

Ukraine: The challenge of peace

(from the perspective of the Minsk negotiations)

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Flashback on the Minsk process

- **7-12 April 2014:** Assaults on administrative buildings in Donetsk, Luhansk and Mariupol, first blood spilled in Slovyansk
- **6 June 2014:** Normandy meeting
- **8 June 2014:** First meeting of the Trilateral Contact Group (TCG)
- **5 September 2014:** Minsk Protocol (“Minsk I”)
- **12 February 2015:** Minsk Package of Measures and Normandy Leaders’ Declaration (“Minsk II”)
- **17 February 2015:** UN SC Resolution #2202
- **March, Sept. 2016:** TCG “Framework Decisions”

A multi-ethnic, multi-lingual country -- not unlike many others



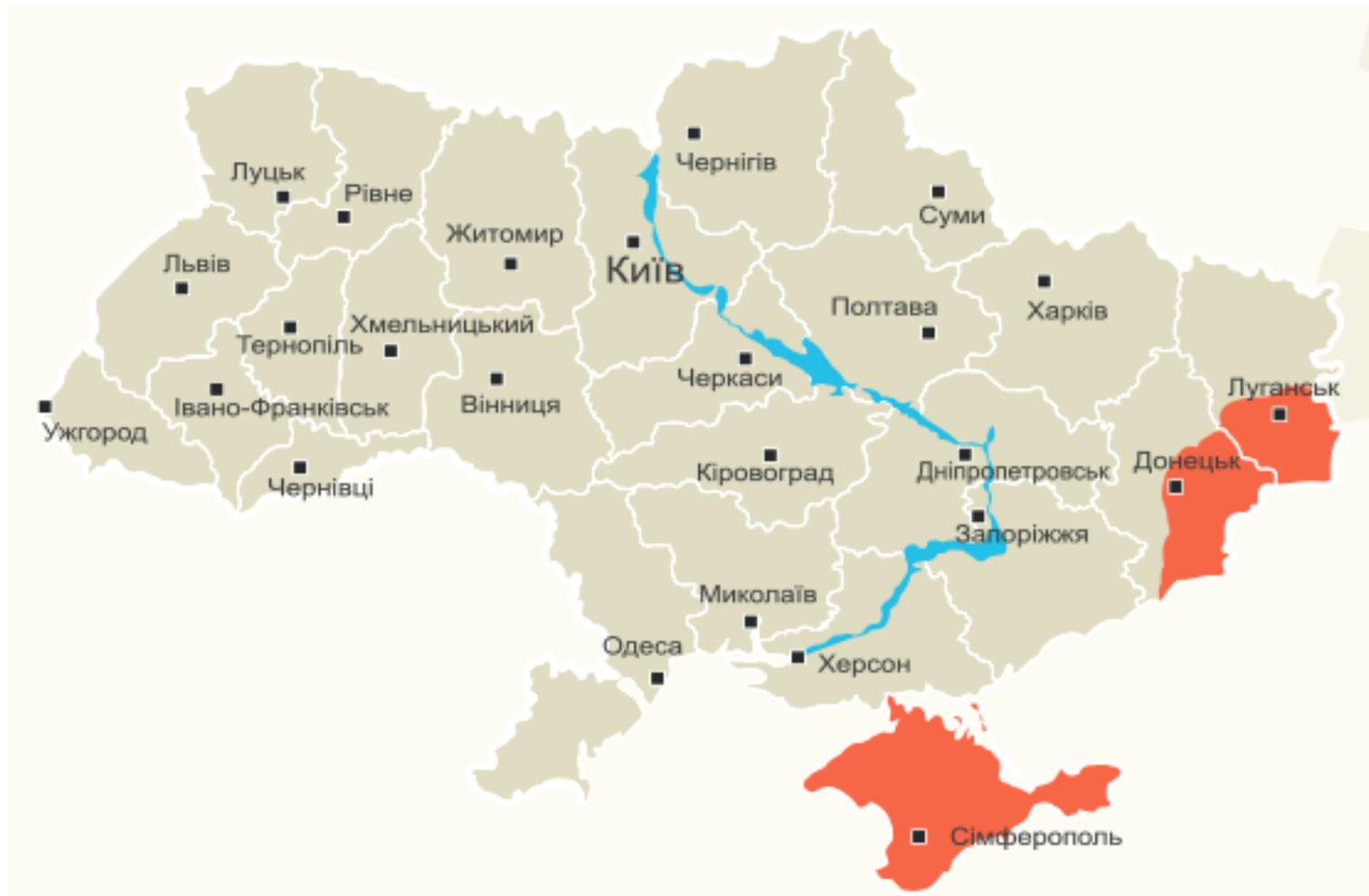
One conflict, several narratives

