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## **BULLETIN**

## Belarus and Russia: Accelerated integration

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Over the past few months, Belarus and Russia have stepped up talks on the conditions for further integration. Russia wants to take advantage of Belarus' international isolation after the rigging of last year's presidential elections as that country is increasingly dependent on it. The deepening integration of the countries will not only reduce Belarus' sovereignty, but will have consequences for regional security.

**Integration Programmes.** The return to talks on integration after a break lasting several years was proposed at the end of 2018 by then Prime Minister of Russia Dmitry Medvedev. The two countries then began negotiating an intergovernmental agreement consisting of 31 chapters, called "roadmaps", on economic integration. The signing of this document was planned for the 20th anniversary of the establishment of the Union State of Belarus and Russia in December 2019. However, at that time Belarus did not agree to the contents of the agreement, considering it unfavourable and that it did not guarantee, among others, equity in energy resource pricing in both countries. Nevertheless, the negotiations continued. They have quickened pace over the past six months, evidenced by Alexander Lukashenka's three visits to Russia this year. Russia is stepping up pressure on Belarus to sign the integration programmes (transformed "roadmaps") to take advantage of Belarus' growing international isolation as a result of the wave of repression against the opposition and protesters after the rigging of last year's presidential elections. Moreover, sanctions have been imposed on Belarus by, among others, the EU and the U.S., and the Belarusian authorities have ceased to be recognised as partners by Western countries, which has weakened their negotiating position with Russia.

The greatest difficulties in the Belarusian-Russian talks are in negotiations of the chapters on the common customs and tax code, which were forced by Russia, and a reduction of energy prices to the Russian internal level, which was the Belarusian goal from the very beginning. According to the latest official information, of all the integration

programmes, only the one concerning the energy resources market remains unresolved. In this case, however, partial concessions can be expected from Russia because it wants to sign the integration documents this autumn, most likely before the <u>elections</u> to the <u>Duma</u> scheduled for 19 September, as it will allow the Russian authorities to discount this event politically.

Security Cooperation. From Russia's point of view, it is particularly important to deepen military cooperation. In February this year, Russian media emphasised that a plan for deeper integration in this area had been agreed and that both countries were working on strengthening cooperation. In addition, Belarus and Russia adopted a fiveyear plan of military cooperation on 2 March this year. It involves the organisation of more than 160 joint activities, 40% of which are to be field exercises. They also decided to create three joint training centres for the armed forces. A training and combat centre for the air forces and air defence units is to be built on Belarusian territory in Hrodna Voblast. The other two centres will be located in Russia's Nizhny Novgorod and Kaliningrad oblasts. An important indication of the depth of military cooperation will be the scenario of this year's Zapad exercises, the active phase of which is planned for 10-16 September this year and both countries are currently intensively preparing for it.

For Russia, the most important goal of military integration with Belarus is increased control over that country, including blocking any kind of activities aimed at expanding cooperation with NATO countries. The most important aims are the ability to rapidly transfer Russian forces to Belarus

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where they should be able to quickly obtain full combat capability amid escalating tensions, and deepening the interoperability of troops from both countries. Maintaining military control over the territory of Belarus makes it easier for Russia to conduct military operations against the countries of NATO's Eastern Flank or Ukraine. It secures Russian security interests and, at the same time, poses an additional challenge for NATO and Ukraine, which must incorporate this factor into their defence planning.

The special services of the two countries also are tightening cooperation. In June this year, the heads of the Belarusian State Security Committee (KGB) and the Russian Foreign Intelligence Service (SVR) informed about the launching of joint activities "against the destructive actions of the West aimed at destabilising the political and socio-economic situation in the territory of the Union State". This public statement suggests that it can be expected that the services of both countries will undertake special operations on EU territory, primarily against the Belarusian diaspora living there.

**Difficulties in Integration**. Due to the different characteristics of their economies, the greatest challenge for Russia and Belarus will be the implementation of the provisions on economic integration. Although the Belarusian authorities have agreed to create a joint customs and tax code, which also requires unifying the judiciary in this area, it should be expected that they may delay the adoption of necessary laws implementing the agreements.

At the same time, Russia is trying to use the deteriorating relations between Belarus and EU countries, especially the Baltic states, to take over the transit of Belarusian goods. In February, Belarus and Russia signed an agreement to redirect exports of some Belarusian petroleum products from Lithuania and Latvia to Russian ports in Ust-Luga and St. Petersburg. This agreement will be unfavourable for Belarus in the long term, but similar export deals should be expected for potassium fertilisers, so far sold through the Lithuanian port of Klaipėda.

However, apart from this agreement, no other significant economic integration activities have taken place. A \$1 billion loan promised by Russia in 2020 was also

protracted. Belarus received the first tranche of \$500 million in December last year, but the second tranche was received only at the beginning of June this year after talks between Vladimir Putin and Lukashenka in Sochi on 29 May.

The progressive isolation of Belarus and the lack of opportunities for economic cooperation and credit support from Western countries will increase Belarus' dependence on Russia. This makes it easier for Russia to demand concessions from the Belarusian authorities, for example, on the sale of important enterprises (mainly arms industry) in exchange for further support in the form of loans and economic preferences.

**Conclusions and Perspectives.** Russia's most important goal is to subordinate Belarus in the military sphere. This will enable it to pursue its security interests and is consistent with Russia's concept of spheres of influence.

Russia, after gaining closer integration in the military sphere, will use the increased international isolation of Belarus to inflate its dependence also in the political and economic dimensions. Therefore, it can be expected that pressure on the Belarusian authorities will intensify with regard to the sale of key military and petrochemical companies. Russia also wants to influence political changes in its neighbour. The main goal may be to guarantee greater political power and freedom of action for pro-Russia organisations and parties. It is also highly probable that Russia will want to ensure complete influence on the appointment of the next Belarusian president, especially if Lukashenka resigns.

Deepening Belarusian-Russian integration and strengthening Russia's military presence in Belarus will aggravate the security situation in the region. NATO must factor in the increased threat from Belarusian territory. In turn, the deepening cooperation between the Russian and Belarusian secret services will create additional counterintelligence challenges for EU countries, especially for Poland and Lithuania, home to the largest Belarusian diasporas. Russia also will use Belarus to conduct disinformation campaigns, for example, over historical policy, targeted at EU countries, in particular Poland.