

CRIMEA, EU AND RUSSIA:

How does the annexation affect EU security?

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Abstract

This article investigates how did the annexation of Crimea affect the European Union, especially from an energy and military perspective. Is there a threat? Are there any positive outcomes?

Historical Background

Crimea has a long and rich history. Its history ties it to ancient Greece, the Tatar invasion, but most importantly the Russian Empire that annexed it in 1783 (Anderson, 1958). Continued to be part of Russia or the Russian Soviet Federative Socialist Republic until 1954 when it was decided by the Soviet leadership for it to be transferred to the Ukrainian Soviet Socialist Republic (Kramer, 2014). After the dissolution of the USSR it remained part of Ukraine up until 2014 when, due to the Ukrainian Revolution, the Russian government annexed Crimea and the city of Sevastopol following a referendum. Ukraine and many others including the EU to have been illegal contest the referendum and annexation.

The city of Sevastopol is usually treated as a separate entity from Crimea because of its special status that was awarded to it in the time of the Soviet Union. The reason behind the special status is that it is headquarters of the Black Sea Fleet¹. Crimea's strategic location was an important factor for the Russian Navy and this is why agreements, treaties and pact have been signed between Russia and Ukraine establishing the proprietorship of the former Soviet Black Sea Fleet and use of the port of Sevastopol. The Partition Treaty on the Status and Conditions of the Black Sea Fleet as well as the Kharkiv Pact legitimized the Russian military presence in Crimea.

Another important factor is that Crimea is the presence of the Russian population that inhabited the peninsula. According to the last three censuses (from 1989 and 2001 conducted by the Ukrainian authorities (State Statistics Committee of Ukraine, n.d.) and 2014 conducted by the Russian Federal State Statistics Service²) it can be seen that the Russian ethnic represents the overwhelming majority of people inhabiting the peninsula and an even increased presence in the city of Sevastopol.

Table 1 Population according to 2014 census

Sevastopol		Crimean District	Federal
Russian	77%	Russian	65%
Ukrainian	13%	Ukrainian	15%
Other	9%	Other	20.0%

Source: Russian Census 2014

¹ Created by Russian Prince Potemkin in 1783 inherited by the Soviet Union and later awarded to the Russian Federation.

Referendum and Polls

Even before the contested referendum of 2014, polls analyzed the existence of secessionist desires in Crimea. The majority of polls presented that the majority of Crimeans wished to rejoin Russia.

The reliability of polls and the referendum is debatable. It is safe to assume however based on history and ethnic affiliation that the majority of the population would wish to rejoin Russia.

According to the UNDP, which can be considered a rather unbiased source, the population the sense of belonging to Russia existed pre-Ukrainian revolt.

Table 2 - Answers to the question: "There are different opinions about what status would be optimal for Autonomous Republic of Crimea. Which of the following choices is most consistent with your views? "In your opinion, Crimea should be: ...?"

Year	Independence	Part of Russia	Part of Ukraine
2009	10%	43%	41%
2010	7%	45%	31%
2011	11%	41%	39.7%

Source:UNDP

Table 3 Answers to the question: "If there was a referendum on the accession of Crimea to Russia, how would you vote? "

Year	For accession	Difficult to answer	Against
2010	66%	25%	9%
2011	65%	20.2%	14.2%

Source:UNDP

The annexation

The world can be divided into two main groups: countries that oppose the annexation and countries that recognize the annexation. A handful of countries see Crimea as being now part of Russia whilst the rest see it as Ukrainian territory occupied by Russia.

It was previously mentioned that in terms of identity as well as in the sense of belonging, censuses and polls have demonstrated that the people living on the peninsula are Russian and wish to belong to Russia; this together with history act as the factors giving Russia legitimacy to its claim.

Many countries that are in close relations with Russia do back Russian legitimacy however the majority of the countries, in total one hundred countries in the UN, voted on March 27, 2014, in favor of the territorial integrity of Ukraine. According to the Ukrainian Parliament known as VekhovnaRada, Russia violated Article 2. Constitution of the Ukrainian Constitution, which states "The territory of Ukraine within its present borders shall be indivisible and inviolable." (Constitution of Ukraine, 1991) as well as international law provided by:

UN Charter

Statute of the Council of Europe

Helsinki Accords

Agreement on the creation of the Commonwealth of Independent States of 1991

Memorandum on Security Assurance in connection with the accession of Ukraine to the Treaty on the Non-Proliferation of Nuclear Weapons of 5 December 1994 between Ukraine, the USA, Russia and the United Kingdom on the non-nuclear status of Ukraine

Treaty on Friendship, Cooperation and Partnership between Ukraine and the Russian Federation of 1997

All EU members voted on March 27, 2014 in favour of the Draft Resolution Territorial Integrity of Ukraine(UN, 2014). This position was reaffirmed by EU members on the day of the Russian Presidential Elections that were also held for the first time in Crimea in 2018 (EC,2018). Besides merely adopting a common position with regards to the issue, the EU has further implemented sanctions against Russia, these

sanctions involve diplomatic and economic measures. The economic sanctions affected both the EU and Russia. Russia represented the EU's fourth largest exports destination while the EU was Russia's first. Between 2009 and 2012 EU exports to Russia increased yearly by 20% while after the introduction of the sanctions between 2013 and 2016 exports decreased yearly by 20.7%. Countries located closest to Russia and those that had historical economic ties have had to suffer more. EU exports went from USD 159.4 billion in 2013 down to USD 79.6 billion.

