

Renewing Dialogue on European Security: A Way Forward

Report on outreach events of the Panel of Eminent Persons on European Security as a Common Project in 2016

23 November 2016

The Panel of Eminent Persons on European Security as a Common Project was launched at the OSCE Ministerial Council in Basel in December 2014. It was commissioned by the Swiss OSCE Chairmanship in close co-operation with two other members of the 2015 OSCE Troika, Germany and Serbia. The Panel, composed of 15 eminent personalities, has been tasked to prepare the basis for an inclusive and constructive security dialogue across the Euro-Atlantic and Eurasian regions, and to reflect on how to re-build trust to enhance peace and security in the OSCE area on the grounds of the Helsinki Final Act and the Charter of Paris. In June 2015, the Panel published its Interim Report “Lessons learned for the OSCE from its engagement in Ukraine”, and in November 2015 the Final Report “Back to Diplomacy” on the broader issues of security in Europe and the OSCE area at large. In a follow-up to the publication of these reports, a number of outreach events have been initiated by various Panel members throughout 2016 in order to discuss their findings and recommendations, and to stimulate dialogue and exchanges on how to rebuild trust and confidence in Europe. These events took place in various OSCE capitals and were organized either on margins of larger multilateral conferences or in close co-operation with leading institutions in the field of international security and foreign policy. The following report attempts to summarize key points and ideas from various outreach activities of the Panel of Eminent Persons over the past year.

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Main Points

- The **security situation in Europe** is more **unstable and unpredictable** than one year ago when the PEP issued its final report, therefore a “robust process of active diplomacy” is even more urgent.
- The OSCE should be used as the forum for promoting détente and dialogue as part of a “**dual-track strategy**” - NATO for deterrence, OSCE for détente.
- There is a need to capitalize on the momentum of the Steinmeier initiative and the US non-paper both calling for “**structured dialogue**”.
- The dialogue should focus on a number of **clearly defined areas**, within a **specific timeframe**, with **specific objectives**.
- The dialogue process should be initiated with a **clear political signal**, i.e. at the OSCE Ministerial Council in Hamburg.
- To be successful, the process needs **buy-in** from all OSCE participating States.
- A **core group** comprising the OSCE Troika and interested parties should drive forward and support (including financially) the process.
- The dialogue process should conclude with a **Summit meeting**, ideally at the end of 2017 or in early 2018.
- The OSCE should push for **risk reduction measures** to prevent military incidents and accidents, and to improve crisis management when such an incident occurs.
- Concerning the resolution of the crisis in and around **Ukraine**, there needs to be a closer link between the political and the operational levels. The OSCE should be part of a Ukraine Contact Group (comprised of the Normandy Group and signatories to the Budapest Memorandum).
- The interim PEP report on lessons learned for the OSCE in Ukraine should be followed up, *inter alia* with a broader discussion on the future of **OSCE peace operations**.
- There is a need for a greater **analytical capacity** and a **mapping process** to better understand perceptions, and to identify areas of **convergence**.
- Steinmeier’s proposal provides a good basis for initiating a new **dialogue on conventional arms control**.
- Negotiation formats for dealing with protracted conflicts should be used as a way of **building confidence among the mediators**, not just the parties to the conflicts.
- Inclusive discussion is required on the security of “**states in-between**”, and more broadly on **security regimes/guarantees**.
- Activities and events under the German OSCE Chairmanship demonstrate the potential of “**economic connectivity**” as a topic for promoting cooperation, and for engaging civil society and the business community.
- More effective use of **economic confidence-building measures** is needed, particularly across boundaries.
- Structured security dialogue will be difficult, but it is essential in order to de-escalate tensions and improve cooperation. As the OSCE Chairperson-in-Office said, “it would be **irresponsible not to try**”.

***DISCLAIMER:** This report summarizes key points and ideas from the outreach events of the Panel of Eminent Persons on European Security organized in 2016. The text was prepared by the Panel’s Support Team and the views expressed herein represent interpretation of discussions and outcomes from the Panel’s outreach events as perceived by the drafters. They do not necessarily reflect positions of the Panel members or of the OSCE.*

Introduction: One Year Later, More Urgent than Ever

It has been one year since the Panel of Eminent Persons on European Security as a Common Project (PEP) presented its final report entitled *Back to Diplomacy*. In it, the Panel members warned that “European security is in grave danger” and that “the situation is more uncertain and precarious” than during the Cold War. They said “this crisis can be resolved only through a **robust process of active diplomacy**”.

