



SELECT BRIEFING

EUROPE EAST

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Central European Update

Poland

On 5 September, Armenian President **Robert Kocharyan** arrived in Poland for a three-day official visit. The two countries signed bilateral agreements on military cooperation and joint action to combat organized crime. During his visit President Kocharyan met with President **Alexander Kwasniewski**, the Marshal of the Sejm, the Marshal of the Senate, and Prime Minister **Marek Belka**. The purpose of his visit was to develop economic cooperation and to share perspectives on international affairs.

Czech Republic

The Czech contingent's six-month mission in Afghanistan is coming to an end. Czech soldiers serving under the US-led military operation "Enduring Freedom" are to return home between 15 and 20 September. This mission was the Czech Republic's first direct involvement in a combat operation since World War II.

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On 8 September, the Czech government approved a document that would allow for the deployment of 10,000 soldiers and hundreds of military vehicles in the event of a severe emergency. The cabinet outlined the six following scenarios

in which military forces could be used: terrorist attacks, extensive floods, forest fires, serious industrial accidents, cases of mass migration, and widespread epidemics.

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The Czech Republic has offered to provide rehabilitation for children involved in the tragedy in **Beslan**, North Ossetia. Czech charities and NGOs working in the region have contributed medical supplies, post-traumatic counseling, and other assistance.

Hungary

Ferenc Gyurcsany, the Socialist nominee for Prime Minister, can count on the support of the minor governing party, the Free Democrats (SZDSZ). SZDSZ Chairman **Gabor Kuncze** made the announcement after consultations with President **Ferenc Madl** on 7 September. Kuncze affirmed that the events leading to premier Medgyessy's resignation and the nomination of Gyurcsany were of a constitutional nature and not the result of a "coup" as the former prime minister had claimed.

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During the 8 September session of the Hungarian government, a draft constitutional amendment was

approved, which creates conditions for establishing a professional military. According to the proposal, it would be possible to reintroduce the draft with a 2/3-majority vote in parliament in case of a severe threat to the country's security.

Slovakia

Slovakia recently reaffirmed its candidacy for non-permanent membership of the UN Security Council for a two-year term beginning in January 2006. Slovakia has been applying for this position since 1999 and hopes to win the support of the UN General Assembly in October.

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In the World Bank report "Doing Business in 2005" released on 8 September, Slovakia was graded as the most reformist country in 2003 in terms of improving its investment climate. The study points out that over the past year Slovakia has made marked progress in bankruptcy and labor market flexibility, as well as in reducing the cost and time for firm registration. Slovakia was also ranked 18th in the list of the top twenty countries with the most investment-friendly business climate. Meanwhile, on 9 September,

the Slovak Statistical Office reported that the country's economy has grown by 5.4 percent in the second quarter of 2004.

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Eastern Slovakia is becoming an attractive region for foreign investors. Two Spanish firms chose Kosice as their new headquarters and an Austrian transportation firm opted for Michalovce. These investors are expected to create 600 jobs. The industrial park in Kechnec also became a target for European light machinery companies. So far, the American Molex and Belgian Gilbos have been the major investors in the 332-hectar park. In addition, a new industrial park near Spisska Nova Ves is expecting investors from Brazil, France, and Sweden.



Featured Photo: Torun, Poland

Baltic States Update

Lithuania

Lithuanian President **Valdas Adamkus** met on 6 September with UNESCO Director General **Koichiro Matsuura** to voice his continued dissatisfaction with Russian oil production at the Kravtsovskoye deposit on the Baltic Sea shelf. Adamkus expressed fear that the Kursh Spit, which is an UNESCO World Heritage site, would be harmed by the operations. Russia has evidently not lived up to its responsibilities to prepare for the ecological fallout of a possible accident. Adamkus expressed dissatisfaction that although an intergovernmental agreement between Vilnius and Moscow on joint actions in case of

an accident is only in its initial stages, oil extraction has already begun.

Estonia

On 3 September a bomb exploded in a street telephone booth in Tallinn and injured two people and caused damage to surrounding buildings. The Estonian police are investigating the incident, suspecting that it might be either a terrorist act or a settling of accounts between criminal groups.

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Estonia's leading commercial banks, Juhispank and Hansapank, have announced that they are accepting donations to the Fund of Assistance for the children in Beslan. The contributions

will be channeled to a special account with the North Ossetian department of the Red Cross Committee in one of the banks in the North Ossetian capital of Vladikavkaz.

Latvia

A delegation of the Latvian Defense Ministry, led by the Secretary of State **Edgars Rinkkevics**, is visiting the Republic of Georgia between 7 and 10 September. The purpose of the visit, among other things, is for the Latvian Defense Ministry to hand over to its Georgian counterpart 188 manpack army radio sets, SEM-70. The assistance is in fulfillment of a protocol on cooperation signed by the two ministries in June during the NATO summit in Istanbul.

