

# Minsk and Kyiv successfully revive bilateral relations after a dramatic fallout

On 1 May, Ukrainian border guards prevented three Belarusian citizens from entering Ukraine, suspecting them of planning subversive activities in Ukraine. A month earlier, Belarusian security agencies had detained several Ukrainian citizens for alleged plans to undermine public order in Belarus.

Nevertheless, both Kyiv and Minsk prefer to downplay such incidents, angry rhetoric notwithstanding. Both governments make consistent efforts to continue cooperation and development. The results of a meeting between the Belarusian and Ukrainian presidents on 26 April in Chernobyl demonstrate this.

The two countries assured each other of continued friendship despite the Kremlin's pressure, promised to resolve border issues, and spoke of possible economic deals including renewed electricity imports.

Although the meeting occurred on the anniversary of the 1986 Chernobyl nuclear disaster, the two leaders used the occasion to discuss real and sensitive issues.

## Lukashenka's word

Arguably one of the most pressing issues in Belarusian-Ukrainian relations is the question of [Belarus's](#) position in the regional confrontation involving Russia. On 20 April, just days before the Lukashenka-Poroshenko meeting, the Secretary of Ukraine's Security Council, Oleksandr Turchynov, added his name to the growing list of Ukrainian officials denouncing the

joint Belarusian-Russian military exercise [West-2017](#), to take place in Belarus.

According to him, the drills might be a cover for preparation of an offensive against Ukraine. Turchynov believes that after the end of the exercise, Russian troops might well stay in Belarus.



Meanwhile, the Belarusian government emphasises the limited scope of the exercise and pledged to make it transparent, going as far as inviting NATO observers. Lukashenka also strived to convince his Ukrainian counterpart of Minsk's friendly stance towards Kyiv. This follows from a speech Ukrainian president Poroshenko made at the meeting on 26 April:

*I am sure that the Ukrainian-Belarusian border [...] will always remain a border of friendship[...] No one can ever cause a quarrel between Ukraine and Belarus. [...] I have received firm assurance from the President of Belarus. No one will ever be able to draw Belarus into the war against Ukraine. The peace-loving people of Belarus and the honourable President Alexander Lukashenka will not allow that.*

Lukashenka reciprocated by proclaiming ambiguously: 'whether somebody likes it or not [...] we are relatives [...] Who can divide us? Nobody.' Given the extent to which Russian officials and media have criticised Belarus's [cooperation with Ukraine](#) since 2014, this sounds like ultimate defiance towards the Kremlin's pressure on Kyiv.

## A passive ally

Last November, commenting on Minsk's [ambiguous stance](#) towards a Ukraine-sponsored UN resolution, the Russian news site

*Lenta.ru* described Belarus as 'a passive ally' of Ukraine. Indeed, top Belarusian officials frequently express their willingness to counter Moscow's militant position towards Kyiv.

In an article in the April issue of *Belaruskaya Dumka*, a monthly published by the Presidential administration, Belarusian foreign minister [Uladzimir Makei](#) stated in the very first paragraph that 'it is extremely important that we did not allow ourselves to be [dragged](#) into the confrontation caused by the Ukrainian crisis.'

Makei also stressed the importance of patience and keeping Ukraine in the Commonwealth of Independent States Free Trade Area. As he points out, the CIS already 'lost a lot' after Georgia left. The Belarusian foreign minister openly proclaimed:

*[W]e do not see the differently directed integration aspirations of our partners as an obstacle to the development of bilateral ties. This is proven by our active contacts with Moldova, Georgia, and Ukraine after their signing of association agreements with the European Union.*

## Border problems and solutions



Politically, Lukashenka and Poroshenko resolved another major issue: that of their [joint border](#). On 28 April, Ukrainian president Poroshenko announced that Minsk and Kyiv had agreed to complete the demarcation process 'in the near future.'

First and foremost, this means that both governments have decided to accelerate the procedure. Having started demarcation in November 2014, it was officially announced that

the process would take approximately eight years to complete, as late as 2022.

Secondly, the Ukrainian government will also contribute to introducing more [order at the border](#). Lawlessness, which emerged on the Ukrainian side of the border last year largely due to illegal amber extraction, caused Belarusian organisations to halt demarcation near the Zherauski Canal.

Moreover, there are rumours that [similar problems](#) with controlling and constructing the border emerged last year in at least one other place – the Almanskiya Swamps. Poroshenko implicitly acknowledged that the demarcation process had met with problems, saying that in recent years it had effectively 'stopped.'

## **An end to catastrophic decline in bilateral trade?**

The resolution of political issues is not the only reason for optimism about the prospects of bilateral relations: economic cooperation is on the rise as well.

In economic terms, relations between the two countries were in [dire straits](#) for years. Belarusian trade with Ukraine was consistently declining: from a record-breaking \$7.87bn in 2012 to its lowest volume, \$3.47bn, in 2015.