To emphasize this point, to disseminate the findings, and to encourage a broader discussion on European security, Panel members held a number of outreach events in 2016 (see annex). During these events, Panel members repeatedly stressed the need for participating States to de-escalate tensions, de-militarize their relations, and take steps to improve the security environment in Europe.

Germany, in its capacity as OSCE Chairmanship in 2016, has taken up a number of the suggestions made by the Panel. However, the process thus far has been **slow, ad hoc and disjointed**. While there is consensus that Europe is in crisis, there is no strategy on how to get out of it.

Lately there have been some signs of change. In early July, a resolution adopted by the OSCE Parliamentary Assembly at its 25th annual session in Tbilisi welcomed the recommendations of the PEP and called on participating States to use them as a point of departure for “**substantial discussions on European security**”. In an article published on 26 August 2016, OSCE Chairperson-in-Office and German Foreign Minister, Frank-Walter Steinmeier, called for “**structured dialogue**” on conventional arms control in Europe.¹ This was echoed in an American non-paper of 20 September 2016 that called for a broader structured dialogue on European security. The challenge now is to figure out how such dialogue can be structured: and to initiate it.

This report recalls the main findings of the two PEP reports from 2015, and summarizes salient points raised in the PEP outreach process in 2016. It outlines the contours of a structured dialogue on European security

including possible issue areas and modalities. This is consistent with the Panel’s mandate “to prepare the basis for an inclusive and constructive security dialogue across the Euro-Atlantic and Eurasian regions”.

A Dangerous and Unpredictable Security Environment

In the year since the publication of the final PEP report, the security situation in the OSCE area has deteriorated further.

The war in Syria has increased tensions between the great powers and brought them into close proximity, with sometimes deadly consequences like the shooting down of a Russian warplane by a Turkish fighter jet on 24 November 2015. There has been a dangerous number of near misses between NATO and Russian aircraft, violations of airspace, as well as the provocative buzzing of naval ships by warplanes in the Baltic and Black Seas. On the ground, snap exercises, deployments and war games in close proximity to the other side have taken place.

There has been little progress in implementing the Minsk agreements, both at the political level and on the ground. The Presidents of France, Germany, Russia and Ukraine met only once in the Normandy Format in the past year (in Berlin on 19 October 2016). Despite a cease-fire, shelling on both sides continues in eastern Ukraine and the number of fatalities and displaced persons increases daily. There is no agreement on the holding of local elections in the Donetsk and Luhansk regions, or how these elections should be organized and monitored.

Belligerent rhetoric, including veiled threats to use nuclear weapons, has increased – particularly since the NATO Summit of 8-9 July 2016. Sanctions remain in force. Arms control talks are stalled. Even worse, there is a growing risk that existing agreements will unravel. For example, in October 2016 Russia suspended implementation of a landmark agreement to dispose of weapons-grade plutonium.

As pointed out in the final PEP report, there is no commonly accepted status quo. The laws of war and the rule of law have been broken.

¹ Frank-Walter Steinmeier, “Reviving Arms Control in Europe”, *Project Syndicate*, 26 August 2016.

Because of this heightened sense of risk and unpredictability, it is **more urgent than ever to rebuild trust and reconsolidate European security** as a common project.

The PEP and its follow-up

The Panel of Eminent Persons was launched under Switzerland's Chairmanship of the OSCE at the OSCE Ministerial Council in Basel in December 2014. The establishment of the Panel was controversial from the outset because some participating States disagreed with "outsourcing" a debate on fundamental issues of European security. On the other hand, this debate was not possible within OSCE negotiating and decision-making bodies because of the **toxic environment** created by the crisis in and around Ukraine in 2014. Therefore the 2015 OSCE Troika, with the support of some like-minded countries, pushed forward the initiative, even without consensus.

The Panel was also not able to come to consensus on a number of key issues. In its final report it starkly laid out competing narratives that clearly illustrate the different interpretations of events in Europe since 1990 and different views on the causes of the breakdown of trust. And while Panel members did not agree on the causes of the current crisis, they were unanimous in characterizing today's situation as the most dangerous for several decades. They also put forward a number of proposals for improving the situation. In particular, they called for a "robust political and diplomatic process" to be set in motion to overcome the present crisis.

Thus far, such a process has not started. And yet, as described above, the security situation in Europe today is even worse than a year ago.

While some states may have disagreed with the establishment of the PEP and may not have been fully satisfied with the outcome of the process, the issues that the PEP was tasked to address have not gone away. And there is still very little constructive dialogue in the OSCE.

