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Decline of democracy in Moldova at a glance



Once a frontrunner of the EaP, Moldova now seems to reverse on its European path. Who turned a success story into endangered democracy?

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EaP Think Bridge is a platform uniting expert communities in the countries of Eastern Partnership region to fill the gap in distributing analytical products for stakeholders

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What drives changes in the Eastern Partnership?

On the way to tightening relations with the EU, domestic changes in the Eastern Partnership countries have always been a required precondition. One thing that western partners keep a close eye on is internal reforms. But what drives these reforms and what slows them down? Is it responsible authorities, documented agreements, or European carrots and stick ?

The case of Moldova, once a frontrunner of the EaP, is the focus of this issue. The first to sign the Association Agreement and get the visa-free regime, Moldova now seems to reverse on its European path. Who turned a success story into endangered democracy, Victoria Bucataru analyzes.

On the other hand, Ukraine urges closer cooperation with European Union and strives for new platforms, formats, and tools. These desires were a matter of discussions at Ukraine-EU Summit. How the results of negotiations are relevant for all the countries of the region, Hennadiy Maksak tells.

All the EaP states are also going through changes. Georgia's new prime minister turned to issues of ecology in order to meet European standards. Belarus, stimulated by the prospects of a new IMF loan, makes further steps to liberalize the economy. Armenia's new government went as far as to imprison the former president accused of power abuse. Ukraine struggles to continue the anti-corruption fight.

Meanwhile, Moldova experiences democracy crisis, even deepened by the fiscal reform. And the lack of changes in authority approaches in Azerbaijan even led to an assassination attempt on an official.

The details of all these changes and even more are in our traditional monthly overviews.



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Armenia: Sustaining the momentum of change

Richard Giragosian, Regional Studies Center (Yerevan, Armenia)

Since stepping into power on the wave of mass protests in April-May 2018, the Armenian government has struggled to sustain momentum. New authorities are focusing on intensifying their drive against corruption and reversing over a decade of politics largely defined by the culture of official entitlement and impunity. And in the face of dangerously high expectations, the government of Prime Minister Nikol Pashinyan is also burdened with the need to produce results, especially given the political risk of crucial parliamentary elections that seem to be put off until next year.



Ex-president Kocharyan charged over 2008 crackdown.
Photo by wikimedia.org

DOMESTIC POLICY:

Taking on all taboos

After the unexpected victory in forcing former Armenian president-turned-premier Serzh Sargsyan from power in April-May, Armenia's unconventional Prime Minister

Nikol Pashinyan continued to take on all taboos in Armenian domestic politics. Such approach was most notably evident in the decision by country's law enforcement to arrest former President Robert Kocharian on July 27-28.

The charges against Kocharian are related to his role in ordering a deadly crackdown on opposition protesters during a post-election crisis on March 1, 2008. Mass manifestations were triggered by a disputed presidential election that saw Serzh Sarkisian succeed Kocharian as president. This case, and the court decision to imprison Kocharian for a two-month period of pre-trial detention, were even more unusual for Armenia, which has long been hindered by the lack of an independent judiciary.

The case of the former Armenian president, charged with “overthrowing constitutional order” has profound

repercussions well beyond Armenia, and may set an important new precedent regarding the fate of other former leaders throughout the former Soviet Union. Armenia's 2008 crackdown relied on army units, the criminal charges were also brought against two other high-profile figures: Yuri Khachaturov, a retired army general who was Armenia's deputy defense minister at the time, and retired General Mikael Harutiunian, who was Armenia's defense minister during the 2008 protests, and who is believed to have fled Armenia to take refuge in Russia.

ECONOMY:

Environmental activists vs. miners

Despite the main focus on Prime Minister Nikol Pashinian's unprecedented anti-corruption campaign, several weeks of protests targeting the country's mining sector have tended to raise fresh concern over Armenia's investment climate. Mass manifestations have also undermined the Armenian government, which seemed unprepared to respond to a wave of environmental activism.

By late July, however, the government had sprung to action. Deputy Prime Minister Tigran Avinian expressed “deep concern” over allegations by a U.S.-based mining company that former officials are involved and actively supporting the protests, which have disrupted operations at the Amulsar gold mine in southern Armenia since late June. The government has also moved to form an independent commission, empowered to study environmentalists' claims of serious damage caused by the mining operation

After visiting Washington in mid-July, Armenia's First Deputy Prime Minister Ararat Mirzoyan announced that Armenia no longer qualifies for the multimillion-dollar Millennium Challenge Account (MCA) U.S. Aid program. The reason is the recent “upgrade” of the country by the World Bank from a “lower middle income” to an “upper middle income” country. To date, Armenia has received \$177 million in MCA funding provided for the rehabilitation of its rural irrigation networks.

The second financial aid package of \$60 million for the reconstruction of the country's rural roads was suspended by the U.S. after the 2008 post-election crisis in Armenia and due to concerns over the entrenched corruption. Nevertheless, the Trump Administration is now reportedly seeking other avenues for increased economic assistance to Armenia in a bid to reward the reform efforts of the new Armenian government.

FOREIGN POLICY:

Russian military exercises without warning

Amid the signs of the already strained relationship between Armenia and its primary security partner Russia, the military exercise by Russian troops based in Armenia on July 17 only raised tension further. The live-fire exercise, held in the northwestern Shirak province, not only scared local residents, who had no advance warning of the maneuvers, but also triggered sharp reaction of Armenian Prime Minister Nikol Pashinian. The head of the state criticized the incident as a “provocation against Armenia's sovereignty” during a subsequent cabinet meeting.

On his part, however, Armenian Defense Minister David Tonoyan noted that the Armenian officials were informed one day before the exercise by the commander of the Russian military base stationed in Armenia, Colonel Vladimir Yelkanov. The Russian military base includes some 5 000 troops, as well as tanks, armored vehicles, artillery systems and MiG-29 combat aircraft stationed in Gyumri, the administrative center of Shirak. The Russian base has

been further bolstered by the additional deployment of helicopter gunships and other military hardware in the wake of a controversial 2010 Russian-Armenian agreement that extended its basing rights in Armenia to 2044. The document, unlike other Russian leasing agreements for foreign military bases, also allows for all expenses and costs to be covered by successive Armenian governments.

And in response to Armenian media reports, Armenian Defense Ministry spokesman Artsrun Hovhannisyan announced on July 23 that Armenia “has no intention” of revising the status of Russian border guards serving on the country's border with Turkey and Iran, which is governed by a bilateral treaty from 1992 and 1995. Although the spokesman explained that Defense Minister Tonoyan raised issues related to “certain legal clarifications and technical details” regarding the Russian military presence in Armenia, these only “served the aim of “improving and developing” security ties with Moscow. Russia maintains the control over the border enforcement and the control of the Armenian borders with Turkey and Iran, as well as the supervisory control over the sole internation-

al airport in Yerevan, reflecting the Cold War legacy that views these as external borders.

