

**POLISH - UKRAINIAN RELATIONS 1991-2002**

**Introduction**

Poland and Ukraine are the two largest states of Central-Eastern Europe and the nature of their relations by that very fact is a crucial one for the future of and the stability in the region. Being deprived of their independence till 1989 (Poland) or even real statehood till 1991 (Ukraine) the two neighbouring nations have a unique chance to shape their mutual relations as free peoples on an equal level both in interstate and inter individuals relations now. The way in which they deal with that task is the main topic of this paper.

The subject in question will be considered in the two main dimensions: political and economic one. To create a clear and valuable image of the Polish-Ukrainian relations in the first decade of the independence of the two countries we shall start with the periodization of the entire epoch and with the list of basic treaties constituting a solid fundament for both political and economic relations between Poland and Ukraine. For the same reason a list of the main meetings and visits of high officials of both countries is included to the text just as an illustration of the intensity of mutual contacts. That is expected to supply the readers with the hard framework of the more detailed considerations presented in the further sub-chapters. The main questions to be answered in this paper are:

1. What is the place of Ukraine in the conceptual papers of Polish government? What are the principles on which the Ukrainian policy of Poland is based on and what are the strategic aims of Poland as regards Ukraine?
2. What the difficulties and hot issues exist in Polish-Ukrainian relations and what is their possible impact on the future of both nations?
3. What is the outcome of Polish-Ukrainian co-operation in international fora and what are the perspective for its further development (what the obstacles exist)?
4. What is an impact of the third actors (NATO, EU, Russia) for Polish-Ukrainian relations?
5. What is a role played by Poland in Ukraine-EU and Ukraine NATO relations? How does the Polish-Ukrainian co-operation serve to Ukrainian-EU, and Ukrainian-NATO one?
6. What is the attitude of the main Polish political parties towards Ukraine?
7. What is the role of national minorities in mutual relations?
8. What is the nature of Polish-Ukrainian economic relations and how have they evolved in the last decade? What were the reason and the outcome of that evolution? What are the structure and the scale of Polish-Ukrainian trade exchange and Polish investments in Ukraine and why it is such?
9. What is the shape of the border control and its impact on the movement of labour and trade between the two countries?
10. What is the nature of non-governmental organization contacts and what is the area of their activity?

The answer to all those questions asked here and *mutatis mutandis* in the neighbouring chapters devoted to Slovak-Ukrainian and Hungarian-Ukrainian relations are crucial to understand the reality of Ukrainian western neighbour (the EU candidate states) relations with Ukraine and thus to describe a potential of future EU-Ukraine relations.

## Chapter I

### Polish-Ukrainian Political Relations

#### I. Periodization of the Polish-Ukrainian relations 1989-1991

**1989-1991 – Parallel diplomacy.** Polish-Ukrainian relations were born in the years 1989-1991 - at the time of the decline and final collapse of the Soviet Union. In that period the official doctrine of Polish foreign policy was based on the principle of the development of the parallel contacts both with the soviet centre in Moscow and with the republican authorities in the respective republican capitals. Ukraine was one of the most important among the political entities that started to emerge from the collapsing Soviet empire. That period was ended by the Ukrainian declaration of independence on August 24<sup>th</sup> 1991.

**1991-1995 Establishment of the relations between independent states – searching for the model of mutual co-operation.** Poland was the first state of the world that officially recognised the independence of Ukraine. That created a good atmosphere to develop mutual co-operation. Still apart from the very fundamental aim of the Polish foreign policy towards Ukraine (the support for the independence and the very existence of the newly created independent Ukrainian state) there were no structures and no experience of such a co-operation that were only to be created both in conceptual as well as in the administrative sense. Ukraine came into being as a presidential republic and Poland during the presidency of Lech Wałęsa (1991-1995) at least in the area of foreign policy had some characteristics typical for that kind of a state too. This is why that second period of mutual relations was shaped under the considerable impact of the presidents of the countries in question. The mutual relations were very good however suffered from the lack of substance. Still in 1993 a special Consultative Committee of the Presidents of Poland and Ukraine was created and thus a kind of structural dialogue between the two states came into being. The Committee deals with the issues of regional security, the strategy of economic co-operation and the national minorities questions<sup>1</sup>. The period 1991-1995 was symbolised by the idea of Baltic-Black Sea co-operation initiated in 1991 as a consultative forum for the states of „Intersee” (Międzymorze) that were generally the supporters of the NATO and the EU enlargement. At the beginning, it was particularly in Ukraine where the idea of the Baltic Sea- Black Sea Block (Baltic States, Bielarus, Ukraine) was considered. That idea failed however due to the evolution of the situation in Bielarus, the lack of interests in Lithuania, Latvia and Estonia, and the lack of the centre of economic power capable to attract other states and to serve as the core of integration. All the states in question decided to search for help and assistance in the rich West rather than among the equally poor neighbours. The Polish dimension of that type of thinking emerged under the shape of the Wałęsa’s idea of NATO-bis. Unclear as it was as far as the sense of that political project was concerned the idea was quickly rejected by Polish political class who were aiming at the full integration of Poland to NATO and to the EU.

**1995-2002 – declarative and practical strategic partnership of the Presidents.** Kwaśniewski’s presidency in Poland and Kuchma’s one in Ukraine resulted in good mutual relations at the top level, supported by other senior officials. Still due to the Ukrainian political system the most important declarations and decisions were taken at the presidential level. Both countries declared themselves to be their respective strategic partners. Poland acted as the best advocate of Ukraine on all the transatlantic, European and regional fora and aimed at the development of the contacts between Ukraine, NATO, the EU, and CEFTA. The solid base for that co-operation was supplied by Ukrainian positive attitude to the main Polish

---

<sup>1</sup> J.J.Gałęski, *Polska-Ukraina: coraz bliżej wolnego handlu*, "Przegląd Rządowy", no 3-4 1997, p.87.

foreign policy goals (NATO and the EU membership). The position of Ukraine totally differed from that of Russia as far as NATO enlargement is concerned and since 1998 Ukraine itself declared her „European Choice” aiming at the participation in the process of European integration. Those high level declarations shaped the political positions of both sides. The mutual contacts were and are still accused of the oversaturation of declarations and the lack of practical substantial co-operation. That estimation is however to simplistic one since Poland and Ukraine co-operation experienced both successes (Polish-Ukrainian Peacekeeping Battalion now in service in KFOR in Kosovo) and failures (never even started Polish part of the common project of Odessa-Brody-Gdańsk pipeline).

**Autumn 2002 ..... Partnership without Kuchma.** Conflict between opposition and president Kuchma in Ukraine started the changes in the character of mutual official contacts between Polish and Ukrainian authorities. The idea of *Round Table* Kuchma-opposition, presented by president Kwaśniewski, ended in a conference in Warsaw (15-16.10.2002) that brought little substantial changes still should be treated as a symbolic moment of the second period of parallel diplomacy this time in the context of the Polish government-Ukrainian authorities relations paralleled by Polish government-Ukrainian opposition ones. The „Kolchuga” affair<sup>2</sup> resulted in an obvious diminution in the contacts between the presidents of both countries that had constituted the most important diplomatic area for political relations of both sides till that time. The general support of Poland for pro-Western course of Ukrainian foreign policy has not been changed however still the special personal partnership between the presidents seems to be over and one can hardly expect its recreation.

## II. Basic treaties and diplomatic documents<sup>3</sup>:

1. *Treaty on good neighbourhood, friendly relations and co-operation, signed in Warsaw on May 18<sup>th</sup> 1992<sup>4</sup>*; (implemented 30.12.1992); *Joint Declaration of President of the Republic of Poland and President of Ukraine, Warsaw, June 25, 1996<sup>5</sup>*
2. *Final Document of the Extraordinary Conference of the States Parties to the Treaty on Conventional Armed Forces in Europe Vienna, May 31, 1996* (Document approved by the Resolution No. 23/97 of April 22, 1997, by the Council of Ministers of the Polish Republic)<sup>6</sup>

<sup>2</sup> *USA Accused of Ukrainian Authorities in Violations of UN Sanctions*, „Ukrainian Monitor”, No 39/2002, 23.09.02 – 29.09.02, Center for Peace, Conversion and Foreign Policy of Ukraine, <http://www.foreignpolicy.org.ua>. See as well: I. Pidluska, *Foreword to „Iraqgate”*, „Research Update”, Vol. 8, No. 34/282 September 30, 2002, Ukrainian Center for Independent Political Research (UCIPR), (<http://www.ucipr.kiev.ua>)

<sup>3</sup> The list comprises the treaties concluded between Poland and Ukraine and the basic multilateral treaties signed in 1990s and 2000s both by Poland and Ukraine as well as joint declarations of the senior officials of Poland and Ukraine while there are no unilateral statements made by Polish officials in different circumstances (expose, speeches, etc.). Such documents are mentioned beneath in a chapter – „Ukraine in basic documents”

<sup>4</sup> *Dziennik Ustaw Rzeczypospolitej Polskiej* 1993, no 125, position 573 and 574.

<sup>5</sup> *Wspólna deklaracja Prezydentów Rzeczypospolitej Polskiej i Ukrainy, Warszawa, 25 czerwca 1996 r. (Joint Declaration of President of the Republic of Poland and President of Ukraine, Warsaw, June 25, 1996, „Zbiór Dokumentów. Dokumenty z zakresu polityki zagranicznej Polski i stosunków międzynarodowych” (Dalej: ZD), nr 2 1996, <http://www.zbiordokumentow.pl/1996/2/4.html>*

<sup>6</sup> *Dokument Końcowy nadzwyczajnej konferencji Państw-Stron Traktatu o konwencjonalnych siłach zbrojnych w Europie, Wiedeń, 31 maja 1996 r. (Dokument zatwierdzony przez Radę Ministrów Rzeczypospolitej Polskiej uchwałą nr 23/97 z dnia 22 kwietnia 1997 r.) [Final Document of the Extraordinary Conference of the States Parties to the Treaty on Conventional Armed Forces in Europe Vienna, May 31, 1996 (Document approved by the Resolution No. 23/97 of April 22, 1997, by the Council of Ministers of the Polish Republic)], ZD, no 2 1997, <http://www.zbiordokumentow.pl/1997/2/14.html>*

3. *Joint Declaration of Presidents of Republic of Poland and Ukraine on Concord and Reconciliation*, Kiev, May 21, 1997<sup>7</sup>
4. *Charter on a Distinctive Partnership between the North Atlantic Treaty Organization and Ukraine*, Madrid, 9 July 1997<sup>8</sup>
5. *Joint Statement of the United States-Poland-Ukraine Cooperation Initiative*, Kijev, 29 October 1998<sup>9</sup>
6. *Joint Declaration of Presidents of Republic of Poland and Ukraine on Concord and Reconciliation*, Kiev, May 21, 1997<sup>10</sup>
7. *Final Act of the Conference of the States Parties to the Treaty on Conventional Armed Forces in Europe*, Stambul, November 19, 1999<sup>11</sup>

The main principles agreed upon in the treaty on good neighbourhood are as follows:

1. The mutual acknowledgement of the existing borders and the renunciation of any territorial claims.
2. An acknowledgement of the sovereignty and territorial integrity of the states.
3. The renunciation of an application of force or a threat of application of force.
4. The principle of peaceful solution of international disputes and of non-interference in home affairs.
5. The duty of consultation in the case of a military conflict or a threat of military conflict.
6. Co-operation for disarmament, international stability and security.
7. Observation of international standards and principles related to the protection of human rights and the rights of national minorities.
8. The acknowledgement of the commitments adopted by the contracting Parties in the Final Act of the Conference on Security and Co-operation in Europe, Paris Chart for New Europe and other documents of CSCE and the commitment to respect the rules of international law especially the commitments resulting from the Chart of the United Nations. None of those commitments will need to be changed in case of Polish entrance into the EU.

---

<sup>7</sup> *Wspólne oświadczenie Prezydentów Rzeczypospolitej Polskiej i Ukrainy o porozumieniu i pojednaniu*, Kijów, 21 maja 1997 r. (*Joint Declaration of Presidents of Republic of Poland and Ukraine on Concord and Reconciliation*, Kiev, May 21, 1997, ZD, nr 2 1997, <http://216.239.39.100/custom?q=cache:nqmE3xfGN8cC:www.zbiordokumentow.pl/1997/2/druk/5.html+Ukraina&hl=pl&ie=UTF-8&inlang=pl>)

<sup>8</sup> *Karta o szczególnym partnerstwie między Organizacją Traktatu Północnoatlantyckiego a Ukrainą*, Madryt, 9 lipca 1997 r. (*Charter on a Distinctive Partnership between the North Atlantic Treaty Organization and Ukraine*, Madrid, 9 July 1997), ZD, nr 3 1997, <http://www.zbiordokumentow.pl/1997/3/10.html>. – Poland had not been a NATO member state yet when the document was signed still entering the Alliance on March 1999 she adopted all the obligations based on the Charter that thus constitutes a part of the framework of the Polish-Ukrainian relations.

<sup>9</sup> *Wspólne oświadczenie w sprawie inicjatywy współpracy polsko-amerykańsko-ukraińskiej* Kijów, 29 października 1998 r. (*Joint Statement of the United States-Poland-Ukraine Cooperation Initiative*, Kijev, 29 October 1998), ZD, nr 3-4 1998, <http://www.zbiordokumentow.pl/1998/3-4/1.html>

<sup>10</sup> *Wspólne oświadczenie Prezydentów Rzeczypospolitej Polskiej i Ukrainy o porozumieniu i pojednaniu*, Kijów, 21 maja 1997 r., (*Joint Declaration of Presidents of Republic of Poland and Ukraine on Concord and Reconciliation*, Kiev, May 21, 1997), ZD, nr 2 1997, <http://www.zbiordokumentow.pl/1997/2/5.html>

<sup>11</sup> *Akt Końcowy Konferencji państw-stron Traktatu o konwencjonalnych siłach zbrojnych w Europie, przyjęty przez szefów państw i rządów na szczycie OBWE*, Stambul, 19 listopada 1999 r., (*Final Act of the Conference of the States Parties to the Treaty on Conventional Armed Forces in Europe*, Stambul, November 19, 1999), ZD, nr 4 1999, <http://www.zbiordokumentow.pl/1999/4/10.html>

The treaty is fully respected by both Poland and Ukraine.

