



**15th Workshop of the PfP Consortium Study Group
“Regional Stability in the South Caucasus”**

jointly with the Working Group

“Security Sector Reform”

**“Harnessing Regional Stability in the
South Caucasus: The Role and Prospects of Defence
Institution Building in the Current Strategic Context”**

– Programme and Workshop Outline –

06-09 April 2017

Varna, Bulgaria

Purpose:

In 2012, the Austrian Ministry of Defence and Sports, through its National Defence Academy and the Directorate General for Security Policy, initiated a resume of the scientific work done by the PFP Consortium of Defence Academies and Security Studies Institutes in the South Caucasus. This initiative built upon a Study Group which began already in 2001 but was discontinued due to internal strife in the region in 2005.

Past workshops held since 2012 in Reichenau and in the wider region (Tbilisi, Istanbul, Kyiv and Chisinau) have demonstrated that the Study Group had established a broad academic basis and cohesion necessary to undertake ambitious cooperative projects.

The 13th RSSC SG workshop, held in Chisinau, Moldova 7-9 April 2016, explored a strategic aspect of business in the South Caucasus: the role of energy in bringing about cooperation in the region. It attempted to provide a framework for a regional energy resources regime, and divorce energy from geopolitics. Although discussions highlighted the inherent difficulties in separating energy policies from geopolitics, this workshop broke new ground in that it enabled the Study Group to develop cooperatively an embryonic regional organization to promote the development of region-wide energy infrastructure to generate, market and distribute energy within the South Caucasus region and beyond.

Following up on the recommendations of the previous event, the 14th workshop of the Regional Stability in the South Caucasus Study Group held jointly with the Security Sector Reform Working Group, in Reichenau (Austria), developed an inclusive, region-wide plan for creating an Energy Security Management Agency. The discussions focused on practical matters, such as functions and terms of reference (TORs), mission statements and organizational processes, inspired by the embryonic structure created in Chisinau. Therefore, this plan was fully keeping with the principles of Defense Institution Building (DIB) which have continuously guided the work of the Stability Track of the PFP Consortium since their inception. However, during the planning and conduct of this workshop, it became apparent that the complex interdependence between regional stability in the South Caucasus, on the one hand, and DIB, on the other, might have been underestimated by decision-makers and experts' communities both from the region itself, and from external actors.

More concretely, as the Study Group agreed at its 9th Workshop, held in Istanbul, Turkey, on 20-22 March 2014, increases in defence spending might lead to lowering the level of social and economic development of a country, and a better balance between spending on “guns and butter” would result into better social contracts for South Caucasian societies. On the same occasion, the Study Group concluded that for demilitarization (a term encompassing arms control, disarmament, as well as a functioning “social contract”) to happen from the bottom up, three conditions had to be achieved: first, a working group at expert/technical level had to be convened in a de-politicised atmosphere to develop practical demilitarization measures regarding forces (formal and irregular), equipment and training that could be applied in a verifiable manner within relevant territories; second, the public needed to be prepared for the eventuality of demilitarization (this was termed “psychological” demilitarization); and three, military procurement, force structures and defence expenditure had to be transparent and accountable. In case appropriate political conditions arose, how prepared would be the regional actors to perform a swift and effective demilitarization of the South Caucasus, including re-balancing their spending on “guns and butter”?

This is why the co-chairs have decided to address this topic in a more comprehensive way, with a view to bring more clarity to the changing role of DIB in reshaping the current South Caucasus

strategic context, by convening a workshop entitled “**Harnessing Regional Stability in the South Caucasus: The Role and Prospects of DIB in the Current Strategic Context**” in Varna, Bulgaria, on 06-09 April 2017.

Partners

The partners to this project are:

- Austrian National Defence Academy, Vienna/Austria,
- Directorate General for Security Policy, Austrian Ministry of Defence and Sports, Vienna/Austria,
- The Geneva Centre for the Democratic Control of Armed Forces,
- PfP Consortium Study Group “Regional Stability in the South Caucasus”, www.pfp-consortium.org,
- The European Geopolitical Forum, Brussels.

Topic Outline

Defence Institution Building (DIB) aims to establish responsible defence governance to help interested nations build effective, transparent, and accountable defence institutions. It evolved through the implementation of a number of action plans, programs and initiatives specifically designed to support that aim, including:

