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**IN FOCUS:
TURKISH STREAM**

**IN FOCUS:
ILLEGAL ELECTIONS IN CRIMEA**

**IN FOCUS: RUSSIA. SILOGARCHIA.
RESTART-2018.**

*Essay of the book
"Hybrid threats to Ukraine
and public security. The EU
and Eastern Partnership experience"*

*Essay of the book
"The Grey Zone. Crimea:
Four Years of Occupation"*



On April 23, 2018 in Odesa, the President of the Center for Global Studies Strategy XXI Mykhailo Gonchar and the Head of security programs Pavlo Lakiychuk, experts of the project “Promoting building of Ukraine’s capacities to guarantee citizens’ security in the conditions of hybrid threats”, presented an analytical report “Hybrid threats to Ukraine and public security. The EU and Eastern Partnership experience” (prepared with the support of the European Union and the International Renaissance Foundation within the framework of the project “Civic Synergy”), as well as the analytical publication “Wars - XXI: Russia’s Polyhybression”, prepared with the support of the International Renaissance Foundation.



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RUSSIAN NEO-IMPERIALISM: SOURCES, GENESIS AND CONSEQUENCES FOR THE COUNTRIES OF SOUTH-EAST EUROPE



SYNERGING ENERGIES
Centre for Global Studies / Центр Глобалістики



Konrad
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МІЖНАРОДНА КОНФЕРЕНЦІЯ

INTERNATIONAL CONFERENCE

**РОСІЙСЬКИЙ НЕОІМПЕРІАЛІЗМ:
ВИТОКИ, ГЕНЕЗИС І НАСЛІДКИ ДЛЯ КРАЇН
ПІВДЕННО-СХІДНОЇ ЄВРОПИ**

**RUSSIAN NEO-IMPERIALISM:
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FOR THE COUNTRIES OF SOUTH-EAST EUROPE**

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The members of the editorial board of the magazine, Oleksii Bessarabov and Dmytro Shtybylov are the political prisoners of the Kremlin. They have been kept in prison on fabricated charges by the FSB since 2016.

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Dear readers,

This is the first issue of the Sevastopol magazine Black Sea Security in 2018. At the end of 2017, the Ministry of Justice of Ukraine re-registered the publication. From 2017 the magazine was published in Kyiv by the Center for Global Studies “Strategy XXI”. Of course, after de-occupation of Crimea and Sevastopol, the editorial board of the magazine will move again to the extreme south of Ukraine. Our colleagues Oleksii Bessarabov and Dmytro Shtyblykov, deprived of liberty on the Crimean Peninsula by the occupants, will join physically editorial board.

Meanwhile, the magazine continues to grow in its readership. It was presented at the Kyiv and Lviv Security Forums in 2017, at the Inter-Parliamentary Council of Ukraine-NATO in Odesa in 2018, at the XI Forum Ukraine-Europe in the Polish Rzeszów, in Budapest at the events organized by the Embassy of Ukraine in Hungary, devoted to the 4th anniversary of the occupation of Crimea, as well as at numerous conferences and round tables in Kyiv and other Ukrainian cities.

As before, we will continue to pay attention to the Caspian-Black Sea-Baltic space to which we will add both the Eastern Mediterranean and the Balkan region. The Black Sea region is now in the political epicentre of the outline of the four seas. The unbridled militarization of the occupied Crimea by Russia has already transformed it into a base for the war in Syria. And in the future, Russia will try to destabilize the situation in the Eastern Mediterranean in order to prevent or at least delay the beginning of the exploration of natural gas deposits opened in the region in the early 2000s. Moscow sees new non-Russian gas routes as the rivals that must be destroyed.

The non-military dimension of Russian aggression against Ukraine, Europe and the entire civilized world remains in the epicentre of research and counteraction. Particularly important is its

information component, which the Kremlin uses constantly increasing existing ones and producing new paradigms. But their detailed analysis allows us to identify their weaknesses and enhance their protection. With the opening of the bridge across the Kerch Strait, a new route of drug trafficking to Europe will also be launched — from Afghanistan through Central Asia, the Caucasus, unrecognized Abkhazia and the occupied Crimea through Turkish, Bulgarian and Romanian ports to the EU.

In the occupied Crimea, human rights violations by the occupation authorities are constantly recorded, and the number of political prisoners is increasing. For example, according to the Crimean Human Rights Group, in February 2018, the number of prisoners accused by the FSB of Russia as “preparing for sabotage and espionage” increased to 13. Among them, our colleagues — Dmytro Shtyblykov and Olexii Bessarabov, who were detained for the false accusations and illegally imprisoned.

All this, and much more will be at the epicentre of our attention in 2018. Of course, we will continue to monitor the fate of the Ukrainians who became political prisoners of the Putin regime.

We will be glad to cooperate with other journals. For example, in 2017, the Central European Ukrainian magazine became our partner. We also invite young, full of energy experts and journalists to work together in Ukraine and abroad. The political depths of the Black Sea contain a lot of unexplored!

Mykhailo Gonchar

Acting Editor-in-Chief
of the Black Sea Security magazine

President of the Centre
for Global Studies Strategy XXI

*The monitoring review was prepared
by the Crimean Human Rights Group,
i.e. by Olga Skrypnyk, Vissarion Aseev, Olexander Sedov,
on the basis of materials collected in March 2018*

Crimean Human Rights Situation Review

February 2018

DETENTIONS

On February 1st in Yevpatoria activist of anarchist movement, **Mr Evgeniy Karakashev** was detained in his own house. Mr Karakashev was charged with RF CC Article 282.1 (Incitement of hatred or enmity as well as abasement of human dignity) and RF CC Article 205.2 (Public appeals to acts of terror) for two comments in VKontakte social network. As the investigators stated, he had placed a video 'Last Interview of Primorsky Partisans', and an unspecified video file 'with appeals to acts of terror' [1]. On February 2nd Mr Aleksey Nanarov, a judge of 'Yevpatoria City Court', selected a measure of restriction for the activist: to remand in custody till 1 April 2018 [2]. On February 14th Ms Tatiana Mel'nik, a judge of 'Supreme Court of Crimea', upheld the judgement [3].

On February 15th the RF police detained **Mr Fazil Ibrahimov**, an activist of 'protest lawns' under a criminal case against him for fraud. According to the investigation version, he had been collecting the money from the 'STRELKOVAYA protest lawn' participants for seven years for support in receiving the land in the property. On February 17th the 'Kievsky District Court' of Simferopol passed a judgement on retaining Mr Ibrahimov in custody till March 23rd, 2018 under Article 159.3 (fraud) and Article 222.1 (storage of ammunition). Mr Ibrahimov has been previously persecuted for criticizing the actions of the Simferopol City Administration.

POLITICALLY MOTIVATED CRIMINAL PERSECUTION

"FEBRUARY 26 CASE"

The 'February 26 Case' (events at the Parliament of Crimea in 2014) is being heard at two legal proceedings. The first one is the case of Mr Akhtem Chygoz, with a verdict of eight-year's sentence. Due

to the negotiations between Presidents of Turkey and the RF, Mr Recep Erdoğan and Mr Vladimir Putin, and the meeting between Mr Erdogan and Mr Petro Poroshenko, President of Ukraine, Mr Chygoz was freed and now he is in Kyiv. In February the second legal proceedings were in progress at the 'Tsentralny District Court' of Simferopol within the case of 'mass riot participants': **Mr Ali Asanov** and **Mr Mustafa Degermendji** are under the house arrest, the restriction selected for **Mr Eskender Katemirov**, **Mr Eskender Emirvaliyev**, **Mr Arsen Yunusov** is personal surety; **Mr Eskender Nebiyev** and **Mr Taliat Yunusov** were given a suspended sentence.

"CASE OF CRIMEAN MUSLIMS"

Under the 'Case of Crimean Muslims' who are accused of being 'Hizb-ut-Tahrir' members 25 people are in custody as of the late February: **Ruslan Zeitullayev**, **Rustem Vaitov**, **Nuri Primov**, **Feirat Saifullayev** (all convicted), **Inver Bekirov**, **Vadim Siruk**, **Muslim Aliyev**, **Emir Usein Kuku**, **Refat Alimov**, **Arsen Djepparov**, **Enver Mamutov**, **Remzi Memetov**, **Zevri Abseitov**, **Rustem Abiltarov**, **Teimur Abdullayev**, **Rustem Ismailov**, **Aider Saledinov**, **Uzeir Abdullayev**, **Emil Djemadenov**, **Marlen Asanov**, **Seyran Saliyev**, **Memet Belialov**, **Timur Ibragimov**, **Server Zekiryayev** and **Ernes Ametov** (in custody). They are accused under Article 205.5.1 of RF CC (Creation of terrorist organization) and/or Article 205.5.2 of RF CC (Membership in the terrorist organization). Later some defendants have been also charged under Article 278 of RF CC (Violent coup or violent retention of power).

On February 8th Mr Eduard Belousov and Ms Galina Red'ko, judges of 'Supreme Court of Crimea', upon a motion of Mr Sergey Makhniyov, the FSB investigator, extended the detention periods for **Enver Mamutov**, **Remzi Memetov**, **Zevri Abseitov**, **Rustem Abiltarov** [4] till 12 April 2018. [5] The session was held in camera.

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On February 9th Ms Alla Ovchinnikova, Mr Mikhail Soboliuk and Mr Konstatin Karavayev, upon a motion of Mr R.S. Gorbachiov, a FSB investigator, extended detention periods for **Aider Saledinov, Uzeir Abdullayev, , Teimur Abdullayev, Emil Djemadenov, and Rustem Ismailov** [6] till 11 April 2018 [7]. The session was in camera. All defence requests were rejected by the court, and lawyer Edem Semedliayev was forbidden to make an audio record of the session [8].

On February 14th the first February session on the case of **Refat Alimov, Arsen Djepparov, Emir Usein Kuku, Muslim Aliyev, Inver Bekirov, Vadim Siruk** [9] was held in the North Caucasus Area Military Court, Rostov-na-Donu (RF). The lawyers participated in the session through video-conferencing from the ‘Crimean Garrison Military Court’ in Simferopol. Mr Vitaliy Moskalenko, Consul General of Ukraine in Rostov, Mr Vitaliy Konarsky, a Consul, and appointed defence lawyers attended the session [10]. In February five hearings of this case were held at the North Caucasus Area Military Court: February 14th, 15th, 20th, 26th, and 28th. In addition, a criminal case against **Mr Renat Suleymanov, Mr Arsen Kubedinov, Mr Taliat Abdurakhmanov, and Mr Seyran Mustafayev** (house arrest) went on under RF CC Clause 282.2 (Organization of extremist institution activities) on the charge of membership in the ‘Tablighi Jamaat’. On February 24th, lawyer Dzhemil’ Temishev informed that Arsen Kubedinov had been released from the detention center under house arrest [11].

ANDREI KOLOMIETS’ CASE

Mr Andrey Kolomiyets, a citizen of Ukraine, was put for 10 days (till March 8th) into the punishment isolation cell in the penal colony, Krasnodar Area (RF) [12]. As his spouse Galina said, an official reason for such punishment was that the Federal Penitentiary Service of Russia personnel had noticed Mr Kolomiyets at his workplace in the colony workshop (where the prisoners work) wearing a sports suit instead of uniform. The Ukrainian had to wear other clothes not to freeze in the workshop.

“UKRAINIAN SABOTEURS’ CASE”

In February the number of people who are charged with espionage or preparation of sabotage’ increased

till 13, who, when detained by the RF FSB, had been accused of ‘preparation of sabotage and espionage’: **Mr Yevgeniy Panov, Mr Andrey Zakhthey, Mr Redvan Suleymanov, Mr Vladimir Prisich, Mr Vladimir Dudka, Mr Dmitriy Shtyblykov, Mr Aleksey Bessarabov, Mr Gleb Shabliy, Mr Aleksey Stogniy, Mr Gennadiy Limeshko, Ms Anna Sukhonosova, Mr Dmitriy Dolgopolov, Mr Konstantin Davydenko**. Unlawful methods of investigation and torturing for securing confessions were recorded in these cases

On February 7th Ms Yelena Mikhail’kova, a judge of ‘Supreme Court of Republic of Crimea’, upon a motion of Mr M.A. Golyshev, a FSB investigator, extended the detention period for Mr Yevgeniy Panov till April 9th 2018. He is charged with preparing sabotage under RF CC Articles 30.1 and Article 281.2.

On February 7th Ms Alla Ovchinnikova, a judge of ‘Supreme Court of Republic of Crimea’, upon a motion of Mr S.V. Kulakov, a FSB investigator, extended the detention period for Mr Oleksii Bessarabov and Mr Vladimir Dudka till April 8th 2018. The FSB considers them ‘members of sabotage and terror group of the Intelligence Main Department of Ministry of Defence of Ukraine’ [13].

On February 15th Mr Sergey Pogrebniak, a judge of ‘Supreme Court of Republic of Crimea’, sentenced Mr Andrey Zakhthey, a citizen of Ukraine, to 6 years and 6 months in the maximum security penal colony and a penalty of RUR220,000 under RF CC Article 30.1 and Article 281.2 (preparation of sabotage), Article 222.3 (illegal procurement of weapons), Articles 324 and 327 (illegal procurement of documents). The sentence under RF CC Articles 324 and 327 was passed on Mr Zakhthey for his, supposedly, submission of misleading data to receive a RF passport. On February 12th the RF FSB Department informed the mass media that Mr Konstantin Davydenko, a citizen of Ukraine, was detained in Crimea in suspicion of espionage. From Simferopol he was transported to Moscow where Ms Yelena Galikhanova, a judge of Lefortovsky District Court of Moscow, selected detention on remand till 11 April 2018 for him as a restriction measure. The RF SB distributed a video of staged interrogation where the Ukrainian said that he had come to Crimea on the SBU instruction to collect the information [14]. When watching the video, one may see that Mr Davydenko had

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lost a tooth, that might have been knocked out on detaining or due to torturing. The relatives confirm that he had all the teeth before the detention. In the similar cases Mr Panov, Mr Zakhtey, and Mr Prisich reported that the RF FSB personnel had tortured them before recording ‘confessing’ videos. On February 27th the Moscow City Court upheld a judgement on keeping Mr Davydenko in custody. [15]

VLADIMIR BALUKH’S CASE

On February 7th Mr Dmitriy Shmeliov, a Prosecutor of Razdol’noye District, sent a case on charging Mr Balukh under RF CC Article 321.2 (Disorganization of activities of establishments providing isolation from society) to ‘Razdol’noye District Court’. This third criminal case was opened in August 2017, when Mr Balukh’s lawyer placed a claim on illegal actions of Mr Valeriy Tkachenko, head of Razdol’noye Temporary Holding Facility (THF), who had offended and hit the Ukrainian. In return Mr Tkachenko placed his claim against the activist. But the Ukrainian’s claim was disregarded, while a criminal case was opened on Tkachenko’s statement and Mr Balukh was accused of attacking the THF head. On February 16th an appeal on the verdict for Mr Balukh, under RF CC Article 222.1 ‘illegal procurement, transfer, sales, storage, transportation or bearing of weapons, their components, ammunitions’ and RF CC Article 222.1.1 ‘illegal procurement, transfer, sales, storage, transportation or bearing of explosive substances or devices’) was received by the ‘Supreme Court of Crimea’. The lawyers will appeal against an unlawful verdict on the falsified ‘case of cartridges’. The appeal is to be considered on March 14th.

VEDJIE KASHKA’S CASE

Mr Bekir Degermendji, Mr Asan Chapukh, Mr Kiazim Ametov and Mr Ruslan Trubach were detained on November 23rd due to a fake charge of extorting the money from a citizen of Turkey. During the detention Mrs Vedjie Kashka, a Crimean Tatar movement veteran, whom, as the detained said, the citizen of Turkey was to return the borrowed money, died. On February 1st lawyer Edem Semedliayev informed that Mr Bekir Degermendji was in the medical unit of the Simferopol Detention Center. He suffers from bronchial asthma, and because of his health condition he can’t be in the Detention Center. On

February 1st lawyer Aider Azamatov informed that examination of Mr Asan Chapukh had been finished at the Semashko Simferopol Hospital, and he had placed into the medical unit of the Simferopol Detention Center.

FREEDOM OF SPEECH AND EXPRESSION

On February 7th the police detained Ms Madeline Roache, a British journalist, in Simferopol because she worked as journalist without RF MFA accreditation. She was drawn up an administrative report under Article 18.8 (Violation of rules of entering the RF or a regime of staying (living) in the RF by a foreign citizen or a stateless person). When the case was being considered in the court, it became known that the police had traced her movements in Crimea. The ‘Tsentrally District Court’ of Simferopol adjudged her guilty and decreed on paying a penalty of RUR4,000. Afterwards the journalist left the peninsula. Last year Ms Roache published articles on substitution treatment in Crimea, and punitive psychiatry practice against Crimean political prisoners.

On February 24th it became known that a company who dealt with distributing the Ukrainian language newspaper ‘KRYMSKY TEREN’ had terminated the cooperation since it had received a letter from law enforcement bodies on inspecting this title for compliance with the laws of extremism.

SULEIMAN KADYROV’S CASE

On February 28th the prosecutor asked for three years suspended and a ban on public activities as punishment of **Mr Suleyman Kadyrov**, in the ‘Feodosiya Town Court’. He is accused under RF CC Article 280.1.2 (Public appeals to actions aimed at violating the territorial integrity of the RF) for comments ‘Suleyman Kadryov agrees! Crimea is Ukraine. Was, is and will be! Thanks to the author for the video! Supporting!’ to the other user’s video in the social network.

Before the start of argument hearings, Ms Anastasia Shapoval, a judge of ‘Feodosiya Town Court’, added UN and European Parliament resolutions verifying that Crimea is a Ukrainian territory, submitted by the defence, to the case files. In addition, the Budapest Memorandum on Security Assurances of territorial integrity of Ukraine as

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well as the agreement between Ukraine and Russia on borders that establishes a state border through Kerch Strait, were included into the case files, too.

Editorial note. When this issue of the Black Sea Security magazine was under preparation, it became known that Dmytro Shtyblykov moved from the Sevastopol SIZO to one of the

colonies of the strict regime of the Omsk region of the Russian Federation for a five-year prison term. It remains unclear whether this is the end point. The cases of two other prisoners, Oleksii Bessarabov and Volodymyr Dudka, were returned to the occupational prosecutor's office by the occupational court of Sevastopol, and the term of their detention was extended until July 8.

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10. <https://www.facebook.com/pokalchuko/videos/2016306715064035/>
11. <https://www.facebook.com/crimeansolidarity/posts/567825750251552>
12. Andrii Kolomiets was detained in Kabardino-Balkaria (RF), transported to the Crimea, where on June 10, 2016, he was sentenced to 10 years in the prison of a strict regime. He was accused of assassination of two former employees of the "Berkut" unit during the events on the Independence Square in Kyiv.
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The Balkan Route of Turkish Stream

Abstract: The Balkan route of TurkStream is necessary for Russia as an initiator of the project to increase its energy influence in the South East Europe and stop gas transit through Ukraine via Southern track of its gas pipeline system. Approaches of the Balkan countries to the project are different but any of them would like to improve its gas transit capacities. They become more and more vulnerable to the Russian energy tools. Ukraine should continue explaining the real goal of this Russian project and apply to European unity.

Russia insistently continues to implement projects of construction of new gas pipelines to Europe — Turkish Stream (TurkStream¹) and Nord Stream 2, despite the lack of need for such additional gas transportation capacities. The key issue in the implementation of the TurkStream is its extension to the countries of Southern and Central Europe that should pass through the countries of the Balkan region, creating the so-called “Balkan route”. The Russian project is supported by the countries of the region but faces the requirements of the EU Third Energy Package, which one time put the cross on the ambitious project “South Stream”.

Although the TurkStream is already going to the European part of Turkey, its Balkan route is still uncertain until now. The prospects of distributing Russian gas to end-users are not clear. The lack of funding sources remains a key issue. However, potential project participants — Turkey, Greece,

Bulgaria and Serbia — are showing increasing interest and dreaming to strengthen their energy value in South-East Europe with the support of Russia, not taking into account economic losses, risks and potential dangers.

The problematic project: Obligatory Balkan route

Turkey has always tried to engage in all energy flows from Russia, the Caspian region, Iran and the Middle East to European countries. At the same time, Russia is also doing its best to take control over all possible suppliers. For example, the Central Asian and the Caspian gas goes to Europe through Russian companies not as though transit companies, but they purchase cheap gas and resale to European consumers at the highest possible price. Although Turkey is already implementing an alternative TANAP project to supply Azerbaijani gas to European consumers, Russia had to step up its cooperation with Ankara, in view of the failure of the South Stream project and the urgent need to get Turkey an ally in Syria. In its turn, Turkey expressed an interest to lock up on itself a new gas route — a Turkish variant of the South Stream. Therefore, a symbol of the deepening of the Russian-Turkish partnership became the new gas pipeline TurkStream with a project capacity of 31.5 billion cubic meters to be built by the end of 2019, according to the Russian-Turkish agreement of October 2016.

The route of the TurkStream (Fig.1) demonstrates its two main objectives: 1) to supply Russian natural gas to the European part of Turkey, stopping its supply through the existing route Ukraine —

¹ By this name Russia tries to associate the Russian project of gas pipeline, which predecessor was the South Stream, with Turkey.

Moldova — Romania — Bulgaria; 2) partially implement the South Stream 2.0 project under the another name by continuing the TurkStream through the Balkan region to the countries of Central Europe. Both goals are beneficial for Russia and Turkey, because the first one gets additional leverage of influence on Ukraine and Turkey and the Balkan countries, and the second one expands its own transit capacity.



Fig. 1. Route of the TurkStream.

The comparison of the volumes of Russian gas going through the current route to the European part of Turkey and the Balkan region with the project capacity of the TurkStream confirms its ultimate goal for the Russian Federation. According to the results of 2016, the structure of supply of Russian gas through the Ukrainian southern rout includes supply of about 10 bcm to Turkey (total supplies from the Russian Federation — 24.76 bcm); 1.48 bcm — to Romania; 3.18 bcm — to Bulgaria; 0.07 bcm — to Macedonia; 2.68 bcm — to Greece. Since today these needs are in total about 17 bcm per year and provided through the Ukrainian GTS and the Trans-Balkan gas pipeline, the TurkStream will cover this volume and create possibilities for the supply of additional 14 bcm of Russian gas.² Russia plans to supply these additional volumes to other Balkan countries — Serbia, Bosnia and Herzegovina, as well as Italy and the countries of Central Europe — Hungary and Austria.

² Calculations are made for two lines of the TurkStream, one of which is already being built, and for another one Turkey granted a construction permit. Initially, Russia planned the capacity of the TurkStream at 63 bcm for four lines. This would allow to supply more than 40 bcm of gas to Central Europe, but there are no sources of financing for the construction of such a powerful transit gas pipeline and the EU Third Energy Package is an obstacle.

Such calculations were confirmed by the government of Serbia. In January 2018, Serbian Energy Minister Aleksandar Antic said in the interview to the Serbian Radio and Television that the capacity of the extension of the TurkStream to Central European countries, which was called the Serbian Stream in Belgrade, would amount to 10-12 bcm annually [1]. In addition, in the Balkan countries, Russia is distributing information that after the end of 2019 Russian gas to European consumers will no longer be delivered through the Ukrainian GTS. For example, on January 28, 2018, Serbian Prime Minister Ana Brnabic told the Serbian media that after 2019 Russia plans to stop supplying its gas through Ukraine. [2]

It should be noted that such information began to be spread long before the Stockholm Arbitration decision on the transit of gas from the Russian Federation through Ukraine, according to which Gazprom should pay \$4.63 billion to Naftogaz of Ukraine, and it was followed by the announcement of the decision of the leadership of the Russian company on termination of contracts on transit of gas through the territory of Ukraine. So, that decision of Moscow was approved long before, and the verdict of the Stockholm Arbitration only accelerated its announcement. Although the information campaign, aimed at imposing the idea of stopping the Ukrainian transit on the countries of the Balkan region and Central Europe, started much earlier. In this way, as an instrument of the energy war in the hands of the Kremlin, Gazprom manipulates the mentioned countries, imposing its policy on them and pushing them to agree on implementation of economically unjustified energy projects that will further increase their energy dependence on Russia.

What can be routes of further transportation of Russian gas that can be delivered via the TurkStream pipeline?

Possible options for the Balkan route of the TurkStream

In the case of the continuation of the TurkStream, it is still not well known the further route or routes of transportation of gas across the Balkan region. Several options are considered.

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As the ITG gas pipeline of the total capacity of 11 bcm has been operated from Turkey to Greece since 2007, and the project of the Trans-Adriatic gas pipeline (TAP) of the total capacity of 10 bcm is being implemented to be finished by 2020, Greece becomes a key country for Russia, and there are two potential options there.

One option is from Turkey through Greece to Italy via ITGI or TAR. As the first component from Turkey to Greece (ITG) of the ITGI gas pipeline already exists, the question is in the second component, called Poseidon (or IGI) with the total capacity from 8 to 20 bcm. In 2015, this project was included in the EU Second list of projects of common interest (PCI) and involves funding from European instruments such as the European Economic Recovery Plan (EERP) and the Trans-European Energy Network (TEN-E) [3]. From Greece, it is also possible to supply gas to Macedonia through connecting gas pipelines, as well as to Bulgaria through IGB with a total capacity of 3 bcm (with the prospect of expansion to 5 bcm). The last one is also included in the PCI list and has financial support through the European tools of EERP. That is, this option will have full support of the EU, but will not provide the supply of gas to Central Europe and exclude Serbia as a transit country. Although the possibility of gas supply to it is preserved due to the connecting pipeline Nis (Serbia) — Dimitrovgrad (Bulgaria) with a capacity of 1.8 bcm, which also has the EU support [4], but for which the Serbian side still does not have the necessary funds — 60 million Euro, which it is striving to obtain from the European Union. In addition, from Bulgaria there are gas interconnectors to Macedonia and Romania with capacity up to 1.5 bcm [5]. Russia also claims its rights to use the Trans-Adriatic gas pipeline (TAP), stressing on free access to transit networks in the EU. Thus, according to existing and prospective interconnectors, Russian gas from the TurkStream can be supplied bypassing Ukraine, Moldova and Romania to other countries — Greece, Italy, Bulgaria, Macedonia, Serbia and, if necessary, to Romania, satisfying their needs.



Fig.2. Gas pipelines “Poseidon” and IGB.

The second way through Greece is the so-called “Tesla pipeline” (Fig. 3), which has to go through Macedonia, Serbia and Hungary. The idea to launch this gas pipeline with a capacity of up to 27 bcm appeared in 2015 on the background of the South Stream project, which was frozen by Bulgaria. It also found support of Russia that tried to exclude the Bulgarian territory and bypass the EU Third Energy Package.



Fig.3. Tesla pipeline project.

