Central Asia-Caucasus Analyst

BI-WEEKLY BRIEFING VOL. 13 NO. 17 21 SEPTEMBER 2011

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Central Asia- Caucasus Institute Silk Road Studies Program

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THE CENTRAL ASIA-CAUCASUS ANALYST

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KEY ISSUE: A short 75-word statement of your conclusions about the issue or news event on which the article focuses.

BACKGROUND: 300-450 words of analysis about what has led up to the event or issue and why this issue is critical to the region. Include background information about the views and experiences of the local population.

IMPLICATIONS: 300-450 words of analysis of the ramifications of this event or issue, including where applicable, implications for the local people's future.

CONCLUSIONS: 100-200 words that strongly state your conclusions about the impact of the event or issue.

<u>Field Reports</u> focus on a particular news event and what local people think about the event. Field Reports address the implications the event or activity analyzed for peoples' lives and their communities. Field Reports do not have the rigid structure of Analytical Articles, and are shorter in length, averaging ca. 700-800 words.

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Svante E. Cornell

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AFGHANISTAN'S RAILROAD FRENZY Nicklas Norling

The opening of Afghanistan's first major railroad in August promises transformative economic and geopolitical changes that are yet to be fully understood. The recent completion of a railroad line from the Afghan-Uzbek border to Mazar-i-Sharif will be complemented by a railroad from Iran. Along with railroads planned by China and Pakistan, this will create economic synergies as Afghanistan is integrated with the railroads of its neighbors. Geopolitically, the Afghan railroads dovetail with China's massive railroad program in Central Asia, Pakistan, and Iran. Further, as Iran, Pakistan, and Russia are hedging their bets on a U.S. troop withdrawal, railroads will strengthen their influence in Afghanistan. The railroad frenzy should be seen in this light.

BACKGROUND: Half a century ago the prospects of railroad transportation between Central Asia and its neighbors were dismissed as fantasies. Ringed by forbidding mountain ranges, Central Asia's location doomed it to a "fairly low power potential" in world affairs, Nicolas Spykman noted. Because of climatic factors and the inexistent railroad connections in Afghanistan, Xinjiang, and Mongolia, strong direct relations between Central Asia and its neighbors were considered unfeasible, if not unwanted. Thus, the early 20th century visions of trans-continental empires across Central Asia, often associated with the figure of Sir Halford Mackinder, were reconsidered as natural obstacles proved overwhelming.

These breaking barriers are now up. Afghanistan and its vicinity are being covered with railroads and will soon be plugged into the railroad networks of China, Russia, Pakistan, and the Middle East. The inauguration of Afghanistan's first railroad on August 20-21, running between Hairaton bordering Uzbekistan and Mazar-i-Sharif in the north, is only the beginning of a wide-ranging railroad effort involving all regional powers and international development banks.

For example, an Iranian-funded railroad is being constructed from the Iranian town of Khaf to the western city of Herat, and the Chinese are planning a north-south railroad running from Tajikistan, via Afghanistan's Aynak copper mine, to Pakistan. China is also planning a railroad line from Sher-Khan Bandar in Tajikistan via Mazar-i-Sharif to Herat, with a branch to the Turkmenistan Railroads line at Towraghondi. A second phase envisions a Chinese-funded line from Mazar-i-Sharif via Kabul and Jalalabad to Torkham near the Khyber Pass connecting Afghanistan and China. Pakistan, too, is looking at extending its Chaman line to Kandahar in southern Afghanistan.

These railroad projects link with massive railroad investments in neighboring states. John Garver, a forerunner in mapping these developments, detailed in a 2006 article China's funding of several railroad links from its farwestern province of Xinjiang to Central Asia, Pakistan, and Southeast Asia. Today, five years later, China is filling in the missing links in Afghanistan, Iran, and beyond. For example, in September last year China pledged US\$ 2 billion for a 360-mile (580-kilometer) railroad running from Tehran through Hamadan, Malayer, and Kermanshah to the Iraqi border city of Khosrawi. Pakistan, a Chinese ally, assists in these endeavors as Pakistan Railroads launched a train service to Turkey last year thereby connecting China with Turkey overland.

These East-West rail dynamics are reinforced by North-South projects linking Afghanistan with its post-Soviet Central Asian neighbors. The expected conversion of NATO's Northern Distribution Network – connecting Baltic and Caspian ports with Afghanistan via Russia, Central Asia, and the Caucasus by railroad – to civilian uses holds prospects of becoming a backbone in Afghanistan's north-bound trade. Next month a demonstration train also is set to depart from the southern Kazakh city of Almaty to the port city of Bandar Abbas in Iran, connecting land-locked Central Asia with the Persian Gulf.

Why do railroads hold such vast potentials for Afghanistan? The reason is that Afghanistan is now located in one of the most densely penetrated regions by railroad in the world. Among the 50 states with the world's longest networks of railroad, all of Afghanistan's neighbors except for Tajikistan belong to this group. The nearby states of India, China, and Russia, meanwhile, have the world's longest railroad networks next to the U.S. It is imperative that Afghanistan connects to these markets.

IMPLICATIONS: Four main implications can be derived from these developments. First, the expanding railroad ties across Afghanistan promise vast gains from trade and transit for the government in Kabul, Afghan consumers, and their counterparts in neighboring states. As trade with Central Asia, China, and the Middle East expands, Afghanistan will be plugged into the world economy, facilitating economic growth. Recent data from Afghanistan's Central Statistics Organization suggests that this is already happening and that Afghanistan's heavy reliance on trade with Pakistan is being diversified, something which will be reinforced with the present northbound railroads.

Second, railroads will be bearers of cultural, economic, and political influence. While many actors are involved in the current railroad frenzy- including Japan, the U.S., Pakistan, Iran, and Russia - China stands out as the most committed and strategic of them. When seen in isolation, China's investment into the Iran-Iraq railroad lines, for example, makes little sense. But when viewed as part of other Chinasponsored links such as the Mashad-Tejen connection between Iran and Turkmenistan, it is evident that China is acquiring direct railroad access all the way to Iraq, through several different routes, and soon also via Afghanistan. This will fuel China's western development program, diversify oil routes from seaborne transport via Malacca Strait, and plug it into the Caspian region, one of the world's principal sources of unexploited oil and gas.

Third, further destabilization in Afghanistan, on the other hand, may quickly derail the potential benefits for Afghanistan, China, and the Central Asian states. With a resumption of the 1990s proxy war between neighboring states, the Uzbeks, Turkmen, and Iranians have direct rail access to Afghanistan and their cross-border ethnic factions. As Pakistan too is planning a railroad link to Kandahar, weapons and war materiel could flow along these lines, making the civil war both more deadly and the regional states' participation more direct.

Fourth, some regional states are less enthusiastic of the present railroad lines across Afghanistan and neighboring areas. India and



(Joe Duran/CNN)

Russia, for example, probably fear Chinese encirclement as they see the growth of Beijingsponsored railroads along their peripheries. Countermoves and a stronger Russian and Indian presence in Afghanistan and the wider Central Asian region are therefore to be expected.

CONCLUSIONS: Afghanistan's integration into the regional railroad system promises substantial economic gains for the country itself and its neighbors. Industrialization, exports of agricultural produce, and exploitation of natural resources will require uninterrupted and reliable transport lines. Since rail is a preferred mode of transportation for Afghanistan's neighbors, it should be prioritized by Kabul. Geopolitical motives will almost certainly lurk behind investments in Afghan railroads and few physical assets will assist China's continental geopolitics as much as railroads. Along with Chinese investment in railroad infrastructure in states as distant as Iraq, this regional presence will make India and probably also Russia increasingly nervous. Railroads are vital to Afghanistan's growth but they may also be a means of destabilization if neighboring powers let crude geopolitical calculations trump regional stability. Regardless of which, railroads will shape Afghanistan's future and the West should seek to channel these forces in a positive direction.

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AZERBAIJAN SET TO SELL GAS TO UKRAINE

Robert M. Cutler

Ukraine plans to build a liquefied natural gas (LNG) port on the Black Sea for gas that it plans to buy from Azerbaijan. The two countries' foreign ministers recently met in Baku with a view towards implementing this and other economic and energy agreements reached during Azerbaijani President Ilham Aliyev's recent visit to Ukraine. The project is part and parcel of Ukraine's strategy to diversify its sources of energy supply away from Russia, as the Nord Stream pipeline comes on line and Russian gas exports to Europe begin to shift to that corridor.

