



Briefing Note: Russia Fails to Meet PM’s Conditions - Must Face New Sanctions

About the Ukrainian Institute in London

The Ukrainian Institute in London develops and promotes a greater awareness, understanding and knowledge of Ukrainian history, language, current affairs, business, economy, literature, religion and culture through educational, professional and networking activities. Based in Holland Park (London), it is maintained and supported by the Society of St Sophia, a UK registered charity founded in 1979.

Conditions set for Russia

- On **5 June 2014** in Brussels on the 70th anniversary of the D-Day Landings, Prime Minister David Cameron laid down three clearly articulated conditions regarding de-escalation in Ukraine that Russia must meet or face further sanctions.¹ These are:
 - Recognition of the legitimate election of Presidential Poroshenko
 - Stopping the arms crossing the border into Ukraine
 - Ceasing Russian support for separatist groups.
- Prime Minister Cameron said “*the next month is vital to consider if President Putin has taken these steps*” and that “*if these things don’t happen, sectoral sanctions will follow.*”
- This means that **5 July 2014** is assessment day for President Vladimir Putin and time to evaluate if these conditions have been met.

Russia’s Report Card

No.	Condition	Evidence	Result
1	Russia to formally recognise the election of Petro Poroshenko as legitimate President of Ukraine	<ul style="list-style-type: none"> The Kremlin is still yet to formally recognize the result, but has made some more constructive statements about the election, such as “<i>respect the will of the Ukrainian people</i>”. Putin referred respectfully to ‘President Poroshenko’ in his address to Russian Ambassadors on 1 July. However, Putin aide Sergei Glazyev claimed on 27 June that President Poroshenko was a “Nazi” and decisions by the Ukrainian Government were illegitimate. The Russian Government has said this is not official policy but has failed to denounce the official Russian presidential aide’s statement. 	✓/x
2	Take action to stop arms from crossing the border from Russia into Ukraine	<ul style="list-style-type: none"> Russian tanks were reported to have entered Ukrainian sovereign territory on 12 June. NATO reported on 19 June that Russia has again started to build up troops near Ukrainian border. In discussions on 30 June, Russia has been urged by President Poroshenko to strengthen border controls to prevent militants and arms entering after breaches of truce. Negotiations are still continuing at time of writing. 	x FAIL
3	Cease support for pro-Russian separatist groups concentrated in Eastern Ukraine	<ul style="list-style-type: none"> No public statements appear to have been made to clearly distance Putin or Russia from pro-Russian separatists and their illegal actions. 	x FAIL

We hope that conditions are fulfilled prior to Saturday 5 July, but if they are not, Prime Minister Cameron will have no option but to declare that they have not been met.

REPORT:



Ukraine's Report Card

- During this period, Ukraine's new Government, under the leadership of newly elected President Poroshenko, has taken constructive steps to help de-escalate the unrest in Eastern Ukraine and unite the country.
- Since the PM's original deadline was set on 5 June, Ukraine unilaterally agreed to establish a ceasefire for seven days and extended the ceasefire for a further three days. Some rebel groups in Donetsk and Luhansk agreed to abide by this ceasefire whilst other rebel groups did not, with over 100 breaches the ceasefire reported. It expired on 1 July 2014.ⁱⁱ
- President Poroshenko also established a comprehensive peace plan that contains 14 points, most importantly including:
 - Safety guarantees for all negotiating participants
 - Amnesty for those who lay down weapons and who have not committed serious crimes
 - Release of hostages
- Largely, these efforts have not been reciprocated by the rebels or Russia.

What next?

- It is clear that sectoral (or Tier 3) sanctions must now be imposed by international community.
 - David Cameron announced on 5 June 2014 that *"if these [conditions] don't happen, then sectoral sanctions will follow."*
 - President Obama has already continued to provide support for sanctions. *"If Russia's provocations continue, it's clear from our discussions here that the G7 nations are ready to impose additional costs on Russia."*
 - President Poroshenko told French President Francois Hollande as early as 14 June that he hoped the European Union would impose immediate *"sectoral sanctions"* if Russia failed to stop destabilising Ukraine.
- **The UK, the US and the EU should uphold their promise to impose sectoral sanctions if the conditions are not satisfied by this Saturday 5 July 2014.**

Sanctions to impose

- The EU, the United States and other countries such as Australia have so far imposed Tier 1 and 2 sanctions focused on travel bans and asset freezes on key individuals. By 12 May 2014, the EU had already sanctioned over 61 individuals in Russia and Ukraine identified as contributing to the broader instability.ⁱⁱⁱ
- Government should now go further to extend sanctions to target parts of key sectors of the Russian economy, notably **oil and gas, defense** and the **financial sector**. This approach is supported by Russian opposition groups and chessmaster Gary Kasparov supported this approach urging the international community to *"use banks, not tanks"*^{iv}
- Such sanctions would follow the successful application seen in Iran and be targeted at key institutions or technologies that will impact large parts of the specified sectors, such as limiting sale of technologies to maintain oil and gas facilities.
- The threat of sectoral sanctions is already generating concern by Russian officials. Economy Minister Alexei Ulyukayev stating that under stress tests the Russian economy would "seriously contract" and Russia's growth forecast for this year has been reduced from 2-2.5% to 0-0.5%.

How you can help

As a Member of Parliament, we ask you to ensure that the UK adheres to its commitments and leads the debate in Europe on holding Russia accountable. Therefore, we urge you to:

- 1) **Tweet #RussiaFail on Saturday 5 July to highlight the lapsed conditions deadline**
- 2) **Table a question at Prime Minister's questions on Wednesday 9 July drawing the Prime Minister's attention to the passing of his own deadline**
- 3) **Make a public statement to the press that UK should lead in Europe on this matter ahead of European Council meeting on 16 July.** A joint statement was published on 2 July by Ukraine, Russia, Germany and France. Where was the UK? Government can play a key role in resolving the conflict and needs to be more visible and engaged in such high-level talks.

ⁱ See PM's speech on 5 June 2014 at <https://www.gov.uk/government/speeches/uk-usa-press-conference-at-g7-david-camerons-speech>

ⁱⁱ See BBC reporting at <http://www.bbc.co.uk/news/world-europe-28066188>

ⁱⁱⁱ See http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2014.137.01.0003.01.ENG

^{iv} See WSJ at <http://online.wsj.com/news/articles/SB10001424052702303824204579422971651210180>