

## II. Conflicts in the post-Soviet space: recent developments

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Current conflicts in the post-Soviet space emerged in the last years of the Soviet Union and the years that followed its demise.<sup>1</sup> The relatively recent conflict in Ukraine has brought another perspective to those conflicts. Although these conflicts are often referred to as ‘frozen’, the past 10 years have shown that armed violence has continued and sometimes escalated.<sup>2</sup> The 2008 Russia–Georgia war and subsequent developments in Abkhazia and South Ossetia, the intensification of fighting around Nagorno-Karabakh in 2016, and a new potentially protracted conflict in eastern Ukraine indicate that conflicts around sovereignty, ethnicity and borders in the post-Soviet space are far from over. Within a current context of increasing geopolitical rivalry between Russia and the West, any future escalation of armed violence around them bears significant risks for both the post-Soviet space and the neighbouring regions.

This section reviews developments in Abkhazia and South Ossetia, Nagorno-Karabakh and eastern Ukraine in 2016. The other key frozen conflict in the region—Moldova’s protracted conflict with the breakaway territory of Transnistria—was relatively quiet in 2016, and arguably remains more tractable than the other conflicts in the post-Soviet space.<sup>3</sup>

### **Abkhazia and South Ossetia**

Since the start of the conflict in Ukraine in 2014, Russia has significantly tightened its control of Georgia’s breakaway regions of Abkhazia and South Ossetia and expanded its security space there.<sup>4</sup> Indeed, after having recognized their independence, Russia no longer considers Abkhazia and South Ossetia as being part of Georgia and probably proceeds on the basis that the conflicts have been resolved.

Russia concluded an Alliance and Strategic Partnership Treaty with Abkhazia in November 2014 and an Alliance and Integration Treaty with South Ossetia in March 2015. The two agreements are potentially another step

<sup>1</sup> The post-Soviet space consists of 15 independent states formed after the collapse of the Soviet Union: Armenia, Azerbaijan, Belarus, Estonia, Georgia, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.

<sup>2</sup> There is no unified definition of a ‘frozen’ conflict. The term is often used to describe the conflicts of the post-Soviet spaces of Nagorno-Karabakh, Transnistria, Abkhazia and South Ossetia. It refers to the relative stability but not the resolution of a conflict after the end of open war. See e.g. Cooley, A., ‘Scripts of sovereignty: the freezing of the Russia–Ukraine crisis and dilemmas of governance in Eurasia’, Center on Global Interests, 2015.

<sup>3</sup> De Waal, T., ‘Ever-intractable Transnistria’, Carnegie Europe, Press release, 22 Nov. 2016.

<sup>4</sup> Melvin, N. and Klimenko, E., ‘The regionalisation of armed conflict in the Caucasus’, CASCADE, Working paper, Dec. 2016.

forward from current unrecognized independence (outside of Russia and a few other states) to de facto annexation.<sup>5</sup>

The difference in titles of the treaties is reflective of the different integration dynamics each region has with Russia. The draft proposed by Russia provoked a wave of protests in Abkhazia, with large parts of the population and elites opposed to ceding independence to Russia.<sup>6</sup> Only after a series of consultations, and a redrafting of the treaty and its title, was the agreement finally signed.<sup>7</sup> Although the new draft reflected the regional government's position and some of its popular concerns, Abkhazia seemingly had little choice but to agree to significant concessions in the treaty, such as endorsing the existing coordination of foreign policy and the creation of a common security and defence space.<sup>8</sup> In November 2015 Russia moved one step further and signed an agreement with Abkhazia on establishing a joint military force. The agreement was ratified in November 2016.<sup>9</sup>

In South Ossetia, on the other hand, the treaty has generated much more support. Indeed, the government of South Ossetia has on several occasions expressed its willingness to join North Ossetia and Russia, and even considered holding a referendum in 2016, which has been postponed to 2017.<sup>10</sup> Hence, the treaty with South Ossetia is much broader and includes several areas not mentioned in the Abkhazia treaty. In addition to the creation of a common defence and security space, South Ossetia's military has been integrated into Russia's military. The creation of a so-called coordination centre for interior affairs has also substantially incorporated the South Ossetian police within the Russian police. The customs structures are also fully absorbed within those of the Russian Federation. Other areas covered by the treaty include education, insurance, healthcare and socio-economic welfare.<sup>11</sup>

<sup>5</sup> In total, Abkhazia and South Ossetia have been recognized by six and five United Nations member states, respectively.

