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December 23, 2016, Vol. 5, Issue 4

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vol. 21, issue 3

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January 20, 2017

Farewells & Final Warnings



BY RAHIM RAHEMTULLA
RAHIMKYIVPOST@GMAIL.COM

On their last days in office, U.S. President Barack Obama and other top officials used their final appearances to denounce Russia as a threat to the global international order and to urge continued Western support for Ukraine.

This 11th-hour offensive signaled a belated recognition from Obama that he had underestimated the threat posed by Russian President Vladimir Putin. As he

more **Biden** on page 9

U.S. Vice President Joseph Biden waves as he arrives for a meeting with Ukrainian President Petro Poroshenko on Jan. 16 in Kyiv. Biden made six trips to Ukraine as vice president while U.S. President Barack Obama did not visit, the first American leader since Ronald Reagan not to visit Ukraine while in office. Donald J. Trump will take the oath as America's 45th president at noon Washington, D.C., time on Jan. 20. (Volodymyr Petrov)

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CURRENCY WATCH
Hr 28.3 to \$1
Jan. 19 market rate



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4 820131 720013 0 3

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Засновник ТОВ "Паблік-Медіа"

Головний редактор Брайан Боннер

Відповідальний за випуск

Люк Шеньє

Адреса видавця та засновника співпадають: Україна, м. Київ, 01004, вул. Пушкінська, 31А, 6-й поверх.

Реєстраційне свідоцтво

Кв № 15261-3833ПР від 19.06.09.

Передплатний індекс ДП Преса 40528

Надруковано ТОВ «Новий друк»,

02660, Київ, вулиця Магнітогорська, 1,

тел.: 559-9147

Замовлення № 13-8040

З приводу розміщення реклами звертайтесь: +380 44 591-77-88

Відповідальність за зміст реклами несе замовник.

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Activists cry foul as courts, prosecutors clear Zlochevsky

BY ALYONA ZHUK
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The club of top officials of fugitive ex-President Viktor Yanukovich's regime who have successfully avoided prosecution has a new member.

Ex-Ecology Minister Mykola Zlochevsky was cleared of corruption charges and can now return to Ukraine after three years of exile. A Ukrainian court closed the case against him in November, but the public only heard of the development when the ex-minister's oil-and-gas company, Burisma Group, announced it in January.

The Prosecutor General's Office sat on the case for two years. It finally changed the thrust of the investigation from illicit enrichment to tax evasion, and then settled.

But prosecutors are now under fire from anti-corruption activists for intentionally botching the case and letting Zlochevsky off the hook.

Sabotage claims

Zlochevsky was among several top officials who fled Ukraine after the EuroMaidan Revolution that ousted Yanukovich on Feb. 22, 2014. Months later, some \$35 million was found in his companies' bank accounts in the United Kingdom, prompting money laundering and illicit enrichment investigations in the UK and Ukraine.

He was also investigated for giving gas extraction licenses to affiliated companies - mainly ones in the Burisma Group.

But the charges were then whittled down to a single case of tax evasion, which was settled by a Kyiv court in November, with Burisma agreeing to pay Hr 180 million. The settlement constitutes less than 20 percent of the sum discovered in Zlochevsky's bank account in 2014.

Burisma called the closing of the



Then-Ecology Minister Mykola Zlochevsky attends a Cabinet of Ministers meeting in Kyiv on Nov. 2, 2011. Zlochevsky fled after the 2013-14 EuroMaidan Revolution that ousted President Viktor Yanukovich. He was suspected of stealing millions of dollars, but law enforcement authorities have cleared him. (UNIAN)

case the result of "full cooperation between the office of the prosecutor general" and Burisma's lawyers.

However, this "full cooperation" could actually be an illegal back-room deal, claims Daria Kaleniuk, the executive director of the Anti-Corruption Action Center. "The proceedings led by the Prosecutor General's Office weren't just shut - they were intentionally botched," Kaleniuk says.

Answering the claims, prosecutors say the case was investigated properly.

But "we have doubts about that," says Yaroslav Yurchyshyn, an executive director at Transparency International Ukraine.

Lost millions

The prosecutors' work on the Zlochevsky case has long been cause for concern.

In 2015, then-Deputy Prosecutor General Davit Sakvarelidze launched a criminal proceeding into possible abuse of office by the prosecutors who worked on Zlochevsky's case. The National Anti-Corruption Bureau of Ukraine took over the case in early 2016, and is still investigating it.

However, in a press release sent out by the Burisma Group, Zlochevsky said that the closing of the case against him and his companies was "a big step forward for Ukraine in general, and for Burisma Group in particular."

Zlochevsky served as Ukraine's ecology minister in 2010-2012, during the Yanukovich presidency. During that time, the State Service of Geology and Mineral Resources of Ukraine, which works under the Ecology Ministry, granted licenses for gas extraction to Zlochevsky's companies.

In the spring of 2014, after Yanukovich fled and the West started imposing sanctions against his associates, Andriy Kicha, Zlochevsky's lawyer and a top manager at the

Burisma Group, tried to transfer some \$23 million from accounts in the UK to Cyprus. The UK authorities blocked the operation, froze the accounts, and launched an investigation to determine the source of Zlochevsky's money, suspecting money laundering.

At the same time, Ukrainian prosecutors started an illicit enrichment case against Zlochevsky.

However, Ukrainian prosecutors provided no help to the case in the UK. In December 2014, the Prosecutor General's Office sent Zlochevsky's lawyer a letter stating that no active case was underway against his client. A London court then dropped the case, citing a lack of evidence, and unfroze the accounts.

According to the London court, some \$20 million of the \$35 million in Zlochevsky company accounts in British banks had come from fugitive Ukrainian oil trader and Yanukovich crony Serhiy Kurchenko, who is wanted in Ukraine on suspicion of embezzlement.

"That money was the first money arrested abroad, right after the EuroMaidan Revolution," Kaleniuk said. "And we could have got it back."

And although the Ukrainian authorities put Zlochevsky on the wanted list in Ukraine, the case never went further.

After a 30-month investigation by the Prosecutor General's Office, the Podilsky Court in Kyiv closed the case on Nov. 17 after Burisma Group companies paid the state budget Hr 180 million in unpaid taxes. One of the group's companies that paid the settlement was Esko-Pivnich, where the defendant was an accountant.

"Why have the proceedings regarding Zlochevsky's possible illegal enrichment led to the proceedings against an accountant at Esko-Pivnich for tax evasion?" Kaleniuk asks.

Zlochevsky was taken off the wanted list even before the final settlement, in October, after another Kyiv

court issued an order to prosecutors because his case hadn't been actively investigated for a year.

Zlochevsky has never revealed where he has been living in the past three years. In December, a Ukrainian journalist published photos of a man she said was Zlochevsky dining in Vienna with Ihor Kononenko, a lawmaker with President Petro Poroshenko's faction and Poroshenko's close associate. Kononenko hasn't commented on the issue. The faction's spokesman told the Kyiv Post that the lawmaker couldn't be reached.

Gas schemes

But prosecutors may not be done with Zlochevsky yet.

In July, Prosecutor General Yuriy Lutsenko announced that his office was investigating Esko-Pivnich, a member of Burisma Group, on suspicion of falsely reducing its profits with the use of fictitious enterprises, and evading about Hr 1 billion (\$36 million) worth of taxes.

At the time, Lutsenko claimed that Zlochevsky was the only shareholder of Burisma Group connected to the scheme.

The gas extracting companies were suspected of selling gas to affiliated or fictitious companies cheaply. The companies then resold it at market prices.

However, according to Tetiana Shevchuk, a lawyer with the Anti-Corruption Action Center, the focus in the gas scheme investigation is already shifting away from Zlochevsky's companies. In the latest court rulings, the ex-minister's businesses weren't mentioned at all, according to Shevchuk.

The Kyiv Post asked prosecutors whether the gas scheme investigation still concerned Zlochevsky's companies, but received no response before deadline.

Kaleniuk said Burisma has now embarked on a public relations campaign to improve its reputation. ■

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Yuliana Romanyshyn, Kyiv Post journalist, wins fellowship with Alfred Friendly Press Partners program; 4th to go to America

BY BRIAN BONNER
BONNER@KYIVPOST.COM

Kyiv Post staff writer Yuliana Romanyshyn has won a 2017 fellowship from Alfred Friendly Press Partners. She will work at an American newspaper and also study at the University of Missouri School of Journalism during a six-month period starting in March.

Romanyshyn, a 25-year-old native of Ternopil, wants to focus on strengthening her skills as a data journalist.

"With the set of skills in data journalism I'll gain in the United States, I will be able to do comprehensive data stories and apply Western practices to the development of journalism in Ukraine," Romanyshyn said. "I have realized the power of journalism. For more than two years, I've been developing as a digital journalist, and recently found myself heading in the high-tech direction of data visualizing. The Alfred Friendly

Press Partners program, like no other, can help me reach the next level of knowledge, skills and the global perspective required to reach my career ambitions."

The Kyiv Post conducted a successful crowdfunding campaign this year that raised \$7,560 – about 25 percent of the costs for a single journalist. In one month, 94 people contributed, beating last year's GoFundMe total of \$5,350.

The Kyiv Post is in its fourth year of partnership with the program started by Alfred Friendly (1911-1983), a Pulitzer-Prize winning journalist and Washington Post managing editor from 1955-1965. The program is administered in Columbia, Missouri, home to one of the best journalism schools in America.

The three previous Kyiv Post fellows in this program are: Olena Goncharova in 2016, Oksana Grytsenko in 2015 and Anastasia Forina in 2014. Goncharova and Grytsenko worked at the Pittsburgh



Ternopil native Yuliana Romanyshyn, a Kyiv Post staff writer since January 2015, will work at an American newspaper for six months this year as an Alfred Friendly Press Partners fellow. A GoFundMe drive by the Kyiv Post raised \$7,560 from 94 donors in one month to cover 25 percent of her expenses. (Volodymyr Petrov)

Post-Gazette; Forina worked for the Chicago Tribune.

Romanyshyn, who has yet to be assigned a host newspaper, said she also wants to teach Americans about Ukraine. "I'll contribute with my experience of the current situation in Ukraine and post-Soviet countries to global understanding of my home country at the world arena," she said.

She has been a staff writer at the Kyiv Post since January 2015. She is a graduate of Ivano Franko National University of Lviv with an M.A. degree in Japanese and Ukrainian

language and literature.

In December, she completed a six-week New Diplomacy Fellowship with Spiegel Online in Germany.

"There, I enhanced my skills in data visualization and storytelling and raised awareness about Ukrainian issues, conducting a roundtable. Today, I am using German best practices working on a project about open data," she said.

The Alfred Friendly Foundation has trained more than 300 journalists from nearly 80 countries since 1984. The program chose

Romanyshyn from among four Kyiv Post applicants.

David Reed, program director of the Alfred Friendly Press Partners, said the foundation is committed to strengthening Ukraine's democratic future, which "is closely linked with the future of independent media in Ukraine."

After her fellowship, Romanyshyn plans to return to the Kyiv Post to use "all the expertise I will get, writing global and local stories, analyzing data sets and making projects more visual and valuable for readers." ■



St. Paraskeva Medical Center is a well-known expert medical center in western Ukraine. It has provided services to more than 100 000 patients over six years of its functioning. The Center's facilities include a clinic, diagnostic center, and laboratory. In 2016 the Center expanded its activity with the opening of a structural unit in Kyiv – Center of Woman's Health and Family. We had a talk with CEO of St. Paraskeva Medical Center, Tatyana Mikhnova, about women, healthcare, and how the Lviv Center will develop in Kyiv.

– Tatyana, tell us about the new project of St. Paraskeva Medical Center. Why have you decided to opt for the field of women's health? And what does it involve today, in your opinion?

– Today's modern woman is about thousands of unique images and hundreds of different roles. Every day she has to be an example, keep up with a fast-paced life, do thousands of things at the same time, remaining caring,

tender and beautiful. Each woman knows what I mean. We strive to help women and that is why we put their health at the heart of our care. Now we have found our formula: **your doctor+best conditions and thoughtful service + healthy lifestyle training.**

Your doctor is someone who takes care and is attentive to each need and situation; understands individual aspects of each case and provides professional aid; someone who can be trusted.

Many of the Center's doctors have a scientific degree. They all have an impeccable reputation and great patient feedback.

Best conditions – modern high technology equipment, cleaning, disinfection and sterilization safety of medical devices, an ergonomic design which provides comfortable and convenient stay in the Center: baby care facility, feeding nipples sterilization, place for swaddling, bottles heating etc.

Healthy lifestyle training is carried out on the basis of our social project which has been launched as part of a women's club The Center for Women. The Center unites women who take interest in healthy lifestyle issues. Our goal is to provide interesting and user-friendly information about complex processes taking place in our body and to provide up-to-date and relevant information on health issues. Over this short period of time we conducted seven lectures in the club together with Natalia Leliukh, gynaecologist, Oksana Skytalska, dietician, and Yuliya Maliovana, psychologist. All lectures we organized were free.

