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TRUMAN

**INDEX**

JULY - SEPTEMBER / 2019

#8(12)



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It took me no time at all to choose the topic I wanted to focus on in the foreword to this edition of TRUMAN Index. This section is not going to dwell on Ukraine's relations with the US, China, NATO or Europe, although the issue speaks about these topics at great length. Instead, I want to stress the importance of speaking clearly and being understood when it comes to complex matters of domestic and foreign policy. When the government fails to provide an explanation for its actions, the society fills the information void itself. Changing an opinion that has already been shaped then turns into a futile struggle.

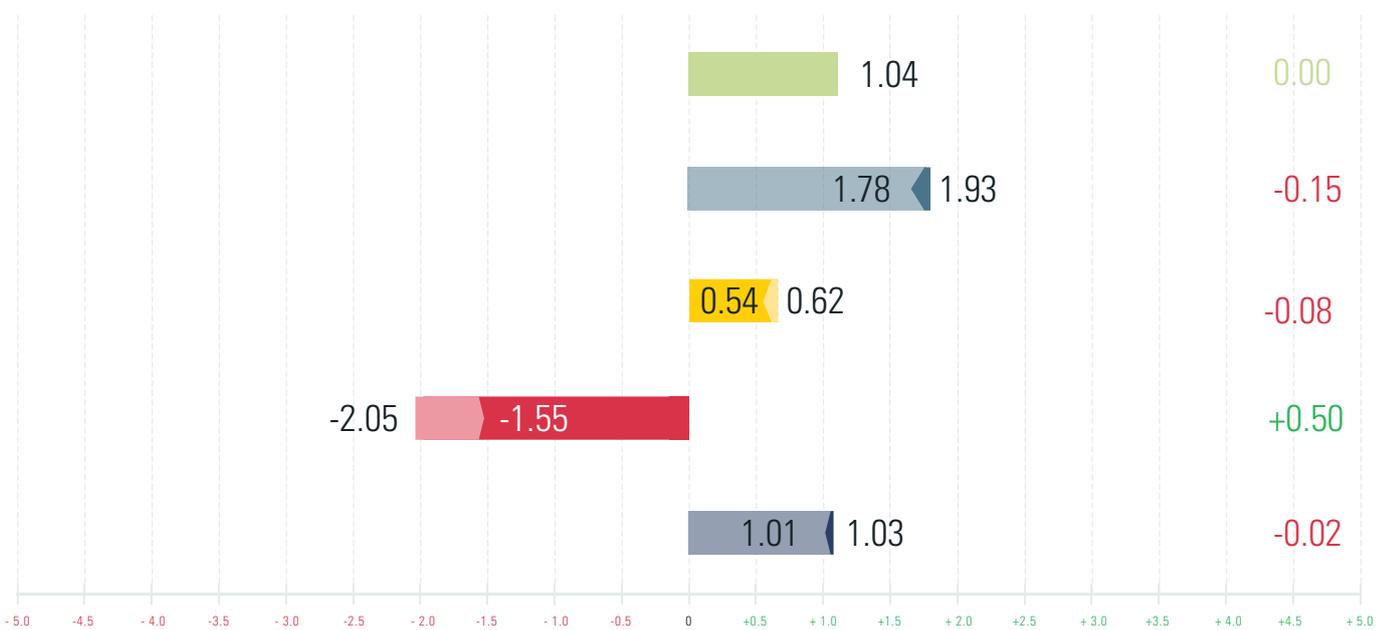
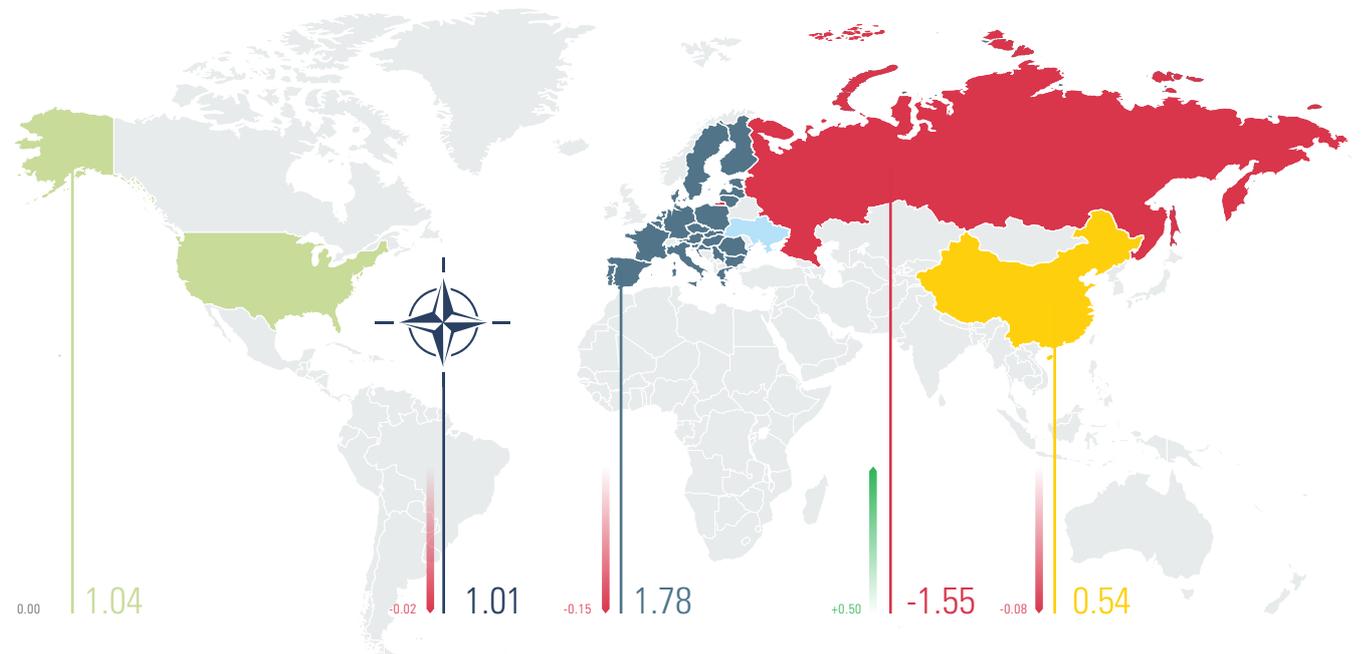
Explaining pre-emptively is far more important, and far easier for that matter, than offering excuses post-hoc. This became evident following the Minsk signing of the document that came to be known as the 'Steinmeier Formula'. Little was explained in the build-up to the event, neither its goals nor the solutions it offers were clear to the public. As a result, 5000 protesters showed up at the President's Office that same night. Could an understanding have been reached? I certainly believe so. The President should have presented his vision and plans before placing his signature on any documents. Opinion leaders should have been engaged, explaining the situation and persuading the public that the move was a required step rather than an act of surrender.

Ukraine's most active and engaged citizens - veterans, volunteers, civil activists - are following the Presidential administration's every step when it comes to relations with the Russian Federation. When the President fails to clarify his position on the issue of war, the charged observers fear the worst and see the situation in stark contrast to what the administration makes of it. Distrust stems from the absence of a clearly formulated and communicated stance: it is still unclear what Volodymyr Zelensky means by 'peace'; which tools and measures Ukraine will use to achieve 'peace'; and, most importantly, what it is that the President will never sacrifice and bargain on.

In times when critical decisions are being made, it is crucial to engage with those who will place these decisions under immense scrutiny - the civil society - meeting halfway, identifying issues and arriving at solutions or explaining why a certain action is impossible, but still reaching common ground.

I feel this kind of dialogue is something that the Ukrainian society and many other actors deserve. Ukraine's partners abroad would also welcome a clear presentation of the country's goals and its plan to reach them. The society will then be able to back the clear actions that the President takes, while global support for Ukraine will expand from the current tactical level to the strategic one. What we need is a plan. What we need is for it to be clear. What we need is a continuous dialogue with the public. In this case, there will be no need to shed support where matters are simple.

# TRUMAN INDEX



USA APR - JUN, 2019.

JUL - SEP, 2019.

EU APR - JUN, 2019.

JUL - SEP, 2019.

CHINA APR - JUN, 2019.

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RUSSIA APR - JUN, 2019.

JUL - SEP, 2019.

NATO OCT 2018 - MAR, 2019.

APR - SEP, 2019.

## RESEARCH METHODOLOGY

TRUMAN Index is a quantitative and qualitative assessment of Ukraine's progress in bilateral relations with key foreign policy directions: the EU, the US, China and Russia. This quarterly journal tracks the changing dynamics of these four relationships. Every 6 months we also monitor the progress of Ukraine-NATO relations. Our analytical articles are written by specialists based on their own observations and on many discussions with domestic and foreign diplomats, opinion leaders and officials.

TRUMAN Index monitors events in Ukraine's foreign relations with each of these countries and offers an analysis of the way that each of these partners has been interacting with Ukraine during the reported period.

In addition to analyzing the quality of relations, every bilateral event is evaluated on a scale from -10 to +10. The total points for foreign policy in the given area is the sum of the values assigned to these bilaterally significant events during that quarter. The expert group takes BISS<sup>[1]</sup> methodology as its basis, which offers a clear scale for evaluating foreign policy events.

The total score in a given foreign policy direction is divided by the number of events recorded during the quarter: this constitutes the TRUMAN Index. This approach minimizes the methodological risk that one partner will accumulate more points simply thanks to a large number of less significant events during a given quarter. A different quarter might result in lower points because of fewer, but more significant than average, events. TRUMAN Index serves to establish a balance between the quantity of events and the quality of the cooperation.

## EVENT EVALUATION SCALE:

- **7-10** Economic and political integration, the coming into force of agreements on deeper cooperation
- **4-6** The signing or ratification of an agreement – on cooperation, on trade, on tariffs, on integration, and so on, – the opening of credit lines and economic assistance
- **1-3** An official visit at the ministerial level or higher, especially related to key ministries: foreign affairs, internal affairs, defense, economy, and trade; negotiations over potential agreements, official visits at the highest level – president, PM – from both sides; high level official telephone calls (primarily presidential)
- **1-2** Positive statements from key politicians in these countries, from the MFA regarding foreign policy, in legislative resolutions
- **1** Official visits at the deputy minister level from non-key ministries, parliamentary delegations, exhibitions, business forums, national culture days, important diplomatic contacts and negotiations
- **-1-2** Negative announcements from key politicians, from MFAs regarding foreign policy, in legislative resolutions
- **-2-4** Delays in ratifying agreements, not being invited to events, failure of support to come from the international community
- **-3** Violations of agreements or mutual commitments
- **-4-6** Trade wars, anti-dumping investigations, boycotts of goods, embargoes, expulsions of diplomat, recalls of ambassadors
- **-7-10** Provocations, severed diplomatic relations, military action

<sup>1</sup>BISS (Belarusian Institute for Strategic Studies / Білоруський інститут стратегічних досліджень). Source: <http://belinstitute.eu/ru/tags/индекс>



# UKRAINE - US RELATIONS

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POSITIVE SCORE: +29  
 NEGATIVE SCORE: -5  
 OVERALL: +24  
 TRUMAN INDEX: +1.04

## SUMMARY

In all the time since the TRUMAN Index was launched, this last quarter has undoubtedly been the biggest headliner in Ukrainian-American relations. At a time when insider information outdid public actions and some of our previous predictions came to pass, we really would have preferred, for the sake of US-Ukrainian partnership, not to have seen it all become publicly known. The emotional façade of Ukrainian-American relations, shored up by statements about defending sovereignty and territorial integrity, cracked at one point, baring the unattractive interior that diplomats and politicians had been trying hard to hide all those months since Volodymyr Zelenskyy was elected president.

In light of the most recent revelations, a proper visit to the White House by Zelenskyy has taken on a completely different meaning. Requests by the Ukrainian side to have the US president join negotiations over the Donbas now look very different, as well. Unfortunately, the assessment we made in the last Index has been confirmed: Ukraine predominantly interests the current US president as a source of blackmail. What's more, it has become perfectly clear that, for Donald Trump, the only thing that comes to mind when he hears the word "Ukraine" is the country where the activities of the son of Joe Biden should be investigated—as long as Biden remains Trump's most likely rival in the 2020 presidential election in the United States.

Despite the huge scandal swirling around President Zelenskyy's July 25 conversation with Trump, their meeting in New York on the fringes of the UN General Assembly was nevertheless the right step to take. It allowed certain points that are of particular importance for Ukraine's interests to be stated openly. For one thing, the topic of Crimea came up for possibly the longest time in all presidential meetings. Zelenskyy also made a number of suggestions as to Trump's approach in formulating the agenda for the next G7 summit.

In preparing this issue, our efforts to assess this past quarter were a real challenge. Developments that historically were evaluated in the Index as "plus," such as telephone conversations between presidents, turned out to have a "minus" impact on relations this time. A similar situation arose with active contacts between Ukrainian and American officials. On one hand, it was without question positive that there were many bilateral contacts. On the other, many of them were related to figuring out how Ukraine's leadership might get out of a situation where Trump was fixated on investigations with the least possible fallout, rather than to substantive discussions of items on the Ukrainian-American agenda.

## TIMELINE

### ■ POLITICS BEATS SECURITY

Prior to Volodymyr Zelenskyy's election as president, general opinion was that the most that might interest Donald Trump in

Ukraine—assuming that he had any interest at all—would be the capacity of the new Ukrainian leader to move negotiations with Vladimir Putin over occupied Donbas out of their stalemate. Progress on the issue of the Donbas would help the US president remove the "Ukraine question" as an obstacle to a reboot of relations between the United States and Russia.

Instead, already between the first and second round of the election, the shape of what really was interesting in the Ukraine dossier for Trump looked very different. This was revealed precisely through discussions between his personal lawyer Rudy Giuliani—under the influence of claims by then-Prosecutor General Yuriy Lutsenko—about the existence of a Ukrainian investigation of the interference of some Ukrainian officials in the 2016 presidential election in the US in favor of the Democratic party, as well as an investigation into the activities of Burisma, a gas exploration company that belonged to the infamous oligarch Mykola Zlochevskiy, one of the members of whose board of directors was Joe Biden's son Hunter. Indeed, the younger Biden remained on the board of directors until April 2019 at a monthly fee of US \$50,000.

And that's how Ukraine happened to interest Donald Trump, as we had predicted in the previous TRUMAN Index: as a source of blackmail against his so-far main rival in the 2020 US presidential campaign, Joe Biden. Thanks to a published transcript of the phone call between the two presidents, it's possible to conclude that the investigation is, effectively, the only issue, so far, that really interests Trump in relation to Ukraine at this historical crossroads.

Thanks to this specific interest on the part of the US leader, there was a confluence between "official" and "unofficial" Washington during this quarter. The agenda insisted upon by the US president meant that "unofficial" Washington dominated. However, a whistleblower emerged in an apparent attempt on the part of "official" Washington to get back at the unofficial side for making use of and pushing a narrowly politicized agenda on strategic issues in US foreign and security policy.

The first warning bell for the Zelenskyy team as to the extent that the issue of investigations might affect official relations with the United States was when Vice President Mike Pence's planned attendance at the inauguration in Kyiv was cancelled. Top officials in Ukraine then correctly surmised that the visit had been cancelled precisely because of the smear campaign launched by Giuliani. Still, Kyiv was inclined to interpret Pence's cancellation as his own initiative: as an extremely cautious politician, he simply did not want to visit Ukraine while Giuliani's accusations were in the air. According to the whistleblower's testimony, however, the signal not to go came from Trump himself. On the other hand, our sources reported that, in his very first telephone conversation with Zelenskyy, Trump personally responded to the newly-elected president's invitation saying that, while he would not be able to come personally, he would send highest possible representation of US officials.

The second warning bell that dialog with the US was being deliberately blocked was that the White House did not agree a date for Zelenskyy to visit. The Ukrainians had managed to get an official invitation from the US president to visit Washington, something that mattered for the new

president in the run-up to the Verkhovna Rada election in July, but no actual date was ever announced. Official sources say that two dates in July had been considered, but July came and went and no decision was ever made. Just how much this meant to President Zelenskyy was clear he decided in Trump's presence during their briefing to remind the American president that he had forgotten to include a date in his invitation (according to our information, it was an impromptu). The published part of the whistleblower complaint confirmed our assumption that the date of the White House visit was also hostage to Zelenskyy's response to the request to investigate.

In this context, the published text of the whistleblower complaint tells us far more about the US president's attitude towards Ukraine than the telephone conversation between the two leaders. As a result of this complaint, it became quite obvious that it was not just a single episode of "incentivizing," solicitation or pressure by Trump—depending on the interpretation—, but about a deliberate pressure campaign. The document also makes it clear what leverage was being put to use besides a lower level US delegation to the inauguration and failing to set a date for Zelenskyy to visit DC.

The key thing was withholding military assistance to Ukraine, including both Pentagon aid worth US \$250 million and State Department assistance worth US \$141.5mn, intended to cover the cost of sniper rifles and grenade launchers. Because the press focused mostly on the US \$250mn from the Pentagon budget, some Ukrainian officials turned around and claimed that Ukraine got even more funding in the end—nearly US \$400mn. Significantly, this hold-up was in stark contrast to Trump's frequent public claims—including in front of President Zelenskyy—that, unlike Barack Obama with his blankets and pillows, he was giving Ukraine Javelins. Moreover, Trump has made it clear that he thinks Kyiv owes him personally, even just for approving Javelin sales. It was not for nothing that he began his 2018 meeting with then-President Petro Poroshenko by asking whether Ukraine had "tried our Javelins." In fact, the Javelin sale was more symbolic than practical in nature, as it was approved on condition that (1) Ukraine continue to buy US weapons and (2) the Javelins only be used if the conflict was to escalate.

It's entirely possible that, in addition to what was raised in the publicized parts of the whistleblower complaint, other forms of pressure were brought to bear on Ukraine. But even if there wasn't any other leverage, Trump's statements and his steps were automatically perceived in Ukraine as attempts to underscore Kyiv's dependence on and vulnerability to Washington. For instance, Trump's sudden reversal of a planned visit to Warsaw, where the Ukrainian president was planning to hold his first meeting with his American counterpart was seen in Kyiv as yet another reflection of Trump's desire to see what approach Zelenskyy would take in investigating once a Cabinet was in place and a new prosecutor general appointed. Presidential aide

Andriy Yermak allegedly even contacted Giuliani to ask whether there was a connection with Ukraine in the President Trump's refusal to visit Warsaw on September 1. This fact only emphasized the absurdity of the situation Ukraine's leadership found itself in in relation to the United States, when every statement and every step by the man in the White House was seen in relation to one or two investigations that were needed by Trump personally for his upcoming campaign. Even Trump's second call to Zelenskyy took place only after Special Envoy Kurt Volker connected Yermak with Giuliani at the aide's request. Ironically, reasons for the second call were serious enough even without bringing up investigations, as there had just been a free and fair Rada election in which Zelenskyy's party enjoyed an astounding victory.