- 1) The **Partnership Action Plan on Defence Institution Building (PAP-DIB)** reflected, since April 2004, EAPC/PfP common views on modern and democratically responsible defence institutions. It provided a broadly shared definition of defence reform and a framework for common reflection and exchange of experience on related issues. The PAP-DIB concept paper defined common objectives for PfP work in this area, which have been particularly relevant for Partners from the South Caucasus among others. It enabled exchanges of relevant experience, it fostered resource efficiency, and it helped tailor and focus bilateral defence and security assistance programmes in a manner that helped meeting the common objectives. It further encouraged cooperation with relevant international organisations and institutions, in particular the EU and the OSCE.
- 2) The **Defence and Related Security Capacity Building (DCB) Initiative** focuses, since September 2014, on helping Partners from the Euro-Atlantic area to provide for their own security, by strengthening their defence and related security capacity. The DCB Initiative aimed to help project stability by providing support to nations requesting defence capacity assistance. It included various types of support, ranging from strategic advice on defence and security sector reform and institution building, to development of local forces through education and training, or advice and assistance in specialised areas.
- 3) The **Building Integrity Initiative** aims at promoting good practices, strengthening transparency, accountability and integrity to reduce the risk of corruption in the defence establishments.
- 4) The **Defence Education Enhancement Program (DEEP)** aims to contribute to international security through professionalization of the officer corps, NCO corps and civilian defence officials of partner countries. DEEP addressed the professional defence education component of DIB. The DEEP supported defence education institutions for faculty development (how to teach), and curriculum development (what to teach), and has been managed jointly by the PfP Consortium and NATO through multi-year programs of cooperation designed to assist the host nation government defence education system to support effective defence institution modernization.

However, DIB is not exclusively subsumed to the EAPC/PfP work. Since 2008, Russia has also embarked, on a separate track, towards defence modernization and military restructuring. Its ambitious defence reform program was intended to transform the Russian military from a massive standing force, designed during the Cold War for global great-power war, into a lighter, more mobile force suited for local and regional conflicts. Moscow has further strived to streamline its military command-and-control system, improve the combat readiness of its troops, and reform its procurement procedures. Moreover, Russia adopted a flexible force structure allowing it to quickly deploy troops along the country's periphery without undertaking mass mobilization, while Russian defence industry began to provide the changing force with new weapons systems and equipment.

This workshop is designed to explore the complex interdependence between regional stability in the South Caucasus, on the one hand, and DIB/defence modernization, on the other. It will aim at creating a common, politically neutral, perspective on the requirements for, and the benefits of, expanding and deepening DIB as a key tool for strengthening regional stability across the whole South Caucasus region. Building confidence through increased transparency on defence matters, developing more effective and efficient defence capabilities through pro-active defence and security sector reforms, and enhancing defence education and training as tools for creating increasingly professionalized armed forces are key aspects that will be addressed. Eventually, it should enable a broader spectrum of regional actors (including Abkhazia, South Ossetia and Nagorno-Karabakh) to discover the value-added of embracing DIB as a key generator of regional stability in the South Caucasus, irrespective of their level of, and future plans for, democratic development.

The objective of this workshop is to discuss best practices on good governance of defence institutions, and how these could better support conflict resolution, and, more broadly, regional stability in the South Caucasus. The participants, aided by DIB subject-matter experts, will then, through interactive discussions and break-out groups, develop a post-conflict roadmap/strategy for promoting DIB in the South Caucasus.

Key questions

- What is Defence Institution Building (DIB) and how has it been implemented?
- What are the status of, and plans for, DIB/defence modernization by various South Caucasian actors? What have been the main challenges to implementation so far? How have the regional actors perceived defence reforms in other regional actors?
- What are the challenges to further expanding and deepening DIB/defence modernization in the South Caucasus? How would various regional actors cope with those challenges?
- What are the interdependencies between DIB/defence modernization, and regional stability in the South Caucasus? How could regional and external actors better leverage those interdependencies for strengthening regional stability?
- How do the unresolved conflicts in Abkhazia, Nagorno-Karabakh, and South Ossetia affect the efforts of regional actors for DIB/defence modernization?
- How to reconcile the Western and Russian perspectives on DIB/defence modernization from a broader pan-European perspective?
- How could DIB be leveraged for conflict resolution, and for post-conflict regional integration in the South Caucasus?

PANEL 1: Understanding Defence Institution Building (DIB)/Defence Modernization and How It Has Been Implemented

In this panel, Western and Russian subject-matter experts will be invited to provide an overview on the objectives and tools for implementation of DIB and defence modernization, respectively. Particular attention should be devoted to: assessing security risks and national defence requirements; the management of human and financial defence resources; international norms in defence governance; managing defence spending within national economies; and the international setting for national defence¹. The ongoing DIB initiatives, including the Defence and Related Security Capacity Building (DCB) Initiative, the Building Integrity Initiative, and the Defence Education Enhancement Program (DEEP) will also be explained against how they could be best used to facilitate conflict resolution, and to strengthen regional stability in the South Caucasus.

PANEL 2: The Status and Prospects of DIB in the South Caucasus

Panelists from Armenia, Azerbaijan, and Georgia will be expected to briefly describe their Nations' respective efforts in the area of DIB, as well as how the ongoing unresolved conflicts and the broader geopolitical interests of regional powers have influenced the ongoing defence reforms processes in their countries. It would be also useful to find out from each panelist how national strategic choices on Euro-Atlantic or Eurasian integration may shape their Nations' defence and security policy choices in the near future, and what would it take for DIB to acquire a more prominent role in strengthening regional stability in the South Caucasus.

