

Tobacco giants are fighting multimillion-dollar fines over charges of market collusion → Page 18

Sweden's iconic IKEA store opens with fanfare on Feb. 1 in Kyiv's Blockbuster Mall → Page 18

Illustrated bilingual book by Bohdan Krasavtsev educates children about environment → Page 20

Read six of the best works of Ukrainian fiction available in the English language → Page 21

Musicians perform with an eye to attention and saving neglected architectural gems → Page 21



Kyiv Post

26th year!

UKRAINE'S GLOBAL VOICE • SINCE 1995

Special Focus on **Ukraine's Tax Update**



World in Ukraine: **India**

In partnership with **EY** Building a better working world → pages 5 – 10

In partnership with **euro Lifecare** Caring for your Life → pages 12 – 17

Zelensky's courage to stand up to Medvedchuk should be applauded



Opinion

Mikheil Saakasvili

Banning Viktor Medvedchuk's media channels – 112 Ukraine, NewsOne, Zik – is the beginning of a new stage in the modern history of Ukraine. These channels were not legitimate democratic platforms that were simply expressing unacceptable views. In essence, they were key means of Russia's hybrid war against Ukraine and other neighbors.

I have been consistently repeating that President Volodymyr Zelensky should not be underestimated despite the spiking criticism around his actions. However, by taking the risk of standing up to Medvedchuk, Zelensky surprised everyone who thought that he was incapable of making tough decisions. He dared to do what none of his predecessors had sufficient courage for: Zelensky's anti-Russia decision means a lot to the country and reveals even more about his personality.

Media have the power to influence public opinion, and dictators such as Putin are extremely mindful of that. Some time ago in Georgia, Putin allocated \$2 billion to billionaire Bidzina Ivanishvili to run his election campaign. He bribed a lot of Georgian politicians and voters with this money and created his own media channels as well as bought some other ones.

Unfortunately, we in Georgia failed to react appropriately back then: we relied on democracy

→ page 19

Muted

President Zelensky yanks 3 Kremlin propaganda TV channels off the air

By **Oleksiy Sorokin**
sorokin@kyivpost.com

The free ride of Russian propaganda in Ukraine has ended, for now.

On Feb. 2, President Volodymyr Zelensky issued sanctions against pro-Russian lawmaker Taras Kozak and his three nationwide TV channels – NewsOne, Channel 112, and ZIK.

The three channels have been promoting the Kremlin's agenda and spreading disinformation for years.

As a result of Zelensky's decree, they immediately went off the air.

The surprise move is the heaviest blow that Zelensky's administration has ever struck against pro-Russian forces in Ukraine – and one of the most assertive moves against

→ page 2

Viktor Medvedchuk, a lawmaker who leads the 44-member pro-Russian faction in parliament, is widely believed to be the real owner of the three TV channels that President Volodymyr Zelensky sanctioned on Feb. 2 for spreading Russian propaganda. Medvedchuk denies ownership of the channels – ZIK, 112 and NewsOne.



UNIAN

Without TV channels, Viktor Medvedchuk is toothless



Opinion

Sergii Leshchenko
mail.pravda@gmail.com

Viktor Medvedchuk is the most sinister figure in Ukrainian politics. In Soviet times, he was a state-appointed lawyer for dissidents, including Ukrainian poet Vasyl Stus. His clients ended up with prison sentences. In 2004, Medvedchuk announced that pro-Western candidate Viktor Yushchenko would never become president. Soon, Yushchenko was nearly killed by a mysterious dioxin poisoning that occurred at the summer house of a security service general from Medvedchuk's circle.

About 20 years ago, Medvedchuk met Vladimir Putin, who at the time had just been elected as Russia's president. They became close: Putin is the godfather for Medvedchuk's daughter. Relations with the Kremlin made Medvedchuk an omnipotent figure. For many years, Ukrainian politicians seeking political heights had to be vetted by the Kremlin. And Medvedchuk was the one who could get them the Kremlin's approval. In particular, Yulia Tymoshenko involved Medvedchuk when she sought to close criminal cases against her in Russia, and when she was holding gas talks with Russia as Ukraine's prime minister.