### III. Ukraine in conceptual documents

Ukraine is treated by all Polish governments since 1989 as the country of crucial strategic importance for the stability of the region and thus as a key factor in the security architecture of Europe the existence of which is indispensable for the security and independence of Poland. That attitude is well seen in the official documents and statements made by Polish senior officials in various occasions and in various fora There is no a single official document like *The Strategy of Polish Foreign Policy*, so one cannot say that the place of Ukraine in Polish foreign activity is determined by a conceptual document of that kind. There is a lot of other declarations<sup>12</sup> however that allows us to say that the independent Ukraine is considered to be

---

<sup>12</sup> See the texts of: Sejmowe exposé ministra spraw zagranicznych Rzeczypospolitej Polskiej Bronisława Geremka na temat podstawowych kierunków polityki zagranicznej Polski w 1998 r., Warszawa, 5 marca 1998 r., (Exposé by Minister of Foreign Affairs of the Republic of Poland Bronisław Geremek to the Diet of the Republic of Poland on the Main Lines of Polish Foreign Policy in 1998), Warsaw, March 5, 1998, ZD nr 1 1998, <http://www.zbiordokumentow.pl/1998/1/1.html>  
*Przemówienie prezydenta Rzeczypospolitej Polskiej Aleksandra Kwaśniewskiego na spotkaniu noworocznym z Korpusem Dyplomatycznym*, Warszawa, 15 stycznia 1998 r., *Address by President of the Republic of Poland Aleksander Kwaśniewski at the New Year's Meeting with the Diplomatic Corps*, Warsaw, January 15, 1998, ZD, nr 1 1998, <http://www.zbiordokumentow.pl/1998/1/3.html>  
*Sejmowe exposé ministra spraw zagranicznych Rzeczypospolitej Polskiej Bronisława Geremka* (fragmenty), Warszawa, 8 kwietnia 1999 r. (*Exposé by Minister of Foreign Affairs of the Republic of Poland Bronisław Geremek to the Diet of the Republic of Poland* (excerpts) ), Warsaw, 8 April 1999, ZD, nr 1-2 1999, <http://www.zbiordokumentow.pl/1999/1-2/20.html>  
*Sejmowe expose ministra spraw zagranicznych Rzeczypospolitej Polskiej Dariusza Rosatiego*, Warszawa, 9 maja 1996 r., (*Expose by Minister of Foreign Affairs of the Republic of Poland Dariusz Rosati to the Diet of the Republic of Poland*), Warsaw, May 9, 1996, ZD, nr 2 1996, <http://www.zbiordokumentow.pl/1996/2/1.html>  
*Przemówienie premiera Rzeczypospolitej Polskiej Jerzego Buzka w Ośrodku Studiów Strategicznych i Międzynarodowych*, Waszyngton, 9 lipca 1998 r., (*Speech by Prime Minister of the Republic of Poland Jerzy Buzek at the Center for International and Strategic Studies*), Washington, 9 July 1998, ZD, nr 3-4 1998, <http://www.zbiordokumentow.pl/1998/3-4/3.html>  
*Wystąpienie premiera Rzeczypospolitej Polskiej Jerzego Buzka podczas posiedzenia plenarnego Zgromadzenia Północnoatlantyckiego*, Warszawa, 31 maja 1999 r., *Address by Prime Minister of the Republic of Poland Jerzy Buzek During the Plenary Session of the North Atlantic Assembly*, Warsaw, 31 May 1999, ZD, nr 1-2 1999, <http://www.zbiordokumentow.pl/1999/1-2/16.html>  
*Wystąpienie prezydenta Rzeczypospolitej Polskiej Aleksandra Kwaśniewskiego podczas uroczystej inauguracji Wielonarodowego Korpusu Północno-Wschodniego*, Szczecin, 18 września 1999 r. (fragmenty) [*Address by the President of the Republic of Poland, Aleksander Kwaśniewski, on the Occasion of Inauguration of the Multinational Corps Northeast Szczecin*, September 18, 1999 (excerpts)], ZD, nr 3 1999, <http://www.zbiordokumentow.pl/1999/3/4.html>  
*Wystąpienie prezydenta Rzeczypospolitej Polskiej Aleksandra Kwaśniewskiego na konferencji prezydentów i premierów państw obszaru bałtycko-czarnomorskiego*, Jalta, 10 września 1999 r. (*Speech by the President of the Republic of Poland, Aleksander Kwaśniewski, at a Conference of the Presidents and Prime-Ministers of States of the Baltic-Black Sea Area*, Yalta, September 10, 1999), ZD nr 1999, <http://www.zbiordokumentow.pl/1999/3/7.html>  
*Wystąpienie ministra spraw zagranicznych Rzeczypospolitej Polskiej Bronisława Geremka w Radzie Stosunków Zagranicznych*, Waszyngton, 11 lutego 1998 r., *Address by Minister of Foreign Affairs of the Republic of Poland Bronisław Geremek at the Forum of the Council of Foreign Relations*, Washington, D.C., February 11, 1998, ZD, nr 1 1998 <http://www.zbiordokumentow.pl/1998/1/4.html>  
*Wykład ministra spraw zagranicznych Rzeczypospolitej Polskiej Bronisława Geremka wygłoszony w Kijowskim Instytucie Stosunków Międzynarodowych*, Kijów, 16 września 1998 r. (*Lecture by Minister of Foreign Affairs of the Republic of Poland Bronisław Geremek in the Kiev Institute of International Relations*, Kiev, 16 September 1998, ZD nr 3-4 1998, <http://www.zbiordokumentow.pl/1998/3-4/10.html>

the most important partner of Poland in the East, and Warsaw does her best to serve as an advocate of the interests of Kyiv in the contacts with our Western partners. This is why Polish representatives of different level often mention the issues concerning Ukraine in various occasions in diplomatic and political contacts. There is no room to analyse all those documents still the general image of the Polish political aims connected with Ukraine is as follows:

1. Ukraine is a key country for European security and stability in the East;
2. Partnership and co-operation between Poland and Ukraine – the two largest states in Central Eastern Europe is a cornerstone of stability of the region;
3. Poland is interested in the existence of the independent, democratic, and Western oriented Ukraine having marked economy, observing European standards in human rights and minority issues;
4. Poland expresses her interests in the success of Ukrainian economic reforms and the low intensity of that process is the subject of Polish concern;
5. Poland recognises the role of Ukraine as a transit country which is especially important in the context of gas and oil transit system;
6. Poland welcomes Ukrainian will to develop Kyiv relations with NATO and the EU and will support Ukrainian efforts in that area;

In November 2001 Polish Prime Minister Leszek Miller in his exposé stressed the importance of the relations with Ukraine that are „Characterised by stability and strategic partnership”. Miller expressed Poland’s support for Ukrainian „participation in the European structures Poland belongs or will belong to”<sup>13</sup>. Polish support for Ukrainian pro-Western orientation was declared as well by Minister of Foreign Affairs Włodzimierz Cimoszewicz in his interview for "Siegodnia" newspaper (6.11.2001). Thus the policy of Polish government newly created after last parliamentary elections in 2001 maintains the lines of all the previous Polish governments after 1991 at least as far as the declarations and conceptual documents (exposé) are concerned<sup>14</sup>.

#### IV. Frequency of meetings between presidents, prime ministers and ministers

<b>Data</b>	<b>The level and place of meeting</b>
7-8.06.1996	Ukrainian President Leonid Kuchma visited Poland
25-26 VI 1996	Ukrainian President L. Kuchma visited Poland
15.11.1997	Polish Minister of Foreign Affairs – Bronisław Geremek visited Ukraine
26.11.1997	Presidents L. Kuchma (Ukraine) and A. Kwaśniewski (Poland) met in Bucarest (Romania)
30.03.1998	Presidents Kwaśniewski and Kuchma officially opened border-pass Korczowa-Krakowiec
25-26.05.1998	President Kwaśniewski paid a visit to Ukraine (Crimean Peninsula)
14-15.01.1999	President Kuchma visited Poland
February 1999	Polish Prime Minister Jerzy Buzek visited Ukraine
29.03.1999	Ukrainian Minister of Foreign Affairs Borys Tarasiuk visited Warsaw

Koncepcja Strategiczna Sojuszu zatwierdzona przez Szefów Państw i Rządów biorących udział w spotkaniu Rady Północnoatlantyckiej, Waszyngton, 23-24 kwietnia 1999 r. (The Alliance's Strategic Concept Approved by the Heads of State and Government Participating in the Meeting of the North Atlantic Council, Washington D.C., 23-24 April 1999), ZD, nr 1-2 1999, <http://www.zbiordokumentow.pl/1999/1-2/27.html>

<sup>13</sup> *Wiadomości*, „Ukraińsko-polski magazyn internetowy”, listopad 2001, <http://www.ukraine-poland.com/wiadomosci/news.php?arch=1&mon=11&rok=2001>

<sup>14</sup> *Wiadomości*, „Ukraińsko-polski magazyn internetowy”, listopad 2001, <http://www.ukraine-poland.com/wiadomosci/news.php?arch=1&mon=11&rok=2001>

27-28.05.1999	Ukrainian Prime Minister Pustowoitenko visited Poland (Warsaw)
23-25.06.1999	President Kuchma visited Poland
26.09.1999	Minister Geremek met Ukrainian Foreign Minister Borys Tarasiuk in Washington
17.01.2000	President Kuchma visited Poland (Cracow)
2.03.2000	Minister Geremek visited Ukraine
23-24.03.2000	Deputy Prime Minister of Poland Leszek Balcerowicz visited Ukraine
7.04.2000	Ukrainian Prime Minister Viktor Yushchenko visited Poland (Warsaw, Lublin)
January 2000	Prime Minister Jushchenko and President Kwaśniewski met in Stockholm (Sweden)
26.05.2000	Presidents Kuchma and Kwaśniewski met at the economic summit in Rzeszów (Poland)
17.06.2000	Prime Minister Jerzy Buzek visited Ukraine (Kharkiv)
25-27.06.2000	Minister of Foreign Affairs of Ukraine – Borys Tarasiuk visited Warsaw
1-4.07.2000	Maciej Płażyński – Speaker of Polish Parliament visited Ukraine
7.08.2000	Mykhaylo Hladiy – Deputy Prime Minister of Ukraine visited Warsaw
1.09.2000	Prime Minister Viktor Yushchenko visited Poland (Cracow)
26-27.10.2000	Prime Minister Viktor Yushchenko visited Poland (Warsaw)
4.12.2000	Ukrainian Minister of Foreign Affairs Anatolij Zlenko visited Poland
17-18.12.2000	President Kwaśniewski visited Ukraine
15-16.03.2001	President Kuchma visited Poland (met Kwaśniewski in Kazimierz Dolny)
22-24.04.2001	Presidents Kuchma and Kwaśniewski met in Vilnius (Lithuania)
3-4.06.2001	Presidents Kuchma and Kwaśniewski met in Dnipropetrovsk
28.06.2001	Presidents Kuchma and Kwaśniewski met in Łańcut – Poland
9.07.2001	Polish Minister of Foreign Affairs – Władysław Bartoszewski visited Kyiv
10.09.2001	Prime Ministers of Poland (Jerzy Buzek) and Ukraine (Anatolij Kinakh) met in Krynica (Poland)
4.02.2002	Prime Minister of Poland – Leszek Miller visited Kyiv
13-14.03.2002	Ukrainian Minister of Foreign Affairs Anatolij Zlenko visited Poland
27.04.2002	Presidents Kuchma and Kwaśniewski met in Kyiv
4.06.2002	Prime Ministers of Poland (L. Miller) and Ukraine (A.Kinakh) met in Rzeszów (Poland)
4.10.2002	Prime Ministers of Poland (L. Miller) and Ukraine (A.Kinakh) met in Lviv (Ukraine)
8.01.2003	Prime Minister of Ukraine Viktor Yanukowycz met with President Kwaśniewski in Warsaw
13-14.02.2003	Presidents Kuchma and Kwaśniewski met in Huta near Ivano Frankivsk (Ukraine)

The visits of president of Ukraine – Leonid Kuchma in Poland (7-8 VI and 25-26 VI 1996) resulted in an official declaration of both presidents on the importance of the independence of Ukraine for Poland and the independence of Poland for Ukraine<sup>15</sup>, that not

<sup>15</sup> In a common declaration issued by the presidents of Poland A. Kwaśniewski and Ukraine L. Kuczma on June 26 1996 one can read: "The existence of the independent Ukraine is a factor supporting and stabilizing the independence of Poland as well as the existence of the independent Poland supports the stabilization of the independence of Ukraine. The Republic of Poland and Ukraine strives at implementation the idea of the common Europe and at the creation of a new system of European security in which both states will find a place responding to their needs and aspirations." – quotation from: *Sejmowe exposé Ministra Spraw Zagranicznych RP*

only created a proper atmosphere in mutual relations still reflected the political reality of the international situation of both countries.

## V. Difficulties „hot issues” unresolved questions

There were no serious incidents on inter-state level in the relations between Poland and Ukraine in the entire period since 1991 till 2002. On the contrary the relations have been always very good starting from the above-mentioned fact that Poland was the first state in the world that formally recognised the independence of Ukraine in 1991. Still if we have to name any problems one should point out on the following questions:

1. In the years 1994-1996 Ukraine promoted the idea of denuclearized zone in Central Eastern Europe. This initiative was a result of Kiev decision of 1994 to abandon the status of nuclear state and to get rid of the nuclear weapon that had been inherited from soviet times. The project however was contrary to Polish interests since Poland struggling for her NATO membership did not want to accept any commitments limiting future freedom of decision as to the deployment of all kinds of NATO military structure on her territory. Fortunately Ukraine give up the idea in second half of 1996 and the issue disappeared from the agenda of mutual relations<sup>16</sup>.
2. In 1996 Ukraine started the construction of oil pipeline Odessa – Brody. The pipeline has been already completed at the cost ca. 200 mln USD. According to many declarations of Polish senior officials (including president Kwaśniewski) in favour of co-operation in building the further part of the pipe from Brody to Gdańsk, Poland who was expected to support the project that aims at winning the Ukrainian energetical independence from Russia, failed even to start her part of the job. There is no single meter of the pipe on the Polish soil and the entire issue is the worst example of the mentioned phenomenon of pure declarative nature of Polish-Ukrainian strategic co-operation.
3. Historical and historical memorials dispute:
  - a) The problem of restoration of the Polish Military Cemetery in Lviv – the place were Polish soldiers killed in Polish-Ukrainian (1918-1919) and Polish –Soviet (1919-1920) wars are buried is the most difficult one in historical dimension of Polish-Ukrainian relations. The cemetery was destroyed by soviets in 1970s and rebuilt in 1990s by Poles still there is some tension and controversies connected with inscriptions on the cemetery that is treated by local Ukrainian nationalists from Lviv as a symbol of Polish military glory and triumph over Ukrainians in 1919. The conflict is still unresolved in spite of the good will of both governments. The resistance of local Lviv authorities prevents it from being settled.
  - b) On the other hand there was a short conflict in Przemyśl in 1991 on the ownership of the former cathedral of the Greek Catholic (Uniate) church in the city. After the first partition of Poland the temple was taken from Roman Catholics in 1784 by emperor Joseph II of Austria and given to the Greek Catholics. In 1956 it was returned to Roman Catholics. The Greek Catholics claims to the cathedral church were recognised by the hierarchy of the Roman catholic church in Poland in 1991 and the decision about the restoration of Greek catholic ownership had been taken. Still the local population of Roman Catholics occupied the temple and prevent its transmission back to Greek Catholics i.e. – Ukrainians in

---

*Dariusza Rosatiego (dn. 9 maja 1996 r.)* [in:] *"Polska polityka zagraniczna w 1996 r."* Rzeczpospolita Polska. Ministerstwo Spraw Zagranicznych. Departament Promocji i Informacji, Warszawa 1997, p.31.