BACKGROUND: Russia has cut off gas exports to Ukraine three times in the last six years. It will in years to come re-route a significant fraction of its gas exports to Europe, which currently transit Ukraine, via the justcompleted Nord Stream pipeline under the Baltic Sea to Germany. Nord Stream's full capacity is 55 billion cubic meters per year (bcm/y), of which Russia says 20 bcm/y will come from gas currently transited through Ukraine. Ukraine is seeking revision of an industrial agreement obliging it to buy fixed quantities from Russia every year, and also seeks to decrease its gas imports from Russia by diversifying suppliers and developing domestic sources.

As part of that strategy, Kyiv has agreed with Baku to import LNG liquefied on the Georgian coast. A first stage of the project may be limited to a capacity of 5 bcm/y, but subsequent stages foresee a doubling to 10 bcm/y. If achieved, the doubled capacity would represent almost 20 percent of the country's gas balance. The terminal's location has not been definitively fixed. There are several possibilities, but the Yuzhnyi port near Odessa is high in the running. It is situated not far from the southeastern terminus of the Odessa-Brody (now also called "Sarmatia") oil pipeline. Ukraine also signed a Memorandum of Understanding (MOU) with TNK-BP to spend between US\$ 1 billion and US\$ 2 billion to explore and develop shale gas in the country. The project has the potential to produce up to 5 bcm/y.

An MOU already exists for the Azerbaijan-Georgia-Romania Interconnector (AGRI) project that would export LNG to Romania by constructing a liquefaction plant on the Georgian coast, probably at Kulevi, and a regasification plant in Romania at Constanta. Despite the possibility of further connectors taking the gas to Central Europe, the volumes projected are not great – a maximum of 7 bcm/y of which Romania would off-take 2 bcm/y. Also on the drawing boards is a project for compressed natural gas (CNG) to Bulgaria for up to 8 bcm/y.

IMPLICATIONS: None of these trans-Black Sea projects, or any of them together, would be a substitute for high-volume pipelines such as Stream, Nabucco and White and the Azerbaijani leadership knows this. However, official Baku is genuinely sympathetic to the countries that suffered from their dependence on Russian gas transited through Ukraine when Russia cut off that supply twice in mid-winter, and it wishes to alleviate that dependency. In this same line, Azerbaijan signed a significant pact with Georgia in November 2008, guaranteeing to supply Georgia's natural gas requirements consumption through 2014. Moreover, with the confirmation of volumes in the newer Umid and Absheron strikes this year, it is not out of the question that Azerbaijan will be able to turn all these MOUs into actual supply contracts and to satisfy them, if the CNG and LNG implementation costs are not excessive. This is a significant issue, because the Shah Deniz Two consortium is investing over US\$ 20 billion in field development and is not about to subsidize technologies for such purposes.

Another reason why Azerbaijan has been seeking to multiply potential gas export routes is that negotiations with Turkey over transit of larger volumes of Shah Deniz Two gas to Europe (and for domestic Turkish consumption) have dragged on over the past two years. However, the negotiations now seem to be on the road to completion, since the countries' two presidents met at the end of summer and gave their respective delegations instructions to bring them to conclusion. One problem from the Turkish side at least in the past was that the state company, Botas, was dragging its feet. This is largely because the Ankara government's privatization and liberalization program in the electricity sector, the growth of which is driven by increasing natural gas imports, disadvantages Botas which is losing its dominant market position and finds itself financially squeezed as a result.

In late October 2010, Azerbaijan's and Ukraine's heads of state created a joint working group tasked with drafting a strategic agreement for increasing energy supplies of both oil and gas, from Azerbaijan to Ukraine. The two countries are cooperating in the Euro-Asian Oil Transportation Corridor (EAOTC), which involves reversing the flow of the Odessa-

Pipeline (OBP, Brody now also called "Sarmatia") back to its originally planned southeast-to-northwest direction. Α trial shipment was completed last year, arriving in Mozyr, Belarus, which can use the quantities and also transit refined products to Europe. After upgrading, the system should be able to transport about 300,000 barrels per year. The arrangement is signed and contracted to continue through the end of 2013. OBP aside, Aliyev announced that Azerbaijan had supplied over 50 million barrels of oil to Ukraine this year and sought to increase that quantity in the future.

CONCLUSIONS: Azerbaijan and Ukraine have been considering how to re-invigorate the GUAM cooperation process for the last several years, but without much success until now. GUAM is a consultative forum established by Georgia, Ukraine, Azerbaijan, and Moldova in October 1997; Uzbekistan was a member from 1999 to 2005. GUAM never had any significant permanent organization until its headquarters opened in 2009 in Ukraine. The main working body is a collection of coordinators, one from each participating state, tasked by the countries' respective foreign ministries. There are also a handful of expert working groups in various stages of dormancy. With Vladimir Voronin having recently left the presidency of Moldova, Azerbaijan and Ukraine may now wish to consider using GUAM as a forum to coordinate the four countries' policy views on and implementation of the projects included in the EU's "Interstate Oil and Gas Transportation to Europe" program (INOGATE).

For this purpose, Azerbaijan might consider becoming at least an observer, like Georgia, in the European Energy Community, where Ukraine and Moldova are already contracting parties. Such a move would enable Baku to participate more integrally in INOGATE's project to strengthen its own Technical Secretariat, which like that of GUAM is located in Kyiv. This would make sense since INOGATE has become the secretariat of the 2004 Baku Initiative, which launched strategic cooperation on energy transport between the EU on the one hand, and the wider Black Sea and Caspian Sea region on the other. **AUTHOR'S BIO:** Dr. Robert M. Cutler (http://www.robertcutler.org) is educated at the Massachusetts Institute of Technology and The University of Michigan, has researched and taught at universities in the U.S., Canada, France, Switzerland, and Russia. He is now senior research fellow in the Institute of European, Russian and Eurasian Studies, Carleton University, Canada, and also consults privately in a variety of fields.

International Law and the Post-2008 Status Quo in Georgia: Implications for Western Policies

Johanna Popjanevski

SILK ROAD PAPER May 2011

Central Asia- Caucasus Institute Silk Road Studies Program New Silk Road Paper:

International Law and the Post-2008 Status Quo in Georgia: Implications for Western Politics

By Johanna Popjanevski This Silk Road Paper analyzes the international legal situation in the aftermath of the 2008 war between Georgia and Russia, and provides recommendations for Western policy toward Georgia and its breakaway regions.

The Silk Road Paper can be downloaded free at <u>www.silkroadstudies.org</u>. Hardcopy requests should be addressed to

Dmitry Shlapentokh

Russian law enforcement recently tried to arrest a jihadist named Viktor Dvorakovsky. While the event itself can be regarded as a regular law enforcement operation, Dvorakovsky does not belong to any of the ethnic groups in Russia which are historically Muslims. Dvorakovsky's case has indicated that jihadist converts, who have become Islamists in spite of lacking a historical connection to Islam, continue to constitute a serious problem for Russian counterinsurgency operations. The event indicates that jihadism continues to expand in Russia and that Islamist terrorism cannot be reduced to people from the North Caucasus, while the role of North Caucasian jihadists should not be underestimated in the spread of the phenomenon.

BACKGROUND: Conversions of people who belong to ethnic groups which have not historically been Muslim is certainly not a phenomenon limited to Russia. Still, the conditions in Russia have created a peculiar for the development of setting this phenomenon. The first wave of the conversions to Islam of ethnic Russians can be traced back to the 1990s when the collapse of the USSR, prevailing social-economic problems and the disintegration of the Russian state, created a spiritual vacuum which, together with other ideas, was filled by Islam. Conversions provided neophytes with a new sense of belonging and identity. Still, the interaction between those converts and members of the North Caucasian resistance, which had experienced full-fledged conflict with Moscow, was complicated due to the different role of Islam in the identities of new converts and the members of the resistance.

For a member of the North Caucasian resistance, nationalism was the major animus in their struggle against Moscow. Islam was incorporated in this nationalistic ideology; it was to an extent "nationalized," which created problems in their relationship with Russian converts. For the Chechen nationalists, even ethnic Russians converted to Islam were still not full-fledged members of the resistance. The situation started to change by the end of the late 1990s when the nationalistic resistance was increasingly replaced by jihadists.

