



BULLETIN

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Editors: Marcin Zaborowski (Editor-in-Chief) • Katarzyna Staniewska (Managing Editor)
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A Chance to Reset Romanian–Ukrainian Relations

Anita Sobják

Romania–Ukraine relations have been so far largely dominated by factious bilateral issues, hampering the development of effective cooperation based on mutual trust. Now the emerging war involving Romania’s largest neighbour presents just as much necessity as momentum to reconfigure the bilateral agenda to give it more of a multilateral tint. The three new dimensions should be regional security, Ukraine’s European agenda, and the country’s transformation in the coming years; in all three, Poland can be not only a model to follow but also the most relevant partner.

Points of Contention on the Bilateral Agenda. The Romania–Ukraine dialogue has been almost by rule dominated by a handful of staggeringly large issues for which a solution has remained either out of sight or when implemented has just further ramped up the uneasiness. One example was the maritime delimitation in the Black Sea in the proximity of Snake Island. To the Ukrainian side’s displeasure, in 2009 the International Court of Justice ruled for Romania, declaring it had the right to some 80% of the disputed area and its rich deposits of oil under the seabed. A further issue still hampering bilateral relations is the Krivoy Rog Mining Plant in which Romania invested in the 1980s. As Ukraine plans to privatise the plant, Bucharest is claiming compensation for its shares, which Kyiv deems unrealistic. Somewhat outdated, yet officially unresolved, remains the question of the Bystroe Canal in the Danube Delta, which Ukraine intends to develop and reopen for deep-water navigation. Romania objects to the plan, pointing at the harmful transborder impacts the project could have on the ecosystem of the entire Danube Delta.

While many of these technical disputes could be solved with a pinch of political goodwill and a fair business deal, the constant inhibiting the bilateral relationship remains the situation of Romanian ethnic minorities in Ukraine. For instance, in July a member of the Romanian parliament claimed that mobilisation for the war in Ukraine was purposefully sending ethnic Romanians to the front in Donbas. According to the 2011 census, there are 51,000 ethnic Ukrainians in Romania, while the 2001 census in Ukraine counted 151,000 ethnic Romanians and 259,000 Moldovans, primarily in the Chernivtsi, Odessa and Zakarpattia oblasts. Bucharest expects the government to give more respect to the rights of the minority and Kyiv tends to put smaller groups of ethnic minorities into one policy basket with the largest minority, the Russians. Romania also has granted citizenship to its ethnic minority in Ukraine based on the principle of historical retribution, disregarding the fact that double citizenship is illegal—though not criminalised—in Ukraine.

Unexploited Potential. While it is essential to clarify the minority question for there to be a healthy political climate for dialogue, it should not hinder the development of the commercial and people-to-people contacts inherent for neighbours that share a 650 km-long border. A good case in point is the Small Border Traffic Agreement that has been in negotiations since 2008. The stagnating talks as a result of a lack of political will were reinvigorated with the quick sequence of changes in Ukraine since last October, and the agreement was initialled on 1 April, though it still has not been signed. Romania thus remains the only EU neighbour of Ukraine with no such signed agreement.

Another unnaturally underdeveloped aspect of their bilateral relations is trade: of Romania’s total foreign trade, imports by volume from Ukraine are only 1% and exports less than 2%. The trade balance is largely favourable for Romania: in 2013, Romania’s exports of goods and services to Ukraine amounted to \$908.8 million and imports to \$611.4 million. One characteristic of the evolution of bilateral trade during the past few years has been stagnation—

with less than 10% change in volume in that time—rather than spectacular growth (with the exception of 2009 when trade volume was halved due to the economic crisis, and 2011 when the totals jumped back by around 50%). Yet the first two quarters in 2014 showed a 27% raise in commercial exchange against the same period of the previous year, a positive trend that should continue thanks to the DCFTA with the EU, which was preceded by a provisional trade facilitation between Ukraine and the bloc.

