that the Georgian immunisation plan covers the conflict-affected areas and ensured co-operation in the transport, distribution and reporting of vaccines between the Georgian and de facto Abkhaz Ministries of Health represents a good example of work in the social sphere.¹⁴² The strained atmosphere related to the Abkhaz conflict, however, has hitherto made the implementation of similar co-operation projects rather difficult.

A new strategy for the IDPs was approved by the UNHCR and the parties with an inter-ministerial working group being created in Georgia to discuss its implementation. In the framework of this strategy, the UNHCR and the Norwegian and Danish Refugee Councils as its implementing partners, are focusing upon the provision of agricultural assistance, shelter, social integration in the local communities, vocational training, school rehabilitations and awareness-raising, political participation and legal assistance.¹⁴³ These Councils have continued to support economic rehabilitation, income-generating and training activities, community mobilisation and microcredit for the returnees in the Gali, Ochamchire and Tkvarcheli districts within the conflict zone.¹⁴⁴

South Ossetia

The OSCE is leading the June 2006-agreed Economic Rehabilitation Programme (ERP) funded by 21 donor states. As part of the programme, large-scale projects are undertaken for the provision of gas, water and electricity, the improvement of schools and medical facilities and the development of small business and agriculture (training and small grants) which directly benefit all the communities in the conflict zone.¹⁴⁵

4.2.2 Responses Addressing Political and Governance Issues

Abkhazia

The international actors working in Abkhazia support activities aimed at strengthening peace-building constituencies (media, civil society and small business) and political participation such as, for example, increasing access to information, the protection of human rights (the UN Human Rights Office has the mandate to provide legal assistance to the population and support to local NGOs but the dire situation regarding human rights in Gali remains hitherto improperly addressed. It was only on 10 December 2007 that the premises of the Human Rights Centre in Gali was officially opened with UNOMIG support¹⁴⁶), increased access to European values through the opening of a European Information Point and the establishment of academic exchange programmes with EU institutions and Member States and informal dialogue between the parties which has been taking place since 1996 and usually with the facilitation of international NGOs. At the same time, some good local initiatives are also in existence such as, for example, a mixed-families project¹⁴⁷ which promotes contacts amongst Georgian-Abkhaz families.

South Ossetia

The OSCE is supporting civil society and human rights development through small grants for NGOs. Since 2004, the programme has aimed at increasing the ability of these organisations to effectively meet the needs of the local communities through inter-community dialogue, improving education including that in the English language, the training of teachers, raising awareness on democracy issues and human rights, increasing women's participation, the training of journalists and providing support for people with disabilities and other vulnerable groups including young people.¹⁴⁸

4.2.3 Responses Addressing Security Issues

Abkhazia

Two main components have been hitherto implemented in order to address security issues: 1) the rather successful de-mining project implemented by Halo Trust¹⁴⁹ and 2) the training of police to include joint police patrols, support for community policing and the construction of new police stations and training centres in Zugdidi as well as training courses for de facto Abkhaz militia).¹⁵⁰

South Ossetia

In South Ossetia, the focus is placed upon demilitarisation (the OSCE mission is monitoring the situation and the activity of joint peace-keeping forces in the security area and has also submitted its own proposals for advancing demilitarisation in the area) and police (the OSCE and the EU provided equipment and expertise for a Special Co-ordination Centre to co-ordinate Georgian and South Ossetian law enforcement efforts to fight crime in the zone of conflict as agreed under the JCC in 1999 although the operational capacity of the Centre remained low until 2004 as a result of the lack of political will. After 2004, limited progress was achieved on law-enforcement co-operation between the sides although some practical results, such as co-ordinated arrests of criminals, were achieved).¹⁵¹

4.2.4 Donor Co-ordination

Abkhazia

The UNDP has established an Information Centre in Sokhumi which aims to serve the needs of the development and humanitarian aid community in Abkhazia and to encourage information sharing and co-ordination amongst all development stakeholders in the area as part of an EU-funded rehabilitation programme.

