

## The Shanghai Cooperation Organisation

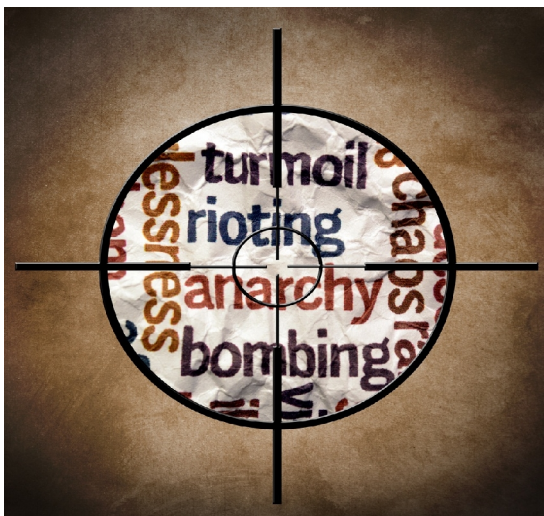
### SUMMARY

With China, Russia, and four Central Asian states – Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan – as its founding members, the Shanghai Cooperation Organisation (SCO) is one of the world's biggest regional organisations in terms of population represented.

To date, the SCO has largely concentrated on regional non-traditional security governance and specifically its fight against regional terrorism, ethnic separatism and religious extremism. But the SCO Charter sets out a broad range of other objectives and areas of cooperation, which go far beyond security concerns and thus bear great potential for further regional integration.

The SCO's main achievement thus far is to have offered its members a cooperative forum to balance their conflicting interests and to ease bilateral tensions. It has built up joint capabilities and has agreed on common approaches in the fight against terrorism, separatism and extremism. However, major shortcomings, such as institutional weaknesses, a lack of common financial funds for the implementation of joint projects and conflicting national interests have prevented the SCO from achieving a higher level of regional cooperation in other areas.

A first expansion in SCO membership – expected for July 2015 – driven by new security threats, geostrategic considerations, energy security and the economic interests of current SCO members, is likely both to raise the SCO's regional and international profile and present new challenges.



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## Background

The Shanghai Cooperation Organisation (SCO) is one of the world's biggest regional organisations in terms of population represented (21.8% of the world's total population), covering 19.6% of the world's land area.<sup>1</sup> Its founding members are China, Russia, and four Central Asian states: Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan. Since its inception in 2001 as a regional organisation for **non-traditional security cooperation**, it has been primarily concerned with the fight against regional terrorism, ethnic separatism and religious extremism. Partly due to the sensitivity of its area of activity, the SCO has kept a comparatively low profile, with limited outreach activities, and thus is certainly one of the less known regional organisations worldwide.

However, this is likely to change. New regional security challenges – the strong re-emergence of Islamist extremism, the potential threats associated with foreign fighters returning from Iraq and Syria, and the looming security vacuum in Afghanistan after the drawdown of the International Security Assistance Force (ISAF) mission in 2014 – are all security-related [motivations](#) for SCO leaders to agree on raising the SCO profile through enlarging its membership. Russia's recent more eastward orientation following frictions with the West over Ukraine, and China's ambitious [westward](#) or '[marching west](#)' strategy, and its emerging [Silk Road Economic Belt project](#), are also crucial geopolitical and economic drivers behind this decision.

At the SCO Council of Heads of State summit held in Dushanbe, Tajikistan, in September 2014, and after years of protracted debate, SCO leaders finally [formalised](#) the administrative, financial and legal requirements for the admittance of new members. Current SCO observers **India** and **Pakistan** are [set to](#) become fully fledged members at the July 2015 SCO summit in Ufa (Russia) under the Russian presidency, which will also finalise the SCO [2025](#) development strategy.

This membership expansion will extend the SCO's geographical reach to South Asia, and will increase potential for multifaceted cooperation, notably in security and energy matters. While the SCO is poised to significantly raise its regional and international clout with Indian and Pakistani accession, new security challenges for the SCO (Kashmir conflict) may also arise. SCO expansion will inevitably lead to a new balance of power within the organisation, which, despite the SCO's touted principle of equality, has so far been heavily dominated by China and Russia.

## The evolution of the Shanghai Cooperation Organisation (SCO)

### The 'Shanghai Five'

The SCO developed from the informal 'Shanghai Five' mechanism in place between 1996 and 2001 to facilitate multilateral negotiations on border demarcation issues between **China, Russia, Kazakhstan, Kyrgyzstan** and **Tajikistan**, which arose from the Soviet Union's disintegration in 1991. The 'Shanghai Five' settled long-standing territorial disputes, determined border positions and agreed on the demilitarisation of border areas as a confidence-building measure.<sup>2</sup> The conclusion of the Sino-Russian strategic partnership in 1996 was crucial for this process.

China was the main driver behind the transformation of the ad hoc 'Shanghai Five' process into a formal regional, collective, non-traditional security mechanism, designed to develop common policies and measures to address regional extremism, terrorism and separatism.