Over all, we can now state that in the last half-year, politics won over security concerns in Ukrainian-American relations. This is obviously a negative signal for Kyiv, whose strategy towards the US is based on the idea that the United States are considered primarily as Ukraine's #1 security partner. According to the Defense Ministry, in four years of military and technical assistance, from 2014 through 2018, the US has accounted for 70% of all international assistance to Ukraine,—and 92% according to the now-ex Ukrainian ambassador to the US.

## ■ ALLIES OR ACCOMPLICES?

Initially—meaning prior to his inauguration—, Zelenskyy chose the "one correct strategy" in response to Giuliani's pressure, according to sources high up in his team: to distance himself as much as possible and to state that he was not in a position to pressure the judiciary in Ukraine. In our previous TRUMAN Index, we also provided a series of recommendations to President Zelenskyy as to how to respond to this situation. Our first piece of advice was not make any promises to the US president in this regard.

In his first month in office, Zelenskyy managed to stick to this strategy, among other reasons because it was still unclear whether Giuliani would manage to persuade Trump to his line about investigations to the point where the US president would himself start pursuing this line of arguments with the Ukrainian leader and directly or indirectly tie other items on the US-Ukraine agenda to it. When it became clear that Giuliani's strategy was, indeed, becoming Trump's strategy, Zelenskyy began to adjust his own strategy, agreeing to move this issue to the level of dialog between Trump's personal lawyer and his aide Andriy Yermak.

Up to a point, even this fairly questionable tack made it possible for Ukrainian officials to cheer themselves with the illusion that the issue of investigations was "just something that two aides are talking about. Nothing more." But after Trump's July 25 call, this discussion suddenly rose to a very different level. Those who were carefully following Ukrainian-American relations noticed, the very day of the conversation between the two presidents a surprisingly

open official statement on the site of the President of Ukraine that conveyed pretty clearly the tone and approximate contents of the call. The passage noted that Trump had called on the Ukrainian side to improve its image by investigating cases that were hampering Ukrainian-American relations. Not between Candidate Trump and President Zelenskyy, which is what this story is really about, but bilateral relations in general. Between the lines, this post on the official site could have been read as an SOS from the Ukrainians to the effect, "The US president is pressuring us,"—provided, indeed, that the passage was intentionally included in the post, and not due to some misunderstanding on the part of Zelenskyy's press service about the real sensitivity of this issue.

As an in-depth look at the memo of the telephone conversation shows, Zelenskyy was unable to maintain his "one correct strategy" that he had been following in the previous period: he was first in the conversation with Trump to bring up Giuliani's name and to report that contact with the lawyer had been established. If this was not a deliberate attempt to get Trump talking about investigating Biden, then it was a mistake in communication. This is confirmed by the fact that in the message package that the White House sent out to comment in defense of Trump, one point emphasized was that it was Zelenskyy who first raised the issue of investigations in the phone conversation by mentioning Giuliani. Zelenskyy made yet another mistake in New York when he stated, in Trump's presence, that no one was pressuring him, which the American president immediately jumped on to his own benefit. Of course, a more neutral phrasing could have been chosen, or Zelenskyy could have stated simply that he did not want to be dragged into democratic elections in the US.

One bit of bad news for Ukrainian-American relations was also that not only were Ukrainian officials like Yermak into Trump's re-election bid, but American diplomats were, too. Our presumptions as to why Trump was so insistent about ensuring a political appointee as US ambassador to Kyiv were confirmed: in order to resolve sensitive issues with the Ukrainian leadership related primarily to the 2020 election campaign in the US, not the Ukraine-US strategic partnership. In short, Ukraine was to get assistance only as a bundle with its assistance in Trump's re-election. When it became clear that a political appointee would not pass in the Senate, the post was left unfilled. Instead, a kind of "overseer" appeared in the form of the US Ambassador to the EU Gordon Sondland, whose presence at nearly all negotiations regarding Ukraine, whether in Kyiv or in Washington, appeared, to put it mildly, was highly unusual. It was particularly noticeable when Sondland was present at the Trump-Zelenskyy meeting in New York, while the Ukraine attaché, William Taylor, was not. Sondland skillfully disguised his work to implement Trump's agenda through the fairly positive public signals after the meeting with Zelenskyy. Among others, in a tweet sent July 26, he stated: "Honored to meet with my good friend Zelenskyy. US & EU united to support Ukraine and reject Russia's occupation of Crimea, aggression

in the East, manipulation of Ukrainian energy, and detention of its servicemen. Secure Ukraine = Secure Europe.”

For now, it's unclear how Joe Biden and other top Democrats reacted to Zelenskyy's statements, which is critical, given how important maintaining bipartisan US support is for Ukraine. Biden only noted that the conversation was “very telling.” However it's not known whether he meant that with regard to what Trump said, or also regarding Zelenskyy's behavior during the call, or also the public part of the meeting with Trump. The question is quite important, as it indicates the status of Ukraine's relations with the US—allies or accomplices—at least for the short term.

In drawing interim conclusions, it's important to note that responsibility for the president's precarious position in this story needs to be placed with whoever on his team decided to establish a parallel track of communication with Giuliani. It also would have made sense to engage more actively from the very start with the person who started things rolling: the single interview with Bloomberg in May that few Americans paid attention to and where Yuriy Lutsenko said that Biden had not broken any laws was simply not enough.

## ■ THE DONBAS AND “YOUR PROBLEM”

Where for Donald Trump Ukraine only became important because of the possibility of investigations, the main expectations of his Ukrainian counterpart was, according to our sources, that the United States, and Trump personally, would help resolve the five-year old conflict in the Donbas. As soon as Zelenskyy was elected, talk began as to how to make use of Trump's potential in getting Ukraine's sailors and political prisoners released. Trump had used the capture of Ukraine's sailors as his reason for cancelling a meeting with Putin in Argentina, so it seemed to follow logically that he would personally want to see the men released. This would also allow him to reopen the doors to a meeting with Putin while putting on a good face. However, it turned out that the holding of Ukraine's sailors was no further barrier to a meeting with the Russian leader for the American president.

Despite Trump's clear priority regarding possible investigations, Kyiv continued to hope that the US, in the person of Donald Trump, might be more closely engaged in resolving the conflict in the Donbas. As negotiations began to pick up again, for Zelenskyy it was important to ensure that key international partners were inclined to support Ukraine's position in this process. Although France certainly made it clear that it was not prepared to see the Normandy format expanded to include the US, Zelenskyy made a number of public statements inviting Washington to join this group. However, in fact what he meant, more likely, was that Kyiv hoped to see the US president more involved as the prospects of the Normandy format dimmed. The logic of the Ukrainian side

was understandable. Kyiv could offer Trump something of greater value in his reelection bid than just “dirt” on Joe Biden: a serious contribution to his international presidential image in the shape of a fundamental agreement to end the war in Ukraine. Against the background of other international moves that had failed to lead to specific positive outcomes for Trump, this kind of agreement would constitute a major success.

It is our opinion that the participation of Donald Trump in the Normandy format, even if Ukraine's European partners were to agree to it, would not only not benefit Ukraine, but would actually weaken its position. Over the last three months, this has become even more obvious. For example, Trump revived his campaign to get Russia back into the G7. Just as a year ago in Canada, this issue once again led to heated discussions at the G7 summit in Paris. Even if there is no internal consensus about returning Russia formally to the G7, it's highly likely that Trump will invite Vladimir Putin as a guest to the next summit in the US. For this very reason, our sources say that, prior to his meeting with Trump in New York, Zelenskyy's team prepared a proposition that, should Russia be invited to the summit next year, it would make sense to invite the Ukrainian president as well. One incentive for Trump might be the opportunity to announce, during his US election campaign, that with his help and his presence, the two presidents were ending the war in Ukraine.

What's more, Trump announced just recently that he was prepared to engage in resolving the conflict in the Donbas if his presence was needed. What made this announcement particularly striking was that the American leader has generally maintained a firm belief that the most effective way to resolve this conflict was directly with Putin. During the press briefing with Zelenskyy, Trump's wishing Zelenskyy good luck in resolving “his” problem with Putin was a lot more natural expression of his view. The only conclusion that can be drawn from the New York meeting between the two presidents is that there is little point for Ukraine to count on active support from the US, let alone Trump personally, in the negotiating process. From what our sources tell us, not one of the Ukrainian proposals received a suitable response from the American leader.

The format for further engagement by the Americans in regulating the Donbas situation was put into further question by departure of Special Envoy Kurt Volker, who was undoubtedly one of Ukraine's strongest allies in Washington. At the end of September, he tendered his resignation. Officially his title was special envoy from the Department of State on negotiations regarding Ukraine, but he was, in fact, the special envoy on all matters Ukrainian, since he had extremely limited abilities to fulfill his immediate mission and influence the resolution of the conflict. We will risk stating that it was thanks to Volker that the official US position on regulating the conflict in the Donbas was in line with Ukraine's own position under

the Trump administration (at least publicly), in contrast to the more ambiguous position of the Obama administration.

Moreover, it was to Volker's credit that the question of the war in the Donbas remained on the radars of the American political establishment. He never tired of explaining that there was still a war going on in Ukraine, not a frozen conflict. However, his efforts were overshadowed by Giuliani's campaign to turn Ukraine primarily into a source of dirt on President Trump's presumed opponent in 2020. Volker's undoubtedly good intentions to help his Ukrainian partners get out of the trap set up by Trump's personal lawyer with the least possible damage left the envoy himself hostage to this murky situation. Although he was working for State only part-time and on a voluntary basis, he decided to take a step that was fairly unprecedented for a career diplomat and, at the request of Zelenskyy aide Andriy Yermak, established contact between Yermak and President Trump's personal lawyer.

The scandalous firing of John Bolton from his post as National Security Advisor also took place in the last few months, but is unlikely, in our opinion, to have the same kind of impact on Ukrainian-American relations as the departure of Volker. Bolton had visited Ukraine to warn about the dangers of Chinese investments. However, all of his messages around MotorSich raised questions among Ukrainian officials as to how closely coordinated this position was with President Trump personally. These questions made sense, given that this topic, according to our sources, never came up in talks with VP Pence or with Trump himself in New York. At this point, our contacts in the US say that the way that Bolton left his post is likely to make his successor Robert O'Brien more circumspect in expressing his own positions on any international issues, including Russia. And that means that the personal view of President Trump will tend to dominate.

One interesting detail in the appointment of O'Brien is his role as the Special Presidential Envoy for Hostage Affairs, which underscores the importance of this issue for Trump himself, who claims to be the #1 negotiator for hostages. This is the one common denominator that could, if presented right, unite Trump and Zelenskyy, who is also actively involved on this issue.

## ■ PARTNERSHIP, NOT ASSISTANCE

The major scandal that has blown up in the investigation of Trump's demands coincided with the formulation of a new approach to Ukrainian-American relations. Although the diplomacy of flattery continues to play the main role with Trump in terms of the form of these relations as the July 25 telephone call testifies, the Ukrainians would like to see the content to shift in a different direction, that is, to leave behind "donor-beneficiary" paradigm that has traditionally been the case. In New York, Zelenskyy tried to clearly articulate that

what Ukraine needs from the US today is not aid and support but proper partnership.

This can be seen in the Zelenskyy administration's readiness not just to get but to buy weapons from the US, including the same Javelins. Notably, at the beginning of this year, the Verkhovna Rada under the Poroshenko administration finally passed legislation that allows Ukraine's Defense Ministry to participate in the US government's Foreign Direct Sales program. According to the Ukrainian government, Ukraine has already prepared the necessary application and submitted it to the Pentagon and a reply is now expected from the Americans.

Still, it is obviously important for Ukraine to prepare clearer parameters for such a partnership. For the last few decades, strategic partnership with the US was based precisely on support and aid to Ukraine. All three words—partnership, support and aid—were synonymous with Ukrainian-American relations. Clearly, this partnership will not become more real just because Ukrainians are prepared to pay for support and aid, rather than receiving them for free as in the past.

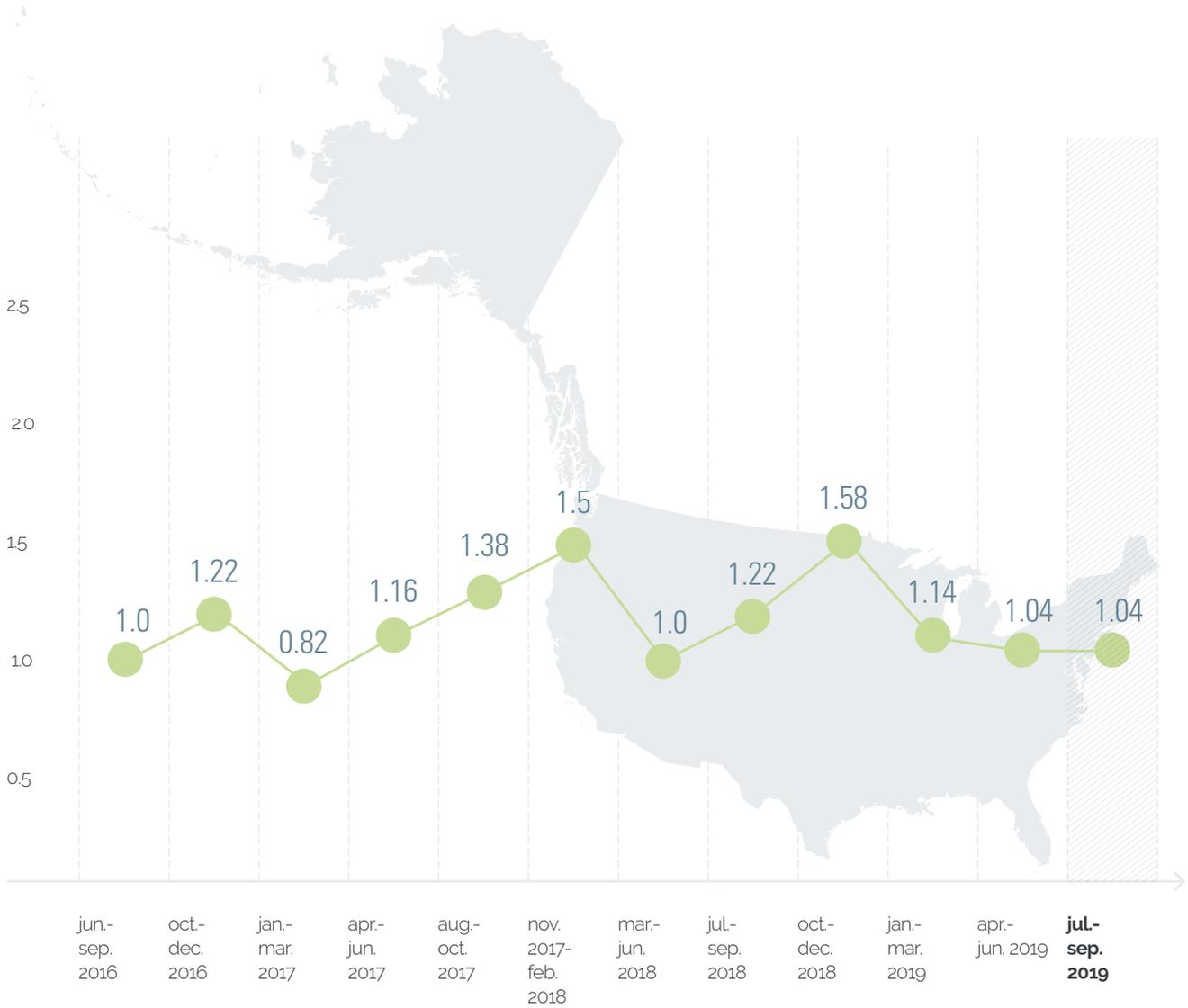
One aspect of a proper partnership could be dialog on energy. The delivery of liquid natural gas from the US to Ukraine has developed into an item on the bilateral agenda in this last quarter and one positive signal was the signing of a trilateral memorandum between Ukraine, the US and Poland in this regard. Still, our American contacts say that a real signal of the seriousness of this step on the Ukrainian side would be signing a contract and not just a memorandum. It's important that this, say our sources, was one of not many sectoral topics that managed to be included in the discussion in New York, and that Trump personally expressed interest in knowing whether Ukraine had the necessary capacity.