<sup>6</sup> Silayev, N., [Second invitation], Lenta.ru, 27 Oct. 2014 (in Russian).

<sup>7</sup> The agreement originally contained much wording regarding the integration of Abkhazia into Russia, which was dropped in the final version. Russia's draft contained an article granting Abkhaz citizenship to Russian citizens, which was also dropped. Russia's draft also assumed the creation of a joint military grouping by joining the Abkhaz and Russian military. The new version, however, underlines that only certain parts of the Abkhaz military will be part of the joint military grouping. Additionally, Abkhazia dropped several articles on the unification of education, healthcare and other standards. Alania Information Agency, 18 Dec. 2014, <<http://osinform.org/48191-dogovor-osoyuznichestve-mezhdu-rossiye-i-abhaziyey-popravki-abhazskoy-storony.html>>.

<sup>8</sup> The Kremlin, [Treaty between the Russian Federation and the Republic of Abkhazia on Alliance and Strategic Partnership], 24 Nov. 2014 (in Russian).

<sup>9</sup> The Kremlin, [The law on ratification of the agreement between Russia and Abkhazia on the Joint Forces has been signed], 22 Nov. 2016 (in Russian).

<sup>10</sup> Kryuchkov, I and Dergachev, V., [South Ossetia suffers from the 'Crimean scenario'], *Gazeta.ru*, 26 May 2016 (in Russian).

<sup>11</sup> *Kavkazskiy Uzel*, [Treaty between the Russian Federation and the Republic of South Ossetia on Alliance and Integration], 30 June 2015 (in Russian).

Among concrete steps on the ground, Russia has continued the so-called creeping borderization, a slow advance of the occupation line further into internationally recognized Georgian territory.<sup>12</sup> For example, in July 2015, Russian troops in South Ossetia moved border markers extending the administrative boundary of South Ossetia and brought a section of the Baku–Supsa oil pipeline within the administrative area of South Ossetia.<sup>13</sup> South Ossetian forces participated in Russia’s large-scale military exercises, Kavkaz-2016.<sup>14</sup> Russia has also increased its financial support to the breakaway regions: up to 70 per cent of Abkhazia’s budget and more than 90 per cent of South Ossetia’s budget are currently financed by Russia, including all social benefits, pensions and salaries of government officials.<sup>15</sup> Citizens of the breakaway regions have also been granted Russian passports.<sup>16</sup>

While the Georgian Government considers Russia’s advances to be creeping annexation, it has few options or mechanisms for preventing them.<sup>17</sup> Although in 2012 the Georgian Government announced a new strategy to pave the way for social, economic and political contact with Abkhazia and South Ossetia, this has yet to produce any tangible results.<sup>18</sup> Similarly, a policy to restore relations with Russia has achieved only limited results on account of contrary positions on Abkhazia and Ossetia.

To counterbalance Russia’s influence in the region, Georgia continues to strengthen its ties with the European Union (EU), the United States and the North Atlantic Treaty Organization (NATO). Within the framework of a NATO–Georgia cooperation package, in 2015 a NATO–Georgian Joint Training Centre was established to assist Georgia to reform, modernize and strengthen its security and defence sector.<sup>19</sup> In November 2016 the second NATO–Georgia exercise was held near Tbilisi involving Georgian forces as well as 13 NATO member states and partners.<sup>20</sup> Meanwhile, although the

<sup>12</sup> Markedonov, S., ‘Why Russia’s “borderization” strategy makes Georgia so nervous’, *Russia Direct*, 29 July 2015; and Socor, V., ‘Russia accelerates “borderization” in Georgia on war’s 20th anniversary’, *Jamestown Foundation*, 2 Oct. 2013.

<sup>13</sup> ‘EU warning over Russia “land grab” in South Ossetia border row’, *BBC News*, 16 July 2015.

<sup>14</sup> *Zvezda*, [The geography of the exercises ‘Kavkaz-2016’ expanded to North Ossetia: footage from the ‘battlefield’], 7 Sep. 2016 (in Russian).

<sup>15</sup> Antonova, E. and Khimshiashvili, P., [Russia will double financial assistance to Abkhazia], *RBK*, 30 Oct. 2015 (in Russian).

<sup>16</sup> Kuprina, Y., [More than 90% of residents of South Ossetia received a Russian passport], *Komsomolskaya Pravda*, 22 May 2009 (in Russian).