In 1996, China launched its 'Strike Hard' campaign in its restive western [Xinjiang Uighur Autonomous Region \(XUAR\)](#) against separatist groups or '[splittists](#)'. These groups were supported by various militant outfits operating in neighbouring countries, notably in Central Asia, and Afghanistan, Pakistan and Turkey have served as safe havens and training grounds for them.

While China's concern has been to ensure national unity and suppress the external support for the Uighur cause,<sup>3</sup> other members of the 'Shanghai Five' have seen similar threats to the stability of their states and regimes. Russia faces separatism in Chechnya and in the Caucasus, and the Central Asian states, fraught with problems linked to recent statehood and weak governance, have been struggling with Islamist movements, such as the Islamic Movement of Uzbekistan (IMU) and the Islamic Party of Liberation ([Hizb ut-Tahrir](#)) which calls for the establishment of an Islamic Caliphate across Central Asia and the Middle East.<sup>4</sup> To a varying degree, they are all concerned about potential spill-over effects from Islamist extremism in their neighbourhood, specifically from the Taliban in Afghanistan.

### The Shanghai Cooperation Organisation (SCO)

The [SCO](#) was established as an intergovernmental regional organisation in Shanghai, China, in June 2001 – prior to the 11 September 2001 terror attacks and the subsequent US-led operations against Al-Qaeda in Afghanistan. **Uzbekistan** was the sixth founding member beside the Shanghai Five. No new members have been admitted, but the number of observers and dialogue partners has regularly increased.<sup>5</sup>

In early 2015, the SCO consists of six members: **China**, **Russia** and the Central Asian Republics of **Kazakhstan**, **Kyrgyzstan**, **Tajikistan** and **Uzbekistan**. **Mongolia** (2004), **India** (2005), **Iran** (2005), **Pakistan** (2005) and **Afghanistan** (2012) are observers. **Belarus** (2009), **Sri Lanka** (2009) and **Turkey** (2013) have the status of dialogue partners.

A category of guests may be invited to attend (summit) meetings on an ad hoc basis. The Association of Southeast Asian Nations (**ASEAN**), the Commonwealth of Independent States (**CIS**) and non-aligned **Turkmenistan** are examples.

The SCO brings together six countries with very different military, political and economic weights: two nuclear and 'UN veto' powers – China and Russia – and four smaller Central Asian countries with considerable conflict potential (ethnic, border and [water conflicts](#)) between them, and which constitute a buffer zone between China's and Russia's regional interests.

The SCO cooperative framework was designed to accommodate this considerable asymmetry in power levels between SCO members and their different political systems, ideologies and religions.

Figure 1 - SCO members, observers and dialogue partners



Source: [Russia's Role in the SCO and Central Asia: Challenges and Opportunities](#), 2014, p. 13

*The SCO's cooperative framework*

The SCO is unique in at least two aspects. It requires unprecedented power balancing between two major regional and international players who co-lead the organisation. In addition, it embraces principles and values which are largely inspired by China's [foreign-policy thinking](#). Driven by its aspiration of a peaceful rise, China has shaped a multilateral leadership model based on a normative culture of inclusiveness and flexibility – similar to the cooperative culture prevailing in [ASEAN](#) – as an alternative to Western norms and values.

In line with the **Shanghai spirit** which includes 'mutual trust, mutual advantage, equality, mutual consultations, respect for cultural variety and aspiration for joint development', the SCO's 'spirit of the roundtable' privileges informality, consultation among equals and consensus-based decision-making over hierarchical relationships among states and formal voting procedures.<sup>6</sup> SCO leaders have often portrayed the SCO as a '[new model](#)' of [cooperation in] international relations – a partnership instead of [an] alliance' reflecting their vision of a multipolar world order as opposed to a unipolar world order based on US hegemony and unilateralism.<sup>7</sup>

The SCO Charter places strong focus on traditional [Westphalian principles](#), such as state sovereignty and non-interference in the internal affairs of other states to preserve the political status quo, territorial integrity and state security. This emphasis on the maintenance of the political status quo has implications for the nature of the regional security policy, which is inherently directed at fending off political influence from extra-territorial actors (such as the EU and the US) and any military presence (the US and NATO) which could lead to regime change.<sup>8</sup>

Although the protection of human rights as an obligation of individual member states under international law is also listed in the SCO Charter – albeit less prominently – it is clearly subordinated to the fight against separatist, extremist and terrorist groups, which in practice at individual member state level has included the suppression of riots and uprisings, and even peaceful dissent.<sup>9</sup>

*Areas of cooperation*

The broadness of the SCO's potential areas of cooperation, derived from a long list of objectives and tasks, reflects a comprehensive security concept which is inspired by China's '[New Security Concept](#)'. The main objectives of the SCO [Charter](#) are:

- 'to consolidate multidisciplinary cooperation in the maintenance and strengthening of peace, security and stability in the region and promotion of a new democratic, fair and rational political and economic international order;
- to jointly counteract terrorism, separatism and extremism in all their manifestations, to fight against illicit narcotics and arms trafficking and other types of criminal activity of a transnational character, and also illegal migration;
- to encourage efficient regional cooperation in such spheres as politics, trade and economy, defence, law enforcement, environment protection, culture, science and technology, education, energy, transport, credit and finance, and also other spheres of common interest.'

