Study Guide for the North Atlantic Treaty Organisation

Future of NATO: Strategic Objectives and Internal Structure (p.2)
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Chairs' Note

The following material is aimed at providing the delegates with comprehensive background information on the topic. This in no way implies that the debate will comprise of material from this document as these few pages are just the beginning of your research. Equip yourselves with knowledge from this guide and use it as your compass to find better questions and answers relating to the topic. Visiting official sites of the institutions involved in this conflict is highly advised as is reviewing their media libraries and archives. All the information you require for well-informed debate is available on the internet; you only need to look for it.

Happy researching and feel free to reach out to us through email should you require any help!

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TOPIC A - Future of NATO:Strategic Objectives and Internal Structure

Introduction to the Topic

Established in 1949 as a collective defence union against the Soviets and their allies, NATO now finds itself in a world that has changed significantly. The organization finds itself still defending the same principles of freedom and democracy as it did in its early days - the difference between then and now being the threats that it must counter to uphold its banner and to ensure the continuing safety of its member states and strategic allies. Incidents like the 9/11 attacks have demonstrated the changing nature of conflict and the emergence of various militant groups on the periphery of Europe, has pointed out the need for more resources, with NATO having to spread itself out thin to ensure maximum efficiency from its actions. Technology has advanced in incredible ways and while intelligence sharing and data gathering have become smarter and more innovative, their growth has also brought it with new vulnerabilities. All of these changes are set in a context where economic concerns are extremely valid, with financial conditions pointing to budgetary constraints. As such, it is important for NATO to understand the world that it finds itself in. To remain the powerful and influential organization that it has come to be known as, to ensure that all 28 member states are safe and secure and to ensure that its status as a successful politico-military alliance remains unchanged, NATO must adapt to new dangers and perils to better structure their response to them.

Keeping that in mind, NATO needs to make sure that its strategic objectives and its internal structure remain solid and while they might change to define and disrupt new threats, they must

always reflect the values that the union was founded on; those of democracy, of freedom, of shared values, of collective defence and most importantly, of internal cooperation.

Future Objectives

As explained above, the threats that NATO faces are no longer direct and clear-cut like they were in the Cold War. Threats, as the 1999 Strategic Concept understood, are now multidimensional and ambiguous. As the document acknowledged, "the security of the Alliance remains subject to a wide variety of military and non-military risks that are multi-directional and often difficult to predict[1]." The 2010 Strategic Concept outlined several issues that posed a danger to the alliance, the chief among them being the rise of terrorism, specifically in areas of strategic importance to the union, and the increasing importance of energy supplies, with the formal document going so far as to assert that "some NATO countries will become more dependent on foreign energy suppliers and in some cases, on foreign energy supply and distribution…[2]". As such, it is important for NATO to modernize itself in line with the developments of the modern political world and adapt to new circumstances, both militarily and non-militarily, to remain as powerful and influential as it has been in the past.

Partnerships

NATO, by all definitions and understanding, is a regional organization and not a global one. Historically, the debate within NATO has significantly revolved around its member-states but given the increasing global nature of modern politics, NATO has initiated the discussion around forging and cementing partnerships.

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[1] http://www.nato.int/cps/en/natolive/official_texts_27433.htm
[2] http://www.nato.int/nato_static/assets/pdf/pdf_publications/20120214_strategic-concept-2010-eng.pdf

Given the scattered nature of the crises erupting today, it is important that NATO engage in partnerships across the globe that reflect its ambitions and aims. There is a need for NATO to increase its flexibility and reach, in order to make it more prepared to counter global crises that threaten its members or allies as they arise. The first wave of NATO's partnership efforts worked to gather more members for the alliance, which proved to be largely successful. Beginning from Europe, NATO's partnership efforts have since expanded to areas like the Mediterranean and the Middle East.

The 2010 Strategic Concept dedicates an entire section to the issue, highlighting the need for dialogue and cooperation with other actors in order to establish a peaceful environment in which NATO countries can find themselves free to pursue their own interests. The document also highlights the 2008 UN-NATO Declaration which promises increased "enhanced liaison", "more regular political consultation" and "enhanced practical cooperation in managing crises…[3]". In this way, NATO reinforces its image as an organization that is not focused on the safety and security of its own member states but is committed to ensuring global peace and security in a manner keeping in line with its own principles and through a willingness to work together with global organizations such as the United Nations and regional bodies such as the European Union.

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[3] http://www.nato.int/nato_static/assets/pdf/pdf_publications/20120214_strategic-concept-2010-eng.pdf

Figure 1 NATO Member and Partner Countries - retreived from https://blogs.fco.gov.uk/wp-content/uploads/NATO-MAP.jpg

Significant Partnerships and Partnership Frameworks

The Partnership for Peace and the Euro-Atlantic Partnership Council:

The PfP, as the programme is often called, provides the framework for partnership between NATO and its partners in Europe and Eurasia. It allows for NATO allies to structure their alliance with the alliance at an individual level and is tailored to individual needs and desires of each country. It gives access to NATO allies to almost every field that NATO is working in, from defence reform, policy and planning to cooperation on science and environmental issues. The Euro-Atlantic Partnership Council provides a political parallel to the PfP, encouraging detailed bilateral relationships between NATO and its partner countries. Currently, there are 35 countries

who have joined the Partnership for Peace Programme[4], a list of which can be found on the NATO website.

Partnership with the EU:

With a largely common membership, it is no surprise that NATO works closely in tandem with the European Union. They possess common interests and often face common threats. As such, a combination of military expertise by NATO and non-military expertise by the EU is imperative for both to ensure a stable trans-Atlantic political and military environment. This partnership, while steadfast and effective, can serve to be even more so if full complementarity is achieved between NATO and the EU. This can only be done if NATO members who are non-EU and EU members who are non-NATO are afforded access to the same kind of transparency and involvement when it comes to activities that impact both[5].

Partnership with Russia

NATO's partnership with Russia dates to 1991, when Russia became part of the North Atlantic Cooperation Council and then joined the Partnership for Peace programme in 1994. The 1997 NATO-Russia Founding Act[6] provided a formal establishment of bilateral relations between the alliance and Russia, who have since taken part in many joint initiatives to combat common dangers. Notable examples of joint efforts include the support by Russia for the UN's International Security Assistance Force (ISAF) which was led by NATO in Afghanistan and the Cooperative

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[4] http://www.nato.int/cps/en/natolive/topics_82584.htm
[5] http://www.nato.int/strategic-concept/expertsreport.pdf
[6] http://www.nato.int/cps/en/natohq/official_texts_25468.ht

Airspace Initiative (CAI), the main purpose of which was to enable the exchange of air traffic data and the detection of air activities which were suspicious in nature.

However, the civilian and military cooperation, as detailed under the NRC, was suspended following the Russian intervention in the Ukraine crisis. Russia was criticised heavily for its involvement in Ukraine and for its annexation of Crimea at the Wales Summit in September, 2014[7]. Since then, NATO has shown concern about Russia's increasing military activities on NATO's borders, blaming it in part for the less stable and more unpredictable security situation in that region. Since the suspension of civilian and military channels, the NRC has met three times, the most recent of those meetings happening on the 20th of April, 2016. Channels for political dialogue remain open between the two, with hopes that this relationship can go back to one that was cooperative, rather than that which is not.

