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UKRAINE – THE EUROPEAN UNION



KEY THEME ANALYSIS

UKRAINE AND THE EU SHOW THEIR FOCUS ON THE ASSOCIATION AGREEMENT. THE MAIN TASK IS TO AVOID PREMATURE EUPHORIA

In mid-September the prospect of signing the EU-Ukraine Association Agreement were much better than the greatest optimists could have expected six months ago. On September 18, after the Cabinet of Ministers of Ukraine unanimously approved the project of the Association Agreement, the Head of the EU Delegation to Ukraine *Ian Tombinski* expressed confidence in the success of the Vilnius summit and said that he saw "no reason for the failure of the Association Agreement with the European Union"¹.

The main driving forces of the European integration of Ukraine in recent weeks were the following:

- 1) the as much aggressive as clumsy policy of Moscow;
- 2) the increasing role of pragmatism in the policy of the EU, which has realized at last that Ukraine is an important enough partner to compete for it, in spite of personal sympathy or antipathy towards the current Ukrainian authorities;
- 3) high level of discipline in the ruling Party of Regions.

Forcing Armenia to shift from the EU to the Customs Union and increasing the economic pressure on Moldova, Russia has generated additional motivation for the EU to defend Ukraine more actively. **On September 12, the European Parliament adopted a resolution on Russia's pressure on countries of the Eastern Partnership**, in which the Parliament called on the Commission and the Council to come forward with concrete, effective measures to support the partner countries, particularly by supporting the provisional application of a number of sections of the Association Agreements and DCFTAs upon signature. The next day, **Viktor Yanukovych**, inspired with support, said: **"We and our partners from the European Union have recently concluded that Ukraine has achieved the criteria that corresponds to the Association Agreement, which is being prepared for signature in Vilnius this November."**²

Unlike Viktor Yushchenko, who could never unite the national-democrats around defined strategic goal, Viktor Yanukovych's decision is crucial for the MPs from the Party of Regions, thereby demonstrating discipline in voting for the 'European integration laws' (not forgetting to include in draft laws provisions which are favorable to the present regime). Besides, the Ukrainian authorities reminded those MPs who prefer the opinion of

¹ Ian Tombinski: Summit in Vilnius to be joint success of Ukraine and EU. - http://www.kmu.gov.ua/control/publish/article?art_id=246688636

² Yanukovych: Ukraine ready to sign Association Agreement with EU. -

http://www.ukrinform.ua/eng/news/yanukovych_ukraine_ready_to_sign_association_agreement_with_eu_309366

the Kremlin that they might lose their mandates in the way they had got them: on September 12, court decided to deprive a member of the Regions' faction Igor Markov of his mandate, – due to the facts of falsification of the election results in his district being confirmed.

The situation around Markov provided the Ukrainian opposition with the opportunity to demonstrate that internal political struggle is more important for some of them than the Association Agreement. The Batkivshchyna party made harsh statements in support of Markov, and Yulia Tymoshenko called this odious Ukrainian-phobic MP *"a new young, energetic, charismatic, ideological leader of the pro-Russian citizens of Ukraine"*. Y.Tymoshenko added that *"all the so-called European laws ... will change nothing in Ukrainian life and will be just 'window dressing'"* while Viktor Yanukovich is President³. Y.Tymoshenko barely understands that such statements put Brussels in an uncomfortable position, as it is already not easy for European politicians to explain to their constituents why for the sake of strategic prospects they should temporarily put less emphasis on the authoritarian tendencies in Ukraine.

It is obvious that the Batkivshchyna position was affected by reduced attention to Tymoshenko and insistence on her release or treatment abroad before signing of the Association Agreement. On September 20, European Commissioner for Enlargement and European Neighbourhood Policy *Stefan Füle*, European Chairman of the Committee on Foreign Affairs *Elmar Brok*, and Swedish Foreign Minister *Carl Bildt* said in their joint statement only about the importance of **"progress"** in Tymoshenko's case before the Vilnius summit.⁴ And the Head of the Progressive Alliance of Socialists and Democrats in the European Parliament **Hannes Swoboda** told reporters that **Tymoshenko's issue can be addressed after the signing of the Association Agreement**, because *"if we now push Ukraine into Russia's hands, then one shouldn't care about Mrs. Tymoshenko at all. Her issue will be solved, but not in the way we want, because then we will not have influence on Ukraine."*⁵

Brussels' willingness to make advances was indicated by *Stefan Füle's words that the EU doesn't require the complete fulfillment of all criteria before the Vilnius summit, but expected from Kyiv "decisive actions and tangible results"*.⁶ However, the Ukrainian government should not be 'dizzy with success', because much remains to be done before the meeting of the European Council (scheduled for October 21), during which Ukraine's success will be estimated. In particular, attention should be paid to reforming the electoral law, implementation of the expected conclusions of the Venice Commission on the draft law on prosecution, and finding mechanisms for resolving the Tymoshenko issue. Less insistence on final resolution of her issue before the Vilnius summit should not be interpreted as removing the issue from the agenda.