Under the overall co-ordination of UNICEF, four other UN agencies (UNDP, UNHCR, WFP and FAO) have made a joint Review of the Socio-Economic Needs of Abkhazia with the aim of providing a solid ground for developing a UN joint programme in Abkhazia which would encompass multi-sector rehabilitation and humanitarian as well as development initiatives.¹⁵² This initiative is seen as supporting the further strengthening of donor co-ordination overall.

South Ossetia

Donor co-ordination herein was improved in 2006 through the Brussels Donors' Conference which discussed the findings of the needs assessment and approved further support for projects agreed by the parties.

4.3 The Outburst of the Conflict, the War between Georgia and Russia and the Post-August 2008 Status-Quo

The growing tensions between Russia and Georgia have had direct influence upon the position of both secessionist governments regarding the settlement of the conflicts with spring 2008 marking their harsh declarations and attitudes against Georgia. Russian television programmes and the media at large, substantially controlled therein by the Russian Government, launched an intensive campaign fuelling the separatist hysteria in the breakaway regions and preparing ground to justify the Russian state's asymmetric position of supporting the secessionist movements.

Given the reality of Russia increasingly becoming a party to the conflicts, the Georgian Government intensively demanded a change in the format of the negotiations and called for its further internationalisation involving the European Union and the US. The idea of changing the negotiating format in both of the conflicts, however, was repeatedly rejected by the Abkhaz and South Ossetian de facto governments and Russian officials as well. Attempts by different international actors to introduce the new approaches to the conflict resolution process, such as the peace plan for Abkhazia which was presented in Moscow by the German Foreign Minister, Frank-Walter Steinmeier, was referred to as "unrealistic for today"¹⁵³ and fully rejected by the Abkhaz separatist leaders. At the same time, different Moscow-led actions—the decision to reconstruct the railway line in the Ochamchire region using military capacity as well as the issuance of a decree by President Putin on establishing direct official relations with the Abkhaz and South Ossetian separatist governments, amongst others—contributed directly to Georgia's fear of its disputed territories being swallowed by its neighbour. A large concentration of Russian troops on the border with Georgia added further to the growing tensions and there was a strong belief within the country that Russia would invade the conflict zones, push out the

Georgian population and the Georgian structures from Abkhazia and South Ossetia and establish direct control over them.

When the conflict escalated on 8 August and Georgian forces advanced upon the South Ossetian capital, Tskhinvali, Russians responded with a full-scale invasion and ultimately occupied Georgian territories located great distances from the conflict zone including Abkhazia and parts of Western Georgia which were not involved in the South Ossetian conflict. A Peace Agreement between Russia and Georgia was negotiated through mediation efforts of the European Union, under the leadership of the President of France and the French Presidency of the EU, Nicolas Sarkozy. The settlement, in the form of a six-point cease fire agreement which included the return of all forces to the positions held prior to 7 August and starting international consultations on the final settlement, amongst others, was endorsed by the Russian, Georgian and French Presidents on 12 August.¹⁵⁴ Based upon its own interpretation of the cease-fire agreement, however, Russia maintained its honouring and fulfilling of the provisions.¹⁵⁵ On 26 August, however, official Moscow recognised the independence of Abkhazia and South Ossetia within a unilateral stance.

President Sarkozy referred to the set of measures agreed upon with President Medvedev on 8 September as a "first step" towards the full implementation of the 12 August agreement. This Sarkozy-Medvedev Plan set a concrete timeframe (one month) for the Russian withdrawal from the undisputed Georgian territories and provided for the deployment of at least 200 EU monitors in those areas.¹⁵⁶ The situation on the ground, however, remained volatile without the real disengagement of forces and became even more so after Russia announced its decision to deploy 7,600 troops in both regions, eliminate the borders between the regions and Russia and to place its security forces on the administrative borders (now being called state borders by Russia) of the separatist regions (now being called states by Russia) with the rest of Georgia.