Romania's Evolving Stance on the Crisis in Ukraine. During the Euromaidan protests, Romania received injured protesters for treatment. At the same time, officials' reactions were often belated and media attention rather moderate. The annexation of Crimea in March was quickly condemned as illegitimate, and on 3 July Romania was the first EU Member State to ratify Ukraine's Association Agreement with the EU. When the violence escalated in eastern Ukraine, statements from the highest levels hit the same tone as the most outspoken voices in the Union, such as those in Lithuania, Poland and Sweden. The authorities in Romania endorsed calls for the increased engagement of NATO in Ukraine (in the form of assistance with military equipment). With a view to national security considerations, Romanian officials also requested a consolidated NATO naval presence in the Black Sea.

In sum, throughout almost a year of the crisis in Ukraine, Romania's position has followed a positive curve in terms of assertiveness. Nonetheless, Bucharest is still unable to fully present itself on the frontline of the EU as an advocate for Ukraine as it lacks the political weight of Sweden or Poland. Besides that and despite the firmness of Romania's statements, they are mostly repeating either Brussels' or other Member States' positions and lack individual initiative from Bucharest.

Worth noting, though, is that with the Romanian presidential elections approaching in November, the bulk of public attention is now on the campaign. Moreover, while the substance of Romania's foreign policy are certain to remain after the elections, hints of changes may occur in terms of rhetoric, given that President Traian Băsescu, who is in his second and last term, is known as the most critical voice on Russia among Romania's political elite.

Deconstructing Barriers. To create the grounds for positive, new bilateral initiatives, pending issues should be urgently dealt with. Because Ukraine's prospects for visa liberalisation remain low, the Small Border Traffic Agreement with Romania has increased in significance as it would affect two million inhabitants living along the border. A new date for signing needs to be set, whether in Bucharest, Kyiv or Brussels (for instance, during the Foreign Affairs Council meeting on 20 October). A fresh start in the discussions over the impasse on the Krivoy Rog matter is needed, and as a gesture of goodwill towards war-ravaged Ukraine, Bucharest should prove more flexibility in its initial claim of \$1 million in compensation. Policies on ethnic minorities should be developed in consultation with each other to minimise suspicion. As Ukraine's territorial integrity has been challenged from the east and south, Romania needs to assure Ukraine it has no revisionist intentions. Acknowledging that the assimilation of Romanians is not engineered, rather a matter of rational choice, Bucharest should aim at making the preservation of Romanian identity in Ukraine more attractive by practical, yet non-binding measures, such as offering scholarships and supporting language teaching and Romanian-language media.

Rationalising and Europeanising Relations. It needs to be acknowledged that the stability of the entire region is intertwined and thus the future of Ukraine has implications for Moldova, Romania's number one priority in policy in the area, and for Romania itself. This doubles the impulse to rethink bilateral relations with Ukraine to strengthen the regional dimension. Poland, as the staunchest supporter of Ukraine in the EU and a strategic partner of Romania, should play an important role here.

Most important is to establish security. A significant step in this direction was Romania's offer at the NATO Summit in Wales on 5 September to be the lead nation of a cybersecurity trust fund to be established by the Alliance for Ukraine. Bucharest can also transmit to Ukraine the know-how on security reforms and the adaptation process to NATO standards. Common military exercises are also viable, perhaps together with Poland and Moldova.

Next, Romania needs to step up its efforts in Brussels. According to a survey conducted in June 2014 by the Kyiv-based Institute of World Policy, in terms of EU Member States' political backing of Ukraine, Romania ranked 12th out of 28. If the war is protracted, many of the politically weighty Member States will lose interest in investing in the development of relations with an unstable neighbour. Poland will then need enhanced cooperation on multilateral platforms with like-minded, if so far less-visible states, such as Romania. Especially as in this particular case Romania's eastern policy is much more congruent with that of Poland than the latter's Visegrad partners.

In the mid-to-long term, Romania, as with Poland, is well set to become more influential in supporting the democratisation process in Ukraine. With its anti-corruption institutions and mechanisms gaining more and more recognition EU-wide, Romania has relevant best practices to share with Ukraine in removing oligarchs from its state structures. A common expert group should be established based on the model of the Ukrainian–Polish expert group on the reform of local public government. At the same time, Romania also has the opportunity to support local governance in Ukraine via the EU's new Romania–Ukraine cross-border-cooperation programme (CBC) for the 2014–2020 budget period. In contrast to the preceding CBC design, which also encompassed Moldova, this time there will be more space for developing projects in the Ukraine–Romania context.