POLICY BRIEFING

Key aspects of Russia's current foreign and security policy

Abstract

On the first day of his reclaimed presidency, Vladimir Putin cancelled his participation in the G8 summit on May 18-19 at Camp David and his planned meeting with US President Barack Obama. Within a few days, Putin issued a presidential decree outlining new measures for the Russian Federation\(^1\). The press and the international community immediately interpreted Putin's actions as signalling a change of tack in Russia's foreign policy. But is Russia's foreign policy really shifting? And should EU policy makers re-evaluate their position and strategy regarding Russia?

This briefing will provide an overview of Russia's current foreign policy. A number of recent documents produced by Russian lawmakers — including the 'Foreign Policy Concept' (2008), the 'National Security Strategy of the Russian Federation to 2020' (2009), the 'Military Doctrine until 2020' (2009) and the new presidential decrees — provide a basis for analysis. Significant projects, conflicts and partners will also be explored in the paper. By focusing on the guiding principles of Russia's current foreign policy, placing an emphasis on security issues, and on topics germane to the EU-Russian agenda, this briefing aims to assist stakeholders in the EU and the European Parliament to survey the apparently shifting ground in Moscow.

\(^1\) Vladimir Putin, 'Decree On Measures to Implement the Russian Federation Foreign Policy', 7 May 2012.
This Policy Briefing is an initiative of the Policy Department, DG EXPO.

AUTHOR:
Ekaterina CHIRKOVA under the supervision of Julien CRAMPES and Pekka HAKALA (for 'Russia and the Arab Awakening')
Directorate-General for External Policies of the Union
Policy Department
WIB 06 M 075
rue Wiertz 60
B-1047 Brussels
Feedback to julien.crampes@europarl.europa.eu is welcome.
Editorial Assistant: Elina STERGATOU

LINGUISTIC VERSIONS:
Original: EN

ABOUT THE PUBLISHER:
Manuscript completed on 03 October 2012.
© European Union, 2012
Printed in Belgium

This Policy Briefing is available on the intranet site of the Directorate-General for External Policies, in the Regions and countries or Policy Areas section.
To obtain paper copies, please send a request by e-mail to: poldep-expo@europarl.europa.eu.

DISCLAIMER:
Any opinions expressed in this document are the sole responsibility of the author and do not necessarily represent the official position of the European Parliament.
Reproduction and translation, except for commercial purposes, are authorised, provided the source is acknowledged and provided the publisher is given prior notice and supplied with a copy of the publication.
## Table of contents

1. **New Putin, old foreign policy… Old Putin, new foreign policy?**  
   1.1. The principal papers illustrating Russia's current foreign policy  
   1.2. Russian Federal Law on Security  
   1.3. 'Foreign Policy Concept'  
   1.4. The National Security Strategy of the Russian Federation to 2020 (NSS)  
   1.5. The Military Doctrine of the Russian Federation through 2020  

2. **Russia and the Arab Awakening: the price of veto**  
   2.1. Russia's position on Libya  
   2.2. Russia's position on Syria  
   2.3. Geopolitical considerations  
   2.4. The influence of Russian domestic issues on Moscow's Middle Eastern policy  
   2.5. Ban on export of radical Islamist action  

3. **Russia-NATO relations: Unstable and unpredictable partners?**  

4. **European Ballistic Missile Defence (BMD)**  
   4.1. Guarantees  
   4.2. Cooperation  

5. **Iran and the DPRK: Threats for both the EU and Russia?**  
   5.1. Iran  
   5.2. The DPRK  

6. **Frozen conflicts and the Eurasian Union integration project**  
   6.1. Abkhazia and South Ossetia  
   6.2. Nagorno-Karabakh  
   6.3. Transnistria  

Annexes
1. New Putin, old foreign policy… Old Putin, new foreign policy?

The 'Decree on Measures to Implement the Russian Federation Foreign Policy', published by Russian President Vladimir Putin on 7 May 2012, highlights the key role given to the Commonwealth of Independent States (CIS). The Decree describes plans that Moscow has developed for the CIS, including a number of integration initiatives with an economic focus. The establishment of a free trade zone (on 18 October 2011) and the creation of the Eurasian Economic Union (to be completed by 1 January 2015) are given priority. On the other hand, it seems that political integration — which is not mentioned in the decree — is excluded from Moscow’s roadmap. The Russian-Belarus Union State is privileged, while bilateral relations with the other CIS countries are not mentioned.

The USA is mentioned almost at the end of the document, after the CIS, the EU and the Asia-Pacific region. This placement may be a response to US strategic documents, which de-prioritised Russia during the last decade. In a more general sense, the document’s rhetoric seems inconsistent with the so called ‘reset’ in US-Russia relations. While the text emphasises the importance of stability and reliability in these relations, scant attention is paid to the principles of equality, non-interference in internal affairs or respect for common interests. Russia, the text stresses, will not accept US ‘unilateral extraterritorial sanctions against Russian individuals and legal entities’ 2, and talks on the Ballistic Missile Defence (BMD) system may only proceed according to Russian terms. This may be explained by Putin’s complete disdain for the ‘fake reset’ 3 of US-Russia relations, as illustrated by his strong criticism of the US during his recent presidential campaign.

The principle of equality and the need for common benefits are again emphasised in the context of Russian relations with the EU. However, according to the decree, relations should continue within specific frameworks in line with Russian interests: visa facilitation and equality in the new Partnership Agreement and in the common energy partnership. According to Russian experts, this implies that Russia considers that it is no longer willing to bargain for ‘imaginary benefits’ — a recalcitrance yet to be accepted (or not) by the EU 4.

---

2 Ibid.
4 Ibid.
### Table 1: Putin's foreign visits

<table>
<thead>
<tr>
<th>Date</th>
<th>Destination</th>
<th>Main topic Discussed</th>
</tr>
</thead>
</table>
| May 31 - June 1 | Belarus              | • Custom Union / Eurasian Union  
|             |                      | • Investments                                               |
| June 1     | Germany              | • North Stream                                             
|             |                      | • Economic cooperation                                     
|             |                      | • Year of Germany in Russia                                
|             |                      | • Syria, Iran                                              |
| June 1     | France               | • Economic cooperation                                     
|             |                      | • Syria, Iran                                              
|             |                      | • European BMD                                              |
| June 3-4   | St Petersburg, Russia| EU-Russia Summit                                           
|             |                      | • Cooperation/new agreement                                
|             |                      | • Eurasian Union                                           
|             |                      | • WTO accession                                             
|             |                      | • Energy                                                   
|             |                      | • Syria, Iran                                              
|             |                      | • Human Rights                                             |
| June 4     | Uzbekistan           | • Free Trade Zone                                          
|             |                      | • Security issues                                          |
| June 5-7   | China                | Shanghai Cooperation Organization Summit                   
|             |                      | • Meetings with Chinese government, Ahmadinejad and Karzai |
| June 7     | Kazakhstan           | • Energy                                                   
|             |                      | • Migration issues                                         |
| June 18-20 | Mexico               | G-20                                                       
|             |                      | + BRICS                                                    |
| June 21    | St Petersburg, Russia| Economic Forum                                             |
| June 25-26 | Israel, Palestine, Jordan | • Economic Cooperation                                      |
|             |                      | • Energy                                                   
|             |                      | • Syria, Iran                                              |
1.1. The principal papers illustrating Russia’s current foreign policy

Putin’s foreign policy decree does not really represent a fundamental shift in Russian foreign and security policy of the past decade. The same principles can be found in all recent documents related to Russian external policies. Yet the level of opposition to the West has shifted since 2000, when Putin came to power: what was once clear antagonism has become a frank distrust, though tempered with elements of cooperation. What attitude Putin’s new presidential term will bring is still uncertain.

1.2. Russian Federal Law on Security

According to the 1992 'Russian Federal Law on Security', 'security' means 'a condition of protectability of vital interests of an individual, the society and the state from external and internal threats'. The law was updated in 2010 but did not change this definition.

Until 2009, the principles of Russian national security policy were spelled out in Putin’s 2000 revision of the 1997 'National Security Conception'. Since 2009, however, the global scene has changed considerably thus making this revision outdated too.

1.3. 'Foreign Policy Concept'

In 2008, former President Dmitry Medvedev published 'Foreign Policy Concept', the first major security document that also included policy statements made by Putin in 2007-2008, and that remain basic principles today. The document emphasised Russia's role in the international arena as a great power. It also expressed the importance of spreading Russian influence abroad and the protection of the rights and interests of Russian citizens in other countries.