<sup>17</sup> Georgian Ministry of Foreign Affairs, ‘Russia continues a policy of creeping annexation towards the occupied territories of Georgia’, *Accent IA*, 3 Nov. 2016.

<sup>18</sup> *On Kavkaz*, [Abkhazia, despite speculation about joining Russia, fears a close rapprochement with Moscow], 17 Sep. 2016 (in Russian); and *Sputnik*, [Ministry of Finance of the Russian Federation: financial aid to South Ossetia until 2019 will be 7.6 billion roubles], 14 Sep. 2016 (in Russian).

<sup>19</sup> North Atlantic Treaty Organization (NATO), ‘Substantial NATO–Georgia Package’, *Media background*, Feb. 2016; and North Atlantic Treaty Organization (NATO), ‘NATO–Georgian Joint Training and Evaluation Center (JTEC)’, *Fact sheet*, 27 Aug. 2015.

<sup>20</sup> North Atlantic Treaty Organization (NATO), ‘Georgian military lead landmark NATO–Georgia Exercise 2016’, *Press release*, Nov. 2016.

2016 NATO Warsaw Summit did not offer Georgia a membership action plan, significant bilateral military assistance was agreed, notably from the USA, and in December 2016 the USA and Georgia signed a framework agreement on security cooperation for 2016–19.<sup>21</sup>

Finally, in 2016 the EU–Georgia Association Agreement fully entered into force, with substantial progress being made with the EU towards a visa-free regime.<sup>22</sup>

### **The Nagorno-Karabakh four-day war**

On 2–5 April 2016 the situation around Nagorno-Karabakh, the location of one of the oldest conflicts of the post-Soviet space, significantly deteriorated. The parties to the conflict mutually accused each other of starting the violence. Azerbaijan reported shelling from the Armenian side, while Armenia accused Azerbaijan of offensive actions in the conflict area. Combat aircraft, tanks, heavy artillery weapons, unarmed aerial vehicles and rocket launchers were reportedly used.<sup>23</sup> The data on casualties varies (see figure 4.2). Nagorno-Karabakh's Ministry of Defence reported up to 200 military deaths on the Azerbaijani side. Armenia announced that 18 people had been killed and 35 injured on its side. Azerbaijan in turn admitted the loss of 12 soldiers on its side and more than 100 on the Armenian side.<sup>24</sup>

In 2016, for the first time since the 1990s, Azerbaijani forces managed to regain control of small parts of the territory surrounding Karabakh, marking the first time since 1994 that the line of contact had shifted. Several factors led to the escalation of violence in April 2016.

#### *The arms race and intensification of violence*

According to some analysts, it was the arms race between Armenia and Azerbaijan that made the Karabakh front line the 'most militarized area of Europe'.<sup>25</sup> Oil revenues allowed Azerbaijan to significantly increase its defence spending and diversify its suppliers. Azerbaijan imports most of its weapons from Russia, but it has also forged closer ties with Israel (from

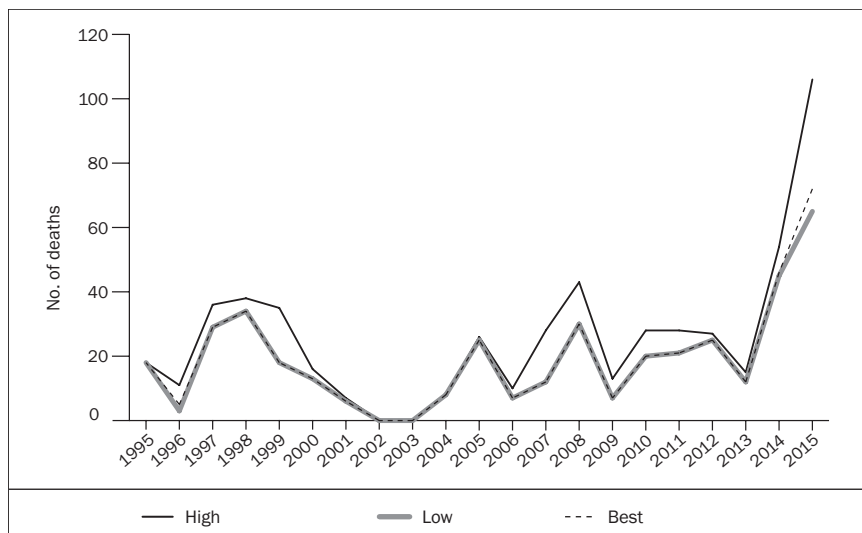
<sup>21</sup> Tskhvitava, G., 'Boost to military reform in Georgia', Institute for War and Peace Reporting, 19 July 2016; and Minabde, G., 'US–Georgia defense and security cooperation moves to a new stage', Jamestown Foundation, 13 Dec. 2016.