## EVENTS IN UKRAINE-US RELATIONS (JULY-SEPTEMBER 2019). POINT-BASED EVALUATION

DATE	EVENT	SCORE
July 3	At a meeting in Canada, President Volodymyr Zelenskyy tells US Special Envoy Kurt Volker that Russia has not shown the "political will" to resolve the conflict in eastern Ukraine.	+1
July 10	On a visit to the US, NSC Secretary Oleksandr Danyliuk and Presidential aide Andriy Yermak meet with National Security Advisor John Bolton, Energy Secretary Rick Perry, US Ambassador to the EU Gordon Sondland, and Special Envoy Volker. Among the issues on the agenda were restoring Ukraine's territorial energy through peaceful means, reforms and energy security.	+2
July 23	The US Department of State congratulates Ukraine on holding a peaceful, "historical" VR election that provided "a clear result and underscored the commitment of the Ukrainian people to democratic principles."	+1
July 25	President Donald Trump phones President Zelenskyy to congratulate him for his victory in the VR election and requests an investigation into Joe Biden's son Hunter, which two months later will lead to a domestic political crisis in the US and put bipartisan support for Ukraine in the United States at risk.	+2
July 26	A US delegation led by State Department Special Envoy for Ukraine Volker visits the Joint Forces operating theater. Prior to this, Volker and US Ambassador to the EU Sondland met with President Zelenskyy.	+1
August 20	US President Donald Trump declares that Russia should be returned to the G7, although it was excluded after illegally taking over Ukraine's Crimean peninsula. Once again, Trump claims that his predecessor banned Russia "because they got the better of him."	-1
August 27	National Security Advisor John Bolton arrives in Kyiv where he confirms that he is hoping to persuade Ukraine's leadership of the danger of cooperating with China, especially in the question of selling MotorSich, a manufacturer of aerospace engines.	+2
August 29	The Pentagon completes its review of the military aid program for Ukraine and concludes that US \$250mn should be allocated to Ukraine. This news is especially significant after Trump told his national security team to review funding to Ukraine's security sector.	+2
August 31	In Warsaw, Ukraine, the US and Poland sign a trilateral energy memorandum, one point of which concerns setting up deliveries of US natural gas to Ukraine through Poland.	+2
September 2	At a meeting with President Zelenskyy in Warsaw, US Vice President Mike Pence reassures that the US will not change its position regarding support for the territorial integrity and sovereignty of Ukraine. The two sides discuss the provision of military and technical assistance. Yevropeiska Pravda later reports that Pence raised the issue of reforms that the new leadership would undertake and how it intended to combat corruption.	+3
September 5	President Zelenskyy meets with Senators Chris Murphy and Ron Johnson who express support for Ukraine and advise Zelenskyy on how to get around Trump's demands for investigations.	+1
September 9	Four committees in the House of Representatives of the US Congress announce that they have launched a "broad-based investigation" into information that President Trump and his lawyer Rudy Giuliani put pressure on the government of Ukraine to support Trump's bid for re-election.	+1
September 12	The US State Department approves US \$141.5mn in security aid to Ukraine, including funds to pay for sniper rifles and grenade launchers. This sum had been controversially held up by Trump, along with US \$250mn in aid from the Pentagon.	+1

DATE	EVENT	SCORE
September 18	US VP Pence talks with President Zelenskyy over the phone to discuss an upcoming meeting between Zelenskyy and Trump at the UN General Assembly in New York. Zelenskyy thanks Pence for his role in getting the security program for Ukraine extended.	+2
September 18	Foreign Minister Vadym Prystaiko talks by phone to State Secretary Mike Pompeo, who congratulates Prystaiko on his appointment and confirms support for Ukraine in a number of areas.	+1
September 18	The Washington Post reports about a whistleblower complaint addressed to US Inspector General Michael Atkinson. In the file, the CIA officer states that he has information about some kind of "promise" made by President Trump to the leader of another country that worried the intelligence officer. Later it comes to light that this complaint concerned Trump's July 25 telephone call with Zelenskyy.	+1
September 19	US Defense Secretary Mark Esper speaks over the phone with his Ukrainian counterpart Andriy Zahorodniuk. "I repeated the US's unwavering support for Ukraine's sovereignty and territorial integrity," the Pentagon boss later writes in his Twitter account.	+1
September 24	President Trump announces that he will stop funding to Ukraine until Europe begins to put more into Ukraine. In another statement, he linked the delay in funding to a high level of corruption in Ukraine.	-1
September 25	Presidents Zelenskyy and Trump meet in New York for the first time, but the bilateral agenda is overshadowed by the scandal involving a whistleblower complaint.	+3
September 25	The White House publishes a memo of the July 25 conversation between Presidents Trump and Zelenskyy, showing both leaders in a fairly unflattering light. After meeting with Trump, Zelenskyy announces that he's certain that the US side published only part of the conversation. In fact, the Ukrainian president had expected that he would get to see the transcript before it was published.	-2
September 26	The unidentified whistleblower's complaint is published, making it clear that, over the last four months, a deliberate campaign of pressure against the Ukrainian president has been waged by the US president and his personal lawyer to get Ukraine to investigate, among others, the activities of Joe Biden's son in Ukraine.	+1
September 26	Senior MIC reform Advisor Dr. Donald Winter handed to the Minister of Defense of Ukraine Andriy Zahorodniuk certificates issued by the US to allow Ukrainian defense contractors repair MI helicopters for foreign customers. Some experts called the document "Tomos from the Pentagon."	+1
September 27	The press reports that State Department Special Envoy for Ukraine Volker has tendered his resignation.	-1

### TRUMAN Index





# UKRAINE - EU RELATIONS

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## SUMMARY

Kyiv's relations with Brussels during this last quarter were not as intense as previous quarters. For one thing, the vacation season disturbed the normally crowded agenda between the two. In addition, Verkhovna Rada elections in Ukraine and a changing of the guard taking place among the leaders of EU institutions made both sides focus on domestic affairs. Still, the EU-Summit took place and several important agreements were signed that will fund important areas of reforms and contributed greatly to the positive TRUMAN Index for Ukraine's relations with the EU.

Volodymyr Zelenskyy's presidency and his outright majority in the legislature have led public discourse on the EU to change significantly. The president and his premier have rarely mentioned the EU in public statements and, for the first time since the Revolution of Dignity, the EU is not trendy. This does not mean that reforms related to European integration have stalled. On the contrary, the new convocation of the Rada has been very productive in addressing several laws, mainly related to combating corruption. The absence of the EU in public discourse is mainly due to the fact that occupied Donbas has taken top priority for the new president. Meanwhile, newly-appointed FM Vadym Prystaiko has compensated for the paucity of references to the EU by reassuring that the EU and NATO remain a top priority for Ukraine.

EU policy was also reinforced by the appointment of Dmytro Kuleba as deputy PM for European and Euroatlantic integration. On top of that, Ihor Zhovkva was appointed as deputy chief-of-staff of the Office of the President, to basically be in charge of foreign affairs and Ivanna Klympush-Tsintsadze was appointed as chair of the committee for European integration. The two provide solid institutional memory and continuity in the EU integration process.

Still, not everything went smoothly in bilateral relations. Two negative developments included the publication of a White House memo about a telephone conversation between Presidents Zelenskyy and Trump that included some disparaging comments about specific EU leaders. The second was over the prisoner swap with Russia, which resulted in a key witness in the MH17 catastrophe, Volodymyr Tsemakh, being released to Russian custody. Tsemakh is suspected of having played a role in the shooting down of the Malaysian passenger liner in July 2014. The Dutch side was quite upset by the fact that Tsemakh was part of the prisoner exchange, but Ukraine did assist The Hague in interrogating him before the swap took place.

## TIMELINE

### ■ EU COOPERATION: NO LONGER TRENDY

The Zelenskyy era has brought changes to the priority level of

European integration in Ukraine. As written up in the previous TRUMAN Index, the Donbas has taken over and became central to the agenda on Bankova. This is perhaps the first time since the Revolution of Dignity that the EU is not a top priority for the administration, government and the legislature, and is seen more

as a technical process. But Volodymyr Zelenskyy's new approach to internalizing the EU and making it less of a political dictum does not mean that EU integration has been sidelined. On the contrary, the first working month of the new Verkhovna Rada showed some good results, which we detail below, allowing cautious optimism about the implementation of Ukraine's commitments vis-à-vis the EU.

President Zelenskyy ensured a quick start in relations with the EU and key member states by paying visits to Brussels, Paris, Berlin and Warsaw, and by hosting the EU-Ukraine Summit in Kyiv. The main result of his efforts was well-established contacts and a relatively high level of trust from EU partners. Zelenskyy's persona generated quite a lot of interest in some EU capitals, even before he visited. For instance, German Chancellor Angela Merkel and some EU member foreign ministers watched episodes from the TV series "Servant of the People" in order to understand Zelenskyy's narrative better. However, as proved by his first months in office, most of the messages from his TV series and his presidency are on parallel tracks.

Some concerns were raised about Zelenskyy's attitude towards the EU as a whole and towards the leaders of Germany and France in particular after the White House published an edited version of the July 25 telephone conversation between President Zelenskyy and US President Trump. The memo shows that Zelenskyy agreed with some of Trump's negative statements and this caused dissatisfaction and even outrage among some officials, which remained private. In some cases, the comments of EU officials suggested that his response could weaken support and trust on the part of Germany and France. By contrast, public statements by officials underscored that EU support and that of Germany and France would not change following the publication of the edited transcript.

Ukraine's diplomatic and expert community have been pointing out that the EU is completely absent in public statements by top Ukrainian officials, especially the president and PM. Some interpret the absence of the EU as almost giving up on an EU course. Compared to the previous administration, the current leadership is not encouraging high expectations and the EU as an entity is quite absent in public discourse, which was also the case during the presidential and VR election campaigns. This gap is being compensated by the Foreign Ministry and FM Prystaiko, who never tires of reassuring the EU and NATO that this remains a top priority for the Zelenskyy administration.

In fact, the EU course of the new leadership has been confirmed with the appointment of Dmytro Kuleba as deputy premier in charge of European and Euroatlantic integration to replace Ivanna Klympush-Tsintsadze. Kuleba, an experienced diplomat and communicator, has the difficult tasks of pushing reforms that were delayed by the previous administration, to decentralizing EU integration, and

streamlining communications between the EU and Ukraine on many issues prescribed by the EU-Ukraine Association Agreement. Moreover, unlike his predecessor, Kuleba may be granted the additional powers allowing him to submit bills prepared by his office independently of other ministers. That certainly suggests that the role of the Office and the Deputy PM are being strengthened, since it often happened in the past that various ministries slowed down initiatives that looked to interfere in their rent-seeking schemes.

Another good sign for EU integration is the appointment of Ivanna Klympush-Tsintsadze to chair the VR Committee on European integration. Despite reportedly being at odds with the new leadership, Klympush-Tsintsadze has unique experience regarding integration into the EU and should be a focal point in the Rada in promoting the EU-Ukraine agenda, despite being in the opposition. Moreover, Klympush-Tsintsadze and Kuleba appear to have a good relationship, which should also help smooth the process of adopting the necessary bills.

In August, things did not look so good when the ruling party was seriously considering merging the foreign affairs and European integration committees. In the end, after some debate and calls, including from the EU, the two committees were left, but the one on EU integration was limited to nine MPs—although initially there was talk of only seven. The purpose of the Office for European and Euroatlantic Integration was also questioned but, in the end, it was also left untouched. Many criticized Ukraine's government for questioning the role of state agencies in charge of EU integration, questioning whether Sluha Narodu even understood the process of European integration. EU officials noted that ideally Ukraine needed to consider setting up a ministry in charge of European integration.

Some other appointments related to the EU dossier include the newly appointed deputy chief-of-staff of the Office of the President, Ihor Zhovkva, who has been serving in presidential administrations for many years and has a considerable experience in this area. In addition, former adviser to the FM Taras Kachka was appointed deputy minister for economic development, trade and agriculture and Ukraine's trade representative. Kachka has been very vocal on economic relations with the EU and has the ambition to switch Ukraine-EU economic relations from just trade to actual integration.

## ■ NEW EU LEADERSHIP = NEW OPPORTUNITIES FOR UKRAINE

The election of new leadership to the European Commission and European Council came for Ukraine with both regret and hope at the same time. Inveterate supporters of Ukraine such as Donald Tusk will no longer be part of these European institutions. Still, many figures who have played a positive role for Ukraine will remain in the EC, even if in different positions.

The new composition of the European Commission looks very professional, including as it does former prime ministers, European commissioners and ministers who are well adapted to the main areas of EU interest: environmental protection, digitalization, democracy and transparency, transport, and so on. Some, like Johannes Hahn, Frans Timmermans, Maros Sefcovic and Valdis Dombrovskis have been European Commissioners in the past, so they are well acquainted with Ukraine and are likely to cooperate well.

The new commissioners responsible for key areas of interest to Ukraine also come with positive recommendations. The energy portfolio went to Estonia, agriculture to Poland, and transport to Romania, all three countries that consistently support Ukraine's European integration aspirations. Cautious optimism accompanies the replacement of Italian Federica Mogherini, with Spaniard Josep Borrell, who will be responsible for the foreign policy and security portfolio. In Kyiv, there are strong hopes placed on Borrell, given that relations with Mogherini were not entirely positive: Ukrainian officials often criticized her for "indifference to Ukraine" and for refusing to visit the frontline in the Donbas. But the appointment of a Hungarian as EU Commissioner for Neighborhood and Enlargement is ambiguous and was perceived as a provocation in Ukraine and other EaP countries since it is widely thought that Hungarian PM Viktor Orban will use this post to promote Hungarian interests in the region and especially in relation to Ukraine.

The European Parliament's committee that vetted candidates before voting took place in the plenary session took into account apparent conflicts of interests and possible corruption or anti-democratic practices with the Hungarian and Romanian and voted against both. Both countries will have to propose new candidates in order to pass the screening committee. As to the new EC president, Ursula von der Leyen is well disposed towards Ukraine. As a former minister of defense, she understands better than others Russia's negative role in Ukraine. Despite this, she was criticized for modest results as German DM: most Germans, 56%, did not want von der Leyen to head the EC and only 33% supported her.

## ■ EU SUPPORT: MONEY VS. VALUES

With the publication of the memo with the edited transcript of the Trump-Zelenskyy telephone conversation in which Zelenskyy endorsed some of the negative comments of his American counterpart, the first scandal in relations with the EU seems to be brewing. After the publication, Germans and EU began to publish data and comment on how much both had spent on Ukraine and why their support was much greater than that provided by the US. Brussels reminded everyone that the EU and EU-related institutions had provided the biggest financing in EU history and an unprecedented financial support in grants and credits to Ukraine worth about €15 billion since 2014. Germany alone delivered €1.4bn to Ukraine and this sum did not factor the indirect support provided through EU institutions. On top of that,

Berlin spent €110 million on humanitarian projects, making it the biggest humanitarian donor to Ukraine.

Notably, President Zelenskyy commented on the telephone conversation and stated unequivocally that he was grateful for everyone's support, but he "told the truth," even if some Ukrainian officials tried to defend him saying that the context of this conversation needed to be considered and that Merkel and Macron were not newcomers to diplomacy and would understand Ukraine's position well enough. And indeed, even Zelenskyy explained that the conversation took place at a very difficult period when Russia was being returned to PACE without implementing any of the original conditions and Nord Stream II was going full-steam ahead.

Zelenskyy's statements were widely discussed in diplomatic and expert circles in Kyiv. From a Ukrainian perspective, his words were misinterpreted, since the president did not refer to money when he made comments disparaging the level of aid. Rather, his observations referred to the fact that Ukraine expected more from the EU, meaning Germany and France, in terms of support against Russia's aggression and returning control over the occupied territories in Donbas and annexed Crimea to Kyiv. The president's opinion was formed in the context that Nord Stream II was being built by Russia with German support, the Russian delegation was allowed back into PACE without being held responsible for its illegal actions, President Macron called for rapprochement with Russia during his address to French ambassadors and lobbied for Russia's participation in the G7, in both German and French official development aid, Ukraine was not even among the top 10 countries by volume of disbursed funds, and so on. All these developments made Zelenskyy respond critically. On top of that, every six months Ukraine has to worry again whether sanctions will be extended or not. In short, Zelenskyy had in mind EU security support and the fact that current Brussels policy was not sustainable. Moreover, the arguments of some EU officials who mentioned the impressive amounts offered to Ukraine were compared to the loss of revenues from gas transit alone, which is far greater than all the EU funding offered.

Certainly, from an EU perspective things look very different. The EU has indeed invested billions of euros—albeit most of them as credits—over the last six years and could invest more should Ukraine demonstrate results in implementing reforms. Sanctions really have led to serious losses for some EU countries and this is also part of the price paid by the Union. Moreover, Ukraine would likely have lost the gas transit anyway, since Russia is determined to pay any price for this to happen. If not the EU and its energy policy on unbundling, Ukraine would not have been able to buy gas through reverse flows, and so on.

With opinions split between the EU and Ukraine, some tensions appeared in relations. Although some reconsideration of the support from the EU, Germany and France would be expected, radical changes are unlikely to take shape in the nearest future.

Some funding could be cut off, other support programs could become less flexible, but the support will probably remain.

In addition to the issue of Zelenskyy's negative comments, a crisis is looming with the Netherlands. The Hague has been extremely disturbed over the release Volodymyr Tsemakh and his subsequent handing over to Russia as part of the prisoner swap with Moscow. Tsemakh is allegedly a "person of interest" in the MH17 investigation and was the individual whom Russia specifically demanded to be included in the group of 35 in the prisoner exchange. Growing criticism from the Netherlands prompted Kyiv to postpone the swap until the MH17 Joint Investigation Team could interrogate Tsemakh and gain potentially important details. The fact that Russians demanded Tsemakh is an indirect confirmation of their culpability in the shooting down of MH17. Indeed, people familiar with the MH17 dossier say that Tsemakh was not a "big fish" for the investigation, as the JIT already has enough evidence that Russia was in charge of the operation.

Difficult relations with the Netherlands are a continuation of many issues from the past: the negative referendum on the Association Agreement, opposition to visa liberalization, and so on. The Dutch raised the issue of Tsemakh at the meeting of EU ambassadors and showed their displeasure that the issue was not mentioned in the EU joint statement. It is unlikely that this issue will be part of the intra-EU debates in the future, but the Netherlands could use this to weaken EU-Ukraine relations. President Zelenskyy wanted to meet Dutch PM Mark Rutte on the margins of the UNGA in New York in September and even had planned for a meeting in advance. However, a meeting with German Chancellor Angela Merkel was moved to the same time and Ukraine had to choose between the two.

## ■ SANCTIONS: SLOWLY ERODING

EU policy on sanctions remains unchanged so far and all the sanctions that came up in the current quarter were extended. Despite this, Ukrainian officials have been worried that sanctions policy is losing ground. President Zelenskyy publicly complained that there was a growing mood among Ukraine's western partners to ease or lift sanctions. He expressed disapproval for any attempts to lift sanctions, saying that, while the West was losing money, Ukraine was losing lives, so sanctions needed to be kept because these represented a sort of "penalty" that maintained proper international order.

Foreign Minister Vadym Prystaiko continued Zelenskyy's line, noting that, ideologically, the sanctions started to collapse. Still, Ukraine expected them to be extended in December without too many difficulties. The argument making this possible is Zelenskyy's effort to end the war and find a working solution that would be acceptable to the majority of Ukrainians, so that any attempt to ease or lift sanctions while Ukraine was working to establish peace would be perceived as capitulation. More than that, there has been no significant public

pressure in the EU to lift the sanctions. In most EU countries—the exceptions are Austria, Slovakia, Greece, Italy and Czech Republic—, more than 50% of the population thinks that the EU sanctions policy is balanced or even not tough enough.

Despite some pushing from President Macron and President Trump, the EU was against inviting Russia to the G7 summit. Ukraine's position was reinforced by the EU with arguments that any unconditional invitation for Russia to join G7 would be counterproductive. Moreover, officials in Brussels pointed that Moscow would interpret such a step as a sign of weakness and return to business as usual.

However, reluctance to lift sanctions does not mean that there is any appetite for more sanctions. It is almost half a year since the EU stated that it would react to Russia's "passportization" policy in the occupied territories of the Donbas. Currently, work is in progress to develop a mechanism to be applied at the EU level to deny EU access to individuals with passports issued for the region. Ukraine is being patient, knowing that such a mechanism is difficult to apply. In the case of Crimea, it took the EU 18 months to develop and apply a system. On the other hand, it's not clear why this should take so long, given that a model has already been tested in Crimea.

