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Rays of light reach for the heavens near Maidan Nezalezhnosti on Feb. 20 in honor of 100 protesters killed during the EuroMaidan Revolution from Nov. 21, 2013 to Feb. 22, 2014, when President Viktor Yanukovych fled power and sought asylum from his Kremlin patrons. Three years later, no justice has been achieved in Yanukovych-era crimes. This drone aerial photograph was taken by Ukrafoto over Institutska Street, a part of which is called Alley of Heavenly Hundred in honor of demonstrators slain in 2014. (Ukrafoto)



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See story on Page 17

by Kyiv Post

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Kyiv Post, 31A Pushkinska, Suite 600, 6th floor Kyiv, Ukraine, 01004

Advertising tel. +380 44 591-7788 fax +380 44 591-3345

advertising@kyivpost.com Editorial staff tel. +380 44 591-3344

fax +380 44 591-3344 fax +380 44 591-3345

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2 National February 24, 2017 www.kyivpost.com

Petrenko enters fourth year as justice minister

BY OLGA RUDENKO

RUDENKO@KYIVPOST.COM

In the fast-rotating Ukrainian government, Pavlo Petrenko is a remarkably stable fixture.

Having become justice minister in February 2014 right after the EuroMaidan Revolution that toppled the corrupt regime of former President Viktor Yanukovych, Petrenko now begins his fourth year in the job.

Most attribute Petrenko's longevity to his close friendship with Arseniy Yatsenyuk, the ex-prime minister and leader of parliament's second biggest faction. Interior Minister Arsen Avakov, the only other minister who has been in the cabinet since the revolution, also comes from Yatsenyuk's party.

While Petrenko's remit is much narrower than that of the U.S. Justice Department, his ministry is still one of the most influential in the government.

While it doesn't offer control of milkable state companies and multi-million-dollar procurement like other ministries – hence no big corruption scandals in Petrenko's tenure – the Justice Ministry validates virtually every ruling of the government.

But even wielding such power can't help Petrenko win some of his battles: Right now he is struggling to get a key asset recovery bill through parliament and to force an anti-graft agency to do its job, among other challenges.

Finding Yatsenyuk

A popular myth that circulates in the Ukrainian media is that Petrenko was a college classmate of Yatsenyuk, hence the ties between them.

But Petrenko debunks it: Although both come from the western

THINKING RELOCATION?

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Justice Minister Pavlo Petrenko gestures as he speaks to the Kyiv Post in his office in Kyiv on Feb. 21. Petrenko has been in the job for three years, longer than almost every other minister in the Cabinet. (Anastasia Vlasova)

Ukrainian city of Chernivtsi, they only met and joined forces in 2009.

Back then, Yatsenyuk — a young and ambitious former speaker of parliament — was running for president with his own custom-made party, the Front of Changes, a predecessor of today's People's Front.

Petrenko says that he, a lawyer back then, approached Yatsenyuk and offered to help his campaign pro bono.

"I did it because I was concerned that (Viktor) Yanukovych might come to power," Petrenko recalls. "The concern proved valid."

Yatsenyuk came fourth with almost 7 percent of the vote, while Yanukovych won the second round against Yulia Tymoshenko. Yatsenyuk's campaign ads were mocked for the discrepancy between his geeky looks and the military style of the ads

And while the campaign failed to bring victory, it at least brought Yatsenyuk an ally in Petrenko. The two men liked working together and remain close friends.

With Yatsenyuk's party, Petrenko was elected first to the Kyiv Oblast council, and then in 2012 to parliament on the party ticket of Yulia Tymoshenko's Batkivshchyna, with which Yatsenyuk had merged his party.

The EuroMaidan protesters' victory over the Yanukovych regime in 2014 made Yatsenyuk one of the two main power centers in post-Maidan Ukraine — with now President Petro Poroshenko and his party being the other one.

Petrenko was justice minister in the two post-Maidan Yatsenyuk cabinets, and retained his seat after Yatsenyuk was replaced by the president's protégé, Volodymyr Groysman, in April, marking a shift in power towards Poroshenko's camp. While Yatsenyuk himself has been out of the public eye since stepping down from the office in April, he retains a presence in the government – at least through Petrenko. Today, Petrenko sees Yatsenyuk at least once a week, and the ex-prime minister advises him on current officies.

Groysman doesn't seem to mind:
Petrenko appears to get along well
with him. It helps that Groysman
isn't critical of his predecessor – in
spite of the Ukrainian political tradition of badmouthing the person in
office before you.

"I have a good working and human relationship (with Groysman)," Petrenko says. "If you behave decently, you can count on your colleagues to do so in return."

Under Petrenko, the Justice Ministry has granted the public access to several state registers, including the property and business ownership. In other victories, the ministry rammed through the package of bills required for Ukraine to gain visa-free travel with the European Union.

But in Petrenko's own assessment, his biggest achievement is making the ministry's free legal aid services available to more vulnerable groups, including veterans and the internally displaced people, of which there are at least 1.7 million.

Confiscation battle

One of the biggest issues on today's agenda is asset recovery. Since 2015, the Justice Ministry has been working on a "special confiscation" bill that would bring in a mechanism to confiscate the money of Yanukovych's close circle – which is still frozen in Ukrainian banks accounts.

At stake is \$1.5 billion – most of it sitting in the state-owned Oschadbank. The accounts belong to offshore firms linked to top people

from the Yanukovych government who now live in Russia.

Parliament's resistance to the bill has been unprecedented, Petrenko says.

The bill went through several drafts, as some worried it could be used to confiscate all sorts of assets in the future.

When the ministry filed the final draft last year, parliament still failed to pass it. It took three months and six votes just to put it on parliament's agenda. When it was finally put to the vote, only 176 lawmakers supported it, while 226 votes were needed.

While parties with ties to the former regime, mainly the Opposition Bloc, understandably didn't vote for the confiscation, many in the democratic parties failed to vote for too – which angers Petrenko.

"We give them this bill, which essentially represents the promise that got them elected, and they simply leave the session hall," Petrenko says, shrugging his shoulders. "When I ask them why, they just look at the floor."

Petrenko says the lawmakers must have been "financially motivated" not to vote. The alleged bribes must be paid by people from Yanukovych's circle residing in Russia who hope to reclaim the frozen money one day.

"To me, not voting for this bill should mean political death," Petrenko says.

Petrenko will try to push the law through parliament again soon. Yatsenyuk tells him that there still is a chance.

The matter is pressing: The state budget for 2017 planned the bill would bring in Hr 10.5 billion out of the entire annual budget income of Hr 731 billion. Without the confisca-





Artemenko goes from obscurity to notoriety

BY VERONIKA MELKOZEROVA, OKSANA GRYTSENKO

MELKOZEROVA@KYIVPOST.COM, GRYTSENKO@KYIVPOST.COM

Andrey Artemenko said he wanted to be a peacemaker. But within a week of the New York Times revealing on Feb. 19 that the little-known Ukrainian parliamentarian had brought to Washington a plan to end Russia's war against Ukraine, he faced widespread criticism in his homeland. He could even be charged with treason.

That's because Artemenko's plan was distinctly pro-Kremlin. The Radical Party lawmaker's ideas included leasing Crimea to Russia for 50 years and the lifting of economic sanctions against Russia by the United States.

It didn't take long for the blowback

On Feb. 20, Radical Party leader Oleh Lyashko told journalists in parliament that Artemenko had been expelled from the party.

"He (Artemenko) has positioned himself as a 'peacemaker', so we expect that he will also give up being a lawmaker," said Lyashko. "Let those who suggest leasing Crimea first give their apartments to robbers to rent."

But Artemenko is not the only Ukrainian politician to reach out to the White House behind President Petro Poroshenko's back.

Yulia Tymoshenko, the former prime minister and leader of Batkivshchyna Party, had a brief meeting with U.S. President Donald J. Trump before the National Prayer Breakfast in Washington on Feb. 3, during which Trump reportedly promised her that he would "not abandon Ukraine."

And Valentyn Nalyvaichenko, the former head of the Security Service of Ukraine and a political ally of Tymoshenko, says he visited the U.S. in December and January.

Nalyvaichenko told the Kyiv Post he met there with former Republican Senator Jim DeMint, a Trump advisor and president of the conservative the Heritage Foundation, a conservative think tank, and Bob Corker, a Republican senator from Tennessee and Senate Foreign Relations Committee chairman.

Nalyvaichenko said he delivered to the U.S. Department of Justice proof

more **Artemenko** on page **13**



Ukrainian parliamentarian Andrey Artemenko speaks to journalists in the Verkhovna Rada on Feb. 21. (Ukrafoto)



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Editorials

3 years on

Ukraine has made progress since the kleptocratic regime of Viktor Yanukovych and his followers fled like cockroaches on Feb. 22, 2014, with the former president hurriedly destroying documents and hauling his stolen loot into helicopters and trucks. Meanwhile, his top prosecutor, Viktor Pshonka, and tax chief, Oleksander Klymenko, were caught on surveillance video later barreling through security checkpoints at the Donetsk airport on their way to Russia to join Yanukovych in exile.

What's changed?

Ukrainians have more confidence, commanding fear if not more respect from their rulers. Government and parliament have many more people working in the public interest rather than their own interests. Civil society continues to reach new heights.

Conditional Western credits combined with key reforms, such as raising energy prices to market levels, have enabled Ukraine to stabilize its economy despite having the limbs of Crimea and part of the Donbas chopped off.

And, most importantly, the nation has shown its willingness to fight for its survival and independence, regardless of domestic and foreign obstacles. By many important measures, Ukraine would make a great member of the NATO military alliance. Its leaders have committed to spending 5 percent of its gross domestic product on defense, a higher share for the military than any of the 28 alliance members. The United States spends 3.6 percent of its GDP on defense, which translates into \$662 billion. (By contrast, Ukraine's 5 percent equals only roughly \$5 billion.)

Ukraine's soldiers are also battle-tested against soldiers of one of the greatest enemies to global democracy today, war criminal Vladimir Putin's Kremlin regime. In withstanding Russian aggression, the Ukrainians have combatted the full range of Putin's hybrid war arsenal -- military, propaganda and security services -- with patriotiism but woefully inadequate material resources.

What's not changed fundamentally, however, is the corruption of Ukraine's ruling elite, the lack of rule of law, ingrained Soviet habits and the greed and selfishness of many elite obstructing progress in transforming this nation into a democracy that is fully anchored into Western institutions.

But Ukrainians will be able to devote more time to cleaning the domestic house after defeating Russia in battle. This war cannot be allowed to go on forever because a frozen conflict will retard Ukraine's economic progress and remain a threat to its sovereignty.

The West needs to arm Ukraine and toughen sanctions against Russia. Western governments are now belatedly realizing that, if they had more strongly assisted Ukraine in the beginning of Russia's war, they might not have to spend the tens of billions of dollars more they are allocating now to take on the growing Kremlin threat. Let's count it up: NATO allies have increased their defense spending by \$10 billion in 2016. The British government is spending \$873 million on an "Empowerment Fund" to counter Putin's propaganda and cyber-warfare. Other European Union nations, individually and collectively, are spending even more.

In America, led by U.S. Sen. Rob Portman (Republican-Ohio) and U.S. Democratic Sen. Chris Murphy (Democrat-Connecticut), \$160 million will be spent over two years to fight propaganda state actors through the U.S. State Department's Global Engagement Center. Also, on Feb. 7, Broadcasting Board of Governors CEO John Lansing kicked off a new 24/7 Russian-language television and digital network, Current Time, a multimillion-dollar joint production of Radio Free Europe/Radio Liberty, led by Tom Kent, and Voice of America, led by Amanda Bennett.

The Kyiv Post welcomes these additions, but notes that we've been combatting Russian propaganda with truth for 22 years with far fewer resources

It would have been cheaper and more effective to help Ukraine, including independent journalists in Ukraine, with more financial aid -- toughly conditioned to stamp out corruption among Ukraine's rulers -- and military assistance. More people are waking up to the reality that, unless the Kremlin is confronted more decisively by the stronger West, its menacing ways will spread. In an interview with Radio Free Europe/Radio Liberty on Feb. 22, U.S. Sen. Dick Durbin (Democrat-Illinois) in Kyiv said that Russia "gives no indication they're backing off. We have to give to Ukraine the tools and weapons they need to protect their own people."

Any time reality dawns, no matter how tardily, it's always a welcome development.



Mohammad Zahoor, Publisher Luc Chénier, Chief Executive Officer

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Editors: Euan MacDonald, Olga Rudenko

Staff Writers: Olena Goncharova, Oksana Grytsenko, Isobel Koshiw, Josh Kovensky, Denys Krasnikov, Vlad Lavrov, Veronika Melkozerova, Victoria Petrenko, Will Ponomarenko, Maria Romanenko, Yuliana Romanyshyn, Daryna Shevchenko, Oleg Sukhov, Nataliya Trach, Natalie Vikhrov, Anna Yakutenko, Alyona Zhuk

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Reformer of the week

Daria Kaleniuk

Daria Kaleniuk, executive director of the Anti-Corruption Action Center, has been targeted by President Petro Poroshenko's puppet law enforcers as part of a wholescale crackdown on reformers.

Kaleniuk said on Feb. 17 that the National Agency for Preventing Corruption had threatened to question and prosecute her for paying Hr 9,841 (\$366) to lawmaker Sergii Leshchenko for giving lectures on fighting corruption. The agency, which is controlled by Poroshenko and the People's Front party, has also tried to prosecute Leshchenko himself and reformist ex-customs official Yulia Marushevska.



The anti-corruption agency has so far failed to check a single official's electronic asset declaration since the declaration system was launched last September. Its deputy chief, Ruslan Radetzky, prompted a scandal when the police said he had been caught drunk driving on Feb. 9 and refused to take

Meanwhile, Kaleniuk said on Feb. 23 that the Poroshenko Bloc and the People's Front had unsuccessfully tried to impose Nigel Brown, a little-known and controversial British citizen, as an auditor of the National Anti-Corruption Bureau.

This is seen as an attempt by Poroshenko to influence and obstruct the relatively independent bureau since its chief can be fired as a result of an audit.

British authorities have investigated Brown on suspicion of bribing a police officer on behalf of a Russian client and buying secret police information. His company has also provided security services to Russian exiled oligarchs Mikhail Khodorkovsky and Boris Berezovsky, and received 6 million British pounds from Russian nationals' offshore firms, according to The Times and Radio Liberty.

- Oleg Sukhov

Anti-reformer of the week

Despite his denials, there is evidence that President Petro Poroshenko's top ally and lawmaker Oleksandr Hranovsky is pulling the strings of the nation's prosecution service, judiciary and other law enforcement agencies.