Although in 2015, foreign ministers of Greece, Macedonia, Serbia and Hungary signed a declaration in support of this route [6], and the project was included in the PCI list, but the Tesla pipeline seems unlikely to be a continuation of the TurkStream, rather a chain of national gas transmission systems and connecting pipelines. First, Russia tries to consolidate its influence on Bulgaria, which is more important for the Kremlin than relations with Macedonia. Secondly, Macedonia has a continental mountainous landscape, where construction of a huge gas pipeline will be technically more difficult and

financially more expensive, and the route is longer than through Bulgaria. Third, it is easier for Russia to use the already marked route of the South Stream through Bulgaria and Serbia.

The most likely route is the former route of the South Stream through Bulgaria, Serbia and Hungary to Austria with a total capacity of at least 12 bcm of gas annually (Fig. 4). Exactly this option is now actively promoted by Russian Gazprom, because it is limited in resources and has nothing to propose but to use the already developed route of the South Stream. In this way, Russia can significantly save money on its construction, because a part of the work on definition of the route, development of feasibility studies, project documentation, land allocation, expertise and obtaining certain permits within the South Stream project has already been carried out. In addition, South Stream Transport B.V., a subdivision of Gazprom, which had to build the maritime part of the South Stream pipeline, builds the maritime part of the first line of the TurkStream pipeline. This also allows the RF to consolidate its justification in the eyes of the partners in relation to the unrealized, most recently pompous, South Stream project, as Russia can say that it did not become a defeat, but was transformed into another project. Some Balkan countries are already rubbing their hands in anticipation.

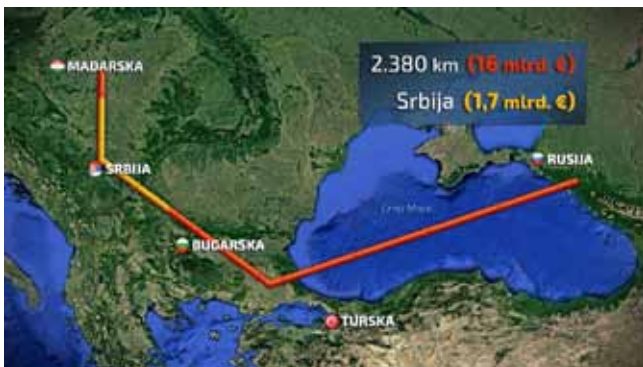


Fig. 4. Continuation of the TurkStream to Central Europe.

While discussing each of these routes, the Russian Federation and its partners state that they will transport not only Russian gas from Russia through the TurkStream, but also from other sources — Azerbaijan, the Middle East countries and suppliers of liquefied natural gas — Qatar, Nigeria and even the United States. In this way, attempts are made to bypass the requirements of the Third Energy Package

by demonstrating various sources and concealing Russia's desire to dominate in gas supplies to the EU. In addition, the conditional fragmentation of the entire transit gas pipeline to Central Europe is carried out on fragments within the national territories — in Greece it is called the “Greek stream”, in Serbia — “Serbian stream”, in Bulgaria “Balkan hub”, with the aim to ensure the possibility of work with each country separately and investing in gas transportation capabilities at national levels.

At the same time, it is possible to use all three of the above mentioned routes if Turkey agrees to the third and fourth lines of the TurkStream that will increase its capacity to 63 bcm, and the Russian Gazprom will have financial resources for their construction and investment in the transit capabilities of the Balkan countries.

Positions of the countries of the Balkan region

All countries of the Balkan region are showing their interest in expanding their own gas transportation capabilities, which correspond to Russia's plans to launch a new gas transit route through this region bypassing Ukraine. However, the “Balkan way” can not pass through all Balkan countries, and therefore the Russian Federation uses the above-described routes for manipulating and influencing potential Balkan transits, forcing them to compete with each other. Therefore, the positions and opportunities of each of these countries should be considered (Fig. 5).



Fig.5. Gas network of the Balkan region.

In any case, regardless of the final route of the TurkStream, **Greece** is still benefiting from this gas pipeline, since it already has the opportunity to receive gas through Turkey. It would not mind to increase its transit capacity, but has to meet the provisions of the EU Third Energy Package. Therefore, without violating the EU rules, the gas interconnectors allow it to ensure the transportation of gas from the TurkStream to Italy (ITGI, TAR), Macedonia and Bulgaria. The Tesla pipeline through Greece is also an option but less likely and without needed funding, and Macedonia and Serbia alone cannot build their parts of this pipeline. Greece demonstrated the support of the TurkStream, signed a memorandum on the extension of the pipeline to Europe with financial support of Russia in June 2015 during the visit of Greek Prime Minister Alexis Tsipras to Russia [7]. At the meeting in September 2016 with Russian Deputy Prime Minister Arkadiy Dvorkovich and Energy Minister Alexander Novak Mr Tsipras once again confirmed the readiness of Greece to join the project.

The current leadership of **Macedonia** has pro-European and pro-Western views and tries not to support openly Russian projects in the Balkans. At least, elected in May 2017 Macedonian Prime Minister Zoran Zaev does not mention the TurkStream project. Although the previous Macedonian leadership actively supported Russian gas projects. For example, on April 7, 2015 in Budapest, foreign ministers of Greece, Macedonia, Serbia and Hungary fixed joint efforts to build a new gas rout for the supply of Russian gas from Turkey to Central Europe, in particular the Tesla Gas Pipeline, in their joint statement [8]. However, oppositional politician Zoran Zayev blamed the Macedonian government on corruption and support for Russian projects at that time. Nevertheless, after he was elected a Prime Minister, Skopje did not denounce that statement, and Macedonia began to focus on the possibilities of transportation of natural gas from Russia, Azerbaijan, Iran and even shale gas from the United States through the Macedonian territory. In March 2018, the Macedonian government announced that after consultations between the state-owned

company Macedonian Energy Resources and the operator of the Greek Gas Transportation System DESFA, the construction of a 120 km gas interconnector with a capacity of up to 3 bcm was agreed to receive financial support from the international institutions [9]. It is expected that gas will be supplied not only for the needs of Macedonia, but also to other Balkan countries, for example, Albania or Serbia, if the planned Macedonian-Serbian gas pipeline with capacity of up to 1.5 bcm and worth of 22.5 million euro is put into operation in 2021, but it still has no financing. It is clear that such a route of transportation of gas from Greece through Macedonia to Serbia does not correspond to Russia's strategic vision of laying "gas flows", because its capacities are for the local scale. The pro-Western position of the Macedonian government, the lack of necessary funds and intensified discussions of the continuation of the TurkStream through Bulgaria confirm that the Tesla gas pipeline can remain only a project.

Bulgaria, the country bordering Turkey, which at one time was an important chains of the South Stream project, cancelled under the pressure of the United States and the European Commission, should be the first in the path of the most probable continuation of the TurkStream to Central Europe. However, supporters of the South Stream in Bulgaria have not disappeared, including the acting Bulgarian Prime Minister Boyko Borisov, who signed an agreement on the South Stream project with Russia. After the failure of the South Stream, he began to actively advocate the construction of a new gas pipeline to the Bulgarian and not to the Turkish coast, and after his return to the PM chair in May 2017, he immediately took the course to revitalize energy cooperation with Russia. However, Gazprom has decided not to risk, because Sofia must comply with the provisions of the EU Third Energy Package, and to implement the project with Turkey, leaving Bulgaria a chance for transit. In 2017, Bulgaria signed with Gazprom a roadmap for the development of Bulgarian gas transportation capabilities. However, the Russian side tries not to demonstrate these capabilities as a Russian project not to annoy the European Commission.

Sofia strongly advocates the creation of the so-called “Balkan gas hub” near Varna on its territory. The Bulgarian side expects that gas will be supplied from Russia through the Black Sea, from Romanian offshore fields, from the Caspian region through the Southern Gas Corridor, from the Middle East and the Eastern Mediterranean, as well as liquefied gas through Greece and Turkey [10]. To this end, in 2017, Minister of Energy of Bulgaria Temenuzhka Petkova announced readiness to begin construction of reverse gas pipelines with Turkey in 2018, which will allow to increase the throughput between the two countries from 14 to 15.7 bcm, and ensure the supply of gas in a reverse direction — from Turkey to Bulgaria [11]. At the same time, Boyko Borisov said that everything is being done within the Third Energy Package. Thus, it is planned to begin construction of the route for the continuation of the TurkStream through Bulgaria to Central Europe.

The most loyal partner of Russia in the Balkan region is **Serbia**, which for many years dreamed of turning into a key Balkan gas transit country as a result of designing the South Stream gas pipeline through its territory, and which actively joined the implementation of the idea of continuation of the TurkStream to the countries of Central Europe. Therefore, any Balkan way of the TurkStream is laid through Serbia. Such a Russian plan for an updated South Stream, though 4-fold cut, received comprehensive support from the Serbian leadership, including President Aleksandar Vucic, Prime Minister Ana Brnabic and Energy Minister Aleksandar Antic. In particular, on December 19, 2017 in Moscow, Vucic discussed this project with Russian President Vladimir Putin.

In a practical sense, on January 26, 2018, the existing company “South Stream d.o.o.” (Južni tok d.o.o.) was re-registered at the new company “Gastrans d.o.o.”, which will be engaged in the construction of the so-called “Serbian stream” — the Serbian section of the continuation of the TurkStream. [12] Like the previous one, the new company, whose leadership remained unchanged — Serb Dusan Bajatovic and Russian Alexandr Syromyatin, are almost Russian property, since 51% of its shares belong to Gazprom, and 49% to the Serbian state-owned

enterprise Srbijagas. It should be noted that in the list of the Srbijagas projects “South Stream” is still considered relevant [13] that confirms the interest and readiness of the Serbian side to implement Russian gas transport ideas. The Serbian Stream has a length of 421 km, works on the removal of the remnants of war and partly alienation of land have been carried out on its route, but the unresolved issue is its financing, although on June 27, 2017, Srbijagas signed with Gazprom a Roadmap for the Development of Gas Transportation capabilities for Serbia. Earlier, at the beginning of June 2017, a Serbian-Russian memorandum on the expansion of capabilities of the Serbian underground gas storage facility “Banatski Dvor” (51% owned by Gazprom-Export) from 450 to 750 million cubic meters that can be used to balance seasonal peaks of the gas supply to the Serbian Stream. [14] However, as a member of the Energy Community and a candidate country for the EU membership, Serbia must also adapt and implement the provisions of the EU Third Energy Package. The lack of progress on this issue has led to regular criticism from the European Commission and the Energy Community addressed to Belgrade. For example, at the beginning of this year, Director of the Energy Community Secretariat Janez Kopac pointed out that Srbijagas did not comply with the EU directives and even the Serbian law “On Energy”, which required separation of gas regulation, transportation and distribution activities. [15] Therefore, the European Union can influence the implementation of the Serbian Stream project with regard to its compliance with the EU directives, because the Serbian leadership declares constantly the course for a quick accession to the EU by 2025 at the latest.

Romania officially demonstrates its neutrality with regard to the TurkStream, taking into account the practical self-sufficiency of its own gas and the lack of prospects for laying the Easting transit pipeline through its territory, as well as the expected export volumes of its own gas after 2020. However, the connecting gas pipeline with Bulgaria will allow it to import gas, if necessary, as in 2016, Romania purchased 1.48 bcm of Russian gas, even it declared its gas independence in 2015. On March 12, 2018, in Bucharest, Romanian

Foreign Minister Teodor Melescanu, together with his colleagues from Bulgaria and Greece, signed a joint declaration on the creation of a Balkan gas hub and the construction of a connecting gas pipeline with Bulgaria. [16] That is, the Romanian side does not rule out the supply of Russian gas that will go through the TurkStream and Bulgaria.

Taking into account the positions and plans of the Balkan countries for the expansion of their gas transit capacities and the permit granted by the Turkish side in January 2018 for the construction of the second line of the TurkStream, there is a high chance that through this route Russian gas will go not only to consumers in Turkey, but also to other Balkan countries, even if the continuation to Central Europe will not be built as the only long-distance gas pipeline.

Consequences of continuation of the TurkStream through the Balkans

It is likely that following the first line the second line of the TurkStream will be built, bringing its total capacity to 31.5 bcm. In this case, an opportunity to transport about 16 bcm of Russian gas to other than Turkey countries will be created. As the European part of Turkey borders on two countries of the EU — Greece and Bulgaria, the negative experience of the South Stream will be taken into account, and the “Balkan way” will be developed without violation of the provisions of the EU Third Energy Package. Therefore, it is highly probable that a part of this volume of gas can be transported via the interconnector, or TAP gas pipeline, to Greece and further through connecting gas pipelines to Italy and Macedonia and further to its neighboring countries. Another part of the volume of gas may be supplied through the proposed by Russia transit gas pipeline Bulgaria-Serbia-Hungary, if this project is realised, or to Bulgaria via an interconnector from Turkey (3 bcm) with the possibility of further transportation through connecting gas pipelines to neighboring with it Serbia and Romania.

Balkan countries impose excessive hopes on gas supplies through the TurkStream and expect to increase their domestic consumption. For example, in

2018, Serbia plans to increase imports of Russian gas by 15%, Bulgaria expands its own gas network (but for supplies of rather Azerbaijani than Russian gas as SOCAR provides assistance in the gasification), and in Macedonia the Russian “Stroytransgaz” built and plans new local pipelines to connect new gas consumers, and projects to build new Macedonian thermal power plants on natural gas are actively discussed. Possibilities of new thermal power plants on Russian gas have been widely discussed for many years in the Serbian Government, not without stimulation of these prospects by the Russian Federation. This will increase the gas needs of these countries and, accordingly, their dependence on gas supplies from Russia.

The Trans-Balkan direction of the transit route through Ukraine is threatened to be stopped that will endanger the future operation of the pipeline Shebelinka — Dnipro — Kryvyi Rih — Izmail (ShDKRI) after Kryvyi Rih. Taking into account the lack of gas storage facilities in the TurkStream route, which could balance gas supply throughout the year, especially during seasonal peaks and recessions, the countries of the region may face the problem of low gas pressure in the pipeline during the winter, when the need for gas is increased not only in the consumer countries but also in Russia, as the similar situation happened in the beginning of March 2018, when Gazprom lowered the gas pressure at the entrance to the Ukrainian gas transportation system because of increased consumption in the RF due to strong frosts.

At the same time, the cessation of transit of Russian gas through the Ukrainian GTS on the Ismail direction will lead to the conservation of the major capacities of the ShDKRI. This will allow Russia to impose its will on consumers in South-East Europe, as a quick restoration of gas supplies through Ukraine will not be possible if Russia succeeds in manipulating gas supplies through the TurkStream, for example, with the fictitious explanation on technical troubles with the pipeline. Because of the same reason, the security of gas supply is deteriorated due to the lack of duplicate gas pipelines if there is an accident at the seabed of this gas pipeline, which is laid at depths of more

than 2 thousand meters in the problematic hydrogen sulfide environment of the Black Sea.

Despite Russia's readiness to stick to the option of gas supply through a network of national gas pipelines, and not on the long-distance gas pipeline controlled by it, Ukraine should not give up, but it should continue work in many directions.

Firstly, it is necessary to persistently appeal to the Article 274 of the Association Agreement, according to which the EU should take into account Ukrainian interests in the implementation of energy projects.

Secondly, Ukraine should achieve awareness in Brussels and other European capitals of the danger of unloading of the Ukrainian GTS that may lead to its degradation and the impossibility of further use in the usual mode of the gas transport route capable of uninterrupted operation in the event of accidents or failures and seasonal peaks and recessions of consumption.

Thirdly, current consumer countries, which receive Russian gas through the Ukrainian GTS, should

have to conclude direct transit agreements with Ukraine with the fixation of guaranteed volumes that are necessary for the economically justified use of the GTS, which, according to preliminary estimates, are 40-50 bcm per year.

Fourthly, in order to enlist Romania's support within the EU, it is necessary to strengthen the energy dialogue with Romania, which is the only one among the Balkan countries loses transit revenues in the case of cessation of Russian gas supplies through the Trans-Balkan gas pipeline and the switching of these volumes to the TurkStream.

Fifthly, Ukraine should be more active in the Energy Community. Since its mission is to "create an integrated and sustainable pan-European energy market," it should be emphasized that its purpose is not only to implement European energy directives, but also to protect the energy interests of the member states of the Energy Community, and the preservation of the Ukrainian GTS would prove effectiveness of this association.

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Abstract: This paper focuses on the effects of the pipeline and infrastructure projects constituting the SGC (South Gas Corridor). It includes analysis of the project's impact on the regional gas markets as well as the cooperation of the triangle (Azerbaijan – Georgia – Turkey) in realizing individual segments of the project, along with general geopolitical implications and prospects for the future of political relations between the three countries discussed here.

Energy infrastructure projects are generally known for vulnerability to strategic and geopolitical risks. They are also capital intensive, have long gestation periods and large sizes, and are asset-specific with assets with long life spans (Bhattacharyya 2011). All these factors particularly characterize gas pipeline projects. In most gas infrastructure projects, political relationships between two or more participating countries are key alongside other financial, economic and investment concerns. This is even more pronounced in geopolitically-complex regions such as the South Caucasus, where the interests and objectives of major regional powers overlap particularly when it comes to issues of energy resource development, transportation and export.

The only resource-rich country in the South Caucasus – Azerbaijan – is in the process of initiating and realizing a number of energy projects through its national oil company, the State

Oil Company of Azerbaijan (SOCAR). These projects target world markets, in the case of oil, and regional markets such as the European Union (EU) and Turkey, in the case of natural gas. These endeavors align perfectly with EU interests. In particular, it meets the objective of diversifying certain member states' supply sources to prevent over-reliance on a single major supplier, namely Russia. The reliance on a single supplier not only puts contractual pressure on buyers with supplier-friendly pricing and conditions, but for some countries, political pressure.

However, a strategy of diversification of supply stands in conflict with the economic and strategic interests of the region's most politically influential power, Russia. Russian companies will lose not only market share (in Turkey – almost 50% of Gazprom market share, in Greece, Bulgaria and Italy – around 40%) but the state will lose political influence over certain countries in the EU and its neighborhood.

Demonstrating independent energy policies, Azerbaijan (an oil and gas producer and exporter) and Georgia (a transit country) – have hopes that these projects improve their respective security situations, even if they come at a high political price.

Center stage in the region's geopolitical drama is the Southern Gas Corridor (SGC) connecting all three countries – Azerbaijan, Georgia and Turkey – physically through pipelines but also through economic and political ties. Despite the current low-price environment and uncertainty in both the Turkish and EU markets about supply demand dynamics and oil and gas pricing and competition,

³ Based on the article of Gulmira Rzaeva at “Geopolitics and security. A new strategy for the South Caucasus”. The Konrad-Adenauer-Stiftung, The Georgian Institute of Politics, The German Council on Foreign Relations, 2018.

it appears current economic challenges are no impediment to realization of the project (Rzayeva 2017). Construction of all segments, including the Trans-Anatolian Gas Pipeline (TANAP) and the Trans-Adriatic Pipeline (TAP) as well as expansion of the South Caucasus Pipeline (SCP), is moving ahead in schedule.

The SCP runs approximately 690 km from its Entry Point at the Sangachal Terminal in Azerbaijan across Georgia to Turkey's eastern border. The TANAP will be primarily a 56" pipeline extending 1,783 km from a single-entry point at the SCP's intersection at the Georgia–Turkey border to the furthest Exit Point at the intersection with TAP at the Turkey–Greece border. Additional exit points are planned in Turkey at Eskişehir (roughly 190 km southeast of Istanbul) and Thrace. The Shah Deniz consortium will, through its gas sales vehicle AGSC be an Initial Shipper in TANAP (for 10.5 bcm/year at plateau), as will the Turkish gas transportation company BOTAS (Boru Hatları ile Petrol Taşıma Şirketi) (6 bcm/year) and SOCAR. The pipeline's total capacity will be roughly 31 bcm/year. The TAP forms the last part of the transportation chain, taking gas from the Greece–Turkey border to the intersection of the Snam transmission system in Italy and onward to the Punto Scambio Virtuale (PSV).

The TAP passes through the territories of Greece, Albania and Italy and is therefore subject to EU regulation. It has an exemption from certain aspects of the EU regime for a period of 25 years from the start of commercial operations. The exemption was granted by a Commission Decision from 2013 on the exemption of the Trans Adriatic Pipeline from the requirements of third party access, tariff regulation and ownership unbundling set out in the third package of EU gas regulation [1]. The TAP has an initial capacity of 10 bcm/year, expandable to 20 bcm/year through additional compression. The TAP exemption applies only to initial capacity, meaning that the first 10 bcm/year of capacity is exclusively reserved for Shah Deniz gas but any capacity above 10 bcm/year will be subject to the full range of EU regulations on third party access, tariff regulation, etc., and will be available to third parties.

The SGC in the Geopolitics of Natural Gas: the Azerbaijan–Georgia–Turkey Triangle

The size and location of energy resources, their accessibility and cost, who controls them, the presence of alternative transportation routes, the balance between regional and global energy markets, market mechanisms and regulations, political decisions and energy prices in general are all important factors, as they determine energy security in general and bilateral and multilateral political relations in particular. Furthermore, as national and international approaches to policymaking become more intertwined, the state is no longer the only actor shaping political outcomes. A given country's geopolitical role is influenced by the scale and scope of its dependence on other actors (states, private actors) (Austvik & Rzayeva 2017).

According to the EU's primary energy security objectives, each European country should have access to at least three new sources of supply, a principle which envisages not only gas deliveries from new country sources but also through new transportation routes. The SCG fully addresses this objective, as the gas to be exported to Greece, Bulgaria and Italy will be from a new source (Azerbaijan) and via new and standalone infrastructure (SGC) (Rzayeva 2016).

The role of Azerbaijan in this context is as a guarantor of implementation of the projects along with the main legal agreements that underpin the Shah Deniz: i.e. the production sharing agreement (PSA) the value chain from the granting of production rights to the Shah Deniz consortium within PSA; and sale to the downstream EU and Turkish buyers. Azerbaijan, as an initiator of the Shah Deniz Phase 2 gas project as well as construction of its transportation infrastructure, has been involved in several important related political decisions. By participating in Europe's energy security endeavors, Azerbaijan has indirectly become part of the Euro-Atlantic energy security community. This stands in conflict with Russia's energy policy and interests, which include: preserving natural gas market share in Turkey and Europe; maintaining price controls in those

European states that are almost entirely dependent on Gazprom; and, where possible, exerting transportation route control either by building new pipelines and infrastructure (Nord Stream, TurkStream) or by obtaining shares in existing ones (Trans-Balkan pipeline) (Vassilev 2016). As such, the construction of TurkStream and Gazprom's announcement that it will potentially use the TAP to transport gas to Europe through Turkey can be viewed as attempts to preserve market share and control transportation routes [2]. These efforts are in combination with Nord Stream 2 and its objective of eliminating Ukraine as a transit country for gas to the EU.

The one-string capacity of TurkStream, which will bring Russian gas to the Turkish market by re-routing the Trans-Balkan pipeline flow, is 15.75 bcm/year – exceeding the latter's capacity of roughly 18 bcm/year by more than 13 bcm. For Turkey increasing gas supply capacity is consistent with its long-term policy of increasing the daily entry point capacities of the Botaş gas transmission system in all directions. For Russia, building extra capacity to supply a Turkish market where demand has declined for three years running looks more like an attempt to increase market share vis-à-vis its competitors. This objective of Gazprom was explicitly demonstrated during negotiations on gas price discounts with the Turkish state monopoly Botaş and with Turkish private companies that import gas directly from Russia. As a precondition, before Turkey would sign off on construction of TurkStream, Gazprom agreed to grant a 10.25% discount to both private and public gas buyers in Turkey [3]. However, Gazprom later announced that the discount would be implemented only if Botaş and private companies increased their offtake of contractual volumes. [4]

Thus, Gazprom is keen to preserve and even increase its market share in Turkey. That is even more important now, when Turkey's demand for gas is declining due to the government's policy of reducing the share of imported energy and replacing it with domestically-produced energy resources (hydropower, coal, lignite, wind and solar energy) in the country's energy mix, particularly in the power generation sector. [5]

The Roles and Strategies of Participating States

Turkey is attempting to maneuver between Russia, Azerbaijan, Ukraine, Greece and the Eastern Mediterranean (EastMed) countries of Israel and Cyprus, which may soon become gas producers. Turkey's objective is to improve its position both as a transit country and an importer of natural gas. For Europe, EastMed gas represents additional volumes from new sources via new routes. This could strengthen the hands of some European buyers in negotiations with traditional suppliers. Turkey's reconciliation with Israel and ongoing negotiations on the reunification of Cyprus create opportunities for the country to import gas from the EastMed. Once the Cyprus reunification issue is resolved, a combined 10–20 bcm/year of gas could potentially be exported from Israel and Cyprus to Turkey through subsea pipelines. However, this outcome seems unlikely, given the polarized positions on either side of the Cyprus issue. Access to a large and growing market with responsive prices can make development of the Israeli Leviathan field and its 500 bcm of estimated gas reserves commercially viable, justifying construction of a subsea pipeline to Turkey through Cyprus's exclusive economic zone (EEZ). Such a development would put Turkey at the center of an EastMed regional geopolitical and energy network. Russia, acknowledging Turkey as its second-largest market, would prefer that Israeli gas not enter the Turkish market, either for consumption or transit to the European market (Austvik and Rzayeva 2016).

Turkey is reluctant to transmit large volumes of Russian gas to Europe, even if it could gain from the transit role. Helping Russia to eliminate Ukraine as a transit country (together with Nord Stream 2) would strain political relations not only with Ukraine but also with the EU and the US. This is one reason why Turkey agreed to construction of only one string of TurkStream in the initial stage. Turkey's long-term goal of becoming a regional natural gas hub via the SGC would be challenged by increased transit of Russian gas. Having a delivery point on non-EU territory would allow Gazprom to avoid complying with EU legislation. Russia would thus be able put the responsibility

for gas transportation from Turkey to the European market onto purchasers, who would need to request transportation through the TAP.

Moreover, for Turkey, transmitting large volumes of Russian gas to Europe allows almost no spare capacity for the expansion of domestic infrastructure, leaving the country more dependent on Russian gas for a potentially long period of time. It would reduce or at least challenge Turkey's chances of becoming a transit hub at the crossroads of Europe, the Middle East and the Caspian Sea. On the other hand, the desire for gas supply security is one reason for Turkey to enter into TurkStream. As demand in Western Turkey continues to grow slowly due to population growth and economic development, albeit at a slower pace because of decrease of gas usage in power sector, interruptions in the Trans-Balkan line could create serious supply shortages, especially in the Istanbul area with its 14 million inhabitants. Renewed Turkish–Russian relations reflect a broader geopolitical shift in which regional integration and bilateral relations may become more important. The economic interdependence that would follow realization of the TurkStream project may coexist alongside Turkish-Russian geopolitical rivalries in Syria, Ukraine and elsewhere (Austvik and Rzayeva 2016).