Providing the exact impact of the economic sanctions is a difficult task since there are an overwhelming amount of factors that need to be included. From a general perspective economists estimate that the sanctions have decreased the EU GDP by less than 1% while Russia's economy would have contracted by around 10%. The sanctions have taken their toll on both Russian economy and EU economy. Both parties are facing losses due to the sanctions. Furthermore in today's world market such sanctions as embargoes are ineffective since the goods could always be imported from another country and although illegal certain countries could attempt to act as a liaison and re-export the embargoed goods (Directorate General For External Policies, 2017).

The sanctions mainly have an impact on trade but they also target investment. A specific aspect is that no investments can be made in Crimea nor can any ties be established between the EU and Crimea. The EU's stance is one that relies on international law, supporting Ukraine's integrity by not only adopting a non-recognition policy but as well as implementing sanctions.

Security implications of the annexation for the EU

The annexation brings forth security issues related to numerous areas including border, energy and military.

The New 'Border'

International law governs the borders of countries and their exclusive economic zones. From a legal perspective the E.U.'s borders have remained unchanged but after the annexation of Crimea, Romania's EEZ now borders Russia's.

The border should not change just the country to whom it belongs. This is because the International Court of Justice established the exact borders back in 2009 when Crimea used to be under Ukrainian control.

For Russia's alleged legal annexation of Crimea to be recognized by international law it should uphold the law that established the delimitations.

The fact that the EU is unwilling to recognize the annexation means that the delimitation is not entirely set in stone since Romania and Russia cannot sign a treaty specifically determining whether or not the delimitation remains unchanged.

Crimean territorial waters do not affect trade and transportation routes since the distance between Romania and Crimea is at least 100 nautical miles which means there are at least around 76 nautical miles of international waters between³.

The annexation should be risk free since international law dictates the exact delimitations of the Romanian EEZ, however since the annexation of Crimea is considered by most as illegal according to international law, there is no telling as to what role can international law actually play here. Russia does not consider the annexation as a violation of international law and as such will not wish to harm the legitimacy of its annexation by creating another source of contention if it would disregard the Romania V. Ukraine case that established the delimitations in the Black Sea.

Concerning energy and military two important hypotheses were laid out:

H₁ : The annexation of Crimea can have benefits on Europe's energy security.

H₂ : In the military context, the annexation does not introduce new type of threats

Energy security

Throughout the past decades, various scenarios were drawn up on how the future gas supply of Europe would look like. Even so, Europe remained primarily supplied by Russian gas. By the beginning of this year, Gazprom, Russia's state-owned giant provided 40 percent of Europe's needs. This meant not only a new record, but a further development after last year's increase of 8.1 percent (Foy, 2018). To put it in another

³ A country has full sovereignty over territorial waters, which is anything within 12 nautical miles from the shore. Anything beyond is considered international waters.

perspective, there is a new tendency in Europe's energy security. Years ago, when pipeline projects were to be created, the major goal was to diversify gas supply. Nabucco and was just one — although arguably the most serious — among these. The common feature of them was that they offered an alternative path for gas to reach Europe. Paradoxically, the justification for the need of such project was Ukraine. Namely, it happened on several occasions that Ukraine stole from the gas going through the pipelines on its territory towards other buyers.

Many would argue that the diversification of suppliers should be the highest priority when it comes to Europe's gas supply. However, there has never been an issue with the arrival of Russian gas (not considering the Ukrainian thefts) once an agreement was reached. One could claim that Gazprom now has a history of reliable provider for the European partners. On the other hand, not being able to attain the necessary supplies during the peak of the winter season is an emergency, one that directly and swiftly (the scale depending on a single country's reserves) threatens a state or states' security. For this reason, satisfying the continent's gas needs from the East through pipelines going through different regions is of higher priority than the identity of the seller.

Having claimed this, the risks of a country stealing from the supplies flowing through its territory still remains. For this reason, diversifying the routes remains an important issue and any country can rightly assume that its security would be better insured with the creation of alternative options. This leads back to the original issue, the reality that sustains even today: the lack of sufficient amount of these. Examining the reasons for this is a complex issue. Various ideas are circulating online suggesting that major international companies and corporations of the energy sector are pulling out of the Black sea and East-Ukraine region — or have already done so — as a result of the Russian aggression. In fact, this has started already in the pre-annexation phase but certainly, the events of 2014 have speeded up this process as both Royal Dutch Shell and Chevron decided to leave the region (EC, 2017). Even Nabucco project was cancelled finally in 2013 — after having already decreased two thirds from its original size.

