



## THREE EASTERN PARTNERSHIP NEIGHBOURS IN THE SOUTH CAUCASUS

The EU's Eastern Partnership policy, initiated in 2009, covers six post-Soviet states: Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine. It was created to support political, social and economic reform efforts in these countries with the aim of increasing democratisation and good governance, energy security, environmental protection, and economic and social development. All the participating countries (except Belarus whose membership is suspended) send delegations to the Euronest Parliamentary Assembly.

In addition to the work of the competent committees on foreign affairs and international trade, the European Parliament has a standing delegation for relations with the South Caucasus ([DSCA](#)), which oversees EU relations with the three South Caucasus states under the frameworks of the Parliamentary Association Committee (PAC) with Georgia, the Parliamentary Partnership Committee (PPC) with Armenia and the Parliamentary Cooperation Committee (PCC) with Azerbaijan, and monitors the work of the EU Special Representative for the South Caucasus and the crisis in Georgia.

### GEORGIA

The [EU-Georgia Association Agreement](#), including a Deep and Comprehensive Free Trade Area (DCFTA), entered into force in July 2016. Georgia has made significant efforts in terms of aligning its legislation with EU standards, which has led, inter alia, to visa waivers for short stays in the Schengen area as of March 2017. The EU is Georgia's top trading partner, representing some [21%](#) of its total trade (2021). The EU provides over EUR 100 million to Georgia each year in technical and financial support, focusing on economic development, good governance, movement of people and education.

As part of Team Europe's efforts to help partner countries cope with the socio-economic fallout of the COVID-19 crisis, a EUR 183-million, tailor-made response package has been offered to Georgia, mobilising a mix of existing and new funds to deliver concrete support to people and strengthen Georgia's macro-financial stability.

Georgia's political and media landscapes are characterised by sharp polarisation. What is more, a series of questionable developments over the past couple of years have pointed to a sharp democratic backsliding and a continued undermining of civil liberties. These include, notably, widespread impunity for high-level corruption, instances of police violence, a chronic lack of independence and transparency in the judiciary, restrictions on media freedom (epitomised by the sentencing of Nika



Gvaramia, the founder of the opposition-leaning Mtavari Channel, to 3.5 years in prison on flimsy charges in May 2022 – Mr Gvaramia was finally pardoned by the President of Georgia in June 2023), verbal and physical attacks against journalists and opposition-leaning media workers, and the continued stigmatisation of and discrimination against the LGBTQI+ community, as tragically exemplified by the violent attacks on and subsequent forced cancellation of the March for Dignity on 5 July 2021. Moreover, a number of shortcomings and malpractices were observed during the 2018 presidential election, the 2020 parliamentary elections and the 2021 municipal elections. In this difficult context, the European Parliament has adopted two critical resolutions: on [violations of media freedom and the safety of journalists in Georgia](#) (9 June 2022) and on [the situation of the former President of Georgia Mikheil Saakashvili](#) (15 February 2023). In July 2021, the leaders of the ruling Georgian Dream party unilaterally withdrew from the political agreement brokered by European Council President Charles Michel (the 19 April agreement). The document comprehensively addressed the issues of politicised justice, improvement to the electoral framework and judicial reform. Members of the European Parliament still consider that the 19 April agreement underpins Georgia's democratic development.

Following Ukraine's urgent plea to join the European Union as it battled Russia's invasion, Georgia (alongside the Republic of Moldova) submitted its own application for candidate status on 3 March 2022 under an accelerated procedure. In line with the opinions issued by the European Commission and taking into account the worrying democratic backsliding observed in the past few years, on 23 June, the European Council [decided](#) only to recognise Georgia's 'European perspective', while Ukraine and the Republic of Moldova were granted candidate status.

The Georgian Parliament has established thematic working groups to address the 12 key priorities identified by the European Commission, thus setting the process of tackling these issues in motion. However, at the [seventh meeting of the EU-Georgia Association Council](#) held on 6 September 2022 in Brussels, the EU expressed its grave concerns over the lack of substantial progress and further negative developments in Georgia with respect to democratic standards and the rule of law.