There were a variety of reasons for the transformation of North Caucasian resistance into a jihadist force. The major reason was that the North Caucasian resistance, which started as a mostly Chechen enterprise, became increasingly international and multi-ethnic. It increasingly included a variety of ethnic groups from the North Caucasus and abroad. In this situation, the nationalistic ideology became less and less appealing as a framework for the resistance. The increasing conflict between nationalists and jihadists could be seen in the polemic between Akhmed Zakaev, the comparatively moderate leader of the Chechen resistance, and Movladi Udugov, the emerging ideologist of the jihadists and the editor of Kavkaz Center, the most popular internet site of the North Caucasian resistance. Responding to Zakaev's nationalistic appeal, Udugov stated that he plainly did not understand why Zakaev was so preoccupied with Chechens regardless



Viktor Dvorakovsky

who they were. Udugov questioned why he should be attached to Chechens who behaved as infidels and might even serve the Kremlin, a regime of infidels and the mortal enemy of true Muslims. While the jihadists argued that even Chechen infidels should be considered enemies, the Islamic resistance instead opened for ethnic Russians converted to Islam.

Jihadists in the North Caucasus resistance now had an opportunity to spread the resistance among population groups who had never participated in it before. In the late 1990s, the converts were mostly trained and indoctrinated by members of the resistance who belonged to traditionally Muslim ethnic groups, most of which originated in the North Caucasus. Later, the converts started to expand their ranks and engage in terrorist activities independently, or have returned to the North Caucasus to engage in the resistance.

IMPLICATIONS: Pavel Kosolapov is possibly one of the most well-known among these early Russians converts, who engaged in terrorist activities. Kosolapov was clearly indoctrinated by members of the North Caucasus resistance and later became one of its most successful He terrorists. was engaged in several spectacular terrorist attacks and was supposedly engaged in the attack of the Nevskii Express. While the first generation of Russian jihadists were trained and indoctrinated by jihadists belonging to historically Muslim ethnic groups, the converts gained followers of their own as

time progressed. The new generation of jihadists came from the spiritual children, so to speak, of those who were themselves converts.

The case of Anton Stepanenko could be a good example here. Stepanenko had been converted to Islam in 1996 by his step-father who was Muslim. His mother and presumably biological father were Russian. Despite his young age and the absence of formal theological education, Stepanenko became quite known in Piatigorsk, a city near the North Caucasus, where he converted a considerable number of people, of which the majority was most likely ethnic Russians, to Islam. The authorities noted Stepanenko's activities and he was arrested in 2006, but was soon released under the pressure of high positioned members of the Russian Islamic community. He left Russia for Saudi Arabia, but some observers believed he maintained the relationship with his followers in Russia. While engaging in preaching in Piatigorsk, he created a visible community of converts, mostly ethnic Russians, some of which engaged in jihad and participated in the attack on Nalchik in 2005.

It is quite likely that Dvorakovsky was also indoctrinated by Stepanenko. While most of the converts were either ethnic Russians or people of mixed ethnicity, other groups were represented as well. Vitalii Razdobud'ko, a Ukrainian, became a Muslim under the direct influence of Stepanenko together with his wife Mariia Khorosheva. Both of them engaged in suicidal terrorist attacks causing the death of two and wounding of twenty five members of Russian law enforcement. Vladimir Petrosian, an Armenian, played an active role together with Stepanenko in encouraging Dvorakovsky to take up arms.

According to reports, converts play an active role not only in conducting terrorist operations inside Russia, but also in filling other important functions for the resistance. One example is Ruslan Ozniev, whose mother was Russian and father Chechen. His father abandoned the family early on and he spent most of his childhood and adolescence in Grozny under Dudaev's rule. His mother was arrested for selling alcohol and was beaten to death. This, however, did not prevent him from being converted to Islam and finally becoming the right hand of Doku Umarov, the leader of the resistance. He finally ended up in France where he engaged in fundraising for jihad. He later moved back to Russia where he planned to engage in various terrorist acts and was finally arrested.

The spread of converts to Islam has several implications for the North Caucasus insurgency and Russian counterinsurgency operations. On the one hand, converts could well make themselves visible through rigid practice of Islam, which would help Russian law enforcement in monitoring them and prevent attempts to engage in terrorism. On the other hand, those who are planning to engage in terrorist activities will not necessarily change their behavior and lifestyle. As a matter of fact, the jihadists themselves discourage terrorists who live among the general population from attracting the authorities' attention. In such cases, converts belonging to the same ethnicity as the majority could easily blend with the general population. This would seriously complicate the efforts of Russian law enforcement to detect them. The increasing numbers of converts in jihadist ranks also indicates that the resistance can receive recruits not only from historically Muslim groups of the North Caucasus, but from the much bigger pool of the general Russian population.

CONCLUSIONS: The spread of converts has several important implications for the North Caucasian resistance. While the insurgency at first mostly comprised of ethnic Chechens, it later became open to representatives of all ethnic groups, including those who were not historically Muslim. While the converts are still small in number, they have already created serious problems for Russian law enforcement due to their capacity for avoiding detection and have in many cases been prone to suicidal-type terrorism, with the case of the young Russian Dvorakovsky as a telling example. The increasing presence of converts in the resistance also indicates that jihadists can receive recruits from all over Russia.

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CENTRAL ASIAN WORRIES IN BEIJING Richard Weitz

When the Chinese view Central Asia, they see a region potentially primed for long-term economic growth but prone to short-term political instability. Chinese officials and academics consider a reduction in local wars and terrorism an essential prerequisite for the region's long-term prosperity. They particularly worry that the recent political upheavals in the Middle East could spread to the Muslim-majority countries of Central Asia, a region of even higher priority for Beijing. They express interest in working with the international community, including Western governments, to reduce the negative effects on Central Asia of both the political disorders in the Middle East and the terrorism and narcotics trafficking related to Afghanistan.

BACKGROUND: During the last week of August, this author conducted interviews and participated in roundtables with Chinese academics and government officials specializing Central Asia and the Middle East. Chinese scholars and policy makers tend to address the two regions together, perhaps due to their Muslim-majority populations and energy resources. That said, Chinese interlocutors often considered Central Asia more important than the Middle East due to its proximity to the regional narcotics trafficking China, networks that extend into China, and the greater openness shown by Central Asian governments to Chinese direct foreign investment and other business activities compared with most Middle Eastern countries, where European and American firms have already established strong positions that constrain Chinese opportunities.

Chinese academics and officials specializing in the Middle East identify a range of social and economic problems that contribute to the political upheavals there. These sources of instability include slow economic growth resulting in elevated rates of unemployment, widespread illiteracy and poverty, a paucity of educational opportunities, and high birth rates resulting in a bulging cohort of alienated young people. In addition, Chinese specialists cite pervasive corruption and inefficiency, extensive state control over national economic activities, as well as a yawning wealth and income gap between the few extraordinary rich Arabs and the large number of poor people living in the same countries.

Chinese analysts see Central Asian countries as potentially vulnerable to similar political disorders. Despite their nominal commitment to Marxist doctrine, the assessments of China's Central Asia specialists of the sources of regional instability for the most part resemble those of non-Chinese experts. "Since the independence of the Central Asian countries, there has been a rapid deterioration in the economy and also in people's lives," writes one scholar. "This sharpens the social conflicts and threatens the social stability. Frequent crime activities, combined with widespread government corruption and lack of democracy have offered a hotbed for Islamic extremism and terrorism."

In the near term, the main Chinese fear regarding Central Asia is that religious and other ties could serve as a transmission belt for moving Middle Eastern chaos into the Muslimmajority nations of Central Asia. A resurgence of the Taliban and other Afghan-based Muslim militants could contribute to that transmission taking a violent turn. Chinese experts believe that worsening instability in Central Asia would adversely affect their own country's security, including by endangering the PRC's regional energy and economic interests and perhaps by promoting instability in Xinjiang, which has a large Muslim Uighur minority and has experienced deadly anti-Beijing terrorism and ethnic strife.

IMPLICATIONS: Chinese policy makers and scholars are ambivalent about the large NATO and U.S. military presence in Central Asia. Many Chinese officials and academics express Western about concern the long-term ambitions in the region. A common fear is that the U.S. is trying to sustain a military presence in Central Asia, to China's west, as an element in its Asia-wide containment strategy against the PRC that also includes India, Vietnam, Japan, Taiwan, Australia, and other countries. The location of the U.S. air base at Kyrgyzstan's Manas International Airport only 200 miles from the PRC-Kyrgyzstan border, combined with Washington's longstanding military cooperation with Japan and Taiwan growing security ties with and India, engendered Chinese fears of U.S. encirclement and containment. PRC officials endorsed the 2005 SCO leadership declaration calling on coalition forces to establish a timetable for reducing their military presence in Central Asia. PRC leaders have thus far avoided directly challenging the U.S. military presence in Central Asia, but their concerns could mount if a U.S./NATO combat withdrawal from Afghanistan occurs without a corresponding departure of Western troops from Central Asia.