It should be borne in mind that with the approaching of the Vilnius summit, Russian pressure will grow (not only on Ukraine but also on some EU countries), as well as the temptation for Ukrainian politicians to use the perspective of the Association Agreement in the internal political struggle. Possible provocations by enemies of Ukraine's European integration might negate some achievements in criteria fulfillment. Therefore, **to be confident in the results of the Vilnius summit, Kyiv should not only execute the minimum 'homework', but fulfill the criteria with a 'margin of safety', enough to compensate for any unforeseen problems.**

³ Тимошенко привітала Януковича із народженням нового лідера. -

<http://www.pravda.com.ua/news/2013/09/13/6997915/>

⁴ У ЄС нагадали Януковичу, що хочуть прогресу в справі Тимошенко. -

<http://www.pravda.com.ua/news/2013/09/20/6998389/>

⁵ Європарламентар: діалог стосовно Тимошенко може тривати і після підписання угоди про асоціацію. -

<http://www.dw.de/європарламентар-діалог-стосовно-тимошенко-може-тривати-і-після-підписання-угоди-про-асоціацію/a-17100888>

⁶ Штефан Фюле: у мене єсть основания для оптимизма. - <http://www.kommersant.ua/doc/2282429>

UKRAINE – NATO



KEY THEME ANALYSIS

THE PROGRAM OF REFORM AND DEVELOPMENT OF THE ARMED FORCES OF UKRAINE UNTIL 2017: NOT ENOUGH FOR NEUTRALITY

On September 2, President Viktor Yanukovich approved by his decree **the State comprehensive program of reform and development of the Armed Forces of Ukraine for the period until 2017**. The program is marked as 'top secret', but judging by the main tasks, being announced by the Secretary of the National Security and Defense Council of Ukraine *Andriy Kliyev* (namely: optimizing the number; transition to contract basis; reorganization of management; increasing of salaries and improvement of living conditions of servicemen; modernization and equipment with new models)⁷, it hardly differs from the draft State comprehensive program for the reform and development of the Armed Forces of Ukraine for the period until 2017, approved by the Cabinet of Ministers on May 29, 2013.

Judging by what the Ukrainian Defense Minister *Pavlo Lebedev* said at the briefing on August 30, the goal of '**optimizing the number**' of **Armed Forces is their reduction** from the current 180 thousand (80 thousand – combat forces and 100 thousand – logistics support units) to 120 thousand (70 thousand – combat forces and 50 thousand – logistics support units).⁸ While the reduction of logistics support units is quite logical, the reduction of combat forces, being already small for the scales of our state, seems to be questionable 'optimization'. To compare: the Armed Forces of neighboring Poland consist of 100 thousand military staff and 46 thousand civilians. Herewith Poland has 7 million fewer people than Ukraine, almost half as much territory, has virtually no threats of territorial claims by neighboring states (while Russian, Romanian and Hungarian politicians in their speeches regularly encroach on Ukrainian lands), and has protection through the mechanisms of NATO collective defense (in contrast to nonaligned Ukraine).

Ukraine has planned to spend UAH 131.5 billion (about \$16.2 billion) on **financing** of its Armed Forces to 2017.⁹ To compare: Poland's Ministry of Defense recently announced its intention to spend about \$45 billion to 2022 on technical modernization of the army (mostly for the purchase of new military equipment).¹⁰ Thus Poles will every year buy new arms for a larger amount of money than will be spent annually on all the needs of

⁷ Андрій Ключев: Розпочато реалізацію Програми реформування Збройних сил України. - <http://www.rnbo.gov.ua/news/1504.html>

⁸ До 2017 року на реформування української армії заплановано виділити 131 млрд. гривень. - http://www.kmu.gov.ua/control/uk/publish/article?art_id=246636540&cat_id=244277212

⁹ Там само.

¹⁰ Польща вирішила озброїтися на 45 мільярдів. - <http://www.pravda.com.ua/news/2013/09/19/6998295/>

the Ukrainian army.

