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UKRAINE – THE EUROPEAN UNION



KEY THEME ANALYSIS

EU BACKS DOWN FROM ASSOCIATION WITH UKRAINE

On June 10, 2016, at the meeting in Luxembourg, the Ministers of Justice and Home Affairs of the EU member states did exactly the thing that had been predicted by the experts and refuted by the politicians – they postponed the introduction of a visa-free regime for Ukraine, along with Georgia, Turkey and Kosovo.

Formally, the date of a visa-free regime had never been fixed, but everyone remembered that firstly it was planned for the spring 2016, then for July-August. In early June, President Poroshenko spoke about the summer or September 2016 at worst.¹ But it turned out that actually the fall of 2016 may be the most optimistic date, however, one should not count much on it.

The EU attached the issue of visa-free regime for Ukraine to the similar Georgia's case that can be justified with almost simultaneous fulfilling of visa liberalization action plans by these two countries. But there was actually no reason to attach Ukraine's issues to the Turkey's and Kosovo's cases, except for the EU's willingness to keep Kyiv in suspense. This leads to **the absurd situation where the visa-free regime for Ukraine is blocked by the disputes between the European capitals and Ankara, as well as by the Berlin's fears of possible flow of criminals from Georgia.** Making Ukraine's visa-free issue dependant on the date of establishing the EU general mechanism for suspending visa-free regimes is also illogical, because the effect of this mechanism will apply to all the countries, regardless of the date of granting them visa-free travels.

Adding Ukrainian visa issue to one package with Georgian, Turkish and Kosovo indicates that **the European Union does not consider Ukraine enough valuable partner to address its case separately.** Thus, Ukrainian visa-free issue is to be considered together with a problematic Turkey, and a small and not universally recognized Kosovo.

On the other hand, Kyiv has nobody to blame for its own inertia – it took almost two years to implement the EU requirements for visa-free regime. If Kyiv did it faster, its issue would be considered in more favourable moment, and it would not depend on negative extraneous factors, such as migrant crisis and BREXIT.

The EU does not consider the delay in granting visa-free travel to Ukrainian citizens too important issue, while actually it can provoke to an extremely negative chain reaction. Pro-Russian forces and the Kremlin

¹ <http://www.pravda.com.ua/news/2016/06/3/7110676/>

propaganda would not lose the occasion **to enhance the mood of disappointment in Ukrainian society**, stressing that they warned the EU would leave Ukraine with nothing. **The credibility of the EU would be undermined**; although the pro-Russia turn is no longer possible, but **the anti-European rhetoric might be used as a pretext for restraining even current sluggish reforms, and in some areas a backlash might be possible**. In particular, this might concern the electronic declaration of assets – corrupted politicians would be happy to revoke the corresponding law under the pretext of "revenge" to the EU.

By the way, the EU member states did not only postponed the issue of visa-free regime for Ukraine, but also **significantly worsened the situation with the issuance of Schengen visas, systematically violating the existing agreement on simplification of visa regime between Ukraine and the EU**. The "European Truth" ("Ukrainska Pravda") wrote about the arbitrary refusals and violations of timing by the Embassy of France.² But actually, almost all the EU countries, including the Ukraine's neighbours, create barriers to obtaining visas for the Ukrainian citizens. They demand the "supporting" documents not envisaged by the agreement on simplification of visa regime, and actually doubled the visa costs due to de-facto mandatory payments to the so-called "visa centres," while the possibilities of applying directly to the consulates is artificially restricted.

But actually, the visa-free regime is not the most important problem Kyiv should be worried with, in the context of its European integration plans. It is reported that **the Dutch government wants to amend some provisions of the EU-Ukraine Association Agreement**. Austrian *Die Presse* writes that the Netherlands wants to exclude or substantially weaken the provisions on defence cooperation, to limit Ukraine's access to the EU financial sources, and to exclude any mention of the membership prospects.³ Actually, it is about the castration of AA, making it more alike to the EU "associations" with the countries of North Africa. And if Kyiv's does not agree, the Association Agreement may not enter into force at all – **the Dutch Prime Minister Mark Rutte made it clear that his country might not sign the AA with Ukraine**.⁴

Postponing the visa-free regime with Ukraine, despite the formal implementation by Kyiv of the necessary requirements, indicated not only the improvidence of Berlin and Paris, but rather the lack of significant interest in Ukraine as a partner. Actions of the 'new' Ukrainian authorities are disappointing the West, which is losing the hope that Ukraine is able to implement systemic reforms and to turn into a strong international partner with an attractive market.

