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5 Years On



A woman hugs a boy as beams of light – "The Rays of Dignity" – are projected into the sky at a memorial to slain EuroMaidan Revolution activists near Independence Square in Kyiv, on Feb. 20, 2019. (Volodymyr Petrov)
(Above) Five Kyiv Post editions that chronicled key events of the EuroMaidan Revolution: (L to R) The first big anti-government rally in Kyiv (Nov. 29, 2013); leaders of the EuroMaidan camp (Dec. 20, 2013); the outbreak of serious clashes (Jan. 24, 2014); the sniper killings in Kyiv (Feb. 21, 2014); and former President Viktor Yanukovich's abandonment of office and flight from Ukraine (Feb. 28, 2014).

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Ihor Smeshko runs to 'end authoritarianism'

BY BRIAN BONNER
BONNER@KYIVPOST.COM

Ihor Smeshko sometimes sounds like he is running against ex-President Viktor Yushchenko and not any of the 43 candidates, including President Petro Poroshenko, who are his competitors in the March 31 election.

Two dates still bitterly connect Smeshko and Yushchenko: Sept. 4, 2004, and Feb. 4, 2005.

The first date is when Smeshko, then head of the powerful Security Service of Ukraine, or SBU, was among those who dined with Yushchenko when some believe that he ingested a near-fatal dose of dioxin poison. Like so many big crimes in Ukraine, the case has never been solved.

All kinds of theories abound, including that Yushchenko was poisoned days or weeks earlier, but did not feel sick until after the fateful gathering. But everyone who attended the dacha dinner, at one time or another, fairly or unfairly fell under suspicion, including Smeshko, Yushchenko campaign manager David Zhvaniya and ex-Security Service of Ukraine deputy chief Vladimir Satsyuk. Smeshko has always said it's preposterous to think that he was involved in any way and many discredit this theory.

The second date that sticks out is Feb. 4, 2005, when Yushchenko — less than two weeks after coming to power because of the Orange Revolution — fired Smeshko as SBU chief, after Smeshko's 17 months in office. Yushchenko's predecessor, Leonid Kuchma, appointed him to the post on Sept. 4, 2003.

Smeshko's enmity still burns brightly for Yushchenko. Smeshko says he has no respect for Ukraine's third president, who served from 2005–2010, and whose incompetent and chaotically corrupt single term ended in 2010 when almost 95 percent of voters rejected his re-election bid.

"Yushchenko came to the power on the slogan of democracy," Smeshko told the Kyiv Post in an interview on Feb. 1. "But he didn't do anything to change the authoritarian system which he inherited. He was completely happy with this. He just claimed new faces would come to government. These new faces became even more corrupted than previous ones."

Yushchenko's office said the ex-president is too busy to comment.

Presidential candidate and former Security Service of Ukraine chief Ihor Smeshko speaks with the Kyiv Post on Feb. 1, 2019, in his office in Kyiv. (Kostyantyn Chernichkin)

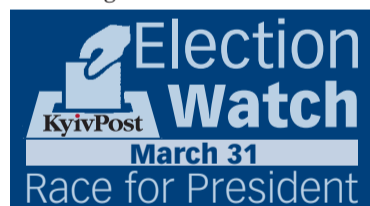


Poroshenko no better

The situation is no better today after nearly five years of Poroshenko, he said.

"Poroshenko did the same things wrong like Yushchenko," Smeshko said. "Poroshenko came to the highest level of political power as the loyal ally of Yushchenko."

Poroshenko was one of Yushchenko's top allies during the Orange Revolution. After coming to power, Yushchenko made Poroshenko secretary of the National Security and Defense Council and later foreign minister.



"Basically Poroshenko runs the same system which he inherited and even strengthened this authoritarian and untransparent way of governance," Smeshko said.

No Yanukovich, Medvedchuk?

As far as Smeshko and his supporters are concerned, he already has an honorable place in Ukrainian history for his role in stopping the Interior Ministry from sending its troops to attack the Orange Revolution demonstrators who demanded, and got Ukrainian Supreme Court backing for a re-vote on Dec. 26, 2004, in which Yushchenko defeated Yanukovich by eight percentage points. The efforts of Smeshko and others at the SBU were chronicled in a Jan. 17, 2005, article in the New York Times.

Smeshko paints a picture of all the disasters he could have averted had he been allowed to stay as head of the SBU.

He boldly said that, if the politicians had allowed him to finish his job back then, Ukraine would have never had to suffer Yanukovich's presidency, which ended when he fled the EuroMaidan Revolution on Feb. 22, 2014.

Smeshko also said that the polit-

ical career of Viktor Medvedchuk, Kuchma's ex-chief of staff whom Yushchenko accused of organizing the 2004 voter fraud, would have been cut short if he stayed at SBU longer. After the first round, authorities discovered the existence of a parallel server at the Central Election Commission capable of forging vote totals. This discovery, Smeshko said, was such a "big blow" against the fraud organizers that they stopped trying to cheat. He claimed he was on his way to investigating the fraud. But that would mean going against Kuchma, who appointed Smeshko, and had wanted Yanukovich elected.

Smeshko also claimed he was on the way to solving the 2000 murder of journalist Georgiy Gongadze before he was fired by Yushchenko.

However, investigating that murder would also have meant looking into whether Smeshko's boss, Kuchma, ordered the journalist to be silenced, as taped phone conversations leaked by one of Kuchma's security guards suggested. Four police officers, including their supervisor General Oleksii Pukach, were convicted. Many people today still suspect Kuchma's involvement, an allegation he and his defenders have always denied. To this day, Smeshko has little bad to say about Kuchma — except that he couldn't choose his boss.

He saves his venom for Yushchenko. "When Yushchenko came all these cases were stopped," Smeshko said of the 2004 election fraud, Gongadze and other criminal investigations of the time. "If we had additionally 2–3 months, Yanukovich wouldn't have a single chance to get back to power."

But, pressed for details, Smeshko fell silent, citing state secrets. "I know much more than I can tell you, but it's secret. All operational information is secret."

He also takes credit for helping U.S. law enforcement make progress in its ultimately successful prosecution of ex-Ukrainian Prime Minister Pavlo Lazarenko, who served from 1996–1997, but who spent eight years in a U.S. prison after his 2006

conviction for embezzling at least \$200 million from Ukraine.

But in so doing, Smeshko confirmed the ineffective and politically pliable state of law enforcement then — and now. "This is the only one successful case because we had the political will of the president (Kuchma) which gave to us the green light," Smeshko said.

Who is Smeshko?

The 63-year-old native of Khrystynivka, a town of 10,000 people in Cherkassy Oblast, Smeshko is a married father of two adult sons. He served for 13 years, from 1992–2005, in Ukraine's military intelligence division, leaving with the rank of colonel general. Kuchma plucked him from his military intelligence role to become SBU chief on Sept. 4, 2003.

The SBU is the successor to the Soviet-era KGB, holds vast powers with at least 40,000 employees and remains resistant to reforms and attempts to limit its authority to counter-intelligence and counter-terrorism.

Smeshko said that, as SBU chief, he found the organization was "very hostile to military intelligence." He said he fired some of the old guard as part of the "de-KGBization" of the organization, but pleasantly discovered many in the middle ranks to be patriotic and qualified. He also learned, he said, that some high-level government officials were cooperating "with very famous leaders of international organized crime."

Smeshko said he sought to cooperate actively with such leading international law enforcement agencies as the U.S. Federal Bureau of Investigation before Kuchma left office and Yushchenko fired him.

He left government service for good when fired in 2005. He started a private consulting and beekeeping business. In the last 14 years, Smeshko said he traded on his professional and academic background to earn a respectable income through consultancy services. He has a doctorate in cybernetics and the ability to speak

more Smeshko on page 18

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Lutsenko launches investigations against boss's political rivals

Editor's Note: Election Watch is a regular update on the state of the presidential race in Ukraine. The country will elect its next president on March 31, 2019, with a possible runoff on April 21. The Election Watch project is supported by the National Endowment for Democracy. The donor doesn't influence the content. Go to kyivpost.com for more election coverage.

BY OLGA RUDENKO
RUDENKO@KYIVPOST.COM

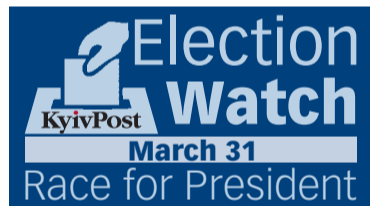
The official presidential campaign — which by Ukrainian law lasts only three months — has passed its midpoint.

With that milestone, the fight for the country's top office grew nastier, with candidates and their staffers now facing criminal investigations. That, in turn, has spawned accusations that law enforcement agencies are intruding on the campaign.

State of the race

The general picture of the race hasn't changed significantly since early February, when polls revealed that actor and first-time candidate Volodymyr Zelenskiy had taken a lead.

The latest poll, conducted by the Razumkov Center think tank on Feb. 7–14 and published on Feb. 20, shows the same three leaders as before: Zelenskiy, incumbent President Petro Poroshenko, and ex-Prime Minister Yulia Tymoshenko.



According to the poll, 19 percent of those who say they will vote in the election support Zelenskiy for the presidency. Poroshenko receives 16.8 percent of respondents' votes, while Tymoshenko gets 13.8 percent.

Until Zelenskiy announced his bid for the presidency and started campaigning in January, Tymoshenko had led the polls for months. However, long before his announcement, pollsters had included Zelenskiy in the polls and he frequently showed up among the top three candidates. But his true leap in popularity came in late January.

Back in mid-2018, ex-Defense Minister Anatoliy Grytsenko often registered as the frontrunner. Since then, his poll ratings have decreased significantly. In the Feb. 20 poll, he took fourth place with 7.3 percent of decided voters.

All three top candidates — Zelenskiy, Poroshenko, and Tymoshenko — have supporters concentrated in different regions of the country.

According to the Razumkov Center, Zelenskiy receives higher support in the central and southern parts of Ukraine. Poroshenko's and Tymoshenko's support is higher in the west and the center.

Helpful Lutsenko

On Feb. 20, lawmaker Ivan Vinnyk, who heads a parliamentary commission for investigating embezzlement in the army in 2004–2017, said that the Prosecutor General's Office had opened a criminal probe into all former defense ministers who occupied the office during those years.

Key developments:

Politicization of law enforcement on behalf of President Petro Poroshenko as authorities open criminal probe against candidate Anatoliy Grytsenko for his work in 2005–2007, investigate Yulia Tymoshenko campaign staffers.

The news received significant attention because that group of ministers includes presidential candidate Grytsenko.

Grytsenko was defense minister in 2005–2007 under President Viktor Yushchenko. Besides him, eight other people held the post in the 2004–2017 period, and two more served briefly as acting minister. Now, all of them are subject to an investigation.

Grytsenko called the parliamentary commission's investigation of the suspected embezzlement "a dirty PR show."

Grytsenko has been highly critical of Poroshenko, his competitor in the race, and especially of Poroshenko's ally, Prosecutor General Yuriy Lutsenko.

Just two weeks before news of the embezzlement investigation broke, Lutsenko and Grytsenko had a public confrontation.

Grytsenko said the prosecutor general had "hidden" his son from army service — something the former defense minister later admitted was incorrect. Lutsenko took offense. Both exchanged accusations and insults. Lutsenko's wife, Iryna Lutsenko — a lawmaker and Poroshenko's representative in parliament — also joined the fray: She filed a defamation suit against Grytsenko and lambasted the ex-minister on political talk shows.

Tymoshenko in trouble

Grytsenko isn't the only presidential candidate who has recently attracted the attention of the Prosecutor General's Office.

Lutsenko also ordered the Special Anti-Corruption Prosecutor's Office to look into Tymoshenko's connections to two U.S. lobbying firms that were hired by a third party to represent her interests. Tymoshenko said she didn't know who hired the firms and refused to cooperate with them. However, during Tymoshenko's trip to Washington, D.C. in December, at least one of her meetings was arranged by one of the firms she denied working with.

In her official asset declaration, Tymoshenko did not indicate that she spent any money on lobbying services or that she received such services as a gift.

Tymoshenko criticized Lutsenko, claiming he was doing a favor for Poroshenko, who appointed him to his post. Earlier, Lutsenko publicly supported Poroshenko's presidential bid in violation of a law that bans public officials from showing support for political forces.

"My friendly advice to Lutsenko is to go on vacation for the election period," Tymoshenko said in a statement on Feb. 15. "Otherwise, it's awkward: first he passionately backs Poroshenko, then he launches far-

fetched cases against (Poroshenko's) opponents."

Lutsenko's spokeswoman Larysa Sargan said later the same day her boss had no time for vacation, as well as for playing "political games."

Lutsenko said on Feb. 18 that "guaranteeing that the presidential election is fair is the main task (for Prosecutor General's Office for the next few months.)"

Rigging the vote?

Tymoshenko's trouble didn't end there.

Since the start of 2019, the former prime minister has been accusing Poroshenko of preparing to rig the March 31 presidential vote.

She claimed to know of two such plans. First, she claimed that Poroshenko's people were preparing to bribe voters directly, paying Hr 1,000 (\$37) per vote.

Second, she claimed that the

Days until election: 36



An elderly woman holds a poster of a candidate for president of Ukraine, Yulia Tymoshenko, during her campaign rally in Bila Tserkva on Feb. 8, 2019. (Volodymyr Petrov)

Central Election Commission reported an increase in the number of registered voters and this meant that Poroshenko was preparing to rig the vote by using fake voters. In fact, the number of registered voters remained almost unchanged since the 2014 presidential election: it went from 30 million to 29.9 million people.

Poroshenko's party headquarters denied these accusations and said Tymoshenko was "desperately trying to stop her ratings from falling."

But Feb. 21 brought an unexpected twist for Tymoshenko.

The Security Service of Ukraine, or SBU, a top security agency subordinate to Poroshenko, said it uncovered a network of people working in what it termed "an electoral pyramid scheme aiming to guarantee the victory of a certain presidential candidate." The SBU said that scheme was led by a member of parliament.

It wasn't clear from the SBU statement whether the purpose of the

network was to directly bribe the voters or just to pay a large number of unofficial agents to advocate for Tymoshenko. The scheme supposedly aimed to reach 600,000 people.

While the SBU didn't name the candidate who would supposedly benefit from the scheme, some evidence points to Tymoshenko. Earlier that day, Tymoshenko campaign representatives in Zaporizhia Oblast said that SBU agents searched the homes of campaign employees. Tymoshenko herself wasn't available for comment by the time this story went to print.

A member of the Zaporizhya city council from Tymoshenko's Batkivshchyna Party, Vitaliy Ryabtsev, said he witnessed the searches. He posted about it on social media, accusing Poroshenko of ordering the raid for political purposes.

"Law enforcement agencies de facto serve the campaign of the incumbent president," Ryabtsev said. ■

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Editorials

Lutsenko's folly

Anonymous sources in journalism are occasionally essential. In a democracy, the function of a free press is to hold government to account by providing the public with the facts.

So if a source who can prove government wrongdoing requests anonymity out of fear of retribution by the authorities, journalists should honor that request and sources should be confident that it will be honored. Otherwise, such sources will dry up, and the public loses.

For that reason, the attempt by the Prosecutor General's Office to force, via court order, to investigative journalist Ivan Verstyuk to turn over his emails so that authorities could identify a leaker is dangerous. It is ironic that the leaked information concerned the luxurious lifestyle of a notorious ex-prosecutor arrested for bribery in 2015. The prosecutor remains free while his trial drags on. Authorities here show more urgency in going after journalists than corrupt officials.

The court should take into account the wider public interest. In the scales of justice, the seriousness of the corruption case should have outweighed the seriousness of the leaker's breach of confidence.

Corruption flourishes for many reasons. One of them is that it is not exposed to proper public scrutiny by a free press. Moreover, Ukraine's judiciary has shown it protects corrupt elites rather than deliver justice.

It is good, therefore, that weekly news magazine *Novoye Vremya*, which published Verstyuk's article, will fight to protect his source all the way to the European Court of Human Rights.

The motives are obvious: Prosecutor General Yuriy Lutsenko in his two-and-a-half-year tenure has failed to secure a single conviction for high-level corruption. He has proven incapable of fighting corruption. In going after Verstyuk's emails, he appears determined to cover up corruption. Lutsenko should resign and let investigative journalists in Ukraine get on with their work. They're doing a much better job of fighting corruption than he is doing.

Chance for change

Five years after the EuroMaidan Revolution ended, much has changed for the better in Ukraine, yet much has not.

While President Viktor Yanukovich (who also triggered the 2004 Orange Revolution by trying to rig the presidential election) left power with his corrupt cronies, they have escaped punishment and most of the \$40 billion they stole has not been recovered. Moreover, too many of his allies are still free in Ukraine, as cancers on society.

Justice still has not come for the 100 demonstrators killed by Yanukovich's police.

Ukraine paid other heavy prices for its revolution, including the Kremlin's military invasion and seizure of Crimea and its war in the Donbas. But the Kremlin's war has had the upside of exposing, once and for all, Russia's contempt for Ukraine as anything but a subservient colony. Far from failing to break the nation's will, Ukrainians have proven their fierce determination to never surrender. Ukraine is getting out of Russia's orbit, hopefully forever. Thankfully, Ukraine is now firmly on course to joining the family of democratic European states and NATO.

Yet Ukraine's pervasive corruption, weak institutions, tired oligarchic elite and stuttering economy, hamstrung by overregulation and the failure to create enough jobs to stop the country's best and brightest from leaving, would be familiar to anyone from 10 or 15 years ago.

With the upcoming presidential and parliamentary elections, Ukraine has another chance for change. The next president should end the monopolies, de-oligarchize society, champion free competition and markets, establish rule and law, independent and effective courts, police, prosecutors, and launch a full-scale assault on corruption.

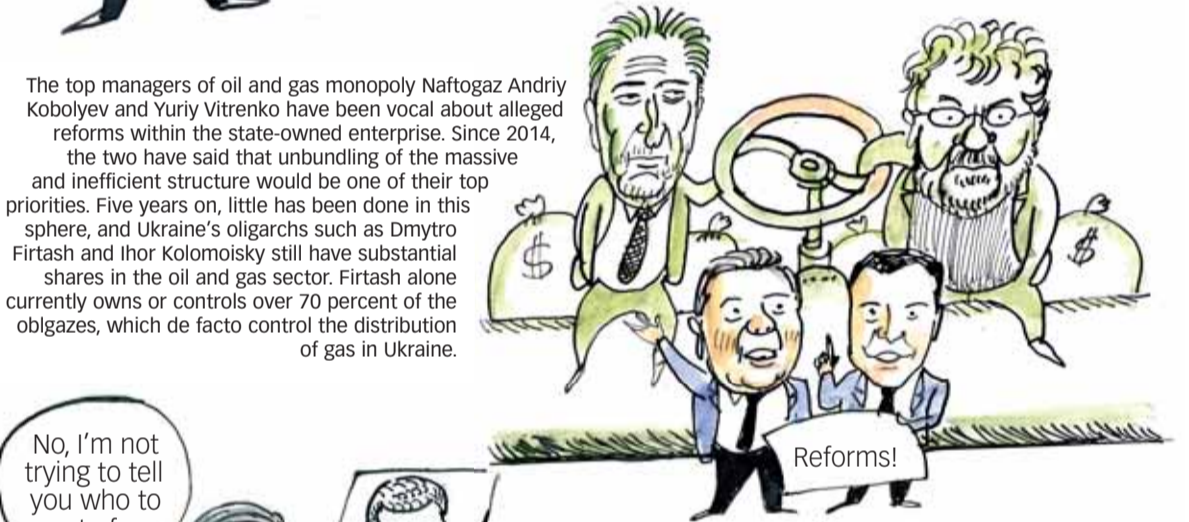
Despite President Petro Poroshenko's achievements, he's failed to fulfill the hopes of the EuroMaidan Revolution on many fronts, which is why he faces an uphill re-election battle and why so many in the polls yearn for a new face in the race.

In five years, we hope to have better changes to report from Ukraine, no matter who is the next president.