<sup>22</sup> European Commission, 'EU–Georgia Association Agreement fully enters into force', Press release, July 2016; and Baczynska, G., 'EU unblocks visa-free travel for Ukraine, Georgia', Reuters, 8 Dec. 2016.

<sup>23</sup> Baranec, T. and Juraj, B., 'Nagorno-Karabakh and the military balance', CACI Analyst, 10 May 2016; Al Jazeera, 'Nagorno-Karabakh crisis escalates amid threat of war', 4 Apr. 2016; and Broers, L., 'The Nagorno Karabakh conflict: defaulting to war', Chatham House, Research paper, July 2016.

<sup>24</sup> NTV, [Defense Ministry of Nagorno-Karabakh: 200 Azeri militants killed in battle], 2 Apr. 2016 (in Russian).

<sup>25</sup> Mammadov, F., 'The Armenia Azerbaijan Nagorno-Karabakh conflict as the key threat to peace and cooperation in the South Caucasus', *Caucasus International*, vol. 6, no. 1 (summer 2016), p. 157.



**Figure 4.2.** Battle-related deaths, Nagorno-Karabakh conflict, 1995–2015

*Note:* The Uppsala Conflict Data Program (UCDP) gives low, high and best estimates of the battle-related deaths.

*Source:* UCDP, 'Government of Azerbaijan—Republic of Nagorno-Karabakh', <<http://ucdp.uu.se/additionalinfo?id=833&entityType=4#2013>>.

which it has purchased advanced weapons including unmanned aerial vehicles and missile systems) and signed an agreement on military cooperation with Turkey.<sup>26</sup> In 2016, however, both countries decreased military spending for the first time since 2011. Azerbaijan's expenditures were affected by low oil prices and dropped 36 per cent in real terms to \$1.4 billion, while Armenia's military spending decreased by 5.5 per cent to \$431 million.<sup>27</sup> The fall reduced the spending imbalance between the two countries, from around 7 to 1 in favour of Azerbaijan in the years 2011–15 to 4.6 to 1 in 2016. However, Armenia's partnership with Russia and membership of the Collective Security Treaty Organization (CSTO) allows it access to Russian weapons at significantly lower prices and through loans.

Although exchanges of fire along the ceasefire line have been a recurring feature of the conflict since the 1994 ceasefire, from 2014 there was a significant upsurge in violence and a considerable increase in tension.<sup>28</sup> In

<sup>26</sup> Stevenson, J. and Tippin, G., *Russian Clients and Global Foreign Policy Strategy: Evidence from Foreign Military Sales*, National Consortium for the Study of Terrorism and Responses to Terrorism (START) (START: College Park, MD, Aug. 2015); and *Bloomberg*, 'Israel's top oil supplier endures Gaza as Azeri ties grow', 29 Sep. 2014.

<sup>27</sup> SIPRI Military Expenditure Database, <<http://www.sipri.org/databases/milex/>>. See chapter 9, section I, in this volume.

<sup>28</sup> Uppsala Conflict Data Programme (UCDP), 'Government of Azerbaijan—Republic of Nagorno-Karabakh', Battle Related Deaths Database, <<http://ucdp.uu.se/additionalin->

November 2014, for example, Azerbaijani forces downed Armenia's Mi-24 helicopter, the first such incident since the 1994 ceasefire.<sup>29</sup> Significant levels of violence continued in 2015, including the use of artillery by both sides. In September 2015, artillery systems (multiple rocket launchers, a 122-mm howitzer 2A18 (D-30) and mortars) were used.<sup>30</sup> On 8–9 December 2015, according to Nagorno-Karabakh's Ministry of Defence, the ceasefire was violated over 180 times at the line of contact.<sup>31</sup> In view of this, the violence in April 2016 was not a one-off event but rather a continuation of the trend of increased fighting over the past two years.

