



BULLETIN

No. 127 (722), 7 November 2014 © PISM

Editors: Marcin Zaborowski (Editor-in-Chief) • Katarzyna Staniewska (Managing Editor)
Jarosław Ćwiek-Karpowicz • Aleksandra Gawlikowska-Fyk • Artur Gradziuk
Piotr Kościński • Sebastian Płóciennik • Patrycja Sasnal • Marcin Terlikowski

From Elections to Geopolitics: The Changing Context of Romanian–Russian Relations

Anita Sobják, Piotr Szymański

With the 10-year tenure of President Traian Băsescu reaching an end, Romania's eastern policy—including Russia—could escape from an arena of troublesome cohabitation and gain more of a regional vision. This is indicated, too, by developments in the area. With the lack of strong economic interdependence between Russia and Romania, the main variables indirectly shaping the bilateral agenda have been Romania's role in U.S. security policy in Central and Eastern Europe and Bucharest's special ties to Chişinău. However, more explicit tensions are now also on the horizon, with Russia and Romania being de facto maritime neighbours since Crimea's annexation by the former. A more pragmatic and strategic approach from Bucharest could intensify cooperation with Warsaw in the neighbourhood.

New President, More Balance? The two top candidates in the first round of the presidential elections in Romania on 2 November were current Prime Minister Victor Ponta and the liberals' Klaus Iohannis, earning 40.44% and 30.37% of the votes, respectively. According to public opinion polls, the final winner in the second round on 16 November will most likely be Ponta. Given the outstanding role incumbent President Traian Băsescu has played in foreign policy throughout his two terms, the election can mark some changes in this area, especially as external relations have often fallen prey to stormy cohabitation. While there is general consensus on the Euro-Atlantic orientation of the country, there is dissonance in terms of other policy vectors, for instance towards the eastern neighbourhood. Premier Ponta has already voiced the need for a more pragmatic approach towards, among others, Moscow. The country's policy towards Russia has so far been characterised by the confrontational tone of the president, yet backed by few concrete measures to address contentious issues. A more cohesive political environment can provide for more consistency in the discourse and the lessening of the gap between the rhetoric and deeds in its relations with Russia.

Weak Economic Interdependence. Given the region's standards, Romania is atypical in the relatively low degree to which economic interactions influence its political relations with Russia. With a healthy energy mix and being the third-most energy-independent state in the EU, Romania imports only 24% of its overall gas consumption from Russia, the rest being covered by domestic production. Moreover, there are prospects for further internal production from shale gas and offshore reserves. This position will enable Romania not just to increase its energy self-sufficiency but also to export gas to its neighbours. Exports to Moldova via the Iaşi–Ungheni interconnector will be of particular significance, as that country is currently 100% dependent on Russian gas. Such prospects cause unease in Moscow because in the long term they will mitigate the influence of Russia's energy politics in the region.

The purchase of Russian gas, oil and coal dominate the bilateral commercial exchange, and in 2013 they made up as much as 84% of Russian exports to Romania. However, the overall trade volume does not exceed \$5 billion a year. This partially explains why Romania could line up behind EU economic sanctions against Russia without hesitation. In terms of business relations, Russian investments in Romania make up only \$2.1 billion (primarily in metallurgy, the chemical industry and energy sector). While in need of foreign investments in strategic sectors such as transport and energy, Romania is much more prone to look to Asian investors rather than Russian ones.

NATO Support Further Raising Suspicion. If economics do not boost Romanian–Russian relations, than Bucharest's special political and military ties with Washington certainly inhibit them. Romania plays an important

strategic role in the U.S. system of alliances in the region due to the access it provides to the Black Sea basin, the Western Balkans and even to the Middle East. The prime element of the common agenda is the development of the land-based European component of the U.S. Ballistic Missile Defence System—the very first Aegis Ashore site will be deployed on Romanian soil by the end of 2015. The U.S. army just took over control of the site at Deveselu on 10 October.