Georgia was able to cease importing gas from Russia in 2006 thanks to new supplies received from Shah Deniz Stage 1. Georgia also became an important transit country, forming part of the SGC. The SGC is an energy corridor that transmits Shah Deniz Stage 1 gas to Turkey and will transmit an additional 16 bcm from Shah Deniz Stage 2 to Turkey and onward to Europe via the expanded South Caucasus pipeline passing through Azerbaijani and Georgian territory. Georgia receives a 5% transit fee for transmitting Shah Deniz gas (Rzayeva 2015). This South Caucasus country was previously less involved in the regional geopolitics of natural gas. It became more engaged in late 2015 when it opened negotiations on gas purchases from Gazprom and Iran, followed by a gas price review with SOCAR. Georgia is thus attempting to maneuver between Azerbaijan, Russia and Iran [6].

According to Georgia, the reason behind its considering gas purchases from Gazprom is that domestic demand is growing year-by-year while SOCAR is unable to export additional gas [7]. By starting negotiations with Gazprom on possible supply, Georgia strengthened its hand in gas price negotiations with SOCAR and managed to get a significant discount on commercial gas imported from Azerbaijan. Georgia never actually imported gas from Gazprom, halting negotiations once it reached agreement with SOCAR on the gas price discount and on the export of increased volumes during peak demand season [8]. SOCAR has been able to export additional gas to Georgia since it began swapping 3 mn m³/day of Turkmen gas with Iran in 2016. Turkey's deteriorating political relations with the EU are unlikely to affect the SGC's materialization, as gas transmission from the Caspian to Europe by way of Turkey is a project that serves the overlapping interests of all sides, including the EU and Turkey.

Economics of the projects

Natural gas markets based on pipelines differ from oil and LNG markets because of the large and irreversible investments required by gas transportation infrastructure. This makes gas transporters natural monopolies in the markets in which they operate. Capital investment in transmission, storage capacity and distribution are sunk costs that constitute the bulk of the total investment. Operating costs are relatively low in comparison. A high or low degree of utilization ('load factor') directly affects costs per transported unit but does not significantly affect the total cost of transportation. Accordingly, largescale operations are important for realizing investments that bring gas to the market. The advantages wrought by large-scale operation and vertical integration mean that any gas market has room for just a handful of companies operating as gas transporters (Austvik and Rzayeva 2016). This is one reason why natural gas produced in the second phase of development of the Shah Deniz field is principally sold under long-term sales contracts, leading to more predictable margins. Moreover, transportation tariffs are set on a long-term basis. As a result, the revenue base

structure of the SGC consortia – an expanded South Caucasus Pipeline through Azerbaijan and Georgia, the Trans-Anatolian Pipeline through Turkey and the Trans-Adriatic Pipeline through Greece, Albania and Italy – reduces exposure to price fluctuations in international markets for condensate (oil) and natural gas.

In an unprecedented move, the companies comprising the Azerbaijan Gas Supply Company (AGSC) that will sell the Shah Deniz gas have signed long-term (up to 25 years) gas sale and purchase agreements (GSPAs) with European customers. This contrasts with the standard market preference for short- and mid-term contracts that ensure flexibility and freedom to diversify supply sources. As a result, AGSC has secured a more-than-two-decade stake in the Greek, Bulgarian and Italian markets amid rising competition from traditional pipeline suppliers to Europe and the emerging LNG sector.

Gas prices in the European and Turkish markets are slowly recovering. In the last quarter of 2016, the average price of imported gas in Turkey was roughly \$170/1,000 cbm, whereas in the first quarter of 2017 the average price was around \$200/1,000 cbm, in line with higher oil prices. In Europe, the average gas price is slightly lower, currently at \$180–190/1,000 bcm.

For the costly SGC transportation artery, functioning at full capacity will enhance commercial viability and possibly reduce the payback period for operating the pipelines. This is even more important for the TANAP, which will operate at around half capacity, transporting 16 bcm/year of gas from Shah Deniz 2. The owners of this infrastructure must ensure the availability of additional volumes of gas in the mid- to long-term to enhance the project's commercial viability. The additional gas may come from relatively new gas fields in Azerbaijan which are at different stages of development (the Absheron field, Umid, Azeri-Chirag-Guneshli non-associated gas, etc.) Furthermore, Turkmen gas could be transported through the SGC by connecting the two countries' offshore fields to the pipeline extending to the

Turkish and European markets. Given current low prices, however, it seems this option is not attractive to potential investors and purchasers at the moment.

Project financing

Azerbaijan is providing some \$12.8 billion of financing for the SGC, of which roughly \$6.5 billion had been invested as of December 2016. Despite the low-price environment and uncertainties in both the Turkish and European markets (regarding supply/demand dynamics as well as price volatility, pricing mechanisms, competition, etc.) it appears that securing long-term credit and loans for the various aspects of the project's value chain has not been a problem. The Southern Gas Corridor Company – created by the Azerbaijani government to manage, consolidate and finance SOCAR's share of the funding – successfully issued an inaugural Eurobond to the value of \$1 billion in March 2016, with an interest rate of 7%. More recently, in March 2017 the company issued another \$1 billion Eurobond, this time with an interest rate of 5.75%. The issuances were successful not only because of the SGC's expected profitability. The Azerbaijani Ministry of Finance is underwriting the debt financing by providing an explicit sovereign guarantee.

The SGC initiative has secured financing from a mix of investors including governments, international finance institutions (IFIs), commercial banks and debt capital markets. By the end of 2016 three main vehicles had provided financing for the project: the issuance of \$2.5 billion worth of bonds by the SGCC to the State Oil Fund of Azerbaijan (SOFAZ); equity injections from the Ministry of Economy and SOCAR to the value of \$2.4 billion; and the issuance of Eurobonds. By the end of 2016 SOCAR had also secured \$0.6 billion in revenue from its 2015 sale of shares in the TANAP (42%). The remaining amount to be invested by SOCAR – some \$5.5 billion of debt – is expected to be raised by 2019 through longterm loans.

While the planned supply of 10 bcm/year of Shah Deniz 2 gas via the SGC is a drop in the ocean compared to Europe's total demand of 447 bcm in 2016 (a 6% increase from 2015), it will help decrease the region's dependence on major suppliers such as Russia. It constitutes a new source, diversifying and ensuring security of supply to Bulgaria, Greece and Italy. In the long term it may be able to achieve the same for larger regional markets in the Balkans and Southeastern Europe. To put this in context, in 2016 Gazprom supplied 21 bcm of gas to Italy. Once the SCG is commissioned, Italy will import 8 bcm/year of Shah Deniz 2 gas – 38% of what Gazprom is currently providing – helping to diversify its market. Meanwhile, Greece, which imported 2.5 bcm of gas from Gazprom in 2016, has signed a contract to receive 1 bcm/year of Shah Deniz 2 gas – equivalent to 40% of Gazprom's share. In Bulgaria, the amount of gas to be imported from Shah Deniz 2 is 36% of what Gazprom currently provides. Moreover, the long-term GSP agreement between Gazprom and Bulgargaz expires in 2022, and its GSP with DEPA (Greece's public natural gas supply corporation) in 2026 (Rzayeva 2017). If these companies are able to match political will with the presence of an alternative gas supply source, they too may seek to reduce dependence on Gazprom.

Conclusions

From the perspective of future gas transportation from new sources, the most valuable asset in the value chain is the built infrastructure itself. Notably, not only is the EU interested in the SGC, but so are resource-rich Central Asian states that see the corridor as a unique opportunity to acquire access to the European market without having to make multi-billion-dollar investments in infrastructure. The resource-rich countries of the Middle East along with Iran and the EastMed countries are interested in the SGC for the same reason: access to strategic infrastructure. The SGC is designed as scalable infrastructure for transporting substantial additional volumes of gas, a feature which augments the pipelines' economic viability.

The triangle of Azerbaijan, Georgia and Turkey has contributed greatly to realizing all segments of the value chain. This has resulted in closer political relations. As a result of the political support of each country's head of state as well as favorable legal regimes it was possible to attract multi-billion-dollar investments and longterm credit and loans for realization of the SGC. Due to these efforts, the project, once it comes online and attracts more gas transporters with extra volumes and buyers, can alter the gas supply balance in the region, strengthening security of supply and easing contractual pressures on countries and companies that are currently dependent on a single supplier.

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Gas Prospects of the Eastern Mediterranean Under Geopolitical Turbulence

Abstract: The article examines the process of oil and gas exploration in the Eastern Mediterranean, in the context of geopolitical turbulence in the subregion. Despite cooperation between the countries of the Eastern Mediterranean, there is growing competition and tensions between them. The explored reserves of gas in the Eastern Mediterranean are not yet large, but they are steadily increasing. The main advantage is their location close to South-East Europe, so some gas volumes can be directed to their markets by using gas carriers and the Egyptian LNG infrastructure, and in the future through gas pipelines which will be built in the coming years. It seems that the EU, being interested in diversifying sources of gas supply, should intensify its mediation role in conflicts between the countries of the subregion and promote the establishment of mutually beneficial cooperation between them.

Foreword

The discoveries of natural gas and oil fields in the Levantine energy basin in 2009-2010 could turn the Eastern Mediterranean subregion into a stable source of energy resources for close European markets, if not the Arab revolutions that broke out in 2011 in Egypt and Syria, as well as if not a chronic tension in relations between Israel and Lebanon and in Turkey's relations with Cyprus, Greece, Egypt, Syria and often Israel.

Simultaneous exploration, development and extraction of hydrocarbons of the seven mentioned countries in one rather small subregion required complex negotiations and agreements that did not always succeed and often led to conflicts. All this happened against the backdrop of a collision of national interests of the United States, Russia and some EU countries, which tried to compete fairly in the exploration and extraction of energy resources on the Eastern Mediterranean shelf.

Some deposits are located at the intersection of exclusive economic zones (EEZ), so they can be explored only in cooperation with neighboring countries (Fig. 1). Competition for the right to use explored hydrocarbons exacerbates existing tensions in the subregion and controversy over maritime borders. Lebanon, with which Israel still has not demarcated maritime borders, states that 330 sq miles part of the Leviathan field belongs to him. There is also no agreement between Syria and Cyprus on the borders of the Free Economic Zone. Turkey protests against the development of gas reserves on the Cyprus shelf, as the unrecognized Turkish Republic of Northern Cyprus (TRNC) does not take part in this. However, along with confrontation backdrop, there are examples of establishing partnership between countries in the subregion, especially in transportation of energy resources to the countries of Southern Europe. Subsequently, in the process of triangulation, a trilateral partnership was established between Cyprus, Israel and Greece, as well as between Cyprus, Egypt and Greece.

The need for joint hydrocarbon exploitation is a strategically important factor that should contribute to the stabilization of the military-political situation in the Eastern Mediterranean, but, unfortunately, it still does not help much.



Fig. 1. Gas fields in the East Mediterranean subregion

The Levantine basin in the Eastern Mediterranean, already explored and verified Israeli deposits Leviathan, Tamar and Dalit; Egyptian Zohr and Nooros; Greek Herodotus and Aphrodite; prospective deposits of the sea shelf area of Lebanon, Syria, Cyprus, Greece and Turkey. In 2010, the US Geological Survey has previously estimated reserves of hydrocarbons in the Levantine basin at 3.45 trillion cubic meters of gas and 1.7 billion barrels of oil. According to other data, the potential of the region is much higher — 6.42 trillion cubic meters of gas and 3.8 billion barrels of oil, although on a planetary scale, the Levant reserves of hydrocarbons make up no more than 1% of world reserves. It should be noted that the Levantine shelf deposits have a rather complicated geological structure. The depth of the sea in the mining areas is an average of 2 km, and well drilling, as a rule, is carried out at depths of 5-6 km below sea level.

Egypt

In 2017, Egypt continued to actively develop several fields on its sea shelf, adjacent to the Nile delta. According to some estimates, the Nile Basin has 6 trillion cubic meters of gas and 1.8 billion barrels of oil. It contains such large deposits as Zohr, Nooros and North Alexandria. According to the Minister of Petroleum and Mineral Resources of Egypt Tarek EL-Molla,

the possible gas extraction from these deposits will contribute to the full supply of Egypt with its own natural gas by the end of 2018, and by 2020 will lead to a doubling of gas production in the country.

In 2017, the production of Egyptian gas has increased to 5.1 billion cubic feet per day from 4.4 billion cubic feet in 2016. The Italian oil and gas company Eni, together with the Egyptian company Petrobel, manage Shuruk concession, which includes the huge gas deposit of Zohr, located 120 miles north of Port Said (Fig. 2). The area of the concession is 230 sq km. Eni discovered this field in August 2015, while in December 2017 it has already been put into operation. According to Eni, this field contains 30 trillion cubic feet or 849.5 billion cubic meters of gas. At the end of 2017, an international consortium consisting of Eni (60%), Rosneft (30%) and BP (10%) began to extract gas from the field. At present, the production level is about 10 million cubic meters per day. By the end of 2019, Eni intends to drill 20 wells, and then gas production will increase to 76.5 million cubic meters per day. According to expert estimates, in 2020 the total gas production in this field will amount to 28 billion cubic meters. [1]



Fig. 2. Gas fields close to Egypt and Israel

In early 2018, the British company BP began extracting gas at the Egyptian offshore field Atoll Phase One in the Nile delta. The reserves of the deposit amount to about 42.5 billion cubic meters of gas and 31 million barrels of gas condensate. At Atoll Phase One, the daily production is about 10 million cubic meters of gas, which is pumped into the national gas transportation system of Egypt [2]. Egyptian company West Nile Delta development (WND) in cooperation with a German DEA Deutsche Erdoel AG, explore and extract energy resources on five fields: Taurus, Libra, Giza, Fayoum and Raven, which are included in two offshore concession blocks — the North Alexandria and the West Mediterranean Deep Water. According to BP, gas production from all five fields can reach 1.3 billion cubic feet per day, which is about 30% of today's daily gas production in Egypt. In 2018, Egypt is looking to achieve a balance in supply — demand chain in the domestic market, and in 2020 — to return the gas exporter status. [3]

In the mid-February 2018, Tarek EL-Molla announced that in June 2018 Egypt plans to fully stop importing LNG. Egypt has begun to reduce LNG import since January 2018. It was reported that Egyptian companies are going to export a part of the extracted gas to Europe by LNG tankers. Export of LNG Egypt started back in 2005. The natural gas liquefaction plant in Damietta (Dumyat) is considered to be one of the largest in the world (Fig. 3). Its capacity is 4.8 million tons of LNG per year. In the city of Edku, east of Alexandria, there is another large gas liquefaction plant. Currently, Egypt is the largest supplier of liquefied natural gas in the Mediterranean basin (50 billion cubic meters in 2010) and is projected to liquefy more than 90 billion cubic meters in 2030. [4]



Fig.3. Gas liquefaction plant in Damietta

Against this optimistic backdrop, in Egypt an announcement that on February 19, 2018 the Israeli company Delek Drilling and its US partner Noble Energy signed an agreement worth \$15 billion to sell a total of 64 bcm of gas over a 10-year period to Egyptian company Dolphinus Holdings, was received with varied reactions. Most of the Israeli gas is to start flowing to Egyptian market. Israeli Prime Minister B. Netanyahu called this agreement to be “historical” one. Thus, Israel and Egypt have changed roles, if we recall that six years ago Egypt supplied Israel with gas.

Brief note: *Egypt supplied Israel with its gas from 2005 to 2012 along the Damietta-EL-Arish-Ashkelon gas pipeline, which runs in the northern part of the Sinai Peninsula, within an agreement to supply 42 bcm of gas for 20 years, worth \$6 billion. By 2010, the annual volume of Egyptian gas delivered to Israel reached 2.1 billion cubic meters, which at that time accounted for about 40% of all Israeli gas consumption. However, in April 2012 the deal was denounced for many reasons: drop in gas production in Egypt, the numerous gas explosions, the coup d'état in Egypt in February 2011, which resulted in the Society of the Muslim Brothers' coming to power, which was not inclined to cooperate with the “historical enemy” of Israel.*

The announcement of Egyptian purchases of Israeli gas has caused so severe criticism in the Egyptian society to the government that President Abdel-Fattah el-Sisi was forced to make a statement on February 21, in which he assured the Egyptians that “the Egyptian government is not a party to the deal between Israeli and Egyptian private companies”. However, the day before, Minister T. EL-Molla said that Cairo “will establish some terms” before approving imports of Israeli natural gas into the country. These facts suggest that the process of extracting additional gas on the Egyptian offshore fields is delayed and it is not enough even for domestic large-scale consumption. So, according to the CIA World

Factbook, in 2015 Egypt has recovered only 3.6 billion cubic meters of gas, ranking 55th in the world after Syria (4.3 bcm), which at that time was in a state of war for four years. At the same time, gas consumption in Egypt in 2015 amounted to 78 billion cubic meters, ranking 16th in the world. It is projected that in 2020, gas consumption in Egypt will reach an incredibly large volume for such an industrially underdeveloped country — 100 billion cubic meters. Thus, in the coming years most of the Egyptian gas will likely be directed to domestic consumption along with imports of Israeli and possibly Cypriot gas.

Israel

Israel was the first country in the Eastern Mediterranean to discover gas fields in the subregion. In 2009, the Noble Energy Company discovered a large Tamar gas field with the deposits of 8-9 trillion cubic feet in the Mediterranean Sea off the coast of Israel, which was put into operation in 2013. The unique industrial complex, located in 90 kilometers west of the coast of Haifa, was created in a record short time — for 4 years (Fig. 4). This alone field produces enough gas to generate about 40% of electricity in the country. The Tamar project is being developed by a consortium of Israeli companies — Delek Drilling, Isramco Negev 2, Avner Oil Exploration, Dor Gas Exploration and American oil and gas major Noble Energy Mediterranean (36%). Noble Energy also owns 39.7% of the Leviathan project and at the same time develops gas fields on the Cyprus shelf. In February 2013, Gazprom's subsidiary, Gazprom Marketing & Trading, has concluded a long-term contract with the Israeli company Levant LNG Marketing Corporation to supply LNG from the Israeli gas field Tamar from 2017, after the launch of the LNG plant.



Fig.4. Main offshore gas fields of Israel

In 2010, the Noble Energy and its Israeli partner Delek Energy discovered the largest Leviathan gas field, gas reserves of which are almost twice larger than those of Tamar — approximately 22 trillion cubic feet of natural gas (453 billion cubic meters). According to expert estimates, the Leviathan gas field is the largest among those ones discovered in the 2000s in the world. This only field could cover gas consumption in Israel for the next 100 years.

At present, the Leviathan field is explored and developed by the consortium of the American operator Noble Energy and the Israeli companies Delek Group and Ratio Oil Exploration (Fig. 5). Launched in February 2017, the first phase of the field exploration includes drilling of four subsea wells, each of which will be able to produce at least 300 million cubic feet of gas per day. The Greek company Energean Oil & Gas is the second operator in the exploration of oil and gas fields in the exclusive economic zone of Israel. In 2016, the company presented a plan for the exploration of Tamar and Leviathan fields, gas resources of which are estimated at 2.4 trillion cubic feet, as well as 33 million barrels of light crude oil. In August 2017, this plan was approved by the Israeli Ministry of

Energy. Perspective Israeli natural gas fields are also Karish and Tannin leases, total reserves of which are estimated at 68 billion cubic meters of gas. Energean Oil & Gas plans to put these field in operation in 2021.



Fig.5. Leviaphan gas field exploration

In January 2018, according to the tender results of the Ministry of Energy of Israel, the Greek company Energean Oil & Gas received licenses for exploration works on five sites on the Mediterranean shelf in the exclusive economic zone of Israel.

The licenses are issued for three years with the possibility of extension for the same term. For the first 3 years, Energean Oil & Gas will conduct new 3D seismic studies and process existing data. According to Israeli Minister of Energy Dr. Juan Steinitz, Israel intends to become a future gas exporter for consumers in Egypt, Turkey, Italy and other countries in Southern Europe, although, according to him, the development of the offshore deposits will take at least 5-10 years.

Lebanon

In September 2012, the British company Spectrum discovered natural gas reserves of 25 trillion cubic feet (710 billion cubic meters) near the coast of southern Lebanon on the border with Israel. Lebanon held its first round of licensing concessions only in 2017. The reason for the delay in conducting energy auctions was the internal political instability in the country in recent years.

Lebanon's government announced a tender for five oil and gas blocks on the shelf as early as September 2013, but the process was delayed by almost 4 years.

ExxonMobil, Royal Dutch Shell, Statoil, Rosneft and Lukoil were listed among more than 40 bidding companies in October 2017. The French Total won the tender (operator — 40%), as well as Italian Eni International — 40% and Russian JSC Novatech — 20%, then these companies formed a consortium. In December 2017, the Government of Lebanon approved the issuance of licenses for the consortium for the exploration of block 4 and 9. At the end of January 2018, Lebanon signed with the aforementioned consortium the first oil and gas exploration and production agreements on the Lebanese shelf and in the exclusive economic zone. On February 14, 2018, the consortium submitted to the authorities of Lebanon a plan for exploration and production of hydrocarbons. During 2018, the consortium will conduct the necessary study of the Lebanese coast, and exploration drilling on the Lebanese Mediterranean shelf is expected to begin in 2019. In accordance with the agreements, the consortium received the right to engage in geological exploration within 5-10 years. If commercial stocks are confirmed, then the consortium members will be able to obtain the right for extraction of gas and oil for 25 years with the prolongation period. Under the terms of the agreement, companies in the consortium are required to open offices in Beirut and hire Lebanese employees, which must be at least 80% of the professionals and workers employed in the project. The agreement also provides for 55-71% revenues to the Lebanese budget of the proceeds from the extraction of hydrocarbons on the country's shelf. [5]



Fig.6. Levantine oil and gas basin

Taking into account the 70-years confrontation between Lebanon and Israel, several wars between them, unregulated sea border, foreign oil and gas companies, engaged in exploration, are likely to face serious political and military risks. In response to the attempts by the Lebanese authorities with foreign companies to begin the exploration of gas blocks near the maritime border with Israel, the Israeli authorities have repeatedly “advised” these companies “to stay away” from the disputed border sea area. In 2010, Lebanon stated that the northern part of the Leviathan field is in its territorial waters. Israel and Lebanon turned to the UN to clarify the maritime economic boundaries between them.

Syria

A prolonged civil war, confrontation with Turkey, and international sanctions against Syria have practically made it impossible to conduct oil and gas exploration in the Syrian sector of the Mediterranean. Estimated oil and gas reserves in the country as of 2011 amounted to 2.5 billion barrels of oil and 300 billion cubic meters of gas respectively, as well as 50 billion tons of shale oil. In 2011, 122 million barrels of crude oil were produced in Syria, as well as 8.3 billion cubic

meters of natural gas that covered domestic needs and allowed to sale oil to European countries. The main consumers of Syrian oil before the civil war and the imposition of sanctions were the countries of the European Union: Germany, Italy, France, Austria, Spain and the Netherlands. However, in December 2011, the EU imposed an embargo on Syrian oil. Subsequently, a ban was imposed on investing European funds in the oil and gas industry. In August 2011, Syrian geological explorers discovered the large gas reserves along the Lebanese border in the Syrian part of the Mediterranean Sea. Geological surveys were also conducted by the Norwegian company Ancis. According to the Damascus Center for Strategic Studies, there are 14 oil fields on the Syrian shelf, four of which can provide a level that can be compared to Kuwaiti.

The total amount of contracts signed by the Russian companies in the oil and gas sector of Syria, was estimated at 1.6 billion dollars. Tatneft was the first Russian company that won an international tender in Syria and signed a contract for the exploration and production of oil and gas on the terms of the PSA. Russia has also consolidated the perspective deposits of the Mediterranean shelf of Syria. Given the relationship between the strategic alliance between Moscow and Damascus, for the Russian companies, the Syrian crisis provided quite favorable opportunities for penetration and monopoly invasion of its share on the Syrian energy market (*see next page*).



Fig.7. Exclusive economic zones in the Eastern Mediterranean

In late 2013, the Syrian government has attracted the Russian company Soyuzneftegaz, which has already worked on the Syrian gas market, to conduct exploration in its territorial waters. In December 2013, Damascus signed an agreement with this company on the offshore drilling in the territorial waters of Syria. In search of a place for drilling it was supposed to study a water area of 2190 sq km. In particular, block 2 in this area is between the cities of Tartus and Baniyas and extends approximately 30 km along the coast and 70 km deep from the coastline. The associated costs (about \$ 90 million) Soyuzneftegaz took on itself. The term of the agreement is 25 years. The exploration of the shelf deposits was supposed to be carried out in several stages. Other details of the deal were not announced, but it is obvious that they were the most profitable for Soyuzneftegaz, since there was virtually no choice in isolated Damascus. However, in September 2015, Soyuzneftegaz announced the cessation of work in Syria for security reasons. So far, there is no evidence of the presence of gas on the Syrian Mediterranean shelf.

Turkey

The dynamic economy of Turkey needs a steady increase in energy consumption. It is expected that by 2025 demand for natural gas will double from the current 4.5 billion cubic feet per day to

9.0 billion cubic feet. The domestic gas production in Turkey covers only 1-2% of the growing gas demand, so the country imports large volumes of gas from Russia, Iran and Azerbaijan. In 2016, Turkey imported 46.35 billion cubic meters of natural gas, of which 38.72 bcm were the pipeline gas and 7.63 bcm were gas imported by LNG, which is supplied to Turkey by Qatar, Algeria, Nigeria and other countries. Oil consumption in Turkey at the end of 2015 was 835 million barrels per day. 42% of imported oil comes from Iraq, 20% — from Iran, about 10% are the shares of Russia and Saudi Arabia.

In 2012, Turkey began to search for deposits in the exclusive economic zone of Northern Cyprus, but in 2015, work was stopped due to the tensions that arose in the relations between Turkey and Cyprus regarding Turkey's right to develop hydrocarbons in the Island's EEZ. In 2017, Turkey restored oil and gas exploration on the Mediterranean and Black Sea shelf using two specialized vessels, allowing for 2D and 3D seismic exploration (Fig. 8). In response to Cyprus's intention to develop hydrocarbon deposits in its territorial waters, Turkey has threatened to conclude an agreement on delimitation of the shelf with the unrecognized Turkish Republic of Northern Cyprus. Ankara denies the exclusive right of the Republic of Cyprus to the field of Aphrodite and demands to divide it with the TRNC.



Fig.8. 2D and 3D seismic survey vessels

At the beginning of 2018, the Turkish-Cypriot confrontation in the Aegean Sea has increased significantly with the involvement of Greece as the main ally of Cyprus. Speaking on February 13, 2018, Turkish President R. Erdogan called on the Greek Cypriots and Cypriots to “make no mistake” in the Aegean Sea on exploratory drilling in the waters of the exclusive economic zone of Cyprus, threatening the use of the Turkish navy. Indeed, on February 9, 2018, Eni reported that its Saipem 12000 floating drilling platform was blocked by Turkish navy vessels under the pretext of military maneuvers. The Saipem 12000 platform conducts exploratory drilling at block 3 in the EEZ of Cyprus near the border of the TRNC. On the night of February 13, 2018, a collision of boats of Turkish and Greek coast guard was encountered near the island of Imia (Kardac) in the Aegean Sea. The Turkish boat rammed Greek one. As a result of the incident, none of the 27 crew members on board were injured. Prime Minister of Greece A. Tsipras held a telephone conversation with Prime Minister of Turkey B. Yildirim, stating that *“such actions undermine the Greek-Turkish, European-Turkish relations and violate international law.”* According to some reports, the platform Saipem 12000 remains in place near the islands of Imia.