After the concerns about a heightened risk of revived fighting over Nagorno Karabakh, the renewal of the diplomatic activity offered some hope in the wake of the first meeting between the newly appointed Armenian foreign minister, Zohrab Mnatsakanian, and his Azerbaijani counterpart, Elmar Mammadyarov, in Brussels on July 11.

Seen as the first of several rounds of talks set for this year, including a session in New York on the sidelines of the UN General Assembly in September, the initial meeting included a preliminary discussion of “a range of possible confidence-building measures” and other means aimed at strengthening the diplomatic peace process.

At the same time, however, the “war of words” only escalated, as both Armenian and Karabakh military officials reacted to threats by Azerbaijan. The Karabakh defense minister, Lieutenant General Levon Mnatsakanian, for ex-

ample, announced on July 17 that Armenian and Karabakh military forces could “paralyze Azerbaijan’s economy” with missile strikes if Baku provokes renewed hostilities in Nagorno-Karabakh. He went on to explain that such retaliation “is definitely a part of our tactical plans”, adding that “in general, the art of warfare requires strikes” targeting such facilities as the hydroelectric power station near the Azerbaijani town of Mingachevir, as well as military targets in case of a resumption of hostilities.

In response, the Azerbaijani Defense Ministry warned that Baku itself has advanced missiles capable of destroying the key Armenian facilities, including the Metsamor nuclear power plant. This follows a late June threat by Azerbaijani President Ilham Aliyev of military strikes against “strategic” Armenian targets during a military parade in Baku. The parade featured Belarusian-made Polonez and Israeli-made LORA missiles which were supplied to the Azerbaijani army in recent months.

The case of the former Armenian president, charged with “overthrowing constitutional order” may set an important new precedent regarding the fate of other former leaders throughout the former Soviet Union

ade in Baku. The parade featured Belarusian-made Polonez and Israeli-made LORA missiles which were supplied to the Azerbaijani army in recent months.

Azerbaijan: Heated up by the mayor assassination attempt

Sevinc Aliyeva, Center for Legal Initiatives (Baku, Azerbaijan)

The increase in oil prices caused amendments to the state budget. Domestic agenda was dominated by a large-scale electricity outage in the country and Ganja events. However, in the foreign policy, the president's visit to France and approved EU-Azerbaijan Partnership Priorities gave some hope for the future.



Two police officers were killed during street protest in Ganja city.

Photo by kavkaz-uzel.eu

DOMESTIC POLICY:

Power blackout

In the first week of July, Azerbaijan experienced a countrywide blackout because of the accident at Mingachevir Thermal Power Plant. 39 regions including the capital Baku went through an [electricity supply outage](#). According to the Ministry of Energy and the largest electrical power producer "Azerenerji" OJSC, the accident was caused by the sharp increase in demand for electricity and [was "inevitable"](#). It took several hours to repair the plant, which triggered numerous complaints from the public, especially, on social media.

President Ilham Aliyev formed a commission to reveal the real causes of the accident and held a meeting with [the government on this issue](#). The investigation found that the breakdown was caused by the unsound infrastructure lacking maintenance and necessary upgrade, failure to keep up with modern technical norms, and [negligence in energy security field n](#). The President stressed the need to develop alternative action plans in order to prevent [such accidents in the future](#). However, this situation put the energy security of Azerbaijan and responsible institutions into question.

Armed attack on the mayor of the second largest city

On July 3, there was shooting in front of the administrative building of Azerbaijan's second largest city, Ganja. The Head of the Executive Authority Elmar Valiyev and his bodyguard were wounded. A 35-year-old Russian citizen and Ganja resident, Yunis Safarov, who was accused of assassination attempt, has been earlier wanted in the case of an attack on a policeman and terrorism. The suspect was [immediately taken into custody](#). The statement published by the Chief Prosecutor's Office, the Ministry of Internal Affairs, and the State Security Service mentions that the perpetrator participated in the Syrian war

and [took military training there](#). Besides Safarov, 11 other people were detained over the alleged links to the attack.

The week following the attack, approximately 200 people gathered in the center of the city in support of Safarov and requested to investigate the mayor's activities. During the demonstrations, two high-ranking police officers were stabbed to death. Police detained 40 demonstrators and dispersed the protest.

Azerbaijani authorities claim the demonstrators "[a radical religious group](#)". However, opposition stated the protests "probably" happened because Valiyev "*represents this criminal government and was [notoriously known for humiliating the citizens that he was supposed to serve](#)*".

ECONOMY:

Changes in the state budget

Azerbaijan Ministry of Finance prepared and submitted state budget amendments to the [National Assembly in the first half of June](#) and it is only in early July when President Ilham Aliyev approved the changes. Amendments included developing social protection of citizens, strengthening the defense, security, and tourism sectors of the country, increasing the monetary funds allocated for agriculture, melioration, and irrigation projects. New state budget revenue is expected to be 22.1 billion manats (about \$12.98 billion), while expenditures are increasing to 23.1 manats

(about \$13.57 billion) exceeding the previously approved budget nearly by 10% and [9.8%, respectively](#). Most part of expenditures is allocated to three large companies: CJSC "Azerbaijan Railways" (100 million manat - \$58.74 million), "Azerisig" OJSC (81.4 million manat - \$47.81 million), and [SOCAR \(963.2 million manat - \\$565.76 million\)](#). In accordance to the proposed changes, funds for defense, security, and tourism, as well as social protection are increased. Overall, state budget revenues in 2018 will be [33.9% more than that of 2017](#). This increase is the result of the rise in oil prices (from \$45 to \$55 per barrel) on the [global markets](#).

FOREIGN POLICY:

Promising meeting

On July 19-20, President Ilham Aliyev paid an official visit to France upon the invitation of Emmanuel Macron. The agenda included cooperation possibilities in the economy and politics. Furthermore, President Macron expressed the willingness of France as the co-chair of the OSCE Minsk Group to continue its efforts on finding an optimal and peaceful solution for the Nagorno-Karabakh conflict.

During his visit, Aliyev also met the President of the Senate, the President of the National Assembly, and the representatives of eleven high stake companies. The President of the French Senate Gerard Larcher explicitly stated his satisfaction with the cooperation of French Lyceum and the Azerbaijani-French University in Baku. He further talked about close economic, political, and cultural relations between the countries and how they can pave the way for positive developments in the process of reaching an

agreement between Azerbaijan and EU.

Bilateral relations in transport, construction, banking sector, and military field were discussed with large French companies like Thales International, Iveco Global Bus Sylvain Blaise, and Bouygues Travaux Public Company, along with future projects and [investment opportunities](#). As a result of fruitful discussions contracts exceeding the value of [\\$2 billion were signed](#).

Another important event in the foreign policy of Azerbaijan in July was the long-awaited end of negotiations over the EU-Azerbaijan Partnership Priorities. These guidelines include four areas of cooperation, namely, strengthening institutions and good governance; economic development and market opportunities; connectivity, energy efficiency, environment and climate action; mobility and people-to-people contacts. The mentioned framework is [expected to take bilateral relationships one step further](#).