Poroshenko, who already keeps the judicial system on a short leash, will likely use the ongoing judicial "reform" to assert even tighter control by replacing his predecessor Viktor Yanukovych's loyalists with his own. At the same time, the "reform" is being

sold by Poroshenko to Ukraine's Western partners as a triumph of

The duumvirate of Hranovsky and his ally Ihor Kononenko stands accused of using the entire machinery of the state, including law enforcement, to line their pockets. But they are just tools of the president. When we talk about the alleged corruption schemes of Kononenko and Hranovsky, which they both deny, we actually mean

Like Yanukovych, Poroshenko is using grey cardinals to make key decisions behind the scenes. One of Yanukovych's henchmen, Andriy Portnov, was Hranovsky's exact equivalent: he was micromanaging the law enforcement system.



What can the West and Ukraine do to strengthen each other's security?

Editor's Note: This unusual Vox Populi takes key quotes from the recording of a luncheon about Ukraine at the Munich Security Conference, held Feb. 17-19 in Germany. Ukrainian billionaire Victor Pinchuk sponsored the event.



Chrystia Freeland, foreign minister of Canada "The Ukrainian economy can't thrive without security issues being resolved.

But security issues are only going to be resolved if the economy can grow...Pretty good is not sufficient. Ukraine is going to have to be brilliant in reforms at a leadership level and at a society level."



David Petraeus, retired general, ex-CIA director "What matters most is the battle in Kyiv: can theirs be an inclusive, honest,

functioning representative government that the people feel is serving them rather than those in power?



Arseniv Yatsenyuk, former Ukrainian prime minister "We have to stay united. We are on the right side."



Alexander Vershbow, ex-NATO deputy general secretary "We have to give much more support to Ukraine, politi-

cally, economically and militarlly."



David Lipton, International Monetary Fund "Ukraine has not traveled the road to get to a fully funcmarket econo-

my. There's a lot more to be done."



Alexander Kwasniewski, ex-president of Poland "Each success of the reforms is the best weapon we can have in our

hands as an advocate of Ukraine."



Anders Fogh Rasmussen, former NATO secretary general "The West should supply Ukrainians with the necessary military equip-

ment so they can defend themselves."

Oleksandr Hranovsky

judicial independence and transparency.

Poroshenko's alleged schemes.

Poroshenko, who has repeatedly denied corruption allegations against him, has chosen to associate with Kononenko and Hranovsky and share the stigma attached to them. He has also ousted most reformers and entrenched the power of a corrupt establishment.

Oleg Sukhov

Ukraine's Friend & Foe Of The Week

Editor's Note: This new opinion feature separates Ukraine's friends from its enemies The Order of Yaroslav the Wise has been given by Ukrainian presidents since 1995 for distinguished service to the nation. It is named after the Kyivan Rus leader from 1019-1054, when the medieval empire reached its zenith. The Order of Lenin was the highest decoration bestowed by the Soviet Union, whose demise Russian President Vladimir Putin mourns. It is named after Vladimir Lenin, whose corpse is still rotting on the Kremlin's Red Square, 100 years after the October Revolution he led.



Ildar Dadin, a Russian opposition activist, has consistently spoken out against Russia's war in Ukraine's Donbas and seizure of Crimea in

In 2015 Dadin was sentenced to three years in prison for staging one-man pickets and participating in unauthorized peaceful rallies, including those in support of Ukraine. Russia's Supreme Court canceled the verdict against Dadin on Feb. 22, ordering his release.

The ruling is likely an effort by Russian dictator Vladimir Putin to fool the West into thinking that he is moderating his authoritarian ways.

In fact, the opposite is true. The law under which Dadin was punished is despotic by any standards: it envisages jailing protesters for repeated "offenses" at peaceful rallies, such as protesting without government permission and holding unauthorized posters.

Putin's brutal regime has stepped up its repressive policies following Ukraine's 2013-2014 EuroMaidan Revolution, fearing that a similar uprising could take place in Russia. The Kremlin despot has destroyed independent media, jailed his political opponents and been accused of many murders.

Dadin is hated by the Kremlin

Order of Yaroslav The Wise

because he participated in the 2013-2014 EuroMaidan Revolution as a member of Maidan self-defense.

> Last year Dadin said he had been severely tortured by prison staff, triggering an outcry in Russia and abroad.

"A dozen people beat me up and kicked me four times on that day," he told his wife. "After the third beating up, they put my head into the toilet bowl in the cell."

He said prison staff had also threatened to rape and murder him. "I was led to (prison chief Sergei) Kossiev's office and he said: 'You haven't been beaten enough. If I give an order to my employees, they will beat you harder. If you complain, you'll be killed and buried behind the fence..'

People like Dadin should be always welcome in Ukraine because they risk their freedoms and lives for both Ukraine and Russia.

"The biggest tragedy for me personally is that my country is killing, torturing, blowing up and tearing apart people in a neighboring country that hasn't done anything bad to us," Russian opposition politician Konstantin Borovoi quoted Dadin as saying last year "My country is doing that on my behalf, and I can't prevent this in any way. What my country is doing now is all about producing lies, fascism and misery."

Dadin also dismissed Kremlin propaganda myths about the rise of Nazism in Kyiv, saying that in Ukraine "nationalism is not hatred for others but love for your own country and your people.'

- Oleg Sukhov



Konstantin Zatulin, head of Russia's CIS Institute, is one of the main promoters of Kremlin imperialism.

Konstantin Zatulin

The CIS Institute, named after the Russian-dominated Commonwealth of Independent States, is an organization that seeks to promote the Kremlin's imperial ambitions in former Soviet countries.

Ukraine's InformNapalm hacktivist group on Feb. 22 published what it claimed to be the email account and social networks of Belarusian citizen Alexander Usovsky. According to the hacked accounts, Zatulin was coordinating Usovsky's efforts.

Usovsky has encouraged anti-Ukrainian and pro-Russian sentiment in Poland, Slovakia, the Czech Republic and Hungary, InformNapalm said.

He told Zatulin's deputy Igor Shishkin, that he had agreed to cooperate with the Polish People's Party and create a pro-Russian faction in the Polish parliament.

In 2016 Usovsky sent to Zatulin a plan to organize discussions in an effort to promote anti-Ukrainian ideas among Polish nationalists.

One of Usovsky's proposals is to spread the idea that Ukrainian immigrants in Poland should not be

Order of Lenin

welcome if they adhere to Ukrainian nationalism. Poland has seen a rise in anti-Ukrainian sentiment in recent years, and speculation is rife that this is Kremlin-inspired.

In July Poland's parliament, voted to declare the Volyn Tragedy a genocide of Polish civilians by Ukrainian

Insurgent Army. Major anti-Ukrainian protests have also taken place in Poland recently.

Zatulin has been a foe of Ukraine for a long time.

In the late 1980s, he was an apparatchik of the Soviet Union's Communist Youth. He was proclaimed persona non grata in Ukraine in 2006 after participating in anti-NATO protests in Crimea.

In 2008 he was again banned from entering the country after the Security Service of Ukraine accused him of preparing riots in Crimea.

Zatulin said in an interview with the politnavigator news site in 2015 that he had realized in 2008 that the Kremlin should create a pro-Russian political movement aiming to take over southeastern Ukraine. Zatulin actively supported Russia's annexation of Crimea and became an advisor to the speaker of Crimea's Russian-installed puppet legislature in 2014.

In 2016 Zatulin was elected to Russian dictator Vladimir Putin's rubber-stamp legislature, the State Duma, on the ruling United Russia party's list.

He has defended the Kremlin's interests in Russian-occupied areas, including Ukraine's Crimea and Donbas and Abkhazia and South Ossetia in Georgia.

Oleg Sukhov

Energy Efficiency in Ukraine

Special news coverage ahead on the following topics in Business Focus: Automobile business in Ukraine

March 10

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Wind farms powering up in western Ukraine

BY YULIANA ROMANYSHYN

ROMANYSHYN@KYIVPOST.COM

STARYI SAMBIR, Ukraine -Maksym Kozytskyy's business chang-

es with the wind. When it blows strongly, his wind farms in western Ukraine produce more energy and earn him more money.

His first wind farm, in the town of Starvi Sambir in Lviv Oblast, which has four wind turbines with a total generating capacity of 13.2 megawatts, produces enough energy to supply the town and neighboring region of 80,000 citizens.

And using the earnings from the feed-in tariff - introduced in Ukraine to accelerate investment in renewable energy technologies - Kozytskyy and his company Eco-Optima LLC plan to build another three wind farms in the Carpathian Mountains.

Power of the wind

In Staryi Sambir, a town of 6,500 citizens located some 30 kilometers from Ukraine's border with Poland and 640 kilometers west of Kyiv, the four wind turbines are visible from

almost every street. The three-bladed turbines, standing on a low hill to the east of the town, are each 119 meters high. The farm produces 32 million kilowatt-hours of electricity per year. Close up, the swishing of the turbine blades is clearly audible, but from the town nothing can be heard.

While today the farm operates under full computer control, setting up the farm required significant effort. Eco-Optima spent three years on preparations before the first two turbines started to spin in 2015.

Over that time, two suppliers went bankrupt. Even to transport the 56-meter-long turbine blades, the company had to broaden narrow roads of western Ukraine, cutting down trees, moving fences, and taking down power lines.

"This was the first project, and we made a lot of mistakes," Kozytskyy said. "Now it's much easier."

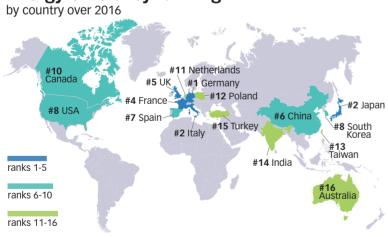
Remote control

Roman Voloshchak, a 79-year-old power engineer, oversees the operation of the city's four wind turbines. He retired from a life-long career in



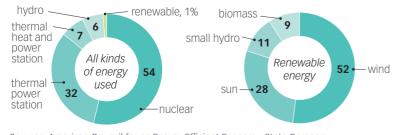
Roman Voloshchak, a power engineer, descends the stairs of one of the four wind turbines at the Eco-Optima wind farm, located near the western Ukrainian town of Staryi Sambir, on Feb. 21. (Yuliana Romanyshyn)

Energy efficiency ranking



Ukraine's energy use breakdown over 2016

A breakdown of the energy sources used in Ukraine in 2016 shows the country remains heavily reliant on traditional sources, such as coal, gas, oil and nuclear. Renewables make up only about 1 percent of the mix.



Sources: American Council for an Energy-Efficient Economy, State Company Energorynok, Ukrainian Association of Renewable Energy

energy sector construction to work in the renewable energy business.

Voloshchak operates the turbines remotely from his computer at home. In addition, the system can be switched off from Lviv or Melitopol. "There is no need for me to sit there (inside a turbine)," Voloshchak said.

On a typical day in mid-February, the turbines' blades are spinning at speeds of up to 13 meters per second, enough to convert wind energy into a good amount of electrical power. The blades start spinning when wind speeds reach three meters per second, and can operate at wind speeds of up to 25 meters per second. If wind speeds are faster than that, the turbines automatically shut down to prevent them being damaged.

The turning blades capture wind energy, driving generators on top of the turbine towers. The electricity then goes through a transformer located on the farm, which then feeds it into the electricity grid. Sensors control the direction of the turbines, keeping them facing the wind to capture the most energy.

Inside each turbine, a small room is equipped with a control panel, climbing harnesses and helmets, and a ladder to top of the turbine tower. There is also an elevator, which works only when the blades are stopped, Voloshchak said.

At first the locals were wary of the wind farm, coming up with various unfounded objections. For instance, they said that water would dry out in their wells because the turbines would suck up all of the wind, or that the blades would cut bees in half. Kozytskyy recalled. Today those fears are gone, and the wind farm is a popular place for taking wedding and school prom photographs, he said.

"There's a local legend that we take people (to the top of the turbine) by elevator for Hr 50," Kozytskyy jokes.

Family business

For Kozytskyy, producing energy is a family business. His father has gas and oil drilling companies in western Ukraine and also works for Eco-Optima, while his brother has a well drilling company.

Besides Kozytskyy's own investment, the wind farm got a credit from the European Bank for Reconstruction and Development. The second part of the farm, which will have six turbines, will be located on another hill near Staryi Sambir, and will start operating within the next few years.

Plus, the company develops a solar direction. Eco-Optima owns two solar power plants in western Ukraine - in Sambir in Lviv Oblast and Bohorodchany in Ivano-Frankivsk Oblast.

Kozytskyy said that building of the solar plant takes less time and effort than the wind farm. "To me, solar projects look like Lego for kids,' Kozytskyy said of installing solar panels.

Feed-in tariff

To boost the development of the renewable energy sources, the government introduced a renewable energy feed-in tariff in 2009. The tariff is linked to the exchange rate and is to be cut every year until 2030. With this strategy, the government hopes to encourage the building of renewable power plants and increase the share of renewables in the energy mix to up to 20 percent.

Kozytskyy was one of those who has been encouraged - he said the entire business happened because of the introduction of the tariff. "There were probably some of the www.kyivpost.com February 24, 2017 Business Focus 7 + N E S S

Vitrenko assesses Naftogaz's transformation, challenges

BY NATALIE VIKHROV

NATALIE.VIKHROV@GMAIL.COM

For years, state-owned energy giant Naftogaz was a byword for corruption in Ukraine — its deficit topped 6 percent of the country's gross domestic product in 2014.

Its rapid transformation — which saw the company bring in 10 percent of state budget revenue in 2016 — has impressed observers from abroad.

But its battle with Soviet-style corruption is far from over.

The company's flagship asset, Ukrtransgaz, still has three senior officers connected to Russia-friendly oligarch Dmytro Firtash, although they may soon be reduced to two.

On Feb. 17, Ukrtransgaz's president – a former employee of Firtash called Ihor Prokopiv – was suspended after auditors found "a number of irregularities" during a review of Ukrtransgaz's accounts.

Naftogaz's chief commercial officer, Yuriy Vitrenko, told the Kyiv Post in an interview that the company is currently investigating the findings and he could provide no more details.

"There is reasonable concern

about mismanagement, and if these concerns are confirmed there will be a decision to fire, but if the concerns are not confirmed there will be another decision," he said.

Meanwhile, Ukrtransgaz's head of procurement, a former Firtash employee, and the head of its legal department, also connected to Firtash, remain at the company.

Vitrenko said that the investigation would also look into the activities of other employees "and there will be corresponding decisions. (But) we're not going to fire people just because they worked for Firtash."

Russian gas

Vitrenko says corruption at the company began to recede when Ukraine stopped buying gas from Russia and started importing it from Europe at market prices.

Ukraine stopped directly importing Russian gas just over a year ago. Now it makes up the gap in domestic supplies by buying it via a reverse flow scheme from Europe.

"Before, when there was no market price, it was a political contract ... (and) there was always room for kickbacks or for bribes," Vitrenko said.

He said that at one point gas prices for households were 15 times cheaper than for industrial use.

"You can take this gas that was destined for households but in fact sell it to industrial users, or use it yourself if you have a chemical plant. It created huge motivation for corrupt schemes."