Faced with Russia's occupation of Abkhazia and the Tskhinvali region/South Ossetia, Georgians have pinned their hopes on moving closer to the EU and NATO. The EU has repeatedly underlined its unwavering support for Georgia's independence, sovereignty and territorial integrity within its internationally recognised borders, as underlined in the European Parliament [resolution of 14 June 2018](#) on Georgian occupied territories 10 years after the Russian invasion. The EU supports the conflict resolution efforts made through the work of the EU Special Representative for the South Caucasus and the crisis in Georgia, the EU Monitoring Mission and the EU Instrument contributing to Stability and Peace, thus complementing the Geneva International Discussions. The annual EU-Georgia Strategic Security Dialogue is a sign of trust in relations between the two sides. Georgia has also made significant contributions to several EU common security and defence policy operations, based on a framework agreement for Georgia's participation, which entered into force in 2014. On the downside, the Georgian authorities have increasingly accommodated the Kremlin in recent years,



as illustrated by their refusal to align with EU-led sanctions against Russia and the resumption of direct flights between Georgia and Russia.

#### **A.** The European Parliament's position and interparliamentary cooperation

On 9 June 2022, the European Parliament's Conference of Presidents issued an appeal to the European Council to grant EU candidate status to Ukraine and the Republic of Moldova, and to 'work towards granting the same status' to Georgia. Based on the three opinions released by the European Commission on 17 June, the European Council, on 23 June, only recognised Georgia's 'European perspective', while it granted candidate status to Ukraine and Moldova.

Additionally on 9 June 2022, the European Parliament adopted a [resolution](#) on violations of media freedom and the safety of journalists in Georgia. In this document, Members denounced state capture by the Georgian Dream party and its founder, oligarch Bidzina Ivanishvili, and deplored the significant deterioration of the media situation in the country.

The twelfth meeting of the [EU-Georgia PAC](#) took place on 8 June 2023. The participants acknowledged progress on harmonisation in technical areas, but Members of the European Parliament deplored the backsliding trend with respect to the rule of law, the independence and efficiency of the judiciary, labour law and non-discrimination. They called on their Georgian counterparts to work together, with civil society stakeholders, in order to tackle the 12 key priorities identified by the European Commission. They also took note of the further deterioration of the human rights situation in the occupied regions.

On 14 December 2022, the European Parliament adopted a resolution [on the implementation of the EU Association Agreement with Georgia](#) based on a report drafted by the standing rapporteur, MEP Sven Mikser (S&D, Estonia). While taking note of Georgia's continued reforms despite the challenges posed by the COVID-19 pandemic, the Members called for the more systematic involvement of civil society actors in decision-making and deplored the backsliding trends with respect to the rule of law, in particular the cases of politicised justice.

#### **B.** Election observation

Georgia has hosted missions from the Office for Democratic Institutions and Human Rights (ODIHR) of the Organization for Security and Co-operation in Europe (OSCE), monitoring the country's parliamentary, presidential and local elections since 1995. As usual in the OSCE area, European Parliament observers have been embedded in the OSCE ODIHR missions. The 2016 parliamentary elections were assessed as broadly democratic and fair, despite some procedural irregularities and allegations of intimidation. The Georgian Dream coalition won, securing the 'constitutional majority' (75% of MPs) required to pass constitutional amendments. The 2018 presidential elections received [criticism](#) from the OSCE and the EU for the misuse of administrative resources, the severe polarisation of the private media and negative campaigning, but the overall assessment was positive. Owing to the COVID-19 crisis and related public health and travel restrictions, the European Parliament did not send short-term observers to monitor the 2020 parliamentary elections. The OSCE ODIHR deployed a limited election observation mission, comprising a core team of experts



and long-term observers. On election day, the ODIHR joined efforts with short-term observers sent by the OSCE Parliamentary Assembly, the Parliamentary Assembly of the Council of Europe and the NATO Parliamentary Assembly, and with the European Diplomatic Watch, deployed at the initiative of the EU Delegation in Georgia. These elections again saw an outright victory for the ruling Georgian Dream coalition. The international observers [found](#) them to be competitive and deemed that freedoms were, overall, respected. This certainly constitutes a [positive development](#) for the country, despite some isolated incidents and cases of pressure being put on voters and a blurring of the line between the ruling party and the state throughout the campaign and on election day. Municipal elections were held in Georgia in October 2021 and the European Parliament participated in the international election observation mission led by the OSCE ODIHR.