It is of interest that all the topics centered on different age needs of women and their special condition. They included lectures on nutrition during pregnancy, nutrition after 40, a new generation of parents and which skills they should have,

teenage gynaecology and what mothers of girls need to know. We help women get efficient tools to carry out management of their own health. In the future, we plan to engage experts from different fields and further enrich our meetings with topical subjects.

What can St. Paraskeva Medical Center offer? What are its goals?

– Before opening we considered different aspects and periods in the life of a woman. Each of them has its distinctive characteristics and influences the body, well-being as well as an emotional state. Here we talk not only about care during pregnancy planning and pre-partum monitoring, but also recommendations from an endocrinologist, dietician, psychologist, paediatrician, age problems solution, and treatment of illnesses. So we have a project which considers special needs of women, who from early years and further into their old age use the services of private doctors.



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Editorials

Biden's 'iffy' speech

The Obama administration took way too long to recognize the global threat posed by Russia's menacing dictator Vladimir Putin, who is guilty of war crimes, murder of political opponents and massive human rights abuses. We hope it's not too late for the Kremlin's victims, including Ukraine, which has had 10,000 people killed in Putin's war since 2014.

In belated admission of one of his many foreign policy shortcomings during eight years in office, U.S. President Barack Obama made mention of Ukraine in his Jan. 18 final White House press conference as president. He also urged his successor, Donald Trump, to keep the heat on Russia until it ends its three-year war against Ukraine. His representative to the United Nations, Samantha Power, on Jan. 17 devoted her farewell address to warning the world about the Russian threat, as did U.S. Vice President Joseph Biden this week at the World Economic Forum in Davos, Switzerland.

Obama dispatched Biden for his sixth visit to Ukraine as vice president on Jan. 16. His tenure amounted to a consolation prize for Ukraine, since Obama didn't bother to visit the nation during his presidency, the first since Ronald Reagan not to do so.

Biden has admirably represented America's principled yet weak policy on Ukraine. In his Jan. 16 statement in Kyiv, he showed that he grasps the situation clearly. He rightly didn't come to heap praise on Ukrainian President Petro Poroshenko at all. Instead, he made it abundantly clear he came to support the Ukrainian people.

We like the "ifs" in his speech the best, because they served as a warning for Poroshenko and Ukraine's political leaders that the days of unconditional support for them in Russia's war is over – if they ever existed at all.

"If you continue carrying your progress forward, then not only will you continue to build a more open, more democratic, more prosperous future that the Ukrainian people deserve, you will keep the international community united behind you in that effort," Biden said.

And later in the speech: "And if you can continue to make progress, Mr. President, if you keep doing the hard work and making the difficult choices to put Ukraine first, I promise you the American people will stand with you. This next year is going to be a very, very telling year – a very telling year."

The message seems clear enough to us: Clean up your act on corruption or risk losing international support.

It is gratifying that Biden doesn't stop at condemning Russia and also frequently takes Ukraine's leaders to task for not combatting corruption.

The Donald Trump era poses many dangers for Ukraine. One of the worst of them is that the new administration will simply ignore Ukraine. Considering Trump's fond embrace of Putin, it's likely that Ukraine will not see a U.S. president or vice president on its soil for many years.

New era arrives

The world can't say it hasn't been warned about U.S. President Donald Trump (as of noon, Washington, D.C., time on Jan. 20). We share the apocalyptic predictions of the disasters that will take place during a Trump presidency. But we hope we're wrong.

In the best-case scenario for Ukraine, Trump will realize that Russian President Vladimir Putin does not share American values of democracy, human rights and respect for international law. He will pick up quickly on Putin's overriding aim of preserving his kleptocracy and weakening Western institutions and democracies.

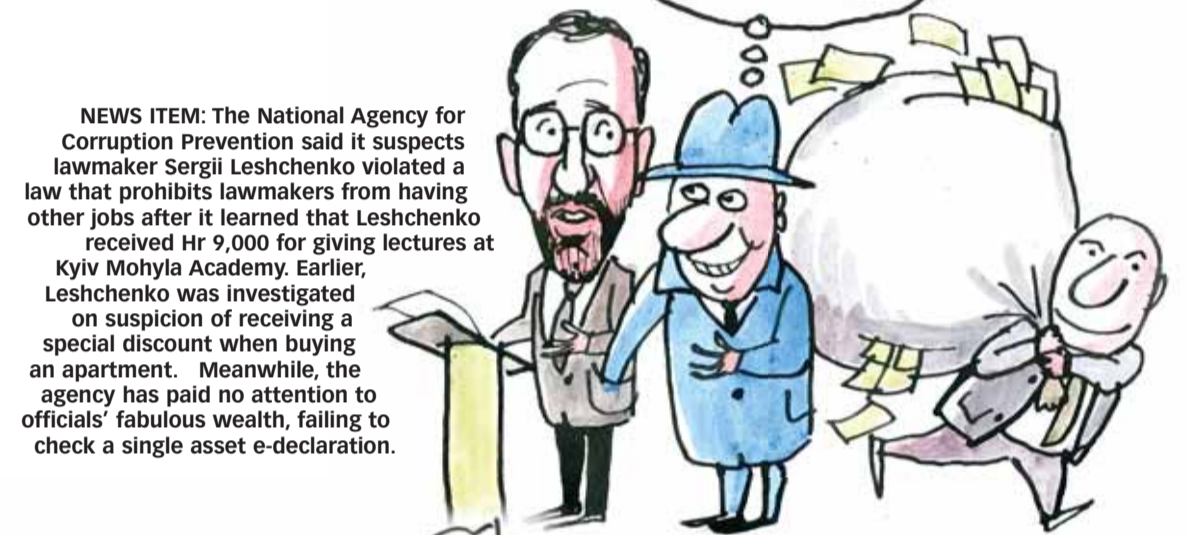
With this new-found realization, the Trump administration will hopefully become much tougher on Russia than U.S. President Barack Obama, whose policy on Ukraine is best described as morally correct but tepid.

While we doubt it, maybe the time has come for someone like Trump to challenge the many global rules that haven't worked well for powerless people and smaller nations like Ukraine. Maybe his scattershot rhetoric and ill-tempered tweets are merely, like his hopeful supporters think, the crafty opening positions of an experienced dealmaker who can bargain his way to success with China and Russia, while protecting the world's weaker states.

But if he's as bad as we think, and there is indeed no method to his madness, we hope the American people quickly rise up and drive him out of power.



NEWS ITEM: Russian Foreign Minister Sergey Lavrov said on Jan. 17 that he knew of U.S. diplomats dressing up as women to participate in Russian opposition rallies and trying to sneak into protected government premises.



NEWS ITEM: The National Agency for Corruption Prevention said it suspects lawmaker Sergii Leshchenko violated a law that prohibits lawmakers from having other jobs after it learned that Leshchenko received Hr 9,000 for giving lectures at Kyiv Mohyla Academy. Earlier, Leshchenko was investigated on suspicion of receiving a special discount when buying an apartment. Meanwhile, the agency has paid no attention to officials' fabulous wealth, failing to check a single asset e-declaration.



NEWS ITEM: Commenting on unverified reports that Russian intelligence has a tape of U.S. President-elect Donald Trump having sex with prostitutes in a Moscow hotel, Russian President Vladimir Putin said he didn't believe it, but added that Russian sex workers are "the best in the world."



NEWS ITEM: A Ukrainian court closed a case against fugitive ex-Ecology Minister Mykola Zlochevsky, who was suspected of illicit enrichment and tax evasion. The activists claim that the Prosecutor General's Office made a backroom deal with Zlochevsky and intentionally sabotaged the case, an accusation that the prosecutors denied.

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The Kyiv Post welcomes letters to the editors and opinion pieces, usually 800 to 1,000 words in length. Please email all correspondence to Brian Bonner chief editor, at bonner@kyivpost.com. All correspondence must include an email address and contact phone number for verification.

Reformer of the week

Solomiia Bobrovska

Solomiia Bobrovska stepped down as acting governor of Odesa Oblast on Jan. 12 and was replaced by Maxim Stepanov.

Bobrovska had been a deputy governor since April and its acting governor since the former governor, Mikheil Saakashvili, resigned in November. Bobrovska, a member of Saakashvili's team, was praised by local activists for transparency and blocking numerous corrupt schemes in construction, the allocation of land and the regional budget.

Bobrovska's resignation came as President Petro Poroshenko on Jan. 12 lambasted Saakashvili and his team, accusing them of failing to use funds allocated for road construction and to generate sufficient customs revenues. In response, Bobrovska said on Jan. 13 that Poroshenko had provided false figures for road funds, saying that Odesa Oblast had been the country's leader in terms of road construction in 2016. Other critics of the president, including ex-State Fiscal Service Deputy Chief Kostyantyn Likarchuk, have also accused Poroshenko of manipulating customs data. They say that some customs revenues have been diverted from Odesa to other regions because of Odesa Oblast's former customs chief Yulia Marushevska's efforts to eliminate graft, with corrupt schemes moving to other regional customs.

Following the resignation of Saakashvili and his team, corrupt and pro-Russian officials are reportedly making a comeback in Odesa Oblast, with corrupt schemes being revived in all spheres.

— Oleg Sukhov



Anti-reformer of the week

Nazar Kholodnytsky

Nazar Kholodnytsky, Ukraine's chief anti-corruption prosecutor, has been accused of blocking criminal cases pursued by the National Anti-Corruption Bureau of Ukraine. Kholodnytsky has denied the accusations, attributing problems with the cases to a lack of evidence, or to legal difficulties.

Vitaly Shabunin, head of the Anti-Corruption Action Center's executive board, on Jan. 16 accused Kholodnytsky of blocking a case into alleged theft at tycoon Dmytro Firtash's Zaporizhzhia Titanium and Magnesium Plant, and helping ex-Ecology Minister Mykola Zlochevsky keep natural gas production licenses in Ukraine.

In November, the National Anti-Corruption Bureau complained to Prosecutor General Yuriy Lutsenko that Kholodnytsky was refusing to sign notices of suspicion against Yuriy Miroshnikov, CEO of Ukraine International Airlines, and Denis Antonyuk, ex-head of the State Aviation Service, in a theft case.

Kholodnytsky was also accused of dragging his feet on signing a notice of suspicion for Central Election Commission Chief Mykhailo Okhondovsky for many months in a bribery case, until he caved in to public pressure in December.

Critics argue that President Petro Poroshenko is using Kholodnytsky to keep the National Anti-Corruption Bureau under control and sabotage cases for political reasons, which both Poroshenko and Kholodnytsky deny. However, Kholodnytsky has admitted that he meets with Poroshenko regularly.

So far, there is not a single notice of suspicion against top allies of Poroshenko and ex-Prime Minister Arseniy Yatsenyuk, including the president's right-hand man and lawmaker Ihor Kononenko, and ex-lawmaker Mykola Martynenko.

— Oleg Sukhov



VOX populi

WITH ISOBEL KOSHIW



What is going right in Ukraine?



Oksana Oleksiivka

pensioner

"We're just going to get our documents which we handed over to get

passports. Before there were so many queues and you would have to wait three or four hours. We gave our documents to a center on Lesya Ukrainka Boulevard, paid our money and now you can go and collect them after a month without any queues. Those kind of moments are pleasant and should be noted."



Artem Petrik,

analyst

"It's hard to find positive changes. The financial situation...well that's clear. The political situation...There

are few positive things which can be said."



Anna Druzhina,

mother

"There's a lot that I like. That national consciousness is finally being born which was oppressed

for 200 years, first under the czarist regime and then under the Soviet Union."



Alexandra Byuvalova,

student

"It's a big plus that they are raising the minimum wage. People will get Hr 3,200 instead of Hr

1,200. Things will be a little easier for those who are trying to get by on the minimum wage."



Alexandr Rakyevich,

lawyer

"Everything is stably bad, maybe that's a positive thing. There is more money going to the state

because businesses are paying more taxes so things should get better."



Serhiy Kryvashen,

businessman

"I'm apathetic. It's a catastrophe. Well there are some small positive things but people just want to leave.

Lots of people don't see any future here. I don't see any for my children...It's hard to think of any positive...I went to the dolphin aquarium with my children yesterday. That was really positive."

Why 'good news' from Kyiv Post costs money

LUC CHENIER

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Six months ago I joined the Kyiv Post not only as their CEO but as a fan and a dedicated reader and understood clearly the level of responsibility I was about to undertake.

My first aim was to understand both the internal processes and how I could help improve on them, but more importantly to develop a clear vision for the product we would be delivering for loyal readers as well as attract new readers within Ukraine and even more importantly in other countries such as the United States, Canada, Europe and beyond.

My biggest and most important challenge so far has been developing our annual financial plan in these uncertain times which would help map out our potential future growth in terms of new products, markets and distribution. The clear aim here is to create profit in order to reinvest and grow the organization to the next level. To get there, we must keep attracting, retaining and developing the best people possible so to produce an even stronger product for you the reader!

Which brings me to a question I've been getting lately. "I noticed Kyiv Post now has a hard paywall. Why?"