Yet, while most Chinese strategists want U.S. forces to depart Afghanistan at some point,

they fear that the planned 2014 withdraw date may be premature. There was a widespread sentiment that Americans "created this mess and now you are leaving it to us to clean up." Many Chinese experts fear that a complete NATO military withdrawal from Central Asia would contribute to regional instability and terrorism. They see advantages in having the U.S. heavily involved in suppressing terrorism in Central Asia. Chinese analysts recognize that, during the past decade, U.S. and other foreign forces have helped suppress the Taliban, al-Qaeda, and other Eurasian-based terrorist movements that at times have attempted to subvert Beijing-friendly regimes in Central Asia and supported Uighur militants seeking to end Beijing's control over Xinjiang. PRC analysts are also uncertain how well China could manage the consequences of a complete and rapid U.S. military disengagement from the region. The precipitous U.S. security withdrawal from Afghanistan in the early 1990s weakened regional stability, partly at Beijing's expense.

Chinese officials and academics also worry that the withdrawal of U.S. and other foreign forces could make Chinese investment in Afghanistan more vulnerable to attacks by the Taliban or other extremist or criminal groups. Through several major deals, PRC companies have rapidly become the leading foreign investors in Afghanistan. A resurgence of regional terrorism and instability would also threaten to disrupt the oil and natural gas that flows from and through Central Asian countries into China. PRC policy makers consider these import routes especially valuable since they do not come from the volatile Middle East or arrive via vulnerable maritime routes. The growth in Chinese economic ties with Central Asia and Afghanistan has proven particularly beneficial



for Xinjiang, which borders several Central Asian countries. Beijing has sought to raise living standards in Xinjiang to weaken ethnic tensions there, especially among Uighurs who believe that they have not benefited sufficiently from PRC rule.

The U.S. has also generously supported Pakistan, Beijing's closest ally in Central and South Asia, with billions of dollars of economic and military assistance. This aid has considerably exceeded the sums China has provided Pakistan. The withdrawal of all U.S. combat troops would deprive Pakistanis of the large sums of money they receive for transporting supplies by truck from Pakistan's southern port of Karachi to the U.S. and other NATO military contingents fighting in Afghanistan. Other U.S. assistance to Pakistan might also decline, as occurred after the Soviet military withdrawal from Afghanistan in the late 1980s. While defending Pakistan's antiterrorism record against Western criticism, PRC representatives continue to urge their Pakistani officials to cooperate with NATO regarding Afghanistan despite U.S.-Pakistani tensions over the capture of Osama bin Laden in Pakistan and other issues.

CONCLUSIONS: To compensate for the anticipated withdrawal of many or all NATO

combat troops from Afghanistan in the next few years, many PRC officials and scholars want the Shanghai Cooperation Organization (SCO) to play a greater but not exclusive role in stabilizing Central Asia. They have proposed various mechanisms deepen to SCO-NATO and SCO-U.S. cooperation, which

could make Western governments more comfortable with the SCO's assuming a more prominent regional security role. These include exchanging liaison officers, allowing observers from the SCO and NATO to monitor each other's exercises, engaging in joint training activities, and expanding existing bilateral Western-Central Asian security activities into multilateral mechanisms involving all SCO members. Another proposal is to establish a formal SCO external dialogue structure, initially focused perhaps just on counterterrorism issues. Depending on Western interest and other factors, the institution might include the SCO plus the U.S., the SCO plus NATO, or even the SCO plus NATO, the EU, Japan, and other dialogue partners. This last variant would resemble the ASEAN Regional Forum (ARF), which allows important non-ASEAN countries to engage regularly with ASEAN collectively on issues of mutual concern.

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<u>FIELD REPORTS</u>

NEW GAS FIELD DISCOVERED IN AZERBAIJAN Mina Muradova

A new major gas discovery in the Caspian Sea by the French oil company Total SA strengthens Azerbaijan's position in gas negotiations with Europe and Russia. This improves the prospects for the EU-backed Nabucco pipeline to transport Caspian gas to Europe and reduce European dependence on Russian energy supplies. The company revealed on September 9 that is has encountered "more than 500 feet of cumulated net gas pays" at the Absheron X-2 well. "The well's first results confirm a potential of several trillion cubic feet of gas and associated condensates," a statement on Friday read. The discovery was made in what Total termed "high quality sands" on the northern part of the structure which is spread out over 270 square kilometers. "Reservoirs are expected to extend over the entire northern part of the structure," the company stated. The discovery was made at a depth of 6550 meters but drilling is set to continue to explore for possible deeper objectives.

Marc Blaizot, the Senior Vice President for exploration at Total, said "this discovery could be very significant in terms of resources. It is the result of Total's bolder exploration strategy aimed at exploring high risk/high reward prospects both in prolific and frontier basins particularly in high pressure, deeply buried reservoirs." The well is located 100 kilometers south-east of Baku and 25 kilometers north-east of the Shah Deniz gas and condensate field. Total operates the block at a 40 percent cut with Azerbaijan's State Oil Company (SOCAR) holding the same share and GDF Suez at 20 percent. In a meeting with a Total delegation on September 9, Azerbaijan's President Ilham Aliyev stated that "the discovery of a new gas field would further strengthen Azerbaijan's standing among the world's biggest producers of gas. This will enable us to promote our gas strategy even more confidently, further international secure recognition of Azerbaijan as an exporter of gas and protect the interests of the Azerbaijani people. Over the coming period ... Azerbaijan will prove to be a world-scale exporter of gas, and the significance of our country will, without a doubt, further increase."

The First Vice President of SOCAR, Khoshbakht Yusifzadeh, stated that gas extraction from Absheron can begin in 2021 to 2022. He adds that the field's reserves are estimated to 350 billion cubic meters of gas and 45 million tons of condensate. "Now Azerbaijan's overall reserves reach 2.2 trillion cubic meters of gas, and with this field our reserves are going to grow up to 2.55 trillion cubic meters," Yusifzadeh said on September 9.

The find at Absheron marks the second success since SOCAR announced a gas find at the Umid structure in November. In addition, SOCAR expects high figures for the Babak structure in the Azerbaijani sector of the Caspian Sea. "I have already said that at the field Umid we have 200 billion cubic meters and Babak is expected to contain twice as much. Still, we expect results from the structures Asiman-Shafag, Nakhchivan and others," Yusifzadeh said. SOCAR earlier estimated the reserves at Babak to 400 billion cubic meters of gas and 80 million tons of condensate. Azerbaijan's president said that the country is doing "specific" work to diversify its export opportunities: "I am sure that all transit issues will be resolved before the end of this year, and new markets for Azerbaijani gas will thus be opened."

According to analysts, it now time to get moving on the Nabucco pipeline project. "We are now entering a very serious phase, because the discovery of new gas reserves in Azerbaijan will assure investors and Azerbaijan can even be considered as the main gas supplier for Nabucco," said Alexander Rahr, Director of the Russian/Eurasia Program in the German Council on Foreign Relations (DGAP).

Russia is competing for control of Caspian gas and has offered to buy all Azerbaijan's surplus gas production in order to keep its monopoly position in the European market. The Russian gas monopoly Gazprom plans to build the South Stream pipeline to bring gas across the Black Sea to southern and Central Europe, which would compete with Nabucco. "Russia is a good partner," EU energy commissioner Guenther Oettinger stated on September 12. "But it is in general not smart to rely on one partner for more than 50 percent." According to Oettinger, Azerbaijan will also play an important role in European strategy: "Azerbaijan is the answer to many questions. That is why the EU should do its homework and support Nabucco."

In early August, Azerbaijan's Energy Minister said his government intended not only to function as a transit country for the gas pipeline on its way to the EU, but could also provide the region itself with gas. On September 12, the EU agreed to negotiate a treaty with Azerbaijan and Turkmenistan to bring natural gas from the world's fourth-largest reserves across the Caspian Sea to Europe. "The European Union has adopted a mandate to negotiate a legally binding treaty between the EU, Azerbaijan and Turkmenistan to build a Trans Caspian Pipeline System," the statement said. "This is the first time that the European Union has proposed a treaty in support of an infrastructure project." It is the first time the EU's member states have given the European Commission the power to design an external energy treaty on their behalf.

The European Commission will lead negotiations on the proposed pipeline, which is part of a planned corridor of pipelines known as the Southern Corridor, designed to reduce EU dependence on Russian gas imports. "Europe is now speaking with one voice. The trans-Caspian pipeline is a major project in the Southern Corridor to bring new sources of gas to Europe. We have the intention of achieving this as soon as possible," the EU energy commissioner said in a statement. The treaty is another step in a continued effort to open up the huge Caspian gas resources to Europe.

