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Yehor Valiarenko, Foreign Policy Council "Ukrainian Prism"

UKRAINE – CANADA: A STRATEGIC PARTNERSHIP IN WARTIME

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"Ukraine – Canada: A Strategic Partnership in Wartime"

Yehor Valiarenko

Summary

Relations between Kyiv and Ottawa have been developing steadily since Ukraine's independence and received a new impetus after it faced Russian aggression in 2014 and 2022. Ottawa has proven to be a reliable partner to Kyiv, providing sustained support at the political, diplomatic, and economic levels. After Russia's full-scale invasion began in 2022, Canada, one of the world's leading economies, stepped up its support. It has provided military assistance, imposed sanctions against Russia, and taken steps to promote peace and reconstruction in Ukraine.

Canada's sanctions policy was largely shaped in line with similar policies of the United States and the European Union. It included restrictions and bans on exports of military technology to Russia, limitations on imports of Russian goods and energy resources, and the expansion of the sanctions list to include Russian political leadership, military commanders, and companies that contribute to the continuation of aggression. However, the issue of frozen Russian assets and their use for Ukraine's reconstruction remains open.

Canada is actively involved in providing Ukraine with logistical and military assistance, making relevant decisions both at the national level and within international coalitions and formats. Canada was one of the first countries to announce plans to provide Ukraine with new types of weapons and military equipment, and it has played a leading role in training and professional development of Ukrainian military personnel.

Another issue in focus is restoring peace and bringing Russian war criminals to justice. Ottawa is assisting in the implementation of certain clauses of Ukraine's Peace Formula, with a particular emphasis on food security and the return of deported Ukrainian children, and is coordinating initiatives in these areas.

Still, Ukraine-Canada relations have great potential for further development, which will require serious efforts and political will from both sides.

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INTRODUCTION

The full-scale invasion by the Russian Federation has led to a revision of foreign policy priorities and a qualitative transformation of Ukraine's relations with partners which unequivocally supported it in countering the aggressor. However, due to the protracted active hostilities, the issue of continuing and expanding support for Ukraine has become a stumbling block in domestic political discussions and election campaigns in some countries. This, in turn, has led to complications and delays in decision-making regarding further steps in this area. Against this backdrop, Canada's position of consistent support for Ukraine at various levels remains unchanged.

Ukrainian official documents refer to Canada as a strategic partner, a designation that is well-founded in this instance. Canada is an important regional and global actor, one of the 10 largest economies in the world,¹ a member of the Group of Seven (G7) and the Group of Twenty (G20), as well as the North Atlantic Treaty Organisation (NATO). Although cooperation between Ukraine and Canada has not historically been particularly intense, it has ranked high among both countries' foreign policy and economic priorities and has only improved over time, receiving a new impetus after 24 February 2022. This study focuses on the adaptations that Ukraine-Canada relations have undergone and the results achieved by wartime diplomacy.

Cooperation between Ukraine and Canada covers a wide range of areas, including political, diplomatic, military, economic, and humanitarian spheres. Ottawa is among the most active advocates for Ukrainian interests in the international arena, particularly following the events of 2014 and 2022. In both cases, Canada took an unambiguous position condemning Russian aggression and provided Kyiv with sustained political and diplomatic support, manifested in both its rhetoric and decisions on humanitarian, military, and financial support for the Ukrainian people and armed forces. The Canadian government has launched and contributed to existing initiatives to provide Ukraine with military equipment, train the Ukrainian military, impose sanctions on Russia, and pursue justice, including war crimes prosecutions. While such actions may often be taken for granted as part of the general Western policy, the Canadian government's stance on Ukraine has frequently set a positive example for its partners and allies which may have taken a more reserved stance. At the same time, there is still room for Ottawa to do more, both in terms of military assistance and the use of frozen Russian assets. Cooperation between the two countries can extend far beyond the Russian-Ukrainian war and diaspora relations.

¹ World Bank. GDP Data (PDF). https://databankfiles.worldbank.org/public/ddpext_download/GDP.pdf

STATUS OF BILATERAL COOPERATION

Canada was the second country after Poland to recognise Ukraine's independence in 1991.² The two countries have built traditionally friendly relations based on institutional cooperation and a developed legal framework, which has ensured continuity of relations and minimised the impact of changes in the ruling elites of both countries. The Ukrainian diaspora in Canada, one of the largest in the world, has also played a significant role in establishing these contacts.

Ukraine and Canada maintain regular political contacts, with Ukrainian and Canadian leaders and other high-ranking officials exchanging visits to support political dialogue. Since the beginning of diplomatic relations, the two countries have signed numerous treaties, agreements, and memoranda in areas such as economy, security, energy, education, and science.³ One result of this cooperation is Canada's consistent support for Ukraine's diplomatic efforts in the international arena, particularly within multilateral platforms such as the UN, NATO, OSCE, G7, G20, and others.

After 2014, one area of cooperation focused on implementing democratic reforms in Ukraine. Ukraine has sought Canada's support in reforming the judiciary and promoting the rule of law, including the introduction of international standards in the Ukrainian judiciary. Additionally, Ottawa supported the reform of Ukraine's civilian security sector and law-enforcement agencies, as well as reforms in decentralisation, local self-government, and anti-corruption efforts among others.⁴ This assistance took the form of financial and technical support, training for Ukrainian officials and staff, and other initiatives.