Vitrenko says that although it has been reduced, the misappropriation of gas is still a problem.

Despite its efforts to distance itself from Russia, Naftogaz can't quite seem to shake off its dealings with the post-Soviet Russian gas giant Gazprom.

The Ukrainian company is currently battling out gas billing issues with Gazprom in the Stockholm arbitration courts, and the legal battles are partly responsible for delaying a key part of its reforms.

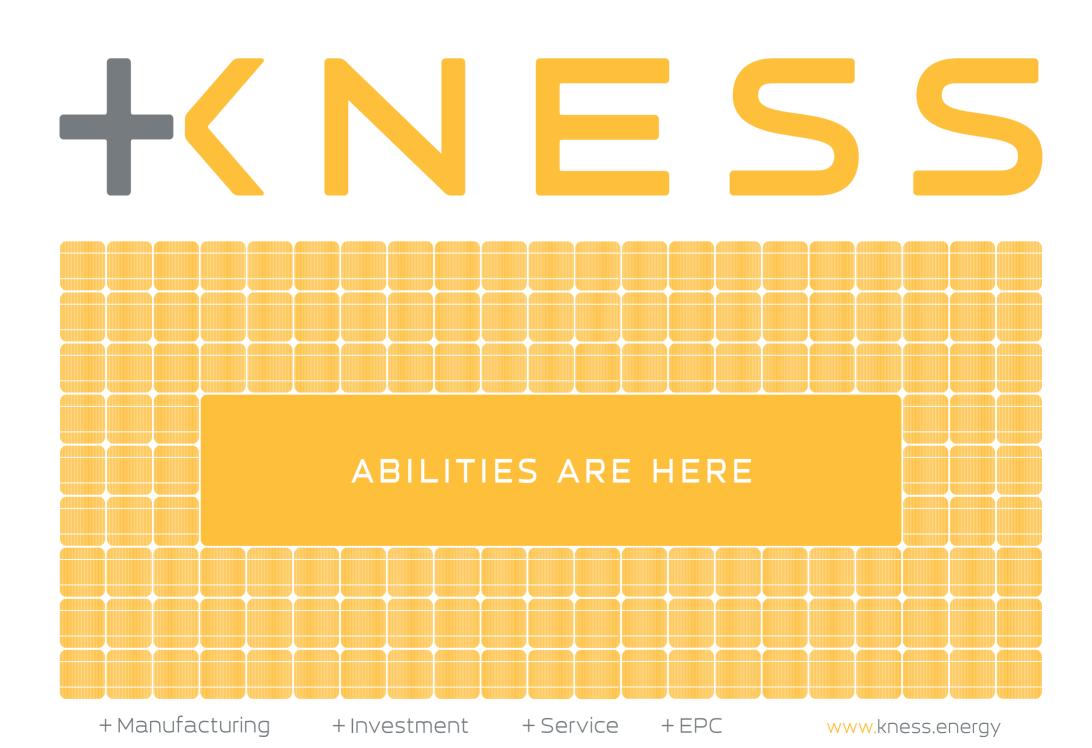
Unbundling delays

In July the government adopted a plan to restructure Naftogaz, breaking off Ukrtransgaz and splitting it into two separate companies — one

more Naftogaz on page 13



Naftogaz chief commercial officer Yuriy Vitrenko says the state company wants to attract a European partner to manage its gas transit and storage to mitigate the threat of Nord Stream 2, a 1,200 kilometer pipeline that will reduce Ukraine's role as a gas transit route. (Anastasia Viscova)



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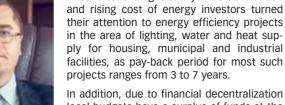
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Investments and energy efficiency in **Ukraine:** first results and prospects



Serhiy Silchenko ILF partner

ILF attorney



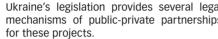
local budgets have a surplus of funds at the moment. For instance, as of 1 January 2017 treasury accounts of local communities only in Zhytomyr Region hold UAH 886.5 million (EUR 31.19 million) left unused in 2016. It's the same for other regions of Ukraine as well.

In 2014-2016 in light of hryvnia's devaluation

Insufficient experience with investment projects and lack of qualified management prevent communities from undertaking complex energy efficiency projects themselves. This makes local authorities today open for dialogue with business and ready to greenlight such projects on the terms of co-funding.

Ukraine's legislation provides several legal mechanisms of public-private partnerships





The first is energy service contract, better known in Europe as energy performance contract. Under it, an energy service company (ESCO) using its own funds conducts modernization of the client's facility and provides a guaranteed level of energy saving. The client pays the ESCO interest based on the actual figure of savings over the whole contract period. The law limits this period to 10 years, and the percentage of savings subject to be paid to the ESCO is 80-90%

The appropriate mechanism has been introduced to Ukraine's legislation in 2015, with 19 contracts in public sector signed in 2016. However, in August 2016 energy service procurement suffered a setback due to the electronic procurement system ProZorro. The software had trouble with the NPV indicator of contracts which, according to the law, the Client must use to determine the most beneficial offer.

A draft law meant to remove that obstacle has already been submitted to the Parliament and is expected to be passed in February-March this year. The draft law will regulate ProZorro procurement and extend maximum contract validity to 15 years.

After the draft law is adopted, representatives of the State Agency on Energy Efficiency and Energy Saving and the Ministry of Economic Development and Trade of Ukraine vouch to prepare electronic platforms for energy service procurement by the end of May 2017.

Alternatives to energy service contracts within the current legal environment include concession and management agreements. These are contractual forms of partnership that allow investors to manage a facility and carry out its modernization in order to increase energy efficiency

Management contracts (trust agreements, or contracts on asset management), when determining remuneration for investors, can take into account not just the energy savings but other indicators as well, such as lower cost of equipment utilization. This is especially important for city lighting projects where savings are mostly achieved through optimizing service and mainte-

As for concession, it allows investors to use a facility and get income in the process while paying concession fees into the budget. The law stipulates that all expenses on modernizing a facility will be taken into consideration in the investment component of the rate for services rendered. This allows investors to undertake projects for municipal water and heat suppliers, the rates for which have to be approved annually by local authorities

Energy service, concession agreements and contracts on municipal assets management differ in budget funding and procedure for their signing which can be anywhere from 4 to 8 or 10 months.

The aspects to keep in mind when selecting a legal model for energy efficiency projects at municipal facilities are: legal status of the property, procedure for making decisions by authorities regarding its disposal and management, and specific features of budgeting process (namely classification of the budget's expenses on facility funding, as well as duration of budget appropriations)

Local officials don't always appreciate the nature of energy service projects (for instance, achieving the promised amount of savings as the end goal of services), not to mention various models for their implementation and funding, which is why it can take much longer to set things going. This must be taken into account at the planning stage, with special attention paid to the presentation of the nature, progress and efficiency indicators of a project at local level.

Latest trends indicate that within two or three years Ukraine will see rising competition among active local communities to attract investors with experience in managing energy efficiency projects. On the other hand, companies that manage to build up a portfolio of successful projects in Ukraine will be automatically granted access to the most lucrative opportunities.

Therefore investors should create a market for themselves by distributing information among local communities and presenting their projects in the most comprehensible manner in order to expedite negotiations with local authorities.



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Naftogaz Chief Andriy Kobolev at an Ukrnafta board meeting with oligarch Ihor Kolomoisky and his associate Uri Laber in May 2015. The board has yet to approve a debt restructuring that could see the company return to profitability. (Ukrinform)

Despite Kolomoisky, Ukrnafta strives for incremental progress

BY JOSH KOVENSKY

KOVENSKY@KYIVPOST.COM

Ukraine's state-owned oil producer Ukrnafta owes Hr 12 billion (\$445 million) in taxes. It has undergone years of production drops, while the company's board of directors appears to remain beholden to billionaire Ihor Kolomoisky, one of the country's most notorious oligarchs.

But Ukrnafta's management hasambitious plans to turn the company around, with a view towards doubling production within 10 years.

With a deadlocked board, big changes are difficult. But the company can still attempt end runs around the problem by becoming more efficient as part of a broader effort to purge itself of Soviet-era bureaucracy.

So Ukrnafta hired British development firm Crown Agents last year to analyze its procurement systems.

Ukrnafta Executive Vice President for Technology and Services Robert Whalley told the Kyiv Post that the company has already saved up to 10 percent on procurement from starting to implement the plan's recommendations, but could reach even 30 percent.

it was an area of supply chain where you can take specific expertise and apply it to Ukrnafta," said Tetiana Korotchenko of Crown Agents.

Ukrnafta did not fund the study. A British government development fund, administered by auditor PwC, which also audited PrivatBank, previously owned by Kolomoisky, provided money for the project.

Stagnation

Ukrnafta has spent most of the past 15 months floundering. A new management team, led by British citizen Mark Rollins, entered in October 2015 amid lingering questions over whether the state has wrested control from Kolomoisky.

Rollins, promising to double the company's production within 10 years, supports a debt restructuring plan that would see the company repay back taxes over the next few years so the company can company to focus on extracting and selling

The board's refusal to pass the restructuring, however, stifled progress.

Soviet ways linger. Crown Agents

"This is a really ambitious plan and found that some purchases required more than 70 signatures before approval.

"It's an ongoing process to simplify and to clarify," Whalley said. "That's also part of this issue of accountability - when 70 people decide, that means no one is responsible."

Whalley declined to say if streamlining the company's "incredibly bureaucratic" system would mean laying off members of Ukrnafta's workforce.

The Ukrnafta executive added that almost all of Ukrnafta's processes had been done on paper, and not electronically. Ukrnafta has, however, begun to conduct purchases through the Prozorro electronic platform. Although not all of the company's procurement will be on the transparency platform, Whalley said he hoped to move a significant portion onto it.

Decentralization

The company, on Crown Agents's recommendation, has also launched a pilot program in Poltava, a city of 290,000 residents located 340 kilometers east of Kyiv, to decentralize operations

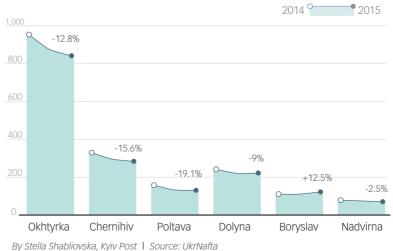
Ukrnafta's Poltava oil terminal now has a supply chain center that allows wells and other units in the region to get resupplied locally, as opposed to having to reach back to

"It removes a level of bureaucracy," Whalley said, adding that it also cuts time on fulfilling equipment

Crown Agents performed its analysis of Ukrnafta's supply chain in October. The company has around four years to implement all of the recommendations.

Whalley said that Ukrnafta may hire Crown Agents to perform additional analyses on how it stocks inventory. On whether it would also commission an analysis on Ukrnafta's oil sales, he demurred.

Amount of oil produced by Ukrnafta at each facility, in thousands of tons



Better data will help energy efficiency

BY ELENA SERDYUK

ELENASERDYUK1@GMAIL.COM

That Ukraine needs to increase its energy efficiency to become truly independent is an axiom. Achieving said efficiency is no easy feat, however, as it requires proper strategic planning and future projections, based on adequate, complete and verifiable data. The lack of such data, along with proper channels for its analysis, appear to be among the main obstacles on Ukraine's way to improved energy efficiency.

Contradicting figures have been a staple in Ukraine's natural gas extraction, procurement and consumption practices, leaving the public to wonder how their tariffs were calculated and how much of its own natural gas Ukraine could actually produce annually.

But more recently it was another fossil fuel which exposed just how vulnerable Ukraine's energy sector is and what a desperate need for transparency exists. The ongoing blockade of coal produced in separatist-controlled parts of the Donbas triggered the government's declaration of a state of emergency in the energy sector.

Such a critical situation could have been avoided, thinks Tetyana Boyko, utility programs head at OPORA, a non-governmental nationwide network of public activists.

"The question of blockade wouldn't be as acute, if the information on the energy tariffs and the use of funds was prepared and shared in advance, along with the volumes of trade with the occupied territories," she said in her presentation at the Extractive Industries Transparency Initiative conference in Kyiv on Feb.

The EITI is an independent and voluntarily supported international standard, whose main goal is to promote open and accountable management of extractive resources. It exists in 51 countries around the world and provides analysis of extractive companies' contracts and licenses, production, revenue collection, revenue allocation, and social and econom-

ic spending of state's income from extractive industry, based on data, provided by companies on one side and state authorities on the other.

Disclosing all this data leaves little to no space for corruption and creates transparency and accountability by informing the public debate and promoting understanding. The EITI is supported by a coalition of stakeholders from government, companies and civil society.

The 2014–2015 EITI report on Ukraine, presented at this year's conference, shared analysis of the extractive industry's role in Ukraine's economy, as well as information on the state of natural resources reserves and key players in the industry. It also highlighted the issues on which Ukraine needs to concentrate its efforts, in order to comply with the EITI standard and improve transparency of state revenues from the use of its natural resources and resource management.

While in EITI-compliant countries, companies and state authorities are obligated to share and disclose data, Ukraine's 2014–2015 EITI report is based on companies' voluntary data submission. According to the report, out of the 97 major extractive companies, only 51 provided information to be used in the report. In addition, seven extractive companies which weren't originally contacted provided their information. Needless to say, such incomplete data creates an incomplete picture.

Ukrainian energy companies are not required by law to make reports of their business activities public, which makes it impossible to adequately assess their activities and can only lead to speculation. An attempt was made at the legislative level to improve this situation, when bill No. 4840 on Information Disclosure in Extractive Industries was presented for vote in Verkhovna Rada of Ukraine on Feb. 21. The bill didn't pass. It will be resubmitted for committee review later this year.

EITI is a rare initiative to systemically assess Ukraine's natural resources and implement unified international standards for calcula-

tions and projections, which would allow for more efficient management of the country's energy sector and avoid potential future crises. At the moment, Ukraine doesn't have the proper tools to quickly react in a critical situation, and assess its own capabilities, when met with adversity.

One such tool would be a convenient reporting process. Many companies continue submitting reports to supervising authorities in paper form, instead of electronically. Naturally, this creates space for human errors, not to mention the amount of time necessary for systematization of such data.

A unified functional platform for collecting and keeping data in a consolidated electronic format is essential. Dina Narezhneva, Head of the National EITI Secretariat in Ukraine, stated: "Many developed countries have electronic system for information submission, the main amounts of data are available in the open – we should be striving for such result as well."

Anatoliy Bondarenko of Texty.org. ua, a media focused on data visualization, believes that, in addition to open electronic data, the public and all interested parties should have access to tools, such as programming code, that would allow them to double-check energy tariff calculations. "At this point, it's mostly people's intuitive impressions, not based on data," he said in reference to public's ability to assess current energy tariffs, during his EITI conference presentation.