IRAN INCREASES INFLUENCE IN TAJIKISTAN AT RUSSIA'S EXPENSE Suhrob Majidov

In the first days of September, Tajikistan hosted the CIS Summit, a meeting of the "Dushanbe four", and received consecutive official visits by Russian President Dmitry Medvedev and Iranian President Mahmoud Ahmadinejad. Both leaders perceive Tajikistan as a "strategic partner" in the Central Asian region. However, relations between Tajikistan and the two regional powers have developed quite differently. Relations between Tajikistan and Iran have seen positive developments in all fields including political, economic and cultural cooperation. By contrast, a number of unresolved and problematic issues exist in Tajikistan's bilateral cooperation with Russia, which is aggravated by the polemic from both sides.

From September 2 to 5, Dushanbe hosted high level meetings and negotiations. Dushanbe hosted the third meeting of the "Dushanbe four", where the presidents of Afghanistan, Pakistan, Russia and Tajikistan discussed cooperation in the political and economic fields. The presidents first discussed security issues, and then focused on economic cooperation particularly in the energy field. Special attention was paid to the CASA-1000 Project, which aims at connecting the electric power systems of Tajikistan and Kyrgyzstan with the corresponding systems of Afghanistan and Pakistan. After the negotiations, the Russian president made an official statement where he confirmed Russia's interest in supporting the CASA-1000 Project, and even mentioned "hundreds of millions" to be provided by Russia for this project.

Local and Russian observers and media paid particular attention to the Russian president's visit, which was expected to resolve a number of outstanding issues between the two countries, especially in the field of military cooperation (see the 08/17/2011 issue of the CACI Analyst). According to experts, it was expected that the negotiations between Medvedev and Tajik President Emomali Rahmon would be among the toughest in the history of bilateral relations between the two countries, considering the major sticking points in their military and economic cooperation.

It should be recalled that Russian high level officials recently proposed to return Russian border troops to the Tajik-Afghan border, claiming that Tajikistan is incapable of protecting this border with its own forces and to stop drug trafficking from Afghanistan to Russia. Besides, Russia wants Tajikistan to allow deployment of Russian forces at its military airport Aini. In turn, high level Tajik officials proposed to demand rent for the Russian military base which is currently deployed in Tajikistan for free under a 10-year lease singed in 2004. In the leverage game, Russia pressures Tajikistan by playing the bargaining chip of almost 1 million Tajik labor migrants (every seventh Tajik) working in Russia and increasing its export fees for fuel which constitutes 90 percent of Tajikistan's import for domestic consumption.

As Medvedev announced immediately after the negotiations, "Russia will stay in Tajikistan for another forty-nine years." The parties decided that a new agreement will be developed and signed next year, which will ensure the deployment of the Russian military base for another 49 years. Although neither Medvedev nor his Tajik counterpart disclosed any details, sources in the Russian Government say that the military base will again be deployed for free, but Russia will provide support for increasing the capacity of Tajikistan's military forces.

At the same time, according to the documents signed, Russian border troops will not return to the Tajik-Afghan border. Moreover, the number of Russian border troop advisors currently deployed in Tajikistan will decrease and their status will change from "operational group" to "representative mission".

The results of the negotiations between Medvedev and Rahmon were perceived negatively by local experts and politicians. Some local experts believe that many important issues were left unresolved, particularly in economic cooperation, and that this will further impede the development of bilateral relations. Furthermore, a group of over fifty Tajik intellectuals and journalists published a statement where they ask the government not to sign any agreements related to military bases with Russia without a plebiscite.

By contrast, the outcome of Ahmadinejad's visit are perceived in Tajikistan as a successful step in developing mutually beneficial relations. During the visit, the Iranian President and his Tajik counterpart officially opened the Sangtuda-2 hydropower station which Iran has constructed on the Vakhsh River of Tajikistan. Ahmadinejad also announced that Iran is going to construct another hydropower station in Tajikistan on the Zerafshan River. In his statement, Ahmadinejad termed Tajikistan and Iran "a part of one whole," emphasizing that the construction of hydropower stations is just one aspect of cooperation between the two countries, which have a "single history, culture, tradition and religion."

The high level meetings are viewed by many as signaling increasing competition between Russia

and Iran for influence in the Central Asian region and Tajikistan in particular. As an outcome of Medvedev's and Ahmadinejad's consecutive visits to Dushanbe, it seems that Iran scored an advantage despite Russia's remaining military presence in Tajikistan.

GEORGIA AND RUSSIA CONTINUE WTO TALKS Maka Gurgenidze

The fifth round of the World Trade Organization (WTO) talks between Georgia and Russia, mediated by Switzerland, did not yield any substantial changes. Negotiators met in Geneva on September 12 for the latest round of WTO talks. The discussion sought to close the positions of the two countries on establishing custom checks and international monitoring mechanisms in the Georgian breakaway regions to increase the transparency of trade in these territories. Tbilisi considers Russian compliance on such measures to be a key precondition for Russian WTO membership, whereas Moscow views the proposal as contradictory to its interests.

The WTO secretariat organized negotiations on Russia's WTO accession between Tbilisi and Moscow for a few years until the 2008 war between Russia and Georgia halted the process. In early 2011, Switzerland mediated the resumption of talks and proposed a paper foreseeing the establishment of trade corridors and border crossings in the breakaway regions of Abkhazia and South Ossetia under the supervision of international monitors. The proposal, revealed prior to the third round of talks in July, also envisages the introduction of an advanced information exchange system rather than the mere exchange of statistical data between the trade partners.

Georgia applauds the Swiss offer as the paper stresses Tbilisi's major concerns. Its combination of two components – the formation of international monitoring mechanisms and improved information exchange systems – could from a Georgian point of view help prevent illegal trade and ensure the transparency of custom administrations. Tbilisi claims that an agreement achieved on this basis will be status-neutral, eschewing the politicization of Russia's accession process in the WTO. Russia, however, does not consider the deployment of international monitors on the territories of the proxy regimes as necessary. "If you want to know about the movement of goods, including about transit goods moving through Abkhazia and South Ossetia, we are ready to provide such information, including in digital form, in the state of the art form," Russian president Dmitry Medvedev said.

Russia thus continues to view the demand for international monitoring of the checkpoints as a Georgian attempt to change "political reality." Whereas Medvedev declares that Russia's WTO membership is not worth alterations to this "new reality," Georgian president Mikheil Saakashvili insists that an approval of international monitoring of trade across the disputed territories is the "minimum price" that Russia should pay for its entry into the organization. In addition, officials in Tbilisi think that Georgia has already made significant compromise by dropping its demand for deployment of customs officers on the Psou River and the Roki Tunnel, the two points connecting Russia with the breakaway regions. Moscow suggested reopening the talks on lifting its trade embargo on Georgian agricultural produce on the Russian market, a bargaining chip Moscow has used from time to time. Nevertheless, Tbilisi considers the Russian market to be unreliable and does not exclude a possible re-imposition of the embargo on Georgian products even if it is lifted. According to Georgian diplomats, if national companies will again be expelled from the Russian market, this would inflict them even greater damage than the embargo currently causes.

Meanwhile, IDS Borjomi International, which represents a group of enterprises producing bottled mineral waters in Russia, Ukraine and Georgia, applied to RosPotrebNadzor – Russia's consumer protection agency – for a possible reintroduction of Borjomi mineral water to the Russian market. However, IDS Borjomi International's local subsidiary in Georgia has so far rejected this information.

Georgia's Deputy Foreign Minister Nino Kalandadze stated that no request to reintroduce Borjomi to the Russian market had been sent to RosPotrebNadzor. She said the Russian authority "speculates" on the trade embargo issue because it has never been a part of the ongoing talks. According to Kalandadze, Georgia does not need to discuss this issue with Russia since Moscow will have to lift this politically motivated embargo upon its entry into the WTO. Despite Georgian claims, given the size of the Russian market, resumed exports of currently banned products would certainly be beneficial for Georgian trade. However, it would also grant Moscow increased economic leverage on Georgia.

Though the Georgian government declares that it seeks to isolate trade from other disputed political issues, the WTO talks replicate the same contradictions as another negotiation process in Geneva. More specifically, the Kremlin views the proposed deployment of any form of international monitoring on the territory of the proxy regimes as a threat to the independence of the "two new independent states," Abkhazia and South Ossetia. Preventing international monitoring of these territories remains one of Russia's top priorities. The trade negotiations should be understood within this broader context and represent only one of the principal disagreements between Georgia and Russia.

