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**NEW WORLD ORDER: REGIONAL DEVELOPMENTS**

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**The Eastern Partnership in the South Caucasus: a case of flawed EU policymaking**

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*The Eastern Partnership is consensually recognised by the various stakeholders as bearing unsatisfactory results, including in the South Caucasus republics. In this article we argue that the causes for this failure are not to be found in exogenous factors such as the complexity of South Caucasian politics or the confounding role of Russia, but in the shortcomings of EU foreign policy-making processes. Opening the 'black box' of the EU, we outline the three-dimensional complexity of these processes and discuss the way in which this complexity prevents the EU to be an efficient actor and a reliable partner. The EU is stuck in a transitional phase of multilateralism which prevents it to design and implement optimal foreign (here Neighbourhood) policies. Moving towards true supranationalism would allow it to overcome these shortcomings – but the current political context points to a very uncertain future.*

**Keywords**

European Neighbourhood Policy, Eastern Partnership, supranationalism, negotiation theory, bureaucratic-organisational theory

It is impossible to study post-Soviet transformations without reference to the European Union (EU). This is not only because the EU has played and aspires to keep playing a role in the economic, political, social and societal transformation<sup>1</sup> of post-Soviet states – but also

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<sup>1</sup> As the term “transition” is generally deemed as outdated, twenty-five years after the collapse of the Soviet bloc, and has notably been rejected by Russian policymakers explicitly (Abdulaev N., European Observers Will Skip Election, *The Moscow Times*, 02/08/2008).

because the EU is itself a product of post-Soviet transformations.

The collapse of the Soviet world was decisive for the EU, with the reunification of Germany, the end of the bipolar logic and Moscow's retreat from Eastern Europe, opening the path for EU enlargement. The end of the Cold War allowed the EU to emerge as an important pole rather than a frontier region between two blocs, and the fall of the Berlin Wall shifted the centre of gravity of European politics. In turn, EU expansion redefined the geography of Europe and the Eurasian continent. The EU, through its enlargement policy, made new neighbours, creating new opportunities and new vulnerabilities. Faraway regions were suddenly next door – including the South Caucasus area with its three young republics, namely Georgia, Armenia and Azerbaijan. Engineering the relation with new neighbours became a central element of the emerging EU strategic thinking but, as the Ukraine crisis illustrated, it has proven to be a complicated and delicate enterprise.

In the context of the 2004 EU enlargement, the European Neighbourhood Policy (ENP) was developed to manage relations with sixteen countries considered as new neighbours in the post-Soviet (including Russia) and Mediterranean spaces. It was initiated by the European Council and officially launched through a communication from the European Commission in March 2003<sup>2</sup>. In May 2008, Poland and Sweden presented the EU's General Affairs and External Relations Council in Brussels with the idea of Eastern Partnership (EaP), this time with only six countries: Ukraine, Moldova and Belarus in Eastern Europe, and Armenia, Azerbaijan and Georgia in the South Caucasus<sup>3</sup>. The initiative was officially launched in 2009 at the Prague summit<sup>4</sup>.

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<sup>2</sup> COMMUNICATION FROM THE COMMISSION TO THE COUNCIL AND THE EUROPEAN PARLIAMENT, *Wider Europe — Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours*, Brussels, 11/03/2003, Available at [https://eeas.europa.eu/enp/pdf/pdf/com03\\_104\\_en.pdf](https://eeas.europa.eu/enp/pdf/pdf/com03_104_en.pdf) (31/10/2016).

<sup>3</sup> Polish-Swedish Proposal on the Eastern Partnership, June 2008, EU Neighbourhood Library, Available at <http://www.euneighbours.eu/library/content/polish-swedish-proposal-eastern-partnership>, (31/10/2016).

<sup>4</sup> COUNCIL OF THE EUROPEAN UNION, *Joint Declaration of the Prague Eastern Partnership Summit*, 07/05/2009, Available at

Within the ENP framework, the EaP purported to build upon Partnership and Cooperation Agreements (PCAs) and to contract further bilateral Association Agreements (AAs) with each of the six EaP countries. Those AAs meant to address a broad range of themes – from the promotion of democracy and good governance to economic cooperation and visa-regime liberalisation. So far, only Georgia, Moldova and Ukraine have signed AAs. Armenia decided not to sign an AA in September 2013 and instead joined the Eurasian Economic Union (EAEU) under the Russian leadership.