NEWS ITEM: Lawmaker and presidential candidate from Social Democratic Party of Ukraine Serhiy Kaplin got pranked on live television. A host of Channel 5 was reading out to Kaplin and discussing with him what the host said was Kaplin's own party program. The host then revealed that he was, in fact, reading out the party program used by the National Socialist German Workers' Party, the party of Adolf Hitler, in 1920.



NEWS ITEM: As a comedic actor and first-time presidential candidate Volodymyr Zelenskiy has been preserving his lead in the polls for several weeks, his opponents often say that a comic isn't a good fit for the president of a country at war.



NEWS ITEM: Kurt Volker, the US special envoy for Ukraine, said on the sidelines of the Munich Conference on Feb. 16 that Russia wanted to ensure that President Petro Poroshenko isn't re-elected in the March 31 election. With that, the diplomat effectively echoed Poroshenko's re-election campaign slogan, "If not Poroshenko, then (Russian President Vladimir) Putin" - explained in Poroshenko's campaign videos as "In 2019, either Poroshenko wins in Ukraine, or Putin wins."

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In Ukraine, gas is sold even to people who don't exist

BY MATTHEW KUPFER
KUPFER@KYIVPOST.COM

Nestled along the Inhul River just 300 kilometers south of Kyiv, the Kirovograd Oblast capital of Kropyvnytskyi boasts an unexpectedly rich history.

Formerly known as Kirovograd, the city was the birthplace of Volodymyr Vynnychenko, a top leader of the short-lived Ukrainian People's Republic in 1917–1919, and philosopher Afrikan Spir, who influenced Friedrich Nietzsche. Its center boasts an architectural ensemble combining neoclassical and baroque motifs.

But in the last two years, Kropyvnytskyi and the surrounding Kirovograd Oblast have attracted attention for something else: a corruption scheme to sell subsidized natural gas to imaginary people — termed “dead souls” after the novel by 19th century Ukrainian writer Nikolai Gogol — residing in nearly 500 fictional houses across the region. The gas was then likely resold to industrial and commercial clients at a much higher price.

“Bluntly speaking, a debt (for gas) hangs over society, and society cannot remove that debt from the dead souls,” says Alexander Gladky, who now leads the company where the scheme was discovered. “And the gas that was hung there is then sold at a commercial price.”



An elderly woman pulling a small cart passes the headquarters of regional gas distribution company Kirovogradgaz in the city of Kropyvnytskyi on Feb. 20. Many Ukrainian pensioners struggle to pay for gas and heating. Meanwhile, between 2009 and 2017 Kirovogradgaz's previous management allegedly stole \$2.8 million worth of gas subsidised for domestic consumers and likely resold it to industrial enterprises. (Olena Karpenko)

The scheme wasn't particularly creative, according to Naftogaz, Ukraine's state gas company. But that also means it probably wasn't unique.

What happens in largely agrarian

Kirovograd Oblast is likely happening elsewhere in Ukraine — potentially on an even larger scale.

Takeover

At the center of this story is

Kirovogradgaz, the regional gas distribution company — or oblgaz in Ukrainian — responsible for delivering gas to Kirovograd Oblast.

In Ukraine, over 70 percent of all oblgazes are controlled by or affiliat-

ed with Dmytro Firtash, a Ukrainian tycoon who built his empire through business ties with Kremlin-controlled Gazprom. According to an investigation by the Biznes.Censor news site, Firtash controls 22 oblgazes, including 20 that are affiliated with his Regional Gas Company. Currently, Firtash lives in exile in Austria as he fights U.S. corruption charges that he denies, but his vast Ukrainian businesses are unaffected.

Additionally, the oligarch reportedly exerts control over six other oblgazes through an informal group of politicians and businesspeople.

According to Biznes.Censor, that group includes such figures as presidential candidate Yuriy Boyko, who formerly served as energy minister and deputy prime minister under ousted President Viktor Yanukovich, and lawmaker Serhiy Lovochkin, who was chief of Yanukovich's administration. Lovochkin's office declined to comment, directing the Kyiv Post to the politician's asset declaration, which listed six offshore companies. Boyko did not reply to a request for comment.

Critics of the oblgazes argue that they were created under Yanukovich to make money. This and their ties to Firtash have led to frequent accusations of corruption against the intermediary companies.

Firtash's Group DF and Regional

more Gas on page 8

March 6, 5:30 p.m, venue - secret

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Kness opens largest plant for solar panel production

BY NATALIA DATSKEVYCH
DATSKEVYCH@KYIVPOST.COM

VINNYTSIA, Ukraine — The Ukrainian city famous for having the largest multimedia performance fountain in Europe now had something else to boast about.

Vinnytsia, a city of 370,800 people located 260 kilometers southwest of Kyiv, on Feb. 5 celebrated the opening by local energy company Kness of the biggest solar panel production plant in Ukraine. Kness invested 5 million euros into the 6,600-square-meter factory, which was built on the site of an abandoned car maintenance base.

The results are impressive. Today the plant has the annual capacity to turn out enough solar panels to generate 200 megawatts of electricity, but that will double by the end of this year after the launch of a planned second production line.

Since its founding to the time of opening the Vinnytsia plant, Kness has survived 10 years of economic and political ups and downs in the nation, according to its top management.

On Feb. 8, sitting in the company's modern head office near the plant, Sergii Shakalov, CEO and co-owner of Kness, told the Kyiv Post about his brainchild and key points about the solar power business in Ukraine.

"It's not easy to do business in Ukraine, and the market has a huge amount of difficulties. But here you can earn profits if you work hard," Shakalov said.

The plant is located in a city considered to be a business hub for Ukrainian President Petro Poroshenko and Prime Minister Volodymyr Groysman. The president's confectionary business Roshen has one of its biggest plants in the city. Roshen is also the company that



A worker at the Kness factory monitors the quality of a solar panel before it will be ready for packaging on Feb. 8, 2019. (Kostyantyn Chernichkin)

financed the city's main landmark — the fountain — which also bears the name of Roshen. And Vinnytsia is also the hometown of Groysman, who was the mayor of Vinnytsia for eight consecutive years before becoming the speaker of the national parliament, and then prime minister.

But Shakalov says that he doesn't find it any easier to do business in Vinnytsia than in any other part of the country.

For Shakalov it's not so much about who is in charge of the city, or what its geographic location — the entrepreneur just has to be willing to work very hard.

He himself has gained a reputa-

tion among his staff as being a perfectionist and a workaholic.

Local to international

The factory itself is just the tip of an iceberg of work that went into its establishment.

Born in 2009 as a local company called Podilskyi EnergoConsulting, the company rebranded itself seven years later into something more easily readable — Kness — as foreign clients simply couldn't pronounce its name.

From the very beginning, Kness was mainly focused on constructing power grids, as well as connecting industrial consumers to such grids,

making inverter stations and other equipment. But its plans changed in 2011 when Kness got its first solar project as a subcontractor from Kyiv-based Rengy Development to build a five-megawatt solar power plant in Vinnytsia Oblast.

The project showed amazing opportunities of an at-that-time undiscovered niche in the Ukrainian energy market. Since then, Kness has been building solar power plants for clients, including a project in Kyiv Oblast with Spanish energy giant Acciona, following the growing trend for renewable projects in Ukraine fostered by favorable green tariffs.

"Starting from 2011–2012, we began to see ourselves as an international business that is located in Ukraine," said Shakalov.

Kness has a total solar portfolio of 468 megawatts, and is the leader among Ukrainian solar power contractors. Its largest project, which is currently under construction, is a plant with a capacity of 91 megawatts in Ukraine's central Kirovograd Oblast, according to Shakalov.

But the company is not stopping there.

Since 2018, Kness has also been building its own solar power plants. Its first three — with a total capacity of almost 40 megawatts — were financed by the European Bank for Reconstruction and Development, at a cost 25.9 million euros altogether.

At the same time, the opening of the Vinnytsia plant is considered by Shakalov as his company taking a step closer to potentially exporting to such places as Kazakhstan, or African countries.

Moreover, Shakalov wants to build more factories, not only in Vinnytsia, as logistically it is not that convenient, he said.

"If we talk about export-oriented production, it is more beneficial to

have it closer to the ports or borders," Shakalov said, although he did not want to give more details.

However, energy experts have some doubts regarding a new Kness plant.

Yuriy Podolyak, the commercial director of IK Net, an energy project management company in Ukraine, doesn't believe that Ukrainian panels will be highly demanded abroad, as they are not well known.

But one of the other main goals of Kness is to promote itself as a contractor abroad.

Since Kness has already been financed by the EBRD, it can participate in official international tenders and offer its own equipment as a contractor to foreign countries, according to Podolyak.

Brain drain problem

The company still faces some major problems, however.

Although it employs around 2,500 workers in various positions, Kness has had trouble finding 150 specialists for its new plant. The reason: a big wave of skilled Ukrainians looking for jobs abroad, mainly due to Ukraine's visa-free travel regime with the European Union, which came into force in 2017.

"Just to find a person to dig a trench, or someone who has basic knowledge of electrical engineering is a problem," said Shakalov.

The company searched for three months just to fill one chemist's position at its research and development center.

Shakalov doesn't think that higher salaries have much to do with the migration of professionals to the West. In fact, he calls it nonsense.

"For Ukrainians to get rich in Poland is much more difficult than to get rich in Ukraine," he said.

His proposed recipe is quite simple — one should work really hard.

"Are you ready to work 12 hours a day, seven days a week, not to sit on a chair or spit at the ceiling? If you don't have such energy, such a desire, it's difficult for you to be successful in any country," he said.

Main internal risks

Kness's Vinnytsia plant is a success story for Ukraine, but its technology still lags behind the global leaders in the renewables industry.

The global market for the production of solar panels is already switching to another much more efficient technology — bifacial solar modules. This could potentially undermine the company's success.

"They built a factory, which in a year may be... useless," said Podolyak.

Another great risk is the declining domestic demand for solar panels: The green tariff will be reduced by 25 percent in 2020 and, as a result, there will be a lack of interest from Ukrainian investors due to the low payback period of solar power projects, Podolyak said.

"Our investors will not be interested in such projects, while foreign ones won't buy the panels," said Podolyak. ■



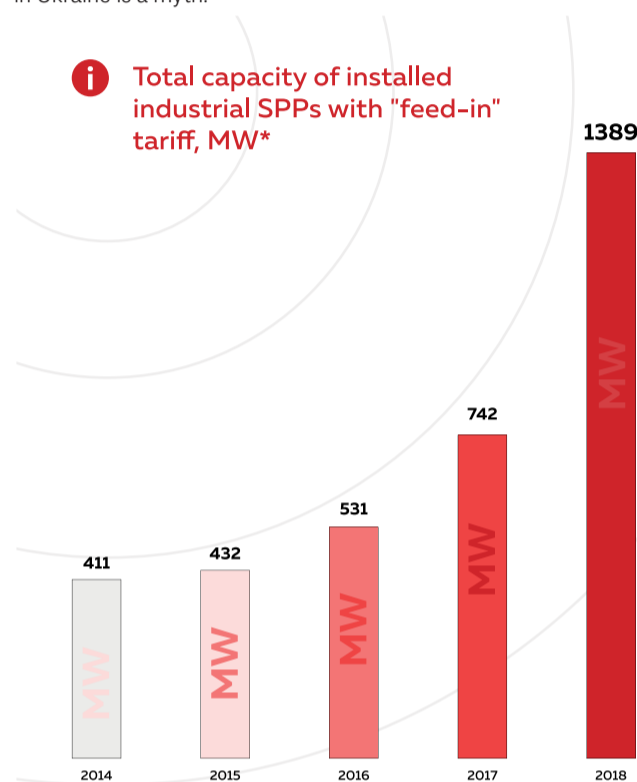
Sergii Shakalov, CEO at Kness, speaks with the Kyiv Post about recently opening Ukraine's largest solar production plant in Vinnytsia on Feb. 8, 2019. (Kostyantyn Chernichkin)

Trends of the Solar Energy Industry in Ukraine: 2019

In 2018, the energy map of Ukraine was replenished with more than three times more electricity generation objects using renewable energy sources (RES) compared to 2017. This is a really great result, but most likely 2018 will be remembered for its numerous stormy discussions about the changes in the state's stimulating system for RES. As a result, a lot of draft laws were drawn up, but they all have one thing in common: the need for RES in Ukraine to be stimulated by the state.

Results of 2018 in the area of solar energy

Because 2018 was a real breakthrough year in the industry, an illusion of oversaturation of the green energy market in Ukraine was formed in social media and various communities. Three times more objects for green energy generation came on line last year than in 2017. But in fact, oversaturation of the green energy market in Ukraine is a myth.



i Total capacity of installed industrial SPPs with "feed-in" tariff, MW*

*Source: State Agency for Energy Efficiency and Energy Conservation of Ukraine, as of 01.01.2019

That said, 646 MW of installed solar power capacity in one year is a record for the Ukrainian market.

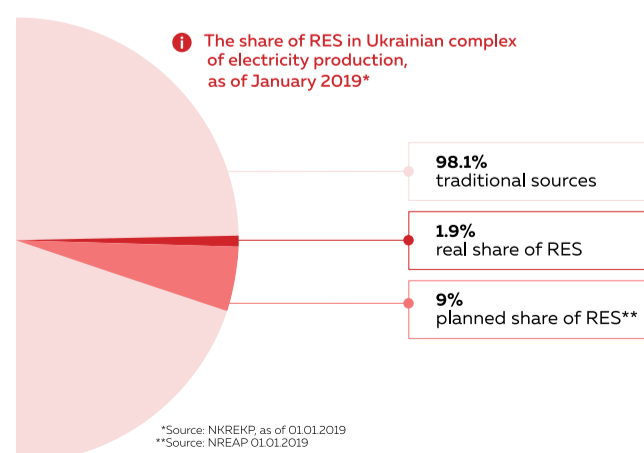
Solar energy is the undisputed leader among RES, and last year the "feed-in" tariff was received by 163 industrial SPPs. The leader of 2018 in the direction of commissioning of RES objects was Kherson region, with a figure of 227.2 MW (Source: State Agency for Energy Efficiency and Energy Conservation of Ukraine).

But despite the dynamic jump in the number of industrial solar power plants built, the market is still not saturated.

The state support system for this industry and, above all, the "feed-in" tariff, is focused on the Ukrainian Energy Strategy until 2035, envisaging the attainment of an 11 percent share of RES in the Ukrainian energy generation mix by 2020.

According to the National Renewable Energy Action Plan (NREAP) for the period up to 2020, as of Jan. 1, 2019, the share of RES in the country's energy complex should be at least 9 percent. However, according to the NKREKP, it has so far been possible to achieve only an indicator of 1.9 percent.

The "New Energy Strategy of Ukraine until 2035" includes planned targets for the share of RES. It was developed to fulfill Ukraine's international obligations within the framework of the country's membership of the UN Economic Commission for Europe, the Energy Community, and within the framework of the Accession Treaty to the Energy Charter.



*Source: NKREKP, as of 01.01.2019
**Source: NREAP 01.01.2019

Thus, this share of RES (1.9 percent) is not enough for Ukraine, or for profitable cooperation with the international community. The market is not saturated – it certainly needs a lot of new RES objects. The state support strategy, including the "feed-in" tariff system, will be adjusted, but state support cannot become significantly weaker or disappear altogether.

However, it should be kept in mind that both the state strategy and the market conditions, are mobile and dynamic, and the process of change in them is normal.

Which trends will define the area of solar energy in 2019?

Three key trend vectors will determine the future state of the RES market in Ukraine:

- Updating legislation, including updating the state support system for RES, as well as abolishing VAT on imported equipment;
- The global decline of prices for equipment and increase in its efficiency – which is an international trend;
- The availability of land plots suitable for the construction of the SPPs. The implementation of industrial solar power plant projects in these areas is possible within 6-9 months.

The legislation will change in any case, but it is still unclear what kind of new support system will be introduced. The proposal most discussed today is bill № 8449-d, which foresees the introduction of an auctions system, the update of the "feed-in" tariff and additional benefits. At any rate, the state will continue the stimulation of RES, because this has to be done according to Ukraine's international obligations. And the forecast decrease of the "feed-in" tariff will also not have significant effects for several reasons:

- If the SPP is built in 2019, the owner will fix the "feed-in" tariff at current rates;
- If the SPP is built until by end of 2020, even in the case of decrease of "feed-in" tariff, the SPP will not be less profitable than one built a few years earlier thanks to the reduction of the LCOE (Levelized Cost Of Electricity).

Draft law № 9260, which has already been adopted by the Verkhovna Rada and signed by the president, provides for the abolition of VAT on imported photovoltaic equipment until Dec. 31, 2022, in the following cases:

- If the imported equipment is used by the importer for his own purposes (the distributor who imports the equipment for selling in Ukraine pays all taxes under the old conditions);
- If identical goods with similar qualitative indicators are not produced on the territory of Ukraine.

The lowering of prices and increasing of power/efficiency of PV-equipment continues all over the world.

According to a report by EnergyTrend (2018), the cost of PV-equipment in the world on average decreased by 25 percent, which is more than in previous years. The EnergyTrend forecast for 2019 is also optimistic: the minimum price cuts for the year is at least 10 percent.

The dynamics of such a cost decrease would be meaningful for any industry, but we have to understand that the percentage reduction of prices given by analysts is not always absolutely correct and final. Analysts usually include in the dynamics the following indicators: all prices in the market; all manufacturers of PV-equipment without segmentation; final prices of products, for both poly- and monocrystalline modules produced by various manufacturers. At the same time, a lot of factors and product life cycles are not taken into account. But these still affect the final price of a product for Ukrainian consumers. In fact, in analysis reports we can usually see a beautiful dynamic of lowering prices in China (modules are produced in China, as a rule) for the "ordinary" Chinese consumer, but these indicators are not representative for most Ukrainian SPP projects.

What is the real reason for the lowering prices for PV-equipment?

The world RES market is driven by state subsidies in the leading countries, such as China, the United States and India. If the quantity of subsidies is enough, the quantity of projects grows; if the quantity of projects grows, the quantity of investment also grows – this is a virtuous circle. The quantity of investment is the main factor that influences the development of new technologies that will in turn reduce the cost of producing equipment for projects.

Overproduction as a result of large financial infusions and expansion of manufacturing capacities in the Asian region (China, Taiwan, Vietnam) logically leads to a lowering of prices for PV-equipment (in the same Asian region). The loss of subsidies for the Chinese market has led to a short-term lowering of prices. Mainly, this concerns manufacturers that have been focused on the Chinese market.

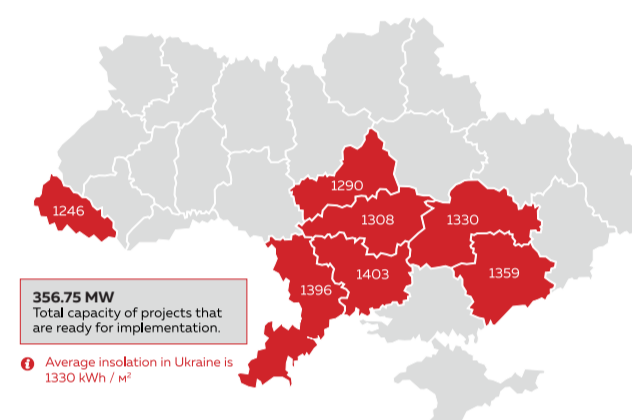
The dynamics of technological development and the increase of PV-equipment production efficiency.

In general, it is possible to see a relationship between lowering prices and increasing the power/efficiency of solar modules. Over the last five years, plants were able to double electricity consumption for producing silicon, investing in large furnaces and upgrading

production processes. The costs of cutting silicon ingots has fallen through the use of diamond wire saws. Also, manufacturers have begun to actively implement the technological achievements of their R&D departments through the greater efficiency of solar cell structures, for example, one of the latest successfully implemented technologies – the PERC cell technology. The record for the efficiency of solar modules today is 24.06 percent. It belongs to the MONO Bifacial PERC technology from LONGi Solar. Today, the average efficiency of a panel is about 20 percent.

Obtaining land plots that are ready for the construction of solar power plants is a ready-made solution for investors who plan to fix the "feed-in" tariff in 2019. The Helios Strategia team is ready to provide you with land plots suitable for the building of 340 MW of solar power plants.