PANEL 3: Challenges and Opportunities for DIB/Defence Modernization in South Caucasus Conflict Resolution

This panel will focus on the status and plans of Abkhazia, South-Ossetia and Nagorno-Karabakh for building effective and efficient defence institutions. Panelists will be expected to look at their respective defence institutions for a measure of "sufficiency", both in terms of defence resources (such as manpower, equipment and infrastructure, budgets, policies, information), and of level of readiness. Are the current strategies based upon reliance on external security guarantees well-suited with their aspirations for building sovereign and independent states? Are there more effective and efficient ways to ensure national security? For example, could they consider jointly with all South Caucasus states, and under international security guarantees, confidence building measures, transparency on defence planning and budgets, military to military relations, information sharing on defence and security issues, joint exercises on disaster response to counter the negative effects of the security dilemmas? What would be the prerequisites which would make such exchanges viable?

BREAKOUT GROUPS: A Post-Conflict Roadmap/Strategy for Promoting DIB in the South Caucasus

The process will be parallel dialogues focusing on two sets of unresolved conflicts: the Georgia/Russia/Abkhazia/South Ossetia group (GENEVA), and the Armenia/Azerbaijan/Nagorno-Karabakh group (MINSK). Each discussion group will have a rapporteur who will report on the content and the outcomes of the dialogue, which will be subsequently integrated with the ensuing Policy Recommendations. As usual, discussions will take place under Chatham House rules, and no photos will be permitted during this session. The rapporteur's reports are then used to feed the interactive discussion that closes the proceedings.

¹ For details see "Essentials of Defence Institution Building"- H. Bucur-Marcu (editor), Vienna and Geneva, 2009, on www.dcaf.ch/content/download/35729/526675/.../PAP-DIB_Bucur-IMS_FINAL.pdf.

Programme

Thursday, 06 April 2017

till 18.30 Arrival of the participants

19.00 **Words of Welcome**

Andreas F. WANNEMACHER, Directorate General for Security Policy, Austrian Ministry of Defence and Sports, Vienna

Official Dinner

Friday, 07 April 2017

07.00 – 09.00 Breakfast

09.00 – 09.30 **Introduction to the Study Group “Regional Stability in the South Caucasus” and Administrative Remarks**

Benedikt HENSELLEK, Austrian National Defence Academy, Vienna

09.30 – 11.00 **PANEL 1:
Understanding Defence Institution Building (DIB)/
Defence Modernization and How It Has Been Implemented**

Chair: Elena MANDALENAKIS, McGill University, Montreal

Valeri RATCHEV, Geneva Centre for the Democratic Control of Armed Forces

Craig NATION, Dickinson University, Washington

Iryna LYSYCHKINA, National Guard University, Kharkiv

Frederic LABARRE, PfP Consortium, Garmisch-Partenkirchen

11.00 – 11.30 Coffee Break

11.30 – 13.00 **PANEL 2:**

The Status and Prospects of DIB in the South Caucasus

Chair: Frederic LABARRE, PfP Consortium, Garmisch-Partenkirchen

Benyamin POGHOSYAN, National Defence Research University, Yerevan

Razi NURULLAYEV, “Region” International Analytical Centre, Baku

Vakhtang MAISAIA, Caucasus International University, Tbilisi

David SHAHNAZARYAN, Regional Studies Centre, Yerevan.

13.00 – 14.15 Lunch

14.15 – 16.00 **PANEL 3:**

**Challenges and Opportunities for DIB/
Defence Modernization in South Caucasus Conflict Resolution**

Chair: George NICULESCU, European Geopolitical Forum-EGF, Brussels

Hrachya ARZUMANIAN, Ashkar Centre Strategic Studies, Stepanakert

Ahmad ALILI, Centre for Economic and Social Development, Baku

John G. MELIKYAN, Public Administration Academy of the Republic of Armenia, Yerevan

Zarrina SANAKOEVA, RFE/RL, Tskhinval

Oktay TANRISEVER, Middle East Technical University, Ankara

16.00 – 16.30 Coffee Break

16.30 – 18.00 **BREAKOUT GROUPS:**

**A Post-Conflict Roadmap/
Strategy for Promoting DIB in the South Caucasus**

GENEVA – Georgia/Russia/Abkhazia/South Ossetia Group

MINSK – Armenia/Azerbaijan/Nagorno-Karabakh Group

Kick off speakers:

Elchin KARIMOV, Baku

Armen GRIGORYAN, Central European University, Budapest

Emma MARGARYAN, Hays, Krakow

Saturday, 08 April 2017

07.00 – 09.00 Breakfast

09.00 – 11.00 **BREAKOUT GROUPS:**

GENEVA – Georgia/Russia/Abkhazia/South Ossetia Group

MINSK – Armenia/Azerbaijan/Nagorno-Karabakh Group

11.00 – 11.30 Coffee break

11.30 – 12.00 **Reports on Breakout Group Discussions**

GENEVA: Elena MANDALENAKIS, McGill University, Montreal

MINSK: Tatiana DONICH, Diplomatic Academy of the Russian Foreign Ministry, Moscow

12.00 – 13.00 **Plenary Session:
Interactive Debate for Policy Recommendations and Workshop Outlook**

Moderation: George NICULESCU, EGF, Brussels

13.00 – 14:00 Lunch

14:00 **Departure to the Side Programme/Individual Departures**

Sunday, 09 April 2017

Individual Departures