In November 2015, the European Commission and European Council issued a Joint communication following a wide-ranging consultation on the successes and failures of the ENP<sup>5</sup>, with mixed conclusions. More specifically, the EaP has been widely recognised as a mild failure in the South Caucasus. The present paper provides an overview of the main criticisms, and seeks to explain this failure, focusing on EU foreign policy-making processes. It considers perspectives for the future, and avenues for further research.

### **Theoretical precisions**

The present research paper, although based on an academic approach, aims at being directly policy relevant. To some extent, to ask whether the EaP in the South Caucasus is a success or failure is necessarily a subjective question: success or failure, for whom? It is thus necessary to make our premises explicit from the onset, so that the reader can distinguish these premises from the rest of the research, which is conducted with a commitment to objectivity and generalisability. The researchers' premises can be expressed in minimalist terms as follows: we are committed to assess policies and devise policy recommendations in

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[http://www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/en/er/107589.pdf](http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/er/107589.pdf), (31/10/2016).

<sup>5</sup> JOINT COMMUNICATION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS, Review of the European Neighbourhood Policy, Brussels, 18/11/2015, Available at [https://eeas.europa.eu/enp/documents/2015/151118\\_joint-communication\\_review-of-the-enp\\_en.pdf](https://eeas.europa.eu/enp/documents/2015/151118_joint-communication_review-of-the-enp_en.pdf), (31/10/2016).

order to optimise EU policymaking in terms of output both for the EU and its partners. Output is considered not in absolute or normative terms but in relation with stated objectives and expressed satisfaction as illustrated below.

In a previous volume of this journal, the role of the EU in the South Caucasus and by extension the chances of success of the EaP in the region were assessed from the viewpoint of EU interests as *inferred* from certain characteristics of the South Caucasus in terms of energy geopolitics, security, governance, etc.<sup>6</sup> Thus, observing the nodal location of the South Caucasus on the energy map, the author inferred that the EU was *necessarily* very interested in the region and thus that the Eastern Partnership had high chances to be well designed and effectively implemented. While this type of approach (very common in IR) makes for a useful reflexion, it allows to reach only abstract conclusions, quite disconnected from the reality of daily politics, policy formulation and implementation.

The inferred-interest approach assumes that there is such a phenomenon as a polity's (here the EU's) unitary interest. Moreover, this interest is often analysed and perceived by the researcher as objective (here the intrinsic value of the South Caucasus as a geostrategically crucial region). In other words, this approach neither considers the possibility of a multiplicity of actors shaping the polity's actions, nor the subjectivity of those actors.

The present article focuses on actual processes rather than inferred interests, based on the assumption<sup>7</sup> that the policy outcomes are

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<sup>6</sup> **Gevorgyan N.**, The EU's Strategic Interests in the South Caucasus region: from a Bystander to Perceived Interests, *Armenian Journal of Political Science*, 2015, 2; **Alieva L.**, EU and the South Caucasus, Bertelsmann Foundation and the Center for Applied Policy Research (C·A·P), 2006; For an account focused on European security see **Ditrych O.**, EU Security Policy in the South Caucasus. The Need to Move from Hydra to Hercules. Stiftung Wissenschaft und Politik German Institute for International and Security Affairs (SWP), 2011.

<sup>7</sup> Inherited from the bureaucratic-organisational theory tradition (famously initiated by **Graham Allison** in «Conceptual Models and the Cuban Missile Crisis», *American Political Science Review*, 1969, **64**, 3, 689-718) enriched with a healthy dose of 'thin constructivism' (see **Tsygankov's** theoretical approach - Contested Identity and Foreign Policy: Interpreting Russia's International Choices,

the result of a negotiation between multiple, subjectively interested actors within the polity. Each actor is motivated by a certain set of ideas (including perception of its own interest and/or the interests of the polity), and has certain means and constraints when advancing those ideas. Thus, in order to understand what drives EU policies in the South Caucasus and how they are likely to evolve, one must open the 'black box' of the EU and examine who does what, why and how<sup>8</sup>. This is, obviously, an ambitious task, and the article presents the outline of a research in progress rather than definitive conclusions.