As for the **modernization** of the Armed Forces, Pavlo Lebedev said that the upgraded MiG-29MU and L-39M1 aircraft, the 'Malachite' radar stations, modernized Mi-24PU1 helicopters, BTR-4E and BTR-70Di armored personnel carriers, ZTM1 automatic guns, and 'Kvitnyk' high precision artillery shells have already been adopted. It is planned to ensure the readiness of aircraft squadrons of Su-27, MiG-29 and Su-25 of the Air Force and of the air units of the Army. Mi-24 and Mi-8M helicopters, air defense missile systems, the BM-21 'Grad' and SH2S-1 'Gvozdika' artillery systems are being modernized and repaired. It is scheduled to adopt by 2017 into the Naval Force the first in a series of four new warships of domestic production – corvette 'Volodymyr the Great', and to adopt up to 10 armored boats of the 'Gurza' type. It is also planned to adopt a new transport aircraft AN-70.¹¹

Salaries of servicemen should double by July 1, 2014. It is also planned to build by 2017 **more than 25 thousand apartments** for servicemen, mainly from the funds which Armed Forces might receive from property sales.¹² In general, the **sale of 'excess property'** seems to play an important role in the context of reforming the Armed Forces. Such a conclusion can be made because of the attention which was paid to this issue at the enlarged meeting of the Board of the Ministry of Defense on July 4, dedicated to the discussion of the State comprehensive program of reforming and development of the Armed Forces until 2017.¹³

It is obvious that the authors of the Program of reform took into account the forecasts of the Strategic Defence Bulletin of Ukraine – 2012 concerning the "low probability of "armed aggression, which may result in local or regional war against Ukraine" in the medium term. Therefore the Armed Forces' task is to be able to prevent and eliminate just such a possible "military conflict of low intensity" on the state border.¹⁴

Determination of such a low level of combat abilities of the Armed Forces could provoke neighboring states to a more aggressive policy towards Ukraine. The way out of this situation could be the maximum harmonization of the Program of reforming the Armed Forces with the Annual National Programme of Ukraine-NATO cooperation, taking into account the prospect of deeper cooperation with the Alliance. **The Armed Forces, which might appear as a result of the Program of reform, would be more or less adequate for ensuring national security only if Ukraine plans to abandon eventually the policy of nonalignment.**

¹¹ Павло Лебедєв: «Нова українська армія – мета реальна і економічно вигідна». - <http://www.mil.gov.ua/index.php?lang=ua&part=news&sub=read&id=30610>

¹² Там само.

¹³ Проектом Державної комплексної програми реформування і розвитку ЗС України на період до 2017 року передбачено значне збільшення заходів бойової підготовки. -

<http://www.mil.gov.ua/index.php?lang=ua&part=news&sub=read&id=29868>

¹⁴ Стратегічний оборонний бюлетень України. – Київ, 2012. – С.10, 18.

FOREIGN POLICY OF UKRAINE



KEY THEME ANALYSIS

DESPITE THE FAILURES, RUSSIA DOES NOT PLAN TO CHANGE ITS POLICY OF PRESSURE AND BLACKMAIL TOWARDS UKRAINE

Moscow's inflexible position has forced Kyiv to choose 'either the European Union or the Customs Union', while Russian national interests were closer to the initial Ukrainian position of developing cooperation both with the EU and the Customs Union. "Aut nihil aut caesar, all or nothing" – thus Dmitry Medvedev commented on Ukraine's desire to develop simultaneously economic cooperation with the EU and the CU. Apparently the Russian Prime Minister hoped to get 'all'.¹⁵

The lack of understanding of the nature of Kyiv-Brussels relations was indicated by the Russian Parliament statement, dated September 20, blaming European politicians for "arm-twisting" aimed at "forcing Kiev officials to sacrifice a part of Ukraine's sovereignty and actually move its trade and economic relations under the control of Brussels".¹⁶ It is clear that the target audience of this statement is the electorate of eastern and southern Ukraine, whose sympathy towards Russia has decreased because of the 'trade wars'.

Recent statements by the Russian president's adviser *Sergei Glazyev* have gone beyond common sense and basic decency. In an interview with 'Vesti' newspaper he talked nonsense as if Ukrainian officials had initialed an Association Agreement without knowing its contents because of "not speaking English"; as if the EU representatives "had got good fees for involving Ukraine in the Association"; and as if Ukrainian partners had assured Moscow that they "would not execute the agreement with the EU".¹⁷ Inappropriate statements of some Russian officials forced the usually restrained Ministry of Foreign Affairs of Ukraine to express verbal demarche to the Counsellor of the Russian Embassy concerning the statement of Ilya Rubtsov (the head of division of the First department of the CIS of the Russian MFA), who called Ukraine's desire to join only to certain provisions of the Customs Union as "parasitism".¹⁸