- Two **conflicting narratives** in public discourse:
 - Civil war on ethnic and/or linguistic grounds?
 - Foreign intervention?
- **J. Fearon & D. Laitin** in “Ethnicity, insurgency and civil war” (2001, 2003) show that:
 - Conditions favouring insurgency include poverty and slow growth, a weak and capricious state, a large population, and rough terrain
 - Ethnicity not a determinant by itself
- **L. Freeman**: “limited war” (international conflict alongside continued diplomatic and trade relations)

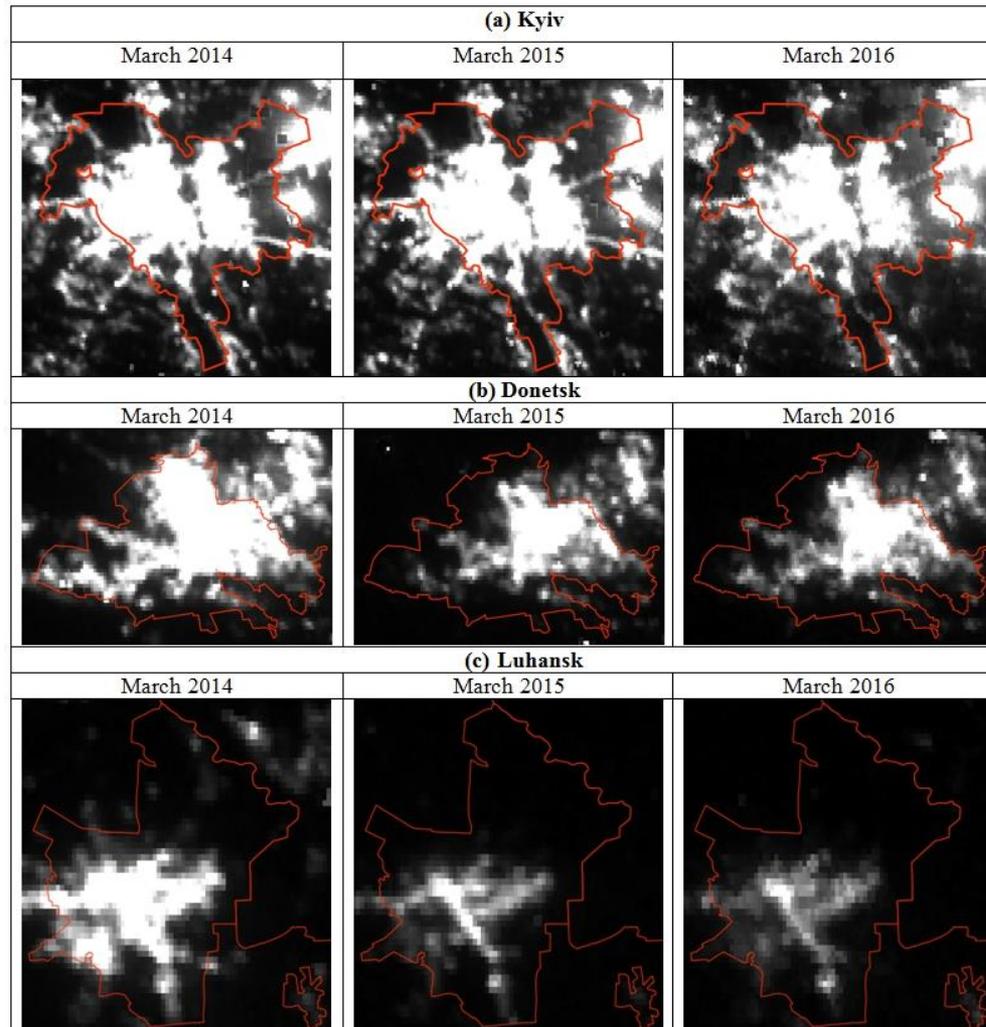


- 3.1 mio people in need of humanitarian help
- 2.7 mio in NGCA, 0.8m along the contact line
- 1.8 mio internally displaced persons (IDPs)
- 1.1 mio refugees
- Non-government controlled areas (NGCA): 17,000 km²
- Length of contact line: 427 km