However, that trend was reversed in 2016, when the volume of bilateral trade increased by 11 per cent, coming to \$3.8bn. In the first quarter of this year, the trade volume between the two nations rose by 40 per cent.

Importantly for Minsk, which is struggling with a foreign trade deficit, the trade balance is turning out positively for Belarus. Thus, last year Belarus sold Ukraine \$1.87bn more than it bought from it. Today, Belarus is Ukraine's fourth

most important trading partner. In fact, every third imported truck or tractor in Ukraine comes from the Minsk-based MAZ and MTZ plants.

Belarus also needs Ukraine in order to consolidate its sovereignty in the economic sphere. In 2006-2013, Minsk succeeded in diversifying its electricity supplies by buying from Kyiv.



However, this came to an end after the beginning of the conflict in Eastern Ukraine in 2014, as Ukraine had no excess energy to sell. At their recent meeting, Lukashenka and Poroshenko discussed the issue and agreed to once again begin importing Ukrainian electricity to Belarus.

Kyiv also played a key role in [Minsk's efforts](#) to bring non-Russian alternative oil into the region. Most of the transports of Venezuelan, [Azerbaijani, and Iranian oil](#) in 2010-2011 and 2016-2017 respectively arrived in landlocked Belarus via the Ukrainian port of Odesa.

In sum, the [political will](#) of the Belarusian and Ukrainian leadership ensured that relations between the two countries remain close, despite political disputes over confrontation with Russia or decline in trade. Moreover, Minsk can rely on Kyiv's cooperation in such [strategic projects](#) as diversification of energy supplies.

The recent meeting of the Belarusian and Ukrainian presidents demonstrates that the governments of the two countries can resolve emerging issues on a bilateral basis. This could result in more ambitious regional cooperation. After all, as their reviving economic relations prove, Minsk and Kyiv deliver on their promises to each other.

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# Belarus-Ukraine: Time for Strategic Cooperation

On 8 June Belarusian ambassador to Ukraine Valiancin Vialička reiterated that Belarus supports the territorial integrity of Ukraine.

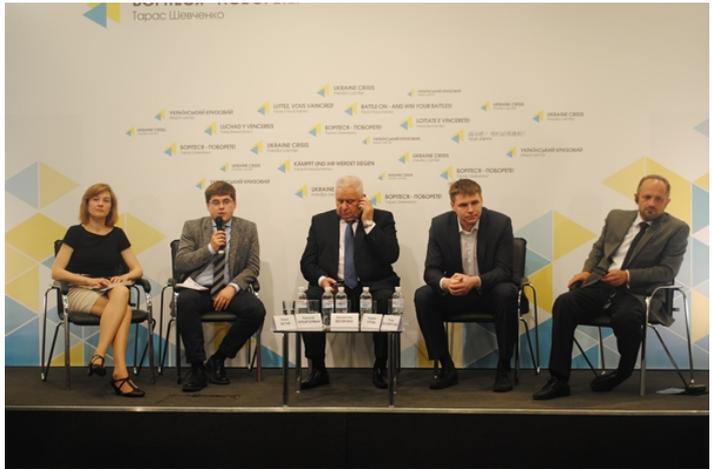
He emphasised that Belarus will never pose a threat to Ukraine or allow third parties to attack Kyiv from its territory. He spoke at the presentation of 'Foreign Policy Audit: Ukraine-Belarus', a discussion paper prepared by the Institute of World Policy in cooperation with Belarusian experts.

Belarusians have recently produced a number of analytical materials discussing current Belarus-Ukraine relations as well as their potential, and offering recommendations for their enhancement. This article summarises three of them.

## Foreign policy audit: Ukraine-Belarus

On 8 June, the Institute of World Policy presented the discussion paper ['Foreign Policy Audit: Ukraine-Belarus'](#). The research was conducted by Olena Betliy, Research Fellow at the Institute of World Policy, and [Yauheni Preiherman](#), Head of the Minsk Dialogue Track-II Initiative; Chairman of Board of the Discussion and Analytical Society Liberal Club.

The authors argue that Russian aggression has reinforced the main foreign policy priority for both Ukraine and Belarus, which is to ensure the national security of each state. In addition, it has highlighted the fact that bilateral relations between the two countries are underpinned by specific common interests, despite being based on different values.



The authors identify five such areas: military cooperation, border, trade, regional projects and people to people dialogue. The description of developments in these areas is followed by recommendations:

- It is important for Ukraine to maintain the neutral status of Belarus in the conflict with Russia. To this end, Ukraine needs to enlist the support of not only the Belarusian authorities but also Belarusian society. This can be achieved only by developing a distinct communication campaign to bring information about the situation in Ukraine to Belarusians.
- In the conditions of an unstable geopolitical situation and continued fighting in eastern Ukraine, it is in the interests of both countries to rapidly complete border demarcation.
- Kyiv, Brussels, and other capitals, especially those of the CEE countries, needs to maintain the neutral status of Belarus and prevent a Russian airbase and other military facilities from being set up in its territory.
- Kyiv and Minsk can join efforts to provide cybersecurity using a service similar to [Sapphire](#) and counteract misinformation, which will increase the capacity of both countries in confronting “hybrid warfare”.

