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World in Ukraine:

**United States of America** 



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The Kyiv Post staff is a 2014 winner of the Missouri Honor Medal for Lifetime Achievement in Journalism

19<sup>th</sup>



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INDEPENDENCE. COMMUNITY. TRUST

KVIVPOSt

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June 27, 2014

 $\rightarrow$ 8

# Humanitarian Crisis Deepens



A woman on June 24 stuffs meat in a plastic bag as residents line up to receive food rations at a distribution center near city hall of the eastern Ukrainian city of Sloviansk, which is besieged by Kremlin-backed separatists. Four months of armed conflict, which began with Russia's military invasion and annexation of the Crimean peninsula, is steadily bringing a higher toll of death and suffering. More than 400 people have been killed in the fighting and nearly 50,000 people have fled their homes amid battles between Ukraine's military and Kremlin-backed separatists in eastern Ukraine. (AFP)

# The Kyiv Post brings you these investigations:

- The \$5 million sports
   complex that was
   never built in Moldova's
   Gagauzia region. →8
- Meet Andriy Kravets, Yanukovych's empire-builder.
- Pollution scandal and suspected corruption threaten water supplies, public health for up to 10 million people in western Ukraine and Moldova.

Kuzmin is now wanted in Ukraine, while Tymoshenko's gas case is closed

BY KATYA GORCHINSKAYA
KATYA.GORCHINSKAYA@GMAIL.COM

An arrest warrant was issued on June 26 for Renat Kuzmin, one of Ukraine's most controversial prosecutors. He has been missing since the beginning of June, according to the Interior Ministry's website.

Kuzmin served as the first deputy general prosecutor under disgraced ex-President Viktor Yanukovych, overthrown on Feb. 22 by the EuroMaidan Revolution.

Kuzmin played a major role in politically motivated criminal convictions of former Prime Minister Yulia Tymoshenko and former Interior Minister Yuriy Lutsenko, who both served prison terms. Lutsenko spent two years in prison, while Tymoshenko served six months longer before being freed the day Yanukovych left power.

Kuzmin's former boss, ex-Prosecutor General Viktor Pshonka, has been on the wanted list since April 28 and has appeared on Russian TV alongside his friend and patron Yanukovych.

Kuzmin is suspected of organizing the illegal arrest of Lutsenko in  $\rightarrow$ **7** 

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June 26 market rate

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# Kyiv Post wins prize for great journalism

#### BY KYIV POST

Joining the ranks of some of the world's greatest journalists and newspapers, the Kviv Post staff is among seven 2014 winners of the prestigious Missouri Honor Medal for Distinguished Service in Iournalism.

The award has been given annually since 1930 by the University of Missouri's School of Journalism, one of the leading journalism educators in

Other winning organizations have included The New York Times, Wall Street Journal and Washington Post. Other winning journalists have included American TV news anchors Walter Cronkite and Ted Koppel as well as Deborah Howell, a trailblazing editor and ombudsman.

The Kyiv Post, founded in 1995, is the first Ukrainian news organization to win in the 84-year history of the Missouri Honor Medal. Journalists and media organizations are honored for lifetime or superior achievement. The winners are chosen by the university's faculty. The medal that will be given to the journalistic staff of the Kyiv Post is "for superior journalism throughout the publication's history," university officials said in announcing the award

Kyiv Post chief editor Brian Bonner said that "the award for lifetime achievement makes the honor even sweeter. We owe a big debt of gratitude to all those who came before us at the Kyiv Post. Every journalist who has ever worked for the Kyiv Post since 1995 can claim a share of the credit. There are hundreds of writers and editors who should take a well-earned bow for their contributions to what the Kyiv Post has become: Ukraine's global voice for news in the English language."

The other six 2014 winners are: The Guardian, the 193-year-old newspaper based in London has one of the most-read websites in the

- world WIRED magazine:
- Barney E. Calame, one of journalism's most respected editors;



A dozen current members of Kyiv Post pose on June 26 with framed front pages in honor of winning the Missouri Honor Medal for Distinguished Service in Journalism, given to the newspaper's staff "for superior journalism throughout the publication's history." The Kyiv Post was founded in 1995. (Pavlo Podufalov)

- Audie Cornish, co-host of the long-running, award-winning All Things Considered show on National Public Radio:
- Steve Kopcha, one of advertising's most notable creative leaders; and
- Eugene Richards, a documentary photographer, filmmaker and writer. In the last year, the Kviv Post has distinguished itself for coverage of the EuroMaidan Revolution that began on Nov. 21 and ousted President Viktor Yanukovych on Feb. 22. The staff also covered the Russian military invasion and subsequent annexation of Ukraine's Crimean peninsula in March and the Kremlin-fueled separatist war in Ukraine's eastern regions that started in April and continues today, claiming more than 400 lives, by the United Nations' estimates.

The staff-written exclusive articles and opinions have propelled online readership to record heights, with nearly 33 million page views in 2014 alone through June 23. Moscow-based

AGT Communications Agency, during a six-month period from Nov. 21 to May 21 found that the Kviv Post is the second most-quoted Ukrainian or Russian newspaper by Western media outlets.

The 2014 awards will be given during a ceremony at the University of Missouri campus on Oct. 28 at which the newspaper will be represented by Bonner and deputy chief editor Katya Gorchinskaya. The medalists will also present workshops on topics related to their areas of expertise to Missouri School of Journalism students and other guests.

"We've had an extremely challenging and difficult year, reflecting Ukraine's revolution and war," Bonner said. "Throughout these events, my colleagues have been fearless and relentless in providing coverage that helped the world to understand Ukraine's complexities. We are an international, multilingual team that understands this nation well. The staff has excelled under trying and tragic circumstances

that tested an entire nation. The events continue to challenge the international community.'

The Kyiv Post has been owned and published for the last five years by British citizen Mohammad Zahoor and, through its "Independence. Community. Trust" motto, has strived to become the most reliable source of English-language news about Ukraine. The founding owner is American Jed Sunden, who sold the newspaper to Zahoor on July 28, 2009.

The Kyiv Post's editorial staff currently numbers 19 people, including the regional coordinators for the Objective investigative reporting project and the Organized Crime and Corruption Reporting Project.

This year, a group of Kyiv Post journalists also launched the nonprofit Media Development Foundation to advance the profession in Ukraine in three areas: investigative journalism, journalism internships and training programs for working professionals.









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# More deaths, refugees in Ukraine's war-torn east

→ 1 The plan was never to live and work here full-time, but to live a vacationer's life on the forested banks of the Sever-Donets River, in the shadow of the sprawling golden-domed Sviatohirsk Monastery, from June through August.

But after war tore through the eastern region, leaving a shockwave of destruction — homes and infrastructure destroyed, an estimated 423 people dead, according to the United Nations — all thoughts of normalcy fled from the mind of Drozd, who says he is now facing bankruptcy due to the summer season being "completely disrupted."

Instead of feeding thousands of paying travelers who would typically pass through this time of year, he's taking a steep loss to provide for many of the 15,000 to 20,000 displaced persons — which includes his family — who have fled Sloviansk, the epicenter of fierce fighting between Ukrainian armed forces and pro-Russian separatist militias since April, and taken up residence in Sviatohirsk's many sanatoriums, hotels and even the monastery.

A monk said as many as 1,000 displaced persons were staying in more than 340 available rooms on the monastery's grounds.

A senior UN human rights official this week said in the past two weeks the number of displaced persons in Ukraine has doubled to more than 46,000. But the true number is likely higher due to the lack of a formal registration system.

Of the 46,000 displaced persons, more than 35,000 are from the east while some 11,500 are from Crimea, the Black Sea peninsula annexed by Russia following a sham referendum in March.