This was the first document to explicitly propose changing the existing European security architecture by creating a regional collective security and cooperation system and by rejecting a further expansion of NATO, especially in Ukraine and Georgia. The document argues that a key instrument for maintaining stability and security in the CIS is the Collective Security Treaty Organisation (CSTO), a Russian-led military alliance that includes Armenia, Belarus, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan.

Energy issues are given an important place in the document. To explain this, some analysts have suggested that 'energy became a consistent part of Moscow's security thinking due to its ability to produce high revenues and its use as an instrument of power'.

---

The importance of Russia’s nuclear arsenals to its strategic nuclear deterrence is reconfirmed in the ‘Foreign Policy Concept’. At the same time, the need to negotiate reducing nuclear weapons reduction is also mentioned.

1.4. The National Security Strategy of the Russian Federation to 2020 (NSS)

Adopted in May 2009 by then-President Medvedev, this text was begun in 2004 under Putin’s supervision.

The document defines Russia’s role in the international arena, and begins with the assertion that ‘Russia has overcome the results of the political and socio-economic systematic crisis at the end of the 20th century’. According to the ‘Strategy’, Russia has already overcome ‘nationalism, separatism, and terrorism, secured its territorial integrity, and restored the basis for enhancing its competitiveness and defending the interests of the nation’. The document emphasises that the emerging system of international relations is multipolar, with Russia’s status equal to that of other great powers. The basic principles from other relevant documents concerning the military sphere are here reiterated, including the importance of nuclear parity with the US and the protection of Russian citizens in the ‘near abroad’.

An important statement in the NSS describes Russian determination to maintain control over its natural resources. Opposed to the liberalisation of the energy market, the country prefers to maintain the status quo in its current energy policy. Again, Russia’s resources potential is described as an instrument of political and economic power for reinforcing the country’s position on the world stage. Social stability is also highlighted as a way of preventing an ‘Orange Scenario’ in the Russian Federation such as the one that took place in Ukraine in 2004.

The one truly innovative — though also unrealised — aspect of the NSS is Medvedev’s description of ‘Security Through Development’. The phrase implies that national security is dependent on Russia’s economic potential, thereby underlining the importance of controlling national resources and maintaining social stability in the country. One of the economic goals listed in the NSS is for Russia to become the world’s fifth largest economy in terms of GDP. While Russia has nearied this goal, the country remains outside the ‘top five’.

The NSS does not include a single, concise list of threats. Some argue that this stems from the fact that several authors worked on the text, mixing ‘classic enemy perceptions of the Soviet age’ with ‘notions linked to the risks of globalisation’ that resulted in a ‘compromise paper that includes

---

8 Ibid.
the competing views. The NSS was supplemented with the 'Military Doctrine', addressing the issue of food security through 2020, and a proposal for state and national policy, which was adopted in 2009.

1.5. The Military Doctrine of the Russian Federation through 2020

Signed by President Medvedev in February 2010, this document is more focused in scope than the NSS and emphasises the military aspects of security and army reform.

The ‘Doctrine’ opens by stating that, although a major war has become less likely, Russia's security situation has not improved, given a significant number of external military dangers. Of the 11 dangers listed, 5 relate to NATO and the US: the use of force without the approval of the United Nations Security Council (UNSC), the expansion of NATO towards the east, the deployment of troops near Russian borders, the militarisation of space and the violation or non-compliance with international security-related agreements.

The text points to opportunities for cooperation and attaches a special importance to military cooperation with Belarus and the CSTO. A number of threats are said to require cooperation with western countries, including terrorism, the situation in Afghanistan, the proliferation of weapons of mass destruction and frozen conflicts in the Russian neighbourhood. Russia seems open to cooperation on arms control, missile defence and peacekeeping operations led by the UN.

The ‘Military Doctrine’ increases the number of circumstances that are said to justify deploying Russian troops abroad. For example, forces may be sent abroad following resolutions from the CIS or in order to protect Russian citizens abroad.

2. Russia and the Arab Awakening: the price of veto

Russia has long-standing links with the Islamic World. The country counts 16.4 million Muslims (2010) within its borders, thousands of kilometres of borders with predominantly Muslim former Soviet republics in Central Asia and the Caucasus, a significant Russian-speaking community in Israel and a web of multi-faceted relations with Arab countries.

A significant number of external military threats are said to compromise Russia's security, some of which relate to the US and NATO. Other types of threat could be the subject of further international cooperation.

---

2.1. Russia’s position on Libya

Russia’s interests in Libya have been principally economic, including lucrative arms deals (Annex 2) that Libya concluded with Russia after its USD 5.7 billion debt to the Soviet Union was forgiven. Russia was the principal supplier of arms to Libya from 2007 to 2011, providing 63% of Libya’s imported arms.

Russia’s interests in Libya have been principally economic; including lucrative arms deals (Annex 2) that Libya concluded with Russia after its USD 5.7 billion debt to the Soviet Union was forgiven. Russia was the principal supplier of arms to Libya from 2007 to 2011, providing 63% of Libya’s imported arms.

<table>
<thead>
<tr>
<th>Recipient</th>
<th>Share of global arms transfers (%)</th>
<th>Main suppliers (share of recipient’s transfers, %)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bahrain</td>
<td>0.10</td>
<td>USA (73%) Belgium (12%) United Arab Emirates (11%)</td>
</tr>
<tr>
<td>Egypt</td>
<td>1.81</td>
<td>USA (52%) Russia (28%) China (6%)</td>
</tr>
<tr>
<td>Libya</td>
<td>0.05</td>
<td>Russia (63%) Italy (22%) France (15%)</td>
</tr>
<tr>
<td>Syria</td>
<td>0.81</td>
<td>Russia (78%) Belarus (17%) Iran (5%)</td>
</tr>
<tr>
<td>Tunisia</td>
<td>0.01</td>
<td>USA (100%) – –</td>
</tr>
<tr>
<td>Yemen</td>
<td>0.40</td>
<td>Belarus (27%) Ukraine (23%) Russia (18%)</td>
</tr>
</tbody>
</table>


According to US experts, Libya’s energy resources also elicited Russian interest. Just before the Libyan revolution, Russia and the Italian energy company ENI signed an asset-swapping deal to split ENI’s USD 170 million (66%) share in Libyan’s Elephant oilfield.

Russia supported the UN Security Council’s arms embargo on Libya (Resolution 1970) in February 2011, although some reports announced that this would lead to a loss of ‘almost USD 4.0 billion in arms export contracts to Libya’. Russia then abstained from the UN Security Council (UNSC) vote on Resolution 1973, which imposed a no-fly zone over Libya and tightened sanctions on the Qadhafi regime. Moscow also chose not to support NATO operations in the region due to a general disapproval of the western military alliance. According to the public opinion polls, a majority of Russians (61%) opposed the intervention.

Public opinion polls only served to confirm Russian lawmakers’ reluctance, stemming from belief that military actions in Libya would cut down on Moscow’s political weight. Russia made attempts to mediate the conflict between the Libyan government and the National Transitional Council.

---

10 Trenin, D., ‘Russia’s Policy in the Middle East: Prospects for Consensus and Conflict with the United States’, The Century Foundation, March 2010
11 http://www.sipri.org/databases/armstransfers
14 Russia was among five Security Council members, also including Brazil, China, Germany and India, that decided to abstain from the vote on Resolution 1973.
15 Transatlantic Trends 2012, German Marshal Fund.
(NTC) without the assistance of other western states. Ultimately, its failure to achieve results further weakened Moscow's position.

Russia finally recognised the NTC as the legitimate representative of the Libyan people on 1 September 2011, after being assured that its business contracts were safe; NTC leader Ahmed Jehani had confirmed that 'all [of Libya’s] lawful contracts would be honoured'. These include contracts dealing with the oil sector, military-technical cooperation and the laying of a railway line.

Yet Russia considered the outcome of the crisis in Libya as an 'abuse of the UN mandate by the West, as a cover-up to achieve principally different goals'. This view has, in turn, influenced Moscow's response to the ongoing crisis in Syria. In its Syria-related actions in the UNSC, Moscow has been uncompromising.

2.2. Russia's position on Syria

Russia's ties with Syria have been closer than those with any other Arab country. Syria has been considered a Russian ally since 1955 when the Soviets offered to extend economic and military assistance in support of Syria's refusal to join the pro-Western Baghdad Pact.

