



# BULLETIN

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## CEEDEFECO—A New Pillar of Ukrainian Defence

Wojciech Lorenz

*Ukraine's status as a non-bloc country cannot strengthen its sovereignty with security guarantees offered by any military alliance. Hence, it should adopt a credible security architecture that would reflect Ukraine's geopolitical position. The authorities should use defence cooperation with NATO and the EU as an insurance policy for the future and leverage against outside pressure. Poland could play a key role in shaping the new architecture by advocating for the Central and Eastern European Defence Cooperation (CEEDEFECO) initiative.*

Although Ukraine's authorities have introduced a bill committing their country to non-bloc policy, they have significantly strengthened cooperation with NATO during the last three years. In September, the Ukrainian frigate *Hetman Sahaidachny* joined NATO's anti-piracy Ocean Shield operation off the coast of Somalia, which made Ukraine the only NATO partner country to participate in all of the Alliance's missions. Earlier, Ukraine not only decided to increase its contribution to the KFOR mission in Kosovo and ISAF operation in Afghanistan but also outpaced many NATO member states offering troops to train the Afghan army after 2014. Ukraine was the first partner country to undertake cyberdefence cooperation with NATO and was granted the largest defence education programme ever offered to a non-member. Ukrainian soldiers participate in the rapid reaction NATO Response Force (NRF), the inclusion of which helps enhance interoperability between Ukraine and the Alliance. In November, Ukrainian troops will participate in NATO's Steadfast Jazz 2013 military exercises—the first live-fire NRF drills in Central and Eastern Europe.

At the same time, Ukraine is developing defence cooperation with the EU. Ukrainian troops support the EU Battlegroup (HELBROC) formed by the Balkan countries, while the ship participating in the NATO anti-piracy operation will upon its completion switch to the EU Atalanta naval mission. On the regional level, Ukraine, Poland and Lithuania are setting up a brigade (LITPOLUKRBRIG).

The key pillar of Ukrainian defence policy is reform of its armed forces in line with Western military standards. The recent plans envisage the downsizing of the army from the current 190,000 soldiers and civilians to 100,000 by 2017 and replacing conscription with a contracted recruit system. Reforms also include the further restructuring and modernisation of the military's still impressive armament, which includes 4,000 tanks, 600 aircraft, 300 helicopters, and extensive air-defence systems. However, in 2006-2011, the Ukrainian defence budget amounted on average to a meagre 1.0% of GDP (about \$2 billion a year) and resources allocated to modernisation decreased from 21.6% to 9%, while the cost of personnel maintenance increased from 68.7% to 86.6%. Even though in 2013–2017 defence expenditures are set to double, Ukraine will need to rely on arms sales, the sales of used equipment, and cooperation with the West to improve the combat readiness of its forces and finance its modernisation programme.

**Balancing between East and West.** With 45 million citizens and a land mass comparable to France, Ukraine plays a fundamental role in the political and economic stability of the post-Soviet area. Its defence interests are concentrated mainly in the Black Sea region, the Balkans and the parts of Eastern Europe where stability is undermined by the frozen conflicts, such as Transnistria, Nagorno-Karabakh, South Ossetia and Abkhazia. Nevertheless, Ukraine, since declaring independence in 1991, has maintained the status of a non-aligned country and has tried to find a balance in its relations with Russia and the West. It has close social and cultural links with Russia and remains dependent on the Russian economy, especially in the energy sector. At the same time, it has developed the most extensive network of cooperation with NATO of all of the 22 countries participating in the Partnership for Peace (PfP) programme, and its relations with the Alliance based on its status of a Distinctive Partnership can be

politically and practically developed through the NATO-Ukraine Commission. It was only because of cooperation with the West and NATO that Ukraine was able to reform the huge army inherited from the USSR, comprising 780,000 troops, 13,000 tanks and other armoured vehicles, 1,500 aircraft, 350 ships, and thousands of nuclear warheads. The biggest disarmament effort in the world, which is still run by NATO as part of the NATO/Partnership for Peace Trust Fund, helped Ukraine destroy millions of redundant armaments and hundreds of thousands of tonnes of mines and munitions. Another flagship NATO project is the NATO/Partnership for Peace Trust Fund Resettlement programme, which helps retrain former Ukrainian military personnel for the civilian sector.