- The governments must move away from protectionist policies and abandon “trade wars” as a means of solving contentious economic issues.
- In order to bring Belarusian tourists and businessmen back to Ukraine and support those Belarusian citizens who have moved to Ukraine for residence, it is advisable to change migration policy on Belarusians.
- Ukraine should encourage cooperation between NGOs and participate in discussion expert forums on the topical issues of bilateral relations.
- Academic exchanges of students and researchers should become another platform for long-term cooperation.
- Both countries have a good chance of using Chinese investment for infrastructure development and better optimisation of their transit capacity.
- Ukraine should not delay the appointment of a new ambassador to Belarus.

## **Belarus and Ukraine: time for reforms**

At the presentation of the above paper in Kyiv, Ukraine-based analyst of Belarusian origin Ihar Tyškievič presented a report called ['Belarus and Ukraine: time for reforms'](#), in which he compared the situation in the two countries, showed their strengths and weaknesses in a number of areas, and analysed their reform strategies.

He starts with the observation that both Belarus and Ukraine are currently undergoing periods of reform. In the coming years the countries can transform into knowledge economies, yet there are a number of obstacles complicating this:

- Turning into commodity economies
- High level of energy consumption in economy
- Dependence on the resources of neighbouring states

- Widening gap between the two countries and developed world in terms of development of science and the availability of technology for production of new products
- Post-Soviet system of decision-making, varying from oligarchic consensus to the lack of structured groups of influence.
- Shortage of personnel. Restrictions in the social mobility and the weak capacity of the old elite
- Depopulation problems

The two countries have employed opposite strategies for reform. Ukraine pursues changes in state decision-making and personnel mobility, which hopefully will lead to changes in the economy. In Belarus, the authorities will not risk political change, but understand the irrelevance of the post-Soviet model and agree with the need for economic reform, which can subsequently lead to political change. Tyškievič substantiates this thesis by analyzing the number of reformists in key areas of government, and finds them mostly in the economic sphere.

To tackle the problem of personnel quality, Belarus has already taken a number of steps, such as the Belarus-EU project MOST, introducing business education to bureaucrats, engaging independent experts in discussion of reforms, and reforming local government. He notes that concentration of power in the hands of Lukashenka has allowed him to implement a number of unpopular measures, such as abolition of many social guarantees and raising the pension age.

Belarus is also changing its approach to economic development, evidenced by the prioritising of knowledge economy, introduction of land market, transition from directive to indicative planning, demonopolisation of energy and communal services sectors and other steps detailed in the new government plan for 2016-2020.

He concludes that Belarus and Ukraine have completely different export structures and therefore can effectively complement each other and develop regional cooperation rather than compete.

## Towards strategic cooperation in Belarus and Ukraine: benefits and challenges



In an analysis of Belarus-Ukraine relations called [‘Towards a Strategic Cooperation of Belarus and Ukraine: Benefits and Challenges’](#), Andrej Skryba argues that this is the best time for a new stage of Belarus-Ukraine cooperation, as it has been stimulated by the recent developments in the region. The author suggests five incentives that could foster Belarus-Ukraine dialogue:

- While the rapprochement should be led from a high political level, the politicians from both sides remain rather passive. The expert community can become the main generator of ideas and develop new agendas through special sites, such as Yalta European Strategy and Minsk dialogue.
- Rapprochement should move gradually to the grassroots: industrial and business cooperation, trade and economic cooperation, free environment for trade and investment. Special working groups with representatives of both countries can be created in the relevant areas of

cooperation.

- Political rapprochement should promptly resolve current problems. This requires institutionalisation, or at least the creation of an appropriate interactive format. The Belarusian-Ukrainian Advisory Council of Business Cooperation could be the first step in this direction.
- Minsk-Kiev dialogue should not provoke further tensions in the region and be directed against a third party. Potential convergence of foreign policy positions should seek win-win solutions and models of relations with other states.
- Belarus-Ukraine co-operation should be as inclusive as possible, particularly with regard to post-Soviet states and EU Eastern European members. Belarus and Ukraine should be included in a wide range of regional and integration processes, such as the EU-EEU convergence and Silk Road Economic Belt. The two countries should avoid becoming consumers and hostages of external and often competing regional projects, and instead offer their own new models of regional cooperation.

Despite a varying focus of their studies, all experts agree that the current moment presents a window of opportunity for establishing a strategic cooperation between the two countries, developing bilateral relations and common regional frameworks. Hopefully, decision makers from Ukraine and Belarus will understand that too.