In addition, we are ready to implement the SPP project as the general contractor of the project within 6-9 months, so if you plan to build a solar power plant before the updating of the state support system (in 2019), we will support your initiatives.



The "land issue" requires a range of solutions. One of them is a legislative initiative signed by the president: draft law № 9260. It allows the placing of facilities for the production of electricity from RES on land with the intended purpose of "land of industry, transport, communications, energy, defense and other purposes," which greatly simplifies the process of land-plot development and greatly shortens the period of implementation of an SPP project.

The way to stimulate the industry when the market becomes non-subsidized

The LCOE (Levelized Cost of Electricity) is the average total cost to build and operate a power-generating asset over its lifetime divided by the total energy output of the asset over that lifetime; this is a factor that will become particularly noticeable in the next decade. In the report "Renewables Energy Production Costs" from the German Institute for Fraunhofer ISE the following indicators are published; from 2030, the LCOE of solar roofs will fall below 4.7 cents per kWh, while LCOE of utility SPPs will fall below 2.41 euros per kWh. Capital expenditures by 2035 will be reduced to 350-815 euros/kW, depending on the size of the systems.

This factor will stimulate the industry no less than state support. This fact is confirmed by reports by Bloomberg and IRENA: in the next decade, the price of electricity from renewable sources will be equal to that produced by traditional methods.

Advice for investors from Helios Strategia in 2019

Summing up, we will note that 2019 will still be stable year for equipment manufacturers, EPC-contractors and investors. The most uncertain years are 2020-2025. Fundamental updates of the legal base of the industry, the introduction of new technologies and the appearance of new pricing policies will definitely occur during these years.

Therefore, we recommend starting the implementation of projects right now in order to be able to build the SPP by 2020 (we remind you: the time of implementation is 6-9 months), in order to fix the current green tariff conditions.

In the period after 2025, the legislative framework will cease to be a determining factor. Instead of political and legal factors, the main role will be given to market and technologies (first of all, the decline of the LCOE). Then, the implementation of projects in the solar energy sector will be interesting to investors even without state support.

Helios Strategia wishes you success – we await your enquiries and are ready to support your ambitious initiatives.

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Corruption makes energy efficiency hard to achieve

Gas from page 5

Gas Company declined to comment.

But the situation in Kirovogradgaz was different. There, Naftogaz was the majority shareholder, with 51 percent ownership of the company. However, it still couldn't wrest management control from the minority shareholders.

Among these shareholders was Finlex-Invest, which owns 32.9 percent of authorized share capital in Kirovogradgaz.

According to Kirovogradgaz, Finlex-Invest is connected to Igor Voronin, who chaired Kirovogradgaz's supervisory board before mid-2017. He is widely regarded as a Firtash business partner. Voronin did not reply to multiple calls and emails to the UkrGazEnergo company, where he is chairman of the board.

By law, management changes required a 60 percent quorum, allowing minority shareholders to effectively block such changes. After that law was changed, in June 2017 Naftogaz held an extraordinary meeting of Kirovogradgaz's shareholders and fired the oblgaz's supervisory board and restructured its management board. It appointed Alexander Gladky as chairman of the management board.

It was then that Naftogaz uncovered the scheme. On Sept. 25, 2017, Gladky filed a complaint with the Kirovograd Oblast branch of the National Police. In this document, he outlined the scope of the alleged crime.

Since 2009, the old management of Kirovogradgaz had inserted 384 fictional addresses into the billing system known as Gasolina. The addresses were spread across nine of Kirovograd Oblast's 21 districts. They were located in eight cities, three towns, and 180 villages, according to the filing. Each address came with an account number, which was also fictional.

Further details of these fictional gas consumers are sequestered away behind the ongoing criminal investigation into the scheme. But statements by Kirovogradgaz and Naftogaz officials paint a fuller picture.

Since the initial filing, Kirovogradgaz has uncovered more "dead souls." Currently, their number stands at 496 fictional addresses, although those discovered later were no longer active, Gladky told the Kyiv Post.

As a rule, these were nonexistent private houses — as opposed to apartment buildings — with nonexist-

ent address numbers on real streets. There were also fictional residents. After all, why would an empty house consume gas?

And consume they did. Kirovogradgaz allocated excessively large volumes of natural gas to the "dead souls," according to Yuriy Vitrenko, Naftogaz's business development director.

"It's stupidly simple," he told the Kyiv Post in a July 2018 interview. "It's easy to check that there's no such address. For example, if there's a street that has 50 buildings, there will be a 51st building in this database."

"It's not something unique. Nobody really tried to hide it," he added.

But as banal as the scheme was, it also proved effective. Between 2009 and 2017, the fictional households "consumed" roughly 9.8 million cubic meters of natural gas — worth around Hr 78.4 million (\$2.83 million).

Where does it go?

Stealing gas may be illegal, but it is also big business. While precise statistics are near nonexistent, Anders Aslund, an economist and senior fellow at the Atlantic Council, estimates that around a third of gas sold for domestic consumers in Ukraine may actually be getting resold to industry.

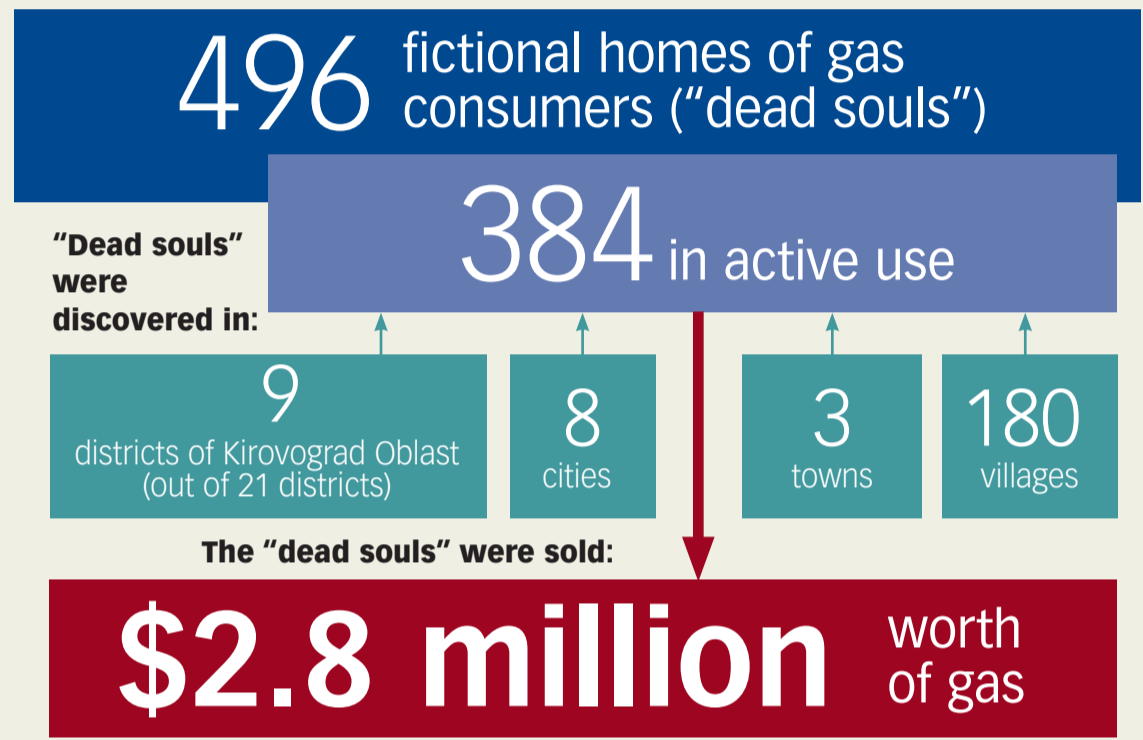
"I think (this scheme) is enormously common because we know that household consumption of gas in Ukraine has been enormous by any standard," Aslund told the Kyiv Post by phone. "One explanation is that prices are very low, but we also know that Ukrainian houses are small and most people don't have much space, and also that it's not very hot (inside the homes), unlike in Russia."

In the 1990s, Ukraine's natural gas barons made their money as middlemen selling Russian gas inside Ukraine. At the time, the Russian gas price was roughly half of the Ukrainian one, making this middleman role extremely profitable. Often, the resellers didn't even pay for the gas, and simply transferred the debt to the Ukrainian government, according to Aslund.

However, in the 2000s, Moscow began charging more for gas, particularly in 2009, while pro-Western Viktor Yushchenko was president of Ukraine. That's when the types of schemes discovered in Kirovogradgaz began to appear, Aslund says.

But the scheme also exists because of differential pricing inside the Ukrainian gas market. Traditionally, Ukrainian households have purchased gas at an artificially low price,

Inside Kirovogradgaz, a scheme to steal gas (2009-2017)



while industry has not received the same subsidies. Today, Ukraine has a free market for industrial gas for enterprises, but domestic prices remain low.

Since November, the Ukrainian government has increased domestic gas price — a key demand by the International Monetary Fund for the country to continue receiving financial support. Still, domestic prices currently amount to only 65 percent of industrial ones, according to Oleksandr Kharchenko, director of the Energy Industry Research Center. As a result, the theft of gas is still profitable.



Alexander Gladky was appointed chairman of Kirovogradgaz's board after Naftogaz took control in 2017.

And once the gas is stolen, it is virtually impossible to trace where it goes. Due to the nature of the pipeline system, gas stolen in Kirovograd Oblast cannot easily be transported outside the oblast without being converted into liquified natural gas. Although Kirovograd Oblast is largely rural, even the local agricultural and food production industries use natural gas, making them potential buyers for the stolen fuel.

"This gas is not marked. All enterprises that consume gas use it," Andriy Gerus, head of the

Association of Consumers of Energy and Utility Services, told the Kyiv Post in a message: "The companies just buy the gas from a (gas) trader. At home, you don't know what kind of electricity you're using — atomic or something else."

Local heating

Gas theft may be a commercial crime, but its real victims are ordinary people. Kirovograd Oblast is hardly the most economically dynamic region of Ukraine and it faces a challenging demographic situation.

Salaries are low and it is difficult to find work. Young people leave to study and work in other regions, says Volodymyr Zaichenko, a Kropyvnytskyi city council member and dean of the economics and management department at the local Central Ukrainian National Technical University.

The population is growing older, and Ukraine's elderly, who frequently live on miserly state pensions often struggle to pay for basic needs like utilities.

For this reason, gas prices and the government's decision to raise them are a sensitive issue.

"I was talking with the manager of one housing cooperative today, and she said that (the residents) relate very negatively to this decision because the living standard doesn't allow pensioners and lower-income people (to afford it)," Zaichenko says. "It's very difficult for them to pay."

Prices for heating from the two local heating companies are high. This has led to at least half the population of Kropyvnytskyi to switch to autonomous heating. This means that, rather than paying the heating companies and using centralized heating, they set up their own private furnaces.

This offers one distinct advantage: the individual or family now consumes gas for heating directly and is more likely to economize.

For Viktor Malko, 61, autonomous heating is the only option. He uses a gas-burning furnace to heat his home in a neighborhood of single-family homes in Kropyvnytskyi that is not hooked up to the centralized heating network.

Although he is a pensioner, Malko works as a security guard for a private company. Nonetheless, he and his wife struggle to pay for gas. They used to receive a subsidy to pay for it, but recently requirements have grown more stringent.

Malko's son is legally registered at their home, but does not live there. Previously, to receive their subsidy, they would simply need to receive an official document certifying that he does not reside at their home. Now, however, they will need to deregister him. Viktor Malko does not want to do that.

He also isn't happy with the rising gas prices.

"Damn, it's the murder of the population," Malko says, noting that he has met no one who supports the government's decision to raise prices. "Gas, electricity, water, even garbage — everything is getting more expensive."

However, some people — including one of Malko's neighbors and his workplace — have found an old solution to the gas prices: they use wood-burning furnaces.

Although Malko feeds wood into the furnace at work, he's still skeptical.

"I know that a wood-burning stove is smoke, it's soot, it's the 19th century," he says.

Local problems

In reality, autonomous heating is good, say many people knowledgeable about the energy and heating situation in Kirovograd Oblast.

Beyond pushing consumers to

more Gas on page 9

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Viktor Malko, 61, shows off the gas furnace he uses to heat his house on the outskirts of Kropyvnytskyi on Feb. 20, 2019. To save money, Malko's workplace and one of his neighbors have switched over to wood-burning furnaces. Despite the high cost of gas, Malko says he'd rather not return to what he terms "the 19th century." (Olena Karpenko)

Market prices for gas, unified consumer data seen as essential to stopping corruption

Gas from page 8

economize, a total transition to autonomous heating would eliminate the role of the heating companies, a significant source of tension in the natural gas sector.

When previously asked by the Kyiv Post about claims that its obligees don't pay Naftogaz for gas, Firtash's Group DF has placed the blame on local heating companies, which receive gas from the obligees. Other experts have suggested that unprofitable heating companies, many held in communal property, often incur debts to Naftogaz. They cannot pay, but it's also difficult to cut them off because these enterprises have social significance.

But without a unified database of gas consumers, it is extremely difficult to understand why debt is accumulating in the gas and heating system.

Disagreements about debt have erupted several times in Kirovograd Oblast. Most recently, on March 14, Kirovogradgaz cut the gas supply to local heating company Kirovogradteplo, according to the Depo Kropyvnytskyi news site.

The reason, according to Kirovogradgaz's Gladky, was that the heating company had not paid for the gas it consumed. If it did not pay, then Kirovogradgaz would be billed, he told the Kyiv Post.

The shutoff, which left around 150 buildings without heat, caused a local scandal. The mayor's office appealed to the Security Service of Ukraine for help. Protesters gathered in front of Kirovogradgaz's headquarters to demand Gladky be fired. Ukrainian deputy Prime

Minister Gennady Zubkov ordered the Prosecutor General's office to look into the situation.

Ultimately, Kirovogradgaz restored the heating under two days later.

It was not the first such confrontation. In November 2017, Kirovograd also shut off the gas to several heating company furnaces for two days. That time, the oblast prosecutor's office opened a criminal case against Gladky, accusing him of abusing his office. The court case is ongoing.

Gladky says his actions were lawful within the framework of Ukraine's gas transit system code.

He describes conflicts between obligees and heating companies over debt as "characteristic not just for Kirovograd Oblast, but for all of Ukraine."

Still haunting Ukraine

Despite its struggles, Gladky says that his obligee is fighting back against the "dead souls." After initially being submitted to the Kirovograd Oblast police department, the case is currently under investigation by the General Prosecutor's Office.

"The fact that they gave it to the general prosecutor shows that the importance is higher," Gladky says.

Additionally, the Big Four accounting firm Deloitte is carrying out an independent audit of Kirovogradgaz. The report is scheduled for completion and public release in the coming weeks.

More broadly, Gladky is optimistic that as Ukraine liberalizes the gas market, schemes like the one discov-

ered in Kirovograd Oblast will die out. If gas for domestic users is sold at the same price as commercial gas, there will be no incentive to resell it to industry at a markup.

If Ukraine creates a unified database of gas consumers, as proposed in January by Naftogaz CEO Andriy Kobolev, that will also help to ensure that gas deliveries are traceable and the precious fuel is less likely to be stolen.

But until then "dead souls" may continue to haunt Ukraine's natural gas sector.

"Kirovogradgaz has proven that this precedent exists," Gladky told the Kyiv Post, adding that it's not his job to say where else it exists.

But few have any doubts. Naftogaz's Vitrenko believes similar schemes are being utilized in other regions of Ukraine — particularly where Firtash's companies are active. He has been a vocal critic of Firtash, frequently publicizing Naftogaz's struggle with the Ukrainian oligarch.

Kirovograd Oblast is one of Ukraine's least developed regions. He suggests that "dead souls" schemes would be more profitable in oblasts with more industry and particularly in places where one tycoon controls both local industry and the regional gas pipeline system.

"We believe that (this case) can and should be extrapolated," Vitrenko told the Kyiv Post. "There are no reasons to believe that it should be an exception."

Josh Kovensky contributed reporting to this story. ■

Editor's note: This story was produced with support from the Organized Crime and Corruption Reporting Project, a Kyiv Post partner.

BUSINESS ADVISER

Energy certification of buildings



Alexander Burtovoy
Partner of
Antika Law Firm

The International Energy Agency is currently continuing the implementation of EU legislation in the field of energy efficiency as our top-priority obligations to the European Union. In particular, the Law of Ukraine "On energy efficiency of buildings" (hereinafter – the Law) was adopted on June 26, 2017 and entered into force on July 23, 2018. The Law draws special attention to the instrument of the energy certificate of buildings.

The said certificate is commonly used in other European countries, and serves as one of the incentives for increasing the energy efficiency of buildings. The certification of buildings has shown itself to be reasonable and is successfully working in the European Union. Among the EU countries in which they are used are Germany, France, Italy, Norway, Sweden, Hungary, Latvia, Lithuania, and Estonia. In Ukraine, it is now proposed to conduct energy audits of buildings, the results of which have to be enshrined in the energy certificates of a building. The energy certificate of a building is a document that contains general information about the building, its correspondence to the minimum requirements, and class of energy efficiency as well as the recommendations for increasing it, if needed.

Having an energy certificate on the purchase or lease of premises is just as important as when we buy electronics and look through its energy efficiency class. Each time we choose an electric device in a store, we are interested in the amount of electricity it consumes, and, usually, we choose a device with energy consumption of class A. The same idea is applied in the sphere of real estate – the less energy is spent on housing, the less are the expenditures on communal services, the higher are chances to sell or lease the premises.

According to the Law, from July 1, 2019 the provisions shall be brought into action on mandatory energy efficiency certification for the following buildings:

1) construction objects (new construction, reconstruction, capital repair), which according to the class of consequences (liability) are objects with average (CC2) and significant (CC3) consequences, which are determined in accordance with the Law of Ukraine "On the regulation of urban development activity";

2) state-owned buildings with a heated area of more than 250 square meters, frequently visited premises, and in all premises where state authorities are located;

3) buildings with a heated area of more than 250 square meters, in all premises where municipal offices are located (in the case of the thermal modernization of such buildings);

4) buildings where thermal modernization is carried out, for which state support has been granted and which results in achieving a class of energy efficiency for the building not lower than the minimum requirements for the energy efficiency of the building.

In the case of the conclusion of contracts for the purchase, or lease of a building, either residential or non-residential premises, a seller or a lessor, at the request of a potential buyer or lessee, must provide information on the energy certificate of the building (in the event that certification of energy efficiency is required and/or conducted) or inform them if there is no such certificate.

The Law contains provisions concerning the obligation to locate the certificate data in an accessible place, conditions for the inspection of engineering systems, and conditions for state support for thermal modernization that will also be brought into effect from July 1, 2019.

The mandatory certification of buildings and minimum energy efficiency requirements shall not be applied to: 1) industrial and agricultural buildings, energy objects, transport, communications and defense objects, warehouses; 2) individual (farm) residential buildings, garden, country houses (except in cases where state support is obtained for the implementation of thermal modernization or the certification of such houses at the request of the owner); 3) buildings intended for religious worship and religious activities by religious organizations; 4) buildings that are objects of cultural heritage; 5) separate buildings with a heated area of less than 50 square meters. The full list of such objects is approved by Resolution of the Cabinet of Ministers No. 265 dated April 14, 2018 "On approving the list of buildings of industrial and agricultural purpose, objects of energy, transport, communication and defense, warehouses, which are not subject to minimum requirements for energy efficiency of buildings and which are not subject to certification of the energy efficiency of buildings."

Also, no sanctions for the absence of energy certificates for anyone, except for developers, are provided for by the legislation. Moreover, even though the Law entered into force on July 23, 2018, in order for the Law to work in full, it is necessary to adopt a number of by-laws that are currently under development. For now, the Methodology for Determining the Energy Efficiency of Buildings is adopted by Order of Minregion No. 169 dated July 11, 2018, the Procedure for Independent Monitoring of Energy Certificates is adopted by Order of Minregion No. 276 dated Oct. 18, 2018, and the Procedure for Independent Monitoring of Reports On the Results of the Survey of Engineering Systems is adopted by Order of Minregion No. 274 dated Oct. 18, 2018. At the same time, the draft Methodology for calculating of minimum requirements has still not been adopted by the Cabinet of Ministers, and the relevant construction standard DNB B.2.6.-31:2016 "Thermal insulation of buildings" has not been brought into conformity with the legislation. Now, minimum requirements are calculated according to the previous figures and are to be revised.