However, full integration with NATO, advocated and supported by some politicians, is opposed by more than half of Ukrainians. It is also likely to constitute a red line for Russia, which hinted that Ukrainian territorial integrity could easily be undermined. As a result, the Alliance during the NATO summit in Bucharest in 2008 decided not to grant Ukraine a Membership Action Plan, which is treated as the final phase before full membership. Instead, NATO made a political declaration that Ukraine would become a member of the Alliance in the future if its political leaders and public decide to do so.

In 2010, Ukrainian authorities demonstrated their desire to strengthen the country's non-bloc policy. President Viktor Yanukovych and his Party of the Regions introduced a bill that forbids Ukraine's membership in any military alliance. At the same time, they extended the lease for the Russian Black Fleet base at Crimea until 2042 in return for a 30% discount on gas prices and joined the integrated air defence system of the Collective Security Treaty Organisation (CSTO), the so called Russian NATO composed of Armenia, Belarus, Kazakhstan, Kyrgyzstan, Russia and Tajikistan. Even then, this did not protect Ukraine from Russian attempts at economic blackmail when it turned out that Kiev had a chance to sign an Association Agreement with the EU and further advance economic and political integration with the West.

**Central and Eastern European Defence Cooperation (CEEDEFECO).** It is in the strategic interest of the West to support the pro-European aspirations of Ukraine and contain tendencies that may turn Eastern Europe into a region of potential instability. A stable Ukraine is crucial to keeping the democratisation process in the post-Soviet area alive and may contribute to conflict resolution in Eastern Europe and to greater stability on the eastern border of the EU and NATO. Ukraine, which actively participates in crisis management missions and possesses capabilities needed by the European members of NATO such as strategic transport and helicopters, may also contribute to the security of the European neighbourhood. This is especially important as the U.S. shifts its attention from Europe to Asia-Pacific and given the deep cuts in defence introduced by most European countries and their unwillingness to send forces abroad.

By strengthening its cooperation with the West, Ukraine will gradually build additional leverage to neutralise pressure from Russia. However, to run an active, sovereign defence policy as a non-bloc country that does not turn it into a *de facto* Russian satellite, Ukraine will have to create a credible defence architecture. This could be based on the experience of Finland, which also has not applied to join NATO due to the lack of public support and possible Russian reactions. Still, Finland maintains the option as an insurance policy and as leverage, which helps it fend off Russian pressure. At the same time, Finland's defence is strengthened through the EU and its Common Security and Defence Policy with the solidarity clause in the Lisbon Treaty, formal regional cooperation amongst the Nordic states (NORDEFECO), and constant updates of its territorial defence capabilities.

In the long term, increased cooperation with NATO could provide Ukraine with a similar insurance policy and additional leverage. In the medium term, Ukraine could achieve additional room to manoeuvre in its relations with Russia by increasing integration with the EU and CSDP. In the short term, Ukraine's non-bloc status should be supported by the development of CEEDEFECO, the regional defence cooperation grouping, which should include the Baltic States (Estonia, Latvia, Lithuania), the Visegrad Group (Czech Republic, Hungary, Poland, Slovakia), as well as Bulgaria and Romania. Such coordinated collaboration, focused on interoperability, development of capabilities and deeper integration of the industrial defence base, even without formal structures, could complement the activities of the EU and NATO in the region.

To form such defence architecture in the future, the EU and Ukraine should sign the Association Agreement at the Vilnius summit in November. Poland, which maintains the broadest spectrum of capabilities among the regional EU and NATO countries, should play the role of a country coordinating cooperation in the CEEDEFECO format. Existing or planned units, such as LITPOLUKRBRIG, the Visegrad Battle Group, to which Ukraine was invited, and the TISA engineering battalion formed by Romania, Slovakia, Hungary and Ukraine, should advance cooperation in logistics, command and control, harmonisation of procedures, exercises and manoeuvres, and common industrial and research-and-development projects. Partners in the region should also explore the possibilities created by the new Connected Forces initiative (CFI), which aims to increase the interoperability and readiness of forces through better use of advanced technologies and exercises, and by Smart Defence, which supports capabilities development by groups of countries.