Romania's significance has further increased due to the Ukraine crisis and, separately, the war against the group calling itself the Islamic State. U.S. armed forces operate from naval and air bases in Romania (namely, Kogălniceanu and Constanța), for example, as part of Task Force-East (a platform for military collaboration between the U.S., Romania and Bulgaria). Initially, NATO also dispatched AWACs planes to Romania and Poland in order to monitor the war in Ukraine. As part of interim reassurance measures undertaken by the Allies in the wake of the Ukraine crisis, NATO beefed up the Romanian air force with six Canadian CF-18 Hornet fighters. Within its bilateral cooperation with Romania, the U.S., in turn, announced a boost in military personnel present in Romania from 1,000 to 1,600 soldiers. Following the implementation of the Readiness Action Plan, agreed by the Alliance at the summit in Wales, Romania is likely to host even more NATO units and assets, both as part of a continuous rotational presence and through the construction of the new NATO military tool—the so called “spear force,” or the Very High Readiness Joint Task Force. Besides these efforts, at the NATO summit a contingency plan for Romania was approved and a decision made that Romania will be responsible for the coordination of a trust fund to develop Ukraine's capabilities on cybersecurity. Moscow argues that such developments violate the 1997 Founding Act on Mutual Relations, Cooperation and Security between NATO and Russia and as rule has responded with threats of retribution.

Competing Interests in Moldova and Ukraine. In addition to the permanent air of suspicion in the Kremlin resulting from Romania's NATO membership, the most significant divergence emanates from the different views of Moscow and Bucharest on the shared neighbourhood. One of the main pillars of Romania's foreign policy is to back Moldova's Euro-Atlantic integration, and the recent developments in Ukraine might also bring about a renaissance in relations with its largest neighbour.¹ For Moscow, Ukraine is indispensable to the success of its Eurasian integration project and an absolute minimum aim is to keep it in Russia's sphere of influence. Moldova, in turn, though with far more modest geopolitical and economic significance, is perceived as a valuable bastion of Russian leverage on the border of the EU. Correspondingly, Romania advocates on the EU platform for Moldova's European integration, seeing Moldova's membership in the EU also as an opportunity to reduce barriers between the two countries linked by history and language. Meanwhile, Russia seeks to destabilise this European track through a variety of channels, such as trade embargoes or instigating separatism. As for Ukraine, while Russia is focused on the war in Donbas, Romania is a staunch supporter of Ukraine's territorial integrity, seeing it as vital for Moldova's and its own security. Romania also supports Ukraine's European course and was the first EU Member State to ratify Ukraine's Association Agreement with the EU on 3 July.

New De Facto Maritime Border. Since Russia's annexation of Crimea in March, Romania's offshore extraction platforms in the Black Sea neighbour platforms under Russian *de facto* control. This poses a number of questions both in terms of economic interests and hard security. Romania is planning to exploit resources in its offshore fields in the Black Sea, a plan that could be obstructed by Moscow if it were to raise objections of an ecological nature or ask to renegotiate existing deals on the exploration of deposits which Ukraine previously controlled. For instance, the pre-Euromaidan Ukrainian authorities led discussions on an agreement to divide production in the Skifska offshore oil field where Romanian OMV-Petrom would have been a member of the consortium. Russia can also decide not to recognise the 2009 ruling by the International Court of Justice on the maritime delimitation between Ukraine and Romania in the Black Sea. Moscow could also seek to expand its Exclusive Economic Zone and rights to the continental shelf, which would have serious consequences for Bucharest, the EU and NATO, regarding such issues as navigation, trade flows as well as pipeline projects.

Conclusions and Recommendations. Even if the new Romanian president brings no fundamental reanimation of relations with Russia (in the context of the ongoing war in Ukraine, Romania's policy will walk in the footsteps of Brussels), there will certainly be changes in style and as a result, more level-headed policymaking should be expected. Likewise, the Russian dossier may emerge from the arena of domestic political duels and be shaped by a strategic, regional vision in light of the developments in the neighbourhood. Such thinking would be more compatible with Polish eastern policy and should provide the grounds for further ambitious development of the Polish–Romanian strategic partnership. Along with the currently prime topic, security, the dialogue should further increase its focus on the EaP. Bucharest and Warsaw should better cooperate on promoting the European cause of Moldova and Ukraine, both before the EU and in the countries themselves, for instance, by consulting each other on assistance projects (development aid, scholarships, investments, etc.). Romania should follow suit with Poland, which offered one million euro to set up a new Russian-language TV station to be launched by the EU in EaP countries. Finally, Bucharest should also pursue further efforts to increase its energy independence and be more diligent in improving both the infrastructure and legal framework necessary to export gas not just to Moldova but also to Ukraine in the more distant future.

¹ A. Sobják, “A Chance to Reset Romanian–Ukrainian Relations,” *PISM Bulletin*, no. 114 (709), 15 September 2014.