According to Ukraine's Foreign Policy Strategy (2021),⁵ the development of a special partnership with Canada, which maintains a firm and consistent position in support of Ukraine and is one of the leaders in providing security and military assistance, will prioritise the effective implementation of the Free Trade Agreement between Ukraine and Canada. This includes expanding it to cover investments and services, further liberalising bilateral trade, ensuring favourable conditions for Canadian investments, liberalising visa requirements for Ukrainians' travel to Canada, and supporting and

² Embassy of Ukraine in Canada. Political relations between Ukraine and Canada <https://canada.mfa.gov.ua/spivrobotnictvo/politichni-vidnosini>

³ Government of Canada. Canada Treaty Series. <https://www.treaty-accord.gc.ca/result-resultat.aspx?lang=eng&type=1&text=Ukraine&page=1&maxRecords=50&t=638586371218823877>

⁴ Ukrainian Canadian Congress. Supporting Democratic and Economic Reforms in Ukraine https://www.ucc.ca/wp-content/uploads/2021/08/Supporting-Democracy-and-Reforms-in-Ukraine_Policy_August2021.pdf

⁵ Foreign Policy Strategy of Ukraine, the President of Ukraine's Decree, 26.08.2021, <https://www.president.gov.ua/documents/4482021-40017>

developing contacts with the Ukrainian diaspora in Canada. Important areas identified include securing Canada's support for Euro-Atlantic integration and reforms in Ukraine, expanding trade, economic and investment cooperation, particularly in mining, IT, alternative energy, agriculture, and aerospace.

The presence of a large Ukrainian diaspora has given significant impetus to the development of cultural and educational diplomacy. Various festivals, exhibitions, concerts, literary evenings, and other cultural events have been organised in Canada to support and promote Ukrainian culture. Additionally, there have been cultural and educational exchanges, academic scholarships for students have been established, and numerous Ukrainian cultural centres in various Canadian cities remain active.

Economic cooperation plays an important role in the relationship between the two countries. Ukraine has been actively working to expand economic ties with Ottawa, particularly through the signing of the Free Trade Agreement in 2016, which came into force a year later. The agreement covered a significant part of trade in goods and services and had a positive impact on trade between the countries, contributing to its growth. This growth was interrupted only by the COVID-19 pandemic and the outbreak of full-scale Russian aggression.⁶ The main goods that Ukraine imported from Canada were nuclear power equipment and fuel, mineral fuels and oil products, electrical equipment, and other goods. The main items of Ukrainian exports to Canada were food products, namely cereals and oil, as well as ferrous metals.⁷

Canada is not among the top 15 exporters of Ukrainian products or importers to Ukraine. For example, trade between the two countries decreased from USD 411.2 million in 2018 to USD 280.2 million in 2019. This was due to a significant reduction in imports of goods from Canada. However, the volume of exports of Ukrainian goods increased as a result of the Free Trade Agreement. In 2021, trade in goods between the two countries totalled USD 420.6 million. Exports of goods increased by 97% and imports by 29% compared to 2020, although the negative balance for Ukraine prevailed. Trade in services totalled USD 132 million in 2021. Exports of services grew by 4%, but imports decreased by 60% compared to 2020.

One of the circumstances that hampered economic and investment activity in Ukraine was the non-competitive behaviour of some entities in the Ukrainian market and non-transparent judicial proceedings. In particular, the Canadian energy company TIU, which built a solar power plant in Nikopol, having invested more than USD 60 million since 2017, faced a hostile takeover and legal stonewalling, which led to its decision to

⁶ State Customs Service of Ukraine. Trade Statistics. <https://bi.customs.gov.ua/uk/trade/>

⁷ Ibid.

cease operations in Ukraine at the end of 2021.⁸ Despite statements about the priority of green energy in Ukraine's relations with Canada (Clause 103 of the Foreign Policy Strategy), the appointment of "business nannies", and the company's appeals to the Office of the President of Ukraine, the situation was not resolved.

In 2023, trade between the two countries totalled USD 423.8 million, which is more than USD 150 million higher than in 2022. This increase is due to an almost twofold rise in imports from Canada, up to USD 326 million. At the same time, there was a slight decrease in the volume of exports of Ukrainian goods to Canada, which remained at USD 97.8 million.⁹

Following the outbreak of a full-scale war in February 2024, the Canadian government decided to unilaterally lift duties and other trade restrictions on Ukrainian goods.¹⁰ Simultaneously, negotiations to amend the Free Trade Agreement began, concluding in 2023 with the signing of relevant agreements.¹¹ The updated agreement extends its scope to digital trade, protection of business interests, and a number of other innovations, including an expansion of the list of goods and services covered.

A separate track of cooperation focused on attracting Canadian investment to Ukraine. To this end, several Ukrainian government agencies and private enterprises participated in international exhibitions and events aimed at finding partners and introducing them to investment opportunities in Ukraine. Additionally, various business forums were organised, and preferential conditions were created for Canadian investors.¹² The key areas in which Canadian companies cooperate with Ukrainian ones include agriculture, IT, energy, engineering, and infrastructure.

In 2023, Ukraine received a record-high amount of financial support from its partners for budgetary needs, totalling USD 42.6 billion, mainly in the form of concessional loans. Non-refundable grants amounted to USD 11.5 billion, or about 27% of the total financing. Ukraine received all loans on preferential terms. Canada was among the leaders in providing financial support, ranking fourth with USD 1.8 billion by 2026.

Concurrently, a number of key areas of cooperation also concerned countering the Russian aggression and its consequences, as will be discussed in the following sections.