As one of the Panel members warned at the presentation of the final report at the 2016 Munich Security Conference, the PEP reports will either go down in history as the tombstone of a strategic process designed to enhance security and cooperation in Europe (which

began with the Corfu Process, continued with the Astana Summit, V-to-V Dialogues, and Helsinki+40), or they will be the keystone of a new process. **The choice is up to participating States.** As one participant at the outreach event in Riga on 29 October pointed out, "no expert panels can find answers to the current problems of European security as real solutions can be only those that are negotiated and implemented by policy makers. That is why the PEP report does not give answers but provides diagnosis of the situation and suggests how answers could be found."

Therefore, the challenge is to take the ideas generated by the PEP and the outreach process and see how they can be **brought back into the multilateral framework.**

Changing Perceptions and Narratives

One of the most striking features of the final PEP report was a frank description of the **different interpretations of events in Europe since 1990** and the causes of the breakdown of trust. As one of the main drafters of the report, Robert Cooper, explained, the narratives show that history is contested: "The report tells the story of how the hopes of 1989 became the hostility of 2015".² As the PEP report pointed out, the "differing interpretations are both a symptom and a cause of the crisis in European security. At the very least they point to a serious failure in communication".

That **lack of communication** has continued in the past year. There are few high-level meetings or contacts. Rhetoric is increasingly belligerent. Force projection designed as a deterrent is viewed by the other side as an act of aggression. Both Russia and the West feel that the other side is making hostile and provocative moves in its vicinity. Both are testing the defences and resolve of the other. This is dangerous. As the final PEP report warned, "in the past many countries have misjudged the implications of their actions and have miscalculated the reactions of others. If they were to do so in the new circumstances this could lead to an even more dangerous confrontation". This warning was repeated in almost every PEP outreach event.

² Robert Cooper, "Europe and Russia: Five Statements, Five Questions", Judy Dempsey's Strategic Europe, Carnegie Europe, 4 February 2016.

In the PEP outreach process, there was a call for **greater analytical capacity to map out areas of convergence and divergence**. This point was stressed in the US non-paper which suggested that a structured dialogue should include “Threat perceptions of OSCE participating States in all three dimensions, including current and protracted conflicts, as well as transnational and multidimensional threats and challenges”. Carrying out such a process at the inter-state, rather than the academic, level could be a confidence-building measure in itself, like the *OSCE Strategy to Address Threats to Security and Stability in the Twenty-First Century* from December 2003. In the process of working on such an updated strategy, participating States could realize that they have more in common than they think – and that addressing most challenges to national security requires multilateral cooperation.

Another over-arching priority – emphasized in several of the outreach meetings – is the **need to change the narrative**. For example, as one speaker at a PEP outreach event said, there is no point in warning about a new Cold War: we are already in it. Therefore, it is essential to understand the danger and the sense of urgency, and move back from the brink instead of further brinkmanship. If the parties admit that they are in a state of confrontation, they should work to manage and structure such confrontation. As the Chair of the PEP put it in an article that appeared in the *Financial Times* on 24 January 2016, “a return to jointly managed stability would be good for all”.³

At a number of PEP outreach events, like the meetings in London, participants called for a **“double-track strategy”**: **deterrence and détente**. While most of the attention has been on strengthening NATO’s defence capabilities, several PEP members underlined the need for keeping channels of dialogue open through the OSCE. As PEP Chair Wolfgang Ischinger wrote in an essay in *Spiegel Online* just before the Warsaw NATO Summit, “we need to make sure the two tracks are well-balanced: visible military measures, yes, but please more than just fuzzy rhetoric on the second, on the cooperative side!”⁴

Many participants in PEP outreach events acknowledged that the **OSCE is the most inclusive and comprehensive forum for addressing European security issues** and should therefore be used more robustly to restore peace, cooperation and stability. For instance, at the meeting in Rome on 8 March the European Union was encouraged to work more effectively with and through the OSCE. This idea was taken up in the EU Global Strategy, issued in June 2016, which says that the OSCE “lies at the heart of the European security order. The EU will strengthen its contribution within and its cooperation with the OSCE as a pillar of European security”.⁵

In a PEP outreach event, one participant cautioned against making simplistic parallels with the past. The world today is considerably different than that of the 1980s. While there are tensions between Russia and the West reminiscent of the Cold War, the global landscape has changed and states – including the most powerful – are confronted with common threats that they did not face to such a degree before 1990, including cyber threats, massive movements of people, organized crime, violent extremism, and climate change. Therefore, the rhetoric of the past should be avoided. Instead, fresh thinking and approaches should be taken to address shared threats and challenges. To this end, it would be particularly useful to engage youth.

