

Cooperation between Ukraine and the European Union  
in the Security Sector  
Public Monitoring Report

The Institute for Euro-Atlantic Cooperation

Kyiv 2019

**Written by:** Kostyantyn Fedorenko, Leonid Polyakov and Ihor Koziy

**Prepared for printing by:** Anton Pysarenko and Anastasia Krasnozhon

*This analytical report was developed by the Euro-Atlantic Cooperation Institute with the financial support of the [European Union](#) and the [International Renaissance Foundation](#) within the framework of the grant component of [The Civil Society Synergy Project](#) under the auspices of the [Ukrainian participants of the Ukraine-EU Civil Society Platform](#) and the [Ukrainian National Platform of the Eastern Partnership Civil Society Forum](#). The Euro-Atlantic Cooperation Institute is solely responsible for the content of the report that does not necessarily reflect the views of the European Union and the International Renaissance Foundation.*

## Public Monitoring of Cooperation between Ukraine and the EU in the Security Sector

Over the past few years, Ukraine has faced existential security challenges posed by the armed aggression of the Russian Federation. The Russian threat was embodied in temporary occupation of the Autonomous Republic of Crimea in 2014, supplies of weapons and equipment to the unrecognized "people's republics", overt intervention by the Russian Federation's military personnel in the hostilities near the city of *Ilovaisk*<sup>1</sup> in the same year, and regular pressure created by the buildup of the Russian troops on the Ukrainian border. In view of the difference between the military capabilities of Ukraine and Russia, the need for active international cooperation between Ukraine and friendly states in the security sector is obvious. At the same time, given the geographical proximity of Ukraine and the risks associated with Russia's threats, the European Union countries should also be interested in a partnership with Kyiv. After all, such cooperation supports the European civilizational choice of Ukraine.

The Ukrainian information space lacks information about security cooperation between Ukraine and the European Union, as well as between Ukraine and individual EU member states. This report has been compiled with the use of open data and the information received from the Ukrainian government agencies, and it aims to fill the above gaps. Its purpose is to analyze Ukraine's actions in the framework of cooperation with the European partners and the approaches allowing the country to respond to its key security challenges. Such analysis seems necessary for a comprehensive assessment of Ukraine's security policy and further development of an adequate security policy. Finally, we discuss dissemination of information about Ukraine's current security policy and the indirect effect on the Ukrainian public officials' decision-making for an effective reform of security policies in the areas where Ukraine's actions are not in compliance with its obligations under the Ukraine-EU Association Agreement and Eastern Partnership objectives.

---

<sup>1</sup> See, inter alia, Human Rights Violations and abuses and international humanitarian law violations committed in the context of the Ilovaik events in August 2014. Office of the United Nations, 2018. [https://www.ohchr.org/Documents/Countries/UA/ReportOnIlovaik\\_En.pdf](https://www.ohchr.org/Documents/Countries/UA/ReportOnIlovaik_En.pdf)

## Formal Cooperation Framework

Cooperation in the security sector is one of the commitments that Ukraine has undertaken in accordance with [the Association Agreement between Ukraine and the European Union](#) signed in 2014.



These obligations are identified in Articles 7 to 13 of the Agreement. In particular, it's important to mention "the issue of preventing conflicts and crisis management; regional stability; disarmament; non-proliferation; arms control and arms exports; and improving the mutually beneficial dialogue in the air and space sector," as well as fighting terrorism. In addition, Article 16 also provides for cooperation in the areas of migration, asylum-seeking and border management (in particular with regard to challenges such as illegal migration and trafficking in human beings), and Article 22 covers fight against crime and corruption, including in relation to smuggling and cybercrime.

Ukraine is a member of the EU Eastern Partnership initiative, which developed a working paper titled "[Eastern Partnership: 20 Key Deliverables for 2020 - Focusing](#)

**on Key Priorities and Real Results".** The deliverables envisaged by this document include: security, confronting organized crime, trafficking in weapons, cybercrime, cyber threats, terrorism, as well as participation in operations of the Common Security and Defense Policy of the EU (CSDP) and regular participation in the EU combat units; strengthening of CSDP training initiatives and joint foreign and security policies. Also, the objectives include: enhanced capacity to respond to regional chemical, biological, radiobiological and nuclear incidents; developed risk management policy for emergencies; adopted strategy for reducing the risk of natural disasters and cooperation with the EU Civil Defense Mechanism.

**On October 25, 2017, the Cabinet of Ministers** approved the "Plan of Measures for the Implementation of the Association Agreement between Ukraine, of the one part, and the European Union, the European Atomic Energy Community and their Member States of the other part". It contains certain tasks related to the security sector. At the same time, this plan does not cover issues like the capacity to respond to regional chemical, biological, radio-biological and nuclear incidents; strengthening CSDP training initiatives and a common foreign and security policies; providing a legislative framework for participation in the EU Common Security Policy operations in the field of security and defense, cybercrime and regional stability. Little attention is paid, however, to the issues of arms trafficking. The area of fighting terrorism only deals with preventing financing of terrorist activities; other anti-terrorist measures are not covered by the Plan.

## The Security Strategies of Ukraine and the EU

The national security strategy of Ukraine is based on such fundamental values as respect for the international law and human rights, which is similar to the values outlined in the EU security strategy. In addition, the objectives of the Ukrainian security strategy include: "minimizing threats to the sovereignty of the state and restoring territorial integrity". While the EU strategy in the paragraph titled "Developing Security in the Neighbor States" refers to the importance of good governance in the EU neighbor states, particularly in the states to the East of the EU borders. It also mentions that countries with active military conflicts are a threat to the EU security.