Cyprus

In September 2011, the American company Noble Energy started trial drilling in the EEZ of Cyprus in the Aphrodite field, which is a continuation of the Israeli field Leviathan. The gas reserves in the field of Aphrodite make up from 3.6 to 6.0 trillion cubic feet (125-300 billion cubic meters). However, the exploration of this field has not yet begun due to the lack of a final investment decision. The Aphrodite gas field is located at the 12th EEZ of Cyprus and is only 20 miles west of the Israeli Leviathan field.

At the beginning of 2018, Eni and Total discovered Calypso gas field in the block 6 of the Cyprus shelf (Fig.9). Eni is the operator of block 6 and owns it together with Total in equal shares. Licenses for Eni and Total for block 6 were received in April 2017. Eni has been operating on the Cyprus shelf since 2013 and has a stake in six licenses for blocks in the EEZ of Cyprus, in five of which it is an operator. The area of the field is 231 sq km,

and its geological reserves are estimated at more than 850 billion cubic meters gas. That is, the Cypriot Calypso field is as large as is the Egyptian Zohr. Eni and Total plan to start export deliveries of Cypriot gas in 2020-2022 [6].



Fig.9. The Cypriot shelf

The Cypriot government is actively cooperating with neighbouring states in the oil and gas sector. To date, Cyprus has signed several framework agreements with Egypt, Greece and Lebanon on cooperation in the field of development of hydrocarbon deposits. However, Turkey has repeatedly declared these agreements “illegitimate”. Thus, on February 6, 2018, Turkey’s Foreign Minister Mevlut Cavusoglu once again named the Egypt-Cyprus agreement of 2013 on cooperation in the field of energy resources exploration on the shelf of two countries “invalid”, since the agreement, in the opinion of the minister, allegedly “violates Turkish rights to the continental shelf at latitudes 32, 16 and 18 degrees” [7].

At the end of February 2018, Cyprus filed an official protest at the UN against Turkey’s violations of its airspace and marine area, calling on the international community to “put an end to Turkish provocations.” Differences in the use of the island’s energy reserves have also spread to peace talks between the President of Cyprus Nicos Anastasiades and Turkish Cypriot leader Mustafa Akhinci, who insists that the development of gas fields on the island’s shelf has been postponed until the settlement of the long-standing dispute over the status of the Turkish community in Cyprus. For his part, N. Anastasiades believes that “Cyprus sovereign rights can not be the subject of negotiations.”

Greece

Together with Cyprus, Greece is the main “energy gate” to the European Union from the Eastern Mediterranean and the Black Sea-Caspian Basin. According to Deutsche Bank, Greece has natural gas deposits, which “can solve not only all energy problems of the country, but also financial”. Explored reserves of natural gas on the shelf of the island of Crete are 1.5 trillion cubic meters. Until 2014, the only active Greek oil explorer operated on the open shelf near the island of Thasos in the Aegean Sea in the early 70’s of the last century.

The total number of large and small seas surrounding the territory of Greece ranks first in Europe. In these seas there are about 1,400 large and small islands. The total area of exclusive economic zones in Greece is approximately 496,000 sq km, which is three times the area of the country. Greece has a lot of chances and opportunities for offshore hydrocarbon production, but according to FLOW Energy, Greece remains the third unexplored country in the world after South Africa and Morocco for the presence of energy reserves in its coastal marine areas.

The first seismic operations were carried out in the Ionian Sea and south of the island of Crete in 1995-1999 by the specialized Greek company DEP-EKY. However, a very complex natural environment for the survey, as well as no less complicated “Greek bureaucratic procedures” did not allow to identify economically profitable reserves of oil and gas. In 2013, the Norwegian company PGS conducted the first seismic survey of the Western EEZ of Greece with an area of 220,000 sq km, which included areas of the Ionian and Livian Seas, but without significant results. This is largely because drilling had to be carried out at depths of more than 1,500 m and up to 5,500 m below the seafloor. At the same time, the cost of deep-water drilling ranged from 70 to 120 million dollars. per well. According to preliminary estimates of experts, seismic studies in deep-water areas within the Greek EEZ in the Ionian Sea will require at least 27 billion euros over the next 40 years [8].

All gas pipelines lead to Greece

For the first time, Israel has offered EU countries to invest in EastMed gas pipeline in mid-November 2014. The proposal was presented by Israeli Minister of Energy Silvan Shalom at a meeting of energy ministers from the countries of Southern Europe in Rome. Later the project was supported by the European Union [9].

In 2015, the EastMed was classified as a project of common interest (PCI), which was included by the European Commission to the Southern Gas Corridor (SGC). The EastMed project has also been included in the latest Ten-Year Network Development Plan (TYNDP) in line with the European Network of Gas Transport Operators’ (ENTSO-G) task to create a single European gas market. In 2015-2016, thanks to the EU funding, support of consortium (Intecsea and C&M) and the international consulting firm (IHS-Cera), IGI Poseidon completed the PRE-FEED study which ultimately confirms that the EastMed gas pipeline project is “technically feasible”, economically viable and complements other export options” [10].



Fig.10. EastMed gas pipeline

Previously, it was assumed that Israel and Turkey by the end of 2017 will conclude an agreement on the construction of a gas pipeline for gas supplies to Europe. In 2016, after the resumption of diplomatic relations, interrupted in 2010, Tel Aviv and Ankara resumed talks on the construction of a 550-km-long pipeline, from the Israeli field of Leviathan to the Turkish port of Ceyhan, and further through the territory of Turkey to Greece. It was assumed that by 2019, Israel will begin to supply 30 billion cubic

meters of gas through pipeline annually, of which 10 bcm would be intended for Turkey and 20 bcm for Europe. The total cost of construction of the gas pipeline was estimated at 2.5-3 billion dollars. However, it seems that Tel Aviv has recently decided to pause in negotiations with Turkish partners and focus on the Greek-Cypriot pipeline route, which naturally caused Ankara's discontent, as Cyprus's participation in a single gas transit project with Israel could significantly strengthen Nicosia's position in confrontation with Ankara.

Energy ministers from Italy, Greece, Cyprus and Israel signed a joint declaration in Tel Aviv on April 3, 2017, in the presence of the European Commissioner for Climate and Energy Miguel Arias Cañete, confirming their support for the EastMed project. According to M. Cañete, *"The European Commission clearly supports this ambitious project, as it will be of great importance in terms of security and diversification of gas supplies to Europe"* [11].

By the end of 2017, feasibility studies and a detailed plan of work were prepared. The cost of the project is estimated at \$ 6.2 billion (5.8 billion euros) during a 8 years-period of construction — by 2025. According to Israeli Minister of Energy Yuval Steinitz, it will be the longest and deepest underwater gas pipeline in the world covering about 2,000 km, of which 1300 km will be under water, and 700 km — in the territory of Greece. As the owners of the gas pipeline, the Greek company DEPA and the Italian Edison, which also develop the IGI Poseidon gas interconnector between Greece and Italy, have been identified. The planned capacity of the pipeline may amount to 12-16 bcm annually. However, the recent discovery of new hydrocarbon deposits in the Eastern Mediterranean subregion may increase gas exports to Europe both via the EastMed pipeline and gas pipelines in the form of LNG of up to 30 bcm per year. And this without considering the future possible discoveries of energy resources.

On 5 December 2017, energy ministers from Israel, Cyprus, Greece and Italy signed a Memorandum of Understanding in Nicosia to support the construction of the EastMed, which

will connect the fields Leviathan (Israel) and Aphrodite (Cyprus) with Greece and then the gas will go through IGI Poseidon (Greece — Italy interconnector) to Brindisi in Italy and to Rome (Fig. 11). The ultimate goal of building EastMed is to reduce Europe's dependence on Russian gas.

A few years ago, it was envisaged that Egypt would also take part in the EastMed project, but in 2017 its representatives practically did not take part in the negotiations on this project. In our opinion, there may be several reasons for this. The first reason, we have mentioned above, is that gas consumption in Egypt is so large that there will not be much of gas for export in the coming years. Moreover, Cairo is negotiating the possibility of supply of Cypriot gas to Egypt. On the other hand, the Egyptian government cannot wait until 2025 to receive financial revenues from the sale of its share in EastMed, as it needs to feed a steadily growing population of the country (97 million people as of February 2018).



Fig. 11. Energy ministers of Israel, Cyprus, Greece and Italy after signing of the Memorandum of Understanding to support the construction of the EastMed pipeline project.

Given the availability in Egypt of a large-scale and modern LNG infrastructure, in the long run it will be able to send gas by the LNG-carriers to the countries of Southern Europe. It should not be forgotten that Egypt has **the Arab Gas Pipeline (AGP)** built in 2003-2010, which is a system of gas pipelines with a total length of about 1,200 km to supply Egyptian gas to Jordan, Syria, Lebanon and Turkey.

The forth and last section of the AGP between the Syrian Aleppo and the Turkish Kilis 63 km long, was scheduled to be completed in 2010, but this did not happen due to the Arab revolutions in Egypt and Syria in early 2011. According to the project, the capacity of the AGP on the entry point in Turkey was from 5 to 10 bcm per year. It was also planned to continue the AGP from Turkey to Europe, but after a military coup in Egypt in July 2013, which resulted in the elimination of the pro-Turkish President Mohammed Mursi, leader of the Egyptian Muslim Brotherhood, relations between Cairo and Ankara have deteriorated sharply and remain so far, so the continuation of the AGP to Greece through the territory of Turkey became impossible. Currently, Egyptian gas through AGP comes only to Jordan, and quite irregularly. In addition to the EastMed, Greece can become the final destination for two other gas pipelines — **the TurkStream and TANAP**.

As for the TurkStream (Fig. 12), one of the two branches of which is also planned to entry Southeastern Europe through Greece, but there is no guarantee that this will happen in the near future. The fact is that because of sanctions, Gazprom will have to finance 100% of its “Turkish flow” itself, as well as possibly simultaneously build gas pipelines Power of Siberia and Nord Stream 2.

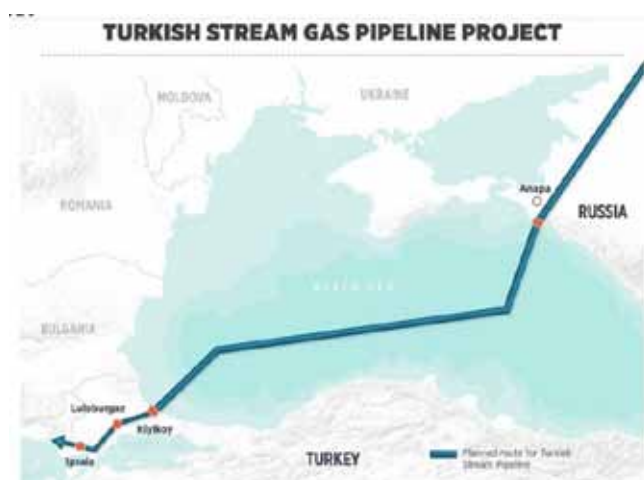


Fig.12. The TurkStream

According to the calculations of the company itself, in 2019, Gazprom will have to invest almost 1.9 trillion roubles, with the need to repay debts worth more than \$ 20 billion. But this is not the whole

problem. There is no guarantee that gas from the second line will come to countries of Southeastern Europe in 2019, because the infrastructure through which Europe could accept this gas do not exist yet and it is unknown when it will be built. The fact is that, according to the European Commission, it is anticipated that the land part of the second line of the TurkStream should be constructed by the gas transport operators of the concerned European countries. However, the final investment decision is made only after receipt of a sufficient number of requests for the reservation of the capacity of the gas pipeline (open season). However, so far, no such applications have been received. If the European partners do not have an economic interest in engaging in the construction of gas infrastructure for receiving Russian gas from the second line of the TurkStream, then it will remain somewhere “dry” at the Turkish border with Greece.

As for the Trans-Anatolian gas pipeline TANAP (Fig. 13), which is being constructed under the SGC, with its European continuation — the gas pipeline TAP, which begins on the Turkish-Greek border and ends in Italy, the project is potentially a serious competitor for the TurkStream, despite the fact that Turkey is the main transit partner of both projects.



Fig.13. Trans-Anatolian Pipeline TANAP

In the TANAP consortium, the share of 30% belongs to the Turkish BOTAS, 58% to the Azerbaijani SOCAR and 12% to the British BP. The consortium already has nine European potential buyers of gas, which contracted 10 billion

cubic meters. The commissioning of the Trans-Anatolian gas pipeline is scheduled for 2018, and Trans-Adriatic for 2020. Gas deliveries to Turkey are scheduled for June-July 2018. The initial capacity of the TANAP pipeline will be 16 bcm per year, of which about 6 bcm will be delivered to Turkey and 10 bcm to Europe that, of course, cannot meet the demand of the European Union. In the long run, the capacity of the gas pipeline will be increased to 24 bcm, and later — up to 31 bcm. But if in the future in addition to Azerbaijani gas, the Turkmen, Kazakh and Iranian gas will flow through the gas pipeline, then its capacity can increase significantly. In any case, the European Union does not rule out such a prospect. So, on February 15, 2018, in a speech at a press conference following the results of the 4th meeting of energy ministers within the framework of the meeting of the Consultative Council of the Southern Gas Corridor GTS in Baku, Vice-President of the European Commission on Energy Maroš Šefčovič stated that *“the European Union is ready to discuss the possibility of connecting gas pipelines from Iran, Turkmenistan and Kazakhstan to the SGC”*. Turkmenistan alone could transport today through the territory of Azerbaijan via TANAP up to 30 bcm of gas annually, but for this purpose it is necessary to build a Trans-Caspian Gas Pipeline (TCGP), an agreement on which was signed at the OSCE summit in Istanbul in 1999. Since that time, Baku and Ashgabat have been negotiating for many years under the close attention of the European Union and its mediation, but so far without result. The parties failed to agree on construction of the TCGP due to obstruction from Moscow, as the legal status of the Caspian Sea has not yet been regulated. On the other hand, according to some experts, Baku delays talks on the TCGP, fearing that the Azerbaijani gas will “dissolve” in Turkmen gas. The fact is that the proven gas reserves of Azerbaijan, according to the CIA World Factbook, as of 2015 amounted to only 991 bcm, less than in Ukraine (1.1 trillion cubic meters), while Turkmen gas reserves amounted to 17.5 trillion cubic meters. In addition, Turkmenistan, as of 2015 produces almost three times more gas (83.7 bcm) than Azerbaijan (29.3 bcm). Also, gas from Iran and Kazakhstan could in future flow through

the TCGP, so there could no be a fully operational South Gas Corridor without the TCGP. However, Turkmenistan has the buyers for its gas — they are China, as well as Afghanistan, Pakistan and India, as the TAPI project was designed yet in 1995.

Conclusions

1. Proven reserves of gas in the Eastern Mediterranean are not so large as in the RF, Iran, Qatar, Turkmenistan and the other countries, but they steadily increase. The biggest advantage of the gas fields in the subregion is their location close to South Europe, so gas from the Eastern Mediterranean today is able to reach markets of the South European countries via gas-carriers and the Egyptian LNG-infrastructure. Besides, three energy hubs are being established in the Eastern Mediterranean — in Turkey, Greece and Egypt, to which, except gas from the subregion, the gas from the outlying countries — Russia, Azerbaijan, Turkmenistan, Iran, Iraq and Qatar, could be added. At the same time, everything goes to the fact that the European Union will encourage all listed countries, except Russia, to deliver their gas to Europe.
2. It seems that only cooperation between the countries of the Eastern Mediterranean in the major sectors of upstream, midstream and downstream can not only bring financial dividends but also help to resolve political differences and military conflicts in the subregion. But in fact, we observe that tensions between the countries of the subregion not only reduce, but even intensify. If leaders in subregion do not realize the need of the equal dialogue and cooperation, all countries will be the losers. It seems that in this situation the European Union as an interested party should intensify its mediation role between the countries of subregion which are in confrontation, in particular between Turkey on the one hand and Cyprus, Greece, Syria and Egypt — on the other, as well as between Israel and Lebanon.

3. The situation in the Eastern Mediterranean region, in particular in Syria, shows that the causes of many local conflicts and inspired civil wars are the struggle for energy and routes of energy supplies to consumers. As we see, the unique transit area of Syria has for 7 years been the arena of proxy wars between Turkey, Saudi Arabia, Qatar, Iran, Israel, the United States and Russia. In support of B. Assad's regime, Russia is trying to slow down the construction of gas pipelines through the Syrian territory from Qatar, Iran and Iraq, in order to eliminate these countries as competitors in gas supply to Europe. In our view, Russia is also objectively interested in prolonging international sanctions against the "allied" Iran, as the improvement of relations between the IRI and the countries of the West objectively does not correspond to the geopolitical interests of Russia, in particular in the energy sector. A similar situation arose because of Moscow's aggression against Ukraine. Among the range of tasks put forward by the Kremlin Camarilla, in the pursuit of aggression against Ukraine in 2014, there was also an energy component — capturing Ukrainian gas extraction infrastructure on the Black Sea shelf.

4. Even if over the next 3-5 years, several gas pipeline projects within the SGC (TANAP-TAP, TCGP, the EastMed, AGP) will be implemented, and there will be an increase in LNG supplies from Qatar, the USA, Egypt, Israel and Lebanon to Europe, this unlikely would weaken Gazprom's monopoly in Europe's energy market. Even though over the period from 2006 to 2014, the share of Russian gas in the energy balance of Europe declined from 40% to 25%, over the past three years, thanks to the commissioning of the Nord Stream 1 pipeline, despite all sanctions and tension in relations between Russia and the countries of the West, there is a steady increase in the supply of Russian gas to Europe. In 2017, Gazprom exported 193.9 bcm of gas to Europe that was 36% in the energy balance of European countries — this volume by 14.6 bcm (by 8.1%) exceeds the previous maximum reached in 2016. If Gazprom can build the Nord Stream 2 gas pipeline, then the supply of Russian gas to Europe could rise to 250 bcm per year and the diversification of sources of

gas supply to Europe can be forgotten for a long time. Thus, **the main front of the struggle against the monopoly of Gazprom today lies not in the Mediterranean and not in the Black Seas, but in the Baltic Sea.** But the question arises whether Europe has enough forces to withstand the energy expansion of Gazprom and consequently the spread of political influence of the Kremlin in Europe?

5. Regarding the Nord Stream 2, the European countries are divided into its supporters and opponents. Some consider it purely economic, others — political. With certain formal reservations about the need to continue deliveries of Russian gas to the Ukrainian GTS, the Nord Stream 2 project is supported either at the state level, or at the level of strategic oil and gas companies by Austria, Germany, France, and the Netherlands. On the other hand, the European Commission, Great Britain, Croatia, Romania, Poland, Slovakia, Lithuania, Latvia, Estonia, Sweden, Denmark and naturally Ukraine are trying to stop it. In the context of Russia's annexation of Crimea and unleashed by Moscow war on the Donbas, the issue of the Nord Stream 2 gas pipeline became fatal for Ukraine and Europe. At present, the European Union is considering approval of amendments to the Directive 2009/73/EC for the internal gas, considering its application to the Nord Stream 2. The main objective of the Third Energy Package is to prevent situations where monopolists such as Gazprom will block the access of competitors to consumers through the ownership of gas distribution networks. In other words, the Gas Directive provides for a mandatory division between the gas supplies, transit and distribution, as well as access to gas pipelines of the third parties, opposed by Gazprom since it greatly reduces Gazprom's revenues and, accordingly, the possibility of political influence of the Kremlin on European countries. The result of the struggle in Europe around the Nord Stream 2 project will depend on what will be the key — the principled solidarity of all the European countries regarding the principles of the Third Energy Package for the Nord Stream 2 or the narrow mercantile interests. The outcome of this struggle will also show whether the EU countries are ready to support

Ukraine in its confrontation with Putin's Russia, or will we hear formal declarations of support once again, instead of serious support. Protecting Ukraine, the Europeans defend themselves from Putin's Russia, which uses "energy weapons" to spread its imperial influence in Europe.

6. In our opinion, today is the time to return to the consideration of the initiative of "Energy NATO", which took more than ten years ago Poland and France. The basis of this project should be the integration of energy systems in the countries located on the coasts of the Caspian, Black, Mediterranean and Baltic Seas, which will require harmonization of the balance of national and allied interests of the countries of the European Union, as well as the spread of European energy legislation to all EU member states and partners. It also seems that an important part of the revision and optimization of the energy legislation of the European Union should be the commitment of all

its members to unconditionally comply with all EU directives in the energy sector, in particular when concluding agreements with non-EU countries. Russia's use of energy resources as an instrument for the realization of its imperial geopolitical plans may not be acceptable by the European countries. This is what the group of German MEPs and the Bundestag wrote on February 26, 2018 in their address to the European community: *"The plan to build a second Russian gas pipeline through the Baltic Sea to Germany politically splits the EU and challenges our solidarity with Poland, the Baltic neighbors, Slovakia, Ukraine, as well as with Denmark and Sweden. These countries believe that the Russian project directly or indirectly threatens their security of supply. Anyone who violates European solidarity can hardly count on it in the future. Without solidarity, Europe will not go forward"*. [12]

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Security and Defense Risks in the Context of Presence of the Occupation Troops of the Russian Federation in the Republic of Moldova

Abstract: The current situation in the Transnistria region was laid down in the days of the Soviet Union, when the greatest share of the Soviet offensive forces was dislocated in the Eastern part of the Moldavian Soviet Socialist Republic. Since then, the Russian Federation has been involved into the defence, security and public order sector of the Transnistria region to prevent it from reintegration to the Republic of Moldova and keep Russian presence and influence there. Analysis of this situation allows shaping security and defense risks.

Background

The history of defence, security and public order's area of the Transnistria region roots in the history of the USSR because the Soviet Union created back then an eventual bridge head for attacking the Southern and the South-Northern part of Europe including all its logistic, human, infrastructural aspects etc. The greatest share of offensive forces was dislocated in the Eastern part of the Moldavian Soviet Socialist Republic which is currently the territory of the Transnistria region of the Republic of Moldova. From independence until now, more experts from different countries expressed their point of view on this issue, either those who supported the Russian Federation or those who tried to bring light on events which took place after 1990. As we've already mentioned, we will seek to analyse the situation not from the perspective of historical events but from the attempt to approach the defence, security and public order sector in

the context of the country's integration policies in particular with structures responsible for "border" security in the Transnistria region. At the same time, we will try to analyse the involvement of the Russian Federation in the defence, security and public order sector of the Transnistria region.

Functional analysis of the institutions responsible for "border" security in the Transnistria region

Functional analysis of the institutions responsible for "border" security in the Transnistria region from the perspective of functionality of the structures, responsible for the Transnistrian border security, is a classical "foundation" for a state border that includes "green border" and border crossing points. All these terms are being interpreted according to the Moldovan law. If interpreting them according to the so-called legislation of the Transnistria region [1] we risk to enter debates in its favour, which is not our intention, instead we conclude that it is entirely copying the Russian Federation's legislation maybe except the following section: "Activities in the exclusive economic zone or on the continental plate of the Russian Federation" [2]. Thus the institutions responsible for the so-called "border" security of the Transnistria region are as follows: "The Ministry of State Security", authorized by the "president of the Pridnestrovian Moldavian Republic" as an executive body of the state power in charge of which are issues of state border protection and surveillance, the Ministry of Home Affairs — the executive body of the state power for migration control and the "State

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Customs Committee” which is the executive body of the state power for customs control.

The Ministry of State Security

We will take into account here only the border guard units and the Special Operations Centre (The Units of Special Destination including 2000-2500 members).

The border guard units (including a structure developed based on the analysis of information from different sources from the Russian Federation, the Republic of Moldova, the Transnistria region, Ukraine) are responsible for the protection and guarding the so-called “border” of the Transnistria region. Moreover, they are responsible for intelligence, counterintelligence, special investigations for the purpose of ensuring the security and territorial sovereignty of the region. The border guard units are structured in four levels:

Level 1 – Strategic level – ensured by the Ministry of State Security;

Level 2 – Operational level – ensured by the Border Guards Detachment (1500 – 2000 members) and the Cossacks Independent Reserve Border Guards Regiment (1000 – 1500 members);

Level 3 – Intermediary level – consisting of six territorial border guard units based on the territorial administrative division;

Level 4 – Tactical level – consisting of 25 Border guards stations and 45 border crossing points with different statutes, out of which 22 are established at the “administrative border”.

The Ministry of Home Affairs

The so-called Ministry of Home Affairs of the Transnistria region which is in charge with migration-related issues includes a “department on migration issues” with a total number of 300-400 members, who are distributed within the central apparatus of the „ministry”, 8 „rayon police offices” and as in the case of “border authorities” to the so-called “border crossing points”. In the Republic of

Moldova the migration bodies are not present at the state border, but only migration checkpoints function at the “administrative border”, as well as their North, Center and South territorial offices.

State Customs Committee

This “authority” consists of four Territorial Customs Offices, operational subdivisions and 37 customs posts out of which 13 are placed in the Security Zone. There is a total number of 600-700 people working for the Committee. As compared to the region, there are 6 customs offices, customs posts at the state border and internal customs posts in the Republic of Moldova.

Staffing and staff training

As mentioned above, from the institutional and organizational point of view, the the separatists’ paramilitary groups are divided into sectoral jurisdictions: the defense ministries, State Security, Interior, Justice and Customs authorities. These “ministries” are de facto integrated in the Russian Federation occupation troops [3]. In February 2018, the Russian Federation created a dangerous precedent for the Republic of Moldova, Ukraine and other post-empire states, as well as for the other states in the area of the Russian Federation’s interest (Syria). Putin signed the decree for the integration of the self-proclaimed South Ossetian army within the Russian Armed Forces. It is also worrying that the Moldovan authorities, especially the MAEIE, didn’t have any official response to this Moscow’s decision, limiting themselves in expressing their attitude [4] by making collective actions, which are coming from the status of EU-associated state and are built according to the EU Declaration of the Recent Developments in Georgia, launched at the OSCE Permanent Council No. 1174 as of February 1, 2018 [5]. From a diplomatic point of view, the authorities have covered themselves by this “attitude” because Georgia had a reaction to this chapter on January 24, 2018, where is mentioned that *“by such a provocative approach, the Russian Federation is trying to prevent the peaceful resolution of conflicts and hinder the potential progress within the pale of the international discussions in Geneva. Russia’s*

actions undermine the architecture of European security and are aimed to destabilize the situation in a wider region.”[6] Ukraine also expressed position on this issue on January 29, 2018, which states that “this is the next challenging step and a continuation of the Kremlin’s policy which aims to destabilize the situation in the Black Sea region and to undermine the European security architecture” [7].

