GEOPOLITICAL AND GEO-ECONOMIC CHANGES IN THE BLACK SEA REGION AFTER THE ANNEXATION OF CRIMEA

Horiunova Y.

INTRODUCTION

The annexation of Crimea by the Russian Federation radically changed the geopolitical situation in the Black Sea region and modified geo-economic processes in the region. First of all, having occupied the Ukraine's peninsula, Russia got a powerful military foothold in the Black Sea. As a result, the military balance of forces in the region has changed significantly to the advantage of Russia actively engaged in militarization of the Crimean Peninsula. The deployment of ships equipped with nuclear-armed Kalibr missiles and nuclear-armed bomber aircrafts allows the Kremlin to threaten not only the Black Sea countries, but also the whole of Europe, the Caucasus and Middle East countries. Russia uses the military forces deployed in Crimea for the Syrian campaign, increasing its influence in the Mediterranean region.

The occupation of Crimea allowed Russia to establish control over the Kerch Strait and then, after the Kerch Strait bridge construction ('Crimean bridge'), over most of the Azov Sea, which should be jointly used by Ukraine and Russia under the bilateral agreement. This fact significantly limits the economic opportunities of Ukrainian ports on the Azov Sea, the cargo turnover of which now depends on the Russia's position.

On the other hand, due to the annexation of Crimea, Ukraine lost the lion's share of natural gas production on the Black Sea shelf since its drilling platforms were seized by Russians that led to massive losses for the country's economy.

All these actions of Russia radically changed the situation in the Black Sea region and created serious threats to many states both in military-political and economic dimensions that they are trying to solve in various ways.

1. Military and political consequences
of Russia's annexation of Crimea

The Russia's annexation has changed the geopolitical situation in Europe's east, greatly strengthening Russia and, conversely, depriving Ukraine of the naval base and a large part of the navy. According to James Sherr, the Russian aggressive policy is driven by its security concerns. Because while Western countries understand threats in terms of opportunities and interests, Russia considers threats in the context of territories. "Ukraine is a territory, Baltic states are a territory and seas are territories… This means that when the Russia's influence increases, its security perimeter should increase as well. This perimeter includes all the neighboring countries, so its minimum baseline corresponds not to the Russian Federation's border, but the borders of former Soviet Union," the researcher says[1]. This means that all states having common borders with Russia (and not only they) are at risk of either the direct occupation by the Kremlin or political destabilization by using hybrid war tactics.

According to the Polish researcher J.Gotkowska, annexation of Crimea and Russian military intervention in the Donbass demonstrated the Kremlin's readiness to use military force to regain a hegemonic status, strengthen its positions in global and regional arenas and restore its leadership in the post-Soviet space[2].

Since 2014, the Russian Federation has been engaged in the militarization of the occupied peninsula that allowed the Chief of the Russian General Staff Valeriy Herasimov to talk about the creation of a self-sufficient military force in December 2014. In November 2017, he announced that this military force consisted of the naval base, army corps, aviation and air defense divisions[3].

According to the Center for Army, Conversion and Disarmament Studies (CEDAW), after two years of the Russian occupation of Crimea, the number of Russian troops on the peninsula has almost doubled – from 12,500 to 23,800 people. By 2025, Russia is planning to increase its

---

[1] Дж. Шерр. Захід не розуміє різниці між Україною та Росією. *Мілітаризація окупованого Криму як загроза міжнародній безпеці*: тези доповідей міжнародної конференції. 14 березня 2016 р. К., 2016. С. 43.

[2] Justyna Gotkowska Polish defence policy and the security of the Baltic Sea. *Security in the Baltic Sea Region: Realities and Prospects. The Rīga Conference Papers 2017.* Riga, 2017. P. 57.

[3] Генштаб заявил о создании в Крыму самодостаточной группировки войск. РИА Новости. URL: https://ria.ru/defense_safety/20171107/1508335581.html

military forces to 43 ths. people that means nearly a four-fold increase in the number of its troops[4].

In 2014-2018, Russia has significantly increased the number of military equipment on the peninsula. For example, the number of tanks increased by 40 times (from 0 to 40 units), artillery systems – by 6.8 times (from 24 to 62 units), armored vehicles – by 6.3 times (from 92 to 583 units), aircrafts – by 5.5 times (from 22 to 122 units), the number of helicopters almost doubled (from 37 to 62 units), the number of warships increased threefold (the number of frigates doubled), submarines – by 7 times (from 1 to 7 units)[5].

Russia deployed powerful air defense systems such as the Bal division, which is a mobile system to control territorial waters with missiles with a range of from 160 to 260 kilometers, and Bastion systems that can strike both at ships and ground targets on the peninsula. They provide 600 km coastline protection, that is, it can be used far beyond the Black Sea.

In May-June 2014, Russia deployed layered air defense systems (AD), including S-400 systems (internal layer defense) and Pantsir-S1M (inner layer defense) near Feodosia. The first and second S-400 systems (Triumf) were deployed in Crimea in March 2017 and January 2018, respectively. As of January 2019, S-400 systems were placed in Sevastopol, Feodosia, Yevpatoria and Dzhankoi, fully closing the air zone over the peninsula.