⁸ Canadian company TIU: "Our business in Ukraine under oligarchs' attack", Voice of America, 25.04.2021, <https://www.radiosvoboda.org/a/kompaniya-tiu-investory-zelensky/31221973.html>

⁹ State Customs Service of Ukraine. Trade Statistics. 2022, <https://bi.customs.gov.ua/uk/trade/>

¹⁰ Justice Laws Website. Ukraine Goods Remission Order. 09.06.2022 <https://laws-lois.justice.gc.ca/eng/regulations/SOR-2022-127/page-1.html>

¹¹ Government of Canada. Canada-Ukraine Free Trade Agreement (CUFTA) - Text of the Agreement. <https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/ukraine/text-texte/2023/toc-tdm.aspx?lang=eng>

¹² UkraineInvest. Perspectives for Canadian companies in Ukraine <https://ukraineinvest.gov.ua/en/news/perspectives-for-canadian-companies-in-ukraine/>

SANCTIONS AND HOLDING RUSSIA ACCOUNTABLE

Economic sanctions have become the primary tool used by Western countries to deter Russian aggression. In this context, the sanctions policy of Canada, as a major economic power and member of numerous international institutions and initiatives, is an important component of international efforts in this area and an indicator of support for Ukraine.

In 2014, the Canadian government was among the first to impose sanctions on Russia following the occupation of Crimea and the outbreak of hostilities in eastern Ukraine. At that time, restrictions coordinated with the United States and the European Union were imposed by two regulations adopted under the Special Economic Measures Act: "Special Economic Measures (Russia) Regulations" and "Special Economic Measures (Ukraine) Regulations".¹³ The list of individuals and companies from the Russian Federation and Ukraine subject to sanctions gradually expanded, increasing from 10 entries in March 2014 to more than 400 by the beginning of 2022. The measures introduced by these acts included a number of restrictions, which were also progressively supplemented. Primarily, they banned Canadian citizens and companies from conducting transactions with sanctioned individuals and legal entities and froze their assets, as well as imposed restrictions on the issuance of securities and debt obligations. The next wave of sanctions was triggered by the incident in the Kerch Strait in late 2018, when Russia seized three Ukrainian ships and took their crews prisoner. At that time, the Canadian sanctions list was expanded by 129 entities, the largest expansion since 2014.¹⁴

The next pivotal moment occurred in February 2022, when first the recognition of the independence of the occupied Ukrainian territories and then the start of full-scale aggression against Ukraine triggered a wave of international condemnation and large-scale economic measures. Canada has once again been at the forefront of this process, having since introduced more than 1,500 new **individual sanctions** against Russian individuals and entities and expanded the list of goods and technologies

¹³ Justice Laws Website. Special Economic Measures. <https://laws-lois.justice.gc.ca/eng/acts/s-14.5/index.html>

¹⁴ Embassy of Ukraine in Canada. *Canada imposes new sanctions in response to Russia's aggressive actions*. 15.03.2019

<https://canada.mfa.gov.ua/en/news/71213-kanada-ogolosila-masshtabnij-paket-sankcij-u-vidpovidy-na-kerchenskyj-incident>

banned from importation into Russia.¹⁵ The two main goals of these steps are to bring to justice Russian officials responsible for the aggression against Ukraine and all related violations of international and national law, and to limit Russian capabilities and increase the cost Russia has to pay for continuing the hostilities.

One of the first Canadian sanctions targeted the Russian political leadership, including all members of the Russian parliament, as well as members of the Russian Security Council, including President V. Putin, Foreign Minister S. Lavrov, Defence Minister S. Shoigu, and a number of other ministers, officials, and military leaders. Separate categories of sanctioned individuals also included the heads of Russian energy companies, individuals involved in human rights violations, and propagandists spreading disinformation about Russian aggression.¹⁶ The reaction to sham referendums on independence and accession of the occupied Ukrainian territories to Russia (23-27 September 2022), as well as the 2024 presidential election, was similar: sanctions were imposed on the main actors involved in organising these events.

On 24 February 2022, Canada imposed a number of **economic sanctions**, including restrictions on Canadian exports to Russia and the suspension of relevant permit issuances. Canada was one of the first countries to withdraw the most favoured nation (MFN) treatment for imports from Russia and Belarus. Restrictions on imports of military technology to Russia were crucial. Additionally, sanctions were imposed on Russian military enterprises and affiliated organisations and individuals, including logistics and technology companies and their management. Ottawa banned the activities of Russian financial institutions and banks and supported their disconnection from the SWIFT system. Among the restrictions imposed was a ban on Russian aircraft entering Canadian airspace, as well as their registration and insurance by Canadian companies. Similar measures were taken against Russian ships, which were banned from entering Canadian ports. Concurrently, the list of bans on exports from Russia of various industry products was gradually expanded, with restrictions being imposed on the export of Russian diamonds, gold and other precious metals, aluminium and steel products, among others.¹⁷

Another sensitive, yet still relevant issue for Western countries is the **imposition of sanctions on Russian energy resources**, namely gas and oil. Unlike European countries, Canada has sufficient resources of its own and is not dependent on Russia

¹⁵ Government of Canada. Minister Joly Announces Additional Sanctions in Response to Russia's Full-Scale Invasion of Ukraine <https://www.canada.ca/en/global-affairs/news/2024/02/minister-joly-announces-additional-sanctions-in-response-to-russias-full-scale-invasion-of-ukraine.html>

