

## How Likely the Parties Concerned on the Ukraine Issue Could Manage to Agree on A Settlement Deal?

### Highlights

Properly addressing the security and territorial issues between Russia and Ukraine would not only be the most critical part in leading to a final resolution to the Ukraine crisis, but also would greatly contribute to the process of building a sustainably secure European security framework.

Over the past few months, a lot of discussions concerning the ongoing Russia-Ukraine war have been focusing on the terms for settling the crisis. Agreeing on the terms related to security and territorial issues would be the key toward bringing the Ukraine crisis to an end at an earlier date.



Data as of August 12, 2025

Source: The Institute for the Study of War with AEI's Critical Threats Project

Graphic: Rachel Wilson, CNN. Cited from CNN.

Ukraine and its backers prefer to reach a ceasefire with Russia in the first place before negotiating any settlement framework, while the Russian side indicated that an unconditional ceasefire at the moment is unacceptable for Russia.

In order to get Russia to agree to a ceasefire, in late July, the U.S. government claimed to impose new sanctions on Russia as well as secondary sanctions on countries importing Russian energy, if, within 50 days, Russia and Ukraine fail to make any progress toward reaching a peace deal.

Shortly, the Trump government cut the 50-day period to a 10-day duration, as the U.S. President believed that he already knew the answer, so that there was no need to wait that long anymore.

Then, before the expiring date of the 10-day limit, the U.S. special envoy Steve Witkoff conducted a trip to Moscow in early August to have further consultation with the Russian side on finding a solution to end the Ukraine conflict. The meeting between Russian President Vladimir Putin and Steve Witkoff lasted about three hours, and no much detail regarding the meeting was revealed, yet both the U.S. and Russian officials spoke positively of the outcome of the meeting.



Russia's President Vladimir Putin and U.S. Special Envoy Steve Witkoff arrive for their talks in Moscow on 25 April. (Kristina Kormilitsyna/Pool/Sputnik/Getty Images/CNN)

Shortly following Witkoff's trip to Moscow, the U.S. and Russian sides announced that a summit between the leaders of the two countries will be arranged within a week; and it was finally set to take place on 15 August in Alaska.

According to the media release, the U.S. President before the summit day already stated that territorial issues related to Russia and Ukraine would be out of the discussions during the summit. Meanwhile, some European leaders, ahead of the Trump-Putin summit, issued a joint statement, declaring that they welcome the efforts made by the U.S. President Trump toward ending the Ukraine conflict and would continue their support to Ukraine.



U.S. President Donald Trump greets Russian President Vladimir Putin upon Russian President's arrival at Joint Base Elmendorf-Richardson. (Andrew Harnik/Getty Images/RT)

The nearly 3-hour Trump-Putin summit on Friday had mainly focused on finding a solution for the Ukraine conflict. No agreement was reached, yet both the Russian and U.S. sides acknowledged the necessity of holding this summit, with Russian President viewing that it was "constructive" and "useful", while the U.S. President saying that it was a "warm meeting" and that it is close further toward resolving the Ukraine crisis.

### **Understanding the Positions Held by the Parties Concerned on Addressing the Ukraine Issue**

Meeting the security concerns of Russia and Ukraine and properly addressing the territorial claims between them would be the key in leading to a final resolution of the Ukraine crisis at an earlier date. So far, on these two issues, the positions held by the two countries haven't

changed that much.

Ukraine wants a robust security guarantee. In relation to territorial issues, on 13 August, ahead of the Alaska summit, following a visual meeting between the U.S. President and some European leaders, the European leaders together with the Ukrainian President put forward some key points, one of which is that Ukraine would agree to negotiate on territorial issues by taking the current contact line of Russian and Ukrainian forces as a starting point. Nonetheless, legally recognizing Russia's claims on the new regions is "not up for debate".

Meanwhile, Russia insists that any peace deal must have to address the root causes of the Ukraine crisis, and that Ukraine needs to acknowledge the territorial realities on the ground. More recently, the Russian side proposed that if Ukraine withdraws its forces from the Donetsk region, Russia would agree to a full ceasefire and to freeze the contact line of the Russian and Ukrainian forces in the Zaporizhzhia and Kherson regions, alongside the negotiation process. The Ukrainian regime has rejected this idea.