According to the Russian military expert Pavlo Felgenhauer, the deployment of Russian Triumf systems demonstrated the Russia's preparation for a major war. "Triumf systems located in Crimea are able to reach the sky over some of the East Europe countries, where NATO aircrafts and strategic reconnaissance drones operate. Thus, we see some preparations for a world or pan-European war on the peninsula," the expert said.[6]

In early 2018, new Russian Nebo-M radar stations (radar locators) that control not only the airspace over Crimea, but over the entire Black Sea to the Strait area were transported to the occupied peninsula.

The air component of the Russian occupation forces in Crimea is represented by bomber, assault, fighter and military air corps units, air

---

[4] Валентин Бадрак. Мілітаризація окупованого Криму як загроза міжнародній безпеці. *Мілітаризація окупованого Криму як загроза міжнародній безпеці :* тези доповідей на міжнародної конференції. 14 березня 2016 р. К., 2016. С. 7.

[5] Мілітаризація Криму. Укрінформ 05.11.2018 URL: https://www.ukrinform.ua/rubric-other_news/2572955-militarizacia-krimu-infografika.html

[6] ПВО против кого? Россия задействовала в Крыму комплексы С-400. *Радио Свобода*. URL: https://ru.krymr.com/a/28232371.html

defense systems and Russia's Black Sea fleet air forces (Russia's Black Sea fleet).

Russia pays particular attention to the modernization of the Black Sea fleet based in Crimea. In 2015-2018, the Russia's Black Sea fleet deployed in Sevastopol consisted of three frigates ("Admiral Grygorovych", "Admiral Essen" and "Admiral Makarov"), two small missile-equipped ships ("Vyshniy Volochok" and "Orekhovo-Zuyevo") and six submarines, two of which are now at the Russia's base in Syria in the Mediterranean Sea. All of them are equipped with Kalibr missiles with a range of up to 2,500 km and a nuclear armed option. According to the Russia's Black Sea Fleet Commander-in-Chief Vice-Admiral Oleksandr Moiseyev, the fleet will include another 12 ships (6 combatant vessels and 6 auxiliary vessels) in 2019[7].

The deployment of nuclear weapons in Crimea poses a special risk for Europe. According to Ukrainian intelligence reports, Iskander systems have been already deployed on the peninsula, and in March 2019, Russia announced the deployment of Tu-22M3 bomber aircrafts, which can carry nuclear weapons (with range capability of up to 5 ths. km), in Crimea.

The Russian official circles neither confirm nor deny the information on nuclear weapons deployed on the peninsula. But the Head of the Department of Non-Proliferation and Arms Control at the Russia's Ministry of Foreign Affairs Mikhail Ulyanov said that Russia had every right to deploy nuclear weapons in Crimea. "Russia, of course, has the right to deploy nuclear weapons anywhere within its territory, including on the Crimean Peninsula, if necessary," he emphasized[8].

In 2015, a territorial body of the 12th Main Directorate of the General Staff of the Russia's Ministry of Defense dealing with nuclear weapons was established on the peninsula.

In such a way, Russia is not only engaged in the peninsula militarization, but it creates opportunities to deploy short- and medium-range nuclear forces in Crimea, violating a number of international agreements.

Active militarization of the Crimean Peninsula is accompanied by military training exercises, the number of which is constantly increasing.

---

[7] В следующем году Черноморский флот пополнится 12 новыми кораблями. URL: https://crimea.ria.ru/society/20181210/1115723101.html
[8] МИД РФ: Россия имеет право размещать ядерное оружие в Крыму. URL: https://ria.ru/20150601/1067511681.html

During 2018, more than 20 different military exercises involving war ships, aviation and air defense systems were conducted.

In four months of 2019, the number of military exercises increased by a quarter compared to the previous year: de facto training exercises are conducted every week. They include naval exercises involving ships, missile-firing exercises, military exercises involving air defense systems, artillery test-firing in Crimean test facilities, air exercises and landing of marine troops as well as military exercises by using Bal, Bastion and Pantsyr systems.

In such a way, the militarized Crimea poses a significant threat to the whole Europe that requires a coordinated policy from Western countries to counter possible aggression of the Russian Federation in the Black Sea region.

In 2014, NATO responded to the growing challenges posed by Russia with a new Action Plan on ensuring readiness and enhancing deterrence and defense forces aimed at strengthening collective defense capabilities.

According to the document, the Alliance's measures to enhance Europe's defense capabilities are aimed at "continuous air, land, and maritime presence and military activity in the eastern part of the Alliance". But this presence is more in the Baltics, where the number of fighter aircrafts is increasing and the practice of surveillance flights is applied. The new Action Plan also provides for an increase in the number of ships in the Baltic, Black and Mediterranean Sea and the deployment of ground troops to the eastern parts of the Alliance[9].

At the Warsaw summit in July 2016, Russia was recognized as a country, which aggressive actions "were a source of instability in the region and a main challenge for the Alliance, which was damaging the Euro-Atlantic security system"[10]. This led to the creation of new High-Readiness Joint Forces, ready for military actions within a few days, as well as the deployment of 8 multinational NATO Force Integration units.