It was also stressed that it is vital to **change the narrative away from a confrontational and bipolar “spheres of influence” mentality**; Europe’s new neighbourhood vs. Russia’s “near abroad” – Euro-Atlanticism vs. Eurasianism. And we should move back to the idea of common and indivisible security, and the vision of a European security community. As the OSCE Chairperson-in-Office wrote in his editorial: “increased security for one side must not be perceived by the other side as reducing its own security”.⁶

The bottom line is to **re-establish order in Europe**. A recurrent theme in PEP meetings and outreach events was the need for a rules-based system. As Wolfgang Ischinger wrote,

³ Wolfgang Ischinger, “The end of the cold war proves diplomacy can work today”, *Financial Times*, 24 January 2016.

⁴ Wolfgang Ischinger, “How to Deal with an Aggressive, Yet Weak Power”, *Spiegel Online*, 07 May 2016.

⁵ See “Shared Vision, Common Action: A Stronger Europe”, *A Global Strategy for the European Union’s Foreign and Security Policy*, June 2016, pp. 33-34.

⁶ Frank-Walter Steinmeier, *Project Syndicate* (Ibid.).

“we do not need new rules. We need to create a context where the existing rules can work”.⁷

Risk-reduction measures

The first and most urgent step identified by the Panel was the **need for more effective measures to reduce the risk of military accidents or incidents**. This view was widely shared among participants in the PEP’s outreach activities. For example, at a PEP-related event at the GLOBSEC in Bratislava, many speakers expressed concerns that a military accident or incident could quickly escalate and trigger an unintended direct confrontation. Unfortunately, as pointed out in a recent report by the European Leadership Network, such dangerous close encounters have become part of the “new normal”.⁸

To deal with this issue, the Panel recommended the **reactivation of the NATO-Russia Council (NRC)**. A meeting of the NRC was held on 13 July 2016, but little progress was made.

Currently, there are a number of bilateral agreements between NATO member states and Russia, based in particular on the model of the US-Russia agreement on the prevention of Incidents at Sea from 1972. As the PEP report pointed out, existing bilateral agreements, including the US-Russia Air Safety Protocol on Syria or the US-China agreement also provide possible models.

In general, according to the experts, the issue is best dealt with bilaterally, it is highly technical, and requires operational decisions in real-time.⁹

That said, there is **scope for the OSCE to play a role in this issue**. The 2011 Vienna Document contains relevant risk reduction mechanisms. These could be further enhanced, particularly related to consultation and cooperation as regards unusual military activities as well as hazardous incidents.

In the Panel’s outreach activities in Washington on 19-20 May 2016, several experts noted the need, not only for an incidence avoidance mechanism, but also a **crisis management mechanism** for dealing

with the situation after such an incident occurs (“the day after”).

However, this issue, like others, cannot be dealt with in an apolitical vacuum. States are provoking incidents to test each other, and to show resolve. This is due to an overall lack of trust. Therefore, the challenge is to improve relations at a political level in order to reduce military engagement.

The sticking point is the Minsk agreements.

Ukraine: from cease-fire to peace agreement

In the past year, there has been little progress in the **implementation of the Minsk agreements**. At the highest political level, there has been only one meeting of the Normandy Group. The Trilateral Contact Group has continued its work, including through Working Groups on Political Issues, Humanitarian Issues, and Security Issues. The Special Monitoring Mission (SMM) has grown in size in order to more effectively monitor the cease-fire. But the SMM’s daily reports show that the cease-fire is regularly violated on both sides.

A major sticking point has been organizing and running **elections in the Donetsk and Luhansk regions**. According to the Minsk agreement of 11 February 2015, these elections are supposed to be held in accordance with relevant OSCE standards and monitored by OSCE/ODIHR. However, the conditions are not yet ripe to hold such elections, nor is the security situation stable enough to enable monitors to work safely in many localities. This has set off a debate on how to create adequate conditions, *inter alia* by having armed personnel (i.e. police) working under the OSCE flag. This issue was discussed during the Panel’s visit to Kyiv on 30 April 2015. At the time, it was noted that the SMM is a civilian monitoring operation and that any change to its mandate could open a wider debate. The merits of a possible OSCE hybrid operation (i.e. OSCE/EU or OSCE/UN) were also discussed, along with alternatives to an OSCE presence. This issue was hotly debated at the PEP outreach event in Kyiv on 15 September 2016. But none of these hybrid options was considered politically possible under the circumstances. This remains the case today.