Moreover, in practice, confusion between the energy certificate and the energy passport is being encountered. The problem is that when the Law was adopted, respective amendments to the city construction legislation, in particular concerning design documents, should have been made, i.e. energy passports should have been replaced with the energy certificate, which was not done. As a result, in the case, for example of a new construction, it is necessary to draw up the energy passport before the construction work is performed, while an energy certificate is issued after its completion. This procedure causes certain inconveniences.

But disregarding these small problems, we have almost formed procedure for energy certification of buildings. The main purpose is to make the certificate (or more precisely, the recommendations it contains) the ultimate guide as to how to conduct a complete thermal modernization of a building in order to save energy and pay less for utilities. But of course, the decision on whether to obtain an energy certificate is up to the owner of the premises.



12, Khreshatyk street
01001, Kyiv, Ukraine
+380 44 390 09 20/21
office@antikalaw.com.ua
www.antikalaw.com.ua

A top expert charts path for better energy future

BY MATTHEW KUPFER
KUPFER@KYIVPOST.COM

Oleksandr Kharchenko can reel off example after example of suspected corruption in Ukraine's vital energy sector that saps the nation's wealth.

In Zhytomyr, a city of 265,000 residents roughly 140 kilometers west of Kyiv, the local regional gas distribution company installed meters on 118 large apartment complexes in the city. So the mayor invested city money into installing meters in every apartment, as dictated by Ukrainian law.

But a month later, the city discovered that the company's meters recorded 35 percent more consumption than the sum of the apartment meters. In other words, Kharchenko explains, the local distribution company — or oblgaz in Ukrainian — was allegedly using the meters to steal money from the public.

Corruption in the energy sector is an issue that Kharchenko, who heads the Energy Industry Research Center, has written about as a contributor to the Atlantic Council's Ukraine Alert blog. He's used the platform to sound the alarm about the dangers posed by the monopolistic oblgazes. He criticized the government of Prime Minister Volodymyr Groysman for stalling reforms in the energy sector.

His organization, a private consulting and research center with 15 employees, has worked with virtually every major player in Ukraine's energy market.

However, it cut its ties with billionaire oligarch Rinat Akhmetov's DTEK energy company due to a principled objection to the so-called Rotterdam+ coal pricing formula it has used, he says. That formula, which sets coal prices artificially high, is reputed to have made energy companies major — and to critics, unjustified — profits.

Skeptics suggest Kharchenko is too close to Ukrainian state gas company Naftogaz, which, by and large, he speaks of favorably. But Kharchenko also paints a complicated picture of the industry and attempts to reform it. "I believe that things are not going well," Kharchenko says, but: "They are going better than before."

Old inefficiency

Ukraine's energy sector has long enriched well-connected businesspeople and politicians, from exiled billionaire oligarch Dmytro Firtash — currently fighting extradition to the U.S. on corruption charges that he denies — to the former prime minister and current presidential candidate Yulia Tymoshenko.

In September 2017, American energy expert Edward Chow pithily told the Kyiv Post that Ukraine's biggest problem is that its tycoons are too busy carving up the existing energy pie rather than seeking to enlarge it.

For all his criticism of the way that the energy sector is run, Kharchenko may be an optimist. He notes that public knowledge of renewables, one of his organization's priorities,



Energy expert Oleksandr Kharchenko, managing director of the Energy Industry Research Center, talks with the Kyiv Post on Feb. 12, 2019, in Kyiv. (Oleg Petrasjuk)

has increased significantly. And the Ukrainian government is finally taking steps to bring gas prices closer to market levels.

For much of its post-independence history, Ukraine has maintained different prices for industrial consumers, domestic consumers, and local heating companies providing utilities to private citizens. Gas for domestic consumers and heating companies was sold at a particularly low price.

This led to a corruption scheme in which subsidized gas "officially" used by domestic consumers was illegally resold to industry. Such schemes also blunted the drive for energy efficiency. "The people who organized all this were interested in pushing private citizens to use as much gas as possible," Kharchenko says.

Now, as more consumers face higher prices, Ukrainian individuals and businesses are thinking about how to save gas and money.

Firtash's monopoly

Despite this new enthusiasm for efficiency, Ukraine's energy sector is still weighed down by the same old problems. On the regional level, the distribution network is owned by the state, but gas distribution is de facto controlled by the oblgazes, which have a contract to manage the network.

The oblgazes were created during the presidency of Viktor Yanukovich, who was ousted by the EuroMaidan Revolution on Feb. 22, 2014. According to Kharchenko, the idea came from an individual close to Firtash, who currently owns or controls over 70 percent of the oblgazes.

Despite his status as a suspect in a criminal case in the United States, Firtash's businesses are flourishing in Ukraine. His Ostchem company has a virtual monopoly in the mineral fertilizer market, his Inter television channel remains one of the country's top media, and Firtash was described as one of two wealthy backers of the Russia-friendly Opposition Bloc party until it split into two factions in November.

Firtash's Group DF declined to comment for this story.

The oblgazes are accused of siphoning gas meant for domestic consumers and selling it to industry for a much higher price.

Moreover, the three-tier system of gas distribution — made up of Naftogaz on top, oblgazes, and then consumers on the bottom — has led to another serious issue: heavy indebtedness.

By law, Naftogaz must supply gas to any oblgaz that has ordered it. The oblgaz, in turn, is required to supply the gas to the end user and receive payment for it. It should then pass payment along to Naftogaz.

But, according to Kharchenko, two issues derail this process. First, some of the oblgazes simply don't pay.

Second, many oblgazes don't supply Naftogaz with information about end users, making it exceedingly difficult to even check whether the oblgaz ever supplied the gas.

All this makes it unclear exactly why debt to Naftogaz is accumulating. However, others say the blame should not fall entirely on the oblgazes. Firtash's Group DF has pointed at local heating companies that provide centralized heating and alleged that Naftogaz is trying to force the oblgazes to take responsibility for non-payment by these local enterprises.

But Gennady Kobal, director of the ExPro consulting firm, told the Kyiv Post in August that the issue has deeper roots: the heating companies are poor and "have a social burden." There have been serious debts for many years, but it only became an issue as gas prices increased, Kobal added.

Kharchenko doesn't disagree about the heating companies, but says there must be a transparent database of consumers that is open to Naftogaz, the oblgazes, prosecutors and others. This will be especially important starting in March, when Ukraine will monetize subsidies to help lower-income households pay for gas.

"If you provide full information about every end consumer, then it

will be a transparent situation," he says.

That would clarify whether the problem is that the oblgazes aren't passing the money along or that the heating companies truly cannot pay.

Misgovernment

At the core of many problems in the energy industry is failure by the Ukrainian government, says Kharchenko.

Since April 2016, when Arseniy Yatsenyuk was sacked as prime minister, there has been virtually no progress on reform in the energy sector, he says. In line with Europe's Third Energy Package, Ukraine is supposed to separate its gas transmission company, UkrTransGaz, from Naftogaz, a process widely known as unbundling. However, this was never accomplished.

In April, Naftogaz CEO Andriy Kobolyev requested that Prime Minister Groysman delay the process for two years. According to Naftogaz, the reason is that it cannot carry out unbundling without amending its contract with its Russian counterpart Gazprom. And the Russian state-controlled gas company is not inclined to do that — particularly after Naftogaz won nearly \$2.6 billion in compensation from it in a Stockholm arbitration court.

Kharchenko also says that Firtash and his associates "are extremely not interested in this unbundling happening." This is a recurring theme in Kharchenko's analysis: In a March 2018 column for the Atlantic Council, he alleged that \$2 billion — including a World Bank loan and International Monetary Fund aid intended to help provide gas to Ukraine's poorest — had not reached their intended targets and fallen into Firtash's hands.

Group DF denied these charges, calling Kharchenko's column "full of lies, insinuations, and slanderous statements."

Election risk

Kharchenko fears things can get worse in the energy sector. With the Ukrainian presidential election

rapidly approaching on March 31, several candidates have campaigned against increasing gas prices for domestic users.

Most prominently, Tymoshenko — one of three frontrunners — has promised voters Ukrainian-produced gas at half the current price should she be elected president.

Kharchenko is worried that the country's accomplishments could be washed away by any new president. "Everything could be reversed very quickly," he says.

The energy analyst says he read Tymoshenko's campaign booklet "A New Course for Ukraine." Judging by that document, she supports energy reform and will advance it as quickly as possible.

"It's 100 percent (contradictory) to her slogans about gas being two times cheaper," Kharchenko says. "What is true? I don't know."

Areas of achievement

Kharchenko's fears are not without merit. Despite the slow pace of reforms, since 2014 there have been legitimate accomplishments that should not be lost, he says.

Today, Ukraine has a free and transparent market for gas for industrial usage. With prices high, businesses are looking to economize.

This has led businesses to creative ideas like using pellets of wood and straw to heat their enterprises. These pellets are alternative energy resource, and straw is produced in enough quantities in Ukraine to effectively replace gas for heating, Kharchenko says.

Compared to 10 years ago, he says, Ukraine today is full of stories of biogas plants, pellet boilers, and wood boilers. "Everything that could create an alternative to gas in the private and industrial sector is (taking off) like a rocket."

Moreover, in 2015, the Ukrainian government launched a program called "Warm Loans." If Ukrainians take loans from state-owned banks PrivatBank or OshchadBank and use them for energy efficiency — for example, better doors and windows or new furnaces in their homes — the state covers up to 70 percent of the loan.

But in 2018, the Ukrainian government allocated only Hr 800 million (\$29.5 million) for "Warm Loans," meaning it ran out quickly. Kharchenko suggests that if the government were to allocate Hr 8 billion (\$295 million), the program could definitely make the country more energy efficient.

Still, the popularity of the program shows that energy efficiency is both important and widely understood in Ukrainian society, Kharchenko suggests. And after the Ukrainian government began increasing gas prices for domestic consumers — they now stand at roughly 65 percent of the market level — virtually everyone is looking to save.

"I believe it's the best possible version of the energy efficiency popularization when you have an understanding that this is your money," he says. ■

Ukraine's green tariff attracts investors, yet hurts economy

BY OLEKSIY SOROKIN
SOROKIN@KYIVPOST.COM

In recent years Ukraine's green tariffs have attracted international investors and have engendered a lot of positive hype from investment promotion agencies in Ukraine. But the tariffs might also place a major financial burden on the state.

In 2015, Ukraine adopted the ambitious goal of producing 25 percent of its energy from renewable sources by 2035. The green tariff, which is higher than in any other European country, was meant to attract investors into the sector to help achieve the government's goal. However, the increase in energy output from renewable sources has mainly been beneficial for large players. The benefits also are financially unsustainable for the country in the long run, as the price at which the government buys renewable energy is pegged to above-market prices.

A new law on green auctions is currently in limbo in parliament. But if adopted, it will create a fairer market that doesn't just benefit mainly large companies.

Green tariff

Oleksiy Feliv, a managing partner at law firm Integrites, explains that while the initial green tariff was adopted in 2009 at a rate of 0.46 euros per kilowatt to promote investments into renewables, prices were set to drop every five years. After the introduction of the feed-in tariff, state agency EnergoRynok, which is responsible for energy distribution, was obliged to buy renewable energy at the highest price in Europe.

Feliv says that the price was substantially above market prices, making the return on investment in producing energy from solar panels, wind farms and biogas higher than in most countries.

According to Ekonomichna Pravda, when Viktor Yanukovich was president, 85 percent of Ukraine's solar energy was produced by Activ Solar, a company owned by Serhiy Klyuyev, a close ally of the ousted president, due to a provision obliging companies to use Ukrainian-made equipment. This effectively closed the market to foreign investors.

Oleksandra Gumeniuk, head of the European Ukrainian Energy Agency, says that after 2015, that requirement was canceled.

The tariff itself is set to decrease each year, with the price for plants opening in 2019 standing at 15 euro cents per kilowatt for solar energy, 10 euro cents per kilowatt for wind farms, and 10–17 euro cents per kilowatt for hydropower. Plants put into operation this year will enjoy the green tariff until 2030.

The feed-in tariff exists in most European Union countries, says Gumeniuk, yet the gap between the cost of production and the tariff by which companies sell electricity is much less, with Germany having a two times lower solar panel rate of 8 euro cents per kilowatt.

DTEK's Nikopol solar power station launched in mid-January becoming the largest photovoltaic station in Ukraine. DTEK is owned by the richest Ukrainian oligarch Rinat Akhmetov (Courtesy)



Free cash

"Because the tariff is so high we see that solar panels are being built even where it isn't economically justified," Feliv says.

For example, Slavutych, a city of around 25,000 residents that's 150 kilometers north of Kyiv, is aiming to crowdfund the \$300,000 construction cost of a photovoltaic power station which will cover the needs of the city, while earning profits for residents that are willing to invest.

However, Slavutych is rather an exception. Mostly the current market is run by large corporations willing to invest a lot of money as well as by those closely affiliated with the lawmakers that influence the green tariff.

Big players dominate

"We have an upside-down system in which the field is dominated by large companies, whereas in Europe it is the small proprietorships that benefit," says Oleksiy Ryabchyn, head of the parliament's subcommittee on energy efficiency and a representative of the 20-member Batkivshchyna faction.

In 2016, the China National Building Material Company, fully-owned by the Chinese government, bought solar plants and wind farms owned by Klyuyev. The corporation now controls 10 plants with a total output capacity of 300 megawatts, being the largest foreign investor into the field.

TIU Canada has invested over \$100 million into two new solar stations in Odesa Oblast, while Norway's NBT is planning to invest \$400 million in what will become, when built in late 2019, Ukraine's largest wind farm, citing "attractive" green tariffs as the main reason for their investment.

But the largest beneficiaries from the feed-in tariff are large Ukrainian companies, including those controlled by Ukraine's richest person, Rinat Akhmetov, whose net worth passed \$6 billion on Feb. 1, according to Bloomberg.

DTEK Renewables, a DTEK subsidiary created in April 2018 as a branch of Akhmetov's energy holding, in mid-January this year became the country's largest single producer of solar energy, after the company launched a 200-megawatt solar plant near the city of Nikopol, 650 kilometers south-east of Kyiv. DTEK Renewables is planning to expand even more as its renewable energy capacity is planned to reach 1 gigawatt by the end of 2019.

Oligarchs, lawmakers

Other notable Ukrainian businesspeople that have invested in renewable energy and collected green tariff benefits are: oligarchs Yuriy Kosyuk and Vasyl Khmelnytsky, and Vitaliy Antonov, the owner of the OKKO chain of gas stations.

While the market's profitability is largely sustained by a high feed-in tariff, a number of Ukrainian parliamentarians, government officials and people connected with them also seized the opportunity to benefit from selling green energy to the state agency EnergoRynok at above market prices.

As of Jan. 1, over 300 companies received the green tariff. The list includes companies owned by Stepan Ivakhiv, a member of parliament from the 18-member Volya Narody faction and a co-owner of Continuum, a company that operates a chain of gas stations under the brand WOG.

Yulia Lyovochkina, a parliamentarian from the 38-member Opposition Bloc and the sister of Serhiy Lyovochkin, formerly head of Yanukovich's presidential administration, owns six companies with a total output capacity of 30 megawatts of clean energy, receiving the feed-in tariff until 2030.

Maxim Efimov, a member of the 138-member Petro Poroshenko Bloc, has the largest stake among all members of parliament with seven wind farms, four of which are located in Russian-controlled territory, with a total capacity of over 200 megawatts.

According to Ekonomichna Pravda, a number of members of parliament have stakes in renewable energy either through relatives or business partners. Among them are the Dubnevych brothers — Yaroslav and Bohdan — of the Petro Poroshenko Bloc, who were involved in a scandal with two power plants in Lviv Oblast, allegedly costing the state Hr 305.2 million (\$11 million).

Others include Viktor Romanyuk and Yuriy Voznyk from the 81-member People's Front, Vasyl Petovka from Volya Narodu, Yuriy Chizhmar from the 21-member Radical Party, Independent lawmakers Yuriy Levchenko and Oleksandr Livyk, Valeriy Lybinets, Mykhailo Dovbenko and Oleksandr Dombrovskiy from the Petro Poroshenko Bloc. Dombrovskiy is the deputy head of the parliament's energy committee.

Rulebook changes

The European Bank for Reconstruction and Development, an international financial institution, which, among other functions, gives out loans to companies looking to produce renewable energy, released a statement in mid-November that it will hold off from financing any new solar projects until the renewables market becomes more transparent.

Anton Usov, the bank's spokesperson, explained that the EBRD is persuading Ukrainian parliamentarians to adopt the so-called "green

auctions" law that would make prices more competitive.

"The green tariff served its purpose, now we need clear pricing, and to maintain the demand we need to change the rulebook," Usov says.

The EBRD fears that with a rising percentage of energy coming from renewables, maintaining a high feed-in tariff will put a heavy burden on Ukraine's economy.

A similar problem occurred in Spain, according to Ryabchyn, where its high feed-in tariff attracted investors, eventually raising the percentage of renewable energy generation to a level that the government could not sustain financially.

"With the launch of green auctions we'll witness an economically justified price, because competition will drag the price down," says Feliv.

Ryabchyn expresses a similar opinion, stating that the green tariff was worth it, as it attracted investors into renewables, but the time for a competitive market has come.

"We now have to transition to a phase where competition will dictate the price," he says.

The proposed law, which passed the first hearing on Dec. 20 2018, allows multiple companies to bid for the right to sell their energy to EnergoRynok. The company that offers the lowest price to the state will sign a 20-year contract. Concerning those already collecting the feed-in tariffs, the proposed legislature will decrease the tariff by 20 percent for solar energy and 10 percent for wind farms in 2020, with further gradual decreases until 2030.

But the green tariff would be kept for small producers such as Slavutych. The law is meant to create fair competitive pricing for large companies that are currently making excess profits yet help small local producers maintain sustainability, according to experts.

Gumeniuk expects that the new green auction law will make the renewables market more predictable. She explains that currently there is no penalty on those who do not match their declared energy output. But if the new law passes, companies will be fined if they do not meet their generating targets, and the law would also set a deadline for companies to complete their solar plants within a two-year term.

According to Feliv, the balancing tax for those using the green tariff starts in 2020 and will include a 10 percent fine for those producing green energy and not meeting their declared targets, with the fine increasing by 10 percent each year until 2030.

Nonetheless, while members of parliament are discussing the law and over 200 amendments that were submitted after the first hearing, large companies are speeding up the construction of new solar panel arrays and wind farms to qualify for the green tariff while it lasts.

"While companies like DTEK had plans for multiple years ahead, now they are in a state of emergency trying to put everything into operation this year to benefit from the green tariff," says Ryabchyn. ■

Top countries by renewable energy capacity (in gigawatts, 2017)

China — 600
USA — 230
Brazil — 128
Germany — 113
India — 105

...
Ukraine (2018) — 2
Source: International Renewable Energy Agency

(Courtesy)



Feb. 26 'Vice'

This political biopic about Dick Cheney will be the last Oscars best picture nominee to be premiered in Kyiv before the U.S. Academy Awards ceremony on Feb. 24. It covers Cheney's entire political career from his internship at the Nixon White House to his vice presidency under George W. Bush. The writer and director Adam McKay had already covered the Bush administration in comedy, focusing on the

president himself. In the film, McKay concentrates on the VP, who he sees as the real source of the behind-the-scenes power that changed American democracy in some of its crucial moments. "Vice." Feb. 23, 24, 26. Check all the screenings details in our Entertainment Guide on pages 12-13.