Along with the increasing violence, there has also been a 'militarization of language' regarding the conflict.<sup>32</sup> References to the 'strengthening army of Azerbaijan', the coming 'military victory' over Armenia, and the 'liberation of the occupied territories' have appeared more frequently in the narratives of Azerbaijan's political and military leadership.<sup>33</sup> The Armenian side has also used aggressive language, referring to a willingness and readiness to provide a harsh military response to Azerbaijan's provocations.<sup>34</sup>

The war has become a significant source of legitimacy for each of the regimes.<sup>35</sup> Both Armenia and Azerbaijan are experiencing significant economic difficulties and increasing levels of social protest. In focusing on the war, both regimes are able to unite their populations behind the leadership in the face of external danger, and to thereby distract them from domestic political issues, economic problems and human rights concerns.

### *Sluggish peace talks*

The Nagorno-Karabakh peace process has significantly slowed since the 2007 Madrid Principles. In 2011–12 several high-level meetings were organized by the then Russian President, Dmitry Medvedev, but none resulted in any progress. Overall, apart from Russia's initiatives, there has been relative disinterest in the process on the part of other Minsk Group members.

fo?id=833&entityType=4#2013>.

<sup>29</sup> *The Guardian*, 'Armenian military helicopter shot down by Azerbaijani forces, killing three', 14 Nov. 2014.

<sup>30</sup> Nersisyan, L., [End of armistice], Lenta.ru, 28 Sep. 2016 (in Russian).

<sup>31</sup> Armen Press Agency, 'US Department of State: use of heavy artillery in conflict zone of Nagorno Karabakh is unacceptable', 10 Dec. 2015.

<sup>32</sup> De Waal, T., Speech at CASCADE workshop, Tbilisi, Apr. 2016.

<sup>33</sup> Azernews.Az, 'Azerbaijani Army to free occupied lands soon', 30 Oct. 2015.

<sup>34</sup> Remarks by the President of the Republic of Armenia H. E. Serzh Sargsyan at the OSCE Meeting of the Heads of State or Government (Summit), 2010, <<http://www.president.am/en/statements-and-messages/item/2010/12/02/news-78/>>.

<sup>35</sup> Schumacher, T., 'Armenia, Azerbaijan and the Nagorno-Karabakh conflict: why the "black garden" will not blossom any time soon', Egmont Royal Institute for International Relations, Security Policy Brief, Apr. 2016; and von Soest, C. and Grauvogel, J., 'How do non-democratic regimes claim legitimacy? Comparative insights from post-Soviet countries', German Institute of Global and Area Studies, Working Paper no. 277, Aug. 2015.

However, as a response to increasing violence in 2014, three high-level meetings were organized separately by France, Russia and the USA in Paris, Sochi and Newport. The Organization for Security and Co-operation in Europe (OSCE) Minsk Group co-chairs also organized several meetings at the foreign minister level, in an attempt to further reduce the tension. However, these latest initiatives have proved ineffective: none of the meetings in 2014 and 2015 ended in any signed agreement or improvement in the conditions on the ground.

In response to the escalation of fighting in 2016, the Minsk Group co-chairs held an emergency meeting in Vienna on 16 May 2016.<sup>36</sup> Russian President Vladimir Putin also convened a trilateral summit in Saint Petersburg on 20 June. However, even the members of the Minsk Group admit that the conflict has little chance of being resolved, as ‘the leaders are not ready for it’.<sup>37</sup>

### **Eastern Ukraine**

The conflict in Ukraine is a relatively new phenomenon in the post-Soviet space. However, lack of progress three years after the Maidan revolution in February 2014 is evidence that it risks becoming yet another protracted conflict in the region.<sup>38</sup>

#### *The situation in 2016*

Despite the two Minsk agreements (signed in September 2014 and February 2015) and several ceasefire declarations, in 2016 the OSCE recorded hundreds of ceasefire violations and the use of heavy weapons in violation of the withdrawal lines, including mortars, artillery and tanks (see section I).<sup>39</sup> Although both sides deny initiating the fighting, the OSCE reports violations from both. The most recent fighting—in December 2016—has concentrated around Svitlodarks bulge, north-west of Debaltsevo.<sup>40</sup>

According to the United Nation’s Office of the High Commissioner for Human Rights (OHCHR), since the beginning of the conflict in 2014 there have been 32 453 recorded conflict-related casualties in Ukraine (among Ukrainian armed forces, civilians and members of armed groups):

<sup>36</sup> Joint Statement of the Minister of Foreign Affairs of the Russian Federation, Secretary of State of the United States of America and State Secretary for Europe Affairs of France, 16 May 2016, <<http://www.osce.org/mg/240316>>.