Currently, the impression is that Russia is neither inclined to allow the reintegration of the separatist enclaves with Georgia nor to encourage the return of Georgian IDPs to their homes within. As far as Russia was engaged in a war with Georgia, it can no longer continue to play a mediating role in the resolution of the conflicts and so it is the international community—

and the European Union, first of all—which should play the leading role in the process. In order to properly carry out this role, it is necessary that EU monitors are allowed to enter the conflict zones and be able to report upon the actual situation. As a next step, the EU should deploy a civilian mission in order to monitor the return of the refugees. Presently, the OSCE mission—even with its pre-war mandate—is not allowed to increase its staff or start and prepare the grounds for the return of Georgian IDPs to their homes.

UN-mediated talks with the European Union and the OSCE, held in Geneva on 15 October at which Russian and Georgian officials were to start consultations on the wider issues of conflict settlement according to the Sarkozy-Medvedev Plan, failed due to difference of opinion on the role and status of Abkhaz and South Ossetian representatives. A new reality was marked on 14 November when the European Union recognised that it has no instruments to “force” a Russian withdrawal from the rest of Georgia and renewed negotiations on the PCA without having any indications from Moscow that it is ready to fulfil the ceasefire agreement. At the same time, EU leaders have assured Tbilisi that they will continue to urge Russia to honour its commitments. Talks in Geneva are to be reopened on 18 November 18 although no significant breakthrough is expected.

4.4 Conclusions and Lessons Learned

- **Lack of Direct Assistance to Conflict Resolution:** The majority of international assistance for conflict resolution in the period preceding August 2008 has been in the form of humanitarian and development assistance which did not contribute directly to any resolution. Support in confidence-building, negotiation, elaboration of settlement approaches, education of tolerance, introduction of conditional economic and social and co-operation projects linked to the progress in conflict resolution or transformation were poorly represented. The lack of progress on political and security issues created a certain fatigue within the international donor community and, at the same time, a certain frustration from the Georgian side.
- **EU and UN Approach:** The EU and UN approach on economic rehabilitation and capacity-building in Abkhazia has not secured a firm and whole-hearted commitment from either

Georgian or de facto Abkhaz authorities.¹⁵⁷ On one side, the Abkhaz consider the UN and EU approach lacking neutrality as they have endorsed Georgian territorial integrity and formally support the Georgian conditions for the return of refugees and the regime of sanctions.¹⁵⁸ On the other side, the Georgian approach continues to oscillate between points in time of reconciliation and confrontational approach.

- **Approaches to Cope with Russian Influence:** Even if there were an increased awareness between international donors with regards to the negative influence of Russia upon the conflict, the instruments which they were ready to use mainly affected the societal level of the conflict and not the power structures which sustained the conflict. As previously mentioned, the limited effectiveness of the conflict transformation approach is also determined by the fact that approach itself is not properly shared by the Georgian Government and as such it has different time horizons and modalities for measuring results.
- **Problems of Development Assistance:** Previous evaluations of UN agencies regarding development assistance for Abkhazia (agriculture, micro-finance, the UNV programme for civil society and business development, amongst others) showed that: 1) the security situation in the area had significant implications for the effectiveness of development assistance in the area (increasing the risk for the local population to become the targets for criminal groups and security restrictions applied to implementation and monitoring field activities¹⁵⁹) as most of the humanitarian and development assistance was directed to the conflict zone (Gali, Ochamchire, Tkvarcheli, Zugdidi), 2) it had not been properly demonstrated how grant-based income-generation and other development activities would support the intended goal of confidence-building and reconciliation from a strategic perspective and 3) there were general problems associated with development assistance such as local participation in setting priorities, creating dependency and sustainability issues.¹⁶⁰
- **Local Peace Constituencies:** A specific type of intervention used as part of a conflict transformation approach was the support for

building local peace constituencies through the development of civil society, media and local small business. Their effectiveness, however, remained limited in a more or less restrictive environment (Abkhazia as compared to South Ossetia) in which “unity” was needed much more than a pluralism of opinion. Moreover, “peace” was defined by local constituencies in a different manner and on both sides (supporting the official approach of the parties of either independence or territorial integrity) and, therefore, had little overall effectiveness in creating alternatives and room for real compromise.