On the eve of ex-President Viktor Yanukovich's escape to Russia, during the last bloody days of the EuroMaidan Revolution in 2014, Yanukovich talked with

→ page 11



WORLD IN UKRAINE: CYPRUS

Coming in the February 19 edition of the KYIV POST

To advertise, contact us at +38 044 591 77 88 or advertising@kyivpost.com

IN PARTNERSHIP WITH **MEDOCHEMIE**

February 5, 2021
Vol. 26, issue 5
Copyright © 2021
by Kyiv Post

The material published in the Kyiv Post may not be reproduced without the written consent of the publisher. All material in the Kyiv Post is protected by Ukrainian and international laws. The views expressed in the Kyiv Post are not necessarily the views of the publisher nor does the publisher carry any responsibility for those views.

Газета "Kyiv Post" видається
ТОВ "БІЗНЕСГРУПП".

Щотижневий наклад 7,500 прим. Ціна за до-
мовленістю. Матеріали, надруковані в га-
зеті "Kyiv Post" є власністю видавництва,
захищені міжнародним та українським за-
конодавством і не можуть бути відтворені
у будь-якій формі без письмового дозволу
Видавця. Думки, висловлені у дописах не
завжди збігаються з поглядами видавця,
який не бере на себе відповідальність за
наслідки публікацій.

Засновник
ТОВ "БІЗНЕСГРУПП"

Головний редактор
Брайан Боннер

Відповідальний за випуск
Брайан Боннер

Адреса видавця та засновника
співпадають: Україна, м. Київ, 01033,
вул. Жилиняська, 68, 2-й поверх.
Реєстраційне свідоцтво
Кв № 23191-13031ПР від 29.03.2018.
Передплатний індекс ДП Преса 40528
Надруковано ТОВ «Новий друк»,
02660, Київ, вулиця Магнітогорська, 1,
тел.: 559-9148
З приводу розміщення реклами
звертайтеся: +380 44 591-7788
Відповідальність за зміст реклами
несе замовник.

Mailing address:
Kyiv Post, 68 Zhylianska St.,
Kyiv, Ukraine, 01033

Advertising
tel. +380 44 591-7788
advertising@kyivpost.com

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

Subscription & Distribution
tel. +380 44 591-3344
subscribe@kyivpost.com

Employment Advertising
tel. +380 44 591-7788
advertising@kyivpost.com

Adnan Kivan
Publisher

Brian Bonner
Executive Director/Chief Editor

Olga Rudenko | **Alyona Nevmerzhytska**
Deputy Chief Editor | Commercial Director

News Editor
Igor Kossov

Business Editor
Denys Krasnikov

Lifestyle Editor
Toma Istomina

Photo Editor:
Pavlo Podufalov

Video Editor:
Austin Malloy

Chief Designer:
Vladyslav Zakharenko.

Staff Writers

Daryna Antoniuk, Natalia Datskevych,
Olena Goncharova, Elina Kent,
Anastasiia Lapatina, Yana Mokhonchuk,
Anna Myroniuk, Illia Ponomarenko,
Alexander Query, Liza Semko,
Daria Shulzhenko, Oleksiy Sorokin,
Oleg Sukhov

KP Brand Studio Director: Jakob Parusinski.

Website: Victoria Petrenko,

Anastasia Shepeleva, Helen Mukhina.

Deputy Photo Editor: Veronika Strashko.

Photographers: Kostyantyn Chernichkin,
Oleg Petrasjuk, Volodymyr Petrov.

Cartoonist: Anatolii Vasylenko.

Video: Arsen Drobakha, Tamara
Kiptenko, Iryna Yavorska.

Social Media: Sofia Fedeczko.

Designer: Yura Borovik.

Sales: Yulia Kovalenko, Vita Shvets,
Elena Symonenko.

Project Manager: Yulia Krus

Transport Manager: Mykola Andrusha.

Chief Accountant: Galyna Bondarchuk.

Accountant: Aleksandra Lyfar.

Office Manager: Lena Veleshchuk.

Subscription: Tetyana Garanich.

IT: Oleksiy Bondarchuk,
Oleksandr Slipachenko

Website Developers: Roman Kryvenko,
Yaroslav Turenko

Digital marketing: Daria Vashkulat



Zelensky strikes hard against Kremlin's agents in Ukraine

page 1 —>

the Kremlin since Russia started its war against Ukraine in 2014.

Most observers praised the sanctions but some raised concerns that this is an attack on freedom of speech. "Imposing sanctions is a difficult decision," Zelensky said. "Ukraine strongly supports freedom of speech but not propaganda financed by the aggressor country that undermines Ukraine on its way to the European Union and Euro-Atlantic integration."

But the fight against Russian propaganda isn't over.

Kozak, the owner of the channels, promised to sue to lift the sanctions. He will have formidable backing.