Technical Arrangement with EU for Cyber-Defence

Acknowledging the cyber-nature of modern threats and the need for enhancing their cyber-defence systems, the NATO Computer Incident Response Capability (NCIRC) and the Computer Emergency Response Team of the European Union (CERT-EU) signed a Technical Arrangement which sets up a framework for exchanging information and increasing communication regarding emergency responses[8]. The deal not only allows for the exchange of information between the two bodies but also facilitates the sharing of technical procedures and the configuration of networks best suited to respond to cyber-attacks.

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[7] http://www.bbc.com/news/world-europe-29056870
[8] http://www.nato.int/cps/en/natohq/news_127836.htm

Cyber Security

As the world enters a digital age the likes of which have never seen before and information is processed and stored in digital space with unparalleled speed and power, the issue of cyber security has become a vital one for NATO and its member states. In cyber warfare, the targets of attacks are internal networks used for communication and external networks used to transmit information. The act of engaging in cyber-attacks is itself one which requires limited investment, both of time and money, due to which it stands as an attractive option for state and non-state actors.

Cyber warfare still lacks a detailed, specific definition. There seems to be a vacuum when it comes to what exactly constitutes cyber warfare and the appropriate response to it. The United States Department of Defence defines cyber warfare as "*an armed conflict conducted in whole or in part by cyber means. Military operations conducted to deny an opposing force the effective use of cyberspace systems and weapons in a conflict. It includes cyber-attacks, cyber defense and cyber enabling actions.*"

Multiple members of NATO have been subject to cyber-attacks, with notable instances being Titan Rain which attacked US and British systems and networks and the 2007 cyber-attacks on Estonia. The 2007 attacks led to NATO realizing the importance of cyber security and working to protect its member states and allies from such attacks in the future. The Lisbon Summit of 2010 saw cyber defence being incorporated into the 2010 Strategic Concept in paragraph 12. The Wales Summit of 2014 saw deliberation on whether a cyber-attack constituted a grave enough threat to warrant a response under Article 5 but the matter remains vague and ambiguous. NATO's cyber defence is orchestrated by a combination of various bodies such as the Cyber Defence Committee

(CDC), Cyber Defence Management Board (CDMB) and NATO Communications and Information Agency (NCIA) which work in tandem to make sure that NATO's critical systems and its information storage and communication channels are safe from cyber-attacks. Cyber space, and all that it constitutes, is ever-changing however and it is important that NATO is capable enough to combat any threat that may arise out of it.

To ensure its capability to tackle cyber-attacks and threats of a similar nature, NATO engages in several methods. One of these methods is its flagship cyber-security conference known as the Cyber Coalition. The Cyber Coalition exercise allows for cyber professionals and experts from multiple member-

Figure 2 The logo for the Cyber Coalition

states and allies to come together and participate in simulations of attacks and gauges their response to it, allowing for the recognition of present expertise and what is needed in the future to improve that expertise. The latest edition of the project, the Cyber Coalition 2016, was hosted by Estonia in the city of Tartu from the 28th of November to the 2nd of December. 27 NATO and Partner nations attended the exercise and there were more than 700 cyber defenders, legal experts, academics and military officers[9] at the event, making it the largest cyber defence exercise held by NATO[10].

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[9] http://www.nato.int/cps/en/natohq/news_138674.htm
[10] https://www.shape.nato.int/2016/cyber-coalition-16-ends-natos-largest-cyber-defence-exercise

Organizational Structure

With the changing nature of the challenges that NATO faces as a political and military alliance, it is only prudent that the union not only adapt externally through an out-of-area mindset facilitated by establishing and maintaining partnerships, but also modify its internal structure to better reflect changes in operation. Since its inception, NATO has grown into a regional organization with 28 members and many more external allies. This change needs to be reflected internally a more streamlined decision-making process that not only guarantees members of a voice but also ensures a faster response to situations as they develop.

The current decision-making process in NATO works in a consensus format. Proposals for actions are submitted to all member states who then engage in discussion and consultation to reach a decision which can be considered the collective will of all member states. In this way, each NATO decision is said to be representative of all member states and not a single member is side-lined in the process. However, such a consensus based process can take time as members sit and deliberate upon various issues. In case of changes to the original proposal, the relevant committees and actors will make the required changes and the revised draft will again be circulated to all member states. The process will take place until all member states are equally satisfied. Such a process can take a long time to finalize action plans, which can be detrimental to the overall military plan of NATO's military wing which operates in an extremely fast-paced environment and demands immediate reactions.

Paragraph of the 2010 Strategic Concept acknowledges that *"Instability or conflict beyond NATO borders can directly threaten Alliance security, including by fostering extremism, terrorism,*

and trans-national illegal activities such as trafficking in arms, narcotics and people.[11]" Given this recognition of the modern, and often geographically distant, threats that NATO faces, it is important that NATO work to ensure it counters and combats these threats effectively, but also makes sure that it does not overextend itself. With member states having survived a global financial crisis, the alliance stands at risk of decreased financial contributions, making it important to engage in a more cost-effective and efficient manner administratively speaking. In 2011, for example, the review of its Command Structure identified a need for increased efficiency and responsiveness; in the same sleight of hand, overall staff jobs were cut down to 8,800 posts from 13,000[12] to make the alliance more streamlined, "fit for purpose" and financially responsible.

Brexit

The exit of Britain from the European Union, although primarily a EU matter, stands to affect NATO as well. While the political and fiscal impact of Brexit on the EU countries has been the subject of widespread debate and discussion, there still needs to more coverage of how NATO, a primarily military organization, stands to be affected.

Speaking of the fiscal impact, it is important to understand how the Brexit will impact the EU countries with regards to trade agreements and financial aid. Given that a considerable number of EU countries are also members of NATO, there is bound to be a spill-over of this new financial burden and it is up to the NATO members to make sure that the organization takes it in stride. Recent threats to Europe and the West by terrorist organizations, such as Daesh, are evident

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[11]http://www.nato.int/nato_static_fl2014/assets/pdf/pdf_publications/20120214_strategic-concept-2010-eng.pdf

[12] http://www.nato.int/cps/en/natolive/news_75773.htm?selectedLocale=en

through recent attacks on Western territory, for example, the London attack in March for which Daesh accepted responsibility. At this point in time, NATO members cannot afford to reduce their military expenditure towards the organization. However, it is imperative that NATO decide a quick and efficient way of making up for decreased contributions from its EU member-states, given the situation arise.