- **Conflict Assessments:** Whilst many international donors made their own conflict assessment and evaluations of the implementation of programmes and projects, these were usually done by international experts possessing limited knowledge of the conflict setting or with a limited participatory approach from the local stakeholders. Moreover, the assessment of the conflict was not a regular one (and, as we seen, there is an important dynamic of these conflicts) and there was no clear instrument for collecting and disseminating lessons learned from previous interventions.
- **Lack of Impartial Mediators:** The real mediation presented by truly impartial powers interested in settlement was and continues to be absent in the process. Russia, the only international actor currently having full access to the regions of South Ossetia and Abkhazia, acts according to its own interests and cannot be given the opportunity to secure monopoly of the process.
- **Other Mediators:** Other possible mediators, such as the EU or the US, have never been welcomed by the Abkhaz and South Ossetian leaderships and, therefore, have had no prospect for engagement given that a mediator needs to be approved by all sides to the conflict.
- **EU Engagement:** The EU has become actively engaged in the process only after the war and subsequent Russian incursion into Georgia. The escalation of the conflict, the war itself and the political and humanitarian consequences—Russia’s recognition of the independence of Abkhazia and South Ossetia and a new wave of IDPs of predominantly Georgian ethnicity (approximately 20 thousand from South Ossetia

and 6 thousand from Abkhazia)—have created a new reality and reduced the possibility of using the abovementioned tools for reconciliation to an absolute zero at this stage. As a result, there is an urgent need for developing new approaches and processes herein.

5 THE ENP AND THE RESOLUTION OF THE CONFLICTS IN GEORGIA – REALITIES AND PERSPECTIVES

5.1 Review of the EU Approach before August 2008

Image of the EU in the Region: The political conditionality or influence imposed upon Georgia from the part of the EU has been limited overall. Its slow and cautious reactions (such as, for example, the Russian attack of the radar station in Georgia in August 2007, amongst other incidents) or the simple lack of reactions whatsoever (such as replacing the OSCE border monitoring mission in Georgia after Russia blocked the extension of its mandate in December 2004) have created the image of the EU as a weak actor lacking the necessary weight and decisiveness to affect any real change. This opinion was gradually being revised, however, taking into consideration the increase of Georgian supporters within the EU (enlargement) as well as the aggressive Russian actions,¹⁶¹ which forced EU countries and institutions to make stronger statements and take steps for facilitating the restart of dialogue and contacts between the Abkhaz and Georgian sides of the conflict.¹⁶²

- **Economic Attractiveness:** The core of the EU approach in the Neighbourhood is that support for Georgian economic and political reform will improve its attractiveness for

reintegration and will facilitate a peaceful resolution of the conflicts in the medium- to long-term. This still remains, however, without proper address as the EU is quite limited in terms of incentives which it can offer as well as with regards to the volume of assistance and the pace of its influence upon Georgian policies. A gradual change in this regard, however, is taking place in consideration that the EU is becoming the main trade partner for Georgia (closely followed by Russia and Turkey) and the trend is consolidating.

- **EU Incentives:** Some of the incentives which the EU could offer at present (Deep and Comprehensive Free Trade and visa facilitation) would represent, in principle, an additional motivation for reconciliation between the sides. It is thought, for example, that approximately 7,000 products from Abkhazia could benefit from preferential treatment under the GSP+ granted by the EU to Georgia and a future Deep and Comprehensive FTA.¹⁶³ The present visa regime, however, is more favourable to Russian passport holders than Georgian ones and is an issue which should be urgently addressed.¹⁶⁴
- **Approach towards Russia:** Political influence on Russia was limited and the EU remained divided internally as concerns Russian policy. Russia was not only provoking Georgia but was also challenging the EU and the US in order to show the limits of its power.
- **UN and OSCE Frameworks:** The conflict resolution approach was based upon the support for the UN and OSCE frameworks which ensured a certain manageability of the conflicts (prevented or limited the overheating) but it lacked trust from the conflict parties. This affected also the visibility of the EU with the local population as the economic reconstruction programmes were implemented through UNDP / UNOMIG or the OSCE.
- **Donor Approach:** The EU approach to the conflict was more of a donor one than of a political actor. Apolitical money through economic rehabilitation helped build neutrality and impartiality but even in this regard there was a tension between EU endorsement of Georgian territorial integrity and the so perceived

“neutral” role in economic reconstruction. Through apolitical money, however, the EU has made a direct contribution in economic and technical issues (the JCC) even if not on political ones as it was perceived as less of a threat to challenging the status quo.