KYRGYZSTAN LAUNCHES PRESIDENTIAL CANDIDATE REGISTRATION Joldosh Osmonov

A record number of people have applied for registration to run for the presidential post in Kyrgyzstan. As the end of the registration period approaches, the number of qualified candidates is decreasing, with most applicants being unable to fulfill the registration requirements. Despite the authorities' promises to ensure free and fair elections, it is wevident that the main contenders started campaigning before the authorized period.

83 people expressed their intentions to run for the presidential election scheduled for October 30, 2011 in Kyrgyzstan. 16 were nominated by political parties, while the rest are independent selfnominees. Most of these applicants are unknown to the wider public and include politicians, entrepreneurs, journalists and even 19 unemployed. However, the number has dropped significantly to 37 as most of the would-be candidates were not able to submit on time a list of 30,000 signatures of support required by the newly-adopted law "On elections of the President and the Parliament".

Besides supporters' signatures, applicants must pay an election deposit of 100,000 soms (about US\$ 2,200) before the official registration. After paying the registration deposit, potential candidates must pass the mandatory state language (Kyrgyz) exam which is to be televised nationwide. The language test consists of three parts: writing, speaking and reading exercises. The official registration of candidates will end on September 25 – the starting date of the pre-election campaign period.

requirements Such registration caused the indignation of some applicants. On September 5, several would-be candidates organized a protest in front of the parliament's building demanding to soften the qualification requirements. Damira Toktosunova, one of the possible presidential candidates, stated that under the given regulations, it is impossible for an ordinary citizen to run for the presidential office. These legal provisions undermine the constitutional right of citizens to be elected as the head of the country, she claimed.

Despite the high number of would-be candidates, only a few of them have real chances to contest the ballot. According to local analysts, the two main contenders are considered to be the current Prime Minister Almazbek Atambaev, with great support in the country's north and the leader of the "Ata Jurt" party Kamchybek Tashiev, whose support base is concentrated in southern Kyrgyzstan. However, as analysts contend, there are a few other popular politicians including the Socialists' leader Omurbek Tekebaev, former Parliament Speaker Adakhan Madumarov, and current parliamentarians Nariman Tuleev, Akylbek Japarov and Marat Sultanov, who might seriously compete for the post, or at least take votes from the main contenders, thus increasing the possibility of a second round in the elections.

Meanwhile. the Kyrgyz Central Election Committee (CEC) is concerned about some candidates launching indirect and hidden campaigning before the authorized period. The ambiguous reaction of the CEC members to such facts raises doubts on the commission's ability to control the election conduct. As the commission members explained, due to the absence of a definition of what is indirect and hidden campaigning in the legislation, they can do nothing but rely on ethical conduct by the candidates themselves. "Slogans on the billboards in Bishkek or candidates' so called 'meetings with people' in the regions cannot be defined as campaigning in the election law, thus, we can do nothing," CEC member Jarkyn Bapanova concluded.

In light of this situation, Prime Minister Atambaev's increasingly frequent television and public appearances are perceived with great irritation among his main contenders for the office. His recent interview to Russian television (RTR) where was named a presidential candidate caused wide public discussion and harsh debates within the CEC. Whereas some commission members considered the interview as campaigning, others claimed there were no signs of campaigning, but a regular interview of the head of the government to foreign mass media.

Many experts state that the recent increase of the Prime Minister's public appearances is part of his campaign strategy. Local analysts say it is evident that Atambaev is trying to use all resources available to win the elections. Atambaev's recent replacements of governors and mayors and his refusal to leave the Prime Minister's post until the campaign period starts reveal his intentions to use administrative resources in the elections, experts claim.

However, in spite of the public speculations about the candidate's "privileges," Kyrgyz President Roza Otunbaeva has repeatedly promised to conduct free and fair elections and ensure equal rights and opportunities for all registered candidates. "For the first time in the Post-Soviet countries, the presidential elections will be held without the acting president running for the office and I, as head of the country, will do everything possible to ensure democratic and fair elections," Otunbaeva stated in her speech at the celebration ceremony of the country's 20-years of independence on August 31. Two weeks later, during a working trip to Osh in southern Kyrgyzstan, Otunbaeva reasserted her neutral and impartial stand claiming that she will make sure that no administrative resources are used during the upcoming elections.

<u>NEWS DIGEST</u>

NATO NAC TO VISIT GEORGIA IN NOVEMBER 12 September

NATO Secretary General, Anders Fogh Rasmussen, and diplomats from NATO's senior decision-making body, North Atlantic Council (NAC), will visit Georgia on November 9-10, Grigol Vashadze, the Georgian foreign minister, said on Monday. The visit will be an opportunity for NATO officials "to ascertain on the ground how fast our country is developing and how our macroeconomic parameters, our democratic reforms, our defense budget and our participation in peacekeeping missions are in line with NATO standards," Vashadze said. He was speaking with journalists on a sideline of the annual ambassadorial conference in Tbilisi, which gathered Georgian diplomats accredited abroad to discuss the country's foreign policy priorities. The North Atlantic Council, comprising of the 28 NATO permanent representatives and the Secretary General, first visited Georgia in September, 2008 - a month after the war between Georgia and Russia. At the time Russia condemned the visit saying it was "untimely, which does not correspond to the interests of stabilization in the region." (Civil Georgia)

TURKMEN OFFICIALS BAN STUDENTS FROM STUDYING IN TAJIKISTAN 12 September

Hundreds of Turkmen students enrolled at universities in Tajikistan have been barred by Turkmenistan's Migration Service from returning to resume their studies, RFE/RL's Turkmen Service reports. A fifth-year student from Turkmenistan's northeastern Lebap Province studying at the Tajik State Medical Institute told RFE/RL he has returned home every summer and has never before had problems leaving the country. Most students

from Lebap travel overland to Tajikistan via Uzbekistan. But he said that on September 1 Turkmen border officials stopped him and several other students at the border and did not allow them to cross. The officials said they were acting on orders and gave no reason for the ban. The student said his father has gone to Ashgabat to raise the issue with State Migration Service officials. A fourth-year female student from Lebap who studies at Tajik State University also told RFE/RL that this year she and fellow students were barred from entering Uzbekistan at the Tally Merjen border crossing -- which they had used in the past -- as well as at the Farab checkpoint. She said they were told by the Migration Office in Lebap and the State Migration Office in Ashgabat that they have been barred from crossing the border. They were not told who imposed the ban, why, or for how long it will remain in force. She added that about 870 Turkmen students study at Tajik State University. Only a few Turkmen students get government scholarships to study at Tajik universities, where the annual tuition fees average about \$2,000. Turkmen students from Lebap often choose Tajik schools as the tuition is cheaper than it is in Europe. Last summer it was reported that local government officials collected detailed information from every Turkmen family and their children about their place of work or study. Some parents say the reason for the ban on student travel to Tajikistan may be connected to the increase in activity by extremist Muslims that resulted in months of fighting by Tajik forces against purported Islamists. The Turkmen Education Ministry has not replied to RFE/RL requests for comment on the travel ban. Meanwhile, the Tajik Education Ministry has confirmed that no Turkmen students have returned to Tajikistan since the end of their summer vacation. It said they risk

expulsion if they fail to arrive by September 20. (RFE/RL)

KYRGYZ PRESIDENT CREATES US BASE OVERSIGHT BODY

13 September

The president of Kyrgyzstan has created an oversight body designed to ensure transparency of rental payments for a U.S. air base in the ex-Soviet Central Asian nation. Roza Otunbayeva's decree issued Tuesday entitles the body to monitor payments by the base to the Kyrgyz government and the money's eventual use. The Manas Air Transit Center was mired in allegations of corruption during the regime of former President Kurmanbek Bakiyev, who was deposed in a popular uprising in April 2010. Commercial arrangements for the supply of fuel to Manas was subject of a U.S. Congressional investigation last year. The probe revealed no wrongdoing, but the final report expressed misgivings over the opaqueness of the system. U.S. contributions to Kyrgyzstan's economy through Manas reached \$123.6 million in 2010. (AP)

GEORGIAN FM: FIFTH ROUND OF WTO TALKS WITH RUSSIA YIELDS NO RESULTS 13 September

The fifth round of Swiss-mediated talks between Georgian and Russian negotiators on Russia's WTO entry terms "ended without results" on September 12, Grigol Vashadze, the Georgian foreign minister, said on Tuesday.