Moreover, Ukraine's own strategy sets the goal of the European integration, which requires Ukraine to adapt EU legislation. As stated in the strategy, "Ukraine shall ensure gradual convergence in the area of foreign and defense policy and develop cooperation within the framework of the Common Security and Defense Policy of the EU to strengthen the capabilities of the security and defense sector, as well as to maintain international security and stability." In addition, trade and development programs, as stated in the EU strategy, "can be powerful means for promoting reforms" and, at the same time, comply with the European integration interests of Ukraine.

The following pressing threats to the national security of Ukraine are mentioned in the strategy: 1) the aggressive actions of Russia; 2) the ineffectiveness of the national security and defense system of Ukraine; 3) corruption and ineffective system of public administration; 4) economic crisis; 5) threats to energy security; 6) threats to information security; 7) threats to cybersecurity; 8) threats to the security of critical infrastructure; 9) threats to environmental safety. Terrorism, poverty and inequality; excessive dependence on some energy exporters such as Russia; threats of country's collapse and organized crime are the challenges for Ukraine that overlap with the identified challenges of the EU.

The EU strategy also highlights the importance of more effective intelligence sharing between the Member and Partner States; Ukraine's strategy, among other things, mentions strengthening of "interaction between its intelligence agencies and partner intelligence agencies of NATO Member States." Finally, the EU is interested in creating "more flexible, mobile [armed] forces" that could respond to "new challenges". This

corresponds to Ukraine's goal of "reforming the defense forces with a focus on the creation of highly effective combat units of the Armed Forces of Ukraine [UAF]" and could become the foundation for cooperation between Ukraine and the EU. Thus, the strategic objectives of Ukraine generally correspond to the strategic objectives of the EU.

## Civil Security Issues

The Law "On the National Security of Ukraine" was developed with the participation of the experts from the Western countries and adopted in 2018. Civil service and decentralization reforms are ongoing, and they are an important part of implementation of good governance practices in Ukraine. Ukraine continues to apply the practice of supporting EU statements and presentations on international issues<sup>2</sup>.

On December 4, 2018, the Interior Ministry of Ukraine responded to our question about the progress of implementation of the Action Plan objectives to implement the provisions of the Association Agreement falling under the Ministry's responsibility. Here are some of the changes introduced by Ukraine in recent years:

**Migration and border management.** 157 border crossing points have been equipped with border control equipment for persons holding biometric documents and connected to Interpol and Europol databases. The authorities completed rehabilitation of the temporary holding facility in Chernihiv oblast of Ukraine for the persons who are illegally staying in Ukraine. They also completed construction of such facilities in Donetsk and Mykolaiv oblasts. Besides, there has been commissioned a facility for temporary stay of refugees. The plan of measures for organization of joint operational protection of the border with the neighboring EU Member States has been approved. There also has been signed an agreement on joint patrolling of the Ukraine-Romania border. A joint risk analysis and exchange of information with the border protection agencies of neighboring EU Member States are performed on a regular basis at the territorial level. The Interior Ministry's Development Strategy 2020 has been developed and approved with the participation of experts from EU countries. The transition to biometric passports for international travel and domestic ID-cards has been initiated. There has been established a system of registration of refugees and foreign nationals.

**Fighting crime.** There have been introduced amendments to the Criminal Code of Ukraine and the Criminal Procedure Code for the prevention of domestic violence. The process of dissemination of information about combating human trafficking is up and running. Ukraine holds a dialogue on signing of readmission protocols with the EU

---

<sup>2</sup> Ukraine-EU Association Agreement Implementation Report 2017 Kyiv, 2018



Member States and on signing readmission agreements with countries of origin of migrants.

**Environmental protection, emergency-related risk management.** The following progress has been achieved: the authorities conducted compliance analysis for the current network of observation posts checking the quality of atmospheric air; approved the procedure of monitoring the content of harmful substances in the atmospheric air; adopted a law to improve flood risk management; introduced round-the-clock information exchange with the EU Emergency Response Coordination Center, the Euro-Atlantic Coordination Center for Natural Disasters and Disaster Response; approved methodology of preliminary assessment of flood risks.

**Transport.** The Strategy and Road Safety Improvement Program were approved.

**Technology and innovation.** The following progress has been achieved: the authorities created a special department and hired staff to introduce a single European emergency call number 112; experts from the EU Advisory Mission have participated in the development of "qualitatively new legislation" within the framework of a comprehensive police reform; the authorities approved strategies for the development of the State Border Guard Service and the state migration policy; the National Guard Development Program; the reform of the State Service of Ukraine for Emergencies; online road traffic test is up and running accompanied by video recording of the testing process; developed a new Concept of Public Order Protection; conducted table-top exercises with the UK experts to ensure sustainability of the various government sectors of in a crisis.

The Ministry of Interior also reports that its staff have repeatedly participated in the training programs of the Common Security and Defense Policy (CSDP) for the countries of the Eastern Partnership. The Ministry also cooperates with the EU Advisory Mission on Civil Security Sector Reform and works on integrating into the Civil Protection Mechanism. The representatives of the Ministry participate in the meetings of the bilateral bodies of the association, and the representatives of the command staff regularly joined EU police missions in Macedonia and Bosnia and Herzegovina.

Also, the National Agency for the Prevention of Corruption, the National Anti-Corruption Bureau of Ukraine, and the Supreme Anticorruption Court have been formed within the framework of the **fight against corruption**. At the same time, NABU

cannot perform wiretapping operations without authorization, which hinders its independence; there are cases of interference of other agencies in the work of NABU<sup>3</sup>.

It should be noted that the Ukrainian activists in the area of cyber security have revealed critical vulnerabilities in data protection systems of government organization<sup>4</sup>, which is a serious threat in terms of cyber-attacks, which in recent years have been carried out by the Russian hackers against Ukrainian infrastructure<sup>5</sup>.



