THE SITUATION IN UKRAINE AND CANADA'S RESPONSE

Briefing Note to Canada's Members of Parliament

Canadian Instructor with Ukrainian soldiers during live-fire exercise, Starychi, Ukraine (Photo – Canada's Department of National Defence)

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Situation in Ukraine: Executive Summary

The Russian Federation invaded, occupied and illegally annexed Ukraine's Crimean Peninsula in March 2014 (Autonomous Republic of Crimea) and has waged war against Ukraine in the eastern oblasts of Donetsk and Luhansk for over a year and a half.

Thousands of regular Russian troops and massive amounts of Russian high tech heavy weapons are present on sovereign Ukrainian territory in Donetsk and Luhansk oblasts.

The Russian Federation has ignored and routinely violated the Minsk I and Minsk II ceasefire agreements of September 2014 and February 2015, respectively. Russia's war against Ukraine has resulted in the deaths of over 9,000 people, over 20,000 wounded and 1.4 million internally displaced people.

From March 2016 onwards, attacks by Russian-proxy forces on Ukrainian positions on the eastern front increased again, with daily use by Russian-proxy of heavy weapons, including mortars and artillery. From May 1 to July 4, 2016, at least 51 Ukrainian soldiers were killed and at least 288 wounded in combat on the eastern front.

Russia's aggression against Ukraine is not an isolated phenomenon. Since the collapse of the USSR, Russia has fomented instability and frozen conflicts in neighbouring states as a means of controlling their domestic and foreign policies.

Ukraine is defending its sovereignty and independence against Russia's war of aggression, while concurrently implementing comprehensive reforms.

Canada and Western allies must continue to support Ukraine's territorial integrity and sovereignty by providing meaningful support to Ukraine's reform process and strengthening Ukraine's security and defence capabilities.

Canada's Policy Response

The current situation demands firm and robust measures to prevent Russia from enacting its political, economic, and military objectives vis-a-vis Ukraine, which would have grave consequences for both European security and international stability.

Russia's aggression against Ukraine has direct security implications for Canada. The long northern border between Canada and Russia makes Russia a potential threat to Canada's security. By continuing to support Ukraine's right to defend its territorial integrity and independence, a clear message is sent to the Kremlin that changing borders by force is unacceptable in the 21st century, and discourages Russia from becoming emboldened to threaten Canadian sovereignty in the Arctic.

KEY OPPORTUNITIES FOR CANADA

Foreign Policy

- **Country of Focus for Canada's International Assistance** - It is in Canada's national security interest that Europe remain secure. The best way to ensure the return of peace to Europe is to ensure the success of a democratic, prosperous and strong Ukraine, whose territorial integrity and sovereignty are respected. Canada must ensure that Ukraine remains a "Country of Focus" and a key Canadian foreign policy priority.

- **Continue to advocate for Ukraine** in international fora such as NATO, the OSCE, and the UN. Canada must remain a strong and unequivocal voice of support for Ukraine's territorial integrity and sovereignty, and of the inherent right of the people of Ukraine to choose their country's future. Canada must continue to support Ukraine's further integration with the European Union and NATO.

- **Ensure continuing dialogue between the UCC and the Department of Global Affairs** as a forum for regular consultation by continuing the Canada Ukraine Stakeholder Advisory Council.

International Assistance

- **Technical Assistance to the Government of Ukraine –** Canada must continue to provide technical assistance to ensure the success of the Government of Ukraine's reform process, targeted at entrenching the rule of law and implementing full transparency and accountability in governance.

- **Assistance to Ukraine's civil society** to ensure the continuing consolidation of democracy and democratic institutions. Canada must continue to support efforts to strengthen Ukraine's civil society in order to ensure continuing consolidation of democratic institutions. Particularly, Canada should continue to assist with programs that will build capacity and increase the effectiveness of Ukraine's political parties, media and independent journalism and non-governmental organizations.