Southeast European Update

Slovenia

On 4 September, Slovenian Foreign Minister **Ivo Vajgl** told EU foreign ministers at an informal meeting in Valkenburg, near Maastricht, that economic development in Kosovo is key for stabilizing the province. Following his visit to Kosovo last week, Vajgl stressed the need to encourage privatization and increase transparency in public contracting. He also believes that the EU should be more systematic in its policies for reviving agricultural production in Kosovo.

Croatia

On 9 September, Foreign Minister **Miomir Zuzul** was appointed head of the state delegation for negotiations on Croatia's admission into the EU. European Integration Minister **Kolinda Grabar-Kitarovic** was appointed to be his deputy and chief negotiator. For the success of the talks, Prime Minister **Ivo Sanader** requested collaboration between the negotiating team, major political parties, non-party officials, trade unions, and the association of employers. At its session on 9 September, the Croatian government decided to devise a national program on association with the EU for 2005. The final draft will be discussed in early December.

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Results from Transparency International's recent survey reveal that 86 percent of Croatians be-

lieve that corruption is rife in the country. The judiciary and the local administrations were considered most corrupt by 70 percent of respondents, 57.7 percent suspect there is corruption in the police, and 45.5 percent blame parliamentarians for being crooked. Among the factors encouraging corruption, according to poll participants, were the indifference of the authorities and the absence of effective sanctions.

Bulgaria

On 4 September a serviceman of the Bulgarian battalion in Karbala was lightly injured by a makeshift explosive device in an attack against his patrol. He received medical attendance upon the patrol's return to Kilo base, headquarters of the Bulgarian battalion. The attack happened at a time when officials in Bulgaria are debating whether Bulgarian troops should remain in their base in Karbala or move to Camp Lima, 10 km from the city, to improve their security.

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On 8 September Deputy Foreign Minister **Gergana Gruncharova** reaffirmed Bulgaria's commitment to the mission in Iraq. In response to recent calls for the withdrawal of troops, Gruncharova stated that the Bulgarian contingent will not return prematurely. She declined to specify any deadlines and instead pointed out that the Bulgarian presence in Iraq is at the invitation of the provisional Iraqi government

and that this presence will continue as long as it is needed.

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Defense Minister **Nikolay Svinarov** said on 8 September that his ministry's goal is to complete the privatization of the Terem military-industrial complex within the next six months. A meeting is scheduled with trade unions, whose cooperation will be sought in view of the potential lay-offs following the sale. According to Svinarov, Bulgarian companies together with Ukrainian and Western investors have shown an interest in the privatization. Asked about the potential purchase of a multipurpose jet fighter needed by the air force, Svinarov asserted that within the military modernization timeline, the project was considered a medium-range priority and he did not expect a contract to be signed soon.

Romania

On 5 September, an estimated 500,000 members of the ruling Social Democratic Party (PSD) voted in preliminary elections to designate PSD's candidates for parliament. PSD Chairman **Adrian Nastase** received most support as a candidate for the Chamber of Deputies, while **Sorin Oprescu** is first on the Senate list. After the votes were counted, PSD parliamentary leaders estimated that more than half of the current PSD MPs will not be included on lists for parliamentary

elections this fall. The leaders of the opposition National Liberal Party-Democratic Party Alliance (PNL-PD), **Traian Basescu** and **Theodor Stolojan**, launched a bitter attack against Prime Minister **Adrian Nastase** on 7 September, accusing him of misleading the Romanian people and cleansing his own party by holding the preliminary elections.

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Romania announced on 6 September it would take Ukraine to the International Court of Justice (ICJ) in an attempt to end a long-running dispute over the continental shelf and exclusive economic areas in the Black Sea. The announcement came on the eve of the 24th round of negotiations on the issue hosted in the Romanian Black Sea resort of Eforie Nord on 8-9 September. The Romanian decision to appeal to the ICJ is a consequence of frustration after six years of fruitless negotiations. The timing of the appeal also seems to be motivated by the recent Ukrainian project of building the Bystroe canal in a protected area of the Danube Delta.



Featured Photo: Dubrovnik, Croatia

Other Developments

European Union

On 14 September, Dutch Foreign Minister **Bernard Bot** hosted the biannual Gymnich meeting. The purpose of the meeting was to provide an informal setting for the foreign affairs ministers of the 25 EU countries to discuss issues of EU foreign policy and security.

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The EU has taken a step toward an integrated European security plan this week by adopting the paper "Security Research: The Next Step,"

which seeks to create and fund a European Security Research Program (ESRP) by 2007. Citing continuously improving technologies as the most important aspect of security, the recommendations will form a working basis for longer-term strategic goals.

NATO

On 6 September, NATO Secretary General **Jaap de Hoop Scheffer** convened an emergency session of the Russia-NATO Council to discuss the recent tragic events in Russia.

Ambassadors from the 26 members of the Alliance and Russia adopted a joint statement condemning terrorism and expressing condolences to the Russian citizens. The participants also denounced the explosions on two Russian airliners and near the Rizhskaya Metro station in Moscow. Although the declaration expressed the determination of NATO countries and Russia to fight jointly the threat of international terrorism, the meeting did not come up with specific initiatives on NATO-Russia anti-terrorist collaboration.

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