<sup>3</sup> Opinion of the NABU WG following the report of the National Anti-Corruption Bureau of Ukraine. February 26, 2018, <https://rgk-nabu.org/uk/news/rhk/visnovok-rgk-pri-natsionalnomu-antikoruptionsynomu-byuro-na-zvit-nabu>

<sup>4</sup> Kozlyuk, Ukrainian Cyber-Alliance: "Government structures should not leave the door open to hackers." *Tyzhden*, No. 48 (524), November 30, 2017.

<sup>5</sup> <https://www.wired.com/story/russian-hackers-attack-ukraine/>

## Ukraine's Military Cooperation with the EU

Under current conditions of geopolitical instability, effective military and other types of cooperation can contribute to the successful resolution of a number of global and regional issues. Development of Ukraine's international military cooperation will increase its international credibility, increase confidence in Ukraine among the EU Member States and NATO, and improve Ukraine's image in the process of shaping the architecture of the European and Euro-Atlantic security systems.

Ukraine's cooperation with the EU within the framework of the Common Security and Defense Policy and military bilateral cooperation with the EU Member States is an important part of the European integration avenue of Ukraine laid down in Part 3, Art.3 of the Law of Ukraine "On the National Security of Ukraine" dated 21.06.2018. Today, in addition to the Association Agreement, the legislative ties between Ukraine and the EU in the field of military cooperation are also based on the following documents:

1. Agreement about establishing a general scheme of Ukraine's participation in the European Union crisis management operations issued on 13.06.2005;
2. Agreement about security procedures related to the exchange of restricted information, effective since 01.02.2007;
3. Agreement (in the form of an exchange of notices) about the resumption of the Agreement between Ukraine and the European Community on Scientific and Technological Cooperation, issued on 24.11.2010;
4. Administrative agreement about cooperation between the European Defense Agency and the Ministry of Defense of Ukraine, issued in 2015;
5. EU Mechanism on EU-Ukraine Consultation and Cooperation on Crisis Management, issued in 2002 (EU unilateral document);
6. The mechanism of Ukraine's joining the official EU declarations in the field of CFSP/CSDP, incl. within the framework of the international organizations of the United Nations and OSCE, issued in 2005;
7. Decree of the President of Ukraine "On the decision of the National Security and Defense Council of Ukraine dated April 21, 2011 "On Participation of the Armed Forces of Ukraine in High Readiness Multinational Forces". This Decree recognized the expediency of participation of the UAF in the High Readiness Multinational Forces (NATO Response Force and EU Battlegroups);
8. Resolution of the Cabinet of Ministers of Ukraine No. 1106 dated October 25, 2017 - "On Implementation of the Association Agreement between Ukraine, of the one part, and the European Union, the European Atomic Energy Community and their Member States, of the other part";

9. Work plan for cooperation between the Armed Forces of Ukraine and the Secretariat of the EU Council (within the framework of the Common Security and Defense Policy) for the current year;
10. Consolidated plan of international cooperation measures of the Ministry of Defense of Ukraine and the Armed Forces of Ukraine for the current year.























At the political and military-political level, the issues of the Common Security and Defense Policy are regularly included in the discussion at the Ukraine-EU summits, meetings of the Ukraine-EU cooperation Council, meetings of the Troika of the EU Political and Security Committee of the (PSC) - Ukraine, Troika of the Working Party on Conventional Arms Exports (COARM) - Ukraine, Troika of the Working Party on Non-Proliferation and Global Disarmament (CONOP/CODUN) - Ukraine, and Troika of the EU OSCE Working Party - Ukraine.


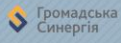
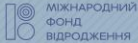

**Practical work to develop military cooperation between Ukraine** and the EU began in 2004 after the Ministry of Defense of Ukraine (MoD) sent its representative to the Mission of Ukraine to the EU. Since 2005, there have been regular contacts between the leadership of the MoD and the military organizations of the EU. The priority areas of military cooperation between Ukraine and the EU include: expansion of the format of military-political dialogue between the leadership of the MoD, the General Staff of the Armed Forces of Ukraine and the EU organizations; involvement of the Armed Forces of Ukraine in the development of EU Battlegroups; participation of the UAF representatives in multinational peacekeeping and security operations led by the EU; participation in the "Eastern Partnership" initiative of the EU; cooperation in the area of military education, and subsequent development of cooperation with the European Defense Agency. During the entire period of cooperation, the Chief of the General Staff and the Commander-in-Chief of the Armed Forces and the Chairman of the EU Military Committee have repeatedly noted the successful implementation of the Work Plan for Military Cooperation between the Armed Forces and the EU Council in the area of Common Security and Defense Policy and the cooperation "road map".

Since the beginning of the Russian military aggression against Ukraine, the content of this cooperation has changed. During 2017-2018, the Chief of the General Staff and the Commander-in-Chief of the UAF took part in the meetings of the Chiefs of Staff of the EU Military Committee. The delegation of the EU Political and Security Committee that included ambassadors of the EU member states paid a working visit to the cities of *Mariupol* and *Avdiyivka*, and in September 2018, the Deputy Minister of Defense for European Integration had a meeting with the delegation of the Security and Defense Subcommittee of the European Parliament's Foreign Affairs Committee led by the Chairman of the Committee.

From a political point of view, **involving UAF capabilities to implement the EU Battlegroups Concept** is a confirmation of Ukraine's intentions towards joint crisis management within the framework of the EU CDSP. In military terms, such participation provides an opportunity to introduce positive experience and knowledge into the domestic practices for the development of expeditionary capabilities of the UAF. These capabilities are key to fulfilling objectives of the international peacekeeping and crisis management operations. Therefore, such a development will also contribute to the Ukraine's own defense of its territory.