Friday, Feb. 22

Classical music

Mozart and Schnittke (Chamber choir "Kredo"). National Philharmonic. 7 p.m. Hr 70-300

Tempesta di Mare (Haydn's Symphony No. 39). Ukrainian Radio Recording House. 7 p.m. Hr 150-450

Live music

Antonii Baryshevskiy (piano concert, Bach, Scriabin, Messiaen, Schumann). Tauvers Gallery. 7 p.m. Hr 250

Beautiful Classics (Kyiv Virtuosi Orchestra). Cinema House. 8 p.m. Hr 225-425

Freedom Jazz. Caribbean Club. 8 p.m. Hr 390-1,800

Splin Tribute (rock by Maxi Jam band). Docker-G Pub. 9 p.m. Hr 125-150

Banderas Blues Band (rock, blues, funk, country). Docker's ABC. 10 p.m. Hr 100-1,000

Clubs

Vyriy (dancing music party). Khvylovyi. 8 p.m. Free

Puzzle with Fedotov (electronic music). River Port. 11 p.m. Hr 100-150

Parental Advisory: Roza Terenzi & D.Tiffany (electronic, techno). Closer. 11:59 p.m. Price to be announced

Miscellaneous

Thing-Off-Itself. Lucy Ivanova (contemporary paintings). The Naked Room. 8 a.m. - 11 p.m. Free

The Ukrainian Canadians (documents, photographs, publications of Ukrainian diaspora in Canada). Museum of Ukrainian Diaspora. 10 a.m. - 6 p.m. Hr 25-50

Complicated Red (paintings by Anton Logov). Ya Gallery. 10 a.m. - 7 p.m. Free

The Day of People In Love (paintings dedicated to love by Ukrainian artist Oleksandr Roitburd). Shcherbenko Art Center. 11 a.m. - 8 p.m. Free

Future Generation Art Prize (various artworks by 21 nominees for the prize). Pinchuk Art Center. 12-9 p.m. Free

Ash (paintings by Rustam Mirzoev exploring the feeling of loneliness). Tsekh. 2-8 p.m. Free

Chinese Lantern Festival (huge light installations symbolizing ancient Chinese fairy tales and legends). Spivoche Pole. 5-11 p.m. Mon-Fri. Adults - Hr 160, children from 5 to 16 - Hr 130. Sat-Sun. Adults - Hr 200, children - Hr 160. Free for children under 5

Movies

Legally Blonde (comedy, romance). America House. 6:30 p.m. Free. Bring ID

100 Films in 100 Minutes (in original languages with Ukrainian subtitles). Zhovten. 7 p.m. Hr 120-180

Beautiful Boy (biography, drama). Kyiv Cinema. 7 p.m. Hr 120

The World Before Your Feet (documentary). Kyiv Cinema. 7 p.m. Hr 20

Inventing Tomorrow (documentary). Kyiv Cinema. 9 p.m. Hr 20

If Beale Street Could Talk (crime, drama, romance). Kyiv Cinema. 9:15 p.m. Hr 120

Shows

Lo-Fi (hip hop, jazz, R&B). 32 Jazz Club. 8 p.m. Hr 400

Motorrolla (pop rock). Docker Pub. 10 p.m. Hr 125-1,400

Theater

Floria Tosca (opera in Italian). National Opera. 7 p.m. Hr 50-600

Saturday, Feb. 23

Classical music

Joseph Haydn (horn concerto). National Philharmonic. 7 p.m. Hr 70-250

Live music

Lady Rock (rock hits). Docker's ABC. 10 p.m. Hr 125-900

Olga Lukacheva feat. Yuri Seredin & Yuri Natsvlshvili (70th jazz hits). 32 Jazz Club. 8 p.m. Hr 400

Clubs

QMusic Showcase (electronic music). River Port. 11 p.m. Price to be announced

Closer: Magda (electronic DJ set). Closer. 11:59 p.m. Hr 250-350. Visitors must be over 21

Zmei (electronic DJ set). Otel'. 11:59 p.m. Hr 284

Miscellaneous

Thing-Off-Itself. Lucy Ivanova (contemporary paintings). The Naked Room. 8 a.m. - 11 p.m. Free

The Ukrainian Canadians (documents, photographs, publications of Ukrainian diaspora in Canada). Museum of Ukrainian Diaspora. 10 a.m. - 6 p.m. Hr 25-50

Complicated Red (paintings by Anton Logov). Ya Gallery. 10 a.m. - 7 p.m. Free

Modern Ethno (market of various goods by Ukrainian brands). Vsi Svoi D12. 10 a.m. - 8 p.m. Free

The Day of People In Love (paintings dedicated to love by Ukrainian artist Oleksandr Roitburd). Shcherbenko Art Center. 11 a.m. - 8 p.m. Free

Future Generation Art Prize (various artworks by 21 nominees for the prize). Pinchuk Art Center. 12-9 p.m. Free

Craft Beverage Whisky and Grill (whiskey tasting, food court, music show). Art Prichal. 12-10 p.m. Hr 200

Ash (paintings by Rustam Mirzoev exploring the feeling of loneliness). Tsekh. 2-8 p.m. Free

Chinese Lantern Festival (huge light installations symbolizing ancient Chinese fairy tales and legends). Spivoche Pole. 5-11 p.m. Mon-Fri. Adults - Hr 160, children from 5 to 16 - Hr 130. Sat-Sun. Adults - Hr 200, children - Hr 160. Free for children under 5

Movies

Short Films About Love (in original languages, mostly English, with Ukrainian subtitles). Zhovten. 10:40 a.m., 3:55 p.m., 7:45 p.m. Hr 60-110

Vice (biography, comedy, drama). Zhovten. 1:20 p.m. Hr 80

The Mule (crime, drama, thriller). Zhovten. 2:25 p.m. Hr 90

Can You Ever Forgive Me? (biography, comedy, crime). Kyiv Cinema. 5 p.m. Hr 120

Served Like a Girl (documentary). Kyiv Cinema. 5 p.m. Hr 20

100 Films in 100 Minutes (in original languages with Ukrainian subtitles). Zhovten. 7 p.m. Hr 120-180

BlackKlansman (biography, crime, drama). Kyiv Cinema. 7 p.m. Hr 120

Standing Up (documentary). Kyiv Cinema. 8:30 p.m. Hr 20

Shows

Maruv (pop, electronic). Caribbean Club. 10 p.m. Hr 400-600

Theater

Antony and Cleopatra (British National Theater recording, tragedy). Multiplex (Lavina Mall). 3 p.m. Hr 190-240

Got to Be Free (rock musical about EuroMaidan revolution). Theater on Podil. 6 p.m. Hr 400-900

Gone With the Secs (amateur play). ProEnglish Theater. 7 p.m. Free

Sunday, Feb. 24

Classical music

Beethoven (piano concerto). National Philharmonic. 7 p.m. Hr 70-250

Miscellaneous

Thing-Off-Itself. Lucy Ivanova (contemporary paintings). The Naked Room. 8 a.m. - 11 p.m. Free

The Ukrainian Canadians (documents, photographs, publications of Ukrainian diaspora in Canada). Museum of Ukrainian Diaspora. 10 a.m. - 6 p.m. Hr 25-50

Modern Ethno (market of various goods by Ukrainian brands). Vsi Svoi D12. 10 a.m. - 8 p.m. Free

Future Generation Art Prize (various artworks by 21 nominees for the prize). Pinchuk Art Center. 12-9 p.m. Free

Chinese Lantern Festival (huge light installations symbolizing ancient Chinese fairy tales and legends). Spivoche Pole. 5-11 p.m. Mon-Fri. Adults - Hr 160, children from 5 to 16 - Hr 130. Sat-Sun. Adults - Hr 200, children - Hr 160. Free for children under 5

Movies

Short Films About Love (in original languages, mostly English, with Ukrainian subtitles). Zhovten. 10:40 a.m., 3:55 p.m., 7:45 p.m. Hr 60-110

The World Before Your Feet (documentary). Kyiv Cinema. 1 p.m. Hr 20

Vice (biography, comedy, drama). Zhovten. 4:35 p.m. Hr 100

Boom for Real: The Late Teenage Years of Jean-Michel Basquiat (documentary). Kyiv Cinema. 5 p.m. Hr 120

Hale County This Morning, This Evening (documentary). Kyiv Cinema. 5 p.m. Hr 20

Balancing the Scales (documentary). Kyiv Cinema. 6:30 p.m. Hr 20

100 Films in 100 Minutes (in original languages with Ukrainian subtitles). Zhovten. 7 p.m. Hr 120-180

Beautiful Boy (biography, drama). Kyiv Cinema. 7 p.m. Hr 120

Tiny Shoulders, Rethinking Barbie (documentary). Kyiv Cinema. 7:30 p.m. Hr 20

Shows

Bez Obmezhen, Arsen Mirzoyan, Sonya Kay (rock, pop). Atlas. 6 p.m. Hr 400-950

The Wize Guyz, The Boomerangs (rockabilly, rock and roll). Caribbean Club. 8 p.m. Hr 150-380

Yurcash (rock). Docker Pub. 8 p.m. Hr 150-2,100

Erise (alternative, indie rock). Docker-G Pub. 9 p.m. Hr 100-125

Theater

Coppélia (ballet). National Opera. 12 p.m. Hr 20-300

The Birthday Party (amateur play, comedy).

ProEnglish Theater. 7 p.m. Hr 180

Carmen (opera in French). National Opera. 7 p.m. Hr 50-600

Monday, Feb. 25

Classical music

Piazzolla & Tango (piano, accordion). Kosenko Museum. 7 p.m. Hr 70

Live music

Carmen Suite, Chasing Two Hares (music from ballets). National Philharmonic. 7 p.m. Hr 70-300

Live Jazz Monday (Oleksandr Murenko Trio). Caribbean Club. 8 p.m. Hr 150-350

Miscellaneous

Thing-Off-Itself. Lucy Ivanova (contemporary paintings). The Naked Room. 8 a.m. - 11 p.m. Free

Complicated Red (paintings by Anton Logov). Ya Gallery. 10 a.m. - 7 p.m. Free

Chinese Lantern Festival (huge light installations symbolizing ancient Chinese fairy tales and legends). Spivoche Pole. 5-11 p.m. Mon-Fri. Adults - Hr 160, children from 5 to 16 - Hr 130. Sat-Sun. Adults - Hr 200, children - Hr 160. Free for children under 5

Movies

Short Films About Love (in original languages, mostly English, with Ukrainian subtitles). Zhovten. 10:40 a.m., 3:55 p.m., 7:45 p.m. Hr 50-100

Mid90s (comedy, drama). Kyiv Cinema. 7 p.m. Hr 120

Standing Up (documentary). Kyiv Cinema. 7 p.m. Hr 20

Can You Ever Forgive Me? (biography, comedy, crime). Kyiv Cinema. 9 p.m. Hr 120

Obit (documentary). Kyiv Cinema. 9 p.m. Hr 20

Shows

Blue October (rock). Atlas. 8 p.m. Hr 1,020-2,200

The Exploited (hardcore, punk). Bingo. 8 p.m. Hr 650-1,950

Tuesday, Feb. 26

Classical music

Fantasy Concert (Schubert, Chopin, Schumann). National Philharmonic. 7 p.m. Hr 70-250

Live music

Tribute to Ozzy Osbourne (by Max Tavricheskyi). Docker-G Pub. 9 p.m. Free

Miscellaneous

Thing-Off-Itself. Lucy Ivanova (contemporary paintings). The Naked Room. 8 a.m. - 11 p.m. Free

The Ukrainian Canadians (documents, photographs, publications of Ukrainian diaspora in Canada). Museum of Ukrainian Diaspora. 10 a.m. - 6 p.m. Hr 25-50

Complicated Red (paintings by Anton Logov). Ya Gallery. 10 a.m. - 7 p.m. Free

Amazing Stories of Crimea (artworks about the history of Crimea and its citizens). Mystetskyi Arsenal. 11 a.m. - 8 p.m. Hr 80. Hr 40 for retirees, school and university students. Free for children under 12, people with disabilities of the 1st, 2nd group, veterans and any museum employees

The Day of People In Love (paintings dedicated to love by Ukrainian artist Oleksandr Roitburd). Shcherbenko Art Center. 11 a.m. - 8 p.m. Free

Future Generation Art Prize (various artworks by 21 nominees for the prize). Pinchuk Art Center. 12-9 p.m. Free

Ash (paintings by Rustam Mirzoev exploring the feeling of loneliness). Tsekh. 2-8 p.m. Free

Chinese Lantern Festival (huge light installations symbolizing ancient Chinese fairy tales and legends). Spivoche Pole. 5-11 p.m. Mon-Fri. Adults - Hr 160, children from 5 to 16 - Hr 130. Sat-Sun. Adults - Hr 200, children - Hr 160. Free for children under 5

100 Films in 100 Minutes (in original languages with Ukrainian subtitles). Zhovten. 7 p.m. Hr 120-180

Beautiful Boy (biography, drama). Kyiv Cinema. 7 p.m. Hr 120

Tiny Shoulders, Rethinking Barbie (documentary). Kyiv Cinema. 7:30 p.m. Hr 20

Shows

Bez Obmezhen, Arsen Mirzoyan, Sonya Kay (rock, pop). Atlas. 6 p.m. Hr 400-950

The Wize Guyz, The Boomerangs (rockabilly, rock and roll). Caribbean Club. 8 p.m. Hr 150-380

Yurcash (rock). Docker Pub. 8 p.m. Hr 150-2,100

Erise (alternative, indie rock). Docker-G Pub. 9 p.m. Hr 100-125

Theater

Coppélia (ballet). National Opera. 12 p.m. Hr 20-300

The Birthday Party (amateur play, comedy).

ProEnglish Theater. 7 p.m. Hr 180

Carmen (opera in French). National Opera. 7 p.m. Hr 50-600

Monday, Feb. 25

Classical music

Piazzolla & Tango (piano, accordion). Kosenko Museum. 7 p.m. Hr 70

Live music

Carmen Suite, Chasing Two Hares (music from ballets). National Philharmonic. 7 p.m. Hr 70-300

Live Jazz Monday (Oleksandr Murenko Trio). Caribbean Club. 8 p.m. Hr 150-350

Miscellaneous

Thing-Off-Itself. Lucy Ivanova (contemporary paintings). The Naked Room. 8 a.m. - 11 p.m. Free

Complicated Red (paintings by Anton Logov). Ya Gallery. 10 a.m. - 7 p.m. Free

Chinese Lantern Festival (huge light installations symbolizing ancient Chinese fairy tales and legends). Spivoche Pole. 5-11 p.m. Mon-Fri. Adults - Hr 160, children from 5 to 16 - Hr 130. Sat-Sun. Adults - Hr 200, children - Hr 160. Free for children under 5

Movies

Short Films About Love (in original languages, mostly English, with Ukrainian subtitles). Zhovten. 10:40 a.m., 3:55 p.m., 7:45 p.m. Hr 50-100

Mid90s (comedy, drama). Kyiv Cinema. 7 p.m. Hr 120

Standing Up (documentary). Kyiv Cinema. 7 p.m. Hr 20

Can You Ever Forgive Me? (biography, comedy, crime). Kyiv Cinema. 9 p.m. Hr 120

Obit (documentary). Kyiv Cinema. 9 p.m. Hr 20

Shows

Blue October (rock). Atlas. 8 p.m. Hr 1,020-2,200

The Exploited (hardcore, punk). Bingo. 8 p.m. Hr 650-1,950

Tuesday, Feb. 26

Classical music

Fantasy Concert (Schubert, Chopin, Schumann). National Philharmonic. 7 p.m. Hr 70-250

Live music

Tribute to Ozzy Osbourne (by Max Tavricheskyi). Docker-G Pub. 9 p.m. Free

Miscellaneous

Thing-Off-Itself. Lucy Ivanova (contemporary paintings). The Naked Room. 8 a.m. - 11 p.m. Free

The Ukrainian Canadians (documents, photographs, publications of Ukrainian diaspora in Canada). Museum of Ukrainian Diaspora. 10 a.m. - 6 p.m. Hr 25-50

Complicated Red (paintings by Anton Logov). Ya Gallery. 10 a.m. - 7 p.m. Free

Amazing Stories of Crimea (artworks about the history of Crimea and its citizens). Mystetskyi Arsenal. 11 a.m. - 8 p.m. Hr 80. Hr 40 for retirees, school and university students. Free for children under 12, people with disabilities of the 1st, 2nd group, veterans and any museum employees

The Day of People In Love (paintings dedicated to love by Ukrainian artist Oleksandr Roitburd). Shcherbenko Art Center. 11 a.m. - 8 p.m. Free

Future Generation Art Prize (various artworks by 21 nominees for the prize). Pinchuk Art Center. 12-9 p.m. Free

Ash (paintings by Rustam Mirzoev exploring the feeling of loneliness). Tsekh. 2-8 p.m. Free

Chinese Lantern Festival (huge light installations symbolizing ancient Chinese fairy tales and legends). Spivoche Pole. 5-11 p.m. Mon-Fri. Adults - Hr 160, children from 5 to 16 - Hr 130. Sat-Sun. Adults - Hr 200, children - Hr 160. Free for children under 5

100 Films in 100 Minutes (in original languages with Ukrainian subtitles). Zhovten. 7 p.m. Hr 120-180

Beautiful Boy (biography, drama). Kyiv Cinema. 7 p.m. Hr 120

Tiny Shoulders, Rethinking Barbie (documentary). Kyiv Cinema. 7:30 p.m. Hr 20

Shows

Bez Obmezhen, Arsen Mirzoyan, Sonya Kay (rock, pop). Atlas. 6 p.m. Hr 400-950

The Wize Guyz, The Boomerangs (rockabilly, rock and roll). Caribbean Club. 8 p.m. Hr 150-380

Yurcash (rock). Docker Pub. 8 p.m. Hr 150-2,100

Future Generation Art Prize (various artworks by 21 nominees for the prize). Pinchuk Art Center. 12-9 p.m. Free 🆓

Ash (paintings by Rustam Mirzoev exploring the feeling of loneliness). Tsekh. 2-8 p.m. Free 🆓

Chinese Lantern Festival (huge light installations symbolizing ancient Chinese fairy tales and legends). Spivoche Pole. 5-11 p.m. Mon-Fri. Adults - Hr 160, children from 5 to 16 - Hr 130. Sat-Sun. Adults - Hr 200, children - Hr 160. Free for children under 5 🆓

Movies

Short Films About Love (in original languages, mostly English, with Ukrainian subtitles). Zhovten. 10:40 a.m., 3:55 p.m., 7:45 p.m. Hr 50-100 🆓

Tiny Shoulders, Rethinking Barbie (documentary). Kyiv Cinema. 6:30 p.m. Hr 20 🆓

BlackKlansman (biography, crime, drama). Kyiv Cinema. 7 p.m. Hr 120 🆓

Queen. Live in Budapest (concert film). Kyivan Rus. 7 p.m. Hr 150 🆓

Mid90s (comedy, drama). Kyiv Cinema. 9 p.m. Hr 120 🆓

Obit (documentary). Kyiv Cinema. 9 p.m. Hr 20 🆓

Shows

Yoav (indie pop, rock, electronic). Atlas. 7 p.m. Hr 500-950 🆓

In Extremo (folk metal). Bingo. 8 p.m. Hr 600-1,000 🆓

Theater

The Elixir of Love (opera in Italian). National Opera. 7 p.m. Hr 50-600 🆓

The Tragedy of King Richard the Second (British National Theater recording). Multiplex (Sky Mall). 7:30 p.m. Hr 190 🆓

Thursday, Feb. 28

Live music

Dovlatov Jazz. Cinema House. 8 p.m. Hr 150-350 🆓

The Queen Symphony (Queen songs by National Academic Symphonic Band of Ukraine). National Philharmonic. 7 p.m. Hr 100-500 🆓

Bandura & Duduk (Roman Hryniv Trio). Architect's House. 8 p.m. Hr 175-425 🆓

Tribute to Queen (Beast band). Docker Pub. 8 p.m. Hr 125-1,400 🆓

Miscellaneous

Thing-Off-Itself. Lucy Ivanova (contemporary paintings). The Naked Room. 8 a.m. - 11 p.m. Free 🆓

p.m. Free 🆓

The Ukrainian Canadians (documents, photographs, publications of Ukrainian diaspora in Canada). Museum of Ukrainian Diaspora. 10 a.m. - 6 p.m. Hr 25-50 🆓