Prior to the Brexit, conflict and disagreement between the United States and the European camp were mediated by the United Kingdom. However, given that the Brexit has caused a distancing of the United Kingdom from its European NATO allies, a political vacuum will arise with all European capitals trying to fill the gap left by the UK. Washington might prefer to deal with Berlin and Paris, opting for a direct connection with these heavyweights but there lies a high chance that other European states, such as the Netherlands and Italy, might attempt to replace the United Kingdom as the linchpin that holds it all together. [13]

 This show of increased diplomacy will not happen in an easy context: across the Atlantic, Donald Trump, during his presidential campaign and during his presidency, has cast shadows on US-NATO relations by repeatedly demonstrating that he may not understand how NATO operates. In June last year, President Trump told the New York times that the United States support for NATO allies would be dependent on whether the allies in questions "fulfilled their obligations to
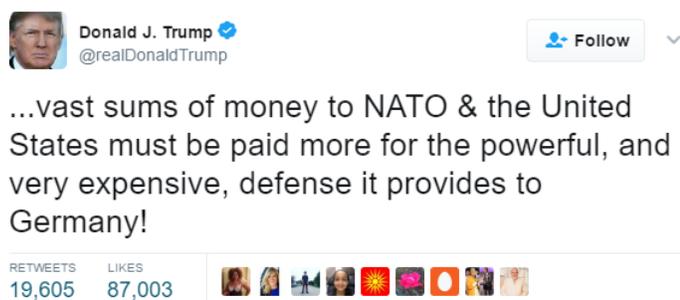

Figure 3 Donald Trump's tweet that led to the questioning of his knowledge of NATO

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[13] http://www.politico.eu/article/how-brexit-hurts-nato-member-countries-jens-stoltenberg-david-cameron/

us"[14]. During the recent visit of Angela Merkel, the German Chancellor, to the United States, there seemed to be tension in the air, magnified by the lack of a handshake between the two leaders[15]. President Trump also tweeted that Germany owed "vast sums of money to NATO and the United States" for the "powerful, and very expensive, defense it provides to Germany"[16]. NATO requires that all member-states contribute 2% of their Gross Domestic Product to the organization for defense purposes, even though only a handful of countries out of 28 meet that target. Given the tension between President Trump and Chancellor Merkel, it will be down to other NATO member-states to ensure smooth communication and efficient dialogue.

Further Questions to be Asked

- How has the nature of threats changed from the inception and formation of NATO to modern times?

- How far will modern politics shape the future of NATO?

- Will the formation of other regional organizations such as the Shanghai Cooperation Organization impact the growth of NATO?

- How should NATO deal with allies who have joined other regional bodies with a focus on regional defence?

- How free should NATO be with information exchange with its partners when it comes to cyber-security?

- How far should NATO as an organization remain distant from the internal diplomatic conflicts between its member-nations?

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[14] https://www.nytimes.com/2016/07/22/us/politics/donald-trump-foreign-policy-interview.html?_r=0
[15] https://www.theguardian.com/world/2017/mar/18/trump-merkel-nato-germany-owe-money-tweet
[16]
https://twitter.com/realDonaldTrump/status/843090516283723776?ref_src=twsrc%5Etfw&ref_url=https%3A%2F%2Fwww.theguardian.com%2Fworld%2F2017%2Fmar%2F18%2Ftrump-merkel-nato-germany-owe-money-tweet

TOPIC B - Risk containment policy of conflict in Eastern Ukraine

Background

Kyivan Rus, modern day Ukraine, was at the heart of the first eastern Slavic state which is counted as one of the largest and powerful states in Europe. Later it was absorbed into the Gran Dutchy of Lithuania and the polish Lithuanian Commonwealth. The fourth quarter of the 18th century marked its incorporation into the Russian Empire. Ukraine enjoyed three short years of independence during 1917-1920, after the demise of czarist Russia before being merged into the former Soviet Union.

In present day, it shares a sensitive border with Russia to the east and the NATO members Hungary, Poland, Slovakia and Romania. It is this very geographical location that has made it such an important European State. It has become the arena where the political agenda of the West and Russia often collide.

Seventeen percent of the total population of Ukraine is made up by ethnic Russians who are spread mostly in the southern and eastern areas of this region. In fact, in Crimea, they have a 60% majority. Sevastopol is Crimean city where they make up 72% of the population and due to this ethnic composition, it acts as the home base of the Russian Black Fleet.

It is this demographic that has always stayed cautious of Ukrainian nationalism and so maintains close relations with Russia. There has always remained a historical sense of ownership amongst Russian politicians towards Ukraine; proof of which lies in the display of support for the annexation of Crimea in 2014. Reports even suggest that the Russian President Putin, in 2008, told George W. Bush, President of the U.S at that time, that Ukraine was not a state and that while a part of the country may belong to Eastern Europe, eastern Ukraine was Russia's. Whereas, the EU and the U.S are of the perception that a democratically independent Ukraine is key to building a free and peaceful Europe.

Unfortunately, Ukraine's political arena has been run by strong politicians and oligarchs who have often compromised the states interests over their own benefit and security. Victor Yanukovych has been very prominent in the Ukrainian crisis due to his hold of public office. He came in power as the Prime Minister in the year 2000 and was then elected President in 2004, through questionable elections. His leave from the public office was catalyzed by the **Orange Revolution**. However, he was reelected as president in February 2010. He drew his support from the Donbas region, which bread the oligarchs that supported his campaign and presidency. Added to this, were the allegations of corruption attached to the Yanukovych government involving his own family and close benefactors. In the past, the EU and the US have expressed concerns relating to the governments human right's record, primarily due to the selective prosecution of the opposition leaders in Ukraine and the Yanukovych's warm connections to Russia.

Even though the masses were growing vary of Yanukovych's government, the disillusionment between the people of Ukraine and the political elite combined with the pro-democratic "Orange Revolution" had led observers to believe that there was little chance of any public unrest. However, a last-minute decision, on November 2013, to deny the Association Agreement, with the EU, sparked anti-government protests at central Maidan Nezalezhosti, Kyiv. Western and central Ukraine bread other small demonstrations, due to the opposition having a strong hold in these regions. Clearly, Yanukovych had chosen closer economic ties with Russia instead of the European Union, which was unacceptable to the people of Ukraine. His action now seemed to insult the people of his country and so the protests quickly took a violent turn.

The government tried to take charge of things in February 2014, and tried to suppress the protest in central Maidan. The attempt resulted in more than 100 deaths. By this time the regime had destroyed all chances of its survival. The death toll took away any support the government had in the Ukrainian Rada and consequently the regime collapsed. On February 20, a resolution was approved by the Rada to withdraw the Interior Ministry and military forces from Kyiv. The situation worsened as protestors gained control of government buildings. By then Yanukovych and his associates had fled to Russia.

The Rada now mostly composed of former opposition leaders promptly acted to ease the unrest in the streets. Yanukovych was formally deposed as president on 22 February 2014 for abandoning his responsibilities. Many of the democratic provisions of 2004 were restored and the changes made by the previous government were discarded. May 25th was set as the date for the new presidential elections. The Rada approved an interim government on February 27th, headed by Arseniy Yatsenyuk. Undeterred by these measures, the protestors were still cynical of the new government and saw it as corrupt and opportunistic.

