## Victoria Nuland Assistant Secretary of State for European and Eurasian Affairs Senate Foreign Relations Committee May 6, 2014 Written Testimony

Chairman Menendez, Ranking Member Corker, thank you for inviting me to testify today on our efforts to counter Russia's de-stabilizing, provocative actions in Ukraine and to preserve Ukraine as a united, democratic state.

I want to express my deep appreciation to the members of this committee for the bipartisan support you have shown to Ukraine and its people since this crisis began. The Senate's passage of the U.S. loan guarantee legislation sent a strong signal of America's support. And the visits that so many of you have made to Ukraine reinforce America's bipartisan solidarity with the Ukrainian people during this critical time.

When Assistant Secretary Chollet and I testified before the Subcommittee on European Affairs on April 10, I outlined four pillars of U.S. policy to address the challenges in Ukraine. Let me re-state them again briefly. First, the United States is supporting Ukraine with financial, technical and non-lethal security assistance as it prepares for democratic Presidential elections on May 25<sup>th</sup>, and works to protect a peaceful, secure, prosperous and unified future for its people. Second, we are stepping up our effort to reassure our NATO allies—an area that DASD Farkas will address in detail— and we are providing support to other "front-line" states like Moldova and Georgia. Third, we are steadily raising the economic costs for Russia's illegal occupation and annexation of Crimea and its continuing efforts to destabilize eastern and southern Ukraine; Assistant Secretary Glaser will address the sanctions we've imposed and what's next. And fourth, we are working with Ukraine and our European partners to leave the door open for diplomatic de-escalation should Russia change course, and make a serious effort to implement its April 17 Geneva commitments.

Today, I want to focus my remarks on events since the April 17<sup>th</sup> meeting in Geneva and on the crucial 19 days from now until the May 25<sup>th</sup> Presidential elections in Ukraine. First, I will provide an update on the Geneva Joint Statement's implementation and events on the ground in eastern and southern Ukraine. Second, I will address how the United States and the international community are working with Ukraine to protect the May 25<sup>th</sup> elections even as Russia refuses to recognize the Ukrainian government's legitimacy and Russian agents and surrogates sow mayhem and separatism from Slovyansk to Odesa. Finally, I want to speak about the other victim of President Putin's policies – the Russian people.

First, a quick reminder about the commitments made in Geneva. At its core, it is a grand bargain that offers amnesty for those who vacate seized buildings and deep, broad decentralization of

power to Ukraine's regions through national dialogue and constitutional reform, as the other half of Geneva is implemented: an end to violence, intimidation, the seizing of buildings and weapons, with both parts overseen and facilitated by the OSCE.

The Ukrainian government began implementing its part of Geneva even before the ink was dry on the text of the Joint Statement. The day after Geneva, the government of Ukraine sent a draft amnesty bill to the Rada, and that bill would be law now if it had not been blocked by the Communists and the Party of Regions. Authorities in Kyiv dismantled barricades and opened streets. Maidan activists peacefully vacated the Kyiv city administration building. President Turchinov and Prime Minister Yatsenyuk made speeches confirming their commitment to decentralize an unprecedented amount of political and economic authority to Ukraine's regions through constitutional reform and to protect language rights, in offers far more sweeping than any Moscow affords its own regions and citizens. On April 14<sup>th</sup> and 29<sup>th</sup>, the constitutional reform commission held public conferences to which all the regions were invited. Ukrainian security forces instituted an Easter pause in their operations in eastern Ukraine, and sent senior officials out with the OSCE teams to Donetsk, Slovyansk, Luhansk and other embattled cities to try to talk separatists into pursuing their aims politically rather than through violence.

In contrast, Russia fulfilled none of its commitments—none, zero. After we left Geneva, no one in Moscow at any level even issued a public statement calling for buildings and checkpoints in eastern Ukraine to be vacated and weapons turned in. Russia declined a request by the OSCE to send senior representatives to eastern Ukraine to insist on separatist compliance with Geneva. In fact, separatists in Donetsk and Luhansk told OSCE observers that they had had no messages at all from Russia urging them to stand down.