The militarization of Crimea along with the peninsula annexation, destabilization in Eastern Ukraine and deployment of modern Russian dual-purpose missiles in Kaliningrad was for the first time considered as a

---

[9] Readiness Action Plan. URL: https://www.nato.int/cps/en/natohq/topics_119353.htm
[10]Warsaw declaration on Transatlantic Security URL: https://www.nato.int/cps/en/natohq/official_texts_133168.htm?selectedLocale=en

threat to NATO in the Brussels Summit Declaration (July 2018)[11]. NATO members responded to such actions of the Russian Federation with an agreement to create a military group consisting of 30 naval vessels, 30 mechanized battalions and 30 air squadrons, which should be deployed during 30 days, by 2020.

The NATO actions in the region are limited to the deployment of a multinational brigade in Romania and the creation of a Black Sea functional centre at the NATO Naval Command dealing with regional security issues. The Alliance considers it is important to have the permanent presence of naval vessels in the Black Sea and conduct military training exercises.

"NATO does not have a permanent naval presence in the Black Sea. Through the Montreux Convention, the non-Black Sea countries of NATO may stay in the Black Sea for only 21 days. This reduces NATO's actions in the Black Sea only to temporary operations, which are carried out, mainly in ad mode hoc", military expert Glen Grant said[12].

For example, in 2014, the number of NATO naval ship visits to the Black Sea increased almost threefold compared to previous years (they demonstrated a similar activity during the Russo-Georgian War in 2008). However, the number of NATO ship visits has fallen by one third in subsequent years – to 20 visits[13].

Along with the militarization, Russia used open aggression having taken crews of three Ukrainian naval vessels prisoners in November 2018. As announced by the NATO Secretary General Jens Stoltenberg earlier this year, such Russia's actions force NATO to demonstrate active counteraction to Russia in the Black Sea and increase the presence of Alliance's naval vessels in the region. But at this stage, this task is difficult to accomplish, because the Montreux Convention regulating the transit of vessels in the Black Sea specifies that naval warships belonging to non-Black Sea states cannot stay more than 21 days there.

A serious problem for NATO in the region is the lack of agreement on actions among its Black Sea members. For example, Romania is a powerful outpost of the North Atlantic Alliance in the Black Sea trying to counter Russia navally. Bulgaria and Turkey have a different view and

---

[11]Brussels Summit Declaration. URL: https://www.nato.int/cps/en/natohq/official_texts_156624.htm?selectedLocale=en

[12] Глен Грант. Політика Заходу залишається невизначеною. *Мілітаризація окупованого Криму як загроза міжнародній безпеці:* тези доповідей на міжнародної конференції. 14 березня 2016 р. К., 2016. С. 49.

[13] А.Кліменко, Т.Гучакова. Чорноморська небезпека та реакція НАТО. К., 2018. С. 7.

continue to cooperate with the Russian Federation in energy and even military and political areas.

At the NATO summit of 2016 in Warsaw, Romania proposed to create an Alliance's inter-allied flotilla. This initiative has appeared after the deployment of the American anti-ballistic missile system interceptors in Romania at the end of 2015, which makes it a potential target for Russian aggression from its militarized Crimea.

However, the Romanian initiative was blocked by Bulgaria, the prime minister of which Boyko Borysov said that he would like to see cruise liners instead of military frigates in the Black Sea and finally proposed to declare the Black Sea "a demilitarized zone without warships and submarines"[14].

According Grant, Bulgaria continues to be a weak spot for Western security politics. The internal political situation in the country is in a crisis situation, the armed forces have not taken the necessary steps towards reformation and optimization since the time of joining NATO[15].

In early 2019, Romania called for increased NATO presence in the Black Sea. "NATO should strengthen its defense capability on the eastern border. That's why Romania strongly supports increasing coherence in the eastern flank. Moreover, we need more NATO presence in the Black Sea region, where the security situation is a big challenge, as we have seen recently," the country's president Werner Johannis said at the Munich Security Conference.[16]

In February 2019 NATO Secretary-General Jens Stoltenberg has promised that the Alliance is looking into strengthening its presence in the Black Sea region to support Ukraine. Speaking at a Brussels press conference following a two-day meeting of NATO defense ministers, Stoltenberg said: "We had a very good discussion with Defense Minister Stepan Poltorak where all Allies expressed their very strong support to Ukraine's sovereignty and territorial integrity. NATO Allies have of course clearly stated that Russia's aggressive actions against Ukraine are unacceptable. The illegal annexation of Crimea, the continuing efforts to try to destabilize Ukraine through its efforts and presence in Donbas, and also,

---

[14] Болгария отказалась присоединиться к флоту НАТО в Черном море. *DW*. 16.06.2016.

[15] Глен Грант. Політика Заходу залишається невизначеною. *Мілітаризація окупованого Криму як загроза міжнародній безпеці*: тези доповідей на міжнародної конференції. 14 березня 2016 р. К., 2016. С. 51.