The Kremlin did not take the fall of the Yanukovych government well and labelled the events in Kyiv as an illegal coup. What worried Moscow was the resistance it would have to face from the new pro-Western government in Kyiv to the presence of the Russian Black Fleet in Crimea. Consequently, Russian troops were seen aiding armed Russian speaking forces in taking control of airports and other key places in Crimea. Kremlin denied any involvement of the Russian military in these takeovers and Putin stamped these forces as local Crimean self-defense. Following these events was Moscow's statement announcing the annexure of Crimea. March 16th, 2014 marked the formal annexation of Crimea through a referendum held by Crimean authorities claiming an approval of 96% with a turnout of 83% percent of Crimean citizens. Putin signed a treaty with the leaders of Crimea on March 18th formally incorporating Crimea into Russia. Not long after the takeover, armed rebels, supported by the Kremlin began occupying government facilities and territories in the Donbas region. The issue rapidly transformed into an extensive conflict causing Ukraine to assign its military against the separatists.

Ukraine's Political Situation

Petro Poroshenko, a wealthy businessman, was elected as Ukraine's fifth president on 24th May 2014. His manifesto aimed to align Ukraine with the west, fight corruption and to resolve the conflict that had now clenched eastern Ukraine. Arseniy Yatsenyuk's People's Front and the Poroshenko bloc won the elections held for the 450 seats of the Ukrainian Rada, in October 2014. Together they formed a pro-Western coalition and formed a majority of 288 of 450. Whereas, the supporters of the former President Yanukovych were only able capture 29 seats. However, many of the 450 seats were left empty as the Moscow backed supporters hindered the elections in eastern part of the country.

December 2nd, 2014 marked the beginning of a newly elected pro-West government in Ukraine that stood for stronger ties with the Eu and the United States. The Poroshenko/Yatsenyuk coalition meant that the government would be able to muster up the 300 votes needed to amend the Ukraine's constitution providing a more democratic and stable Ukraine.

Yatsenyuk, stated that his government's ultimate goal was EU membership and so focused on adopting European standards. To iterate their aims, the government appointed a Natalie Jaresko, former official of the U.S. State Department and US citizen as the country's finance minister. Aivaras Abromavicius, a Lithuanian as the Minister of Economy. The former Georgian president was made the mayor of Odessa. The people of Ukraine finally started to show some faith for the government as they now saw a sense of morality present in these new leaders.

Ongoing Challenges: Political Reform

In testimony before the Senate Foreign Relations Committee in October 2015, Assistant Secretary of State, Victoria Nuland noted that the government was setting up an Anti-Corruption Bureau that would investigate corruption among government officials and that new anticorruption laws passed in 2014, including stricter provisions against bribery and conflicts of interest, would require annual disclosures of income by public officials. She added that the newly created Inspector General's Office within Ukraine's prosecution service must be able "to work independently and effectively, without political or judicial interference." Nuland's comments were given renewed importance when, on February 14, 2016, the reform-minded deputy prosecutor resigned, complaining that his efforts to address government corruption had been consistently stymied by his own prosecutor general, Viktor Shokin, as well as other government officials.

The difficulties some reformers in the government were experiencing was in moving the process forward was reflected in the resignation in early February 2016 of the economy minister, Abromavicius, who complained of political interference from advisers to the president and

members of the Rada and accused some political elites of systematically blocking much-needed reforms and interfering in the fight against corruption.

In September 2015, the first rupture of unity in the government took place when the Radical Party quit the governing coalition over the decentralization issue. In January 2016, the leadership of the Self-Reliance Party called for a no-confidence vote against Prime Minister Yatsenyuk, threatening to leave the coalition if the vote was not held. On February 15, President Poroshenko asked for Yatsenyuk's resignation over the slow pace of reform and because he felt the prime minister no longer enjoyed the support of the government coalition or the Rada. Despite these promises, the number of votes against Prime Minister Yatsenyuk and the fact that Poroshenko called for his resignation created doubts within the government and among the population regarding Yatsenyuk's future effectiveness.

However, Ukrainian law prohibits the Rada from considering additional "no-confidence" votes against a government for six months, so Yatsenyuk was given time to form a new government, make changes, and move the reform process forward, if possible. The United States and the EU, despite their concerns over the pace of reform, did not want the government to collapse, as failure to form a new government would have required new national elections. As evidence of what appeared to be a growing trend of disenchantment, some pointed to the October 2015 local elections held throughout the country, in which Yatsenyuk's People's Front party did not even participate because polls indicated that the party had experienced a significant decline in support in some regions of the country.

Although Yatsenyuk initially survived the political uprising, a new level of disenchantment on the part of an already skeptical public as well as among some within the Rada who felt Yatsenyuk no longer held a mandate for governing made it unclear just how much success in addressing corruption Yatsenyuk, or a successor, could have achieved and how much trouble was in store for Poroshenko.

The Vice President stressed that, to maintain international support for Ukraine, the new team should move forward quickly on Ukraine's reform program, including fulfilling its IMF

commitments, as well as on Minsk-2 implementation and the confirmation of a new, reformist prosecutor general. Seen initially as a political move (Lutsenko was not an attorney or from the legal world) to consolidate Poroshenko's influence and to satisfy critics, including in the United States, observers, despite some internal problems including a dispute between staff members from the prosecutor-general's office and members of the new Anti-Corruption Bureau, continue to express optimism that Lutsenko appears committed to move forward on needed reforms and prosecutions of corrupt officials of both the former and current governments.

The IMF has had to consistently warn Kyiv that more difficult reforms were needed in the banking and pension sectors, a new initiative regarding the electronic declarations (of assets) by high officials had to be put into place, land reform needed to get under way, and the important issue of privatizations needed to be pursued if the country wished to receive additional increments of IMF funding.

On December 19, 2016, in one of the biggest shake-ups of the country's banking system since Ukraine plunged into economic and political turmoil more than two years ago, the government took over its largest bank, PrivatBank, in response to the Central Bank's claim that PrivatBank had not fulfilled its recapitalization program. And despite early concerns over the government's appetite for reform, the EU and the IMF seemed satisfied that the Groysman government has been setting the right tone for moving the country forward. According to some, this particular IMF mission devoted atypical attention to governance, specifically to corruption, and the Ukrainian government must convince a skeptical IMF that it is doing something more about corruption either through deeds or credible policies. According to Pyatt, this progress included a Ukrainian civil society that is perhaps one of the strongest and most active anywhere in Europe today; the establishment of new anticorruption institutions; a new prosecutor general; the transformation of the energy sector; increased media freedom; accountability of democratically elected politicians, and some important first steps toward reform, including constitutional reforms on the judiciary that would make it easier to prosecute corruption.

A third factor is simply that any attempt to genuinely strip the strongest oligarchs of influence, including by prosecuting them, could lead to open political conflict and possible retaliatory action by those oligarchs who control many sectors of the economy, which could seriously

destabilize Ukraine's internal situation. The Carnegie study concluded that the process to get control over the influence of the oligarchs will take time, but that the success of any efforts to weaken their influence will depend primarily on whether Ukraine's present-day institutions can be reformed with institutions that are robust and independent.