¹⁶ Government of Canada. Canadian Sanctions Related to Russia. https://www.international.gc.ca/world-monde/international_relations-relations_internationales/sanctions/russie-russie.aspx?lang=eng

¹⁷ Ibid.

in this regard. Consequently, it was relatively easy for Ottawa to impose restrictions on the provision of production and other services to Russian oil and gas companies, as well as to completely stop importing Russian energy resources. Moreover, Canadian officials expressed their readiness to increase production and export of own oil to replace the market share previously occupied by Russia. Although at a slow pace, the Canadian oil industry has indeed improved its performance since then.¹⁸

Canada's policy on more serious measures that could drastically limit Russia's energy exports was closely coordinated with its partners from the European Union and the United States and was more restrained. The main challenge in this context was finding a balance between the need to limit the Russian budget's revenues from global oil and gas sales and the desire to maintain stability in global energy markets. As a result, a compromise solution was reached: the G7 member states, including Canada, together with the European Union and Australia, presented and began to implement the idea of **introducing a price cap on Russian oil**. This plan envisaged a ban on the provision of any services, including ship insurance, to any company involved in the maritime transportation of Russian oil if its price at the conclusion of the contract exceeds the established cap of USD 60 per barrel.¹⁹ This approach allowed for limiting Russia's revenues from oil sales without excluding it from global energy markets, which would have caused a shortage and a sharp rise in prices for oil products.

However, the effectiveness of such measures has been repeatedly questioned against the backdrop of Russia's continued energy exports and the creation of a "shadow fleet" that included older tankers that are harder to track in registers and, therefore, to control their movements and cargo. There have been attempts by the G7 to limit the use of such methods,²⁰ but to some extent, the Russian strategy has borne fruit, and the sanctions policy of Ukraine's partners in this context leaves room for improvement.

A separate topic of political discussion in Canada is **the issue of frozen Russian assets** confiscation in favour of Ukraine. In June 2022, following amendments to the Special Economic Measures Act, Canada became the first country to allow such steps by law. In particular, these amendments provide for the executive branch to seize and dispose of property owned, held, or controlled by a foreign state, its nationals or other persons associated with it. Such steps may be taken subject to the subsequent

¹⁸ Statistics Canada. Record High Crude Oil Production Largely Driven by Oil Sands: Crude Oil Year in Review 2023. <https://www.statcan.gc.ca/o1/en/plus/5781-record-high-crude-oil-production-largely-driven-oil-sands-crude-oil-year-review-2023>

¹⁹ Government of Canada. Canada and G7+ Partners Impose Price Cap on Russian Crude Oil. 09.12.2022 <https://www.canada.ca/en/global-affairs/news/2022/12/canada-and-g7-plus-partners-impose-price-cap-on-russian-crude-oil.html>

²⁰ Government of Canada. Price Cap Coalition - Oil Price Cap (OPC) Compliance and Enforcement Alert. 01.02.2024 https://www.international.gc.ca/world-monde/international_relations-relations_internationales/sanctions/2024-02-01-advisory-conseil-mondial-coalition.aspx?lang=eng

transfer of the seized funds and property for the restoration of the foreign state or as compensation to its citizens who have suffered as a result of serious violations of international law, as well as for the restoration of peace and security.

Despite this novelty on the part of Ottawa, there have been only two cases of practical application of the relevant measures over two years. The first concerned the confiscation of assets of individuals and companies, namely USD 26 million of Granite Capital Holdings Ltd. owned by Russian oligarch Roman Abramovich.²¹ The second case was the confiscation of an An-124 cargo aircraft owned by the Russian state-owned Volga Dnepr Airlines, which is on the Canadian sanctions list.²² In both cases, the seized assets and property were transferred as aid to Ukraine. However, such initiatives have not been properly followed up. In addition, the Canadian government did not dare to take similar steps in relation to the third type of frozen assets – the assets of the Russian Central Bank.

The main reason for this is the Canadian authorities being cautious and reluctant to set a precedent that could be interpreted ambiguously from the point of view of international law in the context of both the general absence of such practice and bilateral agreements between Canada and Russia, many of which are still in force and contradict such steps. In October 2023, Canadian Senator Ratna Omidvar tabled Bill S-278,²³ which would further amend the Special Economic Measures Act, including allowing the executive branch to confiscate foreign assets under sanctions without a court order, which is required to initiate the confiscation process under the 2022 version of the law. If adopted, these amendments will significantly simplify the relevant procedures, although they will not remove all obstacles, including political ones. Against the backdrop of the adoption of a similar bill in the United States that allows for the confiscation of frozen Russian assets and their subsequent transfer to Ukraine, as well as active discussions on this topic in the European Union, it is highly likely that Canada will also resume moving in this direction, using its previous experience.

Thus, Canada, together with other partners, has been actively involved in imposing sanctions against Russian individuals and entities that directly or indirectly contribute to the continuation of Russian aggression against Ukraine, but a significant number of efforts in this area have only partially achieved their goals. Much more practical results have been achieved in the area of military-technical cooperation.