Besides the above, another critical concern of the Russian side is that, even though Russia and Ukraine have been carrying out negotiations, the Ukrainian side still hasn't taken steps to lift its self-imposed ban on negotiations with Russia. This can be one of the important reasons that Russia has been questing the legitimacy of any official settlement documents to be signed by the Ukrainian authority as well as the Ukrainian government's commitment and capacity in implementing the documents.

For the major European powers, though they would still show their strong support to Ukraine, their positions on the management of the Ukraine conflict appear to have already adjusted a bit, from encouraging Ukraine to keep fighting on the battlefields to pushing for a ceasefire and seeking a diplomatic solution to end the Ukraine conflict.

Given that Russia has an upper hand on the front lines, the major European powers may have realized that the chances for Ukraine to turn a tide on the battlefields have been dramatically reduced over the past few years, so that continuing to expect and encourage Ukraine to use force to gain a ground on the battlefields wouldn't actually meet the interests of Ukraine and Europe. Besides that, alongside the Ukraine war, the European countries have suffered huge economic losses as well as great political and social costs. This could be part of the reasons as well in motivating the European leaders to seek diplomatic solutions for the Ukraine conflict alongside other measures. In addition, very crucially, the policy shift of the Trump government in dealing with the Ukraine crisis could have had an impact on the positions held by the major European powers on managing the Ukraine issue.

There is no doubt that the U.S. government can exert a big leverage on Europe from the economic and security dimensions.



U.S. President Donald Trump arrives for a media conference at the end of the NATO summit in The Hague, Netherlands, on 25 June 2025. (Alex Brandon/AP Photo)

From the security perspective, as far as the U.S. remains as a member of the NATO alliance, Europe and the U.S. cannot be separated in security. The U.S. government has pressed the European NATO members to further raise their defence budgets up to 5% of GDP, compared to the previously required level of 2%. The 5% of GDP target is high and the European members may not be able to meet this goal in a short term, but some have already been prepared to share more burden in defence. For instance, last month, the U.S. and Europe agreed that further military aid provided to Ukraine will be paid by European NATO allies.

On economic and trade issues, given that Europe heavily rely on the U.S. in defence and security, European countries may likely make concessions to the U.S. in economic cooperation under certain circumstances. Conceding to the U.S. pressure by the EU most recently in trade can be one of the examples to have reflected the U.S. leverage in economic cooperation with Europe, as some observers already indicated.

The current U.S. government is committed to bringing the Ukraine war to an end, because the U.S. politicians realized that economically, strategically, and morally, prolonging this war wouldn't serve the interests of the U.S., Europe, Russia, and Ukraine. Spending money on an unwinnable war, which has already caused mass casualties and would lead to more casualties as far as the warfare keeps going, doesn't carry a good meaning from a moral ground. Strategically, if the war goes deeper and the U.S. is being dragged into a direct conflict with Russia, that scenario will not be a strategic gain for the U.S. and Europe, instead, it will mean a mutual strategic loss for the U.S., Russia, and the whole Europe. Economically, even though

the Trump government has managed to shift some burden in aiding Ukraine's warfare on to Europe such as requiring the European NATO allies to buy weapons for Ukraine, there is also a need to be aware that the U.S. is still the largest contributor to the NATO defence budget, which is larger than all other NATO members' commitments to NATO combined. So, the U.S. just cannot stay away from aiding Ukraine's war with Russia, as long as the war doesn't stop.

It is assumed that the U.S. has a clear understanding and calculation on the repercussions of the Ukraine war from a variety of aspects. That's why since early this year the U.S. government has adjusted the country's policies and measures in dealing with the Ukraine crisis and been very committed to finding a resolution to end rather than prolong this conflict.

Generally, against the above context, in the coming steps, the U.S. and European countries would likely weigh more efforts in using diplomacy to seek a breakthrough toward the settlement of the Ukraine conflict, alongside other measures taken.

### **Security Concerns of the Warring Parties and the European Security Framework**

As already mentioned, addressing the security and territorial issues would be the key in order to get the warring parties to agree to a settlement deal.

On the security issue, Russia's position has been consistent and firm - the final settlement needs to address the root causes of the Ukraine conflict, which mostly has a relevance to NATO expansion. So, offering NATO membership to Ukraine would remain as a red line for Russia. Besides that, as part of a peace agreement, forces from NATO members cannot be sent to Ukraine. On the territorial issues, Russia wants Ukraine to recognize Russia's sovereign claims over the former Ukrainian territories having rejoined Russia.