In Sloviansk, where residents have been without water, electricity and gas for weeks, food is scarce, but at least one supermarket – Bravo – was still dolling out items for free to those who fled to Sviatohirsk this week, residents said. The city's other stores and residential buildings reek of rotting food due to the lack of refrigeration.

"In Sloviansk, everything is decomposing and rotting. The whole city smells of death," Drozd said.

That's one reason why many have



A man sifts through rubble in his home wrecked by shelling in the besieged city of Sloviansk on June 24. Kremlin-backed Separatists of the self-proclaimed Donetsk People's Republic in Sloviansk are surrounded by Ukrainian forces and clashes have occurred frequently. (AFP)

fled to Sviatohirsk, located some 35 kilometers away. Here, in place of the typical posters advertising rooms for rent now hang the signs welcoming "refugees"

"Refugees and guests of the city," begins one sign posted to the door of the ATB supermarket in central Sviatohirsk. It goes on to list contact information for doctors. Another sign explains that "refugees from Sloviansk" must bring their birth certificates to the city government building and register. The third instructs them to

visit Drozd's Pyramid Café to receive "humanitarian aid."

As of 11 a.m. on June 25, people streamed into the restaurant to inquire about food and clothes. Drozd directed them to the courtyard, where volunteers at a table adorned with a UN Refugee Agency sign greeted them.

A middle-aged woman, whose young daughter clung to her legs, said she didn't know what she would do without the aid. "We have no money and no home. They [the volunteers] give us everything now," said the woman, who declined to give her last name because she still had family in Sloviansk and feared for their safety.

But aid the woman and dozens of others received that day will soon be gone, putting thousands there in a bind.

One of them is Yelena Laskova, 19, a second-year university student from Sloviansk, who was studying Ukrainian language and literature before evacuating the city on May 29 with her coworkers at Bravo supermarket. She was a cashier, but interning to be an administrator at the store. She now lives day-to-day in Sviatohirsk, where she scrapes by as a waitress at the Pyramid Café as well as on outside donations. Her father remains in Sloviansk, as he doesn't want to abandon their house, she says.

To sustain nearly 20,000 new residents in Sviatohirsk, two 25-ton trucks full of aid, including food and personal hygiene products, are needed each week, Drozd said. They're not getting that right now.

Ahead of a visit by President Petro Poroshenko last week, a large shipment of aid arrived, but only enough for a little more than a week's time.

Volunteers had begun making headway in Kharkiv, the second-largest city, where three tents were erected on public squares for people to donate food and supplies for those in Sviatohirsk.

But the volunteers apparently were ordered to take the donation tents down upon the return of Mayor Hennady Kernes after his rehabilitation in Israel. He spent more than a month there after he was shot in the back in April in an apparent assassination attempt.

Kernes could not be reached for comment

Without large-scale, regular shipments, people here won't survive, Drozd says, adding that one option is to move some of the refugees to different locations around Ukraine immediately.

"People can't stay here much longer without regular shipments of aid," Drozd said. "Come fall, when the whether turns cold, people will need to be moved. As a summer resort town, there is no heating here."

A group of volunteers from Boryspil has offered assistance. They are ready to house 500 Sloviansk refugees currently sheltered in Sviatohirsk and will provide them with room and board for an indefinite length of time. But that is merely a fraction of those who need assistance.

Laskova is banking her hopes on a peaceful outcome to the conflict plaguing the east before summer's end. She would like to return to university in Sloviansk, but knows that's unlikely. But she does not want to return if the city remains anything like what she left. Bursts of gunfire echoed through the city every night, she said. And she was nearly hit by a mortar one morning while walking to work.

For her, the last straw came when a group of rebels fired a mortar from the courtyard of her apartment building, using civilians as cover. She believes it was done to provoke Ukrainian forces into returning fire in a residential area.

Drozd, too, would like to go home to his one-bedroom apartment near Sloviansk's police station in autumn, but admits that returning there is unrealistic without successful negotiations between the Ukrainian government and separatists.

This week both sides blamed each other for violating a cease-fire agreed upon during peace talks in Donetsk on June 23. In the hours following, 12 Ukrainian servicemen were killed in battle with armed separatists, including nine who died when their MI-8 helicopter was downed near Sloviansk.

"If the conflict isn't resolved soon, we'll have a full-blown humanitarian catastrophe on our hands," Drozd said.

Kyiv Post editor Christopher J. Miller and staff writer Vlad Lavrov can be reached at miller@kyivpost.com and lavrov@kyivpost.com.

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Pavel Drozd inside Pyramid Cafe. (Christopher J. Miller)

#### **Editorials**

## **Sunshine deal**

Ukraine is set to sign the remaining part of the Association Agreement on June 27. The political part of the deal was signed in March, so only the Deep and Comprehensive Free Trade Agreement remains now. It took a revolution, a change of a president and a lot of blood spilled because of Russia's revenge.

But after President Petro Poroshenko signs that document, this will be it. Ukraine will have made its choice – not just who to trade with, but the rules to live by and the civilization to belong to.

The nation paid (and in fact, continues to pay) a truly dear price for what should be its rightful, sovereign choice. This is why both the leaders of the nation, and Ukraine's new partners should do their utmost to make this partnership work.

The European Union should stop shying away from giving Ukraine a membership perspective despite a growing EU fatigue that has brought many right-wing groups to power in the recent election. In a sense, a union is like democracy: it's not an ideal solution, but a better one is yet to be invented. And Ukraine belongs in this union by its history, the blood of heroes who died for it, and its conscious choice.

The Ukrainian government, at the same time, has got to take its own steps to ensure that the joint Ukraine-EU project is a success. But it's a long and winding road to get there, though.

Some steps have already been made. The Cabinet announced a competition to fill vacancies in ministries of officials who will be responsible for driving changes required by the trade-and-political deal. Although 350 people have applied to fill these vacancies as of June 25, and some appointments have already been made, these people so far have few resources to do the job effectively.

During his campaign Poroshenko said he would appoint a deputy prime minister for European integration, who will oversee a national agency. But the plan is yet to materialize. There is no national strategy for implementation of the AA either.

There is also Russia's wrath to be dealt with. Economy and Trade Minister Pavlo Sheremeta said this week that he expects a new trade war with Russia when the trade pact is signed – on top of the hybrid war Russia is already waging and sponsoring in eastern Ukraine.

But despite all these challenges, Ukraine has to persevere. One day, the clouds will dissipate and the nation will bask in the sunshine of the choice it has made and, hopefully, the freedom and prosperity this choice will bring

## **Creepy truce**

If you seat at the table a former president suspected of murder, a despised evil genius of Ukraine's politics, a couple representatives of terrorists, the nation who sponsors the terrorists and a representative of an international agency whose staff members have been held hostage by the same terrorists, what are the chances that this lot will bring peace to the nation?

For us, the answer is pretty obvious: none.

On June 26, Kremlin-backed separatists again expressed an interest in continuing peace talks. Although there has to be attempt at a genuine dialogue for the sake of saving human lives and restoring normal life in eastern Ukraine, the the key word here is "genuine."

It's hard to see the ongoing negotiations in that light after the separatists shot a Ukrainian helicopter, killing nine people, just hours before truce was announced on June 24.

During his speech at the Parliamentary Assembly of the Council of Europe on June 26, President Petro Poroshenko said that any peace plan will only work with a full-hearted support of Russia. So far, this support has been absolutely insufficient, he said.

To translate from diplomatic speech, Russia has pretended to support peace plan in Ukraine, but basically it has been nothing more than a trick to divert tougher rounds of Western sanctions. Peace is not on Russia's minds and the minds of its mercenaries operating in the east.

President Vladimir Putin once again pretended to be a peacemaker this week, most notably by getting his puppet parliament to revoke his license for war in Ukraine. But it's no more than window-dressing, since he has permission to send troops overseas from a 2009 decree, which still stands.