**Key SCO political agreements**

- 2001: [Declaration](#) on the establishment of the SCO
- 2002: SCO [Charter](#)
- 2007: [Treaty](#) on Long-Term Good-Neighborliness, Friendship and Cooperation

**Key SCO principles**

Mutual respect of sovereignty, independence, territorial integrity of states and inviolability of state borders, non-aggression, non-interference in internal affairs, non-use of force or threat of its use in international relations, seeking no unilateral military superiority in adjacent areas as well as equality of all member states.

This wide range of activities potentially brings the SCO into conflict with competing Russian-led regional communities, such as the [Collective Security Treaty Organization \(CSTO\)](#), a true military alliance with a mutual military defence clause and a [collective rapid-reaction force](#), and the [Eurasian Economic Community \(EurAsEC\)](#), replaced as of January 2015 by the [Eurasian Economic Union \(EEU\)](#), which includes Central Asian countries but excludes China. The SCO is the only regional organisation on former Soviet territory that brings together Russia and China on an equal footing, and is not dominated by Russia alone.<sup>10</sup> In geopolitical terms, conflicts of interest between China and Russia in retaining within, or drawing the four Central Asian countries which are SCO members into, their spheres of influence have inevitably limited SCO activities in areas going beyond non-traditional security.<sup>11</sup>

Non-traditional security cooperation was given most attention during the initial years of the SCO's operation. This is evidenced by the creation of an SCO anti-terror structure and the development of a comprehensive legal framework on transnational crime. [Joint anti-terror military exercises](#) organised almost annually in bilateral or multilateral formats on a voluntary basis have become the most visible sign of SCO security cooperation, although the SCO has never attempted to build its own anti-terror force. This would duplicate the CSTO's [Collective Rapid Deployment Forces \(CRDF\)](#).

In 2003, SCO leaders approved a [programme for multilateral trade and economic cooperation](#) setting out over 100 projects, including the intention to make the free movement of goods, capital, services, and technologies a reality within two decades. Its implementation has so far shown [little progress](#). SCO energy and economic cooperation has encountered major obstacles due to the sometimes strongly diverging national interests of SCO members and a lack of SCO funds to finance joint projects. Although SCO transport and infrastructure cooperation has been identified as an area of priority and of shared interest, frictions with Russia are [emerging](#) with the ambitious infrastructure projects under China's Silk Road Economic Belt scheme.

Since 2005, in the wake of the 'colour' revolutions in Georgia (2003) and Ukraine (2004) as well as the Tulip revolution in Kyrgyzstan (2005), the SCO has engaged in election observation in SCO member states, with results sometimes at odds with other election-observation organisations.<sup>12</sup> The socioeconomic dimension of SCO activities has become more diversified, with people-to-people contacts having emerged as a core interest and the creation of a [SCO university](#) added to the SCO agenda.