Ukraine also needs independent agents who would conduct analytics. According to Oleksiy Shalaysky, editor of Nashi Groshi, a public procurement watchdog site: "Think tanks that would specialize in the energy field and systematically deal in this area are missing in Ukraine."

Lack of independent experts to conduct extensive calculations and analysis in energy sector, along with incomplete data and no legal requirement for private companies and state entities to disclose information, are holding back Ukraine's progress in energy sector efficiency.

BUSINESS ADVISER

Ukrainian Solar Energy market: goals, challenges and opportunities



There are ambitious plans to fulfill, and tough responsibilities to face, in order to increase the share of renewable energy sources in the mix of energy sources in Ukraine.

Advertisement

We have a national roadmap on renewable energy developed in the framework of the commitments undertaken by Ukraine to the European Energy Community, and potential liabilities of Ukraine to cut greenhouse gas emissions in accordance with the Paris climate agreement. The main objective of the plan is to achieve by 2020 an 11 percent share of energy produced from renewable energy

sources in the total energy consumption of the country. The amount of solar generation should reach 2,300 MW. At the end of 2016, the total capacity of solar plants in Ukraine is 534 MW. That is, in the three years remaining from 2017 to 2020 Ukraine will have to triple its solar generating capacity, increasing it by 1766 MW.

The good news is that there is a realistic implementation plan – it just requires the active participation of all stakeholders: the government – at the legislative level; business – at the level of technology, engineering, and investments; and society and local authorities – at the level of understanding the need to minimize energy dependence and carry out the strategic tasks that the state is facing.

It is impossible to assess and plan the development of the market only in Ukraine, because we do not live in a closed system, closed off from the outside world. The development of alternative energy first of all has to be analyzed at the geopolitical level, taking into account the global development of technology. The development of renewable energy – this is not an option – it is a vital requirement for the state, which will allow Ukraine to be integrated into the world community. The investment demand for the renewable energy sector is estimated at more than 10 billion euros.

At the political and legislative level there is yet not a single strategy for achieving a common goal in the energy sector. There is a multi-vector approach; each solution generates both new opportunities and new challenges. Therefore, the primary mission has to be taken up by business. After all, a real business changes a "problem" into a "task" – which then produces a specific result. If business is not active, then the strategies of the state are not feasible. We cannot wait; the time will never be "right." We need to start right now, and work with the tools that there are now, and the best solutions will be found as we move forward.

The goal of 11 percent renewable energy in the power generation mix by the end of 2020 is quite realistic. It is a pity that the recent actions of the NERC KP have worsened the overall climate and have put obstructions in the way to the realization of this goal, but investors' interest in the renewable energy sector is still high. This is facilitated by the involvement of Ukrainian and international banks, guaranteed by the state's "green" tariff in euros, the availability of high-quality contractors in Ukraine allow renewable energy facilities to be quickly and effectively implemented, in such a way as they are guaranteed to be profitable. Ukraine has all that is needed to do this.

For renewable energy, we are counting most on the development of solar generation, since the sun is the only primary source of energy.

Our company is an expert in energy, including renewables, and has been virtually from the very beginning of the active development of solar energy market in Ukraine. Over this time, we have learned from the experience all the nuances of market formation, and we clearly understand how to tackl most of the existing problems and tasks.

The investment demand is high this year, but there is a shortage of "qualitative/interesting" sites for construction, and the complexity of the land allocation process, labor costs and the length of the process cause holdups. It is possible to solve this problem at the level of regional administration – creating a database of sites that are suitable for the construction of solar power plants. Knowing that for Regional State Administrations the biggest problem is to analyze the investment attractiveness of the sites, we can ourselves carry out such an analysis and attract investors. We are doing exactly that now for several Regional State Administrations – including Kharkiv, Kherson, Vinnytsia, and others.

There will be a lot of obstacles and difficulties in the implementation of Plan 2020, but even more there will be Abilities.

We have made a strategic decision to be engaged in alternative energy not only at the level of "hands," that is, in construction, but also at the level of the "creator" – to create opportunities for the development of the alternative energy market in Ukraine, cultivate market professionals, and form a mass market in the field of renewable energy sources.

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Ukraine

Time running out to build new wind farms

Wind from page 6

best conditions in Europe (to start a business)," he said, looking back on the launch of Eco-Optima.

The law became even more relevant following the start of Russia's war on Ukraine in the Donbas, and Ukraine's slashing its dependence on Russian gas.

However, the share of renewable energy produced in 2016 was only 1.25 percent, according to the Ukrainian Association of Renewable Energy. "It's just ridiculous," Kozytskyy said, pointing to countries like Germany,

where the share of renewable energy in total power generation has already reached 30 percent.

To hit the 20-percent target for renewable energy generation, more investment is needed, but time for the launch of new projects like Kozytskyy's is running out.

Kozytskyy said that in order to make a profit under the feed-in tariff, a power plant would have to be up and running, and feeding power into the national grid, by 2019. After that, as the feed-in tariff is cut back, the project simply won't earn enough money to pay back credits

from the EBRD or other investment banks.

Kozytskyy plans to launch two more wind farms, in Skole and Sokal districts of Lviv Oblast, and complete the second part of the farm in Staryi Sambir within the next two years.

"If the feed-in tariff is discontinued, the money will go away and no one will invest here," Kozytskyy said. In total, his company has invested 75 million euros in solar and wind power plants.

"If there hadn't been a feed-in tariff, we wouldn't have invested in them"

Ukraine sets its sights on blocking Nord Stream 2

BY NATALIE VIKHROV

NATALIE.VIKHROV@GMAIL.COM

In September 2015, at the Eastern Economic Forum in Vladivostok, Russia, Kremlin-run Gazprom signed an agreement with a consortium of European energy companies that would greatly increase Germany's role as the continent's gas distribution hub.

Gazprom and its Western European partners - Germany's Uniper and Wintershall, the United Kingdom's Royal Dutch Shell, Austria's OMV and France's Engie -- argue Nord Stream 2 is a vital economic investment to boost energy security and competitiveness.

But a number of European Union member states, including Poland, Czech Republic and Slovakia, aren't buying the arguments. They say the project is geopolitical tool that will increase Europe's dependency on Russian gas and, by doing so, actually undermine its energy security.

Yet Germany, the driving force in Europe behind the deal, is pushing ahead with the project.

The plan is to construct a 1,200 kilometer pipeline, parallel to Nord Stream 1 under the Baltic Sea. By 2020, it will have the capacity to transport 55 billion cubic meters of gas from Russia to Germany and subsequently the European market.

Russia already supplies around 30 percent of Europe's gas; the Nord Stream 2 project envisions doubling the capacity.

The second Nord Stream, like its predecessor, will bypass Ukraine, stripping it of an estimated \$2 billion in annual transit fees and putting its future as a gas transport route in question.

Ukraine's state-owned Naftogaz has called on the EU to block the



project and others are protesting, but it's far from certain they will prevail.

EU support

Yuriy Vitrenko, group chief commercial officer of Naftogaz, said Germany's cooperation with Russia on Nord Stream 2 brings into question the sincerity of its support for

"We do believe that a lot of

German politicians at the top want to support Ukraine and they do stand behind European values," Vitrenko said. "But this also shows that Germany is fragmented and there are some politicians in Germany who are driven by some crony interests, or some questionable economic interests instead of promoting the rule of law and some core values."

Helping push Russian President

Vladimir Putin interests are former German Chancellor Gerhard Schroeder, now a Gazprom lobbyist, and Foreign Minister Sigmar Gabriel, who as economy minister pushed for easing economic sanctions against Russia.

Meanwhile, Germany's center-right Christian Democrats United, led by Chancellor Angela Merkel, and the left-leaning Greens oppose construction of the pipeline.

Vitrenko said the project is simply illegal "because it's not consistent with competition law in Europe and if you close eyes on these obvious breaches of competition law in Europe, that's against the fundamental principle of Europe."

The EU has been investigating Gazprom for antitrust violations that hinder the gas market in Europe, but is seeking a settlement that some in Europe, including Poland, are challenging.

European network

Kremlin-run Gazprom has been a simmering pot of Soviet-era corruption only partly concealed by a web of subsidiaries. One of those, Centrex Group, was established in 2003. Putin has strengthened his grip on Europe in his 17 years in power.

Ex-Stasi officer Matthias Warnig, whose ties with ex-KGB agent Putin are said to have dated back to Soviet times, chairs a Centex project board of directors and is chief executive officer of the Nord Stream 2.

What's the goal?

In addition to amassing stakes in European gas sector, Gazprom

has also inserted itself into such European institution as FIFA, the football governing body, and NHS, England's state medical provider.

Gazprom and its fellow Nord Stream 2 shareholders are also sponsors of the Oxford Institute for Energy Studies. The institute told the Kyiv Post that sponsors do not influence the content of the institute's

"In return for sponsorship they, and all our benefactors, get access to our research output, which is all made available to the wider public, and access to a number of events and seminars which we run," Oxford Institute for Energy Studies natural gas program director James Henderson said.

Last year, Nord Stream 2 shareholders Shell, OMV, Wintershall, Uniper and Engie also funded a report by King's College London faculties, including its Russia Institute, on the pipeline. Director of the Russian Institute Sam Greene said they undertook the project on condition of independence.

Cooling down?

But as the EU overflows with gas supplies and makes strides towards renewable energy, some experts, including Judy Dempsey, a nonresident senior fellow at Carnegie Europe, say Russia's gas influence is on the decline.

"As a geopolitical tool, I think it's weakening actually. But Nord Stream keeps that instrument there," she said. "I think Russian energy influence is slowly declining in Europe as Europe changes its energy mix."





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Obstructionists in parliament anger Petrenko, slow reforms

Petrenko from page 2

tion law, the state budget will face a significant deficit.

There is another issue. Ukraine also hopes to return the money of the Yanukovych regime that is frozen in accounts abroad. The failure of the confiscation bill in Ukraine sends a bad signal

"What will other countries that froze their money think when they see that we can't do anything here?" Petrenko asks, rhetorically.

Minister vs. NAZK

But more than the lawmakers' unwillingness to return Yanukovych's money, Petrenko is worried by the blocking of the work of the National Agency for Corruption Prevention, known in Ukraine as NAZK.

Petrenko claims that the independent agency is not doing its job, failing to check the electronic declarations of income and assets that all Ukrainian public servants filed in November. Three months after they were filed, not a single declaration has been checked by the agency.

Instead, Petrenko argues, the agency is investigating ex-head of Odesa Customs Office Yulia Marushevska for allegedly giving herself a salary bonus of Hr 500, or about \$18.

The agency, on the other hand, claimed that the Justice Ministry didn't provide access to the state registers. Petrenko said the agency simply failed to satisfy technical demands to get access.

Petrenko also says how the body took months to develop a mechanism for checking e-declarations, and the ministry ended up developing it for them. Since the mechanism needs to be approved by the justice ministry, the agency later formally gave the ministry its own document for approval.

"We can't keep doing their work for them," says Petrenko, adding that an agency that costs the budget Hr 600 million a year should be able to pick up the slack.

Speaking at the cabinet meeting in February, head of the anti-graft agency Natalia Korchak said that NAZK wasn't ready to handle the



Then-Prime Minister Arseniy Yatsenyuk sits in the Cabinet's box in the parliament on Dec. 24, 2015. Petrenko, now a close friend of the ex-prime minister, first came into politics by aiding Yatsenyuk's election campaign in 2009. (Kostyantyn Chernichkin)

declarations properly, but will learn from its mistakes and improve.

While criticizing the agency, Petrenko hesitates to say who's responsible for the alleged sabotage.

"I don't know who's influencing them. I really don't. The government isn't, that's for sure," he says.

Instead, Petrenko blames the way the agency is organized. He wants to reform it from a collegial body into an organization with a single manager who can be held accountable. He claims it won't affect the agency's independence, but simply will ensure its accountability.

Fighting raiders

One of the justice ministry's recent achievements is the anti-raiding law, which came into force in November.

The law aims to stop raiding that takes place by making illegal changes to the state registers of property rights and business owners. A typical scheme involves a corrupt notary changing the ownership of a property or company in the state register, using a fake sale document as pretext, followed by a physical takeover of the property.

The new law stipulates that all business owners have to be notified when a change regarding their property is being made in the register, and expands the time when a former owner can challenge the change in court from 30 to 60 days.

Also, when a protocol of the business owners gathering is used as a pretext to make changes, the signatures now need to be attested by a notary.



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Vitrenko: 'Delay' in reform may mean 'never' in Ukraine

Naftogaz from page 7

to manage gas transit, and one to manage its storage.

But Vitrenko says that plan is already lagging behind schedule — in some areas by six months — and it's putting the company's chances of attracting a European partner to manage the assets at risk.

Vitrenko believes an international partner would be able win the trust of other European companies.

"We understand there is a war in the east, and a lot of companies, even before, were afraid to get their gas ... on the Ukraine-Russian border, because they would bear all the risk connected with gas transit through Ukraine," he said.

And a European partner, Vitrenko says, will also mitigate the threat of Nord Stream 2.

The 1,200-kilometer pipeline, which is planned to run under the Baltic Sea alongside the existing Nord Stream 1, will bypass Ukraine, drastically reducing the country's role as a gas transport route from Russia to the European Union.

Ukraine expects to lose out on an estimated \$2 billion in transit fees if the pipeline comes on stream.

Vitrenko says as part of the plan to maintain its role as a transport route if Nord Stream 2 goes ahead, is to drop its recently raised transit prices after the new pipeline is built.

But a European partner would really go a long way to solving a range of problems.

"Even if you're very cheap, if you scare everybody, no one will work with you," Vitrenko said.

In September, a move to transfer control of Ukrtransgaz to the Ministry of Economic Development and Trade took Naftogaz by surprise.

The state-owned gas supplier, along with the company's key lender, the EBRD, only learned about the decision from the media.

Naftogaz and its lenders rallied against the move and reversed the decision, which they say not only jeopardized a \$500 million loan from the World Bank for gas and but also was not in compliance with the Third Energy Package.

Vitrenko said while the ministry labelled the move "unbundling", it was actually an attempt to revert to Soviet practices.

He added that following the Stockholm arbitration there needs to be a lot of political will to bring about change and prevent further

"Unfortunately in Ukraine we have a history of delays. There are many reforms in Ukraine that have been delayed for 23 years – for the entire history of Ukrainian independence," Vitrenko said.

"So unfortunately a delay in Ukraine doesn't mean that you will get it, but just a bit later. In Ukraine, unfortunately a 'delay' means the same as 'mañana' (tomorrow) in Spanish − it may be never, basically." ■

Trump's chief lawyer carries Ukraine baggage

BY JOSH KOVENSKY

KOVENSKY@KYIVPOST.COM

Blundering past the boundary between private business and public service that has long defined American political life, U.S. President Donald Trump's lawyer Michael D. Cohen appears to have played a key role in Andrey Artemenko's botched back-door attempt at a peace deal for Donbas.

