Foreign & Commonwealth Office (UK)

British Ambassador to Bulgaria on foreign policy in a less stable neighbourhood

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It is a great pleasure to be invited here today by The Atlantic Club Varna to speak. I came at the invitation of a great Bulgarian, a great man of Varna and at least half a Scot Ambassador Ivan Stancioff, and I am sure you all join me in wishing him a full and speedy recovery from his recent accident.

Coming to Varna from Sofia, you see a different Bulgaria. I myself come from an island. We islanders have a special relationship with the sea. It is our protection, but also our gateway to the world.

Varna is the nation's maritime capital, a trading centre whose horizons stretch over the Black Sea and ultimately across the whole world.

So whereas in Sofia, I think perhaps about Bulgaria's internal, political issues; in sea-faring Varna, I naturally find myself thinking about the external world. About foreign policy.

Bulgaria is both a Balkan country and a Black Sea state. We have only to look at Bulgaria's history to see its strategic importance as at a cross-roads of Europe. After a period of focus elsewhere, I think that the strategic importance of the Black Sea and Balkan region is rising up the international agenda. Indeed, this year I inspected British troops taking part for the first time in years in an exercise at Novo Selo.

Regrettably, both the Black Sea and Balkans are now less stable, less safe places than they once were.

The cause is what British Foreign Secretary Philip Hammond has described as an "arc of instability" around Europe. That instability has many manifestations:

from Arab Spring failures in Libya and Egypt that have led to internal conflict

to the full-blown disaster that is today's Syria

to ISIL's barbarism in Syria and Iraq

to Russia's aggression against Ukraine and illegal annexation of Crimea

building on its occupation or encouragement of separatism in Georgia and Moldova

to ongoing tension in the Western Balkans and Russian efforts to attract countries away from the EU.

Bulgaria is directly affected by many of these problems, and indirectly by them all. The UK and other EU Member States are likewise affected.

Our response needs to be at three levels:

multilateral, working together whether in the EU, UN, NATO or in ad hoc coalitions

bilateral, working with individual partner countries

and domestic, ensuring that the external threat is met by an internal response.

Russia/Ukraine

Of those different challenges, the biggest, and most threatening to the Balkan and Black Sea region, comes from Russian aggression in Ukraine. There may be disagreement in the EU about the right response, but let us not disagree about what happened.

A European country has been invaded, ultimately because a pro-Russian government fell to protesters who wanted to sign an agreement with the EU. The illegal annexation of Crimea took place in less time than it takes to buy a car in Bulgaria, although this may say as much about Bulgarian bureaucracy as it does about Russian planning.

Russia has supported separatists with weapons, resulting in the tragic, criminal loss of flight MH17. And Russia has sent its own troops to fight in Ukraine, with the mounting death toll hushed up.

At times in the past 25 years, the EU has referred to Russia as a strategic partner. That status is dead and buried. However much we may admire Russian culture, and be friends with the Russian people and trade with Russian companies, we cannot ignore the fact that the post-Cold War settlement has been ripped up by Russia. It turns out we didn’t know what we thought we knew.

As European nations, and as the EU collectively, we have to unite against the threat from Russia. We have done so primarily through sanctions, targeted at individuals and companies who have encouraged aggression and stand to benefit from it. Those sanctions have had an impact. Russia’s economy is predicted soon to enter recession.

We have also moved to prevent Russia acting like a normal member of the international community, eg through its suspension from the G8. It will be a long, long time before Russia can take up a place back in the family of “normal” nations.

Acting collectively at EU level is - clearly - made harder by the dependencies some countries have on Russia. I am not one of those that wrings their hands over the slow European response. It is precisely because we are not autocracies, but democratic, market economies that some of us have over the past 25 years allowed ourselves to make market-based decisions, which have made it difficult to unite cohesively and directly against Russia's actions.

Energy

But if we had a warning in 2009 with the gas war with Ukraine, we have got red flags, flares, and sirens going off all around us now. We have no excuses: we must diversify our economies and especially our energy sources to make ourselves capable of swift and uncompromising action in the future. The best deterrent of all to the Russia we see developing is to take away Russia's power to threaten us.