Failure of the Communist Party's (CPU) attempt to initiate the collection of signatures for a referendum on Ukraine's accession to the Customs Union –

¹⁵ Медведев назвал "лукавством" заявления Киева о готовности интеграции. - <http://ria.ru/economy/20130919/964477456.html#ixzz2fMGfru1Y>

¹⁶ Duma to urge European Parliament not to undermine Russia-Ukraine bilateral relations. - <http://pda.itar-tass.com/en/c32/883356.html/>

¹⁷ Глазьев: "Евроэмиссары получают неплохие гонорары за втягивание Украины". - <http://vesti.ua/politika/16990-rossiya-ne-sobiraetsja-delat-ukraine-poblazhki>

¹⁸ МЗС змусило виправдовуватися російського дипломата за "нахлібника". - <http://www.pravda.com.ua/news/2013/09/19/6998329/>

was a failure of Russia as well. The Central Election Commission unanimously refused to register the CPU's initiative group, created by a breach of the law. The CPU did not lose hope and applied for a new public meeting on September 29. Would the Communists succeed with the second attempt to register the initiative group or not – this obviously depends on how much the Ukrainian authorities would need additional leverage in negotiations with the EU. Although the providers of Russian interests in Ukraine apparently managed to convince the Kremlin sponsors that 'the referendum initiative' was plotted for the sake of the Customs Union.

Ukrainian and European officials made a number of statements in order to reduce the degree of tensions with Russia. President of Ukraine *Viktor Yanukovich*¹⁹, President of the European Council *Herman Van Rompuy*²⁰, and Britain's Minister of State for Europe *David Lidington*²¹ assured in their statements that the Association Agreement would not harm Russian interests. *Stefan Füle* even said that **the EU-Ukraine Association Agreement should contribute in the long term to the eventual creation of a common economic space "from Lisbon to Vladivostok"**²²; and this statement corresponded to the plans for the future, which had been announced by *Vladimir Putin*²³.

By the way, the Minister for Customs Cooperation of the Eurasian Economic Commission *Vladimir Goshin* told reporters that the CEA member states were drafting a project to create a united transit area with the EU, including usage of the same customs documents "in the whole space from Lisbon to Vladivostok".²⁴ In this context, Russian 'concern' about the possible flow of European goods through the Ukrainian border after the signing of the Association Agreement is even more absurd.

Arguments of Ukrainian and European officials, being designed for the parity format of relations, were rejected by Moscow. **The Kremlin's priorities lie in the political dimension, far from mutually beneficial economic cooperation.** Possible failure of plans to restore the Russian Empire 'threaten' the Kremlin with the gradual Europeanization of Ukraine and the prospects for the dissemination of these processes on the other CIS countries. It seems also that the Kremlin lacks officials and diplomats, free of neo-imperial style, which provoked the current freeze in relations with Kyiv.

So it is clear that, despite the failures, Russia does not plan to change its current policy. Moreover, it is going to reinforce the pressure on Ukraine. It is expected that **a decision to exclude Ukraine from the free trade regime** might be taken at the meeting of the Supreme Eurasian Economic Council, to be held in Minsk on October 24.²⁵ We should not exclude also the **probability of the intention to deprive Ukraine of chairmanship of the CIS, scheduled for 2014.** The Ukrainian government has a month to persuade its CIS partners to reject the relevant Kremlin initiatives, because any one of them could be the next victim. It's time for the post-Soviet countries to learn how to defend their interests together against Moscow's pressure, before the Kremlin 'deals with them' them all one by one.

¹⁹ Європейська інтеграція не повинна протиставлятися співпраці України з іншими об'єднаннями - Віктор Янукович. - <http://www.president.gov.ua/news/28744.html>

²⁰ «Главная угроза - распад зоны евро - не оправдала себя». - <http://www.kommersant.ru/doc/2282513>

²¹ Британський міністр: інтеграція України з ЄС - це не гра з нульовою сумою для Росії. - <http://tyzhden.ua/News/89591>

²² Штефан Фюле: у мене є основания для оптимізму. - <http://www.kommersant.ua/doc/2282429>

²³ Росія буде захищати свій ринок після асоціацію України з ЄС - Путін. - <http://www.pravda.com.ua/news/2013/09/19/6998317/>

²⁴ СЕП хоче створити єдиний транзитний простір із Євросоюзом. - <http://www.pravda.com.ua/news/2013/09/19/6998289/>

²⁵ Митний союз готує відповідь Києву на асоціацію з ЄС. - <http://www.dw.de/митний-союз-готує-відповідь-києву-на-асоціацію-з-єс/a-17100152>