And anyway, as Poroshenko told the Parliamentary Assembly, "nobody announced the war, it is simply being conducted."

Andrei Illarionov, a Russian economist and former adviser to Putin, described this tactic very eloquently in his interview to a Ukrainian newspaper this week.

"From the point of view of the Kremlin, there are no deals possible here, this is why the war should continue until the full defeat, [of Ukraine]" he said.

This is why Ukraine should move to plan B. Peace will only be achieved after Ukraine wins its war against Russia-sponsored terrorism.



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# It's immoral for business to be against Russia sanctions



Proving that money matters more than morality, two big business lobbyists in America brought disgrace on themselves with full-page advertisements in American newspapers to oppose tougher sanctions against Russia.

The National Association of Manufacturers and the U.S. Chamber of Commerce, two organizations with an anti-labor union history and therefore no friend of average workers, claim that "U.S. workers and industries pay the cost of unilateral economic sanctions that have little hope of increasing the United States' ability to achieve its foreign policy goals.'

Thomas J. Donohue, the president and CEO of the U.S. Chamber of Commerce, wrote: "History shows that unilateral sanctions don't work."

Jay Timmons, president and CEO of the National Association of Manufacturers, wrote: "We are concerned about actions that would harm American manufacturers and cost American jobs.

The business lobbyists are making the same case in England, Germany and France and elsewhere in the West.

Effectively the business lobbyists are



France is still going ahead with the planned sale of two Mistral warships to Russia for \$1.6 billion, a prime example of the immortality of Western business and governments in fueling President Vladimir Putin's war against Ukraine. More than 174 Ukrainian servicemen have been killed in the conflict that started after the Kremlin annexed Ukraine's Crimean peninsula. (AFP)

saying: "We'll trade with anyone as long as there are big profits in it for our members. Forget about Russia's annexation of Crimea. Forget about its support of the separatist war and killing in Ukraine's east. Hell, forget about Ukraine, period."

This is why business should not dictate governments' foreign policies.

Unfortunately, the business lobbies have been successful in getting America and the European Union to hold off tough sanctions on Russia, giving President Vladimir Putin the green light for further aggression in carving up Ukraine and keeping it unstable. The biggest offender is France, which still plans to sell two warships to fuel Putin's war machine

While supporting Russian lawlessness, these same business organizations will be the first to call on governments to help enforce international trade agreements or have their hands out for government subsidies or tax breaks.

Unfortunately, the misguided policies don't end there.

Ukraine's Economy Minister Pavel Sheremeta, at a Kyiv Post-Lavrynovych & Partners business conference on June 26, said that Ukraine should keep trading with Russia. Huh? Perhaps step up tank engine production so the Russians can send more back over the border to kill Ukrainians?

Russia's main exports to the world are oil, gas and terror. In wars, the civilized world needs to choose sides. In this case, Russia is the aggressor and violator of international law. If this sort of behavior is not punished, no foreign trade or business will be safe as the world turns into a place in which the larger nations bully the smaller ones.

The U.S. business lobbyists' opposition is all the more disappointing since American trade with Russia is only a small fraction of the EU-Russian commercial relationship. Trading with Russia only fuels Putin's war and anti-West propaganda machine. The Kremlin lies have help stoke hatred and create 80 percent-plus approval ratings for the Russian dictator.

Politicians in all nations, but especially in Ukraine, can show they are not beholden to big business by simply doing the right thing: Stop trading with Russia until Putin's economy crumbles and he is forced into retreat.

Rewarding bullies incites more bullying. The West doesn't need what Russia offers. Russia, on the other hand, can't live without the West.

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#### **Could negotiations** bring peace to **Ukraine? Who is** supposed to take part in them?



Volodymyr Luchik. 57, pensioner "Negotiations are impossible because there is nobody to talk to. All the eastern leaders are pup-

pets. Valeriy Bolotov and Ihor Girkin are Russian citizens."



Anna Gedzytska, 25, marketing specialist There were thousands of attempts to negotiate and too much time is lost. Talking is useless. We

need strong decisions."



Olexander Chegasov, 34. government worker " Diplomatic negotiations are the only way. Ukraine should be represented by (President

Petro) Poroshenko and (Prime Minister Arseniy) Yatsenyuk.



**Dmitry** Sobolev, 17, student "Selfproclaimed leaders of Donetsk and Luhansk can take part in the negotiation process."



Valeriy Gruz, 49, entrepreneur "Dialogue can-

not take place, because the eastern leaders are imposters. Only (Russian President

Vladimir) Putin can talk to Poroshenko although I think Russian president is not willing to do it. The negotiations are to be held at top



Tamara Yarosiuk. 73, pensioner "Personally I blame Putin, he should not have started all the war But pride is to be left out

letting negotiations to commence. They have to include Poroshenko, Putin and official governors of the oblasts not the ones who took the power by force."

# Russian Crimea's definition of objective journalism is twisted



Working as a journalist in Crimea since March. at first I was told again and again by pro-Russians: "Tell

Later, that turned into "You won't tell the truth."

People refused to even talk to me because they were so convinced I wouldn't try to be objective. It is hard to be objective when one side completely refuses to even talk to you, other than in shouted insults, and considers that only its point of view is "the truth."

So I wrote stories as objectively as I could, based on those people who would talk to me. One story was about freedom of the press in Crimea after Russia took over the peninsula in March (http://www. kyivpost.com/content/ukraine/in-russian-ruledcrimea-a-crackdown-on-journalists-and-activists-whodont-toe-kremlin-line-350047.html).

This is what has happened to some of those people since: of six Crimean journalists and editors I spoke to a month ago, one has been beaten and detained, and one has just lost his job.

Sergei Mokrushin, along with his colleague Vladlen Melnikov, both from the Centre for Investigative Journalism, were detained by the "Crimean self-defense militia" in Simferopol on June 3. The militia took them to their headquarters, beat them and took their phones, apparently because they were suspected of "disrespect" towards Russian officials. After being taken to the police station, both were released without being charged.

The same day, the editor of the newspaper Avdet was summoned to the prosecutor's office for questioning about "extremist activity." Avdet is the newspaper of Crimean Tatar governing body the Mejlis.

On June 25, director Seitislyam Kishveyev and editor-in-chief Shevket Ganiyev from the Crimean Tatar section of the Crimean state broadcasting company GTRK were fired. When I spoke to Shevket Ganiyev at the end of May, he and Kishveyev had just returned to work from a month's involuntary holiday. His department had been banned from showing the Mejlis, or Crimean Tatar leader Mustafa Jemilev. Since March19, they had been required to translate all their material (from Crimean Tatar into Russian) and submit it for approval to GTRK directors an hour before broadcast.

Ganiyev was fired because, says the official letter, two programs were shown without adequate translation, "which makes watching this program incomprehensible for the Russian-speaking population of Crimea." Therefore, the document goes on, Ganiyev has ignored a directive which says all national programs should be subtitled "in the state language."

Russian and Crimean authorities promised that Crimea under Russian rule would have three state languages: Russian, Ukrainian and Crimean Tatar. I could ask an objective question: is GTRK's Russianlanguage programming subtitled in Crimean Tatar and Ukrainian? But in my non-objective view, the question is rhetorical.

Meanwhile, this is Crimean parliament speaker Vladimir Konstantinov's definition of "objective," from a press briefing in which he promised to reward journalists for their coverage of events since March:

"I would like to offer special thanks to you, respected journalists, for coverage of this period... Firstly, in my view, you covered it objectively, even if we didn't always like it, we understood that it was realistic information. You supported us morally, we understood that most of you support us in our desire to join Crimea to Russia, to return to our homeland."

Journalists from the Centre of Investigative Journalism were not at this briefing because they have not been granted accreditation since March.