During the demonstrations, two high-ranking police officers were stabbed to death, 40 demonstrators detained

Belarus: Diplomatic wars with Russia

Arseniy Sivitsky, Center for Strategic and Foreign Policy Studies (Belarus, Minsk)

The trade wars with Russia and the Moscow's desire to limit the use of the European raw materials which are "under sanctions" can cost Belarus not only profits but also the trust of the Western partners. The Kremlin also presses Minsk through diplomatic channels, imposing Mikhail Babich, the "Ambassador of War" to take post in Minsk.



The appointment of the "ambassador of war" Mikhail Babich to Belarus can be a signal of strengthening the Kremlin's pressure.

Photo by kreml.ru

DOMESTIC POLICY:

Civil servant "moral image" demand

In July, the key events on the official agenda were the President Alexander Lukashenko's meetings with the Presidential Administration leaders, ministries, and organiza-

tions devoted to the [public service](#) and [civil servants training](#) issues. These events were marked with the traditionally tough rhetoric of the Belarusian leader and, judging by a number of signs, by the preservation of the conservative

and ineffective approaches to solving problems in this area.

During the discussion, it became clear that previously announced reforms of the state apparatus (with 30% staff dismissal) were either not implemented, or simply unsuccessful. According to Alexander Lukashenko, at the moment there are 37 thousand civil servants in Belarus. The president demanded to develop a Civil Servant Code of conduct to regulate the “moral qualities” of the state employees, requiring foremost the political loyalty and anti-corruption measures. However, such statements raise doubts against the backdrop of the unprecedented corruption cases.

As noted in the previous review, the large-scale corruption in the medical sphere ([dozens of the health institutions heads, including the deputy minister](#), were detained)

and the [“false” corruption allegations](#) undermine confidence in the anti-corruption rhetoric and the state appa-

ratus in general. The important feature of the detentions is belated and incomplete informing the public and the detainees’ colleagues about such operations. It resulted in unnecessary tensions in the medical community, influencing health care institutions’ patients.

The Prosecutor General’s Office also [contributed to the fight against corruption and “mismanagement”](#) by carrying out the inspections to 86 agricultural enterprises, which resulted in four criminal cases.

The level of trust to authorities remains low in the society. The reasons for this are both the actions of the authorities and the constantly emerging conflict situations. Two major hotbeds of tension are the protests against the entertainment complex near the Kyropaty burial sites of the People’s Commissariat for Internal Affairs’ mass repression victims, and the situation with the construction of a battery plant in Brest.

ECONOMY:

Reforms become inevitable

The deterioration in the relations with Russia and the search for the additional sources of financing push the Belarusian authorities to conduct a bigger scale but still “point-to-point” privatization. In any case, privatization, even in such scope, will help to create an environment more favorable for the private business development.

The 2018-2022 World Bank’s Partnership Strategy Framework for Belarus provides another [important incentive to the reform](#) – the possibility of the development loan.

As before the World Bank links this loan to the resumption of the International Monetary Fund cooperation program. Thus, the potential agreement with the IMF promises the Belarusian leadership not only \$3 billion from the IMF at a low interest rate, but also a significant (up to \$1 billion) sum from the World Bank. This level of support is undoubtedly an extremely powerful incentive for the Be-

larusian authorities, especially against the background of the continuing deterioration in the relations with Russia.

Advancing along the path of the market reforms and strengthening of Belarus’ independence from Russia will obviously allow Minsk to claim some additional support from Brussels. This explains the government’s plans to raise the salaries of the state employees. Such an increase will raise the budgetary sphere workers’ incomes and thereby create the prerequisites for the implementation of the housing and communal services reform, which the IMF insists on (with 100% return of utility services with the help of the population payments).

Meanwhile, the rating agency [Fitch Ratings affirmed the long-term issuer default ratings of Belarus](#) in foreign and local currency at “B, stable” level, noting the high level of public debt, weak banking sector, and high dependence on the currency fluctuations.

FOREIGN POLICY:

Relations with Russia with no positive changes

The relations with Moscow continued to develop in a negative scenario. The main news was the information about the [request by the Russian side for the candidacy of Mikhail Babich](#) as a Russian ambassador to Belarus. Mikhail Babich is a typical “ambassador of the war” with a serious power and political background. The Kremlin needs just such personnel to use in full the Russian embassy in Belarus for imposing its positions and actions in the Kremlin interests. The embedding of the relevant information in the media probably reflected the difficulties that arose in the negotiations of the parties about his candidacy. The further refusal of Minsk to agree on the candidacy of the ambassador may lead Russia to refusing

to offer other options. This can result in an actual reduction in the level of diplomatic representation unilaterally.

Uncertainty also remained in the situation around the supply of the Belarusian dairy and meat products to Russia. On July, 13 the Federal Service for Veterinary and Phytosanitary Surveillance and the Belarusian Ministry of Agriculture and Food [signed another “road map” to lift the restrictions](#) on the supply of milk and dairy products from Belarus to Russia. The Russian side received a full access to the information on the volume of production, products’ specifications, sources of the raw materials, and other aspects of the Belarusian enterprises functioning.

With the help of this, Russia expects to keep the Belarusians from re-exporting the dairy products “under sanctions”, as well as using such products as raw materials in violation of the safety requirements (for antibiotics and

other dangerous substances). The same applies to the supply of the meat products.

Trying to “squeeze” the European raw materials out of Belarusian dairy market, the Russian side solves two tasks at once. First, it limits the ability of the Belarusians to obtain any additional revenues from the export of the dairy products. Second, it reduces Belarus’s value as an important partner for the EU countries in minimizing the negative effect of the Russian “counter-sanctions”. Alexander Lukashenko not only openly [called the Moscow’s sanctions policy a “headache” for Belarus](#), but threatened the Russian side by saying that Minsk has some information about the high-ranking security leaders involved in the illegal import of the “under sanctions” products through Belarus.

Against the negative background of the Belarusian-Russian relations, on July 19-20, a working [visit of the Foreign Affairs Minister Vladimir Makey to Latvia took place](#). With his Latvian counterpart Edgars Rinkevics he

Alexander Lukashenko signed a decree to extend the visa-free stay for the foreign citizens from 80 countries from 5 to 30 days

discussed not just a wide range of the bilateral cooperation issues (in the trade, economy, and transit spheres) but also the preparation of Alexander Lukashenko’s official visit to Latvia. As the Foreign Affairs Ministry representatives noted, this visit has been prepared for a long time and it will be filled with the economic issues, including some negotiations and contracts signing. At the same time, this visit will undoubtedly have a serious symbolic

significance: the visit of the Belarusian leader to the EU countries will begin with neighboring Latvia.

Against this background, Alexander Lukashenko signed a decree on July 24 [to extend the visa-free stay for the foreign citizens from 80 countries from 5 to 30 days](#). Moscow’s rather tough reaction to this decision is likely to be expected. Apparently, the Kremlin will use this decision to legitimize the accelerated deployment of the border infrastructure on the Belarusian-Russian border and de-facto establish the border regime.