Kozak, who represents the 44-member Opposition Platform – For Life faction in parliament, is widely believed to only be the nominal owner of the media empire. Even the Opposition Platform party members don't hide the fact that the channels are controlled by party leader Viktor Medvedchuk, a close ally of Russian President Vladimir Putin.

Sponsoring terrorism

Zelensky's decree to ban the pro-Russian propaganda in Ukraine is based on the sanctions law last modified in 2018.

Ukraine can introduce sanctions against Ukrainian citizens and companies in two cases: If they are under control or influence of a foreign power or if they sponsor terrorism in Ukraine or abroad.

According to several Ukrainian media, which cited sources in the government, the sanctions against Kozak were introduced because of his ties to illegal shipments of coal from occupied Donbas.

Profits from the illegal coal trade allegedly funded the three TV channels Kozak owns.

In 2016, Ukrainska Pravda news outlet published an investigation, alleging that Kozak was involved in a scheme where coal from the Donbas was sold in Ukraine as coal from South Africa.

Ukrainian law says that doing business in occupied territories equates to sponsoring terrorism.

Presidential sanctions

Four years later, the government decided to act.

On Feb. 2, the National Security and Defense Council of Ukraine voted in favor of issuing sanctions against Kozak.

The Council's Secretary Oleksiy Danilov said that 17 out of the 18 Council members who were present supported the decision. The presi-

Reactions to Zelensky shutting down 3 Russian propaganda TV channels

By Oleksiy Sorokin
sorokin@kyivpost.com

Matthew Schaaf, head of Freedom House's Ukrainian office –

The blocking of Ukrainian TV channels by (Volodymyr) Zelensky is a major step. It's hard to see how it could comply with international (freedom of expression) standards Ukraine has agreed to. Key to evaluating if sanctions against (Viktor) Medvedchuk's TV stations pass human rights muster is how they make the case. So far official justification is thin.

Melinda Simmons, U.K. ambassador to Ukraine –

I welcome Zelensky's bold action in tackling disinformation, which causes real harm to Ukraine. I also welcome his assurances on the need to protect media freedom and plurality.

Andy Hunder, president of the American Chamber of Commerce in Ukraine –

Bold move from Zelensky standing up to prevent disinformation from being deployed as a weapon in an info war against Ukraine.

Daria Kaleniuk, executive director of the Anti-Corruption Action Center (ANTAC) –

Freedom of speech doesn't equal freedom to spread propaganda and disinformation. Especially if this is propaganda from your enemy, which runs a war against you. Therefore, Zelensky's decision to sanction the propaganda empire of Viktor Medvedchuk is the very right one.

Danylo Getmantsev, Servant of the People lawmaker, head of the parliament's finance, taxation and customs committee –

In my past life, I was "lucky" to defend the opposition TVi channel from attempts to close it down by the (ex-President Viktor) Yanukovich's government.

In a few months, it rose from the being low-profile to becoming the country's main news channel. I know for sure – the only predictable result of any media shutdown is the growth of its popularity.

A strange decision by the National Security and Defense Council that requires an explanation.

Anders Aslund, economist, a senior fellow at Atlantic Council –

To make this clear. Medvedchuk's three TV channels in Ukraine have nothing to do with journalism but everything to do with Russian information warfare. The substantial funds needed must come from the Kremlin, for whom Medvedchuk has worked for at least 20 years.

dent signed the decree into force on the same day.

Parliament Speaker Dmytro Razumkov, elected to parliament on Zelensky's party ticket, was the only Council member who abstained from the vote. Razumkov said he doesn't support issuing sanctions

against a Ukrainian citizen.

"Anyone who finances terrorism or cooperates with the aggressor country must be held accountable by law (not by sanctions)," said Razumkov, implying that if there's



Zelensky wins praise for shutting down 3 television channels, but Kremlin propaganda remains

page 2 →

enough evidence that Kozak sponsored terrorism he must be jailed, not sanctioned.

However, going through courts to block the pro-Russian channels would have taken years, according to Vitaly Shabunin, head of the Anti-Corruption Action Center. A frequent critic of Zelensky, Shabunin welcomed the sanctions against pro-Russian channels.

Zelensky's bold move was largely supported by lawmakers and foreign diplomats.

The United States Embassy in Kyiv has issued a statement "supporting Ukrainian efforts to counter Russia's malign influence."