⁷ Wolfgang Ischinger, *Financial Times* (Ibid.).

⁸ See „Avoiding Hazardous Incidents in the Euro-Atlantic Area“, workshop report of the European Leadership Network, 21-22 September 2016.

⁹ Ibid.

However, the Panel recommended **reinforcing the operations and capabilities of the SMM** so that, as well as monitoring, it can contribute to building peace. This has been done, particularly through brokering local truces, confidence-building measures, and facilitating the delivery of humanitarian assistance. In its interim report, the Panel pointed out that there is further scope for the SMM in this area – for the Mission “to move in the direction of de-escalation and reconciliation”.

Since the PEP’s interim report, the mission’s strength has increased to close to 700 monitors, most of whom are stationed in the east of the country. The SMM has made effective use of technology, not least to overcome restrictions on movement and access. However, its work remains handicapped by many of the issues raised in the interim report. These should be addressed, along with a wider discussion on the future of OSCE peace operations based, *inter alia*, on lessons learned from the organization’s work in Ukraine outlined in the PEP’s interim report.

The PEP final report notes that the **implementation of the Minsk agreements** “will provide not a solution to the crisis, but a breathing space”. This point was stressed by one of the Panel members in an outreach event at the 2016 Munich Security Conference when he said “the Minsk agreements represent a basis for a sustainable ceasefire but not a sustainable peaceful settlement of the conflict in and around Ukraine”.

To that end, the Panel recommended the **creation of a Ukraine Contact Group** that would bring together the Normandy Quartet and the signatories of the Budapest Memorandum (a proposal that was supported by many at the outreach event in Kyiv). Some have suggested including the OSCE Chairmanship and/or Troika in the Contact Group. This point was subtly made in the Panel’s interim report that called for a strengthened link between the Normandy Group and those responsible for monitoring and implementation. This idea has not come to fruition, perhaps since the OSCE Chairmanship in 2016 (Germany) is a leading member of the Normandy Group, so this year the OSCE is *de facto* represented. But if, as a result of Brexit, the United Kingdom is looking for a more independent role in foreign policy, and if the new US President chooses to invest political capital in resolving the crisis in and

around Ukraine and improve relations with Russia, and if future Chairmanships like Austria and Italy want a say on the political strategy of the international community in Ukraine, then **the OSCE needs a seat at the table**.

Arms control and CSBMs

Concern about a new arms race, including with new technologies, was expressed in a number of PEP outreach meetings. While arms control will not be the easiest entry point for structured dialogue, it should certainly be part of the package. This includes updating (and making use of) the 2011 Vienna Document, updating the Open Skies Treaty, and a new and comprehensive conventional arms control regime.

In several outreach meetings, the need for **more military to military exchanges** was stressed, *inter alia* in the context of the OSCE (as prescribed in paragraph 30 of the Vienna Document). It was also suggested to have more discussions on military doctrines. Several participants also highlighted the need for greater involvement of civil society in politico-military dialogue.

The **empowerment of the OSCE with a more authoritative and institutionalized neutral verification capacity** as a way of building trust was also stressed. To build trust, and avoid a repeat of the break-down of arms control talks in the late 1980s, one PEP member suggested – during an outreach meeting - to invite Russian experts to cooperate with NATO experts on the missile defence system.

The OSCE Chairperson-in-Office has outlined five areas that should be included as part of a **re-launch of arms control**.¹⁰ He said that we need agreements that:

- define regional ceilings, minimum distances, and transparency measures;
- take into account new military capabilities;
- integrate new weapons systems;
- permit effective, rapidly deployable, flexible, and independent verification in times of crisis (carried out by, say, the OSCE);
- can be applied where territorial status is disputed.

¹⁰ Frank-Walter Steinmeier, *Project Syndicate* (Ibid.).

It will be difficult to launch such a process, but it would be a vital confidence-building measure. As the OSCE Chairperson-in-Office pointed out, “arms-control agreements, history has demonstrated, are not the result of existing trust – they are a means to build trust where it has been lost”.¹¹

Unresolved Conflicts and the States “in-between”

As the final PEP report observes, “the core need is to deal with the problem of those countries whose security status is contested”. In particular, attention is required to **resolve the protracted conflicts**.

