



EUCAM WATCH

EU-CENTRAL ASIA MONITORING

Finland and Central Asia

Helsinki - Moscow - Bishkek

The European Union's engagement in Central Asia largely depends on the national policies of member states and donor support. The amount of development assistance provided by all EU member states combined roughly equals that of the European Commission. Meanwhile, European governments' (especially Germany) diplomatic presence and project engagement in the region by far outweighs the EU's institutional presence.

Finland is one of the most active European countries in Central Asia. The Nordic country has traditionally assumed a leading position in European policies towards Russia and supporting research on the 'East' and now has also taken a keen interest in Central Asian countries. In 2008 Finland stepped up its activity in the region through its 'Wider Europe Initiative'. In terms of development support, Finland seems to have taken over Sweden's role in Central Asia as the leading Scandinavian donor after the Swedish International Development Cooperation Agency (SIDA) withdrew its presence in Kyrgyzstan and Tajikistan in 2010. Finland has little economic interest in Central Asia, apart from Kazakhstan's growing market. It is represented in the region through an Astana-based ambassador for Kazakhstan and Kyrgyzstan, and a Helsinki-based ambassador for the remaining three countries. Finland seeks closer ties with Central Asia, foremost through regional stability and development. Finland is not pursuing an isolated policy, but firmly supports the broader EU engagement through the 2007 Strategy and its implementation.

This also applies to Finnish development funding through the Wider Europe Initiative, which focuses geographically on the six Eastern Partnership countries and the five Central Asian states. The Initiative focuses on security; trade; information society development; energy and environment; and social sustainability. Within these programmes, Finland also emphasises areas of particular Finnish expertise such as environment and water management. Finland does not boast a specialised development agency like the UK's DfID or Sweden's SIDA, and has chosen to put

its trust in the project management capacities of international organisations such as the OSCE and UNDP. But it also provides (international) civil society organisations with opportunities to implement development programmes, and some of the Finnish programmes operate under direct bilateral ties.

Not all this is easy. Development assistance to Central Asia needs constant scrutiny and evaluation, given the many complicating factors of working with authoritarian governments, which have little will to reform and are riddled with corruption, and where civil society is weak. Meanwhile, European promotion of democratic and human rights values, plus the relevant funds to back up rhetoric, is under threat in the broader European context. Finland's new engagement is daring but also respectable in light of shrinking European policies worldwide.

European countries are generally well regarded in Central Asia, and Finland has an advantage given its extensive experience of engagement with Russia and its reputation as a neutral country, which has historically acted as a bridge between Russia and Europe. Partly for this reason, the government of Kyrgyzstan invited a Finnish politician, former special representative for Central Asia of the OSCE Parliamentary Assembly Kimmo Kiljunen, to head an international commission of enquiry into the ethnic violence in southern Kyrgyzstan in June 2010. Although the report was compiled independently of the Finnish government, its negative reception in Kyrgyzstan has harmed attitudes towards Finland in the short term. But, this has not damaged Finnish esteem and, as the interviews in this issue show, the Finnish government intends to continue pursuing human rights and democracy dialogues through the active promotion of economic and security development.

In 2012, EUCAM plans to devote increasing attention to bilateral relations between European countries and the region. In this issue, we focus on Finland's presence in Central Asia, making use of a series of meetings held in Helsinki at the end of October. Our first interview is with Finland's International Development Minister, Heidi

Hautala, who places Finland's role in Central Asia in broader Finnish development policies. The second interview is with Finland's Ambassador to Tajikistan, Turkmenistan and Uzbekistan, Tuula Yrjölä, who offers an insight into the development of diplomatic ties between Helsinki and Central Asia. In addition, this issue includes an overview of the main outcomes of the EUCAM events held in the Finnish Parliament at the end October and the German Bundestag in November.

Editorial by Jos Boonstra (FRIDE) and Jeremy Smith (Karelian Institute)

Interviews

Part I: Heidi Hautala, Minister for International Development, Finland

talks about Finland's development priorities for Central Asia

1. What are Finland's development priorities in Central Asia? What are the most pressing issues in the region?

Our development policy in Central Asia is guided by the Wider Europe Initiative (WEI), launched in 2008 and which also covers the South Caucasus and Eastern Europe. The WEI's priorities in Central Asia are energy and environment, security and social sustainability. Central Asia has pressing environmental problems that are often related to scarce resources. One of the key challenges is to develop comprehensive water management through strengthened cross-border cooperation.