The New York Times reports that Cohen acted as a middleman for Artemenko, delivering the peace plan to now-ousted National Security Advisor Michael Flynn.

Cohen has denied that he gave the plan to Flynn, issuing conflicting statements on the matter.

But that wouldn't be Cohen's first run-in with Ukraine. The 49-year old longtime Trump attorney, who said in a 2009 interview that he speaks some Russian, appears to have at least traveled to Ukraine in the mid-2000s in connection with investing in an ethanol plant, and even set up a company to that end.

Cohen's wife is of Ukrainian origin. His brother, Bryan, also married into a Ukrainian family that holds agricultural investments.

Michael Cohen resigned from his position as executive vice president of the Trump Organization on Jan. 20 to serve as President Trump's personal lawyer.

Cohen did not reply to emailed requests for comment.



U.S. President Donald J. Trump's personal lawyer Michael D. Cohen on Dec. 16. (AFP)

Ethanol investments

In 2006, towering oil prices around the world were pushing investors to consider biofuel production.

Ukraine, with its abundant crop production, seemed to be an ideal candidate for ethanol fuel.

So a group of investors, apparently led by former people's deputy and Yushchenko-era deputy coal minister Viktor Topolov, set out to build a \$110 million ethanol processing plant in a town of Zolotonosha 155 kilometers southeast of Kyiv.

It's not clear where the funding came from – at the time, Topolov was on the boards of state-owned Ukreksimbank and Index Bank, which was bought by Credit Agricole in August 2006.

A Kharkiv-born American busi-

nessman named Alex Oronov joined the project in 2006 through a company called Harvest Moon East. Oronov is connected to Cohen through family: Oronov's daughter is married to Cohen's brother Bryan.

Evgeniy Radovenyuk, the former CFO of Harvest Moon East and current CFO of Grain Alliance, said that the two Cohen brothers visited Ukraine in the mid-2000s, as the launch of the Zolotonosha plant was being discussed.

"He participated in discussions, but there was no financial involvement," Radovenyuk said.

The question of the extent of Cohens' involvement comes down to the ownership of two companies: International Ethanol of Ukraine Ltd. and Ukrethanol LLC.

The Cohen brothers founded International Ethanol in April 2006 with Oronov, according to the New York State Corporate Registry. International Ethanol does not appear in Ukrainian registries as ever having done business here, despite the company's name and timing of its founding.

Ukrethanol acquired half of Harvest Moon in 2008, and continues to manage part of Oronov's Ukraine business, according to financial disclosures.

Ukrethanol is registered to an address on Long Island, care of Bryan Cohen. The address belongs to a law firm that Michael Cohen is reported to have formerly worked at.

Harvest Moon pulled out of the Zolotonosha project in 2010, one year from its scheduled launch. Since then, the factory has stood idle.

Taxis

The Trump attorney has another Ukraine link: Simon Garber, an Odesa-born businessman who owns taxicab services in New York, Chicago, and New Orleans. Before linking up with Trump, Cohen was a business partner with Garber.

But American press reports suggest that Garber has his own Kremlin connections. The Chicago Tribune wrote in 2004 that Garber befriended Russian parliamentarian Vladimir Sloutsker while on a 1992 trip to Monaco.

Sloutsker, who served as a Russian senator from 2002 to 2010, reportedly gave Garber the political connections to run a Moscow taxi service until the 1998 Russian economic collapse.

Cohen said he sold his stake in the taxi business in the early 2000s.

The Wall Street Journal also reported that Cohen ran a cruise service that took customers on boats out of U.S. territorial waters to allow them to gamble. Florida business records show that Cohen partnered with two men, Leonid Tatarchuk and Arkady Vaygensberg, for the venture. The WSJ reported that both were also Ukrainian.

Lawmaker dishes dirt on Poroshenko

Artemenko from page 3

of "political corruption by (Ukraine's) top officials." He said also delivered to Ukraine's Prosecutor General's Office materials about alleged money laundering and the illegal use of offshore companies by Poroshenko's business partner and lawmaker Ihor Kononenko.

Back in 2015, Nalyvaichenko gave the compromising materials on Poroshenko to Artemenko, which he claimed to also give to the U.S. authorities.

At the same time, Nalyvaichenko called Artemenko's idea of leasing Crimea to Russia unacceptable, and said he had brought to the U.S. his own peace plan.

Many peacemakers

Artemenko, who stays in the Rada as an independent parliamentarian, told the Kyiv Post on Feb. 22 that he saw his plan as the only reasonable alternative to the failed Minsk peace process.

"Minsk doesn't work - that's obvious," Artemenko said, adding that it was especially obvious after Russia said on Feb. 18 it recognized the "passports" issued by the Luhansk and Donetsk-based separatists who call the territories they occupy "republics."

Artemenko is not the only one to suggest an alternative to Minsk. Since December, suggestions to abandon the failed Minsk peace deal have also been made by oligarch Victor Pinchuk, businessman and former governor of Donetsk Oblast Serhiy Taruta, Vadym Chernysh, the minister for the temporarily occupied territories, and Andriy Yermolayev, the head of Nova Ukraina think tank, which is close to Serhiy Lyovochkin, a top lawmaker from the Opposition Bloc and ex-president Viktor Yanukovych's former chief of staff.

Like Pinchuk or Artemenko, Yermolayev proposed Ukraine adopt a neutral status and also launch a direct dialogue between Ukraine and the separatist authorities. Under the plan, the separatist-held zone would be demilitarized and placed under the control of UN peacekeepers and armed monitors from the Organization for Security and Cooperation in Europe.

Lyashko later claimed the Kremlin was behind Artemenko's plan. He said that Artemenko worked on the plan with Lyovochkin, Opposition Bloc faction leader Yuriy Boyko, and Ukrainian politician and close friend of Putin Viktor Medvedchuk.
Medvedchuk's spokesperson Oleg

Medvedchuk's spokesperson Oleg Babanin told the Kyiv Post on Feb. 22 that the politician had had nothing to do with Artemenko's plan. He described Lyashko's claims as "not serious."

Artemenko confirmed that he worked on the plan with several Ukrainian lawmakers, but said they are now afraid to admit this because of the negative public reaction to the proposed deal.

Artemenko told the Kyiv Post he was going to have a press conference in Washington early in March, at which he will reveal all the details of his plan - and compromising material about Poroshenko, which he supposedly received from Nalyvaichenko.

Meanwhile, fugitive lawmaker Oleksandr Onyshchenko told the Kyiv Post that Artemenko's evidence of Poroshenko's alleged corruption was similar to materials he himself had submitted to the U.S. authorities in December. Nalyvaichenko, however, denied having any links with Onyshchenko.

Treason case

On Feb. 21 Prosecutor General Yuriy Lutsenko revealed that Ukrainian prosecutors launched a criminal investigation of Artemenko, suspecting treason.

The preliminary charges read that Artemenko, backed by Russia, betrayed Ukraine by promoting abroad the openly pro-Russian idea of leasing Crimea, thereby aiding the aggressor state.

Artemenko denied that his plan was backed by Russia and said all the accusations against him "were just words that needed to be proven."

"We desperately need a new platform for dialog," Artemenko said. "Or should we fight against Russia until the very last Ukrainian soldier?"

The new U.S. administration has to play a key part in resolving the conflict, the lawmaker added.

And for an allegedly pro-Russian peace plan, Artemenko's proposals have been poorly received by the Kremlin – at least in public.

In particular, Dmitry Peskov, Russian President Vladimir Putin's spokesperson, dismissed the part of the plan about leasing Crimea to Russia.

"There's nothing to talk about. How can Russia rent its own region from itself?" Peskov told the Telegraph.

Kyiv Post staff writer Oleg Sukhov contributed to this story. ■

Critics say Hranovsky doing dirty work for Poroshenko

Editor's Note: The following investigation is supported by Objective Investigative Reporting Program, a Kyiv Post partner and MYMEDIA project funded by the Danish government.

BY OLEG SUKHOV SUKHOV@KYIVPOST.COM

Oleksandr Hranovsky, a lawmaker from the Bloc of Petro Poroshenko

from the Bloc of Petro Poroshenko faction in parliament, has risen to the top fast.

Before being elected to parliament in 2014, he was the little-known junior partner of wealthy yet controversial businessman Andriy Adamovsky. But now he has eclipsed Adamovsky, the vice president of the World Jewish Congress, and become an influential powerbroker and grey cardinal.

Hranovsky works in tandem with his friend and lawmaker Ihor Kononenko, who denies accusations of profiteering from state companies. The duumvirate of Kononenko and Hranovsky allegedly forms the core of Poroshenko's inner circle.

"The task Hranovsky was elected to parliament to do is to make money," Yegor Firsov, an ex-lawmaker from the president's dominant bloc, told the Kyiv Post. "He doesn't participate in public politics, and the essence of his activities is horse-trading and shadow schemes."

Hranovsky is considered as Poroshenko's top confidant for micromanaging law enforcement agencies to promote the president's business and political interests.



Three lawmakers from President Petro Poroshenko's Bloc - Ihor Kononenko (L), Yuriy Lutsenko (C) and Oleksandr Hranovsky - speak during a Verkhovna Rada session on Feb. 4, 2016. Kononenko and Hranovsky are friends and close allies, and the latter is accused of influencing Lutsenko, who is now prosecutor general. (Kostyantyn Chernichkin)

Hranovsky's critics Court and the State also claim that he Investigation is picking the Bureau and Supreme Court. winners in the I'm a great reformer but ongoing com-Не denied I'm also above the law, accusapetitions for the right? the Supreme "You've tions. got to give examples," Hranovsky said in an interview with the Kyiv Post.

Oleksandr Hranovsky, a top ally of

President Petro Poroshenko, faces

law enforcement and influencing

promote Poroshenko's interests.

accusations of interfering with

judges and prosecutors to

"Otherwise I can't take this information seriously."

Adamovsky did not respond to requests for comment. Prosecutors and courts accused of having links to Hranovsky declined to comment.

Sky Mall dispute

Many of the accusations linking Hranovsky with specific judges and prosecutors revolve around the corporate conflict around Kyiv's Sky Mall shopping center, which used to be controlled by Adamovsky and managed by Hranovsky.

Adamovsky, a Russian-Ukrainian businessman with interests in telecommunications and real estate, has acquired the reputation of

a corporate raider, which he denies, and has partnered with allies of ex-President Viktor Yanukovych. He ranked 65th on the Forbes' list of Ukraine's richest people with \$262.5 million in 2013, but has fallent off

in 2013, but has fallent off the top 100 list in subsequent years.

Adamovsky and
Hranovsky are accused of illegally seizing control over Sky Mall
from Estonian businessman Hillar
Teder in 2012. In May, the London
Court of International Arbitration
required them to transfer Assofit
Holdings, which had previously run
Sky Mall, for free to Tedar's Arricano





Dragon Capital CEO Tomas Fiala (L) and Mykola Chaus, a judge charged with bribery. Dragon Capital, which used to co-own the Sky Mall shopping center, has clashed with lawmaker Oleksandr Hranovsky, while Chaus is allegedly linked to the lawmaker. (Volodymyr Petrov, Ukrafoto)

The Prosecutor General's Office, the National Police and the National Anti-Corruption Bureau of Ukraine are investigating corporate raiding, fraud, embezzlement and tax evasion cases against Hranovsky and Adamovsky.

"Since 2013, the London Court of International Arbitration has ruled in favor of Arricano in five cases as part of the Sky Mall dispute," Yevgeniy Malieiev, head of Arricano's legal department, told the Kyiv Post. "At the same time, Ukrainian law enforcement agencies done nothing in cases linked to the illegal takeover

of Sky Mall."

Arricano attributes the lack of progress to Hranovsky's political clout.

Shady document

One of the institutions involved in the dispute was the High Commercial Court.

In 2014, the Anti-Raider Alliance of Entrepreneurs published what it claimed to be an informal written agreement between the High Commercial Court and Prizma Beta,

Hranovsky says he's not behind attacks on reformists

Editor's Note: The following investigation is supported by Objective Investigative Reporting Program, a Kyiv Post partner and MYMEDIA project funded by the Danish government.

BY OLEG SUKHOV

SUKHOV@KYIVPOST.COM

Oleksandr Hranovsky, a lawmaker and top ally of President Petro Poroshenko, has generally avoided publicity.

A short and heavy man, Hranovsky told the Kyiv Post in an interview that he is well aware of his sinister reputation. But he's no demonic character, he said, as he debunked the numerous accusations of corruption and interfering with law enforcement.

"Please don't ruin me," he quipped.

'Sasha Karavan'

Hranovsky, a 37-year-old native of Kyiv, used to be the CEO of Kyiv's Karavan shopping mall, for which he earned the nickname "Sasha Karavan."

He is chairman of the board of directors of Andriy Adamovsky's Assofit Holding Limited. Hranovsky was a partner of Adamovsky in several businesses, although he says that the partnership wasn't on paper and was sealed by verbal agreements only. His critics say that the agreements still exist and Hranovsky co-owns Adamovsky's business.

The former "Sasha Karavan" rose in Ukrainian politics in 2014, when he was first elected to Kyiv's City Council and then to the Verkhovna Rada.

Hranovsky is a member of the board of trustees of Hillel, a Jewish student group. He got an economics degree at International Solomon University, a Jewish private college in Kyiv, and participated in student exchange programs at Israel's Hebrew University and Indiana University.

Hranovsky is now getting a master's degree in law at Ternopil National Economic University as part of a distance learning program. He claims that he knows the practical side of law quite well, and wants to learn the theory.

He denies accusations of having Israeli and Romanian citizenship, although an alleged entry on his citizenship in a Romanian register has circulated in Ukrainian media. Double citizenship is banned by Ukrainian law.

Legal matters

Despite his interest for the law, Hranovsky denies politically interfering in law enforcement, including the department for high-profile economic cases at the Prosecutor General's Office, colloquially known as the "Kononenko-Hranovsky department," named after himself and Ihor Kononenko, a lawmaker of President Petro Poroshenko's Bloc and a longtime business partner of the president.

Hranovsky claimed that he had criticized the Prosecutor General's Office's cases against reformist ex-deputy prosecutor generals Vitaliy Kasko and Davit Sakvarelidze and lawmaker Sergii Leshchenko, allegedly calling them "idiotic cases" to former Deputy Prosecutor General Yuriy Stolyarchuk.

The investigations were widely seen as fabricated and as a political vendetta by Poroshenko and his loyal former Prosecutor General Viktor Shokin.

Legal ties

Hranovsky, who is accused of influencing the prosecutors and courts, talked about his connections in this area.

He spoke highly of Serhiy Lysenko, a controversial ex-prosecutor from Kyiv's Dnipro District who was fired in 2015 after threatening to order to beat and rob an activist.

"He's a very interesting, educated and worthy specialist," Hranovsky said. "He has a lot of information and communicates with (prosecutors) and knows a lot. When I'm interested in something, I can address him and he can find something for me."