In an interview with the Associated Press, Savchenko apparently said that the Ukrainian government had failed public expectations and that the Ukrainian people deserved a better government than they had. Recently, however, there were reports that in December 2016, the Fatherland party expelled Savchenko from their parliamentary faction, forcing Savchenko to sit in the Rada as an independent MP. In early July 2016 a new push to form a European liberal political party was reportedly launched by many young, former Maidan activists who are now in the government, Rada, or civil society. Sheremet worked for Ukrainian Pravda (Truth), an outspoken Ukrainian investigative website that has riled politicians, government officials, and business tycoons with its piercing investigations into their dealings. Finally, on July 17, Ukraine held special elections in seven districts to fill seats vacated by members of the Rada who had been appointed to the Cabinet of Prime Minister Groysman and one Rada member who had died. In a major development, and a surprise too many, in early November, the Rada adopted a landmark anticorruption reform requiring thousands of government officials, including the president and prime minister, to declare their wealth in an online database. Since its adoption, more than 100,000 submissions have been reported, with the amount of wealth coming as a major surprise to most Ukrainians. All three of the anticorruption bodies the General Prosecutor's Office, the National Agency for Corruption Prevention, and the National Anti-corruption Bureau have announced their intentions to start investigations into the sources of such wealth among officials. This process has occurred in spite of Russia's occupation of Crimea, the ongoing conflict in eastern Ukraine, hybrid warfare carried out by the Kremlin, and an estimated 1.7 million internally displaced persons resulting from the conflicts in Crimea and eastern Ukraine. They believe politicians of all persuasions are convinced that Groysman will lose a confidence vote in the spring and that Poroshenko's majority in the Rada will collapse, with most politicians and observers believing new elections will follow." Despite the apparent failure to improve their image among the population and perhaps even within the Rada, Poroshenko and Groysman have

vowed to continue their efforts to meet the demands for reform and economic progress while carefully watching the mood of the country and the potential demand for new national elections.

For Poroshenko and Groysman, another major concern continues to be the strength of support Ukraine will continue to receive from the United States and the European Union. Many in Ukraine have become concerned over the EU's ability to sustain its support in the wake of the Brexit vote in the UK and with the outcome of the recent presidential elections in the United States.

The Present Economic Situation

The Ukrainian Republic was the second most important economic component of the former Soviet union. One fourth of the agriculture produced in the USSR was generated here. Along with agriculture Ukraine's heavy industry played a significant economic role, providing equipment and raw materials to industry and mines in both Ukraine and Russia. Though it's economy was suffering in 2013 it is believed that Russia's aggression instead of internal problems. Russian involvement is the primary reason for an 11% drop in the GDP (4% from the annexation of Crimea and 7% due to the actions of the Russian backed separatists)

Sanctions imposed by Russia in 2013 cut down Ukraine's export to Russia by 70% (18% total drop in exports). In 2014 key exports to Russia like machinery, steel, agricultural goods and chemicals dropped by half. The loss f the Russian market resulted in a 6% decline in the total GDP. Foreign investment which was around 3% of the GDP also vanished following the Russian aggression.
In 2015 improving signs were observed partly due to the first payment of the $17.5 billion program loan by the IMF in March. A rise in interest rates helped support the currency and in August the government announced that restructuring of the $18 billion public debt had been reached with private creditors.

 In 2016 a budget was adopted that changed some tax code but not to the extent that the finance minister wanted. It was attempt to reduce the deficit to 3.7% of the GDP from 4.3% in 2015. According to the EIU this is in line with the commitment made by the government as part of its 2014 request for an IMF loan. Other commitments included a flexible currency exchange rate,

increasing gas prices to 56% of the import price and heating prices to 40% of import prices in 2014. The IMF also wanted rapid reforms to occur.

In February 2016 IMF warned the prime minister that it was taking too long for Ukraine to follow its commitment, which could put continued support at jeopardy. A new government in Ukraine and focus on reform pace made sure that the IMF sent a new assessment team to Ukraine. In September the IMF released $1 billion to Ukraine bringing the total amount the IMF has spent in Ukraine to $7.7 billion.

Ukraine is making a lot of gains in agriculture production, however more reforms are required. It sold $7.6 billion of bulk farm commodities in 2015. By mid 202s Ukraine is set to be the world's 3rd largest agriculture producer.

If foreign investors are to be attracted reforms need to be faster which would lead to better government support for the investors.

The Energy Crisis

Ukraine's energy sector is considered by many to be a key to the success of Ukraine's economic reform. It possesses high resources but has traditionally underperformed due to low energy prices, subsidies, and high consumption. This was a primary area for reform demanded by international donors. Energy has been traditionally an important factor in relations with Russia. It has been historically dependent on Russia for its energy. 63% of Ukraine's gas consumption came from Russia along with three fourths of its oil and liquid fuels. Russian coal was also imported as well as uranium for Ukraine's nuclear power plant.

Russia's political pressure is mitigated by the fact that Russian gas pipelines to Europe transit Ukraine's territory. Russian efforts to increase gas price for Ukraine were met by cutoff of Russian gas to western Europe in 2006. Russia in recent years tried to pressure Ukraine by negotiating with several European countries to build pipelines that would bypass Ukraine. A pipeline was made linking with Germany while another one in Germany. Russia has also announced that it would stop supplying gas through Ukraine and would rather use Turkey.

Russia has raised the price of natural gas by 80% for Ukraine. Ukraine refused to pay the larger rate and demanded a new contract. In response Russia cut of natural gas supply to Ukraine. The EU brokered a deal which was to last till the end of 2015. A $6.6 billion fine was imposed on the Russian gas company by the Ukraine government on grounds that it misused monopoly position. This fine was rejected by the Russian gas company.

Ukrainian leaders have acknowledged that to avoid Russian efforts in using natural gas and other fuels as political tools, consumptions needs to be reduced. In 2015 Ukraine began importing fuel from Poland, Hungary, and Slovakia. A legislation was also passed increasing power prices which have resulted in some reduced consumption.

In November 2015 due to decrease in consumption and availability of Gas from the EU Ukraine stopped buying gas from Russia. This was seen a broader approach to break economic ties with Russia. The EIU however maintains that this lack of reliance on Russian gas was due to reduced economic activity. Ukraine has relied on the EU to act as mediator with Russia if it needs to engage in gas trade with Russia again.

In the long term, some believe Ukraine could develop its own hydrocarbon reserves—including shale gas deposits—and improve exploitation of its conventional gas reserves; import liquefied natural gas; implement a new gas market law; and import gas from Azerbaijan, Central Asia, and elsewhere via pipelines through the EU's planned Southern Energy Corridor. Ukraine will also have to make much greater strides in energy conservation.

Foreign Policy

In December 2014, the Ukrainian parliament overwhelmingly renounced Ukraine's former neutral, "non-bloc" status and indicated a preference for closer relations with NATO. After taking office, President Poroshenko requested assistance from NATO for its military. At the September 2014 NATO summit in Wales, the alliance agreed to set up four trust funds to help Ukraine's military in such areas as logistics, command and control, military personnel issues (including wounded soldiers), and cyber defense.