Some good news regarding sanctions comes with the institutional shuffle in the EU. The Unit FPI.5 in charge of sanctions will be moved from the portfolio of Foreign Policy Instruments, which is under the high representative for common foreign and security policy, to the commissioner in charge of economy: the new commissioner for economy is Valdis Dombrovskis, who is a good friend of Ukraine. However, any decision on sanctions is ultimately taken by EU member states.

## ■ EU-UKRAINE SUMMIT: MORE MONEY, FEWER AMBITIONS

The annual EU-Ukraine summit was held in Kyiv for the first time with the new president present. Although many, including former FM Pavlo Klimkin, criticized the president for holding the summit in summer and not in fall, when the new EU leadership would take over, the summit itself went smoothly. Aside from the usual suspects—Donald Tusk and Jean Claude Juncker—, this year's summit was also attended by outgoing EU Commissioner Federica Mogherini. The summit was not without its minor scandals as then-Vice Premier in charge of European and Euroatlantic integration Klymush-Tsintsadze was not allowed to attend. The situation looked bizarre, especially coming against a background of tense relations after Zelenskyy's visit to Brussels.

The political dimension of the summit was generally positive as the sides managed to sign a joint statement that encompassed nearly all the proposals from the Ukrainians: on sanctions, Russian aggression, and so on. However, sources familiar with the pre-summit negotiations noted that Ukraine was not very ambitious in its demands of the EU, a

principle is very much in line with Zelensky's overall policies.

On the practical level, the results of the summit include five agreements signed between Kyiv and Brussels. Specifically, these agreements are aimed at pushing decentralization reforms, funding anti-corruption policy, civil society and culture, and supporting the Donbas.

## ■ REFORMS IN TURBO MODE

The EU may have been overlooked in public statements by the new administration, but this has not affected the speed with which bills related to Ukraine's EU aspirations and the Association Agreement have been passed. Among the main achievements, several are related to curbing corruption. Most importantly, a new bill on illicit enrichment was adopted and bills to streamline the work of the National Anti-Corruption Bureau (NABU), the High Anti-Corruption Court (HAC) and the National Agency for Corruption Prevention (NACP). Moreover, the High Anti-Corruption Court became operational at the beginning of September, which is clearly a new page in Ukraine's anti-corruption efforts. Some other bills covered public procurement, energy, standardization, customs, and geographical indications. The EU has been quite positive about the legislative track-record of the new Rada.

At the same time, Brussels offered a negative assessment of certain bills, especially those regarding the reform of law enforcement and the judiciary. The latest example was a bill on judiciary reform that sparked criticism from the Council of Europe and the EU for potentially putting the independence of the judiciary at risk. In the same context, the EU's main concern regarding anti-corruption agencies was making them independent and more productive. This concerns not just NABU, the HAC and NACP, but also the Prosecutor General's Office (PGO), the Security Bureau of Ukraine (SBU) and the Specialized Anti-Corruption Prosecutor (SAP). Before departing, Ambassador Mingarelli made a rare comment where he blamed Nazar Kholodnytskiy for the inefficiency of the SAP Office, precisely for being unable to cooperate properly with NABU.

There are more expectations with the new Rada and the monomajority. These concern mainly bills that did not make it through the previous legislature but are really needed. Transport is one area that is seriously lagging behind, as the previous Rada was unable to pass a single bill, despite the fact that Ukraine received some €2bn from EU financial institutions at a very low interest rate, 1.8%. Most of the bills were either blocked in committee or fell short by 4-5 votes in the legislature itself.

Reforms related to the next installment of macro financial assistance worth €500mn have also moved forward. Among these, the most visible progress was with the NACP's automated verification of e-declarations. The automatic system selected 1020 e-declarations, of which NACP reportedly already verified 708. In 36 cases, it turned

out that false information had been provided worth UAH 314.8mn. The reboot of NACP, along with some parallel improvements in customs and other sectors that were lagging behind is improving the chance for the administration to get a positive decision on the next installment of EU macro-financial assistance by the end of the year.

In most of the cases, the particular reforms are required by the Association Agreement. In order to make implementation more transparent, Deputy PM Kuleba announced plans to open the "Pulse of the AA" (Пульс угоди) system to the public, which could mobilize stakeholders to achieve better results.

But the Government's plans regarding the AA are much more ambitious than that. More than anything, Ukraine would like to revise customs rates and duty-free quotas with the EU. The need for such a revision is driven by the fact that the existing rates were negotiated based on the trade data from 2005-2007 and do not reflect the current state of economic development. Also, along these lines, Ukraine would like to continue revising the AA Annexes, like it did with Annex XXVII on energy issues. The next in line would be the Annex on telecommunication services and the Annex on financial services.

In the meantime, trade with the EU continues on its positive track with 5% growth in the first half compared to the same period of 2018. In 2018, the biggest volumes of imported goods from the EU were machinery and vehicles, industrial goods and chemicals—adding up to 78%. In contrast, 79% of goods exported from Ukraine to the EU were manufactured goods, raw materials, food and beverages. Medicines were the most exported EU product to Ukraine, while corn was the most imported product from Ukraine. Despite the steady growth of the bilateral trade, Ukraine is a very small trading partner for the EU, accounting for only 1% of total non-EU imports and 1% of total non-EU exports.

## ■ ENERGY: LOTS OF LEGAL DISPUTES

In energy, there have been several developments connected with Ukraine. First of all, the European Court of Justice ruled that the OPAL pipeline between Germany and Poland could be used by Gazprom for not more than 50% of its capacity. Gazprom was using OPAL to distribute from Nord Stream I to Central and Western Europe. This means that Gazprom now needs to find an alternative solution for transporting about 12.5bn cu m of gas every year. This will likely involve transporting gas through Ukraine. While trilateral negotiations between the EU, Russia and Ukraine that took place on September 19 did not yield practical results, Russia's position is not as uncompromising as it was before.

The current formula being discussed by the EU and somehow pushed by the Russian side as a potential compromise on gas transit through Ukraine is to use Ukraine's membership in the European

Energy Community. EEC membership means Ukraine has to implement European legislation in this sphere. Thus, even without a contract, Ukraine's GTS operator will be obliged to auction off its transit capacities and facilities, which Gazprom could buy for its short-term deliveries. This is not a convenient outcome for Ukraine, as investments in the GTS will depend on the duration of the contract, not only on transit fees.

Aside from the European Court decision on OPAL, there are some other legal issues. First, Nord Stream II filed a lawsuit with the European Court of Justice requesting the cancelation of amendments to the gas directive that will force the Gazprom-led project to comply

with EU regulations. What's more, the European Commission could also appeal the court decision on OPAL. However, this is unlikely to have a major impact, as any ruling will be limited to legal issues only.

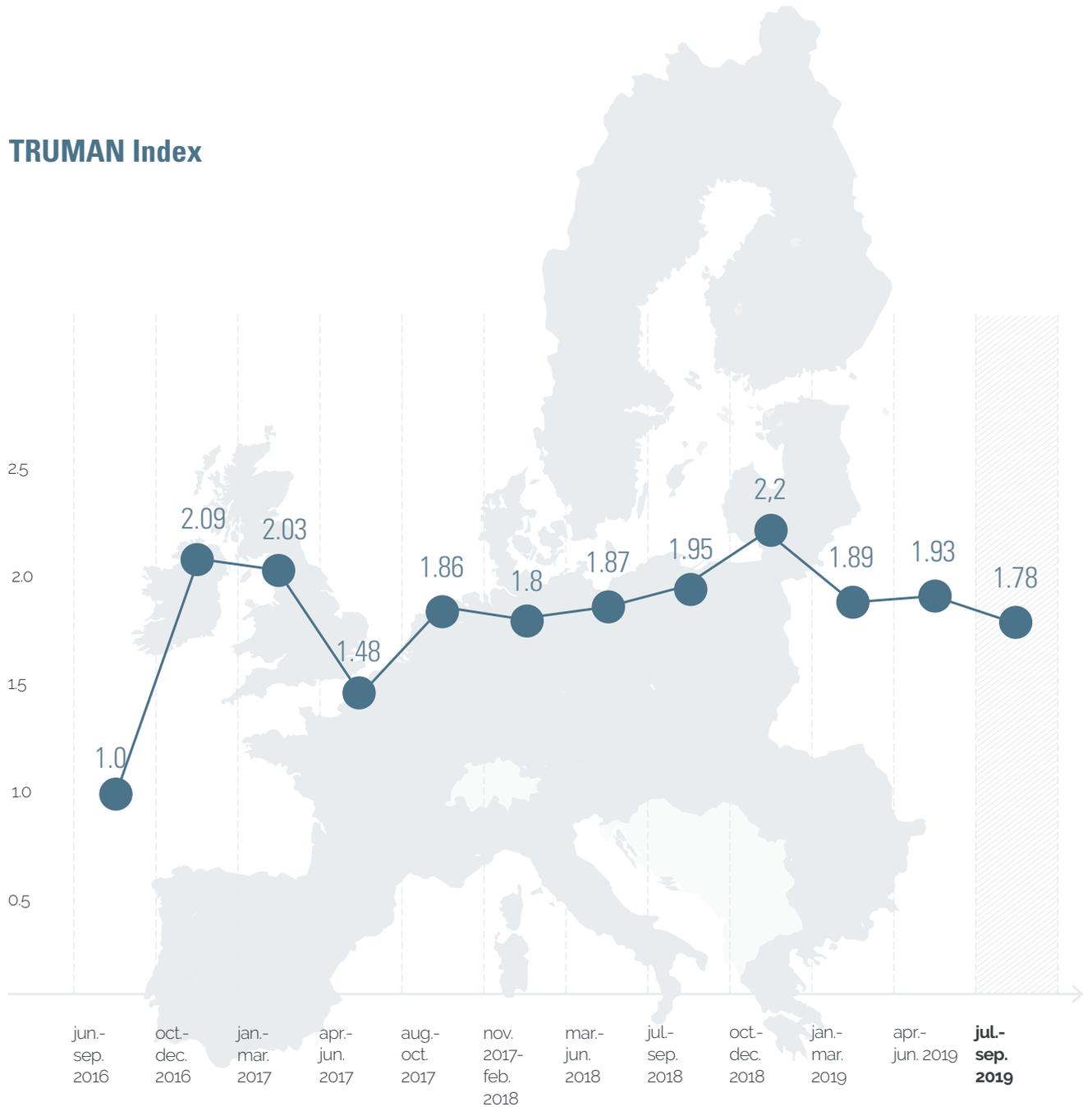
In the meantime, the biggest problem for Nord Stream II now is the lack of permission from Denmark to lay the pipeline through its territorial waters. It is still unclear if or when Denmark will grant permission, which could delay the project by about 8 months and increase costs by as much as €660mn.

## EVENTS IN UKRAINE-EU RELATIONS (JULY-SEPTEMBER 2019). POINT-BASED EVALUATION

DATE	EVENT	SCORE
July 7	European Council President Donald Tusk visits eastern Ukraine with President Zelenskyy.	+3
July 8	The Ukraine-EU Summit takes place in Kyiv.	+3
July 8	The EU and Germany allocate €100mn to support energy efficiency in Ukraine.	+4
July 8	The EU allocates €10mn to support the Donbas.	+4
July 8	The EU allocates €44mn for reforms and implementing the Association Agreement.	+4
July 8	VPM Ivanna Klympush-Tsintsadze is not permitted to attend the EU-Ukraine summit.	-2
July 11	The EU promises €6mn for landfill in Khmelnytskyi.	+3
July 18	The European Parliament adopts a resolution calling on Russia to release Ukrainian POWs and political prisoners.	+2
July 30	The EU increases its quota for Ukrainian poultry imports.	+2
August 16	A mission on integrating Ukraine into the EU's Digital Single Market is launched.	+1
September 3	Germany allocates €1mn to support victims of the Donbas war.	+1
September 4	The European Commission appoints a special advisor on relations with Ukraine.	+1
September 9	The EU rejects "elections" in occupied Crimea as illegitimate.	+1
September 10	An EU court cancels an EC decision on Gazprom's admission to the OPAL pipeline.	+2

DATE	EVENT	SCORE
September 11	The Verkhovna Rada adopts Bill #1068 on standardization, which is key to the ACAA with the EU.	+1
September 12	The EU extends personal sanctions against Russia for 6 months.	+2
September 24	The European Parliament sets up a support group for Ukraine.	+2
September 26	The White House publishes an edited version of the telephone conversation between Presidents Zelenskyy and Trump containing negative comments about EU leaders.	-2

### TRUMAN Index



# UKRAINE - CHINA RELATIONS



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## SUMMARY

The key events shaping relations between Ukraine and China over the third quarter of 2019 included the comments made by Du Wei, Ambassador Extraordinary and Plenipotentiary of China in Ukraine, on China's intention to be involved in the resolution of the Donbas issue as well as the scandal surrounding Chinese investment into Ukraine's Motor Sich company, an initiative staunchly opposed by the US. The remaining interactions occurred at the level of technical negotiations and meetings between entrepreneurial delegations. It is obvious that Chinese businesses remain interested in cooperating with Ukraine, yet the potential for interaction remains largely untapped. As the period covered Ukraine's parliamentary elections and the subsequent formation of the Government, official contacts between the countries were sparse.

Meanwhile, the MFA of Ukraine reported that over 20000 e-visas had been issued to foreigners in 2019, bringing in an additional UAH 45 mn to the state budget. Chinese citizens lead in terms of the number of e-visas received at 12123.

It is worth mentioning that the quarter saw a slowdown in China's economic growth, with the rate of 6,2% being the lowest in 27 years. One of the key issues, obviously, is the political and economic turmoil brought in by the trade war with the US. The Government's measures to incentivize domestic consumption did not compensate for the losses arising from the imposition of customs duties on nearly two thirds of Chinese exports to the US. Chinese manufacturers were forced to absorb part of the damage. Experts are worried about negative trends accumulating in the economy of the PRC, while other analysts warn of potential ripple effects that might spread across Southeast Asia, where China is a prominent economic power, and even reach global levels. For their part, the leaders of the PRC deny the existence of negative trends in the country's economy and stress the growth of real income, which increased 8,8% over the same period, accompanied by positive trends in job numbers. They maintain that GDP growth is a secondary factor, not worth achieving on its own but rather serving as an instrument to raise overall life standards.

## TIMELINE

### ■ BILATERAL RELATIONS WITH UKRAINE

China is well placed to become Ukraine's largest foreign trade partner. Ukrainian exports to China in the first half of 2019 grew 60% in comparison to the same period last year. Chinese imports, meanwhile, grew 10,9%. The overall trade turnover increased by 25,5%. The gains in Ukrainian exports were mainly down to an increase

in the amounts of agricultural produce, foods and beverages exported (+75% or \$578 mn) as well as mineral commodities (+23% or \$180 mn).

The greatest growth in Chinese demand applied to Ukrainian grains (+ \$200 mn), ready-made meals (+ \$165 mn), dairy products (+ \$3 mn), fats and oils (+ \$145 mn).

Ukrainian corn has virtually ousted American corn from the Chinese market (with 5 mn tonnes supplied). As the Chinese representative,

senior trader Steven Li Feng Zhou, noted at the Black Sea Oil Trade 2019 conference, Ukraine has become China's largest provider of sunflower oil. In the 7 months of 2019, Ukraine shipped 76.4 thousand tonnes of sunflower oil to the PRC, while the Russian Federation delivered 25.8 thousand tonnes. This is all the more impressive with respect to the fact that the Crimean Peninsula, parts of the Donetsk and Luhansk oblasts are under Russian occupation. Agricultural exports from Ukraine to the PRC are forecast to remain active.

The period between June and September saw the continuation of solar energy projects, with numerous contacts between the two countries' entrepreneurs. The One Belt, One Road Association and the Ukrainian Chamber of Commerce and Industry have been especially active in developing business connections. Activities in the Ukrainian market have drawn the attention of the likes of Jianyi, Greenland Group, representatives of Anshan province business circles who specialize in metallurgy projects. The Sinosure company that has been a player in the Ukrainian market for a long time organized a round table discussion for companies from Ukraine and the PRC. Mechanisms to engage Chinese investment into Ukraine's economy were high on the agenda. The Ukrainian side was represented by DTEK, UDP, Ukreximbank, Naftogaz, Ukrtelekom, the Ukrainian Sea Ports Authority, Ukravtodor. The Chinese party was made up of the representatives of CCEC, CMEC, Cofco International, Huawei, ZTE, Sinopharm, PowerChina, ZPEC, Beiken, CRBC, Hong Hua, China Harbor and others. A delegation of ten companies, members of the Chinese Entrepreneur Association, addressed the Ukrainian League and Industrialists and Entrepreneurs with a request to facilitate investment into Ukraine's IT, energy efficiency and infrastructure development sectors. The parties agreed to establish efficient communication and exchange up-to-date information on available opportunities.

The reporting period was marked by a prominent event for Sino-Ukrainian relations. It may have been the first time since the beginning of Russia's aggression against Ukraine that China expressed its desire to be involved in resolving the Donbas issue. During a briefing called by the Chinese Embassy in Ukraine, Du Wei, Ambassador Extraordinary and Plenipotentiary of China in Ukraine, stated: "China is ready to assist the process of peacefully resolving the conflict in Eastern Ukraine." According to him, Beijing supports the situation's peaceful regulation. "China is a friendly nation. We feel the pain and support the peaceful resolution of the Donbas issue," said Du Wei. He also stressed: "Beijing is ready to apply its efforts to resolve this matter."

The briefing and the statement followed the visit by former US national security adviser John Bolton to Kyiv. He delivered several major comments on China in general and on Sino-Ukrainian cooperation in particular. It was not the first time Bolton publicly criticized the PRC's economic expansion policy, accusing Beijing of unfair trade practices, government subsidies, industrial espionage,

state lobbying for Chinese companies coupled with limiting access to the PRC for foreign businesses. Bolton also dwelt on the issue of Chinese investment in Motor Sich, Ukraine's key airplane and helicopter engine manufacturer. The Chinese Ambassador Du Wei dismissed the accusations, pointing out that the US was running a similar campaign against China around the globe. He maintained the allegations were unsubstantiated and untrue.