When asked what exactly he had been discussing with Lysenko, Hranovsky said that he "cannot fully answer this question because this is (something) I wouldn't like to talk about"

He also said that he had been acquainted with another prosecutor, Oleh Valendyuk, for 10 years and with Pavlo Demchyna, a deputy chief of the Security Service of Ukraine, for seven years.

Meanwhile, Leshchenko claimed on Feb. 20 that Demchyna and the "Kononenko-Hranovsky department" of the prosecutor's office were pressuring natural gas traders to promote the interests of a natural gas firm allegedly linked to pro-Russian politician Viktor Medvedchuk and Poroshenko's inner circle. The Presidential Administration and Hranovsky denied the accusations.

Another Hranovsky ally in state agencies was ex-State Fiscal Service Deputy Chief Kostyantyn Likarchuk, formerly an employee of the Avellum law firm, which was providing legal services to Adamovsky and Hranovsky.



Media clout

Apart from law enforcement, Hranovsky has been accused of trying to influence the news media, including through the Bukvy news site, founded by Kateryna Roshuk and Petro Terentyev.

"I don't have anything to do with Bukvy," Hranovsky said, adding that he had met Roshuk once or twice.

Both Roshuk and Terentyev are known to aggressively lash out at critics of Hranovsky, Kononenko, and sometimes Poroshenko.

While denying the links to Bukvy, Hranovsky said he had told Bukvy not to attack his major political opponent, lawmaker Leshchenko, so often.

Duumvirate

Hranovsky also denies the main accusation against him: that he has been running corruption schemes with lawmaker Kononenko.

Hranovsky had to interrupt the interview with the Kyiv Post to receive a phone call from Kononenko.

"I have friendly and close relations with Kononenko," Hranovsky said. "I don't know anything about his schemes. He's not handling any of them through me."

Hranovsky and Kononenko have been accused of being linked to an alleged corruption scheme being investigated at Odesa Portside Plant that involves Olga Tkachenko, an ex-aide of Hranovsky.

"Tkachenko is an independent person, and I haven't seen her for a long time," he said. "I'm sure that she hasn't been involved in any criminal activities." In 2016, Oleksandr Vizir, an aide to Kononenko, became a member of Odesa Portside Plant's board of directors.

Railway supplies

Another alleged corruption scheme involves Trade Commodity, which recently won three contracts worth Hr 3 billion to supply diesel fuel to railway monopoly Ukrzaliznytsya.

Leshchenko claims that the company is linked to Adamovsky and has accused Hranovsky of lobbying for his interests.

Adamovsky did not respond for requests for comment, while Hranovsky said he had nothing to do with the company.

Sky Mall saga

At the center of corruption accusations against Hranovsky is the dispute over the alleged seizure by Hranovsky and Adamovsky of the Sky Mall shopping center from Estonian businessman Hillar Teder and Czech investment banker Tomas Fiala's Dragon Capital in 2012.

Hranovsky accused Teder's firm Arricano of bribing judges, forging and backdating documents and faking auditors' reports. He promised to show documents proving his claims to the Kyiv Post but, as of Feb. 23, had failed to do so.

Arricano responded to the claim by saying that he was bluffing and had no proof.

"Foreign citizens are trusted more by default than Ukrainian ones," Hranovsky said, referring to Teder and Fiala. "...Opinion leaders are not interested in taking account and analyzing information (on accusations against Arricano)."

Tax problems

Another accusation concerns Hranovsky's tax payments.

During a legal dispute with businessmen Ihor Filipenko and Andriy Malitsky in the British Virgin Islands in 2012, Hranovsky testified that he had received \$700,000 from Filipenko.

Ex-lawmaker Yegor Firsov said last year that he had seen Hranovsky's tax returns and the money had not been included in them.

Hranovsky said he had not included the money because he had failed to receive the money and had instead gotten a stake in the Gorky Park real estate project from Filipenko, so there was nothing do declare.

The statement appears to run contrary to Hranovsky's testimony in the British Virgin Islands, where he said "I got it (the \$700,000) in cash."

Everything sold?

Hranovsky also said he used to have some minor stakes in businesses as well, but sold all of them when he was elected to the Verkhovna Rada in 2014, as required by the law.

However, Hranovsky was registered as an entrepreneur until Feb. 2, 2016, according to the Justice Ministry's register of entrepreneurs. Ukrainian law bans lawmakers from running a business.

Hranovsky argued that this was a mistake. ■

Hranovsky denies claims he is Poroshenko's legal fixer

Hranovsky from page 14

a company controlled by Adamovsky.

Under the alleged agreement, the High Commercial Court was to receive \$2 million for rejecting a \$120 million debt claim against Prizma Beta and transferring a car park from Arricano to Prizma Beta in 2012–2014.

Viktor Tatkov, the chairman of the High Commercial Court in 2010 to 2014, and his former deputy,

Artur Yemelyanov, were accused of running large-scale corruption schemes under Yanukovych, which they deny. Both judges were charged last year with organizing unlawful court decisions.

A friendly prosecutor

In August 2014, Hranovsky sent then Deputy Prosecutor General Mykola Herasimyuk a summary of a criminal investigation that could influence his conflict with Teder over Sky Mall, according to emails published by the Organized Crime and Corruption Reporting Project, a Kyiv Post partner.

Herasimyuk's involvement in the Sky Mall conflict also surfaced when in November 2014 he responded to a letter sent by Estonian Prime Minister Taavi Roivas to Poroshenko. Herasimyuk wrote that a criminal case into the mall's seizure was under way.

Roivas asked Poroshenko on Aug.

27, 2014 to help Teder protect his rights in the Sky Mall dispute. He wrote that "the attackers are using the Ukrainian legal system and law enforcement authorities to bar the investor from controlling his resources."

"We have raised this issue at numerous high level meetings with the Ukrainian authorities but unfortunately we have seen no progress on the case," Gert Antsu, Estonia's ambassador to Ukraine, told the Kyiv Post. "Thus it remains a serious concern for us that our investor is not able to use his assets and we keep working on the issue."

The documents published by the OCCRP also show that Herasimiuk was being offered bribes to drop charges against Yanukovych allies, and that he transferred \$700,000 abroad in 2014.

Hranovsky fends off claims of interfering with justice

Hranovsky from page 15

'Bald birds'

Kyiv's Dnipro district prosecutor's office also played a key role in the Sky Mall dispute.

In 2014, the district office opened bribery, embezzlement and forgery cases against employees of Arricano who clashed with Hranovsky in the conflict. The cases were closed in 2016 due to a lack of evidence

In 2015 AutoMaidan activist Serhiy Stroy took a picture of smartphone correspondence between Dnipro district prosecutors in a courtroom. In the messages, prosecutors Serhiy Lysenko and Artem Tenditny

threatened to open a criminal case against Stroy, "beat the "sh*t out of him" and have someone steal his phone.

district

In May, investigative journalist Dmytro Gnap took a picture of Hranovsky drinking tea with Lvsenko. Several sources told the Kyiv Post that Lysenko now acts as an informal liaison between Hranovsky and the department for high-profile economic cases at the Prosecutor General's Office, which is accused of fabricating cases on behalf of Poroshenko, Kononenko and Hranovsky.

A loyal judge

Tenditny, Lysenko and their fellow Dnipro district prosecutor Denys Solovey were fired after the scandal, but in April Kyiv's Administrative District Court ruled to reinstate Lysenko and Solovey, though eventually they failed to get their jobs back.

But another participant in the correspondence, Anton Drozd, was appointed an investigator at the Kyiv prosecutor's office in 2016.

After Kyiv's Administrative District Court made the decisions, Radio Liberty filmed Hranovsky meeting last May with Pavlo Vovk, chairman of the court, as well as with Oleksandr Ruvin, head of the Kyiv Institute for Forensic Research.

The court has also ruled in favor of Hranovsky and Adamovsky when Arricano disputed the actions of registrars in the Sky Mall conflict.

Meanwhile, fugitive lawmaker Oleksandr Onyshchenko, a suspect in an embezzlement case, has claimed that a representative of Hranovsky had requested a \$2 million bribe to have an administrative court give Onyshchenko back his immunity to prosecution - an apparent reference to Kyiv's District Administrative

Onyshchenko, who fled Ukraine last year before being stripped of immunity, claimed in December that he had evidence of Poroshenko's





Businessman Andriy Adamovsky and lawmaker Oleksandr Hranovsky deny accusations of illegally seizing the Sky Mall shopping center from Estonian Hillar Teder and Dragon Capital. (Kostyantyn Chernichkin)

alleged corruption, which is denied by the president.

Exempt from lustration

In 2014 the Kyiv District Administrative Court exempted prosecutor Oleh Valendyuk, an alleged ally of Hranovsky, from the

lustration law on the firing of top Yanukovych-era officials in a highly controversial ruling. Prosecutor General Yuriy Lutsenko's reluctance to fire Valendyuk and other Hranovsky allies and his decision to take Hranovsky with him to Cyprus last September triggered

speculation about the lawmaker's influence on the whole prosecution

A judge with a bribe

Hranovsky-linked prosecutors from Kyiv's Dnipro District Court are working in tandem with the district court, where the lawmaker also allegedly wields influence.

Desna

One of the court's judges, Mykola Chaus, was caught last year with a \$150,000 bribe and fled the country.

In 2015, Chaus ruled against Arricano when it complained about prosecutors' failure to

return to the company the property that had been seized during searches. In that year he also issued an arrest warrant for Gennady Korban, a political opponent of Poroshenko, in a kidnapping and theft case.

Other judges of the court have authorized Arricano lawyer Malieiev's arrest in 2014 and made decisions in favor of Hranovsky and Adamovsky in the case against another Arricano employee.

Summary justice

The Holosiiv District Court has also ruled in favor of Hranovsky and Adamovsky in the dispute around Sky Mall.

Cases linked to the dispute were always given to judges Larysa Kalynychenko and Oksana Myroshnychenko, which led Arricano to suspect that they were doing Hranovsky's bidding.

The court has allowed computers illegally seized from Arricano to be used as evidence in Teder's legal dispute with Adamovsky, Arricano

The Holosiiv District Court has also required businessmen Andriv Malitsky and Igor Filipenko to pay Hr 748 million to Adamovsky and Hranovsky in a business dispute over the sale of oil product retailer VikOil. The decision runs contrary to one made in 2014 by a British Virgin Islands court, which ruled that Adamovsky and Hranovsky defrauded Malitsky and Filipenko and required them to repay \$35 million.

Odesa corruption

Kyiv's Solomyanka District Court is also allegedly influenced by Hranovsky.

Last year Oleksandr Bobrovnik, a judge of the court, banned the National Anti-Corruption Bureau of Ukraine from accessing Viber messages written by Olga Tkachenko, a member of the Odesa Portside Plant's executive board under investigation in a graft case. Tkachenko used to be an aide to Hranovsky and chief executive of Sky Mall.

In 2015 the vlasti.net news site published an alleged \$16 million contract between Odesa Portside Plant and Hong Kong-based Expotrade Global Limited, which is accused of buying fertilizers from the plant at below-market prices.

The contract was signed by Tkachenko. ■

100 murders, 1 person in prison

BY OLENA GONCHAROVA AND OLEG SUKHOV

GONCHAROVA@KYIVPOST.COM

AND SUKHOV@KYIVPOST.COM

Volodymyr Holodnyuk has spent the last three years hoping to find out who killed his 19-year-old son at the height of the EuroMaidan Revolution that drove President Viktor Yanukovych from office three years ago.

All he knows is that it was a 7.62-millimeter bullet that took the life of Ustym Holodnyuk, one of the 48 protesters killed on Maidan Nezalezhnosti in Kyiv on Feb. 20, 2014.

Three years later, only one person

– Azeri-born Aziz Razim Tagirov

– is behind bars for crimes against
EuroMaidan protesters. He was
given a four-year sentence last year
for assaulting demonstrators.

The rest of the 35 people convicted for EuroMaidan crimes so far have been given fines or suspended sentences. Another 185 suspects are still facing trial, but most of these cases have seen little progress.

Meanwhile, cases against the suspected organizers of the EuroMaidan murders have not even been sent to court.

These include Yanukovych, ex-Interior Minister Vitaly Zakharchenko, Yanukovych's chief of staff Andriy Klyuyev, ex-Security Service head Oleksandr Yakymenko, ex-Prosecutor General Viktor Pshonka and Stanislav Shulyak, former head of Interior Ministry troops.

The multibillion-dollar corruption of Yanukovych's regime also remains unpunished. Only one Yanukovychera top official, ex-Justice Minister Oleksandr Lavrynovych, faces a trial on graft charges and no assets allegedly stolen by Yanukovych allies have been recovered.

Prosecutor General Yuriy Lutsenko has admitted that the cases had been sabotaged under previous prosecutors general – Ukraine has had four of them since the revolution -- but argued that he was speeding them up.

Seeing the impotence of the coun-



A mother of killed EuroMaidan protester testifies in Svyatoshyno District Court during the hearing of the case of former Berkut riot police officers in Kyiv on Sept. 27. (Volodymyr Petrov)

try's law enforcement system, the families of slain activists have started taking matters into their own hands.

"I don't even need to know who exactly pulled the trigger... I want justice... all of them should be held to account," Holodnyuk says. He spends most of his time searching for new evidence and communicating with prosecutors and pro-bono lawyers.

One of the lawyers for slain protesters, Vitaliy Tytych, believes EuroMaidan murder cases have little to no chances to be solved in Ukraine

"Only some low-level suspects might be punished," he said.

Stonewalled cases

The lack of progress has been attributed to both law enforcers' incompetence and intentional sabotage.

Many of the judges who persecuted EuroMaidan activists are now hearing cases against other judges and police officers who cracked down on the protesters. These judges are unlikely to convict the suspects because that would be tantamount to self-incrimination, Roman Maselko, a lawyer for the AutoMaidan protest group, told the Kyiv Post.

There are no jury trials in Ukraine, even though the constitution allows for empaneled citizens to decide guilt or innocence.

Moreover, hearings in EuroMaidan cases are constantly delayed and blocked by courts.

Another problem is that "the Interior Ministry is protecting its employees suspected of assaulting protesters and abuse of power and refuse to fire or suspend them," Yevhenia Zakrevska, a lawyer for the murdered demonstrators, told the Kyiv Post.

Legal obstacles

Sending cases against former top officials and riot police officers who are hiding in Russia to court would lead to their collapse because the current law on trials in absentia is at odds with international law, including the ban on selective justice, Sergii Gorbatuk, head of the department for trials in absentia at the prosecutor's office, and the lawyers of the slain protesters have argued.