The defense and security policy of the separatist regime is financially supported from three sources, one of which is direct, and two are indirect. The first source of funding is from the budget of the Transnistrian region. According to official data of the separatist authorities, 20.7% of all expenses in the Transnistrian region are dedicated to the defense, security and public order sector (about 31.6% are allocated for defense and 68.4% for security and public order) [8]. The budget of the Transnistrian region for the defense, security and public order sector (the first source of funding) has been continuously increasing in period 2015 to 2017. In 2018, there is a slight decrease due to the economic crisis of previous years. Although there was an a slight decrease in funding for the Transnistrian security and defense sector, we still can notice that the budget allocated to this area did not fall below 1.4% of the GDP of the Transnistrian region [9].

The second source of funding for the Transnistrian military structures is from the Russian Federation, which is, according to our estimates, twice bigger than the financial resources allocated from the budget of the Transnistrian region. The third source of funding is the result of the “caviar diplomacy” implemented by the authorities of the Republic of Moldova. This is an indirect source of funding. We refer to power contracts purchased from the Moldovan Electric Power Plant (Cuciurgan Power Plant). By purchasing electricity from an enterprise on the “left bank” of the Nistru river, the Moldovan authorities support financially the Transnistrian separatism. Transnistrian economic agents’ access to foreign markets, without contributing to the national budget of the Republic of Moldova, is another instrument of indirect financing of Transnistrian separatism. We refer to the export of

products on the EU market due to the extension of the Deep and Comprehensive Free Trade Areas Agreement (DCFTA) on the Transnistrian region. The advantages offered by the European market should not contribute to strengthening the positions of the Tiraspol regime, including the providing of over-profits for the Sheriff⁴ monopoly. I believe that the access of the “left bank of the Dniester” business to the EU market should be built in compliance with the Republic of Moldova legislation, as well as correspond to its international norms and obligations. The third instrument of financing the separatist Transnistrian militarism is the activity of economic agents in the segment, which ensures the functioning of the defense and security sector of the separatist regime. Following interviews with experts from both banks of the Dniester River, the Tiraspol Hunters and Fishermen Association has been used in recent years for the purchase of dual-purpose goods and equipment. Among these, we highlight the purchase of khaki-colored material, which allowed equipping both, the Russian occupation troops and the paramilitary structures of the separatist regime in Tiraspol. The same organization purchased light bulletproof vests (200-300 units) with a level of protection four.

Another problem that we attest is the training system for the paramilitary forces of the separatist regime. We refer to the Military Institute of the Defense Ministry of the Pridnestrovian Moldavian Republic named upon A. Lebedi and to the Tiraspol Suvorov Military School. A. Lebedi Defense Ministry Institute was founded as an independent entity in 2008 and annually prepares about 60-70 young officers at the following specialties:

- managing of military units (infantry, tanks);
- use of artillery units;
- educational activity for land forces (political instructor, propagandist).

Thus, during the 4-year study period, they prepare military force against the Republic of Moldova and Ukraine. About 400 “officers” graduated

⁴ Sheriff is the second largest company in Transnistria

this institution during 2012-2017. Teachers and professors are active militaries from separatist paramilitary structures and officers of the Russian Federation's occupation troops.

The second Military Training Institution, which focuses on children and adolescents, is the Tiraspol Suvorov Military School. This institution was founded in 2017, with the direct support of the Russian Defense Ministry, the occupation troops in the Republic of Moldova and the Russian Deputy Prime Minister Dmitry Rogozin. The separatist regime in Tiraspol allocated to the functioning of this school the sum of 2 783 000 Transnistrian rubles in 2017 (about 3 million Moldovan lei) [10]. The first head of this school was Major General Alexandr Kasianov [11], the former Commander of the Moscow Suvorov Military School and a special-purpose officer of the Soviet KGB and the Russian FSB (Vympel). The current head of this school is major Serghei Alexandrov, a graduate of the Crimean Special Forces Training School in 1992. We need to highlight the contribution of political figures, which are a part of the governance process from the Republic of Moldova — the Democratic Party. Thus, Nicolai Dudoglo — deputy in the Parliament of the Republic of Moldova, asked, in a letter addressed to the separatist leadership from Tiraspol, to offer 10 places for the children from the administrative-territorial unit of Gagauzia to study in this school. In general, about 210 children are trained in grades 5-9, according to the training programs of Moscow Suvorov Military School. The fact that this school is led by the officers with special military skills makes us to draw the conclusion that they prepare a personnel for the separatist paramilitary forces. Moreover, the fact that in this special-military education institution is prepared also the children from the Gagauz region, with the direct contest of politicians from the government, constitute a risk factor for stability in the districts of the south of the Republic of Moldova.

GOTR/OGRT and its role as a “peacekeeper”

The occupation troops, being part of the Western Military District of the Russian Federation,

have launched a new training phase for the “peacekeeping mission”, which consists of:

- tactical training (groups of diversion, research, sniper (observer / sniper));
- guiding aviation and artillery to destroy enemy positions;
- military engineering;
- fire training, including the handling of semi-automatic guided antitank rocket systems [12];
- defence against weapons of mass destruction;
- the leadership of fighting techniques;
- forcing the Dniester river (August 2017);
- the battalion tank group exercise (September — October), as part of the extensive exercise of the Russian Federation Vest-2017 [13].

If in 2016 a total of 48 military exercises were organized, in 2017, 150 were confirmed, the unconfirmed ones reached 200, and then in the first three months of 2018 there is a figure of 54 military exercises. If the number of military exercises will keep the same pace, by the end of 2018 we should expect about 300 confirmed military exercises.

In addition, lately, we have seen an avalanche of Russian “assaults” in the Transnistrian region, as well as “separatist assaults” of different levels in Moscow. These “assaults” grew on the eve of the March 18, 2018 elections and confirm that the Russian Federation openly supports the separatist authorities defying the Republic of Moldova.

In total, 27 polling stations were opened on the territory of the Republic of Moldova, of which 3 in the territory controlled by the constitutional authorities (Chisinau, Balti and Comrat), the other 24 being opened in Transnistria (including the military units of the occupation troops). By opening such a large number of polling stations on the territory not controlled by the constitutional authorities, motivating the decision by the presence of a large

number of Russian citizens in these localities, it is wished to accredit the idea that this region belongs to the “*ruskii mir*” (“*русский мир*”).

In this context, we mention that the Commander of the operational group of the troops of occupation of the Russian Federation, col. Dmitry Zelenkov, actively participated in the organization of the electoral process in Transnistria, including in the military units in the Security Zone (the posts of the alleged peacekeeping mission). The involvement of alleged Russian dignitaries, such as Dmitry Loskutov, the main consultant of the Deputy Prime Minister Dmitry Rogozin, and Lieutenant General Vladimir Mancenko, the Deputy President of the Russian Brotherhood Foundation (“*Офицерское братство*”) in these processes, also worries. The latter fought in the years 1991-1992 against the constitutional regime of the Republic of Moldova, being part of the 14th Army, along with the separatist paramilitary troops.

Taking into account the defiant attitude of the Russian Federation towards the sovereignty of the Republic of Moldova, expressed by the unilateral decision to open polling stations in the localities on the left bank of Dniester, where Russian military activists actively participated, concerns the lack of reaction of the authorities of the Republic of Moldova towards the actions of the Russian authorities.

Conclusions

We find that, during the last 27 years of independence, all the initiatives to resolve the Transnistrian conflict failed. This is because the authorities of the Republic of Moldova do not have an institutionalized policy to solve the Transnistrian conflict until today.

We notice a significant increase in the military applications of the Russian Federation's occupying troops, organized together with the so-called peacekeeping mission, Moldova being “the prisoner” of the signed agreements, contrary to the

national interests. We have direct implications of the Russian Federation's intelligence services in the Republic of Moldova.

The authorities of the Republic of Moldova “encourage” separatism through Cuciurgan electricity purchasing contracts. The authorities of the Transnistrian region continue to apply blackmail and obstruction tactics such as the “customs terminal” at Gura Bâcului Baciuc (in the Security Zone). The Security Zone is militarized contrary to the provisions of the agreements in force. This is not under the monitoring of the OSCE Mission to Moldova, which in turn distorts the situation and does not inform the international partners about the real situation, including the current Presidency of Italy.

We believe that this attitude of the OSCE could be influenced by the statement by Franco Frattini, the Special Representative of the OSCE President-in-Office for the settlement of the Transnistrian conflict, on the withdrawal of Russian troops.

Excessive militarization of the region is being used as a firewall for the Russian forces, and the precedent of “absorbing” the alleged armed forces of the Transnistrian region by the Russian Defense Ministry, the Federal Security Service of the Russian Federation and the Ministry of Internal Affairs of the Russian Federation may have negative effects on the Republic of Moldova and Ukraine. The lack of a firm position from the Moldovan authorities over the defiant actions of the Russian Federation reveals an inconclusive approach that undermines the position of the Republic of Moldova in the process of settlement of the Transnistrian conflict. In this sense, who can guarantee that Moldova will not be a target of military aggression after Ukraine? The occupation troops of the Russian Federation are prepared for any conventional and unconventional operations according to Gerasimov's doctrine [14], and the character of their preparation in the Transnistrian region confirms this fact.

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Russian Presidential Election in the Occupied Crimea: Operation ‘Voting Turnout’

Abstract: The results of the presidential elections of 18 March 2018 in Russia, as well as in Crimea, were easily predictable. The Kremlin has repeatedly stated that voting results in Crimea should become a “second referendum”, that is, a demonstration of the legitimacy of annexation of the Ukrainian peninsula by Russia. The Crimean occupational administration, to hold onto power, coped with the instructions of the Kremlin and draw one of the highest scores in Russia. In general, in Crimea the situation both with the voting turnout and with the results of the elections was complex and required additional manipulations from the local authorities. Neither during the elections nor for today, there is no open data on the turnout of the voters by district, as well as the preliminary results of the counting of votes.

The results of the presidential elections of 18 March 2018 in Russia, as well as in Crimea, were easily predictable. The Kremlin has repeatedly stated that voting results in Crimea should become a “second referendum”, that is, a demonstration of the legitimacy of annexation of the Ukrainian peninsula by Russia. The Crimean occupational administration, to hold onto power, coped with the instructions of the Kremlin and draw one of the highest scores in Russia [1]. In the scope of falsification of the “will of voters”, Crimean occupational administration had to compete only with the puppet regime in Chechnya, and thus it was possible to create another news story of the Russian propaganda machine — the Crimeans thank Putin for annexing the peninsula. The fourth anniversary of the annexation of Crimea – March 18, 2018 – has been decided as the date for the

“elections without a choice” that seemed to be intended only to remind the Russians of Putin’s exclusive role in the formation of a ‘strong’ Russia, as well as to remind the Crimeans of the ‘Crimea is our’⁵ and this is the merit of Putin.

The guidance on the desired level of voting turnout on the upcoming elections was held at the meeting in the Kremlin a month before the elections — in February. Then, it was stated that general turnout in Russia should be no less than during the presidential elections in 2008, when Dmitry Medvedev ran for 69.8% on average in the country, while it was also determined that voting turnout in Crimea should not be less than during the referendum on accession — 89.5%, and in Sevastopol — 83.1%.

According to the ‘Megapolis’ project, supervised by the presidential administration, aimed at mobilizing citizens, each member of the United Russia Party was required to bring a certain number of voters to the elections, depending on his status. So, the deputy of the village council had to bring 20 voters with passport data, the deputy of the district council — 30 voters, and so on depending on the deputy’s appointment. [2]

Operation ‘voting turnout’. How the authorities lured the voters to ballot stations

In general, in Crimea the situation both with voting turnout and with the results of the election was complex and required additional manipulations on the part of the authorities. **Neither during the elections nor for today, there is no open data**

⁵ Translator’s note: рус. “Крым наш”

on the turnout of voters by district, as well as the preliminary results of the counting of votes. Also, the Crimean occupation authorities were not squeamish to add extra 18 thousand of voters.

To mobilize the electorate, the authorities of the peninsula resorted to a large-scale celebration of the Crimean Spring, and in November last year the Kremlin set the regions the task of turning the elections into a holiday and lure more voters in this way. According to the best Soviet practices, fairs were organized at the ballot stations, buffets and children's rooms worked, and the deficit goods were brought there.

The innovative methods of the targeted agitation, tested during the US presidential election campaign, were used. Different tools and communication channels were used for different target audiences. If budget workers and an administratively dependent electorate were pressured through their institutions with the threats of dismissal, the numerous projects in social networks targeted the electorate within the age range of 18-39 years: in the Instagram there was a flash mob, where participants were invited to take photos with a wooden hashtag "I elect the president" with a chance to win the latest iPhone X for it; in Vkontakte social network, the Russian men's magazine Maxim, with the support of the FSB, created the "Only for adults" public, the task of which was the distribution of porn content and viral videos with appeals to come to the polls [3].

The digital-strategy of the presidential election started well in August 2017, the leading role in it played the biggest Russian Internet company Mail.Ru Group, which is the owner of Vkontakte and Odnoklassniki social networks and covers 90 per cent of the Russian Internet users, as well as the well-known Prigozhin troll farm. If in 2016 the main tool that helped the American electorate to decide on the "right" candidate for elections in the US was Facebook, manipulation in which was conducted with the help of big data analysis from Cambridge Analytica, then in the elections in Russia, Mail.Ru Group became a tool for ensuring a high turnout of voters and led young people, who do not perceive TV as a source of information,

receive news from the Internet, and in essence are an apolitical and inertial stratum of electorate in the regions. [4] In the public consciousness of the Crimeans, the Kremlin's political technologists have laid the new attitude — Putin is not only the leader for pensioners and state employees with nostalgia for the Soviet Union who are glad to return Crimea to the heart of Russia, but also for the young people.

Also, TV channels tried to create the "festive" mood through censorship broadcasting only positive news. During the pre-election period and the first week after the election, the main Russian TV channels and a number of controlled media received an instruction from the Kremlin to clear the air from any negatives that could potentially eclipse the mood of the electorate, filter all news related to the actions of the Russian military in Syria, while submitting obligatory themes of Ukraine and the United States without excessive hysteria. Election campaign had its own peculiarities, ignoring statements and travel of other candidates; a ban to highlight the activity of a candidate from the Communist Party, Pavel Grudinin, who has never been allowed on federal channels since the beginning of the year, a ban on submitting information about Putin along with the information about other candidates in one news, even if this is the message of the central election committee — the current president should have been in one news, and all other candidates in the other; a ban to place any negative news prior to news about Putin in the news line. The main premise is that there is no opinion leader that could give estimates to the president. **The artificial information vacuum in Russia and Crimea, worked and continues to proceed not so much on the presidential election 2018, but rather on the electoral campaign of 2024 — laying the grounds to bring forward a pro-Kremlin candidate in six years.** Pro-Kremlin political analysts are betting on the fact that Oleg Navalny till then will have burst, but it is possible that someone else will appear. [5]

Surprisingly, the time coincided with the holding of the presidential election in Russia and the imprisonment of the Ukrainian odious deputy Nadiya Savchenko in Ukraine, which fits into

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the general picture of media manipulations in the Ukrainian segment of information space. Indicative is the assessment of one of the Russian news agencies: *“Judging by today’s Ukrainian political agenda, the attention of the public has already been drawn to the scandal with Nadezhda Savchenko and underhand dealings of power-hungry officials. In the spotlight of these events, elections in Crimea in fact does not stand out over the bulk information”*. [6]

How the presidential election passed in Sevastopol

The local authorities in Sevastopol, not hoping for the activity of voters since the opening of polling stations, went to methodical falsifications. This is stated by the analysis of voters turnout as of 10 a.m., 12 p.m., 15 p.m. and 18 p.m., the data of which were published on the site of Sevastopol election commission (see Table 1. below):

Table 1. Analysis of the voting turnout during presidential election in Sevastopol

Territory electoral commissions	Voters	Voting turnout (as of an hour)			
		10 a.m.	12 p.m.	15 p.m.	18 p.m.
Balaklavskaya	39804	15,3	37,8	56,0	64,9
Gagarinskaya	108380	12,1	33,5	54,2	64,6
Leninskaya	89962	16,2	37,2	57,5	67,4
Nakhimovskaya	88493	13,5	33,7	56,0	65,7
Total	326639	14,0	35,1	55,8	65,7

Source: Sevastopol election commission

As can be seen from the Table 1., the turnout of voters gradually increased over time and was more or less uniform across districts. Such a situation is not natural for Sevastopol. The experience of many election campaigns shows that in the Balaklava and Nakhimovsky districts, where the rural population prevails, and a significant part of it is delivered to polling stations by the organized road transport, the peak of voting is at 15.00. At 18.00, the percentage of turnout in the Lenin and Gagarin districts, as a rule, is significantly different from Balaklava and Nakhimovsky. **Such a uniform turnout of voters, mentioned by the Sevastopol election commission, at all districts during the day indicates a deliberate falsification, and the officially disclosed turnout at 71.44% may indicate that the polls did not actually reach more than 50%.**

This conclusion is indirectly confirmed by the head of the Sevastopol election commission O.Petukhov, who at a press conference at the request of the journalist to comment on why in

the elections of the governor of Sevastopol in September 2017, the turnout of voters was almost two times lower (34.21%), answered confusedly: *“I do not even know what to say. Maybe because this is the most important political event for our country.”* The opinion concerning presidential election of Daria Makovska, Head of the Sevastopol regional department of the “Russian Society of Politologists” organization is interesting at a first glance, but it does not seem quite adequate. She believes that the turnout of voters in Sevastopol during the presidential election significantly exceeded the figures recorded in the governor’s election in September last year due to the deep emotional connection of the population with the person of the acting president Vladimir Putin: *“There is a personification of power, in most of the population, power is associated with personality. And those magnificent civilizational events that took place in 2014, of course, are associated with Vladimir Putin, people are grateful for it.”* However, the low turnout at the governor’s election, in her opinion, relates to the mentality

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of Sevastopol, which is more directed on foreign policy challenges”.

Regarding the distribution of votes between the presidential candidates in Sevastopol and Crimea as a whole, the high percentage of votes cast for Putin can be true, given that the population of Sevastopol in the overwhelming majority has been brainwashed by the monarchist-militaristic

ideology of putinism. At least two factors – a large percentage of the Black Sea Fleet’s and Southern Military District’s military personnel, as well as military pensioners and members of their families – contribute to this.

To the rest of the candidates in the city, such as Yavlinsky, Sobchak, Suraykin, the attitude is generally hostile.

Table 2. Results of the presidential election in Sevastopol and in Russia as a whole, the division of votes between candidates

Candidate	Party	Sevastopol, %	Russia, %	Crimea, %*
Putin Vladimir Vladimirovich	Independent	90.19	76.66	
Grudinin Pavel Nikolaevich	Communist Party of the Russian Federation	3.59	11.8	
Zhirinovskiy Vladimir Volfovich	LDPR	2.89	5.66	
Sobchak Kseniya Anatolyevna	Civic Initiative	1.27	1.67	
Yavlinskii Grigoriy Alexeevich	Yabloko	0.37	1.04	
Titov Boris Yuriyevich	Party of Growth	0.37	0.76	
Suraikin Maksim Anatolievich	Communists of Russia	0.24	0.68	
Baburin Sergey Nikolayevich	People’s Union	0.24	0.65	
Voting turnout		71.44	67.49	63.86

* No data

Comparing the results of the elections in Sevastopol and all-Russian results, it is striking that according to the rating table they are ranked the same way. Such a situation is not entirely real and can testify the widespread use of an administrative resource.

The Role of Crimean Tatars in the occupied Crimea

Through threats and bribes, the Russian authorities tried to get a high turnout among Crimean Tatars as indigenous people of Crimea. In this context, the commentary of Mustafa Dzhemilev, the authorized representative of the President of Ukraine on affairs of the Crimean Tatar people is interesting: *“Crimea in the election had a special significance for Putin. For him, it was important that the indigenous people has shown a picture of mass participation in the election and ostensible joy from the fact that Crimea is a part of Russia. For this purpose, a lot of energy and money was spent. Also, together with threats to Crimean Tatars, the attempts of material bribe took place. They tried to bribe not the voters themselves, but those who organized the process [7].* The statistics on participation of Crimean Tatars in election are rigged, as well as data on the number of the Crimean Tatar population on the peninsula, since when Russians conducted a population census after annexation, the data on settlements were artificially underestimated. In recent years, the policy of “squeezing” Crimean Tatars from Crimea, as well as their “tampering” was under the strict control of the Kremlin. According to the Central Committee of the Kurultay, the Crimean Tatars’ turnout for the presidential election did not exceed 10% despite the intimidation [8]. Surveillance cameras at polling stations in places of compact residence of Crimean Tatars recorded a low turnout. This is also confirmed by the head of the Mejlis of Crimean Tatar people, Refat Chubarov.

In order to demonstrate the turnout of voters among Crimean Tatars, on February 17, 2018, in Simferopol the occupying authorities held an extraordinary congress of Crimean Tatars of pro-Russian orientation, where was created the pro-Kremlin “Council of Crimean Tatars”, which

included 15 people from the clergy, sports, culture, education and medicine. Among the members of the newly formed council were: pro-Kremlin Mufti of the Crimea, Emirali Ablaev, who has lost credibility among Crimean Tatars and is not considered a spiritual leader any more; his deputy, Aider Ismailov; member of the Council for Interethnic Relations under the Russian President, Eskandar Bilyakov. Forum participants called on Crimean Tatars to come to the presidential election and demonstrated a film about “achievements” of Russia during four years of occupation. Thus, another attempt was made to involve Crimean Tatars in the electoral process, to include them in a single structure of the “russkiy mir” (the Russian world) and to bring them to election, which is not recognized from the point of view of international law. During the presidential election in Crimea, Crimean Tatars did not organize large-scale protests due to intimidation. The pro-Russian “Council of Crimean Tatars” was an attempt to create a mediation body between Crimean Tatar people and the invader and to demonstrate to the international community that the indigenous people of the peninsula recognized the annexation of Crimea [9].

Reaction of the international community on the conducting of the Russian presidential election in Crimea. Non-recognition policy and what does it mean.

The Verkhovna Rada of Ukraine has recognized the illegitimacy of the presidential election in the territory of the annexed Crimea by adopting the resolution No. 8168-1, voted by 255 deputies. In the official statement, the VRU called on the international community *“to impose additional sanctions to those involved in the organization of elections in Crimea and the holding of illegal voting [10].* Ukrainian president P. Poroshenko called the elections *“another violation of international law”*. The Crimeans, who participated in organizing the elections on the peninsula – the total number is 17 thousand of people, were added to non-entry lists of Myrotvorets site of the SBU, but the strategic vision of Ukraine regarding the return of Crimea in these statements has not become more pronounced.

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During the elections in Crimea, 43 pro-Russian foreign observers from the countries of the EU, the U.S, Serbia and Afghanistan monitored the process, so they did not notice any violations. There were no official statements from OSCE observers and other international organizations. The UN in connection with the illegal elections of the Russian president in the occupied Crimea reminded Moscow of resolutions of the UN General Assembly, which supports the territorial integrity of Ukraine. One can say that the whole world has ignored the fact that elections were held in Crimea, except for a few vowel statements by the French, German, Polish and Canadian foreign ministry chiefs. Also, the presidents of the Foreign Ministry of Austria, Portugal, Sweden, Norway, Denmark, Spain, Romania, Lithuania and Latvia condemned the elections in Crimea.

The French Ministry of Foreign Affairs made a statement on the non-recognition of the presidential elections in Crimea: *“Forcible review of borders is contrary to international law, including the obligations assumed by the Russian Federation. France does not recognize the election of the Russian president in the Crimea...”*. This statement didn't prevent President Macron to congratulate Putin on victory in the telephone conversation. German Foreign Minister Gayko Maas made a statement saying that the elections are unacceptable in Crimea and condemns the legitimization of annexation: *“The fact that these elections took place in Crimea, annexed in contradiction with international law, is unacceptable from our point of view”*, while simultaneously stressing the importance of Russia as an international partner [11], that also did not prevent Germany in a few days to issue permits for the construction of the North Stream 2 in its territory. The press service of the Ministry of Foreign Affairs of Poland published on the website the message: *“Poland, together with the transatlantic community, favors respect for the territorial integrity of Ukraine, recognizes the Crimea as part of Ukraine, which means that presidential elections held by the peninsular authorities of the Russian Federation cannot be considered legal”* [12]. Federica Mogherini, EU

foreign policy chief, on March 19, 2018 spoke at a meeting of foreign ministers with a statement that the EU does not recognize the annexation of Crimea, and all actions of the RF in Crimea are illegal [13]. Therefore, the issue of conducting elections in the territory of annexed Crimea has not risen above the level of foreign ministers, and here the fact is obvious that the policy of non-recognition is inefficient.

Worth mentioning the commentary of the Deputy Foreign Minister of Poland Bartosz Cichocki, which he expressed during the discussion “After the lawlessness. Crimean occupation and its implications for international law and politics” on March 26, 2018: *“The non-recognition policy firstly confirms the international position of the Polish side regarding the illegality of the annexation of Crimea, but there is no significance you expect for the Putin's status as the president ...”* In fact, non-recognition policy has become a mere statement of the fact of Crimean annexation and does not include any practical steps. None of the world's leaders, moreover Ukrainian politicians, did not dare to question the legitimacy of Putin's election for a new term due to the unlawful addition of votes of voters from the occupied Crimea and the lack of competition from other candidates.

Summing up, we can say that the window of opportunity when the world community could stand united and condemn the holding of presidential elections in Crimea, while initiating a new wave of sanctions, is already closed. To do this, proactive actions of Ukrainian diplomacy were needed long before the elections in Crimea, as their result was quite predictable. Consequently, for the Ukrainian side, the main task now is to include the issue of illegal elections in Crimea as an additional point to the broader subject of international violations of Russia, which could potentially be initiated by influential world powers, in particular the United Kingdom or the United States.

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Security Passport of Ukraine's Black Sea Oblasts

Abstract: The authors analyze the main issues of political, social and economic development of the Black Sea oblasts of Ukraine, taking into account the perception of such tendencies by society in the light of national and personal security. Recommendations for improving security situation and leveling out the negative impact of regional problems in the Black Sea oblasts are proposed.

The Black Sea region occupies about sixth part of Ukraine and includes Odesa, Mykolaiv and Kherson oblasts, each of which has its own cultural, historical, economic and socio-political development. Thus, Odesa oblast today represents the area of instability due to its geographical location (the region borders on the non-recognized Transnistria), as well as the social and political tensions after the events of May 2, 2014. Mykolaiv and Kherson oblasts, despite their agrarian and recreational potential, have systemic problems, which are complicated by common border with the Crimean Peninsula, occupied by the Russian Federation. At the same time, the Black Sea region still is a promising tourist area and one of the most important centers of the international economic and transport links. The problems of the Black Sea oblasts include both the nation-wide needs of the society, which are inherent in the most regions of Ukraine, and the specific regional challenges.