The problem with the Motor Sich project is that the Chinese investor, Beijing Skyrizon Aviation, had obtained the major share of the Ukrainian enterprise's stock quite a while ago and spent several years waiting for the Anti-Monopoly Committee to clear the operation. With the AMCU apparently taking its time, the Chinese party agreed to transfer 25%+1 of the shares to Ukroboronprom, which would grant the Ukrainians control over the transfer of sensitive technologies. The Chinese company ultimately received 50%+ of the shares to reorganize the enterprise and establish cutting-edge production in Ukraine through investing into developing new technology. The investor assumed the obligation to preserve the current number of staff and their payroll, provide the employees with a range of social benefits and to guarantee orders for the enterprise's products. The matter of using Ukrainian technologies was supposed to be regulated by a separate licensing agreement, which never materialized.

Still, the US position, articulated by Bolton in Kyiv, is that "military and sensitive technologies should not end up with adversaries or potential adversaries", a list that China is currently on. The US Administration's representative was firm in his recommendation that Ukraine should abstain from cooperating with the Chinese partners. Since there was an option to legally stop the Motor Sich transaction, Ukraine followed up on Bolton's comments with a thorough check of the legal entities that obtained the company's stock along with an investigation of its activities over the last few years. It must be said that Ukraine found itself in quite the predicament here. On the one hand, Kyiv needs the investment that the Chinese are ready to provide, yet, at the same time, it cannot ignore the stance taken by its strategic partner, the US, which is currently in tense relations with China. Evidently, the Motor Sich matter will ultimately be resolved within the wider context of Ukraine-US and Ukraine-China relations.

Another example of troubled bilateral military technical cooperation are the Chinese Type 055 missile destroyers. These would be the first ships equipped with Chinese-made gas turbines, based on Ukrainian prototypes. The first of the Type 055 missile destroyers, the Nanchang, is soon to be commissioned by the People's Liberation Army Navy (PLAN). It successfully underwent most of its sea trials and debuted officially at an international naval parade dedicated to the 70th anniversary of the PLAN. The Type 055 missile destroyers will become the second largest in the world following the US Zumwalt class ships.

While China-US relations remained warm, Chinese missile destroyers were fitted with US-made LM2500 gas turbines which proved their reliability over years. However, Washington later imposed an embargo on military shipments. Production was blocked, and China turned to Ukraine, where, according to international media reports, it purchased 10 UGT25000 turbines accompanied by complete sets of technical documents. Using the UGT25000 gas turbine manufactured by the Mashproekt State Enterprise, which is part of the Zorya State Research and Production Complex, China developed its QC280 gas turbine. According to a Chinese source, its effectiveness is superior to the UGT25000, which was achieved by incorporating technological solutions used in the LM2500, while its output reached 30 000 kW. It is reported that the local manufacturing content for QC280 turbines is now over 95%.

Among the important avenues of Sino-Ukrainian cooperation, one must note the General Administration of Customs' approval of the list of Ukrainian frozen beef producers who are now authorized to export it to the Chinese market. The decision was ultimately approved during a visit by the Chinese delegation headed by Vice Minister Li Guo between August 4th and 7th. The agreement was preceded by several missions from Chinese certifying authorities which confirmed that the quality of the produce and the processes at the Ukrainian manufacturing facilities complied with sanitary requirements. On top of that, a round of negotiations between the heads of the customs services of Ukraine, Poland and China took place in September. These had to do with exchanging customs data. Previously, the exchange was limited. The negotiators also reached an agreement on simplifying customs procedures for Chinese goods that are transited through Ukraine. In particular, the Kyiv authorities expressed their desire to join the Memorandum on the China-Slovakia container freight train and to introduce a voluntary customs crime notification system.

The Chinese company Huawei emerged as the winner of the tender to establish a 4G network in the Kyiv metro. The first stations, Akademmistechko, Heroiv Dnipra and Syrets, will be equipped with contemporary telecommunication networks by the end of 2019. Cooperation with Huawei is all the more perspective, as China maintains its positions as the global leader in cutting-edge 5G systems. The first 5G systems global conference is set to take place in Beijing this year. The leaders of the PRC have declared their intention to continue bolstering China's fore-running position in the sphere.

The cultural front saw direct contacts between tourist agencies in Lviv and the Chengdu province, the thirteenth conference organized by the Ukrainian Association of Sinologists to mark the 70th anniversary of the establishment of the People's Republic of China, a meeting with the delegation of the University of Heilongjiang held at the Kyiv Shevchenko National University. The

decision was reached to sign a cooperation agreement between the two institutions.

## ■ THE TRADE DISPUTE BETWEEN CHINA AND THE US

Global politics was still focused on the trade relations between two of the world's largest economies in the third quarter of 2019. The US imposed an additional 15% customs duty on \$109 bln worth of Chinese goods starting on 1st September. In response, the PRC's leaders decided to cease buying American agricultural produce and imposed additional customs duties in the range between 5% and 10% on over 5000 items of American export to China amounting to a total of \$75 bln. Another wave of tax duties on Chinese and American goods may be introduced on December 15, should the parties fail to sign a comprehensive trade deal (this would include duties imposed on \$175 bln worth of Chinese exports to the US and a 25% duty applied at least to American cars exported to China). The parties have been engaged in a trade war since 2018, continuously imposing limitations on trade, and have essentially exhausted the instrument's potential. Donald Trump and Xi Jinping announced a 'truce' in the trade war at June's G20 summit. The 12th round of trade negotiations then took place on July 30-31. Yet, a final agreement was not reached, and the negotiations did not avert Trump's decision to impose additional limitations on September 1, which were met by countermeasures from China. Still, it was as soon as the end of September that the President of the US spoke out for the continuation of talks with China and praised Xi Jinping's decision to procure certain amounts of American agricultural produce in return for the restrictions imposed on Huawei being lifted. The US Secretary of the Treasury Steven Mnuchin reacted to the events by announcing the intention to hold another round of talks shortly. He stressed that the US wish to see a 'comprehensive' deal rather than ad-hoc solutions.

The trade dispute between the US and China is estimated to have dealt a serious blow to the global economy, slowing its growth, disrupting trade connections and supply chains. The American side also admits that duties on Chinese goods have become a burden for American households. According to some estimates, the average US household has lost up to \$1000 a year, having to pay an extra 5% to 25% for goods made in China. If the American duties slated for December go into effect, they will hit some of the most sensitive goods exported from China to the US, such as clothing, shoes, PCs and cellphones, including Apple products.

Some analysts say that the tension between the US and China has little to do with trading commodities or the trade imbalance that has doubled over the last decade. They believe the underlying issue is the struggle for technological leadership. Out of the 20 largest tech companies of the world, 11 are American while 9 are Chinese. It is forecast that should the parties foot-drag with finding a mutually acceptable solution, the world might end up divided by an e-Berlin wall, with the US and China each dominating their segment. Representatives of the West admit that

they failed to react to China's promotion to the top league of global geopolitics. Most economic development concepts were based on the assumption that US domination would go unchallenged, while China, with its numerous and predominantly poor population, would remain a third-world country. However, the complete opposite came to be: in terms of infrastructure, human potential and technological development, China is now firmly either runner-up or the global leader. For instance, China boasted eight times the US's number of science, technology, engineering and mathematics graduates back in 2016. China has three times more wireless Internet users, while its manufacturing value added (MVA) growth surpasses that of the US nearly one-and-a-half times. Unlike developed Western states, China is actively investing into countries whose indicators prevent them from attracting investment from global financial markets and is active in regions where large-scale infrastructure projects are deemed risky. This is the reason behind China's dominance in Africa, its rapid expansion in Latin America and active interest in the Arctic region. Yet, unlike the 'leader of the free world', Beijing seems to pay little attention to issues such as protecting human rights or the freedom of speech. As a matter of fact, China makes a point of not interfering with the politics of other states. Instead, the country is expanding silently, exporting Chinese-made materials, equipment and human resources. All these factors determine China's position on the global chequerboard as a soft yet consistent and overwhelming force that is patient in reaching its clearly-set goals.

## ■ CHINA'S FOREIGN RELATIONS WITH OTHER COUNTRIES

The German Chancellor Angela Merkel paid an official visit to China between September 6th and 9th, where she held talks with the Premier of the State Council of the PRC, Li Keqiang. The negotiations focused on the economic relations between the two states in the context of the US-China trade war as well as on protecting European investment into the Chinese market. Chancellor Merkel expressed hope that the trade dispute between China and the US would be settled soon while also calling for a China-EU investment protection agreement.

A number of critical agreements were reached in the course of the visit, and both parties expressed their satisfaction with its outcomes. This was stated by the Chinese Foreign Ministry's Spokesperson Hua Chunying. "We believe at least three crucial agreements have been the outcome of the German Chancellor's visit," she stated.

Firstly, according to Hua Chunying, the parties reconfirmed their responsibility for upholding the principles of free trade and mutual benefit. As uncertainty and instability grow, and as protectionism and unilateral actions become more commonplace, China and Germany more than ever need to reinforce strategic consultations and interaction to jointly face the world's challenges. Angela Merkel stressed that Germany, a country also affected by the US's unilateral

limitations and protective measures, is ready to reinvigorate contacts and consultations with China on international matters in the spirit of multilateral cooperation and free trade.

Secondly, the parties spoke out in favour of the openness concept and were in consensus on expanding their mutual market presence. China stated that its course for increasing market openness remains unchanged. A significant number of German companies have reaped the benefits of China's growing openness to the foreign investment. For her part, Angela Merkel said Germany would continue to welcome investment activity by German companies in China.

Thirdly, both parties reiterated that they were ready to further deepen mutually beneficial cooperation. Germany is currently China's largest partner for trade and economic cooperation in Europe, while China has been Germany's number one trade partner for the last three years. The German Chancellor's latest visit also incorporated a meeting of the Sino-German Economic Advisory Council and the 2019 Sino-German Dialogue Forum. Cooperation proposals spanning six spheres were brought up at the events. The parties have far-reaching perspectives in alternative fuel vehicles, smart manufacturing, artificial intelligence, digital technology and 5G.

The Chinese Foreign Ministry's Spokesperson stated that the country was ready to move forward along with Germany, adhering to the principles of mutual trust, dialogue and consultation, respecting both parties' development paths, being attentive to each other's interests and developing a strategic partnership based on equal dialogue, mutually beneficial cooperation and reciprocal exchange to the advantage of both nations.

What the Foreign Ministry's Spokesperson failed to mention is that the German Chancellor also called on Beijing to peacefully resolve the crisis in Hong Kong. She stated that she had discussed the prolonged mass protests in Hong Kong with the Premier of the State Council of the PRC, Li Keqiang, and had reminded him of the Sino-British Joint Declaration governing the transfer of this ex-British colony to China. The Declaration is still in force, so the rights and freedoms of Hong Kong citizen are to be respected. According to Merkel, all possible measures must be taken to avoid violence. She noted that the Hong Kong Government is showing signs of being ready to engage in dialogue and expressed hope that representatives of the protesters will also participate in the talks "in fulfilment of their civil rights".

Overall, relations with China remain one of the priority issues of the European political discourse. The fact that China's global importance is growing is no longer disputed at various platforms, be it among officials or experts. Europeans are ready to admit that the US-dominated world is becoming a thing of the past. The big question now is what the new, China-dominated, world is going to be like. Berlin, Paris and Brussels are particularly concerned by China's technological development and the soft power policy Beijing applies to achieve its economic

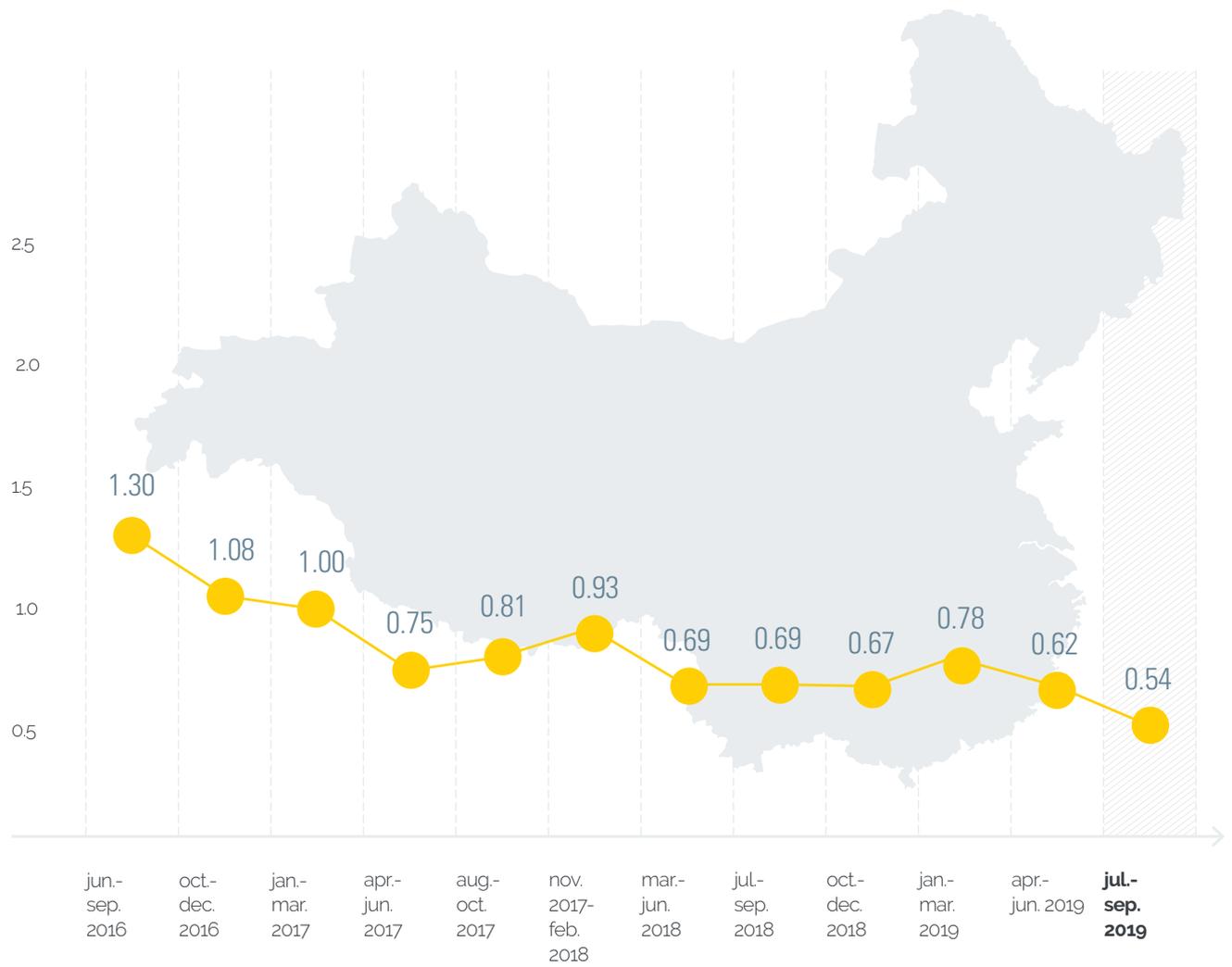
and political goals. Brussels is ever more inclined to believe that containing China is impossible, yet the principle of tough reciprocity, particularly in the context of market access and trade policy, seems to be one of the few effective cooperation mechanisms. Even the policy of rapprochement with Russia that has been displayed by key European countries over the last few months is aimed at balancing out China's growing influence. The consensus in the European capitals is strong: a Russia-China alliance, currently growing in force, would be nearly impossible to overcome.

China's intention to have more of a say in regional politics is evidenced by the fact that the Chinese President Xi Jinping arrived in North Korea with an official visit for the first time in 14 years. This followed an invitation from the Supreme Leader of North Korea Kim Jong-un. Xi Jinping was accompanied to Pyongyang by several officials, including ones from

the economic sector. Following the meeting between Xi Jinping and Kim Jong-un a statement was made saying that China was ready to work with North Korea as well as other parties to denuclearize the Korean peninsula and support peace in the region.

## EVENTS IN UKRAINE-CHINA RELATIONS (JULY-SEPTEMBER 2019). POINT-BASED EVALUATION

DATE	EVENT	SCORE
July 10	A cooperation agreement was signed between the Kyiv Shevchenko National University and the University of Heilongjiang, China.	+0.5
July 22	Huawei emerged as the winner of the tender to establish a 4G network in the Kyiv metro.	+0.5
July 29	The ULIE hosted a meeting between Anatoliy Kinakh and a group of investors representing the Chinese Entrepreneur Association to discuss further cooperation in information technology.	+0.5
July 31	Meetings were held at the CCI of Ukraine with the delegation of the Anshan province and the representatives of the Greenland Group company, China's largest public-private partnership group.	+0.5
August 5	Representatives of tourist companies from the city of Chengdu visited Lviv to further develop cooperation in the sphere of tourism.	+0.5
August 16	A meeting with the delegation of Jianyi was held at the CCI of Ukraine.	+0.5
August 30	The Ambassador of China in Ukraine Du Wei suggested that China should join the resolution of the Donbas issue.	+ 1.0
September 10	The PRC's governmental structures approved the list of Ukrainian companies producing frozen beef that are authorized to export their product into the Chinese market.	+0.5
September 10	Negotiations between the heads of the customs services of Ukraine, China and Poland on exchanging customs data and simplifying procedures when transiting Chinese goods through Ukrainian territory.	+0.5
September 19	The XIII scientific conference Chinese Civilization: Tradition and Modernity marking the 70th anniversary of the establishment of the People's Republic of China was held in Kyiv.	+0.5
September 19	The Chinese Trade Association and the Sinasure company held a meeting between Chinese and Ukrainian enterprises to consider opportunities for investing in the Ukrainian economy.	+0.5
September 24	An official reception to mark the 70th anniversary of the PRC's establishment was held in Kyiv.	+0.5

**TRUMAN Index**

# UKRAINE - RUSSIA RELATIONS



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POSITIVE SCORE: +14  
NEGATIVE SCORE: -45  
OVERALL: -31  
TRUMAN INDEX: -1.55

## SUMMARY

Over the last five years of aggressive actions on the part of Moscow, there have never been so many hopeful statements coming out of Kyiv. Some diplomats were even using the word "thaw," "warming," and "window of opportunity." Nobody doubted for a moment that the desire of the new Ukrainian president to resolve the five-year war with Russia was genuine. Meanwhile, Moscow kept up its policy of making demands and issuing ultimatums. The key condition was for the Ukrainian side to grant written consent to carry out the "Steinmeier formula," which caused a huge scandal in Ukraine. Opponents of the new government suspected the president of being excessively inclined to offer concessions to the uncompromising demands of the Russian negotiators. The public explanations offered by Ukraine's leadership proved not enough to reassure skeptical Ukrainian observers. Russia did not want to compromise in the negotiation process. Preparations for a meeting of leaders in the Normandy format were thus put on hold during this past quarter.