²¹ Government of Canada. Canada Starts First Process to Seize and Pursue the Forfeiture of Assets of Sanctioned Russian Oligarch. 19.12.2022 <https://www.canada.ca/en/global-affairs/news/2022/12/canada-starts-first-process-to-seize-and-pursue-the-forfeiture-of-assets-of-sanctioned-russian-oligarch.html>

²² Aisling Murphy, Abby O'Brien. Russian Cargo Plane Seized by Canadian Government at Toronto Pearson Airport. CTV News Toronto, 10.06.2023. <https://shorturl.at/swLx7>

²³ Parliament of Canada. Bill S-278: An Act to Amend the Special Economic Measures Act. 04.10.2023 <https://www.parl.ca/DocumentViewer/en/44-1/bill/S-278/first-reading>

MILITARY COOPERATION

Despite the fact that Canada's military potential was inferior to Ukraine's until 24 February 2022,²⁴ military-technical cooperation between the countries has traditionally stood out among other areas. Since 2014, Ottawa has been involved in projects aimed at reforming Ukraine's security and defence sector, as well as developing cyber and information security. In addition, the Ukrainian Armed Forces received Canadian small arms and personal protective equipment. The beginning of Russia's full-scale invasion became a catalyst for the transition of relations in this area to a qualitatively and quantitatively new level. Despite having relatively small arsenals of its own, Canada, as a NATO member state that uses most of the equipment and machinery adopted by the Alliance, has become one of the leading countries in providing military and technical support to Ukraine. Relevant work in these areas was carried out at both bilateral and multilateral levels. Contacts and consultations at the level of military leadership have also significantly intensified.²⁵

Canada's involvement in training missions for the Ukrainian military is also worth noting. Back in 2015, at the request of the Ukrainian government, a training mission was launched as part of Operation UNIFIER, which was conducted by Canadian military personnel in Ukraine. In 2019-2020, this mission coordinated other training missions for the Ukrainian military. The Canadian mission was the first among similar initiatives by other countries to send personnel to Ukraine to work on a permanent basis.²⁶ In 2022, the mission was temporarily suspended and resumed its work in August of the same year in other countries, including the United Kingdom, Poland, and Lithuania. At that time, Canadian instructors from UNIFIER joined a similar British training programme, Operation Interflex, where they focused mainly on training soldiers at the rank and file level to operate various types of equipment and machinery supplied to Ukraine. Meanwhile, in Poland, a smaller group of instructors joined the training of personnel from engineering and explosive ordnance units, and in Lithuania, courses were held for junior officers of the Armed Forces of Ukraine.²⁷ In March 2023, a decision was made to extend UNIFIER until 2026 and expand the mission's

²⁴ Global Firepower. Military Strength Ranking <https://www.globalfirepower.com>

²⁵ CTV News. Canada's Chief of the Defence Staff Makes Trip to Ukrainian Capital. 04.03.2023 <https://www.ctvnews.ca/canada/canada-s-chief-of-the-defence-staff-makes-trip-to-ukrainian-capital-1.6299306>

²⁶ Government of Canada. Operation UNIFIER. <https://www.canada.ca/en/department-national-defence/services/operations/military-operations/current-operations/operation-unifier.html>

²⁷ Ibid.

personnel to 400. Over the course of the mission, more than 40,000 Ukrainian military personnel have been trained by Canadian instructors.²⁸

In addition, Canada is involved in the coordination and planning of training missions for the Ukrainian Defence Forces through its participation in the Security Assistance Group-Ukraine (SAG-U). After discussions began in 2024 about the potential deployment of Western contingents to Ukraine, National Defence Minister Bill Blair did not rule out the return of Canadian instructors to Ukraine, but only after the necessary conditions are met.²⁹ However, he did not specify what conditions he meant.

Since 2022, Canada has provided more than USD 5.5 billion in direct and loan support to Ukraine, of which about USD 2 billion has been sent directly to meet the current and long-term needs of the Ukrainian Defence Forces. This pace has brought Canada to fifth place among the countries providing support to Ukraine.³⁰ The continuation of this support was included in a special section of the Canadian budget for 2023, "Canada's Leadership in the World".³¹ The same issues were covered in the 2024 budget in the section "Protecting Canadians and Defending Democracy".³²

Canada's representatives also participate in multilateral platforms aimed at coordinating assistance to Ukraine, in particular within the framework of NATO and other allied initiatives. In particular, Canada is one of the contributors to the Comprehensive Assistance Package for Ukraine (CAP),³³ under which it has contributed to the financing of supplies of fuel, medical supplies, and equipment such as modular bridges to Ukraine. It is also active at the meetings of the Ukraine Defence Contact Group, known as the Ramstein format, where it has joined so-called coalitions covering various needs of the Ukrainian Defence Forces: artillery, armour, fighter jets, air defence, unmanned aerial vehicles, demining, etc.

In the first days after 24 February 2022, the Canadian government announced the supply of anti-tank and small arms, sniper systems, personal protective equipment, etc. to Ukraine. In April 2022, Canada, along with the United States and Australia, delivered **the first 155-mm M777 howitzers** to Ukraine. At the same time, regular supplies of relevant ammunition began, both directly from Canadian warehouses and purchased from other countries, including the United States. At that time, funds began

²⁸ Ibid.

²⁹ Touria Izri. 'Non-combat' military trainers could return to Ukraine — but not yet: Blair. Global News, 04.03.2024 <https://globalnews.ca/news/10333884/canada-ukraine-military-training-troops/>

³⁰ Kiel Institute for the World Economy. Ukraine Support Tracker. <https://www.ifw-kiel.de/topics/war-against-ukraine/ukraine-support-tracker/>

³¹ Government of Canada. Budget 2023: Chapter 5 – Fiscal Outlook. <https://budget.canada.ca/2023/report-rapport/chap5-en.html#a5>

³² Government of Canada. Budget 2024: Chapter 7 – The Economy and Fiscal Situation <https://budget.canada.ca/2024/report-rapport/chap7-en.html#s7-2>

³³ Interfax-Ukraine. Canada to allocate additional \$410 mln to strengthen Ukraine's security, significantly increase CAP – Trudeau. 12.07.2023 <https://en.interfax.com.ua/news/general/922553.html>

to be allocated for the transfer or purchase of ammunition of other calibres for various types of equipment. After the start of large-scale supplies of equipment from Western countries, Canada redeployed two C-130J Hercules military transport aircraft, which had been deployed in the Middle East, to the United Kingdom to transport aid to Ukraine.