Since the beginning of March, the center has registered nearly 100 incidents of harassment, intimidation and physical attacks on journalists and

The last time Sergei Mokrushin tried to interview Konstantinov, Konstantinov refused to talk to an "American spy." Every day Mokrushin and his colleagues have to walk past the self-defense militias who permanently 'guard' the steps to their building and wander into the centre's office whenever they like - despite lacking any legal mandate to act without the police (when they detained Mokrushin, they didn't have any legal status at all). The same day Konstantinov identified "objective" coverage as "most of you support us in our desire to unite Crimea with Russia, to return to our homeland," the remaining staff at GTRK's Crimean Tatar language section were wondering how long they will still have jobs, and be allowed to broadcast in the language of their historical homeland, Crimea.

I expect (non-objectively) that many of those Crimeans who wanted me to "tell the truth" will accuse me of a lack of objectivity in this article. Why did I only speak to six journalists for my piece on the media last month, when I could have chosen more, and more pro-Russian sources? And anyway, two out of six beaten or fired is not so bad; the majority of iournalists are still at work, are still walking the streets and publishing their material (making sure they don't walk the streets alone, wondering if they will have anywhere to publish their material tomorrow...)

When a Crimean friend told his neighbor that he did not want to live in a country where self-defense militias are free to detain people on the streets and beat them up, the neighbor responded, "but it's only journalists who get beaten, for not telling the truth."

Konstantinov's speech, according to an article from the news agency QHA, was greeted by "approving

Lily Hyde is a freelance journalist and former Kyiv Post staff writer.



# Ukraine's road to economic prosperity

BY EVAN OSTRYZNIUK
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An upbeat Economy Minister Pavlo Sheremeta took the stage of a Kyiv Post-Lavrynovych & Partners conference on June 26, predicting that once the Kremlin-backed separatist war is over, Ukraine will make economic progress.

While the war remains volatile, he gave an optimistic estimate of one month for the situation to be resolved, saying the conflict is "moving in the right direction."

Sheremeta said Ukraine should not put any formal restrictions on trade with Russia, Ukraine's biggest trading partner so far. "We are ready to trade with any global partner," he said.

After Ukrainian authorities regain control of its territoriy, Sheremeta identified battling corruption as the second most pressing task of the government. To this end, he advocated a comprehensive transformation, not just a shuffling of positions or new laws, since the "disease of corruption" must be fully rooted out.

The minister said that he would like to see an industrial policy that mixes economic freedom alongside active government involvement. The new government has determined 12 sectors of the economy that need to be sorted in order to remove "bottlenecks from the system," such as infrastructure and transportation. He cited Singapore and Indonesia as good examples for Ukraine to follow to accomplish this goal.

Moreover, the Economy Ministry is planning measures to support small and medium businesses, whose input in the country's gross domestic product is substantially lower than in economically developed countries. This will involve providing help in obtaining cheap financing and simplifying all kinds of licensing, Sheremeta explained.

Taxation was a volatile topic of the conference.



Sheremeta and Volodymyr Kotenko, adviser to First Deputy Minister of Revenue and Duties Ihor Bilous, were taken to task by panelists and delegates for the lack of progress in overhauling the tax system. At the tax assessment level, nothing has changed from impudent tax officials to the practice of "set collection plans," participants complained.

In response, both Sheremeta and Kotenko gave the "Rome wasn't built in a day" argument, since they are in the midst of fundamentally rewriting the tax code.

A key challenge for the tax authorities is to draw business out of the shadows, Kotenko said. He put the ministry's official figure at 34 percent of the whole shadow economy, although he admitted that the figure could probably be much higher.

Kotenko said that the tax authorities must adopt a public service attitude, laws need to be harmonized with Europe and taxes have to be simplified.

Many aren't particularly happy with the new tax amnesty law because it does nothing for transparent, taxpaying companies while allowing others to get away with evasion. "Why should we pay for the faults in the system?" asked Lavrynovych & Partners senior partner Maksym Lavrynovych. He echoed the sentiment of many in the audience that massive corruption in bureaucratic structures was responsible for the



Maksym Lavrynovych (C) of Lavrynovych & Partners law firm sees weaknesses in the Ukrainian government's tax amnesty proposal.



Participants of the Kyiv Post-Lavrynovych & Partners conference in Kyiv on June 26 were glad to hear Economy Minister Pavel Sheremeta's optimism about stopping the bloodshed in Ukraine's east.

immense size of the shadow economy and tax "optimization" schemes.

All these problems make it difficult to attract investment, which is a major concern of the government and business community alike. The war in the east is the main immediate barrier to investment, the panelists agreed, followed by weak financing structures from the top to the bottom of the economy.

The chairman of the government's investment agency, Serhiy Yevtushenko, said that 76 percent of investment comes from the European Union while only 26 percent of Ukraine's exports go in that direction. Introducing so-called insurance for the political risks could essentially contribute to attracting more investments, especially from the West.

Yevtushenko was particularly enthusiastic about the expected signing of the economic part of the association

agreement with the EU on June 27 because it would lower tariffs for 96 percent of Ukraine's export goods.

He announced that investment attractiveness was moving westward within the country, citing Lviv and Ivano-Frankivsk oblasts as the most attractive.

Yevtushenko also proudly announced that a floating liquid natural gas terminal operated by a Texasbased company would start operating near Odesa starting in April 2015. It could supply Ukraine with up to 5 billion cubic meters of natural gas per year. However, he neglected to say where Ukraine would obtain the LNG for the terminal.

Kyiv Post business journalist Evan Ostryzniuk can be reached at ostryzniuk@kyivpost.com. (Photos by Anastasia Vlasona)



BASF Ukraine's chief executive officer Andreas Lier (R) gives his business cards to Olya Bosak.

# Another \$50 million in investment coming to Ukraine's hot IT sector

BY IVAN VERSTYUK

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The nation's \$3 billion information technology industry has reason to be happy.

Not only has Ukraine's Economy Minister Pavlo Sheremeta expressed the government's willingness to stimulate development in the IT sector, fresh private investment is expected soon.

Dmytro Lysytsky, who previously headed the digital department of fugitive former billionaire Serhiy Kurchenko's Ukrainian Media Holding, is launching an investment fund focused on investing in large and local high-tech companies. The fund will have a portfolio of \$50 million, Lysytsky said in an interview with the Kyiv Post, while a pool of Ukrainian and American investors are going to contribute capital. The first investments should be made in the fall.

Borys Lozhkin, Lysytsky's former chief in UMH who reportedly sold the company to Kurchenko for up to \$400 million in 2013, may also provide some money. Now President Petro Poroshenko's chief of staff, Lozhkin and other investors will not have any influence on the fund's policy. Lysytsky is going to be the key decision maker in managing the fund's

"Ukrainian companies doing business globally — whether this is outsourcing or creating their own products - are our investing priority. We have a big interest in e-commerce," he said. "On the other hand, we have no interest in start-ups or early-stage companies and are not even going to consider a bid under \$5 million."

"By Ukrainian standards, this fund will make it into the top five leading heavyweights," said Ilia Kenigshtein, a Kyiv-based Israeli investor in IT startups.

Lysytsky said that "corporate finances and the size of the audience are the first things we look at when making an investment decision. We start with an Excel file – numbers are the best speakers – and only afterwards



Dmytro Lysytsky says he is launching an investment fund that will focus on Ukraine's \$3 billion information technology sector. (Pavlo Podufalov)

proceed to evaluating the company's products."

Considering the sector's risk, the fund aims to have at least 30 percent return on its investments.

Deposit Photos, an online photography service, and Jooble, a job-search website, are already on the list of the fund's projected capital placements.

Lysytsky and his team will provide operational management if the companies' current executives do not have a clear understanding of ways to develop their business. Long-term investments are not planned. "When we join a project, we already know when we're going to leave it," Lysytsky said.