Illegally annexed (Crimea) and non-government controlled territories (“CADLR” as per Minsk): 12% of Ukraine’s territory



Snapshots of the economic impact of the conflict in eastern Ukraine



Selected macroeconomic indicators 2015/2013

	Ukraine			Donetsk and Luhansk regions, combined			Contribution of Donetsk and Luhansk regions to the evolution of the national indicator, %
	2013	2015	Evolution (%)	2013 (region's weight, %)	2015 (region's weight, %)	Evolution (%)	
GDP / GRP (2013 prices), mln. euros	45 466.6	38 601.1	-15.1	6 876.1 (15.1%)	2 695.5 (7.0%)	-60.8	60.9 %
Sales of industrial products (2013 prices), mln. euros	41 325.3	31 658.1	-23.4	6 583.3 (15.9%)	3 478.4 (11.0%)	-47.2	32.1 %
Exports, mln. US\$	63 312.0	38 127.2	-39.8	15 952.2 (25.2%)	3 953.1 (10.4%)	-75.2	47.6 %

Social and political impact of the conflict

- **“It is not our war”** (‘grey zone’ population, NGCA)
- **Socis nation-wide survey, May 2019:**
 - Conflict as the most pressing issue affecting people’s lives (62%)
 - Low salaries and pension (49%)
 - Rise in utility tariffs (44%)
- **UN Social Cohesion and Reconciliation (SCORE) survey, 2018:**
 - NGCA: 72% are in favour of a “special status”, 49% want it for reintegration, 50% want it for separation
 - GCA: 48% fear “special status” as a step towards separation, 34% see it as a step towards reintegration
 - GCA: 63% are in favour of Donbas unity under decentralized status; 56% are in favour of “special status” to guarantee Donbas “autonomy” ...

Human consequences

- 13,000 dead and 25,000 injured
- Huge toll on civilian lives
- Detainees (hostages)
- Disconnectivity challenges
- War-related public health issues (e.g. post-traumatic stress disorders, STIs...)
- Massive migration: internally (± 1.8 mio) and externally (± 1.1 mio)

Overview of humanitarian impact, 2017



The role of the Minsk process

- Overarching objective: implement the Minsk agreements
- Political, security, socio-economic and humanitarian dimensions
- Short-term focus on protecting civilians and restoring connectivity

The Minsk Package of Measures

Point 8

- “Define the modalities of a *full restoration of social and economic connections*, including social transfers, such as payments of pensions and other payments (income and revenue, timely payment of communal bills, restoration of tax payments within the framework of the Ukrainian legal field).
- With this aim, Ukraine will restore management over the segment of its banking system in the districts affected by the conflict, and possibly, an international mechanism will be established to ease such transactions.”

Intertwined Negotiation Platforms

OSCE

- Permanent Council (*Special Monitoring Mission since March 2014*)
- Informal opportunities (*e.g. Ministerial Councils*)

Minsk

Trilateral Contact Group

Once every two weeks

- Political WG
- Security WG
- Humanitarian WG
- Economic and Rehabilitation WG

Normandy

(DE, FR, RU, UA)

Multiple layers:

- Leaders
- Political Directors
- Political Advisers
- Deputy Pol. Ads
- Experts...

Volker – Surkov

(USA, RU)

Informal

- Four meetings in 27 months
- Public communication forum

Restoring connectivity: indispensable to tackle people's problems

- No choice *not* to address humanitarian problems
 - Obvious humanitarian urgency (28.000 crossings/day)
 - Low wages, low or no pensions
 - Heavily damaged infrastructure
 - Importance of preserving family links
 - Political necessity to modernise GCA (setting up Ukraine's 'storefront')

- **Economic cooperation inevitable:** the contact line artificially cuts through grown infrastructure and geography



Specific challenges to connectivity

- No permanent **ceasefire**
- Disruption of personal links: **cumbersome crossing procedures**, not enough crossing points
- **No** effort concerning **dialogue** and **reconciliation** at community / societal level
- Interruption of **banking relations**
- Some of NGCA's economic choices (supplies to/ from Russia) encourage further **disruption**



State of play of the Minsk process

- *New political environment* in Ukraine, with an impact on Russia
- *Outreach* and communication efforts (improvements possible?)
- *New progress* on the ground and in the negotiating process, among others:
 - A recommitment to *ceasefire* that holds (so far)
 - Disengagement in the pilot area of *Stanytsia Luhanska* (close to the Russian border), bridge repair preparations underway
 - Proposals to revive the bilateral *Joint control and coordination centre* (Russia/Ukraine JCCC)
 - Evidence-based case for a *peacebuilding operation*