There are numerous human ties between the two countries, with a number of Syrian students studying in Russia and marriages between the two nationalities. It is estimated that some 30,000 Russian citizens live currently in Syria, most of them women and children. The Russian Orthodox Church also has close ties with the Syrian Christian Church of Antioch. The Russian Church has been outspoken in its opposition to any foreign intervention on Syria.

For Syria, Russia is a relatively important trading partner, accounting for around 5% of its imports in 2010 (Annex 2). According to the SIPRI 2012 Yearbook, 78% of Syria's imports of major conventional weapons came from Russia during 2007-11. For Russia, Syria is the 7th-largest export destination, accounting for 3% of its exports. Beside arms sales, Russian business interests in Syria have included gas pipelines and nuclear energy projects.

Syria hosts the only Russian military base outside of the CIS, at the port of

---

16 Habboush, M., 'Libya to honor all legal oil deals: Jehani', Reuters, 24 August 2011.
19 Ibid.
Russia has opposed UN sanctions on Syria and bets on the preservation of the status-quo whilst delivering weapons to the Syrian regime.

Tartus, and numerous military deals have been concluded between the two countries, cementing their strategic partnership. Some 4 000 Russian advisors provided assistance to the Syrian army during the Soviet period. The number was reduced with Soviet Premier Mikhail Gorbachev’s change in direction, but remained a significant 1 800 in 1986. While Russia’s naval base at Tartus is rather small — with just three piers, a point for refuelling and repairing, and around 50 sailors and technicians — it nonetheless holds a symbolic significance for Moscow, serving as a reminder of Russia’s international stature and its presence in the region. Tartus is also the receiving point for Russian weapons shipments to Syria.

Russian interests in Syria, as well as in the region in general, are primarily economic, especially in the arms trade and strategic cooperation. Russian authorities emphasise the direct impact that the events in countries affected by the Arab Spring has had on Russian businesses. In certain cases, upheavals have led Russian businesses in the Middle East to be replaced by Western companies.

Yet for the time being, Russia has placed its bets on the preservation of the status quo in Syria. In 2011, Russia opposed imposing UN sanctions on Syria proposed by France and the US. These sanctions would have included an arms embargo, running counter to Russian interests. Moscow has provided significant military equipment to the Syrian regime: in 2011 Russia completed delivery of Yakhont anti-ship missiles and Pantsir-S1 and Buk-M1 SAM systems and signed a new contract for 36 Yak-130 trainer/combat aircraft. At the time, 24 MiG-29M combat aircraft had been ordered but not yet delivered. In January 2012 Moscow sent Damascus another batch of ammunition, and Russian warships arrived at their military base in Syria for a goodwill visit. According to official Russian statements, the arms Moscow delivered are defensive weapons that cannot be used in civil conflicts and that represent the fulfilment of contracts signed long ago.

Some old contracts may, however, go unfulfilled. On July 2012, the Deputy

---

24 SIPRI Yearbook 2012, op. cit.
25 Ibid.
26 Grove, T., ‘Russia to suspend new arms to Syria: agencies’, Reuters, Moscow, 9 July 2012.
27 Interview of Vladimir Putin, RT, op.cit.
28 Ibid.
29 Ibid.
30 The Group includes diplomats from the five permanent members of the UN Security Council, the European Union, Turkey, Iraq, Kuwait and Qatar.
32 Interview of Vladimir Putin, RT, op.cit.
More recently, Russian authorities have become uncertain regarding the longevity of the Syrian regime.

Director of a body supervising Moscow’s arms trade was quoted in the press saying that Russia will not deliver fighter planes or other new weapons to Syria until the situation there is resolved.

While Russia officially urged all parties to stop fighting and to negotiate security guarantees for all stakeholders in Syria, its peaceable position is undermined by its shipments of ammunition to Damascus. In general, the Russian political elite have considered the Syrian opposition as gunmen who refuse to recognise the Annan plan, closely cooperate with al-Qaeda and sow instability in the country. In this regard, Moscow reaffirmed that only the Security Council and the UN are meant to be a tool for compromise.

In the long term, Moscow understands that it will have to create a favourable environment to work with the new governments of the Arab countries. In Syria, Moscow is unlikely to maintain its old influence or preserve its economic and strategic interests in Syria if the regime of President Bashar al-Assad finally collapses. Despite their support of the status quo, Russian authorities have become uncertain enough of the Syrian regime’s longevity that they have begun to negotiate with some opposition leaders. In July 2012, Russian Foreign Minister Sergey Lavrov met for the first time with the head of the Syrian National Council, the organisation representing the Syrian opposition movement, in Moscow. The gesture is consistent with the conclusions of the Action Group for Syria, which on 30 June 2012 confirmed the necessity of political transition in Syria. The most recent declarations issued by Moscow refer to political leaders who have overlooked the need for change and failed to produce the necessary reforms which would have saved the day.

Copyright ©2012 Dow Jones & Company, Inc.
2.3. Geopolitical considerations

Russian foreign policy in the Arab world is shaped by Vladimir Putin's general perception of the country's role in world politics, in addition to Russian economic interests.

One of the fundamental messages of Moscow's recent rhetoric has centred on Russia's importance on the international scene and the country's role as a great power, independent from the West. In the case of the Middle East, it seems as though Russia is determined to play this grand role at any cost, even when it endangers Russian economic and other interests in the region. It may also be that Moscow has confidence in 'Arab pragmatism' when it comes to opportunities for economic, financial or political gain. According to some Russian experts, Russia will be able to make up in the near future for the current decline in relations with some Arab states over the conflicts in Libya and Syria. This compensation will involve 'developing mutually beneficial ties with [Islamists] or helping them overcome economic difficulties'34.

Whether or not pragmatism fuels Russia's dreams of geopolitical grandeur, the 'anti-US factor' also influences Russian policy in the Middle East. Russia 'enjoyed assuming the role of a 'balancer,' which fully agreed with its vision of a multipolar world. Russia opposed the Iraq war and disputed the justice of Saddam's execution. In general, Putin has been 'critical of US democracy promotion in the Middle East, attributing the empowerment of Hamas and Hezbollah to January 2006 parliamentary elections promoted by Washington'36.

Moscow's ties with the Assad regime have also served as a source of leverage in Russia's relationship with the US and its allies. The link has, some argue, made it more difficult for the US to manoeuvre 'without taking Russia's position into due consideration.'37 Russia's increasingly stringent position in the Middle East corresponds to a general deterioration in Moscow's relations with the west, and with the US in particular.

2.4. The influence of Russian domestic issues on Moscow's Middle Eastern policy

Putin's administration has often described the situation in the Middle East as a 'political stability' issue to which the 'principle of non-interference in the internal affairs' should apply. In fact, these phrases

---

33 Valdai Discussion Club, op. cit.
34 Ibid.
35 Trenin, D., op cit.
37 Eggert, K., Due West: Confident Putin Buries Reset, RIA Novosti, 21 September 2012.
reflect Russia's own domestic challenges.

Since the 2004 ‘Orange revolution’ in Ukraine, Putin and his entourage have considered the ‘Orange Scenario’ — a Western plot to change the pro-Moscow regime by the forces of opposition — a direct and western-hatched threat to the current regime in Russia. Russia has been described as suffering from a sort of historical nostalgia for an earlier and less ‘moral’ moment of international relations: ‘Russia, like China, wants to conduct a ’values-free’ foreign policy with the United States and Europe in the manner of eighteenth or nineteenth century cabinet diplomacy where states could do as they please domestically’.

2.5. Ban on export of radical Islamist action

The extent the 'Muslim factor' influences Russian Foreign Policy is controversial.

On the one hand, Russian experts argue that 'radical ideas and militants from the Middle East cross into the Russian North Caucasus, the central Russian republics of Tatarstan and Bashkortostan, and into the post-Soviet

38 Ibid.
Russia is preoccupied about Islamists potentially spreading in the North Caucasus and other Russian regions.

The 'Muslim factor' has significant implications on Russia's home affairs.

Central Asia. As a result, 'Russia should be vigilant about stronger Islamists, particularly Salafis, attempting to spread their influence to Russia's neighbours and allies in Central Asia and its Muslim regions. Even the Muslim Brotherhood, with whom Putin's administration may cooperate in the near future, figures in Russia's list of 17 terrorist organisations, published by the government on 28 July 2006.