I usually answer with a smile "If I have a restaurant, should I give my food away for free?" Not a very smart business model in my opinion.

The notion that news online should be free is a matter of shortsightedness from publishers due to the cannibalization of the internet on traditional news print during the last 10 years. Publishers in general saw the internet as a way to reach more people and utilize this new format without clearly understanding that they were slowly destroying their own businesses. In short, the rules were changing when it came to the delivery of content.

Few had a clear monetization plan that could benefit both the consumer and their businesses. Newspapers were still relying on their bricks and mortar model to keep the ship steaming ahead while quietly the online medium was slowly growing in terms of ease of access to information, tools and most importantly accessibility and engagement.



Participants of the Kyiv Post Tiger conference read Kyiv Post newspapers on Nov. 29. (Pavlo Podufalov)

This meant that consumers would not go back to the old, but would continue pushing the new platform forward and would eventually create major disturbances. In the music industry it was Napster, for video content it was Youtube, Kindle for books, Torrent streams, etc., gave people the power to control when and how they should receive the product of their choosing on their terms.

Apple saw this shift and jumped at the chance to adjust the trend in their favor where an enhanced platform would serve people better and give them what they wanted. Music on demand at a fair price. The music industry was forced to jump on board to survive and the rest is billions of transactions with no end in sight. The model helped change the medium for the better.

My point: You can get your information for free from other sources, one story here and another there, but the Kyiv Post gives you something that others don't, cannot and will not... trusted news about Ukraine by people who know what is truly happening on the ground and insight you could not get anywhere else on a consistent basis globally.

Building the 2017 business plan with my talented team made me realize just how much work and investment goes into keeping and growing new products such as video content, a new website to

give you a better experience, an upcoming app, events, specialized reporters, etc.

All this cost money and the only way we can keep delivering this is by having a community who supports us by either buying subscriptions or advertisements. Otherwise, we would become much like a restaurant that gives its food away. We'd be forced to close our doors or drastically reduce the products to serve our clientele.

In the end, it's simply a matter of perception of value concerning what the news delivers and its purpose to keep you informed so you can make responsible decisions in your personal or business life.

I know that in a world overtaken with 'FAKE NEWS,' being the CEO and seeing the numbers in this year's business plan and more so, being a reader, I now understand the value of wanting to pay and support for the service of accurate and honest news. If I can't trust what I am reading, then does that make it OK to tell myself all is good because I got it for free?

I hope the rest of you loyal readers will agree with my point of view and continue your support in the form of buying a subscription or placing advertising so we can continue to deliver quality news. ■

Sweet times for sugar and honey industries, but could be sweeter

Sugar exports break record as producers explore new markets, attract investment

BY YULIANA ROMANYSHYN
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Ukrainian sugar producers had a very sweet 2016, with record exports.

Shipments totaled 466,000 tons, with exporters breaking into new markets, including Myanmar, Sri Lanka, Afghanistan, Macedonia, China and others. Exports have risen as production increased in Ukraine, while domestic consumption has remained level.

The industry has also seen foreign investment. In December, a German company with a century-long history in the sugar business bought another six sugar plants in western Ukraine, bringing to eight the number it owns in the country.

But the industry remains irked by the small duty-free EU quotas introduced when Ukraine's free trade agreement with the EU came into effect in 2016. Those quotas prompted exporters to search for new opportunities in the Asian market.



A couple takes a selfie with cotton candy on Khreshchatyk Street in Kyiv on March 8. (Volodymyr Petrov)

Export expansion

Still, the EU trade agreement, the hryvnia's abrupt devaluation and large stocks helped boost the record exports. Poor harvests in Brazil and India, decent prices on the international markets and the growth

of beet production in Ukraine also helped.

"Ukraine is continuing to increase its export potential and is confirming its world leadership," Ukrainian

Agriculture Minister Taras Kutovyi said on Jan. 12, referring to the record sugar and wheat exports.

The nation's top sugar producer, Astarta Holding, which specializes in processing beets into sugar, was also last year's top exporter. Operating eight plants, the company increased production for export to 186,000 tons – 40 percent of the country's entire sugar exports.

Mykola Kovalskiy, chief strategy officer at Astarta, said a combination of quality, price, and a decrease in gas consumption has made the company more competitive.

EU quotas

In the first two weeks of 2017, sugar exporters exhausted 64 percent of this year's white-sugar quota to the EU, which totals 20,000 tons. In 2016, the EU quotas for sugar, as well as honey, chicken, corn and other grains, were used up.

However, given that Ukraine has the capacity to produce 2 million tons of sugar per year, the duty-free quotas cover a tiny share of output.

"We were promised the boundless horizons of the European market, but unfortunately we couldn't obtain (bigger quotas)," said Andriy Dykun, the head of the country's sugar association UkrSugar. "The Europeans don't want to see Ukrainian sugar on their shelves, because they're afraid, as they know perfectly well that Ukraine can make better (products)."

More than half of the EU export quota was used by Astarta last year, said Kovalskiy, and once the quota is used up, it's no longer profitable to sell Ukrainian sugar in the EU.

"Beyond the quota, sugar exports to the EU are economically impossible," Kovalskiy said.

Dykun said that while Ukrainian grain has made the nation the "breadbasket of Europe" since Soviet times, the country's refined sugar doesn't enjoy a similar demand.

Foreign investment

After the Soviet Union collapsed, demand for sugar dropped in Ukraine, 25 years later, only 42 sugar plants out of the 192 that used to work remain operational.

But thanks to foreign investment, more plants should open soon. In Ternopil Oblast, once a leading region in the sugar industry, Germany's Pfeifer & Langen has bought six plants that process beets into white sugar, only one of which is operating. The company owns two other plants, Radekhiv Plant in Lviv Oblast and Chortkiv Plant in Ternopil Oblast, both of which were built in the 1970s.

"People who invest in the country wartime should get an 'honored investor' award," Dykun said of the German company.

But the decline in the hryvnia's value and its already established presence made expansion a good bet. Dykun said the industry has lots of potential for growth, but needs lower interest rates and support from the government, such as a cut in customs duties for imported sugar-refining equipment.

"If Ukrainian sugar and beet producers got the same financing as the industries in Europe or U.S. do, we'd fill the whole world with sugar," he said. ■

Honey exporters say EU quotas too low

BY DENYS KRASNIKOV
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The Yosypenko family of beekeepers, aren't planning to export their homemade honey to the European Union. Neither do many other smaller honey producers in Ukraine. The reason: They lack connections with importers and money to pay customs.

Ukraine's duty-free export quota with the EU has been quickly used up since the nation's free-trade agreement came into effect last year.

The "first come, first served" quota system meant big producers this year used up the 5,200-ton quota by Jan. 11. Further exports are subject to a 17 percent duty, which effectively prevents the smaller producers from exporting.

"We'd like to export, but a small beekeeper still can't afford it – only big exporters can," says beekeeper Roman Yosypenko of Kyiv. Other impediments are the cost of quality certificates, taxes and a lack of business connections in Europe.

The present trade agreement started functioning for Ukrainian and EU exporters in January 2016. Prior to that, from April 2014, there was a customs-free export regime for Ukrainian exporters to the EU, while EU exporters to Ukraine paid duty as usual.

Ukrainian producers can trade duty-free with the bloc within quotas on 36 commodity groups.

Ukrainian honey exporters, however, say their quota is too low. It is set to increase, but only by another 800 tons by 2020.

Once the quota has been used up, the 17 percent customs duty kicks in, leaving many disappointed. Even bigger producers say they don't see much benefit from the new trade deal from the EU.

Honey producer Bartnik is a Ukrainian company that can afford to pay the export duty. But its marketing director Vadym Bankovsky says he hasn't noticed any benefit from the EU trade deal yet.

"Nothing has changed at all," he says.

Others in the industry agree. "Nothing at all," says Dariia Hrytsenko, an expert at Ukrainian Agribusiness Club.

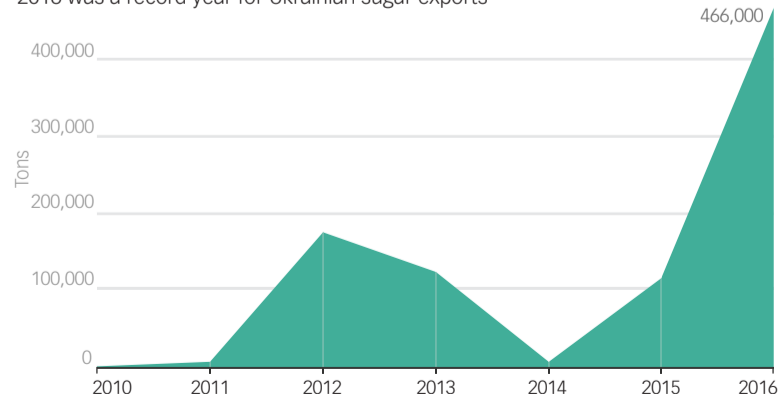
"We haven't seen new opportunities since the agreement," beekeeper Yosypenko says.

Top 10 importers of Ukrainian sugar



Sugar exports over last 7 years

2016 was a record year for Ukrainian sugar exports



By Stella Shablilovska, Kyiv Post | Source: UkrSugar, Ministry of Agrarian Policy and Food of Ukraine.

Ukrainian sugar producers have successfully extended their global export reach out of necessity. They've done so partly because of the European Union's low duty-free quotas in its agreement with Ukraine.

Ukrainian startups get boost from corporate accelerators

BY ANDRII DEGELER

As more and more startups are being founded in Ukraine every year, the infrastructure around them is catching up as well. While the last few years have seen a number of startup incubators and accelerators of mixed quality and success, the year 2016 was marked by a few initiatives in a new field — acceleration programs launched and sponsored by major corporations.

Similar programs are popular around the world. Companies like Telefonica, Deutsche Telekom or Philips look for early-stage entrepreneurial teams working on something they could potentially use.

In Ukraine, the first company to introduce this model was Kyivstar communications provider, which concluded its first acceleration program in October in cooperation with VDNH Tech. In addition, Microsoft Ukraine is running another program with a somewhat different model.

Blast from past

Although Kyivstar and Microsoft are indeed the pioneers of corporate startup acceleration in Ukraine, they're not the first corporates here to try and embrace startups.

"First corporate accelerators and incubators appeared in Ukraine in 2006," said Denys Dovgopolyi, founder and managing partner at GrowthUP Group who advised Kyivstar and VDNH Tech on building their accelerator. "By 2010, Ukrainian software development outsourcing companies launched around 10 of them, but none was successful. The main reason of their failure was that they took 80% of startups' stake, which effectively turned entrepreneurs into hired managers with stock options."

Neither Kyivstar nor Microsoft took any equity from startups that partici-



Participants of the Kyivstar-sponsored telecom startup acceleration program VDNH Tech pose for a photograph on Oct. 11, 2016. (VDNH Tech)

pated in their acceleration programs. The companies, however, had quite different goals in mind when launching them.

Launching big

Same as most corporate accelerators in Europe, Kyivstar basically offered the few chosen startups to become their launching customer. Initially, 119 teams applied for the three-month program, of which 11 were approved.

"Our message for startup teams was that if they want to launch, they can do it here in Ukraine, in a partnership with a large corporation," said VDNH Tech's Olena Kalibaba who managed the program. "Our goal was to have at least one project to start working with Kyivstar, but

currently there are three of them are gearing up towards launch."

The startups working with the corporate are push notification service Gravitec, phone-based loyalty program inCust, and virtual travel platform Virbox. They will work with Kyivstar at a revenue share model. The other graduates will continue growing on their own, leveraging the experience they've gained.

Partners in cloud

Another Ukrainian corporate acceleration program is Microsoft's IoT (Internet of Things) Lab. First seven startups graduated from there in October, and the second batch with 17 projects distributed between Kyiv, Odesa, and Kharkiv is already underway.

"Unlike other corporations, we're not looking for startups we can buy something from," said the head of IoT Lab Sergii Poplavskyy. "Our interest is that all startups we accelerate use Azure, Microsoft's cloud platform. The more clients the startup has, the better for us."

Same as Kyivstar and most corporate accelerators around the world, IoT Lab takes no equity in startups. The participants receive free access to all Microsoft's products, as well as a subscription to the Azure platform for the duration of the program. In addition to that, Microsoft purchases equipment the teams need to work and covers costs of travelling to and exhibiting at different conferences.

"Our goal as a platform company is to accelerate startups that cre-

ate ready-made solutions based on Azure," Poplavskyy said. "When we come to our customers and sell the cloud, we don't even mention the word 'Azure' but offer the solutions from startups."

After the six-month-long program, startups get a status of "independent software vendors" (ISV) and can continue working with Microsoft as partners. They also keep the free cloud account for another 2.5 years.

The new wave

According to both Dovgopolyi and Kalibaba, this is only the beginning of an influx of corporate accelerators in Ukraine: in 2017, we should expect to see up to 10 new initiatives of this kind.