"I welcome Zelensky's bold action in tackling disinformation, which causes real harm to Ukraine," wrote U.K. Ambassador to Ukraine Melinda Simmons on Twitter.

Medvedchuk's wallet

Even though the sanctions were based on allegations of sponsoring Russian-led terrorists, it's no secret that the main goal of the sanctions was to stop Russian propaganda in Ukraine.

Medvedchuk, who is believed to control the three channels and denies it, has been under U.S. sanc-

tions since 2014 for "being a threat to Ukraine's sovereignty and territorial integrity."

That's not surprising. Since the beginning of Russia's war against Ukraine, Medvedchuk sided with Putin, who is the godfather of Medvedchuk's daughter.

Medvedchuk's Russian-based oil businesses are registered to his wife, TV host Oksana Marchenko, while his Ukrainian media holdings were officially registered to his close friend Kozak.

Medvedchuk himself stated on NewsOne that he controls the business registered to his wife. Lawmaker Vadim Rabinovich, co-head of the Opposition Platform party, wrote that the sanctions were imposed on "Medvedchuk's TV channels."

"Kozak is Medvedchuk's wallet, through which he finances projects of Russian hybrid warfare against Ukraine," said Shabunin. "(Kozak's channels) are not media, they are instruments of Russia's hybrid warfare against Ukraine," he added.

Kozak has denied that he is a nominal owner of Medvedchuk's TV channels. So has Medvedchuk.

Propaganda outlets

While Medvedchuk and his allies accused Zelensky of censorship and attacks on free speech, the three

sanctioned channels had little to do with free speech.

They were actively spreading bigotry and lies, manipulating facts and justifying Russia's war against Ukraine which has killed over 13,000 people.

"(Zelensky's decree) puts an end to the abuse of freedom of speech," said Otar Dovzhenko, a media observer at Detector Media, a non-profit monitoring Ukraine's media market, who supports the president's decision.

"As for the formal reason, there are questions. However, we are talking about the Kremlin's tools in the information war against Ukraine, and in a war, we sometimes have to defend ourselves unconventionally," he added.

These channels "have nothing to do with media in the classical sense, it is rather a huge production company," Dovzhenko told the Kyiv Post.

"Under the facade of 'media', Medvedchuk created a powerful system to create and distribute pro-Russian propaganda and disinformation," he said.

After Kozak took over ZIK in 2019, dozens of journalists and TV managers announced their resignation from the channel. TV anchor Tetiana Danylenko said that she doesn't want to "shoot people in the head" with lies by working under Medvedchuk.



Channel 112 continues to run its political talks shows on YouTube after President Volodymyr Zelensky banned it along with two other TV channels, ZIK and NewsOne, that belong to pro-Russian lawmaker Taras Kozak on Feb. 2, 2021.

Independent journalists in Ukraine have largely denounced Medvedchuk's channels as propaganda networks and praised their closure.

Fight goes on

However, even though Medvedchuk's media empire is no more, the fight isn't over.

Experts are certain that Opposition Platform – For Life party will use its political influence and Ukraine's corrupt courts to overturn the president's decision.

On Feb. 4, a lawsuit was filed to the Supreme Court of Ukraine to cancel the sanctions.

"Ukrainian legislation still gives the enemies of Ukraine loopholes to challenge these decisions and they will of course do so," Servant of the People lawmaker Mykyta Poturaev told the Kyiv Post.

There are at least two legal ways to overturn Zelensky's decree – through the Supreme Court and through the dubious

Constitutional Court, known for supporting Opposition Platform's questionable motions in the past, such as dismantling anti-corruption agencies and canceling laws that banned unlawful enrichment.

In the Supreme Court, pro-Russian politicians can challenge the legality of Zelensky's decree. In the Constitutional Court, they can complain about the violation of freedom of speech.

"Parliament failed to solve to problem of (the Constitutional) Court, and this court has already ruled in favor of Russian agents in the past," said Shabunin. "The Constitutional Court is the weakest link."

Meanwhile, Shabunin hopes that Ukraine's foreign partners can help mount pressure on Russian agents in Ukraine.

