

BULLETIN

No. 114 (1185), 23 August 2018 © PISM

Editors: Sławomir Dębski • Bartosz Wiśniewski • Rafał Tarnogórski

Karolina Borońska-Hryniewiecka ● Anna Maria Dyner ● Aleksandra Gawlikowska-Fyk Sebastian Płóciennik ● Patrycja Sasnal ● Justyna Szczudlik ● Marcin Terlikowski ● Tomasz Żornaczuk

Tensions in the Azov Sea

Daniel Szeligowski

After the annexation of Crimea and the construction of a bridge across the Kerch Strait, Russia has gained almost full control over the Azov Sea and now uses the situation to limit the freedom of navigation there. Such actions constitute primarily an element of economic pressure on Ukraine, but Russia may also provoke armed incidents involving some of the Ukrainians forces in the vicinity, which would pose a threat to stability in the Black Sea region.

Russian Actions in the Azov Sea. Since late April, Russia has been systematically limiting the freedom of navigation in the Azov Sea by means of delaying the issuing of permits to cross the Kerch Strait (over which it has gained full control since the annexation of Crimea) and temporarily closing selected areas under the pretext of organising military exercises. Commercial vessels sailing to/from Ukrainian ports in Mariupol and Berdiansk have also been detained and subjected to multiple, often long-lasting (even for few days) inspections. According to information from the Ministry of Infrastructure of Ukraine, the Russian coastguard has so far detained more than 150 vessels, including units from EU countries such as Bulgaria, Croatia, Romania and others. In many cases, no reason was specified for the inspection, and no report was given.

Meanwhile, Russia has increased its military presence in the Azov Sea, justifying this by stating the necessity to protect a bridge over the Kerch Strait, which was put into commission in May. Ukrainian intelligence estimates that there are currently about 40 Russian ships in the basin, including two Buyan-M class corvettes armed with Kalibr cruise missiles, which previously took part in the Russian military operation in Syria. This allows Russia to exercise control over the Azov Sea and trade routes running through it, since Ukraine does not have naval forces in this area, only coastguard units of the Border Guard Service in Mariupol (no precise details of their equipment are known). There is also little possibility of strengthening Ukrainian forces in the region, as the navy lost about 70% of its fleet as a result of the annexation of Crimea.

Consequences for Ukraine. Russian restrictions on the freedom of navigation in the Azov Sea bring negative consequences for the Ukrainian economy, reducing the commercial attractiveness of Ukrainian ports in Mariupol and Berdiansk. Frequent inspections cause delays in transport and constitute an additional cost for ship-owners, of up to several thousand dollars per day. Additionally, as a result of the construction of the bridge across the Kerch Strait, vessels with an air draft greater than 33 metres and an overall length of more than 160 metres can no longer access the Azov Sea. This excludes almost 150 vessels that used Ukrainian ports there, including Panamax cleared cargo ships.

The consequences of Russian actions primarily affect Mariupol. The port was Ukraine's second most important (after Odessa) for metal exports, which account for almost 25% of the country's total export revenues. However, the port's turnover has fallen 30%, it has lost at least one major contract (to Odessa), and has been forced to reduce its employees' working hours. In addition, the large metallurgical plants located in the city, belonging to oligarch Rinat Akhmetov (Ukraine's richest person), had to redirect part of their production to ports in the Black Sea, which had a negative impact on their financial standing. The industrial sector is the main source of employment in the region, so job losses could represent a threat to social stability.

The Status of the Azov Sea. The Ukrainian authorities are trying to counteract Russian pressure. From June to August they closed three areas of the Azov Sea in the vicinity of Mariupol and Berdiansk for the purpose of conducting military exercises (mainly with the use of land and air forces). However, the current status of the Azov Sea puts Kyiv at a disadvantage. The agreement on cooperation in the use of the Azov Sea and the Kerch Strait, which was signed by both countries in 2003, designated the basin as part of both Russian and Ukrainian internal waters. It also left the question of maritime border delimitation in the Azov Sea to be settled at a later stage by means of a separate agreement. This has never happened, since Russia has blocked the process. Ukraine says that, while Russian actions involving the inspections of commercial vessels and its increased military presence in the basin do not formally violate the provisions of the 2003 agreement, they do run against the spirit of it. It is also unclear whether, due to the existence of the agreement, Russian inspections constitute a violation of the 1982 UN Convention on the Law of the Sea in the field of freedom of navigation.

While the discussion intensifies in Ukraine about the need to terminate the 2003 agreement, it is unlikely that such a decision, although justified from the perspective of international law, would make any practical difference to Ukraine's position. Reaching an agreement with Russia on the maritime border in the Azov Sea will be impossible, as the Russian authorities will not agree to recognise Ukrainian sovereignty over Crimea and the resulting rights of Ukraine to control the Kerch Strait. Any attempt by Ukrainian coastguard units to enforce control over Ukrainian territorial waters around Crimea would probably meet with a Russian military response.

Conclusions and Prospects. Russian restrictions on the freedom of navigation in the Azov Sea have tactical and strategic dimensions. In the tactical dimension, they are calculated to weaken the economic foundations of the south-eastern regions of Ukraine, based largely on the export of industrial products to foreign markets, and as such they constitute part of wider Russian activities aimed at destabilising the Ukrainian state. The Russian authorities expect that the blockade of ports in the Azov Sea will have a domino effect, as a result of which the economic problems of Ukrainian enterprises will damage the material situation of society, thus raising anti-government sentiment. From the Russian point of view, this is especially important because of the presidential and parliamentary elections to be held in Ukraine next year. In this context, the situation in the Azov Sea can also be seen as means of pressuring Akhmetov into supporting (financially and through the media) electoral candidates who call for the normalisation of relations with Russia. In the strategic dimension, Russian actions are aimed at gradually eliminating the non-Russian presence in the Azov Sea so that it becomes solely part of the internal waters of the Russian Federation. From this perspective, it is likely that such actions will continue, and perhaps intensify.

The situation in the Azov Sea constitutes a long-term threat to Ukraine's security and stability in the region. In the future, Russia may use analogous actions to provoke armed incidents involving Ukrainian forces, especially if Ukrainian coastguard units decide to escort commercial vessels across the Kerch Strait. The Russian navy presence in the Azov Sea means it is already in a position to take immediate offensive action against Ukraine. Ukraine's ability to defend itself against such attacks is limited, especially as Russian control of the Kerch Strait means that Ukrainian naval units might only be able to be deployed to the Azov Sea by rail or air, if at all.

The legal status of the Azov Sea is unlikely to change in the near future. It would not be beneficial for Russia, and neither Kyiv nor Moscow will change their position on Crimea.

The EU should demand that the Russian authorities cease restricting the freedom of navigation in the Azov Sea, particularly as ship-owners from Member States also use Ukrainian ports there and incur additional financial costs as a result of Russian actions. NATO countries could support Ukraine in the expansion and modernisation of its navy and coastguard, and continue exercises organised jointly with Ukrainian forces in the Black Sea.