2. How does Central Asia fit into Finland's broader development approach and objectives?

A new development policy is underway, which will be completed early next year. This new policy will also further clarify our approach to Central Asia. Meanwhile, the EU Central Asia Strategy provides the framework for cooperation in the region. The Strategy's upcoming review presents an opportunity to revisit the objectives of the EU's overall policy.

3. How effective is development aid in Central Asia? What are the indicators to assess the effectiveness of the aid provided?

WEI activities started in 2009 and have not been evaluated yet. A mid-term evaluation will be carried out in early 2012. As the new Minister for International Development, I will strongly emphasise the rights-based approach in all sectors. In my opinion, the major challenge in Central Asia is the lack of a free civil society. Truly sustainable development is not possible without it.

4. European donor assistance often ends up in Western consultancy firms and does not always reach the people in the countries, thus contributing little to capacity-building. How do you see this? What mechanisms do you consider effective to provide assistance?

To ensure a quick and effective implementation of the WEI initiative it was decided to cooperate through international development organisations that already knew the region. This led to a closer cooperation between our local partners and international organisations. International consultancies are used only if it is really necessary and priority is always given to proven local professionals. Another form of cooperation between Finnish and local institutions is twinning. This implies a Finnish

Table of Contents

Editorial: Helsinki-Moscow-Bishkek.....	1
Interviews	2
Part I.....	2
Part II	3
EUCAM events.....	4
EUCAM Seminars in Finnish and German Parliaments.....	4
EUCAM Publications	5

and a local institution working closely together with small subsidy from the Finnish government. A good example is the cooperation in the geological sector, where existing data is digitised and new information systems are built according to the needs of the partner country.

But again, a more basic question is how we can help to establish transparency and accountability from governments to parliaments and citizens. In fact, such requirements are a normal element of ensuring development results.

5. How does Finland coordinate with other (European) donors in Central Asia?

Finland participates in regular donor coordination meetings in Brussels and in the region. Our Embassy in Astana covers both Kazakhstan and Kyrgyzstan and is thus responsible for participating in the coordination meetings held in both capitals. A roving Ambassador, based in Helsinki, is in charge of Tajikistan, Turkmenistan and Uzbekistan, and attends the meetings in those countries (see next interview). Exchange of information between the member states and the European Commission, as well as other international donors, is an important tool to avoid duplication and overlap. It also provides an opportunity to learn from others' experience and best practices.

6. Development policies are predominantly a Western approach but a growing number of non-traditional actors such as China and Russia are stepping up their involvement. How do you envisage coordination with these actors in the future?

China is very visible in 'South-South cooperation', especially in Africa. Russia has just decided to increase its development efforts in Central Asia by establishing a specialised agency within its finance ministry. I think Russia sees the need to be a part of the international development community based on OECD-DAC principles. I recently attended an HIV/Aids conference in Moscow and I am convinced that Russia must introduce a rights-based approach towards vulnerable groups such as drug addicts, prison inmates and homosexuals. Only then they will be able to control the HIV/Aids epidemic in the region, the most serious in the world.

Recently, a major international development conference on Aid Effectiveness was held in Busan, South Korea. One of the most important objectives was to reach an agreement with China and other new development providers on common principles, including the role of civil society and respect for human rights. It is important that we in the EU do not compromise our basic convictions in these fields.

7. Central Asian countries have poor human rights and democracy track records. Does development aid carry any leverage in this regard?

Donor governments and international organisations present in Central Asia should first discuss more vehemently the rights issues together. Empowering marginalised people such as those with disabilities, women, children and young people may be a way to promote human rights in countries which are not ready to discuss political rights. Donors should also raise the recommendations of the UN Human Rights Council in their political dialogues with the governments in the region. I will not give up reminding these governments about the need to give full access to UN special rapporteurs.

8. As Chair of the European Parliament's Human Rights Committee, you were outspoken on human rights violations. What is your current approach to increasing conditionality?

In the review of the EU's development policy a stronger emphasis on human rights, rule of law and good governance is being discussed. This will help to bridge the gap between the traditional development and human rights communities. This is a new way to define conditionality, based on democratic ownership, which includes civil society participation.