- **Time Frames:** The EU and Georgia worked within different time frames wherein that of Brussels focused upon the medium- to long-term whilst Georgia’s dealt mainly in the short-term.
- **Conflict Assessment:** The EU had not explicitly formulated its aims as regards conflict resolution based upon a joint and thorough conflict assessment nor had it ensured that its approach was shared or at least understood by the parties involved.
- **Security Aspects:** The EU only recently started to target security aspects within the framework of border management issues (but not the border with Russia) and co-operation between law enforcement structures across the conflict lines (the SCC in South Ossetia, embedded police in UNOMIG and the OSCE, financial support for training activities). No clear discussion, however, had taken place within EU and with the sides to the conflict in terms of support for demilitarisation and possible security guarantees (including the ESDP civilian crisis management operation).

5.2 Recommendations for the EU

- **Reconsider EU’s Strategy:** After the August war, the process of conflict resolution in Georgia has been put into the context of an international conflict between Georgia and Russia with Russia having taken full control over Georgia’s breakaway regions and making it impossible for Georgia to initiate any conflict resolution effort. This new situation sets the stage for changing the EU’s role and intervention logic. The EU’s mediation of the Georgia-Russia conflict settlement, its consequent deployment of the civilian mission to monitor the fulfilment of the ceasefire agreements of 12 August and 8 September 8, its active role in the Geneva talks and its demonstrated readiness to engage in direct talks between the Georgian Government and the breakaway leaders marked a new stage

and new prospects for EU involvement. The EU should reconsider its policy towards Georgia and Russia wherein Georgia needs more support and better prospects for approaching the EU. In the long-term, this will build Georgia's attractiveness for the disputed regions. Russia should not go unchecked in its attempts to annex Georgian territories and the EU should attach a higher degree of conditionality to its relations with Russia.

- **Withdrawal of Russian Troops:** With regards to the new post-August reality, the EU should continue urging Russia to withdraw from Abkhazia and South Ossetia and to restore the *status quo ex-ante* August 2008.
- **Support by the EU for UN and OSCE:** The enhancement of the OSCE and UN missions, in Abkhazia and South Ossetia, should be strongly supported by the EU. These missions should provide full information on the situation and conditions on the ground in the areas populated by ethnic Georgians.
- **Zero-Tolerance against Ethnic Cleansing:** The EU should strongly push the issue of the readmission of refugees in both regions and the creation of security guarantees for them within its dialogue with Russia. The guarantees can only be created by impartial international peacekeepers who should be admitted within by the authorities of the secessionist regions. The EU should strive to foster an understanding amongst the abovementioned actors as concerns a zero-tolerance for ethnic cleansing.
- **Reconstruction:** Reconstruction and rehabilitation of the villages and towns damaged during the last conflict, including those inside South Ossetia, should be envisaged as a first priority action in parallel with the return of refugees.
- **Increased Co-ordination:** There should be increased conflict assessment and co-ordination with other international actors and Georgia in order to ensure maximum impact (representatives of the EUSR, the EC and some EU Member States to work together in ensuring regular and joint strategic assessment and donor co-ordination).

- **Evaluation of Economic Programmes:** The launch of an independent evaluation of existing economic programmes (especially in Abkhazia) based upon participatory approaches in order to clarify the approach overall to assess their effectiveness and increase local participation. There needs to be an open door for discussions on possible economic co-operation projects and ideas contributing to reconciliation through growing interdependence and mutual interest.
- **Development of Medium- and Long-Term Strategies:** Increased direct activity and engagement with Georgia is necessary in order to help improve the capacity and coherence of governmental approaches with regards to the development of medium- and long-term conflict resolution visions and strategies. Intensification of internal discussions on these issues is needed including the involvement of wider circles of the society and a convergence of views on a long-term solution. The EU should contribute to strengthening a public debate in Georgia by supporting civil society, political parties and media engagement on conflict resolution issues.