He doesn't see investing in com-

panies producing computer games as profitable unless they have a portfolio of at least 10 games. Meanwhile, initiatives to launch Ukraine-made social networks seem to be rather naive and are not able to attract much capital so far. For a social network to become successful, it has to satisfy the audience's new demands and should not aim at competing with Facebook. Instagram started covering photography-centered social networking, an approach that proved to be effective.

The mass media business is out of the fund's focus since in Ukraine it remains mostly unprofitable. Attracting audience is quite expensive in this sector, while media businesses have to share the same revenue sourc-

es with social media and websites whose audiences are being attracted by substantially cheaper means.

Online education is another potentially profit-generating business. "However, at this point I haven't seen any online education projects that I would want to invest even one hryvnia in," he said.

Lysytsky, 37, obtained a degree in computer technology from Kyiv Taras Shevchenko University and afterwards completed the master of business administration program jointly organized by Columbia University and London Business School.

Kyiv Post associate business editor Ivan Verstyuk can be reached at verstyuk@kyivpost.com.

# Kuzmin, who prosecuted Yanukovych's political enemies, is now on the run

 $\rightarrow$ **1** 2010. He is also under investigation for bullying a judge into issuing a ruling to send Lutsenko to prison.

He has always denied a political component in his work. "I'm deputy general prosecutor for everybody," Kuzmin told the Kyiv Post in April 2013. "The fact that I'm investigating criminal cases against politicians causes criticism from politicians."

In the meantime, Ukraine's Supreme Court on June 24 ruled that Tymoshenko committed no crime when signing a gas agreement with Russia in 2009. Tymoshenko's lawyer Serhiy Vlasenko said the decision was unique in many ways and that it was rare to have all 42 judges of the highest court to rule on the same case.

"This is a very telling thing, a very rare thing," Vlasenko said.

He said Tymoshenko "had extremely positive emotions" to receive the verdict. "Of course she was happy about this decision — like any person who went through three years of humiliation to prove her point," he said. "For us, it's important to establish that there was no crime, as it confirms our thesis we have been saying for three years, and that leading European politicians have been saying for three years, that it was all political propaganda and political repressions."

Tymoshenko was also probed for financial crimes while running her gas company United Energy Systems of Ukraine in the 1990s, but the case was closed by a Kharkiv court earlier this year.

She remains under investigation in the 1998 murder case of Yevhen Shcherban, but Vlasenko says witnesses for prosecution are coming forward with statements that the previous government forced them to make statements against Tymoshenko.

Kuzmin had his US visa revoked in 2012 for making illegal trips to USA while investigating this case against Tymoshenko because one of the key witnesses for the prosecution resides there. Kuzmin wrote several open letters of U.S. President Barack Obama to complain.

# Morgan Stanley's representative in Ukraine sees hope for nation amid gloomy forecasts



Igor Mityukov talks to participants of a June 26 conference organized by the Kyiv Post. (Anastasia Vlasova)

BY IVAN VERSTYUK
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New York-headquartered financial giant Morgan Stanley, which manages a client asset portfolio of \$1.9 trillion, may be considered one of the rare optimists this year about Ukraine. It predicts only a four percent drop in the nation's economy.

Others, including Moody's international credit rating agency, expect a drop of up to 10 percent.

Igor Mityukov, managing director of Morgan Stanley's Ukrainian unit since 2008, told the Kyiv Post during a conference organized by the newspaper, that everything depends on the separatist-driven unrest in Donetsk and Luhansk Oblasts. "GDP will start growing within three months after situations eases," Mityukov said. Potentially growth may start in 2014's fourth

quarter, if the government manages to settle the conflict in a month - just like Economy Minister Pavlo Sheremeta expects.

Mityukov, 61, served as Ukraine's finance minister in 1997-2001 and was seen as a potential candidate for the position of a central banker by local business media. He approves of the current government. "I think, the current economic bloc — economy minister, finance minister — is optimal as of now," he emphasized.

However, additional transparency would help. Working for an institution with one of the world's best research teams, Mityukov is not happy about the lack of transparency in state statistics. "Some figures remain closed," he admitted.

Economic progress will take time. "On a macroeconomic level you need three to six months to influence the situation," Morgan Stanley's key Ukrainian

manager said. "Ukraine should not aim at having a non-deficit budget. The structure of its economy just wouldn't allow this," Mityukov commented As long as the economy is growing, a nation can afford to run a deficit.

After assisting the Ukrainian government in conducting U.S.-backed borrowing of \$1 billion on the external market in May, Morgan Stanley is looking forward to working with value-added tax bonds that Ukraine wants to issue to cover the debt for reimbursing VAT for exporters.

"Mriya Agro Holding, Myronivsky Hliboproduct are our potential clients," Mityukov added. Morgan Stanley has no intention to concede the Ukrainian market to local investment houses, especially in the eurobond area.

Kyiv Post associate business editor Ivan Verstyuk can be reached at verstyuk@kyivpost.com.

# From Objective investigative reporting project

# Sports complex stalls in Moldova's Gagauzia amid shady deals

BY DUMITRU LAZUR AND IRINA CODREAN

Editor's Note: This investigation was conducted by the Objective investigative reporting project in Ukraine, Belarus and Moldova. The program is financially supported by the Ministry of Foreign Affairs of Denmark, and implemented by a joint venture between NIRAS and BBC Media Action.

CEADIR-LUNGA, Moldova — A vanity project started by Azerbaijan to honor former President Heydar Aliyev, whose son is the now the president of the former Soviet republic, has turned into a huge scandal. Three years ago, the Azerbaijani government vowed to construct a sports complex in the small city of Ceadir-Lunga, in Gagauzia region, to be named after Aliyev.

But the project has never been built amid a growing scandal and litigation.

The Azerbaijani-owned company in charge of construction was registered in an apartment that belongs to a Moldovan regional governor, Mikhail Formuzal, and his wife where the complex is supposed to be built.

Moreover, the \$5 million pledged turned out to be not philanthropic at all. The construction company would gain ownership and also control of the 10 hectares of surrounding land after winning financial exemptions from the central government worth \$870,000.

The Comrat Territorial Office of the State Chancellery went to court to repeal the land allocation, arguing that the project was billed as a philanthropic "gift to the city" rather than a commercial venture. The hearings are under way.

See the full story by Dumitru Lazar and Irina Codrean online at the Kyiv Post



# From YanukovychLeaks:



# Andriy Kravets, empirebuilder for Yanukovych

BY MAKSYM OPANASENKO

Andriy Kravets, phone home please, your mother is looking for you. And prosecutors might also be doing the same, if they take time to read some of the latest findings of the YanukovychLeaks team, a group of investigative reporters who saved 25,000 documents from overthrown President Viktor Yanukovych's billion-dollar Mezhyhirya estate. Kravets rose from being a plumber's assistant to presidential confidante and fixer who, documents show, appeared to be exceptionally skilled at using taxpayer money to fund Yanukovych's luxury tastes in private aircraft, mansions, seaside

villas, hunting lodges and lavish receptions. His main legacy, however, may be transforming a modest state dacha and some countryside into Yanukovych's dream estate that sprawled for 140 hectares. A maze of murky companies linked to his wife, Maryna Pelukh, aided in the dodgy transactions as did his stint as head of the state Asset Management Department, known in Ukrainian as DUSya. Yanukovych and many others in his administration have fled the country, evading criminal charges ranging from mass murder to financial crimes. Kravets is also missing, even though he is not charged with anything and may not be under criminal investigation — at least not yet.