Instead, since April 17<sup>th</sup>, all the efforts of the Ukrainian side and of the OSCE, have been met with more violence, mayhem, kidnappings, torture and death. Pro-Russia separatists have seized at least 35 buildings and 3 TV/radio centers in 24 towns. Armed and organized Russian agents – sometimes described as "little green men" – appeared in cities and towns across Donetsk and into Luhansk. At least 22 kidnappings have been attributed to pro-Russia separatists – including the 8 Vienna Document inspectors and their Ukrainian escorts who have now been released after 8 days as hostages. The bodies of three Ukrainians have been found near Slovyansk all bearing the signs of torture. Peaceful rallies have been beset by armed separatist thugs. Roma families have fled Slovyansk under extreme duress. As the violence grew, the United States and the EU imposed more sanctions at the end of April. On Friday, the Ukrainian government announced that separatists used MANPADs to shoot down a Ukrainian helicopter, killing the pilots. And Friday also saw the deadliest tragedy of this conflict: the death of more than 40 in Odesa following an afternoon of violent clashes reportedly instigated by pro-Russian separatists attacking an initially peaceful rally in favor of national unity – similar to many that have happened in Odessa since the start of the Maidan movement.

Today, Russia claims it has "no influence" over the separatists and provocateurs rampaging in eastern and southern Ukraine. In Odesa, it should come as no surprise that the Ukrainian authorities report that those arrested for igniting the violence included people whose papers indicate that they come from Transnistria, the Crimea region of Ukraine, and Russia. As Secretary Kerry told this committee in April, we continue to have high confidence that Russia's hand is behind this instability. They are providing material support. They are providing funding. They are providing weapons. They are providing coordination, and there are Russians agents on the ground in Ukraine involved in this.

Equally worrying, today from Slovyansk to Odesa the playbook is identical to what we saw in Crimea: first you create upheaval in towns that were completely peaceful just 2 months before, then you intimidate the local population, and hold bogus independence referenda on 2 weeks' notice, as have just been declared for May 11 in the so-called Donetsk and Luhansk Peoples' Republics. And we all remember what came next in Crimea: Russian "peace-keepers" swarmed in to "protect" the will of the voters. Just as we do not accept Russia's declared need for these so-called "peace-keepers" in Crimea, we will not accept any unilateral decision to deploy unsanctioned Russian "peace-keepers" to eastern or southern Ukraine. Russia's military intervention in Ukraine thus far is a clear violation of international law, and Russia fools no one by calling its troops "peace-keepers." Russia has a track record of using the term "peacekeeping" as a cover for occupation and unlawful military intervention without authorization from the UN Security Council and without the consent of the host government.

And yet, the pro-Russia separatists do not speak for the population of eastern and southern Ukraine. More than two-thirds of Ukrainians in the east report they plan to vote in the May 25 elections. They don't want little green men or separatists or Moscow preventing them from making their choice freely. And with more than 20 candidates running, representing every viewpoint and every region in Ukraine, these elections offer a real democratic choice. That is why the United States, Europe and the international community are working so hard with the Ukrainian government to ensure free, fair elections take place across Ukraine, and in alternate locations for Crimeans, and if needed in eastern towns where that might be necessary, too.

In March, the OSCE's Office for Democratic Institutions and Human Rights (ODIHR) deployed 100 long-term election observers to 26 locations around Ukraine to monitor the lead-up to the election and help ensure the country's electoral process meets the highest international standards. An interim report from ODIHR on April 17 noted that the Central Election Commission had met all deadlines thus far, and that technical preparations were proceeding. For the first time in a presidential election, Ukraine's 36 million voters can review their registration details online. All told, ODIHR is preparing to deploy 1,000 observers throughout the country to monitor the elections in the largest monitoring effort in the organization's history. The United States will provide approximately one tenth of the observers, and 26 other OSCE states are also contributing. These 1,000 ODIHR observers will be joined by more than 100 members of the OSCE Parliamentary Assembly, including some of your colleagues here on the Hill.