<sup>16</sup> T. Chabiera, *Status dla Ukrainy*, [in:] „Polska i Ukraina w latach dziewięćdziesiątych. Podstawy i płaszczyzny współpracy”, Warszawa 1997, p.10-13. See as well: A.Z. Kamiński, J. Kozakiewicz, *Stosunki polsko-ukraińskie. Raport*, Warszawa 1997, p.44.

Przemyśl. The conflict was settled down by the decision of Polish church to give another temple to Ukrainians in Przemyśl in 1991.

- c) The Polish historical memory on ethnic cleansing committed by Ukrainian Insurgent Army (UPA) and other Ukrainian military organizations in 1943-1944 on Polish population of Volynia and Eastern Galicia (40-60 thousands of victims) is still a problem in mutual relations especially between the people of war generation. It influences the general stereotype of Ukrainians in Poland very much. Hopefully the importance of that factor is not very large and is diminishing due to natural reasons.
- d) The Ukrainian historical memory of the „Vistula Action” of 1947– the deportation of the Ukrainian population from Eastern-Southern Poland to the territories having been newly gained from German in 1945.
4. Restoration of Ukrainian ownership of private land confiscated by communist authorities in 1947 – when the Ukrainian population was deported from eastern-southern Poland („Vistula Action”). The issue is connected with a problem of come back of those Ukrainians and Lemks who wish to come back to the land of their fathers. There are no clear perspectives of the solution of the problem. It constitutes a part of a general problem of reprivatisation of private property confiscated by communist authorities after 1944 which still remains unsolved regardless the ethnicity of former owners – Polish citizens.
5. The Schengen border regime and the introduction of visas for Ukrainians that is planned on July 2003. Poland is the only democratic country Ukrainians can travel to without visas now. The creation of the barrier between both countries is not enthusiastically welcomed in Poland too due to the transborder trade that gave employment to many people both in Poland and in Ukraine. The importance of Schengen rules introduction is however commonly recognised by Polish political class so the very decision will be implemented. The means to minimize those results of the Schengen regime introduction that are undesirable are considered and future will show to what an extent they will be practical and effective.

Generally speaking in spite of some minor problems on regional level and some others in historical dimension of the mutual relations, Polish-Ukrainian co-operation constitutes the largest however to some extent not properly exploited potential, crucial for the stabilisation of the region between the Baltic and the Black Sea. The lack of the territorial-ethnic problems allows us, in spite of the tragic historical experiences, expect no serious troubles in mutual relations. To the contrary all the strategic interests of Poland and Ukraine seems to be common and thus shared by the political elite in both countries. The perspective for solution the minor conflicts mentioned above are therefore good and the most difficult among the controversial issues just need time to be settled down without emotions.

## **VI. Co-operation in regional international fora:**

Poland was an active promoter of the idea to invite Ukraine to the Council of Europe and is active in advocating the Ukrainian co-operation with Central-European economic organizations and political fora (CEFTA<sup>17</sup>, Visegrad Group<sup>18</sup>). At the turn of May and July 1996 Ukraine effectively supported by Poland become a full member of Central European

---

<sup>17</sup> CEFTA - Central European Free Trade Association – created in 1992 by Poland, Hungary and then Czechoslovakia. In 1993 the last split into the Czech Republic and Slovakia. In 1995 CEFTA was joined by Slovenia and in 1997 by Romania.

<sup>18</sup> Visegrad Group – created in 1990 by Poland, Czechoslovakia and Hungary. An informal political and economic co-operation forum. Now to the group belong Czech Republic, Hungary, Poland and Slovakia.

Initiative<sup>19</sup>. The membership of Ukraine in CEFTA was considered in mid 1990s still it depended on the prior regulation of the relations between Ukraine and the EU (association agreement between the EU and Ukraine is needed the conclusion of which is highly improbable in a foreseeable future) as well as on the accession of Ukraine to GATT and WTO<sup>20</sup>. In the context of regional political multilateral co-operation of the state in Central Eastern Europe it is worth mentioning the common position adopted by the presidents of Poland, Ukraine and Lithuania on the developments in Bielarus - the position that was supported by the activity of the members of parliaments of the respective countries undertaken to defend the MP of the Bielarussian Parliament in November 1996 while persecuted by Bielarussian president Alexandr Lukashenka.<sup>21</sup>

## VII. Polish-Ukrainian relations and the third actors (Russia, USA, EU, NATO):

There were three main factors that influenced Polish-Ukrainian relations in the period in question:

- The Russian factor (Polish-Russian and Ukrainian -Russian relations);
- The American factor (Polish-American and American-Ukrainian relations);
- The degree of the completion of the integration of Poland into NATO (till 1999 when the process was completed) and into the EU;

The impact of Polish-Russian and Polish-American Relations combined with Ukrainian-Russian and Ukrainian-American ones is important for Polish-Ukrainian relations for many reasons. First of all the very independence of Ukraine is commonly treated in Poland as the best guarantee against the possible rebirth of the Russian empire regardless the ideological colour of such a state. This fact shapes the general background of Polish foreign policy in the East. On the other hand the Russian factor is far less detectable in the context of Polish-Ukrainian relations than the American one. Neither Polish nor Ukrainian acts undertaken within the domain of mutual relations have ever been officially motivated by the context of Polish Russian policy. Still the mentioned failure of the Polish-Ukrainian co-operation related to the Odessa-Brody pipe line can be explained to the considerable extent by unofficial Russian political influence hostile to Ukrainian energetical independence that was expected to be created by the investment in question.

As far as American factor is concerned, Poland being an ally of the United States does her best to promote good relations between Washington and Kyiv. The best example is a visit that was paid by Condoleezza Rice in July 2001 in Ukraine and that was inspired by Polish diplomacy and aimed at the promotion of positive image of Ukraine in the West. Ukraine is a

<sup>19</sup> *Central European Initiative* a consultative forum dealing with ecological problems, cultural issues, scientific co-operation, transport, telecommunication, etc., created in Budapest in 1989 as a form of regional co-operation between Austria, Hungary Italy and Yugoslavia then known as *Quadrangone*. Since the accession of Czechoslovakia in 1990 - *Pentagonale*, since the accession of Poland (1991) – *Heksagonale*. After the split of Czechoslovakia into two states and the collapse of Yugoslavia and the emergence of Slovenia and Croatia as the separate memberstates the present name was introduced. In 1996 Albania, Bielarus, Bulgaria, Romania, Ukraine, join the organization and in 1997 Moldavia become its member too.

<sup>20</sup> J.J.Gałęski, op.cit., p.87. The Ukrainian membership in WTO was recognized as a common priority of Ukraine and the EU by the European Council in Vienna in December 1998. See: *Ukraine, Tacis Annual Report, 1998*,... [http://europa.eu.int/comm/external\\_relations/nis/tar98/ukraine.htm](http://europa.eu.int/comm/external_relations/nis/tar98/ukraine.htm) For details about Ukraine- WTO relations see: В. Головинська, *Україна і Світова Організація Торгівлі: стан, проблеми, перспективи інтеграції*, Київ 2001, p.19-91.

<sup>21</sup> J. Gałęski, op.cit., p. 31. About the hostility that that action provoked in Moscow see: A. Miller: *Obraz Polski i Polaków w Rosji od roku 1989: Powszechna atmosfera i zasadnicze etapy jej zmiany - wymiar historyczny, stereotypy*, [in:] "Dynamika stosunków polsko-rosyjskich w latach 1991-1996" "Studia i Analizy", no 3, Kraków 1997, p.15.

frequent subject of Polish lobbying in the USA. A special Club of Ukraine's Friends constituted by prominent American citizens and politicians was created in the USA following the pattern of the Club of Poland's Friends that was being active in the time of Poland's diplomatic action aiming at joining NATO. Before „Kolchuga” scandal the club tried to organise tripartite meeting of the presidents of Ukraine, Poland and the United States aiming to create a political Triangle Warsaw-Washington-Kyiv. Those plans have been however destroyed by the scandal and are not real any more at least as long as Kuchma is in power<sup>22</sup>. Nevertheless the Council of the United States-Poland-Ukraine Cooperation Initiative created in October 1998 is still active.

On the other hand Polish-American relations and American-Ukrainian relations influence Polish-Ukrainian once and the latest fall down in interpersonal contacts between the presidents of both countries (Poland and Ukraine) is obviously connected with American accusations related to the „Kolchuga” affair. The same can be said about the EU role in Polish-Ukrainian relations that is often pointed out as the main source of a given decision (for example - the implementation of a new Schengen type border regime on Polish-Ukrainian frontier).

Apart from the two states mentioned above the third factor seems to play the crucial role in Polish-Ukrainian relations and therefore deserves more attention:

- **Polish accession to NATO and the process of accession to the EU and their impact on Polish-Ukrainian relations**

Four main issues shape the relations between Poland and Ukraine in the context of Poland's accession to NATO (1999) and the accession process to the EU (1991-till now):

- The positive attitude of Ukraine towards the Poland's membership in NATO that was demonstrated almost from the very beginning of the debate on that issue;
- The stage of the integration of Poland into the EU;
- Ukrainian – NATO relations
- Ukrainian – EU relations;

At the beginning the attitude of Ukraine towards Poland's membership in NATO was characterised by certain reserve caused by two factors:

- a) possible rise of Russian pressure on Kyiv aiming at counterbalance the political effect of NATO enlargement by extension of direct Russian domination on the most important post – soviet state;
- b) possible scenario of concentration of Polish policy on the West with simultaneous reduction of interests in Ukraine as well as allegedly possible division of zones of influence between NATO and Russia with a border placing Poland on the West and Ukraine on the East. The threat of alleged possibility of unofficial recognition of Ukraine as a natural zone of Russian domination and Russian „justified vital national interests”<sup>23</sup>.

*The NATO - Ukraine Charter on a Distinctive Partnership*, signed on July 9<sup>th</sup> 1997 reduced those reservations<sup>24</sup>. It is worth mentioning that point III/8<sup>th</sup> of the Charter comprises an

<sup>22</sup> *Polska namówiła Rice do odwiedzenia Kijowa – Wiadomości*, „Ukraińsko-polski magazyn internetowy”, lipiec 2001, <http://www.ukraine-poland.com/wiadomosci/news.php?arch=1&mon=7&rok=2001>

<sup>23</sup> S. Tołstow, *Perspektywy współpracy polsko-ukraińskiej na tle zmian europejskiego systemu bezpieczeństwa*, [in:] *"Polska i Ukraina w latach dziewięćdziesiątych. Podstawy i płaszczyzny współpracy"*, Warszawa 1997, p. 24-25, 30-31. See as wellan opinion of Y.Kyrylenko: *Trójkąt Waszyngton-Kijów-Warszawa. Dzień na świecie, "Rzeczpospolita"*, nr 41 (4901), środa 18 lutego 1998 r., p.5

<sup>24</sup> *The Charter* provides a framework for consultation and co-operation in areas such as conflict prevention, crisis management, peace-support, humanitarian operations, civil emergency planning, disaster preparedness, and

obligation of NATO for financial support of the maintenance of Polish-Ukrainian Peacekeeping Battalion (see further below). The development of the co-operation between NATO and Ukraine within the framework of the *Partnership for Peace* programme contributed very much as well to the final disappearance of that kind of distrustful approach. Ukraine having special relations with NATO did not object the entrance of Poland to the Alliance. That attitude was clearly distinctive from that of Russia and highly estimated in Poland. At the meeting of the presidents of Estonia, Latvia, Lithuania, Poland, and Ukraine, hold in Tallin on May 27<sup>th</sup> 1997, Ukraine, acting in full accordance with the goals of Polish foreign policy, supported Baltic States efforts to join NATO. Kuchma acknowledged that position on the next presidential meetings in Vilnius in September 1997.

Now Kyiv expresses its will to strengthen the co-operation with NATO. The entrance of Ukraine itself into the Alliance however not being an issue of the current political consideration is not excluded in the future. In direct Polish-Ukrainian talks Polish government clearly stated that the future Ukraine membership in NATO should not be excluded<sup>25</sup>. The support of Ukrainian co-operation with NATO by Poland was predicted before Poland's accession to the Alliance and those expectations have already proved to be truth. Ukraine is doing her best to exploit that Polish policy too. In February 1998 then deputy director of the Department of Europe and America of the Ministry of Foreign Affairs of Ukraine – Yevhen Kyrylenko submitted a proposal of the participation of Ukrainian military industry in the modernisation of Polish Army in the context of Polish entrance to NATO. The proposal was made at the meeting of Ukrainian-American Committee for Foreign Policy<sup>26</sup>

The year 1999 and the Kosovo War contributed to the first fall down in Ukrainian-NATO relations. It was not as dramatic as in Russian-NATO ones still considering the then upcoming electoral campaign in Ukraine it was inconvenient for Ukrainian political elite to promote Ukraine's rapprochement with the West by the development of the intensive co-operation with NATO. Those circumstances had no detectable impact on Polish-Ukrainian co-operation. To the contrary, next year Polish-Ukrainian Peacekeeping Battalion was sent to prove its military value in Kosovo, serving in NATO-lead KFOR operation.

The relatively decrease in NATO-Ukraine relations caused by „Kolchuga” affair in autumn 2002 should be seen more in its personal dimension (the attitude of NATO to Kuchma) than in the inter-state one. Its impact on Polish-Ukrainian contacts has consequently already mentioned above interpresidential (personal) and not inter-state dimension.

## VIII. Polish support for Ukrainian western Policy (EU-NATO)

### a) NATO

Poland has developed an intensive military co-operation with Ukraine aiming at promotion of both our countries as net contributors to the European security. Polish potential contribution to the NATO-EU *out of area operation* is ca. 1000-1500 soldiers<sup>27</sup>. This number

---

defence reform. For the full text see: *Charter on a Distinctive Partnership between the North Atlantic Treaty Organization and Ukraine*, Madrid, 9 July 1997, „NATO On-line library”, <http://www.nato.int/docu/basicxt/ukrchr.htm>

<sup>25</sup> N. Mychajlyszyn, *NATO and Public Opinion in Ukraine*, [in:] "USA, NATO, Polska. Problemy bezpieczeństwa europejskiego, Materiały kponferencji przeglądowej, Kraków 24-25 marca 1997", Kraków 1997, p.128-129.

<sup>26</sup> *Trójkąt Waszyngton-Kijów-Warszawa...*, p.5.

<sup>27</sup> Conclusions drove by the author from the presentation made by brigade general Bronisław Kwiatkowski - *Realizacja postanowień dostosowawczych i reformy wewnętrznej Polskich Sił Zbrojnych w przeddzień przystąpienia do NATO w oparciu o doświadczenia 6BDSz* at the seminar: „Stopień dostosowania polskich

is however raised up due to the co-operation with Kyiv. In that context the Polish-Ukrainian military co-operation symbolised by Polish-Ukrainian battalion should be stressed as a considerable factor of strengthening the political impression of the military power generated by Poland (NATO member state) together with Ukraine (non-NATO member).