Part II: Tuula Yrjölä, Finland's Roving Ambassador to Tajikistan, Uzbekistan and Turkmenistan

talks about Finland's role in Central Asia.

1. What are the main reasons behind Finland's renewed interest in Central Asia?

One general reason is the EU's strengthened interest, as a whole, towards Central Asia. The preparation of the EU strategy for Central Asia started during the Finnish EU presidency in the fall of 2006 and was finalised during the following German presidency. Another relevant event was the 2008 Finnish OSCE presidency. Our then foreign minister travelled to all Central Asian countries and became very much aware of the need to understand better the region. It was then we decided to formulate the Wider Europe Initiative. Two years ago we opened an embassy in Astana, also with a view to guide Finnish business interests in Kazakhstan. I, on the other hand, focus more on regional issues, of course, in addition to bilateral work with the three countries that I regularly visit.

2. How do you see Europe's role in the three republics after NATO's withdrawal from Afghanistan?

The EU doesn't need to invent new tools but make full use of the existing elements of its Central Asia Strategy. Of course, Europe is concerned with the potential for continued instability in Afghanistan. I think EU and OSCE efforts to strengthen border management in Central Asia are extremely important. The EU should continue to offer our example and our experience to these countries.

3. What would you identify as the most pressing development issues in these three countries? How does Finland approach some of these matters?

In Tajikistan, the most pressing issues relate to the country's economic development, including reducing poverty and dealing with unequal opportunities for citizens in areas such as education, health, food security and clean water.

In Uzbekistan, sustainable economic development is a priority,

in particular creating jobs in a country which has a very young population. Civil society development and improving the human rights record are also crucial. To foster stability, basic freedoms should be respected. Uzbekistan has all the elements to grow into an economically and politically stable and prosperous regional power, but first the country's leadership must have more confidence in their own people.

Turkmenistan needs to be careful not to fall prey to the natural resources curse. The country's continuing neutrality or self-imposed isolation seems to keep Turkmenistan relatively safe from negative outside influences, including Afghanistan's instability potential, but the situation is untenable in the long run. Moreover, to develop the gas potential an educated population is warranted.

4. Finland is involved in rule of law assistance. How does it coordinate with the EU regional Rule of Law Initiative?

I was recently in Tajikistan and Uzbekistan and discussed the new 'Equal before the law – Access to justice in Central Asia' project with the authorities. My feeling is that the project has got off to a good start and I am happy that it also contains a regional cooperation aspect. Still, it is important that the project's elements be tailored to each country's specific needs.

I regularly liaise with those working on the EU's regional initiative, coordinated by Germany and France. Donor coordination is something I address with all my interlocutors working in and on Central Asia but there is room for improvement, both within the EU and within the broader international community. We found niches where Finland can play a useful role in enhancing the EU's activities in the rule of law field. We believe that rule of law is key to the region and hope that a reviewed EU-Central Asia Strategy with fewer priorities will still include the work on rule of law, which has been successful.

5. Development and security are at the core of the Wider Europe Initiative. How do development and security interconnect in the region?

The Wider Europe Initiative is actually the first Finnish regional development programme that specifically connects development and security as a comprehensive theme. In practice, projects focus on academic research on various pressing issues. One objective is to get Finnish research institutions more involved in Central Asia. At the same time, these research projects should provide valuable information for European and Central Asian policy communities and civil societies. The interconnection between security and development in Central Asia is obvious in light of the region's security challenges. Only through development – whether it is economic growth or establishing a sustainable political environment – can security challenges be met.

6. The EU, Azerbaijan and Turkmenistan will negotiate a Trans-Caspian Pipeline. How do you see this development in light of the human rights violations in Turkmenistan?

The greater our engagement with Turkmenistan, the more opportunities will arise for fostering human rights and development in Turkmenistan in general. It is a delicate balancing act and a challenge. Turkmenistan has other options for gas exports and Europe is not in a position to make hard demands. We can encourage them and keep the values-based dialogue going.

7. What are your views on border control assistance to Tajikistan? Have there been concrete positive results?

The management of Tajik borders is an enormous challenge, not just for Tajikistan but also for the stability of the entire region.