Georgia: Horses in the presidential Team

Lasha Tughushi, “Liberal Academy of Tbilisi” Foundation (Georgia, Tbilisi)

Georgia is preparing for the next presidential elections to be held this fall. These will be the last direct presidential elections. What is more, the head of state will be elected not for five years as before, but for six. In the future, according to the changes to the Constitution, these are 300 members of the Electoral Commission who will vote for the head of the state. It will be the responsibility of 300 members of the Electoral Commission to vote for the head of state.



The Ministry of Finance conducted large-scale inspections of logging and leoprocessing enterprises throughout Georgia.
Photo by Investigation Service of the Ministry of Finance of Georgia

DOMESTIC POLICY:

The Dream gives up presidential chair

The chairman of the ruling party Georgian Dream Bidzina Ivanishvili is about to give up the presidential chair. If a worthy independent candidate appears, the Georgian Dream will support him. If such a candidate is not found, Ivanishvili will let the opposition “decide among themselves”.

It is important for the democracy development in the country that the representative of the ruling party should not

become a president, since the Dream has a constitutional majority and controls all sakrebulo and gamgeoba (local legislative and executive authorities) at the municipal level. This is not the final decision, but it is likely that the party will not be able to change the leader’s declared position.

Meanwhile, some candidates for the president post have already appeared on the track. “Saakashvili and Co” consisting of 10 parties will be represented by the for-

mer Foreign Affairs Minister Grigol Vashadze. The candidate from the former Saakashvili's associates, now the European Georgia party which has the largest opposition parliamentary faction, will be represented by the former Parliament speaker David Bakradze.

Alexander Elisashvili, a former journalist and a young resident of Tbilisi who won the hearts of the citizens with his uncompromising and straightforward position, also appeared on the horizon. He almost bypassed Kakha Kaladze in the major elections, however, the sympathy of the Tbilisi residents could win him only the second place against the opponents' resources.

"Russian" flank also appeared at the start point, lead by Nino Burjanadze. This wing has not yet prepared any sur-

prises like a "Trojan ultra right horse" that was expected, given a lot of "patriots" in the streets of the city.

The current president of Georgia Giorgi Margvelashvili has not made his decision yet. As one of the ex-chairmen of the parliament David Usupashvili promised, it will become clear by August 1 if he or Margvelashvili will become a candidate. Usupashvili openly offered a partnership to the president, but the latter still refrains from commenting on his intentions. While Margvelashvili, who became the president supported by Ivanishvili, is thinking it over, the citizens of Georgia are also trying to understand who will become an "independent" candidate supported by Ivanishvili. The ruling party leaders promise to decide on this in the coming days.

ECONOMY:

New government "Green Economy" concept

The residents of Chuberi and Haishi villages blocked the road and damaged the car of the investigative service with stones and sticks. The mountain population protested against the investigation concerning the sawmills. To ensure the safety of the investigative service and the full implementation of the investigation, it was necessary to mobilize a special-purpose unit.

On July 26, the investigative actions simultaneously started in the regions of Imereti, Ajaria, Kakheti, Guria, Racha-Lechkhumi and Kvemo Svaneti, Shida Kartli, Samtskhe-Javakheti and Samegrelo-Zemo Svaneti. The law enforcement agencies are verifying if the enterprises, processing and selling timber, work legally and with state registration. Similar actions were to be taken in Chuberi and Chaishi villages.

Two weeks earlier, a flood in Chuberi village ruined the mountain, leading to a sharp rise in the water level in the Nenskra River. The river left the banks, flooded the lower floors of the houses, and destroyed the utensils. It ruined five bridges, flooded the territory around and in the center of Chuberi. The houses were destroyed, and the population evacuated. Experts do not exclude that such spontaneous processes are often the result of the unreasonable exploitation of the forest. The case needs to be studied.

The force of nature became one of the first challenges for the new Prime Minister. Mamuka Bakhtadze presented new proposals for the public discussion. According to the Prime Minister, the Georgian timber export will be limited. *"We presented an important initiative at the government meeting, stimulating the timber imports to Georgia. At the same time, the logs and boards export from Georgia will*

be limited. This is not the price for the additional jobs in Georgia. No, it only destroys our main wealth", - Mamuka Bakhtadze said, presenting the new "Green Economy" eco-concept to the government members.

According to the concept, the significant investments will be directed to the development of the protected areas, natural and man-made ecosystems. They will use some comprehensive approaches, raise the customs duty on cars with large engines – to stimulate the hybrid cars and electric vehicles import to Georgia.

Now in Georgia, the cars with the engine exceeding 3.5 liters make up about 10%, that is several times more than in the European countries. The changes will make a difference in tax payments on small and big cars even more. According to the new approaches, in the near future there will be more cars directly meeting the basic EU requirements. This initiative will further tighten the requirements for the emissions testing.

Agriculture is one of the main "Green Economy" directions. Georgia will become a country producing high-quality, environmentally friendly bioproducts. Meanwhile, the eco-activists protest even more against the consumer attitude to nature and HPP-mania as they call a number of the projects damaging the nature and serving to fill someone's pockets. Such initiatives are active not only in Tbilisi, but in the regions too. The inhabitants of the villages along the Rioni River founded a public movement "For the Salvation of the Rion Gorge" and protest against the construction of the Namakhvani HPP cascade. Similar movements occur in other places as well. The government realizes that the growing energy consumption and the need to use the local capacities demand serious discussions both on the level of the intra-government elites and with the population tired from the populism and futility.

FOREIGN POLICY:

“Georgia will become a NATO member but not now”?

“Our colleagues who play for the aggravation and try to include Ukraine or Georgia in the military orbit of the Alliance, should think about the possible consequences of such an irresponsible policy,”

– the President Vladimir Putin said at a meeting with the Russian ambassadors just after the NATO summit, which took place in Brussels 10 years after the Russian-Georgian war. The possibility of Ukraine and Georgia joining NATO “poses a direct threat to the security” of Russia. This was stated by Putin in an interview for the American Fox News TV Station after his meeting with Donald Trump.

“Ten years have passed after the NATO-Georgia Commission first meeting that set the big goals for the Georgia’s membership in NATO. Georgia will obviously become a member of our organization, and our leaders contribute

for this to happen as soon as possible”, - NATO Secretary General Jens Stoltenberg said at a joint briefing with the Georgian President Giorgi Margvelashvili in Brussels, where the Alliance Summit was held.

The unscheduled NATO Summit, for the first time attended by Donald Trump, once again confirmed the prospect of Georgia joining NATO. According to Donald Trump, *“Georgia will become a NATO member but not now. The representatives of Georgia attended the Summit. They left a very good impression. We heard about their situation, and the situation with Georgia is complicated”, - Trump said.*

The declaration adopted at the Summit noted Georgia’s progress, its contribution to NATO operations, as well as the process of democratic institutions strengthening and building up its defense capabilities. Georgia is tirelessly moving to Europe along this seemingly endless path.