Read Maksym Opanasenko's full story online at the Kyiv Post or go to yanukovychleaks.org

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# From Objective investigative reporting project

# Toxic waste, toxic scandal in Kalush

BY CHRISTOPHER J. MILLER AND ANASTASIA VLASOVA

An environmental catastrophe is only meters away from happening near the city of Kalush in Ivano-Frankivsk Oblast. The remains of thousands of tons of toxic sludge containing the carcinogen hexachlorobenzene, or HCB, are in danger of seeping into the Dniester River, the source of drinking water for 10 million people. The pollution came from a now-closed mine for potash, a common ingredient in fertilizers. Already contaminants have been detected in the river and nearby water supply. Experts say the problem could have been solved years ago for hundreds of thousands of hryvnias, but was neglected under President Viktor Yushchenko's administration. Then critics say Ukraine's age-old problem - corruption and kickbacks - intervened. The administration of deposed President Viktor Yanukovych spent Hr

872 million – about \$73 million under the current exchange rate - and hired one firm under a single-bid tender to perform hazardous waste cleanup in most of Ukraine, including Kalush in western Ukraine's Ivano-Frankivsk Oblast. The winner of this tender, SI Group's chairman Ilya Marchevsky, denied that any crimes were committed and said there was no scam created to steal money, adding that the company has only operated legally, honestly and transparently since its inception. But prosecutors in Ivano-Frankivsk have opened a criminal case, suspecting "embezzlement or the acquisition of another's property by malpractice committed on a large-scale or organized group" in connection with the state funds allocated for the cleanup. Olha Sikora, a member of Ukraine's parliament representing the Kalush region, told the Kyiv Post: "It was a corruption scheme, plain and simple." (Photos by Anastasia Vlasova)



A man takes water for testing at the Dombrovskiy Quarry in Ivano-Frankivsk Oblast's Kalush on Nov. 25, 2013.

Read the full story by Christopher J. Miller and Anastasia Vlasova online at the Kyiv Post



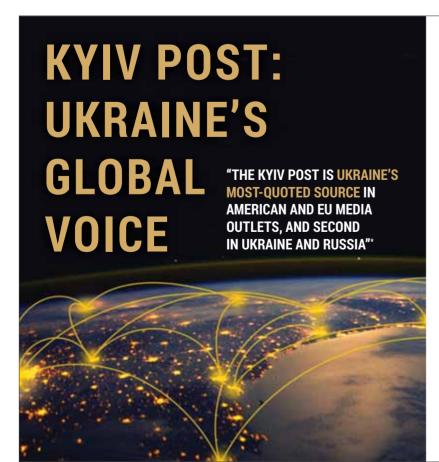
An excavator which belongs to SI Group company takes the bags with hexachlorobenzene from the polygon of chemical waste in Kalush, Ivano-Frankiysk Oblast on November 25, 2013.



Yuriy Sadoviy, a professor at Kalush Gallurgy Institute, shows a map of the chemical waste.



Mykhaylo Dovbanchuk, a local environmental activist, shows holes in the ground caused by damage to the Dombrovskiy Quarry in Kalush in western Ukraine's Ivano-Frankivsk Oblast on Nov. 25, 2013.



# The top Ukraine and Russia news sources over the six-month period measured:

Kommersant (Russia) 24.7%

Kyiv Post (Ukraine) 21.8%

Vedomosti (Russia) 18.9%

Izvestia (Russia) 14.3%

The Moscow Times (Russia) 7.3%

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<sup>\*—</sup> according to a survey by Moscow-based AGT Communications Agency carried out over the six month period to May 21



# Toll rises to 174 killed with deaths of 23 servicemen from June 19-24

BY OLENA GONCHAROVA

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Ukrainian President Petro Poroshenko's ceasefire on June 20 brought more death for members of the nation's military.

Using surface-to-air missiles, Kremlin-backed insurgents shot down Ukrainian military aircraft on June 24. It was the third Ukrainian military MI-8 helicopter shot down since the mid-April start of the nation's anti-terrorist operation in separatist-held Donetsk and Luhansk oblasts.

Three crew members and six servicemen, including four Security Service of Ukraine (SBU) officers, were among the dead. Later the same day, two soldiers were killed at a checkpoint in Sloviansk, according to Vladyslav Seleznev, a spokesman for Ukraine's anti-terrorist operation.

"Since the announcement of the president's peace plan, the terrorists opened fire on the Ukrainian military 52 times," Poroshenko said during phone talks with German Chancellor Angela Merkel, France President Francois Hollande and Russian President Vladimir Putin on June 25.

The following servicemen were killed aboard the MI-8 helicopter; the three SBU officers have not been announced publicly yet:

Roman Mazunov, 33, flight engineer, serving in Brody in western

Dmytro Shynhur, 36, from Brody in Lviv Oblast. He leaves his wife and

Andriy Belkin, 36 leaves three children and his wife in Brody city in western Ukraine.

Oleksiy Volokha, soldier from Kirovohrad.

Oleksandr Kondakov, soldier from Kirovohrad.

Oleksandr Petryshchuk, 27, Ukraine's Security Service officer from Chernivtsi in western Ukraine.

On June 19, 12 servicemen were killed in another fight near Yampil and Zakotne in Donetsk Oblast on June 19. Among the dead were:

Stepan Vorobets, 27, commander from Kolomiya in western Ukraine. He was an only son who wanted to join the army since childhood. He was called courageous and supportive. "I overcame my fear and bailed out for the first time because of Stepan," his friend Volodymyr Tymchuk was quoted as saying. Vorobets' mother was raising money to deliver them to her son. Vorobets village in Zhytomyr Oblast.

leaves his wife and two children in his native town.

Ihor Liashenko, 37, commander of the 24th special Pivnich battalion from Shepetivka in Khmelnytsky Oblast. He leaves his wife and two children in Yavoriv.

Andriy Povstyuk, 31, commander of the 24th special Pivnich battalion. He leaves his wife and daughter in

Yuriy Prykhid, 21, intelligent operator from Lviv Oblast. "All 112 houses of our village grieve for Yuriy," Prykhid's neighbor, Olga Holysh, was quoted as saying. Prykhid studied in Lviv, but volunteered when mobilization started. He leaves his parents and younger sister in his native Semyrivka village.

Viktor Syvak, 22, intelligence officer from Sokal in Lviv Oblast. He graduated from Odesa National Polytechnic University in 2013. "He was very fair young man who always defended those who needed help," Lyubov Omeliash, the head of the school were Syvak studied, said.

Mvkola Shainoha, 19, a soldier from Lviv Oblast, was one of the voungest victims. "Mykola was a very joyous young man. We liked to play football together. His 5-year-old sister still asks about him," his friend, Andriy, was quoted as saying.

Viktor Semchuk, 23, a rifleman from Ternopil Oblast. Semchuk's relatives didn't know he was deployed to the east. He leaves his parents and younger sister in native village of Zalavie in Ternopil Oblast.

Volodymyr Kravchuk, 21, a Ukrainian National Guard soldier died two months before his 22th birthday. Kravchuk, native Kyivan, planned to get married in autumn. His comrades recalled he always wanted to participate in all the trainings and never shied away from any assignments. "I need to defend my country," his friends quoted him as saying. He leaves his parents and girlfriend in Kyiv.

Andriy Kravchenko, 27, soldier from Zaporizhzhya.

Oleksiy Krementar, 30, one of the captains of the 95th air cavalry brigade from Zhytomyr. He leaves three children in his native Zhytomyr.