### **The relative failure of the EaP in the South Caucasus**

The Joint Communication of November 2015 “asked far-reaching questions about whether and in what form the ENP should continue”. According to the Communication, there is a consensus that:

- “Our partners have different aspirations: our relations should reflect this more fully,
- The ENP should reflect EU interests and the interests of our partners,
- Partnerships should be more focused on fewer priorities,

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*International Studies Perspectives*, 15, 2014, p.22). Bureaucratic and organisational explanations are two distinct conceptual areas, but they can be combined as one single set of causes: each represent a level at which rational actors are embedded in sets of constraints that inform their behaviour. Organisational factors can be seen as *material* or *structural* constraints: organisational structures, standard operating procedures and programs determine what is materially possible (keeping in mind that it can change over time). Bureaucratic factors can be construed as *ideational* constraints: bureaucratic and personal roles inform one’s perception of interest and one’s access to critical means of influence and communication. Accordingly, policies (as formulated and implemented) result from multiple actors’ bargaining, each with more or less success, for their preferred outcome within a set of material constraints (on which the bargaining may dialectically impact in the process) - the end result not matching maximum utility for a single actor or the collective.

<sup>8</sup> Methodological note: empirical data are based on material ranging from official documents (mostly EU) to existing academic analyses and interviews with experts, including off-the-record and on-the-record but anonymised conversations with officials involved in the processes under scrutiny.

- There should be greater involvement of Member States in the ENP,
- Ownership by the partners should be enhanced.”<sup>9</sup>

The Joint Communication, valuable for its lucidity, was a recognition at the official level that there are many problems regarding the design and implementation of the ENP. This dissatisfaction is echoed in the specific case of the EaP in the South Caucasus<sup>10</sup>. Although there have been a few measurable achievements, there is a widespread recognition that:

- Although the EU discursively rejected the one-size-fits-all approach, it tended in fact to approach the South Caucasus as a unitary region. The widely different cultural and strategic orientation of the three republics was ignored, partly due to a lack of expertise,
- Efficiency was not optimised: a lot of resources were spent without any of the parties involved being really satisfied with the outcome,
- Goals were formulated in too idealistic terms, allowing for a vagueness in implementation and a commitment problem on both sides. Pragmatic interests were not stressed enough, and the ambiguity of democratic standards promotion undermined the whole endeavour,
- The EaP was too ambitious on certain levels, for example in linking bilateral EU-Partner relations with regional integration,

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<sup>9</sup> Op. cit. p. 4.

<sup>10</sup> Elite and expert interviews on EU and Partner sides conducted by the authors in October 2016 (anonymised and synthesised). **Gevorgyan N.**, Op. cit., p.71; **Chirago et al.**, The South Caucasus between integration and fragmentation, European Policy Centre, May 2015, p.78; **Inayeh A. & Forbrig J.**, Reviewing the European Neighbourhood Policy: Eastern Perspectives. The German Marshall Fund of the United States, Vol. 4, 2015; **Hett et al.**(eds.) ”Reassessing the European Neighbourhood Policy: the Eastern Dimension”, Ebert Stiftung Foundation, June 2015. p. 5, Available at <http://library.fes.de/pdf-files/id-moe/11483.pdf>, (31/10/2016); For an account focused on Armenia, see **Kostanyan H.** The Rocky Road to an EU-Armenia Agreement: From U-turn to detour, Centre for European Policy Studies, 2015.

even as relations between the three republics were degrading. At other levels it was not ambitious enough - for example with regard to the development of substantial relations with Armenia, eclipsed by oil-rich Azerbaijan and war-torn Georgia,

- There was a lack of in-depth knowledge in Brussels and the member states (EUMS) of the domestic and regional parameters informing the behaviour of the three South Caucasus republics. Policymakers did not grasp their complexity and applied an excessively geopolitical reading to the region
- There was a lack of in-depth knowledge in Tbilissi, Erevan and Baku of what the EU could offer as well as its limitations.