Polish-Ukrainian Peacekeeping Battalion (POLUKRBAT) was formally created in 1995 by the virtue of the agreement "...between the Republic of Poland and Ukraine on the creation of a common military unit for international peacekeeping and humanitarian operations led by international organizations". The Battalion in question according to the article 2 §1 of the quoted agreement can be used in missions undertaken by international organizations acting on the base of a mandate of the UN Security Council or in the name of other organizations responsible for maintenance of peace and international security on the base of the decisions described by chapter VIII of the United Nations Charter. Article 1 § 2 of the Agreement determines the scope of the common missions of the battalion that is as follows:

- suppression of the international and internal conflicts;
- solution or creation of the conditions for solution of the conflicts on the base of the agreement of the parties involved;
- humanitarian aid for the population on the area of the conflict;
- assistance to the states that suffered from conflicts;
- counteraction to any threat to the peace.

According to the headline goals adopted in the Agreement the Battalion should be able to take up an action in 30 days since the governments of both countries are asked to use the unit. It is worth mentioning that the period agreed upon is by half shorter than the one adopted by Helsinki European Council for the EU intervention forces in 1999.

The scope of the potential missions of POLUKRBAT is large enough to use it for the EU led *Petersberg Tasks*<sup>28</sup> too.

Polish-Ukrainian common unit counts - 744 soldiers (378 from Polish 4<sup>th</sup> mechanised battalion of the 14th Armoured Brigade from Przemyśl and 366 from Ukrainian 310th mechanised regiment from Yavoriv)<sup>29</sup>. Generally Battalion has three mechanised companies (two Polish and one Ukrainian) and technical platoons (Polish and Ukrainian). Three additional components are common – headquarters of the battalion, staff company and logistic company. The creation of the national components of the Battalion had been finished by March 31<sup>st</sup> 1998. The unit achieved the operational capability at the beginning of 1999. The Battalion was included into the KFOR forces in Kosovo in 2000 and is still in service there.

On June 8th 2000 in Yavoriv the commanders-in-chief of the Polish Army Forces and his Ukrainian colleague generals Zbigniew Zaleski and Petro Shuliak signed a technical agreement on the principles of commanding, Organization, deployment and tasks as well as the rules of financing of the national contingents of the Polish-Ukrainian Battalion. That act was the final one of the process of the creation of the international legal base for the common action of the Polish-Ukrainian Battalion in the peacekeeping mission in Kosovo.

---

*struktur obronnych do standardów NATO*" – Instytut Studiów Strategicznych Fundacji MCRD, Kraków, 11 grudnia 1998.

<sup>28</sup> The *Petersberg tasks* created first by WEU and then adopted by Cologne European Council in June 1999 as the tasks for EU led operations are as follows:

- humanitarian and rescue tasks;
- peacekeeping tasks;
- tasks of combat forces in crisis management, including peacemaking.

See: *Western European Union Council of Ministers*, Bonn, 19 June 1992, Petersberg Declaration, Part II, point.4, p.1.

<sup>29</sup> W. Grygolec, *Stosunki polsko-ukraińskie w aspekcie polityczno-militarnym*, „Stosunki polsko-ukraińskie” Studia i analizy MCRD, no 6, p.78.

The agreement provided for the modification of the size of the national contingents within the battalion. The unit sent to Kosovo is constituted by 600 Polish soldiers from the mentioned 14 Armoured Brigade from Przemyśl and 280 Ukrainian soldiers from 24 „Iron” Division from Yavoriv<sup>30</sup>.

In July 2000 the Polish-Ukrainian Battalion (POLUKRBAT) reassumed the tasks of Polish contingent in KFOR that had comprised the Ukrainian peacekeeping platoon and had been deployed in the American sector in Kosovo<sup>31</sup>.

All those experiences allow concluding that our forces put together may count ca. 2300<sup>32</sup>. Of course not only men but the equipment counts in that calculation still an efficient efforts of Warsaw and Kyiv may give us the opportunity to promote Polish-Ukrainian military co-operation as an important part of the European capability for *out of area operations* within the scope of the *Petersberg missions*.

Polish-Ukrainian initiative has been supported by Great Britain, Canada, the United States and France as well as by NATO as a whole. Those partners assisted in the creation of infrastructure for the Battalion, the linguistic courses for officers of the unit and the courses for staff officers on peacekeeping operation rules. The allies supplied some equipment too<sup>33</sup>.

There are plans to upgrade the common Polish-Ukrainian Battalion into a Brigade. The perspectives of the Polish and Ukrainian Armies co-operation in solving logistic problems (operational air transport for expeditionary forces within the framework of NATO and EU leaded operations) is very promising too, especially considering the effective Ukrainian assistance in Polish troops air transport for anti-Taliban operation in Afghanistan in 2001/2002.

Due to political reasons common Polish-Ukrainian unit better fits to *peacekeeping* missions than to *peace enforcement* ones and that limitation of its capability should be noted.

Ukraine wants closer co-operation with NATO and would not be satisfied with merely partner status within the Partnership for Peace programme. Confronted with new – higher relations between Russia and Atlantic Alliance, Kyiv would like to obtain Membership Action Partner status that is higher than PdP one. Poland supports that Ukrainian initiative<sup>34</sup>.

## b) European Union

The process of Poland’s integration to the EU has become a subject of a permanent structural Polish-Ukrainian dialogue since 1999. Bronisław Geremek Polish foreign affairs

<sup>30</sup> Ibidem, p.78. Compare to: *Jednostki wielonarodowe, Bezpieczeństwo*, Rzeczpospolita Polska, Ministerstwo Obrony Narodowej, [http://www.wp.mil.pl/bezpieczenstwo/1\\_1\\_5\\_4.html](http://www.wp.mil.pl/bezpieczenstwo/1_1_5_4.html) .as well as: *Polska i Ukraina wysyłają wspólny batalion do Kosowa*, Archiwum tekstowe (09.05.2000), „Serwis Informacyjny o NATO i Wojsku Polskim”, <http://nato.pap.com.pl/index.html>

<sup>31</sup> N.N., *Końcowe ustalenia w sprawie Polsko-Ukraińskiego Batalionu*, Archiwum tekstowe (08.06.2000), „Serwis Informacyjny o NATO i Wojsku Polskim”, <http://nato.pap.com.pl/index.html>.

<sup>32</sup> The Ukrainian-Romanian-Hungarian-Slovak peacekeeping battalion „Tisza” is another project worth investigation as to the possibility of the creation a similar co-operation between our three countries. It has been planned to be created by the year 2001 and the Ukrainian contribution will be two artillery companies (179 men). On the „Tisza” battalion see: *Drive to set up Joint Battalions or New Defense Cooperation Philosophy*, CACDS, <http://www.niss.gov.ua/mac/cacds/archivee/Jan/0122d.html>

<sup>33</sup> W. Grygolec, op.cit., p.78. More about the multinational military units created with the participation of Ukraine see: *Drive to set up Joint Battalions or New Defense Cooperation Philosophy*, CACDS, <http://www.niss.gov.ua/mac/cacds/archivee/Jan/0122d.html>

<sup>34</sup> *Szmajdziński: Ukraina chce ściślej współpracować z NATO*, *Wiadomości*, „Ukraińsko-polski magazyn internetowy”, marzec 2002, <http://www.ukraine-poland.com/wiadomosci/news.php?arch=1&mon=3&rok=2002>. See as well: *Szmajdziński popiera zacieśnienie współpracy NATO z Ukrainą*, *Wiadomości*, „Ukraińsko-polski magazyn internetowy”, kwiecień 2002, <http://www.ukraine-poland.com/wiadomosci/news.php?arch=1&mon=4&rok=2002>

minister presented the idea of Permanent Polish-Ukrainian Conference on the European Integration during his visit in Kyiv in September 1998. The body was created in March 1999 and charged with three tasks that are as follows:

- deepening of the idea of strategic partnership between Poland and Ukraine;
- building of the stable institutions of the Polish-Ukrainian dialogue;
- support for Ukraine vis a vis Polish Western partners (the limitation of Western scepticism towards Kyiv);

The political aims to be achieved by the Permanent Polish-Ukrainian Conference on the European Integration were described as follows:

- stressing the long range dimension of the Polish-Ukrainian co-operation;
- the development of the next multilateral structure of co-operation similar to the already existing programme of triangle co-operation Poland -USA-Ukraine;
- founding more realistic for today areas of practical co-operation of Ukraine with the EU than the full integration with the Union (for example: regional co-operation, achieving WTO and OECD standards, the creation of the EU-Ukraine free trade area);
- step by step turning of the idea of the integration of Ukraine into the European Union into the realistic political programme based on the exploitation of Polish accession experience;
- the creation of the positive opinion on the enlargement of the EU in Ukraine and thus the reduction of the perception of that process as a threat;
- strengthening of the pro-Western elite in Ukraine;
- the promotion of the idea of European integration in Ukraine;
- the debate on the impact of the EU enlargement on Polish-Ukrainian relations<sup>35</sup>.

So far the main field of the activity of the Permanent Conference is Polish-Ukrainian co-operation in the harmonisation of the Ukrainian law with the European standards. Poland shares with Ukraine Polish experience on the implementation of the *acquis communautaire* into the national juridical system as well as the conclusions derived from the financial and technical assistance of the EU to Poland.

The first session of the Conference took place on March 29<sup>th</sup> 1999 in Warsaw. It was headed by the ministers of foreign affairs of both states. The talks were devoted to the Polish experiences of the association negotiations with the European Communities. Next session took place in Kyiv on July 7-8<sup>th</sup> 1999 with large contribution of the Polish Committee for European Integration and was devoted to the harmonisation of national law with *acquis communautaire*<sup>36</sup>. In result the Ukrainians proposed to set up the Polish-Ukrainian expert groups dealing with the harmonisation of the law.

---

<sup>35</sup> E. Beziuk, *Notatka informacyjna na temat znaczenia problematyki integracji europejskiej dla stosunków polsko-ukraińskich*, Departament Europy Wschodniej MSZ RP, Warszawa 27.04.1999, p.4-5.

<sup>36</sup> UKIE reprezentowany był przez J.A. Wojciechowskiego – Dyrektora Departamentu Harmonizacji Prawa (DHP), który przedstawił historię i aktualny stan procesu harmonizacji prawa polskiego z prawem wspólnotowym, M. Górkę – Naczelnika w DHP, który omówił rozwiązania przyjęte w konstytucji RP umożliwiające, w niektórych sprawach przekazanie kompetencji organów władzy państwowej organizacji międzynarodowej lub organowi międzynarodowemu, panią E Ligoń – Referendarza w DHP, która przedstawiła współpracę z biurem TAIEX, Raport na temat stanu dostosowania prawa polskiego do prawa wspólnotowego wykorzystywany min. przy tzw. *screeningu*, oraz metody określania stopnia dostosowania polskich aktów prawnych do *acquis communautaire*. *Niepodpisana notatka służbowa, Urząd Komitetu Integracji Europejskiej, Departament Analiz Stosunków Europejskich*, Warszawa, 17 stycznia 2000 r. m, s.1-2 ( w posiadaniu autora).

The IIIrd session took place again in Warsaw on November 24<sup>th</sup> 1999 and was devoted to the issues of justice and home affairs<sup>37</sup>. After that promising start the co-operation has been continuing those lines and the next meetings were devoted to other issues such as: financial and technical aid of the EU, PHARE programme, etc.

Another organization active at the European integration arena is Polish-Ukrainian Forum that had been existing since 1994 as a non-governmental structure headed by former Polish Prime Minister Ms. Hanna Suchocka. It was restructurized at the beginning of 2000. On February 14<sup>th</sup> 2000 Forum was registered by the court and the first meeting of the new structure headed by MP Henryk Wujec was convoked in the building of Polish Sejm (Parliament) on February 19<sup>th</sup> 2000. It preserved its NGO character still was closely connected to the Union of Liberty – a political party constituting a part of governmental coalition at power in the years 1997-2000. Polish-Ukrainian Forum has its Ukrainian equivalent in Kyiv – Ukrainian-Polish Forum headed by Mykoła Żułyński. It supported the idea of the creation of Polish-Ukrainian University that was finally created in Lublin and dealt with the impact of Schengen border regime on Polish-Ukrainian contacts<sup>38</sup>.

## IX. Attitude of main political parties

The issue of Polish-Ukrainian relations is not an object of the political dispute on national level among Polish political parties. All important political forces in Poland either support the idea of co-operation as well as the very concept of Polish-Ukrainian strategic partnership either have not officially expressed their opinion on that question. In the first half of the 1990s all the parties that emerged from former democratic – anticommunist opposition in Poland supported the independence of Ukraine and the idea of Polish-Ukrainian co-operation. Some of them like KPN (Confederation of the Independent Poland) tried to revive the pre-war Piłsudski's idea of „Intersee” integration (mentioned above Baltic Sea- Black Sea region), others based its attitude on modern European values (Democratic Union, Liberal-Democratic Congress, than Union of Liberty) or promoted the creation of a modern effective Polish state purified from the heritage of communism (Solidarity, Central Agreement – PC). All political streams aimed at westernization, democratisation and market reforms in Ukraine, supported Kyiv as key partner stabilising Polish security in the East. Except for the KPN (the party that ceased to exist as an actor on Polish political scene in 1997) the Ukrainian issue has never constituted an important denomination for the programme of any political party in Poland both in positive as well as in negative sense. There is no party that tries to build up its image on pro-Ukrainian or anti-Ukrainian rhetoric in Poland and generally positive attitude is a dominating one. The issue has always been and still is treated as state policy question and not a particular party one and is not an area of political fight between the parties in Poland. As far as the present parliamentary parties in Poland are concerned the situation is as follows:

### Governmental coalition:

- SLD – *Sojusz Lewicy Demokratycznej* (A Alliance of Democratic Left – post-communists) – the governing party has never made any declaration devoted particularly to the Ukrainian issue still both the prime minister who is a leader of the party and the president that used to be its member before his election, presents positive attitude to Polish-Ukrainian co-operation. SLD itself promoted the general economic

<sup>37</sup> UKIE reprezentowany był przez przedstawicieli DHP (J. Beczała – przedstawiła referat na temat dostosowania prawa w obszarze wymiaru sprawiedliwości i spraw wewnętrznych) i Departamentu Analiz Stosunków Europejskich. – Ibidem, s.2

<sup>38</sup> A. Kaczyński, *Razem czy osobno do unii Europejskiej. Polityka wschodnia Forum Polsko-Ukraińskie*, „Rzeczpospolita”, nr 43(5513), poniedziałek 21 lutego 2000, s.2

co-operation with the East during its electoral parliamentary campaign still that slogan should be understood rather in its Russian than Ukrainian dimension. A large part of party apparatus dominated by former communist party members is probably under the influence of old type stereotypes and is inclined for Russiacentric approach to the CIS states still this probably dominating approach of the provincial activists of the party has never been officially expressed in any political form on national level.