"There are two reasons [why more accelerators will launch in Ukraine]," said Dovgopolyi. "First, local corporations are seeing success stories from the West and want to repeat them. Second, Ukrainian branches of global companies could receive directives—and budgets—from their respective HQs to launch a local program."

There are already at least two newcomers on the market: Privatbank has recently launched the first batch of its KUB program, while EY has announced a program of its own. One of the requirements for the latter, however, is that the participating startups need to have their HQ in the EU. It's yet to be seen whether other global corporates will impose similar requirements.

"The more startup accelerators there are, the better. All startups are different and need help in different aspects of their growth," Dovgopolyi concluded. "As for the corporates, building an accelerator is the most expensive way to scout for startups, however it raises their profiles in the entrepreneurial ecosystem."

Journalist Andrii Degeler is the Kyiv Post's former technology reporter. ■

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Biden's farewell address to Ukrainians on Jan. 16

Editor's Note: The following is a White House transcript of U.S. Vice President Joseph R. Biden's remarks in Kyiv delivered at the Presidential Administration on Jan. 16, accompanied by President Petro Poroshenko.

THE VICE PRESIDENT: Mr. President, I may have to call you once every couple weeks just to hear your voice. (Laughter.) This has been going on a long time.

Good afternoon, everyone. It's a great pleasure to be once more here in Kyiv to reaffirm the depth of the partnership between our two peoples. This is my sixth visit to Ukraine as vice president and my fifth in the year since the Revolution of Dignity on the Maidan, which was an astounding thing to witness, when so many Ukrainian patriots stood up and demanded a future that this country has been too long denied.

'My last trip'

And I wanted to come here one more time on my last trip as vice president to honor how much progress the people of Ukraine have achieved. This year marks the 25th year since Ukraine gained its independence. And the United States has been there to support and help you at every step of the way. Our partnership has spanned four different American presidents from across our political spectrum. It has deep roots in both the Republican and Democratic parties.

As you saw a few weeks ago when two of my good friends from "the other side" – former Senate colleagues John McCain and Lindsey Graham, and Amy Klobuchar of my party – visited with Ukrainian troops on the front lines in the east. And that's because Americans and Ukrainians are united by deep bonds – our shared values and our common hopes for the future. And the American people, including nearly 1 million proud Ukrainian Americans, understand that so much depends on your success, not just for Ukrainians, but for Europe and for the United States.

If you continue carrying your progress forward, then not only will you continue to build a more open, more democratic, more prosperous future that the Ukrainian people deserve, you will keep the international community united behind you in that effort.

And I hope the next administration will also want to be a supporter and a partner in your continued progress. But as you know, no one else can do the hard work but the Ukrainian people.

'Narrow...interest'

It's up to Ukrainian leaders and people to put the needs of the country above narrow personal interest, to place the general good above point scoring and local prejudices. And that goes for everyone – members of Ukraine's government; representatives of the Rada, who took an oath to serve the Ukrainian people as a whole; judges who undertake the responsibility to dispense justice equally; members of the media and



U.S. Vice President Joseph Biden gestures alongside Ukrainian President Petro Poroshenko after their joint statement in Kyiv on Jan. 16. (Volodymyr Petrov)

civil society and ordinary citizens whose job it is to hold those in power responsible.

As I said last year when I had the great honor to address the Rada, "Each of you has an obligation to answer the call of history and finally build a united, democratic Ukrainian nation that can stand the test of time."

You're well under way to do that, Mr. President. So I wanted to thank you, Petro, not only for your leadership but for your friendship. I shared the same sentiment earlier this morning when I met Prime Minister (Volodymyr) Groyzman earlier today. As a nation you've made a lot of very difficult decisions. And many more difficult political choices remain ahead. But there is no denying the progress that Ukraine has made since the Maidan. Together with a dynamic generation of Ukrainians committed to reform, you've begun to overhaul your government, your economy, your entire political system.

In the year since my last visit, you continue to meet the reform requirements in the International Monetary Fund assistance package. You've strengthened the country's banking sector. You protected Ukrainian depositors by nationalizing Privatbank. You implemented a groundbreaking, new electronic-asset-declaration system to fight corruption, which will help ensure that officials cannot leverage their political positions for personal gain.

'Cronyism, kleptocracy'

Your national anti-corruption bureau and the special anti-corruption prosecutor are providing and proving their impact when they have the resources. And it's imperative that you continue to strengthen all of your anti-corruption institutions to root out those who would return Ukraine to rule by cronyism and kleptocracy.

Thanks to the vital steps you've taken, your economy is now growing again. But there remains much work to be done to ensure Ukraine finally realizes its potential as a vibrant, modern economy. Keep working with the IMF to implement the tough reforms that will make Ukraine's economy sustainable. Continue cleaning up the banking system. Press forward with energy reforms that are eliminating Ukraine's dependence on Russian gas. Work to privatize state-owned enterprises transparently. Create a business environment with responsible, legal, and regulatory systems that make Ukraine a destination for investment. None of this will be easy. None of what you've done so far has been easy, but you've done it. And we know it's going to be hard to continue to finish the job.

'Cancer of corruption'

You're fighting both against the cancer of corruption, which continues to eat away at Ukraine's democracy within, and the unrelenting aggression of the Kremlin.

Russia's continued attempts to undermine your success, your security, your sovereignty, and your territorial integrity are manifold. False propaganda attacks. Attempts to destabilize your economy. Ukraine, like every country in Europe, has a right to determine its own path. Yet Russia seeks to deny that choice. And the international community must continue to stand as one against Russian aggression and coercion.

There are over 1.7 million internally displaced people. Oppression of Crimean Tatars continues. More than 9,600 Ukrainians have been killed in the fighting in the east and more than 22,000 wounded in the conflict. And fully one-fifth of those victims have been civilians.

That's why in addition to the \$3 billion in loan guarantees and the \$750 million in assistance to for-

tify your economic resilience, the United States has provided \$600 million in security assistance. We've trained your national guard, conventional military forces, as well as special forces; helped you increase your readiness and make your force interoperable with NATO; provided armor, radars, night-vision devices, medical equipment – all of which has saved lives and bolstered your defenses.

Together with our European Union and G7 partners, we've made it clear that sanctions should remain in place until Russia fully – I emphasize fully – implements its commitments under the Minsk Agreement; and that the Crimea-related sanctions against Russia must remain in place until Russia returns full control to the people of Ukraine.

Although I know how – you find this difficult to keep faith with the Minsk process when the Russians refuse to meet their security commitments, it remains the only viable framework for resolving the conflict in the Donbas, restoring Ukrainian governance in the east, and returning control of the international border to Ukraine. It's Ukraine's best hope to move forward as a united country.

But let me be perfectly clear, the political agreement cannot be implemented until Russian violence stops. Only after Russia and its proxies in the east fulfill their obligation to end the fighting and let the Donbas again enjoy peace and security can Ukraine be expected to fulfill its political commitments.

It's no secret that Russia does not want you to succeed, Mr. President. It's not just about Ukraine. It's about the future we have long sought of a Europe whole, free, and at peace – whole, free, and at peace – something that is in the vital national interest of both the United States and all Europeans.

Your self-determination, your free-

dom from coercion, your success as a liberal democracy are all essential in realizing this objective.

Russia 'uses corruption'

So I strongly urge the people of Ukraine: Keep demonstrating your commitment to the rule of law; keep fighting corruption; insist on transparency; investigate and prosecute government officials who siphon off public funds for their own enrichment. Russia over the last decade or so has used another foreign policy weapon. It uses corruption as a tool of coercion to keep Ukraine vulnerable and dependent. So pursue those reforms to root out corruption.

It's not just about good governance. It's about self-preservation. It's about your very national security. It's not just about good governance. As I said at the beginning, this year our nations celebrate 25 years of diplomatic relations. Over that time progress has come in fits and starts. Sometimes we move forward, sometimes backwards.

But the Ukrainian people are like the American people, they never give up. And one of the things that gives me the most hope for the future is the incredible energy and passion of Ukraine's young people. I've met with them on each of my previous visits here. And I have no doubt that they will inspire, demand, and ultimately succeed in attaining the Ukraine that has been sought for for so long.

'If you...'

On a personal note, Mr. President, I want say what a privilege it has been to support and stand with Ukraine over these past 25 years – first as a senator and of late as vice president.

I've been inspired by your people, their courage, their resilience, brave Ukrainians who never gave up hope for a future of something better, who get up and go to work every day for a democratic and united Ukraine.

And if you can continue to make progress, Mr. President, if you keep doing the hard work and making the difficult choices to put Ukraine first, I promise you the American people will stand with you. This next year is going to be a very, very telling year – a very telling year.

There is a line that John Kennedy used in deciding to go to the moon. He said, America is doing it because we can no longer – we're no longer willing to postpone. I believe the Ukrainian people are no longer willing to postpone a free, open, democratic, and prosperous Ukraine. So seize it.

I'm looking forward to seeing what our nations can build together, Mr. President, over the next 25 years and beyond because as my grandfather would say, with the grace of the God, and the good will of the neighbors, which we can't count on very much in this neighborhood, we can get this done. But it all depends on the willingness of your people to continue to insist on what they deserve because they deserve it. ■

Obama, Biden, Power deliver parting shots to Russia and urge Western action

Biden from page 1

exits the White House, his final public statements show he has moved closer to the view of his defeated 2012 rival for the presidency, Mitt Romney, who called Russia “our number one geopolitical foe.” At the time, Obama belittled Romney’s view, but no more.

These reassuring messages from the outgoing Democratic administration are welcomed in Ukraine, which has been fighting a Kremlin-instigated war for three years in the eastern Donbas and who’s Crimean peninsula continues to be occupied by Russia.

But Ukraine’s world could be rocked by incoming President Donald Trump, who lavishes praise on Putin, ignores human rights abuses and has said little about Ukraine since his election on Nov. 8. Some fear Trump will strike a bargain with Putin that sells out Ukraine’s interests, while others believe that Ukraine has strong bipartisan support in the United States.

‘A telling year’ ahead

The Obama administration’s parting shots at Russia began on Jan. 16, when Vice President Joe Biden used his last official foreign trip to come to Kyiv before ending the journey

at the World Economic Forum in Davos, Switzerland, and then returning to Washington, D.C.

At the Presidential Administration, standing next to Ukrainian President Petro Poroshenko, Biden said: “You’re fighting both against the cancer of corruption, which continues to eat away at Ukraine’s democracy within, and the unrelenting aggression of the Kremlin.”

But Biden also had a more far-reaching message to deliver.

“It’s not just about Ukraine,” he said. “It’s about the future we have long sought of a Europe whole, free, and at peace - something that is in the vital national interest of both the United States and all Europeans.”

Poroshenko, in turn, offered thanks for American support since the EuroMaidan Revolution which toppled Russian-backed President Viktor Yanukovich. He also said he is looking forward to continuity from the new U.S. administration and stated his hope that “the Ukrainian question will unite the whole American political community and remain one of its top priorities.”

Biden also sought to offer reassurance.

“If you keep doing the hard work and making the difficult choices to put Ukraine first,” he said, “I promise you the American people will stand

with you. This next year is going to be a very, very telling year - a very telling year.”

Faith in democracy

Appearing at the World Economic Forum on Jan. 18 after leaving Ukraine, Biden went even further, accusing Russia of leading a movement “to collapse the liberal international order.”

Citing the Kremlin’s deployment of troops in Ukraine as just one example, he said Moscow is seeking “a return to a world where the strong impose their will through military might, corruption or criminality while weaker neighbors fall in line.”

A precursor to those comments had come on Jan. 17 from Samantha Power, Obama’s ambassador to the United Nations. In what was also her final public appearance in office, she gave a speech at Washington, D.C.-based think tank The Atlantic Council.

“Russia’s actions are not standing up a new world order,” she stated. “They are tearing down the one that exists and this is what we are fighting against. Having defeated the forces of fascism and communism, we now confront the forces of authoritarianism and nihilism.”

Power urged more cooperation



U.S. President Barack Obama waves as he leaves after his final press conference at the White House Jan. 18, 2017 in Washington, D.C. (AFP)

Obama’s final press conference: ‘Russian continues to occupy Ukrainian territory and meddle’

BY KYIV POST

Russian President Vladimir Putin “returned to an adversarial spirit that I think existed during the Cold War (and) has made the relationship more difficult. And it was hammered home when Russia went into Crimea and portions of Ukraine. The reason we imposed the sanctions, recall, was not because of nuclear weapons issues, it was because the independence and sovereignty of a country, Ukraine, had been encroached upon by force, by Russia. That wasn’t our judgment, that was the judgment of the entire international community.

“And Russia continues to occupy Ukrainian territory and meddle in Ukrainian affairs and support military surrogates who have violated basic international laws and international norms. What I’ve said to the Russians is, as soon as you stop doing that, the sanctions will be removed....