[16] Президент Румынии поддержал усиление НАТО в Черном море. *УНИАН*. 16.02.2019. URL: https://www.unian.net/politics/10448742-prezident-rumynii-podderzhal-usilenie-nato-v-chernom-more.html

of course, the totally unjustified seizure of the Ukrainian ships near the Kerch Strait."[17]

In April 2019 Stoltenberg has noted that NATO Allies agreed a package of measures to support Ukraine and Georgia in the Black Sea amid Russian aggression with the aim of enhancing security in the region. We discussed what more we can do to enhance our security in the Black Sea region. We agreed a package of measures to improve our situational awareness. And to step up our support for both Georgia and Ukraine," NATO Secretary-General said[18].

But Turkey trying to take advantage of contradictions between the West and Russia to obtain preferences has a particular position in the region. In spite of the fact that the country has been a NATO member for many years, recently it intensified both energy and military contacts with Russia.

In the summer of 2016, when there was a failed coup attempt and an internal political crisis in Turkey, its Government prohibited American aircraft flights to the NATO Incirlik military base with about 50 U.S. nuclear weapon units deployed. Obviously, under such circumstances, Washington was afraid of keeping nuclear weapons in Turkey. In August 2016, some European media reported that American nuclear weapons were relocated from Turkey to Romania, although the Romanian government denied this information.

However, such a redeployment was quite possible in the context of rapid reconciliation between Moscow and Ankara after a half-year confrontation as a result of shooting down a Russian bomber aircraft Su-24M by a Turkish F-16 fighter in the sky over the Turkish-Syrian border.

The normalization of Russian-Turkish relations was followed by information on the possibility of using the Turkish Incirlik base by Russian aircrafts to make air strikes on Syria. On the other hand, the Turkish Government found different excuses to slow down the process of building an airdrome and a command post for German reconnaissance aircrafts in this base.

In September 2017, Ankara announced the purchase of four Russian S-400 systems for $2.5 million (Russia proposed 55% of this amount as a

---

[17] НАТО хоче розширити свою пристуність в Чорному морі – Столтенберг. *УНІАН*. URL: https://www.unian.ua/politics/10446723-nato-hoche-rozshiriti-svoyu-prisutnist-u-chornomu-mori-stoltenberg.html
[18] Press conference by NATO Secretary General Jens Stoltenberg following the first meeting of the North Atlantic Council in Foreign Ministers' session. URL: https://www.nato.int/cps/en/natohq/opinions_165234.htm?selectedLocale=en

credit). In response, the USA promised to exclude Turkey from an international group involved in next-generation F-35 fighter jet construction, if Turkey armed itself with Russian air defense missile systems. Ankara proposed the USA to provide Turkey with similar systems and threatened to purchase Russian fighter aircrafts if its participation in F-35 construction was blocked. Such Ankara's actions cast doubt on the credibility of Turkey as a NATO member and hamper the development of a common NATO's strategy in the Black Sea region.

The situation is further complicated by the fact that only Turkey has the required military capability among Black Sea NATO members. Its Navy is more than Bulgarian and Romanian forces. Moreover, while Bulgarian and Romanian warships are mainly vessels remained from the Soviet era and old European ships, Turkish warships are modern frigates and corvettes.

In 2018, Romania launched a program to upgrade its navy, having announced the purchase of four corvettes within seven years.

On the other hand, after Russia's annexation, Crimea became a main base for military invasion in Syria, since Russia's Navy (ships and submarines along with the marines) participated in the military campaign in the Middle East. For example, the Russia's Black Sea fleet was equipped with 56 of 100 Kalibr cruise missiles used against the targets in Syria (other missiles were fired by the Russian Navy's Caspian Flotilla). In addition, the military equipment and ammunition were supplied to Syria by ships of the Russia's Black Sea fleet based in Sevastopol (the Syrian Express). The division of Bastion missile systems as well as S-300 and S-400 systems were delivered from Crimea to Syria[19].

All this creates serious threats for Europe and requires an adequate response from Western countries.

2. Geo-economic changes in the Black Sea region after Crimean annexation

The Crimean annexation and the militarization of the Black Sea's water area significantly limited geo-economic opportunities of natural gas extraction on the shelf. Initial Ukraine's hydrocarbon reserves in Black and Azov Sea water areas were about 9.327,7 mln tons of fuel equivalent (7.3

[19] А. Кліменко, Т. Гучакова. Чорноморська небезпека та реакція НАТО. К., 2018. С. 4-5.

billion cubic meters of natural gas). A quarter of them are on the shelf of both seas[20].

Proved natural gas reserves in the Ukrainian area were estimated at 80-300 billion cubic meters. In 2011-2013, Ukraine agreed with leading global companies (ExxonMobile, Shell, OMV, ENI, EDF) on gas exploration and production.

But the situation has changed dramatically after the annexation of Crimea. Due to the fact that Russia considers the sea waters near the peninsula exclusively its economic zone, Ukraine's sea sectors reduced in size from 130 to 40 ths. km.

After annexation, the Crimean government controlled by Russia nationalized the "Chornomorneftegaz" (a subsidiary of Ukraine's state-owned oil and gas company Naftogaz) and its equipment, including operating drilling platforms in the Black Sea. During the annexation, the Russian Federation extracted 8.8 billion cubic meters of natural gas in Crimea.