In relations with the outside world Ukraine predominantly remains just a supplicant for assistance, with eternal corruption, impoverishing population and affluent authorities. The EU has no strong incentives to reckon with the interests of such partner, so the issues of visa free regime and Association Agreement are not in the list of the EU priorities and will be implemented after solving other, more urgent issues.

² <http://www.eurointegration.com.ua/news/2016/06/8/7050488>

³ http://diepresse.com/home/politik/eu/5004414/Den-Haag-will-UkraineVertrag-aendern?_vl_backlink=/home/politik/index.do

⁴ <http://nos.nl/artikel/2110780-rutte-uitslag-oukrai-ne-referendum-desastreus.html>

UKRAINE – NATO

KEY THEME ANALYSIS

**‘STRATEGIC BULLETINS’ AND ‘COMPREHENSIVE PACKAGES’
WOULD NOT REPLACE THE NEED FOR ACTUAL REFORMS
AND EFFECTIVE ASSISTANCE**

On June 6, 2016, Ukrainian President issued a decree to enact the decision of the National Security and Defence Council of Ukraine of May 20, 2016, "On **Strategic Defence Bulletin of Ukraine**." On June 15, the NATO-Ukraine Commission in Brussels agreed a **Comprehensive package of NATO assistance for Ukraine**, to be approved at the Warsaw Summit. Despite the pompous announcements, one should not put considerable expectations on these facts.

The **Strategic Defence Bulletin**⁵ defines the main directions of Ukraine's defence policy and development of defence forces till the end of 2020. It is stated that the Bulletin aims at "**the practical implementation of the Military Doctrine of Ukraine and the Concept of Development of the Security and Defence Sector of Ukraine**," but actually the Bulletin is of the same general conceptual nature as these two mentioned documents, and also requires for its practical implementation the adoption of additional normative acts.

Actually, all the Bulletin's provisions should be specified in the separate documents. A considerable number of tasks are written down with the common words such as "establishing close cooperation," "increasing the transparency," "optimizing system," "improving," "increasing personal responsibility," "in accordance with the best practices of NATO member states" and etc. Without proper clarification, such tasks can neither be performed, nor verified. For example, the task 2.6.3 of defence reform provides for "the introduction of the new technologies of production of military equipment; creating of the closed cycles of development and production of major weapons, military and special equipment." But it is not specified which "new technologies" and "military equipment" it is about. Another example: the task 5.3 provides for reforming of the mobilization system and mobilization training "on the basis of the main European approaches." But actually, the unified European approach to the mobilization does not exist, and different European countries have different mobilization systems.

Among the major innovations of the Bulletin is the intention to clarify the division of powers and responsibilities of the key senior figures in the command chain. The Bulletin states that the Minister of Defence of Ukraine subordinates to the President of Ukraine – a Supreme Commander of the Armed Forces

⁵ <http://www.president.gov.ua/documents/2402016-20137>

of Ukraine, and is accountable to the Parliament of Ukraine and the Cabinet of Ministers of Ukraine. To comply with the Euro-Atlantic norms and standards, **by the end of 2018, a civilian Defence Minister, deputy ministers and State Secretary of the Defence are to be appointed.**

It is planned to institute till 2020 the separate positions of the Chief of the Armed Forces of Ukraine and the Chief of General Staff of the Armed Forces of Ukraine, which are currently combined as a single position. The Chief of General Staff of the Armed Forces of Ukraine is subordinated to the Supreme Commander of the Armed Forces. **The General Staff of the Armed Forces is to be a chief military authority for planning national defence,** strategic planning for the Armed Forces and other components of the defence forces, coordination and monitoring of defence tasks implementation by the executive powers, local authorities and defence forces. In times of crisis, the General Staff serves as a working body for the Supreme High Command General Headquarters, and fulfils strategic leadership of the Armed Forces and other components of the defence forces. **The principle of powers separation between the Defence Ministry and the General Staff is formulated in the Appendix 1 to the Bulletin: "Defence Ministry shapes policy in the field of defence, and General Staff implements it."**

The Strategic Defence Bulletin identifies **five strategic objectives:**

Strategic objective 1. Combined control over defence forces is carried out in accordance with the principles and standards adopted by the NATO member states.

Strategic objective 2. Effective policy, systems of planning and resources management in defence sector with the application of modern Euro-Atlantic approaches.

Strategic objective 3. Operative (combat, special) abilities of the defence forces needed to guarantee repel of the armed aggression, to guarantee defence, peacekeeping and international security.

Strategic objective 4. Joint logistics and medical support system able to support all components of the defence forces.