- UP – *Unia Pracy* (Labour Union) – is not an independent actor on Polish political scene now. It has never made any declaration on Ukrainian issues. It should be treated practically as a part of SLD. Having merely symbolic structures in province it is probably less saturated with old type activists and thus less inclined for Russiacentric approach to Ukraine. No public statements of its leaders made on Ukraine in the name of the Party are known;
- PSL – *Polskie Stronnictwo Ludowe* (Polish Peasants Party) – never issued any declaration devoted particularly to Ukrainian issues. No public statements of its leaders made on Ukraine in the name of the Party are known; Party leaders in the Cabinet deals with agricultural issues and thus have no opportunity to present their Ukrainian policy programme. Generally speaking PSL foreign policy programme is concentrated on economic issues (EU accession in agricultural dimension, and CIS agricultural market);
- *Samoobrona Rzeczypospolitej Polskiej* (Self-defence of the Republic of Poland) – is not a part of governmental coalition still however unstable and semi-official is a parliamentary partner of the SLD-UP – PSL government. Being a populist party has no clear program of foreign policy. Dramatic changes in rhetoric of the party on whatever issue are possible. The party has not intellectual potential large enough to create any serious political program for foreign policy still can be instrumentally manipulated most probably with negative consequences for Polish foreign relations including the relations with Ukraine.

### **Opposition:**

- PO - *Platforma Obywatelska* (Citizens Platform) – a liberal party built up mainly with former activists of the Union of Liberty has general positive attitude towards Polish-Ukrainian co-operation and Westernization of Ukraine as well as the inclusion of Kyiv into the process of European integration. On November 30<sup>th</sup> 2002 the leader of PO – Maciej Płażyński and the leader of „Nasha Ukrayina” – the main oppositional party in Ukraine – Viktor Yushchenko signed a common declaration on co-operation. The declaration speaks about the common will of both parties to intensify Polish-Ukrainian co-operation for which the declaration should be a new political impulse. The declaration stress the necessity of strategic Polish-Ukrainian partnership and presents a common membership in „Euroatlantic and European structures” for both Poland and Ukraine as a final goal of that co-operation. The declaration point out as well on Odessa-Brody –Gdańsk pipe line project as an area of potential economic co-operation and mentions the necessity of an adaptation of communication network in the Baltic Sea-Black Sea Area to the international standards. Thus Platforma Obywatelska seems to be the only party in Poland that included the Polish Ukrainian policy into her program and into her practical activity however in a merely declarative way so far. The programme of the party is however unclear now. As the majority of

the other Polish political parties does not exploit the Ukrainian issue as a instrument of selfidentification of the party and her program<sup>39</sup>;

- PiS – *Prawo i Sprawiedliwość* (Law and Justice) – central – right party stressing the power of the state and the hard defence of the interests of Poland in international relations. Constituted by hard anti-communist opposition it distrustful towards Russia, which results in its generally positive attitude towards Ukraine and her independence. Stressing the necessity to fight corruption is critical to GAZPROM influences in Poland and the practical collapse of Odessa-Brody-Gdańsk oil pipeline project. Thus de facto supports Ukrainian energetic independence and common Polish-Ukrainian project. Like the majority of other parties has never made any official declaration on Ukrainian policy that was presented to the public opinion as an element of self-image of the party;
- LPR – *Liga Polskich Rodzin* (The League of Polish Families) – rightist party with strong nationalistic component. Being a coalition of smaller fractions has no a homogenous programme in foreign policy. Its self-identification is based on anti-European rhetoric thus the Eastern dimension of Polish foreign policy is neglected in its declarations. Some of the activists like Janusz Łopuszański are strongly against NATO and are ready to support Russian foreign policy and to see Ukraine in the context of the tragic history of Polish-Ukrainian conflict in World War II. Others like Jan Olszewski support the Polish-Ukrainian co-operation. All those small fractions are not very important and the secession of them from LPR is possible or has been already completed (Antoni Maciarewicz). Roman Giertych (the leader of the main stream) has never made any public statement on Polish Ukrainian foreign policy still his ideas based on pre-war rightist tradition of National Democracy allows us to guess that the general attitude of the party towards Ukraine can be described as moderate negative. As far as it can be guessed Ukraine is probably seen as the country potentially dominated by nationalists hostile to Poland.

The participation of the activists of SLD, Samoobrona and LPR in local conflicts connected with history (monuments, cemeteries) or property ownership restoration claims like those in Przemyśl in 1991 (see below) is possible. The discipline in political parties in Poland is low so having that reservation in mind one can risk a thesis that involvement of other parties officials in that kind of policy is highly improbable or will not enjoy the support of central authorities of the respective party.

## **X. National minorities in bilateral relations**

The problem of national minorities is not a very important one in Polish-Ukrainian relations. Polish national minority quite numerous in what is now Western Ukraine till the World War II was exterminated or deported and counts ca. 30 thousands of people now. The general number of the Polish population in the entire Ukraine varies from 200 thousands (according to the last soviet census) to 1 million (according to Polish minority organizations estimates). The issue of Polish population in Ukraine does not have a borderland or/and territorial dimension. The Poles live mainly in Lviv and Zhytomir regions. Still unlikely the Hungarians in southern Transcarpathia, Polish population almost nowhere constitutes a local

---

<sup>39</sup> *Deklaracja współpracy Platformy i Naszej Ukrainy*, „Stosunki polsko-ukraińskie”, Ukraińsko-Polskie Centrum Współpracy,

<http://www.upcfc.org/upcfc/public/www/UPCinfo.nsf/dbl-AllByUnid/A3D98D92250A7C49C1256C7C003A948C?OpenDocument>

territorial majority. The Poles are dispersed among the Ukrainians and do not have a character of borderland population. The same may be said about the Ukrainians in Poland (ca. 150-250 thousands), who were deported from their homeland in southern eastern Poland as a result of the so called "Vistula" Action in 1947 and live in dispersion on the territories gained by Poland from Germany after the World War II - i.e. in western and northern voivodships. The lack of homogenous ethnic territories inhabited by Polish minority in Ukraine and vice versa Ukrainian minority in Poland gives no material base for any territorial claims of both sides thus making any revisionism groundless. This very fact contributes in a crucial way to the reconciliation of both nations in spite of their complicated history.

The Ukrainians in Poland have four primary schools and three secondary ones where Ukrainian is the language of instruction as well as ca. 70 the so called „Sunday schools” where the courses of Ukrainian language are conducted.

The Ukrainians in Poland supported the democratic transition that was initiated after the regaining of independence by Poland in 1989. The territorial dispersion of Ukrainians among Polish population prevents them from creating their own parliamentary representation in spite of the fact that Polish electoral law privileges national minorities. Till last parliamentary elections in 2001 they were however active in Polish political life co-operating first in 1989 with „Solidarity” (a representative of Ukrainian minority in Poland - Wołodymyr Mokry became a MP as a deputy of the „Solidarity” club) and then with the Union of Liberty (former Democratic Union). Mirosław Czech became a member of the authorities of the party in the Sejm of the IIIrd cadence (1993-1997) and IV cadence (1997-2001). The first independent Ukrainian organization in Poland after 1945 - *The Union of the Ukrainian Students in Poland* was created as early as it was possible i.e. in 1981 during the first period of the legal existence of „Solidarity”. The Ukrainians as all the other citizens of Poland enjoy the full freedom of self-organization since 1989. The former Social-Cultural Ukrainian Society collaborating with the communist authorities transformed itself into the Union of the Ukrainians in Poland in February 1990 and has ca. 10 thousand members.

The Poles in Ukraine have two schools in Lviv and 70 outside Halychyna (a part of Ukraine that belonged to Austria before 1918). Several Polish organization were created in Ukraine after 1989 and they were federated in the Federation of Polish Organizations in Ukraine (*Federacja Organizacji Polskich na Ukrainie*) on January 25<sup>th</sup> 1992. Polish minority maintains 12 newspapers and magazines of social, educational, cultural, religious or informative profiles all of them published in Polish language (7 in Lviv, 1 in Kyiv, 1 in Berdychiv, 1 in Charkiv, 1 in Kamianec Podolskyi and 1 in Luck).

Poles participate in Political life of Ukraine as well. In April 2001 parliamentary elections three Poles were elected deputies to Verhovna Rada (Supreme Council – the Parliament of Ukraine) Paweł Żebrowskim from Berdyczów, Walenty Stawicki from Dołbysz (sometimes called Dowbysz – the most „Polish” city in Ukraine where 70 per cent of population are Poles) and Wiktor Rozwadowski, from Żytomierz. Poles are members of municipal councils in Ukraine in Berdyczów<sup>40</sup>.

The problem of national minorities as an issue in the contemporary Polish-Ukrainian relations has rather moral and historical dimension than a political one. The tensions have a merely regional character and are connected with the memorials of the past (already mentioned restoration of the cemetery of the Polish defenders of Lviv killed in Polish-Ukrainian war 1918-1919, and destroyed by the Soviets in 1970s), the mentioned above

---

<sup>40</sup> *Ukraina po wyborach do Rady Najwyższej - Polacy deputowanymi*, (Piotr Kościński z Łucka 2002-04-04 07:59:07), *Wiadomości*, „Ukraińsko-polski magazyn internetowy”, kwiecień 2002, <http://www.ukraine-poland.com/wiadomosci/news.php?arch=1&mon=4&rok=2002>

revention of the churches - Roman-Catholics in Ukraine and Greek-Catholics in Poland. (Carmel in Przemyśl). The central authorities of both the states presents a good will in solving all the problems of that nature<sup>41</sup> still the tension on local level and incidents provoked by political forces of marginal or local influence happen (the insult of the Polish flag by the activists of UNA-UNSO in Lviv.)<sup>42</sup>.

It is worth stressing the fact that the importance of the historical and minority issues for public opinion in both countries differs considerably. Polish public opinion is far more vulnerable for the problems connected with the past and present of the Poles and Polish national memorials in Ukraine than vice versa. The issue of the cemetery in Lviv is a nation wide topic attracting public interest in Przemyśl as well as in Szczecin, Wrocław, Warsaw or Łódź. As far as Ukrainians are concerned, the historical disputes with the Poles and the fate of the Ukrainian minority in Poland attract the attention mainly in the western part of the country (the one that till 1939 belonged to Poland) while the central and eastern Ukrainian public opinion is either irrelevant to or unaware of the very existence of the problems in that dimension.

**Possible threat!** The effective provocation of the Russian special services is possible. Taking into consideration the extreme black scenario a terrorist attempt in Lviv for which the Poles would be blamed and a similar act in Przemyśl the Ukrainians would be blamed for cannot be excluded. The consequences for mutual Polish-Ukrainian relations could be tragic<sup>43</sup>. The mysterious circumstances of the bomb attempts in Russian cities in 1999 that had served as a pretext to start the second Chechen war forced us not to exclude such a possibility.

**The European Union** impact on Polish-Ukrainian relations in the minority dimension plays its role as:

1. Standard making structure that determines the rules of treatment of national minorities.
2. Potential future source of financial support for the programs of cultural and educational exchange as well as the reconstruction of national memorials (historical buildings, pieces of art. other pieces of common European cultural and historical heritage) of both nations in their respective territories.

---

<sup>41</sup> On May 21<sup>st</sup> 1997 during the official visit paid by President Aleksander Kwaśniewski in Kyiv there was issued by him and by President Leonid Kuchma a special common *Declaration on Reconciliation* aiming at winding up the tension based on historical resentiments. J. Wilczak, *Wolą i słowem. Deklaracja polsko-ukraińska: Żaden cel nie usprawiedliwia zbrodni*, "Polityka", no 22 (2091) 31 maja 1997 r., p.17.

<sup>42</sup> UNA-UNSO - Ukrainian National Assembly-Ukrainian National Selfdefence - a nationalistic organization active in western Ukraine. About the incident see: J. Wilczak, *Starcia w terenie. Polska-Ukraina*, "Polityka", no 28 (2097), 12 lipca 1997, p.18.

<sup>43</sup> More about the incidents in regional Polish-Ukrainian relations that are suspected to be inspired by Russian special services see: A. Podolski, *Mafia, Heroina i imperialistyczne spiski*, "Gazeta Polska", no 6 (239), 11 lutego 1998, p.10.

## **Chapter II**

### **Polish-Ukrainian Economic Relations 1991-2002**

#### Main agreements between Poland and Ukraine concerning economic relations of contracting parties:

1. Agreement on Trade and Economic Co-operation (signed 4.10.1991; implemented 11.03.1993);
2. Agreement between the Ministry of Agriculture and Food Economy of Poland and the Ministry of Agriculture and Food Economy of Ukraine on Economic and Scientific-Technical Co-operation (signed and implemented on 18.05.1992);
3. Agreement between the Government of Poland and the Government of Ukraine on Border Passes (signed 18.05.1992, implemented 11.03.1994);
4. Agreement between the Government of the Republic of Poland and the Government of Ukraine on International Roads Transport (signed 18.05.1992);
5. Agreement on Avoidance of Double Taxation and on Prevention of Evasion of Taxation in the Domain of the Income and Property Taxes (signed 12.01.1993, implemented 11.03.1993);
6. Agreement on Mutual Support and Protection of Investments (signed 12.01.1993, implemented 14.09.1993);
7. Agreement between the Government of the Republic of Poland and the Government of Ukraine on Mutual Employment of Employees (signed 16.02.1994, implemented 19.12.1994.);
8. Agreement between the Ministry of Agriculture and Food Economy of the Republic of Poland and Ministry of Agriculture and Food Economy of Ukraine on Co-operation within the Domain of Quarantine and the Protection of Plants (signed 28.09.1994.);
9. Agreement between the Ministry of Agriculture and Food Economy of the Republic of Poland and Ministry of Agriculture and Food Economy of Ukraine on Co-operation within the Domain of Veterinary (signed 28.09.1994);
10. Agreement between the Government of the Republic of Poland and the Government of Ukraine on Co-operation and Mutual Assistance in Custom Issues (signed 18.12.1995);
11. Agreement between Polish Research and Certification Centre and the State Committee Of Ukraine for Standardisation, Metrology and certification on Co-operation in the Domain of mutual Recognition of the Results of the Works Related to Certification (signed in June 1996, implemented 26.06.1997);
12. Intergovernmental Agreement on the Creation of Polish-Ukrainian Commission of Spatial Economy (signed in June 1996);
13. Intergovernmental Agreement on Co-operation between Polish Ministry of Industry and Trade and Ukrainian Ministry of Machine Industry, Military Industry Complex and Conversion (signed in June 1996);
14. Intergovernmental Agreement on Co-operation between Polish Ministry of Industry and Trade and Ukrainian Ministry of Trade (signed in June 1996);
15. Intergovernmental Agreement on Mutual Supplies of Armament and Military Technology and on Services on Military-Technical Character (signed in June 1996);
16. Agreement on Liberalization of Trade (signed in May 1997);
17. Framework Programme of Co-operation between Ministries of Agriculture and Food Economy of the Republic of Poland and Ukraine on the years 1997-1999 (signed in March 1997);

18. Agreement on Co-operation between the Ministry of Health and Welfare of the Republic of Poland and the State Committee of Medical and Microbiological Industry of Ukraine in the domain of Pharmacy and Medical Equipment (signed 18.03.1997)
19. Agreement on Organization of Production of Cranes transport appliances and Building Machines;
20. Agreement on the Creation of Polish-Ukrainian Company to Assembly and Produce Harvesters *Bizon*;

Legal background of Polish-Ukrainian economic relations is constituted by the agreements mentioned above and a set of inter-ministerial agreements regulating the details within the competence of a given ministry. The institutional economic co-operation between the two countries is based on the framework supplied by Polish-Ukrainian Mixed Commission on Economic Co-operation and Trade (*Polsko-Ukraińska Komisja Mieszana ds. współpracy Gospodarczej i Handlu*) headed by the prime ministers of both countries. A special memorandum on liberalisation of trade between Poland and Ukraine was signed in January 1997 – during president Kuchma’s visit to Poland. In result Polish-Ukrainian Mixed Commission adopted a special rapport on the removal of barriers and limitations in the scope of that co-operation in February 1999. In March 2000 the two governments signed a special declaration on Polish know-how assistance to Ukraine within the domain of administrative and economic reforms.