He said he was not expecting "breakthrough" from this round of talks and added that negotiations would continue.

"Of course these are very difficult negotiations; the both sides know each other's position; the Georgian side is permanently making compromises; the Russian side stands stubbornly on its fixated position like on Borodino [battlefield – a reference to 1812 battle between Russia and the invading French army]," Vashadze said, adding that he would not go further into details as "Georgia is so far observing" a gentlemen's agreement between sides not to speak publicly about the negotiating process. (Civil Georgia)

IRAN, RUSSIA OPPOSE EU'S ENERGY MOVE 16 September

Iran joined Russian officials in expressing frustration with an EU decision to approach former Soviet Union countries about their natural gas. The

European Union this week agreed to negotiate deals with gas-rich Azerbaijan and Turkmenistan aimed at backing a series of pipeline networks in the socalled Southern Corridor, which includes the Nabucco pipeline. Europe aims to break Russia's grip on the energy sector by courting rival suppliers who would feed natural gas through the new pipeline network. Tehran, in a statement issued through its embassy in Moscow, said it shared the Kremlin's concerns about European initiatives with Caspian states. "The two countries oppose this decision, which runs against ecological interests and the authority of each of the five states in solving issues concerning the Caspian Sea," Russia's staterun news agency RIA Novosti quoted the embassy as saying. Moscow said it regretted Europe's move to broker agreements with Azerbaijan and Turkmenistan, two former Soviet states. "Outside attempts to meddle in the affairs of the Caspian (Sea) ... could very seriously complicate the situation in this region and hamper the ongoing five-party negotiations on the Caspian Sea's legal status," the Russian Foreign Ministry said Monday. (UPI)

AUSTRIAN FEDERAL PRESIDENT TO VISIT AZERBAIJAN 16 September

Austrian Federal President Heinz Fischer will pay an official visit to Azerbaijan on October 11-12, the presidential administration told Trend. "President Fischer will visit Azerbaijan for the first time after the Austrian Embassy opened in Baku last year," the spokesman for the presidential administration Bruno Aigner said. "It was a significant and longexpected welcome." The development and intensification of bilateral relations in the economy, culture, energy, regional development, cooperation between the EU and neighboring countries, as well as urgent EU economic problems, will be among the main topics of discussion. The President will be accompanied by a delegation, including the minister of economy and the minister of social affairs. The Azerbaijani-Austrian economic forum will be held during the visit. President Fischer plans to meet with Azerbaijani counterpart Ilham Aliyev, Prime Minister Artur Rasizade, and Speaker of Parliament Oktay Asadov. A large delegation of Austrian businessmen will arrive in Baku on the eve of the visit. A business forum will be held on September 19-20. Major Austrian companies working in the field of new technologies and urban improvement will also be represented.

The Austrian delegation, headed by President Fischer, will visit Turkmenistan after the meetings in Baku. (Trend)

KYRGYZSTAN SEEKS EXTRADITION OF OUSTED PRESIDENT

16 September

Kyrgyzstan is preparing to file a new extradition request for ousted president Kurmanbek Bakiyev, who fled to Belarus last year after a popular uprising. More than 80 people died when government forces tried to suppress the protest that brought down Bakiyev's government in April 2010. Authorities have since arrested several officials involved in those events and in earlier attacks on opposition politicians and activists. Deputy Interior Minister Melis Turganbayev also said Friday that authorities will charge several former security officials that served under Bakiyev over their alleged involvement in the murder of an influential politician. Belarus has already declined requests for Bakiyev to be extradited, describing the Central Asian nation's pleas as politically motivated. (AP)

AFGHAN NGO SEEKS TO INCREASE THE NUMBER OF AFGHAN WOMEN IN GOVERNMENT

16 September

An Afghan nongovernmental organization has compiled a list of 1,400 women qualified to hold posts in national or local government in an effort to promote greater inclusion of women in politics and social life, RFE/RL's Radio Free Afghanistan reports. The list, based on a nationwide survey, was put together by Khorasan, an NGO affiliated with the Women's Affairs Ministry. The group hopes to present the list to the government. Khorasan Director Seema Ghani told RFE/RL that the goal is to raise the voices of women, particularly those from remote and undeveloped regions of Afghanistan where women's involvement in government decision-making is minor or nonexistent.

"Despite the general perception that women are not capable of undertaking leadership positions, our survey shows that women have the qualifications needed to take an active role in the politics and social affairs of their regions," Ghani said. "The list is also evidence that it is not just women in urban areas, but also from the poorest and most-remote areas, who possess these abilities," she said. "We are therefore continuing efforts to increase the names on this list and present them to the government."

Halima Ropema, one of the women on the list, told RFE/RL the compilation of the list is a cause for optimism and a step in the right direction. "Unfortunately, women are playing a very insignificant role in the everyday running of the country," Ropema said. "We all welcome the creation of such a list as we need to have more competent women in all levels of governance." Following the ousting of the hard-line fundamentalist Taliban in 2001, women burst onto the public scene, assuming political roles, establishing women's organizations, and flooding back to schools and universities. The country's election laws include a quota for women in elected posts like provincial councils and parliament. But despite such advances, many challenges remain. National surveys show that more than 60 percent of women still experience physical violence, while 70 percent are forced into marriage. Numerous schools for girls have been burned down by militants, who have also attacked and killed female students. Afghan authorities have also failed to investigate and prosecute those behind the high-profile murders of female journalists, rights activists, and politicians. (RFE/RL)

DATE OF FRENCH PRESIDENT'S VISIT TO SOUTH CAUCASUS ANNOUNCED 17 September

French President Nicholas Sarkozy will pay a visit to the South Caucasus region on Oct.6-7, Reuters reported.

Azerbaijani Ambassador to Paris Elchin Amirbekov confirmed that Sarkozy will visit Azerbaijan on Oct.7.

He said this is the first official visit of the French president to Azerbaijan in the history of the diplomatic relations.

During his regional visit, Sarkozy will visit Azerbaijan, Georgia and Armenia. He will discuss the cooperation prospects. On the eve of Sarkozy's visit, opportunities to develop Azerbaijan- France trade and economic relations will be discussed in Paris in late September. The sixth meeting of the Azerbaijani-French intergovernmental commission on trade-economic cooperation will be held in Paris on Sept. 23, Azerbaijani Ambassador Elchin Amirbekov told Trend on Friday. The Azerbaijani delegation will be headed by Finance Minister Samir Sharifov and French delegation will be headed by Secretary of State for Foreign Trade Pierre Lellouche, he said. Based on the Azerbaijani State Statistics Committee, the bilateral trade amounted to \$ 2.2 billion in January-June 2011. Azerbaijan announced the discovery of large gas reserves on the Absheron field in the Azerbaijani sector of the Caspian Sea last week. Participants in Absheron are SOCAR (40 percent), Total (40 percent), and Gaz De France Suez (20 percent). The contract on the Absheron Field was signed on Feb. 27, 2009, between SOCAR and Total. Later Total sold 20 percent of its equity participation to Gaz De France Suez. The field's potential reserves hit 350 billion cubic meters of gas and 45 million ton of condensate. (Trend)

SUSPECTED U.S. DRONE CRASHES NEAR AFGHAN-PAKISTAN BORDER 18 September

Pakistani security officials say a suspected U.S. drone has crashed in northwestern Pakistan near the Afghan border.