**PARTICIPATION OF UKRAINE ARMED FORCES  
IN THE EU BATTLE GROUPS**

 <p><b>Baltic EU BG</b>  <b>2010</b></p> <p></p> <ul style="list-style-type: none"> <li> Medical Evacuation Aircraft AN-26 VITA</li> <li> Ukraine has been granted BG associated status</li> </ul>	 <p><b>Italian-Hungarian-Slovenian BG</b></p> <p></p> <ul style="list-style-type: none"> <li> Discussed the opportunity of engaging UAF capabilities</li> </ul>
 <p><b>Vyshegrad BG</b>  <b>2016</b></p> <p></p> <ul style="list-style-type: none"> <li> A team of UAF staff officers</li> <li> IL-76 MD transport aircraft with crew</li> </ul>	 <p><b>HELBROC BG</b>  <b>2011, 2014, 2016, 2018, 2020</b></p> <p></p> <ul style="list-style-type: none"> <li> A company of marines</li> <li> IL-76 MD transport aircraft with crew</li> <li> A team of UAF staff officers</li> </ul>
 <p><b>UK-led Great Britain</b></p> <p></p> <ul style="list-style-type: none"> <li> Two UAF officers as members of the Lithuanian component</li> </ul>	<p> <b>2016</b></p>

In 2018, the EU Battlegroups (EUBG) Concept was changed. Now they are viewed as the main tool for responding to unexpected crises. The deployment and participation of the EU BGs in military operations as part of CDSP will be made on the basis of the standing *Athena* mechanism. The analysis of future involvement of Ukraine's domestic component into the EUBGs demonstrates the importance of thorough elaboration of a number of interagency issues, such as legislative and resource (financial) support, as well as issues of interoperability of the capabilities of forces of the EU Member States and their partners. In addition, the acquisition of theoretical and practical experience by the UAF experts participating in the BGs is an important part of the preparation process for future involvement in the EU BGs.

**Practical elaboration of a number of issues regarding possible involvement of the UAF into the EU operations** began in 2009 with the signing of the Presidential Decree No. 41 on January 20, 2010. This decree entered into force the decision of the National Security and Defense Council of Ukraine "On Participation of Ukraine in the EU operation EU NAVFOR ATALANTA". This work continued after secondment of an officer from Ukraine's Navy to the operation headquarters (Northwood, UK). At the end of 2010, nearly 40 Ukrainian nationals experienced pirates' captivity, hence Ukraine's participation in this operation was essential. Following the results of cooperation with the relevant EU structures, in particular the European Defense Agency, the General Staff of the UAF decided to send a naval patrol aircraft of the Ukrainian Navy for participation in the Operation *Atalanta*. As a result of this decision, the Minister of Foreign Affairs of Ukraine sent a letter to Catherine Ashton - the High Representative of the Union for Foreign Affairs and Security Policy confirming the decision of Ukraine to join the EU naval Operation *Atalanta*. The operation was designed to counter piracy off the coast of Somalia. On October 8, 2013, the Parliament of Ukraine approved the deployment of the national contingent to support Ukraine's participation in the NATO-led Counter-Piracy Operation *Oceanic Shield* (until 01/03/2014) and in the EU-led Operation *Atalanta* (from 01/03/2014 to 05/03/2014)



The national contingent consisted of the crew of *Hetman Sagaidachny* - a frigate of Ukraine's Navy, a special operations team (inspection team) and a helicopter detachment. They performed four patrols in the Gulf of Aden. In the period between January 3 to February 26, 2014, the Ukrainian contingent participated in the multinational joint maritime formation and prevented and countered the acts of piracy, protected civilian ships that were fulfilling objectives of the World Food Program. While participating in the operation, the ship spent 30 days patrolling the sea in the areas with high risk of pirate attacks.

About 50 civilian ships traveled daily through these areas. The contingent's inspection team conducted 7 friendly approaches to local fishermen and inspected 4 vessels that were suspected in piracy. The crew of the Ka-27 helicopter carried out about 50 missions during participation in the operation and performed air reconnaissance of the surface situation. The decisive actions of the helicopter crew allowed to stop two high-speed boats, which ignored the ship's calls and continued movement. The helicopter unit also assisted with personnel transportation between the vessels at sea, landed on and took off from a foreign vessel.

On January 14, 2014, the President of Ukraine signed the Decree No. 5 "On Participation of Ukraine in the Military Training Mission of the European Union in the Republic of Mali". This decision was taken by the Ukrainian authorities in response to

the request of the European Union. The participation involved provision of logistical resources and the implementation of strategic airlift in the interests of the mission. However, given the military-political situation in the Crimean Peninsula and the east of Ukraine, as well as the fact that the said material and technical resources could be used for the needs of the UAF, the preparations for the participation in the EU Training Mission were suspended in accordance with the CMU resolution of April 14, 2014. The European partners took it with understanding and responded that they did not expect Ukraine to contribute to the EU Training Mission. With the onset of the Russian aggression against Ukraine and the temporary occupation of the Autonomous Republic of Crimea, the participation of the UAF units in the EU-led multinational operations to resolve crises has been temporarily suspended. At the same time, the MoD of Ukraine has been working on the issue of further participation of the Armed Forces of Ukraine in the EU missions and operations.

Since 2005, Ukraine has been actively involved in the annual **MILEX crisis management military exercises in the EU** as an observer. **MILEX-2018** was held in Rota, Spain from April 13 to April 24, 2018. During the exercises, the EU Military and Operational Headquarters worked out comprehensive military planning procedures with a view to timely concentrating EU forces and assets in the expected crises area. The Ukrainian experts focused on learning about the transfer of planning functions from the EU Military Staff to the Operational Headquarters located in Spain, which is quite relevant given the current military-political situation in the eastern Ukraine.



**Military cooperation** continues **through the training programs** and activities set up under the Eastern Partnership Initiative and with the participation of the European of Security and Defense College (ESDC). Last year, military personnel participated in the discussion of the issues of **democracy, good governance and stability in Europe**; CSDP and civil defense; Eastern Partnership and EU policies to strengthen cooperation to overcome common threats.