- **Assistance to support economic development,** most importantly small and medium enterprises. Upon being signed, the Canada-Ukraine Free Trade Agreement will provide for increased business, trade and investment opportunities between Canada and Ukraine. Canada must continue to focus on improving economic opportunities in Ukraine and supporting economic reforms necessary for Ukraine to realize its full economic potential.

- **Humanitarian assistance to those affected by the conflict** through international institutions as well as bilaterally, Canada must continue to provide humanitarian assistance to those affected by Russia's invasion of Ukraine.

- Ensure the increased participation of the Ukrainian Canadian community in the development, planning and implementation of Canada's development assistance to Ukraine.

Defence and Security

- Canada Ukraine Defence Cooperation Agreement - Canada must conclude negotiations on the Canada Ukraine Defence Cooperation Agreement, which would improve interoperability and deepen cooperation and investment between Canada's and Ukraine's military. Ukraine must be added to the **Automatic Firearms Country Control List**, to allow the export of certain defensive equipment to Ukraine.

- Strengthen Ukraine's Security Forces - Strengthening the ability Ukraine's security forces to defend their citizens against foreign aggression will prevent further bloodshed and facilitate a diplomatic resolution.

- Extend Operation UNIFIER to 2020 - Canada has and must continue to play an important role in capacity-building for Ukraine's Armed Forces. Some 200 CAF personnel are training Ukrainian forces in tactics as part of Operation UNIFIER. Currently, Canada is committed to participate until 2017. The number of CAF personnel participating in UNIFIER must be increased substantially and Operation UNIFIER should be extended until at least 2020.

- Support the reform of Ukraine's military Canada must continue to support the reform of Ukraine's military through the NATO-Ukraine Trust Funds: (Command, Control, Communications and Computers (C4); Logistics and Standardization; Cyber Defence; Medical Rehabilitation; Military Career Management; Counter-Improvised Explosive Devices and Explosive Ordnance Disposal). Given that these Trust Funds were set up in 2015 with duration commitments of two years, Canada must work with Ukraine and NATO allies to ensure these Funds are operational past 2017, where necessary.

- Defensive Equipment - Canada and NATO allies must provide Ukraine with defensive equipment – most importantly, anti-tank, anti-artillery systems and surveillance systems.

- International peacekeeping mission - At such time when Russia finally begins to implement its commitments under the Minsk Agreements, a large and robust international peacekeeping mission will be necessary in order to ensure effective monitoring of the comprehensive withdrawal of Russian troops, weapons and materiel from the eastern Ukrainian oblasts of Donetsk and Luhansk. Canada must play a leading role in ensuring that international monitoring of the Ukraine-Russia border is effective – either through a Mission under the auspices of the United Nations or the OSCE.

Sanctions

- **Toughen economic sanctions on Russia** - Canada in cooperation with the EU, the G7 and other like-minded nations must toughen economic sanctions on Russia. Such actions will deter further Russian efforts to grab more Ukrainian territory and pressure Moscow into full implementation of the Minsk agreements and withdrawal of Russian troops (and their proxies) from the territory of Ukraine, including Crimea.

- Adopt **a "Magnitsky Amendment" to the Special Economic Measures Act to directly target human rights abusers in Russia** by instituting travel bans and asset freezes against them. The "Magnitsky Amendment" would allow Canada to impose sanctions on individuals responsible for the illegal imprisonment of Ukrainians illegally held in Russia;

- Designate the so-called Donetsk and Luhansk "Peoples' Republics" as **terrorist organizations**, and designate the Russian Federation as **a state sponsor of terrorism**, as has been requested by the Parliament of Ukraine.

Immigration

- Implement a **liberalized visa regime for citizens of Ukraine** travelling to and studying in Canada. The EU has conducted 'Visa Liberalisation Dialogues' with three Eastern Partnership countries, including Ukraine and will be implementing a visa-free regime this year. Canada should evaluate its position and establish a roadmap to the implementation of a visa-free regime with Ukraine. Ukraine currently does not require visas from Canadians.