Thus far, the existing negotiation frameworks have been unaffected by the sour mood created by the conflict in and around Ukraine. For example, France, Russia and the United States continue to work together for a settlement of the Nagorno-Karabakh conflict as Co-Chairs of the Minsk process. The US, EU, Russia, and Ukraine work together in the 5+2 format to resolve the Transdniestrian issue, and Russia and the United States work together in the Geneva International Discussions on Georgia. Therefore, these negotiation frameworks should be used as a means of building confidence among the mediators as much as the parties to the conflicts. Working together to resolve one of the protracted conflicts in the OSCE area would demonstrate that all sides are still committed to resolving conflicts in Europe rather than starting new ones.

This should be part of a bigger process designed to show that **countries situated between Russia and the West can be bridges between the two**, rather than a buffer or war zone. Such countries – like Belarus, Georgia, Moldova and Ukraine (described by some as “security orphans”) – should be encouraged to have good political and economic relations with all of their neighbours, rather than being forced to choose an exclusive relationship with one side or the other.

At a PEP-related GLOBSEC session in Bratislava on 16 April, some speakers warned that while Moscow’s policy of creating a buffer zone of weak and badly governed countries

might indeed prevent further expansion of Western institutions, resulting deliberate disorder and chaos would pose serious security risks and threats for both Russia and Europe in the long term.

As one participant said at the PEP outreach meeting in Rome, “Europe’s long-term goal should be finding a geopolitical and economic understanding with Russia concerning these states”. It was emphasized at several PEP outreach meetings that any discussions about “states in-between” should involve those states. They should be a party to such talks, not the subject of them. “We should avoid a repeat of the Congress of Vienna or Yalta”, said one of the Panel members at an outreach event in Warsaw on October 27. Furthermore, as stressed during one of PEP outreach meetings in London, it is important to deal with these countries individually, not collectively: they each have different perspectives and interests, and should not be seen as a monolith.

Of course, this process must respect the **fundamental right of sovereign states to choose their own security arrangements**. For example, any country has the sovereign right to apply for membership to NATO. But as the PEP final report points out, “at the same time the applicant country and NATO collectively as well as their neighbouring states have a collective responsibility to work together to strengthen the security of Europe as a whole where legitimate security interests of everyone are protected.” This harks back to the notion of “common security”.

More concretely, the PEP report suggested the exploration of **security regimes**. This is essential since there is little faith in security guarantees as a result of the demise of the 1994 Budapest Memorandum. Therefore, it would be useful to have a thorough discussion within the OSCE on security regimes, both in the context of resolving protracted conflicts, as well as in relation to neutral and non-aligned countries, and those that have given up their nuclear arsenals.

The final PEP report highlighted the need for the OSCE to play a more active role in implementing **measures aimed at normalizing the lives of people** in or near the territories concerned. Some small steps have been taken in recent years to add economic confidence-building measures to the OSCE

¹¹ Ibid.

toolbox, and to facilitate the delivery of humanitarian assistance. Since, as the Sustainable Development Goals have illustrated, there is a clear link between sustaining peace and sustaining development, the OSCE should further explore ways that it can help step up economic measures and promote cross-border/boundary trade and contacts. It should also demonstrate to parties the potential peace dividend of resolving protracted conflicts.

Economic Connectivity

In its final report, the PEP stressed the need for **economic connectivity**. This issue was considered a taboo just two years ago, but thanks to the German OSCE Chairmanship it is now high on the agenda. A business conference on “Connectivity for Commerce and Investment”, held in Berlin on 18 May 2016, showed the broad interest in this theme, including from the business community and civil society.

In the OSCE context, economic connectivity can be considered in a number of contexts: relations between Europe and Asia; between the European Union and Eurasian Economic Union (EEU); and trans-boundary cooperation, particularly in the context of **economic confidence-building measures**.

For instance, at the OSCE Security Days conference in Berlin on 23-24 June 2016, it was suggested to create a trilateral format involving the OSCE, EU, and EEU to discuss economic confidence-building measures. Another suggestion was to look at countries that have good relations with both the EU and the EEU, and promote that model so that these countries increase their markets and options rather than being forced to choose. It was also suggested to promote the harmonization of standards between the EU and EEU (based on WTO standards) to increase benefits for all.¹²

The Panel suggested exploring the possibility of creating a “**quick and light**” **mechanism for resolving trade disputes** in the OSCE area. In that respect, it may be worth drawing on the expertise of the OSCE Court on Conciliation and Arbitration (which has never been used), or create an expert group (as

suggested by the PEP) to look at this and other economic connectivity issues.