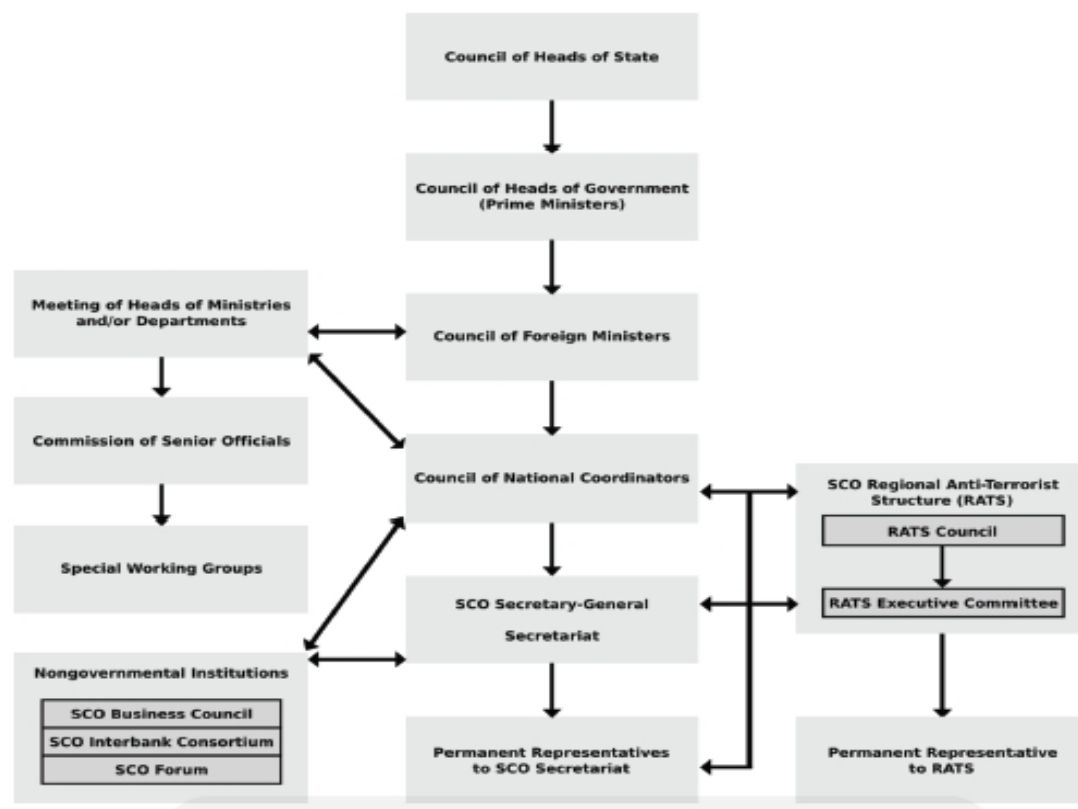
#### *Organisational structure*

The [SCO](#)'s main decision-making body is the Council of Heads of State. The chair rotates each year to one of the six Heads of State. Like the Council of Heads of Government, it is convened at annual summits. Councils of Ministers and National Coordinators meet more regularly. The SCO's official languages are Chinese and Russian.

The SCO is an intergovernmental organisation with two permanent coordinating [bodies](#):

- a Beijing-based secretariat for administrative and technical support, operational since 2004 and overseen by a Secretary-General, and
- a **Regional Anti-Terrorist Structure (RATS)**, initially headquartered in Bishkek (Kyrgyzstan), but transferred to Tashkent (Uzbekistan) in 2004. It is directed by a Council and Executive Committee.

Figure 1 - The organisational structure of the Shanghai Cooperation Organisation



Source: [International Peace Institute](http://www.ipi.org), 2013.

Apart from an extensive web of [working groups](#), no other permanent body has been created to deepen formal cooperation in other fields of potential cooperation. Three non-governmental institutions were established, however, building on the informal nature of SCO cooperation:

- the [Interbank Consortium](#), also referred to as Interbank Association, was formed in 2005 to provide funding for joint investment projects and coordinate activities between various regional financial institutions;
- the [Business Council](#) was established in 2006 to facilitate cooperation between business and financial institutions and coordinate joint projects;
- the [SCO Forum](#) was set up in 2006 to provide scientific expertise, to carry out joint research projects and to maintain ties with academia.

#### *Financial resources*

The SCO has a modest central budget (US\$3.8 million in 2005; the current amount is classified)<sup>13</sup> to cover the running costs of the two permanent bodies. China and Russia each contribute 24%, Kazakhstan 21%, Uzbekistan 15%, Kyrgyzstan 10% and Tajikistan 6%.<sup>14</sup> Concern has been voiced that the different financial contributions which allow for corresponding representation within the SCO bodies may privilege Chinese and Russian projects. Another issue has been insufficient funds for SCO joint projects. The [lack of consensus](#) between Russia's proposal to launch a Development Fund (Special Account) and China's initiative to create a [Development Bank](#) has been a major obstacle for years. Common agreement seems to have been found recently, however, as large-scale [investment](#) through the future SCO Development Bank was announced at the end of 2014.

### **The Regional Anti-Terrorist Structure (RATS)**

RATS, staffed by the SCO members, is a focal point of knowledge and expertise for the exchange of information and intelligence with national authorities. It maintains a [database](#) of blacklisted terrorist organisations and (suspected) terrorists for the use of SCO member states. Its [working language](#) is Russian. As of April 2010, it managed [lists](#) of 42 organisations and over 1 100 persons. The body also supports the drafting of SCO agreements and conventions. In 2014, it signed a memorandum of understanding (MoU) with [Interpol](#).

The Structure has attracted [criticism](#) from human-rights defenders based on the broadness of its definitions of terrorism, separatism, and extremism which could serve to suppress any form of civil dissent and regime opposition.<sup>15</sup> It has been argued that the SCO has used a legal grey zone, as an internationally agreed definition of terrorism does not yet exist. [Concern](#) has also been expressed about the secrecy of the management of blacklists and databases as well as the [simplified](#) extradition procedure without prior investigation (Article 23 SCO Convention against Terrorism). Although the UN system of counter-terrorism blacklisting is similar to the SCO regime, the SCO has not established comparable [human-rights safeguards](#).<sup>16</sup>

Over time, the scope of activities covered by RATS has expanded to cover a broader range of transnational crimes, including relating to 'information security'. The SCO has developed its own regional norms for cyberspace governance, inter alia aimed at [restricting](#) the dissemination of information supporting terrorism, extremism and separatism. Although they were submitted to the UN, [conflicting interests](#) between the West, led by the US, on the one side, and China and Russia on the other, as to what aspects should be regulated, have prevented an international treaty on cyberspace from being formalised. Moreover, the SCO [agreed](#) on an anti-narcotics strategy for 2011-16 with a view to [counteracting terrorist financing](#), including the coordination of SCO members' internal policies. China has [proposed](#) to step up cooperation in countering drug trafficking and to enhance the competence of RATS in this area.