Finland has been active in OSCE managed projects. One result of this work is a national border management strategy, which offers a framework for major reforms to be carried out between 2010 and 2025. Hopefully, Tajikistan will assume serious ownership over the implementation of these reforms. It also serves as the basis for coordination among the various Tajik authorities that are involved in border management. There is always a danger that resources will be diverted to other pressing matters. Everyone who works on border issues (international and national) should ensure that reforms remain an uninterrupted priority for the country.

8. Is there progress in Uzbek-European relations after the sanctions were lifted?

I am optimistic about Uzbek-European relations but I must acknowledge that progress is uneven. There is more openness to tackle issues within the human rights dialogues. Also, there are some incipient EU projects that would not have been possible before. I think we should not underestimate the positive psychological impact that lifting the sanctions has had. We have to understand how important it is for Tashkent to be accepted as a legitimate part of the international community and recognised as a regional player.

9. Is European normative power working in Central Asia? Or is isolating countries on human rights and democracy grounds still an option?

I am pro engagement but it is a long perilous road. We should lead by example; we cannot force countries to change. It is not only a question of convincing the elites about the merits of rule of law, democracy and human rights, but also about the need to expose the broader population to the outside world and to European values and practices. Now that both sides have gone through a learning process during the first five years of the EU-Central Asia strategy, hopefully we can move onto a new phase in which we understand each other better and can move to a dialogue that brings positive developments.

EUCAM events

EUCAM holds seminars in the Finnish and German Parliaments

On 27 October 2011, the Karelian Institute and FRIDE organised an EUCAM seminar in Helsinki, hosted by the Parliamentary Committee for the Future. The seminar **Europe and Central Asia: an Evolving Partnership in Security and Development** looked, inter alia, at the development of the EU Strategy for Central Asia over the last five years, as well as a series of other issues such as the developments in Kyrgyzstan since the 2010 ethnic violence in the South and the presidential elections, and migration matters in Kyrgyzstan, Tajikistan and Uzbekistan.

The EU Strategy is now in its fifth year and will soon be reviewed. Many felt that a review was needed because of the Strategy's limited results in fostering change besides building political relations. Some argued that the review should be forward looking and take into account Europe's and Central Asia's changing role in the world, as opposed to being a technical exercise of project listing. This would mean that increased attention to crucial external actors such as Russia and China, and other factors like the changing US policy and the developments in Afghanistan should be taken into account. Many thought that the Strategy should increasingly focus on Europe's security and stability interests in Central Asia. It is urgent to consider possible alternative scenarios for Central Asian

development due to the many security threats facing the region, especially internal instability due to bad governance, but also ethnic tensions in the Fergana Valley, troubled relations between several states and possible negative influences from post-2014 Afghanistan after NATO withdrawal. But Europe's capacity for substantial security oriented involvement in the region is very limited.

In the absence of a robust hard security approach (due to a lack of interest and capabilities), the EU and its member states seem to have taken a human security approach that should reach out to not only states, but also populations through assistance. This approach needs fine-tuning to be able to meet current challenges.

Three weeks later, the second EUCAM seminar, organised in Berlin on 16 November by FRIDE and the Open Society Foundation's Central Eurasia Project and hosted by the German Bundestag, also focused on human security. The seminar **Europe's Human Security Concerns in Central Asia** looked into three specific questions: the way in which Europe can best promote democratic values and human rights in Central Asia; the scope of European rule of law assistance programmes in Central Asia; and options for stepping up security sector reform activities in the region.

Concerning the promotion of democratic and human right values, many participants were pessimistic about Europe's ability to foster change in the region. The EU Human Rights Dialogues have produced little to no concrete results and the EU's leverage on Central Asian regimes seems to be declining. The regimes in the region regard democracy as a threat to their existence. Three developments have countered change over the last decade. First, Central Asian countries have installed most of the façades of a democracy (separation of powers, a parliament, civil society etc.) but these lack democratic practices, transparency and accountability. Second, the 'we have other values and norms in Central Asia' argument is still used to avoid reform and argue for a strong leadership without checks and balances. Third, the 'double standards' accusations by Central Asian regimes which argue that the EU and US are selective in their values approach has been especially damaging. Europe should be realistic in what it can achieve in Central Asia in this field, especially now that Europe's influence is declining as a result of the debt crisis. Still, Europe should remain present to promote values and integrate them more firmly with its two main policy interests in Central Asia: energy and security.