Business circles of both countries co-operate within the special fora that came into being in 1990s – Polish-Ukrainian Economic Summit in Rzeszów [*Polsko - Ukraiński Szczyt Gospodarczy w Rzeszowie*] annual meetings] and Economic Forum Poland-East in Krynica [*Forum Ekonomiczne Polska - Wschód w Krynicy* (annual meetings)].

In international fora Poland supports Ukraine in her struggle for WTO membership<sup>44</sup>.

## I. Trade

The years 1989-1991 - the period of the collapse of communism in Poland and the split apart of the USSR brought revolutionary changes in the character of Polish economy as well as in the Polish economic relations first with the USSR and than with its successor states including Ukraine. Till the end of that first period one can hardly speak about the separate Polish-Ukrainian economic relations. This is due to the fact that the USSR was a highly centralised state and the foreign trade was state monopoly and as such was totally dominated by state owned enterprises. Therefore those first relations were undertaken within the framework of the CMEA (Council of Mutual Economic Assistance known in English as well under the name of COMECON) that was just in the course of dissolution.

The collapse of the Soviet Union in 1991 initiated bilateral economic relations between Poland and Ukraine. New intergovernmental agreement signed between the two states was however based on old Soviet type conventions and therefore was not adequate to the changed situation. The lists of the goods made in order to established the agreed products exchange just copied the pattern of the old Polish-Soviet protocol on trade co-operation. Ukraine however could not counterbalance Polish import to that country by her own export to Poland. Till 1991 the bulk of Polish import from the USSR had come from Russia (fuel, raw materials) while Polish export had been distributed in more balanced way mainly among the European republics of the former USSR with some predomination of the Ukrainian and

---

<sup>44</sup> *Współpraca gospodarcza Polska – Ukraina*, Ministerstwo Gospodarki Departament Stosunków Gospodarczych z Zagranicą, „Ukraińsko-polski magazyn internetowy”, <http://www.ukraine-poland.com/handel/handel.php?id=2.txt>

Bielorussian markets. In the last years of the existence of the USSR however some 2/3 of the trade between Poland and the Soviet Union was the exchange with the Russian FSSR.

Generally speaking Polish-Ukrainian economic relations in comparison to the Soviet times underwent a profound break down after 1991. That was a common and not an exceptional phenomenon for the entire post-soviet space and not only for Ukraine. The same process could be noticed in Polish-Russian, or Polish-Bielorussian etc. relations as well as in for example Finnish-Russian relations. It was the internal situation in the former USSR and the decisions taken in Moscow at the beginning of 1990 (before the collapse of the Soviet Union)<sup>45</sup> that resulted in that dramatic fall down in mutual economic co-operation.

New trade agreements concluded by Poland and Ukraine in early 1990s replaced the old - soviet type trade conventions based on lists of goods for exchange and since then the mutual trade exchange has been based on enterprise to enterprise agreements according to market economy rules and the transactions are made in exchangeable currencies or in barter now.

In 1994 the governments of both states agreed the following strategic directions of economic co-operation:

1. Full reactivation of industrial and productive co-operation everywhere where it had existed before the collapse of the USSR (In spite of strange terminology applied in that point the agreement is intended not to re-established the old soviet type co-operation but aims at the creation of a new international division of labour);
2. Recreation of supplies of Polish energetic raw materials for Ukraine in exchange for the products of Ukrainian heavy industry and raw materials;
3. Taking up new production and investments in chemical and pharmacological industry;
4. Polish assistance in the conversion of Ukrainian military industry into civil one;

Mentioned above special Polish-Ukrainian Mixed Commission for Economic Co-operation and Trade headed by prime ministers of both countries was created in order to supervise of the implementation of the agreed tasks<sup>46</sup>.

The initial Polish-Ukrainian trade co-operation was limited by enormous inflation that reached 2 500 per cent (!) in Ukraine in 1994. The benefits of the trade operations in such conditions depended on accidental and unforeseeable shifts in prices that in the case of Ukraine were regulated to the considerable extent by the state. The structure of the trade was therefore rather accidental too. In spite of those difficult conditions ca. 500 Polish private enterprises were active in Ukraine in 1995 and in 1997 their number raised up to 700. All of them were small and ill rooted on the local market. The overall investments made by those companies in Ukraine in 1994 reached only 12 mln of USD in comparison to 366,9 mln USD of the general foreign investments in the country<sup>47</sup>.

The clear rise in economic co-operation between Poland and Ukraine began in 1992 In the years 1992-1997 the trade turnover between Poland and Ukraine raised up six times. In 1996 the trade exchange raised up over 1 billion USD (export from Poland - 742.6 mln USD, import - 290.8 mln USD) which gave the average dynamics of the development ca. 37 per

---

<sup>45</sup> Contrary to the earlier agreements the USSR having given up the so called transferr rubel system decided to base the mutual trade contacts on USD payments and resigned even from barter. The lack of currency prevented all post soviet enterprises from buying goods on previous scale in Poland and other countries and thus resulted in a dramatic fall down in mutual trade exchange at the beginning of 1990s.

<sup>46</sup> A. Kupich, *Współpraca na rzecz transformacji*, [w:] "Polska i Ukraina w latach dziewięćdziesiątych. Podstawy i płaszczyzny współpracy, Część IV- Współpraca gospodarcza" Warszawa 1997, s.117. See as well: J.J.Gałęski, op.cit., p.87

<sup>47</sup> M. Bałtowski, *Uwarunkowania współpracy gospodarczej Polski i Ukrainy*, [in:] "Problemy polsko-ukraińskiej współpracy przygranicznej", Warszawa-Kijów 1995, p.60 and J.J.Gałęski, op.cit., p.87 as well as: M.J. Całka, *Polska polityka wschodnia w 1994 r.*, "Rocznik Polskiej Polityki Zagranicznej 1995", ed by. B.Wizimirska, Warszawa 1995, p.124.

cent in comparison to 1995. Just before the economic crisis of 1998 Ukraine became the second to Russia trade partner for Poland and the seventh large market for Polish export. In 1997 the trade exchange between our two countries reached 1.622 billion USD in comparison to only 275 mln USD in 1992. This exchange was characterised by Polish trade surplus that in 1997 reached 791 mln USD<sup>48</sup>. In spite of that fact the Polish share in the overall Ukrainian foreign trade exchange outside CIS countries reached only 6 per cent and the Ukrainian share in Polish foreign trade never raised up over 1 per cent.

Export from Poland to Ukraine comprised mainly coal and mineral products (48 per cent of overall value), agricultural products (15%) and electronic industry products (8%). Ukraine exported to Poland mainly mineral products, iron ore and ferroalloys (53%), chemical industry products (16%) and agricultural products (9%)<sup>49</sup>.

Trade exchange between Poland and Ukraine (in comparison to the trade relations of Poland with Russia and Bielarus) renders Ukraine our main partner in the East. Polish trade with CIS countries was characterised by profound instability in the years 1994-1997 (see tables 1.8 and 1.9)<sup>50</sup>. In spite of that fact the trade turnover was rising and a surplus of \$0,5 mld was achieved by Poland for the first time in 1997. However 2/3 trade turnover of Poland

<sup>48</sup> A. Szymborska-Sutton, *Druga po Rosji*, „Życie”, poniedziałek 24 sierpnia 1998, p.8.

<sup>49</sup> J.J.Gałęski, op.cit., p.87. A. Szymborska-Sutton, op.cit., p.8 quoting the information supplied by Ministry of Economy gives other data for 1997. According to it the trade turnover was as follows:

**Export from Poland to Ukraine:**

- chemical industry products – 22,3%
- agricultural products – 19,4 %
- mineral raw materials (including coal) – 15,9%
- electromechanical industry products – 10,2%
- furniture and lightning appliances – 9,6%

**Import to Poland from Ukraine:**

- raw minerals (including iron and mangan ore as well as natural gas) – 70,5%
- chemical industry products – 8,7%
- agricultural products – 6,2%
- base metals – 5,9%

<sup>50</sup>

Table 1.8  
Poland's trade exchange with CIS countries (mln USD)

YEAR	Export				Import				Trade balance				Turnover			
	1994	1995	1996	1997	1994	1995	1996	1997	1994	1995	1996	1997	1994	1995	1996	1997
CIS	1425	2337	3036	3939	2011	2702	3364	3479	-586	-364	-328	461	3436	5039	6400	7418
Bielorus	137	241	272	319	166	238	257	221	-29	2	15	98	302	479	530	540
Russia	935	1274	1654	2155	1453	1960	2526	2685	-519	-686	-872	-531	2388	3234	4180	4840
<b>Ukraine</b>	<b>280</b>	<b>743</b>	<b>978</b>	<b>1207</b>	<b>205</b>	<b>291</b>	<b>418</b>	<b>416</b>	<b>76</b>	<b>452</b>	<b>559</b>	<b>791</b>	<b>485</b>	<b>1033</b>	<b>1396</b>	<b>1622</b>
Other CIS states	74	80	132	258	188	213	162	157	-114	-133	-30	102	261	293	294	415

Table 1.9  
The structure of Poland's trade exchange with CIS countries (in %)

	Export				Import				Trade balance				Turnover			
	1994	1995	1996	1997	1994	1995	1996	1997	1994	1995	1996	1997	1994	1995	1996	1997
CIS	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0
Bielorus	9,6	10,3	9,0	8,1	8,2	8,8	7,7	6,3	4,9	-0,6	-4,6	21,4	8,8	9,5	8,3	7,3
Russia	65,6	54,5	54,5	54,7	72,3	72,5	75,1	77,2	88,5	188,1	266,1	-115,3	69,5	64,2	65,3	65,3
<b>Ukraine</b>	<b>19,7</b>	<b>31,8</b>	<b>32,2</b>	<b>30,6</b>	<b>10,2</b>	<b>10,8</b>	<b>12,4</b>	<b>11,9</b>	<b>-12,9</b>	<b>-124,0</b>	<b>-170,7</b>	<b>171,8</b>	<b>14,1</b>	<b>20,5</b>	<b>21,8</b>	<b>21,9</b>
Other CIS states	5,2	3,4	4,3	6,6	9,3	7,9	4,8	4,5	19,5	36,5	9,2	22,1	7,6	5,8	4,6	5,6

Tables: J.Świerkocki, M.Robowski, R.Woreta, *Merkury – Handel zagraniczny Polski: niektóre zjawiska w latach 1994-1996. Raport końcowy*, Ekspertyza realizowana w ramach kontraktu PHARE-SIERRA PL 9212-01-02L/043/95, Instytut Europejski w Łodzi, Łódź lipiec 1998, p.12.

with CIS countries was a Russian share<sup>51</sup> still, the surplus in that exchange was created mainly by Polish trade with Ukraine. The export to Ukraine rise up 4.5 times in those years (\$1.2 mld in 1997.), while import only twice (\$0,4 mld in 1997). In result more than 30 per cent of Polish export to CIS countries in 1997 was an export on Ukrainian<sup>52</sup>. This optimistic tendency was broken in summer 1998 r. due to Russian crisis that was combined with an autonomous still simultaneous one in Ukraine. In the second half of 1998 (especially in the period September-November) Polish export to Ukraine falls down by 40-45 per cent in comparison to the first half of that year. In effect the turnover in 1998 was only \$1460 mln. Polish export to Ukraine fall down by 58.32 per cent in 1999 in comparison to 1997 and till September 1999 the additional fall down by 45.5 per cent took place<sup>53</sup>. In spite of that fact the position of Poland in the ranking of trade exchange of Ukraine remained high.

In **1998** Ukrainian export reached \$12.637 42 mld and import \$14.765 56 mld therefore the trade balance was negative and reached \$- 2.038 14 mld. In this sum the share of **former USSR republics** was: export: \$4.433 14 mld (35,08%), import: \$8,279 02 mld (56,07%), trade deficit of Ukraine: \$ - 3,845 88;

**the EU countries:** export: \$2.034 8 mld (16,1%), import: \$3.032 8 mld (20,54%), trade deficit of Ukraine: \$ - 0,996 03 mld;

**the EU candidate countries in 1998 (i.e. Luxembourg group only):** export \$0.810 74 mld (6,4%), import: \$1.038 96 mld (7,04%), trade deficit of Ukraine: \$-0,228 23 mld.

**Poland:** export: \$0.313 14 mld (2,48%), import: \$0.486 21 mld (3,29%), trade deficit of Ukraine: \$ -0,173 07 mld.

Except for the CIS countries Poland was the second largest Ukrainian trade partner in Europe in 1998 (The first was Germany – Ukrainian export: \$0.638 68 mld - 5,05%, import: \$1,263 61 - 8,56%, trade deficit of Ukraine: \$-0.624 93 mld) and almost equal to Italy that is superior to Poland as far as Ukrainian export was concerned (\$0.550 23 mld - 4,34%), and inferior in import from our Southern-Eastern neighbour country (\$0.408,6 mld 2,77%) still Italy is one of the few countries in relations with whom the trade balance of Ukraine was positive (\$0.141 63 mld).

Polish-Ukrainian trade in the years 1992-1999 illustrates the following table<sup>54</sup>:

Year	Export		Import		Turnover	
	mln USD	Dynamics	mln USD	Dynamics	mln USD	Dynamics
1992	161,6	100,0	123,8	100,0	275,4	100,0
1993	187,5	116,0	201,1	162,4	388,6	141,1
1994	280,4	149,5	204,9	101,9	485,3	124,9
1995	742,6	264,8	290,8	141,9	1033,4	212,9
1996	977,8	131,6	418,5	144,3	1396,3	135,2
1997	1206,8	123,4	415,5	99,3	1622,3	116,2
1998	1086,4	89,9	377,2	90,8	1462,3	90,1
1999	702,2	64,6	338,4	89,7	1040,6	71,1

The last three years in Polish-Ukrainian turnover looks as follows:

<sup>51</sup> Trade balance was very unstable. The growing deficit was noted in the years 1994-96, then the tendency was reversed and in 1997 the deficit fell down to ca.0,5 mld USD. Ibidem, p.13.

<sup>52</sup> Ibidem, p.13.

<sup>53</sup> Ibidem, p.29.