Soon after, a decision was made to transfer eight Canadian-made Senator armoured vehicles to Ukraine. In January 2023, a contract was signed for the supply of 200 of these vehicles, worth more than USD 90 million.³⁴ The implementation of this contract, which is funded by Canada, is ongoing. In addition, at the beginning of 2023, Canada was one of the first to join the group of countries that **agreed to provide Ukraine with German Leopard tanks**. Subsequently, Ottawa handed over eight 2A4 tanks out of 82 Leopard 2 tanks of various modifications in service with the Canadian Armed Forces, and contributed to the financing of a repair centre for these tanks in Poland.³⁵

Canada's participation in the **F-16 coalition** is noteworthy. The Canadian Armed Forces generally have a limited fleet of fighter jets and do not use this model. Previously, the country's air force used F/A-18 fighters, and last year it was decided to replace them with the latest F-35s, which have already been contracted. Tentatively, this process will stretch over 2026-2032.³⁶ The potential transfer of old fighters of this type to Ukraine has been periodically discussed in the public domain, but the Ukrainian military leadership has prioritised the acquisition of newer and more common US F-16 fighters.³⁷ Despite the fact that Canada does not have such aircraft in service, Ottawa willingly joined international efforts to provide them to Ukraine. In particular, maintenance personnel from Canadian airfields have been sent to training centres, and language courses are being organised for Ukrainian pilots with Canadian assistance. In addition, the Canadian government has pledged more than USD 60 million to finance other related costs and the future purchase of spare parts, maintenance equipment and ammunition for the aircraft transferred to Ukraine.³⁸

A similar situation was observed in the case of air defence systems: Canada mainly contributed to the financing of multilateral initiatives in this area, as well as transferred

³⁴ International Institute for Strategic Studies (IISS). The Military Balance 2024 <https://www.iiss.org/publications/the-military-balance/>

³⁵ Ibid.

³⁶ Murray Brewster. Federal government inks deal to buy fleet of F-35 fighter jets. CBC News, 09.01.2023 <https://www.cbc.ca/news/politics/canada-f35-fighter-jet-deal-1.6707769>

³⁷ NV.ua. The Ukrainian Armed Forces' Air Force comments on media reports about Ukraine's refusal from F/A-18 fighter jets. 02.02.2024 <https://nv.ua/ukr/ukraine/events/f-a-18-vinishchuvach-u-zsu-zayavili-shcho-niyakoji-ugodi-ne-bulo-novini-ukrajini-50389251.html>

³⁸ Government of Canada. Minister Blair Announces \$60 Million in Military Aid for Ukraine at 19th Meeting of the Ukraine Defense Contact Group. 14.02.2024 <https://www.canada.ca/en/department-national-defence/news/2024/02/minister-blair-announces-60-million-in-military-aid-for-ukraine-at-19th-meeting-of-the-ukraine-defense-contact-group.html>

the ammunition it had in its arsenals. In addition, Ottawa paid for the purchase of one NASAMS system from the United States. However, its production and transfer to Ukraine have been significantly delayed due to bureaucratic and financial obstacles on the US side.³⁹

Canada also provided other types of equipment to Ukraine. In particular, the list of assistance provided included spare parts and equipment for unmanned systems, including cameras, as well as drones as such. These efforts were continued after the country joined the newly-formed drone coalition.⁴⁰ Canadian officials also announced an agreement to provide Ukraine with 10 multipurpose boats manufactured by Zodiac Hurricane Technologies.⁴¹ Another important area of cooperation is humanitarian demining of Ukrainian territories, in which Ottawa financed the purchase of equipment and training for explosive ordnance disposal personnel.

During the 2023 NATO Summit in Vilnius, Canada, as a member of the G7, co-authored a declaration on security commitments for Ukraine.⁴² Canada became the third country after the United States and the United Kingdom to begin negotiations with Ukraine on a bilateral agreement. On 24 February 2024, President of Ukraine Volodymyr Zelenskyy and Prime Minister of Canada Justin Trudeau signed the **Security Cooperation Agreement** in Kyiv. It became the fifth such agreement concluded by Ukraine, following similar agreements with the United Kingdom, Germany, France, and Denmark. The agreement, among other things, provided for Canada's allocation of CAD 3 billion for macro-financial and military support to Ukraine in 2024, and established the general framework of the Canada-Ukraine Strategic Security Partnership.⁴³ The document envisages Canada's continued support for Ukraine, as well as building cooperation in the development of the defence industry, intelligence and counterintelligence activities, countering threats in cyberspace and other areas. Thus, Canada has been involved in one format or another in most Western initiatives aimed at supporting Ukraine in countering Russian aggression, and has demonstrated

³⁹ Jackie Carmichael. Canada's \$406 Million Missile System for Ukraine Hung Up in U.S. Red Tape: Blair. Edmonton Journal <https://edmontonjournal.com/news/national/canadas-406-million-missile-system-for-ukraine-hung-up-in-u-s-red-tape-blair>