Relations with Russia

After its independence in 1991, Ukraine was still dominated by Russian oligarchs who were determined to maintain good relations with Russia and its former soviet allies. Russia's strategy on Ukraine can be understood as result of the Cold War era. Russia's political elite have, at many instances, reiterated the importance of good relations and close ties with the soviet states after the demise of the USSR. They rationalize Russia's interests in the former soviet states by arguing the right to protect Russain citizens and compatriots.

History and religion are two very important mediums Russia uses to validate its actions towards Ukraine. Not only is Ukraine of sentimental value to Russia, due to the wars Russian ancestry has fought to engulf it into the Russian Empire, it has shared for many more years a religious bond through the Eastern Orthodox Church. To this date the Kremlin takes great interest in the political sphere of Ukraine. It was not far down the road when the Russian foreign minister, Lavrov called for Russian to be made the second language also called for constitutional changes that would ensure its neutrality. Added to that are the more desperate measures of sanctioning Ukrainian imports and cutting all gas and coal deliveries to Ukraine.

As described earlier, southern and eastern Ukraine share a stronger bond with Russia due to the presence of ethnic Russians. Consequently, Russian oligarchs designed these parts of Ukraine as buffers to the Ukrainian nationalism, by installing heavy industries, such as defense there. Before the demise of Yanukovych, the Kremlin used less profound methods to maintain influence such as lucrative business deals and favorable loan terms. But also, strong-armed them with de facto economic sanctions and the use of Russian media.

Following the deposition of Yanukovych's government, Kyiv has reported higher levels of Russian interference in Ukraine's political and domestic arena. Evidence of this, are the meetings of the now opposition leaders in Moscow. EUs East Stratcom has also reported the rise of fake news targeted towards Ukraine in correlation with the fighting on ground. Moreover, Ukraine has gained the attention of several cyberattacks. Officials, claim that these cyberattacks

originated from Russia. There is indication that either these attacks came directly from Moscow or were conducted by sources attached to the Kremlin. One such example is a group known as Black Energy. This very same instrument was seen inaction during the Russia-Georgia conflict in 2007. Added to that was a new group of hackers that focused on compromising the office and personal phones of Ukrainian officials to gather intelligence.

The situation has worsened to such an extent, after the events of 2014, President Poroshenko announced that Ukraine would stop all military cooperation with Russia, however disastrous it may be to the Ukrainian economy. Around eighty of Ukraine's defense firms were closed due to their Russian heritage. There were estimates that suggested that apart from a few exceptions, such as those of the dual technologies, the effect would cause approximately 70% reduction in Ukrainian made military goods exported to Russia forcing the Ukrainian military industry to come to a close.

The Rada also approved a document, on October 20[th,] 2016, holding the former USSR responsible for World War II because of the Molotov-Ribbentrop Pact between Germany and the former USSR.

Crimea

Crimea post annexation has been relatively stable. Tensions flared up between Ukraine and Russia in August 2016 when Russian forces allegedly captured several Ukrainians trying to enter Crimea. Tensions spiked again when Ukraine announced that it will carry out missile tests in the north of Crimea.

 Since 2014 Russia has invested in Crimea. This includes an extensive electricity grid from Russia to Crimea, a bridge that would span the Kerch Strait, providing 11-mile roadway connecting Crimea and Russia. Russia has also increased its military presence in Crimea with around 30,000 servicemen deployed there. It has also announced the deployment of the S-400 anti-aircraft missile system in Crimea which is a significant threat to the Ukrainian air force. Elections were also held in Crimea for 8 seats in the Russian Duma in September 2016.

Annexation has not been all positive for Crimea. The local population has dealt with increased inflation in food prices and a collapse of tourism, a vital sector of the local economy. On December 19, 2016, the United Nations General Assembly voted 70 to 26, with 77 countries abstaining, for a resolution that recognizes Crimea as "temporarily occupied" by Russia and condemns the "abuses" and "discrimination" against Crimean Tatars, ethnic Ukrainians, and other groups on the peninsula. The resolution also calls on Russia, as an "occupying power," to end all abuses against people living in Crimea, including arbitrary detentions, torture, and other "cruel, inhumane, or degrading treatment.

Conflict in Eastern Ukraine

The annexation of Crimea lead to organized protests, in eastern Ukraine, by pro-Russian rebels. These demonstrations originated in the cities of Luhansk and Donetsk of the Donbas region and in the Kharkiv. Where part of the demonstrators backed the Russian annexation, others just wanted autonomy from Kyiv. During the April of 2014, things had gone so far out of hand that armed men charged at and took control of state establishments and broadcasting installations in Donetsk, Luhansk, Slovyansk and a several other cities of the Donbas. Kyiv's rebuttal was to send in more boots and employ regional militias to brush off the separatists.

Russian intelligence was accused of engineering the attacks, in the Donbas, by Kyiv. The Ukrainian government published photographs, videos and audio recordings that allegedly proved their claim. According to, Supreme Allied Commander General Philip Breedlove, of NATO, Russia had supplied arms and manpower to the rebels in eastern Ukraine.

Things took a sharp turn when the Donetsk People's Republic and the Luhansk People's Republic conducted referendums for their sovereignty, in 2014. The results portrayed an approval of 89% in Donetsk and of 96% in Luhansk. As one may expect from referendum held by rebels, there were a lot of discrepancies and then there was also the absence of international observers. Matters had gone out of hand and, Kyiv did what any government would do, i.e. to denounce the referendum and tag it as illegal.

As one would predict of a turnout between a government and separatists, after a short-lived ceasefire in June, Ukraine started an anti-terrorist operation to counter the rebels. After disposing of dissidents in Slovyansk, Kramatorsk and a few other districts Ukrainian military moved towards Donetsk and Luhansk. The summer of 2014 also marked the downing of Flight 17 of the Malaysian Airlines after being hit by a surface launched missile. The plane was flying over Ukrainian airspace when it got hit. The rebels blamed the government and the government blamed the rebels. The Dutch government, however, has recently concluded that the missile was a Russian Buk missile fired by the rebels.

In the third quarter of 2015, Kremlin sent in thousands of troops to further the Russian agenda. With Russia out rightly denying contribution to the rebels, somehow the separatists were able to acquire ample military equipment to fight the Ukrainian army head on. Tanks, artillery, armored carriers and surface-to-air missiles combined with the help from Russian troops the rebels defeated the Ukrainians and pushed the army further back taking back their control.

Hesitant to loose anymore land or men the Ukrainians conceded to a ceasefire. On September 5th, 2014. It was at this ceasefire that the Minsk-1 plan came into action. The major clauses of the agreement called for an exchange of hostages/prisoners, the monitoring of the ceasefire on the Ukrainian-Russian border by the OSCE, and more importantly the withdrawal of illegitimate armed groups, mercenaries, and militants from Ukraine. The plan also asked for the Ukrainian law to adopt amnesty for the individuals embroiled in the conflict.
The agreement was able to suspend, to some extent, offensive position Moscow had taken towards Ukrainian forces. Unfortunately, the plan was never fully implemented. Fighting continued, although infrequent, but sometimes intense. There were over 1300 deaths after the Minsk-1 was signed. Considering the efficiency of the Minsk-1, it was not to anyone's surprise when Kyiv issued a report saying that the rebels had taken control of an additional five hundred square kilometers of Ukrainian soil. So displeased were the Ukrainian officials that Poroshenko in a statement claimed that Russia had over 9000 fully equipped troops present in Ukraine.