<sup>54</sup> *Współpraca gospodarcza Polska – Ukraina*, Ministerstwo Gospodarki Departament Stosunków Gospodarczych z Zagranicą, „Ukraińsko-polski magazyn internetowy”, <http://www.ukraine-poland.com/handel/handel.php?id=2.txt>

In 1999 Poland's import from Ukraine constituted merely 0.7 per cent (1315.5 mln PZL – ca. \$ 0.338,4 mld) of total Polish import and Polish export to Ukraine reached 2.6 per cent (3790 mln PZL – ca. \$ 0.702 mld) of total Polish export. That means that unfavourable tendencies dominated in that year as well. Polish-Ukrainian turn over fall down by 29 per cent - export falls down by 35,4 per cent in comparison to 1998 and import by 10,3 per cent. In spite of that fact in 1999 Ukraine was still 11<sup>th</sup> largest market for Polish goods but placed on merely 23 position among the main importers to Poland.

The structure of Polish-Ukrainian trade in 1999 was as follows<sup>55</sup>:

Goods	1999 in mln USD		Structure %		Dynamics 1998=100	
	Export	Import	Export	Import	Export	Import
Food and agricultural products	135,8	11,8	19,4	3,5	66,5	52,2
Mineral products	23,4	197,7	3,3	59,4	18,5	87,8
Chemical industry products	165,6	29,5	23,6	8,7	73,2	70,4
Textile and foot-wear products	84,2	5,0	12,0	1,5	100,0	66,7
Wood, paper and cardboard	66,1	13,3	9,4	3,9	77,3	154,7
Base Metals	49,9	67,8	7,1	2,0	79,1	126,0
Electromachine industry products	84,6	9,9	12,1	2,9	53,6	67,3
Furniture and lighting materials	75,8	1,4	10,8	0,4	67,4	116,7
Products made with stone, gypsum and cement	15,6	1,2	2,2	0,4	62,2	109,1

The reasons of the fall down in Polish export to Ukraine had their sources in the condition of Ukrainian economy in 1999 and were as follows:

- Depreciation of hryvna by 65,7 per cent in the first half of 1998 and by 31,6 per cent in 10 month of 1999 that resulted in the actual raise up of the prices of Polish goods for Ukrainian consumers;
- Competition of relatively cheap Russian products created by even greater depreciation of rouble than hryvna;
- Deterioration of economic situation of Ukraine in the second half of 1998 and the first of 1999 – reduction of demand;
- More difficult (more costly) access of Ukrainian enterprises to foreign currencies especially at the turn of 1998 and 1999;
- Newly adopted legal regulations aiming at limitation of import to Ukraine.

As a result the rate of the decrease of Ukrainian import from Poland (by 48 %) was larger than the rate of total fall down in Ukrainian export (25%). For comparison the relevant data for Russia is 23%, Germany 32,5%, Italy 32% and France 3%. In that context it is worth pointing out that the main factor that decided on such a profound decrease of turnover in Polish-Ukrainian trade was the break down of the coal export<sup>56</sup>.

In 2000 Poland's import from Ukraine constituted 1.0 per cent (2063.9 mln PZL – ca. \$ 0.515,97 mld) and export 2.5 per cent (3488.0 mln PZL – ca \$ 0.872 mld). The trade started to rise up again;

<sup>55</sup> Ibidem, <http://www.ukraine-poland.com/handel/handel.php?id=2.txt>

<sup>56</sup> Ibidem, <http://www.ukraine-poland.com/handel/handel.php?id=2.txt>

In 2001 the import was 0.9 per cent (1840,9 mln PZL – ca. \$0.460 mld) and the export 2.8 per cent (4114.9 mln PZL – ca. \$1.028,72 mld)<sup>57</sup>.

Both governments keep on looking for new dimensions of economic co-operation. In September 2001 Poland was offered a proposal of co-operation with Ukrainian military industry especially in its aerial and outer space branches, optical appliances, tanks and armoured vehicles construction, radioelectronics and navy construction<sup>58</sup>.

As far as import from Ukraine is concerned Poland is interested mainly in stabilisation of raw materials supplies – first of all iron ore and in the protection of Polish market from Ukrainian dumping export mainly of steel industry products.

Gas and oil transit pipelines in Polish-Ukrainian relations constitute a separate issue worth being mentioned hereby. In 1996 Polish state owned enterprise PGNiG signed a controversial agreement with Russian GAZPROM on common exploitation of the gas pipe line Yamal- Western Europe and on Russian gas supplies for Poland for 25 years to come<sup>59</sup>. According to that agreement by 2010 the level of Russian gas supplies for Poland should reach 14 mld m3 per year i.e. 80 per cent of Polish demand for that energetic raw material<sup>60</sup>. The lack of diversification of the sources of gas threatens Poland with profound dependence on one – namely Russian supplies which would be risky both from economic as well as from political point of view. Russia has already used gas supplies as a political weapon in her relations with Lithuania and Ukraine and threatened Bulgaria with cutting the country of from Russian gas<sup>61</sup>. The construction of the second line of gas pipeline omitting the territory of Ukraine that was considered in last few years become a subject of political controversy between Poland and Ukraine on one side and Russia on another one. Poland being aware that the additional way of Russian gas transit outside Ukraine would make Kyiv more vulnerable for Russian political pressure refused to support Moscow's plans<sup>62</sup>. After several years of debate it seems that the project to place the second line of gas pipeline on Polish territory has been finally abandoned by Russians themselves.

**Conclusions:** Ukraine is a large (ca. 50 millions of people) still mainly potential (low purchasing capacity) market. Her geographical proximity is the main factor that promotes the economic penetration of small and medium Polish enterprises in that country. Ukraine unlikely Russia has not underwent dramatic political crises such as shot down of the Parliament in Moscow in 1993 or Chechen wars) therefore in spite of some latest political

<sup>57</sup> *Foreign Trade Turnover by groups of Countries*, „Polish Official Statistics”, GUS, <http://www.stat.gov.pl/english/index.htm>

<sup>58</sup> The offer was made by deputy chief of equipment supplies of the Ukrainian Army general Mychajło Mytrahovich during his visit in Kielce (Poland) where he attended International Salon of Defence Industry. *Ukraina proponuje Polsce współpracę w przemyśle obronnym*, *Wiadomości* 2001-09-05, „Ukraińsko-polski magazyn internetowy”, wrzesień 2001, <http://www.ukraine-poland.com/wiadomosci/news.php?arch=1&mon=9&rok=2001>.

<sup>59</sup> Various, sometimes contradictory opinions on the Russian gas supplies issue see: „*Eurazja*”, no 3-4, maj-czerwiec 1994, papers by: J Danielewski, *Import surowców energetycznych z Rosji a bezpieczeństwo ekonomiczne kraju*, p.5-14; E. Paszyc, *GAZPROM- główne kierunki natarcia*, „*Eurazja*”, no 3-4, maj-czerwiec 1994, op.cit, p.74-79; R. Narzikułow, *GAZPROM - ofensywa na froncie europejskim*, p.85-94.

<sup>60</sup> *Sejmowe exposé Ministra Spraw Zagranicznych RP Dariusza Rosatięgo (dn. 9 maja 1996 r.)*, p.29

<sup>61</sup> The general director of Gazpromu Rem Viahiriev threatened the Bulgarian government with forcing it to resignation by cutting off the gas supplies for Bulgaria in January 1998. Vihariev was supported by Russian deputy foreign minister Aleksandr Avdijev. - *Rosyjski wiceminister grozi Bułgarii. Dzień na świecie*, „*Rzeczpospolita*”, no 16 (4876), wtorek, 20 stycznia 1998, p.5.

<sup>62</sup> E. Paszyc, op.cit., p.78-79.

potential instability is generally perceived as more stable and more predictable country than Russia which rises Ukrainian enterprises attractiveness as business partners in comparison to other CIS countries companies. Economic condition of the country is however poor in spite of slight economic growth in last year. The scale of market reforms is still insufficient even in comparison to Russia which influences in a negative way an image of Ukraine as trade partner. Low efficacy of law regulations and the corruption of the state apparatus in Ukraine should be mentioned as another obstacle for intensification of mutual Polish-Ukrainian economic co-operation other than on borderland region scale. As far as Poland's own limits are concerned the most important obstacle is low investment capacity of young and small Polish companies. The situation of Ukrainian companies in that dimension is even worse. The energetical independence of both Poland and Ukraine from Russian gas and oil supplies is an issue of a strategic importance for economic security of the countries in question. Unfortunately as far as major projects like mentioned Odessa-Brody-Gdańsk pipe line are concerned, the corruption of state officials should be pointed out as a factor negatively influencing Polish capacity to co-operate with Ukraine in that dimension.

## II. Direct investments in Ukraine

Total value of Polish direct investments in Ukraine is 54,4 mln USD. The crisis of 1998 having been already over the raise up of Polish direct investments in Ukraine in 1999 was 19 per cent. That means that it was greater than the raise up of investments from all the other countries put together (11%). Still Polish investments constitute merely 1,7 of the total value of direct foreign investments in Ukraine.

The structure of Polish investments in Ukraine is as follows:

40,3% - finance and bank sector

19,9% - internal trade

10,5% - machine industry

The largest dynamics of Polish investments in Ukraine is connected with financial sector. Apart from that fact a Polish-Ukrainian company "BIZON-UKRAINA" was set up in Kovel in 1997 to produce combine harvester *Bizon-Rekord*. In 1998 Polish company "BIZON" concluded an agreement with Malyshev Factory in Kharkiv on co-operation in production of combine harvester *Bizon BS Z-110* based on Polish licence and know how. The agreement is valid till 2005. Another Polish company "Ursus Trading" signed up a contract on set up heavy tractors *URSUS 1634* in factories in Ukraine for Odessa and Luhansk districts. There is some co-operation in coal mining. Polish installations are planned to be supplied for modernisation of Ukrainian coal mines there are some talks as well on leasing of Polish coal mine equipment and appliances from the coal mines that are being closed in Poland. In May 1998 an agreement on implementation of Polish technology based production of ekastometr railway buffers in Kremienchug in Ukraine was signed. Still due to the financial problems of the Ukrainian partners the co-operation in the above mentioned areas is not easy.

Polish Electroenergetic Networks company (*Polskie Sieci Elektroenergetyczne S.A.*) tries to include Ukraine to the European electroenergetic initiatives and shares Polish experience of restructurisation of Polish energetic system and its adaptation to UCPTE one. Polish gas and oil company PGNiG and its Ukrainian partner to search for new gas resources in Ukraine created common Polish-Ukrainian company - DEWON.

Apart from the investments mentioned above Poland is interesting in development of co-operation in cranes production, heavy road building equipment, coal and raw materials supplies, pharmacial industry, food processing based on Polish technology.

The room for Polish-Ukrainian investment co-operation is potentially large still both sides suffer from the shortage of capital and the lack of well-developed credit and assurance infrastructure in Ukraine.

The steps necessary to be taken to improve the existing conditions for investments in Ukraine are as follows:

- continuation of the liberalization of the access to Ukrainian market;
- widening and intensification of the investment co-operation within the Special Economic Zones in Ukraine;
- wider exploitation of the tripartite co-operation with the third partners in investments on Ukrainian market;
- widening of the co-operation within the domain of training and know-how transfer based on common declaration from March 2000 issued in the context of planned administrative and economic reforms in Ukraine.

### **III. Border Control and the Movement of Labour and Trade**

Till January 1998, when Poland introduced new border regime on her eastern frontiers ca. 3.2 millions of the Ukrainians visited our country per year (first of all in a character of „trading tourists”). An average Ukrainian visitor spent ca. 460 USD per day. (For comparison: an average German tourist who is not a trading one spends ca 36 DEM)<sup>63</sup>. It is obvious that an individual trading activity constitutes even today an important or maybe dominating factor in the mutual Polish-Ukrainian everyday relations.

The restrictive regulations introduced on Polish eastern borders at the turn of 1997 and 1998 have already limited transborder movement still they have much greater impact on the situation of the Belarusian and Russian citizens than on the Ukrainian ones. However one should not omit the fact that an average time of queuing for individual passengers of public communication buses at the Polish-Ukrainian border is 2-3 hours and the luggage control by the custom officers is very strict.

Poland and Ukraine have an agreement on non-visa movement of persons. That convention, unlikely the ones with Russia and Belarus, is accompanied with the agreement on readmission of illegal immigrants. Therefore the new border regime on the Polish-Ukrainian border is not so severe.

The limitation of the transborder movement of persons, goods and labour in the Polish-Ukrainian relations is considered by Polish public opinion as undesirable. It is worth mentioning that regardless all the fears and myths on ethnic tension in the post-communist countries neither in Poland nor in Ukraine any violent incidents between visiting Ukrainians and Polish population or vice versa have taken place so far. The economic interest of many Polish families, especially from the poor eastern part of the country demands the development of the transborder trade even in its semilegal forms. In those circumstances the „trading tourists” from Ukraine is welcomed as desirable visitors creating employment in Polish small business<sup>64</sup>. In spite of those facts this reality will be changed and my thesis is that the change is inevitable.

---

<sup>63</sup> M.Filip, *Przed kim zamykamy granicę*, "Rzeczpospolita", no 24 (4884), czwartek 29 stycznia 1998, p.6.

<sup>64</sup> It is worth mentioning that during his visit in London on February 25th 1998 Polish minister of foreign affairs – Bronisław Geremek announced that Poland had applied to the European Commission for a permission to maintain a non-visa circulation of persons between Poland and Ukraine as long as possible. The minister stressed

After the collapse of the so-called *systiema* on the former Soviet borders Polish eastern frontier is the first one that is really guarded between the Pacific Ocean and the European Union. Poland entering the EU will become a border state of the Union and Polish eastern frontiers will become the Schengen borders. Regardless of the political will of the Polish as well as the Ukrainian political elite and public opinion Poland will not be able to maintain the present liberal rules on our common border. Our country will have to accept the rules of the Schengen agreement. Being outside Schengen area would mean for Poland having a Schengen border with Germany the one that would separate us from the Union. That is a solution for Poland politically unacceptable. Our country is not powerful enough to negotiate successfully with the EU an exclusion of the Polish-Ukrainian border from that regulation. The question of immigration is so acute for the Union that we can hardly expect the European Commission to make any exceptions for new candidates in that field<sup>65</sup>. Therefore we have to accept that reality however we are not very happy of that. We are aware it would be contrary to the interest of Poland to turn our country into the border checkpoint of the EU exclusively. The importance of Ukraine for Poland and vice versa has been demonstrated in that context by the decision of the presidents of both countries taken during their meeting in Huta near Ivano Frankivsk (February 13<sup>th</sup> -14<sup>th</sup> 2003) and aiming at minimalization of the negative side effects of Schengen regime introduction. (Ukraine has declared her will not to introduce visas for Polish citizens and Poland promised the introduction of free of charge visas for the Ukrainian ones)<sup>66</sup>.