#### *Special focus on Afghanistan*

In 2005 the SCO and Afghanistan, at that time not yet an observer, established a Beijing-based [contact group](#) to address drug trafficking, cross-border crime and intelligence sharing. In 2009, a Joint [Action Plan](#) with Afghanistan was [signed](#) at an Afghanistan conference organised under the auspices of the SCO and with EU, UN, and US participation. While the UN in 2014 [commended](#) the SCO for its commitment 'on issues vital for Afghanistan's peaceful and stable future', it also stressed that 'for these efforts to be effective and sustainable, it is critical that they are underpinned by respect for human rights and fundamental freedoms.'

#### *New challenges: foreign fighters*

In an October 2014 [briefing](#) to the UN Counter-Terrorism Committee, RATS noted that it had identified new threats emanating from extremists from SCO countries fighting in conflict zones in Afghanistan, Pakistan and Syria as a priority area. [Uighur militants](#) have [reportedly](#) linked up with radical Islamists such as the 'Islamic State' (ISIL/Da'esh) in Afghanistan, Iraq and Syria.

#### *Outreach*

In 2004, the SCO obtained observer status at the UN General Assembly ([A/RES/59/48](#)). In several subsequent General Assembly resolutions ([A/RES/64/183](#); [A/RES/65/124](#) and [A/RES/67/15](#)) on UN-SCO cooperation the SCO has been praised for its work. In 2008, an SCO-UN Economic and Social Commission for Asia and the Pacific (ESCAP) MoU was [signed](#). A [joint declaration](#) on cooperation between the SCO and the UN Secretariat dates from 2010. In 2011, the SCO and the United Nations Office on Drugs and Crime (UNODC) [signed](#) a MoU. The SCO has established contacts with [ASEAN](#) and the Russian-led organisations, CIS, EurAsEC, CSTO, and the Central Asian Regional Information and

Coordination Centre ([CARICC](#)), and also with the Turkish initiatives, Economic Cooperation Organization ([ECO](#)) and the [Istanbul Process](#).

### SCO achievements

The SCO's main achievement is to have provided a cooperative forum for consultations, which has allowed both smaller and bigger members to [balance](#) their national **interests** and **powers** in the geographic area. Exchanges within the SCO have contributed to a certain extent to [easing inter-state tensions](#), such as the competition between Kazakhstan and Uzbekistan for regional leadership, and disputes between Kyrgyzstan, Tajikistan and Uzbekistan on border issues and the [Ferghana Valley enclaves](#). However, some bilateral conflicts, such as on [water](#) sources, have [reportedly](#) proved too controversial to be settled in the framework of consensus-based conflict resolution.

In non-traditional security cooperation, SCO members have reached tangible results. **Joint capabilities** have been set up to fight against terrorism, separatism and extremism, such as the institutional structure for intelligence exchange and managing a blacklisting regime, RATS. Since its creation, **RATS** is said to have contributed to preventing '[some 1 000](#)' terrorist attacks and to arresting 650 terrorists. The SCO has adopted a long list of agreements and conventions on transnational crime<sup>17</sup> (see box) serving as a legal basis for practical action. The harmonisation of national legal structures and law enforcement practices is on-going but slow. [Joint military exercises](#) have been staged regularly since [2002](#). These anti-terror drills are conceived as exercises in trust-building and mutual learning. They also act to intimidate and as a deterrence tool. The SCO Charter, notably its non-interference principle, however excludes joint deployment of SCO member states' armed forces in one SCO member state. Although the joint drills are training for the fight against terrorism, separatism and extremism, they tend to take the form of simulated intervention against uprisings similar to the 2005 civil [protests](#) in Andjian, Uzbekistan, which resulted in several hundred casualties.<sup>18</sup>

In terms of **trade** the picture is extremely positive, although the dynamic development is not based on multilateral projects but rather driven by bilateral agreements that may be said to have been facilitated under the SCO umbrella. In 2012, [trade](#) between SCO member states surpassed US\$4.9 trillion and has more than quadrupled since 2003, compared to the average global trade growth for the same period which more than doubled. But, this may partly result from the low starting point (China). In terms of investment in transport infrastructure, China stands out. Its [energy engagement](#) with the region both through investment and loans has dramatically increased.

#### Key SCO agreements

- 2001 [Shanghai Convention](#) on Combating Terrorism, Separatism, and Extremism
- 2002 [Agreement](#) on the Regional Anti-Terrorist Structure (RATS)
- 2004 [Agreement](#) on Cooperation in Combating Illicit Trafficking of Narcotic Drugs, Psychotropic Substances and Precursors
- 2005 [Agreement](#) on Cooperation in Providing Assistance in Emergency Situations
- 2006 [Agreement](#) on Cooperation in Identifying and Blocking the Channels of Penetration on the Territory of SCO Member States of Individuals Involved in Terrorist, Separatist and Extremist Activities
- 2008 [Agreement](#) on Cooperation in the Fight against Illicit Trafficking of Weapons, Ammunition, and Explosives
- 2009 [Agreement](#) on Cooperation in International Information Security
- 2009 [Convention on Counter-Terrorism](#)
- 2010 [Agreement](#) on Cooperation in the Fight against Crime
- 2014 [Agreement](#) on Facilitation of International Road Transport