ENDNOTES

- 1 The Georgian Government asked for a three-year implementation framework during the negotiations of the Action Plan and is committed to implementing the ENP Action Plan within this three-year period.
- 2 See: http://ec.europa.eu/world/enp/pdf/action_plans/georgia_enp_ap_final_en.pdf
- 3 *Georgia and The European Neighbourhood Policy: Perspectives and Challenges*, Coalition for Transparency of Public Finances, Open Society Georgia Foundation, p. 20.
- 4 G. Baramidze, Speech ENP Conference, 3 September 2007, Brussels, according to *ENP and Georgia* bulletin, joint initiative of Heinrich Böll Stiftung, Open Society - Georgia Foundation, Eurasia Foundation, September 2007, No. 16.
- 5 *Georgia and The European Neighbourhood Policy: Perspectives and Challenges*, *op. cit.*, p. 20.
- 6 CMI interview, Georgian expert, Tbilisi, 16 June 2008.
- 7 Brussels, 3 April 2008, SEC(2008) 393, European Commission Staff Working Document, *Accompanying the Communication from the Commission to the Council and the European Parliament 'Implementation of the European Neighbourhood Policy in 200'*, p. 2. http://ec.europa.eu/world/enp/pdf/progress2008/sec08_393_en.pdf
- 8 *Ibid.*, p. 2.
- 9 *European Commission ENP Progress Report Georgia 2007*, *op. cit.*, p. 2.
- 10 A summary of the document *Civil Society Recommendations for ENP Implementation* presented in *The ENP and Georgia Bulletin*, October-November 2008, Nos. 17-18, *op. cit.*
- 11 *European Commission ENP Progress Report Georgia 2007*, *op. cit.*, p. 2.
- 12 *Ibid.*, p. 3.
- 13 *Ibid.*, p. 2.
- 14 For example, as a result of the privatisation process, Russian and Kazakhstani companies are entering the market whose environmental standards are exceedingly low but without recourse by the authorities for addressing this issue. See Manana Kochladze, *The ENP and Georgia Bulletin*, October-November 2008, Nos. 17-18, p. 13.
- 15 *European Commission ENP Progress Report Georgia 2007*, p. 2.
- 16 *Georgia and The European Neighbourhood Policy: Perspectives and Challenges*, *op. cit.*, p. 14.
- 17 A summary of the document *Civil Society Recommendations for ENP Implementation* presented in *The ENP and Georgia Bulletin*, October-November 2008, Nos. 17-18.
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- 19 Maria Malizevska, *Economic Feasibility, General Economic Impact and Implications of a Free Trade Agreement Between the European Union and Georgia*, Centre for Social and Economic Research, 8 May 2008.
- 20 The European Commission is the largest donor in Georgia's conflict zones, having allocated approximately 25 million EUR of assistance to Abkhazia and 8 million EUR to the Tskhinvali Region (South Ossetia) since 1997. See *European Commission Progress Report for Georgia, 2008*. *op. cit.*
- 21 *European Neighbourhood and Partnership Instrument*, Georgia National Indicative Programme, 2007-2010, p. 4. http://ec.europa.eu/world/enp/pdf/country/enpi_csp_nip_georgia_en.pdf
- 22 *EU/Georgia Action Plan for ENP Implementation*, p. 10.
- 23 *European Neighbourhood and Partnership Instrument*, Georgia National Indicative Programme, 2007-2010, pp. 14-15.
- 24 *Implementation of the EU-Georgia ENP Action Plan*, Georgian Government, 2007, Tbilisi, July 2007, pp. 96-103, <http://www.geplac.org/eng/geodocuments.php>
- 25 *Ibid.*, p. 74.
- 26 Archil Gegeshidze, "Civil Society Priorities for ENP AP Implementation," in *ENP and Georgia Bulletin*, October-November 2006, Nos. 5-6, p. 12.