The EU and the United States, responded in kind by imposing travel bans and sanctions on Ukrainian and Russian individuals who were involved in the destabilizing Ukraine. They also demanded a full and complete implementation of the Minsk-1.

In late January 2014 and early February 2014, violent rally of attacks, by the pro-Russian rebels, against Ukrainian controlled territory forced the European Union and the United States to recommend additional sanctions on Russia over its military intervention in Russia.

For some reason the Obama administration had left the negotiations in the hands of France and Germany, apart from Ukraine itself. The negotiations between the U.S. allies and Russia were given the name of Normandy Format. Even though, the Obama administration was on the backfoot, it kept constant contact with the leader of all four countries including President Putin and Chancellor Angela Merkel.

A New Deadlock

As most of the terms of the agreement were similar to those of the original Minsk-1 protocol, which failed to secure the peace, some observers expressed skepticism about whether this agreement was any more likely to be implemented than the previous one.

The agreement called for local elections in rebel-held regions and, more importantly and controversially for Kyiv, for legal and constitutional reforms to be negotiated with the rebels to give a special "decentralized" status to the region as well as amnesty for the separatist leaders. Some expressed concern that the Minsk-2 agreement amounted to a step toward transforming the occupied parts of Donbas into a new Transnistria67 and that the main difference between the Minsk-1 agreements and the Minsk-2 agreement was that more conditions had been placed on Ukraine.

However, while an OSCE Special Monitoring Mission (SMM) is monitoring the cease-fire along the line controlled by Ukraine, Russia-backed separatists have restricted the operational area of the SMM, shot down or jammed SMM drones used to verify compliance, and denied the SMM any opportunity to go inside the rebel-controlled areas. The Ukraine Defense Ministry noted that

heavy fighting had taken place along the line of contact, resulting in the death of 27 Ukrainian soldiers and wounding an additional 123.

In September 2016, both sides agreed to a "back to school" cease-fire, along with an agreement that Ukrainian and separatists' heavy weapons and the Russian military personnel supporting the separatists were to be withdrawn from three areas along the contact line.

On December 19, the Ukrainian government reported that separatist forces had launched an artillery barrage and ground assault against Ukrainian military forces in the area around Svitlodarsk, west of the strategic town of Debaltseve.

The Ukrainian military reported five Ukrainian military personnel killed and many wounded during the assault. However, the OSCE has also reported that much of the separatists' heavy weapons and the military personnel supplied by Russia have been repeatedly repositioned along the front lines but not removed from Ukraine, as required by Minsk-2.

As per, the Minsk Monitor, the Ukrainians have released some 287 prisoners and the separatists have released 317.76 The Ukrainian government in December 2016 estimated that it continued to hold some 220 prisoners, whereas the separatists held approximately 100 Ukrainian soldiers. In December 2016, the UNHCR reported that some 500 tons of aid was allowed to flow into the Luhansk region, and the International Committee of the Red Cross in December reported that they had delivered some 300 tons of humanitarian assistance to Luhansk.

In Kyiv, the Rada has passed an amnesty law and adopted a special status law for the citizens of the Donbas. Neither law has been signed by President Poroshenko, who has been reluctant to grant blanket amnesty due to the failure of the separatists to meet their Minsk obligations and until the International Criminal Court can investigate charges of crimes against humanity and war crimes against the leaders of the separatists.79 The Rada has completed the first reading of a constitutional amendment that would provide a certain level of self-government in the Donbas. Although both sides have agreed to hold any elections in accordance with Ukrainian law, the Rada has yet to pass an election law because it is unclear whether Ukrainian government

officials or political parties will be allowed into the region to help set up polling stations, print ballots, or even determine how ballots would be counted and reported. The separatist's demand that a total amnesty law be passed before elections can be held and apparently have not agreed to any of the election process demands by Kyiv.

According to reports, Putin continued to insist on the elections, a special status for the Donbas and amnesty without any guarantees from Moscow on a ceasefire, withdrawal of troops, and the transfer of border control to the OSCE or Ukraine. It was unlikely that the separatists would have agreed to such a provision, and since Russia continued to insist that it has no military forces in eastern Ukraine, it was unclear what exactly the road map would envision. Although President Poroshenko won a hard-fought victory in initially moving legislation through the Rada to grant the increased autonomy for the Donbas called for in the Minsk-2 agreement, he does not have the necessary votes to pass this legislation as an amendment to the constitution. Moscow has insisted on the decentralization of Ukraine, under which the various regions would have wide autonomy in the areas of the economy, finance, culture, language, education, and external economic and cultural ties with neighboring countries or regions.

What had largely disappeared from official Russian rhetoric since the start of the conflict was the concept of Novorossiya that is, expanding Russia's dominant control of the area to include most of eastern and southern Ukraine, perhaps linking Russian-controlled areas in southern Ukraine with Crimea. Others have suggested that most of the daily activities in the two areas, including financing, taxation, and electric power, are planned and administered by Russian ministries in Moscow, making the two regions somewhat like Russian statelets.

One unanswered question through this lack of progress is whether the leadership of the DPR and LPR would continue to adhere to Moscow's strict line if little or no progress were made with Kyiv or whether Moscow would attempt to exercise more control over the regions. On the other hand, some suggest that because there is more enthusiasm for this idea among DPR leaders than among their counterparts in Luhansk, the former may be prepared to use a show of force, including open military conflict with the LPR, to secure such an outcome. By contrast, some observers believe that Putin may eventually create the conditions for an election and

reintegration of the Donbas region into the country, not because he is prepared to give up the region but because he believes such a move would further weaken European resolve to continue the sanctions regime on Russia.

Such a move by Putin also would force Kyiv and the Rada either to honor democratically elected MPs from the Donbas and offer them protection if they came to Kyiv or to ignore the will of the people of Donbas and refuse to seat them in the Rada, potentially inviting criticism from the West. These officials initially believed there were additional financial consequences, created by continued low oil prices, Western sanctions, and Russian commitments in Syria that Moscow did not want to continue to incur in the current economic environment by prolonging the crisis. Other observers, however, believe these arguments miss the entire point of why Putin seized Crimea and supported the separatists in the first place the destabilization of Ukraine and the reversal of its Western orientation.

In a statement on this issue, Ukrainian war hero Naydia Savchenko said that although she welcomed a Minsk cease-fire agreement, she disagreed with key aspects of the deal, including giving eastern Ukraine more autonomy and holding local elections in the Donbas. Sohn reminded the reader that while President Putin has not insisted that the separatists comply with one single point in the Minsk agreement, blaming Kyiv instead for not living up to its commitments, the EU is piling pressure on Ukraine to fulfill its part of the Minsk agreement by devolving more power to the Russia-occupied part of Ukraine.