"Our task right now is to persuade the U.S. to expand their sanctions (on Medvedchuk), to add Medvedchuk's wife (who owns most of his assets) and Kozak," said Shabunin. ☪

Advertisement –



British-Ukrainian
Chamber of Commerce

BRITISH UKRAINIAN CHAMBER OF COMMERCE (BUCC) ANNUAL STATEMENT 2021

The British Ukrainian Chamber of Commerce ("BUCC") brings together companies and individuals doing business in Ukraine, the UK and internationally, including through the City of London, the international financial capital for Europe, Africa and the Middle-East. During 2020, the BUCC organized or participated in holding over 40 events in Kyiv, London, Lviv and other cities, mostly after February as online Webinars, and assisted our Members with numerous other activities. The BUCC held two major in-person events in Kyiv, one with the EBRD and the other with FranklinCovey Ukraine, before the Covid-19 quarantine hit, and we look forward to resuming soon live presentations and networking.

CURRENT BUCC SPECIAL INITIATIVES

UK-Ukraine Trade Treaty

In 2018 the BUCC held Ukrainian Week in London, an important platform for over 1,000 participants to discuss future British-Ukrainian bilateral trade and investment. On 8 October 2020, exactly two years later, the Political, Free Trade, and Strategic Partnership Agreement ("Trade Treaty") was signed between Boris Johnson and Volodymyr Zelenskyy during the Ukrainian President's official visit to the UK, which took UK-Ukraine cooperation to a new and much higher level. In particular, in connection with the Trade Treaty, the new GBP 2.5 billion Export Credit Facility ("Trade Facility") was signed, that is managed by UK Export Finance (UKEF).

The BUCC is currently promoting (1) the encouragement of greater trade and investment based on the Trade Facility and (2) the reduction of the remaining agricultural tariffs. Because the UK imports more than half of its food as one of the world's largest food importers, Ukraine as one of the world's largest food exporters should be a major beneficiary from Brexit under the Trade Treaty.

To encourage greater UK-Ukraine trade, the BUCC has organized a Webinar, to be held on 17 February 2021 with UKEF, on financing British – Ukrainian trade and related investments (to register, please go to www.bucc.uk or fb.com/buccukraine).

Legal Ombudsman Proposal. For Ukraine's judicial reforms and anti-corruption programs to actually help protect UK and other foreign investments in Ukraine, the BUCC has developed a proposal for a new Judicial Ombudsman for Ukraine (in addition to the existing Business Ombudsman that focuses on administrative issues), as was successfully used by Sweden when corruption in the Swedish courts was a problem in the early 1900s.

This proposal would allow litigants to take court decisions at any level that constitute a denial of justice (the same standard that applies generally for Ukraine's bilateral investment treaties) to the Judicial Ombudsman for immediate review, with denial of justice cases being sent back to the same court for an immediate re-hearing before different judges, instead of the abused party having to wait seven or more years for an arbitration decision under a bilateral investment treaty. This Judicial Ombudsman should also be able to recommend that those judges adopting denial of justice decisions should be investigated and possibly lustrated for cause (i.e. for breach of their oath of office). This solution should generally solve the current court corruption problems that principally discourage foreign investment into Ukraine.



Political Risk Insurance. The second major problem inhibiting foreign investment into Ukraine is the possible risk from further conflict. The solution is to provide Ukraine with greater availability of political/conflict risk insurance for investors. The BUCC's proposal is to greatly increase the level and improve the conditions for such political/conflict risk insurance from the World Bank's MIGA, as has been previously successfully organized, for similar reasons, for the West Bank and Gaza and many other countries experiencing conflict. The key is for this insurance to be reasonably priced, despite the existing conflict, by organizing western financial support to MIGA in the form of back-up guarantees.

Educational Programs. The BUCC is raising funding to assist students accepted to Oxford and Cambridge to be financially able to attend, and is also organizing foreign LLM and IT educational programmes for Ukraine.

BUCC COMMITTEES

The BUCC focuses on its projects and other activities through the following Committees.

(1) **Trade, Investment and Brexit Committee** – helping to develop British-Ukrainian trade under the new UK-Ukraine Trade Treaty.

(2) **Agriculture Committee** – focusing on (i) developing greater Ukrainian agricultural exports to UK markets post-Brexit, (ii)

reducing further the remaining UK tariffs and other barriers to British-Ukrainian trade and (iii) encouraging greater irrigation farming to respond to the decreasing crop yields in southern Ukraine from more frequent droughts, apparently due to climate change.

(3) **British-Ukrainian IT Committee** – organizing events bringing together IT companies, IT associations and clusters, and others involved in IT in the UK and Ukraine. Ukraine is a world leader in IT, and the leading IT outsourcing destination for the UK, in particular for fintech for UK finance. The BUCC organizes the annual **British-Ukrainian IT Day** in London and online.