## SCO shortcomings

The SCO has frequently been criticised for its [slim record](#) of achievements, its focus on [more form than substance](#), and its production of 'a great deal more rhetoric than action'.<sup>19</sup> [Criticism](#) points mainly to the **lack of political will** and **internal cohesion** as well as **institutional weaknesses** resulting in the gap between initiatives announced and their actual implementation. Shortcomings in implementation are linked to the **lack of financial resources** and the **diversity of members' domestic and foreign policies**. In addition, SCO members are reluctant to transfer competence to the SCO to monitor and enforce the implementation of collective decisions.<sup>20</sup> Apart from the ambitious 2003 [programme for multilateral trade and economic cooperation](#), the 2006 Russian initiative of [creating a 'unified energy market'](#) or [Energy Club](#) is a case in point (see box).<sup>21</sup>

In the fields of traditional security and economic cooperation, **rivalry** and **diverging views** between Russia and China have seriously obstructed progress in the SCO's integration.<sup>22</sup> Contrary to China, Russia has been eager to strengthen SCO-CSTO military cooperation, while China has advocated the creation of an [SCO free trade zone](#) to boost economic integration. This has not only been [opposed](#) as an unacceptable competitive challenge by Russia but also by the Central Asian states.

A major shortcoming is the SCO's **limited effectiveness** as a security body, as evidenced by its failure to respond with constructive engagement to situations such as the 2010 [unrest in Osh](#), Kyrgyzstan. Given its principle of non-interference and the absence of a collective reaction mechanism, the SCO took a passive stance.<sup>23</sup> This calls its *raison d'être* as a security organisation into [question](#).

Analysts [argue](#) that the SCO's traditional and non-traditional security cooperation must be improved. They express doubts as to whether extensive joint military drills are an efficient and pertinent tool to address individual suicide bombers or social unrest. In 2012, SCO leaders approved a new non-military [collective response mechanism](#) for 'responding to situations that put peace, security and stability in the region at risk' which theoretically allows SCO members to intervene politically and diplomatically in other SCO members in case of internal conflicts. This new mechanism has not yet been tested.<sup>24</sup>

Moreover, there is a **discrepancy** between SCO **objectives and principles** on the one hand, and SCO members' **action** on the other, which severely undermines the SCO's credibility and image. While SCO members [condemned](#) the Russian invasion of Georgia in 2008, they have remained silent on Russia's 2014 annexation of Crimea. In the vote

### The SCO Energy Club

In 2006, Russia proposed the creation of an SCO Energy Club as a non-governmental advisory body to coordinate the energy policies of SCO energy suppliers and consumers.

The proposal was propelled by a series of bilateral energy projects launched in Central Asia with Chinese but without Russian participation. The Energy Club project thus reflects Russia's interest in pooling energy projects under the SCO umbrella in order to enhance Russia's participation in the energy field and thus its presence in the region.

In 2013, seven years after the Russian proposal, a MoU on the Establishment of the SCO Energy Club was [signed](#) by SCO members, observers and dialogue partners. So far it provides a discussion platform for business and government agencies. From the Russian perspective, it has the potential to develop into a ['self-sufficient energy system'](#) and 'serve as a platform for price coordination and energy cooperation management in the region.'

[Analysts](#), however, are sceptical about the Energy Club's prospects and point to competing interests among suppliers striving for profit maximisation and between suppliers and consumers seeking energy security.

on the UN General Assembly [Crimea resolution](#) all SCO members [abstained](#), neither condemning Russia's actions nor endorsing them, despite them being clearly [at odds](#) with SCO principles and declarations.

### SCO enlargement

In 2010, SCO leaders [defined](#) the criteria for the admittance of new members, which include inter alia the requirement of having diplomatic relations with all SCO members and the status of an SCO observer or dialogue partner, not being involved in an armed conflict with an SCO member, nor under UN sanctions. Thus [Iran](#) cannot currently be considered for membership. Even without Iran, SCO enlargement to India and Pakistan would significantly increase the SCO's representativeness.

Some commentators have stressed that SCO enlargement might further [weaken](#) the SCO's vulnerable internal cohesion and that new members – [India](#) and [Pakistan](#) – could be 'potential international liabilities'.<sup>25</sup> Long-standing bilateral conflicts, such as the Kashmir issue and the [China-Indian border disputes](#), would very likely be exported into the SCO. Moreover, some [analysts](#) forecast friction between China and India, as they are [rivals](#) for influence across South Asia. Both are [energy importers](#) and thus potential competitors for energy supplies from Central Asia. In addition, it has been [argued](#) that SCO membership for India, a sound democracy, would be a considerable challenge for SCO members who have frequently been labelled '[a club of authoritarians](#)' given their poor democratic credentials. At the same time, India's membership could make the SCO more attractive as a dialogue partner and increase the SCO's [legitimacy](#).