When the time is ripe, the OSCE – as recommended by the PEP – should consider the creation of an international committee of relevant stakeholders to promote **economic development in Ukraine**. This could potentially strengthen the leverage of the Trilateral Contact Group, and work in close consultation with the Ukraine Contact Group.

A PEP outreach event in Athens on 10 May 2016 focused on the issue of migration and refugees. The challenge posed by **large flows of people on the move** highlights the issue of connectivity, both in terms of how the world has become more inter-connected, as well as how conflict and underdevelopment have created mixed flows of refugees and migrants. That said, as pointed out at the Athens meeting, the issue is a humanitarian, political and social challenge, not just an economic one. A number of recommendations were made which were communicated to the OSCE Informal Working Group on Migration and Refugee Flows.

Clearly, the second dimension is taking on a new relevance. Indeed, in a radical reverse of the past 30 years, the economic and environmental dimension is no longer the “empty basket” and, at the moment, is one of the few **entry points for dialogue between Europe and Russia** (and countries farther East). This is a fact which, by necessity, should be further developed.

Modalities, Sequencing and Timing

A recurring theme throughout the PEP outreach process was the need for dialogue. After all, a lack of constructive dialogue was what motivated the Swiss Chairmanship to create the PEP in the first place.

The PEP recommended that the Chairmanship should organize the “**robust process of active diplomacy**” bilaterally or in small groups, or through structured working groups, regularly informing the Permanent Council of developments.

This is easier said than done. There is a fatigue among participating States of open-ended frameworks (like the Corfu process, the

¹² OSCE, “From Confrontation to Co-operation: Restoring Co-operative Security in Europe – Conference Report”, 23-24 June 2016, <http://www.osce.org/sq/256446>.

V-to-V dialogues, and Helsinki+40) designed to promote security and cooperation in Europe and strengthen the effectiveness of the OSCE. Furthermore, as noted above, there is resistance by many OSCE participating States to enter into a dialogue with Russia until there is progress in the implementation of the Minsk agreements. As Wolfgang Ischinger wrote in his Foreword to the final PEP report: “it would not make sense to discuss architecture while the house is burning: such discussions can begin seriously only when the Minsk agreements have been implemented.” Otherwise, goes the argument, states would be acting as if the situation was “business as usual”, or would even reward bad behaviour.

The counter argument is that precisely because the situation is so bad, it is important to talk, to prevent misunderstandings and to de-escalate the situation.

Diverse views on dialogue were expressed in the PEP outreach events. For example, at a PEP meeting in London it was said that dialogue should not be seen as a reward or a punishment: it should take place without conditions. One participant pointed out the irony that the OSCE used to be accused of being a “talk shop”, “but now we have lost the habit of dialogue”. At the Rome meeting, it was underlined that pragmatism should not be interpreted as compromising on principles, but as assessing realistically the state of affairs and perspectives for mutual cooperation under current circumstances. At the Warsaw event, one participant warned that a lack of dialogue is increasing the risk of **misperceptions, mistrust, and mistakes**. In short, there was a widespread view that it is precisely in times of crisis that dialogue is most needed. One does not have to agree with the other side, but one cannot ignore them. As a participant at the Kyiv event said, “talking only to your friends is bad diplomacy”.

So how should such a security dialogue be structured?

Firstly, such a process should be launched by **a high-level political signal**, ideally at the Hamburg Ministerial Council in December 2016. This would be a major accomplishment for the German Chairmanship that has sought to **renew dialogue, rebuild trust and restore security**. A Ministerial statement or decision on the need for dialogue on European security could emphasize that all participating States

are concerned by the break-down of trust and dialogue, and the militarization of relations. They could acknowledge that they have different perceptions on the factors leading to an erosion of trust and cooperation, but agree that they have a common interest in improving the situation. They could recall and reiterate their shared ambition to create a European security community, as agreed at the Astana Summit. And they could agree to begin a **structured security dialogue** that would focus on a number of **specific areas**, within a **specific timeframe**, with **specific objectives**. The process would require buy-in by all participating States. It must be inclusive to be successful.

That said, there will be variable levels of interest and participation. It would be advantageous to have **a core group of states** which drive the process, starting with the OSCE Troika and a self-selecting group of states that champion the process and provide support (including extra-budgetary contributions as necessary). Like the PEP, the process should be assisted by a light support team.