Oleksiy Shevchenko, 26, from Zhytomyr Oblast. Along with his brother, Shevchenko was a Berkut riot-police officer. However, when the EuroMaidan Revolution started in November, they both quit. Shevchenko volunteered to join the for bulletproof vests and helmets for army in March. He leaves his parents the servicemen, but didn't manage and brother in his native Levkove



The wreckage of a Ukrainian armed forces Mi-8 helicopter lies in a field near Krasnoarmeysk, outside of Sloviansk, on June 25 after it was shot down by separatists of the self-proclaimed Donetsk People's Republic on June 24. (AFP)



**Oleksandr Petryshchuk** 



Yuriy Prykhid



**Ihor Liashenko** 



Viktor Syvak



**Oleksiv Krementar** 



**Viktor Semchuk** 



Volodymyr Kravchuk



Mykola Shainoha



**Stepan Vorobets** 

#### Casualties in Russia's war against Ukraine since mid-April

Civilians killed	<b>211</b> (15 children)
Soldiers killed	174
Soldiers injured	314
Kremlin-backed insurgents killed	650
Refugees from Donetsk and Luhansk oblasts and Crimea	34,000
Hostages	200

Sources: Ukrainian Health Ministry, Defence Ministry Medical Service, Defence Ministry, United Nations, anti-terrorist operation spokesman Vladyslav Selezniov

> Kyiv Post staff writer Olena Goncharova can be reached at goncharova@kyivpost.com Kyiv Post staff writers Iryna Savchuk and Denys Krasnikov contributed to this story.

Ukraine celebrates Ivan Kupala Day, a pagan holiday, on July 6. Look up the Kyiv Post's guide to the holiday online at www.kyivpost.

Entertainment Guide at www.kyivpost.com/lifestyle.



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# The warm-up for Okean Elzy band



Fontaliza band from Eastern Ukraine performs on the stage of Kyiv's Olimpiyskiy Stadium as a warm-up for Okean Elzy show on June 21. (Courtesy/Daria Sinelnikova)

#### BY DARYNA SHEVCHENKO

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When Fontaliza, the band that opened the show for the Okean Elzy at Kyiv Olimpiyskiy Stadium on June 21, started playing, the crowd of 70,000 people didn't pay much attention.

But as Fontaliza kept on, the chants of "good job!" were heard more and more often.

"I know we are just a warm-up and you are not here for us, but it is  $\rightarrow$  **13** 

still so thrilling to play on such a stage," said Pavlo Kholoshev, a lead singer for Fontaliza, a Ukrainian alternative rock band that was chosen to open the show of the legendary Okean Elzy.

It surely was thrilling for Fontaliza. A 35-minute performance at Olimpiyskiy Stadium became the band's biggest achievement so far.

Fontaliza, previously known as Unbelievable, was founded back in 2008 by three friends from Horlivka, a small city in Donetsk Oblast that is now at the center of the armed conflict Kremlin-backed separatists.

In the six years of its existence the band has performed at numerous live music clubs around the country with either covers or original shows. But opening for Okean Elzy is bigger than everything the band ever did.

"This is such a fantastic feeling to see a huge sea of people in front of you and to realize that at least part of it enjoys your music," Kholoshev told the Kyiv Post after the concert. All three are men in their 20s, Bassist Ihnat Kartashev is a former boxer and an auto mechanic, percussionist Artem Talanov is a hair dresser and the band's leader Kholoshev has a diploma in translation. His multilingual abilities, he says, help him write song lyrics in English.

The band's biggest stage before Kyiv's show was in Horlivka.

"We performed on the main square for the Youth Day celebration," Kholoshev says. "It's not like  $\rightarrow 13$ 

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**KyivPost** 



WITH OLENA GONCHAROVA

## Gnezdo Bar makes great place to nest in summer

A month after opening, Gnezdo (Nest) Bar is fast becoming a must-see spot on Kyiv's nightlife scene.

It is a mix of nightclub and summer terrace in the shade of trees, located in a small court-yard at Andryivsky Uzviz Street, one of the city's most popular tourist destinations. The place is hard to find as it has no sign.

The bar has no walls, and is basically a redesigned courtyard. It offers lots of cozy bean bag chairs and some white wooden benches with warm blankets. Bikes are offered for rent near the entrance and board games are piled in the corner.

Gnezdo offers a party atmosphere during the weekend, while the weekdays are calm and mostly quiet, making it an ideal place for bookworms to enjoy their reading far from the city rush. Also film screenings are scheduled for every Tuesday.

On Sunday night, we found Gnezdo noisy and crowded, with some 70 guests busy drinking, chatting, filming videos or dancing on the stage. It feels a lot like a communal apartment where everyone knows each other. Almost all the tables were already taken when we arrived. Booking a table in advance is probably a good idea, if you're aiming to spend a weekend night

We squeezed through the crowd to the spot next to the stage where a DJ was playing. The music was loud enough to feel the electronic beats and at the same time we could talk to friends without shouting.

The bar guests were mostly hipsters under 45 years. Some of the visitors were sitting with their legs on the benches tucked in blankets. The majority, however, were warming up on the stage. People were in the mood for dancing, so we joined.

The live show was entertaining as well. Five female dancers looked rather provocative, but not too vulgar with their skin-colored costumes. The highlight suddenly comes when they finished their trance dance and offered free hugs for all the clubbers.

After the DJ set, it was time to eat. The prices are normal. Cocktails vary from Hr 30 until Hr 70, while salads go for Hr 45-65. Soups and sandwiches are available also. The choice of desserts was somewhat  $\rightarrow 13$ 

# Artist decorates Kyiv streets with tear-off cartoon figures

BY NATALIYA TRACH

TRACH@KYIVPOST.COM

If you need encouragement on a bad day, pay attention to the tear-off ads stuck to the walls around you.

"Sad? Take a smiling baby elephant with you!" reads an ad on Bohdana Khmelnytskoho Street.

Instead of a phone number, the ad's tear-off parts have sketches of cute cartoonish elephants — all hand-drawn.

The ad is one of the many created by artist Anastasia Vinokurova. Every morning of the past month Vinokurova, 27, has been putting up one ad in central Kyiv.

With slogans like "Having a bad day? Take a beaver with you!" or "Haven't decided where to spend Saturday's evening? A hip parrot will accompany you," the cheerful ads stand out against the dull real estate announcement and job offers.

The ads have become quite popular - all the sketches get taken soon after Vinokurova sticks them to the notice-

boards around the city center.

"Most of the pictures are taken away in couple of hours," she says.

Many takers boast their torn-off pictures on Instagram and Twitter with a #picspocs hashtag.

It takes Vinokurova 30 minutes to draw a sketch ad. The ads go up every day except Sunday.

Vinokurova, a media manager on maternity leave, says she has been fond of drawing since childhood. Recently she has

decided to change her career and become an illustrator.

"The illustration classes start in autumn. In summer I decided to

"Sad? Take a smiling baby elephant with you!" reads one of the cartoonish tear-off ads created by Anastasia

improve my skills by making these sketches," says Vinokurova.

Vinokurova. (Anastasia

Vlasova)

When people started posting the images of her sketches on Facebook, Vinokurova became a real social media star.

cial media star.
"I receive nearly 100 messages from

Canada, U.S. and even from China and Japan every day," she says. "People like the idea and ask me if they can put up such ads in their home

Seeing the interest in her sketches, Vinokurova has posted patterns of the ads to her Facebook page. Now anyone can upload the pictures, print them out and put them up.

"My only requirement is that these ads are not used for commercial purposes," Vinokurova adds.

Dresses, cocktails, longboards and moustaches are among her illustrations, yet the images of quirky animals attract more interest. Among the several dozen ads that she has already drawn, Vinokurova says that the one featuring pugs is her favorite.

"Yet online people like my hogs the most," the artist says.

What started as exercises seems to have turned into a serious step in Vinokurova's artistic career.

Thanks to her popularity, the artist is involved in five different projects where she works as an illustrator. Recently Vinokurova got a job offer from an international company to make prints for a new brand of clothing for kids.

"I used to think that creating new prints for clothes would be my top achievement as an illustrator, but now it appears to be just the beginning," she said.

See more of Vinokurova's pictures on her Facebook page at www.facebook.com/nastya.vinokurova and in the online version of this article at www.kyivpost.com/lifestyle.