“But I think it’s important just to remember that the reason sanctions have been put in place against Russia has to do with their actions in Ukraine. And it is important for the United States to stand up for the basic principle that big countries don’t go around and invade and bully smaller countries. I’ve said before, I expect Russia and Ukraine to have a strong relationship. They are historically bound together in all sorts of cultural and social ways, but Ukraine is an independent country and this is a good example of the vital role that America has to continue to play, around the world, in preserving basic norms and values.”

between Democrats and Republicans to “strengthen the resilience” of the American system against attempts by the Kremlin to undermine it.

She suggested hacking attributed to Russia during the recent U.S. presidential election was based on the goals of “denigrating one candidate and helping the other candidate.” But she rejected claims that Trump’s victory had motivated the Obama White House’s sudden offensive against Moscow.

“I know that some have said that this focus on Russia that we are bringing is simply the party that lost the recent presidential election being sore losers,” Power said. “But it should worry every American that a foreign government interfered in our democratic process. It’s not about the leader we chose, it’s about who gets to choose. That privilege should belong only to Americans.”

The art of the deal

During his address at the World Economic Forum, Biden said that with many countries in Europe — among them France, Germany and Holland — set to hold elections this year, “we should expect further attempts by Russia to meddle in the democratic process.”

With such warnings the outgoing Democrats have sought to emphasize that America under a Republican presidency must continue the policy of punishing Russia

for violating the established rules of international order.

But it is far from clear that Trump shares this view.

In an interview conducted jointly by Germany’s Bild newspaper and The London Times published on Jan. 16, he hinted at a deal with Moscow over reducing nuclear weapons stockpiles in exchange for the lifting of sanctions. He made no mention of Ukraine’s interests.

“They have sanctions on Russia — let’s see if we can make some good deals with Russia,” he said. “For one thing, I think nuclear weapons should be way down and reduced very substantially, that’s part of it. I think something can happen that a lot of people are gonna benefit.”

Standing up for values

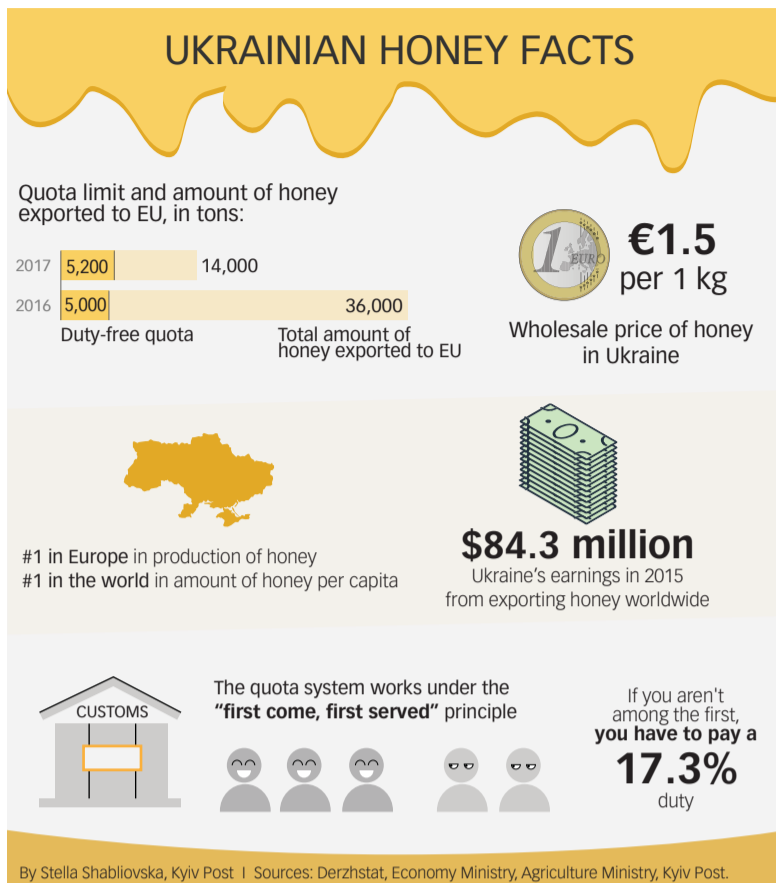
In his last White House press conference as president on Jan. 18, Obama warned against confusing the imposition of sanctions “with a whole set of other issues.” He said there should be only one scenario which would lead to their cancellation: an end to the Kremlin’s war against Ukraine.

“Russia continues to occupy Ukrainian territory and meddle in Ukrainian affairs and support military surrogates who have violated basic international law and international norms,” he told reporters. “What I’ve said to the Russians is, as soon as you stop doing that the sanctions will be removed.” ■



Holy water

A man plunges into a cross-shaped hole cut in the ice in the Dnipro River near Vyshhorod, just north of Kyiv, on Jan. 19, as part of the celebration of Orthodox Christian Epiphany. The religious festival commemorates the baptism of Jesus Christ in the Jordan River. (Kostyantyn Chernichkin)



Less than two weeks into 2017, Ukraine has already used up its 5,200-ton quota of duty-free honey exports to the European Union. The EU is the world's biggest importer of honey, consuming 150,000 tons in 2015.

Ukraine, tops in honey, wants more exports

Honey from page 6

EU's sweet tooth

The EU is the world's biggest importer of honey, consuming 150,000 tons in 2015, of which Ukraine supplied 26,000 tons.

In 2016, Ukraine supplied 36,000 tons, and less than three weeks into 2017, it has already supplied 14,000 tons.

The 28-country bloc quadrupled imports of Ukrainian honey between 2011 and 2015, reducing its imports from Russia after the Kremlin launched its war against Ukraine in 2014.

Within the EU, Germany and Poland remain the largest importers of Ukrainian honey.

The potential of Ukraine's honey

industry is huge, says Ukrainian Agribusiness Club's Hrytsenko. "Ukrainian honey is competitive. It's cheaper, but the quality is just as good," she said.

The price of Ukrainian honey on the EU market is \$2,300-\$3,000 per ton. European-produced honey, in contrast, costs \$4,000 per ton.

Ukraine produces 70,000 tons of honey annually – 4.1 percent of the global production. About 700,000 Ukrainians work in the honey producing industry: either beekeeping, collecting honey, or exporting it.

Honey accounts for about 1 percent of Ukraine's export revenues. In 2014, Ukraine exported \$95 million worth. The sum in 2015 was slightly less, at \$84 million. ■



A woman buys honey at a Kyiv market. The price of Ukrainian honey on the European Union market is \$2,300-\$3,000 per ton. European-produced honey is more expensive -- \$4,000 per ton. (Anastasia Vlasova)

2016 privatization stumbles leave insiders doubtful

BY NATALIE VIKHROV AND JOSH KOVENSKY

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Ukraine had high hopes in 2016 for selling off state industries, but the year turned out to be a disaster.

More than 1,800 of the nation's state firms – long a source of corruption and a drain on the state budget – were supposed to have been whittled down through at least 300 sales of enterprises by 2017, projected to bring in \$623 million in 2016 alone.

But the government fell short, earning only \$12.1 million, according to the State Property Fund. The government sold two hydroelectric plants to a Ukrainian firm, as well as a bank to a Chinese buyer.

The government failed to sell the crown jewel of Ukraine's privatization efforts – the Odesa Portside Plant – after putting it up for auction twice, only to have no bidders for the ammonia-producing plant.

Francis Malige, managing director for Eastern Europe and the Caucasus at the European Bank for Reconstruction and Development, called the Odesa plant sale a "dark spot."

"Again in December, against the advice of the (international financial institutions) community, the government went ahead full speed, directly towards the wall, and hit the wall," Malige said. "Twice in one year."

Need for 're-launch'

The government is seeking to sell off its stakes in some 300 enterprises by 2018, including six power distributors and a power generator, which the State Property Fund featured amid its top 10 companies for privatization.

Malige said the government needs to move away from energy and look to privatize other industries, such as agriculture, first.

"The whole privatization program needs a re-launch," he said. "You want a demonstrational effect of successful privatizations in Ukraine and, maybe, you don't start with companies in over-regulated industries," the EBRD director added. "You save them for later because they are the most difficult to privatize."

Plans to sell government stakes in energy enterprises have been in the works for around a decade.

The State Property Fund announced plans to sell not only Odesa Portside Plant last year but six regional power supply companies, or oblenergos, and four combined heat-and-power plants on its privatization calendar.

Later the State Property Fund pushed back the auction date of five of the oblenergos to January, and one to May, although it appears plans to sell five of the power distributors will again be postponed.



A truck drives through the Odesa Portside Plant in August 2016. The government failed to sell the ammonia producer over the course of two separate privatization attempts in 2016. (Volodymyr Petrov)

Centrenergo, a company that owns three power plants in different regions of Ukraine, has also had its privatization pushed to 2017.

Concorde Capital head of research Alexander Paraschiy said while the privatization of the energy sector as a whole doesn't need to be postponed, the State Property Fund should wait until parliament adopts the awaited legislative changes for the sector before selling off stakes in certain enterprises.

The electricity market law was due to be adopted in the fall of 2016, but so far parliament has only approved its first reading.

"Until that law on electricity market is approved, we should not start privatization, at least privatization of Centrenergo," he said.

The legislation will bring Ukraine in line with European standards and laws in the electricity sector and enable it to become compliant with European Union's Third Energy Package.

"We also know that our power sector regulator is planning to introduce the asset-based tariff methodology for (power) distribution companies and before that is approved, it is not a good time to sell these companies," Paraschiy said. "These new rules (will) significantly change the value of these companies. It will increase (their) value."

Paraschiy believes while the government could easily sell the six oblenergos, they have no intention to sell Centrenergo.

"They had a lot of opportunities to sell it last year," he said.

Pavlo Ryzanenko, a Petro Poroshenko Bloc deputy who is vice chairman of the Verkhovna Rada's privatization committee,

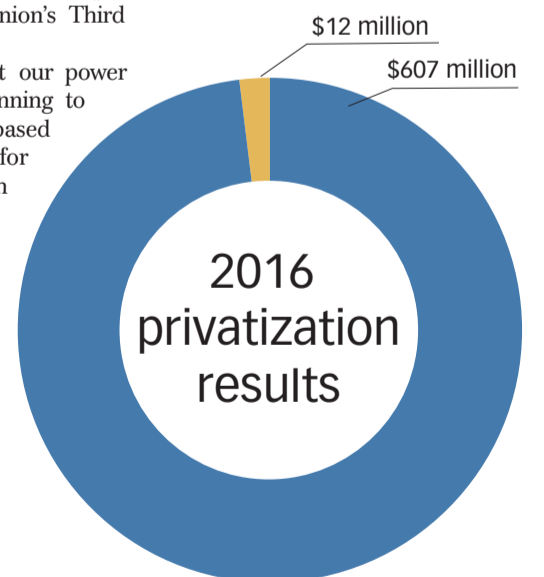
said that Ukraine essentially "didn't have privatization in 2016."

Ryzanenko added that the energy privatization process was largely "remains of the energy sector" from what has yet to be sold off.

"The decision has been made, thermal generation should go private, so we have to complete this sale," Ryzanenko added. "And these are comparatively big chunks in terms of potential earnings for the state."

Ryzanenko blamed some of the slowness in privatization on many state-owned firms carrying the label of "strategic enterprise" under Ukrainian law, meaning that parliament has to pass special legislation to sell them.

"That has been an issue since EuroMaidan," Ryzanenko said. "There are vested interests behind every enterprise." ■



■ Actual revenue from 2016 privatizations
■ Revenue goals from 2016 privatizations

Source: 2016 state budget, State Property Fund

Exchange rate \$1 = Hr 28

Ukraine set high goals for privatization in 2016 and came nowhere close to meeting them.