In the end, the only serious event that could testify to some shift in relations was the prisoner exchange that took place on September 7. Numerous optimistic announcements, telephone conversations between presidents, the pulling back of troops in Stanytsia Luhanska did little to promote the main question: how to stop the shooting in the Donbas. Although a surprising number of events in this last quarter merited a plus score, most were declarations rather than real steps. Events that merited a negative score remain in the majority and there were almost daily reminders of the one event that has continued for the last five years: a war that is being supported by Russia. Towards the end of the quarter, the international community began to focus on the fact that Moscow continues to build up its forces on the eastern border of Ukraine.

## TIMELINE

### ■ MIXED SIGNALS FROM PUTIN

President Volodymyr Zelenskyy never did have his dialog with Vladimir Putin. The renewal of telephone diplomacy in the form of three calls in three months did little to reduce the distrust and tension between the two countries. The coming of Zelenskyy to power did not lead to any changes in Russia's attitude towards Ukraine and possibly even whetted Moscow's appetite. Russia not only pushed even harder for the agreements reached under President Petro Poroshenko to be carried out, but insisted on implementing everything in accordance with its algorithms, which clearly contain huge risks for Ukraine. Kyiv began to realize that

Moscow was intensely changing its demands for the Normandy summit to take place, a format that last met three years ago. Initially there were two conditions and then a third was added.

At the end of August, Russian Foreign Minister Sergey Lavrov announced that Ukraine had to meet two conditions: withdraw its forces and artillery from the conflict zone in the Donbas and to agree in writing to follow the formula devised by the current German President Frank-Walter Steinmeier. A mere two and a half weeks later, a third condition was announced: Putin aide Yuriy Ushakov stated that Ukraine would have to agree the outcome of the Normandy summit in advance, which would then be "presented to the public and would be the guideline to further efforts to regulate the crisis going forward."

In addition to these formal conditions, a number of “friendly pieces of advice” to Zelenskyy were floating in diplomatic circles. Specifically, Russia signaled to the Ukrainian side that Kyiv should refrain from disrespectful tones and emotionally charged statements addressed to Vladimir Putin. In just a few months of being president, Zelenskyy had criticized Russia on more than one occasion and called on western leaders to increase sanctions. His rhetoric seemed to zigzag from messages about being ready to talk peace to sharp statements about Russia’s aggression.

Moscow also seemed to be sending mixed signals about its readiness to come to terms with Kyiv. On one hand, Zelenskyy’s presidency was greeted with harsh steps that were clearly not intended to restore trust, the main one being Putin’s decision to fast-track the issuing of Russian passports to Ukrainian citizens living in the occupied territories. Moscow clearly wanted to test out the newly-elected leader in Kyiv in this way: diplomatic rhetoric and euphemistic signals would have testified to his readiness to concede and would have allowed Russia to expand its list of demands even more harshly. A sharp response from the new administration would not have changed Russia’s approach in any way, but would signal the need to use a larger arsenal of instruments to leverage its position. Nor have Russia’s strategic goals regarding Ukraine or the conditions for calling an end to the shooting in the Donbas changed an iota.

Moscow keeps varying its approach to Ukraine: harsh steps are accompanied by steps that are supposed to suggest openness to come to an agreement. One of these steps this quarter was supposed to be the prisoner exchange that took place at the beginning of September. Putin’s broad gesture was intended to reach four goals at the same time. First of all, it gave western leaders a clear signal that Putin was prepared to resolve the conflict as soon as possible and strengthened the hand of those western observers who claimed that the negotiating process had been blocked by the previous president, Petro Poroshenko. The last major exchange of prisoners had taken place at the end of 2017.

Secondly, Putin created an illusion for President Zelenskyy himself about how decisively the Russian leader was prepared to support a resolution of the conflict—provided the Ukrainian side was also prepared to do so. Zelenskyy actually showed this kind of decisiveness many times during this past quarter, whether it was regarding the pull back of troops in the Donbas or agreement to certain provisions of the Steinmeier formula that Moscow itself was insisting on.

Thirdly, in transferring some of its prisoners to Ukraine, Russia resolved certain issues with international law that were causing it problems after capturing 24 Ukrainian sailors in November 2018. The UN’s International Tribunal for the Law of the Sea had ordered Russia to immediately release the seamen back in May, but Moscow

ignored this ruling and continued holding the 24 servicemen. The major exchange diluted this legal challenge by making it look like Russia was simply showing good will rather than complying with the ruling of a tribunal.

Fourthly, Russia was able to get hold of Volodymyr Tsemakh, who is a suspect in the shooting down of MH17 in July 2014 and set up yet another obstacle to having justice served in this tragedy. This transfer affected the position of the Netherlands, which had expected Tsemakh to participate in the court case. By handing Tsemakh over, Ukraine may have been in violation of some international agreements, including a Memorandum of Understanding on political support for the criminal prosecution of individuals guilty in the shooting down of the civilian airliner. The two sides had signed this document two years earlier, containing clear commitments to cooperate in the criminal court case. Officials in Kyiv say that they did everything necessary in terms of cooperating with Amsterdam, but the Dutch remained extremely unhappy about Kyiv’s decision. In this way, Putin managed to indirectly cause a new wave of distrust between Ukraine and an important EU partner.

Indeed, the support of the Netherlands has enormous significance for Ukraine, as the Dutch investigators have considerable evidence pointing to Russia’s involvement in the downing of the plane. Back in January 2017, Ukraine filed suit against Russia with the International Criminal Court of the UN, claiming, among others, that Russia was in violation of the Convention the Suppression of the Financing of Terrorism by providing assistance to illegal armed formations that have carried out a series of acts of terror. The shooting down of the Malaysian airliner was the main instance that Ukraine has cited in the case and provided the necessary evidence to The Hague.

Meanwhile, the release of hostages has not ended, meaning that Putin has not actually lost this form of leverage over negotiations with Zelenskyy. Ukraine has announced that it is continuing to negotiate to get the return of all of its citizens who are being held in Russia or in occupied Crimea. Currently the number stands at 113. The negotiator for Ukraine is presidential aide Andriy Yermak, while the Russian negotiator is Dmitry Kozak. It became especially obvious in this past quarter that Yermak is Zelenskyy’s most trusted person in sensitive areas of resolving the conflict with Russia. In addition to being a film producer, Yermak has a background in international private law and has practiced as a professional lawyer.

## ■ STEINMEIER’S FORMULA, MACRON’S AMBITIONS, ZELENSKYY’S PLANS

The main event anticipated during this past quarter was not the prisoner exchange, which was supposed to be a kind of “dress rehearsal” for a demonstrative, serious performance, as Ukraine and Russia moved into high gear to reach more important agreements.

French President Emmanuel Macron revived his peace-making efforts after a hiatus of two years since the press hotly debated the “Macron plan” for resolving the conflict. Rumor had it that this plan contained five points:

- Both sides have to respect a ceasefire.
- Heavy artillery has to be moved back from the line of contact.
- The five hottest points on the line of contact should be demilitarized.
- The OSCE mission has to gain access to absolutely all areas, both in the territory controlled by Ukraine and in the occupied territories.
- All hostages must be released.

However, the French leader quickly lost interest in the war between Ukraine and Russia, switching to bilateral dialog with his Russian counterpart and focusing on other issues on the international agenda, including Syria. The coming of Volodymyr Zelenskyy to power led to Macron renewing his efforts at a resolution in Ukraine. Diplomats close to the negotiations process say that the French leader was quite enthusiastic. A meeting in the Normandy format, the last of which took place three years ago in Berlin, was supposed to be held in Paris this time. The date was moved back several times, from mid-September to the end of September, and then to October. By the end of September, none of the Ukrainian officials involved in the talks was prepared to even hazard a guess as to when the meeting might actually take place. The impression was that the two sides had already moved from faith in a quick process to stalemate.

The main issue was that Ukraine insisted on an adjustment to Russia’s proposed conditions for meeting in the Normandy format. Among others, Kyiv wanted to focus initially not on special status or the political aspects of the resolution process but on security: ceasing fire, getting a lasting truce, and demilitarization. Only after this would it be possible to talk about the “Steinmeier formula.”

Rumors that Zelenskyy had agreed to the Steinmeier formula raised a serious scandal at home. Moreover, most of the critics had obviously never even seen this formula. Journalists had to make special investigations, interviewing previous participants in negotiations in order to understand what was buried in this phrase. The lack of proper communication on this issue, both under Poroshenko and then under Zelenskyy allowed Russia to be the main interpreter of the formula, which is what provoked such fear on the part of Ukrainian politicians. In the end, information began to flow through the press when an outline of the Steinmeier formula prepared by advisors and aides of the leaders of the Normandy format countries, who met in Berlin on September 2, was published in Russian.

Accordingly, Ukraine was to incorporate the Steinmeier formula into its laws: the necessary law on special status was to have entered into force at 20:00 local time the day that local elections took place in ORDiLO, the occupied counties of Donetsk and Luhansk Oblasts. Elections were to be scheduled and held “in according to the Ukrainian Constitution and a special law of Ukraine.” This law would be in effect until the day the OSCE’s ODIHR mission delivered its final report with its observations of the elections. The law would become permanent if the report concludes that the election took place in line with OSCE standards.

This entire process was to have been set in motion by the participants of the September 18 talks in Minsk, but the meeting failed to end in a constructive agreement. The Ukrainian side mentioned a slew of points that needed to precede local elections and the application of the Steinmeier formula. These preconditions were no different than the preconditions insisted on by negotiators in the past. Moreover, they contained nothing revolutionary and provide a list of measures to carry out the political steps that are typically applied in post-conflict societies. This is why Ukraine insisted that firstly the shooting had to stop, effective OSCE SMM monitoring had to be extended to all of Ukraine’s territory, armed formations of foreign military needed to be removed, all forces had to withdraw along the entire line of contact, and the Central Electoral Commission, Ukrainian parties, the press and international observers needed to be able to work properly throughout the currently occupied territories. The Office of the President called on Ukrainians not to panic over the possibility of an agreement with Russia: the bill that would eventually contain the Steinmeier formula “will be brought up for public debate.”

In any case, Ukraine showed that it was ready to meet all three of Russia’s demands: the withdrawal of troops, the inclusion of the Steinmeier formula in a law, and agreeing a draft joint statement of the presidents at the conclusion of the future Normandy format summit. So far, it’s Russia that continues to look like the side that disrupted the negotiations process. Both France and Germany have long held the same position as Ukraine on the issue of resolving the conflict: any talk of a formula for elections or special status is premature as long as there is no permanent ceasefire.

Having pulled back its forces in Stanytsia Luhanska and having agreed to release the suspect in the MH17 catastrophe, Ukraine’s leadership has already demonstrated its willingness to make concessions, even at the cost of losing popularity with voters. After every such decision, the administration has been hit with sharp criticism from its opponents. Instead of showing a genuine inclination to establish peace by insisting that the territories it controls stop shooting, Russia continues to insist on unrealistic algorithms for resolving the conflict. Moscow did not abandon the idea of reaching direct negotiations between the officials of Ukraine and representatives of the regions controlled by Russia in the Donbas.

So far, there have been 20 declared ceasefires. Serious expectations were placed on the ceasefire announced during this last quarter, but, as usual, expectations of peace were too optimistic. Shooting continues along the entire frontline, offering few opportunities for lasting progress in the peace process. Both Kyiv and Moscow understand that the window of opportunity cannot stay open forever. Ukraine has already decided how long this window will be available: about six months. After this, Kyiv will likely wrap up active diplomatic efforts and focus more on increasing its defense capabilities.

## ■ THE THAW BEFORE THE CHILL...

From his first days in office, President Zelenskyy stated that under his administration it would be possible to achieve serious progress in stopping the war with Russia. His team even outlined such efforts under the general title, "the Zelenskyy formula" as a counter to the Steinmeier formula. It basically included those steps and measures that were supposed to support Ukrainians living in the occupied territories. The measures were to include a broad list of initiatives, from easing procedures for getting pensions and increasing capacity all along the front, to support for infrastructure projects to rebuild structures that had been destroyed by the war.

In early September, someone could easily have had the impression that relations between Ukraine and Russia were on the verge of a major shift any day, and the countries would emerge with some more specific plan for a resolution. Among Ukrainian diplomats, the word "thaw" began to come up as a descriptive of the new phase of dialog. Still, it did not last long. Kyiv unofficially explained its "warm approach" with two reasons that basically complement each other.

According to one way of reasoning, the government wanted to see results as soon as possible, and for that reason Kyiv agreed to both the Steinmeier formula and even to some compromises in the very provisions in the formula itself. Supposedly earlier negotiators had argued fiercely over the word "overall," which was twice written into positions about the formula. It referred to the compliance with local elections in the occupied territories with international democratic principles, as in "the overall conformity of the early local elections with OSCE and international standards" and "elections ... held overall in accordance with the OSCE standards and Ukrainian legislation." The word "overall" could have a key implication when "assessing" just how transparent the electoral process was and to what extent it could be trusted in order to launch the next phase of the resolution. In Ukraine, the fear is that the elections might take place while machine-guns are pointing at voters, as it was during the pseudo-referendum Russia organized in Crimea in mid-March 2014. Kyiv also doesn't trust Moscow to allow Ukrainian parties or the Ukrainian press to participate in the election process. Russia's approach has demonstrated repeatedly its wish to "incorporate" the

occupied territories into a supposedly sovereign Ukraine—with all of the inevitable commitments, such as socio-economic support and rebuilding a region destroyed by the war and Russia's theft of major industrial plants. Meanwhile, of course, Moscow would continue to maintain de facto control: after all, the local politicians are all there by the grace of Russia's support and would have the only real chance, in an environment of fear and military presence, to be elected. Key institutional leverage would also be in the hands of the local bosses, as Minsk 2 gives occupied Donbas "with special status" considerable political rights.

Ukraine's diplomats admit that there are plenty of traps hidden in a rapid resolution. One of these is the threat of cunningly vague formulations in documents that could, in time, lead to the renewal of a military stand-off. Diplomats are guided by international experience in this. For instance, the 1992 election in Liberia was "overall" judged as legitimate, although not all candidates had free access to the press. The authoritarian actions of the newly-elected president, Charles Taylor, Liberia found itself in a second civil war two years later. In the case of Bosnia, the OSCE, under pressure from western governments, approved the holding of elections, ignoring the absence of a slew of conditions for democratic voting. As a result, individuals who had little interest in implementing the Dayton accords found themselves in key posts after a national election.

In Ukraine's diplomatic circles various timeframes are being discussed that are needed in order to hold elections in a conflict zone. The most optimistic figure is 60 days after a permanent truce. The UN recommends at least 12 months. Conflict recovery specialists suggest that, to organize elections, three years are really needed, mainly because such a region cannot be properly demilitarized in a short amount of time.

The other reason is that the Ukrainian side was hoping to at least partly concede in order to signal to the Russians that it was ready to talk, while standing on the previous algorithm for a resolution—"first security, then politics." In any case, the first signals about possible agreements based on the Steinmeier formula caused a huge scandal in Ukraine. Zelenskyy's opponents accused the president of betraying Ukraine's positions. The negotiations process began to sputter against the background of these accusations. Ukraine agreed to the Steinmeier formula on September 2, in Berlin, this information was in the press only September 13, and by September 18, during talks in Minsk, the Ukrainian delegation published a complete vision of how the Steinmeier formula would be implemented. In essence, it is no different than the diplomatic approach of the Poroshenko administration. Ukrainian diplomats insist that they have upheld this comprehensive vision, written up, incidentally, in the Law "On the specific procedure for local government in individual counties of Donetsk and Luhansk Oblasts," from the very start. Art. 10 of this Law provides key standards for holding elections in considerable detail. Among them are provisions that are fundamental for those

who oppose unconditional application of the Steinmeier formula:

1. the removal of all illegal armed formations;
2. multiparty principles;
3. restoration of Ukrainian radio and television broadcasting;
4. the right to vote for internally displaced persons (IDPs).

The period of "thaw" and "warming" in relations with Russia lasted barely a few days. Moscow began to compare Zelenskyy with his predecessor more and more. The Russians were particularly angered by two key events that came towards the end of the quarter. The first was Zelenskyy's speech at the UN General Assembly. The second one was the publication of the transcript of a conversation between Zelenskyy and his American counterpart. In his speech, the Ukrainian president primarily emphasized Russia's aggression. During his phone call with Donald Trump, he admitted that he had talked with the French and German leaders about the fact that there was not enough effort being put into sanctions policies against Russia. "I told them that they aren't doing enough in terms of sanctions," he was quoted as saying. "They aren't using sanctions enough and the sanctions aren't working as well as they should be for Ukraine."

One positive point during this past quarter was that the positions of both sides finally became completely clear and understandable. Moscow now has no doubts as to Kyiv's aim in negotiations, while Ukraine has a clear idea about all the possible traps that the Russian negotiating team keeps setting up. This suggests that the upcoming quarter will either be a transition to a qualitatively new stage in relations with Russia for real and that it will be possible to resolve the most dramatic phenomena of a crisis bilaterally. Or it will end up a prolongation of the current state of war.

Firstly, it's possible to anticipate that efforts to find a resolution will continue. At a minimum, the Verkhovna Rada is expected to extend the Law "On the specific procedure for local government in individual counties of Donetsk and Luhansk Oblasts." If it doesn't, Russia will once again have an excuse to accuse Ukraine of violating the Minsk accords, which could, in turn, affect the prolongation of

sanctions against Moscow. For now, there is no reason to believe that Ukraine would refuse to do so. On the contrary, this extension is more likely to meet the least opposition this time, since none of Ukraine's parties are specifically against this law. After all, Sluha Narodu is obligated to support it, the pro-western opposition led by Poroshenko will also have to support it since the entire Minsk process is the offspring of his administration, and any opposition on the part of the pro-Russian Opposition Platform Za Zhyttia would look very illogical. However, the development of a completely new law amid suspicions of opposition to excessive governmental authority could lead to massive street actions.

Secondly, it's not worth excluding the possibility that the two sides will end up agreeing to a meeting in the Normandy format. Macron was far too keen on this, and German diplomats put in far too much effort into it. Surely, even Russia can understand that the window of opportunity will not remain open for long. The draft joint statement of the leaders was ready at the beginning of September. It would be strange, indeed, if all these steps proved useless, although this, too, cannot be discounted. The joint Normandy statement will supposedly have three aspects. The first, as far as we know, will talk about stabilizing the situation in the conflict zone. The second will be about implementing the political components of the resolution. The third will be about the general desire to put together practical measures at the expert or advisor level. As events have shown, the logic of this statement is completely in line with the algorithm and vision of the Ukrainian side: first security, then politics.