<sup>37</sup> Armen Press Agency, ‘John Kerry doesn’t see conditions for Nagorno Karabakh conflict settlement’, 30 Sep. 2016.

<sup>38</sup> For background on the conflict, see Wilson, A., ‘External intervention in the Ukraine conflict: towards a frozen conflict in the Donbas’, *SIPRI Yearbook 2016*, pp. 143–58; and ‘The Ukraine conflict and its implications’, *SIPRI Yearbook 2015*.

<sup>39</sup> Organization for Security and Co-operation in Europe (OSCE), OSCE Mission in Ukraine, Daily reports, <<http://www.osce.org/ukraine-smm/reports>>.

<sup>40</sup> Organization for Security and Co-operation in Europe (note 39).

9733 people killed and 22 720 injured.<sup>41</sup> In addition, the total number of Ukrainians seeking asylum is 1 481 377, with the majority going to the Russian Federation (1 154 212).<sup>42</sup> The number of internally displaced persons (IDPs) registered with the Ukrainian Ministry of Social Policy is 1 656 662.<sup>43</sup> However, according to a number of other sources, on account of the partial return of people to the affected areas, the actual number of IDPs is thought to be around 900 000.<sup>44</sup>

### *Minsk II: an update*

Almost two years after the adoption of the Minsk II agreement there has been little progress, largely on account of the differing priorities of the parties concerned (see table 4.1). Ukraine insists that the priority is implementing the security-related items in the agreement: ensuring a permanent ceasefire, the withdrawal of foreign troops and military equipment from the territory of Ukraine, and the establishment of control over the border with Russia—the last of these being crucial to Ukraine as it strives to cut the supply of weapons, ammunition and fighters from Russia to the separatists.

In turn, Russia's priority is the implementation of political changes: the provision of a special status to the 'uncontrolled territories', a change to the Ukrainian constitution, and elections in the Donbas. The provision of a 'special status' to Donbas and Luhansk would be sufficient for Russia to guarantee significant influence over the territories and create a buffer zone with the rest of Ukraine. Indeed, Russia insists that it is not even a party to the conflict and repeatedly underlines that Ukraine should negotiate with the Donetsk People's Republic (DNR) and Luhansk People's Republic (LNR). The new Russian Foreign Policy Concept adopted in November 2016 is another confirmation of this position: it insists on the internality of the conflict in eastern Ukraine.<sup>45</sup>

The October 2016 meeting in Berlin of the Normandy Four (a diplomatic group of senior representatives from France, Germany, Russia and Ukraine tasked with resolving the situation in eastern Ukraine) once again demonstrated different interpretations of the agreements. The parties nonetheless

<sup>41</sup> Office of the High Commissioner for Human Rights (OHCHR), 'Report on the human rights situation in Ukraine 16 Aug. to 15 Nov. 2016', <[http://www.ohchr.org/Documents/Countries/UA/UAReport16th\\_EN.pdf](http://www.ohchr.org/Documents/Countries/UA/UAReport16th_EN.pdf)>; and United Nations High Commissioner for Refugees (UNHCR), UNHCR operational update, Nov. 2016, <<http://reporting.unhcr.org/sites/default/files/UNHCR%20Ukraine%20Operational%20Update%20-%20November%202016.pdf>>.

<sup>42</sup> United Nations High Commissioner for Refugees (note 41).

<sup>43</sup> United Nations Children's Fund (UNICEF), Ukraine Humanitarian Situation Report no. 53, Dec. 2016, <[https://www.unicef.org/appeals/files/UNICEF\\_Ukraine\\_Humanitarian\\_Sitrep\\_Dec\\_2016.pdf](https://www.unicef.org/appeals/files/UNICEF_Ukraine_Humanitarian_Sitrep_Dec_2016.pdf)>.

<sup>44</sup> Interviews in Ukraine with the United Nations High Commissioner for Refugees (UNHCR), Nov. 2016.

<sup>45</sup> [Foreign policy concept of the Russian Federation (approved by President of the Russian Federation Vladimir Putin on Nov. 30, 2016)] (in Russian).