The Kyiv Post distribution list, with map, is now available online at distribution.kyivpost.com

RESTAURANTS

1900 Coffee (112-A Saksahanskoho St.)
 Al Faro (49-A Velyka Vasylkivska St.)
 Antwerpen (38-A Pushkinska St.)
 Aroma Espresso Bar (5 Dmytrova St.)
 Aroma Espresso Bar (75 Zhylianska St.)
 BAO (14/1 Mechnykova St.)
 Babene (18/7 Zhdniprovs'koho St.)
 Baraban (4-A Prorizna St.)
 BEEF, meat & wine (11 Shota Rustaveli St.)
 Belle-Vue (7 Saksahanskoho St.)
 Bigoli (7-A Klovs'ky Descent)
 Carpaccio Bar (12 Sofiivska St.)
 Chachapuri (36-A Tarasa Shevchenka Blvd.)
 Chashka Espresso Bar (1-3/2 Velyka Vasylkivska St.)
 Citronelle (23 Bohdana Khmelnytskoho St.)
 Coffee Tram (14 Tarasa Shevchenka Blvd.)
 Come and Stay (23-B Velyka Vasylkivska St.)
 Cosmopolite Hotel (6 Hetmana St.)
 Cup & Cake (27 Khreshchatyk St.)
 Cup & Cake (57/3 Velyka Vasylkivska St.)
 Dom Bergonie (17 Pushkinska St.)
 Druzi Cafe (5 Prorizna St.)
 Fair Finch (45-49 Vozdvyzhenska St.)
 Family House (25-A Dehtiarivska St.)
 F-cafe «MAROKANA» (24 Lesi Ukrainky Blvd.)
 Felinni (5 Horodetskoho St.)
 First Point (14/20 Yaroslavska St.)
 GastroRock (10-B Vozdvyzhenska St.)
 Georgian House (36 Velyka Vasylkivska St.)
 Golden Gate Pub (15 Zolotovorotska St.)
 Goodman (75 Zhylianska St.)
 Gorchitsa (6 Pylypa Orlyka St.)
 Himalaya (80 Velyka Vasylkivska St.)
 Kanapa (19 Andriivskiy Descent)
 Kava Like (30-A Honchara St.)
 Korchma Taras Bulba (2-4/7 Pushkinska St.)
 L'Kafa (116 Velyka Vasylkivska St.)
 La Casa del Habano (13 Klovs'ky Descent)
 La Vaca Tapas (6 Petlury St.)
 Le Cosmopolite (47 Volodymyrska St.)
 Litpub Krapka Koma (14 Antonovycha St.)
 Liubimy Diadia (20 Pankivska St.)
 Liudi Casual Food (5 Velyka Vasylkivska St.)
 Lviv Handmade Chocolate (2-B Andriivskiy Descent)
 Lviv Handmade Chocolate (TSUM, 6th floor)
 Lypsky (15 Lypska St.)
 Mama Manana (44 Velyka Vasylkivska St.)
 Mangal (33-35 Saksahanskoho St.)
 Matisse + City Hotel (56-A Bohdana Khmelnytskoho St.)
 Mimino (10-A Spasska St.)
 Mindal Coffee Room (1-3 Hoholivska St.)
 Mon Cher (11 Yaroslaviv Val St.)
 Mon Cher (124 Zhylianska St.)
 Montecchi Capuleti (36-B Shchorsa St.)
 Moya Knyzhkova Polytisia (7 Pushkinska St.)
 Musafir (57-A Saksahanskoho St.)
 Etazh (ex Music Bar) (16-A Shota Rustaveli St.)
 Napule Pizza (9 Mechnykova St.)
 Naturlich (3 Bohdana Khmelnytskoho St.)
 Nelson & Friends (4 Pugachova St.)
 Tike (31-A Sahaidachnoho St.)
 O'Brien's (17-A Mykhailivska St.)
 O'Connors (15/8 Khoryva St.)
 Oliiva (34 Velyka Vasylkivska St.)
 One Love Espresso Bar (100 Velyka Vasylkivska St.)
 Viva Oliiva (16 Pushkinska St.)
 Oliiva (25 Druzhby Narodiv Blvd.)
 Opanas (10 Tereshchenkivska St.)
 Oxota Na Ovets (10-A Vozdvyzhenska St.)
 Pache (3 Kostelna St.)
 Pantagruel (1 Lysenka St.)
 Pervak (15/2 Velyka Vasylkivska St.)
 Podshofe (45/2 Pushkinska St.)
 Praga (1 Hlushkova Ave.)
 Pynna №1 (15 Baseina St.)

Reprisa (40/25 Bohdana Khmelnytskoho St.)
 Reprisa (26 Velyka Vasylkivska St.)
 Salateira (37 Sahaidachnoho St.)
 Salateira (72 Velyka Vasylkivska St.)
 Salateira (56-A Yaroslavska St.)
 Sam's Steak House (37 Zhylianska St.)
 Shevchenko Hall (13/5 Ihorivska St.)
 Shooters (22 Moskovska St.)
 Shoti (9 Mechnykova St.)
 Simple (102 Saksahanskoho St.)
 Small Talk & Coffee (19-A Dmytrivska St.)
 Slivki Obshchestva (47 Zvirynetska St.)
 Soiree (11 Artema St.)
 The Kitchen (68 Saksahanskoho St.)
 Trés Branché (4 Lysenka St.)
 Tres Francais (3 Kostelna St.)
 True Burger Bar (42 Bohdana Khmelnytskoho St.)
 Tsarske Selo (42 Mazepy St.)
 Under Wonder (21 Velyka Vasylkivska St.)
 Vero Vero (82 Artema St.)
 Verona Pizza (71-E Kostiantynivska St.)
 Videnski Bulochky (1-3/5 Pushkinska St.)
 Videnski Bulochky (14-A Instyutska St.)
 Vopros Bar (19 Shota Rustaveli St.)
 Whitebeard Blackbird (40 Vozdvyzhenska St.)
 Wolkonsky Patisserie (5-7/29 Tarasa Shevchenka Blvd.)
 Wolkonsky Patisserie (15 Khreshchatyk St.)
 Yolk (11/16 Lva Tolstoho St.)
 Yolk (37/1 Yaroslaviv Val St.)
 Yolk (1/2 Spaska St.)
 Yolk (8/2 Rusanivska Quay)

HUBS

America House Creative Space (6 Pymonenka St.)
 Chasopys (3 Lva Tolstoho St.)
 Fedoriv Hub (5 Velyka Vasylkivska St.)

THEATERS

Operetta Theatre (53/3 Velyka Vasylkivska St.)
 Theatre "Chornyi Kvadrat" (5-B Artema St.)
 Theatre on Podil (20-B Andriivskiy Descent)

HOTELS

11 Mirrors (34-A Bohdana Khmelnytskoho St.)
 Attache Premier Hotel (26 Zhylianska St.)
 Dream House Hostel (2 Andriivsky Descent)
 Express (38/40 Tarasa Shevchenka Blvd.)
 Fairmont Hotel (1 Naberezhno-Khreshchatytska St.)
 Gonchar Hotel (17-A Honchara St.)
 Greguar Hotel (67-7 Velyka Vasylkivska St.)
 Hilton Kyiv (30 Tarasa Shevchenka Blvd.)
 Holiday Inn (79 Horkoho St.)
 Hotel Bontiak (5/24-B Irynska St.)
 Hotel Rus (4 Hospitalna St.)
 Hyatt (5-A Tarasovi St.)
 Impressa (21 Sahaidachnoho St.)
 Intercontinental (2-A Velyka Zhytomyska St.)
 Khreshchatyk (14 Khreshchatyk St.)
 Kozatsky Stan (18 km Boryspilske Highway)
 Opera (23 Bohdana Khmelnytskoho St.)
 Park-Hotel KIDEV (5 Boryspilska St.)
 Premier Palace (5-7-29 Tarasa Shevchenka Blvd.)
 President Hotel (12 Hospitalna St.)
 Radisson Blue (22 Yaroslaviv Val St.)
 Ramada Encore Kiev (103 Stolychne Highway)
 Ukraine (4 Instyutska St.)

BUSINESS CENTERS

Cubic Center (1 entrance) (3 Sholudenko St.)
 Cubic Center (2 entrance) (3 Sholudenko St.)
 Europa Plus (120 Saksahanskoho St.)
 Europa Plus (33 Tarasa Shevchenka Blvd.)
 Gooioord (11 Mykhailivska St.)
 Gooioord (34/33 Ivana Franka St.)
 Gooioord (36 Ivana Franka St.)
 Gooioord (52 Bohdana Khmelnytskoho St.)

Illinsky (8 Illinska St.)
 Regus (4 Hrinchenka St.)
 Regus Podil (25-B Sahaidachnoho St.)
 Silver Breeze (1-V Pavla Tychny Ave.)
 Ukrainian Crisis Media Center (4 Instyutska St.)

BUSINESS ASSOCIATIONS

American Chamber of Commerce (12 Amosova St.)
 European Business Association (1 Andriivskyy Descent)
 EBRD (16 Nemyrovycha-Danchenka St.)

EMBASSIES

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 Consulate of the Republic of Austria (33 Ivana Franka St.)
 Embassy of the Republic of India (20-B Berlinskoho St.)
 Embassy of the United States of America (4 Sikorskoho St.)

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 Business Terminal, Kyiv International Airport
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 Fitness Planet (10 Kropyvnytskoho St.)
 Kiev Sport Club (5 Druzhby Narodiv Blvd.)
 Sofiivsky Fitness Center (5 Rylskiy Lane)

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 Porcelain (26-5 Otto Shmidta St.)
 Porcelain (29 Vozdvyzhenska St.)
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 Kyiv School of Economics (92-94 Dmytrivska St.)
 National Parliamentary Library of Ukraine (1 Hrushevskoho St.)
 National Academy for Public Administration under the President of Ukraine (12/2 Puhachova St., 20 Ezhena Potie St.)
 Pechersk School International (7A Zablyi St.)
 Kyiv International School (3-A Sviatoshynsky Lane)

GAS STATIONS

Shell Gas Station (31/1 Stolychne Highway)

REGIONS OF UKRAINE

Kharkiv

Paris restaurant (30/32 Yaroslava Mudroho St.)
 Chekhov restaurant (84/2 Sumska St.)
 Chichikov Hotel (6/8 Hoholia St.)
 Iris Art Hotel (6-A Sviatoduhivska St.)
 Kharkiv Palace Hotel (2 Pravdy Ave.)

Kirovohrad

Reikartz Kirovohrad (Hotel) (1-D Chornovola St.)

Lviv

RESTAURANTS

Amadeus (7 Katedralna St.)
 Atlas Deluxe (27 Tarasa Shevchenka Ave.)
 Baczewski Restauracja (8 Shevska St.)

Centaur (34 Rynok Sq.)
 Chorny Kit (4 Heroyiv Maidanu St.)
 Harmata (11 Hrabovskoho St.)
 Hrushevsky cinema jazz (28 Tarasa Shevchenka Ave.)
 iFest network (15-A Lemkivska St.)
 Kumpel Gastropub (6 Vynnychenka St.)
 Kumpel Gastropub (2-B Chornovola Ave.)
 Stary Royal (3 Stavropigiytska St.)
 Strudel House (6 Shevska St.)
 Tex-Mex BBQ (7 Johara Dudaieva St.)
 Veronika (21 Tarasa Shevchenko Ave.)
 Zukernia (3 Staroyevreyska St.)

HOTELS

Astoria (15 Horodetska St.)
 Chopin (7 Malaniuka Sq.)
 Citadel Inn (11 Hrabovskoho St.)
 George (1 Mitskevycha St.)
 Leopold (16 Teatralna St.)
 Lion's Castle (7 Hlinky St.)
 Nobilis Hotel (5 Fredra St.)
 Reikartz Dworzec Lviv (107 Horodetska St.)
 Swiss Hotel (20 Kniazia Romana St.)

BUSINESS CENTERS

Emerald (3 Petrushevycha Sq.)
 InterCity (67 Chornovola Ave.)

SCHOOLS & OTHER INSTITUTIONS

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 Bank Lviv (1 Serbska St.)

Mukacheve

Star (Hotel) (10 Myru Sq.)

Mykolaiv

Reikartz River Mykolaiv (Hotel) (9 Sportyyna St.)

Odesa

RESTAURANTS

Traveller's coffee (14 Derybasivska St.)
 Terrace Sea View (1-5 Lanzheron Beach)
 The Roastery by Odesa (1 Arkadia Alley)
 Bratia Grill Restaurant (17 Derybasivska St.)
 Benedikt (19 Sadova St.)
 Fratelli (17 Hretska St.)
 Ministerium (12, Hoholia St.)

HOTELS

Otrada (11 Zatyshna St.)
 Palace Del Mar (1 Khrustalny Lane)
 Stella Residence (3 Vanny Lane)
 Frapolli (13 Derybasivska St.)
 London (95 Uspenska St.)
 Bristol (15 Pushkinska St.)
 Alexandrovskiy (12 Alexandrovsky Ave.)
 Villa le Premier (3-A Vannyi Lane)

Zakarpatska Oblast

Reikartz Karpaty (257 Tarasa Shevchenka St., s. Zhdniyeyvo)
 Reikartz Polyana (25 Zhovtneva St., s. Poliana)

Zaporizhia

Khortitsa Palace Hotel (71-A Tarasa Shevchenka Blvd.)

Dnipropetrovsk

Reikartz Dnipropetrovsk (12 Chervona St.)



Ukrainian cookbook wins acclaim, racks up sales



WITH OLGA RUDENKO
RUDENKO@KYIVPOST.COM

Fabbrica is latest Italian-Ukrainian eatery in Kyiv

The stretch of Velyka Vasylkivska Street running between Saksahanskoho and Lva Tolstoho has long been a golden mile of dining, crammed with restaurants like good old Oliva, Georgian eatery Mama Manana, and Lithuanian-inspired gastro pub Klaipeda.

And in January this glorious line-up gained a worthy addition: Fabbrica.

Fabbrica opened up in the space next door to Oliva that used to be occupied by burger restaurant Lucky Luciano. This isn't Ukraine's first Fabbrica: The original restaurant opened in the western city of Ivano-Frankivsk in 2014 and became a success.

Fabbrica's claim to fame is that it serves up Italian food prepared solely with Ukrainian products, at the sacrifice of some authenticity. The restaurant also aims to reduce its use of processed ingredients, instead deciding to make in-house ice cream, pasta, flour, and even limoncello - a classic liqueur that Italians drink at the end of a dinner.