In the rule of law field there are several European countries and institutions active, especially the EU, Germany, Finland and the Council of Europe. Rule of law is an integral part of a human security approach and links values to development and security matters. The fact that European actors have been able to win the trust of Central Asian authorities on rule of law, including regional cooperation aspects, is quite an achievement. But most projects have just started, and achieving results will take time. The biggest challenge will be how to implement the laws that in most cases are already in place.

The third part of the seminar looked into security sector reform and governance. The EU's most concrete contribution to security sector reform is the EU-funded BOMCA (border management) programme. Most participants felt that the programme needs careful scrutiny because recipient governments are often implicated in drug trafficking. In this sense, training and planning procedures should be prioritised over the provision of equipment, in which Central Asian authorities are most interested. Other aspects of Central Asian states security sectors are difficult to approach and projects often bring little results. An example is the

OSCE work on police reform in Kyrgyzstan. Two basic problems make working on security sector reform and governance extremely difficult. First, Central Asian states take little to no interest in the governance component due to their resistance to democratisation. Second, security agencies (police, border guards, armed forces, security services) are often rent-seeking institutions that prefer to look after their own interests and gains than to serve that of citizens. However difficult working on security sector reform and governance in Central Asia might be, it should be debated and implemented where possible, given the potential for state violence against the population as recently evidenced in some Arab states.

Both meetings expressed a clear and increased interest by EU member states in Central Asia but also growing concerns over the security threats facing the region. EUCAM intends increasingly to focus on national European approaches to Central Asia and the broader region and hopes to be able to organise future meetings in this format in other countries.

EUCAM Publications

Policy Briefs

Human Security in Central Asia: can the EU help out?

Sébastien Peyrouse, EUCAM Policy Brief No. 21, October 2011

The European Union is a security actor in Central Asia, although with less influence than other players. Russia and China have a much larger impact on Central Asian regimes' security strategies. These limitations do not dispense with the need for the EU to provide a better security narrative, especially in light of its growing emphasis on human security, and to incorporate this into the current review of its strategy for the region. This policy brief will centre on the EU's contribution to human security in Central Asia.

Download: http://www.eucentralasia.eu/fileadmin/user_upload/PDF/Policy_Briefs/PB_EUCAM-21.pdf

Commentaries

The Kyrgyzstani Presidential Elections: Atambayev's challenges

Elmira Satybaldieva, EUCAM Commentary No. 21, November 2011

After much anticipation and anxiety about the presidential elections in Kyrgyzstan, there is a feeling of relief after Almazbek Atambaev won the contest with an overwhelming majority, rendering a second round of elections unnecessary. The presidential race passed off without violence and unrest, which many in Kyrgyzstan consider an achievement in itself. The scale of Atambaev's majority took many commentators by surprise, as some had predicted a low turnout and a strong oppositional challenge. But according to the Central Electoral Commission, the turnout was 61.28 per cent and Atambaev gained 63 per cent of the votes. The elections were observed by 792 international observers from 56 countries. Although international observers have criticised electoral irregularities, pointing to incomplete voter registrations and ballot stuffing, overall the elections were seen as encouraging.

Download: http://www.eucentralasia.eu/fileadmin/user_upload/PDF/Commentaries/Commentary_21.pdf

Promises and Hurdles in EU-Kazakhstan energy cooperation

Nargis Kassenova, EUCAM Commentary No. 20, November 2011

Kazakhstan's Prime Minister, Karim Massimov, once referred to energy cooperation as the 'core' of relations between his country and the European Union. Indeed, there is great mutual interest in this area. Six per cent of the EU's crude oil imports and 16 per cent of its uranium imports come from Kazakhstan. And around 80 per cent of the latter's oil exports go towards Europe. For Kazakhstani producers, access to European lucrative and reliable markets is of utmost importance. Over the last several years, the thrust of Kazakhstan's foreign policy was aimed at increasing the capacity of the Caspian Pipeline Consortium that pumps Kazakhstani oil to Europe. Moreover, Kazmunaigaz's – the national oil and gas company – major external investment was in the Romanian oil company Rompetrol.