For Ukraine, on security, it previously demanded a clear path in leading Ukraine to become a NATO member. Besides that, as part of the settlement deal, Ukraine wants a strong security guarantee such as a Western coalition force being sent to Ukraine (the Trump government has already denied any chance of sending U.S. troops to Ukraine). On the territorial issues, Ukraine refuses to legally recognize Russia's sovereignty over the former Ukrainian territories, though Ukraine has agreed to discuss this matter with Russia.

Back in mid-April, the U.S. worked out a settlement proposal including rejecting Ukraine's pursuit of NATO membership, legally recognizing Crimea as part of Russia, and lifting the sanctions imposed on Russia since 2014, unofficially accepting Russia's control over the territories having rejoined Russia since 2022 alongside the current contact line. By then, major European countries had different ideas on the U.S.-made proposal including not putting a limit on Ukraine's military as well as setting conditions on sanctions relief on Russia and so

on.

So, afterward, it appears that no much progress has been made in consultations between the U.S. and major European powers and Ukraine on the peace proposal.

Most recently, right before the Putin-Trump Alaska summit, the U.S. President floated the idea of swapping territories between Russia and Ukraine. It is not sure how likely it could work for both Russia and Ukraine.

Generally, it can be seen that due to the different positions held by the main parties on security and territorial recognition, there is a stalemate in the negotiations toward reaching an acceptable deal.

In order to break this negotiation deadlock, European countries and Ukraine need to be realistic on the issue of Ukraine's NATO membership. The idea of allowing Ukraine to acquire NATO membership can only remain as a key obstacle in preventing the negotiations from moving forward and the crisis from being resolved.

For addressing the current crisis, Ukraine's backers need to mainly focus on exploring other possible means to provide Ukraine with security guarantee.

In the scholarly field, there are observers suggesting that, as part of the peace agreement, a UN peacekeeping and monitoring force from the neutral Global South countries could fulfill the mission of patrolling and adjudicating the ceasefire line between Russia and Ukraine.

Apart from that, due to that Ukraine demands a strong security guarantee, so in parallel to the UN peacekeeping and monitoring force, other options in the meantime could be taken into account as well.

Across the media outlets, there have been a lot of discussions on the means of security guarantees since the Trump-Putin Alaska summit. Some European officials have been talking about sending "a coalition of the willing" force established by the West to Ukraine, though Russia has denied the possibility of allowing for such an arrangement to happen since the very beginning. Besides that, an idea of providing Ukraine with a "NATO Article 5-Style" security guarantee has been floating around. In addition, French President Emmanuel Macron has raised the idea of helping Ukraine build a stronger army with no limits set in the "numbers, capabilities, weapons" of the Ukrainian military, and in the meantime offering reassurance support to Ukraine in the air, at sea, and on land by a Western coalition force.



British Prime Minister Keir Starmer and French President Emmanuel Macron talk during the White House meeting on Monday 18 August 2025. (Win McNamee/Getty Images/CNN)

It is not sure how likely and to what degree Russia would agree to these arrangements just listed, as from Russia's perspective, some of these arrangements appear to be preparing for a new offensive war rather than serving a purpose of security guarantee.

The purpose of security guarantee is set to prevent any new aggressive actions from being launched by either Russia, or Ukraine, or any other European powers in the future. It is a mutual security guarantee to all the parties concerned, rather than guaranteeing one's security while ignoring the other's or the others'.

Given that the U.S. is still taking the lead in the NATO alliance and that the country has troops stationed and military bases set in Europe, these facts imply that the U.S. still has an interest in maintaining its influence in Europe as long as it can. So, on the issue of security arrangement related to Ukraine and Europe, Russia and the U.S. should take the lead in jointly arranging a new security framework (regardless of to what degree the U.S. is ready to contribute in material terms for the implementation of such a new arrangement). The new security framework may be separated from other bilateral security arrangements between the U.S. and Russia.

Apparently, it is time to re-set the European security architecture.



Mikhail Gorbachev discussing German unification with Hans-Dietrich Genscher and Helmut Kohl in Russia on 15 July 1990.

(Photo: Bundesbildstelle/Presse und Informationsamt der Bundesregierung/National Security Archive)

Back in the late 1980s and early 1990s, with the Cold War approaching to an end, the U.S. and the Soviet Union had agreed to a series of arrangements including Western officials' assurances to then Soviet leader Mikhail Gorbachev that NATO would not exploit the disintegration of the Soviet Union to seek eastward expansion, in order to get the Soviet Union's support to the unification of West Germany and East Germany and also keeping a united German in NATO.