Legislation has been submitted to the Verkhovna Rada to improve the current law on trials in absentia but this legislation does not remove pro-

EuroMaidan cases in the courts, by types of case, number of people

	Type of case	Notices of suspicion	Under arrest or house arrest	Sent to trial	Court verdicts
	Police crackdown on protesters, Nov. 30 2013	19	● 3	6	_
	Clashes on Bankova Street, Dec. 1 2013	10	_	5	• 1
	Police crackdown on the EuroMaidan camp, Dec. 10-11 2013	9	_	• 2	_
	Clashes on Hrushevsky Street, Jan. 19-22 2014	• 3	• 2	_	_
	Murders of Verbitsky, Zhiznevsky, Nigoyan, Senyk Jan. 21-25 2014	_	_	_	_
	Crackdown on and murder of protesters, Feb. 18-19 2014	36	12	18	• 1
	Murders of protesters, Feb. 20 2014	32	5	6	_
	Attacks by pro-Yanukovych thugs, or titushki, on protesters	42	13	16	9*
	Persecution of AutoMaidan activists by traffic police	104	• 3	82	6
	Persecution of protesters by judges	12	_	11	• 1
	Persecution of protesters by prosecutors	8	_	6	_
	Persecution of protesters by police investigators	16	_	8	_

*1 in prison, 2 released from prison, 6 suspended sentences.

By Stella Shabliovska, Kyiv Post | Sources: Prosecutor General Office, lawyers representing slain activists.

visions that contradict international law, Gorbatuk and Tytych told the Kyiv Post.

how to change the law. "They've just

Kyiv Post.

Tytych said authorities ignored proposals by protesters' lawyers on

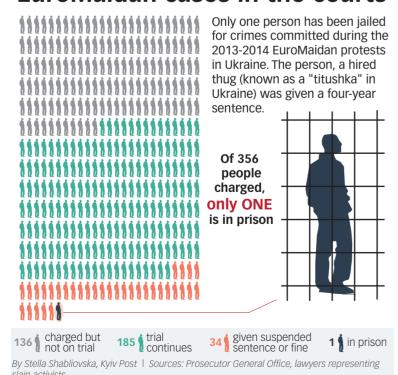
deceived us," he added.

Gorbatuk said, however, that

Lutsenko had asked him to voice his proposals on the bill several days

more **EuroMaidan** on page **18**

EuroMaidan cases in the courts



Politicians quick to place flowers, slow to ensure justice is served

EuroMaidan from page 17

ago, even though he had already made his proposals last year, and they had been ignored.

Murderer-in-chief

The key suspect, Yanukovych, has been charged with organizing the murder of protesters, stealing Hr 220 million (\$8.8 million) and treason.

In November, Yanukovych testified to a Ukrainian court for the first time via a video link from Russia. He appeared as a witness, though Tytych says this contradicts the law because he is also the suspected organizer.

Yanukovych spent four hours answering the questions, but giving no specifics on the events of the winter of 2013-2014. He said he didn't give orders to law enforcers to use firearms against protesters.

Ukrainian lawyer Markiyan Halabala believes that questioning Yanukovych won't shed much light on the investigation. Halabala says there's a chance to send the cases against some organizers to trial, but only those where there's testimony of lower-level co-organizers.

Chief Military Prosecutor Anatoly Matios said on Feb. 20 that the treason case against Yanukovych would be sent to court on March 14. It includes a photocopy of the statement in which Yanukovych urges Russian President Vladimir Putin to send troops to Ukraine dated March 1, 2014.

Tytych dismissed the case as a public relations stunt, saying that it had little chances of success due to the legal problems of the law on trials in absentia.

Unpunished murders

Five Berkut riot police officers are currently on trial on charges of gunning down protesters on Feb. 20, 2014. It is seen as the most successful case just because court hearings are regular and more than 100 injured protesters have testified already. However, the lawyers warn that there won't be any verdicts in 2017 because the court still has to question about 1,000 witnesses and that the trial may drag on for years.

As many as 14 of the 23 wanted former Berkut officers suspected

People killed during the EuroMaidan Revolution (124-126 people in total)



police officers killed: 21

journalists killed: 1

Party of Regions officials killed: 1

Sources: Prosecutor General Office, lawyers representing slain activists, Euromaidan SOS



Medics help a wounded activist in Kyiv's Zhovtnevy Palace on Feb. 20, 2014. (Anastasia Vlasova)

of the killings have now received Russian citizenship while Berkut riot police commander Dmytro Sadovnyk fled the country after Pechersk Court Judge Svitlana Volkova released him on bail in 2014.

Tytych and Zakrevska suspect that Sadovnyk could only have been released with the approval of top Ukrainian officials because his testimony could have compromised them. Fingers have been pointed at President Petro Poroshenko and his loyalist, then Prosecutor General Vitaly Yarema, who deny the accusations.

The case against Volkova, who is accused of making an unlawful ruling, has seen no progress whatsoever, Gorbatuk said.

Police brutality

Another investigation rumbles on regarding the events of the morning of Feb. 18, 2014, when the police cracked down on protesters near the Verkhovna Rada building and on Instytutska Street. However, courts have released six of the riot police officers from detention facilities, with one of them roaming free and five placed under full or partial house arrest. This could make it much easier for them to flee.

The other cases have been less fortunate.

There's no progress in investigation of the killings of Armenian native Sergiy Nigoyan, Belarussian Mykhailo Zhyznevsky and Ukrainian Roman Senyk on Jan. 22, 2014. The prosecutors said the shots had been fired from a distance of up to three meters and the shooters are yet to be identified. Not a single notice of suspicion has been filed yet in the cases.

Moreover, 82 traffic police officers are on trial for persecuting AutoMaidan car-based protesters. However, potential sentences against many of them are likely to be canceled because the deadlines for the



Azerbaijan native Aziz Razim Tagirov is the only one to receive a sentence for EuroMaidan crimes. He's serving a four-year sentence. (5th TV Channel screenshot)

cases expired in December, Maselko argued.

Unpunished judges

Nor do prosecutors have much of a desire to pursue cases against judges involved in the persecution of protesters, Maselko said.

Only 11 judges are on trial for such crimes, and one of them, Vladyslav Lysenko, has been acquitted. "They botched the investigation (against Lysenko). They sent it to trial knowing that it would collapse," Maselko argued.

A major obstacle is that are just four investigators working on the cases against judges, investigators and prosecutors accused of persecuting EuroMaidan activists, Gorbatuk said.

Out of the about 300 judges allegedly involved in the persecution of protesters, only 33 have been fired so far under the lustration law.

The High Council of Justice argues that it had no legal framework to fire the rest of the 300 judges until early January but Maselko says the council has been dragging its feet and blocking the dismissals. Deadlines for the firings are already expiring, though Maselko said some of them would come in March to May.

International court

Lutsenko, the nation's top prosecutor, said last year that some of the EuroMaidan cases could be sent to the International Criminal Court (ICC).

But lawyers say the ICC is unlikely to accept the cases. One problem is Ukraine's failure to sign the Rome Statute, the court's founding document.

Meanwhile, in 2015 the ICC opened a preliminary investigation in Ukraine's case but said the murders of EuroMaidan protesters did not qualify as crimes against humanity, which are investigated by the court



People commemorate slain protesters killed three years ago on Maidan Nezalezhnosti in central Kyiv on Feb. 20. (Kostyantyn Chernichkin)

KytyPost | Comment of the comment o

This weekend Ukrainians celebrate joyful Maslyana holiday marking spring coming and the beginning of new life cycle.



February 24, 2017

www.kyivpost.com

Eurovision: Then & Now



BY ANNA YAKUTENKO

YAKUTENKO@KYIVPOST.COM

Those fretting over delays and hiccups in Kyiv's preparations for the 2017 Eurovision Song Contest should take heart. In 2005, when Kyiv last hosted the contest, things were even worse at this stage. Amid the political turmoil caused by the Orange Revolution that brought President Viktor Yushchenko to power, Kyiv was in danger of losing its right to

Eurovision Song Contest will

be held in Kyiv on May 9, 11 and 13 in the International Exhibition Center (15 Brovarskiy Ave.) on the left bank.

Tickets to the Grand Final that will take place on May 13 cost Hr 1,000 – 15,999 (€ 34 - 553).
Tickets for semi-final are available at www.concert.ua for Hr 766 -

9794 (€27 - 345).

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Kyiv first won the right to host Eurovision after Ukrainian singer Ruslana Lyzhychko won the 2004 contest with her song "Wild Dances."

But the contest almost didn't happen in Kyiv. The Eurovision Song Contest's then-head, Svante Stockselius, visiting the Ukrainian capital in February 2005, found that preparations were seriously behind schedule. The public broadcaster had signed just one contract out of 125 needed for preparation. The contract with Palats Sportu, the venue for the event, wasn't signed until March.

Stockselius came to Kyiv only a month after the Orange Revolution that overturned the 2004 presidential election rigged for Viktor Yanukovych, who headed the organization committee until Feb. 17, 2005. He went on to become president in 2010 before fleeing in 2014 after his corrupt, authoritarian rule inspired the EuroMaidan Revolution.

According to Eurovision's official website, Stockselius warned the public broadcaster and Yushchenko that the European Broadcasting Union, the official TV broadcaster of the event, would move Eurovision to another country. He gave Ukraine a tight two-week deadline to get its act together.

Swift action

The warning worked. When Stockselius returned two weeks later, he found that "all the conditions were met," according to the Eurovision website.

However, Ukraine still had problems to overcome.

In February, politician and former lawmaker Taras Stetskiv was appointed as a head of the national television company. Pavlo Hrytsak was made the executive producer of the Eurovision event. Hrytsak is also managing the 2017 contest.

"The biggest problem was the lack

of time," Stetskiv told the Kyiv Post of the 2005 problems. "We only had two months to prepare everything. But the parliament and government agreed to hold all the tenders over 10 days instead of 45 – otherwise we wouldn't have made it on time."

Hrytsak told the Kyiv Post in January 2005 that Kyiv then had only 3,000 hotel rooms. In the end, however, the capital had enough places. According to state statistics, the contest attracted only 7,000 visitors.

On May 2005, less than a month before the Eurovision contest final, Ukraine also lifted visa restrictions on citizens of many Western nations.

"Despite the delays to the organization of the contest, the 2005 Eurovision Song Contest was a success for the national television company of Ukraine," the Eurovision website says.

more **Eurovision** on page **21**

Night OWI WITH MARIA ROMANENKO MRO@UKR.NET

YUNA music awards bring glam, glitter and good spirits

Nothing says Ukrainian show business more than YUNA. This year's music award ceremony, attended by a sold-out crowd of at least 3,700 people and broadcast live on M1 TV, brought together a good variety of music genres and artists.

The music awards spectacle was started in 2012 by Kyiv Post publisher Mohammad Zahoor, with help from producer and radio host Pavlo Shylko, to celebrate Ukraine's best music. The winners are traditionally determined by an extensive team of judges, all with a connection to the Ukrainian music industry. Deloitte auditing firm monitors the entire process.

Some performers started arriving early to the red carpet of Kyiv's Palats Ukraina on Feb. 21. Ukrainian singer Pianoboy seemed a little hesitant, while pop band Agon gave off a 1980s Sex Pistols' vibe with their punky outfits. "Kyiv Post? That's the only newspaper I read! Because I know where to get it for free," band member Kostiantyn Borovskyi said.

Members of Ukrainian hiphop band TNMK got a special YUNA award for "Contribution to the development of Ukrainian music industry," while singer Monatik also arrived in good spirits. "I always can't wait until my own performance at YUNA because I get nervous about performing," Monatik shared. "Every YUNA performance is like an exam, but in a good way."

Rock band O. Torvald had every reason to be happy on this dazzling evening. They recently made their way to the Eurovision 2017 national selection final and their lead singer Zhenia Halych starred in a new Ukrainian film "Fight rules." The band was also nominated for "Best Rock Band" and "Best Artist's Management" YUNA awards.

But Halych kept it cool: "Nomination?" What nomination?" he said. "Oh, it's the "Best party-goers' nomination definitely. That will be us."

Zahoor and his wife, singer-actress Kamaliya, were among the last hit the red carpet. As the sought-after couple gave interviews, twin daughters Arabella and Mirabella entertained the public by strolling the red carpet.

Kamaliya, who cannot be nominated or win any YUNA











The YUNA national music award ceremony draws the stars of Ukraine. This year, the 6th annual ceremony took place on Feb. 21 at Palats Ukraina in Kyiv and rewarded Ukraine's best music talents. A sold-out crowd of 3,500 people watched the show, broadcast live on M1 TV.
1.YUNA co-founder and Kyiv Post publisher Mohammad Zahoor and his wife, singer-actress Kamaliya, present the award for "Best Duo."
2. Pop band Agon fool around on the red carpet prior to the start of the ceremony.
3. Pop band Vremya i Steklo perform their crowd-pleasing tune "Navernopotomuchto" ("Probably because").
4. Kamaliya captivates with the 1987 hit "Sign Your Name."
5. Monatik delivers his well-known hits and choreography.
6. Women pose for a photo in the fan zone of Palats Ukraina.
7. Pianoboy stays loyal to his stage name by using the instrument in his soul-baring performance of "Rodymky" ("Birthmarks").
8. Fahot, of hip-hop band TNMK, receives the band's YUNA statuette for "Contribution to the development of Ukrainian music industry."
9. Yulia Sanina of The Hardkiss lives the part in the band's first ever performance of Ukrainian-language rock song "Antarktyda" ("Antarctica"). (Kostyantyn Chernichkin) The YUNA national music award











Winners of 'YUNA 2017' National Music Award

- Best Soloist: Jamala
- Best Pop Band: Vremya i Steklo
- Best Rock Band: The HARDKISS
- Best Song: "1944" by Jamala • Best Album: "Monatik Zvuchit"
- ("Monatik Sounds") by MONATIK • Best Music Video: "Kruzhit" ("It
- sways") by MONATIK • Best Duo: "Zamanyly" ("Enticed") by Jamala and DakhaBrakha
- Discovery Of The Year: Griby
- · Best concert show: The HARDKISS's 5-year anniversary concerts "The HARDKISS. Five"
- Fresh sound: Cepasa
- Contribution to the development of Ukrainian music industry (special award): TNMK
- Best Artist's Management: Olexiy Potapenko, Iryna Gorova (MOZGI Enterntainment) – Mozgi, Vremya i Steklo, Potap i Nastva

Night Owl: YUNA draws big crowd in its 6th year in Kyiv

YUNA from page 20

award, said that following other artists' success makes her happy. "At least I can perform at YUNA every year while others can't. That's my prerogative," she laughed.

Lights, camera, action

The host, Ukrainian hip-hop artist Potap, started the prestigious ceremony by highlighting a certain prophetic ability of YUNA.

"Last year Jamala bagged herself four awards. Then she won the Eurovision, bringing it to Ukraine," he said.