Socio-Economic Problems of the Black Sea Oblasts

The economy of the Black Sea region is mainly based on agriculture, maintenance of international transit flows and the sphere of seasonal tourism (in

summer about 3.5 million tourists visit Kherson oblast with a population of 1 million people, while Odesa oblast has shown one of the largest tourist fees in Ukraine over the last year [1]). Southern regions (except Odesa) traditionally have low wage level, which significantly affects the purchasing ability of the population in the conditions of the rise in prices for basic products and increase in the prices of utilities. One of the most urgent problems is the unemployment rate: over the last year the negative dynamics of unemployment growth has been recorded, first of all, in Mykolaiv (5.9%) and Kherson (0.2%) oblasts [2]. In this regard the processes of migration of population beyond the oblasts have been observed for many years, which negatively affect the demographic situation in the region. Problems of the agrarian sector of the Black Sea region are connected with the loss of a large market outlet, which was represented by the tourist Crimea, the densely populated Donbas and the Russian Federation. The unevenness of the economic self-sufficiency of the region can be explained not only by the nature and potential of production environment, but also by certain regional mental and psychological settings, corruption at the higher levels of regional authorities, which reduces investment attractiveness, blocks the possibilities of intensive use of the transit, recreational and agricultural potential of the Black Sea oblasts. In the case of development of the large-scale infrastructure projects (reconstruction of the roads and runways in the Odesa airport, construction of the new roads in Mykolaiv, restoration of the harbor's work in Kherson), improving the quality of tourism services and investments in the

agricultural sector, the Black Sea region could become not only a “landmark” of Ukraine, but also lay the foundations for the future peaceful reintegration of the Crimean Peninsula.

The Internal Political Dimension of the Black Sea Region

The conflict with the Russian Federation and the issue of internally displaced persons (IDPs) are considered in the southern oblasts mainly in the light of the situation in the annexed Crimean Peninsula (due to geographical proximity), although the issue of the war in Donbas is also an important problem for the population of the region. There is a disproportion in the structure of the IDPs environment in the Mykolaiv and Kherson oblasts. The most active and qualified IDPs migrated to other regions under the conditions of low wages (for example, to the Odesa region, where the number of displaced persons is almost 40 thousand people in March 2018 [3]). In the Kherson oblast there are, first of all, vulnerable groups of the population (large families, single mothers, pensioners, people of pre-retirement age), which create an additional pressure on the social budget without an alternative to choose another way for IDPs. No less urgent is the issue with the criminal situation in the Black Sea region, where there is one of the lowest levels of safety feeling [4] due to the large number of criminal offenses, such as homicide for purpose of robbery; attempts to organize terrorist acts, sabotage and provocations in order to destabilize the situation in the south of Ukraine; smuggling (for example, from the territory of self-proclaimed Transnistria). At the same time, the reform of the police is estimated differently by population of the region: the more negative perception prevails in the Odesa and Mykolaiv oblasts [5], while in the Kherson region society perceives the reform mainly positively, although points also at a corrupt component in the work of law enforcement agencies and the lack of skilled personnel. Dissatisfaction of the population is also caused by inefficient work of local authorities (in the majority of cases, it concerns Mykolaiv and Kherson, which have one of the lowest ratings among Ukrainian cities in terms of service quality [6]). Roads are not repaired in the cities; there are

problems with transport, landscaping, cleanliness of the streets, homeless animals; problems with street lights in noncentral regions of the cities. It should be noted that there is a high crime rate in the regional centers of the Black Sea oblasts, the spread of corruption (for example, at the State Fiscal Service's customs offices in the Odesa and Kherson oblasts), the blurring of the local authorities' ability of effective management. In the Kherson region it is possible to observe clear feudalization and loss of control over certain territories, since the regional authorities have no obtaining information system on the situation on the ground. Effective management is hindered by the dissipation of power, the concentration of capital and power resources in semi-criminal groups. Another problem is the lack of proper state information policy, in particular in the context of the reintegration policy of the occupied Crimea. The reforms, implemented by the state, are not interpreted to the population, which provides a field for speculation and manipulation by various political parties and also negatively affects stability in the Black Sea region. Local environmental problems are concentrated on the issues related to water supply (in the settlements near Danube), landfills, air and water pollution, destruction of biosphere reserves, littering of the Dnipro delta, shallowing of estuaries, environmental load from the work of the South Ukraine NPP and the Tashlyk Hydroelectric PSP (the Mykolaiv oblast), Kakhovka HPP (the Kherson oblast) etc. The threat to ecological safety is the work of dangerous industries in the area of Odesa Bay, as well as operation of the plant “Ukrainian Chemical Products” (the former “Crimean Titan”), which, after the annexation of the Crimea, stopped allocating funds to the budget for environmental pollution. In addition, the Black Sea oblasts score the low indices on the scale of tolerance of the society, which can be explained by its transit character (demographic exhaustion due to the departure of the active population), regional psychosocial attitudes, and by objective factors – the presence of ethnic minorities, IDPs and consequences of the crisis phenomena and protest actions over the last years. There is a controversial attitude of local population to representatives

of different religions and religious movements: residents of the southern oblasts demonstrate the negative perception of Muslims, Greek and Roman Catholics, Protestants, Jews etc. [7]

Foreign Policy Orientation of the Black Sea Region's Population

In general, the population of the southern oblasts shows a relatively low level of interest in politics (31%) compared with other regions of Ukraine [8], which is primarily due to the lack of confidence in the politics and political institutions of the state, the level of civil society development and the political culture of the residents of the region; the lack of proper communication between the population and the authorities. The attitude of the Black Sea region's population to the current foreign policy of Ukraine is not uniform: the Odesa and Mykolaiv oblasts demonstrate a less positive level of supporting Euro-integration and Euro-Atlantic policy than the Kherson oblast [9]. At the same time, more than half of the southern residents express a positive attitude towards Russia, supporting the idea of good-neighborly relations between Ukraine and the Russian Federation. This tendency is caused by the close economic ties with Russia that the Black Sea region has had in the past; a significant number of representatives of the Russian minority (in particular, in the Odesa and Mykolaiv oblasts); the spread of the destructive influence of some Russian mass-media, which are in demand among certain groups of the population of the Black Sea region.

Conclusions and Recommendations

To overcome the negative impact of the above-mentioned factors on the socio-political, economic and security climate of the Black Sea region, the following is proposed:

- Create a regional cluster economy map, identify broken production chains and offer their diversification, taking into account traditional links that were shattered by Russian occupation of Crimea;
- Ensure reorientation of markets for agricultural products to the domestic market, the search for partners abroad through the use of natural logistical advantages (the Dniro River, access to the Black Sea);
- Overcome the non-competitiveness of products of the local agricultural sector at the international level through lending programs;
- Develop a regional tourism business strategy, taking into account the increased inflow of tourists to the Odesa, Mykolaiv and Kherson oblasts after the illegal annexation of Crimea by the Russian Federation;
- Expand funding of infrastructure projects in the Black Sea oblasts (with emphasis on the transport industry);
- Use the experience of cooperation between the National Police in the Donetsk oblast with CSOs, launch the League of Young Policemen in the Odesa, Mykolaiv and Kherson oblasts;
- Ensure the use of the "Sheriff" program (community work that included certain security functions in settlements) in the most crime-prone areas of the region taking into account enhanced cooperation with the National Police;
- Develop local programs for adaptation/integration of Muslim and other communities (with joint efforts from the oblast state administration, rayon state administrations, amalgamated communities and representatives of national minorities);
- Strengthen and systematize interaction between law enforcement agencies, local and regional authorities in the Odesa, Mykolaiv and Kherson oblasts (regular inter-agency consultations and meetings);
- Ensure the organization of joint events and projects with participation of law enforcement agencies, the public and IDPS in order to increase the level of communication, increase public confidence in law enforcement agencies;

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- Develop a strategy for social and economic development of Odesa and Kherson until 2030, based on principles of project management aiming to achieve concrete results in solving the basic problems of city life support (the existing strategies were adopted in 2009-2011 and do not take into account the changes that affected the cities after 2014);
- Develop regional stimuli programs (simple algorithms, transparent business start-up mechanisms) for small and medium-sized businesses, taking into account the region's economic needs;
- Bring attention of international donor organizations to solving environmental problems of the Black Sea region, protection of biosphere reserves, air and water pollution from HPP, NPP, HPSP, plant "Ukrainian Chemical Products" (formerly "Crimean Titan");
- Implement a number of steps to improve the system of administrative services in the region for people who live in temporarily occupied territories, turning the Black Sea area in a kind of "showcase" for Crimeans;
- Create alternative channels for informing central authorities about the real state of affairs in the region (for example, through public networks, consultative meetings, etc.) in order to intensify the dialogue between authorities and society and to prevent misinformation about the real situation on the ground;
- Implement a national media campaign to publicize in an accessible form the tasks and achievements of the reforms in the state;
- Create high-quality information content aimed at leveling the Russian information field (primarily in social networks and on regional Internet resources).

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Review of Foreign Sources on the Black Sea Region

Turkey Has No Allies in the Black Sea, Only Interests

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<https://www.csis.org/analysis/turkey-has-no-allies-black-sea-only-interests>

In the Black Sea, Turkey remains caught between its desire to pursue regional ambitions, its NATO commitments, and the necessity to accommodate to Russia. Yet any tactical gain Ankara might obtain from playing Moscow against Washington for the sake of advancing its interests in Syria would weaken its moderate influence in the Black Sea. Ankara's long-term interest in the Black Sea region is to continue to balance Russia's growing military posture in the Black Sea and to promote multilateral cooperation in the region.

Turkey struggles to turn its peculiar location in the Black Sea region into a strategic asset

It has proven difficult for Turkey to articulate its interests in an unstable Black Sea region. The country, which is granted a key role in international security thanks to its command of the Bosphorus and Dardanelles Straits encapsulated in the Montreux Convention, struggles to bridge the gap between its Ottoman Empire historical legacy as the protector of the region's Muslims, its drive for independent action after 1923, and its current middle-sized power status. Turkey's regional foreign policy appears reflexively driven by the perception of acute internal and external threat rather than grand strategy, and the Black Sea region is currently underprioritized as the Syrian conflict absorbs much of Ankara's energy.

The “zero problems with neighbor policy,” initially hailed by the Justice and Development Party (AKP) in 2009, quickly reverted to historical positions after the 2011 Arab Spring and internal challenges to President Recep Tayyip Erdogan's leadership. Turkey, which sheltered Circassians in the nineteenth century, again strengthened ties with Muslim communities in Russia or Bulgaria, and even more with the Crimean Tatars, generated tensions with other littoral countries. While it developed a rather thriving relationship with Georgia, it achieved little progress in overcoming its adversarial relationship with Armenia and failed to play a constructive role in the Nagorno-Karabakh conflict.

Turkey's ambitions to lead multilateral economic and security-building efforts after the Cold War were not fully realized despite support from the United States and Europe. Political structures created in the 1990s, such as the Organization of the Black Sea Economic Cooperation (BSEC) and initiatives aimed at enhancing maritime security, stalled. Its Caucasus Stability and Cooperation Platform (CSCP) was abandoned after failing to gain traction. Turkey's projects failed to get enough traction as five of the six littoral states were concentrating on their accession to NATO and the European Union.

Turkey's Black Sea policy is constrained by the power imbalance with Russia

The historical understanding between Russia and Turkey is that “extra-regional powers” should be kept out of the Black Sea region. Modern Russia has long dropped expectations to recover the Kars region, and Russia and Turkey lost a land border at the end of the Cold War, paving the way for an appeased bilateral relationship. The demise of the Soviet Union, however, enhanced Turkey's crucial role as a gatekeeper for Moscow, as NATO gained access to the Black Sea through Bulgaria and Romania in 2004, which reduced Russia's regional position.

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The regional power imbalance with Russia constrains Turkey's autonomy of action in the region. Turkey's modest fleet in the Black Sea has never counterbalanced Russia's overall power and has now been overwhelmed by Russia's buildup of its Black Sea fleet since its 2014 annexation of Crimea. To preserve the 1936 Montreux Convention that grants it exclusive control over the Bosphorus and Dardanelles Straits, Turkey always implemented its clauses in a strictly impartial way, avoiding potential disputes over Russian ships classification and denying NATO vessels any favorable treatment. Turkey is constantly struggling to find a balance between its national security interests and its commitments as a NATO ally.

Aware of both Russia's military superiority and sensitivity, Turkey tries not to compete with Russia in the Black Sea. After the brief Russian-Georgian conflict in 2008, Turkey adopted a neutral stance and consulted with Russia before reaching out to NATO. In 2014, though a vocal supporter of Ukraine's territorial integrity, Turkey did not sanction Russia for Crimea's annexation, limiting its role to negotiating for the freedom of jailed Crimean Tatar leaders. Eventually, it took an overt violation of its airspace at its southern border in November 2015 for Turkey to react, which it did with alarm by shooting down a Russian Sukhoi Su-24 aircraft.

Turkey's unease toward NATO is increasingly visible

Ankara joined NATO in 1952 to counter Soviet assertiveness in the Eastern Mediterranean, Black Sea, and Turkish Straits, yet for the alliance it was only one element of a broader grand strategy. Washington regarded Turkey as both a major Middle Eastern and European partner to advance its line of defense. However, Bulgaria and Romania's accession to NATO, Russia's incursion into Georgia, and the annexation of Crimea made the Black Sea a strategic issue and a potential area of confrontation with Russia.

Turkey is home to several major NATO assets: the Incirlik Air Base, which plays a (mostly) symbolic role in NATO's nuclear deterrence and enables

its power projection in the Middle East, an allied land command in Izmir, and also the Army Navy/Transportable Radar Surveillance (AN/TPY2) radar in Kürecik, a pillar of NATO's missile defense architecture.

Arguably, NATO members struggle to accommodate Turkey's short-term regional priorities and internal political contradictions as it focuses on its unstable southern border (or even its own territory). However, its role as a strategic node gave Ankara leverage, especially as Iraq, then Syria, descended into chaos over the last decade. Even though Turkey's goals in Syria are at odds with other NATO allies and neighboring countries, Ankara obtained gestures of solidarity in 2012 in the form of NATO theater missile defense assets around Adana/Gaziantep, then again sought NATO support (with limited success) after the Sukhoi Su-24 shootdown. It was not until Turkey officially announced it would procure Russian air and missile defense systems (e.g., the S-400 missile system), an outright provocation that raised confidentiality issues, that such divergences were overtly discussed.

Turkey's historical and sustained reluctance toward Western military presence in the Black Sea hampers prospects for a bolstered NATO posture in the region. Hedging its bets, Ankara pledged to participate in Romania's multinational brigade under a NATO flag (Tailored Force Presence), aimed at responding to Russia's assertive posture in the region, but dragged its feet at the creation of a limited maritime coordination function in the Black Sea that the same country promoted. Pre-coordination among NATO members in the Black Sea is therefore complicated.

Turkey's value as an asset for NATO in the Black Sea is being questioned

The United States will struggle to maintain productive relations with Ankara as it pursues its regional interests. The bilateral relationship is no stranger to difficult moments, such as the war in Iraq in 2003, but the disagreement over the U.S. backing of the mostly Kurdish People's Protection Units (YPG) against the Islamic State has been the most

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deeply troubling. Ankara encourages anti-American and anti-European sentiment, accused the United States and Europe of having supported the 2016 failed coup. Intensifying diplomatic and judiciary skirmishes over the fate of preacher Fetullah Gülen and his Hizmet movement added further to the political dispute with Germany and other EU members, at a time when Turkey's remaining hopes to join the European Union faltered.

The diplomatic dispute between Washington and Ankara has yet to reach its nadir. According to a June 2017 Kadir Has University poll, 66.5 percent of the Turkish respondents saw the United States as the main security threat to the world. Neither President Erdogan nor President Trump seem able to solve the conundrum. The Russian S-400 issue will continue to strain the relationship (with NATO as well), as the U.S. Congress is increasingly antagonistic toward Turkey. Public pressure to impose secondary sanctions will be high as NATO fears that Russia's anti-denial / anti-area (A2AD) systems in the Black Sea might restrain its freedom of action. Turkey-U.S. cooperation on the F-35 aircraft also will raise operational and technology transfer issues as the aircraft was designed to evade Russia's air defenses.

Long-term prospects look grim, for political orientations are increasingly diverging. The military purge that followed the coup made the situation even worse by severing personal connections and complicating even informal exchanges. Media scrutiny over the Incirlik base has grown in the United States after rumors that the base was locked down by Turkey during the coup, instilling a vision of Turkey as an unstable ally. This will encourage the United States to reconsider Turkey's role in its strategy and perhaps even replace Ankara with Bucharest as its privileged partner in the Black Sea region. The enthusiastic U.S. contribution to the renovation of military infrastructure and troop deployments in Romania could be an early signal of a more structural evolution.

Russia's move toward the Mediterranean weakens Turkey's position in the Black Sea

Since their relations have rebounded, while politically focusing on their relationship in Syria, the two countries hail the Black Sea as an opportunity for commercial exchanges. They aim to reach \$100 billion in trade volume (from a low of \$30 billion in 2016), focusing primarily on the energy sector. More bilateral projects will be pursued in the Black Sea as the existing Blue Stream pipeline will be complemented in 2019 by the new TurkStream, from Anapa in Russia to Lüleburgaz in Turkish Thrace. If Turkey anticipates a retrenchment of Western influence, it is hoping to preposition itself as an alternative exit hub for Russia's energy in the Black Sea region.

However, the big game is played by an emboldened Russia, which now sees Turkey not only as a transit country and customer for gas, but also as a critical platform for its military ambitions. With refurbished military bases in Latakia and Tartus in Syria, Russia now seeks access to Egypt, and naval support via the Straits is necessary to maintain these footholds. Ankara might bow to Moscow's needs to a certain extent, hoping for some diplomatic favor in return. At the same time, it would fuel fears of a potential Russia-Turkey axis, which could overturn the power balance from the Black Sea to the Eastern Mediterranean.

Though it might superficially look like an odd Turkey-Russia alliance is emerging, enthusiastic statements obfuscate the absence of in-depth coordination on bilateral disputes. For instance, there is no sign of a joint effort or even interest to solve the Nagorno-Karabakh conflict, a traditional battleground for competition between the two powers. Russian bases in Armenia and its security cooperation with Azerbaijan limit Turkey's regional influence. Moreover, despite their implicit nonaggression pact in Syria, Russia's growing presence in the Mediterranean raises the old Ottoman fear of encirclement. This could generate tensions as Moscow struggles to accommodate foes

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and Turkey's perception of a Kurdish threat is acute, as demonstrated with the relentless Afrin campaign.

Turkey's long-term interest is to promote multilateral cooperation in the Black Sea region.

Once the dust settles, Ankara will ultimately acknowledge—again—that Russia is its only true competitor in the Black Sea region. Ironically, Ankara's success in encouraging partial U.S. retrenchment would only accelerate this realization, by shining a bright light on the regional power imbalance with Moscow. In the meantime, however, the “special relationship” with Russia might become Turkey's Achilles heel and undermine further its autonomy of action in the Black Sea region, especially as President Erdogan uses the West as a scapegoat in his efforts to consolidate power within and beyond Turkey's borders.

Perhaps expectations placed on this relationship were just too high, given Turkey's geostrategic location and challenges. There's some momentum to change this course, as EU membership is not a priority for Ankara anymore. Pragmatic cooperation with the West is likely unavoidable no matter how divergent both sides' views on values may be and should be pursued before mutual perceptions truly become antagonistic. Americans and Europeans should avoid characterizing it as an “either/or” relationship, either a model or a troublemaker, yet they can't become a scapegoat according to Turkey's electoral cycles. A more realistic relationship with the European Union and the United States will only be sustainable if Ankara, which consistently demands gestures of solidarity from the Western allies, at least abstains from hostile posturing toward them.

To avoid being caught in the crosshairs of Turkey's internal political game, the United States and NATO should monitor long-term trends rather than focus on inflammatory statements. Tensions should neither be overlooked nor overblown; the S-400 procurement, for example, could ultimately benefit NATO, should Turkey share data about these systems. What really matters is Turkey's

efforts to preserve interoperability with NATO and pursue cooperation on overarching military projects, as with the still-pending bid on Turkey's future air and missile defense architecture. If a real deal were achieved on this contract, which is under exclusive negotiation with allies, it would send a reassuring signal to NATO.

Ankara can still lead some modest collective efforts to promote stability in the Black Sea region, but its ability is rapidly diminishing. The United States and the European Union could encourage any Turkish initiative aimed at stabilizing the region on the condition that such efforts be coordinated with allies. It certainly makes sense to deepen partnership with Ukraine or Georgia, but trying to team up with them while simultaneously defying Western partners will neutralize Ankara's ability to moderate Russia's ambitions in the region. In the end, if it wants to remain a leading stakeholder in the region, Ankara will have to strengthen ties with Romania and Bulgaria, whose EU and NATO membership increase their regional significance, no matter what its disagreements with both countries and the European Union. Only then, would Turkey be able to talk to Russia as an equal and positively use its peculiar relationship with Moscow as an asset to stabilize the region.

From Crimea to Salisbury: Time to Acknowledge Putin's Global Hybrid War

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<http://www.atlanticcouncil.org/blogs/ukrainealert/from-crimea-to-salisbury-time-to-acknowledge-putin-s-global-hybrid-war>

Since Russian troops began seizing government buildings in Crimea four years ago, the international community has become accustomed to encountering new acts of Russian aggression

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on an almost daily basis. Whether it is masked men in eastern Ukraine, a chemical weapons attack in the English countryside, or an attempted coup in the Balkans, the process is more or less the same—faced by a fresh round of accusations, the Kremlin denies everything and declares, “You can’t prove it was us.” If the evidence pointing toward Russia is particularly damning, Moscow then insists that those involved were non-state actors operating entirely independently of the government. Vladimir Putin opted for this position during his recent NBC News interview, dismissing indictments against thirteen named Russians for meddling in the 2016 US presidential election by saying, “So what if they’re Russians? They do not represent the interests of the Russian state.” It was a similar story when an undisclosed but apparently large number of Russian troops died during an attack on US forces in eastern Syria in early February 2018. As news of the debacle began to leak, Kremlin officials downplayed the scale of the Russian losses while stressing that those involved were private citizens and in no way connected to the Russian armed forces. Even in such apparently open-and-shut cases as the recent assassination attempt in Salisbury, England, Moscow denies everything and then plays the Russophobia card.

This is how Putin’s Russia wages war, by attacking in a myriad of different directions while carefully maintaining a semblance of plausible deniability that leaves its victims partially paralyzed and unable to respond effectively to an enemy they cannot conclusively unmask. Few doubt that Russia is behind each new act of aggression, but it is often difficult to differentiate between Putin’s many proxies and the hand of the Kremlin itself.

The tendency is to treat each incident in isolation without connecting the dots and drawing the obvious conclusions. This compartmentalization extends to the Kremlin war in Ukraine, with international sanctions for Russia’s military intervention remaining neatly divided into separate Crimean and Donbas elements. Above all, nobody wants to acknowledge the dire reality that a state of war—albeit hybrid war—already exists between Russia and the entire democratic world. **The only way to stop this hybrid war is to win it. This means**

exploring ways to progressively cut Russia off from the architecture of international finance while targeting Russian assets in the West in a manner that reflects the Kremlin’s own blurring of the lines between state and non-state actors. It means expanding international initiatives like the Magnitsky Act while at the same time working to reduce Europe’s dependence on Russian gas, even if this brings significant economic costs of its own. It means limiting Russia’s ability to poison the media environment with deliberate disinformation. It most certainly means boycotting propaganda circuses like the 2018 FIFA World Cup. From Crimea to Salisbury, Putin is waging a hybrid war against the West. The sooner EU and US leaders collectively acknowledge this, the closer we will be to a solution.

How the US Can Shore Up Ukraine’s Vulnerabilities in the Black Sea

Stephen Blank, Senior fellow at the American Foreign Policy Council March 21, 2018

<http://www.atlanticcouncil.org/blogs/ukrainealert/how-the-us-can-shore-up-ukraine-s-vulnerabilities-in-the-black-sea>

Four years after the invasion of Crimea and the Donbas, Russia’s aggression against Ukraine continues unabated. For all the failures of the government in Kyiv to reform, Ukraine is still fighting our war. Were it not for Ukrainians’ willingness to defend themselves, NATO would be spending a fortune to reform its past structures and procedures and defend its members against Russian threats. For if Ukrainian independence and/or territorial integrity were suborned by Russia, NATO would be obliged to raise large defenses for Poland, Hungary, and Slovakia in addition to the Baltic detachments already in force. Yet in too many NATO capitals, there is an unwillingness to recognize that Putin is constantly escalating his war against the West as shown by the latest chemical warfare attacks in Salisbury, England. Therefore, rendering Ukraine the help, it needs even as we pressure it to reform continues to be in US national interests.

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One neglected area where we can render material assistance to Ukraine and advance our own self-interest is the naval sphere. Upon seizing Crimea, Moscow destroyed or took over virtually all of Ukraine's navy, barely leaving it with the resources to build any kind of navy. **Ukraine remains vulnerable to threats of amphibious landings on its coast by Russian troops, naval shelling of land targets, or even a naval blockade.** Inexplicably the Ukrainian Ministry of Defense, which in many ways remains a Soviet-type institution, has refused to allocate funding for a real naval defense.

Meanwhile Russia has seized not only Crimea but also all the energy facilities that were operating offshore and has also undertaken a large-scale buildup of conventional and nuclear-capable weapons, including the navy, in Crimea. According to the **US FY 2018 National Defense Authorization Act**, Ukraine should get two Island-class ships sitting in Baltimore Harbor and pay only to prepare these ships for transfer, the actual transfer to Ukraine, and the crews' training. These ships are patrol boats that would provide Ukraine with a capability to protect its exclusive economic zone (EEZ), which is three times bigger than the Crimean Peninsula. Since 2014, Russia has occupied at least five new energy fields there and drilled eleven new wells. Russia's Black Sea Fleet supports them and can do so because Ukraine, lacking naval capability, doesn't control its own EEZ. Naval patrol capabilities are urgently needed for the Ukrainian Navy to avoid the surprise factor of Russian activity. Island-class ships look like the best way to do so; they are small and have low signature, can be quickly deployed, can carry out autonomous patrol duty for 5-7 days, and are cost-effective as well.

But beyond these considerations it is neither in Ukraine nor the West's interest that the Black Sea becomes a closed Russian sea. Those developments underway since 2014 threaten NATO members in the Balkans and our partners in the Caucasus. NATO has begun to shift its attention to the Black Sea and sail fleets in under the Montreux convention but more is needed, especially given the threats to Ukraine.

Moreover, Russia insists on steadily widening the war to include more of Europe and to a large extent has only suffered minor costs for doing so. **One way to impose more costs on Russia and strengthen allied presence in the Black Sea is for the United States, even as it brings pressure to bear upon Kyiv to reform, to initiate a contemporary version of lend lease tailored to Ukraine's needs. The United States, or even NATO, could lend Ukraine ships that it no longer needs and place them under Ukrainian flags, and see to the training and outfitting of those ships in return for leasing either bases in Ukraine along the Black Sea or, if that is excessively provocative, leasing those energy fields now occupied illegally by Russia.** We could, with Ukraine, then contest that Russian ownership, enhance Ukraine's defense capabilities, and enhance NATO's presence in the Black Sea. Admittedly doing so can only be feasible if Ukraine's Ministry of Defense wakes up to the naval threat and opportunity and launches genuine reforms. It also is a possibility that Russia will be so provoked that it will immediately undertake new operations against Ukraine. While this is possible, such operations will only likely prolong the war and heighten the costs to Moscow and arouse even stronger NATO resistance at a time when Moscow has shown no desire to widen the scope of its kinetic combat operations against Ukraine. So, there is an element of risk in this proposal. But we offer it in order that others may refine it to minimize that risk and enhance the benefits that would accrue to the West and to Ukraine.