Strategic objective 5. Professionalization of defence forces and establishing of the necessary military reserve.

In more details the strategic and operational objectives are written down in the Appendix 1 to the Bulletin, named "The Matrix of achieving strategic objectives and major tasks of defence reform." The tasks and deadlines are specified in this Appendix, and some of them raise questions. For example, such goals as "establishment of the effective system of operational (combat) control, communications, intelligence and surveillance;" "improvement of cyber security and information protection;" and "establishment of the effective system of military intelligence with due regard to the NATO principles and standards" – are planned to be fulfilled "by the end of 2020." More than four years is left to this date, but being at war Ukraine needs an effective system of control, communications and intelligence right now. **The establishment of the special operations forces** as a separate kind of troops in accordance with the NATO standards is also planned to be fulfilled by the end of 2020, although Ukraine is in dire need of such forces right now, and NATO advisers have been insisting on their establishment for a long time.

"Improving the effectiveness of anti-corruption bodies and independent supervisory institutions in order to reduce the corruption risks in defence forces" is scheduled to the end of 2018; and "assign the e-procurement as the main method for all the procurement" is scheduled to the 2019." It is not clear why Ukraine should wait two and a half years to "reduce the corruption risks," and wait three years for complete switching to e-procurement, if the corresponding *ProZorro* system already successfully operates?

At that, **several tasks set in the Bulletin cannot be performed at all.** For example, it is obviously impossible to provide the Armed Forces of Ukraine "with the latest weapons and equipment from the leading nations of the world" till the end of 2020. Even Ukraine's richer neighbours, Poland, Hungary and the Czech Republic cannot afford themselves such a task, and after two decades of reforms they still largely use the outdated military equipment. The same must be said about the Bulletin's task to establish till 2020 "the naval capabilities of Ukraine which are adequate to threats and sufficient to ensure defence of the Black and Azov seas coast, to protect the state's interests in the territorial sea and the exclusive (maritime) economic zone." Such unrealistic objectives usually lead to the profanation of their performance and inefficient use of resources.

Ukrainian President called the Strategic Defence Bulletin "the beginning of a real restructuring of defence and security sector to join NATO."⁶ But actually, **the Bulletin does not set a goal of accession to NATO.** Instead, it traditionally refers to "the achievement of criteria required for full membership," and to the "improvement of interoperability."

On June 15, 2016, Ukrainian Defence Minister Stepan Poltorak introduced the Strategic Defence Bulletin at **the meeting of NATO-Ukraine Commission in Brussels**, which took place in the framework of the NATO ministerial. **A Comprehensive Package of NATO Assistance for Ukraine** was agreed, to be approved at the Warsaw Summit; and a **Sales Agreement between the Defence Ministry of Ukraine and the NATO Support and Procurement Agency** was signed.

It should be noted that the decision of the NATO ministerial on strengthening the Baltic countries' defence was clear and understandable – it was agreed to deploy four multinational 800-1000-strong battalions, but the assistance for Ukraine was not clearly specified. Defence Minister **Stepan Poltorak only said that it was about the assistance in the following areas: development of defence systems, control and communications, logistics and standardization, military-technical cooperation, cyber defence, medical rehabilitation, strategic communications, and countering hybrid threats.**⁷ NATO Secretary General **Jens Stoltenberg said that it was about advisors, trust funds, logistics, countering improvised explosive devices, management and control, and medical rehabilitation.**⁸ **Actually, it is about the same issues on which Ukraine is already cooperating with NATO, particularly in the framework of trust funds.** So, one should not expect any breakthrough in the issue of NATO's assistance for Ukraine.

It is obvious that the Strategic Defence Bulletin will not become a breakthrough in reforming Ukrainian Armed Forces, as well as the Comprehensive Package of Assistance will not become a breakthrough in NATO's helping Ukraine. The problem is that Kyiv still lacks a package of regulations for the practical implementation of reforms, as well as it lacks a set of clearly defined realistic requests to the partners for assistance.

⁶ <http://www.president.gov.ua/en/news/mi-pochinayemo-realnu-perebudovu-sektoru-oboroni-ta-bezpeki-37135>

⁷ <http://www.pravda.com.ua/news/2016/06/15/7111872/>

⁸ <http://ukrainian.voanews.com/content/nato-defense-ukraine/3376690.html>

FOREIGN POLICY OF UKRAINE



KEY THEME ANALYSIS

FRANCE HAS LAUNCHED A PROCESS OF LIFTING SANCTIONS AND THE ACTUAL SURRENDER OF THE WEST TO THE KREMLIN

On June 8, 2016, the upper house of the French parliament passed an appeal to the government for weakening the EU sanctions against Russia related to the aggression against Ukraine. It is noteworthy that the decision was supported by the vast majority – 302 of 348 senators, with only 16 votes against.