At the same time, other Black Sea states have intensified the search for hydrocarbons at depths. Turkey cooperates with American companies in the exploration of deep-sea natural gas reserves in central and western parts of the Black Sea, Romania invested billions of dollars in shelf development and estimates its reserves at 100 billion cubic meters.

In addition to producing natural gas on Ukrainian platforms, Russia also uses them to place its radar stations (radar locators) to monitor surface ships. For example, Neva systems were placed on the Tavrida jack-up drilling rig, the MSP-17 platform of the Shtormove gas condensate field and the MSP-4 platform of the Golitsynsky field.

Each radar locator automatically detects and tracks up to 200 targets at the same time. Their detection range is from 15 km for small targets to 55.5 km for large ships[21]. In such a way, placing radar locators on Ukrainian platforms, Russia has almost full control over the traffic of commercial and military ships that go to Ukraine's ports.

Since 2018, all Ukrainian platforms seized have been guarded by a brigade of ships – they provide 24-hour coverage being rotated every 2 weeks.

---

[20] Михайлюк О.Л., Стеценко С.В. Шляхи інтенсифікації видобутку енергоресурсів на українському шельфі Чорного та Азовського морів. *Науковий вісник ОНЕУ*. 2012. 312 (164). С. 112.
[21] А. Бургомістренко, С. Гайдук, М. Гончар, П. Лакійчук. Морська газова інфраструктура у російській протидії НАТО на його східному фланзі: потенціал гібридного використання у Чорному та Балтійському морях. *Чорноморська безпека. Аналітичний часопис*. 2018. №2 (32). С. 15-18.

Another Russia's area of activity in the Black Sea is to deprive Ukraine of its transit state status through the construction of gas pipelines to Europe. In 2014, due to some counteraction from the EU, Russia failed to build the South Stream pipeline with four parallel lines with capacity of 15.75 billion cubic meters each, through which Russian gas should be supplied to a number of European countries (from Bulgaria to Italy). Its construction started in December 2012. In the context of Crimean annexation, they were going to change the route as initially it was planned to build the gas pipeline through the peninsula, which would allow to significantly reduce the construction cost due to skirting around the Turkish economic zone.

After Crimean annexation, on April 17, 2014, the European Parliament recommended to stop the South Stream construction recalling the need to ensure the gas supply diversification and reduce the dependence from the Russian Federation in its resolution[22]. Bulgaria, which was a key country in the project, decided not to participate in it under pressure from the EU and the USA.

In December 2014, Russia announced the termination of the South Stream project, but proposed to replace it with another project (Turkish Stream) with only half the capacity (two lines with 15.75 billion cubic meters each; one of them should be brought to Turkey and other – to the Greek–Turkish border). At the first stage, it was also proposed to lay the gas pipeline near Crimea, but then the route was changed.

This project was not hindered by the EU, because unlike the previous one, the Russian Gazprom company had no monopoly on gas transportation to Europe, but agreed to use the Trans-Adriatic gas pipeline infrastructure transporting gas from the Caspian Sea to Europe.

But the project implementation faced various difficulties, as it was suspended after the Russian bomber aircraft incident. In the summer of 2016, when Moscow and Ankara resumed their relations, the project was also reactivated, but Turkey has not provided the necessary permits for a long time until it received a $1 billion gas price discount as a retroactive payment.

In May 2017, they started the gas pipeline construction, and in the spring of 2018, the first line, through which gas would be brought to

---

[22] European Parliament resolution of 17 April 2014 on Russian pressure on Eastern Partnership countries and in particular destabilisation of eastern Ukraine. URL; http://www.europarl.europa.eu/sides/getDoc.do?type=TA&reference=P7-TA-2014-0457&language=EN

Turkey, was installed. It is planned to finish the construction of the second line in 2019.

But in the spring of 2019, there were disputes over the Russian gas price between these countries, as Ankara was not satisfied with the price proposed by the Russian Gazprom. Russia, in turn, did not want to lower the price. Such a tactic is typical for Turkey trying to get more preferences for itself while realizing the Russia's great interest in laying the gas pipeline.

In turn, Russia also is trying to increase the number of Turkish Stream participants. In May 2018, in his meeting with the Bulgarian prime minister Boyko Borysov, the Russian president Volodymyr Putin announced the possibility of installing another line through Bulgaria to Serbia and Hungary.

The construction of new gas pipelines will be used by Russia to increase the military presence in the Black Sea on the pretext of protecting the pipeline infrastructure.

The Russia Federation energy strategy is aimed at achieving this ambitious geopolitical goal. This logic leads to energy and force expansionism, which mutually justify each other. Russia needs energy expansion to gain more markets and more income, which are required to strengthen its military power and protect the territory rich in mineral resources[23].

Infrastructure ambitions of Russia are reflected in the «Energy Strategy for the period up to 2030»: "Russia will augment efforts for main regional gas producing centers consolidation (countries of the Central Asia, Iran) on the basis of its gas transport infrastructure. Russia will seek to establish the Eurasian integrated gas transportation system for provision of export and transit cross-flows between Europe and Asia… Russian pipeline infrastructure will become an integral part of the "power bridge" between Europe and Asia, and Russia will become the key center of its management[24].