On the other hand, the Russian government is described as having 'generally enjoyed friendly relations' with controversial regimes in the region. Russia does not consider Hamas and Hezbollah to be terrorist organisations, but elected representatives. (Not coincidentally, the Syrian regime is known for close ties with these organisations.) Russia also enjoys the status of observer within the Organisation of the Islamic Cooperation (OIC).

In fact, the 'Muslim factor' is of vital importance in Russian home affairs and has significant foreign implications. One of Russia's biggest challenges is to maintain its territorial integrity, which means fending off 'uncontrolled islamisation'. Russia has the largest Muslim population in all of Europe, with some 16.4 million (2010) people (11.7% of its population). Some analysts argue that 'keeping Muslim powers such as Saudi Arabia and Iran at bay, preventing them from supporting insurgencies in Eurasia, and toning down radicalisation are unspoken but important items on the Kremlin's agenda'.

Generally friendly relations between Russia and Arab regimes that support terrorists groups can thus be understood also as a means for Russia to control external influences over its own population. The case of Chechnya is perhaps the most relevant. When the Chechen leader Ramzan Kadyrov took the course of 're-islamisation' of this unstable region some time ago, Moscow responded by 'buying' him, thus increasing Kadyrov's financial dependence. According to the press, Moscow has financed more than 90% of Chechnya's budget in recent years --- a level that did not prevent Kadyrov from asking for an additional RUB 7.5 billion (around EUR 186 million) in September 2012.

Traditionally, Russian policy has favoured 'realpolitik' over liberal or 'moral'...
It is expected that ‘Realpolitik’ will inspire Russian policy in the Arab world. But this also leads to a further deterioration of the country’s relations with the EU and the US.

Russia does not share the EU’s values-based approach towards the Middle East, although it does share the latter’s economic interests. Like the EU, Russia is concerned about political stability there, although it is not ready to compromise for it. On the whole, the Arab awakening has negatively affected Russian positions in the Middle East.

Moscow’s policy on Syria may change. If Russia’s strategic and economic positions in Syria are secured, Putin’s administration may become more willing to cooperate. Yet the price of Russian compromise will also be set by other contentious issues beyond the region. For now, relations between Moscow and the EU and US are deteriorating. And thanks to the US’s own political uncertainties (ahead of the country’s Presidential elections) and to the EU Member States’ fragmented political positions, finding an effective compromise between the partners will prove more difficult than merely setting the right price.

3. **Russia-NATO relations: Unstable and unpredictable partners?**

The year 2012 will mark both the 15th anniversary of the founding act signed between Russia and NATO and the 10th anniversary of the Roman Declaration, which established the NATO-Russia Council (NRC). Despite these agreements, ‘unstable’ and ‘unpredictable’ are the two adjectives most often used by experts describing relations between Russia and NATO.

The 2009 NSS described a new multipolar world that had moved beyond the NATO-centric model of European security architecture. Within this new geopolitical reality, the NSS defines NATO as ‘a threat to the provision of international security’ that must be changed. The unilateral use of force in international relations is also perceived in the text as one of Russia’s chief threats.

Most Russian experts describe the 1990s as ‘the time of wasted opportunities’. The enlargement of NATO without Russian participation

---

Despite some cooperation within the NATO-Russia Council, the NATO Summit in Chicago reaffirmed the difficult nature of the NATO-Russia relations whilst reminding areas of common interest: Afghanistan, counter-terrorism and anti-piracy.

was arguably the most contentious issue. Much of Russia's political elite believes the country was first deceived when the 'cold war block' began expanding towards Russian boarders, despite an informal promise made to USSR President Michael Gorbachev that NATO would not expand to the East after East Germany reunited with West Germany and joined the alliance. The expansion of NATO led to the 1996 resignation of the Minister of Foreign Affairs, Andrey Kozyrev, who had noted that 'for democratic Russia, the USA and other western democracies are as much natural friends and, potentially, allies, as they were natural adversaries for the totalitarian Soviet Union'. For an interval, the rhetoric of Russian foreign policy changed. But the launch of NATO operations in Kosovo without the backing of the UN Security Council shifted perceptions, and a lack of trust in NATO-Russia relations became entrenched.

The NATO-Russia Council (NRC) may be changing this. Since its creation in 2002, the NRC meets every month. According to NATO's website, progress has been made in a number of areas since the NATO-Russia Summit held in Lisbon in 2010, including Afghanistan, the fight against terrorism, the Cooperative Airspace Initiative, counter-piracy and computer-assisted exercises on theatre missile defense (for more on the most recent developments in NATO-Russia relations, see Annex 3).

The recent NATO Summit, held in Chicago, USA in May 2012, reaffirmed the difficult nature of the NATO-Russia relations. Until the last moment, Russia hesitated to accept the invitation from NATO chief Anders Fogh Rasmussen to join the summit, which was to focus on sensitive issues such as European missile defence. According to the Russian media, Russian Foreign Minister Sergei Lavrov explained that Moscow's reluctance stemmed from the fact that the alliance had rejected Moscow's requests to attend international meetings on Afghanistan held in Brussels. The Brussels meetings were to gather representatives of NATO Member States and other countries contributing troops to the International Security Assistance Force (ISAF). Despite Moscow's early hesitation about the Chicago meeting, Russia did ultimately attend the summit, and the final

**References**

50 Khudoley, K., op.cit.
54 For more information see: Marcel de Haas, 'Russia at NATO's Chicago Summit', Analysis, *Atlantisch Perspectief* 4, Netherlands Institute of International Relations 'Clingendael', 2012.
56 Ibid.
57 NATO official website, NATO's relations with Russia, [http://www.nato.int/cps/en/natolive/topics_50090.htm](http://www.nato.int/cps/en/natolive/topics_50090.htm).
declaration included a statement that, ‘NATO-Russia cooperation is of strategic importance as it contributes to creating a common space of peace, stability and security’53. On the question of Russia, the NATO statement also stressed that, while there are differences on specific issues, both sides have fields of mutual interest: Afghanistan, counter-terrorism and anti-piracy54.

Following the Chicago summit, the main question is now how the NATO-Russian cooperation will develop generally, as well as how to fulfil the resolutions adopted during the 2010 NATO-Russia summit held in Lisbon. A number of these resolutions are still being negotiated, and represent major points of discussion. The specifics issues to be discussed include55:

**Ballistic Missile Defense (BMD) in Europe.** At the Lisbon Summit, NRC leaders approved an assessment of joint ballistic missile threat and agreed to discuss pursuing missile defence cooperation. This is the most controversial topic.

**Increasing transparency.** Since the NRC was established, military liaison arrangements have been enhanced to build trust, confidence and transparency, and to improve the ability of NATO and Russian forces to work together56. In this regard, NATO is committed to better understand Russia’s security strategy and planning. The main challenge facing this initiative, according to NATO, is Russia’s lack of interest and commitment.

**Cooperation on Afghanistan.** NATO and Russia agreed at the summit to facilitate the land transit of non-military equipment for contributors to NATO’s UN-mandated International Security Assistance Force (ISAF) in Afghanistan. Work is underway on a transit arrangement that would permit a mix of rail and air transit for ISAF equipment through Russian territory (with a transit base in the city of Ulyanovsk).

Other issues broached in Lisbon include training Afghan and Central Asian personnel to become counter-narcotics specialists and the establishment of the NRC Helicopter Maintenance Trust Fund, to help the Afghan Armed Forces operate their helicopter fleet.

**Cooperative Air Space Initiative (CAI).** This initiative, which aims to prevent terrorists from using aircrafts to launch attacks similar to those of 9/11, is now operational. The CAI information exchange provides air traffic transparency and early notification of suspicious air activities. The system comprises two coordination centres in Moscow and in Warsaw, and local coordination sites in Russia and in NATO member countries57.

According to NATO officials, it is possible that NATO and Russia will also discuss nuclear disarmament issues. This topic is difficult to address, as NATO Member States do not agree on a common approach and generally do not want to discuss the issue with Russia within the NATO framework.

**The question of the increase in military cooperation.** During the NRC meeting held in Brussels in January 2012, a Work Plan for 2012 was approved. The Plan focuses on six areas of cooperation: logistics,
combating terrorism, search and rescue at sea, counter-piracy, military academic exchanges and theatre missile defence/missile defence. The Russian and NATO Chiefs of Defence also agreed on a road map for military-to-military cooperation until 2014. These documents have not been made public.