**Who will become an
“independent” candidate
supported by the head of
the ruling party Ivanishvili?**

Moldova: Endangered European path

Victoria Bucataru, Foreign Policy Association of Moldova (Chisinau, Moldova)

The democratic downfall of the Republic of Moldova triggered the revision of the EU – Moldova relations and the positioning of the main development partners. A resolution on the domestic political crises was adopted in the European Parliament, followed by the harsh reaction of the Moldovan government and political elites. Continuing to disregard the European commitments, the Moldovan parliament hastily approved the package of tax initiatives and capital amnesty apprehended with deep concern by the international organizations.



Scandalous laws adopted by the parliament triggered international concerns yet again.

DOMESTIC POLICY:

Neutrality status

On July 26, three legal acts, referred to as the Package of Tax Initiatives and Capital Amnesty and promoted by the ruling coalition, were approved by the parliament in the final reading. The Speaker of the Parliament, Adrian

Candu, declared that the current legal acts are in the interests of the citizens and will benefit the business climate. Having different opinion, the opposition parties expressed their dissatisfaction by leaving the parliamentary session and stating that the fiscal reform was voted in haste, dis-

regarding the [legal procedure, and includes dangerous provisions](#). Right after the vote in the Parliament, the main development partners issued press statements evaluating the package as being [“inconsistent with the policy reform program supported by the World Bank Group”](#) and “not in line with the objectives of [the International Monetary Fund-supported program](#)”. In addition, the U.S. Embassy in Moldova emphasized in a press statement that “the law on

the voluntary declaration and fiscal stimulation (also called the Capital Amnesty Law) legitimizes theft and corruption, and will have [detrimental effect on Moldova’s business climate](#)”. Civil society representatives publicly articulated their disagreement with the procedure but also the fiscal reform content because it comes in contradiction with Moldova’s efforts to fight money laundering and diminishes the efficacy of the Kroll investigation (\$1 billion theft).

ECONOMY:

The “new” fiscal reform

On July 19, the parliament adopted the National Defense Strategy and its implementation plan for the period of 2018-2021. The document became one of the main national security and defense strategic elements adopted so far. According to the representatives of the ruling coalition, the National Defense Strategy is in line with the changing regional security environment and refers to the new emerging threats. Addressing the MPs, the Minister of Defense, Eugen Sturza, mentioned the common effort of 23 institutions engaged in the elaboration of the Strategy. The leader of the Democratic Party, Marian Lupu, stated that the central point of the document is the neutrality status enshrined in [the constitution of the Republic of Moldova](#).

However, separate voices qualify the document as a “utopia” arguing the effectiveness of the neutrality status, the genuine commitment [to implement the strategy, and its lack of vision](#). On the same day, the President of the Republic of Moldova, Igor Dodon, presented to the public a policy document calling for addi-

The central point of the new National Defense Strategy is the neutrality status enshrined in the constitution of the Republic of Moldova

tional legal efforts to safeguard the neutrality status of the country through [international recognition](#). Analyzing the document, the representatives of the domestic expert community drew the president’s attention to the international law provisions which clearly define the neutrality status and the international practice. Experts also reminded about Dodon’s positive positioning towards the Russian military stationing on the Moldovan territory which contradicts the essence of the neutrality status.

Before going on holidays, the Moldovan MPs voted the parliamentary election date. They decided to hold the elections on February 24, 2019 using the mixed electoral system. This means that one half of the deputies are elected by party lists, and the other by single-mandate constituencies.

The mandate of the current parliament expires on November 30, so the chosen date for the next elections was the latest possible by law. In experts’ opinion, such decision bears a purely strategic reasoning as [the current political situation does not favor the ruling coalition](#).

FOREIGN POLICY:

Moldova in the spotlight

The domestic political crisis, generated by the invalidation of the Chisinau townhall elections, captured the attention of the international community, which culminated in the resolution adopted in the European Parliament on July 5. The resolution was passed with the vote of 343 out of 538 Euro-parliamentarians. The document directly informed the Moldovan counterparts about the “grave concern over the further deterioration of democratic standards in Moldova” and “urged the Moldovan authorities to guarantee the functioning of democratic mechanisms, insisting that both the executive and the judicial branches of power mutually respect the separation of powers, fully endorse democratic principles and obey the rule of law”.

The resolution emphasized once again the very poor progress in conducting a thorough and impartial investigation into the 2014 banking fraud (\$1 billion theft) and

“called on the Moldovan authorities to address the recommendations of the OSCE/ODIHR and [the Venice Commission on electoral reform](#)”.

According to the Brussels Summit Declaration, the Heads of State and Government participating in the meeting of the North Atlantic Council in Brussels on July 11-12, 2018 assured the public of the support for the territorial integrity and sovereignty of Ukraine, Georgia, and Moldova within their internationally recognized borders. The Declaration also reinforced the recent message of [the UN Resolution](#), “calling on Russia to withdraw its troops from the territory of the Republic of Moldova, and to continue to engage constructively in the Transnistria Settlement Process”.

Although the final Summit Declaration reaffirmed the unity and commitment of the Allies among themselves and towards their partners, the raised tensions between the U.S. and the European Member States have blurred the sincerity of the statements and increased the mistrust.

Ukraine: Back to international agenda?

Sergiy Gerasimchuk, Foreign Policy Council “Ukrainian Prism” (Kyiv, Ukraine)

In July, Ukraine yet again appeared on the agenda of the international institutions: NATO, the EU, the IMF. The country was mentioned during the Trump-Putin summit too. At the same time, the fight against corruption was of current interest on the domestic political front.



Ukraine was mentioned in the Declaration of the NATO Summit.

Photo by nato.int

DOMESTIC POLICY:

Fighting corruption is still the priority

Fighting corruption and strengthening the institutions that deal with the corruption investigations remain among the top priorities for Ukraine. On July 12, the Verkhovna Rada of Ukraine amended the law on the Supreme Anti-Corruption Court, removing the scandalous norms that provided ordinary courts with competence to deal with the cases investigated by the National Anti-Corruption Bureau

(NABU). According to the amendments, all anti-corruption cases will be forwarded to the Anti-Corruption Court.

At the same time, on July 17, an unpleasant incident occurred: a group of unknown people broke into the NABU premises. According to the institution representatives, this incident was a “planned provocation”. It demonstrated that the “untouchables” still retain a strong position, and moreover, can count on the silent connivance of the police,

which was nearby but didn't act in any way. The incident showed that anti-corruption institutions in Ukraine are still very vulnerable, though the NABU continues to do its work.

The ambiguous situation in July also took place in regard to the Special Anti-corruption Prosecutor's Office (SAP). The Qualification and Disciplinary Commission of the prosecutors issued a reprimand to the Head of the SAP, Nazar Kholodnytskyi, but refused to dismiss him. The dismissal submission was filed by the Prosecutor General's Office and the NABU. Kholodnytskyi himself explained that the case against him was registered under the article of the

Criminal Code on the disclosure of the pretrial proceedings and forcing witnesses to testify.

The decision of the Disciplinary Commission provoked some criticism within the country and among the international partners. In particular, the US Embassy in Ukraine stated that in the modern democracy the prosecutors who manipulate witnesses and obstruct justice resign themselves to preserve their department reputation and the rule of law. However, the sharp reaction did not encourage Kholodnytskyi to resign, instead, the discredited prosecutor went on a long vacation.