The restaurant's frontage, with a small black-and-white signboard, is easy to overlook. I only found it because my Facebook friends have been raving about Fabbrica.

And don't expect to be greeted at the door. Visitors have to walk along a corridor, past a bar and a pasta station, then turn a corner and introduce themselves to waiters chatting idly next to a counter.

There is plenty of space inside, so even though the place is rapidly gaining popularity, one can still count on getting a table without a reservation.

The design is the simple and borderline boring wood-and-brick. The highlight is the open kitchen dominated by a huge pizza oven that looks so appealing that it practically whispers: "Order pizza, now."

But instead I opted for a polenta with chicken and dried tomatoes (Hr 85). It did not disappoint: crispy-baked polenta topped with a creamy sauce, with pieces of chicken and spicy tomatoes.

The menu offers a range of pizzas (Hr 85-155), pasta (Hr 65-105), salads (Hr 49-72), and some basic antipasti like mozzarella with tomatoes (Hr 115),

BY MARIA ROMANENKO
MRO@UKR.NET

One might assume that a person who has written a successful cookbook, which has sold almost 100,000 copies worldwide and been translated into four languages, must have been into cooking from an early age.

But the author of "Mamushka," Ukrainian Olia Hercules, says she was a reluctant chef in her early years. "When I was a teenager my dad used to make me cook every Sunday, but I didn't enjoy it - I didn't want to be forced," she says.

"Mamushka," which is full of mouth-watering recipes, beautiful photographs and engaging childhood stories, is a celebration of Ukrainian food.

"It's a nod to my family," says Hercules, who was born in Kakhovka, a city of 38,000 people in Kherson Oblast, some 626 kilometers south-east of Kyiv.

The word "mamushka" is not a real word; it comes from the 1991 U.S. movie "The Addams Family" where, in one scene, the characters suddenly start speaking a made-up Eastern European language and dancing the Mamushka - "the dance of brotherly love."

"Our whole family found this part of the movie irresistibly hilarious, and since then my brother and I renamed our mom Mamushka," Hercules explains in her book.

"Mamushka" is not just about Ukrainian food. Apart from its Ukrainian recipes for almost every occasion, such as borsch, varenyky, holubtsi, salo, paska (Ukrainian Easter bread) and even blackcurrant vodka, there are also Georgian, Armenian, Tatar and Azerbaijani dishes.

"The food all over Eastern Europe is different," Hercules says. "My grandma lived in Uzbekistan, Central Asia for about 10 years. We have Armenian relatives, Moldovan connections, friends from Ossetia and Tatarstan. My great grandmothers lived in Bessarabia, near Moldova and spoke some Moldovan and



Olia Hercules, author of the Ukrainian cookbook "Mamushka," was born in Kakhovka, Ukraine, in 1984. Hercules says she never dreamt about writing a cookbook, but rediscovered her love for her family's recipes after a trip to Italy. (Mike English)

more **Cookbook** on page 13

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KyivPost

more **Food** on page 13

Olia Hercules is on way to stardom in cookbook world

Cookbook from page 12

cooked the dishes from the area.”

Some recipes are Hercules' own, she says, like the rhubarb & radish pickle, which she likes to serve with “kasha (porridge) and pechionka (liver), for example.”

Apart from selling so well, “Mamushka” has also won the Fortnum & Mason Debut Food Book of 2016 award and, in 2015, Hercules was named the Observer's Rising Star of the year.

But the best thing?

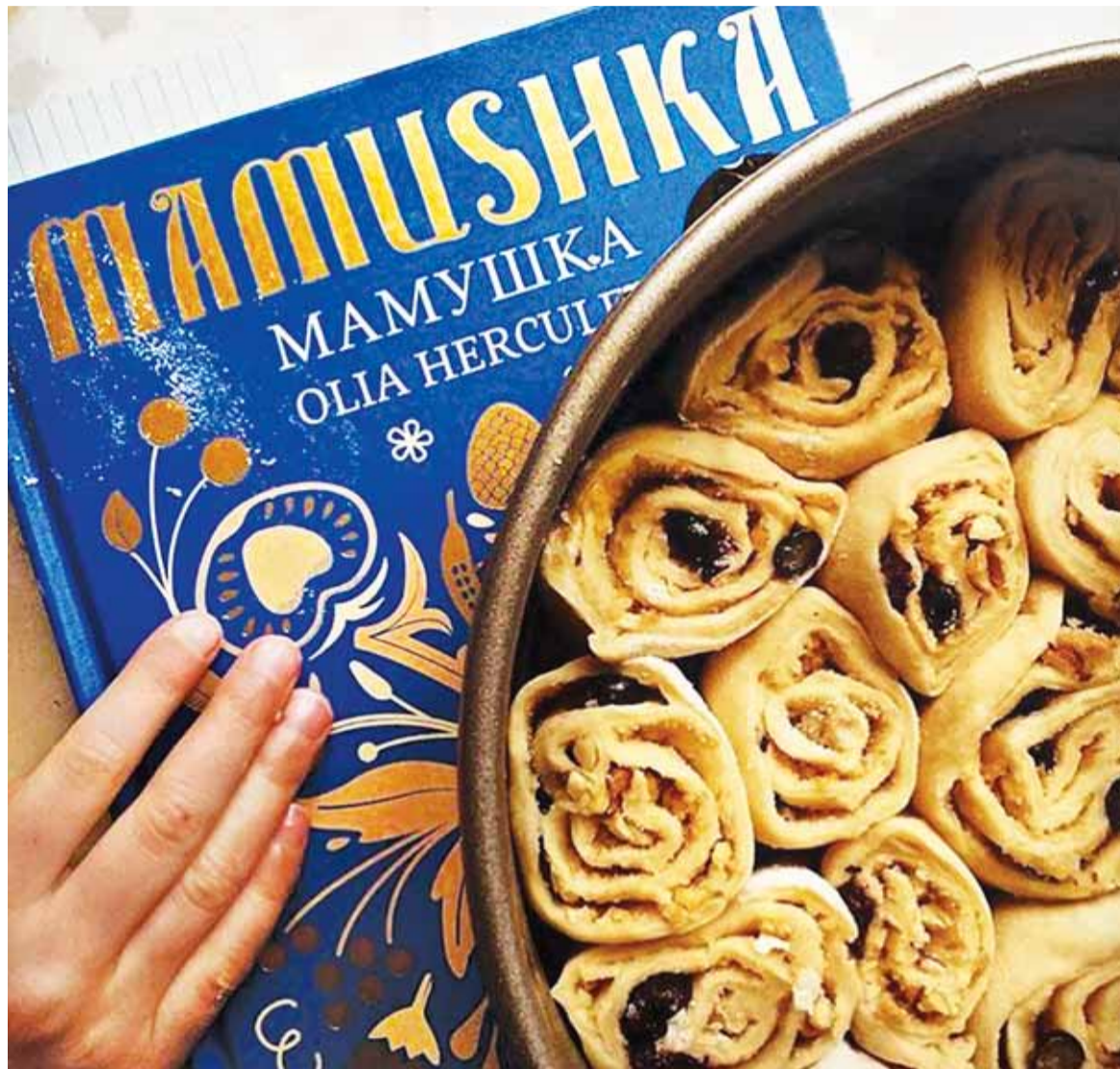
“It's definitely receiving letters from people, sometimes handwritten,” Hercules says. “An old lady from Australia once wrote me a letter saying she grew up with stories like these - her parents escaped Ukraine when she was a child during the Second World War. This kind of response from people is better than getting any award.”

She also gets letters from British and American people who didn't realize Ukrainian food was so rich and diverse.

Hercules's got used to home-grown vegetables and fruit as a child. She stresses the importance of good ingredients. “You make Ukrainian food amazing by taking care about what kind of ingredients you cook.”

Palermo-born passion

Hercules, who now lives in London, said her “food awakening didn't happen until my year abroad in Italy, in a restaurant in Palermo.” She was working as a waitress when the chef gave her a bowl of Spaghetti Ai Ricci (spaghetti with sea urchins) for lunch. “It was amazing, I just thought it



“Mamushka: Recipes from Ukraine & Beyond” is a 240-page book with more than 100 recipes from Eastern Europe. It's available on Amazon.com. (Ben Robinson)

was the most incredible thing,” she says.

Hercules then rediscovered

Ukrainian food and started cooking more often.

After working as a journalist for a

few years after graduation, Hercules quit her job during the 2008 global financial crisis and retrained as a

chef in London. She then worked in restaurants for about two years, doing 18-hour shifts. After giving birth to her son Sasha, she returned to work as a recipe developer.

“But then the company folded and I was left with no job. It was ‘single mum, no job’ desperation,” Hercules recalls.

“Mamushka” started as a way to stay busy. She also wrote a food blog for the Guardian, a London-based newspaper. The Guardian's video unit noticed her talent in a test video she submitted.

“He called the publisher Faber & Faber, and they offered me a book deal. Within a month three big publishers were fighting for the rights to the book,” Hercules says, adding that one of her conditions was to be able to go to Ukraine to shoot the food. “You just can't do it in a studio in London, you have to have the real thing,” she says.

Most of the photographs were shot in Ukraine's Kherson and Mykolaiv oblasts, while some were taken in a house in London.

Hercules is finishing her second cookbook, which will be called “Kaukasis: A culinary journey through Georgia, Azerbaijan and beyond.” The book is due in August.

“It's a re-creation of a trip that I took with my parents and brother when I was 3 years old. We drove from Kakhovka to Baku through Georgia, Chechnya and other places.”

The book will feature Georgian, Azerbaijani and Armenian recipes, and stories “of real people and families.”

The cookbook “Mamushka” by Olia Hercules can be ordered on Amazon for \$22.89. ■

Food Critic: New place is already a hit with public

Food from page 12

a cheese plate (Hr 110), or duck liver pate with focaccia bread (Hr 75).

Since Fabbrica sticks only to local products, there is no seafood. Instead, some classical Italian dishes have received a creative twist: There is trout pasta and chamomile panna cotta.

The menu also features many mushroom dishes, giving vegetarians some decent choices.

My friend's pasta with trout and spinach (Hr 105) arrived in a generous serving and was good, albeit a little too greasy. For dessert, we opted for hot pumpkin pie with ricotta cheese and buckthorn sauce (Hr 55). It tasted as good as it reads.

The alcohol options look promising, too, especially the liqueur set (Hr 95) that includes limoncello, its orange brother orangello, and apple

and grape liqueurs. The set is a perfect option for a company of four, or for a lonely yet adventurous drinker.

For others, there is wine and craft beer (Hr 45), courtesy of Syndicate, a famous Kyiv beer-and-grill restaurant. The corkage fee is Hr 150.

A note for teetotalers: The apple tea from the special “warm drinks” menu is highly recommended.

Those who want to try cooking up some Italian recipes at home can also buy here fresh pasta (Hr 65 for 500 grams) and flour that is milled in-house (Hr 45 for 1 kilogram).

While Fabbrica's food leaves nothing to be desired, it still has room to improve service. Our waitress was somewhat distracted. She took too long to write down our order and forgot small things. When she disappeared for a while, we addressed her colleague, who seemed perplexed that we had dared to bother her.



A chef prepares to put a pizza into an oven at Fabbrica restaurant in Kyiv on Jan. 18. Fabbrica serves Italian food that is made solely with Ukrainian products. (Kostyantyn Chernichkin)

Little things like that marred an otherwise perfectly good restaurant. But personally, I have a good feeling about Fabbrica: Their heart seems to be in the right place, so I'm blaming

these shortcomings on the fact that they haven't been open for long.

I'll find out if I'm right when I return for pizza and liqueurs. ■

Fabbrica

11 a.m. - 11 p.m.
32A Velyka Vasylkivska St.
Tel.: 38-050-414-5543



(Courtesy)

Jan. 20 - March 6

'The Temptations of Hieronymus Bosch'

This art exhibition celebrates the life of one of the most famous and mysterious artists of the Northern Renaissance – Dutch painter Hieronymus Bosch. At the exhibition, a copy of one of Bosch's most famous works, "The Temptation of St. Anthony" from the 16th century will be on display, along with a collection of various prints by other 16th-18th century artists influenced by Bosch.

"The Temptations of Hieronymus Bosch" (art exhibition). Jan. 20 – March 6. Wed-Sun 10:30 a.m. – 5:30 p.m. Bohdan and Varvara Khanenko Museum of Arts (15-17 Tereshchinkivska St.). Hr 20

Jan 21



(Pavlo Podurafiov)

Christmas festival

Ukraine has plenty of winter holidays, which last until the end of January. So it should come as no surprise that St. Michael's Monastery is holding a Christmas festival on Jan. 21. Apart from a celebratory church service, there will also be Christmas literary readings and a folk fair, where visitors can learn a new ethnic art skill or buy traditional souvenirs.

Ethnowinter in Mykhailivsky. Jan 21. 10 a.m. St. Michael's Monastery (8 Triokhsviatytska St.). Free admission



(Jeff Dunn)

Jan. 29

Johnny O'Neal concert

Johnny O'Neal is an American neo-bop jazz pianist and vocalist who first rose to prominence in the New York music scene in the early 1980s. O'Neal, now 60, is no less active today, and Kyiv fans will enjoy his great technique, ear for melody, and improvisation skills.