Download: http://www.eucentralasia.eu/fileadmin/user_upload/PDF/Commentaries/Commentary_20.pdf

Go Gorno-Badakhshan

Jos Boonstra, EUCAM Commentary No. 19, October 2011

The autonomous region of Gorno-Badakhshan (GBO) in Tajikistan offers one of the world's most impressive landscapes. The Pamir Mountains with peaks of up to 7,500 meters is second only to the Himalayas. Culturally the region has much to offer with a variety of well-preserved traditions and numerous languages. GBO, which makes up 45 per cent of Tajikistan's territory but only 3 per cent of its population, is however extremely isolated. From Dushanbe there are adventurous but irregular flights in late spring, summer and early autumn but most travellers will need to take a bumpy 17 hour car journey. Other options to reach GBO are equally challenging, including mountain passes from China's Xinjiang region and the city of Osh in Kyrgyzstan or crossing the Panj River from north-eastern Afghanistan where a few bridges have been built.

Download: http://www.eucentralasia.eu/fileadmin/user_upload/PDF/Commentaries/Commentary_19.pdf

Central Asia on New Delhi's Geostrategic Radar

Gauri Khandekar, EUCAM Commentary No. 18, October 2011

Central Asia today holds much strategic interest for India as an emerging twenty-first century regional and global power. Despite being a latecomer in what some see as a new 'Great Game', New Delhi is keen to reconstruct the 'Silk Route'. While Indo-Central Asian relations go back to antiquity when cultural, commercial and political ties thrived, post-independence India was physically cut off from Afghanistan and West Asia. It remained embroiled in domestic preoccupations and the insurgency in Jammu and Kashmir, all of which led to a limited foreign policy until the early nineties and a belated rediscovery of the region.

Download: http://www.eucentralasia.eu/fileadmin/user_upload/PDF/Commentaries/Commentary_18.pdf

Editorial staff:

Jos Boonstra, EUCAM head of programme

Nafisa Hasanova, EUCAM programme manager

Tika Tsertsvadze, EUCAM programme manager



Established in 2008 as a project seeking to monitor the implementation of the EU Strategy for Central Asia, EUCAM has grown into a knowledge hub on broader Europe-Central Asia relations. Specifically, the project aims to:

- Scrutinise European policies towards Central Asia, paying specific attention to security, development and the promotion of democratic values within the context of Central Asia's position in world politics;
- Enhance knowledge of Europe's engagement with Central Asia through top-quality research and by raising awareness among European policy-makers and civil society representatives, as well as discuss European policies among Central Asian communities;
- Expand the network of experts and institutions from European countries and Central Asian states and provide a forum to debate on European-Central Asian relations.

Currently, the broader programme is coordinated by FRIDE, in partnership with the Karelian Institute and CEPS, with the support of the Open Society Institute and the Finnish Ministry of Foreign Affairs. The main outputs of the project are a series of policy briefs and comprehensive reports on key issues facing the Europe-Central Asia relationship.

Please follow our work on www.eucentralasia.eu. If you have any comments or suggestions, please email us at email.eucam@gmail.com



FRIDE is a European think tank for global action, based in Madrid, which provides fresh and innovative thinking on Europe's role on the international stage. Our mission is to inform policy and practice in order to ensure that the EU plays a more effective role in supporting multilateralism, democratic values, security and sustainable development. We seek to engage in rigorous analysis of the difficult debates on democracy and human rights, Europe and the international system, conflict and security, and development cooperation. FRIDE benefits from political independence and the diversity of views and intellectual background of its international team.



<http://www.uef.fi/ktl/etusivu>

Founded in 1971, the Karelian Institute is a unit of the Faculty of Social Sciences and Business Studies of the University of Eastern Finland. It engages in basic and applied multi-disciplinary research, supports the supervision of postgraduate studies and researcher training, and participates in teaching. It focuses mainly on three thematic priorities: Borders and Russia; Ethnicity and Culture; and Regional and Rural Studies.



<http://www.ceps.eu>

The Centre for European Policy Studies (CEPS) in Brussels is among the most experienced and authoritative think tanks operating in the European Union today. It aims to carry out state-of-the-art policy research leading to solutions to the challenges facing Europe today and to achieve high standards of academic excellence and maintain unqualified independence. CEPS provides a forum for discussion among all stakeholders in the European policy process.