4. **European Ballistic Missile Defence (BMD)**

Negotiations on the European BMD system have reached a deadlock. According to Russian Vice-Minister of Foreign Affairs Sergey Ryabkov, if there is no agreement between the parties, Russia may adopt military and technical counteractions.

The current BMD crisis dates back to 2002, when the US left the Anti-Ballistic Missile Treaty. The move was followed by Washington's development of a 'nuclear first strike doctrine', which outlined plans for pre-emptive nuclear strikes and President George W. Bush's intention to establish a 'third site' for the US BMD system in Poland and the Czech Republic. Moscow's opposition to the potential placement of a US missile defense system in Europe was described in the 'Foreign Policy Concept' developed by Medvedev in 2008.

The roots of the BMD crisis, however, date back to a more distant past, to the Cold War's principle of nuclear weapon parity between the USSR and US. The principle still exists, contributing to the current stockpile in Russia and the US. The principle of parity implies that if one country wishes to protect itself, it must ensure it has the capacity to rapidly destroy the other. Any obstacle to achieving this capacity of destruction is tantamount to a direct threat.

In 2009, the newly elected US President, Barack Obama, cancelled the 'third site' and proposed a 'Phased Adaptive Approach for the European BMD' — an approach that had been discussed by NATO members in 2005. NATO members agreed on instituting this system during the 2010 NATO Summit in Lisbon. A four-phase deployment would include sea- and land-based interceptors in Romania and Poland, as well as a radar system in Turkey to be installed by 2020. The declared aim of the system is to protect NATO member states against medium-range missile attacks, in particular from Iran and the Democratic People's Republic of Korea (DPRK).

Moscow was initially pleased with the decision, but its position has since

---

60. In 2005, NATO member states agreed to gradually develop an active layered theatre ballistic missile defence (ALTBMD) system capability to protect deployed NATO forces against the ballistic missiles. NATO would have its own command and control capacity, while NATO member states would contribute sensors and weapon systems. Cirilig, Carmen-Cristina, Russian reactions to NATO missile defence, Library Briefing, Library of the European Parliament, Brussels, 14 September 2012.
evolved. Russian officials have expressed their concerns that the European BMD could threaten Russian strategic forces and, more importantly, could undermine the sensitive balance with the US (see Annex 4). According to Moscow, for example, the radar to be placed in Turkey to monitor Iran will monitor the same territory as the existing US radar in the Middle East (in Israel61), but also covering a considerable part of Russia.

However, according to leading European and Russian experts, Russia’s concerns are largely unfounded (for reasons which include the small number of interceptors planned, the closing speed required against single warheads, etc)62. Moreover, ‘the technical countermeasure debate is too complex to answer definitively with easily digested arguments’63. The negotiations are also complicated by other factors, such as the US plans to expand their Anti-Ballistic Missile system in Asia, together with Japan and South Korea.

### 4.1. Guarantees

Moscow wants legal assurances that the European BMD will not target Russian strategic forces and will not be expanded to make this possible. Lavrov recently insisted on a legally binding agreement that would include jointly-agreed military and technical criteria to ensure that the BMD not be directed at a European country, including Russia64.

This demand was rejected by US President Barack Obama during negotiations on the 2010 Strategic Arms Reduction Treaty (START) and again after Russia requested guarantees vis-à-vis the European BMD. The US stated that it would never give any guarantees that impose limits on its military forces. It is also quite inconceivable that the US would work jointly and transparently on military-technical criteria with Russian counterparts. Not only is the level of mistrust between the countries too high, but the decision-making process in the US requires the Congress to acts as a check on the power of the executive authority.

A potential compromise would involve allowing the Russians to verify

61 The same as planned in Turkey AN/TPY-2 radar is one of the key components in the ‘American Forward-Based Radar’ global missile-defence system, based in the Negev desert (Israel), which has a range of about 2000 kilometres, by some estimates. The X-band radar is considered to be pointed northeast, toward Iran, where it could detect a Shahab-3 missile launched toward Israel. For more information: Vick, Karl, ‘How a U.S. Radar Station in the Negev Affects a Potential Israel-Iran Clash’, The Time Inc., 30 May 2012, http://www.time.com/time/world/article/0,8599,2115955,00.html.


63 Wilkening, D., op.cit.

the installations. But it is uncertain whether Washington is willing to make such a concession. Another possibility would be to compromise on technical details — a solution that would also help to sway public opinion, assuring Russians that the aim of the European BMD is not to hinder Russia’s military development65.

### 4.2. Cooperation

According to the NATO Secretary General, ‘the very best assurance Russia could get would actually be to engage in direct cooperation with [NATO] on missile defence’66. Yet a mechanism for such cooperation has proven elusive. NATO’s proposed framework for cooperation would involve one or two joint centres where data could be exchanged to develop joint threat analyses and prepare joint exercises67. Yet Russian officials fear that NATO is only asking for information, while they would prefer that technical criteria for the European BMD be jointly developed. Russians want a single common BMD system, as was discussed in Lisbon68, while NATO has proposed two parallel systems working in cooperation. Given that neither side will permit a situation in which a General from the ‘other side’ could push a joint button, the NATO proposal appears more realistic. This leads some to argue that Russia does not really want a single system, but is rather working to postpone the negotiations.

According to NATO officials, the coordination of two BMD systems is technically possible and could benefit both sides, both by creating a more comprehensive missile defence system and by reducing mistrust. A positive outcome had already been achieved by the joint NATO-Russian exercises on BMD information exchange.

Yet a number of issues prevent further cooperation. First of all, there are differences in approach: while NATO prefers advance step-by-step, Russia insists on creating a complete agreement from the start and only discussing the details afterwards. This difference also reflects divergences in the tactics and bureaucratic procedures of the political institutions in Russia and the NATO members.

Another major issue is the assessment of threats. This is, in fact, a problem among NATO Member States, as well between NATO and

---

65 Wilkening, Dean A., op.cit.
66 Statement by NATO Secretary General Anders Fogh Rasmussen at the press point following the NATO-Russia Council meeting in Foreign Ministers session, 19 April 2012.
67 Ibid.
68 The Lisbon Summit Declaration NATO expressed a commitment ‘to explore opportunities for missile defence co-operation with Russia in a spirit of reciprocity, maximum transparency and mutual confidence’, and ‘reaffirm[ed] the Alliance’s readiness to invite Russia to explore jointly the potential for linking current and planned missile defence systems at an appropriate time in mutually beneficial ways’.
Russia. An example is the threat posed by Iran: Turkey has avoided discussing Iran because of the country's proximity and Russia does not perceive Iran as the major threat that the US considers it to be.

5. Iran and the DPRK: Threats for both the EU and Russia?

5.1. Iran

Iranian ballistic missiles are generally not perceived as a threat in Russia. It seems that Russia, in contrast with the EU and the US, sees Iran as a peaceful country — as a democratic, Islamic country\(^\text{69}\). Even Iran's aggressive rhetoric against Israel, condemned by Moscow, is merely considered a political tool. Nevertheless, Moscow admits that Iran's nuclear program should not include a military component. 'We don't need a nuclear Iran', Lavrov said on 23 March 2012. Putin has reaffirmed his desire to create a nuclear free zone in the Middle East in February 2012\(^\text{70}\), yet Russia has not called for the denuclearisation of Iran. Politically and technically, Moscow has supported Iran's 'right to the civil atom', including the right to enrich uranium, provided the country adheres to International Atomic Energy Agency (IAEA) safeguards.

One proposal advanced in Russia would involve creating a regional nuclear centre to be based in Iran, under international control and with the participation of other Arab countries\(^\text{71}\). Iran is one of the few countries in the world that currently possesses the technology needed to enrich uranium\(^\text{72}\). Countries currently enriching uranium for commercial purpose include Russia, the US, China, France, the UK, Germany, Netherlands, Japan and Pakistan\(^\text{73}\). Were it not for the sanctions in place and the widespread opposition to Iran's nuclear program, the country could potentially become a new supplier of low-enriched uranium.

Currently Russia insists that the IAEA does not possess the proof of Iran's military nuclear intentions. In turn, the lack of a clear affirmation by the IAEA means that any military strike launched against Iran — or even the threat of such a strike — is unacceptable to Russia. Moscow also considers that the sanctions imposed by certain countries on Iran as only

\(^\text{69}\) Interview of S.A. Ryabkov, Deputy Minister of Foreign Affairs of Russia, to V. Orlov, Head Editor of Security Index Journal, 'Sanctions against Iran: Depleted Resources', Official Site of the Ministry of Foreign Affairs of the Russian Federation, Moscow, 15 February 2012.