This assessment is a necessary first step in the analysis. It draws a broad picture of the failure (as perceived by stakeholders) of the EaP in the Caucasus. The next section provides an explanation of this failure, focusing on processes.

### **Flawed EU policy-making processes as cause of failure**

There are multiple elements of explanation for the failure of the EaP. The South Caucasus, one may argue, is a complicated region, inherently challenging. Russia, some would add, plays a role of confounder. The EU, others would say, does not have the means to address this complexity and these challenges. Beyond a laundry list of variables, we propose a structured explanation framework for the failure of the EU to carry out the EaP in the South Caucasus successfully.

We propose to explain the failure of the EaP in the South Caucasus in light of the structure of EU foreign policy formulation. Indeed, although efforts have been made in Brussels to centralise decision-making and implementation of EU foreign and security policy, in aggregate it remains a largely multinational rather than supranational endeavour. Certainly, the establishment under the Lisbon Treaty (2009) of a Common Foreign and Security Policy (CFSP) directed by a High Representative who also sits as Vice-President in the European Commission (HR/VP) and is supported by an External Action Service (EEAS), represented a significant institutional step towards a more coordinated - or better, unified - approach to foreign policy. However, it

is essential to note that the ENP, which provided the frame for the first versions of EaP, was designed well before 2009. But even in today's practice, EU foreign policy decisions remain a matter of constant multivectoral *negotiation* on a case-by-case basis between:

1. member states among themselves, at best within the European Council, at worst through traditional (bi- or multilateral) diplomatic channels outside of EU institutional structures.
2. the national level and the EU level
3. the various organisational bodies (in the EU and EUMS) that can impact on policy design and implementation at various stages, as well as groups of interests that also affect the processes under the surface.

The first point (1) denotes the problem of multilateralism versus supranationalism, which means that EU foreign policies are not decided according to what is best for the EU<sup>11</sup> but as a compromise of its members' interests, where the *intensity* of a member's interest also factors in. As regards the EaP, it is worth mentioning that some EUMS were intensely interested in weighing in the course of the EaP in a particular direction while others were mildly indifferent. Thus, the EaP was heavily influenced from its inception by the Polish foreign policy paradigm<sup>12</sup>, and arguably had a certain confrontational logic against Russia in its genetical code. This is not to say that the EaP was designed and implemented as aggressive against Russia, but that it was perhaps thought out with a certain zero-sum logic - according to which Russia and the EU could not concomitantly increase their influence in and ties

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<sup>11</sup> Which shows once again why **Gevorgyan's** (Op.cit.) inferred-interest approach is of a limited use.

<sup>12</sup> Another structural factor comes in support of our argument: the proposition that smaller countries make more intensive use of alliance (NATO) or union (EU) structures to push forward their foreign policy goals than more powerful countries, because the latter tend to allocate more resources and have more confidence in their ability to project influence unilaterally. See for example **Urbelis V.**, The Relevance and Influence of Small States in NATO and the EU Common Foreign and Security Policy. *Lithuanian Annual Strategic Review*, 2014-2015, **13**, Available at <https://www.degruyter.com/downloadpdf/j/lasr.2015.13.issue-1/lasr-2015-0004/lasr-2015-0004.xml>, (31/10/2016); **Alyson J. K.**, Instrumentalizing the European Union in Small State Strategies, *Journal of European Integration*, 2013, **35**.

with the same region<sup>13</sup>.

Whether this is true or not is a highly politicised question and it is not our purpose to discuss it here, but it is worth noting that this zero-sum logic\* contradicts the foreign policy paradigm of at least one South Caucasus EaP partner - Armenia - who is outspokenly committed to a 'balanced' and positive-sum stance.

It is also worth noting that if indeed the EU as a whole has subscribed to a policy whose underlying approach (the zero-sum logic) clashes with other EUMS' stances, the policy in question might hold waters in routine times but would collapse under the slightest pressure. The divisions among EUMS following the eruption of the Ukraine crisis are illustrative in this regard. A few EUMS might have had a free pass to promote their vision while the EaP remained a minor issue, yet divergences became apparent as soon as the stakes rose. In the case of Ukraine, but to a lesser extent also the South Caucasus, this is a major factor of paralysis for the EU: it has to choose between holding the Polish course<sup>14</sup> and retreating - notably as French and German positions seem to suggest that they are not willing to play such high stakes<sup>15</sup>. In turn, internal divergences and paralysis within the EU creates uncertainty with its partners and, importantly, prevents the EU from playing a meaningful and credible role in security and conflict resolution - which neither South Caucasus partners or Russia have failed to note<sup>16</sup>.