The process itself should be considered part of the solution. As the US paper points out, “a structured dialogue on aspects of security in the OSCE region could serve as a confidence- and security-building measure in and of itself”. The negotiations between 1972 and 1975 leading to agreement on the Helsinki Final Act, or the types of preparatory meetings that used to precede OSCE Summits are good precedents.

Concerning **modalities**, the American proposal of 20 September provides a useful starting point: “The OSCE Chairmanship-in-Office could direct this focused work of the PC and FSC in separate and joint meetings, including special focused meetings, and organize additional events – with experts and/or reinforcement from capitals – to exchange views on security issues in all three dimensions, to highlight the ongoing work of the Organization, and to consider practical steps the Organization could take to make additional contributions to the security environment in Europe”. The OSCE’s Committees, the Forum for Security Cooperation, as well as the Parliamentary Assembly should also be involved. There should also be opportunities for external

experts as well as youth representatives to provide input.

Informal meetings should also be planned throughout 2017 (particularly in Austria) in creative formats – outside the Hofburg – to encourage fresh thinking. There should be at least one high-level meeting in this format (e.g., on the margins of the Alpbach Forum) to provide an opportunity for senior officials to meet, particularly after elections in a number of key OSCE states like the US, France and Germany.

The **security dialogue** should be launched before the end of 2016 (ideally at the Hamburg Ministerial Council), and continue through 2017. As the PEP report recommended, the process should conclude with a **Summit meeting** (ideally at the end of 2017 or in early 2018) since “the questions at issue are of a nature and urgency that requires the involvement of Heads of State or Government”. In that respect, a clear endorsement from German Chancellor Angela Merkel would give the process a strong boost.

In conclusion, a **dialogue on European security as a common project** is highly urgent, and the OSCE is the place to have it. The process will be difficult. But as the OSCE Chairperson-in-Office, German Foreign Minister Steinmeier observed in his editorial, “it would be irresponsible not to try”.¹³

¹³ Frank-Walter Steinmeier, *Project Syndicate* (Ibid.).

Annex: List of outreach events of the Panel of Eminent Persons on European Security as a Common Project in 2016

Outreach events of the Panel of Eminent Persons

- **28 January 2016, Basel** (Switzerland): public event *“Discussion Panel on PEP Report and Security in the OSCE Region”* co-organized with Swisspeace
- **14 February 2016, Munich** (Germany): side event *“Reconsolidating European Security”* at the 52nd Munich Security Conference, co-organized with the Munich Security Conference
- **8 March 2016, Rome** (Italy): public event *“The EU, the OSCE and the Future of European Security”*, co-organized with the Istituta Affari Internazionali (IAI)
- **10 May 2016, Athens** (Greece): public event *“Migration, refugees and European security: fostering cooperation, building coalitions”* co-organized with the Hellenic Foundation for European and Foreign Policy (ELIAMEP)
- **19-20 May 2016, Washington DC** (United States): bilateral meetings and public event *“The Role of Diplomacy in the Future of European Security”* co-organized with the Atlantic Council and the Chicago Council on Global Affairs
- **14 June 2016, London** (United Kingdom): closed meetings with the European Leadership Network, the European Bank for Reconstruction and Development, and the Royal Institute of International Affairs (Chatham House)
- **15 September 2016, Kyiv** (Ukraine): public event *“The Ukraine Crisis and the Future of European Security”* co-organized with the Diplomatic Academy of Ukraine and Institute for Global Transformations
- **27 October 2016, Warsaw** (Poland): breakfast session *“Back to Diplomacy: the Future of Cooperative Security in Europe”* at the Warsaw Security Forum 2016, co-organized with the Casimir Pulaski Foundation
- **29 October 2016, Riga** (Latvia): morning discussion *“Prospects of Co-operative Security in Europe: Back to Diplomacy?”* at the Riga Conference 2016, co-organized with the Latvian Transatlantic Organisation (LATO)

Participation of individual Panel representatives at relevant events and conferences

- **7 April 2016, Berlin** (Germany): OSCE Chairmanship conference *“The Future of the OSCE”*
- **16 April 2016, Bratislava** (Slovakia): GLOBSEC, night-owl session *“Europe and Russia: Days of Future Past”*
- **5 October 2016, Vienna** (Austria): OSCE Chairmanship conference *“The Future of the OSCE II”*, panel discussion *“Co-operative Security – New Challenges and Institutional Demands”*
- **14 October 2016, Belgrade** (Serbia): 6th Belgrade Security Forum, conference session *“What Choices for Countries in Between in an Increasingly Divided Europe?”*