The officials say the unmanned drone crashed near the village of Jangara in the South Waziristan tribal area. Members of the Taliban militia say they have recovered the debris from the crash. It is not clear what caused the crash. The U.S. Embassy in Pakistan has not commented on the incident. American officials normally do not comment on the U.S. drone program in Pakistan, which is operated by the CIA and has been used to carry out aerial strikes against suspected Taliban and Al-Qaeda sites in northwest Pakistan. (RFE/RL)

GLOBAL CLOTHING BRANDS BOYCOTT UZBEK COTTON

18 September

More than 60 of the world's top clothing labels, including Burberry and Levi, are to boycott cotton from Uzbekistan over claims the government forces children to harvest the crop. Swedish high street retailer H&M, and sportswear companies Adidas and Puma were among the brands who pledged not to buy cotton from the former Soviet Central Asian country that they know has been collected by children. The groups have signed a pledge under the Responsible Sourcing Network, a project organised by the US-based advocacy group As You Sow which is organising the boycott. "We are a major cotton consumer and like many companies, we take a clear stand against child labour, regardless of country," said Henrik Lampa, corporate social responsibility manager at H&M. US retail industry group American Apparel and Footwear Association, which represents more than 800 companies, had

previously signed up for the pledge but Andrew Behar, Chief Executive of As You Sow, said the new individual pledges had extra significance. "It's about integrity and transparency," he said. "It's different when you sign up individually and put your logo on it." The Uzbek foreign ministry did not comment. The move is the second victory this month for human rights groups over the Uzbek regime, a government they revile. On September 9 organisers of the New York Fashion Week, under pressure from the media and rights groups, cancelled a show by the eldest daughter of Uzbek President Islam Karimov. (telegraph.co.uk)

ENERGY-RICH TURKMENISTAN BOOSTS GAS EXPORTS

19 September

Turkmenistan's state newspaper says the energyrich Central Asian nation has started up a new natural gas compressor station, boosting its annual export capacity by 2 billion cubic meters. The daily Neutral Turkmenistan reported Monday that the gas will be fed into the Central Asia-Center 3 pipeline, which is linked into supply routes to Russia and Iran. Russian demand for Turkmen gas is weak, meaning the gas will likely go to covering the unused annual capacity in an 8 billion cubicmeter pipeline to northern Iran. Around 5 billion cubic meters of gas sourced from an offshore Caspian Sea field operated by Malaysia's Petronas are already pumped annually into that route. Turkmenistan and Iran are currently joined by two gas pipelines, allowing for total deliveries of up to 20 billion cubic meters per year. (AP)

AZERBAIJAN HOLDS MILITARY EXERCISES IN NAKHICHEVAN 19 September

VS Azerbaijan began regular large-scale military exercises in the Nakhichevan Autonomous Republic. The press service of the Ministry of defence of Azerbaijan. In the military exercises by personally commanded by the Minister of defence, Colonel-General Safar Abiyev, take part military, part of the Army Air Defense units and parts (AIR DEFENSE). According to the Ministry of Defense of Azerbaijan Republic, it is planned that the exercises will last until the end of this week. (Baku Today)

KAZAKHS TO SELL GAS TO KYRGYZ AFTER UZBEKISTAN RAISES PRICE 20 September

An agreement under which Kazakhstan will supply Kyrgyzstan with 300 million cubic meters of natural gas in exchange for water is contingent upon the cooperation of transit country Uzbekistan, RFE/RL's Kyrgyz Service reports. KyrgyzGaz Chairman Turgunbek Kulmurzaev told RFE/RL that the agreement -- under which Kyrgyzstan will supply water to southern Kazakhstan in exchange for gas -- was reached on September 16 in Bishkek between Kyrgyz officials and visiting Kazakh Prime Minister Karim Masimov. The two sides agreed to further discuss the technical arrangements of the deal. Any agreement for natual gas to be transported to Kyrgyzstan from Kazakhstan would need the cooperation of Uzbek officials, who control a large part of the gas pipeline that could supply gas to Kyrgyzstan. Kulmurzaev explained that Bishkek started looking for alternative gas supplies after Uzbekistan raised the price for natural gas deliveries to \$278 per 1,000 cubic meters. He said the exact price that Kyrgyzstan would pay for Kazakh gas has not been decided. (RFE/RL)

UKRAINE, AZERBAIJAN SIGN LNG DEAL 21 September

Azerbaijan and Ukraine signed an energy deal for liquefied natural gas deliveries that would start as early as 2014, a Ukrainian official said. Vladyslav Kaskiv, a Ukrainian official in charge of investments and project management, said his country would get around 70 billion cubic feet of LNG starting in 2014. This would increase to 176 bcf by 2015, he said, noting both sides would set up a joint venture as part of the deal. Kaskiv added that the Azeri energy deal would give Ukrainian efforts to build an LNG terminal in the Black Sea momentum. "The construction of the LNG terminal supports the Ukrainian Energy and Coal Industry Ministry's efforts to reinforce the country's energy security," he was quoted by Russia's state-run news agency RIA Novosti as saying. Kiev is pressing the Kremlin for a better natural gas deal. Former Prime Minister and opposition leader Yulia Tymoshenko is on trial for corruption stemming from a 2009 deal with Gazprom she helped broker. She and some of her Western supporters claim the charges are politically motivated. (UPI)

KYRGYZ OFFICIAL ARRESTED AS SUSPECT IN HIGH-PROFILE MURDER CASE 21 September

A Kyrgyz Interior Ministry police general was arrested as a suspect in a high-profile murder case --

then released after his supporters picketed the mayor's office, RFE/RL's Kyrgyz Service reports. Rasulberdi Raiymberdiev, who is head of the Interethnic Concord Committee in Osh, was detained in the southern city on September 20 as a suspect in the 2009 killing of former presidential chief of staff Medet Sadyrkulov and taken to Bishkek for questioning. Osh mayor's office spokesman Guljan Ajymatova told RFE/RL on September 21 that at least 100 protesters, mainly from Raiymberdiev's native village of Toloikon and some on horseback, picketed the mayor's office to demand his release. The Prosecutor-General's Office decided to release Raiymberdiev on September 21, but warned him not to leave the country while the investigation into Sadyrkulov's murder continues. Sadyrkulov, who served as presidential administration head under ousted President Kurmanbek Bakiev, and two of his associates were found dead in a burned-out car in March 2009, shortly after Sadyrkulov resigned to join the anti-Bakiev opposition. Officials said the deaths were the result of a traffic accident. But Sadyrkulov's relatives challenged that finding, saying the bodies were in positions indicating that the victims were dead when the car caught fire. The investigation into Sadyrkulov's death resumed in April 2010 after Bakiev fled the country in the wake of antigovernment demonstrations. On September 16, Deputy Interior Minister Melis Turganbaev told journalists that four Kyrgyz citizens were arrested in neighboring Tajikistan as suspects in the murders. He added that

Tajikistan as suspects in the murders. He added that authorities intend to again seek Bakiev's extradition from Belarus, where he now lives in exile, for his alleged involvement in the killings. Belarus had previously rejected an extradition request from Kyrgyz officials. On September 14, Interior Minister Zarylbek Rysaliev said 17 people have been detained in Kyrgyzstan as suspects in the murders. Turganbaev told RFE/RL the following day that opposition United Kyrgyzstan party leader Adakhan Madumarov, former Prosecutor-General Elmurza Satybaldiev, and ex-Interior Minister Moldomusa Kongantiev will be interrogated in connection with Sadyrkulov's killing. (RFE/RL)

JAILED KAZAKH JOURNALIST ALLOWED TO VISIT AILING MOTHER 21 September

Prominent Kazakh journalist Ramazan Esergepov has been allowed to leave prison to visit his ailing mother in an Almaty hospital, RFE/RL's Kazakh Service reports. Esergepov, the founder and chief editor of the Almaty-based newspaper "Alma-Ata Info," was sentenced in August 2009 to three years in prison for publishing state secrets in an article published in his newspaper in 2008. Esergepov and rights organizations protested the verdict, saying the case was politically motivated. "Alma-Ata Info" was closed down after his arrest. Esergepov, who is serving his term at a labor camp in the southern city of Taraz, was given one week to see his mother, who suffered a stroke earlier this month. Esergepov told RFE/RL on September 21 that he asked prison officials on September 5, after he learned of his mother's stroke, to allow him to leave prison and visit her. He said they agreed to his request on September 19.

Esergepov said he has been able to communicate with his mother during their visits. "Although she is not able to talk, she heard me, she saw me, she wept, and she smiled," he said. "I had to tell her that I was fully released and exonerated in order to give her strength and make her feel happy." Esergepov's jail term is due to end in January.

Esergepov is one of the recipients, announced in June, of a Hellman-Hammett Grant for 2011. The grant is administered by Human Rights Watch and awarded to writers and journalists who have been subject to political persecution and are in financial need. Esergepov is the third Kazakh to receive a Hellman-Hammett Grant. (RFE/RL)

NAGORNO KARABAKH MAY BECOME NEXT RECOGNIZED STATE AFTER SOUTH SUDAN – ARMENIAN LEADER 21 September

Armenian President Serzh Sargsian believes in the possibility of independence for Nagorno Karabakh and warns against the use of force in resolving the problem of Karabakh. "This year South Sudan became independent thus enriching the international experience of matters related to the self-determination of nations. I am simply sure that we will have the same result in Karabakh," he said in an interview with Russia 24 channel. He said "calls for a military solution are dangerous for the entire region, not just Karabakh itself." Sargsian stressed that at the summit in Kazan Azerbaijan proved "its reluctance and inability to reach compromise" but assured that in its turn Yerevan will continue seeking compromise. (Interfax)



New Silk Road Paper:

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By Johan Engvall

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