Thirdly, the next phase will be the hardest part of the negotiation process over the new gas contract. Ukraine wants to have a long-term contract, while Russia is going to try to agree to only a temporary solution. This will allow Moscow to buy time, as after the completion of Nord Stream 2, its room to maneuver will be considerably greater and its blackmail options will multiply. Under those circumstances, Russia will try to dictate its terms to Ukraine on the basis that "either you agree to these terms or gas will stop flowing altogether."

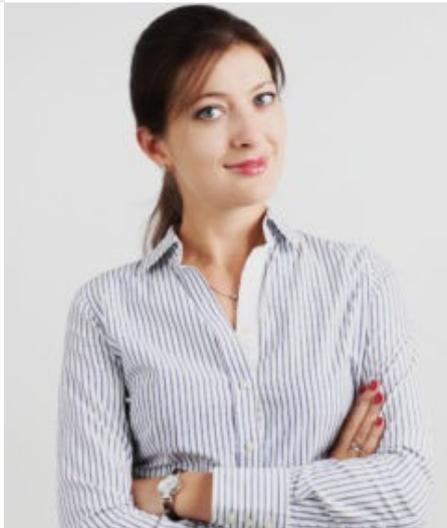
## EVENTS IN UKRAINE-RUSSIA RELATIONS (JULY-SEPTEMBER 2019). POINT-BASED EVALUATION

DATE	EVENT	SCORE
July 2	President Volodymyr Zelenskyy states that sanctions against Russia are effective and should "prevent Moscow from escalating, establish a permanent ceasefire, and ensure that forces are pulled back and all our Ukrainian prisoners released."	-2
July 2	Zelenskyy states that Russia is not showing good will to stop the war in the Donbas.	-2

DATE	EVENT	SCORE
July 4	The Ukrainian press reports on a special operation in Ukraine that arrested Volodymyr Tsemakh, a witness to the shooting down of MH17. Moscow wants this important suspect to be released because he can potentially confirm Russia's involvement in the catastrophe.	-7
July 4	President Vladimir Putin announces that he might meet with Zelenskyy if the latter agrees to "establish direct contact" between the government of Ukraine and "its own citizens in the Donbas."	+1
July 8	SBU officials announce possible sanctions against Ukrainian channels that have announced a bridge with the Russian state channel. President Zelenskyy criticizes the initiative and calls on Putin to meet in the Normandy format but including the US and Britain.	-2
July 11	The presidents of Ukraine and Russia talk over the phone for the first time.	+1
July 12	Presidential and government advisors meet in the Normandy format.	+1
July 18-22	A permanent ceasefire is agreed to start on July 21. This is the first day in a long time that there is no shooting at the front. The following day, a small number of violations take place.	+3
July 31	The number of ceasefire violations begins to rise.	-7
July 31	The SBU reports that a former official at the Interior Ministry of Ukraine has been exposed as working for Russia's secret service.	-3
August 1	An agreement is reached in Minsk to start demining the area around the Stanytsia Luhanska bridge starting August 1.	+1
August 6	Shooting in the vicinity of Pavlopil results in the deaths of four Ukrainian soldiers.	-7
August 7	The killing of four Ukrainian servicemen leads to a second phone call between Zelenskyy and Putin.	-1
September 2	A meeting in Berlin results in an agreement about key aspects of resolving the conflict and a draft statement on the results of the future summit in Paris.	+2
September 7	A "35 for 35" prisoner exchange takes place.	+4
September 7	After the exchange, a third phone conversation takes place between Zelenskyy and Putin.	+1
September 18	Ukraine's Ambassador to Serbia Oleksandr Aleksandrovych calls on the international community to make the disintegration of Russia its strategic policy.	-1
September 18	A Minsk meeting intended to result in the organization of a meeting of leaders in the Normandy format leads to no results.	-4
September 25	During his speech at a session of the UN General Assembly, President Zelenskyy focuses on Russia's aggression.	-2
September 27	Kyiv calls on the OSCE to respond to the fact that Russia is continuing to bring more troops to the border with Ukraine, which has led to the formation of an entire new division in Rostov Oblast.	-7

# TRUMAN Index





# UKRAINE–NATO RELATIONS

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## SUMMARY

Relations between Ukraine and the North Atlantic Treaty Organization were dynamic and relatively problem-free during the past half-year: key events included maintaining Euroatlantic integration as the country's foreign policy course after a major transfer of power as a result of two elections, the appointment of first-class professionals to a slew of important portfolios in the new Government, a series of meetings between Ukrainian and NATO officials at the highest level, leaving both sides quite satisfied with each other. However, behind the symbolic value of all this remains the litmus paper of serious intentions. For Ukraine it means undertaking and completing key reforms, some of which, such as the reform of the SBU, have been in the doldrums for years. For the Alliance, it means being prepared to add substance to relations with Ukraine, not just through tactical projects, but also with a strategic vision for the country.

## TIMELINE

### ■ ZE!NATOISTS: NEW FACES TO LIAISE WITH THE ALLIANCE

The outcome of presidential and parliamentary elections in Ukraine led to a new transfer of power and that meant a lot of changes that affected the Euroatlantic sphere. So far they have been more related to personnel than to strategies: by June 4, two weeks after his inauguration, Volodymyr Zelenskyy appeared confident at a press conference with NATO Sec-Gen Jens Stoltenberg, where he confirmed Ukraine's continuing course towards NATO. Moreover, both in public interviews and in private conversations, the newly-elected president made a point of promising personally to "explain to every Ukrainian that NATO is nothing scary." As analysts at the New Europe Center wrote earlier, Zelenskyy really does have an unprecedented opportunity to increase support for the country's Euroatlantic course as someone who has the trust of those regions of Ukraine, the south and east, that have historically been the most skeptical of the Alliance. The question is simply whether the new head of state will take advantage of this opportunity.

The first months of the new administration's efforts have shown that

within the president's team and party there are professionals who are properly familiar with both the strategic and tactical issues of the agenda for Ukraine's Euroatlantic integration. First of all, there's Vadym Prystaiko, who was head of the Ukraine Mission to NATO and has a reputation as a firm Euroatlanticist. He was one of the first diplomats to join the new president's team, first as his foreign policy advisor and then as head of the Foreign Ministry in the new Cabinet.

The good news for Ukraine's relations with the Alliance continues. The new Cabinet was formed and the post of Deputy PM for European and Euroatlantic integration remained. Earlier there had been some talk from Sluha Narodu that all the deputy PM posts would be terminated and earlier still, in March 2019, a survey that had been sent around to all "pro-European" candidates for president by Yevropeiska Pravda had shown that at Zelenskyy's campaign headquarters people weren't even aware that there was an Office of the Deputy Prime Minister for European and Euroatlantic integration. Still, after Dmytro Kuleba, a former Permanent Representative of Ukraine at the Council of Europe, was appointed to the portfolio, the expert community began to breathe more easily. Professionally and in terms of his commitment to a European future for Ukraine, Kuleba raises rather no concerns. Beyond this, unofficial sources say that the Cabinet is already preparing a fundamental decision to expand the authority of this post: both the DPM and his Office will have the right to submit legislative initiatives. The lack of this

right was one of the reasons why, under the Poroshenko Administration, the Office was unable to overcome resistance from other ministries and this got in the way of more active progress in integration. Officials at the Office have stated firmly that the new administration is talking about real, not superficial, integration and that the NATO vector will even be strengthened.

As to the Alliance itself, so far attitudes towards the new administration are completely positive. In the eyes of NATO officials, Zelenskyy and his monomajority could look like a very attractive combination, indeed the new team is convenient for the Alliance because it is able to do so much. For instance, it could finally get going reforms that have been stagnating for years on the agenda between Ukraine and NATO as the opposition will no longer be in a position to block key bills and this puts far less pressure on the Alliance than the previous administration.

On the other hand, where Poroshenko's people were talking in his final months about getting the NATO MAP at the London summit of heads of state of NATO member countries in December, Zelenskyy is basically not planning to go to London, saying that is a different format in which Ukraine is not required to participate. In fact, the new administration's position regarding the London event really is more realistic, both from based on its nature—NATO summits take place every two years and the next one is planned for 2020, while the London event is mostly a meeting of top officials from NATO countries to celebrate the Alliance's 70th anniversary—, and from the point of view of the agenda, which does not include bilateral meetings. The new team talks about "realistic integration," which can obviously be interpreted as integration not so much at the political and symbolic level—new status and programs like the MAP and the Enhanced Opportunities Partnership—as at the pragmatic level—completing the Annual National Program (ANP) and key reforms, increasing Ukraine's involvement in NATO missions, and so on. Undoubtedly, cooperation in this style is far more attractive to the Alliance and especially for those countries that have been the most skeptical about Ukraine's ambitions regarding the MAP and membership.

Alliance officials have also been pleased with the candidates who were given appointments to the Euroatlantic integration portfolio, including Prystaiko and Kuleba, but also the new defense minister, Andriy Zahorodniuk, who first became widely known as a volunteer who helped the army after the start of Russia's aggression, and then as director of the Office for Reforms under the Defense Ministry. Some have been critical of the fact that the new minister is not a military man, but, based on practice among NATO countries, this is actually an advantage and not a flaw. The Alliance calls for DMs to be civilians or at most retired personnel who have not held a military post for at least five years. For this reason, the switch from a military uniform to a civilian suite by Zahorodniuk's predecessor, Gen. Stepan Poltorak, was seen as window-dressing at NATO.

The Ze!Team has been joined by other volunteers, including David

Arakhamia, the founder of one of the biggest community-funded volunteer platforms, Narodniy Proekt, or the People's Project. He headed the Sluha Narodu faction in the Verkhovna Rada and joined the national security, defense and intelligence committee. His colleague on the committee and also a former colleague of Zahorodniuk at the Reform Office, Mariana Bezuhla, now chairs the subcommittee "for instituting NATO values and standards." Incidentally, a similar subcommittee responsible for legislative support to carry out the constitutionally enshrined strategic course to gain full membership in the EU and NATO, which was under the VR committee for foreign policy and interparliamentary cooperation, is chaired by an MP from the European Solidarity party, Maria Ionova. Bezuhla and Ionova will handle two key areas of cooperation with the Alliance: security and policy. The fact that such a subcommittee has emerged from the national security committee is definitely good news, as there was no such entity in the previous Rada.

Still, some other appointments offer less reason for optimism regarding the new government's plans for Euroatlantic integration. It's noteworthy that the career diplomats and volunteers who have joined the new Government and legislature aren't really members of the president's inner circle. Instead, there is the impression that those who are part of the most trusted clutch, such as Andriy Yermak, who as an aide to Zelenskyy was personally in charge of the exchange of prisoners between Russia and Ukraine, or SBU head Ivan Bakanov, or Oleksandr Zavitnevych, who is completely unknown in diplomatic, expert and security circles but now chairs the VR national security, defense and intelligence committee, were all chosen for the level of personal trust between them and the head of state, and not for any specific expertise in the particular field.

Another cause for caution is the contradictions in statements being made about Euroatlantic integration by members of the Ze!Team. For instance, in September, Cabinet Representative to the VR Iryna Vereshchuk made a fairly shocking statement to the effect that "Ukraine can't go where it's not wanted," which put Ukraine's Euroatlantic prospects under considerable doubt. And although the full text of her speech can't be interpreted as a call to reject the course enshrined in the Constitution, her words nevertheless reflect some not-exactly-open skepticism regarding NATO among some key members of the Ze!Team. Indeed, some of this attitude was even heard during the presidential election campaign from both Zelenskyy and representatives of his campaign headquarters. One way or another, it so far looks like relations with NATO aren't among the top priorities at the Office of the President, and without presidential political will, and that of his closest people, the prospects of serious reforms being carried out look dim indeed.

## ■ TOP 5 REFORMS FOR EUROATLANTIC INTEGRATION

Alliance officials keep repeating the list of five key reforms like a mantra,

reforms that have been a priority on the Ukraine-NATO agenda for some time and were supposed to be undertaken last year after the passing on the Law on national security. There's also the Law on the Security Bureau of Ukraine (SBU), which was so remove from the agency the function of investigating economic crimes, which really don't belong to it, to set up a new VR committee to oversee the security service and intelligence, the Law on intelligence, the Law on treating state secrets and secret information, and the reform of the defense industry and procurements, including the Law on state defense orders.

In July, Yevropeiska Pravda worked with the New Europe Center to develop a questionnaire that they sent to different parties prior to the VR elections, asking about their views on key issues in European and Euroatlantic integration. At the time, Sluha Narodu expressed complete support for all five key areas of reform in the security and defense field that NATO currently expects from Ukraine—without, however providing any details.

Unfortunately, the actions of the current administration contradict those declarations. The most problematic area is reforming the SBU. Even when he was the first deputy director of the SBU, Ivan Bakanov publicly had been tasked with fighting corruption by the president, which, in accordance with anticipated reforms, is not suppose to be part of the SBU's remit. But as director of the agency, Bakanov openly stated that he was against removing economic crimes from the SBU and, according to our sources, has refused to discuss this issue with representatives of the International Advisory Group, which includes specialists from both the EU and NATO. The group has been working for several years now on developing these reforms jointly with Ukrainian partners. For the moment, it looks as though Ukraine's leadership, both in its old version and in its new one, considers the SBU too useful an instrument of leverage to sacrifice it in the name of reforms to institute Euroatlantic standards.

As to the other four points, little progress has been made there, too. For instance, blaming the absence of relevant legislation, MPs from the monomajority have not set up a committee to oversee the security service and intelligence, which is an important element of civil democratic control over special services in NATO member countries and is generally headed by members of the opposition. According to the Law "On Verkhovna Rada committees," committees are supposed to be formed immediately after elections and during the further work of the legislature, it's not possible to form them. That means that there won't be any such committee in the current convocation of the Rada. Instead, a subcommittee has been formed under the committee for national security and defense, but it is being chaired, not by a member of the opposition, but by the head of the Sluha Narodu faction, David Arakhamia.

As to reforming the defense industry and state procurements, according to government officials, this is only being worked out. The

positive news here, for now, is the completion of a competition to audit Ukroboronprom, the state defense corporation, which was announced by the Groysman Government. In September, Baker Tilly Ukraine, an international auditor, won the international tender.

It's worth noting that the Office of the Deputy PM will likely not gain the right to veto bills, despite its expanded powers, which is against Ukraine's European and Euroatlantic commitments. Thus, the mechanism for oversight and blocking such bills is missing, for now.

## ■ NATO COUNCIL VISIT: EVENT OF THE YEAR FOR UKRAINE

The period of this report was saturated with dialog between Ukraine and NATO at the highest level starting with the first international visit of President Zelenskyy to Brussels and ending with his meeting with Stoltenberg during the UNGAG in September. In-between, there were telephone calls, meetings and events at a lower level. The key event of the year for Ukraine-NATO relations will undoubtedly be the North Atlantic Council's visit to Ukraine, which involves officials from all 29 member countries, together with Sec-Gen Jens Stoltenberg, planned for October 31. The idea of this visit emerged last year after Russia attacked Ukrainian naval vessels near the Kerch Strait and was supposed to be a gesture of solidarity with Ukraine. Initially, expectations were that the visit would take place in July, but NATO judiciously decided to move it until after Ukraine had completed its transfer of power.

That this gesture will really take place is unequivocally a positive signal for Ukraine, as is the fact that the Council will visit not only Kyiv but also Odesa as a confirmation that NATO intends to strengthen its presence in the Black Sea. It's also a confirmation of the so-called "Black Sea package," a series of measures to help Ukraine and Georgia in the Black Sea. However, the Council was unable to reach consensus on visiting eastern Ukraine. Some members thought such a step would be too politically sensitive and provocative for Russia. Some other events that could have been held in Odesa also failed to get the approval of all the members.

An assessment of the implementation of NATO's Comprehensive Assistance Package to Ukraine, approved in 2016, was also in focus. This assessment is not simply a procedural measure as it also affects the future of the Trust Funds set up by the Alliance for Ukraine. At this time, an entire slew of Trust Funds, including for logistics and standardization, C4 (command, control, communications & computers) and cyber security have either ended or are coming to an end. NATO support for Ukraine really does need a review as it's only a question of how prepared the Alliance will be to propose and undertake new projects. After all, even in the execution of existing projects, the support of member countries that participated in the various Trust Funds did not always arrive in time or in full.

It's possible that NATO will undertake to implement new ideas as part of a new project called "One country, one plan," which newly-appointed Deputy PM Kuleba discussed during his visit to NATO headquarters in Brussels in September. The project is currently in its nascent stages, but insiders familiar with the early developments say that it involves setting up a comprehensive package of assistance for the Alliance's partner countries like the one for Ukraine approved in 2016. In that case, how specifically its experience of working with Ukraine will serve NATO as a model for continuing cooperation with partners, it's not entirely clear what Ukraine might get that is new in such a package. The other question is how prepared the country is to contribute its own proactive proposals to such a package.

## ■ NATO STANDARDS: A MUDDLE IN THE MAKING?

The mistake regarding the existence of the Office of the Deputy PM for European and Euroatlantic integration was not the only gap in the Ze!Team's understanding of this sphere. A similar area was the move to NATO standards. For instance, in June, President Zelenskyy announced that, starting in 2020, AFU efforts were supposed to include the process of instituting NATO standards. In fact, this has actually been going on nearly five years in Ukraine's Armed Forces already, and, according to the political statements of the previous administration, is supposed to be complete by 2020, as a goal enshrined in the 2015 Military Doctrine and the 2016 Strategic Defense Bulletin.

Speculation around the idea of "adopting all NATO standards" led to many a misunderstanding at various times. For one, the very term "NATO standards" tends to be used in Ukraine to cover two very different notions: documents that establish the standards themselves, known as Allied Publications, and the best practices of NATO member countries, which are not enshrined in regulatory documents. For another, the domestic press seems quite confused about the number of standards that Ukraine has committed itself to adopting. There are more than 2,000 NATO standards, but Ukraine's move to NATO standards by 2020 involves 219 of them that have been worked up as part of the Ukraine-NATO PARP Partnership Goals. This is precisely an assessment of need to implement and not the implementation itself. Moreover, in the time since 2015, Ukraine introduced specific standards that are not listed in these Partnership Goals because a current need arose.