The cooperation was initiated by the defense department of Ukraine with the European Security and Defense College (ESDC) and allowed to introduce professional development training at the annual CSDP Orientation Course. In 2017, on the basis of *Ivan Chernyakhovsky* National Defense University of Ukraine (NDU), the EU External Action held a 5<sup>th</sup> CSDP Orientation Course in cooperation with the Ministry of Defense and Sports of Austria and ESDC. The idea of involving the NDU in the ESDC Associated Partnership Network is currently being discussed.

Ukraine and the EU are discussing possible involvement of the Ukrainian Ministry of Defense in the projects of the Permanent Structured Cooperation (PESCO).

### **Military-technical Cooperation between Ukraine and the EU**

The development of military-technical cooperation with the European Union gives Ukraine access to the world's best research and technical developments in the armaments sector for the purpose of securing the interests of national defense. The European market opens for the national defense industry products, so that Ukraine could obtain the necessary financial resources. In addition, MTC offers expansion of defense industrial cooperation under the EU economic rules, that is the rules of the international organization to which Ukraine seeks to accede in the future.

Ukraine has retained considerable research and technological defense capacities after the collapse of the Soviet Union. They include advanced technologies in missile and aircraft engineering, shipbuilding and navigation, battle tank and automotive manufacturing, radar, communications and control, laser technology and gyros, precision instruments, satellite navigation and special chemistry. However, regular cooperation in the field of the military-technical cooperation between Ukraine and the EU started only since 2004 when the EU established the European Defense Agency (EDA). By that time, Ukraine-EU MTC occurred on a bilateral/multilateral basis with individual Member States or through NATO programs and projects. The cooperation experience accumulated by that time was fragmentary, financially limited and therefore, often, negative.

**Since 2005, after the Orange Revolution, Ukraine** changed its foreign and security policy towards integration with the EU and NATO. Since then, one could observe a gradual military-political rapprochement between Ukraine and the EU and, accordingly, intensification in launching of new joint projects in the field of military-technical cooperation. For the first time at the expert and industrial levels we discussed the specific mechanisms of interaction with EDA. The representatives of well-known European defense companies began participating in the international conferences in Ukraine. The ambitious contracts for the production of a corvette warship for Ukraine' Navy and modernization of the combat helicopter for the Land Forces have already been signed.

On the other hand, Ukrainian arms manufacturers now have more opportunities to offer their own developments to the Europeans. The first deliveries of complete Ukrainian products have taken place. Speaking of the air and space industry, Ukraine



took part in a European project to create a new *Vega* launch vehicle. This progress was promoted not only due to Ukraine's already existing Agreement on Scientific and Technological Cooperation between Ukraine and the European Community (2002) and about a dozen bilateral intergovernmental agreements with the EU Member States on military-technical cooperation, but also due to the first fundamental institutional arrangement made after the establishment of the EDA. This arrangement is called the Agreement between Ukraine and the European Union about security procedures for the exchange of restricted information (signed in 2005, entered into force 01.02.2007). Besides, another important document for the development of Ukraine-EU MTC is the Cooperation Agreement between the Government of Ukraine and the European Space Agency for Peaceful Uses of Outer Space (2008).

In spite of the above, more intensive contacts with the EU also showed that Ukraine's significant dependence on cooperation with Russia at that time entailed considerable political and technological risks that were unacceptable both for the EU and NATO countries. Also, the European partners were uncertain about the reliability of the arrangements with Ukraine due to regular drastic changes in foreign policy orientation and the apparent prevalence of corruption schemes in the Ukrainian economy as a whole, which also extended to MTC. In addition, we can mention the problematic ownership structure where 90% of the main arms-manufacturing companies in Ukraine were managed and owned by the state; outdated Ukrainian legislation, which severely restricted possibilities of cooperation; unclear definition of intellectual property rights in Ukraine; and most importantly, lack of sufficient funding and government procurement programs at that time for Ukraine's own Defense Ministry. All that did not allow for a serious wide-scale development of the MTC.

Nevertheless, Ukraine's MTC presented significant potential for the EU combined with the potential mutual interest of the parties involved, as the strategic security interests of Ukraine and the EU matched in many ways<sup>6</sup>. Without being able to intensively develop practical cooperation, the parties, nevertheless, made efforts to create a regulatory framework for the MTC. By 2010, Ukraine signed a number of relevant documents with individual EU member states with a well-developed defense industry sector, such as Italy, Germany, Poland, Czech Republic and France. The military-technical cooperation with individual EU member states such as Belgium, Denmark, Lithuania, the Netherlands, Sweden and some others took place within the framework of broader agreements. Such examples include the Agreement on Technical and

---

<sup>6</sup> Polyakov L. 'Opportunities and risks on the 'road towards Europe': A Ukrainian perspective. SIPRI, 2010

Financial Cooperation with Denmark (2007) or the Agreement on Economic, Industrial, Research and Technical Cooperation with Lithuania (2005).

Meanwhile, already at that stage of development, Ukraine-EU MTC has developed a kind of paradigm, which is somehow preserved even now. The most powerful Western partners were inclined to make only direct deliveries of their defense products and at the same time refused to purchase military products from Ukraine. This circumstance, as well as a serious lack of Ukraine's financial resources at that time, led to the situation where, in general, the cooperation was almost a one-way street. At the same time, Ukraine did not even purchase weapons systems, procuring instead only some inexpensive items, units and components. Ukraine could sell its own products or provide repair services mainly to those EU Member States that until recently have been the customers of the Soviet military-industrial complex and still kept old Soviet equipment. Limited joint developments were also possible mainly with such countries, in particular, with Poland and the Czech Republic.