\(^\text{70}\) Putin, V., 'Russia and the changing world', op. cit.

\(^\text{71}\) The idea mentioned by V. Orlov, Head Editor of Security Index Journal, in the interview with S.A. Ryabkov, op.cit.

\(^\text{72}\) According to the IAEA, Iran can enrich uranium up to 20% which is still not enough for the weapons-grade uranium. Andrey Baklitskiy, Internet Project Director, Russian Center for Policy Studies, Presentation at the 2nd International Scientific and Practical Conference 'Transportation and industrial potential of the Caspian region', Moscow, 25 May 2012.

Russia argues that sanctions against Iran are undermining the negotiations. Instead it proposes a 'concept of phasing and reciprocity' ('Lavrov’s Plan').

serving to undermine the already complicated negotiating environment. Some of these sanctions also have effects beyond Iran and have harmed Russian companies that, according to Lavrov, have not violated UNSC Resolution 1929 (2010)\textsuperscript{74}. Rather than adopting sanctions, Moscow has proposed exclusively peaceful means, called 'the concept of phasing and reciprocity'\textsuperscript{75} by Lavrov. (This has also been called 'Lavrov's Plan'). A serious negotiation process with solutions that would be attractive to Teheran\textsuperscript{76} would counter the 'hard' approach adopted by the West, which, according to Moscow, assumes 'that regime-change in Teheran is much more important […] than strengthening of the nuclear non-proliferation regime'\textsuperscript{77}.

Putin has also said that 'the more frequent cases of crude and even armed outside interference in the domestic affairs of countries may prompt authoritarian (and other) regimes to possess nuclear weapons'\textsuperscript{78}. The alternative suggested by the Russian President involves eliminating the incentives to become a nuclear power. This would make the non-proliferation regime, firmly based on existing treaties, universal. Of course, a non-proliferation regime would also benefit Russia, given the country’s leading role in the international nuclear market\textsuperscript{79}.

Within the EU, public opinion polls have demonstrated that the approach advocated by Russia — offering economic incentives — is preferred to economic sanctions (34 % rather than 28 %). Only 7 % of respondents are in favour of taking military action\textsuperscript{80}.

Russia actively participates in negotiations with Iran and officially supports the EU diplomatic efforts. Yet the recent Moscow round of talks, which took place on 18-19 June 2012, yielded no progress\textsuperscript{81}. Negotiators agreed only to have technical experts meet on 3 July in

74 Interview of Sergei Lavrov, Minister of Foreign Affairs of Russia, to Konstantin Eggert, Kommersant FM, 23 March 2012.
75 The step-by-step approach towards Iran has been discussed by Russian Minister of Foreign Affairs Sergei Lavrov since November, 2010, which stipulated that the response to each specific step of Iran to address the concerns of the IAEA would be followed by some reciprocal step, like freezing or shortening some sanctions.
76 Ibid.
77 For more information on the Russian approach towards Iran: Ryabkov, S.A., op.cit.
78 Putin, V., ‘Russia and the changing world’, op.cit.
79 Ibid., Including the formation of multilateral nuclear enrichment centres and nuclear fuel banks.
82 The Ministry of Foreign Affairs of the Russian Federation, Comment of Official Representative of MFA of Russia A.K. Lukashevich on the results of Moscow round of talks regarding the Nuclear Programme of Iran, 1225-21-06-2012, 21 June 2012.
Istanbul to analyse the information exchanged by the parties in Moscow, and thereby continue the negotiations process.

5.2. The DPRK

According to Russian official statements, the North Korean nuclear situation is more critical than the one in Iran. Moscow has called for the early resumption of the Six-Party Talks. While Putin has said that Russia ‘cannot accept North Korea’s nuclear status,’ he has also insisted that the denuclearisation of the Korean Peninsula should only occur through political and diplomatic means. The US is also encouraged to take steps towards normalising their relations with the DPRK, with the help of Beijing, including in the field of humanitarian assistance. There is no clear Russian position on the EU’s potential role in resolving the crisis.

The Russian Ministry of Foreign Affairs criticised the DPRK’s rocket launch in April 2012 because it contravened UNSC Resolution 1874, adopted on 12 June 2009. In the same statement, Moscow reaffirmed its ongoing efforts ‘aimed at the normalisation of the situation in the region and at the creation of conditions for early reopening of the negotiation process over the nuclear problem’. Russia also expressed its opposition to sanctions against North Korea, which, Lavrov said, ‘will never help settle this situation’.

Moscow is willing to cooperate closely with the DPRK in the fields of investments, education and public health and on certain projects, such as a gas pipeline to run from Russia to the Republic of Korea through DPRK territory. Following talks in Beijing, Russia signed a protocol to settle North Korea’s USD 11 billion debt.

Those are not the first grandiose projects developed between Putin’s Russia and the DPRK. Moscow and Beijing have signed a series of declarations on North Korea since Putin came to power. In 2001, the

---

84 Interview of S.A. Ryabkov, op.cit.
85 Russia favourably assessed the agreement between the DPRK and the USA concluded in Beijing on 23-24 February, 2012.
88 North Korea had to pay the USD11 billion loan that was granted to it by the former Soviet Union. TASS, Russia, North Korea to settle Pyongyang’s debt, The Voice of Russia website, 1 June 2012, http://english.ruvr.ru/2012_06_01/76684139/.
89 Those include: DPRK-Russia Joint Declaration, signed on 19 July 2000, and DPRK-Russia Treaty of Friendship, Good-Neighbourliness and cooperation, signed on 9 February 2000.
two countries signed the Moscow Declaration, which included several ambitious aims: ‘to establish a just, new world system based on the principle of priority of law, equality, mutual respect’; ‘to further develop the traditional DPRK-Russia friendly and cooperative relations’; ‘to link the DPRK-Russia railways’; and ‘to support Korean reunification independently and peacefully’90. However, according to the International Crisis Group’s Asia Briefing, published in 2007, ‘Since Vladimir Putin visited Beijing in 2000, diplomatic initiatives have come undone and grandiose economic projects have faltered; Russia is arguably the least effective participant in the six-party nuclear talks’91.

6. **Frozen conflicts and the Eurasian Union integration project**

As mentioned above, one of Putin’s first declarations as President was to describe the CIS countries as ‘key to Russian foreign policy’. The statements dovetail with Putin’s concept of a multipolar world, in which Russia occupies a pole with an extended sphere of influence in the ‘near abroad’, with an ‘economic region from Lisbon to Vladivostok’. Putin’s notion of a ‘new integration project’ was introduced in an article titled, ‘A new integration project for Eurasia: The future in the making’, published in the *Izvestia* newspaper in October 201192.

According to Putin, the Eurasian Union is far from ‘any sort of resurrection of the Soviet Union’. Rather, it would represent a ‘powerful supra-national union’ of sovereign states that is capable of becoming a pillar in today’s world’. Such a union would stand on equal footing — and enjoy partnerships — with major regional organisations, such as the EU. These partnerships would ‘change the geopolitical and geo-economic configuration of the entire continent’.

While the project is primarily an economic one, it includes a strong internal security element, making it resemble another Russian attempt to affect Europe’s transatlantic alliances. The principal institution of the Union is the Collective Security Treaty Organisation (CSTO). But is this security integration or a security expansion? In recent years, Russia has reinforced its military presence in the ‘near abroad’ — for example by prolonging its contract with Armenia for the Gyumri military base until 2044 and by deploying a considerable military contingent to Abkhazia and Ossetia since the 2008 Russia-Georgia conflict.

In this regard, the ‘frozen’ conflicts in post-Soviet areas remain controversial. The Russian government’s foreign policy efforts to

---


strengthen the country’s security presence and relationships in the region — as well as to boost revenue from arms sales⁹³ — might constitute a dangerous impediment to resolving the region’s ‘conflicts on edge’.

6.1. **Abkhazia and South Ossetia**

On 11-12 May 2012, Putin met with Aleksandr Ankvab, the leader of the separatist republic of Abkhazia, and Leonid Tibilov, the leader of South Ossetia, in Sochi. The two were the first foreign guests to come to Moscow during Putin’s term — a fact that points to the new President’s foreign policy priorities. In March 2012, outgoing President Medvedev had already appointed special representatives to Abkhazia and South Ossetia, regions that are known to be loyal to Putin.