The United States is also working bilaterally to support free, fair and informed elections. We have allocated \$11.4 million for non-partisan activities to improve the integrity of these elections, including efforts to support voter education and civic participation; assist the Central Electoral Commission administer the elections effectively and transparently; foster linkages between political parties and civil society; support election security; and help to guarantee a diverse, balanced and policy-focused media environment. We are supporting 255 long-term observers and over 3330 short-term observers, some of whom will provide a parallel vote tabulation (PVT).

Free, fair elections on May 25<sup>th</sup> are the best route to political and economic stability in Ukraine. From Lviv to the Maidan to Odesa to Donetsk, the Ukrainian people want and deserve the right to determine their own future. Those who claim to be their protectors should stand up for the ballot box if they truly want the eastern Ukraine's voices heard in the political process rather than dictating to them through the barrels of guns or barricades of burning tires. In this regard, it is more than ironic that today Moscow asserts that both the interim government and the May 25<sup>th</sup> elections are illegitimate. It makes you wonder if Moscow is afraid to allow the Ukrainian people to participate in an election that is going to afford them far more choice than any in recent Russian history. And as President Obama stated, "the Russian leadership must know that if it continues to destabilize eastern Ukraine and disrupt this month's elections, we will move quickly on additional steps, including further sanctions that will impose greater costs."

Finally, as we work to empower the Ukrainian people to determine their future democratically, we must acknowledge that the people of Russia are being cheated of their democratic rights. The Russian government's reckless actions in Ukraine have districted the world's attention from a new clamp down on civil society in Russia. Just since the Sochi Olympics, the Russian government has taken new aggressive steps to tighten control of the media, curb dissent, criminalize free expression on the internet, and to trample on human rights. Putin's formula is simple: intervention abroad, repression at home.

The Russian economy is already showing that this model doesn't lead to a great Russia; it leads to a broke one. The IMF believes Russia may already be in recession. Russia's credit rating is hovering just above "junk" status. The Russian central bank is reporting that \$63 billion in capital has fled Russia since the beginning of the year, more than for all of 2013. As the ruble has fallen, the Central Bank has raised interest rates twice and has spent close to \$50 billion from its reserves to stabilize it. Unless Putin changes course, at some point in the not-too-distant future, the current nationalistic fever will break in Russia. When it does, it will give way to a sweaty and harsh realization of the economic costs. Then, Russia's citizens will ask: What have we really achieved? Instead of funding schools, hospitals, science and prosperity at home in Russia, we have squandered our national wealth on adventurism, interventionism and the ambitions of a leader who cares more about empire than his own citizens.

But it doesn't have to be this way. Russia can still step back from supporting separatism and violence and do the right thing. Working closely with the Ukrainians, the OSCE, and key European governments including Germany, we are once again supporting a diplomatic path forward – a rejuvenation of the Geneva agreement: amnesty for separatists and real political reform through elections and constitutional change in exchange for the peace, security and unity across Ukraine that these require. A Russia that truly cares about the fate of the ethnic Russians in Ukraine and the people of eastern Ukraine, let alone its own citizens, will work with us on this. A Russia that doesn't will face a tightening grip of political and economic isolation from the international community.

Since 1992, we have provided \$20 billion to Russia to support pursuit of transition to the peaceful, prosperous, democratic state its people deserve. We are not seeking to punish Russia. We support the rights of all individuals—those of Russians and Ukrainians, alike—to have a clean, open, accountable government rooted in democracy and rule of law.

In 19 days, the Ukrainian people will have the opportunity to make that choice. As Vice President Biden said during his visit to Kyiv, "This may be the most important election in the history of Ukraine. This is a chance to make good on the aspirations of the overwhelming majority of Ukrainians east and west and every part of this country."

It is in the U.S. national security interest that the May 25<sup>th</sup> presidential election reflects the will of Ukraine's 45 million people. We stand united with the overwhelming majority of the international community – in the G7, in NATO, in the OSCE, in the UN General Assembly, in the Council of Europe— in support of Ukraine's democratic choice. The stakes could not be higher – for Ukrainian democracy, for European stability and for the future of a rules-based international order.

Thank you. I'm happy to answer your questions.