**During the time of a pro-Russian President - Viktor Yanukovich (2010-2014)**, the restrictions in the military-industrial complex have increased. Already in 2010, joint projects to create new weapons systems almost came to a halt. Conversely, **after the victory of the Revolution of Dignity, already during the early days of the Russian military aggression against Ukraine**, in March 2014, the Government of Ukraine decided to completely terminate MTC with the aggressor state (Russia). As a result, in order to meet its defense needs, Ukraine naturally had to pay more attention to the MTC potential with the West. A part of the Ukraine-EU Association Agreement was signed on March 21, 2014. The first signed sections of the Agreement included Section II, which, in particular covered security sector cooperation<sup>7</sup>.

Ukraine abandoned its non-aligned status and legislated its intention to enter the EU and NATO. However, it was still important to deepen the complete integration of Ukraine's defense and industrial capacities and leading EU arms manufacturers, since the difference between Ukraine and the EU was still very high in the area of ownership structure and other important aspects of the legal framework. Therefore, even back in 2014, Ukrainian specialists knew well that "for the purpose of integration of the Ukrainian defense industry into the European defense sector, first of all, they needed a radical privatization reform in the defense industry; introduction of modern market mechanisms for the interaction of organizations and enterprises with foreign

---

<sup>7</sup> Association Agreement between Ukraine, of the one party, and the European Union, the European Atomic Energy Community and their Member States, of the other party. Section II, Article 10, Conflict Prevention, Anti-crisis Management and Military-Technical Cooperation, p.3 (2014), [http://zakon.rada.gov.ua/laws/show/984\\_011](http://zakon.rada.gov.ua/laws/show/984_011)

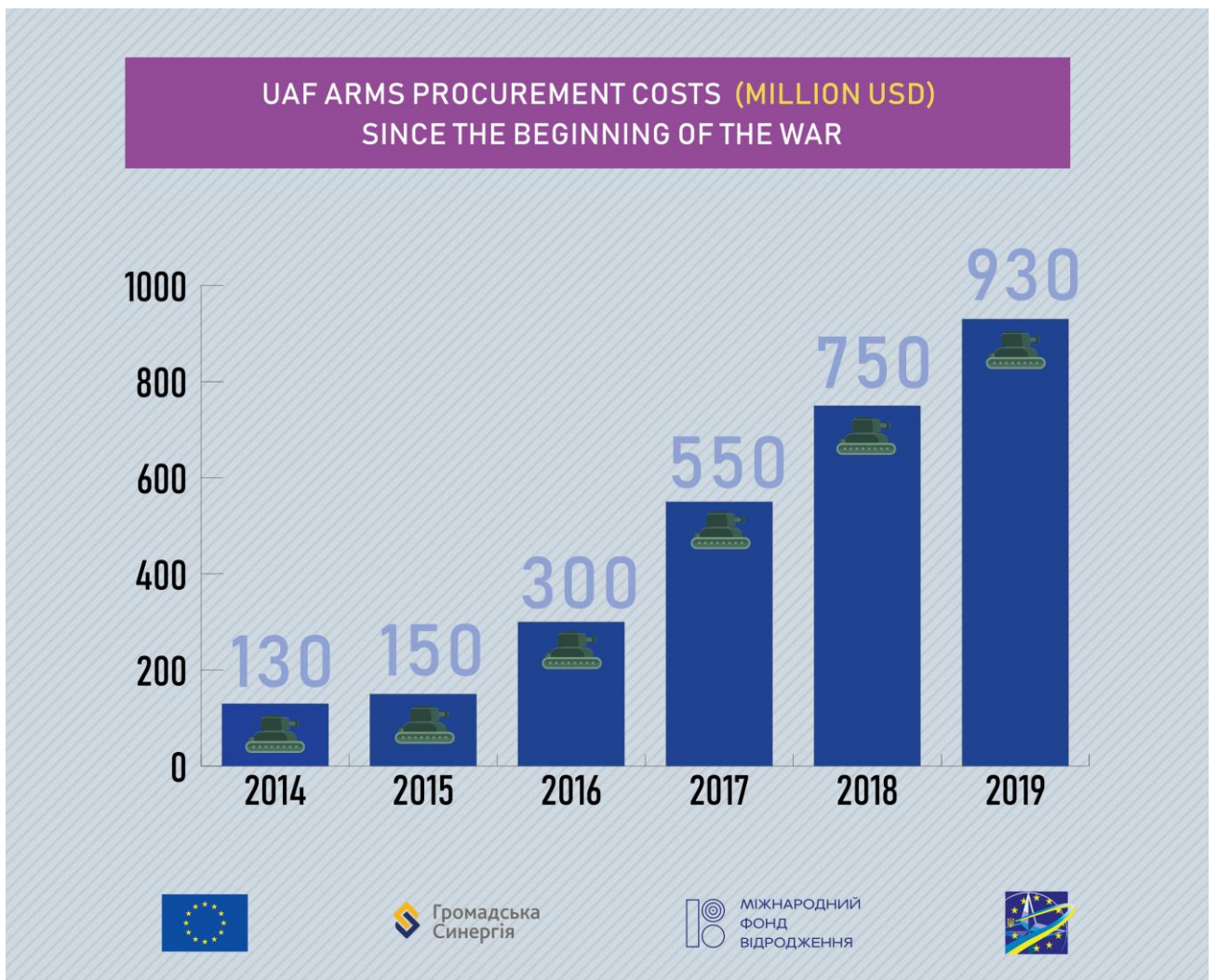
companies; and relevant inter-governmental agreements on defense industry cooperation between Ukraine, the EU and the United States".<sup>8</sup>

In 2015, negotiations took place to implement the Association Agreement, after which the parties signed a framework document - the Administrative Agreement between the Ministry of Defense of Ukraine and EDA. This has established the legal basis for practical cooperation with the EDA member states, as well as for regular participation of Ukraine's representatives in the EDA programs and projects. In particular, during 2016-2018 Ukrainian experts joined the EDA expert groups on "Standardization of Materials" ("Explosive Effects" and "Camouflage"), "Single European Sky" and "European Transport Aviation Fleet". And in 2017, in order to broaden cooperation with EDA in the area of "Single European Sky", the representatives of Ukraine took part in a number of working meetings of the Military Aviation Council of the EDA at the political level and in an annual conference on the same issue.