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<sup>13</sup> **Hett et al.**, Op.cit. p.5; **Buras P.**, "Poland and the Eastern Partnership: the view from Warsaw", European Council on Foreign Relations, (19/05/2015), Available at [http://www.ecfr.eu/article/commentary\\_poland\\_and\\_the\\_eastern\\_partnership\\_the\\_view\\_from\\_warsaw3038](http://www.ecfr.eu/article/commentary_poland_and_the_eastern_partnership_the_view_from_warsaw3038), (31/10/2016).

\* Which indeed seems to impregnate the EaP not necessarily at the level of official discourses but mostly below the surface.

<sup>14</sup> **Buras P.**, Op. cit.

<sup>15</sup> **Przybyła A. K.**, Conflict in Ukraine from the European Point of View: A Policy Perspective and Recommendations, *Beyond Intractability*, February 2015, Available at <http://www.beyondintractability.org/library/conflict-ukraine-european-point-vie>, (31/10/2016); **Tertrais B.**, France and the Ukraine Crisis: A Delicate Balancing, European Leadership Network, 2014, Available at [http://www.europeanleadershipnetwork.org/france-and-the-ukraine-crisis-a-delicate-balancing-act\\_1265.html](http://www.europeanleadershipnetwork.org/france-and-the-ukraine-crisis-a-delicate-balancing-act_1265.html), (31/10/2016).

<sup>16</sup> **Rumer E.**, Russia and the Security of Europe, Carnegie Endowment for

The second point (2) denotes the intermediary problem of two-step negotiation processes. Even at state level, foreign policy at a given moment is the result of a permanent negotiation within the polity - sometimes called foreign policy consensus. Because EU foreign policymaking is not a supranational process, the consensus has to be reached at the national level in a first moment and re-negotiated at the EU level in a second moment. More research is needed to understand how this may distort democratic processes, representativity and the achievement of a collective optimum in a constantly evolving political context.

The third point (3) has to do with bureaucratic-organisational factors. There again, more research is needed to understand how the interaction between policymaking and executive bodies at the EU and EUMS levels, diplomatic representations (EUMS to EU, EUMS to partners, EU to partners, partner to EU, partners to EUMS, etc.), expert groups, lobbies, etc. impacts both on policy design and policy implementation, in relation with the two above-mentioned points. These processes should be explored through three questions: who is involved, what ideas inform their behaviour\*\* and how they deploy their agency within given structural constraints\*\*\*.

These three issues, obviously, are interrelated. The heterogeneity of EU foreign policy, the multiplicity of actors and interests, the three-dimensional complexity of the institutional and para-institutional structures meant to channel agencies, the resulting lack of process tracability lead to frail consensuses - with traditional diplomacy prevailing in times of crises. All of this contributes to making the EU a sluggish and divided actor, unreliable and unintelligible to its Eastern partners. The research we outline above is important to all the parties involved. It is in the EU's interest to grasp its own processes better in order to devise more efficient policies. It is in the South Caucasus

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International Peace, 2016, Available at  
[http://carnegieendowment.org/2016/06/30/russia-and-security-of-europe-pub-63990,\(31/10/2016\)](http://carnegieendowment.org/2016/06/30/russia-and-security-of-europe-pub-63990,(31/10/2016)).

\*\* With special attention to the 'where you stand depends on where you sit' proposition.

\*\*\* With special attention to organisational theory.

partners' interest to understand those processes better in order to know what to expect from the EU and how to get the most out of their partnerships. It is also in Russia's interests to understand those processes better in order to mitigate the perception of 'threat' posed by EU involvement in the post-Soviet space, and for the EU and Russia to engage positively with each other.