- 27 *Ibid.*
- 28 The European Commission Progress Report 2008 mentions: “These unilateral measures did, however, further fuel mistrust between the parties and have not yet produced substantial results for advancing the peace process.”
- 29 This definition of “large autonomy” has never been further clarified.
- 30 CMI interview, Georgian expert, Tbilisi, 15 May 2008.
- 31 CMI interview, local experts, Tbilisi, 7-9 May 2008.
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- 35 Johana Popjanevski, *op.cit.*
- 36 *Georgia Sliding towards Authoritarianism*, ICG Europe Report, No. 189, 19 December 2007, p. 17; See also Archil Gegheshidze, “EU Assistance in the Normalisation of the Georgia-Russia Relationship: Promise and Impediments,” in *ENP and Georgia: Analyses of Independent Experts*, Friedrich-Ebert-Stiftung, “Open Society – Georgia” Foundation, CORDAID Foundation, Tbilisi, February 2007, p. 164.
- 37 German Chancellor Angela Merkel said that: “Countries that are enmeshed in regional and internal conflicts cannot become NATO members” whilst France said the offering of the MAP to Georgia and Ukraine would damage the “balance of power in Europe.” See *Georgia and Russia: Clashing over Abkhazia, op. cit.*, p. 17.
- 38 Report of the Secretary General on the situation in Abkhazia, Georgia, United Nations Security Council, S/2008/219, 2 April 2008, p. 4.
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- 52 Paul Wooster, *The Agricultural Sector in Ochamchire, Tkvarcheli and Gali, Abkhazia, Georgia*, UNDP, Georgia, December 2004, p. 19.
- 53 *Georgia Country Reports on Human Rights Practices - 2007, op. cit.*
- 54 CMI interview, international donor, Tbilisi, 8 May 2008.
- 55 Open Club of Non-Governmental Organisations, *Directory of Non-Governmental/Non-Profit Organisations of Abkhazia*, Sukhum, 2005, p. 8.

- 56 Douglas Saltmarshe, *op. cit.*, p. 16.
- 57 Open Club of Non-Governmental Organisations, *op. cit.*, pp. 9-10.
- 58 *Ibid.*, p. 8.
- 59 Douglas Saltmarshe, *op. cit.*, pp. 16-17.
- 60 Douglas Saltmarshe, *op. cit.*, p. 16.
- 61 CMI interview, international experts, Tbilisi, 9 May 2008.
- 62 Liz Fuller, "Abkhazia: Journalists Outline Grievances to the President," 28 August 2007, *RFE/RL*, <http://www.kapba.de/News-E-August2007.html>
- 63 Improved structured frameworks for a regular dialogue with the three national governments of the South Caucasus were put in place recently as part of the joint CMI-GFSIS project entitled "Civil Society Participation in the ENP – A regional Approach to Conflict Resolution." The project's Council of Experts has the potential to have a real impact only if the governments and the international actors are more open to engaging CSOs from the phase of the very design of policies and programmes. The impact is equally conditioned by more investments needing to be made in capacity-building for governments and CSOs for the strengthening of strategic planning capacity for conflict resolution.
- 64 CMI interview, Georgian expert, Tbilisi, 22 April 2008. See also *Georgia Country Reports on Human Rights Practices - 2007*, *op. cit.*
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- 67 *Georgia Country Reports on Human Rights Practices - 2007*, *op. cit.*
- 68 Report of the Secretary General on the Situation in Abkhazia, Georgia, United Nations Security Council, S/2008/38, 23 January 2008, p. 4.
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- 71 A 2004 study indicated that security incidents in the Gali region were mainly due to economic rather than political gain and that the criminal groupings connected to paramilitary have a strong interests to "instigate another cycle of hostilities like those of May 1998 ... in order to keep their trade alive." See Alexandre Kukhianidze, Alexandre Kupatadze, Roman Gotsiridze, *op. cit.*, p. 16.
- 72 The diminished political influence of the EU in the resolution of the Abkhaz conflict is, however, determined by other factors as well, which will be discussed further (Chapter V).
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- 74 *Georgia and Russia Clashing over Abkhazia*, *op. cit.*, p. 2.
- 75 Ghia Nodia, "Georgian Perspectives," in *A Question of Sovereignty: The Georgia-Abkhazia Peace Process*, Conciliation Resources, Accord, September 1999, <http://www.c-r.org/our-work/accord/georgia-abkhazia/georgian-perspectives.php>
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- 77 "Tbilisi Unveils Principles of Abkhazia Peace Plan," *Civil Georgia*, Tbilisi, 9 June 2006.
- 78 *Georgia's South Ossetia Conflict: Make Haste Slowly*, International Crisis Group Europe Report N° 183, 7 June 2007, p. 5.
- 79 The economic growth rate in 2006 was 9.4 percent despite the Russian economic blockade. In 2007, Georgia's economic performance was exceptionally strong due largely to private capital flows exceeding 12 percent whilst the projected growth for 2008 is at 9 percent. See Statement of an IMF Staff Mission at the Conclusion of a Visit to Georgia, Press Release No. 08/46, 7 March 2008, <http://www.imf.org/external/np/sec/pr/2008/pro846.htm>