Bulgaria has a pivotal role to play on this energy diversification, both domestically and regionally. Bulgaria could and should be a crucial link between Azeri gas flowing along the Southern Corridor pipeline route from 2019 and the rest of South East and Central Europe.

Bulgaria already has a contract in place for 10% of that gas - 1 bcma - from 2019. Yet despite it being a priority project ever since I arrived here, there is no sign of progress on building an inter-connector to get it here. If Bulgaria continues to fail this test, then Croatia will build a pipeline down the coast to Albania and this country, with its desire to be an energy hub will be bypassed. You can't be an energy hub if you don't have proper links to your neighbours.

Beyond this basic building project in its own back yard, Bulgaria could be a lead player in regional efforts to develop markets, pressing Romania to upgrade its gas ring, and pushing for the necessary inter-connectors with Serbia, Romania, Hungary and further afield. If it is to be a regional hub, then Bulgaria will also need adequate storage, at Chiren and Galata.

And Bulgaria needs the open energy markets that go with this infrastructure revolution, starting at the regional level and the ideas proposed by Hungary, Poland, Czech Republic, Slovakia, Romania and Bulgaria (the V4+). Those countries propose moving faster and going further than the EU as a whole in creating a single energy market.

Domestically, there is much more to be done on energy security. In addition to the diversification that will come from Azeri gas and even LNG, Bulgaria has its own potential resources in the Black Sea. I find it baffling that the country is not doing all that it can to encourage exploration and production; instead, the authorities seem at times to act to prevent the exploitation of Bulgarian gas.

I do not want to tread on a sensitive area so soon after an election, but I would have thought that it was in Bulgaria's interest to at least know what the picture is on unconventional

hydrocarbons, including shale gas. Now it is for every country to make its own decision. Following extensive north American experience, the UK is certain that it is possible to exploit the benefits of shale whilst managing the risks. It is certainly not any business of mine if Bulgaria wishes to say “no, the risks outweigh the benefits”. But surely to make a risk/benefit calculation you need to know what the benefits are…what’s actually underneath the soil of Bulgaria.

Whilst risking controversy, let me risk a bit more. Bulgaria’s government could shine the spotlight of transparency on the South Stream gas deal. Let us be clear what South Stream is not. It is not a contribution to energy security, in terms of diversifying sources of supply. No new molecules of gas will flow into Europe. No non-Russian gas will flow.

Whilst its supporters argue that South Stream will potentially benefit Bulgaria by bringing gas directly from Russia, there is very little known about the price Bulgaria will pay. The European Commission, along with many observers, is deeply suspicious of the tendering process for the onshore part of the pipeline. Let it be reviewed openly in the Bulgarian national interest, not because a foreign institution is demanding it. And whilst the UK cannot see an economic or political case for South Stream, if it goes ahead, it is absolutely clear that it must 100% meet EU legal requirements and rules.

The last element of energy security is to use less of it. Negawatts are cheaper than megawatts. Bulgaria is the most energy inefficient country in the EU. That might sound like bad news… but the good news is that there are low-hanging fruit to be plucked! A comprehensive energy efficiency programme would save money for consumers and the state and reduce dependencies. You may not have thought of insulating material as a strategic weapon before, but think again.

European Neighbourhood Policy

Bulgaria is according to polls the most pro-Russian EU member state. This is not a choice between Russia and the West, but between values: on the one hand of democracy and an international rules-based organisation like the EU; on the other President Putin. In that I believe Bulgaria has already made its choice.

But the same may not be true of other countries in the region. As EU Member States, we need to revisit the European Neighbourhood Policy (ENP). We have taken too much of a one size fits all approach and it hasn’t worked well enough.

We should differentiate: some countries are on the road to EU membership, and indeed need to adopt standards and policies. But many others are not in that camp. We need to be more transactional: identifying what we want, and giving what they want more rapidly and with fewer conditions.

It has to be of concern to us that Putin's Russia is able to attract admirers in our Balkans backyard. Bulgaria could be a regional leader in the Balkans, sharing its experience as a country that has close historical, cultural, religious, ethnic and trade ties with Russia, but that has taken a clear decision to go down a western, European path.

Indeed Bulgaria has a huge amount to gain from orienting itself as the European gateway between on the one side, the Western Balkans and the other Turkey, with its aspirations for EU membership, and its fast-growing economy.