On the other hand, in the summer of 2018, Turkey and Azerbaijan finished the first construction phase of the Trans-Anatolian Natural Gas Pipeline (TANAP), through which Azerbaijani natural gas from the Shah Deniz field can be transported to Southern Europe via Turkey, in cooperation with other European countries (Greece, Bulgaria, Albania and Italy). The capacity of the pipeline is 16 billion cubic meters, 10 billion of

---

[23] Wars-XXI: Russia's Polyhybression. Kyiv 2017. P. 128.
[24] Energy Strategy of the Russian Federation for the period up to 2030. URL: http://minenergo.gov.ru/node/1026

which Europe will receive from 2020. In the future, it is planned to increase the gas supply to 31 billion cubic meters by adding gas compressor stations[25].

One more alternative to the Russian gas for the Southern Europe can be the East Med gas pipeline, through which gas from Israel and Cyprus offshore fields will be transported to Europe. Israel, Italy, Greece and Cyprus agreed on the gas pipeline construction in the fall.

But Russia continues to implement a strategy to counteract competitive projects of alternative gas routes to the European market. The Caspian Sea and the South Caucasus are in the epicenter of the Kremlin's attention. "One of the options for counteraction to the Russian Federation could be an attempt to destabilize the South Caucasus, through which transit pipelines should pump gas from Azerbaijan and possibly Turkmenistan and Iran to Turkey and then to the EU. The most probable scenario is provoking a full-scale war between Azerbaijan and Armenia… A major protracted military conflict in the South Caucasus, Armenian rocket attacks on Azerbaijan's oil and gas infrastructure may call into question the stability of energy supplies through the Southern Gas Corridor to the EU", write regional military experts in the South Caucasus[26].

Thus, the Russia's annexation of Crimea led to losing the possibility to extract large volumes of natural gas in Black and Azov Seas by Ukraine and creating additional opportunities for Russia to build gas pipelines bypassing Ukraine. But the EU policy on diversification of energy supply significantly reduces Russia's opportunities in this area.

After Crimean annexation and especially after the Kerch Strait bridge construction, Russia started gradual annexation of the Azov Sea that is a joint use sea as specified in the Ukrainian-Russian bilateral agreement.

First of all, the bridge construction limited the possibilities of navigation in the Azov Sea, because vessels with the height of 33 meters and the length of 150 meters can not go under the bridge arch. Such restrictions are set by the Russia's Ministry of Transport. In such a way, according to the Chief of the Mariupol Port Administration, 144 vessels that previously made voyages to Ukrainian Mariupol and Berdyansk ports can not enter the Azov Sea[27].

---

[25] Старт TANAP: азербайджанський газ йде в Туреччину та Європу. *DW*. 12.06.2018.
[26] Russia had sold to Armenia the Iskander short-range ballistic missile and BM-30 Smerch. 17.09.2016. URL: http://www.milkavkaz.net/2016/09/rf-prodala-armenii-iskander-i-smerch.html
[27] Керченский мост: удар по украинскому судоходству 17.05.2018. URL: https://ru.krymr.com/a/29232770.html

Secondly, under the pretext of ensuring 'Crimean Bridge' safety, the Coast Guard of the Border Service of the Russian FSB detains ships that go to Ukrainian ports on the Azov Sea. The detention procedure is as follows: at first, ships are waiting to be authorized to access the Azov Sea, then they are delayed for further inspections at sea, and the last inspection is on the way back to the Strait.

According to Ukrainian analysts, the average delay of one vessel increased from 28.4 to 124.2 hours during July-November 2018 (by almost 3 times). Accordingly, during this time, the total loss of vessel time increased from 1,762 hours in July to 6,705 hours in November. In total, cargo ships lost 21,145 hours (almost 900 days) when entering the Kerch Strait during this period[28].

The second phase of detentions is already in the Azov sea, where Russian coast guard motor boats detain the vessels under various pretexts: 110 such detentions, when cargo ships lost from 2 to 4 hours of their time, were recorded from May to October 2018.

There is the third phase of detentions on the way back to the Black Sea. The average delay time increased from 57.3 hours in July to 115 hours in November, and the total loss of time for five months was 20,077 hours (more than 1000 days).

Accordingly, in total, ships have almost 1,900 days of idle hours, which, according to experts, has caused losses in the amount of more than $13 million to ship owners[29].

This Russia's policy results in large losses for Ukrainian ports and economy as a whole. According to the Ministry of Infrastructure of Ukraine, preliminary losses from 'Crimean Bridge' construction are estimated at 0.5 billion hryvnias a year. Mariupol port revenues fell by 146 million hryvnias in January-July, and Berdyansk port revenues – by 80 million hryvnias. That is, the Mariupol port lost 20% of revenues compared to last year, and Berdyansk – 43%[30].

According to the Ukraine's Infrastructure Minister Volodymyr Omelyan, the Russia's sea blockade inflicted a loss amounting to 10 billion hryvnias to our state[31].