Complicated Red (paintings by Anton Logov). Ya Gallery. 10 a.m. - 7 p.m. Free 🆓

Amazing Stories of Crimea (artworks about the history of Crimea and its citizens). Mystetskyi Arsenal. 11 a.m. - 8 p.m. Hr 80. Hr 40 for retirees, school and university students. Free for children under 12, people with disabilities of the 1st, 2nd group, veterans and any museum employees 🆓

The Day of People In Love (paintings dedicated to love by Ukrainian artist Oleksandr Roitburd). Shcherbenko Art Center. 11 a.m. - 8 p.m. Free 🆓

Future Generation Art Prize (various artworks by 21 nominees for the prize). Pinchuk Art Center. 12-9 p.m. Free 🆓

Ash (paintings by Rustam Mirzoev exploring the feeling of loneliness). Tsekh. 2-8 p.m. Free 🆓

Chinese Lantern Festival (huge light installations symbolizing ancient Chinese fairy tales and legends). Spivoche Pole. 5-11 p.m. Mon-Fri. Adults - Hr 160, children from 5 to 16 - Hr 130. Sat-Sun. Adults - Hr 200, children - Hr 160. Free for children under 5 🆓

Movies

Indi Lab 2019 Shorts (documentaries). Kyiv Cinema. 3 p.m. Hr 20 🆓

Shows

Red Lamp, Tantsploschadka (alternative rock, hip hop, electronic). Mezzanine. 7:30 p.m. Hr 150 🆓

The Jack Frost (alternative rock, post punk, grunge). Docker's ABC. 9 p.m. Free 🆓

Theater

Swan Lake (ballet). National Opera. 7 p.m. Hr 150-2,900 🆓

Swan Lake (Kyiv Modern Ballet). Zhovtnevyi Palace. 7 p.m. Hr 70-750 🆓

Friday, March 1

Classical music

Chopin (Academic Symphony Orchestra). National Philharmonic. 7 p.m. Hr 70-350 🆓

The Four Seasons (Vivaldi, Piazzolla). Architect's House. 8 p.m. Hr 200-450 🆓

Live music

Big Jazz (Kyiv Virtuosi Orchestra). Zhovtnevyi Palace. 7 p.m. Hr 250-1,000 🆓

Clubs

Vyriy (dancing music party). Khvylovi. 8 p.m. Free 🆓

Closer: Andrey Pushkarev (techno, house DJ set). Closer. 11:55 p.m. Price to be announced 🆓

Miscellaneous

Thing-Off-Itself. Lucy Ivanova (contemporary paintings). The Naked Room. 8 a.m. - 11 p.m. Free 🆓

The Ukrainian Canadians (documents, photographs, publications of Ukrainian diaspora in Canada). Museum of Ukrainian Diaspora. 10 a.m. - 6 p.m. Hr 25-50 🆓

Complicated Red (paintings by Anton Logov). Ya Gallery. 10 a.m. - 7 p.m. Free 🆓

Amazing Stories of Crimea (artworks about the history of Crimea and its citizens). Mystetskyi Arsenal. 11 a.m. - 8 p.m. Hr 80. Hr 40 for retirees, school and university students. Free for children under 12, people with disabilities of the 1st, 2nd group, veterans and any museum employees 🆓

The Day of People In Love (paintings dedicated to love by Ukrainian artist Oleksandr Roitburd). Shcherbenko Art Center. 11 a.m. - 8 p.m. Free 🆓

Future Generation Art Prize (various artworks by 21 nominees for the prize). Pinchuk Art Center. 12-9 p.m. Free 🆓

Ash (paintings by Rustam Mirzoev exploring the feeling of loneliness). Tsekh. 2-8 p.m. Free 🆓

Chinese Lantern Festival (huge light installations symbolizing ancient Chinese fairy tales and legends). Spivoche Pole. 5-11 p.m. Mon-Fri. Adults - Hr 160, children from 5 to 16 - Hr 130. Sat-Sun. Adults - Hr 200, children - Hr 160. Free for children under 5 🆓

Shows

The Hypnotunez (swing, jazz, rock and roll). Caribbean Club. 8 p.m. Hr 220-850 🆓

Theater

Madama Butterfly: Cio-Cio San (opera in Italian). National Opera. 7 p.m. Hr 50-600 🆓

Pro. Act Fest (English-language theater festival). Les Kurbas Center. 7 p.m. Hr 100 per day 🆓

Saturday, March 2

Classical music

Serhii Nakariakov (classics of trumpet). National Philharmonic. 7 p.m. Hr 80-400 🆓

Live music

Street Jazz — Love in Paris. Architect's House. 8 p.m. Hr 225-500 🆓

Made in 90's (90's pop and rock hits). Docker's ABC. 10 p.m. Free 🆓

Clubs

Closer: Ben Ufo & Joy Orbison (electronic DJ set). Closer. 11:55 p.m. Hr 250-350 🆓

Miscellaneous

Thing-Off-Itself. Lucy Ivanova (contemporary paintings). The Naked Room. 8 a.m. - 11 p.m. Free 🆓

The Ukrainian Canadians (documents, photographs, publications of Ukrainian diaspora in Canada). Museum of Ukrainian Diaspora. 10 a.m. - 6 p.m. Hr 25-50 🆓

Complicated Red (paintings by Anton Logov). Ya Gallery. 10 a.m. - 7 p.m. Free 🆓

Sweet Market (various desserts, sweet sauces, liquors by Ukrainian producers). Vsi Svoi D12. 10 a.m. - 8 p.m. Free 🆓

Amazing Stories of Crimea (artworks about the history of Crimea and its citizens). Mystetskyi Arsenal. 11 a.m. - 8 p.m. Hr 80. Hr 40 for retirees, school and university students. Free for children under 12, people with disabilities of the 1st, 2nd group, veterans and any museum employees 🆓

The Day of People In Love (paintings dedicated to love by Ukrainian artist Oleksandr Roitburd). Shcherbenko Art Center. 11 a.m. - 8 p.m. Free 🆓



Feb. 28

'The Queen Symphony'

For those who want to enjoy some timeless rock hits, The National Academic Symphonic Band of Ukraine will perform songs of the legendary British rock band Queen on Feb. 28. The Symphonic Band will perform well-known Queen hits including "Bohemian Rhapsody," "Don't Stop Me Now," and "Barcelona." "The Queen Symphony" music show will take place at Kyiv's National Philharmonic, and will feature Oleksii Vikulov as conductor, as well as the Khreshchatyk Academic Chamber Choir. **"The Queen Symphony." National Philharmonic (2 Volodymyrskyi Uzviz St.) Feb. 28. 7 p.m. Hr 100-500**

p.m. Free 🆓

Future Generation Art Prize (various artworks by 21 nominees for the prize). Pinchuk Art Center. 12-9 p.m. Free 🆓

Ash (paintings by Rustam Mirzoev exploring the feeling of loneliness). Tsekh. 2-8 p.m. Free 🆓

Chinese Lantern Festival (huge light installations symbolizing ancient Chinese fairy tales and legends). Spivoche Pole. 5-11 p.m. Mon-Fri. Adult - Hr 160, children from 5 to 16 - Hr 130. Sat-Sun. Adult - Hr 200, children - Hr 160. Free for children under 5 🆓

Shows

Steven Wilson (progressive rock). Zhovtnevyi Palace. 7 p.m. Hr 680-2,990 🆓

Enter Shikari (alternative rock, post-hard-core). Stereo Plaza. 8 p.m. Hr 850-1,500 🆓

Braty Gadiukiny (rock and roll, blues, punk). Docker Pub. 10 p.m. Hr 175-2,450 🆓

Theater

Pro. Act Fest (English-language theater festival). Les Kurbas Center. 10:30 a.m. Hr 100 per day 🆓

Sunday, March 3

Live music

Endless Melancholy (music show in darkness). Cinema House. 8 p.m. Hr 250-350 🆓

Clubs

Tiësto (electronic DJ set). Stereo Plaza. 9 p.m. Hr 1,349-5,499 🆓

Miscellaneous

Thing-Off-Itself. Lucy Ivanova (contemporary paintings). The Naked Room. 8 a.m. - 11 p.m. Free 🆓

'Amazing Stories of Crimea'

Kyiv's Mystetskyi Arsenal exhibition center is to present a new big project dedicated to Crimea. The exhibition featuring various artworks aims to tell the rich history of the peninsula – its nature, native people and temporarily indwelling peoples, their traditions, and beliefs. 'Amazing Stories of Crimea' will also spotlight the obstacles that the territory had to endure over the course of the history including the latest and an ongoing one – the occupation by Russia that started in 2014. **"Amazing Stories of Crimea." Mystetskyi Arsenal (10-12 Lavrska St.) Feb. 26 - May 5. Tue-Sun. 11 a.m. - 8 p.m. Hr 80. Hr 40 for retirees, school and university students. Free for children under 12, people with disabilities of the 1st, 2nd group, veterans and any museum employees**



Feb. 26 - May 5

Venues

Classical Music

- 1 National Philharmonic of Ukraine (2 Volodymyrskyi Uzviz St.) +38044 278 6291
- 2 Architect's House (7 Borysa Hrinchenka St.) +38050 386 7410
- 3 Taurus Gallery (6 Olhynska St.) +38044 220 0692
- 4 Kosenko Museum (9 Kotsiubynskoho St.) +38044 234 0314
- 5 Ukrainian Radio Recording House (5B Leonida Pervomaiskoho St.) +38044 239 6333

Clubs

- 1 Closer (31 Nyzhnoiurkivska St.) +38067 250 0308
- 2 Khvyloviy Bar (18 Verkhniy Val St.) +38063 443 0925
- 3 Otel' (31 Nyzhnoiurkivska St.) +38063 618 0145
- 4 River Port (67 Nyzhniy Val St.) www.facebook.com/river-portkyiv

Miscellaneous

- 1 Tsekh Art Gallery (69 Kyrylivska St.) +38063 131 9481
- 2 The Naked Room (21 Reitarska St.) www.facebook.com/thenakedroom
- 3 Pinchuk Art Center (1/3-2 Velyka Vasylykivska St.) +38044 590 0858

- 1 Spivoche Pole (33 Lavrska St.) 0800 309 994
- 2 Shcherbenko Art Center (22V Mykhailivska St.) +38096 801 2041
- 3 Ya Gallery (49B Khoryva St.) +38044 492 9203
- 4 Museum of Ukrainian Diaspora (40B Moskovska St.) +38044 280 6418
- 5 Vsi Svoi D12 (12 Desiatynna St.) www.facebook.com/vsi.svoi
- 6 Mystetskyi Arsenal (10-12 Lavrska St.) +38044 288 5225
- 7 Art Prichal (Naberezhno-Khreshchatytska St., wharf 2) +38068 075 7509

Movies

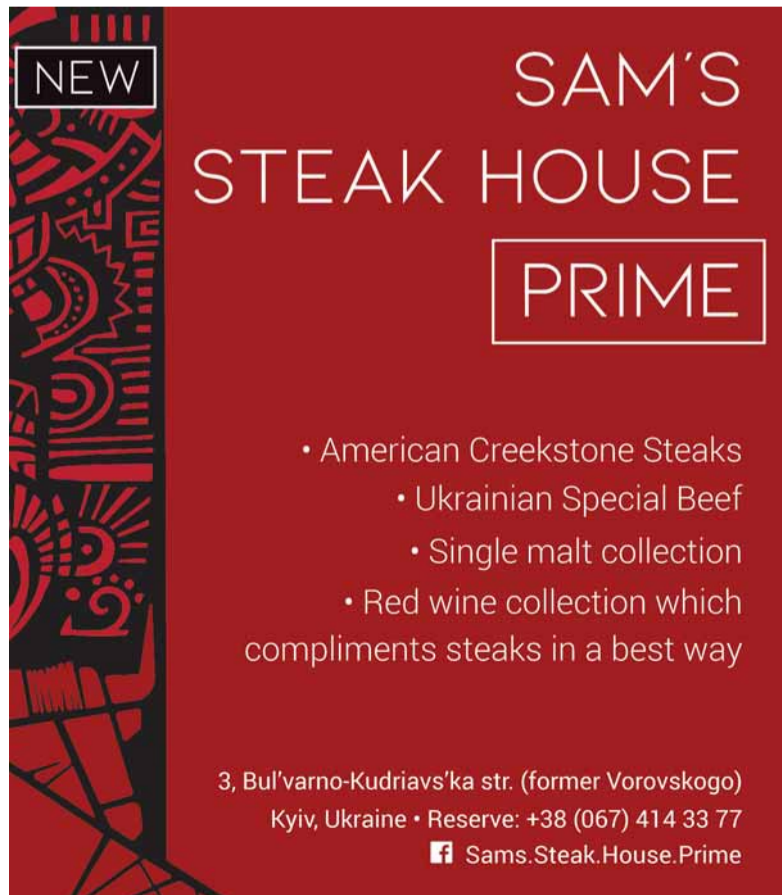
- 1 America House (6 Mykolya Pymonenka St.) +38063 343 0119
- 2 Kyiv Cinema (19 Velyka Vasylykivska St.) +38044 234 7381
- 3 Multiplex Cinema

- (Atmosfera, 105 Stolychne Hwy.) 0800 505 333
- 2 Multiplex Cinema (Komod, 4A Sheptytskoho St.) 0800 505 333
- 3 Multiplex Cinema (Lavina Mall, 6D Berkovetska St.) 0800 505 333
- 4 Multiplex Cinema (Prospekt, 1V Hinata Hotkevycha St.) 0800 505 333
- 5 Multiplex Cinema (Sky Mall, 2T Henerala Vatutina Ave.) 0800 505 333
- 6 Zhovten Cinema (26 Kostiantynivska St.) +38044 428 5757
- 7 Kyivan Rus Cinema (93 Sichovykh Striltsiv St.) +38044 486 7474

Shows

- 1 Atlas (37-41 Sichovykh Striltsiv St.) +38067 155 2255
- 2 Caribbean Club (4 Peltiury St.) +38067 224 4111
- 3 Mezzanine (31

- Nyzhnoiurkivska St.) +38063 873 7306
- 2 Zhovtnevyi Palace (1 Heroiv Nebesnoi Sotni Alley) +38044 279 1582
- 3 Stereo Plaza (119 Lobanovskiy Ave) +38044 222 8040
- 4 Bingo (112 Peremohy Ave.) +38067 329 6580
- Theater**
- 1 Les Kurbas Center (23V Volodymyrskyi Ave) +38044 279 1289
- 2 National Opera of Ukraine (50 Volodymyrskyi St.) +38044 234 7165
- 3 ProEnglish Theater (3 Smolenska St.) +38098 256 7331
- 4 Theater on Podil (20A, Andriivskyi Uzviz St.) +38044 332 2217



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World in Ukraine

Editor's Note: World in Ukraine takes a look at Ukraine's bilateral relations with different nations. All articles are written independently from advertisers. To sponsor this news feature, please contact the Kyiv Post's sales team at advertising@kyivpost.com or call 591-7788.

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The great Danes of Ukraine

BY GABRIEL HARDY-FRANÇON
HARDYFRANCON@KYIVPOST.COM

Several Danish citizens are devoting a substantial part of their lives to making a difference in Ukraine.

This small community that probably numbers less than 100 in Ukraine is involved in diverse fields, including diplomacy, journalism, information technology and conflict resolution. But what binds these citizens of Denmark together is a strong desire to contribute to the development of a country they love with the special Danish way of doing things.



Carl Plesner

Carl Plesner is a 41-year-old Dane who came to Ukraine precisely on Feb. 11, 2014—11 days before the EuroMaidan

Revolution drove President Viktor Yanukovich from power.

A woman named Olena Hantsyak-Kaskiv told the head of the Ukrainian Greek Catholic Church that her non-governmental organization of activists needed support and expertise in non-violent resistance. At the time, she was part of a group Initiative E+ created during the revolution to promote social change. Now she is married to Plesner.

As a certified trainer in non-violent communication who worked with the Danish police for five years, Plesner answered the call and headed immediately for Kyiv.

After the revolution, the couple founded a non-governmental organization called Dignity Space, which focuses on "helping people recover and reconcile after conflicts." To do this, Plesner said that he "transforms violent language into non-violent language."

He admires the resilience of Ukrainians in the face of suffering and hardship.

"Ukrainians are faced with so much difficulty, yet they work so hard," Plesner said. "When I go back home, I can get angry at ordinary Danish citizens complaining about small things."



Jesper Lindholt

In Ukraine for 12 years, Jesper Lindholt is a 52-year-old economist who was first introduced to the country in 1995 when he started to work in Zaporizhia for the European Union's Technical Assistance to the Common Wealth of Independent States (TACIS) program.

Lindholt works in the information technology industry now and built



A few Danes gather at Peter Erben's house during the summer of 2017 to celebrate Sankt Hans Aften, or Saint John's Eve. An estimated 100 citizens of Denmark live in Ukraine. (Courtesy)

his own IT company, Livatek, five years ago in mid-2013 as a broker of services between foreign companies and Ukrainian ones.

Lindholt said business is recovering again from the recessions triggered by corruption, the revolution and the start of Russia's war in 2014. Livatek has doubled its revenues during the last two years, to 2 million euros yearly.

Lindholt is also involved in charity. He has helped bring 40 used four-wheel-drive cars from Denmark to the eastern war front to use as ambulances — involving both friends and relatives to drive them over.

Livatek's CEO is also working on another charity project in cooperation with the Rotary Club and Initiative E+ to buy 600 computers from German military auctions. The computers are then sent to 60 schools near the war front.

A computer training camp was already organized in the Carpathian Mountains, where 60 kids from these schools were taught how to use Linux.

"I am happy to have a company where we have a social dimension," Lindholt said. "You do not need to leave your heart at home."



Ove Urup-Madsen

Ove Urup-Madsen, 61, has been an active-duty officer of the Danish air force for 40 years. It was in this

context that he was sent to Ukraine by the NATO alliance four years ago.

Now the manager of the NATO Professional Development Program that trains Ukrainian public and civil servants from several ministries and departments, Urup-Madsen started getting involved in Ukraine 12 years ago.

In 2007, the Danish officer instigated a project dubbed Northern Falcon — a military cooperative mission between Denmark and Ukraine. The mission's purpose was to use Ukrainian IL-76MD military aircraft to transport food, equipment, and fuel from the U.S. Thule Air Base to the Nord Danish polar station in Greenland.

His goal now is trying to teach cross-institutional cooperation through "theoretical and interactive trainings where people work towards common goals like leadership and management."

Even though his contract will end in December, Urup-Madsen hopes to stay for another two years in order to keep training more people and keep the momentum of his work going so that one day Ukraine might be up to date with Western administrative standards.

Peter Erben

Peter Erben is a 41-year-old senior global electoral adviser at the International Foundation for Electoral Systems who has been living in Ukraine for three and half years.

He and his Ukrainian wife — whom he married many years ago — agreed

after the EuroMaidan Revolution ended five years ago "that this was a period of great hope for Ukraine to move forward and enter Europe," he said. This is why the couple wished "to make a small contribution" toward Ukraine's future.

As one of the few international leading authorities called upon to direct and monitor national elections for other nations, Erben's work in Ukraine includes training electoral management bodies as well as supporting civil society activism and strengthening civic engagement.

IFES trainings reached more than 117,750 election commissioners nationwide ahead of the October 2014 parliamentary elections and the October 2015 local elections.

Erben's work is also crucial before the upcoming presidential election on March 31 and parliamentary one in October.



Michael Andersen

Michael Andersen is a 54-year-old political science professor turned journalist who lives

between Ukraine and his native Denmark, films documentaries and has been running several media projects for the past 20 years.

Andersen first came to Ukraine 20 years ago when he was recruited by billionaire philanthropist George Soros as a university professor to teach in Lviv for a couple of years. He then became

the director of a project encompassing Ukraine, Moldova and Belarus.

He is currently involved in the building a digital news house for UA: Pershyi public television channel — a project of 7 million euros financed by the European Commission and involving the BBC and Deutsche Welle.



Johannes Wamberg Andersen

Johannes Wamberg Andersen is a 50-year-old freelance journalist who reports for

Western media, monitors human rights, and pushes for better railways around the country.

His arrival in Ukraine in the spring of 1999 to intern at the Danish Embassy was a revelation.