The question worth examining: how did the annexation and the subsequent international tensions effect the issue of diversification? Paradoxically, events prove that the developments aimed at supplying Europe through the Black sea region have never been at such an advanced phase. Precisely, the Trans-Anatolian Natural Gas Pipeline (TANAP) starting from Azerbaijan and going through Georgia and Turkey before reaching the European Union is expected to be finished in 2018 and although the member states can only expect to receive gas in about 2 years, it will mean an extra supply capacity of 16 billion cubic meters per year. However, statistically speaking, this could satisfy at most 3.5 percent of the EU's annual need since according to the European Commission's quarterly report on European gas markets, in the past four years, the average gas consumption of all the member states was approximately 450 billion cubic meter annually. Considering the fact that the intra-EU gas production provided in these same four years around 145 billion cubic meters on an annual base for the member states, it is well visible that there still is a huge gap between supply and demand. Better said, there would be a gap, if Gazprom would not be able to provide the necessary supply.

Indeed, as it was already mentioned, Russian gas exports towards Europe have never been so high, but this is not everything. The recent developments towards diversifying the supply routes through the Black sea — and creating alternatives to *Soyuz* and *Brotherhood* pipelines located on Ukrainian soil — have speeded up as several projects commenced. One of them is the so-called *Turk Stream*, which will be located under the Black sea from southern Russia to northwestern Turkey with a possibility to supply the EU later (through the *Tesla* pipeline). It is already under construction and will be finished by the end of next year (Winter, 2017). Secondly, after successfully reaching an agreement, the preparation for the construction of BRUA pipeline began. Although the project is now only in the procurement phase, when it will be fully operational in 2022, it will be able to transport 4.4 billion cubic meters of gas annually from the shores of Romania to Bulgaria and Hungary (and maybe Austria depending on the building of an interconnector at the Hungarian border) (EBRD, 2018). Combining these with the already operating Blue Stream, which can transport 16 billion cubic meter annually from southern Russia to northern Turkey, one could claim that the increased Russian activity in the post-annexation period actually facilitated the materialization of increased energy security for the European Union.

Another important aspect to the annexation is the possibility of connecting the Eastern EU members with a pipeline straight to Crimea. This pipeline would represent important benefits for the EU in terms of diversification of routes and would also cut down costs. Since the most important pipelines pass through Ukraine and Turkey, both of which suffer in terms of reliability in the eyes of the EU, a pipeline connecting the EU straight to Russia through the Black Sea would bring a sense of stability. Such a plan would go against international law and as long as the will not recognize Crimea as part Russia, the EU cannot take advantage of the new opportunities. Crimea being historically and ethnically tied to Russia, it is

unimaginable that Russia would renounce Crimea despite all the sanctions. For the EU this translates into an economic and strategic loss.

Military

The Russian military has had an important presence in Crimea even before the annexation due to the fact that the Black Sea fleet of the Russian navy has been harboring in Sevastopol throughout history.

Russia obtained 18,000 servicemen, 147 military units and organizations, and 54 ships including the only Ukrainian submarine (Корреспондент.net, 2012) and eight warships (TASS, 2014). Prior to the annexation Russia was permitted to station according to the treaties, a maximum of 25,000 military personnel, 24 artillery equipment and 132 armored fighting vehicles at its military facilities in Crimea (DW, 2014). Immediately after the annexation Russian military capacities doubled and since it claims sovereignty over Crimea, Russia is free to militarize the whole peninsula if it so wishes.

Since the Russian army has had continuous presence in Crimea it can be said that the military threat is not new. It is true that before the annexation the army's capacities were limited compared to today however the threat that it poses has increased due to its ability to now use former Ukrainian military bases, unused soviet bases and even create new facilities. The Black Sea Fleet was vulnerable since it was limited to the port of Sevastopol which represented an easy target for any military, the closest Russian base was 200 km away. By annexing Crimea, Russia obtained an unsinkable aircraft carrier with which it can control the whole Black Sea region.

The nuclear threat has increased as well in terms of deployment. Russia would have been capable of transporting nuclear missiles with the use of submarines but now it is capable on having on land missile deployment facilities that can pose a direct to the EU. The EU is partially protected by the United States ballistic missile defense site at Deveselu, Romania. The Deveselu site is equipped with an Aegis system that showed 83% success rate at intercepting missiles (Stone, 2017) this site can be further aided by placing a ship equipped with the Aegis system in the port of Constanta in order to have a faster reaction and better protect the military bases, nuclear power plant, oil refinery that are of strategic interest and Bucharest that are in the immediate vicinity of Crimea .

The threat has always been present but now it is greater.

Conclusion

The events and developments in the Russia – Ukraine context influenced the European continent's energy security and – though many does not agree, or would be reluctant to admit – this is not necessarily a negative turn of events for Europe. Somehow unexpectedly, the diversification of supplying routes have speeded up, resulting in an increase of alternatives – an assurance for purchasing and consuming states. To be adequate, the diversification of capable suppliers is still out of reach but as this paper also argued, this issue was and is not the primary threat. Most importantly, the energy security of Europe is getting stronger and – whether one admits it or not – Russia plays a major role in this process. Concerning military security Russia has always been a threat since it possessed the port of Sevastopol however, now Russia can deploy unhindered military assets closer to the EU borders. In order to protect itself better the EU now has to further fortify its Black Sea region especially air defense systems.

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