---

[28] А. Клименко, Т. Гучакова. Керченський міст та поширення агресії РФ на Азовське море. К., 2018. С. 8-11.
[29] Там само.
[30] Напруга на Азові: скільки недорахувалися українські порти. 18.09.2018. URL: https://www.bbc.com/ukrainian/features-45551495
[31] Міністр інфраструктури Омелян: Ми віримо, що "Азовський пакет" санкцій буде прийнято. 01.02.2019. *УНІАН*. URL: https://www.unian.ua/economics/ transport/10427901-ministr-infrastrukturi-

The Russian aggression in the Azov Sea resulted in a rather hard-line Western response that should lead to a new set of anti-Russian sanctions announced by the EU and the USA.

Due to the conflict near the Strait, the American President Donald Trump refused to meet with the Russian leader Volodymyr Putin that was to take place at the Great 20 summit in Argentina.

On December 28, 2018, the French President Emmanuel Macron and the Chancellor of Germany Angela Merkel made a joint statement demanding from Russia to provide guarantees for the free movement of all vessels in the Kerch Strait and release imprisoned sailors[32].

In such a way, the Western response and the threat of new sanctions changed the Russia's behavior in the Azov Sea, but it still continues to apply restrictive measures against commercial vessels. In December-March, there were no detentions in the Azov Sea, but the vessels were detained on the way in and out of the Azov Sea, although the average delay time decreased. For example, while in November, the average delay of one vessel was more than 124 hours, it reduced to 32 hours in January and to 25 hours in March. The period of vessels delay when leaving the Azov Sea also decreased from 115 to 24 hours in November-January, but it again increased to 34 hours in February-March[33].

Thus, Russia reduced the pressure on the Ukrainian ports on the Azov Sea under the threat of boosting sanctions, but didn't stop the policy of restricting free access to them.

CONCLUSIONS

The annexation of Crimea by the Russian Federation radically changed the geopolitical situation in the Black Sea region. The Russian militarization of Crimea and the possibility of using nuclear weapons on carriers deployed on the peninsula threaten not only the Black Sea countries, but also other EU countries, taking into account the range of nuclear missiles and the deployment of such missile carriers on the peninsula (naval surface ships, submarines and bomber aircrafts).

omelyan-mi-virimo-shcho-azovskiy-paket-sankciy-bude-priinyatiy-ce-v-chergoviy-raz-vdarit-po-rosiji-ta-povinno-postaviti-jiji-na-misce.html

[32] Меркель і Макрон вимагають вільного проходу суден через Керченську протоку і звільнення українських моряків. *Радіо Свобода*. URL: https://www.radiosvoboda.org/a/news-merkel-makron-zayava-ukraina/29681454.html

[33] Блокада Азовського моря. Тенденції за січень 2019: нестійкі позитивні зрушення суб'єктивного характеру. URL: https://www.blackseanews.net/read/148264

Russia actively uses the Crimean military base as a springboard for the Syrian campaign, which provides Moscow with the possibility to increasingly interfere in the affairs of the Middle East and the Mediterranean region. By using military measures, Russia tries to turn the Azov Sea into its "internal" sea while creating unbearable conditions for Ukrainian sea ports.

Such Russia's actions are a matter of concern for Western countries trying to minimize the Kremlin's aggressive policy by using sanctions and strengthening the NATO's role in the region. However, before 2019, the Alliance Black Sea policy was limited to traditional measures such as military training exercises, ship visits, the number of which increased only in times of crisis, and air reconnaissance missions off the Crimean coast.

NATO decided to increase its military presence only after the Russian attack against Ukrainian warships near the Kerch Strait. But both the Montreux Convention articles and the lack of a consolidated policy of Black Sea NATO members to counter Russia prevent from increasing the number of Alliance ships in the Black Sea.

The restrictions on staying warships not belonging to Black Sea states in the Black Sea can be removed in the following way. Firstly, by expanding the NATO members' geographical coverage that will allow to increase the stay period for NATO ships in the sea without violating the Convention provisions. Secondly, by creating the Alliance's inter-allied flotilla in the Black Sea that will be based in Black sea countries. But it also requires transferring warships to Alliance's Black Sea states and its partners, primarily to Ukraine that lost most of its fleet during the annexation of Crimea, on lease or on other terms.

But it is possible to implement these actions only if there is a political consensus among NATO members that is currently difficult to achieve because of the partially pro-Russian policy of Bulgaria and the duplicitous position of Turkey.

Along with the militarization of the Black Sea region, Russia actively uses the energy policy by building its gas pipelines bypassing Ukraine. Removing the Ukrainian gas component will help Moscow to weaken the Ukraine's transit status and limit its geo-economic opportunities. Ukraine can counteract the Russian policy only with the help of the EU acting as a guarantor for the preservation of transit through Ukraine after the construction of new gas pipelines. On the other hand, while trying to

diversify gas supplies, the European Union lobbies for laying gas pipelines from the Caucasus and the Middle East as a Russian alternative.

