#### MEMORANDUM

To: President VFY

From: PJM

Subject: Hapsburg - Update Date: February 21, 2013-02-20

## **Executive Summary**

Over the past 8-months the Hapsburg team has been critically active in a number of events that have been staged to drive specific and positive messaging for the GoU. In addition to the public events, the Hapsburg team has provided valuable back-channelling and timely information on relevant issues between European Commissioners and other high-ranking EU personnel.

The primary strategy of the Hapsburg team following the October 28th elections was to intensify relations with relevant EU institutions, EU leaders and several key member states including France, Germany and Italy. The objective was to change the tone and rhetoric coming out of the EU regarding its relations with Ukraine.

The first post-election event staged by the Hapsburg team was in Paris, where members of the team spoke positively about the election outcome, and used that analysis to encourage Europe to seize the opportunity of deepening ties with Ukraine and signing the AA. The event was impactful and focused the debate on relevant and positive issues regarding Ukraine, which was the intended outcome. Each time we change the rhetoric away from YT, we are making progress and focusing the West on positive changes that are occurring in Ukraine. This strategy proved effective in Europe, where the dialogue has changed to "engagement" with Ukraine, and the belief of the EU that the AA will be executed this year.

The Hapsburg efforts have been broadened to cover other key European countries, and as a result their success, they will also include the US where they can add important credibility to the dialogue that is occurring in the US Government.

# Habsburg Activity (November 2012 - February 2013)

- Back-channel diplomacy In the past 90 days the Habsburg team has been especially
  active in engaging key European leaders behind-the-scenes to discuss issues on behalf of
  Ukraine.
  - The Hapsburg team have communicated privately with top officials such as Barroso, Ashton, and others in Brussels, and continue to speak with them in order to coordinate ways to help the GoU finalize the AA agreement. The involvement of the Hapsburg team with respect to these efforts has been successful with many important messages being exchanged between the two sides.
  - The Habsburg members have also spoken to EU officials and senior IMF officials about the importance of IMF cooperation and financial support for Ukraine.
  - Several of the team members have carried many messages for the GoU back and forth from Martin Schulz and other EP leaders, and is working hard to dilute many of the negative motions that have been suggested against Ukraine. We have also learned

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- about what YT is saying privately to EU leaders due to the success of the Habsburg
- Through contacts of the Hapsburg team in Italy, work is being done with senior Government officials close to Prime Minister Monti to create closer relations in the trade and investment sectors, building a Ukraine-Italy Business Council and demonstrating the importance of Ukraine to Italy.
- The team is also having private talks with top advisers to President Hollande as well as
  French Foreign Minister Laurent Fabius to help improve relations, influence French
  policy, and gain support for the AA, and to argue Ukraine's case.
- The team will also continue to work behind the scenes inside PACE and the EP and to
  prevent negative statements and try and improve treatment of Ukraine.
- The team is fully engaged in working through the issue of selective prosecution with the goal of getting President Shultz to understand the broader picture and to focus on more policy oriented policy issues.
- In March, members of the team will be meeting with high-level USG officials to promote a positive "engage Ukraine" program for the US.
- New members are being brought on to the Hapsburg team. These new members will be of the same calibre as the original members.
- 2. Post-Election Event in Paris and Media Campaign. In the wake of the parliamentary elections, the Hapsburg team organised a conference in Paris in November to help convey positive messaging regarding the election. It provided an opportunity to discuss the country's European integration perspectives post-election, France-Ukraine relations and the advantages of the Association Agreement. Attended by key members of the team, the conference further examined perspectives for defence cooperation between NATO and Ukraine with Kyiv playing the strategic role of bridge between the EU and Russia and called for a more pragmatic approach to Ukraine-EU relations.

Extensive media coverage was conducted around the conference by the Hapsburg team, including the influential TV news channel *France 24*, the weekly magazine *Marianne*; and the country's most popular newspaper *Le Monde*.

In addition, a lead story was published entitled, "Leading European Statesmen Call for Steps to Improve Relations between Europe and Ukraine". The news story was printed by 340 editorial publications.

## 3. Next Steps (Paris, Rome, Washington):

- All members of the Hapsburg team are committed to continuing with the project and working with key EU leaders in the major European cities including Brussels, Berlin, Paris, and Rome.
- The Hapsburg team will provide messaging and media engagement following the February 25<sup>th</sup> EU-Ukraine Summit. The team will also be speaking with key EU leaders throughout the summit driving critical messages to senior EU officials.
- Members of the team have been invited by Fabius to meet in Paris in early March to review French foreign policy toward Ukraine.
- All Habsburg members have agreed to participate in a series of at least six pro-Ukraine conferences plus multiple interviews, op/eds and roundtables during 2013.

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- The first of the key conferences will take place for 2013 is on March 6th in Rome at the Library of the Parliament, with the high level participation of the team members. The Hapsburg team will engineer major positive media in Italy as a result of this event.
- The Hapsburg team will also do a series of events between March and May in Washington DC designed to change the public rhetoric directed at Ukraine, but to also influence key members of the US Government through private meetings held at the highest levels. This will include major speeches, participation in key events, and private meetings with senior US officials including Secretary of State John Kerry, and other members of the Administration.
- The Hapsburg team is also in the process of recruiting one or two new team members
  and position them in front of the media to support the leadership vision of the GoU.
  This will be relevant as we focus on the geopolitical value of Ukraine to the EU.
- The Hapsburg team also have a group of more than 15 potential MPs, who can become
  our advocates in the EP (including EPP members) and who can be integrated into the
  Habsburg project so we can create more positive messaging and media directly in
  Strasbourg and Brussels for Ukraine.

### Conclusions

The Hapsburg team has demonstrated many successes over the last several months. The elements of the Hapsburg project have proven very effective in dealing with the EU. The key to these successes is that the participants are significant European leaders who are viewed as objective regarding Ukraine. This has allowed them to make their points without any apparent self-interest, thus giving their comments more weight and impact.

The new year is already providing many more opportunities for Hapsburg to engage and provide substantial value to the Ukraine efforts.

By expanding the presence of the Hapsburg team to the US this year, several important objectives will be achieved much faster as a result of the direct involvement of the team.

It is critical that we use the Hapsburg team to coordinate key messages publicly, but to also leverage the team's experience, expertise, and network of high profile EU and US officials behind the scenes as much as possible.

The group will play a prominent role in the lead-up to Vilnius. They are fully engaged and briefed.

The EU rhetoric has changed dramatically over the last three months and is now truly engaging Ukraine on important issues. The Hapsburg team efforts will continue to ensure this happens.