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- 84 Independent experts evaluate that the real unemployment rate is at 30-35 percent whilst the official data (according to ILP criteria and methodology) for 2005 was 16.1 percent. See *ENP and Georgia: Analyses of Independent Experts*, *op. cit.*, February 2007, p. 66.
- 85 According to independent experts, the social inequality data coincide with the similar indicators of the socially most unequal countries of Latin America. See *ENP and Georgia: Analyses of Independent Experts*, *op. cit.*, p. 65.
- 86 *Georgia Country Reports on Human Rights Practices - 2007*, *op. cit.*
- 87 DoS Human Rights Report for 2007 points out the use of excessive force by law enforcement officers, cases of torture and mistreatment of detainees, abuse of prisoners, impunity of police officers, a lack of access for average citizens to defence attorneys, a lack of due process in some cases and reports of government pressure upon the judiciary, a worsened respect for the freedom of speech, the press, assembly and political participation, especially during the fall crisis, and governmental pressure upon the judiciary. See *Georgia Country Reports on Human Rights Practices - 2007*, *op. cit.*
- 88 *ENP and Georgia: Analyses of Independent Experts*, *op. cit.*, pp. 82-83. See also *Georgia Country Reports on Human Rights Practices - 2007*, *op. cit.*
- 89 *ENP and Georgia: Analyses of Independent Experts*, *op. cit.*, p. 35.
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- 104 *Ibid.*, p. 24.
- 105 *Ibid.*, p. 14.
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- 109 *Georgia's South Ossetia Conflict: Make Haste Slowly*, *op. cit.*, p. 3.
- 110 CMI interview, Georgian expert, Tbilisi, 20 May 2008.
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- 161 Russia's withdrawal from the 1996 CIS agreement on imposing economic sanctions against Abkhazia, Putin's decree of 16 April 2008 on establishing formal ties with the de-facto governments of Abkhazia and South Ossetia, increase of peacekeeping forces in Abkhazia, deployment of engineering troops (and heavy artillery) in Abkhazia, etc.
- 162 The ambassadors of 15 EU Member States met with Abkhaz leaders on 30 May in a bid to persuade them to resume direct talks with Tbilisi. On 5 June, the EU Foreign and Security Policy Commissioner, Javier Solana, travelled to Tbilisi to try to determine how the EU can contribute to a strengthening of the Georgian-Abkhaz relationship. Also on 5 June, the European Parliament enacted a resolution advocating that the peace-keeping operation in Abkhazia should be revised and replaced by an ESDP border mission to the region. See "EU Parliament Says Russian Peacekeeping Should be Replaced," *Civil Georgia*, Tbilisi, 5 June 2008.
- 163 CMI interview, Georgian expert, Tbilisi, 20 May 2008.

164 After the August 2008 war, the EU has decided to enforce the negotiation of a visa facilitation agreement with Georgia. Georgia will soon have the same treatment with the EU as does Russia.



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