While Foreign Minister Lavrov said in March 2012 that Moscow would not recognise any new countries, Russian foreign policy in the region may well evolve. But the announcement seemed to suggest that the Russian government hoped to avoid becoming embroiled in any new conflict.

6.2. **Nagorno-Karabakh**

Russia would prefer that hostilities between Armenia and Azerbaijan do not resume over Nagorno-Karabakh. The official Russian position supports the political solution that has been discussed by the Minsk Group⁹⁴, co-chaired by Russia, the US and France. However, Russia’s influence on the situation is rather limited, and it may be that the unresolved nature conflict itself constitutes Russia’s strongest leverage over Baku⁹⁵. Turkey’s strategic partnership with Azerbaijan complicates the situation, as it divides the region into two blocks — the Russian-Armenian and the Turkish-Azerbaijani.

A Russian ally, Armenia is dependent on Russian commodities and energy supplies. The two country’s military cooperation has been underscored by the prolongation of the Gyumri base lease and a

---

⁹⁴ The Minsk group also includes following members: Belarus, Germany, Italy, Portugal, the Netherlands, Sweden, Finland, Turkey as well as Armenia and Azerbaijan. The political solution that has been discussed for more than 10 years would provide for: Armenia’s withdrawal from the seven territories surrounding Nagorno-Karabakh; the return of displaced Azeris into these areas and gradually into Nagorno-Karabakh itself; the deployment of an international peacekeeping force to prevent new inter-communal violence; and a referendum on Nagorno-Karabakh’s status at a later date. However, attempts to broker an agreement based on these principles have so far been unsuccessful. [http://www.iiss.org/EasysiteWeb/getresource.axd?AssetID=46295&type=full&servicetype=Attachment%20](http://www.iiss.org/EasysiteWeb/getresource.axd?AssetID=46295&type=full&servicetype=Attachment%20).

number of recent joint military exercises.

The EU and its Member States have not been involved at a high level in this conflict. However, the strategic importance of the region has increased for the EU as a result of the region’s energy resources and trade opportunities. The EU appointed a Special Representative Philippe Lefort on 1 September 2011 to engage with both sides in the conflict over Nagorno-Karabakh and work towards finding a solution. Lefort’s mandate expired 30 June 2012 without any tangible results.

Today, the EU’s goal is to encourage Russia to strengthen stability in the region.

6.3. Transnistria

A series of encouraging changes in the Transnistrian conflict provided hope for significant improvements. The most important change was the 2011 resumption of the ‘5+2’ talks with the active participation of Russia. However, Russia has also been known to try to dominate these negotiations and minimise Western contributions to the process.

The resumption of talks was followed by controversial statements made by Dmitry Rogozin, the newly appointed Special Representative of the Russian President for Transnistria. Loyal to Putin, Rogozin expressed Russia’s support for Transnistria’s new leader, Yegveny Shevchuk. Shevchuk, elected in December 2011, is known to be neither pro-Western nor pro-unification with Moldova. Yet the official Russian position is for unification, with a special status for Transnistria. This is not far from the EU position. In a June 2010 proposal known as the ‘Meseberg initiative’, Medvedev and German Chancellor Angela Merkel even suggested that the EU and Russia should establish a joint political and security committee to discuss regional issues such as a settlement of the Transnistria conflict. In fact, Moscow’s enthusiasm for the EU’s involvement has been called into doubt by some analysts: ‘it was generally considered desirable that the EU should play a stronger role in conflict resolution – although Russian [officials] expressed reservations about its ability to do so’96. If the conflict were resolved — which is unlikely in the short term — this could create a precedent for EU-Russia cooperation in the post-Soviet space.

Summarising developments in the post-soviet space, we can say that, despite Putin’s description of the Eurasian Union as part of a ‘greater Europe’, this new project is more likely to serve as an alternative model

96 Barysch, Katinka, Contemporary unsolved conflicts: Where is there a possibility for cooperation between the EU and Russia?, Report on the 9th EU-Russia Roundtable, Partnership with Russia in Europe: Concrete steps towards cooperation between Russia and the EU, 9th Meeting of the Working Group, Friedrich-Ebert-Stiftung, Moscow-Volynskoe, 14-15 February 2011.
to EU integration projects in the shared neighbourhood. The possibilities for cooperation are limited, not only because of conflicts of interests. The EU and Russian conditions for such cooperation remain starkly different. While Moscow insists on being treated as an equal partner, its notion of equality does not extend to values such as freedom, democracy and the market economy. EU policy towards Russia is also undermined by internal divisions. The Union has been struggling to advance political and economic cooperation in the region and, like its individual Member States, has often reacted to events without a strategic vision or clear political determination.
Annexes

Annex 1

World as seen by Vladimir Putin

Based on Vladimir Putin's article "Russia and the Changing World" in the February 27 Issue of the Moskovskie Novosti newspaper

The UN
It is important for the United Nations and its Security Council to effectively counter the dictates of some countries and their arbitrary actions in the world arena

Baltic States
We are determined to ensure that Latvian and Estonian authorities follow the numerous recommendations of reputable international organizations on observing generally accepted rights of ethnic minorities. We cannot tolerate the shameful status of "non-citizen."

European Union
- Russia is an inalienable and organic part of Greater Europe and European civilization
- Russia proposes moving toward the creation of a common economic and human space from the Atlantic to the Pacific Ocean - "the Union of Europe"
- With the Arab Spring countries, as with Iraq, Russian companies are losing their decades-long positions in local commercial markets
- We intend to work with the new governments of the Arab countries

United States
- A number of countries did away with the Libyan regime in the name of humanitarian support
- The revitalizing slaughter of Muammar Gaddafi was not just medieval but primeval

Baltic States
- U.S. plans to create a missile defense system in Europe give rise to legitimate fears in Russia
- The Obama administration made a significant contribution to achieving the final accords on Russia’s accession to the WTO
- The United States and other Western states dominate the human rights agenda

Consequences
of a military strike against Iran will be disastrous
- We propose recognizing Iran’s right to develop a civilian nuclear program under IAEA safeguards
- Russia has traditionally enjoyed friendly relations with India, with whom the leaders of our two countries have classified as a privileged strategic partnership

Middle East
- We are willing to consider much greater participation in the relief operation for the Afghan people
- Only the Afghans can resolve their own problems

China
- China’s conduct on the world stage gives us grounds to talk about its aspirations to dominance
- Beijing shares our vision of the emerging equitable world order
- We have settled all the major political issues in our relations with China

Produced in cooperation with Moskovskie Novosti
## Annex 2

### RUSSIA'S TRADE WITH MAIN PARTNERS (2010)

<table>
<thead>
<tr>
<th>Rk</th>
<th>Partners</th>
<th>Mio euro</th>
<th>%</th>
<th>Rk</th>
<th>Partners</th>
<th>Mio euro</th>
<th>%</th>
<th>Rk</th>
<th>Partners</th>
<th>Mio euro</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>World (all countries)</td>
<td>163 380,0</td>
<td>100,0%</td>
<td></td>
<td>World (all countries)</td>
<td>280 539,4</td>
<td>100,0%</td>
<td></td>
<td>World (all countries)</td>
<td>443 919,4</td>
<td>100,0%</td>
</tr>
<tr>
<td>1</td>
<td>EU27</td>
<td>70 438,3</td>
<td>43,1%</td>
<td>1</td>
<td>EU27</td>
<td>138 560,6</td>
<td>49,4%</td>
<td>1</td>
<td>EU27</td>
<td>208 998,8</td>
<td>47,1%</td>
</tr>
<tr>
<td>2</td>
<td>China</td>
<td>29 577,5</td>
<td>18,1%</td>
<td>2</td>
<td>China</td>
<td>14 918,0</td>
<td>5,3%</td>
<td>2</td>
<td>China</td>
<td>44 495,5</td>
<td>10,0%</td>
</tr>
<tr>
<td>3</td>
<td>Ukraine</td>
<td>10 596,2</td>
<td>6,5%</td>
<td>6</td>
<td>United States</td>
<td>9 058,5</td>
<td>3,2%</td>
<td>5</td>
<td>United States</td>
<td>16 512,3</td>
<td>3,7%</td>
</tr>
<tr>
<td>4</td>
<td>Japan</td>
<td>7 783,3</td>
<td>4,8%</td>
<td>11</td>
<td>Iran</td>
<td>2 531,3</td>
<td>0,9%</td>
<td>12</td>
<td>Iran</td>
<td>2 735,2</td>
<td>0,6%</td>
</tr>
<tr>
<td>5</td>
<td>United States</td>
<td>7 453,8</td>
<td>4,6%</td>
<td>13</td>
<td>Egypt</td>
<td>1 335,1</td>
<td>0,5%</td>
<td>15</td>
<td>Israel</td>
<td>1 855,0</td>
<td>0,4%</td>
</tr>
<tr>
<td></td>
<td>Iran</td>
<td>2 531,3</td>
<td>0,9%</td>
<td></td>
<td>United States</td>
<td>2 531,3</td>
<td>0,9%</td>
<td></td>
<td>Iran</td>
<td>2 735,2</td>
<td>0,6%</td>
</tr>
</tbody>
</table>