In addition to its efforts to expand the international legal framework of military-technical cooperation, Ukraine has also increased defense spending in general and for development and procurement of arms respectively.

---

<sup>8</sup> Gorbulin, Shekhovtsov, Shevtsov, Ukraine's defense industry entering the European defense industrial space. NISD, *Stratehichi Priorytety*, 2015, No. 1 (34), p. 5-10



At the same time, it was not always possible to obtain the necessary types of armaments for political reasons. Russia has used all available levers: threats, blackmail, and bribery to prevent strengthening of the Ukrainian armed forces. Manifestations of such a practice of "undeclared restrictions" against Ukraine were plenty, in particular, in the EU countries. For instance, a representative of the *Arsenal* design bureau in 2017 reported that there was an undeclared ban on sales of matrix-based photo receivers for the self-homing missile warheads to Ukraine<sup>9</sup>.

However, real progress required solutions for the issue of economic attractiveness of the Ukrainian defense industry. Leading Ukrainian experts have consistently highlighted this idea.

<sup>9</sup> There is a tacit prohibition on sales of matrix-based photo receivers for self-homing missile warheads to Ukraine - ARSENAL DB. *Oboronno-promyslovyi kurier*, September 10, 2017, <http://opk.com.ua/существует-негласный-запрет-на-прода/>

## Ideas expressed by the leading experts about strengthening Ukraine-EU MTC<sup>10</sup>

Name	Position	Ideas
<b>Volodymyr Horbulin</b>	Director of the National Institute for Strategic Studies	Export of weapons can support country's research and technological potential. It is necessary to attract private companies to work in the defense industry.
<b>Yuriy Brovchenko</b>	Deputy Minister, the Ministry of Economic Development and Trade	There is a need for corporatization of state-owned enterprises and their privatization for the introduction of market-based mechanisms for making defense products. Lifting a ban on establishment of joint ventures will attract powerful investors and boost economic growth.
<b>Pavlo Bukin</b>	Director General of the State Enterprise Ukroboronprom	The strategic area of development of the standardization system for defense products of Ukraine should include harmonization with the standardization systems of defense products in the EU and NATO.
<b>Valentyn Badrak</b>	Director of the Center for Research of Army, Conversion and Disarmament	Establishing of the competitive environment for enterprises of all types of incorporation in the field of military-industrial cooperation will provide for proper protection of investments of private and foreign investors.

In 2018, the necessary reforms were declared in Ukraine's Defense and Industrial Complex Development Strategy 2028: "Strategic and programmatic documents of the state include the development of the defense-industrial complex as one of the priority areas, where regular reforms serve as performance indicator"<sup>11</sup>.

One week after the adoption of the Strategy, the Decree of the President was issued to introduce the NSDC decision "On Improving the State Policy for the Support of the Armed Forces of Ukraine and Other Military Formations with Foreign-made Defense Products, as well as Facilitating the Development of Cooperation of Defense Enterprises of Ukraine with Foreign Partners". According to para 2 of the Decree, the

<sup>10</sup> Based on the materials of the conference "The role of the Parliament in ensuring effective control over production, procurement and export of armaments", March 14, 2018, *Oboronno-promyslovyi kurier*, <http://opk.com.ua/page/3/?s=конференція>

<sup>11</sup> Development Strategy for the defense industry of Ukraine 2028. CMU Resolution No. 442-r issued on June 20, 2018, <http://zakon.rada.gov.ua/laws/show/442-2018-%D1%80>

authorities decided to simplify the procedures for authorizing import of military goods for use in own production or provided the company had dealer agreements and agreements to export military goods of own production.<sup>12</sup>

In August 2018, in pursuance of this decision, the Government of Ukraine adopted the Resolution featuring a number of decisions to simplify the procedures for granting powers to economic entities of various forms of incorporation to export and import military goods and goods containing information dealing with state secrets.<sup>13</sup> These decisions gave rise to a real liberalization of foreign trade for enterprises of all forms of incorporation, in particular in the field of military-technical cooperation. At the same time, for a proper institutionalization of this process, it is necessary to adopt the Law of Ukraine "On Military-technical Cooperation", which should create favorable conditions for foreign investments in the production of weapons in Ukraine. The draft law was developed or 10 years ago, but the possibility of its adoption is unclear as of today.<sup>14</sup>

Meanwhile, as long as the overall situation in MTC gradually improves, urgent needs and the availability of funds already enable first large-scale individual projects, if supported by the parliament *ad hoc*. For example, Ukraine bought 55 *Airbus* transport helicopters from France for the needs of the National Police, the State Border Guard Service, the State Emergencies Service and the National Guard under the French government loan for 475 million USD. Ukraine signed an agreement with France in March 2018, and in December the first two *H225 Super Puma* helicopters were delivered to Ukraine. During the ceremony of delivery of the first French transport helicopters, the President of Ukraine, Petro Poroshenko, stated that the government planned to also purchase French combat helicopters.<sup>15</sup> And shortly, Arsen Avakov, the Minister of Interior, said he was ready to negotiate with France joint production of 20 coast guard vessels.<sup>16</sup> In the beginning of 2019 Ukraine and the EU reached a new level in the quality of MTC, when we started receiving individual units of equipment, small arms, and also purchasing basic weapons platforms.