ECONOMY:

Energy in focus

In July, the economy of Ukraine was dominated by the issues related to the energy segment. The main topics were the gas prices in Ukraine, as well as the prospect of the Russian gas transit to Europe through the territory of Ukraine.

Regarding the Russian gas transit, Germany officially confirmed its position, saying that the Nord Stream-2 should not cast doubt on Ukraine's status as a transit country for the Russian gas. The Ukrainian side, represented by Naftogaz, in its turn made a proposal to apply the European rules to the Russian gas transit through the territory of Ukraine.

On July 17 in Berlin, the first round of the EU-Ukraine-Russia trilateral talks negotiations took place (with the participation of the Ukrainian Foreign Affairs Ministry and some representatives of Naftogaz, the Minister of Economy of the Russian Federation, the Vice President of the European Commission, and the Minister of Economy of Germany). The sides mentioned the results of the preliminary talks with the restrained optimism. They agreed to develop a roadmap for the negotiation process and continue the meetings in a trilateral format after the summer holidays.

As for the gas prices in Ukraine, the catalyst for the discussions on this issue was the next stage of the negotiations between the International Monetary Fund and Ukraine. Although

the IMF approved the amendments to the law on the Supreme Anti-Corruption Court, it was not enough to resume the tranches (with the IMF financing suspended in April 2018).

Now the IMF insists on raising the gas prices for the population, considering it as one of the key conditions for resuming the IMF programs in Ukraine. At the same time, taking into account the approach of the presidential and parliamentary elections of 2019, the Ukrainian side refrains from the unpopular steps that could affect the already weak electoral support for the current authorities.

Among other things, as a result of the uncertainty in relations with the IMF, the overall situation in the economy shows some signs of instability. The National Bank of Ukraine (NBU) raised the refinancing rate from 17% to 17.5% to reduce the inflation, the Pension Fund delayed the payments of pensions, and Ukrainian currency Hryvna somewhat weakened against USD. The budget deficit for the first half of the year was about 10 billion UAH (approximately \$373 million).

At the same time, some optimism is prompted by the fact that according to the NBU survey, the Business Expectations Index for the next 12 months equals 118.3%. A high level of the business activity is forecasted by the respondents for the sixth consecutive quarter.

FOREIGN POLICY:

Month of summits

July turned out to be rich in events of the international scale, directly or indirectly related to Ukraine's foreign policy. First of all, the Ukraine-EU Summit was held on July 9. It proved to be quite successful for Kyiv. Brussels recognized some progress in the reforms in Ukraine, and called Kyiv to continue reforms regardless of the approaching election campaign.

In addition, Donald Tusk called on Russia to release the Ukrainian "prisoners of conscience" Oleg Sentsov, Volodymyr Balukh, Olexandr Kolchenko, Stanislav Klykh, Olexandr Shumkov, and Roman Suschenko.

Ukraine was mentioned in the Declaration of the NATO Summit, held on July 11-12. The Alliance supported the

territorial integrity of Ukraine, and although there were no fundamental changes and breakthroughs, Ukraine was granted with a "candidate" status, with the Alliance leaders recognizing Kyiv's desire to become a NATO member in the future.

The Ukrainian issue was also discussed during the summit of the US President Donald Trump and the Russian President Vladimir Putin in Helsinki on July 16.

Both sides stressed their commitment to the Minsk agreements (although the Russian Federation insists on its interpretation of the order of their implementation). And on July 25, the US State Department presented the "Crimean Declaration", emphasizing that the United States do not recognize the annexation of the Crimea by Russia, and urge the latter to respect the international rights and laws

Decline of democracy in Moldova at a glance

Victoria Bucataru, Foreign Policy Association of Moldova (Chisinau, Moldova)

The local election that took place on June 3, 2018 impacted Moldova's domestic affairs as well as the relations with the development partners. Invalidating the results of Chisinau local elections led to political crisis and required the Euro-Atlantic partners to state their critical position. As a result, the Republic of Moldova was denied the disbursement of the first macro-financial support installment until the political issues will be addressed. In addition, the legislative package on budgetary and fiscal changes and capital amnesty measures, approved in the Parliament on July 26, questioned the sincerity of the authorities and ruling political elites' intentions to implement the European association roadmap.



Advanced political crisis on the eve of parliamentary elections

Andrei Năstase, the leader of the Justice and Truth Political Platform, [won the local elections](#) in Chisinau leaving behind his counter-candidate Ion Cioban, the representative of the Party of Socialists, with 52.57% of votes against

47.43%. Although the elections were declared free and fair by the international observers, the Chisinau Court of Appeal regarded positively the Socialist Party's complaint referring to Andrei Nastase's violations of the electoral legislation by campaigning in social media on the election day. Based on this argument, the Chisinau Court of Appeal invalidated the early elections in Chisinau, a decision subsequently sup-

ported by the Supreme Court of Justice.

As the court's arguments are not regarded as serious proof, the taken decision was qualified as a political interference in the act of justice of the ruling political elites. Such a decision is difficult to justify and it does indicate a deficient and vulnerable justice system. In order to calm down the spirits, the representatives of the Democratic Party proposed to review the Electoral Code in order to clearly specify the provision and introduce necessary adjustments.

All opposition parties (the Justice and Truth Political Platform, the Liberal Democrat Party, the Action and Solidarity Party) and the main development partners of the Republic of Moldova (the European institutions, the EU Member States and the US)

expressed their deep concern about the lack of transparency, but also the obvious politicization of the decision, highlighted the lack of independence of the justice pillar and the degradation of the democratic institutions. On July 5, the European Parliament with 343 votes out of 538 adopted a resolution on the political crisis in Moldova following the invalidation of local elections in Chisinau, which reported [serious violations and deviations](#) from the guiding principles of a democratic state. Both the EU institutions and the United States drew attention to potential dangers for the parliamentary elections due to take place on February 24, 2019.

By refusing to assign the elected Mayor, the Moldovan citizens were deprived of their fundamental right: to elect and to be elected. Moreover, this decision postponed the elections for the next year when the regular general local elections should be held. The current political crisis confirms the continuous increase of the autocracy level in Moldova and suggests serious drawbacks in the initiated reforms. Furthermore, it raises concerns about the future parliamentary elections which disregarding the Venice Commission advice will be held under the mixed electoral system.

Possible cover up of the “one billion theft”?

Another aspect, which the European Parliament's resolution refers to, is the investigation of a bank fraud back in 2014. European partners regret the minimum progress and urge the authorities to make every effort to recover the missing funds amounting to 1 billion USD and to hold accountable the persons involved regardless of their political affiliation or other criteria and restore citizens' confidence. This message was conveyed for the entire year using various formats of cooperation and strategic documents: The Council of the European Union meeting of February 26, the

Progress Report on the implementation of the Moldova-EU Association Agreement presented on April 5, and the EU – Moldova Association Council meeting on May 3.