- **Labour force migration – transborder semi-legal trade**

The institutionalised Polish-Ukrainian trade exchange was accompanied with a dynamically developing individual trans-border trade. That phenomenon belonged to a large extent to the so-called grey economic zone (avoiding tax payments) and therefore was relatively difficult to be subjected to statistical assessments. In spite of that fact some experts promote the thesis that up till 1997 an individual trade with Ukraine was one of the most important factors counter-balancing a negative turn over of the Polish trade exchange with the West.

Till January 1998 Poland was visited by ca. 8 mln ‘trading tourists’ from CIS countries per year. Ukrainians constituted the largest group among them (more than 3-3.5 mln). An average Ukrainian trading visitor spent ca. \$460 per day in Poland (just for comparison - an average German visitor spent ca. 36 DEM per day mainly visiting Poland just to buy cheaper Polish gasoline for his car and coming back to Germany immediately)<sup>67</sup>. The individual trade

---

that in such a way the Union ”will have the possibility to help not only Poland but Ukraine as well.”- *Polska-Ukraina: jak najdłużej bez wiz. Dzień na świecie* "Rzeczpospolita", no 48 (4908), czwartek, 26 lutego 1998, p.5. That fact acknowledges the important role occupied by Ukraine in Polish foreign policy including the context of the accession of Poland into the European Union.

<sup>65</sup> Carlo Monti – a commissioner for Common Market and Hans van den Broek made it clear in Warsaw last year that there will not be the exceptions in border regime for the new members of the EU – see: K. Bauchman, *Nie budzić nadziei niemożliwych do spełnienia*, „Rzeczpospolita”, no 207 (5067), piątek 4 września 1998, p.8. Polish press quoted a respective statement of Anita Gradin (the Swedish Commissioner of the Union) – see: *Komisarz UE o granicach w Europie Środkowej*, *Świat*, "Rzeczpospolita", no 24 (4884), czwartek, 29 stycznia 1998, p.1; M.W., *Granice muszą być szczelne. Bezpieczeństwo. Unia o kandydatach*, „Rzeczpospolita”, no 24 (4884), czwartek, 29 stycznia 1998, p.4.

<sup>66</sup> P. Kuspyś, *Spotkanie prezydentów Polski i Ukrainy. Publicystyka: Polityka*, 2003-02-16, 20:22:00, internetowy serwis informacyjny. „www.Ukraine-Poland.com”, <http://www.ukraine-poland.com/publicystyka/publicystyka.php?id=981&dzial=polityka>.

<sup>67</sup> M.Filip, *Przed kim zamykamy granicę*, „Rzeczpospolita”, nr 24 (4884), czwartek 29 stycznia 1998, p.6.

was therefore an important if not a dominating dimension of trade exchange between Poland and Ukraine before 1998.

New rules on transborder people and goods movement were introduced on Poland's eastern frontiers at the turn of 1997 and 1998. A special directive issued by Polish Minister of Finance Deputy Prime Minister Leszek Balcerowicz by the virtue of which Polish citizens responsible for smuggling alcohol had their passports marked with special handstamps<sup>68</sup> proved to be a heavy blow against illegal transborder trade in Eastern Poland. Simultaneously a new law on the rules concerning the entrance to, stay in and departure from of the foreigners was put into force on December 27<sup>th</sup> 1997<sup>69</sup>. That law was presented by the government to the Polish public opinion in the context of Poland's EU accession process and shown as a result of the EU demands. Its aim was to adapt Poland's eastern borders to the EU (Schengen) standards.<sup>70</sup> This opinion was publicly and personally promoted by then Polish Minister of Foreign Affairs Bronisław Geremek<sup>71</sup>. Newspapers quoted as well the statement of Anita Gradin – then Swedish EU Commissioner who demanded more accurate control to be introduced on Polish eastern borders<sup>72</sup>.

The law had a larger impact on the transborder movement of goods and people on Polish-Russian and Polish-Bielarus frontier than on Ukrainian one since Poland has an agreement on readmission with Ukraine that Russia and Bielarus refused to signed up so the rules applied at the Ukrainian border were more liberal.

Nevertheless the individual trade with the CIS countries including Ukraine fall down considerably and in spite of some efforts made by Polish government to stop that process<sup>73</sup>, it has never regained its previous dynamics.

A real disaster came however together with Russian crisis in 1998 that had its parallel however autonomous as far as the reasons are concerned still simultaneous „twin” crisis in Ukraine. As a result the surplus in an estimated trade balance in unregistered transborder trade with the East (including Ukraine) fall down by 42.3 per cent in the period January-September 1999 in comparison to the same period in 1998<sup>74</sup>.

The problem of border control becomes an area where Polish diplomacy demonstrated its particular approach to Ukraine as a strategic partner in the East. On February 25<sup>th</sup> 1998 Polish Minister of Foreign Affairs – Bronisław Geremek while visiting London informed that

<sup>68</sup> *Rozporządzenie ministra finansów z dnia 18 listopada 1997 r. w sprawie ustanowienia norm ilościowych lub wartościowych towarów, których przywóz z zagranicy jest wolny od cła, oraz ograniczenia uprawnień do korzystania ze zwolnień od cła na niektóre towary przywożone przez osoby przekraczające wielokrotnie granicę państwową.*, „Dziennik Ustaw Rzeczypospolitej Polskiej” z dnia 27 listopada 1997 r., Dz.U.97.142.949.

<sup>69</sup> *Ustawa z dnia 25 czerwca 1997 r. o cudzoziemcach. Rozdział 2 Przekraczanie granicy*, „Dziennik Ustaw Rzeczypospolitej Polskiej” z dnia 26 września 1997 r., Dz.U.97.114.739; 1998-08-17 zm. Dz.U.98.106.668; 1999-01-01 zm. Dz.U.98.106.668 zm. Dz.U.98.162.1126.

<sup>70</sup> *Bardziej szkodzi niż pomaga. Na granicach kontrowersje wokół ustawy o cudzoziemcach*, „Rzeczpospolita”, no 11 (4871), środa 14 stycznia 1998, p.1.M. Wągrowiska, *Zewnętrzna granica wschodnia*, „Rzeczpospolita”, no 11 (4871), środa 14 stycznia 1998, p.2. J.Haszczyński, K.Groblewski, *Czy przybliży do Unii. Granica. Kontrowersje wokół ustawy o cudzoziemcach*, „Rzeczpospolita”, no 11 (4871), środa 14 stycznia 1998, p.2; T.Kuczyńska, *Uszczelniać granicę?*, „Tygodnik Solidarność”, no 8(492), 20 lutego 1998, p.14-15.

<sup>71</sup> *Nie wszystko-trzeba zmienić od razu. Polska-Unia Europejska. O uszczelnianiu granic.*, „Gazeta Wyborcza”, no 32.2628, sobota-niedziela 7-8 lutego 1998, p.6.

<sup>72</sup> *Komisarz UE o granicach w Europie Środkowej*, Świat, „Rzeczpospolita”, no 24 (4884), czwartek, 29 stycznia 1998, p.1; M.W., *Granice muszą być szczelne. Bezpieczeństwo. Unia o kandydatach*, „Rzeczpospolita”, no 24 (4884), czwartek, 29 stycznia 1998, p.4

<sup>73</sup> *Polskie wizy będą tańsze*, „Rzeczpospolita”, no 47 (4907), środa, 25 lutego 1998, p.1; Z.L., *Drgnęły urzędowe szlabany. MSZ obniży ceny polskich wiz dla Rosjan*, „Rzeczpospolita”, no 47 (4907), środa, 25 lutego 1998, p.4.

<sup>74</sup> *Ocena sytuacji społeczno-gospodarczej w okresie styczeń-wrzesień 1999 r. wraz z elementami prognozy do końca roku przedłożona Radzie Ministrów przez ministra Jerzego Kropiwnickiego odpowiedzialnego za pracę Rządowego Centrum Studiów strategicznych*, Warszawa, listopad 1999, p. 26.

Poland had applied to the European Commission for permission to keep the border with Ukraine (that while Poland having been already entered the Union would become a part of external border of the EU) opened as long as possible (i.e. without visa regime introduced for Ukrainian citizens). That should be treated – stated Polish minister - as an opportunity for the EU's aid not only for Poland but for Ukraine too<sup>75</sup>.

The Helsinki European Council (10-11.12.1999) while adopting *the Common Strategy on Ukraine*, particularly stressed the necessity of Kyiv to upgrade the level of the internal security of the state, i.e. to intensify the immigration control and fight against illegal transborder smuggling of weapon and drugs. Simultaneously the EU promised her assistance in modernizing the border passes on the Ukrainians frontiers with the candidate countries including Poland<sup>76</sup>.

The analyses of the problem of Poland's eastern borders control in the context of Poland's accession to the EU leads to the following conclusions that are true generally for the relations with all Polish eastern neighbours and thus with Ukraine as well:

1. The limitation of the transborder movement of people and goods provoked numerous social protests, unfavourable comments in Polish mass media, dissatisfaction among regional and local authorities. It was commonly perceived by Polish public opinion as an act directed against the vital economic interests of a considerable number of Polish citizens (some hundreds of thousands of people plus their families) who had earned their lives by producing for eastern markets or in services for local markets (bazaars) where eastern goods had being sold before 1998.

The situation was made even worse by the fact that (except for Warsaw) the majority of the centres of eastern trade were situated in eastern part of Poland - i.e. on the territories where the rate of unemployment is relatively high. The regions suffering from that social problem are situated first of all on the borders with Russia (Warmia and Mazury) and not with Ukraine nevertheless the problem of unemployment is a bitter one all over Poland so the territories neighbouring Ukraine, however more lucky than those bordering Russia welcomed Ukrainian „trading tourists” as a job creating factor.

2. The issue of the Ukrainian workers competition on Polish labour market is not a social problem so far. No protests concerning that issue have been noted so far in Poland and Polish public opinion seems not to be interested in that phenomenon.
3. The problem of transborder crime activity is (unlikely the labour market issue) an argument in favour of more strict border control that appeals to a part of Polish public opinion. On the other hand the conviction that visa regime will create an effective obstacle to the transborder crime is rather limited among the Poles, thus visa regime introduction on the borders with Ukraine is not very popular in Poland.
4. The EU pressure on more strict border control on Polish eastern borders was accepted very unwillingly and is merely tolerated by Polish public opinion especially since the EU labour market will be closed for Polish workers in the nearest years to come even after Poland's accession into the EU. At present the entire issue is being slowly forgotten and one should avoid any steps that could revitalised it again.

---

<sup>75</sup> *Polska-Ukraina: jak najdłużej bez wiz. Dzień na świecie*, „Rzeczpospolita”, nr 48 (4908), czwartek, 26 lutego 1998, p.5.

<sup>76</sup> J. BIE., *Zadania dla Kijowa*, „Rzeczpospolita”, no 298(5463), środa, 22 grudnia 1999, p.7.

## Conclusions

The experience of the Polish-Ukrainian neighbourhood in the first period of their independence in 1990s and early 2000s is generally speaking positive. The elites of the both countries have the consciousness of shearing a vast scope of their respective national interests that are common to a very large degree. The general political approach towards Ukraine is not contested by any significant group in Poland and the recognition of the importance of strategic partnership with Warsaw remains an official political line declared by the present Ukrainian authorities and is not disputed by any main opposition forces in Ukraine either. Consequently the will of multidimensional co-operation is commonly presented in the public life of both nations. There is no basic contradiction of Polish and Ukrainian aims in any field of bilateral relations of the countries in question neither in their contacts with the third actors. The co-operation and mutual support in international multilateral fora is maintained as well. The level and intensity of political dialogue between the high officials of both nations is impressive. The lack of serious minority problems (no territorial or borderland Polish or Ukrainian minority in respective country, general observations of minority rights by both the states) gives substance to the hope that the phantoms of the past will not be awakened any more. This generally promising political dimension of the Polish-Ukrainian relations is however accompanied with unsatisfactory economic co-operation. Therefore the main task for both Poland and Ukraine is to fulfil that good political atmosphere with the substantial action aiming at real achievements in that field. Economic problems if leading to appealing poverty of a large part of the population may result in serious internal political problems in both countries. Polish “Eastern Wall” – the borderland with Ukraine and Bielarus - cannot be successfully economically developed without the intensification of the co-operation with Ukraine.

## Recommendations

The first 12 years of Polish – Ukrainian neighbourhood as free peoples has its achievements and its shortcomings nevertheless the period described in this paper is about to be finished with the Polish accession to the European Union. This will change the nature of the relations between Warsaw and Kyiv. Many issues that have been dealt with between those two capitals hitherto will be dealt between Kyiv and Brussels in the future. This very fact opens new chances and creates new challenges. The same may be said on Ukrainian-Slovak and Ukrainian Hungarian relations. The Slovak and Romanian entrance to NATO will complete the process of changes as well. Taking that into consideration pointing out on some recommendation concerning the structural political co-operation both among the western neighbours of Ukraine – the EU candidate countries and between Ukraine and those three states seems to be reasonable.

1. **Tripartite (Polish-Slovak-Hungarian) European co-ordination in Ukrainian issues** is a central idea of such a co-operation. Hungary, Poland and Slovakia will join the EU probably in May 2004. All those three states have a common border with Ukraine. This very fact should resulted in the establishment of the system of co-ordination of their European Ukrainian Policy – i.e. they should co-ordinate their initiatives and positions on the EU Ukrainian policy to be presented in the EU decision making bodies. Poland has already had an experience of the so-called Weimar Triangle with France and Germany. It is not a very promising one considering the contradictions over Iraq or rather the EU-US relations still the absence of that kind of divergences between Poland, Hungary and Slovakia allows us to hope that the co-

operation in that group will be more effective. The group should be opened for Romania when it joins the EU what is expected in 2007.

The co-ordination should cover the issues related to:

- Promotion of the inclusion of Ukraine into the process of European integration;
- Support for the co-operation between Ukraine and NATO
- Promotion of the intensification of the EU policy towards Ukraine – preparation a new *EU Common Strategy on Ukraine* as a real and more substantial programme of such a policy than the previous one from 1999;
- Co-ordination of the implementation of Schengen rules on the common borders with Ukraine aiming at its maximal liberalization;

This will demand the creation of the administrative units in the Ministries of Foreign Affairs, ministries of National Defence, Ministries of Home Affairs and the Committees for European Integration (or equivalent bodies) in the respective countries. Our three countries having not large financial potential neither military power to be heard in Brussels must be active. The main tool of promotion of our interests concerning Ukraine is knowledge about the problems to be solved in our region and timing in submitting to the Union the proposals for necessary solutions.

- 2. Structural dialogue of Hungary, Poland and Slovakia with Ukraine on European and regional issues.** The situation in Ukraine is dynamic. The political system of the country may be changed in a positive way, which should be exploited for further rapprochement of Ukraine to the West. If the circumstances allows our three countries should be prepared to offer to Ukraine the system of structural consultations on regional and European issues. Polish, Hungarian and Slovak negotiating positions in the EU on such the questions as: The EU-Ukrainian relations, the EU-Russian relations, the EU energetical raw materials transit policy, the EU policy towards Bielarus, the EU policy towards CIS countries in general, ought to be co-ordinated between our three countries still they should not be formulated without the consultation with Ukraine.