The inclusion of Pakistan as a member would give the SCO jurisdiction to expand the fight against terrorism, separatism and extremism alongside the porous Pakistani-Afghan border where many non-traditional security threats originate.<sup>26</sup> The admission of India and Pakistan could broaden but also narrow the scope for economic and security cooperation, since existing internal rifts and increased difficulty in achieving consensus among more members might have a negative impact on multilateral projects. [Commentators](#) have stressed that since India is one of the United States' closest political allies, its SCO membership would 'alleviate [existing perceptions](#) that the organisation is merely a loose collection of non-western states'. Others have [asserted](#) that it will weaken US strategies to contain China and Russia, and render sanctions against Russia toothless.

### What EU approach to the SCO?

The 2007 [EU Strategy for Central Asia](#), confirmed in [2012](#) and again in [June 2015](#), aims at a balanced bilateral and regional approach to the region. It states that a regional approach is suitable for tackling common regional challenges, such as organised crime, human, drugs and arms trafficking, and terrorism. It adds that the EU is prepared to 'enter into an open and constructive dialogue' with regional organisations in Central Asia and to 'establish regular ad hoc contacts' with them. Although the SCO is also mentioned, no official relations exist between the EU and the SCO.

Ad hoc meetings between the EU Special Representative (EUSR) for Central Asia and the SCO Secretary General as well as with former EU High Representative Javier Solana on the margins of other events are said to have taken place.<sup>27</sup> It seems that there is a lack of political will on both sides for deeper engagement, although the door has been left open for cooperation in certain areas. Commentators have concluded that the EU considers the SCO so far as 'an interlocutor but not yet a partner'.

The EU thus acts in line with a [normative rationale](#) according to which the SCO's basic norms and values deviate too fundamentally from the EU's normative foreign policy goals to allow formal interaction. On the contrary, advocates for an [instrumental approach](#) argue that despite conflicting norms and values the EU should engage pragmatically with the SCO. They take the view that the EU should recognise that all Central Asian countries regard the SCO as a positive and crucial vehicle to pursue their national interests. The EU should therefore enter into a dialogue with the SCO on human security issues, such as the fight against transnational crime and border security. [Analysts](#) have taken a pessimistic view of the EU's chances to achieve the ambitious transformative objectives of its Central Asia strategy. They recommend that the EU adopt a 'value-realist approach' to this region, asserting that the EU is best placed to support the region in building its capacities in early warning, prevention and mediation of conflict, as well as peace building.

#### EP position

In its [resolution](#) of 12 March 2014 on Pakistan's regional role and political relations with the EU, Parliament noted 'Pakistan's pursuit of full membership of the SCO' as a welcome sign of the country's ambition to become more involved in multilateral initiatives. It however took note of 'the absence of any formal cooperation mechanism between the SCO and the EU'. It also pointed to 'divergences in their respective normative bases and outlooks on global issues.'

### Further reading

[The Shanghai Cooperation Organisation](#), Bailes, A., Dunay P., Guang P., and Troitskiy M., SIPRI Policy Paper No. 17, May 2007.

[Counter-Terrorism and Human Rights. The Impact of the Shanghai Cooperation Organisation](#), Human Rights in China, Whitepaper, March 2011.

### Endnotes

- <sup>1</sup> [Russia's Role in the SCO and Central Asia: Challenges and Opportunities](#), Koldunova E., and Das Kundu N., Valdai Discussion Club, December 2014, pp. 19-20.
- <sup>2</sup> [The Shanghai Co-operation Organisation: China's Initiative in Regional Institutional Building](#), Cheng J.Y.S, Journal of Contemporary Asia, 41(4), November 2011, pp. 632-656.
- <sup>3</sup> Xinjiang, located in China's western periphery, was incorporated into China under the Qing Dynasty in 1884, then became twice – in 1933 and 1944 – a short-lived [Eastern Turkestan Republic](#) before it was again included in Chinese territory in 1949. China's Search for Security, Nathan A.J. and Scobell A., 2012, pp. 204-205. A considerable part of Xinjiang's population is not Han Chinese but Turkic-speaking Muslim Uighurs who share strong historic, ethnic, cultural, linguistic, and religious [ties](#) with Uighurs residing in neighbouring Central Asian countries. Separatist militants such as the [Eastern Turkistan Islamic Movement](#) (ETIM) and the [Turkistan Islamic Party](#) (TIP) have committed terrorist attacks in the province in their fight for an independent state East Turkestan. China and the Shanghai Cooperation Organization: The Dynamics of 'New Regionalism', 'Vassilization', and Geopolitics in Central Asia, Clarke M., in: The New Central Asia. The Regional Impact of International Actors, Kavalski E. (ed.), 2010, p. 123.
- <sup>4</sup> China's Energy Geopolitics. The Shanghai Cooperation Organization and Central Asia, Marketos T. N., 2009, p. 62.
- <sup>5</sup> The status of observers and dialogue partners is set out in separate [regulations](#). The difference in their rights is difficult to see. Both have no right to prepare, vote and sign decisions. They 'can be invited' to participate in 'open' meetings, receive unrestricted SCO documents, make statements and circulate documents with the consent of SCO members. Observers usually sit at a separate table and their level of representation must not exceed SCO member representation. The latter rule is not expressly mentioned for dialogue partners.
- <sup>6</sup> Pursuant to the principle of equality, every member has a veto right in decision-making. This emphasises the need for consensus-building. However, the Charter allows for some members to proceed with projects bilaterally or multilaterally ('variable geometry') and for others to opt out first but to opt in at any time later in order to prevent projects being deadlocked by the veto of one member. While the consensus method of decision-making is a clear sign of this principle, in reality the SCO is [dominated](#) by the two major actors China and Russia. Given the prominent role state sovereignty plays for all SCO member states to ensure state and regime security, there has obviously been no interest on their side in establishing EU-style supranational structures.