### LIBYA'S TRADE WITH MAIN PARTNERS (2010)

<table>
<thead>
<tr>
<th>Rk</th>
<th>Partners</th>
<th>Mio euro</th>
<th>%</th>
<th>Rk</th>
<th>Partners</th>
<th>Mio euro</th>
<th>%</th>
<th>Rk</th>
<th>Partners</th>
<th>Mio euro</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>World (all countries)</td>
<td>16 576,6</td>
<td>100,0%</td>
<td></td>
<td>World (all countries)</td>
<td>33 045,6</td>
<td>100,0%</td>
<td></td>
<td>World (all countries)</td>
<td>49 622,2</td>
<td>100,0%</td>
</tr>
<tr>
<td>1</td>
<td>EU27</td>
<td>6 900,2</td>
<td>41,6%</td>
<td>1</td>
<td>EU27</td>
<td>25 283,5</td>
<td>76,5%</td>
<td>1</td>
<td>EU27</td>
<td>32 183,8</td>
<td>64,9%</td>
</tr>
<tr>
<td>2</td>
<td>China</td>
<td>1 721,5</td>
<td>10,4%</td>
<td>2</td>
<td>China</td>
<td>3 074,4</td>
<td>9,3%</td>
<td>2</td>
<td>China</td>
<td>4 795,9</td>
<td>9,7%</td>
</tr>
<tr>
<td>14</td>
<td>Russia</td>
<td>141,5</td>
<td>0,9%</td>
<td>39</td>
<td>Russia</td>
<td>0,1</td>
<td>0,0%</td>
<td>19</td>
<td>Russia</td>
<td>141,6</td>
<td>0,3%</td>
</tr>
</tbody>
</table>

### SYRIA'S TRADE WITH MAIN PARTNERS (2010)

<table>
<thead>
<tr>
<th>Rk</th>
<th>Partners</th>
<th>Mio euro</th>
<th>%</th>
<th>Rk</th>
<th>Partners</th>
<th>Mio euro</th>
<th>%</th>
<th>Rk</th>
<th>Partners</th>
<th>Mio euro</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>World (all countries)</td>
<td>19 811,0</td>
<td>100,0%</td>
<td></td>
<td>World (all countries)</td>
<td>11 718,0</td>
<td>100,0%</td>
<td></td>
<td>World (all countries)</td>
<td>31 529,0</td>
<td>100,0%</td>
</tr>
<tr>
<td>1</td>
<td>EU27</td>
<td>3 567,9</td>
<td>18,0%</td>
<td>2</td>
<td>EU27</td>
<td>3 245,6</td>
<td>27,7%</td>
<td>1</td>
<td>EU27</td>
<td>6 813,6</td>
<td>21,6%</td>
</tr>
<tr>
<td>7</td>
<td>Russia</td>
<td>928,3</td>
<td>4,7%</td>
<td>8</td>
<td>USA</td>
<td>305,5</td>
<td>2,6%</td>
<td>9</td>
<td>Russia</td>
<td>957,8</td>
<td>3,0%</td>
</tr>
<tr>
<td>9</td>
<td>Iran</td>
<td>816,3</td>
<td>4,1%</td>
<td>20</td>
<td>Russia</td>
<td>29,4</td>
<td>0,3%</td>
<td>11</td>
<td>Iran</td>
<td>836,6</td>
<td>2,7%</td>
</tr>
<tr>
<td>14</td>
<td>USA</td>
<td>422,5</td>
<td>2,1%</td>
<td>25</td>
<td>Iran</td>
<td>20,3</td>
<td>0,2%</td>
<td>12</td>
<td>USA</td>
<td>728,0</td>
<td>2,3%</td>
</tr>
</tbody>
</table>

European Commission, DG TRADE, 21 March 2012
Annex 3
The most recent development in the NATO-Russia relations

(Information from NATO's website: NATO's relations with Russia, last updated: 26 June 2012, http://www.nato.int/cps/en/natolive/topics_50090.htm)

2011 - In April, NRC foreign ministers meet in Berlin to discuss the situation in Libya and Afghanistan, as well as ongoing work on outlining the future framework for missile defence cooperation between Russia and NATO. They launch the NRC Helicopter Maintenance Trust Fund to support the Afghan security forces' helicopter fleet, and also approve an updated NRC Action Plan on Terrorism.

In May, a NATO-Russia Council Consolidated Glossary of Cooperation (NRC-CGC) is launched, containing over 7000 agreed terms in Russian and English and covers almost all key areas of NATO-Russia political and military cooperation.

In June, for the first time in three years, the NRC defence ministers meet in Brussels to discuss a broad range of defence issues; a Russian submarine takes active part in NATO exercise "Bold Monarch 2011"; joint exercise 'Vigilant Skies 2011' demonstrates the operational readiness of the NRC Cooperative Airspace Initiative (CAI); an NRC conference on the protection of critical infrastructure takes place in Turkey; NATO and Russia participate in a table top exercise dealing with a nuclear weapon incident scenario.

In July, the NRC meets in Sochi, Russia, at the invitation of the Russian authorities, and also meets Russian President Medvedev. NRC ambassadors restate their commitment to pursuing cooperation on missile defence as well as cooperation in other security areas of common interest.

In October, a seminar on national nuclear doctrines and strategies takes place in Germany.

In December, NRC Foreign Ministers meet in Brussels to discuss international security issues and NRC practical cooperation, including on Afghanistan, counter piracy and counter-terrorism. They approve the NRC Work Programme 2012 and announce that the Cooperative Airspace Initiative is ready to initiate operations.

2012 - In January, General Nikolai Makarov, the Russian Chief of General Staff, visits Allied Command Operations in Mons, Belgium.

In March, the fifth theatre missile defence (TMD) computer assisted exercise is conducted Germany; a first civilian-military NRC counter-terrorism table top exercise is organised at NATO Headquarters.

In April, the first training course for Afghan Air Force helicopter-maintenance staff gets underway in Novosibirsk under the NRC Helicopter Maintenance Trust Fund Project; NRC foreign ministers meet in Brussels to discuss NRC practical cooperation.

In May, NATO Deputy Secretary General Ambassador Alexander Vershbow attends a conference on missile defence organised by Russia's Ministry of Defence. Russia sends special representative to participate in the expanded ISAF meeting at the Chicago Summit.

May marks the 15th anniversary of the Founding Act and 10th anniversary of the NRC.
**Russia’s view of European missile shield**

Deployment of a missile defense network in relative proximity to the Russian borders might affect the efficiency of the military application of Russia’s strategic nuclear forces.

On November 23, 2011, Medvedev outlined optional responses to the deployment of the missile defense system in Europe.

**Military measures**
- Installation of a radar station in the Kaliningrad Region
- Stronger protection of the strategic nuclear facilities
- Equipping missiles with penetration aids
- Possible deployment of strike missile systems in the west and the south of the country. One of such options could be deployment of the Iskander ballistic missile system in the Kaliningrad Region

**Diplomatic measures**
- Continuing negotiations on missile defense and practical cooperation with the NATO members
- Russia might refuse to continue disarmament in case of any negative developments
- Russia might exercise its right to withdraw from the Strategic Arms Reduction Treaty (START)

**History**

**20.11.2010**

At a meeting of the NATO-Russia Council in Portugal, President Dmitry Medvedev proposed forming a joint missile defense system with NATO, with its participants becoming equal partners.

**12.11.2011**

After a meeting of U.S. and Russian presidents in Honolulu, Medvedev announced that the two countries have opposing views of the missile defense issue.

**20.11.2011**

At a meeting with military officers of the Southern Military District in Yuzhny, the Russian president announced that the response to missile defense deployment plans would be reasonable and sufficient, but it would not become an obstacle for further talks with NATO.