Taking a longer-term perspective, as those countries get closer to EU membership, that makes for a set of like-minded partners to add to Bulgaria's voting weight.

Syria, Iraq and ISIL

We do not only see threats to the east of Europe. To the South East, too, in particular with the rise of ISIL and instability in Syria, we need to join up our multilateral, bilateral and domestic efforts.

We are already seeing individual Member States, including Bulgaria, playing a role in ensuring that local forces on the ground have the capacity to deal with ISIL. The US, UK and others have carried out air attacks on ISIL positions. A coalition has formed.

This is not a theatre where the EU and its institutions are going to take a lead role. It is neither the right problem, nor the right sort of problem. But in addition to our individual actions and policies, there is a lot we can do collectively.

Getting humanitarian aid into Syria - and Iraq - is vital. The EU is also well-suited to the task of helping Syria's neighbours to deal with the flow of refugees and attempts to destabilise them, especially in Jordan and in Lebanon. An EU candidate country - Turkey - has huge numbers of refugees to house and should attract our support.

But we need also to ensure that we are making the right links between external events and our collective and individual internal policies.

ISIL is a threat as a potential haven of instability for those terrorist groups with ambitions to attack the West. It is also attracting huge numbers of foreign fighters, including many from EU countries, who travel to take part in this conflict. They are already radicalised, and whilst many will become swiftly disillusioned, for others the fire will burn more brightly and the weapons-handling skills they have learned raises a serious threat to our countries and peoples.

That presents us with a challenge at every level.

We have to become much better at sharing passenger information for internal EU journeys across internal borders, and at ensuring we toughen up our rules on requiring passenger details in advance of travel.

We need to be more robust at stopping individuals whom we suspect of travelling to Syria: free movement is not an absolute right for EU citizens. I want countries that police Europe's border, such as Bulgaria, to feel completely confident in stopping suspicious Britons and sending them back to the UK.

We value enormously our relationships with DANS and other Bulgarian organisations. We rely on the co-operation we have with them. It is a comfort for us to know that our Bulgarian colleagues care as passionately about terrorism and the threat to our countries as we do, and always walk the extra mile to help protect us. As we all adjust to this new threat we face, we need to exchange best practice and information freely.

I know that after elections there is always a desire to reform government structures, and that this is a particular temptation on the security side. I hope that whoever assumes power in Bulgaria will ensure that DANS and other agencies are able to continue to operate at their current high levels and do not go through a debilitating change process that undermines them just when they are needed most.

In this post-Snowden, post-Assaunge age, we should remember that we rely on our intelligence agencies to protect us: whilst it is right that we consider questions of data protection carefully, let us not put ourselves in a situation where we consider those charged with protecting us more dangerous to us than those who openly state they want to kill us. Let us ensure that our laws and procedures protect us.

Conclusion

In my first year here, Hizbullah killed six people including one Bulgarian citizen at Bourgas airport. Last year, the conflict in Syria spilled over into Bulgaria in the form of a wave of refugees. Both were unexpected, and both go to show how quickly foreign policy can become domestic. In just that way, the Russia/Ukraine issue might feel like foreign policy for those further away. But in Bulgaria and the region, it feels domestic.

My conclusion is that as the world around our shores becomes more dangerous and unpredictable, the case for the UK and Bulgaria to engage with that world becomes stronger. Failure to do so exposes us to greater, future risk.

As we do so, we cannot think of foreign policy as something that diplomats and MFAs do abroad, buried in the inside pages of the newspapers, with little real consequence.

We need instead an integrated response, with co-operation between countries in broad collective endeavours, but also separately. We need to ensure our domestic agencies and policymakers are playing their full role. Energy policy is foreign policy now. Domestic security is integrally linked to our foreign policy response.

We need to remember the lessons of the seafarers of Varna and Great Britain. We know in our hearts that we only know for sure what we can see on this side of the horizon. The ship that appears could be bringing war or trade.

We cannot ignore the world around us. And it matters too much to us to leave it to the diplomats! It is the business of us all now.

Source: https://www.gov.uk/government/speeches/hma-jonathan-allen-on-foreign-policy-in-a-less-stable-neighbourhood