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## UKRAINE – THE EUROPEAN UNION



# <u>KEY THEME ANALYSIS</u>

## EUROPEAN FOREIGN MINISTERS' VISIT: THE OLD NEW MINSK OR TRAP FOR UKRAINE?

September 14, 2016 was quite an active day for Ukraine's foreign policy. Foreign Ministers of Germany Frank-Walter Steinmeier, Jean-Marc Ayrault of France and Witold Waszczykowski of Poland as well as Secretary of State for Foreign and Commonwealth Affairs of Great Britain Boris Johnson visited Kyiv. If the Polish minister came to deal with primarily bilateral issues, the visits of three others, directly or indirectly, were concerned with the implementation of the Minsk agreements.

The visits confirmed our previous forecast that the 'Crimean terrorists' provocation was merely an attempt to portray Ukraine as a terrorist state. In the meantime, Russia's statement of withdrawal from the Normandy format was a bluff, intended to reach one of two goals: to intensify the Minsk process in the sense of the Kremlin's interpretations, or to convince the world community that Ukraine is allegedly responsible for the failure of the Minsk agreements. On reaching the second goal the Russian government could have slammed the door on the existing negotiations and sought a new format to control the intensity of the conflict. But a few weeks after the withdrawal from the Normandy format, Vladimir Putin said that there is no alternative to it.

The threat turned out to be a bluff, but obviously made an impression on Europeans, who are grasping at any opportunity for peace. The agenda, brought by the foreign ministers of France and Germany, suggests that the Russian President managed to intimidate his colleagues at the G20 summit. During the previous month Russia tried to convince the West that Ukraine is to blame for the inefficiency of the Minsk agreements, threatened to leave the Normandy format and openly demonstrated its offensive military capacity at the exercises 'Caucasus-2016' near the eastern borders of Ukraine. Holding a Normandy format meeting without Ukraine was another option, which also suited the Russian president.

Ayrault's statement, made during his visit to Kyiv, remains the most detailed position on Minsk implementation priority. According to him, after establishing a ceasefire, Kyiv must start fulfilling the political conditions of the Minsk agreements. **Ayrault identified three stages**. **The first stage** is to establish the ceasefire in three pilot areas and start working on draft laws concerning the local elections in the occupied territories and the special status of Donbas. **The second stage** comprises voting for these draft laws simultaneously with the extension of the ceasefire, increasing access for observers and deepening the presence of the OSCE. **The third stage** is approving the date of the election by Parliament, the completion of constitutional reform, the adoption

¹ http://hromadske.ua/posts/putin-nam-z-poroshenko-dovedetsia-spilkuvatys-u-ramkakh-normandskoho-formatu

of laws on amnesty, simultaneous and parallel separation of forces across the front lines, creation of new checkpoints, release of hostages, army withdrawal and handover of full access to the border<sub>2</sub>.

One should note that this plan brings a number of very serious challenges for Ukraine. Firstly, all political parts of the agreement, namely the preparation and adoption of the mentioned laws by the Verkhovna Rada, will be conducted, while Russian troops continue to occupy the territory of Ukraine. Even if they do not deliver fire, nevertheless, they will impact on the voting outcomes. Ukraine will have no access to these areas as well as to the local populations, which are predominantly hostile to Ukraine. **Secondly**, the plan remains unclear in some places, so there may be problems with its implementation. *Thirdly*, this plan constitutes a negative precedent as France and Germany refuted the maxim 'safety first, then elections', which they supported until recently. **Fourth**, there is a high probability that this convocation of the Verkhovna Rada will not vote for these bills. As a result, the current Ukrainian government will encounter difficulties even with the first stage of implementation of the updated Minsk agreements. If Russia and the separatists manage to maintain a ceasefire, while Ukraine faces a parliamentary crisis, it will be another argument for Putin to blame Ukraine for disrupting the Minsk agreements. In this case, Russia will clearly raise the issue of lifting the sanctions. Germany and France have been looking for an excuse to do that for long time. The series of negative effects that Ayrault's plan bears shows that the new initiative of France and Germany is working primarily for Russia.

The topics of talks between the presidents of Germany, France and Russia at the summit in Hangzhou remain a mystery, but we see the result: the foreign ministers of France and Germany arrived in Kyiv to push implementation of the Minsk agreements since the ceasefire has been agreed with the Russian side. The strategic mistake of this policy is that forcing elections under this logic will allow Russia to remain unbound after the elections and to shift the responsibility for the failure of Minsk on to Ukraine, in case Russia refuses to implement the final articles of the agreement.

Although ministers assured the ceasefire has been discussed with the Russian side, the day after, Dmitry Peskov commented that Moscow could not have promised anything, because it was not a party to the conflict3. One can argue over whether it was an attempt to maintain its reputation or a real refutation of the statements of Steinmeier and Ayrault. The intensity of enemy shelling will clarify all details in the near future. But we have to be prepared that the 'first border control, then elections' maxim may lose its significance for our European counterparts. No wonder German Foreign Minister Frank-Walter Steinmeier expressed complete satisfaction that his recent trip to Donbas together with Ukrainian and French counterparts is leading towards the resumption of 'Norman format' [sic] negotiations to resolve the conflict, but in a completely different algorithm4.