However, disregarding the partner's messages, an alarming package of laws was adopted by the Parliament of the Republic of Moldova speedily, in two readings and in the absence of most parliamentary factions: the Liberal Party, the Communist Party, the Liberal Democrat Party and the Socialist Party. At the end of the spring-summer session, budgetary and fiscal changes were approved with 56 votes of MPs (out of 101) from the Democratic and European People's Parties implying a package of tax initiatives and capital amnesty. The Speaker of the Parliament, Adrian Candu, declared that the current

The current political crisis confirms the continuous increase of the autocracy level in Moldova and suggests serious drawbacks in the initiated reforms.

legal acts are in the interests of the citizens. At the same time, [Igor Dodon reminded](#) of the “positive impact” of similar laws developed by him in 2006 and 2007, which, in his words, enjoyed the support of the foreign partners.

The statements of President Dodon are very smooth, taking into account his previous desire to fight the rooted corruption and uncover the one billion theft scheme. One might think that he tacitly agrees with the approved amendments and supports his so-called “rivals”. A potential understanding between Dodon and the Party of Socialists on one hand and the Governing Coalition on the other hand is considered in view of possible arrangements before and after the Parliamentary elections in 2019. This kind of cooperation occurred during the 2016 presidential elections and more recently the local mayoral elections in Chisinau. Such a scenario will crumble the already endangered European path of Moldova even more and foresee the reversibility of the European future in practical terms without the need to denounce the Association Agreement.

The representatives of the civil society also took a stand issuing the position paper which condemns the adoption of the draft law on voluntary declaration and fiscal facilitation and president's request to cancel the promulgation of the adopted law. The experts draw attention to the fact that the intention of fiscal amnesty is disguised by tax reforms and although some of the reforms have been long awaited for, they will deepen and encourage corruption in a long run. Suspicions are raised also due to the manner the budgetary and fiscal amendments were done. The draft law on voluntary declaration and fiscal facilitation was adopted in a lightning-like regime, with clear violations of democratic processes and lack of transparency. No public hearings on this particular draft law were held during the launch and validation process.

Critical dialogue with Euro-Atlantic partners

Shortly after the local election crisis and the response of the European institutions, the Head of the European Union Delegation to the Republic of Moldova, Peter Michalko, came up with a second critical comment. This time he referred to the new laws on voluntary declaration and fiscal facilitation, noting that the [Tax Reform Laws are incompatible](#) with reforms aimed at strengthening the rule of law, combating corruption, money laundering and organized crime and improving the business climate.

In a comment on his Facebook account on July 26, Michalko stressed that “the Republic of Moldova has taken commitments with regard to the EU, inter alia under the Association Agreement, Association Agenda and the Memorandum of Understanding on Macro-Financial Assistance, as well as commitments to other international partners”. Also, he urged “the Moldovan authorities to stop the process of adoption of this legislation and to bring it in compliance with international standards”.

The International Monetary Fund and the World Bank Group also came up with a response to these legislative acts defining them as incompatible with the program of policy reforms they supported. [The preliminary view of IMF experts](#) is that the recently approved package of fiscal and tax changes and capital amortization measures “will increase the regressive nature of the tax system, reduce tax compliance and expose the fiscal system to significant risks”. In addition, the World Bank Group warns that such a decision compromises the Government’s commitment to fight corruption.

On July 27, the Council of Europe issued a [press release](#) informing about misleading reports in the Moldovan media which “wrongly suggest that the Law on Voluntary Declaration and Fiscal Stimulation, passed by the Moldovan Parliament on July 26, 2018, had been analyzed positively by an expert from the Council of Europe’s Committee on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL)”. In the same communique it is clarified that “MONEYVAL was not consulted on this law at any stage in the legislative process, nor was any international expert on behalf of MONEYVAL”. Such information confirms the trend, observed for some years, of media independence decrease as well as an increased practice of domestic propaganda.

The trend of media independence decrease as well as an increased practice of domestic propaganda is observed for some years.

The current domestic crisis generates a continuous societal split between pro-European and pro-Russian citizens, and a new trend, between pro-democratic and pro-autocratic ones.

Concluding remarks

The current domestic crisis deepens the vacuum between the Republic of Moldova’s citizens and the national, regional and local authorities as well as generates a continuous societal split between pro-European and pro-Russian citizens, and a new trend, between pro-democratic and pro-autocratic ones.

According to the recent annual survey report elaborated in the framework of the project “OPEN Neighborhood – Communicating for a stronger partnership: connecting with citizens across the Eastern Neighborhood”, the share of Moldovans who tend to trust national, regional and local institutions is extremely low and has been at around the same level since 2016. 84% of Moldovans openly

distrust the parliament, 81% – the political parties, 73% – the government and 59% – regional and local authorities. Religious authority is still the highest in the popularity rating (70%). Asked about their views on the way democracy works, 81% of Moldovans expressed their

dissatisfaction, corruption and poor governance continuing to be the most problematic areas.

Although the level of dissatisfaction with corruption and poor governance is quite high, certain vulnerable layers of the society tend to support corrupted officials, disregarding their criminal background, being attracted by short term financial benefits. This trend weakens even more the rule of law and the good governance system, increases the liabilities of the Moldovan society and reduces the capabilities of Moldova to face different type of security threats.

Against the backdrop of concerns expressed by the development partners about the sincerity of the European path of the Republic of Moldova, the ruling coalition continues to officially support the line of internal and external European association policy development pattern. Nevertheless, the contradictory messages with a visible anti-European nature endanger the dialogue with the main development

partners and place Moldova in the category of “states at risk”. The current situation not only makes Moldova more vulnerable to external threats, but also lowers [citizens’ expectations](#) of a brighter future as Moldovans are more optimistic about their personal future (70%) than the future of their country (50%).

From Summit to Summit: Eastern Partnership context in Ukraine-EU relations

Hennadiy Maksak, Foreign Policy Council “Ukrainian Prism”, National Coordinator of the Ukrainian National Platform of the Eastern Partnership Civil Society Forum

July can be rightfully called the most fruitful month in the field of international relations. It easily left behind all the previous months in terms of the number of summits, as well as by the level of the diplomatic tensions prevailing prior and during these status events.



The Ukrainian diplomacy also did not trail behind in terms of the international affairs involvement and representation of the Ukrainian interests in the international arena. On July 9 the Ukraine-EU Summit, the main political event in the European integration direction, took place, and on July 11-12 Ukraine fought for its rights at the NATO Summit.

Significant anniversary Summit

The Ukraine-EU Summit was significant for Ukraine for several reasons. First, it was the twentieth anniversary summit at the highest level. Its symbolism made both sides compromise and seek out the hidden reserves to demonstrate a significant progress in the final documents.

And signing the joint declarations itself could equal to success, taking into account the previous Ukraine-EU Summit that resulted in no joint document.

Second, this was the last summit for the President of Ukraine Petro Poroshenko in his current cadence as the head of the state. With the European integration slogans having been in the forefront of his election campaign in 2014, the demonstration of a successful first term in power, full of achievements in the European direction, was the top priority for the presidential team.