- <sup>7</sup> Although its leaders have repeatedly reaffirmed that the SCO is not a military alliance, the organisation has raised concern among Western analysts that the SCO could be an 'alliance-in-waiting'. The anti-US and anti-NATO rhetoric voiced at several SCO summits and by individual SCO members in the mid-2000s has prompted labels such as 'counterweight to NATO' or 'Asian NATO'. However the SCO is devoid of a NATO-style [collective defence mechanism](#) and of other military structures such as common headquarters. Security, strategy and the former USSR. China and the Shanghai Cooperation Organization, Lanteigne, M., in: Handbook of China's International Relations, Breslin S., (ed.) 2010, pp. 166-176.
- <sup>8</sup> Analysts have ascertained that the SCO follows a two-pronged approach to the West: 'It seeks to close, or limit, the space available to the West within what it considers its own regional jurisdiction; but at the same time it seeks to open space for collaboration with the West on issues beyond Eurasia.' [New Paper Examines Role of the Shanghai Cooperation Organization](#), Aris, S., International Peace Institute, 2013, p. 10.
- <sup>9</sup> [A Stabilizing Neighbor? The Impact of China's Engagement in Central Asia on Regional Security](#), v. Hauff L. Deutsche Gesellschaft für Auswärtige Politik, April 2013.
- <sup>10</sup> China's Energy Geopolitics. The Shanghai Cooperation Organization and Central Asia, Marketos T. N., 2009, p. 31.
- <sup>11</sup> [Russian-Chinese Security Relations. Moscow's Threat from the East?](#), de Haas M., Clingendael, March 2013.
- <sup>12</sup> [Ten Years of the Shanghai Cooperation Organisation: A Lost Decade? A Partner for the US?](#), Bolard, J., Brookings, June 2012, p. 16.
- <sup>13</sup> [Strategic Implications of the Evolving Shanghai Cooperation Organisation](#), Plater-Zyberk H. and Monaghan A., The United States Army War College, August 2014, p. 22.
- <sup>14</sup> Eurasian Regionalism. The Shanghai Cooperation Organisation, Aris S., 2011, p. 36.
- <sup>15</sup> [Widening the Net: China's Anti-Terror Laws and Human Rights in the Xinjiang Uyghur Autonomous Region](#), Clarke M., The International Journal of Human Rights, Vol. 14(4), July 2010.
- <sup>16</sup> [China's Central Asia Problem](#), International Crisis Group, Asia Report No. 244, 27 February 2013, p. 23.
- <sup>17</sup> [The Shanghai Cooperation Organisation and Central Asia's Security Challenges](#), Rozanov A.A. and Turarbekava R.M., Geneva Centre for the Democratic Control of Armed Forces (DCAF), 2013, pp. 7-9.
- <sup>18</sup> [A Stabilizing Neighbor? The Impact of China's Engagement in Central Asia on Regional Security](#), op. cit., p. 10.
- <sup>19</sup> [Strategic Implications of the Evolving Shanghai Cooperation Organisation](#), op. cit., p. 18.
- <sup>20</sup> [The Shanghai Cooperation Organization and China's New Diplomacy](#), Gao F., 2010, pp. 14-15.
- <sup>21</sup> Energy: cooperation and competition within the SCO, Shavialiova M., in: [The Shanghai Cooperation Organisation and Central Asia's Security Challenges](#), op. cit., pp. 51-71.
- <sup>22</sup> The Shanghai framework and Central Asia. Chop-suey governance?, Hussain I. in: The Security Governance of Regional Organisations, Kirchner E. J. and Domínguez R. (eds.), 2011, pp. 243-272.
- <sup>23</sup> [China's Central Asia Problem](#), op. cit., pp. 23-24.
- <sup>24</sup> [China's role and interests in Central Asia](#), Mariani, B., Saferworld, October 2013, p. 14.
- <sup>25</sup> [Strategic Implications of the Evolving Shanghai Cooperation Organisation](#), op. cit., p. ix.
- <sup>26</sup> Eurasian Regionalism. The Shanghai Cooperation Organisation, op. cit., pp. 160-161.
- <sup>27</sup> Strategic Prudence: The European Union and the Shanghai Cooperation Organisation, Renard T, in: [SCO's Role in Regional Stability Prospects of its Expansion](#), Islamabad Policy Research Institute / Hanns Seidel Foundation, 2013, pp. 38-48.

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