## ARMENIA

Armenia's relations with the EU are based on the [Comprehensive and Enhanced Partnership Agreement \(CEPA\)](#), which was signed in November 2017 and fully entered into force on 1 March 2021. The CEPA, which replaced the previous Partnership and Cooperation Agreement of 1999, deepens bilateral relations in a range of areas, while ensuring compatibility with Armenia's membership of the Eurasian Economic Union. Accounting for about [16%](#) of Armenia's total trade (2022), the EU-27 is the country's second-biggest trading partner after Russia.

The political situation in Armenia changed radically in May 2018, when peaceful street protests brought the opposition leader Nikol Pashinyan to power (the 'Velvet Revolution') and the new government embarked on an ambitious reform agenda, including in the areas of the rule of law, transparency and the fight against corruption. The early parliamentary elections of June 2021 reconfirmed this course, with the ruling Civil Contract party garnering 54% of the vote, despite the domestic political backlash and significant humanitarian challenges stemming from the country's defeat in the second Nagorno-Karabakh war in 2020.

The six-week war, triggered by Azerbaijan, was the greatest eruption of violence in the protracted conflict since the 1994 ceasefire. Ending with a Russia-mediated ceasefire on 9 November 2020, it saw Armenians lose control over a part of Nagorno-Karabakh – a formerly autonomous entity within Soviet Azerbaijan, with an ethnic Armenian population and an unrecognised de facto state since the dissolution of the Soviet Union – and the adjacent Azerbaijani districts that they had occupied for 26 years. Tensions reached a new peak following Azerbaijani attacks on targets within the Republic of Armenia's territory (i.e. not Nagorno-Karabakh) in September 2022. On 19 September 2023, after blockading Nagorno-Karabakh for nine months, leading to a dire humanitarian situation, Azerbaijan launched a military offensive against the region, leaving hundreds of dead and resulting in the defeat of the de facto state and its eventual dismantling. The entire local population of over 100 000 Karabakh Armenians fled to Armenia within a few days.

The EU has been steadily increasing its engagement with Armenia and has stepped up assistance to help the country deal, in particular, with the numerous conflict-related challenges, including the refugee situation. EU support to Armenia is mainly



provided under the 'Global Europe' instrument, with about EUR 180 million allocated for the 2021-2024 period. This has a particular focus on building resilience, as well as on continued support to aid the country's reforms in order to strengthen democracy and the rule of law. Part of this funding contributes to the EU's Economic and Investment Plan for Armenia, which includes a package of grants, loans and guarantees with the potential to mobilise some EUR 2.6 billion in public and private investments.

Through mediation by the President of the European Council, the EU has been actively involved in efforts to reach a negotiated solution to the Armenia-Azerbaijan conflict. It also underlines the need to ensure that the rights and security of the Karabakh Armenians are protected, in order to enable their return. Since February 2023, based on Armenia's invitation, EU civilian observers have been deployed along the border with Azerbaijan as part of the [EU Mission in Armenia](#). The EU has stressed its unwavering support for Armenia's sovereignty, territorial integrity and democracy.

#### **A. The European Parliament's position and interparliamentary cooperation**

The European Parliament has stood firmly on the side of Armenian democracy and a peaceful resolution to the long-standing conflict with Azerbaijan. In [March 2023](#), Parliament adopted a comprehensive resolution on EU-Armenia relations, sending a strong message of support for the democratic reforms in the country, the deepening of bilateral relations and increased EU engagement in security, in particular through the EU Mission in Armenia and mediation efforts. In [October 2023](#), Parliament 'condemned in the strongest terms the pre-planned and unjustified military attack by Azerbaijan' against the Armenians of Nagorno-Karabakh and called for a substantial increase in EU assistance to Armenia in response to the influx of refugees, Azerbaijan's threats and Russia's destabilisation attempts. It also demanded a resolute EU response to Azerbaijan's actions, including targeted sanctions and a comprehensive review of relations. In earlier resolutions, in [January 2023](#), Parliament strongly condemned the 'military aggression by Azerbaijan' of September 2022, as well as 'Azerbaijan's illegal blockade of the Lachin corridor', [deploring](#) its humanitarian consequences. In a [March 2022](#) resolution, Parliament 'strongly condemned Azerbaijan's continued policy of erasing and denying the Armenian cultural heritage in and around Nagorno-Karabakh'. In [May 2021](#), Parliament adopted a resolution calling, in particular, for the immediate and unconditional release of all Armenian prisoners of war and other captives still detained by Azerbaijan. Following the 2020 Nagorno-Karabakh war, Parliament passed a resolution in [January 2021](#) in which it expressed its regret that 'changes to the status quo were made through military force' and stressed that 'a lasting settlement still remains to be found'. It also reiterated that negotiations for a lasting solution should be based on the principles of the non-use of force, territorial integrity and the equal rights and self-determination of peoples, which underpin the OSCE Minsk Group basic principles. In [2015](#), the European Parliament passed a resolution on the centenary of the Armenian genocide.