Kyiv Post staff writer Nataliya Trach can be reached at trach@kyivpost.com

# Night Owl: Dancing on Andriyivsky Uzviz

→ 12 disappointing but they were tasty enough. Ice cream, apple strudel (Hr 45) and Italian tiramisu (Hr 45) are available. Since it is outside, Gnezdo is not technically a café, so smoking is allowed. Unfortunately, the birds that flock here will leave the nest in autumn. Gnezdo is for summers only.

Kyiv Post staff writer Olena

#### Gnezdo Bar

21 Andriyivskiy Uzviz St. Monday – Thursday, Sunday: 11 a.m. – 1 a.m. Friday - Saturday: 11 a.m. – 4 a.m. Tel.: 096-318-7112 www.facebook.com/gnezdobarkiev

Goncharova can be reached at goncharova@kyivpost.com



Visitors chill out in the newly opened Gnezdo Bar on Kyiv's Andryivskiy Uzviz Street. (Anastasia Vlasova)



Fontaliza front man Pavlo Koloshev, bassist Ihnat Kartashev and percussionist Artem Talanov sit on the sofa talking to the Kyiv Post on June 20, ahead of their performance with Okea Elzy on June 21. (Anastasia Vlasova)

# Fontaliza band hails from separatist-torn Horlivka

ightarrow 12 many people were really listening to us that time," he adds, laughing.

It was their origin though that brought them to the Olimpiyskiy Stadium stage.

"(Okean Elzy front man Sviatoslav) Vakarchuk wanted a band from eastern Ukraine and here we were, a band from Horlivka. Seems like excellent luck," Kholoshev says.

Fontaliza members say they still hope to play in Horlivka again some day.

"It is too dangerous to gather people for any mass event there now, but some day... I think they loved us there," says Alanov, 25.

All three say they support the dem-

ocratic changes in Ukraine ushered in by the EuroMaidan Revolution. More than anything else, they want the bloodshed to stop. In Horlivka, it is dangerous to advertise such views now.

The band hopes their show on the same stage as the pro-Ukrainian Okean Elzy went unnoticed in their home town

"Our families are still there, but they are on the good side and we just hope that the terrorists there are too busy to care about music," Kholoshev says.

Even after playing for 70,000 people, Kholoshev and his band mates are not sure about band's future and remain critical of themselves.

"Now we don't really have our own

style. Unconsciously we try to stay within alternative music, but so far we just try to be heartfelt on the stage," Kholoshev said.

Those who heard Fontaliza at the stadium for the first time agree – the band lacks some unique features.

"Tve heard them for the first time and I did like them. I cannot say they made a unique impression, but their music seemed to be quality enough, as well as their performance," said Anastasiya Havryliuk from Kyiv after hearing Fontaliza at Olympiyskiy Stadium.

Kyiv Post staff writer Daryna Shevchenko can be reached at shevchenko@kyivpost.com.

June 27, 2014



## Land of Dreams ethnic festival

Krayina Mriy (Land of Dreams) ethnic festival has taken place in Kyiv annually since 2004. Founded by Oleg Skrypka, leader of Vopli Vidoplyasova band, the festival gathers thousands of folk music fans, as well as folk musicians from around the world. The festival lasts two days and the program includes various master-classes in traditional crafts, exhibitions and contests, as well as numerous folk music shows. In short, it's a must-see in July.

Land of Dreams Festival. July 5-6. 10 a.m. Feofania Park (19 Akademyka Lebedeva). Hr 20-80



## **Artpole**

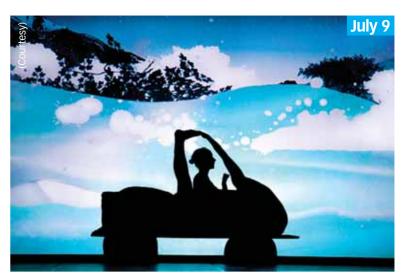
One of the biggest ethnic festivals in Ukraine, Artpole will be held for the 12th time this year in Ivano-Frankivsk Oblast and is well worth the trip. The festival is five days long and has a rather eventful program. A number of Ukrainian and foreign bands will perform, including the Ukrainian Perkalaba and Gich Orchestra, the French band Fantazio, Evolution Dejavu from Czech Republic and many more. Find out more at www.artpolefest.org/eng.

Artpole Festival. June 8-12. Unizh Village, Ivano-Frankivsk Oblast. Hr 120-220



## Independence Day Picnic

The American Chamber of Commerce in Ukraine is having its Annual Charitable Picnic on July 5. On offer is American picnic-style food, refreshing drinks and ice-cream. The show program features live performances of well-known singers and bands. The organizers aim to raise money for charities throughout Ukraine. Tickets are available at www.chamber.ua. U.S. Chamber Independence Day Picnic. July 5. 4 p.m. Kyiv International School Stadium (3A Sviatoshynskiy Alley). Hr 100



## The Fantastic Shadows

German theater Helianthus brings to Kyiv a unique show of shadows. After great success in Western Europe, The Fantastic Shadows are coming to this part of the world as well. The show includes some 20 talented dancers and acrobats and has received rave reviews in Western media.

The Fantastic Shadows Show. July 9. 7 p.m. Zhovtneviy Palats (1 Instytutska St.). Hr 100-1.000



## 'Magic Men'

This movie is a drama directed by Erez Tadmor and Guy Nattiv. It tells the story of a 78-year old Jew and his middle-aged son, and their journey to Greece. The film is screening within the framework of Israeli Movie Week at Kyiv Cinema, and the schedule is worth checking out at kievkino.com.ua for more ideas of what to see. "Magic Men." June 29. 7 p.m. Kyiv (19 Chervonoarmiyska St.). Hr 20-55



## **Chinese Art**

Life of Water, an exhibition of various pieces of Chinese art, is taking place in Kyiv. The exhibition features some 20 items created in the 18-20th centuries. All the sculptures and pictures are closely connected with the power of water – a meaningful symbol in Chinese culture.

"Life of Water" Exhibition of Chinese Art. June 20-August 31. 11 a.m. Museum of West and East Art (Tereshchenkivska St.). Free

Compiled by Yulia Krus







**Public Private Partnership** Development Program (P3DP)

The Public Private Partnership Development Program (P3DP), funded by USAID and implemented by FHI360, is working with the Government of Ukraine, municipalities, and leaders of business to improve the legislative and regulatory environment for PPPs; increase the capacity of institutions and individuals to design and implement PPP projects; and implement pilot projects that improve infrastructure and

P3DP is currently seeking qualified professionals to support PPP development in Ukraine, including:

- PPP Project Management course: one international and one Ukrainian trainer;
- E-Learning PPP course: one Ukrainian consultant to develop content and one technical consultant;
- Technical Consultant to support "PPP & Infrastructure Expert Center" activities

For details on requirements please see the Terms of Reference in the "Vacancies" section at www.ppp-ukraine.org Deadline for applications is July 11.

Only candidates selected for an interview will be contacted.







Pact, Inc. seeks a Program Assistant for USAID-funded RESPOND project aimed at improving HIV/AIDS services among key populations in Ukraine. The Program Assistant will work collaboratively with the Capacity Development (CD) and Technical teams by providing support to the Project operations and administration.

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- Provide assistance to CD and technical teams with planning and conducting events and trainings

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- University diploma (Bachelor's / Master's Degree). A minimum of one year of clerical or administrative experience.
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- Ability to organize routine data and maintain established procedures.
- Ability to be flexible, resourceful and service-oriented in dealing with people.
- Proficiency in English and Ukrainian is required
- Excellent organisational skills and ability to manage a complex workload and
- Excellent communications, writing and presentation skills.

To apply: Please send your CV and Cover Letter to jobs\_respond@pact.org.ua not later than July 13, 2014. Only shortlisted candidates will be contacted.



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If interested, please write to mdfoundation2014@gmail.com

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