**Table 4.1.** Implementation of the Minsk II agreement

	Minsk II	Current status
1	Immediate and full ceasefire	Not implemented
2	Withdrawal of heavy weapons by both sides	Partially implemented
3	Provide effective monitoring of the ceasefire by OSCE	Partially implemented <sup>a</sup>
4	From day one of the withdrawal start a dialogue on the modalities of holding local elections in accordance with the Law on Special Order of Local Government in Certain Districts of Donetsk and Luhansk	Partially implemented
5	Pardon and amnesty by banning any prosecution of figures involved in the Donetsk and Luhansk conflict	Partially implemented <sup>b</sup>
6	Release of all hostages and other illegally detained people	Partially implemented <sup>c</sup>
7	Unimpeded delivery of humanitarian aid to the needy, internationally supervised	Not implemented <sup>d</sup>
8	Restoration of full social and economic links with affected areas	Not implemented
9	Full Ukrainian Government control restored over the state border, throughout the conflict zone	Not implemented
10	Withdrawal of all foreign armed groups, weapons and mercenaries from Ukrainian territory	Not implemented
11	Constitutional reform in Ukraine with decentralization as a key element; a new constitution by the end of 2015	Not implemented <sup>e</sup>
12	Local elections in Donetsk and Luhansk regions to be held according to OSCE standards	Not implemented
13	Intensification of the work of the Trilateral Contact Group	Partially implemented

OSCE = Organization for Security and Co-operation in Europe.

<sup>a</sup> The OSCE reports difficulty in accessing areas controlled by separatist forces.

<sup>b</sup> The amnesty law has been passed but has not yet entered into force.

<sup>c</sup> There are significant disagreements between Russia and Ukraine on the formula of exchange, and this is stalling the process.

<sup>d</sup> Although Russia reports on delivery of humanitarian aid to the Donetsk and Luhansk regions, these deliveries are not internationally supervised, since international organizations have difficulties accessing the areas controlled by rebels.

<sup>e</sup> The Ukrainian Parliament adopted amendments to the Constitution of Ukraine on decentralization in the first reading (Aug. 2015), but no further progress has been made.

Sources: The Kremlin, [A set of measures to implement the Minsk Agreements], 12 Feb. 2015, <<http://kremlin.ru/supplement/4804>> (in Russian); Daily and spot reports from the Special Monitoring Mission to Ukraine, <<http://www.osce.org/ukraine-smm/reports>>; RIA Novosti, [The Verkhovna Rada passed an amnesty law in 2016], 22 Dec. 2016 (in Russian); RIA Novosti, [The transfer of 15 supporters of DNR is delayed because of technical reasons], 22 Dec. 2016, <<https://ria.ru/world/20161222/1484346369.html>> (in Russian); RIA Novosti, [Delivery of humanitarian aid to Ukraine], <[https://ria.ru/trend/humanitarian\\_aid\\_Ukraine\\_12082014/](https://ria.ru/trend/humanitarian_aid_Ukraine_12082014/)> (in Russian); and President of Ukraine, Statement of the President of Ukraine H. E. Petro Poroshenko at the 13th Yalta European Strategy Annual Meeting (YES), 'The World, Europe and Ukraine: storms of changes', 16 Sep. 2016, <<http://www.president.gov.ua/en/news/vistup-prezidenta-petra-poroshenka-na-13-j-shorichnij-zustri-38163>>.

agreed to develop a road map for the implementation of Minsk II.<sup>46</sup> In order to accelerate the start of political reforms, Ukraine is required to introduce an OSCE police mission, which ‘will provide security, both during the electoral process and the transition period’, according to Ukrainian President Petro Poroshenko, and has the support of Russia.<sup>47</sup> However, from the declarations of the Russian negotiators it is clear that they have different interpretations of the aims of the police mission.<sup>48</sup> The representatives of the separatist regions are against any armed missions on their territories and claim to regard it as ‘intervention’.<sup>49</sup> On 29 November 2016 the heads of the Ministries of Foreign Affairs from the Normandy Four met, but no progress was achieved in discussion of the road map for implementation of the Minsk II agreement (see table 4.1).<sup>50</sup>

### *Donetsk and Luhansk: an emerging protracted conflict*

Eastern Ukraine appears to be heading towards another protracted conflict. There are similarities between the situations in the DNR and LNR and those in other quasi-states of the post-Soviet space (Abkhazia, South Ossetia and Nagorno-Karabakh), a fact that seems likely to keep them in this undefined status for a long time. They have already established local political institutions, claim to have a distinct set of features that cannot be preserved within the Ukrainian state and, most importantly, also have the financial and military support of an external power that is their de facto security provider.

Russia’s policy seems unlikely to change in the near term since its original goals for intervention remain unchanged. It will continue to provide weapons, funding and, where necessary, troops to support the separatists. It will also continue to use the conflict to destabilize Ukraine, and to obstruct Ukraine’s pursuit of closer ties with the EU and NATO.