Given Putin's widening of the war against the West, it should be clear that multi-dimensional resistance to his efforts must be increased lest he continue to believe that he need merely push against the West to expose its weakness and ensure a Russian victory. The ideas advanced here should become part of a new program to enable Ukraine not only to defend itself, but also to rescue Europe by its example.

Russian Expansion in the Black Sea and the Sea of Azov: Economic Consequences for Ukraine

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The Jamestown Foundation, February 22, 2018.

<https://jamestown.org/program/russian-expansion-black-sea-sea-azov-economic-consequences-ukraine/>

The appetites of Moscow in the Black Sea after the annexation of Crimea in 2014 have not diminished. Russia is gradually increasing the presence in important areas of the maritime exclusive economic zone of Ukraine, which, in accordance with international law, is the subject of the sovereign right of Ukraine. This expansion aims to establish control over critical maritime areas and transport links.

In violation of the UN Convention on the Law of the Sea, Russia is actively building the Kerch Bridge. On May 24, 2017, Moscow announced a restriction on the dimensions of the vessels passing through the central arch of the Kerch Bridge. Volodymyr Omelyan, Ukraine's infrastructure minister, noted that about 50 percent of the merchant vessels loaded at the Mariupol's "UkrTransAgro" port terminal last year would not meet the restrictions imposed by Russia. In fact, the losses of the Mariupol and Berdyansk seaports were tangible in 2017, mostly due to freight reduction by 43 percent and transshipment shrinking by 30 percent. After the installation of the bridge arch in October 2017, these two Ukrainian ports on the Sea of Azov lost over \$54 million in freight and transshipment. This figure is expected to be significantly higher in 2018. Despite the problems with the erection of the Kerch Bridge, which could lead to the Kerch Strait overlapping, the construction work continues.

With the illegal annexation of Crimea in 2014, Ukraine lost 70 percent of its naval capabilities. Moscow has also unlawfully seized eight maritime gas fields belonging to Ukraine: the North-Bulganakske, East-Kazantipske and Strylkove (subsequently returned under Ukrainian control) gas fields in the Sea of Azov; and the Odeske, Holitsynske, Archangelske, Shtormove and Bezimyane gas fields in the Black Sea.

Svetlana Nezhnova, head of the Ukrainian state-owned company "Chornomornaftogaz," notes that a total of 7.2 billion cubic meters (bcm) of gas has been illegally extracted by Russia from Ukrainian maritime gas fields in the Black Sea and the Sea of Azov since the annexation of Crimea. This volume amounts to \$1.728 billion in Ukrainian consumer prices in 2017. Russia extracted the largest quantities of gas from the Odeske gas field, located near the Odessa port hub, beyond the continental shelf of occupied Crimea. In 2016, Russia started illegal drilling in the Holitsynske gas field, which has gas reserves of up to 100 billion cubic meters; and in April 2017, a new gas well was put into operation at the Odeske gas field.

The northwestern part of the Black Sea has estimated reserves of 495.7 bcm of natural gas and 50.4 million tons of oil and condensate. The Prykerchenska zone holds about 321.2 bcm of gas and 126.8 million tons of oil and condensate; and the continental slope has an estimated 766.6 bcm of gas and 232.6 million tons of oil and condensate. The estimated price of natural gas extracted from the continental shelf is about \$50 per thousand cubic meters. The success rate of geological exploration in the Ukrainian continental shelf reaches 0.5-0.6, while the average world index is 0.3. Consequently, Ukraine's sea reserves could serve to substantially increase domestic gas production. Kyiv is considering this opportunity as Gazprom is building pipelines to Europe that bypass Ukraine. First, however, Ukraine's sovereign rights in its littoral waters and its freedom of navigation need to be reliably protected against Russian maritime expansion. In response to the Kremlin's illegal maritime activities, Ukraine has filed a memorandum about Russia's violation of the UN Convention of the Law of the Sea, as a

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part of a lawsuit at the International Tribunal for the Law of the Sea. At the same time, the critical weakness of Ukraine's naval capabilities in controlling and protecting the country's exclusive maritime economic zone could significantly reduce the effectiveness of Kyiv's diplomatic efforts.

Ukraine urgently needs patrol boats and situation awareness assets to protect its national security against growing maritime threats. Taking into account Ukraine's naval vulnerability, in December 2017, the US Congress approved a list of authorized assistance to Kyiv, which included coastal defense radars, naval mine and counter-mine capabilities and patrol boats. Patrol boats designated for Ukraine have been waiting in the United States since last July, but Kyiv has yet to cover the cost of their transfer and training for their crews. This is because Ukrainian law forbids the ministry of defense to directly procure weapons

abroad, thus preventing the Ukrainian navy from receiving the boats donated by the United States.

On February 5, Ukrainian President Petro Poroshenko approved the decision of the National Security and Defense Council about the draft law "On the National Security of Ukraine". "The draft law sets the goal of Ukraine's membership in both the European Union and NATO, which should be an unconditional guarantee of the security, sovereignty and territorial integrity of our state," Poroshenko noted earlier, underscoring the significant importance of this question. It also means that Ukraine should work to enhance its maritime security and become more proactive in strengthening its naval forces' capabilities to protect national security and Ukraine's sovereign rights at the Black Sea and the Sea of Azov.

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Image of Europe on Top Russian TV Channels

Abstract: Russian propaganda is based on narratives, which are key structural elements of their disinformation campaigns. These narratives are overarching, basic and emotional. Emphasis in Russian news programs is intended to dehumanize an average European. He/She is depicted as strange, depraved, unfair. Therefore, the European way of life comes as a threat, and public opinion is being prepared for the fact that Russia has the right to bring order in Europe. Therefore, Europe should not let the Russian propaganda tools enjoy preferences of free media, since they are not.

Russian fake news and troll factories are now already notorious phenomena of recent years. Our non-governmental organization Ukrainian Crisis Media Center (UCMC) has been working to address the issue of Russian disinformation since the beginning of Russian military aggression against Ukraine in 2014. Based on vast practical experience of revealing the cases of deliberate disinformation, we have surprisingly learned that even when obvious fakes are exposed to facts, it usually do not change ill judgment of the core of targeted audience.

That understanding pushed us to realize that Russian propaganda method is based on narratives, which we now suggest to measure as key structural elements of their disinformation campaigns. These narratives are overarching, basic and emotional. They provide easy explanations and alleged

motives of real events that make them more meaningful and thus comfortable for an average news viewer. Once established narratives are very sustainable to any fact-checking, as they can always deny any accusations by making counter-accusations. The frequency of usage of terms “anti-Russian” and “russophobia” has increased by dozens of times in 2017 on RT, Sputnik and in messages produced by Russian Foreign Ministry.

Since we, Ukrainians, are used to be accused in unsubstantiated russophobia, we have conducted the following research of narratives in Russian media on massive amount of data. We have thoroughly studied all newscasts and political talk-shows on the three biggest Russian national TV channels (Chanel One, Russia 1, NTV) for the period for 3.5 years: from July 1, 2014 to December 31, 2017. All three researched channels are under full Kremlin’s control. We have analyzed all mentions of European countries or EU as an entity.

To begin with, the average ratio of negative to positive news about Europe is 85% to 15%. In other words, according to Russian media life in Europe is very bad. However, there are two countries, which are depicted positively. They are Belarus and Switzerland.

To continue, Europe is mentioned negatively 18 times per day on the researched channels. It worth to draw a parallel with a such top brand as Coca-Cola with only 6 ads per day on average. In total, we have found 22 711 negative commentaries of the European countries for the studied period.

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We have analyzed that 88% of them can be categorized in six main narratives. We will name them in descending order. 1) “Horrors of Life” — life in Europe is unstable, dangerous and unfair, 2) “Decaying Europe” — Europe is not united and falls apart, because there is erosion of morale values), 3) Protests — there are never ending protests in Europe, 4) Terrorism — Europe is under constant attack, 5) Refugee crisis — Europe has provoked it and failed to manage it, 6) Sanctions — sanctions hurt EU much more than they hurt Russia, but the U.S. doesn’t let EU to remove them. Nowadays informational battlefield is virtually not limited. Therefore, fighting with fakes and falsehoods is usually a war with their industrial distribution. The tactics of offensive disinformation campaigns can be broken to the following steps:

1. To identify major target groups by the most basic and rooted characteristics: nationality, age, sex, church, race, language, income. (For example, in Ukraine often Russian language is used, the Russian Orthodox Church parishioners in Ukraine may be easily exploited, the LGBT community or foreigners living in Ukraine may be manipulated by Russia-backed provocations, pensioners as a vulnerable category could be manipulated etc.)
2. To design a map of propaganda dissemination channels (for example “russkiy mir” was promoted since 2006 by PR companies and information campaigns for both internal and external Russian-speaking audiences through mass media, social media, in Russian popular and scientific literature, especially historical, political, economic journals etc. Also, two massive information media channels “RT” and “Sputnik”, as well as Ruptly, were launched).
3. To design and distribute overarching narratives that “explain” fundamental reasons of the conflict (for example, “Russia and Ukraine is the one nation separated by the West in attempt to weaken Russia” or “Russia is attacked by the West because it fights for multipolar world order”).
4. To design and distribute more specific local narratives (for example “Leadership of your army has betrayed you” or “You shouldn’t even try to fight against our army, because it is much bigger”).
5. To support narratives by emotional picture and the proofs — it doesn’t matter if all are false or manipulated (when using deliberate falsehood make sure that information is outsourced).
6. To use local opinion leaders, also known as “useful idiots” among the local academia, think tanks, politicians, community leaders to advance the narratives and make them feel as “own”.
7. To monitor and measure the results and adjust the messages.

Negative news is spreading much faster and reaches wider audience than positive one. Recent study by Reuters Institute and University of Oxford on Measuring the “reach” of fake news concluded that despite clear differences in terms of website access, the level of Facebook interaction (defined as the total number of comments, shares, and reactions) generated by a small number of false news outlets matched or exceeded that produced by the most popular news brands. Fake news can be compared to “junk” food, as they are much easier (and cheaper) to take & go. Nevertheless, fakes won’t have any power in media world, unless they fit into powerful narrative and fall onto a weak or unprepared ground.

Let’s have a closer look at the six key narratives that were identified by our research. The first is “Horrors of Life”. We named it that way, because it depicts daily life in Europe, and France in particular, as insecure, where danger comes unexpectedly but constantly from different sides. Tiny events, worth covering only by local media, are often used to support it. Also, all-natural disasters, technogenic accidents and crimes are much exaggerated. In the end, that creates a story of hard, unstable and dangerous life in Europe on a daily basis, because Europe deserves it. Even reports of “endless”

natural disasters in Europe prompt Russian viewer to assume that Mother Nature doesn't like Europe. Not surprisingly that 70% of Russians didn't want to go abroad in 2015 for security reasons.

The second narrative we named "Decaying Europe". More than 70% of this narrative is built around message that Europe falls apart and is full of internal conflicts in all spheres: policy, economy, justice, moral values. In Russian media reality there are strong and important European countries that infringe upon other weak countries. The idea of a united Europe based on shared values is depicted as unrealistic (Catalonia and Brexit are used as a proof). The societies within countries themselves are allegedly divided by the European values. The Europeans are depicted as people with weak and declining morale. The Hypocrisy, unjust, biased media, puppet politicians, pedophilism, neo-nazism – all have been showcased a commonplace in the EU. Homosexuality continues to be a part of it. This narrative forms the opinion that Russia has to be aggressive in order not to let Europe to impose its values on Russia.

Next narrative is "Protests". Similarly, to the first narrative, "Protests in Europe" are constantly pushed by the Russian media as a regular phenomenon. Russian TV channels cover during the prime time any types of protest in European countries, like protests of janitors, air pilots, environmentalists, nurses, sailors, gas station employees, etc. According to Russian media there are plenty of chronic flaws in economy, policy and security, which leave common Europeans no choice but to protest and there are no any single month without protests.

The fourth narrative is "Terrorism". Although there were several terrorist attacks in Europe during the researched period, Russian media creates narrative that Europe is under never-ending terrorist attack. For this purpose, Russian media cover each and every terrorist act, sometimes interpreting even criminal episodes as terrorism. Security and special forces of the EU are depicted as weak and incapable of anticipating threat and protecting their citizens. Here is typical example on news coverage. "The chaotic movement of the police,

who did not quite know where to run, can hardly be considered as high professionalism. As well as storming of the printing house, the hiding place of the Kouachi brothers who shot the editorial office of the journal Charlie Hebdo" Channel One, on January 18, 2015. Another part of this narrative is that there could be less terrorism in the EU, if only it were to cooperate with Russia on its terms.

The fifth narrative is "Refugee crisis". In this narrative, the Russian media blame Europe for the refugee crisis, since it supported the U.S. when it initiated the war in Syria. Also, Russian media blame Europe, that it inspired Syrian people to immigrate, but later realized that refugees were a burden. Russians say that the way refugees have been handled in the EU had created an unprecedented crisis. Refugees are kept in horrible inhumane conditions in the EU countries. Russian media creates the picture that thousands and millions of dangerous hungry people are already overwhelming the EU and pushing locals away. Here, just one example: "The number of migrants in Europe, in particular in Austria and Germany, has grown so much that it became clear that someone is stimulating and supporting this flow. Apparently, these are the same forces that supported the Arab Spring or the Ukrainian Revolution" (*Channel One, 9 June 2015*).

The last narrative is "Sanctions". A key message of this narrative is that anti-Russian sanctions hurt the EU itself, so more states want to remove them to have a chance for surviving. However, the U.S. doesn't let them do it. This narrative is also used to highlight the strength of Russia. Often, it is supported by very disputable examples from history, all depicting Europe as a cruel power that for centuries tried to seize Russia, but always failed. Russians are also described as people who do not need all that European welfare, because they have a higher moral compass. The World War II is often used as an example of Russia's strength despite technological advancement of Europe. For instance, the narrative is supported by saying "We can do it again" meaning that Russia is able to save (seize) Europe again as in the WW2.

Although this disinformation is targeted Russian domestic audience, we believe it is important for Europeans to be aware of the threats emerging from that. Top Russian TV channels are deliberately dehumanizing an average European, they are depicting European (liberal) values as “toxic” and thus they are convincing Russians that they have right to be aggressive toward Europe. We consider that tremendous resources, put by the Kremlin in promoting of these narratives, create the following threats for Europe:

1. A conviction of the Russian population never to accept the European liberal values, neither today nor tomorrow;
2. Readiness of the Russian population for potential conflicts with the West, as they fill themselves motivated to take over the weak and divided Europe.
3. Increase awareness, that if Russia isn't resistant, Europe will impose their “toxic” values.

One also has to take into account that according to RAND research by Rand Waltzman, Russia has a very different view perception of Informational Operations (IO) than the West in general. For example, a glossary of key information security terms produced by the Russian Military Academy of the General Staff contrasts the fundamental Western concepts of IO. For the Russians, the IO are a continuous activity, regardless the state of relations with any government, while in the West information operations are considered as a limited, tactical activity, appropriate for hostilities. In other words, Russia considers itself in a perpetual state of information warfare, while the West does not. This makes the West so vulnerable to systemic influence from Russia, as we have seen in the elections of the US President, the French elections and Brexit campaign.

In February 2017, Russian Defense Minister Sergey Shoigu openly acknowledged the formation of an Information Army within the Russian Armed Forces: “Information operations forces have been established. It is expected to be a far more

effective tool than all we used before for counter-propaganda purposes.” The current chief of the Russian General Staff, General Valery Gerasimov, observed that now war is conducted by a roughly 4:1 ratio of non-military to military measures. In the Russian view, these non-military measures of warfare include economic sanctions, disruption of diplomatic ties, and political and diplomatic pressure. The Russians see information operations as a critical part of non-military measures. They have adapted them from well-established Soviet techniques of subversion and destabilization for the age of the Internet and social media.

State-sponsored propaganda and disinformation have been in existence for as long as there have been states. The major difference in the 21st century is the easiness, efficiency and low cost of such efforts. Because audiences worldwide rely on the Internet and social media as primary sources of news and information, they have emerged as an ideal vector of information attack.

R. Waltzman says that the most important thing from the U.S. perspective is that Russian IO techniques develop constantly and rapidly, they are very cheap compared to the costs of any kinetic weapons and potentially they could be more effective.

The findings of the research are a call for action in the other countries, where people must better understand the gaps in the attitude of different strata of population and study more carefully the level of Russian propaganda infiltration in the spheres of the local economy, information space, etc. in order to determine a respective counteraction strategy.

Our analytical group was involved in Ukrainian military strategic communications in the period of 2015 – 2017. At the beginning of that period, Russia used various tailored narratives against the Ukrainian Armed Forces. Here are some of them.

- Leadership of your army is weak. It must be changed;
- Military service contract conditions are terrible in your country;

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- Your president betrayed you in Minsk negotiations.
- President and his generals are traitors;
- West doesn't care about you. You are doomed;
- You can always escape from the army going to Russia or Donetsk;
- Don't let yourself be deceived by your illegal government;

The above narratives were also supported by information operations, like demoralization of soldiers through sending of the personal messages; recruiting to rebel groups in Russian social networks (VKontakte, Odnoklassniki); providing free WiFi to our soldiers at the front line in order to steal their personal information, etc. Altogether, the Russian propaganda resulted in 62% negative coverage of the Ukrainian military leadership in the Ukrainian media and trust to the Army was at its level.

To counter Russia's disinformation campaigns, the following steps had been done:

- The NGOs had got a mandate for playing the mediation role between the State, the Armed Forces and society (civil society trusts to NGOs).
- The military commanders from the front line at the battalion and brigade level spoke openly on Ukrainian TV channels.
- A pool of credible speakers was created within the Army.
- The Chief of the Armed Forces had come into the spotlight with the regular press sessions.
- A decision was made to make public the information about the Russian Army units location and their captured soldiers and officers supported with easily comprehended explanations.
- Launch of several advertising campaigns on the prestige of service to the nation in the army.

Ukraine's painfully learned lesson in 2014 — 2015. Ukrainians began to notice vulnerabilities that language issues, culture, religion, history

could contain, as well as reflect on how they should be prioritized as they are used as main pretext for informational (and, subsequently, military) attacks. As formulated by a soviet historian M. Pokrovskiy "History is politics targeted at the past", and the war initiated by Russia against Ukraine in 2014 can not be understood properly without diving into history.

To sum up, emphasis in Russian news programs is intended to dehumanize an average European. He/She is depicted as strange, depraved, unfair. Therefore, the European way of life comes as a threat, and public opinion is being prepared for the fact that Russia has the right to bring order in Europe.

A distinct feature of the Russian news is that a viewer virtually never gets a pure fact about an event, but always an interpretation, an already formed opinion. Head of the Russian news agency Mr. Kyseliov openly declares that "time for neutral journalism has gone".

The opposing point of view on Russian talk shows is usually imitated or presented nominally. This function is performed by the same people who are regularly humiliated, ridiculed, and sometimes even beaten in the studio. The task of these people is to showcase the other side as stupid, unfair, ridiculous. With such background the Russian mainstream narratives look more convincing, consistent and meaningful.

International events in the Russian news programs have an abnormally large share. Events in Europe, the U.S. and Ukraine may occupy up to 90% of the entire program in some news broadcasts releases. This draws public attention from internal issues and unites population against the West, as an enemy. Formally independent channels, which are supposed to compete for the content, have the same news agenda. They regularly present news on different minor events in similar words. General emphasis on the top Russian TV channels has a consistently expressed emotional tone as aggressiveness, contempt, reading the Europeans the lessons.

IN FOCUS: EUROPE ON RUSSIAN TELEVISION

In conclusion, we would like to suggest some general recommendations how to counter Russian propaganda, though each country is a separate case.

1. Raise the awareness of policy makers, national governments and international institutions to the objects and goals of disinformation in Russian domestic media, in particular:
 - Identify who is depicted as the potential enemy / the ally (though there are few);
 - Study trends for particular countries; analyze differences; learn lessons from the Balkans, Georgia, Ukraine, Moldova, Baltic states;
 - Pay attention to dehumanization of Western (liberal) values, including democracy, freedom of speech and rule of law. Adjust bilateral policy accordingly.
2. Compare and assess differences in the internal Kremlin's rhetoric toward the West with the official diplomatic messages. Consider the implications of double-standards for international affairs and the sustainable future of democracy and security in the regions, around the world.
3. Develop national and EU policies that would explicitly name Russia's manipulations as a threat to bilateral long-term potential understanding with Western democracies, and make any improvement conditional on Russia bringing its internal communications in accordance with the image of a civilized nation it is trying to project in international relations
4. Formulate / update the definition of disinformation (propaganda) and hostile language. Make it adequate to the challenges of the even more creative Kremlin's efforts.
5. Change / adopt national and the EU legislation respectively.
6. Do not let the Russian media enjoy preferences of free media, since they are not.

Full research is available here:
<http://ucmc.org.ua/hybrid/>

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Why Putin Likes the West?

Abstract: Putin cannot understand thoughts of Americans or Europeans and their political dynamics, but his money lies in western banks. He feels as confident as the West allows him. The West does not understand how and why it happens in this situation. One country, which has nothing to offer the world, has managed to drive Western democracies to the deadlock. Western attention to Ukraine is historically located on the opposite end of the spectrum in comparison with the eagle eyes of Moscow.

“Why Putin Likes the West” may seem to be an anomalous title for my remarks. After all, what we incessantly hear is that Putin is blaming the West for everything. We hear about Russia’s “lost pride,” that it is “humiliated,” “embittered,” “insulted,” “lost,” “confused.” One of the advisors to Vermont Senator Bernie Sanders in the last presidential campaign said, “Putin has been trying hard to find love, appreciation and recognition.”

The demonstrable facts are opposite. Fiona Hill is formerly from the Brookings Institution, a well-recognized think tank in Washington, and is now with the National Security Council in the White House. She is recognized in many circles as a Russia and Putin expert. A few years ago, she wrote a book about Putin where she said that Putin is “unable to understand the mindset of Americans and Europeans and their political dynamics.”

For someone who doesn’t understand us, however, Putin has done quite well. Let’s just take one example. We have his money in our bank. We hold

the key. Yet he brazenly expands his aggression. Russia—one country—taunts, menaces, intimidates, and threatens with nuclear war the collective of Western democracy. And Putin doesn’t in the least feel that his money is at risk. Why not? Where does he get his self-assurance from? We gave it to him.

Putin is not brilliant. But he knows and understand very well the hundred-year history of relations with the West. He has identified patterns of Western behavior, thinking and emotions that are clear, predictable, and reliable. His conclusions, based on those patterns, are also themselves predictable. He sees repeated strategic blunders by the West, squandered opportunities, and an inability and absence of political will to think and act strategically, in an affirmative, and not a reactive, manner. But how can this possibly be the case if, as we tell ourselves, it was the West that “won the Cold War”? We’ll return to that question later.

What is the history that Putin sees? In 1918, Ukraine declared independence, was recognized by Lenin and was promptly invaded. Ukraine turned to the West, requesting aid in the form of surplus WWI equipment and medication. Ukraine was denied. Ukraine warned that in a generation the West would be confronted directly by Russia. Ukraine was ignored. Moscow of course conquered and occupied Ukraine, and its control of Ukraine was pivotal to the formation and viability of the Soviet Union.

In 1933, the United States extended diplomatic recognition to the Soviet Union at the same time that Moscow was using starvation to break the back of Ukrainian resistance, thereby ensuring the regime’s survival. In the eyes of the world, recognition represented America’s legitimization,

⁶ The text of the speech on Mr Victor Rud at the Lviv Security Forum, 30.11-01.12.2017, Lviv, Ukraine.

acceptance and approval of Stalin's murderous regime. Furthermore, this was legitimization, acceptance and approval by America, the devil of the capitalist world, the intended victim of the very regime that had declared itself the leader in the world campaign to destroy capitalist America. How should Putin assess our strategic sense?

In World War II, the West liberated Europe, but only part of it. We facilitated one tyrant, Hitler's partner, replacing the other. The West in effect measured the dimensions of the Iron Curtain. America's Lend/Lease program delivered to the Kremlin far more equipment and material, both in type and quantity, than necessary for military needs. Unfortunately, Moscow used the "Made in America" label to crush the underground resistance movements in Ukraine and in the Baltics, and also the uprisings in the GULag in the early 1950's.

From the late 1940's and for 40 years, the West—essentially the United States—pursued a policy of containment, seeking to contain Soviet expansionism. Containment, however, did not contain. Compare the relative position of the United States and the Soviet Union after WWII, and then 40 years later. For all the treasure spent and precious lives lost on "containment", there was a dramatic shift, with the Soviet Union massively increasing its global influence and military capacity as America retreated.

The problem with containment was that it was exclusively reactive, with no sense of the West undertaking any affirmative measures to bring about the dissolution of the USSR. We surrendered situational control to the Kremlin. We concluded that the only way to deal with a pyromaniac was to build a very expensive, very large and very mobile fire department that would run around the world, putting out fires that were set by the Kremlin, at its choice of time, place and intensity. Containment was based on hope. But if hope is not a policy or strategy for the stock market, how can it be the basis for national security? Not surprisingly, the prominent American journalist at the time, Walter Lippmann, described containment not as a strategy, but as a "strategic monstrosity."

But containment's most fundamental flaw was that it didn't recognize, in the least, the multinational structure of the Soviet Union, that it was a colonial empire. Containment perpetuated the "Russia/Soviet Union" equivalence that distorted Western thinking from the very first days of the Soviet Union. This was a massive and continuing blunder, one that helped Moscow's repression of the submerged nations of the Soviet Union. Today, a full generation after the fall of the USSR precisely because it was not simply "Russia," US government officials at the very highest levels often repeat that same "Russia/Soviet Union" equivalence.

The Reagan Administration broke the mold and went beyond the purely reactive restrictions of containment. He undertook affirmative measures to cause the dissolution of the USSR. After the election of George Bush, Sr., however, the US reversed. Astonishingly, we worked to preserve the USSR intact. Jack Matlock, the US ambassador to the Soviet Union at the time, said directly: "The common assumption that the West forced the collapse of the Soviet Union and thus won the Cold War is wrong. The breakup of the USSR into 15 separate countries was not something the United States caused or wanted." As we know, Ukraine ignored Washington, declared independence, and the rest is history. So, if "winning the Cold War" meant the collapse of the Soviet Union, did that occur because of, or in spite of, America's containment policy?