---

<sup>12</sup> Decree of the President of Ukraine No. 185/2018 of June 26, 2018

<sup>13</sup> CMU Resolution No. 805 dated August 29, 2018

<sup>14</sup> Decree of the President of Ukraine No. 258/2009 dated April 22, 2009 "On the decision of the National Security and Defense Council of Ukraine dated March 27, 2009 "On the draft Law of Ukraine "On military-technical cooperation with foreign states", <http://zakon.rada.gov.ua/laws/show/258/2009>

<sup>15</sup> President Petro Poroshenko said that the Armed Forces of Ukraine will receive Airbus combat helicopters. *UKRINFORM*, December 21, 2018.

<sup>16</sup> Arsen Avakov: In 2019, the Ministry of Interior will procure 20 boats to strengthen maritime border security of the country. The website of the Ministry of Interior of Ukraine, December 29, 2018, [http://old.mvs.gov.ua/ua/news/17356\\_Arsen\\_Avakov\\_U\\_2019\\_r\\_MVS\\_zamovit\\_blizko\\_20\\_kateriv\\_dlya\\_ohoroni\\_morskih\\_kordoniv.htm](http://old.mvs.gov.ua/ua/news/17356_Arsen_Avakov_U_2019_r_MVS_zamovit_blizko_20_kateriv_dlya_ohoroni_morskih_kordoniv.htm)

## Conclusions and Recommendations

The commitments undertaken by Ukraine in the framework of the Association Agreement with the EU, as well as the objectives of the Eastern Partnership of the EU, include, in particular, security cooperation between Ukraine and the European Union and the approximation of the Ukrainian regulatory framework in the security sector to the EU law. Since 2014, Ukraine has made significant progress, primarily in the border management, as well as management of emergencies and policing, to some extent. At the same time, some of the security challenges identified in the Agreement and the Eastern Partnership instruments were vaguely mentioned in the National Action Plan for the implementation of the Agreement and the progress made in preventing them is negligible. Among other things, it also covers cybercrime and terrorism. Ukraine's vulnerability to cyberattacks is confirmed by the activists operating in this sphere. **It is recommended** to focus on these threats and to adopt regulatory acts aimed at preventing them. It is also **recommended that**, in accordance with the requirements of the international partners of Ukraine and taking into account that the fight against corruption meets both the objectives of the Association Agreement and the Ukrainian National Security Strategy, authorize the National Anti-Corruption Bureau of Ukraine to independently perform wiretapping and make the Supreme Anticorruption Court operational as soon as possible.

In recent years, the similar nature of security interests; the current security potential of Ukraine, and the need for Ukraine to take measures to contain Russian aggression have fostered more fruitful military and military-technical cooperation between Ukraine and the EU. However, in order to more quickly and fully use the momentum of such cooperation, Ukraine needs to resolve a number of organizational, legal and resource issues, and, at the same time, actively develop mutually beneficial practical ties in the field of military and military-technical cooperation with the European partners.

Ukraine's participation in **military cooperation** with the EU within the framework of the CSDP plays a very important and a special role under the conditions of the aggression of the Russian Federation against Ukraine. On the one hand, Ukraine seeks to preserve its resources to fight the invader, and on the other hand, the proposed format can become a platform for disseminating truthful information about the actions and intentions of the aggressor. Also, the involvement of our state in the EU crisis management operations (for instance in the EU-led counter piracy operation EU NAVFOR ATALANTA off the coast of Somalia), and in the implementation of the EUBG

Concept, reaffirms Ukraine's reputation as a state that makes a significant contribution to global peace and stability.

It should be noted that the financial management mechanism for joint expenditures for *Athena* military and defense operations involves participation of the national personnel and contingents solely at their own expense. This mechanism is planned to be extended to the battlegroups and it does not provide for any financial and technical assistance from the EU. Taking into account these factors, **it is necessary** to carry out expansion of the military-political dialogue by involving the Minister of Defense of Ukraine to defense ministers' meetings of the EU Member States. The MoD short- and medium-term budget planning **needs to be** made taking into account a specific "minimum required" number of troops and units planned to be involved in the EU operations. This number should be approved in the format of the Defense Security Strategy.

It is also **recommended** to look into the possibilities and the need of Ukraine's involvement in a new cooperation format between the EU member states, proposed by France and supported by 10 EU Member States in Luxembourg on 25 June 2018, called the European Intervention Initiative (EI2). Finally, it's important to conclude bilateral military cooperation agreements with all EU Member States and strengthen existing agreements.

Speaking of **military-technical cooperation** between Ukraine and the EU, the minimum favorable conditions have already been created there; in particular, Ukraine signed a framework agreement with the European Defense Agency, and significantly increased armaments spending for the Armed Forces; liberalized foreign economic activities in the field of military-technical cooperation. At the same time, despite some progress made in recent years, in terms of the MTC between Ukraine and the European Union, there are still deterring factors that are observed on both sides.

In terms of Ukraine's export-import of arms, the deterring factors are: lack of harmonization of EU legislation in the field of military-technical cooperation, and the relatively limited funding of production costs and procurement of weapons, which still does not meet the needs of Ukraine and the actual potential of the MTC with the EU. On the part of the EU, such factors include protectionist policies of major arms manufacturing countries in the area of procurement and the vulnerability of individual EU members to Russia's pressure regarding restricting cooperation with Ukraine.

The factors deterring joint arms production in Ukraine include ineffectiveness of the judicial system, insufficient legislative reform and noticeable residual corruption that



still occurs in defense-related areas, as well as limited funding. The EU also projects the "Russian factor", as well as the general bias regarding the effectiveness of Ukrainian justice in matters of property rights protection.

**It is recommended** to increase the cost of production and procurement of weapons; reform the judicial system; fight corruption in defense industry and adopt the Law of Ukraine "On Military-technical Cooperation", in particular to create favorable conditions for foreign investment in arms production in Ukraine.

---