TNMK, O. Torvald and MamaRika were the first to perform with a new take on TNMK's old hits "Zroby meni hip hop" ("Do me some hip hop") and "Hranuly" ("Granules"). Bands Agon and Vremya i Steklo offered the audience their catchy tunes and well-organized choreography. Pianoboy gave a soul-baring performance of his "Rodymky" ("Birthmarks").

Midway through the night the host, artists and audience honored with a minute of silence the late talented Ukrainian video director Maksym Papernyk, who died on Feb. 19. This gesture was followed by another tribute - a touching performance of George Michael's hit "Freedom" by one of the YUNA nominees Dima Libra.

Zahoor and Kamaliya were the first to present an award, which went to Jamala and DakhaBrakha for their duet "Zamanyly' ("Enticed"). Zahoor even shared a secret to helping the odds of winning a YUNA award.

"The easiest way to get this statu-

ette is by recording a duet," he said. The nomination tends to have the least competition. "For some reason there is no such tendency of creating duets and collaborations in Ukraine like there is abroad.'

Monatik seemed to have a successful evening with receiving "Best video" award for his work "Kruzhit" ("It sways") and "Best Album," for "Monatik Zvuchit" ("Monatik Sounds") presented to him by Ukrainian singer Oleh Skrypka.

"You deserve it. Well done," Skrypka said.

"So that's how parents must feel when their child does well," Monatik said.

The Hardkiss stole the rest of the night by first bagging themselves the "Best Rock Band" award then performing their first ever Ukrainian-language song "Antarktyda" ("Antarctica")

"Am I dreaming?" Yulia Sanina reacted upon accepting the award. "A couple of years ago I would not even have imagined the possibility of receiving this."

The Hardkiss also collected the "Best Concert Show" award for their five-year anniversary concerts "The Hardkiss. Five."

"Best Pop Band" award went to Vremya i Steklo who earlier on performed their hit "Navernopotomuchto" ("Probably because"). Jamala won "Best Soloist." She was in London but recorded a short video screened for the ceremony.

"Thanks to YUNA music awards and to all who voted, believed and supported me," the singer later wrote on Facebook. "I was there in spirit." ■

12 years ago, Eurovision faced harder challenges

Eurovision from page 20

Challenges again

Ahead of this year's event, the national television company admits that the preparations are again behind schedule.

The contest coincided with the reform of the state broadcaster into a public broadcaster. The public broadcaster was promised o.2 percent of the state budget, but most of that money was allocated to Eurovision.

Part of the organizational team for the event quit on Feb. 13 amid a conflict with the broadcaster, which ex-Eurovision employees accused of non-transparency in making key

Hrytsak said at a Feb. 13 press conference while delays have taken place, the national television company has already signed 30 contracts and launched tenders for constructing the stage and for video production, and has started the accreditation of guests and journalists.

Oleksandr Kharebin, one of the executive producers who quit on Feb. 13, claims that the national television company had signed only those contracts that were prepared by his team and submitted to Hrytsak in December. He also said that management of the channel had decided to count the \$7.4 million in expected revenues from advertising, sponsorship and tickets sales as expenses, effectively raising the current Eurovision budget by a third, to \$32 million.

Hrytsak said that, despite the resignations, the preparations will be finished on time.

On Feb. 20, the national television company announced that Kirill Voronin would take over as Eurovision's event manager, replacing Denys Bloshchynsky. He also named Oleg Zapadnyuk as head of security and Larysa Koval as as commercial director with the departure of Iryna Asman.

Comparing Eurovision 2005 and Eurovision 2017

Eurovision 2005



Despite Kyiv hosing Eurovision both in 2005 and in 2017, the host city selection process differed significantly. In 2005 the national broadcaster, the NTU, didn't hold a city bidding process, as it was only initiated in 2011. So in 2005 Kyiv was chosen as a host city without any competition being held.

Host city

Main

venue

In contrast, in 2016 the decision was up in the air until the last moment, when the organizers announced on Sept. 9 that they had picked Kyiv over Odesa and Dnipro, who were on the shortlist. A total of six Ukrainian cities bid for hosting rights, with Lviv, Kherson and Kharkiv being eliminated in the first round of the selection process.

Palats Sportu

Palats Sportu, the venue that hosted Eurovision in 2005, was located in the heart of Kviv and could host an audience of 6-7,000 – the number of tourists who actually travelled to Ukraine.

Stockselius told the Kyiv Post in 2005 that he praised the venue for being located in a picturesque district near major hotels and restaurants, in the city center.

In 2016, however, Palats Sportu couldn't be used as the contest venue because it was "technically outdated," according to the NTU's former executive director, Zurab Alasania.

\$23 million Budget Number 7,000

International Exhibition Center

Eurovision 2017 will be held in Kyiv's International Exhibition Center, which has a capacity of 12,000-14,000 people, and which is located on the left bank of Kyiv. The city authorities chose the center because Kyiv's biggest venue, Olympysky Stadium, was unable to be used, as the World Hockey Championship is being held there on the same dates. Ukrainian Minister of Culture Evhen Nyshchuk said during a press conference on Sept. 9 that the center would be reconstructed to improve its acoustics, the venue would be redecorated, and infrastructure nearby would be upgraded.

\$32 million 20,000 expected

of visitors Slogans "Awakening" "Celebrate Diversity"

Show will go on

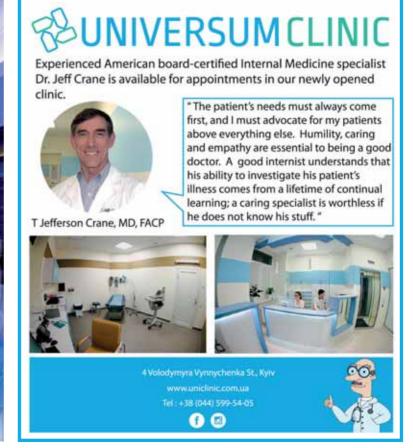
Ukrainian singer Ruslana, who brought Eurovision 2005 to Kyiv, believes that the 2017 contest will be a success.

In a statement on Feb. 17, she praised Hrytsak's professionalism, saying that he had organized a contest that was "praised not only by the European organizers, but also by the thousands of foreign tourists and journalists who visited Kyiv in 2005."

She said that Ukraine has sufficient finances and human resources to stage the event.

"I can guarantee that despite the complexity of the above-mentioned changes, Eurovision will be organized and held at the top level in Ukraine," Ruslana said. "I encourage all the skeptics to visit Ukraine in three months and see for themselves how unwarranted their doubts







Vsi Svoi Market

Visitors to the Vsi Svoi Ukrainian goods market can buy everything they might need for the home – various furniture, textiles, interior décor, and hand-made ceramics – and all of it Ukrainian-made.

Vsi Svoi Market. Feb. 25 – 26. 10 a.m. – 8 p.m. Vsi Svoi (12 Desyatynna St.) Free



Kadnay concert

Kyiv's Atlas night club will host the concert by Kadnay, a popular Ukrainian indie-pop band. Kadnay took part in Ukraine's national selection competition for Eurovision 2017 with their song "Freedom in My Mind."

**Kadnay (pop) music concert. March 2. 7 p.m. Atlas (37 – 41 Sichovykh Striltsiv St.) Hr 300 – 500



Rock Symphony concert

The legendary hits by Nirvana, Led Zeppelin, Muse, The Beatles, Metallica, System of a Down, The Doors, Queen will be performed by the Mykola Lysenko symphony orchestra on the stage of Kyiv's Palats Ukraina. Rock Symphony. Feb. 25. 7 p.m. Palats Ukraina. (102 Velyka Vasylkivska St.) Hr 1,750 - 800

Festival of American films

The program of the sixth American Independence Film Festival in Kyiv and Kharkiv includes documentaries and feature films on various topics, including women's rights, the conservation of endangered species, educational issues and problems with the judicial system. The five-day film festival is dedicated to the celebration of the 25th anniversary of diplomatic relations between Ukraine and the United States.



American Independence Film Festival. March 2 – 6. Kyiv Cinema (19 Velyka Vasylkivska St.) Hr 10 - 100

Art exhibition

Kyiv's Mystetsky Arsenal museum invites visitors to enjoy a personal art exhibition by Oleksandr Hnylytsky, a famous modern Ukrainian painter and installation artist. The exhibition features his paintings, sculptures, and graphic and media works.

"Oleksandr Hnylytsky. Reality of Illusion" art exhibition. Feb. 23 – March 26. Mystetsky Arsenal 11 a.m. – 8 p.m. (10 – 12 Lavrska St.) Hr 60



Feb. 23 - March 26



Maslyana Festival

Ukrainians celebrate Maslyana, a holiday marking the coming of spring and the beginning of a new life cycle, before the beginning of Lent. The Mamayeva Sloboda Museum invites everybody to celebrate a merry Ukrainian Maslyana – eating varenyky, enjoying a Cossack show, and having fun participating in folk dances.

Maslyana Festival. Feb. 25 – 26. 10 a.m. – 6 p.m. Mamayeva Sloboda Museum. (2 Dontsya St.) μ 55, μ 35 for schoolchildren, pensioners and students, free for Ukrainian soldiers

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- Communication Expert for the National Agency for finding, tracing and management of assets derived

from corruption and other crimes (ARMA) - will provide communication support to activities of the ARMA ensuring proper media coverage and public expectancy.

- Legal Expert for the National Agency for finding, tracing and management of assets derived from corruption and other crimes (ARMA) - legislation drafting support to ARMA's full scale launch.
- Team Lead with the extensive HR experience for the National Agency for finding, tracing and manage ment of assets derived from corruption and other crimes (ARMA) - will provide support launching the ARMA and creation a functioning Human Resource Management system of the ARMA.

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

Global Communities

is seeking qualified professionals to fill the following long-term positions for the five-year USAID-funded

Decentralization Offering Better Results and Efficiency Program (DOBRE):

RECEPTIONIST/ADMINISTRATIVE ASSISTANT

The Receptionist/ Administrative Assistant will provide ongoing administrative support to the administrative and technical staff. Responsibilities include travel arrangements, arranging meetings, taking minutes of regular staff meetings, assisting in the logistical coordination of events, conference es, and seminars, research, and other tasks as assigned. Full job description is available at:

Deadline for applications is February 26, 2017

HR/OPERATIONS MANAGER

The Human Resources/Operations Manager will oversee all Human Resource issues in the areas of personnel manage ment, policy and procedures, record keeping, contractual and legal matters, and the design and implementation of administrative systems for all DOBRE Program offices in Ukraine. Full job description is available at:

https://www.kyivpost.com/classifieds/jobs/hr-operations-manager

Candidates will be interviewed on a rolling basis.

Candidates are asked to submit resumes and cover letters in English to: UkraineHR@globalcommunities.org indicating the position title in the subject line.

Only applicants selected for interviews will be contacted. No telephone inquiries will be accepted.



Professionals for Reform Support Mechanism (PRSM)

provides human resource support - from managers to techni-

cal 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:

- HRM Expert (2 positions) for the Secretariat of the Cabinet of Ministers of Ukraine – will be responsible for developing and drafting regulations necessary to build modern and strong HRM function within SCMU.
- Communication Expert for the Project Office for Sectoral Decentralization – will provide communication support to activities of the POSD ensuring proper media coverage and public expectancy.
- Administrative Officer for the Project Office for Sectoral Decentralization – will perform a range of administrative tasks to ensure an organization runs efficiently.

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



THE WORLD BANK IS LOOKING FOR A

Social Development Specialist based in the World Bank's Kyiv (Ukraine) Office

The World Bank is looking for a Social Development Specialist based in the World Bank's Kyiv (Ukraine) Office. The main responsibilities will be focused on ensuring that the World Bank's projects with the Government of Ukraine are pro-poor and socially responsible. In addition, the staff person will carry out social development work in the areas of mainstreaming citizen engagement across the World Bank portfolio and supporting conflict and displacement response and peacebuilding-recovery activities. The successful candidates must have an advanced Degree (Master's Degree or equivalent) in the Social Sciences, Economics, or Political Science and at least 5 years of relevant external and/or Bank experience. Sound knowledge and familiarity with social safeguards policy requirements and international financial institutions, demonstrated knowledge in social risk management in development projects, especially in social risk management in large infrastructure, is highly desirable as well as experience in peacebuilding and recovery programming.

All interested candidates should apply via the World Bank website www.worldbank.org no later than February 27, 2017.

MINI **RESUME**

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SUSAID UKRAINE

PROJECT MANAGEMENT ASSISTANT

United States Agency for International Development (USAID)/Ukraine

Announcement # 001

DUTIES AND REPONSIBILITIES:

The Program Management Assistant (PMA) position is located in the Office of Democracy and Governance (ODG) of the USAID Regional Mission to Ukraine, Moldova, and Belarus (the Mission). ODG is one of three Kyiv-based technical offices in the Mission. ODG manages USAID activities in democracy, governance and human rights in Ukraine, including support to independent media, civil society, elections, political processes, parliamentary strengthening, local governance, human rights, rule of law, anti-corruption, and counter-trafficking in persons. Activities within these areas are guided by two ODG technical teams, each led by a Deputy Director under the leadership of the ODG Director. More information about USAID/Ukraine and the Office of Democracy and Governance is available at: http://ukraine.usaid.gov/

The PMA will work in the Office of Democracy and Governance in Kyiv under the supervision of the Office Director or his/her designee. The principle role of the PMA is to support the Mission's democracy, human rights and governance programs with technical program management assistance. This includes serving as Alternate Agreement Officer Representative (AOR)/Contracting Officer Representative (COR) for designated ODG activities, and providing program management assistance to AORs/ CORs across ODG. The PMA assists in essential program management functions, including activity monitoring, record-keeping, and reporting. The PMA will assist with ODG technical assessments, project designs, and activity designs.

REQUIRED QUALIFICATIONS:

A. Education: This position requires at least a university degree (B.A. or B.S.). A degree in public administration, political science, law, economics, education, or a related field is desired.

- B. Prior Work Experience: This position requires at least three years of progressively responsible experience in development assistance or program management, with at least one year of relevant project/activity management experience. Previous experience is desirable with leading international development institutions, government, international NGOs, embassies, or private-sector entities. Other experience related to USAID assistance is highly desirable.
- C. Language Proficiency: Level IV (fluent) English ability for reading, speaking and writing is required; proficiency in Ukrainian and Russian is also required at a Level IV (fluent) for reading, speaking, and writing. To address this required qualification, the applicant must list both English and host country language(s) proficiency requirements by proficiency level (I through V), and skill specialization (speak/read/write) in the pertinent section of the application documents.

CLOSING DATE FOR APPLICATIONS: March 3, 2017, by e-mail attachment only to Human Resources Office at KyivHR@state.gov; Include vacancy number and position title in the subject line of your email. The full package includes: CV, cover letter and DS-174 (https://www.usaid.gov/forms/ds-174/pdf) See the full version of this **Announcement at:**

https://www.usaid.gov/ukraine/work-with-us/careers/ documents/1863/usaidukraine-job-announcement-programmanagement-assistant

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