Background

Canada and Ukraine share a special relationship based on 125 years of Ukrainian settlement in Canada. Home to over 1.3 million Ukrainian Canadians, Canada was the first Western nation to recognize the independence of Ukraine in 1991. Since that time, Canada and Ukraine have developed significant cultural, political, business, social and people-to-people ties.

In November 2013, mass demonstrations began in Kyiv in response to the decision by former President Yanukovych's government to not sign the EU-Ukraine Association Agreement. These protests were met with increasing state violence, culminating in the deaths of over 100 people in February 2014. On February 21, 2014, President Yanukovych fled and abdicated his office. New presidential elections were held in May, 2014, which met international democratic standards.

On February 26, 2014, the Russian Federation invaded the Autonomous Republic of Crimea. An illegitimate and illegal referendum was held under the presence of Russian troops, and on March 18, 2014, the Russian Federation attempted to annex Crimea. Russia continues its occupation of sovereign Ukrainian territory in the Crimea, and the international community, including Canada, has refused to recognize Russia's illegal annexation.

In Ukraine's eastern oblasts of Donetsk and Luhansk, from February-August 2014, the Russian Federation fomented, aided and supported pro-Russian illegally armed groups, militants and criminal elements who seized government institutions and established so-called "Peoples' Republics." The Ukrainian authorities responded with an anti-terrorism operation to liberate territory under the control of these illegally armed groups. In August, 2014, the Russian Federation sent in thousands of regular combat troops and sophisticated military equipment into Donetsk and Luhansk oblasts.

On July 17, 2014, Russian-proxy forces shot down civilian Malaysian Airlines Flight MH-17 flying over Russian-controlled, occupied territory in eastern Ukraine with a Russian-made and Russian-supplied Buk missile system. All 298 people on board were killed. In May, 2016 the investigative reporting group Bellingcat published a report identifying the Russian Buk missile launcher that shot down Flight MH-17, which was from Russia's 53rd Antiaircraft Missile Brigade of Kursk.[1]

Russian claims of a "separatist" movement or "civil war" in eastern Ukraine are totally unfounded. There has never been a credible separatist movement in Eastern Ukraine. The conflict in eastern Ukraine is the direct result of Russian military intervention. The Russian-backed and Russian-controlled "Peoples' Republics" have no popular support

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[1] https://www.bellingcat.com/wp-content/uploads/2016/05/The-lost-digit-BUK-3x2_EN_final-1.pdf

and impose upon the local population a regime of terror. On December 9 2015, the UN stated,

> Serious human rights abuses against the population residing in the territories controlled by the self-proclaimed 'Donetsk people's republic' and the self-proclaimed 'Luhansk people's republic' continued to be reported, with new allegations of killings, torture and ill-treatment, illegal detention and forced labour received by HRMMU. Local residents continued to remain without any effective protection of their rights.[2]

In September, 2014 the Minsk Agreements (Minsk I) were signed by Ukraine, the Organization for Security and Cooperation in Europe (OSCE) and the Russian Federation. Minsk I called for an immediate ceasefire and withdrawal of heavy weapons from the contact line, and a political solution to the crisis. These agreements have been ignored and routinely violated by Russia and its proxies in Donetsk and Luhansk oblasts.

In January 2015, a major offensive against Debaltseve, Donetsk oblast was launched by Russian and proxy forces. In February, the Minsk II agreement was signed, and lower level attacks continued. Russian forces and Russian heavy weapons remain in Ukraine. On October 29, 2015, NATO Deputy Secretary General A. Vershbow stated, that Russia has "supported separatist fighters in the east of Ukraine with men and with arms – including heavy weaponry – and now effectively controls those forces on the battlefield while implausibly denying that Russian forces are there, hiding in plain sight."