Besides that, regarding the status of Ukraine, with the country declaring its independence, this legal document - "Declaration of State Sovereignty of Ukraine" - passed by the Verkhovna Rada of the Ukrainian Soviet Socialist Republic, on 16 July 1990, proclaimed that "the Ukrainian SSR solemnly declares its intention of becoming a permanently neutral state that does not participate in military blocs and adheres to three nuclear free principles: to accept, to produce and to purchase no nuclear weapons."

Further more, in December 1994, with the signing of the Budapest Memorandum by the U.S., Russia, UK, and Ukraine, the three major powers reaffirmed their recognition of Ukraine's sovereignty, independence, and existing borders, as well as of the status of Ukraine as a nuclear-free state.

Nonetheless, the expansion of NATO since the late 1990s and Ukraine's seeking of NATO membership since 2008 have broken down the European security framework initially agreed by the U.S. and the former Soviet Union.

The gradual loss of balance in the European security architecture driven by the subsequent breaking of the security arrangements culminated in the Ukraine crisis started since 2014.

Against this backdrop, in order to avoid the same story happening again in the long-term future, for re-setting the European security framework, Ukraine's renouncement of seeking the membership of NATO and of other military blocs needs to be once again clearly stated and defined in order to enable Ukraine to continue receiving military and other kinds of support from Ukraine's backers.

In addition, as part of the security guarantee settlement, one analyst raised the idea that, after the war is ended, Ukraine's allies can continue providing Ukraine with military aid and intelligence support, but these weapons purchased by European countries from the United States, instead of being directly delivered to Ukraine, will be stockpiled in other European countries. The Ukrainian forces can receive regular training in these host European countries on how to use these military weapons and equipment from time to time. The weapons stockpiled in Europe and the training offered to Ukrainian servicemen are set to ensure that the Ukrainian forces can quickly respond to any emergencies; and if an emergency does occur to Ukraine, they can be timely transferred to Ukraine.

### **Settlement of the Territorial Issues**

With regard to the issue of territorial recognition, Russia and Ukraine have been holding different positions on the status of the former Ukrainian territories, but more recently, as already mentioned in the previous part of this piece, the Ukrainian President has agreed to negotiate this matter by taking the current contact line as a starting point, but legally recognizing these regions as part of Russia would be unacceptable for Ukraine.

It is assumed that one of the critical concerns for Russia, in relation to the status of the regions having rejoined Russia since 2022, is that this matter is not just about these territories in physical and geographic terms, it is also related to the future status of the people residing in these territories, once a final settlement concerning the territorial issues between Russia and Ukraine is reached.

Back in the early 1990s, as a result of the disintegration of the Soviet Union, some families and relatives belonging to the same country suddenly in one day were separated and became foreigners to each other. By then, it could be a disappointing moment for a lot of families. So,

## Russia-Ukraine War

Russia may not want to see the same to happen on the people residing in these four regions any more.

If a final settlement is reached, and by abiding to the agreement, the Russian and Ukrainian forces are separated along the current contact line, then in order to protect the status and rights of the people residing in these four regions and to keep them in one country, Russia may have to try to help them relocate. If that would be the case, a large portion of the people may need to be relocated.

So, it is assumed that avoiding the uncertainties and repercussions to be possibly caused by dividing these regions and relocating a large portion of residents could also be one of the reasons that Russia at the moment doesn't agree to an unconditional ceasefire and in the meantime demands Ukraine to give up the territories of the entire four regions.



Data as of August 12, 2025

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Graphic: Rachel Wilson, CNN. Cited from CNN.

More likely, Russia will aim to take full control of the four regions, as under that circumstance, there will be no issue related to relocating residents anymore.

Another issue related to territorial recognition is that whether or not, in the final peace agreement, Russia would want it to reflect Ukraine's legal recognition of Russia's rights over and actual control of the regions having rejoined Russia. If not, it might be relatively easier for Russia and Ukraine to jointly address the territorial issues.

After all, the security issue and territorial recognition can be the most challenging part in the whole process of addressing the ongoing Ukraine crisis. Should the parties concerned be able to reach a consensus on managing and resolving these two issues, they would have been really getting close toward bringing this crisis to an end.