Thus, France has actually launched a process of lifting sanctions, which could be weakened already this summer, or the maximum in winter. Thus, **the only leverage the West dared to apply to Russia due to its aggression against Ukraine may disappear.**

It is noteworthy, that in its resolution the Senate called the war in Donbas "a conflict between the Ukrainian army and the forces that present themselves as pro-Russian and challenge the authority of Ukrainian state." The Minsk agreements are called "the only way to resolve the conflict in some eastern parts of Ukraine;" and "the implementation of the political aspect of the Minsk agreements on decentralization" is also mentioned.⁹ Thus, **the French parliament actually called the conflict a domestic one, with decentralization as the only possible way out.**

This position of France can rightly be considered **a victory of the Kremlin's scenario**, against the backdrop of **the failure of the German leadership in the European Union**. Moscow overplayed Berlin, imposing its vision of solving the conflict. It should be stressed that Berlin itself contributed to the Kremlin's victory, with the Russophile Foreign Minister **Frank-Walter Steinmeier, who does not cease calling for "gradual lifting of sanctions."**¹⁰ At the same time, Chancellor **Angela Merkel said that in the long term the European Union should strive to create a single economic space with Russia.**¹¹ Against such statements, Moscow has no reason to consider its aggressive actions a mistake or make concessions – the Europeans themselves are rushing to meet the Russians with proposals of lifting

⁹ <http://www.eurointegration.com.ua/articles/2016/06/10/7050592>

¹⁰ <http://www.ukrinform.ua/rubric-abroad/2032565-stajnmajer-zaklikav-postupovo-znimati-sankcii-z-moskvi.html>

¹¹ http://www.reuters.com/article/us-ukraine-crisis-russia-germany-idUSKCN0YW104?feedType=RSS&feedName=worldNews&utm_source=Twitter&utm_medium=Social&utm_campaign=Feed%3A+Reuters%2FworldNews+%28Reuters+World+News%29

sanctions and economic integration.

In its commentary, the **Ukrainian Foreign Ministry** blamed **French senators for the lack of awareness of Russia's violations of the international law**.¹² **However, the lack of awareness of French MPs about events in Eastern Ukraine seems to be a reflection of quality of Ukrainian diplomacy**, which failed to properly convey its position to the Western counterparts. Ukrainian Foreign Minister **Pavlo Klimkin** was not too diplomatic in his assessment of the French Senate's decision: **"It is important for everybody to remember: the politicians "fed" by the Russians must be kept within the certain limits ... From the legal point of view this decision can be ignored, but from the political view we should remember that such trends exist in many places... "**¹³

Hardly the overwhelming majority of the French Senate is actually being "fed" by the Russians, and **while assessing the unfavorable decisions Kyiv should be more self-critical. It is not a simple matter to demand from Paris to officially recognize the fact of aggression, while de jure Kyiv did not do it. It is difficult to convince the Europeans to bear losses from sanctions, while Ukraine continues trading with the aggressor. It is naive to expect the continued support from the West against the lack of reforms and fighting corruption in Ukraine.** It is useless to hope that someone else will develop real scenarios of conflict resolution, while Kyiv produces fantastic plans such as an armed police OSCE mission.

Against this background, we should not be surprised that Paris and Berlin are inclined to surrender to Moscow in the issue of "Ukrainian crisis" as they call the Russia-Ukraine conflict. After all, it would be Kyiv to pay the war "indemnity" for this capitulation, not Paris or Berlin.

Calls by the French parliament and the German Foreign Ministry for weakening sanctions against Russia "coincided" with the release from Russia of Ukrainian political prisoners Savchenko, Soloshenko and Afanasyev. This provides an occasion for the Western politicians to talk about the alleged "partial fulfillment" of the Minsk agreements by Russia, and to call for the increasing pressure on Kyiv to hold local elections in Donbas and to implement decentralization, thus providing Moscow with a leverage of influence on Ukraine, which actually was the major objective of its aggression.

¹² <http://mfa.gov.ua/ua/press-center/news/48300-komentar-mzs-ukrajini-u-zvjazku-z-rezolyucijeju-senatu-franciji-vid-8-cheruvnya-2016-r>

¹³ <http://www.ukrinform.ru/rubric-politycs/2031995-klimkin-prokommentiroval-resenie-senata-francii-sankciiah-protiv-rf.html>