After negotiations between the leaders of Ukraine, Germany, Russia and France in Paris on October 2, 2015, a relative calm held in eastern Ukraine until the beginning of November, when attacks by Russian-proxy forces intensified again.

On December 7, 2015, in Kyiv, US Vice President Joe Biden stated, "The United States stands firmly with the people of Ukraine in the face of continued — I emphasize, continued — aggression from Russia and Russian-backed separatists."

In March 2016, attacks by Russian-proxy forces increased again, as did the use by Russian-proxy forces of heavy weapons – mortars, artillery and Grad Rockets - that should have been withdrawn from the contact line as per the Minsk Agreements.

US Permanent Representative to the OSCE Daniel Baer stated on June 23 2016, "combined Russian-separatist forces continue to pursue a policy of provocation that undermines the prospects for genuine disengagement, a lasting ceasefire, and, ultimately, the full implementation of the Minsk agreements. They continue to advance across the contact line in violation of the Minsk agreements. […]Russia-backed separatists also continue to launch provocative attacks from residential areas." Attacks

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[2] http://www.ohchr.org/Documents/Countries/UA/12thOHCHRreportUkraine.pdf

by Russian-proxy forces have been especially heavy in the Avdiyivka, Donetsk oblast area of the front.

From May 1 to July 4, at least 51 Ukrainian soldiers have been killed and at least 288 have been wounded in fighting on the front in eastern Ukraine. The "ceasefire" in eastern Ukraine exists in name only, with Russian-proxy forces carrying out daily attacks on Ukrainian positions with heavy weapons.

Since Russia began its invasion of Ukraine, according to the UN (December 9, 2015)[3] over 9000 people have been killed, over 20,000 wounded, and over 1.4 million have been displaced from their homes. This humanitarian crisis has elicited a response from international organizations such as the World Health Organization and the UNHCR to provide basics such as food, water, shelter, and medical care. Further, Ukraine's capacity to care for wounded soldiers and civilians must be improved, including in the areas of trauma care; surgical techniques; prosthetics and Post-Traumatic Stress Disorder rehabilitation programs and care.

Russia has ignored repeated calls by the international community for the immediate release of Ukrainian citizens illegally detained in Russia. There are over 20 Ukrainian citizens currently illegally detained by Russia.[4]

In addition to the thousands of deaths and a severe humanitarian crisis caused by Russia's invasion, Ukraine's economy has suffered severely as a result of the conflict, with GDP contracting by some 20% in 2014-15. However, due to successful debt restructuring operations, IMF and bilateral financial support, and the implementation of fiscal, economic and regulatory reforms, Ukraine's economy has shown signs of recovery, with growth of 0.7% reached in July-September 2015. On April 1, the World Bank stated that Ukraine's economy is projected to grow by 1% in 2016 and 2% in 2017.[5]

Moreover, the Government of Ukraine has begun to tackle endemic corruption by implementing an anti-corruption reform program, which includes the establishment of new patrol police forces; a National Anti-Corruption Bureau; and judicial and regulatory reforms, among others. These efforts need sustained international support in the areas of capacity-building, training and international best practices. Governance and decentralization reforms have also begun to be implemented.

Since 2014, Canada has supported Ukraine by:

- imposing sanctions against both Russian individuals and entities;
- providing over $400 million in financial assistance (loans and loan guarantees) and technical assistance to Ukraine;
- providing non-lethal military equipment and aid to Ukraine's armed forces and