Bilateral inter-parliamentary relations are developed in the context of the [Parliamentary Partnership Committee](#), which held its latest meeting in [March 2023](#). Leading MEPs following the situation in Armenia have released a series of [statements](#), insisting, in particular, on the need for a negotiated comprehensive settlement of the conflict and raising concerns over issues such as the Lachin corridor blockade, border incidents and





attacks, Armenian captives, landmines, inflammatory rhetoric, humanitarian access and the protection of cultural heritage.

## B. Election observation

Armenia has hosted Members of the European Parliament – as part of OSCE ODIHR election observation missions – on a number of occasions, including the country’s snap parliamentary elections in 2018. The 2018 elections were judged positively, as being well-organised and with minimal irregularities, and the European Parliament delegation [observed](#) a major drop in electoral malpractice. Due to the COVID-19 pandemic, the European Parliament was not able to observe the June 2021 elections, but MEPs [noted](#) the generally positive assessment by the OSCE ODIHR.

## AZERBAIJAN

The EU and Azerbaijan have had a [Partnership and Cooperation Agreement](#) since 1999. Negotiations for an enhanced agreement were launched in February 2017, but have so far been inconclusive. The EU is Azerbaijan’s key trade partner, representing about [52%](#) of the country’s total trade (2022), mainly due to oil and gas exports to the EU (accounting for about [4.1%](#) and [3.7%](#) of the EU’s oil and gas imports in 2022 respectively by net mass). Azerbaijan’s natural gas exports to the EU started in December 2020, following the completion of the Southern Gas Corridor project. In July 2022, the EU and Azerbaijan declared the intention to double the capacity of the Southern Gas Corridor by 2027.

Azerbaijan ranked [134th](#) out of 167 countries in the Economist Intelligence Unit’s 2022 Democracy Index and was classified as ‘[not free](#)’ in the 2023 ‘Freedom in the World’ report. President Ilham Aliyev, currently serving his fourth term, succeeded his father, Heydar Aliyev, in 2003. In 2017, he appointed his wife, Mehriban Aliyeva, to the newly created post of First Vice-President. According to the latest EU Annual Report on Human Rights and Democracy in the World published in [July 2023](#), ‘the state of play regarding safeguarding of human rights and fundamental freedoms, and the respect of the rule of law in Azerbaijan continues to be of concern’, in particular as regards the lack of independence of the judiciary, the restrictions on basic freedoms, including the freedom of expression, assembly and association, as well as intimidation, arrests, detentions and court cases against human rights defenders, civic activists, journalists and political opposition activists. A new law on political parties has further limited political pluralism.

Azerbaijan’s victory in the six-week Nagorno-Karabakh war with Armenia, which it launched in September 2020, has further strengthened the position of President Aliyev. As a result of the ceasefire of 9 November 2020, Azerbaijan regained control of the districts adjacent to Nagorno-Karabakh that had been occupied by Armenian forces for over 26 years, opening the possibility for a future return of hundreds of thousands of internally displaced persons. It also took control of part of Nagorno-Karabakh itself, a formerly autonomous region that is internationally recognised as part of Azerbaijan but inhabited by ethnic Armenians. In September 2023, after blockading the residual Nagorno-Karabakh for nine months, which led to a dire humanitarian situation, Azerbaijan launched a military offensive against the region, resulting in the



defeat of the Armenians' de facto state and its eventual dismantling. The entire local population of over 100 000 Karabakh Armenians fled to Armenia within a few days. In September 2022, Azerbaijan had launched attacks on the territory of Armenia proper in a dangerous escalation, raising fears of further advances beyond Nagorno-Karabakh.

