



Weekly Briefing

**Romania external relations briefing:
Facing the conflict in Ukraine: Romania's position**
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Facing the conflict in Ukraine: Romania's position

Romania expressed solidarity with Ukraine and condemned the Russian Federation's aggression that led to the start of the military conflict at the end of February. Romania shares the longest border with Ukraine among the European Union (EU) member states, therefore concerns regarding security, economic impact but also efforts for managing the inflow of refugees and dealing with support measures for Ukraine are among the top priorities. Romania is ready to serve as a hub for the distribution of humanitarian assistance in Ukraine. Romania also draw the attention on the need to provide support for the Republic of Moldova in dealing with Ukrainian refugees and in the event of a possible new energy crisis, while emphasizing the need to strengthen the position of deterrence and defence on the Eastern Flank inside NATO.

In the conflict between Ukraine and Russia, Romania's position was that of condemning Russia's military aggression against Ukraine, as well as the recognition of the independence of the separatist Ukrainian regions of Donetsk and Luhansk. Such actions were considered serious violations of international law and commitments by the Russian Federation, as well as of the sovereignty and territorial integrity of Ukraine and the inviolability of its borders. Romania expressed its full solidarity with Ukraine and the Ukrainian people. In addition, Romania raised requests for an immediate and unconditional cessation of Russian military operations against Ukraine, the withdrawal of all Russian forces and the cessation of any pressure on Ukraine. Following these first reactions to the conflict that started at the end of February, the Romanian Parliament have adopted a declaration condemning the Russian Federation's aggression against Ukraine. Romanian members of the Parliament unanimously voted a statement against the unfortunate situation in Ukraine, calling for the withdrawal of all Russian forces and highlighting strong support for Ukraine's sovereignty and territorial integrity and its legitimate aspirations for NATO and EU integration. Moreover, following Ukraine's request for joining the EU, Romania manifested its support for the integration of Ukraine, as well as that of the Republic of Moldova and Georgia.

At the special meetings of the Foreign Affairs Council which brought together EU foreign ministers, Romania expressed strong political support for the package of extended sanctions against Russia presented by the European Commission and the European External Action Service, in line with the political commitment of European leaders, which also included

disconnecting certain Russian banks from the SWIFT system, additional restrictions for Russia's Central Bank, the closure of EU airspace for Russian aircraft, the use of the European Peace Fund to finance military assistance to Ukraine, and a ban on Russian propaganda media. Similar restrictive measures against Belarus are also considered important and should be taken, given the country's responsibility for its contribution to Russia's aggression against Ukraine and with the aim of avoiding possible circumvention by Russia of the effects of sanctions through a Belarus-Russia cooperation. In addition, Romania has already taken several restrictive measures at national level, such as the ban for flights operated by Russian airlines on Romanian airspace, respectively the decision to withdraw Romania from the International Investment Bank in Budapest and the International Bank for Economic Cooperation in Moscow, both considered to support Russian financial interests and influence.

In the larger context of providing help for Ukraine envisaged by EU countries, Romania has also taken several measures for ensuring assistance to Ukraine. Therefore, the authorities have decided to support the neighbouring country by donating more than EUR 3 million in ammunition, military protective equipment, fuel, food, water and medicine, in addition to the contributions already sent, amounting to EUR 100 000, including those through the European Mechanism of Civil Protection. In addition, Romania drew attention on the need to support the efforts of the Republic of Moldova, both in terms of the management of Ukrainian refugees and in the event of a possible new energy crisis. At the same time, the Romanian Government announced the readiness to take over the wounded Ukrainians in the military and civilian health network.