## **Conclusions: the conflicts of the post-Soviet space and the regional dimension**

The escalation of the Nagorno-Karabakh conflict is among the most acute problems in the post-Soviet space. If the hostilities spread from Nagorno-Karabakh into Armenia, the Russian Government will face a

<sup>46</sup> MK.ru, [Alone and without a breakthrough: Putin tiredly summed up the outcomes of the ‘Normandy Four’], 20 Oct. 2016 (in Russian).

<sup>47</sup> Delfinov, A., [‘Normandy Four’ agreed on a ‘road map’ for Donbass], Inosmi.ru, 20 Oct. 2016 (in Russian).

<sup>48</sup> RIA Novosti, [‘Normandy Four’ will try to agree on a road map for the Donbass], 29 Nov. 2016 (in Russian).

<sup>49</sup> Khomenko, S., [Where will the ‘road map’ lead, or what was agreed in Berlin], BBC World News, 20 Oct. 2016 (in Russian).

<sup>50</sup> ZN.ua, [Poroshenko noted the lack of progress in the discussion of the ‘road map’ of the Minsk Agreements], 2 Dec. 2016 (in Russian).

difficult choice, since it seeks good relations with both Armenia and Azerbaijan. Armenia, however, is part of the CSTO and Russia is obliged to protect its ally. It would either have to intervene or face a rather humiliating situation of abstaining from its obligations. The recent decision to establish a joint military force with Armenia only deepens this dilemma.<sup>51</sup>

Azerbaijan in turn has the support of Turkey, which has traditionally been very reluctant to openly engage in the conflict, but may do so in the event of a future crisis. Indeed, the April 2016 violence occurred at the height of the crisis between Turkey and Russia, and although tensions between the two countries have since eased after the coup attempt in Turkey, the unpredictability and volatility of their relationship keeps the risk of a confrontation in the Caucasus high (see section III).

The Russian annexation of Crimea and its involvement in the eastern Ukraine conflict has initiated a security shift around the Black Sea region. The agreements signed with Abkhazia and South Ossetia as well as with Armenia have significantly strengthened Russia's military presence in the South Caucasus, with implications that extend to the Black Sea region as well as to Russia's policy in the Middle East. The actions also influence the military relationship between Russia and the transatlantic community in the region.

Although the fighting in eastern Ukraine in 2016 was less severe than in the previous two years, further escalation of the violence could be triggered by a number of factors that would challenge the status quo. This would have serious regional implications as well as the potential to spill over into neighbouring regions. Russia's further direct and open involvement and military actions in DNR and LNR as well as their potential annexation could also provoke further conflict between Russia and Europe.

<sup>51</sup> [Order of the President of the Russian Federation of 12.11.2016 no. 359-rp, 'On the signing of the Agreement between the Russian Federation and the Republic of Armenia on the Joint Armed Forces of the Republic of Armenia and the Armed Forces of the Russian Federation'] (in Russian).

The year also ended on a note of deep Turkish frustration with the outgoing Obama Administration, including over perceived US feet-dragging on the issue of Fethullah Gülen's extradition. Instead, hopes were pinned on the incoming Trump Administration and its perceived willingness and ability to prioritize Turkey as an ally, and Erdoğan as a partner.

## Conclusions

Domestic developments in Turkey during its 2016 *annus horribilis*, in parallel with enhanced risk exposure following its foreign policy reorientation, will unavoidably remain lasting ingredients in Turkey's continued struggle for identity, stability and political legitimacy. Several basic questions remain to be answered. Is Turkey's move towards authoritarianism (as per the current constitutional amendment) compatible with remaining anchored in partnership with the West (namely the EU, USA and NATO)? Can political stability be realized by force/imposition? Can there be economic growth in such conditions? How can there be stability without legitimacy, and how can there be legitimacy without mechanisms for consensus building?

For the EU, these questions probably imply having to handle differently the balance between recognized economic and security interdependence, the migration crisis and the real risks of political estrangement during the years to come. This implies more realpolitik and less effort towards genuine integration, based on the Copenhagen criteria and the EU's core values. Similarly, for the USA and NATO, at issue is how to refine, or redefine, the balance between perceptions of a new, substantially different Turkey under the long-term absolute leadership of a strong and independent-minded president with Islamist credentials, and a continuing need for Turkey as a strategic ally in a turbulent Middle East and against an assertive Russia.