Third, it was the first summit after all the main mechanisms and bilateral cooperation institutions in Kyiv-Brussels relations were launched. In 2017, the visa-free regime between the EU and Ukraine was introduced, and the Association Agreement was fully implemented. The success of their implementation and execution was important for both sides. It was quite natural, that on the background of such large-scale political tasks facing Ukraine and the EU, the preparation was very serious and painstaking and took the first half of 2018. What and how to be declared in the final statement was repeatedly discussed through the diplomatic channels and behind the closed doors.

As a result, one can admit the European and Ukrainian diplomats managed to do a good job. The statement at the end of the Ukraine-EU Summit was full of the positive assessments of Ukraine's activities on reform agenda implementation a, as well as additional assurances from Brussels in due support, both political and economic.

Multilateral cooperation in the Eastern Partnership – first and foremost

But we are most interested in the extent to which the Eastern Partnership policy was reflected in this statement, and how the final document echoed the positions noted in the Declaration of the Eastern Partnership Summit (EaP) of November 2017.

First of all, the reference to the decisions of the EaP Summit appears almost at the beginning of the Ukraine-EU Summit statement. In this context, it can be noted that paragraph 2 of the joint statement is almost entirely devoted to Ukraine's participation in the EaP policy. In particular, this paragraph refers to the strong support provided by the parties to the Eastern Partnership format, as well as the need to implement the decisions of the Eastern Partnership Summit. Further it is stated that such a decision of the EaP Summit means 20 deliverables for 2020 in the Eastern Partnership region.

The appearance of this paragraph at the beginning of the

statement text is not accidental, given how much work on the document was done by the diplomats. The achievement of 20 deliverables within the framework of 4 priorities will be of a special interest for Brussels in the next two and a half years. It is likely that the next EaP Summit will be held not in 2019 but in 2020 and will rely on the partner countries success indicators in fulfilling their commitments in the framework of the individual achievements.

We can already say that certain deliverables can be placed at the center of the further Eastern Partnership policy development on the basis of the more for more principle. But one thing is certain: the EU is trying to preserve the format of cooperation for six countries and to keep three states that have already signed the Association

Agreements in it. That is why with all the imperfection of the approach with 20 deliverables, they will provide an opportunity to demonstrate the overall temperature in the ward – the success of all six partner countries in general.

For example, in the report prepared by the European External Action Service, the results of the EaP countries' success in the implementation of 20 deliverables do not have a geographic approach. All information is submitted in the most generalized form, and the partner countries are not required to conduct a national assessment of success, that is, let's admit it, very unusual.

Therefore, the reference to the Eastern Partnership format and 20 deliverables in the joint statement of the Ukraine-EU Summit can be considered an agreement between Brussels and Kyiv to continue the track of the multilateral cooperation including all countries in the region.

The EU is trying to preserve the format of cooperation for six countries and to keep three states that have already signed the Association Agreements in it



Green light to association club?

It's no secret that Kyiv inclines rather towards the cooperation in the Association club, where political decisions have greater synchronism, than in the six participants' format. Thus, because of s the unconstructive

It is crucial for the current Ukrainian initiatives at the level of three states not to be perceived as hostile in the European offices.

position of some EaP partner countries, the statements critically important for Ukraine failed to be included in the joint declaration of the EaP Summit. This document may give the impression that there was no Russian aggression in the Donbas region and no illegal annexation of the Crimea. This political sterility naturally cools down Kyiv's aspirations for the deeper cooperation with the non-associated Eastern Partnership partners, who maintain close ties with the Kremlin.

If the reference to 20 deliverables for 2020 can be considered a European part in the joint statement text, then the mention of the possible trilateral Ukraine-Georgia-Moldova cooperation can be considered a Ukrainian response. The statement said that, while respecting the inclusiveness of the Eastern Partnership, those countries that signed the Association Agreements can participate in the joint discussions on the progress, opportunities, and challenges related to the reforms in the Association Agreements implementation.

It should be noted that this paragraph almost completely migrated from the final declaration of the Eastern Partnership Summit, where, in its turn, it appeared under the pressure of three states that signed the Association Agreements.

Brussels has long resisted the allocation of a separate format for the associated countries. Even in the reformed multilateral EaP architecture, officially launched in March 2018, there was no place for a separate permanent platform for Ukraine, Moldova, and Georgia.

It was important for Ukraine to secure this provision in the political document of the Ukraine-EU Summit. It is crucial for the current Ukrainian initiatives at the level of three states not to be perceived as hostile in the European offices.

Probably, at the moment, it is the cool attitude of the EU towards the format of the three that does not allow to fully launch an intensive intergovernmental work. For the time being such cooperation is limited to the joint statements at the level of the leadership of foreign affairs agencies.

At the level of the civil society, the Associations Forum was created in Kyiv in 2017, bringing together the representatives of the NGOs and think tanks from three EaP countries and experts from the EU. In 2018, the

Ukraine-Georgia-Moldova Interparliamentary Assembly is on the final stages of its formation, initiated by the Speaker of the Verkhovna Rada of Ukraine, Andriy Parubiy.

First to fulfill Association Agreement

Also paragraph 2 of the joint statement mentions the achievements in implementing the bilateral instruments of the cooperation with the EU. First of all, the effective operation of the visa-free regime is noted, as well as the entry into force of the Association Agreement starting from September 1, 2017, including the section on the deep and comprehensive free trade zone of Ukraine with the EU.

In general, the leitmotif of the final document is the call for a more complete implementation of the Association Agreement by the Ukrainian side. Even those ambitious plans of the President of Ukraine regarding four alliances with the EU (energy, digital, Schengen and customs) smoothly shifted into the strengthening of the sectoral cooperation within the AA framework. This is a clear signal, both to Ukraine and to other associate partners that Brussels is not yet ready to go beyond the formed instruments, and insists on their full use.

The document also includes the EU External Investment Plan, the Common Security and Defense Policy Mission, and many other practical cooperation frameworks of interest to most of the EaP partner states, not just to Ukraine. But one of the most important for Ukraine messages of the joint statements was the support of the EU in combating the Russian aggression on the territory of Ukraine. That, unfortunately, could not be found in the EaP Summit declaration.

Ukrainian contribution to common portfolio

To summarize, we can draw several practical conclusions from the current context of the Eastern Partnership in the bilateral relations of Ukraine and the European Union. First, taking into account the focus of Brussels on 20 deliverables for 2020, it is advisable to come up with

the format for the Ukraine's success indicators on this path, where Kyiv's contribution to the EaP portfolio is clearly indicated.

It would be also strategically correct to strengthen the trilateral cooperation at the level of the governments

of Ukraine, Georgia, and Moldova to set the common indicators for the success of the Association Agreement and the visa-free regime implementation.

In general, the main challenge for Ukraine is the timely implementation of reforms, especially considering the start of the election season. Such concern can also be read between the lines in the final document of the Ukraine-EU Summit.

Brussels is not yet ready to go beyond the formed instruments, and insists on their full use

EaP Think Bridge

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