SUMMARY

The article analyzes political and economic changes in the Black Sea region after the annexation of Crimea by the Russian Federation. It is noted that the main problem is the massive militarization of Crimea turning the peninsula into a strategic Russia's base in the Black Sea and threatening the European security. Both the Montreux Convention restrictions and the lack of agreed positions of Black Sea NATO members concerning Russia hamper strengthening the NATO's role in the region. On the other hand, Russia tries to deprive Ukraine of its status of Russian gas transit country by laying the gas pipeline on the Black Sea floor and restricts its trading opportunities preventing free access of commercial vessels to Ukrainian ports.

REFERENCES

1. А. Бургомістренко, С. Гайдук, М. Гончар, П. Лакійчук. Морська газова інфраструктура у російській протидії НАТО на його східному фланзі: потенціал гібридного використання у Чорному та Балтійському морях. *Чорноморська безпека. Аналітичний часопис.* 2018. №2 (32). С. 15-18.

2. А. Клименко, Т. Гучакова. Керченський міст та поширення агресії РФ на Азовське море. К., 2018. С. -11.

3. А.Кліменко, Т.Гучакова. Чорноморська небезпека та реакція НАТО. К., 2018. 14 с.

4. Блокада Азовського моря. Тенденції за січень 2019: нестійкі позитивні зрушення суб'єктивного характеру. URL: https://www.blackseanews.net/read/148264

5. Болгария отказалась присоединиться к флоту НАТО в Черном море. *DW.* 16.06.2016.

6. Валентин Бадрак, Мілітаризація окупованого Криму як загроза міжнародній безпеці. *Мілітаризація окупованого Криму як загроза міжнародній безпеці:* тези доповідей на міжнародної конференції. 14 березня 2016 р. К., 2016. С. 7-16.

7. Глен Грант. Політика Заходу залишається невизначеною. *Мілітаризація окупованого Криму як загроза міжнародній безпеці:*

тези доповідей на міжнародної конференції. 14 березня 2016 р К., 2016. С. 48-51.

8. Дж. Шерр. Захід не розуміє різниці між Україною та Росією. *Мілітаризація окупованого Криму як загроза міжнародній безпеці:* тези доповідей на міжнародної конференції. 14 березня 2016 р. К., 2016. С. 42-47.

9. Меркель і Макрон вимагають вільного проходу суден через Керченську протоку і звільнення українських моряків. *Радіо Свобода*. 28.12.2018. URL: https://www.radiosvoboda.org/a/news-merkel-makron-zayava-ukraina/29681454.html

10. МИД РФ: Россия имеет право размещать ядерное оружие в Крыму. URL: https://ria.ru/20150601/1067511681.html

11. Михайлюк О.Л., Стеценко С.В. Шляхи інтенсифікації видобутку енергоресурсів на українському шельфі Чорного та Азовського морів. *Науковий вісник ОНЕУ*. 2012. 312 (164). С. 112.

12. Мілітаризація Криму. *Укрінформ* 05.11.2018 URL: https://www.ukrinform.ua/rubric-other_news/2572955-militarizacia-krimu-infografika.html

13. Напруга на Азові: скільки недорахувалися українські порти. 18.09.2018. URL: https://www.bbc.com/ukrainian/features-45551495

14. Старт TANAP: азербайджанський газ йде в Туреччину та Європу. *DW*. 12.06.2018

15. Brussels Summit Declaration. URL: https://www.nato.int/cps/ en/natohq/official_texts_156624.htm?selectedLocale=en

16. Energy Strategy of the Russian Federation for the period up to 2030. URL: http://minenergo.gov.ru/ node/1026

17. European Parliament resolution of 17 April 2014 on Russian pressure on Eastern Partnership countries and in particular destabilisation of eastern Ukraine. URL; http://www.europarl.europa.eu/sides/ getDoc.do?type=TA&reference=P7-TA-2014-0457&language=EN

18. Justyna Gotkowska Polish defence policy and the security of the Baltic Sea Region. *Security in the Baltic Sea Region: Realities and Prospects. The Rīga Conference Papers 2017*. Riga, 2017. P. 51-57.

19. NATO seeks to expand presence in Black Sea area – Stoltenberg. *УНІАН*. 14.02.2019. URL: https://www.unian.info/politics/10446795-nato-seeks-to-expand-presence-in-black-sea-area-stoltenberg.html

20. Press conference by NATO Secretary General Jens Stoltenberg following the first meeting of the North Atlantic Council in Foreign Ministers' session. URL: https://www.nato.int/cps/en/natohq/opinions_165234.htm?selectedLocale=en

21. Readiness Action Plan. URL: https://www.nato.int/cps/en/natohq/topics_119353.htm

22. Russia had sold to Armenia the Iskander short-range ballistic missile and BM-30 Smerch. 17.09.2016. URL: http://www.milkavkaz.net/2016/09/rf-prodala-armenii-iskander-i-smerch.html

23. Wars-XXI: Russia's Polyhybression. Kyiv 2017. 228 p.

24. Warsaw declaration on Transatlantic Security. URL: https://www.nato.int/cps/en/natohq/official_texts_133168.htm?selectedLocale=en

Information about the author:
Horiunova Y. O.
PhD (History),
Associate professor at the Department
of Philosophy and History
V.Vernadsky Taurida National University,
33, Kudri str., Kyiv, Ukraine