Romania also participated in small-scale consultations with allied global leaders and multilateral institutions in the actual context shaped by the unjustified military aggression against Ukraine. In several occasions, President Klaus Iohannis emphasized the need for further consultations in this format and the crucial importance of maintaining close coordination and allied and transatlantic unity, as well as with partners who share the same vision, given that the actual situation has impact on the Euro-Atlantic and global security and also affects the rules-based international order, following the threat of using nuclear weapons, launched by the Russian Federation. The President of Romania reaffirmed, on various occasions, Romania's support for the sovereignty and territorial integrity of Ukraine and for its right to make its own foreign and security policy decisions. He also highlighted the wide-ranging impact of the current crisis on the security situation on the Alliance's Eastern Flank, including the Black Sea, as well as on the entire Euro-Atlantic area. Due to this aspects, Klaus Iohannis emphasized the need to strengthen, in a coherent and unified manner, the Allied position of deterrence and

defence on the Eastern Flank, especially on the Black Sea. The Romania President also stressed the importance of accelerating the process of creating the NATO Fighting Group in Romania, as a measure to further strengthen the position of deterrence and defence of NATO in the region. In this context, the need to increase the defence capacity of the Romanian state was already decided, by imposing a raise in the percentage of GDP allotted for defence, from 2% of GDP to 2.5% starting with 2023. It is also necessary to achieve Romania's energy independence, mainly through the development of civil renewable and nuclear energy. In order to achieve such strategic objectives, political decisions are needed and concrete action plans are going to be shaped in the following period by the competent institutions. In addition, Klaus Iohannis also expressed Romania's readiness to serve as a hub for the distribution of humanitarian assistance for Ukraine, capitalizing on its position as a neighbouring state with the longest border with Ukraine.

President Klaus Iohannis stressed that Romania also assumed the responsibility of facilitating the flow of Ukrainian citizens at the borders, as well as ensuring the safe transit of a large number of citizens of other states and members of diplomatic missions in Ukraine. Romania shares the longest border with Ukraine among the EU member states, therefore several measures were taken for dealing with the flow of Ukrainian citizens at the border. According to the official data, in the first six days of conflict, a total of 118,461 refugees entered Romania, of which 70,026 have already left the country. The rest of 46,435 people, representing approximately 39% of the total number of Ukrainian citizens who entered Romania, are still in the country. There are 1,070 people who have applied for asylum and 476 who have remained in asylum centres. Out of the total number of Ukrainian citizens who have decided to stay in Romania, approximately 18,000 are minors.

Romania is connected with Ukraine through the large Romanian ethnic community living there, which is a solid bridge between the two countries. The Romanian community represents the third largest ethnic group in Ukraine, and economic relations between the two countries were developing. In the first eight months of last year, the trade between Romania and Ukraine hit over 1.5 billion dollars, and several joint European programs were implemented. Ukraine's main export groups to Romania were ferrous metals, which represented 16.6% of the total export volume, machinery, appliances, electrical equipment (15.7%), ores, slag and ash (14.9%), wood and wood products (7.9%), mineral fuels (6.7%) and footwear (4.4%). The main groups of imports from Romania to Ukraine were: means of land transportation (19% of the total export volume), cars, appliances, electrical equipment (15.7%), aircraft (9.0%), plastic (6.4%), wood and wood products (5.8%), mineral fuels (5.7%). In Romania, there are 1,090

companies with Ukrainian capital, with a total invested capital of almost 113 million dollars. Ukraine thus ranked 31st in the top of foreign investors at the end of 2021, according to the National Office of the Trade Register.

Romania thus pleads for peace, as the most favourable environment which ensures growth and welfare. As part of NATO, it relies on the support of the other allied countries, as both the security of Romania and of the Black Sea is an integral part of Euro-Atlantic security. Together with the other partners, Romania works towards strengthening the position of deterrence and defence on the Eastern Flank. Besides the fact that the proximity of the border with Ukraine raises security concerns, specialists consider that the consequences for the economy will also be important. Although the direct impact is small, given weak connections with the Russian economy, the indirect impact, which could be seen in an increased global risk aversion, might be substantial, investors being reluctant in investing in Romania, which is in the vicinity of a country in conflict. Therefore, investment decisions will become more prudent. Romania is however strongly connected to the European market; therefore, the fluctuations will mostly come from this source. The price increases for food products will continue to affect the Romania economy, which is currently dealing with the highest levels of inflation in the last decade.