He "discovered Ukraine to be a pivot country in between the West and Russia... there was a sense of hope and diversity in the air."

He marveled at how Ukraine's drive and willpower "produced two major uprisings of revolutionary format in just 10 years."

Tight-knit community

Ukraine can be a challenging country to live in for Westerners who decide to settle here.

It is, however, according to all Denmark citizens that the Kyiv Post interviewed, a place that inspires novelty and admiration, a place that is easy "to fall in love with" as Urup-Madsen put it.

Andersen called Ukraine "a bomb of energy" from which many countries could learn.

Ukraine is, indeed, undergoing a dramatic transformation from its Soviet legacy to European democracy that many in the West do not appreciate.

This historical shift, driven by a talented youth and passionate hard-working people, makes Erben and his fellow Danes want to be "a tiny part of Ukraine's European dream."

The small group of Danes gets together for special occasions, including a traditional mid-summer gathering, when they speak Danish, drink beer, and uphold traditions of their home far away.

One such gathering is at Erben's residence to celebrate the traditional Danish mid-summer party Sankt Hans Aften, or Saint John's Eve. The Danish word "hygge" — the art of appreciating what is good in life among relatives and friends — stands at the core of this special celebration. Those attending usually wait once it gets dark outside to gather around a bonfire and sing Danish folk songs. ■

Offices in Kyiv and Lviv, a factory in Odesa as Danish BIIR readies expansion

BY OLEKSIY SOROKIN
SOROKIN@KYIVPOST.COM

BIIR, a Danish engineering company with an office in Odesa, has had a good-run of fortune since becoming one of the few foreign companies to have won a court case in Ukraine.

Buoyed by that success, the company now plans to expand in Ukraine, the company's board chairman Thomas Sillesen told the Kyiv Post in an interview on Feb. 14.

BIIR entered Ukraine in 2013, when it hired a couple of software developers in Luhansk, the Luhansk Oblast city of 400,000 people located 750 kilometers east of Kyiv. When the war started in April 2014, the company had a strong presence in Luhansk, Sillesen says. But when on May 29, 2014 the company's office was raided by Russian-led forces, the company decided to move to Odesa for the summer. It's been there ever since.

The move brought more problems, however. In 2017, after buying a building in Odesa, the company faced attacks from both its previous owners and the city authorities, resulting in a yearlong legal case, which BIIR eventually won in February 2018.

Multiple attacks

"Looking from the positive side, the first time we could have been killed off (in Luhansk), while the second time (in Odesa) we might only have lost a building," says Sillesen, referring to the two big-



Thomas Sillesen, CEO of Danish engineering company BIIR, speaks with the Kyiv Post at the newspaper's office on Feb. 14, 2019. (Kostyantyn Chernichkin)

gest problems the company has faced in Ukraine.

All the same, the company has had to fight several other legal battles while trying to do business in Odesa. So far, it has won all of them. The latest court case — the fourth to be exact — concerns Hr 2 million

(\$75,000) that the State Pension Fund owes BIIR, according to Sillesen.

"We've had some cases with the State Pension Fund in which they don't follow the law, we take them to court, we win, and then next year they try again," says Sillesen.

While the company has won all of its previous cases, Sillesen points out that these attacks on them discourage other foreign companies from doing business in Ukraine.

"A former director at Lehman Brothers was finding investors for an agro project in Lviv, raising 18 million euros," Sillesen said.

However, one of the investment funds the would-be investor talked to had their office in Kyiv raided, and their servers seized, which caused the company to move out of Ukraine, Sillesen added.

"Now he's afraid to invest in Ukraine altogether."

"The raided servers were worth \$40,000. (The raid cost Ukraine) 18 million euros in lost investment."

There is a lot of interest in Ukraine from foreign investors, but after they hear stories from those who have already battled bureaucracy and cor-

ruption in Ukraine, they look elsewhere, he said.

"Our small company (160 people in Odesa) pays a lot of taxes, which should be spent on roads and schools, which in the end would help officials in Odesa get reelected," Sillesen said. "They should love us."

Sillesen points out that since Ukraine is in such need of foreign investment, the country has to favor foreign companies, concentrating specifically on stopping attacks on those who decide to enter Ukraine.

"As a Dane, I have 192 countries to invest in, why should I invest in a country where I would get into so much sh*t?" said Sillesen.

Ukraine expansion

Even though BIIR has faced multiple setbacks in Ukraine, the company is growing at 50 percent a year and is planning to create a broader network in Ukraine. Half of its total personnel are based in Odesa, last year it opened an additional office in Lviv, and it now plans to open a sales department in Kyiv to attract a wider range of both local and international clients.

Back in Odesa, the company plans to open a packaging factory, investing 7–10 million euros in its construction and equipment. In terms of logistics, the port city of Odesa is a logical choice, according to Sillesen.

And for that reason the company plans to build its headquarters there, invest in housing for the company's employees, and substantially increase its staff numbers in Ukraine. All the same, the company is looking to expand its presence nationwide.

Sillesen is planning to live in Ukraine on a permanent basis.

"I decided to move to Ukraine, because we're not satisfied with the speed we're growing at," said Sillesen.

"We want to double our output every year." ■



Denmark at a glance

Government type: **Constitutional monarchy**



Queen: **Margrethe II** (since Jan. 14, 1972)



Prime Minister: **Lars Løkke Rasmussen**



GDP, PPP: **\$355 billion (2018)**

GDP per capita, PPP: **\$61,230 (2018)**



Total area: **2,220,930 square kilometers**

Population: **5.8 million**

World Bank's Doing Business Ranking: **3**

Credit ratings: **S&P, Fitch AAA (stable), Moody's Aaa (stable)**

Main economic sectors:

High-tech agricultural sector, chemical, pharmaceutical and biotechnology industries, IT, maritime shipping, renewable energy, tourism



Trade: **\$464 million** (January-November 2018)

Exports from Ukraine to Denmark: **grain, clothes, furniture, milk and milk products, fish, eggs, honey, nuclear reactors, boilers** \$206 million

Imports to Ukraine from Denmark: **electric cars, nuclear reactors, boilers, pharmaceuticals, optical instruments, meat, fish, products made of ferrous metals** \$258 million



Denmark foreign direct investment in Ukraine: **\$154 million (October, 2018)**

Source: International Monetary Fund, State Statistics Service of Ukraine

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What rich, happy Denmark can teach Ukraine in life

BY DARIA SHULZHENKO
SHULZHENKO@KYIVPOST.COM

Denmark beats Ukraine in global rankings of wealth, health, longevity, environment, ease of doing business — and even happiness.

The two latest reports on World Happiness and Global Progress show Ukraine as one of the world's unhappier nations. Denmark, on the other hand, is at the top of both lists, proving that happiness and social progress of a nation are linked to the health of the economy.

Denmark, a Nordic country of five million people, is first on the list of the 2017 Social Progress Index, made by the U.S.-based nongovernmental organization Social Progress Imperative with the support of Deloitte, an audit firm. It ranks third in the independent 2018 World Happiness Report for 2015–2017 published by the United Nations.

At the same time, Ukraine is ranked 64th among 128 countries on the list of the 2017 Social Progress Index, with its happiness dropping to 138th out of 156 countries in the latest survey.

Ukrainian Andrii Kuzmyn, 36, who has lived in Denmark for more than a decade, believes that life there is much easier and agrees that society in Denmark is happier as well.

“Denmark provides people with a good salary, which is a basic component of social security and happiness, unlike Ukraine, where people mostly do not earn money but try to survive on such a low salary,” Kuzmyn said.

Social progress

The 2017 Social Progress Index puts Denmark as the top-ranked country.

The report defines social progress as the capacity of a society to meet all basic human needs.

The Social Progress Index focuses



People attend a kissing contest in Copenhagen, Denmark, on May 8, 2014. Denmark's citizens are among the world's happiest and enjoy some of the best living conditions in the world, according to Social Progress Index and World Happiness Report. (AFP)



Denmark is one of few countries to give 0.7 percent of its gross domestic product to international aide.

on life outcomes in such fields as education, medicine, nutrition, and shelter, instead of measuring people's life satisfaction or happiness.

“Denmark has long been admired for its successful social welfare policies and quality of life,” the Social Progress Index official report reads.

Unlike Denmark, Ukrainian society poorly scores in such categories as personal freedom of choice, inclusion, and Tolerance and finishes with an upper-middle ranking.

Dane Nicki Olesen, 42, who lives in Ukraine, says that Ukrainians and Danish people have different lives.

“Denmark is number one on the list of the least corrupt countries, and in Denmark, everything goes by the rules, it is so well-organized,” Olesen told the Kyiv Post. “The streets are nice and clean, all the buses run on time and, in comparison to Ukraine, people do not need to worry about all these simple things,” Olesen said.

Olesen says that the ecological situation is better in Denmark with people accustomed to recycling and a government that promotes eco-friendly initiatives.

The 2018 Social Progress Index shows that in rankings of environmental quality, Denmark ranks fourth while Ukraine finishes 112th among 146 countries ranked, with high greenhouse gas emissions as well as high levels of air pollution.

Happiness

The latest independent World Happiness Report, published by the United Nations in March 2018, says that “social factors have a great impact on the level of happiness in a country.”

Taking into account criteria that indicate quality of life such as income, social support, freedom of speech and life expectancy, Denmark is again among the top four countries.

Ukraine is closer to the bottom of

the list and was ranked 138th in the 2018 World Happiness Report.

“The 10 countries with the largest declines in average life evaluations typically suffered some combination of economic, political, and social stresses. The five largest drops since 2008–2010 were in Ukraine, Yemen, Syria, Malawi and Venezuela,” the World Happiness report official website reads.

Kuzmyn says happiness of society depends on how easy a person can change his or her life, find new work or a decent place to live.

“Denmark offers such opportunities, and in Ukraine, people are always under pressure to go and earn money,” Kuzmyn said.

Olesen says that happiness depends on money as well, and “in Denmark, basically, everybody has quite good living conditions.”

Ukraine is 75th among 153 countries in the 2018 Good Country Index, an annual rating published by the British organization Good Country that measures 37 options provided by such organizations as UNICEF and United Nations. While Ukraine dropped 21 positions since last year, Denmark took fifth place in the 2018 Good Country Index, remaining among the best countries for living in the world. ■

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2. 'There is no Europe without Ukraine,' Tusk says in speech at Rada
3. Merkel defends Nord Stream 2 project, acknowledges Ukraine unhappy with pipeline
4. Kremlin media pundits beat the drums of war
5. SBU puts Russian agent suspected of MH17 downing on wanted list
6. Election Watch: Zelenskiy opens lead in recent poll as No. 2 spot shifts to president
7. Scandal at Kyiv National University puts spotlight on sexual harassment in education
8. Poroshenko calls for international unity against Russia
9. A look back at the EuroMaidan Revolution that started on Nov. 21, 2013 (PHOTOS)
10. How Ukraine's main square changed since EuroMaidan Revolution (PHOTOS)

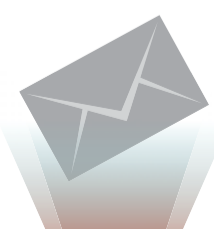


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Danske Bank laundered money from Ukraine

BY IGOR KOSSOV
KOSSOV@KYIVPOST.COM

Denmark's largest bank, Danske Bank, announced that it's quitting Russia and the Baltics after being ordered out of Estonia on Feb. 20.

Meanwhile, the European Banking Authority is investigating Danish and Estonian financial regulators to see how they missed 200 billion euros being laundered through Danske Bank's Estonian branch. While most of the dirty money came from Russia, reports on the Estonian branch found that some nonresident portfolio clients were from Ukraine.

In 2018, the bank's net profit was \$2.3 billion, according to the bank's official report.

Anti-money laundering experts told the Kyiv Post that this scheme could have helped crime and corruption to flourish, as well as have deprived the Ukrainian economy of funds. While European Union members, including Denmark, try to help Ukraine's economic development and transparency reforms, the EU's lack of oversight may create some of the same problems it hopes to stomp out.

"This case shows the hidden connection between problems in developing countries like Ukraine or dictatorial countries like Russia, and problems in Western Europe," Daria Kaleniuk, the executive director of the Anti-Corruption Action Center, told the Kyiv Post.

Steadfast friend

Denmark has been Ukraine's steadfast friend. Recently, it gave \$9.2 million to a United Nations program to assist internally displaced Ukrainians in the war-torn Donbas region. And recently it poured \$5.7 million into alternative energy investments in Ukraine.

Denmark's government also called for sanctions against Russia over the capture of Ukrainian sailors near the Kerch Strait. And Denmark has consistently encouraged Ukraine's anti-corruption reforms, to move the country towards becoming a liberal democracy.

However, Graham Barrow, an anti-money laundering consultant based in the U.K., said that it's Denmark's very status as a transparent liberal democracy that blinded its regulators to the volume of suspicious money passing through its largest bank.

"The Scandinavian countries were victims of their own success — it made them a target for these crimes," Barrow told the Kyiv Post. "One reason they didn't see the problem is because they didn't believe they had a problem."

Denmark has a "moderate level of understanding" of its money laundering risks, according to a 2017 assessment by Moneyval, an anti-laundering committee in the EU. A 2018 update found that Denmark had made "good progress" but its risk assessment was still only "partial-



Danske Bank is quitting its Russia and Baltics branches after it has been ordered out of Estonia on Feb. 20. The bank laundered 200 billion euros with most of the dirty money coming from Russia. (AFP)

ly compliant" with the committee's standards.

Moneyval's assessment of Ukraine found that corruption poses an "overarching money laundering risk" and creates a lot of criminal proceeds. Ukraine has "reasonably good" understanding of its laundering risks and is trying to improve its capacity to fight them. However, it still has many problems with transparency, corruption and the shadow economy.

According to a report commissioned by Danske Bank, as well as a statement by the Danish financial regulator, money from Ukraine comprised a very small portion of the total amount. Anna Babinec, an investigative reporter who examined international money laundering schemes, said that this makes sense, as Ukraine doesn't have a lot of money.

Shell companies

It's hard to tell whether money coming from Ukraine was tied to corruption, criminal activities or simply tax avoidance. Specific records can be very hard to track down, let alone tie to illegal actions, experts said.

Barrow pointed to two "companies," Milltown Corporate Services Ltd. and Ireland & Overseas Investments Ltd., which had created thousands of other companies used in so-called laundromats or international laundering schemes.

Many of the "limited liability partnerships" created by Milltown and Ireland & Overseas did their banking with Danske Bank's Estonian branch. Ukrainian officials had previously investigated Milltown in the

laundering of public funds, including money stolen from the state by former president Viktor Yanukovich.

"Most of the LLPs were Milltown and Ireland & Overseas entities, so there is lots of evidence specifically tying them to Danske Estonia," said Barrow. According to the International Consortium of Investigative Journalists, both entities were tied to "directors" in Latvia, which was an integral part in international laundromats.

Babinec said that it's unlikely that any Ukrainian money went directly into Danske Bank. It was most likely filtered through several layers, including shell companies in countries like Panama or the Seychelles. These would then open accounts in Latvian banks. From there, funds would be transferred into Danske Bank. After enough transfers, these funds could emerge "clean" in the EU.

Danes ashamed

The laundered money could be used for various purposes. It could be squirreled away in some foreign account and used to buy villas. Or it could re-enter Ukraine as liquidity for people involved in the scheme. Some of this money could be used for corrupt purposes, experts said.

"A lot of it ends up (overseas) and a lot goes back into the home country to influence and to bribe," said Barrow, referring to laundered money in general.

Kaleniuk added that laundered money from Russia might have been used to finance anti-Ukrainian propaganda in Russia's hybrid war against Ukraine. "It could be used in

the financing of far-right movements to try to break up the EU," she said.

Babinec said that the most obvious problem with these kinds of schemes is that money is being drained from the Ukrainian economy, putting the brakes on the country's economic development.

All these problems counteract Denmark's goals of helping Ukraine develop, become transparent and hold its ground against Russia, several experts said.

Last summer, Danish Prime Minister Lars Løkke Rasmussen urged Ukrainian Prime Minister Volodymyr Groysman to hasten reforms, some of which are "moving forward at a snail's pace." Rasmussen added that "hard work still remains" for Ukraine to become free and stable.

Kaleniuk and Barrow said that hard work also still remains for the EU to improve its ability to crack down on international laundering, which penetrates even its best-developed economies.

"The Danes are ashamed of what's happened," said Barrow. "It's been terrible for them." ■

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Smeshko touts SBU, military experience in presidential bid

Smeshko from page 2

English, French and German, in addition to Russian and Ukrainian.

He said the \$90,000 registration fee that he paid to enter the crowded presidential race amounts to almost 25 percent of his current life savings. According to his first public asset declaration, he claimed \$270,000 in cash and some \$250,000 more in bank accounts, with a 317-square-meter apartment as well as a house outside Kyiv and land holdings. He says that none of his income has come from government contracts.

Smeshko said that the fee is worth paying because he doesn't see any challenger, including the incumbent, worthy of being president.

Real democracy

Smeshko faces an uphill battle because he has relatively little money, little media, and also, polls show, little support. But in the Kyiv Post interview at the start of February, Smeshko noted that he went from zero to 2 percent within days of registering as a candidate. And he more recently highlighted another poll showing that more than 4 percent of respondents consider him to be a new face in politics.

He is undaunted. Despite his age, he sees himself as the new politician that voters crave. He will rely on his



Then presidential adviser Ihor Smeshko discusses the nation's security situation at the Kyiv Post Tiger Conference on Nov. 19, 2014. (Volodymyr Petrov)

message of building a true democracy, unhappiness with the status quo and trust in the wisdom of voters to win. He will use social media, campaign stops and interviews with journalists to reach them.

He is also playing the long game, like many candidates, in hoping to build a political force that will win

seats in the October parliamentary election. He calls his party the Strength and Honor Civic Movement, a "conservative democratic party."

"We have a strategy, a professional team and the willingness to go to the end in these elections," he said. "I do believe in the Ukrainian people and their wisdom. Yes, we have

not a lot of money, but this is not an argument. We will stand without oligarchs, without any support of corrupted clans in the power," he said. "Democracy can't exist in a country where the majority of the population is impoverished. We rely on the support of the middle class."

He said that today's politicians

are grouped in "simple feudal parties" with few elected officials who understand what is required to build a democracy with three branches of government — executive, legislative and judicial — that provide a check on each other's powers.

He also said that political interference is why we have "such a bad situation with law enforcement and justice." He favors "real decentralization" of government and, he said, and an opposition party with a democratic ideology.

He said Ukraine wouldn't need the new anti-corruption institutions created — like the National Anti-Corruption Bureau of Ukraine, National Agency for the Prevention of Corruption and the Special Anti-Corruption Prosecutor — if the existing institutions worked properly.

Ukraine "created a lot of new bodies which would need years to be in real operation," Smeshko said. "We have the existing bodies which simply don't have any political guidance."

Sometimes a military man is the best person to bring democracy to a nation, he said, citing George Washington in America, Charles de Gaulle in France and Mustafa Kemal Ataturk in Turkey.

"It's the history of our mankind," Smeshko said. "Who was in many of the countries, the main state builders of democracy? Former military men." ■

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Michael Don still a dean of Kyiv's restaurant scene



USG Holding co-owner Michael Don stands in the enoteca of his Dom No. 10 restaurant, located at 10 Spaska St. in the Podil neighborhood. The restaurant offers hundreds of wine choices, ranging from \$13 to \$1,942 per bottle. Don opened his first restaurant in Kyiv, Uncle Sam's, in 1996. Now, with long-time partner Benny Golani, they run nearly 80 establishments, including the Sushiya and il Molino chains, Tbiliso, City-Zen and long-time favorites Golden Gate Pub, Buddha Bar and Tequila House. (Volodymyr Petrov)

BY BRIAN BONNER
BONNER@KYIVPOST.COM

When Michael Don walks into one of his restaurants, he wants to hear noise and see no empty tables.

"The best time for a restaurateur is when you come to a restaurant at night and you want to talk to the manager in the dining room, but you have to talk loud because so many people are in the dining room, using their forks and knives. They talk loud, so you add a little more (background) music, and they talk even louder."