⁴⁰ Government of Canada. Minister Blair Welcomes Latvian Defence Minister Andris Spruds to Canada and Joins Drone Coalition to Aid Ukraine. 07.03.2024 <https://www.canada.ca/en/department-national-defence/news/2024/03/minister-blair-welcomes-latvian-defence-minister-andris-spruds-to-canada-and-joins-drone-coalition-to-aid-ukraine.html>

⁴¹ Government of Canada. Minister Blair Announces New Military Donations for Ukraine at the 18th Meeting of the Ukraine Defense Contact Group. 23.01.2024. <https://www.canada.ca/en/department-national-defence/news/2024/01/minister-blair-announces-new-military-donations-for-ukraine-at-the-18th-meeting-of-the-ukraine-defense-contact-group.html>

⁴² Office of the President of Ukraine. Joint Declaration on Support for Ukraine. 12.06.2024 <https://www.president.gov.ua/en/news/spilna-deklaraciya-pro-pidtrimku-ukrayini-84277>

⁴³ Government of Canada. Agreement on security cooperation between Canada and Ukraine. 24.02.2024. https://www.international.gc.ca/world-monde/issues_developpement-enjeux_developpement/response_conflict-reponse_conflits/crisis-crisis/agreement-ukraine-accord.aspx?lang=eng

how countries can contribute to this cause even in the absence of certain resources. Ottawa has established itself as a reliable partner and laid the foundation for further development of cooperation in the security and defence sector. At the same time, along with the development of Ukrainian defence capabilities, initiatives aimed at the future settlement of the conflict are being promoted.

PEACE FORMULA

Since President Zelenskyy's announcement in Indonesia in November 2022 of the 10 points that eventually formed the basis of the Ukrainian Peace Formula, Canada has welcomed the initiative and stood ready to contribute to its full implementation.⁴⁴ Ottawa expressed its desire to promote the widest possible international participation in this process, which was, among other things, enshrined in the Security Cooperation Agreement (2024) mentioned in the previous section. This agreement states the intention to work in certain specific areas that align with the points of the Peace Formula. Canadian representatives participated in meetings on the implementation of the Peace Formula held in Copenhagen, Jeddah, Malta, and Davos. Prime Minister Justin Trudeau represented his country at the Peace Summit in Switzerland on 15-16 June 2024.⁴⁵

In addition to Ottawa's general and sustained support for the restoration of Ukraine's sovereignty and the full implementation of international law, **food security** is a particular area of interest. Canada is a major agricultural exporter, and although the decline in exports of Ukrainian grain and other agricultural products as a result of Russian aggression and the blockade of Ukrainian ports has enabled Canadian producers to occupy temporarily vacant niches in the markets,⁴⁶ this development has also created a number of challenges. In particular, the global food infrastructure and the balance in the world's food markets were disrupted, which put additional pressure on Canadian agriculture. The shortage of surplus food has made many producers less willing to sell their stocks in case of future downturns in production, and the accompanying rise in prices for these products has reduced the number of buyers who create demand for them. Thus, Canadian producers, on the one hand, faced the need to increase their production capacity, and, on the other hand, a decline in demand for their products and a corresponding decrease in revenues.⁴⁷

Canada has taken steps to help restore Ukraine's agricultural exports, including by funding the activities of the UN World Food Programme under the Black Sea Grain Initiative and raising the issue of supporting Ukrainian export opportunities at

⁴⁴ Prime Minister of Canada. Canada Reaffirms Our Unwavering Support for Ukraine for as Long as it Takes. 22.09.2023 <https://shorturl.at/0yVwJ>

⁴⁵ Prime Minister of Canada. Toward a Just and Lasting Peace for Ukraine. 16.06.2024 <https://www.pm.gc.ca/en/news/news-releases/2024/06/16/toward-just-and-lasting-peace-ukraine>

⁴⁶ Isaac Kwarteng. Canada's Role in Global Food Security. Farm Credit Canada, 21.02.2024 <https://www.fcc-fac.ca/en/knowledge/economics/canada-role-global-food-security>

⁴⁷ Raj Patel. Our Global Food System Was Already in Crisis, Russia's War Will Make it Worse. Boston Review, 2024. <https://www.bostonreview.net/articles/our-global-food-system-was-already-in-crisis-russias-war-will-make-it-worse/>

international meetings with third countries.⁴⁸ In addition, the Canada-Ukraine Agricultural Forum was held in March 2023 to discuss bilateral cooperation in food security.⁴⁹

As for other points, Canada facilitated **the release of prisoners and deportees**. In particular, Ottawa initiated the creation of an international coalition on the return of Ukrainian children illegally deported by the Russian Federation and became its co-chair along with Ukraine. The coalition's activities focus on identifying deported children, developing mechanisms for their return, and implementing these mechanisms to return children to their families in Ukraine. The coalition already has 36 member states.⁵⁰

In addition, Canada is actively promoting the issue of **restoring justice** and bringing to account those responsible for war crimes and other violations of international law. Ottawa has allocated more than USD 9 million to finance the identification and investigation of violations of human rights and the rules and customs of warfare during hostilities, in addition to USD 2 million to the International Criminal Court's trust fund for similar purposes.⁵¹ Canada is also actively promoting the idea of establishing a tribunal to bring the Russian leadership to justice for crimes committed in Ukraine.⁵²

Finally, we can highlight the steps that Canada is taking in the context of the point on **preventing future escalation**. The main tool is Ukraine's future membership of NATO, which has clear support from the Canadian leadership. During his visit to Kyiv in June 2023, Justin Trudeau reaffirmed this position in a joint declaration with Volodymyr Zelenskyy.⁵³ Until "circumstances allow" Ukraine's accession to the Alliance, the Security Cooperation Agreement between Ukraine and Canada will remain the basis for cooperation in this area. Its main mechanisms include material and technical assistance to Ukraine. They also provide a framework for future joint security and defence projects and consultations. However, it remains unclear how to flesh this point out in practice.