Mr. Johnson's visit was of symbolic character. It was designed to show that Ukraine is an important issue for the new UK Government as well as to demonstrate a tougher stance towards Russia5. Boris Johnson said the British government was ready to maintain pressure on Russia. These words can be seen as a response to Mr. Steinmeier's proposal for removing sanctions gradually in case of progress in resolving the conflict, which he expressed in May6. The position of the UK rather contrasts with

<sup>&</sup>lt;sup>2</sup> http://www.pravda.com.ua/news/2016/09/14/7120630/

<sup>3</sup> http://www.vz.ru/news/2016/9/15/832641.html

<sup>4</sup> http://www.ukrinform.ua/rubric-politycs/2086138-stajnmajer-ocikue-ponovlenna-normandskih-peregovoriv.html.

<sup>&</sup>lt;sup>5</sup> https://hromadskeradio.org/news/2016/09/15/velyka-brytaniya-za-te-shchoby-zberigaty-tysk-i-sankciyi-protyrosiyi-borys-dzhonson

<sup>&</sup>lt;sup>6</sup> http://www.unian.ua/world/1360820-shtaynmayer-proponue-poetapne-znyattya-sanktsiy-z-rf-u-razi-istotnogo-progresu-na-donbasi.html

the position of France and Germany. This difference is due to the transformation of its foreign policy due to Brexit.

Visits of European foreign ministers have shown an unpleasant tendency - France and Germany were influenced by Putin's tactics and suggested algorithm of Minsk implementation, which favour Russia both in positive and negative scenarios. Under this algorithm, it is much easier for Russia to accuse Ukraine of disrupting the Minsk agreements. This context establishes the possibility for Moscow to achieve the lifting of sanctions. In this case, we need to seek the support of the US and UK, which recently renewed its position to support the sanctions regime.



## **UKRAINE – NATO**





# <u>KEY THEME ANALYSIS</u>

### CAN CHINA AND RUSSIA CHALLENGE NATO?

Annual joint naval exercises of China and Russia began on September 13. This year, the sides picked a rather symbolic venue for the exercises - the South China Sea. In July the Permanent Court of Arbitration found that historical claims of China to sovereignty over the waters of the South East had no legal basis. The panel found that China had caused severe environmental harm around the site of its artificial islands. Chinese President Xi Jinping rejected the decision by the Permanent Court of Arbitration. 'China will never accept any claim or action based on those awards,' Xi said. China boycotted the proceedings8.

The territorial dispute in the South China Sea is one of the most important topics on China's foreign policy agenda. *Firstly*, this dispute has a negative impact on relations with ASEAN countries and the United States; *secondly*, the dynamics of the dispute are an important factor that affects the reputation of the Chinese authorities within the country; *thirdly*, the outcomes of the dispute will determine the balance of power in one of the most economically active regions.

Russia's decision to participate in the naval exercises resembles a political statement that Russia is ready to coordinate security, military and political agendas with China. For Russia, the natural intention of rapprochement with China is <u>an anti-American military-political alliance</u>. It is more profitable for Russia because in recent years Moscow clearly demonstrated its desire either to solve global problems on an equal basis with the United States or to dismantle the existing international order. The first initiative did not succeed.

Russia's participation in these exercises is expressly political. The number of ships participating in the exercises, was relatively limited. Also, there were none of the newest warships and submarines as Russia is trying to minimize the negative impact of its participation on relations with Vietnam. Moscow is in the process of transferring six frigates and two submarines to Vietnam9.

China and Russia have conducted six rounds of joint naval exercises since 2005. Beijing hosted the exercises for the first time in 2012. In 2015, the countries had naval and amphibious exercises in the Sea of Japan; relatively smaller exercises were held in the Mediterranean Sea, including a number of other bilateral military exchanges. Also, both countries regularly participate in trilateral and multilateral trainings, for example, under the Shanghai Cooperation Organization (SCO)10.

<sup>7</sup> http://www.nytimes.com/2016/07/13/world/asia/south-china-sea-hague-ruling-philippines.html?\_r=0

<sup>8</sup> http://edition.cnn.com/2016/07/12/asia/china-philippines-south-china-sea/

<sup>&</sup>lt;sup>9</sup> http://thediplomat.com/2016/08/russia-to-send-anti-submarine-warfare-destroyers-to-south-china-sea/ <sup>10</sup> Ibid.

Given the fact that China and Russia have no formal military alliance, cooperation between the two navies will be limited and may not be compared to similar manoeuvres conducted by NATO. The main justification for joint exercises will be not be for practical, but for political reasons. The latter is designed to emphasize the strategic security partnership between the two states11.