The suggested explanatory framework aims to be encompassing, i.e. all factors of failure should fit in it. Indeed they do: although the EU cannot be blamed for purely exogenous factors which, in some cases, undermine the success of a project, it has a dialectical relation to these exogenous factors as an agent to the structure. In other words, even if it may not have a grasp on the multitude of factors that shape its strategic environment, the parameters of its agency (here the structure of its policymaking processes) directly shape its ability to interact with the structure. The case at hand illustrates this point: the EU neither dictates the evolution of domestic and regional politics in the South Caucasus, nor the behaviour of Russia the region. However, the structure of its policymaking processes completely conditions its ability to address these variables.

### **Perspectives for the future**

The Joint Communication of November 2015 casts a rather uncompromising look on the results of the ENP, suggesting that the EU is ready to address some of the EaP's shortcomings. In terms of processes, this means that the European Council and Commission have acknowledged these shortcomings and tasked the relevant structures accordingly. One may thus expect the EaP (or its successor) to be more customized, pragmatic and realistic. This is a positive development, but it does not address the more essential problem we presented above.

Salvation might be in the crises. The Ukraine crisis, but also Brexit, terrorism and mass migration have the potential to change the structure of EU foreign and security policy-making dramatically. External challenges may push the EUMS towards closer integration of their foreign and security policy - on the path to supranationalism. Similarly, Brexit may provide new impetus for a smaller, but tighter EU

to integrate its foreign policy, perhaps under a rejuvenated French-German leadership or a novel, more inclusive model. The crises may also bring some humility in EU relations with the outer world, which would make for healthier relations with its Eastern, 'junior' partners. On the other hand, the crises might just as well compound the internal divergences and encourage a return to more traditional (state-centered) diplomacy and security policy, if not precipitate the end of the supranational idea in general.

The Ukraine crisis will particularly impact the future of EU's relation with the South Caucasus. First, it has attracted the attention of all EUMS and the EU, which suggests that future policies in the Eastern Neighbourhood will be negotiated in a more concerted way, with lesser possibility for one or a few member states to monopolize the process. One may expect that if all member states actively participate in the process, the outcome will come closer to a collective optimum. Second, increasing tensions with Russia have prompted both the EU and the EUMS to step up their efforts towards a better understanding of their strategic environment, including by financing research programs on the South Caucasus. One may hope that a better knowledge of South Caucasus conditions will help the EU design more relevant and efficient policies. Third, urgency and the fact that the consequences of the crisis are being felt very concretely in European societies may further push the EU towards a more pragmatic, less idealistic approach of its Eastern neighbourhood, including in relation with Russia.

In view of these crises and their potential consequences - positive or negative - the Joint Communication seems almost anecdotic and somewhat superseded. For observers of EU-South Caucasus relations, it will be more important to monitor the developments in EU politics than to scrutinise official EaP declarations. The crises will indubitably reshape, in the short and long term, EU institutional and executive structures and thus impact the way in which EU foreign policy will be carried out. This, in turn, will determine the future of the EaP.

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## **Conclusion**

This paper aimed to shed some light on very complex issues and to give directions for further research. It is also an invitation to debate. Structuralists would disagree that focusing on processes is useful. They would claim that all we need to know can be inferred from ‘objective’ parameters and theoretical tools logically linking a polity’s interests and its behaviour. However, the EU has always been an anomaly in structuralist accounts of IR, because it is neither a unitary state nor a multilateral alliance. As long as the EU remains stranded between multilateralism and supranationalism, it will be necessary to look at processes to understand its foreign policy - as well as that of its member states. We propose the following takeaways, in the hope that they will be debated, contested and complemented:

1. The Eastern Partnership in the South Caucasus is, altogether, rather disappointing. There are objective achievements (although progress is in some cases difficult to measure or to strictly attribute to the EaP), but the subjective perception that is generally shared is one of failure.
2. Although this failure is multifaceted, the essential problem lies in the lack of a supranational mode of foreign policy formulation in the EU and the complexity of the institutional and para-institutional system governing policymaking and policy implementation.
3. More research is needed to shed light on this complexity, in order for the EU to address it and for all parties to navigate it.
4. As this research was being carried out, the EU was in the midst of several existential crises. Each and all of these crises will impact the future of EU policy-making and determine the

EU's ability to establish sound relations with its Eastern neighbours, including in the South Caucasus.