What happened after the fall of the USSR? We never implemented or even conceived of establishing a "Marshall Plan" to secure the independence and security of the former captive nations as a bulwark against Russia. We did not do what we did with the Marshall Plan in Europe in WWII, even though the necessity for doing so after the fall of the Soviet Union was ten times greater. Unlike the devastated economy and military capacity of Germany, the Soviet economy, though in poor shape, was intact. And its military capability was very much intact as well. But most critically, while Germany came to terms with its past, and admitted, apologized for its crimes, Moscow accelerated in the opposite direction. It celebrates its crimes.

Why were we so passive? Because, again, we simply “hoped” that things would change. How, why? What, exactly, did we think the millions in the KGB, in the *nomenklatura*, would do, where would they go? They would somehow become democrats overnight? Why? How? What about the secret people making secret poisons in secret laboratories in secret cities? How could we possibly consider that that vast repressive system, with such a bloody history, would simply suddenly change? Again, we simply “hoped” that it would. This total lack of responsibility by Western democracies for their very own security, the passivity and refusal to face reality and anticipate the future, is startling. Unfortunately, it was not the first time.

History is another name for experience, and experience is another name for a book of lessons. What lessons does Putin draw from all this? His first conclusion is that the West itself has learned no lasting lessons. We have not learned from our experience, and therefore have no predictive capacity. Our experience was never sufficiently painful to leave a lasting imprint on our societal memory or political institutions. Thus, for example, President Obama came into office wholly innocent about Moscow, but at the end he was hopefully at least somewhat more aware. But the revolving door in politics prevented the solidification of lessons to be learned. What conclusions do we expect Putin to reach?

Furthermore, Putin knows that we don’t have any understanding that Russia is a predator state. We have no conception of the Soviet system, and cannot grasp the significance of Putin’s background, his resurrection of Stalin, and its implications for the West. We don’t bat an eyelash over the fact that there is a “KGB Bar” in New York City, or that Jay Kearney, President Obama’s press secretary, has Soviet propaganda posters in his home, and splashed on the pages of a major Washington magazine with no objection by anyone.

In 1999, Putin celebrated Stalin’s birthday. In that year, we also saw the Moscow’s false flag operations in the Moscow apartment bombings, serving as a pretext for Moscow war against Chechnya. His so-called Millennium Speech at the end of that

year was an unmistakable blueprint for his future. Only months later, in 2000, Condoleezza Rice was asked at a conference in the US what was the key issue that would indicate to her what kind of person Putin was, if he would be the kind of person that the US “could work with”. She replied that it would depend on what kind of tax reforms he would undertake.

Later that year, we saw no significance in Putin’s celebration of Felix Dzerzhinsky’s birthday, the notorious founder of the Cheka, precursor to the NKVD and KGB. And that was on 9/11, the day of the destruction of the World Trade Center towers. In February 2002, at the Winter Olympics in Salt Lake City, Utah, Putin, in his typically probing manner, tested a “light” version of Soviet symbolism. No reaction by the West. In the following year, in 2003, Michael McFaul, President Obama’s future ambassador to Russia, published a book predicting that Russia was no longer a threat to the West. By April 2005, when Putin lamented that the fall of the Soviet Union as a “tragedy”, he had already for six years been celebrating its bloody past. The West ignored it all. Today, Che Guevara remains a fashion statement.

Putin sees the West in a historically self-imposed requirement “not to offend” or “not to antagonize the Russians.” On July 2, 1934, the British Foreign Office received an inquiry from the House of Commons about Moscow’s starvation of Ukraine. The internal memo circulated within the Foreign Office read: “We do not want to make it [information about the Ukrainian genocide] public, because the Soviet Government would resent it and our relations with them would be prejudiced. We cannot give this explanation in public.”

George Orwell’s *Animal Farm* was rejected by 14 publishers because they “didn’t want to offend the Russians.”

In the 1970’s and 80’s, Western intelligence knew that the Kremlin was organizing, directing and financing Middle East terrorism against the West under the name of “Arab Nationalism”. Later it also extended to terrorism by local actors in Germany, Italy and Ireland. Yet Western politicians

wanted to keep this quiet, not wanting to “offend the Russians.”

The United States, in particular, seems to be particularly compelled to “make nice.” “Can’t we just get along and be friends?” President Truman is generally recognized as having been more hard headed than President Roosevelt, but even Truman wrote in his diary, after the war was over and when it was already clear that Stalin had deceived the West about Eastern Europe: “I’m not afraid of Russia. They’ve always been our friends, and I don’t see why they shouldn’t always be . . . so let’s just get along.” The same approach we see repeated by Presidents Carter, Bush and Obama. Only months after Putin invaded Georgia, President Obama initiated his infamous “reset” with Russia. How can it be that it is we who made the overture to Putin, and not the other way around?

Putin sees us trying to transfer our commercial genetic code and our deal making culture to our relations with the Kremlin. That does not work. The words “stability” and “management” appear endlessly in Western writing and commentary about Russia. That is what “doing business” requires. But that has never been the way that the Kremlin operates. It thrives, needs and therefore creates instability. It is always on the offensive. It exerts a hydraulic pressure of pushing, accusing, blaming, distorting, demanding and attacking. Relentlessly. The West, on the other hand, is reactive only, perpetually responding from one crisis to another to another. We are Pavlovian.

And, of course, doing business means entering into agreements. In our psyche, an agreement is a roadmap to resolving a problem. Agreements with Russia do work, but in the very opposite direction and with the opposite result that the agreements are meant to achieve. We scrupulously comply with agreements. Russia scrupulously does not. Indeed, the one exception to our trying to superimpose our commercial heritage in dealing with Russia is that we tolerate and encourage the very kind of behavior that we would never tolerate in a business setting—endless breaches of agreements by the other side of the table. The only exception to our lack of predictive capacity that I mentioned earlier

is that we have superb predictive capacity about Moscow’s breach of the very next agreement. Inexplicably, we simply ignore the breaches, always coming back for more. After WWII, the US was #1 in the world, the sole superpower, economically and militarily. Only the US had the atomic bomb. After forty years of containment and dozens of agreements with Moscow, what was the result? The USSR immeasurably expanded its global influence, and its military/nuclear capacity had at least reached parity with the US. So much for agreements.

And finally, there is the question of money. During the course of a century, Western democracies were the source of untold amounts in economic value to Moscow, whether in forms of credits, technology, know how, or other direct or indirect economic benefit. Without the West having economically propped up the Soviet Union it would have collapsed much, much earlier. The other side of it is that today it is we who are captive to Russia’s money, and not the other way around. In 2006, a British citizen was assassinated by a miniature nuclear device in the front yard of Buckingham Palace, so to speak. Alexander Litvinenko, a British citizen, was the victim of nuclear warfare on British territory. What did three successive British Prime Ministers do? Nothing. Russian money purchased London.

So, what are the consequences when the West has such a character profile? We are hugely susceptible to what I call “strategic deception”. George Orwell called it “reality control.” The late historian, Robert Conquest, was more direct and call it simply “mind slaughter.” When *dezinformatsia*, *maskirovka*, *provokatsia*, *kompromat*, *agitatsia* combine together and superimpose a total disorientation, a false perception, whether upon a person or upon an entire nation, it creates not just an alternative reality. It creates total reality reversal. It’s doubly dangerous, because it’s in our subconsciousness. I sometimes give the example of your waking up in the middle of the night and finding yourself in the wilderness. You look for the bright star in the sky, the North star, in order to get your bearings. You see the star, or you think you do. However, you do not realize that while you were asleep you were transported to

the Southern Hemisphere. All of your decisions and actions are correct, based on the assumption of that bright star that you see is what you assume it is—the North Star. But it's not. You wind up walking in the opposite direction. You don't even think about questioning the accuracy of the assumption because you're not even aware of it.

What is the first reality reversal that confronts us? That Russia is merely being “defensive.” You've heard it all before, and I know that no one here shares that view. Nevertheless, it remains an enormously powerful one, regardless of the fact that Russia's most recent intrusion into the electoral processes in Europe and the US. You all know the litany—that Russia has “security needs,” that it requires “spheres of influence,” that it is “afraid of NATO encirclement,” that it has “legitimate interests” and “historic claims,” that it feels “victimized” by World War II, that it needs a “buffer,” etc.

This is nothing new. President Roosevelt assured us: “Stalin doesn't want anything but security for his country, and I think that if I give him every-thing I possibly can and ask nothing from him in return, he won't try to annex anything and will work with me for a world of democracy and peace.” That, obviously, was during the war. But after WWII, and similar to what President Truman had said, Secretary of State Dean Acheson added: “To have friendly governments along her borders is essential both for the security of the Soviet Union and the peace of the world.”

Much credit is due to Mitt Romney and his advisers, when during the first presidential debate with President Obama Romney identified Russia as America's primary geopolitical foe. Unfortunately, Mr. Romney later wrote an article in *The Wall Street Journal* that America should give the Kremlin assurances that we wouldn't threaten Russia's influence in Kyiv. This is reality reversal.

“Russia's immense contribution in World War II is part of their proud history of standing up to imperialist powers.” This is in the introduction of an extended speech that US Ambassador to the

UN, Samantha Power, gave in January of this year. I was pleased to hear that, in the balance of the speech, and after many years Ambassador Power had begun to understand some of the hard reality about Russia, but her statement at the beginning is inexcusable. In the 1890's, the Russian General Staff conducted a study of military campaigns between 1700 and 1870. Russia waged thirty-eight wars. Two were defensive. How else do you become the largest empire, and also the largest country, in the world, encompassing an entire one-third of Asia and much of the European sub-continent? You do not do so by being “defensive.”

When we participate in such reality reversal we become multipliers in the denial of history, in the denial of the victimization of entire nations, and in the applause of the perpetrator. Why don't they have the right to exist? It is the victim nations that the Kremlin has persecuted for generations, and in many instances for centuries, that have the right to feel secure, who have “historic claims” against Russia, who need “spheres of influence,” and who require a “buffer.” And it was the failure of the West to recognize this that has led to the situation that now confronts us.

Part of that same “defensive” deception is Russia's re-engineering of World War II. “Had it not been for the colossal sacrifices made by the Soviet Union in WWII—in which they lost more than 20 million people, many times more than any other nation, friend or foe—the war would have dragged on much longer.” Again, this is Ambassador Power speaking on that same occasion. And note that Power again equates “Russia” with the “Soviet Union,” and even describes the Soviet Union as a “nation.” It was not. It was an empire. A quarter of century after the fall of the USSR, far too many Western politician and commentator continue to speak and think in precisely the same terms. This is inexcusable, and again illustrates that we have never grasped the very essence of the USSR, or the meaning of Putin's celebration of it.

As to World War II, itself, let's be clear that Stalin and Hitler were not simply allies. They were equal partners, joint venturers. When Hitler was appointed Chancellor in January 1933, thanks to the Soviet Union the German armaments industry was already far along the path toward being rebuilt. Under the Treaty of Rapallo with Germany, in the 1920's Moscow provided critical resources for the rebuilding of Germany's military capability, much of it plundered, ironically, from Ukraine. German military maneuvers took place on Soviet territory. Tours of the growing GULag were provided. And this was at the same time that Western, particularly American, industrial assistance was flowing to the Soviet Union. How does Putin assess our strategic acumen?

How many decades have passed since the end of World War II? Why don't we ever hear about Hitler's purpose for the war? It was to colonize Ukraine. Only during this past summer did Yale's Professor Timothy Snyder address the German Bundestag reminding Germany of its history. It's an astonishing distortion when Germany feels guilt about WWII and "*Russland*", when it was "*Russland*" that started the war together with Germany, and when it was not "*Russland*" but Ukraine that was Germany's target and greatest victim. The number of Allied troops that invaded Normandy was 132,000. The number of *Wehrmacht* and other troops that invaded the Soviet Union in Operation Barbarossa on June 22, 1941, was 3.2 million. And that did not just include Germany troops, but Hungarian, Rumanian, Slovakian, Finnish, and Italian troops as well. Do we refer to those countries today as "Nazi"? It's no wonder that Ukraine suffered more than any other country during World War II, whether measured in terms of loss of humanity or physical destruction. Four times more Ukrainian civilians were killed in World War II than the combined military deaths of the United States, France, Italy, Great Britain, Canada. Millions more Ukrainians were killed serving in the military and taken as slave laborers to Germany. Ukrainians are Nazis? It's another massive reality reversal, another strategic deception.

Yet another example in the strategic deception

that Russia is merely being "defensive" is the drumbeat of NATO "encirclement". First, I suggest we look at a map. How many NATO countries border Russia? "Encirclement" is a geographic impossibility. And even if it were possible, we are to somehow feel guilty about it? Second, Putin knows that NATO is defensive. He knows there that is no chance, whatsoever, that NATO will invade Russia. Stalin knew about NATO and its purpose before it even formally existed. Third, we never exhibited the psychology of affirmative, "take the offensive" thinking about Russia during the last 100 years even where there was never any military component. Fourth, if there was ever a time for fear of an invasion, it was during WWII and immediately thereafter. That never happened, and could not have, given the absence in the West of any understanding of Moscow's threat. Fifth, how, exactly, will more than two dozen nations be coordinated? For what purpose? To achieve what? Finally, for us to believe that "NATO encirclement" is something that Putin in fact fears would also require that we simply ignore the hard, demonstrable reality that he knows and understands our political dynamics better than we do. He has proven that. Does anyone here in the room really think that public panic (due to what, exactly?) in the West about Russia will rise to the level that it translates into political decisions for a coordinated military invasion of Russia? This is nonsense. Putin and Lavrov may beat that drum for domestic and foreign consumption, but they know reality well enough. So, should we.

The second example of reality reversal is Western talk about "engaging" Russia in fighting ISIS. Where is the logic of that, however, when the roots of ISIS and Al Qaeda reach back to the genetic code for "Arab nationalism" that the Kremlin created in the 1970's and '80's at Patrice Lumumba University in Moscow and the surrounding KGB training camps? Today, Moscow does not have to be directing or controlling ISIS. It simply receives the benefit of a weakened, disoriented, disheartened and dispirited West. Furthermore, consider the "genius" that it took for Moscow to be able to turn the Middle East against the West a generation or more ago. First, the Soviet Union was an atheistic

state. Second, it –and before that, the Russian Empire–had a violent history of suppressing the Muslim nations of the Caucasus and Central Asia. And yet the Kremlin prevailed, and a Nobel Prize was awarded to its creation, Yasser Arafat. Truly, a remarkable achievement.

Finally, Ukraine. I know there are those present for whom Ukraine is not on the mental map as are other “traditional” countries of Europe, such as Poland or Italy, for example, even though Ukraine’s now international recognized status is not questioned. I will not get into the distortions of Russian historiography that were put in place in the 18th and 19th centuries, and will only mention that Russian historiographers who emigrated to the West after the Bolshevik *coup d’état* established the foundation of so- called “Russian studies” in the West. Though the historiographers may not have been supportive of the Bolshevik regime, they nevertheless transplanted to the West the imperial history that they themselves fashioned and absorbed.

We’ve all heard the assertions: “Russia traces its 1000 year history to its beginnings in Kiev”, “Ukraine is a historic part of Russia,” “Kievan Russia was the beginning of modern Russia,” “a thousand years of Russian Christianity.” As a result, as Putin whispered in President Bush’s ear, Ukraine does not exist. Neither did it for Hitler, who identified Ukrainians in the camps as either Russians or Poles.

So let’s examine the reality reversal, the strategic deception that is grounded in the anomaly of the periphery of the Kyivan Rus’ state, Russia, pre-empting and laying claim to the center, Kyiv. And remember, at that time the amount of Russian territory that was part of the Kyivan Rus’ empire was only some 3% or so of Russia that we know today.

Firstly, I know of no other instance in history or geography where the creation of an artificial 1000 year pedigree is used to justify war, invasion and terrorism today and accepted so totally uncritically by the West. Indeed, it is more logically and intellectually consistent to justify Kyiv’s “historic

claim” to Russia, as part of Kyiv’s former empire.

Secondly, even if we accept the “1000 year history” argument, then what is the result? Because of the Viking influence in the establishment of the Kyivan Rus’ state, Ukraine today can claim Oslo, Stockholm or Copenhagen as the beginnings of Ukraine? Norwegians, Swedes and Danes are “really” Ukrainians”, or “Little Ukrainians” or “younger brothers”? The same holds true with the influence of Byzantium on Kyivan Rus’, complete with the Cyrillic alphabet and religion. Ukraine “really” began in Byzantium/Istanbul? Today’s France, as Spain, Germany and Israel, were part of the Roman Empire, as was part of Russia a part of the Kyivan Rus’ state. Does that mean that France can claim that Rome is “really” French, and that Italians are Frenchmen? And what of Romania, which appropriated even the name of Rome, as Russia did with “Rus”? What is the German word for France? *Frankreich*. Land of the Franks, a Germanic tribe. What are we to conclude from that? France has a claim to Germany, or is it the other way around? I will not belabor the point. Ignorance of history, and the lack of critical thinking on something that is not very deep, makes the West, again, a prime target for such reality reversal.

So why does Putin like the West? First, the West does not understand how and why it finds itself in the situation that it is in today. One country, with nothing to offer to the world, has managed to put the Western democracies on the ropes. How, why, is any of this possible? And why are we suddenly so very surprised? But where do we see any self-examination? Second, Western attention to Ukraine has historically been at the opposite end of the spectrum compared to Moscow’s razor focus.

Even today, Western concern doesn’t even begin to approach the degree of seriousness that is necessary, given that Ukraine drove the nail into the coffin of the USSR, and in a very real sense saving the world from it. In addition, as we know Ukraine surrendered its nuclear arsenal, in large part to its historic persecutor. What do we think

that Putin makes of all this? What conclusions does he draw about our strategic sense? His money is safe with us, and existing sanctions are and will remain inconsequential in impacting the situation on the ground.

I suggest that in the next two days we seek to benefit from the Forum so that we can return to our respective countries in order, ultimately, to work for their national security interests. And that is achieved by anchoring the security and independence of Ukraine as the best chance we have of turning Russia inward. We must think

strategically and escape from the perpetual defensive, reactive position that we have frozen ourselves into. And let there be no mistake. Only then will tyrants in the Middle East, China, and North Korea also understand that the West recognizes and has the will to act in its own self-interest.

Editorial note: *Silogarchia is a regime of “siloviks” and oligarchs typical for Russia. For the first time, this term appeared in the works of Marshall Goldman, expert on the economy of the former Soviet Union.*

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Hybrid threats to Ukraine and public security. The EU and Eastern Partnership experience

Essay of the book



The Centre for Global Studies Strategy XXI presents to readers a new publication on Ukraine's ability to counter Russia's hybrid aggression — an analytical report *“Hybrid threats to Ukraine and public security. The EU and Eastern Partnership experience”*, prepared within the framework of the project “Promoting building of Ukraine's capacities to guarantee citizens' security in the conditions of hybrid threats” with the support of the European Union and the International Renaissance Foundation within the framework of the project “Civic Synergy”, under the auspices of the Ukrainian National Platform of the Eastern Partnership Civil Society Forum.⁷

The Eastern Partnership region is not stable and safe due to a number of conflicts: Crimea and Donbas in Ukraine, Transnistria in Moldova, Abkhazia and South Ossetia in Georgia, Nagorno-Karabakh in Azerbaijan. The population of the EaP countries suffers not only from hostilities in conflict zones, but also from methods of hybrid warfare. The

latter also assume the use of the civil society in the process of achieving the goals set by the aggressor. Accordingly, the population needs protection from such hybrid challenges and threats that requires the development of mechanisms for their clear identification and counteraction. Therefore, one of the Eastern Partnership Initiative priorities is stability and security, which, in particular, was reflected in the Joint Working Document “Eastern Partnership – 20 Deliverables for 2020: focusing on key priorities and tangible results”, approved in December 2016. The Association Agreement between Ukraine and the EU also focuses on security issues, and among the aims of the political dialogue is “to strengthen cooperation and dialogue between the Parties on international security and crisis management, particularly in order to address global and regional challenges and key threats”.

The war in eastern Ukraine has demonstrated that society should not only be a consumer of security, but also a participant in its preservation, and the state should strengthen its own ability to withstand new challenges and threats. Today, this ability of the Ukrainian government bodies still needs to be improved that becomes obvious after analysing the factors that led to the invasion of the Russian Federation (RF) into the Ukrainian territory, as well as the current gaps in the state security. This can be facilitated by the assessment and correction of existing shortcomings, taking into account the accumulated recommendations of Ukrainian and foreign experts, as well as the experience of the Eastern Partnership countries, which have been counteracting hybrid threats for long time, and active interaction with the EU to guarantee the public security, on which this research is focused.

The peculiarity of a war of the hybrid type is that it is camouflaged with the use of predominantly non-linear tactics and is not aimed at capturing

⁷ The content of the publication is the sole responsibility of the Centre for Global Studies “Strategy XXI” and does not necessarily reflect views of the European Union and the International Renaissance Foundation.

the whole territory of a country, although it is possible to take control over certain territories, but to obtain control over state patronage, which is achieved through the influence on the population, politicians, business, and power structures. Therefore, counteraction to hybrid threats, which should be clearly identified in the state, requires attention to increasing the society resilience.

Not only the state security forces, but also almost all ministries and departments, non-governmental organizations, business, civil society are involved in combating hybrid threats. Taking into account Russia's active use of information and propaganda tools, economic and energy tools, interference in domestic politics, stimulation of linguistic, inter-ethnic and inter-confessional conflicts, historical manipulation and other instruments of pressure on the "soft spots" of the state and society, the first priority is the development of national immunity of resilience and an effective public oriented state administration system.

Not only the society of Ukraine, but also societies in other Eastern Partnership countries and some member states of the EU are at risk of Russian aggression. The methodology of the RF hybrid influences in these countries has similar characteristics, and, therefore, countermeasures developed in one country can be applied in the others. Although Ukraine has the greatest experience in counteracting Russian hybrid aggression, the constant study and analysis of the situation in other countries of the Eastern Partnership and the EU is necessary because of Moscow's attempts to use them to scale up the hybrid offensive.

Profound international cooperation for a consolidated confrontation to Russia's hybrid aggression is extremely important, but the key reasons for its success are within the state.

Therefore, efforts to develop Ukraine's state capacity to withstand hybrid threats relate primarily to the internal dimension.

For an effective confrontation with hybrid threats from the Russian side, the Ukrainian leadership needs to work closely with the public, especially civil society organizations, to increase their confidence in its actions. Although Russia as an aggressor makes a series of mistakes, as a result of which its hybrid war against Ukraine becomes less and less effective, but Ukraine makes domestic mistakes and very slowly corrects them. Some gaps in Ukraine's security system, despite four years of confrontation with Russian aggression, are still relevant and pose a danger to the society.

The creation of a shield to confront the Russian hybrid aggression requires, first of all, the internal consolidation of Ukraine, related to the development of good governance and socially oriented power structures, eradication of corruption and deoligarchism, consolidation of society, guaranteeing of the functioning of civil society organizations independent of the ruling structures, development of efficient economic and energy markets, implementation of a balanced inter-ethnic and inter-confessional policy, wide truthful informing of the society about sensitive topics, including historical ones, which are used or can be used by the aggressor to achieve its goals.

In any case, ensuring the security of society really becomes a system in which not only power structures are involved, but also non-governmental organizations, the private sector, business, expert and scientific circles, independent media and other actors. Only an integrated comprehensive approach will allow consolidating society and ensuring its security. Such an approach can serve as an example for other Eastern Partnership countries, which suffer from hybrid threats.

“The Grey Zone. Crimea: Four Years of Occupation”

Essay of the book



The Maidan of Foreign Affairs Foundation presents to readers attention a new publication about Russian occupation of Crimea – the book **“The Grey Zone”. Crimea: Four Years of Occupation**, prepared with contributions by the BlackSeaNews internet portal (www.blackseanews.net) and the Institute of Strategic Black Sea Studies. The main conclusion of the book is the positive one — Ukrainians will return Crimea.

Ukraine’s biggest hurdle on the way of returning sovereignty over Crimea is the absence of a clearly articulated political will and a corresponding task order for solving the problem. In the four years of occupation, the Ukrainian authorities have not created a concept of strategy and, consequently, any mechanisms, for accomplishing that goal. The territory of the Autonomous Republic of Crimea is recognized by the Ukrainian law as temporarily occupied, but not a single piece of the Ukrainian legislation sets forth the task of de-occupying it and restoring Ukraine’s sovereignty and territorial integrity.

Therefore, it is not surprising that over that period, the actions of the Ukrainian authorities have been inconsistent and uncoordinated. We now see that the interest of some state institutions in the issue of returning temporarily occupied territories begins to emerge. The approaches, however, vary

from the stand-alone reintegration projects that are not concerned with how the region would first be de-occupied to mere responses to the immediate events or needs. As a result, most of Ukrainians, although convinced is and should be Ukrainian, is not convinced that the goal is achievable.

The occupation of Crimea has revealed the many weaknesses of our foe. Russia is massive, but weak. It does not have a political system capable of capitalizing on its people’s potential for the nation’s development and prosperity. Russia does not have an efficient economy or good economic prospects and is very poorly managed.

Having felt threatened by Russia, the most prosperous and efficient part of the world has now begun comprehensive preparations to countering and eliminating that threat.

In relations with Russia, Ukraine must continue a policy of sanctions and restrictions that would have a negative, ideally — devastating, impact on the economic and social situation in Crimea and the Russian Federation as a whole.

At the same time, Ukraine should work hard to create instruments of the information impact on the Russian Federation.

As for domestic policy, Ukraine’s task there are: improving the legal and regulatory framework, creating a system of state bodies for managing the issues of de-occupation and reintegration and organizing centres that would train staff for the educational, scientific, administrative and other needs and activities related to Crimea.

Finally, we need to enact a comprehensive program of encouraging Ukrainian citizens in the temporarily occupied territories to maintain close contact with the homeland. Among others, it means creating effective mechanisms for the all-round protection of the interests of Ukrainians living in there.

Notes

[illegible]



President of the Centre for Global Studies "Strategy XXI" Mykhailo Gonchar with Ambassador Extraordinary and Plenipotentiary of Ukraine to Hungary Lubov Nepop, Head of the State Self-Government of Ukrainians of Hungary Yuriy Kravchenko and Chairman of the Board of the JSC "Chornomornaftogaz" Svetlana Nezhnova at the conference "Energy in the Geopolitical Context: Ukrainian Dimension", held in Budapest on March 28, 2018.



Head of international programs of the Centre for Global Studies "Strategy XXI", Vitalii Martyniuk at presentation "The Struggle for Ukraine" in Odesa on April 16, 2018.



Mykhailo Gonchar at XI Economic Forum in Rzeszów on 13-15 March, 2018 in his speech drew attention of international community to the problem of political prisoners in Crimea.



Executive Director of the Centre for Global Studies "Strategy XXI" Andrii Chubyk and Head of international programs Vitalii Martyniuk at the roundtable "Dialogue between civil and governmental actors on energy security", held on April 25, 2018 in Warsaw.



Ukrainian delegation at the XI Economic Forum in Rzeszów with the famous Polish film director and screenwriter Jerzy Hoffman.