Johnny O'Neal concert. Jan. 29. 8 p.m. Bel Etage (16A Shota Rustaveli St.) Hr 400-1,000

Electronic music party

Various British and U.S. electronic music artists, such as Aleks Perala, Legowelt, and Delano Smith will play their sets at the Closer art center and nightclub on Jan. 28. Those who like to party all night won't want to miss this event.

"Brave! Factory Party." Jan. 28. 11:55 p.m. Closer (31 Nyzhniourkivska St.). Hr 200 before 1 a.m., Hr 300 after 1 a.m.



(Delano Smith/facebook)

Jan. 28

Jan. 22

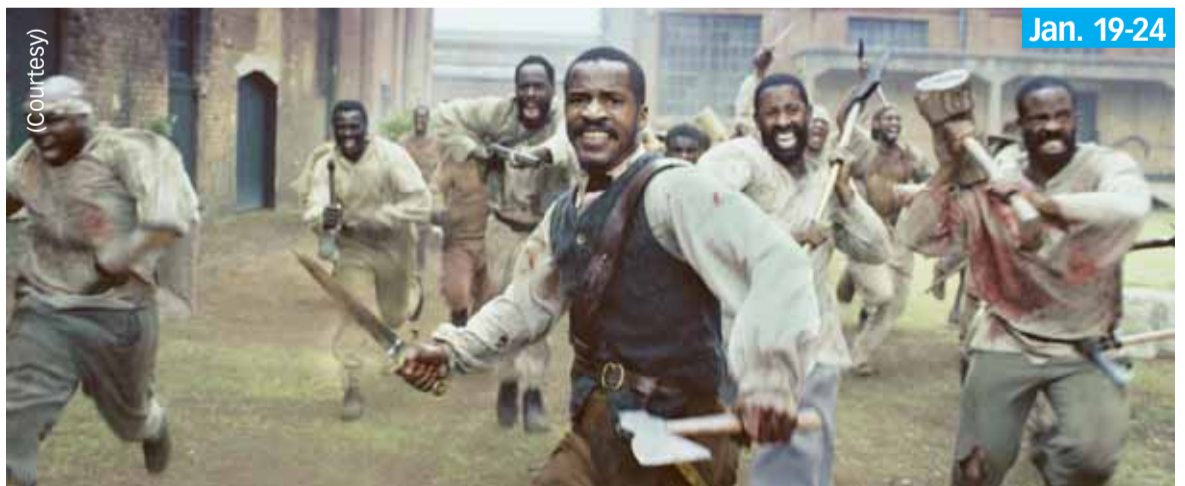


(Courtesy)

Pu-erh tea festival

Pu-erh is a type of Chinese fermented tea renowned for its healing properties. The tea festival at Chainiy Klub (Tea Club) will offer its visitors tastings of the best types of Pu-erh, a fair selling the tea variety at reduced prices, and a chance to observe this tea being prepared. Ticket price also includes a piala (a small ceramic bowl used for drinking tea).

Tea Festival. Jan. 22. 3 p.m. Tea Club (7 Druzhby Narodiv Blvd.) Hr 500



(Courtesy)

Jan. 19-24

'The Birth of a Nation'

The Kyiv cinema is screening "The Birth of a Nation," a 2016 American drama movie telling the story of Nat Turner, a literate slave and preacher in the pre-Civil War South, who, after suffering countless atrocities against himself and his fellow slaves, led a slave rebellion in 1831. The screening is in English.

"The Birth of a Nation." Jan. 19-24. 4 p.m. Kyiv Cinema (19 Velyka Vasylkivska St.). Hr 70-80

TENDER ALERT

EBA Health Care Committee Legal Partners

The European Business Association's Health Care Committee (EBA HCC) is launching tender for Legal Partners. Uniting 60 companies, EBA HCC is one most experienced and sizeable unions operating in the Ukrainian pharmaceutical market. It focuses predominantly on the harmonization of regulatory issues. To participate, please contact hcc@eba.com.ua. The deadline for applications is **29.01.2017**

PRSM Professionals for Reform Support Mechanism

Professionals for Reform Support Mechanism (PRSM) provides human resource support – from managers to technical experts - to critical reform initiatives undertaken by national governmental agencies. PRSM is currently seeking candidates to fill the following expert positions for the Government of Ukraine:

- **Sector Lead (4 positions) for the Project Office for Sectoral Decentralization (POSD)** – responsible for defining the scope of sectoral (4 sectors) reform and development of the action plans and performance indicators to assess achievement of the relevant sectoral reform objectives.
- **Communication Expert for the National Agency for the Prevention of Corruption** – will provide communication support to activities of the NAPC in the CHS and WPM areas ensuring proper media coverage and public support.
- **Legal Expert for the National Agency for the Prevention of Corruption** – provide legislation drafting support to activities of the NAPC in the CHS and WPM areas.

For more detailed information about preferred qualifications and skills, indicative duties and responsibilities, as well as applying procedure, please visit web-site: <http://edge.in.ua/vacancies>

U.S. Embassy and the Centers for Disease Control and Prevention (CDC) in Ukraine are looking to fill the position of Public Health Specialist

Basic Function of Position:

Job holder provides strategic technical and programmatic assistance to the CDC office in Kyiv and implementing partners (grantees) in Ukraine funded by the President's Emergency Plan for AIDS Relief (PEPFAR) to oversee program implementation of Care and Treatment for HIV/AIDS in multiple oblasts. This position will 1) develop novel treatment protocol modifications aligned with current international best practices and newly developed Ukrainian antiretroviral drug treatment protocols; 2) conduct site monitoring visits for quality improvement of HIV/AIDS treatment programs (SIMS); 3) use clinical expertise to assess grantee quality and performance, and provide special reports for the U.S. interagency team, CDC Headquarters, and The Office of the Global AIDS Coordinator (COAG); and 4) participate in international and national technical working groups focusing on medical care and treatment of persons infected with HIV/AIDS.

Required Qualifications:

- Doctoral level (MD) degree or host country equivalent in medicine;
- Three (3) years of mid-to-senior level public health experience in HIV/AIDS treatment programs or other relevant public health programs;
- Level III (good working knowledge in speaking/reading/writing) in English;
- Level IV (fluent) in Ukrainian and Russian.
- Comprehensive knowledge and experience in HIV/AIDS treatment and HIV AIDS issues. Comprehensive knowledge of the host government Ukrainian health care system and structures including familiarity with MOH policies, program priorities and regulations.

Application deadline: 5 February, 2017

How to Apply: The compensation is set at 40,000\$ (gross per year) plus benefits package. Full version of the vacancy announcement and the U.S. Mission application for employment form (DS-174) are available at our site: <http://ukraine.usembassy.gov/job-opportunities.html>

Interested applicants should fill out the application form in English and email it to: KyivHR@state.gov or fax it to: 521-5155.

PRSM Professionals for Reform Support Mechanism

Professionals for Reform Support Mechanism (PRSM) provides human resource support – from managers to technical experts – to critical reform initiatives undertaken by national governmental agencies. PRSM is currently seeking candidates to fill the following expert positions for the Ministry of Internal Affairs of Ukraine:

- **Project Manager on Emergency Response** – will be in charge for designing an organizational model that would include opportunities for amalgamated communities to be able to retain basic services including fire safety and to ensure faster (maximum 20 minutes) response to emergency, increase number of Local Fire Teams in communities and engage Volunteer Fire Fighters.

For more detailed information about preferred qualifications and skills, indicative duties and responsibilities, as well as applying procedure, please visit web-site: <http://edge.in.ua/vacancies>

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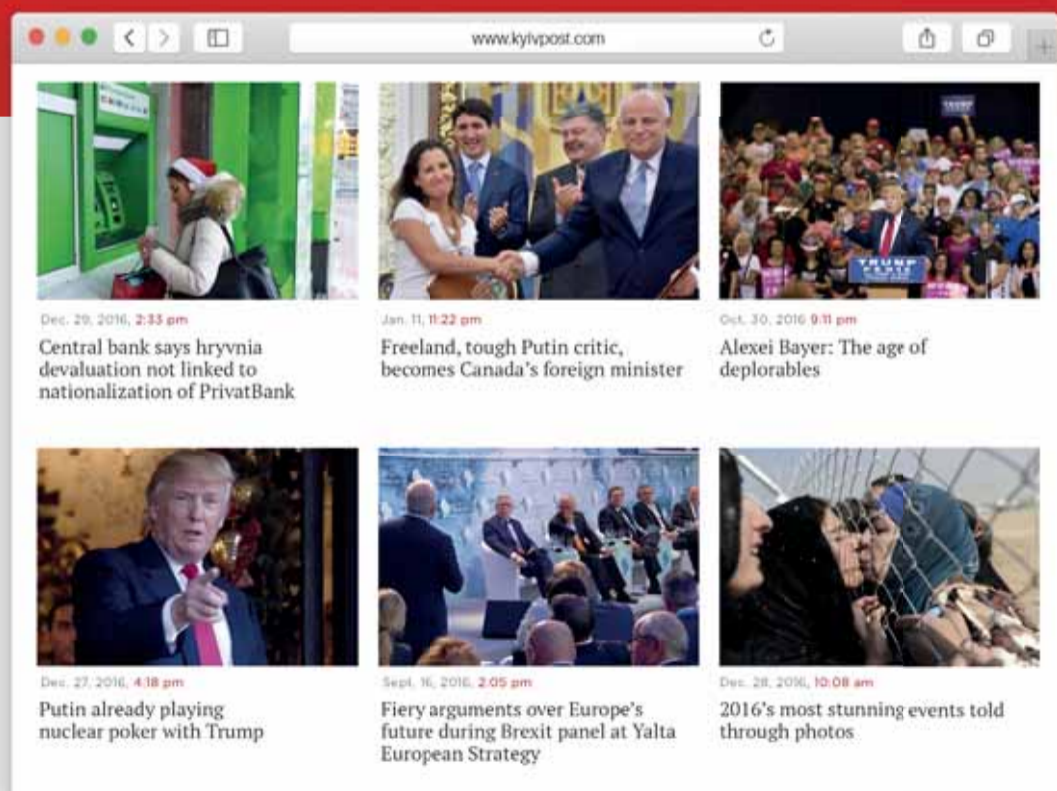
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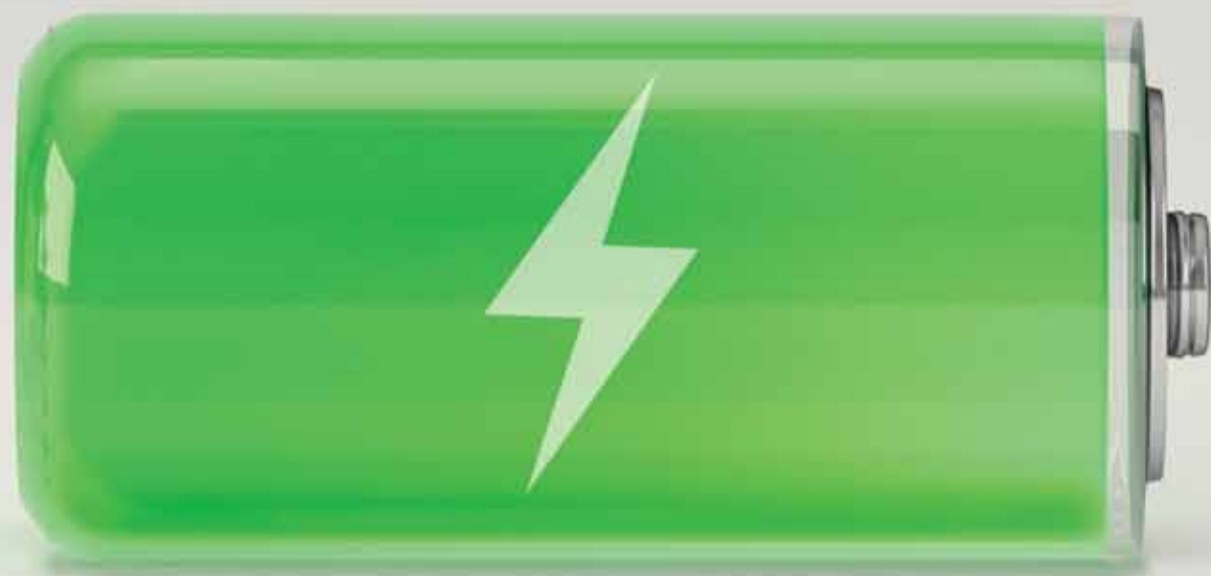
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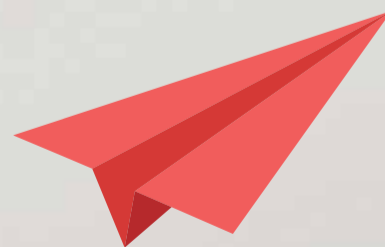
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