For some, the pressure on Kyiv to meet the Minsk-2 requirements, including amending the Ukrainian constitution, would permanently reward the separatists, seen by many as mere street thugs with guns, for taking sovereign territory from their own country at the point of a gun. This approach, in the eyes of some, reinforces resentment of the West and suspicions of Europe's commitment to its own principles of rule of law and raises the question of whether Europe's real priority is lasting peace and political reform or simply implementation of the Minsk agreement. In an April 2016 article, David Kramer of the McCain Institute suggested that because "Minsk is a terribly flawed deal [that] unfairly imposes conditions on Ukraine.

Relations with the European Union

European Union's Neighborhood Policy and the Eastern Partnership have been aimed towards close relations with Ukraine for atleast a decade now. Not only does the Union want to establish a better political and economic relationship with Kyiv but also wants to prepare Ukraine for membership into the E.U.

Evidence of EU's intentions can be seen in the €11 billion support package provided to the Poroshenko government to aid democratic reform in the country. The bundle included €1.6 billion as micro finance credit to facilitate the newly formed governments finances. The largest chunk of this package, comprising of €9 billion, came from the EIB (European Investment Bank) and the EBRD (European Bank for Reconstruction and Development). These finances have been then set to forward the advancement of water and transport systems together with improving the architecture around energy supply.

In attempts to fraternize with Ukraine, the EU has adopted a strategy of installing European values such as rule of law and fundamental freedom to strengthen its economic alliance with Ukraine. Another instrument to further this very purpose is the Association Agreement, which is bundled up with the comprehensive free trade agreement called the DCFTA. The agreement opens EU markets to Ukraine, by keeping it liable for maintaining European standards and exposing its local industries to competition from EU exports. The rejecting the AA had ousted Yanukovych, and it was amongst the very first international agreements signed by the Ukrainian government in March 2014. AT first the EU and Ukraine signed the sections of AA addressing to the political issues, whereas the economic dealings were agreed upon the economic side on 27th June. Eager to protect Russian interests in Ukraine, the Kremlin threatened to bar Ukrainian exports. Unwilling to comply, the Ukrainian Rada and the European Parliament ratified the accord on 16th September 2014. Russia reacted by halting the import of Ukrainian goods. Although, Ukraine was now receiving greater economic support from EU it was far from escaping from Russia's grasp and so Moscow was able to strong-arm Ukraine into postponing the implementation of the DCFTA until 2016.

Unfortunately, for Ukraine, the AA could never be fully come into action as the agreement must be ratified by all the 28 member states. After its partial implementation on January 2016, the Dutch government denied to ratify the AA in April 2016. They voters in Netherlands went on to clarify that the EU had no responsibility to support Kyiv through any economic or military aid. To this day the EU council and Ukraine wait for the Dutch to ratify the deal.

Even with the partial implementation of the Association Agreement, Ukraine has seen growth in its economy and could have achieved more of its untapped potential if it weren't for Moscow's decision to close of its well established free trade agreement with Ukraine. Combined with the decision to discontinue imports of Ukrainian food, the Kremlin ostracized this growth spurt in the Ukrainian economy.

To Ukraine's fortune, the EU came forward with yet a couple more instruments of support, which were the High-Level Investment Forum and the Ukraine Support Group. This platform was a collection of professionals, from the top EU establishments, hired to provide expertise in the reformation of targeted sectors within Ukraine. In attempts to relieve Ukraine's economy from Russia, the EU not only revamped the natural gas transport systems but also reversed the pipelines from Slovakia to allow for the flow of gasses from the west.

Sanctions

Russia's annexation of Crimea, was not only derogatory towards the sovereignty of Ukraine but an act of aggression against the West. The US and EU apart from condemning the takeover placed sanctions on Russia to increase the costs of such a measure. In fact, the day after the Crimea was annexed the European Union served up an asset freeze, along with a visa ban, against 21 individuals, from Russia and Ukraine, who contributed to the annexation. More and people were added to the list in the following days and with names adding up to 60 separatist leaders just two months after Putin and formally incorporated Crimea into Russian territory.

Bilateral cooperation with Russia was immediately halted by the Obama administration and the funds, originally assigned to the US-Russia Bilateral Presidential Commission were redirected towards aiding Ukraine. The US presidency also took similar actions to those of the European Union and issued executive orders imposing visa bans and asset freezes on several Russian leaders and directly involved militants (both Russian and Ukrainian), in the March of 2014. As one would expect, in comparison the U.S drafted a longer list than that of Ukraine. Until now the EU was skeptical of enforcing more sanctions

on Moscow, however, the downing of Malaysian Airlines Flight 17 provided motivation for further Ukraine related sanctions against Russia. On July 22nd, EU officials introduced new subjects to the list, including a few members of Putin's inner circle.

Although, some business sectors who primarily depended on the Russian market complained, the design of EU sanctions overlooked sensitive sectors such as that of natural gas and sale of dual-use technologies. Ofcourse, Russia had placed its own counter-sanction on Europe, targeting the agriculture sector. And even though many countries were able to find alternative markets they still felt a negative effect. Following an additional set of sanction of Russia, on Januray 2015, the United States togather with the EU decided to extent the duration of the Sanctions to July 2017, instead of retiring them in 2017. By now many. EU member states had begun to feel the heat of Russian counter sanctions and therefore, called for the ease or uplifting of the sanctions. Russia had surely withstood the sanctions and in doing so had not shown any signs of a policy reversal. Perhaps, it was this arrogant nature of Russia that led Jean-Claude Junker, President of the European Commission, to meet with President Putin during on June 16th, 2016, at the economic forum at Saint Petersburg. Many believed, this move pointed to the adoption of a lighter, less aggressive policy towards Russia. The next few months narrated a different story altogather, with the Merkel Government, in Germany, and the former Belgian Prime Minister and president of the Alliance of Liberals and Democrats for Europe Group, Guy Verhofstadt, championing the prolongation of the sanction on Russia.

Ukraine and the North Atlantic Treaty Organization

Ukraine had come very close to achieving NATO membership in 2008 when the NATO summit in Bucharest signaled that Ukraine was to become a NATO member. However, with the rising conflict in eastern Ukraine and Russia's constant attempts to carving a rift between Ukraine and Europe, it highly unlikely for Ukraine to be accepted into the kinship of NATO. Nevertheless, it continues to receive support from the Alliance. When the NATO-Ukraine Commission convened in Warsaw on 8th July, 2016, it promised an increase in training and technical aid to Kyiv and the Comprehensive Action plan was approved.

The CAP aims to provide:

- Advisory Support
- Defense Reform
- Defense Education
- Explosive Ordinance Disposal
- Counter to Improvised Explosive Devices.

Furthermore, the Alliance also reiterated its aims to install five funds to help Ukraine deal with the conflict. These funds comprise of the C4 (Command, Control, Communications and Computers); Cyber Defense; Medical Rehabilitation; Logistics and Standardization; and Military Career Transition.