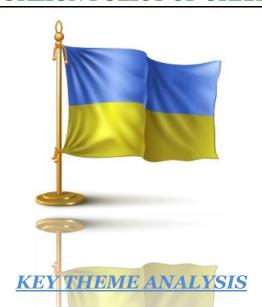
Russia's position on the dispute in the South China Sea was expressed during a briefing by the Foreign Ministry press secretary Maria Zakharova on July 14 this year12. Russia remained neutral on the official diplomatic level. Russia urged the parties to comply with the UN Convention on Law of the Sea of 1982 and Declaration on the Conduct of Parties in the South China Sea signed by the Governments of the ASEAN states and the Government of China in 2002. However, Russia unequivocally called counter-productive any participation in the dispute of external parties. One can trace Russia's negative attitude towards potential US involvement in resolving the conflict in the mentioned paragraph of the statement. Russia avoids direct support of China's position in the conflict, but its attitude reflects China's main desire - to remain one on one with other parties to the dispute.

The events of the last two weeks demonstrate a trend of rapprochement between China and Russia. A good start was made during the G20 Summit in Hangzhou, which showed that relations between Moscow and Beijing are warmer than those between Beijing and Washington. In our opinion, the parties are discussing the technical details of a military and political alliance. Moreover, an anti-American alliance with China is more desirable for Moscow as its foreign policy in recent years was rather aggressive and aimed at destroying the existing international order. Through participation in these military exercises in the South China Sea, Russia demonstrates its solidarity with China. At the same time, Beijing's position remains uncertain, but China in its usual manner takes advantage of Russia in its own regional foreign policy actions.

<sup>11</sup> Ibid

<sup>12</sup> http://www.mid.ru/en/foreign\_policy/news/-/asset\_publisher/cKNonkJE02Bw/content/id/2354135#13

## FOREIGN POLICY OF UKRAINE



#### STATEMENTS ON SUSPENDING UKRAINE'S MEMBERSHIP IN PACE

On September 18, Russia held elections to the State Duma. Current events were preceded by the submission of the occupied Crimea to the Southern Federal District and the abolition of the Crimean Federal District. This action allowed Crimea to become more deeply 'hidden' in the structure of the Russian Federation. Also, this structural change enabled the holding of elections in Crimea as one of Russia's administrative units. After the elections, 'representatives' of the Crimean population will become members of the Duma. According to Putin, this is another argument against the position of European colleagues, since they recognize elections as the primary instrument for solving internal conflicts. Along with the efforts to revive the Minsk process, such behaviour resembles a proactive policy to further separate the problems of Donbas and Crimea.

Putin may go further and include elected members of illegally occupied Crimea in the Russian mission to PACE. Anticipating such a scenario, Foreign Minister of Ukraine Pavlo Klimkin urged boycotting the work of the Parliamentary Assembly<sub>13</sub>. The latter imposed sanctions on the delegation of the Russian Federation, depriving them of the right to vote. The decision to terminate the participation of the Russian delegation to PACE was made by the Russians themselves. Thus, PACE can do nothing if the newly elected Russian representatives resume their participation in the Parliamentary Assembly. The Assembly may only reconsider whether to extend sanctions against the Russian delegation. So, it seems illogical to demand for PACE to continue the exclusion of the Russian delegation as the Assembly did not take such a decision in the past.

The threat to suspend the membership of PACE is a poorly calculated and emotional decision. We as a victim of aggression and party to the negotiations with Russia must not only maintain communication channels with the European community, but also work on our own reputation as a predictable and reliable partner. The PACE reporter on the conflict in Ukraine Christina Zelenkova stated on this occasion that Ukraine is not in the position to suspend its membership of PACE<sub>14</sub>.

The other side of this problem is President Poroshenko's appeal not to recognize the elections in Russia in general. This decision of the Ukrainian authorities appears to

<sup>&</sup>lt;sup>13</sup> http://www.unian.ua/politics/1517814-ukrajina-gotova-boykotuvati-pare-yakscho-rosiyska-delegatsiya-bude-dopuschena-klimkin.html

<sup>14</sup> http://www.radiosvoboda.org/a/news/27990036.html

be wrong. Firstly, this election is a natural process of Russia's internal political life. Russia has no right to hold elections only in the Crimea because its sovereignty over it is illegitimate. International organizations did not recognize the elections in the Crimea. Observers will not conduct any monitoring there, contrary to other legitimate territories of Russia. The Ukrainian government could develop a more delicate and clear way to air discontent with the elections in Crimea and the potential appearance of so-called Crimean politicians in PACE.

Perhaps there is some logic in maintaining the isolation of Russia in international organizations as sanctions against Russia have been prolonged, Ukraine has received the next IMF tranche and Russia apparently is becoming less interested in conflict escalation. However, this action has consumed a lot of resources, but appears to have been rather unprofitable. The statement was voiced by the President of Ukraine Petro Poroshenko at a meeting with G7 and EU ambassadors, although the effect of such actions does not seem productive. According to tradition, we tend more to demand, rather than offer.