Before assessing the progress Ukraine has made in moving to NATO standards, it's worth noting that the goal of this step is not simply to meet some numerical goal but to change the worldview of the country's armed forces. This much the new leadership understands: in one of his interviews DPM Kuleba emphasized that the primary goal of standardization is to strengthen Ukraine's security and finding deeper mutuality with the Alliance on many levels, not just in terms of military command and weaponry.

Similarly, DM Zahorodniuk mentioned the building of people-oriented policy based on NATO standards as a goal of the transformation of the AFU.

In addition, it's important to understand that moving to NATO standards is no guarantee of membership. FM Prystaiko and DM Zahorodniuk have publically speculated that as soon as Ukraine institutes the necessary number of NATO standards, it will be possible to join the MAP. However, this is a somewhat erroneous notion. A highly battle-ready army that is compatible with the armed forces of NATO member countries really is one of the indicators that the Alliance looks at before approving its decision to accept a country to its membership. However, among other indicators there are also economic, political, legal and other ones, for one. And so Ukraine's aspiration to accede to NATO is important, not only in terms of increasing its defense capabilities but so is the mechanism for countries to join, which requires that an entire spectrum of reforms in many areas be carried out and promotes the country's development as a whole.

For another, moving to NATO standards is a desirable step, but does not in any way guarantee membership. Indeed, it is generally undertaken after gaining this membership. Ukraine voluntarily set itself the goal of adopting NATO best practices and standards and to implement National Annual Programs that typically undertaken by countries that have already gained the MAP, and so on. What's more, Ukraine has already adopted more NATO standards than many NATO members, but this is neither bringing it closer to nor moving it further away from membership. As examples, Montenegro has adopted only 81 of NATO's regulatory documents, Albania 192 and Luxembourg 2015.

What's more, instituting absolutely all NATO standards is impossible in principle. Not one member of the Alliance has done so, for objective reasons, because not all the standards necessarily suit every country. For instance, a given country may simply not have certain kinds of forces or weapons. It can also happen that certain national standards are actually better than NATO standards and so there's no need to replace them. Ukraine, for instance, has higher standards for potable water.

According to Ukraine's Defense Ministry, the country had instituted 220 NATO STANAGs as of July 1, 2019. Of these, 76 or 34% of the 219 documents that are part of the Partnership Goals between Ukraine and NATO. The next performance review for instituting NATO standards in Ukraine will take place in January 2020. So far, Ukraine is not meeting the deadlines for the commitments it has taken on under these Goals, while having instituted a significant number of documents that are outside this Package.

In addition to quantitative indicators, Ukraine has reached a number of qualitative ones as well: in April this year, the Cabinet of Ministers

terminated the Treaty that was intended to strengthen and develop cooperation among CIS countries around standardizing weapons and military equipment. By June, the Verkhovna Rada had passed the Law "On amending certain laws of Ukraine on military standards," which now separates military standards from national ones and grants the Defense Ministry the power to regulate military standards.

While the new DM's announcement that moving to NATO standards is one of the key priorities of his agency is without doubt very positive, Ukraine needs to put together a clear, transparent mechanism for monitoring the process of working up and instituting NATO standards with realistic, attainable goals for the short and medium term.

### ■ UKRAINE-HUNGARY STAND-OFF: DEVELOPING BAD HABITS?

Although Hungary's Foreign Minister Peter Siarto called Ukraine's new president "a new hope," and Hungarian President Janos Ader was present at Zelenskyy's inauguration, there has been no significant shift in Ukrainian-Hungarian relations regarding the language provisions of the Law "On education" in the last half-year. And so nothing changed at all in Hungary's blockade of meetings of the Ukraine-NATO Commission at the high and highest levels. On the contrary, in April of this year, the adoption of the Law "On ensuring the functioning of the Ukrainian language as the state language" only hardened Hungary's negative stance.

Nevertheless, the new leadership is clearly prepared for dialog with the Hungarians. At the same time, the key condition for this readiness is that the Hungarians are willing to compromise and concede. Ukraine's red line is that Ukrainians of Hungarian ancestry are citizens of Ukraine and this conflict over the language law should be resolved between official Kyiv and the country's Hungarian minority, not between official Kyiv and official Budapest.

The new administration has already begun to take active steps to establish dialog with Hungary: just in September there were events such as the Ukraine-Hungary forum with the participation of the Hungarian ambassador to Ukraine and a meeting between FMs Prystaiko and Siarto in New York on the margins of the UN General Assembly. Preliminary preparations are also underway for a meeting between President Zelenskyy and the leaders of the Visegrad Four, including Viktor Orban.

Still, the new government's willingness to "come to terms with the Hungarians" does not mean that their Hungarian counterparts are prepared to come to terms with Ukraine. Hungary's Ambassador Istvan Ijgyarto openly stated in an interview that official Budapest would not compromise with the Ukrainian government regarding the language law. When asked about the Verkhovna Rada's possible

postponement of implementation of the language article in the Law "On education" to 2023, one of the conditions of the Venice commission that Ukraine complied with, he answered that the purpose of the delay was for the government to start negotiations with minorities to improve the law but this supposedly never happened and all the Ukrainian government did was to drag out time. In short, regardless of Ukraine's concessions, Hungary has not only continued its old rhetoric but is even setting new conditions: in July, Siarto announced that the Hungarian Government was prepared to lift its veto on the functioning of the Ukraine-NATO Commission if the Hungarian community in Zakarpattia regains the right to a secondary education in Hungarian, as was the case prior to the changes to Ukrainian law.

It seems that Hungary, to put it diplomatically, is interpreting its previous agreements "flexibly," which has turned establishing dialog at the highest level in the Ukraine-NATO Commission a moving target.

### ■ WIN-WIN RELATIONS

Despite changes in the faces in Ukraine's political circles as a result of the presidential and VR elections, Ukraine and NATO continue daily cooperation on many levels. At the beginning of April NATO approved the "Black Sea package" of assistance to Ukraine and Georgia, which reinforces all the existing measures that NATO has been using in the Black Sea region since 2014. Now the Alliance will send more vessels to the Black Sea and establish monitoring of the air space to guarantee the safe passage of Ukrainian vessels through the Azov Sea and Kerch Strait. It will also focus more on training and information exchanges with Ukraine and Georgia.

In turn, Ukraine expressed readiness to increase its contribution to operations led by NATO. According to the Defense Ministry, Ukraine has already prepared the documents to participate in Alliance operations in Iraq and plans to join the Sea Guardian operation in the Mediterranean.

Meanwhile, support for the idea of joining NATO is growing among Ukrainians. According to a joint poll by the Social Monitoring Center, the Yaremko Ukrainian Institute of Social Research and the Rating Group, in May 2019, 48.9% of Ukrainians would have voted in favor in a referendum on joining NATO. At the same time, in its monitoring of the electoral mood among Ukrainians, the Rating Group reported that over May-June 2019, 53% of Ukrainians supported joining NATO, a record high. The main task of the new Ukrainian leadership has to be not to lose the support of voters on this issue, and to carry out reforms and institute NATO best practices effectively.

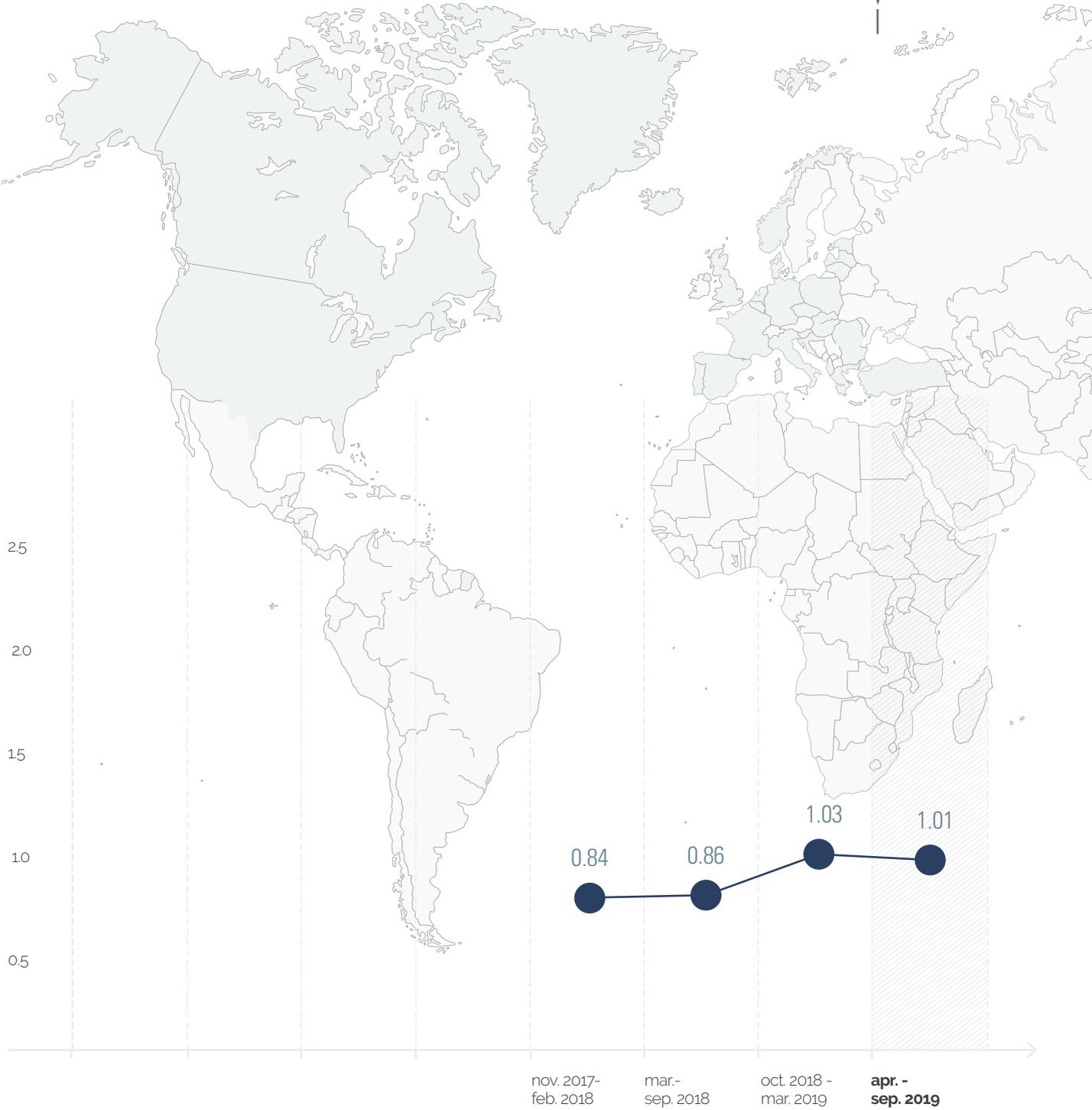
## EVENTS IN UKRAINE-NATO RELATIONS (APRIL-SEPTEMBER 2019). POINT-BASED EVALUATION

DATE	EVENT	SCORE
April 1-3	NATO vessels enter the Port of Odesa and Defense Minister Stepan Poltorak takes part in a ceremonial welcome on board.	+1
April 1	Deputy Commander of the General Staff of the Armed Forces of Ukraine (AFU) Serhiy Bessarab meets with the General Commander of NATO's International Military Staff Lt.-Gen. Jan Broeks.	+0.5
April 3	The Ministry of Defense signs an agreement with the NATO Support and provision Agency (NSPA) on establishing purchase and sale relations to support brokerage services for the AFU.	+1
April 4	NATO Foreign Ministers approve a package of measures to support Ukraine in the Black Sea.	+2
April 4	Deputy Premier for European and Euroatlantic Integration Ivanna Klymush-Tsintsadze meets in Washington with Senior Advisor for the defense industry Donald Winter.	+1
April 4	A Ukrainian delegation participates in a meeting of the Communications, Navigation Surveillance and Air Traffic Management (CNS/AMT) Working Group under NATO's Aviation Committee at NATO HQ in Brussels.	+0.5
April 5-13	NATO members and Ukraine begin joint Sea Shield 19 military exercises in the Black Sea.	+0.5
April 10	The Cabinet approves the Implementation Agreement between the Government of Ukraine and NATO to carry out the NATO Trust Fund project for disarming explosive devices and countering homemade explosive device.	+2
April 10	President Petro Poroshenko approves the 2019 Annual National Program under the aegis of the Ukraine-NATO Commission.	+2
April 12	The Ministry of Veteran Affairs presents its concept for setting up a single veterans' space in NATO's Trust Fund during the first session of the Working Group under the coordination of the Ministry with officials from the Fund.	+0.5
April 20	President Poroshenko signs his Decree "On European and Euroatlantic integration," which approves the Action Plan for Ukraine's strategic course to gaining full membership in the EU and NATO.	+1.5
April 23	NATO Sec-Gen Jens Stoltenberg calls newly-elected President of Ukraine Volodymyr Zelenskyy and invites him to visit NATO headquarters in the near future.	+1
April 24	NATO Trust Fund Projects Manager Frédéric Peugeot announces at a meeting with Ivanna Klymush-Tsintsadze that NATO member countries are increasing their contributions to a series of Trust Funds to support Ukraine.	+2
April 25	The Verkhovna Rada approves the Resolution "On holding the spring session of the Parliamentary Assembly of the North Atlantic Treaty Organization," and sets up the necessary organizing committee.	+1
April 29	Large-scale exercises under the aegis of NATO called "Spring Storm 2019" begin in Estonia with Ukraine participating.	+0.5
May 13	The President of Ukraine meets with NATO Secretary-General at NATO HQ in Brussels.	+3
May 13	Deputy PM for Euro- and Euroatlantic integration Klymush-Tsintsadze meets with NATO Deputy Secretary-General.	+1
May 14	The NATO-Ukraine Partnership and Collective Security Committee meets at NATO HQ under the Planning and Review Process (PARP) format.	+1

DATE	EVENT	SCORE
May 20	The President of Ukraine receives NATO Deputy Sec-Gen for Political Issues and Security Policy Alejandro Alvargonzales.	+2
May 22	At a meeting of General Staff Commanders of Alliance member-countries, NATO Military Committee Chair Air Chief Marshall Stuart Peach issues a statement calling on the Russian Federation to withdraw from occupied Crimea and stop supporting militants in the Donbas.	+0.5
May 23	NATO's new Commander of Joint Forces in Europe Todd Wolters promises to expand military support for Ukraine.	+0.5
June 1	NATO-Ukraine Commission's DM level meeting was cancelled.	-2
June 4	Sec-Gen. Stoltenberg meets with Ukraine's new president, Volodymyr Zelenskyy, at NATO HQ.	+3
June 4	Ukrainian paratroopers participate in NATO's largest exercises this year, Saber Guardian 2019	+1
June 6	The Rada passes the Law "On making amendments to certain laws of Ukraine on military standards."	+1
June 7	LitPolUkrBrig Officers hold exercises according to NATO standards.	+1
June 13-14	The Ukraine-NATO Commission meets at the level of the Partnership and Collective Security Committee.	+0.5
June 14-24	AFU service personnel participate in the NATO's multinational CWIX 2019 exercises in Poland.	+1
June 21	The Ukraine-NATO Commission meets at the level of deputy permanent representatives to discuss the situation in the Azov and Black Sea regions.	+1
June 24	Deputy PM Klympush-Tsintsadze participates in the Ukraine-NATO Interparliamentary Council (UNIC) in Lviv.	+1.5
June 24	The 140th Special Operations Forces Center of the AFU is certified by NATO as rapid-reaction forces. This is the first time ever that such certification has been granted to a country that is not a NATO member.	+1
June 27	Ukraine prepares documents to join two NATO operations: in Iraq and in the Black-Azov Sea region.	+2
June 27	A delegation from the Defense Ministry participates in events in Brussels at the level of defense ministers of NATO member countries.	+0.5
July 1-12	US-Ukraine Sea Breeze exercises take place in Ukraine with the participation of vessels from NATO's Standing Maritime Group.	+1.5
July 9	NSC Ukraine Secretary Oleksandr Danyliuk meets with a NATO delegation led by NATO Representative Office Director Alexander Vinnikov.	+1
July 9	A Ukraine visit of the NATO North Atlantic Council led by Sec-Gen Stoltenberg planned for July 9-10 is postponed until October.	-1
July 27- August 9	Multinational exercises called Agile Spirit 2019 take place in Georgia with participating servicemen from 14 NATO member and partner countries, including Ukraine.	+0.5

DATE	EVENT	SCORE
August 12	Ukraine's DM meets with high-level strategic advisors from NATO member countries.	+0.5
August 16	A position paper on the integration of Ukraine into the EU and NATO is published.	+1
August 29	Dmytro Kuleba is appointed Deputy PM for European and Euroatlantic integration.	+1
August 30	NATO HQ Consultation, Command and Control Board (C3B) adds Ukraine to the list of countries that use the LOGFAS software.	+0.5
September 1	A Ukraine-NATO Commission meeting at the level of permanent representatives is cancelled.	-1
September 3	The coordinator of the expert group for interacting with NATO of the Government Office for Coordinating European and Euroatlantic Integration under the CMU Secretariat, Oleksiy Henchev, participates in a briefing of the NATO Political Committee.	+0.5
September 7	NATO Spokesperson Oana Lungescu responds to the return of Ukrainian POWs that were captured by Russia.	+0.5
September 10	Deputy PM for European and Euroatlantic integration Kuleba arrives at NATO HQ in Brussels for series of meetings.	+2
September 10	Ukraine DM Andriy Zahorodniuk meets with foreign strategic advisors.	+2
September 13-18	Rapid Trident 2019 takes place in Ukraine with participating military personnel from 14 NATO member and partner countries.	+0.5
September 24	President Zelenskyy meets with NATO Sec-Gen Stoltenberg during the 74th session of the UNGA.	+3
September 26-27	An international conference entitled "Hybrid Threats: Understanding, adapting and reacting" is held as part of the Ukraine-NATO platform to study practices in combatting hybrid warfare.	+0.5

**TRUMAN Index**



# NOTES



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**TRUMAN AGENCY** team brings together expertise from various fields: strategic planning, PA&GR, lobbying and international communications.

TRUMAN Agency conducts campaigns aimed at solving problems of Ukrainian business and opening new perspectives for the foreign companies in Ukraine.

Our team builds long-term and trustful relations with each client and partner. We do not recognize situational solutions. We prefer to develop and implement long-term strategies and maximize opportunities.

Understanding decision-making processes in Ukraine and abroad enables us to establish productive relations and bring the client to the goal. Of all possible tools, we choose the ones that work in each particular case.



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