"Honestly, I still love my business," Don told the Kyiv Post in a recent interview at one of his latest creations, Dom No. 10, which opened in December in the Podil district.

He finds himself walking into full restaurants more frequently these days. "We have it, definitely not every day, but on weekends," he said.

Don, one of Ukraine's pioneering restaurateurs, will mark his 25th anniversary in the business in 2021.

He started in 1996 with Uncle Sam's Steak House. The first restaurant is still in business at the same

place — 37 Zhylianska St., only they dropped "Uncle" from the name.

Today, Don's creative and competitive juices are fired up by the recent openings of Dom No. 10 in the Podil district and Sam's Steak House Prime near Lviv Square.

Both of them are outlets for his passions and, besides great food, put the emphasis on atmosphere: design, soft lighting and coziness.

Dom No. 10 is in a remodeled rustic building with a 200-year history, ancient oak floors, centennial beams, fireplace, library and lots of plants.

Sam's Steak House Prime also positions itself as a place where one can get fine wines and cuts of meat for a special night out.

"We did it for our soul," he said. "People will go back to small, homey restaurants. People come to Dom No. 10 and they feel like they are coming to somebody's house. You cannot feel it in many places in Kyiv."

Don owns his business with Benny Golani, who is more than his partner. "I would say we are brothers," Don

more Don on page 20

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Musical about EuroMaidan will stage 2 public shows in Kyiv

"Once you've got the chance you've got to be free. Come and raise the flag, get off of your knees."

These are the first lines from a song from the rock musical "Got to Be Free" dedicated to the EuroMaidan Revolution. The words reflect the feelings of thousands of Ukrainians who came out onto the streets and stood up for their rights during the protests in 2013–2014.

Marking the fifth anniversary since the revolution, "Got to Be Free" will premiere in Kyiv on Feb. 23 and will be performed again at the local Theater on Podil venue.

The protests, also known as the Revolution of Dignity, started on Nov. 21 at Kyiv's main square after former Ukrainian President Viktor Yanukovich announced he wasn't going to sign Ukraine's association agreement with the European Union.

After the first protesters were brutally beaten by the law enforcement on Nov. 30, they were joined by thousands of people around the country who took to the streets in protest against the state violence. The demonstrations grew into a three-month-long revolution, which led to deaths of more than a hundred protesters, murdered by the security forces. The revolution ended on Feb. 22 when Yanukovich was removed from the post by Ukrainian parliament and fled the country.

The Euromaidan Revolution was one of the most tragic times in the history of independent Ukraine but also an iconic event — a time of bravery and dedication to fighting for human rights.

First steps

The creation of the musical started with an album of songs written and composed by Volodymyr Lavrenchuk, 61, the chairman of the board of Raiffeisen Bank Aval in Ukraine.

The banker has long had the hobby of writing music and lyrics. He says that he was at the protest almost every day because he felt the urge to be there as a citizen of his country. And the revolution inspired Lavrenchuk to express his feelings in songs.

more Euromaidan on page 21

From Uncle Sam's in 1996 to 80-restaurant empire today

Don from page 19

said of the relationship. Don, a native of Kyiv, emigrated to the United States in 1989 and started a construction business. He met Golani, then a successful restaurateur in the Washington, D.C., area. "He commissioned me to work on his house in Maryland and we immediately clicked," Don said. "It was like we knew each other all our lives."

Don returned to his native Kyiv in 1993 to look for business opportunities.

Together, they've been fabulously successful. A Kyiv Post ranking of richest expatriates in 2010 put their combined net worth at \$46 million. But times are tougher now, Don said: While revenue is higher, net income is lower.

Their company also underwent a rebranding last year from Mirovaya Karta (Map of the World), which stood for more than two decades, to USG Holding, which stands for Uncle Sam's Group, a nod to his origins in Ukraine. He didn't want to discuss gross revenue, but the business employs 3,000 people.

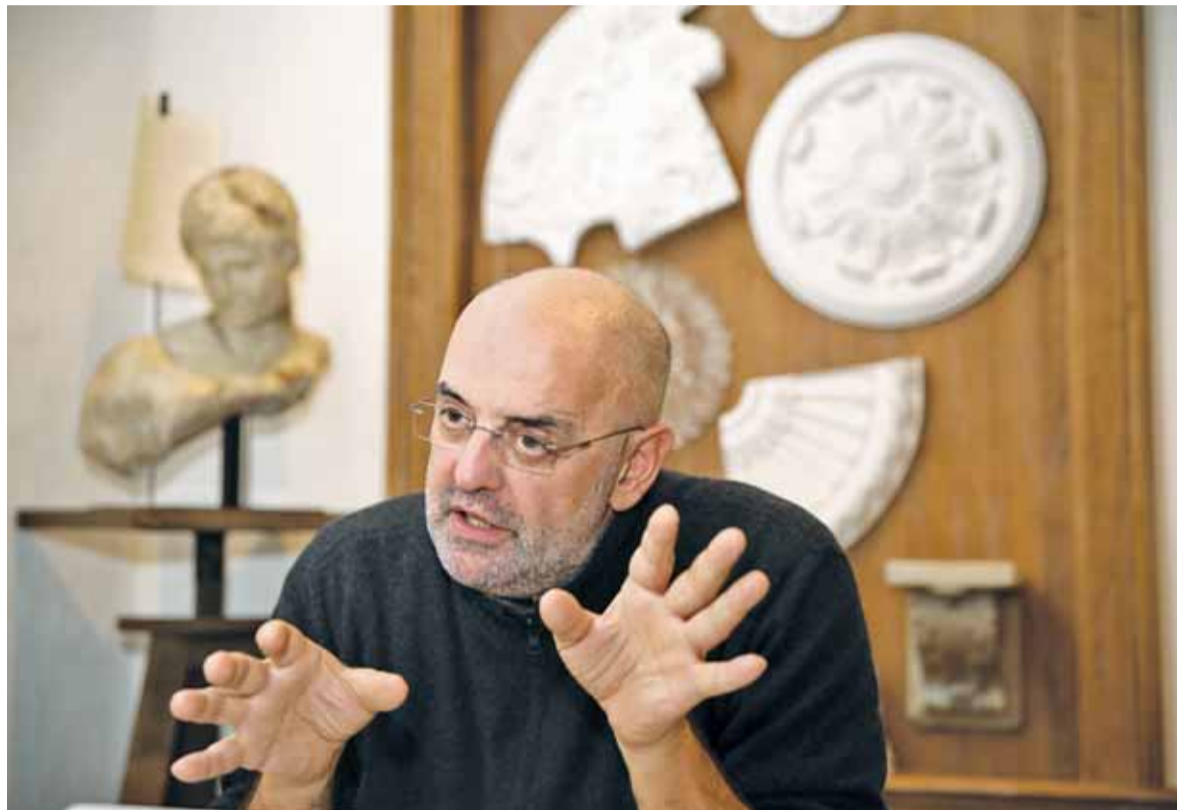
Mirovaya Karta was one of the first to launch discount loyalty cards

and also to end them in 2014. "We decided it doesn't work: Everybody has discount cards. There's no reason to be one of them. Honestly, good companies don't have any more discount card."

They own an impressive array of establishments, including the iconic mainstay Golden Gate Pub and 10-year-old Buddha Bar, as well as Tequila House, which opened in 1997.

They have 40 Sushiya outlets, 18 il Molino's, five Tbiliso Georgian restaurants, four City-Zen cafes and two restaurants in Kyiv Boryspil International Airport. They also own a share of Kreshchatyk Hotel. But people still remember the closed restaurants: Mimino, where Dom No. 10 is located, Lucky Pub and Marakesh.

He even branched out into medical services, opening CitiDoctor clinic two years ago to go with his company's long-established ALLAS clinic, which performs eye laser surgery and is led by Dr. Andriy Kovalov, an ophthalmologist who studied at the Filatov Eye Institute in Odesa. Also, outside of restaurants, he regards the cannabis industry as a "very hot" sector for entrepreneurs now.



USG co-owner Michael Don speaks with Kyiv Post on Jan. 22, 2019, at Dom No. 10 in Kyiv. (Volodymyr Petrov)

While successful sidelines, running restaurants remains his specialty.

His chain restaurants, he said, are "very good for money, more stable and easier to manage," while stand-alone restaurants require excellence at every position. "Money-wise," he said, the chains were "good for almost everyone," from owner to customer, providing affordable pizza, sushi or salads for even student budgets.

Still, business is never easy in a nation where dining out remains a luxury for so many people.

"I hope one day Ukrainians will make more money and spend more money in my restaurants," Don said. "It would be nicer if the economy will go up."

He said the restaurant business has never gotten away from economizing, with a constant hunt for local and cheaper food sources of high quality, to keep prices reasonable.

"We have to understand there's still an economic problem in Ukraine," he said. "We try to use local products."

25 percent 'for each one'

When asked what matters most — food, service, atmosphere or price — he replied they're all equal: "25 percent for each one."

All are improving on Ukraine's restaurant scene, which barely existed in the first years after the collapse of the Soviet Union in 1991.

Don's first restaurant, Uncle Sam's, tried to introduce American standards and better service, with its English-speaking waiters and waitresses.

"We didn't do anything new by American standards. We've just brought American management here," he told the Kyiv Post in 1999. "First of all, it's professionalism. There is no such thing as a useless detail in our business."

If expectations of diners were low

back then, customers demand more all across the board today.

"It's crazy competition today. We play with numbers every day," Don said. "Now everyone wants to open restaurants. They have some money, so they think you can open a place and be successful. I'm not sure how many restaurants are in Kyiv, over 7,000 restaurants." A Dining Out in Kyiv 1996 guide, by contrast, lists only a few hundred restaurants in the capital.

The competition has been good for customers and employees, such as cooks and wait staff, who can command higher salaries.

If he sees a niche that has not yet been filled, it's opening high-quality Asian restaurants, which he might do. He finds the choice of Chinese restaurants in Kyiv to be particularly poor.

He's a walking encyclopedia of the ups and downs of Kyiv's restaurant scene.

In the early years, he said, demands for bribes were common, but he resisted. Finally, after 2004, he said, government agents cleaned up their act and stopped trying to shake down owners.

He can also vividly remember crisis years in which revenue tumbled: 1998, 2004, 2009–2010, and 2014.

"Now we're growing pretty good, but still trying to get back to 2013," he said. "2007–2008 were our best years, even the first half year of 2009 was good."

Move to Switzerland

Don, who turns 61 this year, decided to relocate to a small city in Switzerland. But he returns every few weeks to Kyiv to check in on his businesses.

"I relocated two years ago," Don said. "I like it there; it's a quiet place. Probably it's my age. I need some quiet." ■



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Rock musical revives spirit of EuroMaidan Revolution

Euromaidan from page 19

"These are not the memories, the songs were written during the revolution," Lavrenchuk told the Kyiv Post. "Writing songs is not a planned process, it can't be scheduled, it happens because emotions get laid down on the guitar."

He says that he wasn't sure if the songs would ever become public, but after they were combined into a 12-track album, many of Lavrenchuk's friends involved in music and theater told him they could be a foundation for a whole story.

"These comments made me think that we can try to make a performance out of it," he said. "And the musical format came later."

A group of enthusiasts, including theater director Serhii Proskurnia,

singer Ivan Leno, and the Minister of Culture Yevhen Nyshchuk, took up idea to later create a musical called "Got to Be Free."

The musical was first staged in 2016, and was occasionally performed for friends. In 2018, the team brought "Got to Be Free" to the Bloor West Village Toronto Ukrainian Festival in Canada and later performed in Lviv, a city of 721,000 located 500 kilometers west from Kyiv.

"Got to Be Free" reconstructs the revolutionary scene with barricades, car tires and the shields that the protesters used in order to protect themselves from riot police bullets.

The performance is a set of songs that are mostly in Ukrainian, but with some in English and with short dialogues in between.



Actors and dancers perform the rock musical "Got to Be Free" dedicated to the EuroMaidan Revolution that ended President Viktor Yanukovich's rule in 2014. The performance took place at the Bloor West Village Toronto Ukrainian Festival in Canada on Sept. 15, 2018. (Got to Be Free)

The musical's main characters are a woman and a man who fall in love amid the barricades, and the antagonist is the so-called titushka, a hired thug who supports the authorities and the law enforcement.

However, the musical's plot is rather vague, its main focus is on the spirit of the revolution. The characters sing about freedom and values they stand for with a dance crew complementing the lyrics and music with expressive dance moves.

Lavrenchuk says that they wanted to create an emotional musical rather than a documentary. He says that the event is so historically significant that its documentary version would bring pathos with it, which the team wanted to avoid.

"There was a lot of light on Maidan," Lavrenchuk said. "We wanted to show Kyiv citizens, Ukrainians, the way they were there."

New version

Since its first version was written, various directors have worked with the musical, and it has transformed over the years.

The art director of Theater on Podil Vitalii Malakhov, 64, staged the

new version of "Got to Be Free" for the upcoming performances in Kyiv. He says that unlike his previous colleagues, who tried to unite all the songs into one story, he decided to do the opposite and create 12 separate novels sharing one topic.

"This is more like impressions of different people where the same personalities appear but the storyline does not continue," Malakhov told the Kyiv Post.

The director says that his theater experiments with various genres and they were happy to host "Got to Be Free," which is the first musical to be performed in Theater on Podil.

Malakhov says that he always has fears about how the audience will receive a new play because their team tries to do unexpected things.

"My teacher used to say 'I came to the theater, so surprise me.'"

The musical features professional Ukrainian actors Heorhii Hostikoiev and Dmytro Linartovych, as well as a newbie to the field, Maryna Bohun.

Bohun, 37, is a marketing and communications expert working at Raiffeisen Bank Aval who has the hobby of singing.

At first, she participated in record-

ing the initial music album, and later proceeded to play one of the main characters, Malanka.

Bohun says that despite the lack of acting experience it wasn't hard for her to take on this role because they have a lot in common.

Just like Malanka, the actress appreciates freedom, she's not afraid of changes and is willing to take a risk and responsibility.

Apart from that, Bohun was one of the protestors herself back in 2013-2014, participating in building barricades and distributing food around the square.

"My role is not to play any role," Bohun told the Kyiv Post.

The actress says that during the Euromaidan Revolution not everyone had necessary skills or knowledge to resist the authorities but they learned and did it anyway. And she says that in some way "Got to Be Free" is a similar experiment.

"It is our cultural volunteerism." ■

"Got to Be Free."

Theater on Podil.
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Relive EuroMaidan Revolution

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Ukraine had gone from peace to war, from the edge of economic disaster to plunging over the brink, in the space of only about three

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The CPMA is inviting you to be member of the highly qualified International team for the implementation on the Programme's components 3 - "Revenue mobilisation" and 4 - "Horizontal functions and governance".

Main responsibilities
Project Team Leader:

1. Lead and coordinate activities and delivery of the EU4PFM's Components 3 and 4;
2. Providing strategic expert advice to UA counterparts on revenue mobilisation reform, as specified in the Action's results and the relevant agreed work plan;
3. Overseeing, recruiting and coordinating the work of specialized expertise in revenue mobilisation and horizontal functions supporting revenue mobilisation functions.
4. Closely coordinate and oversee horizontal activities under the Component 4 (HR, IT, organisational reform), including the management of the IT Support Fund focusing on the achievement of the expected results of the EU4PFM programme;

Key Expert on Customs:

1. Overall supervision of the effective implementation of the activities and representation of the Action's Component 3, customs domain.
2. Providing strategic expert advice to UA counterparts on customs reform, as specified in the Action's results and the relevant agreed work plan;
3. Overseeing, recruiting and coordinating the work of specialized expertise in customs domain.
4. Closely coordinate and oversee horizontal activities under the Component 4 (HR, IT, organisational reform) linked to the customs domain.

Key Expert on Tax:

1. Overall supervision of the effective implementation of the activities and representation of the Action's Component 3, tax domain;
2. Providing strategic expert advice to UA counterparts on tax reform, as specified in the Action's results and the relevant agreed work plan;
3. Overseeing, recruiting and coordinating the work of specialized expertise in tax domain.
4. Closely coordinate and oversee horizontal activities under the Component 4 (HR, IT, organisational reform) linked to the tax domain.

Please follow the website for more detailed description of each function www.cpva.lt
Application deadline: 2019 February 28 TIME: 12:00 Vilnius time.
Expected starting date: March, 2019 (tentative)
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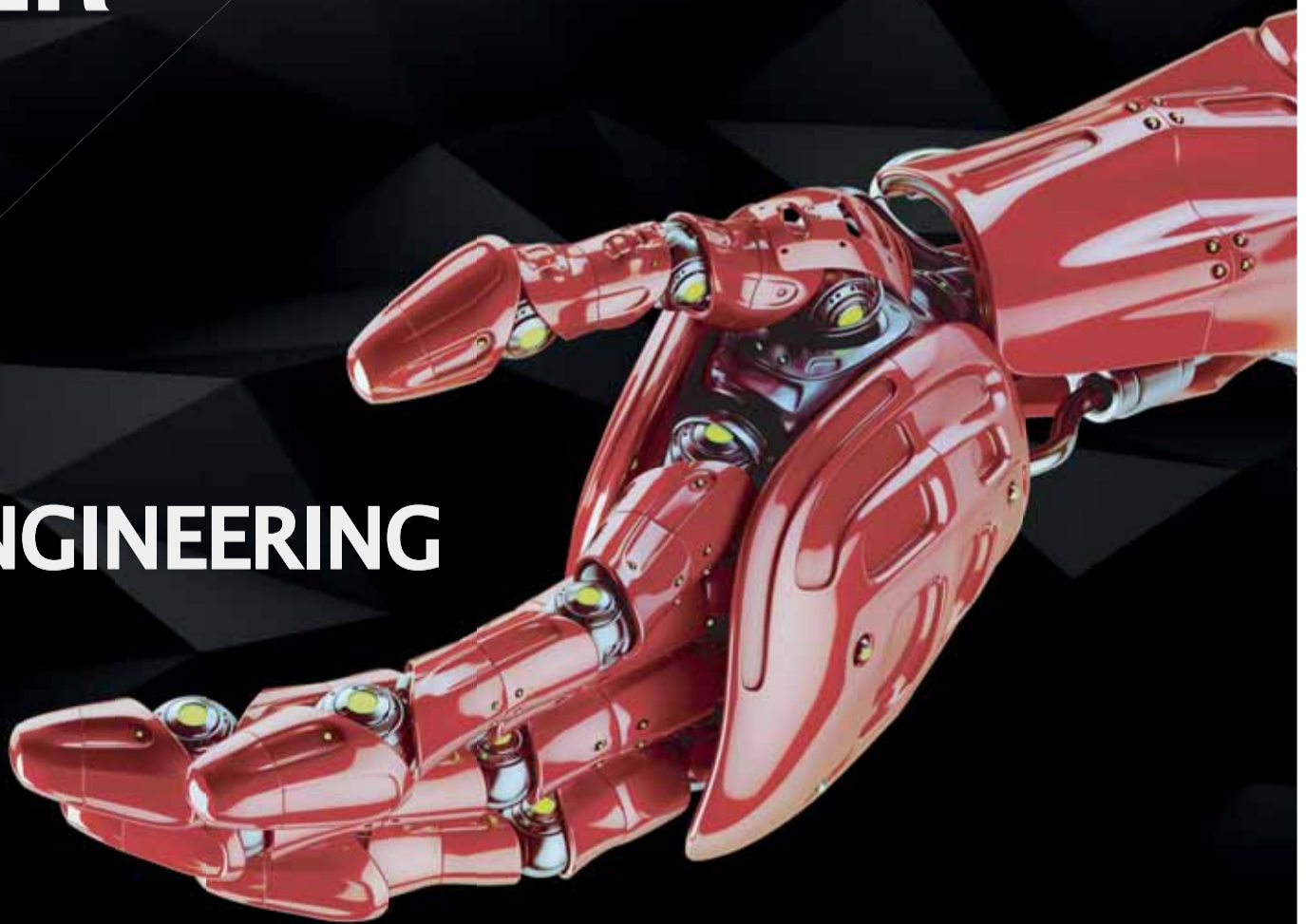
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