Challenges ahead

- Stabilise the security situation:
 - Consolidate the ceasefire
 - Expand disengagement
- Re-activate political discussions
- Re-establish connectivity (to a pre-March 2017 level at least), starting with:
 - More crossing points
 - Shuttle services
- New Ukrainian government's objective: build a convincing case for investors in GCA

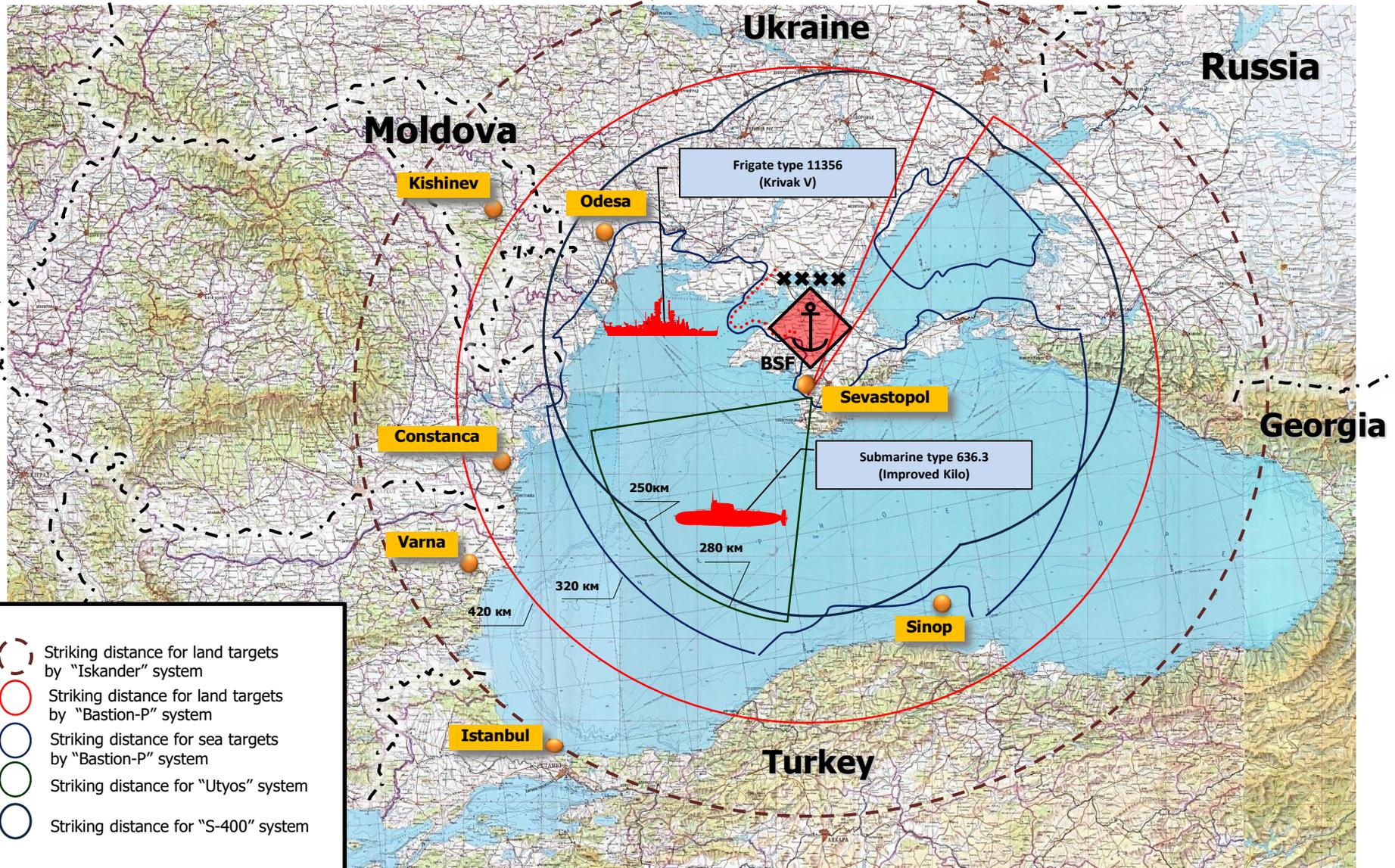
Additional information (1)

Russian forces in Europe



Additional information (2)

Russian A2AD assets in illegally annexed Crimea (2018)



Thank you.