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[3] http://www.un.org/apps/news/story.asp?NewsID=52771#.VmnmCvkrLIU
[4] Including Oleg Sentsov, Oleksander Kolchenko, Stanislav Klikh, Mykola Karpyuk, and Akhtem Chiygoz
[5] http://www.worldbank.org/en/news/press-release/2016/04/01/ukarine-economic-update-spring-2016

border patrol;
· providing "real time" satellite imagery to Ukraine's armed forces;
· providing 200 Canadian Armed Forces personnel for training over the next 2 years to the Ukrainian military and National Guard;
· providing training for new patrol police in Ukrainian cities;
· providing democratic and governance assistance to Ukraine;
· Announcing $13.6 million in funding to the Canada-Ukraine Trade and Investment Support project, partnering with the Conference Board of Canada and the Canada-Ukraine Chamber of Commerce, in order to assist in the development of Small and Medium Enterprises in Ukraine[6];
· On 18 March, 2016, expanding Canadian sanctions under the Special Economic Measures Act to list 10 additional entities and two additional Russian individuals, and four additional entities and three additional individuals in Russian-occupied Crimea; [7]
· Holding a successful Canada-Ukraine Business Forum on June 20, 2016 as part of the Canada-Ukraine Trade and Support Project;
· Signing the Canada-Ukraine Free Trade Agreement (CUFTA) on July 11, 2016;
· Announcing additional humanitarian assistance totaling $13 million on July 11, 2016;
· Announcing the deployment of additional Canadian police to Ukraine, focusing on training and institutional development to support the next phases of Ukraine's police reform.

On January 11, 2016 Ukraine approved beef and pork exports from any federally registered establishment in Canada that meets certification requirements, and certified the eligibility of 15 additional Canadian beef and pork establishments to export to Ukraine, bringing the total to 27.

International Context of Russia's aggression against Ukraine

Russian President Putin's aggression in Ukraine is not an isolated phenomenon. It is part of a broader pattern that threatens stability in Europe and beyond. This danger should have been evident in 2008, when the Russian army was used to take Abkhazia and South Ossetia from Georgia. Putin has proclaimed on numerous occasions his duty and right to "protect ethnic Russians and Russian speakers" wherever they may be.

This dangerous policy threatens Ukraine, Moldova, Kazakhstan, Kyrgyzstan, Georgia, Latvia, Estonia, Lithuania, Poland, Bulgaria, Uzbekistan and Tajikistan, among others. The Russian President has also spoken dismissively of Ukraine's independence, and its right to decide its own future without Moscow's interference and approval.

Further, since the fall of the Soviet Union, the Kremlin has promoted instability in

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[6] http://www.international.gc.ca/media/comm/news-communiques/2015/12/17b.aspx?lang=eng
[7] http://www.international.gc.ca/sanctions/countries-pays/Russia-Russie.aspx?lang=eng&_ga=1.233871070.1779000181.1458139192

neighbouring countries as a means of influencing their domestic and foreign policies. This was true in Georgia (Ajaria in addition to Abkhazia and South Ossetia), Moldova (Transnistria), Azerbaijan (Nagorno-Karabakh) and Ukraine (Crimea).

This policy predated NATO expansion to the East, which undercuts the arguments of those who explain such Kremlin actions as a response to the inclusion of former Warsaw Pact nations in NATO. As an alliance of democratic states, it needs to be stressed that new NATO member states joined of their own free will, and that part of their motivation was a fear of precisely the kind of behavior Russia is exhibiting now.

Provocations against the Baltic States – such as the kidnapping of an Estonian intelligence officer from Estonia and the seizing of a Lithuanian ship in September 2014 – suggest that Moscow is testing NATO's commitment to its easternmost members.

For the first time since the end of WWII, a state has attempted to change the borders of Europe by force. The peace and stability of the European continent is under direct threat from Russia.

Russian actions in the Arctic present a challenge to Canada's sovereignty in the northern regions. The geopolitical intelligence firm Stratfor stated,

> the militarization of the Arctic — and by extension, the construction of new bases or the repurposing of old Soviet facilities — will remain one of the Russian military's top priorities in the coming years. It is likely that part of the Northern Fleet, Moscow's principal naval force and a major component of Russian nuclear deterrence, will also be based on the New Siberian Island chain, which is ideally positioned for military operations in the Arctic.