⁴⁸ Associated Press. Polish, Canadian leaders discuss boosting Ukrainian food exports to hungry countries outside Europe. 26.02.2024. <https://shorturl.at/Pp7LR>

⁴⁹ Cabinet of Ministers of Ukraine. Ukraine and Canada are among the key players in global food security: Vitalii Holovnia. 02.03.2023. <https://www.kmu.gov.ua/en/news/vitalii-holovnia-ukraina-ta-kanada-ie-odnymy-z-kliuchovykh-hravtsiv-iz-zabezpechennia-prodovolchoi-bezpeky-u-sviti>

⁵⁰ Government of Canada. International Coalition for the Return of Ukrainian Children. https://www.international.gc.ca/world-monde/issues_developpement-enjeux_developpement/response_conflict-reponse_conflits/crisis-crises/ukraine-children-enfants.aspx?lang=eng

⁵¹ Department of Foreign Affairs, Trade and Development. Government Response to the Standing Committee on Foreign Affairs and International Development. Government of Canada, 2023. https://www.ourcommons.ca/content/Committee/441/FAAE/GovResponse/RP12529358/441_FAAE_Rpt10_GR/DepartmentOfForeignAffairsTradeAndDevelopment-Tenth-e.pdf

⁵² Politico. Canada Endorses Special Tribunal for Russia, July says. 16.02.2023 <https://www.politico.com/news/2023/02/16/canada-endorses-special-tribunal-russia-july-00083250>

⁵³ Office of the President of Ukraine. Joint Declaration by Ukraine and Canada. 10.06.2023 <https://www.president.gov.ua/en/news/spilna-deklaraciya-ukrayini-ta-kanadi-83513>

AREAS FOR COOPERATION DEVELOPMENT

Canada is a reliable partner of Ukraine in countering Russian aggression and often demonstrates an exemplary level of relations and support. However, there are several areas for improvement and development of bilateral relations that would allow them to reach their full potential.

First, it is necessary to develop the established areas of security cooperation outlined in the relevant bilateral agreement. This is especially important in light of the parliamentary elections to be held in Canada in 2025, which could bring a government change in Ottawa. Although there are no openly anti-Ukrainian forces in Canadian politics, it is crucial to develop areas for systematic long-term cooperation that go beyond this year's USD 3 billion in support and general statements about Canada's willingness to help.

While the majority of current contacts and documents focus on Canada's and other partners' support for Ukraine, it is crucial for Kyiv to demonstrate its readiness not only to be a beneficiary of such relations but also to contribute to their development. In 2022, after Russia's attack on Ukraine, discussions in Canada intensified about increasing defence spending and revising the country's overall security and defence policy. This indicates an increased interest from Canadian military and political leadership in developing partnerships and sharing the experience that Ukraine has gained after more than two years of active hostilities. This may include the development of military cooperation, as well as collaboration at the level of intelligence services, countering hybrid and non-linear aggression in cyber and information space, and building a resilient critical infrastructure system.

In addition, Canada is concerned about the threat posed by Russia in the Arctic region, which is identified as one of the country's national security priorities. This area may become a point of contact where Ukraine and Canada's immediate security interests coincide, further contributing to building strategic relations. The experience of countering Russia's actions in the Black Sea, including pre-2022 efforts, may offer useful lessons for the Arctic.

Sanctions policy will always have room for improvement. At least until the end of the current hostilities, there will be a constant need to expand sanctions against Russia to new areas, as well as to monitor compliance with existing restrictions, particularly by imposing secondary sanctions on states and entities that facilitate the aggressor's circumvention of sanctions.

Another important area in which dialogue needs to be intensified is the confiscation of frozen Russian assets. The circumstances surrounding this issue, including the preparatory steps taken by Canada's allies and partners, allow for cautious optimism about the likelihood of such measures being taken. However, their full implementation should remain a priority area of cooperation.

In the context of implementing the Ukrainian Peace Formula, it is necessary to continue working on the points that Canada has identified as priorities: food security, restoration of justice, and prevention of future escalation. Canada, as a major Western country without the colonial legacy of some European states, can act as an intermediary in establishing ties with countries of the so-called Global South and engaging them in implementing at least some points of the Formula. This approach can achieve greater legitimisation of Ukraine's peace vision and result in the development of a practical plan for its implementation with the participation of more countries.

The qualitative continuation of current cooperation and its expansion to new areas require Ukraine to work actively and develop contacts at all levels: from top political leadership to representatives of business and culture. In this context, parliamentary diplomacy, an important component of the foreign policy toolkit, can be separately highlighted.

In addition, in the case of Canada, efforts to engage the Ukrainian diaspora, which has sufficient resources to influence government policy decisions, are effective. At the same time, Ukraine's public and cultural diplomacy should go beyond the diaspora to attract a wider range of support, which may indirectly influence political support for Ukraine.

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