The EU has been actively involved in efforts to reach a negotiated solution to the Armenia-Azerbaijan conflict, in particular through mediation by the President of the European Council. It underlines the need to ensure mutual respect of sovereignty and territorial integrity, to proceed with the delimitation of the inter-state border and to ensure the protection of the rights and security of the Karabakh Armenians in order to enable their return. European observers have been deployed in Armenia since February 2023 to contribute to regional security. However, Azerbaijan has not agreed to the deployment of EU monitors on its side of the border.

#### **A.** The European Parliament's position and interparliamentary cooperation

In [March 2023](#), the European Parliament adopted a comprehensive resolution on EU-Azerbaijan relations, in which it expressed 'deep concern that violations of fundamental human rights in Azerbaijan follow a systemic and widespread pattern and affect citizens' rights to liberty and security'. It stressed that further cooperation between the EU and Azerbaijan should be conditional on the country's effective and tangible progress towards respect for international standards and international commitments and that the release of all political prisoners is an indispensable condition for a new partnership agreement. At the same time, Parliament welcomed Azerbaijan's humanitarian aid to Ukraine and recognised the role played by Azerbaijan as a provider of fossil fuel energy to the EU. The resolution also strongly condemned Azerbaijan's September 2022 aggression against Armenia and the blockade of the Lachin corridor, calling on Azerbaijan, in particular, to respect the ruling of the International Court of Justice regarding the blockade and to allow the presence of EU observers deployed in Armenia on the Azerbaijani side of their border.

In [October 2023](#), Parliament 'condemned in the strongest terms the pre-planned and unjustified military attack by Azerbaijan' against the Armenians of Nagorno-Karabakh and demanded a resolute EU response to Azerbaijan's actions, including targeted sanctions, the suspension of negotiations on an enhanced EU-Azerbaijan partnership agreement, the suspension of the Memorandum of Understanding on energy and a comprehensive review of relations. In earlier resolutions, in [January 2023](#), Parliament already strongly condemned the 'military aggression by Azerbaijan' of September 2022, as well as 'Azerbaijan's illegal blockade of the Lachin corridor', [deploring](#) its humanitarian consequences. In a [March 2022](#) resolution, Parliament 'strongly condemned Azerbaijan's continued policy of erasing and denying the Armenian cultural heritage in and around Nagorno-Karabakh'. In [May 2021](#), Parliament adopted a resolution calling, in particular, for the immediate and unconditional release of all Armenian prisoners of war and other captives still detained by Azerbaijan.

In a [September 2023](#) resolution, the European Parliament raised the case of political prisoner Dr Gubad Ibadoghlu and urged the Azerbaijani authorities to 'release all political prisoners, independent journalists and human rights defenders, drop all politically motivated charges against them and stop extraterritorial repression'.



In [2019](#), Parliament passed a resolution calling for the immediate release of Mehman Huseynov, an anti-corruption blogger, and other political prisoners. In [2017](#), following the ‘Azerbaijani Laundromat’ revelations, it denounced ‘attempts by Azerbaijan and other autocratic regimes in third countries to influence European decision-makers through illicit means’.

Official inter-parliamentary relations were resumed in 2016 after a four-year break and the last [Parliamentary Cooperation Committee](#) meeting took place in December 2021. Leading MEPs following the situation in Azerbaijan have released a series of [statements](#), in particular insisting on the need for a negotiated comprehensive settlement of the conflict and raising concerns over issues such as the Lachin corridor blockade, border incidents and attacks, Armenian captives, landmines, inflammatory rhetoric, humanitarian access and the protection of cultural heritage.

## **B. Election observation**

Azerbaijan has hosted Members of the European Parliament as part of OSCE ODIHR electoral missions. However, in view of the fact that all the country’s elections observed by those missions were deemed to fall short of international requirements, and recommendations still have to be implemented, Parliament decided not to send observers to the 2015 parliamentary elections or the 2018 presidential elections, and it was not invited to observe the 2020 parliamentary elections. The ODIHR mission to the 2020 parliamentary elections [stated](#) that ‘the restrictive legislation and political environment prevented genuine competition’, ‘voters were not provided with a meaningful choice due to a lack of real political discussion’, ‘instances of pressure on voters, candidates and their representatives were observed’ and ‘significant procedural violations during counting and the tabulation raised concerns whether the results were established honestly’.

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[10/2023](#)