(4) **Law and Accounting Committee** – for the reform of Ukrainian laws as well as the legal system, and to promote the adoption of the **Judicial Ombudsman** proposal, described above, for Ukraine.

(5) **Real Estate Committee** – obtaining significant improvements to relevant laws and practices.

(6) **Infrastructure and Transportation Committee** – improving port and rail freight transport.

(7) **Tourism Committee** – promoting tourism in Ukraine and the UK, presently by focusing on encouraging tourism for Ukraine from London, which is by far Europe's largest market for attracting tourists.

(8) **Art, Design and Culture Committee**, that among other cultural initiatives, holds exhibitions to restore the reputation of the Ukrainian artist Mykhailo Tkachenko, a prominent 19th century impressionist in Paris largely forgotten after his death in Kharkiv.

UKRAINIAN WEEK IN LONDON

In 2018, the BUCC organized Ukrainian Week in London at the Savoy Hotel, the EBRD and RUSI, the largest event ever held abroad on Ukraine. To accelerate the commercial integration of the UK, with Ukraine, we are preparing to hold the next **Ukrainian Week in London in 2021, again with the British-Ukrainian IT Day**, as soon as the current lockdowns are lifted.

JOIN THE BUCC FOR 2021!

The BUCC is a very active Chamber, but we need your involvement to carry out our activities for a better Ukraine. To join, please contact us at +38 (044) 490-6000 or 278-1000 or by email to buccukraine@bucc.com.ua. For information, membership forms, and photographs and press releases on BUCC activities, please, see www.bucc.uk and the **BUCC Facebook Page** (fb.com/buccukraine).

EDITORIALS

Bold stroke

We are squarely in favor of free speech. But we also recognize that, in times of war, sometimes censorship is a matter of national security. That is why we are in favor of President Volodymyr Zelensky's decision this week to shut down three TV stations devoted to attacking Ukraine and broadcasting sinister, non-stop Kremlin propaganda.

We are mindful of the legitimate concerns about Zelensky's rationale and that the "pro-Russian" or "anti-Ukrainian" label could be used against any news outlet in the future.

One of the most popular slurs in Ukraine against all opponents is to call them pro-Russian propagandists. We know from experience: The Kyiv Post, which is dedicated to bringing independent journalism to the nation we love and call home, has been smeared this way. Usually, the perverted rationale is this: By covering corruption, we are playing into the Kremlin's narrative of Ukraine as a failed state. The opposite is true: We know that reducing corruption will strengthen the state.

Such accusations blossomed under ex-President Petro Poroshenko, who abused his role of a "patriot" so much that he equated himself with Ukraine to the point where criticizing Poroshenko was seen by some of his most ardent supporters as undermining the nation.

To be crystal clear, the Kremlin loathes the Kyiv Post. Its RT propaganda outlet once labeled this newspaper as "resolutely anti-Russian." Russian hackers targeted our emails. And Russia's oligarch friends in Ukraine have either sued us or tried to purchase us — all without success. Our editorial policy has been unwavering since our founding in 1995: We are committed to Ukraine's independence, sovereignty, territorial integrity, democracy, prosperity, human rights and Western integration.

But we also believe that Zelensky's Feb. 2 decision is long overdue and will strengthen his popularity, here and abroad, for finally taking a tough stand. He needs, of course, to do more. But this is a start.

Zelensky and the National Security and Defense Council imposed sanctions against pro-Russian lawmaker Taras Kozak and his companies, including his three TV channels: Channel 112, NewsOne, and ZIK. Of course, the evidence suggests that the true owner is Ukrainian businessman Viktor Medvedchuk, who has been sanctioned by the United States as an enemy of Ukraine. He has long been a cancer on Ukraine's politics and leads the 44-member pro-Russian opposition faction in parliament.

Even though all Ukrainian TV channels are compromised by oligarch owners who use them as political tools, these three channels stand out even against this dismal backdrop. They are the main outlets for pro-Russian forces in Ukraine. The channels broadcast lies, conspiracy theories and parrot the Kremlin line — all paid for with Russian money, according to Zelensky, at an estimated cost of \$18 million a year.

With 14,000 dead, 1.5 million displaced and 7% of Ukraine under enemy occupation since 2014, it is intolerable that platforms spreading falsehoods were able to operate freely.

While the rationale of national security is sound in this case, the truth is that Medvedchuk, Kozak and many others of their political ilk would likely face criminal indictments in a nation with a functioning and competent legal system. Ukraine doesn't have one and never has.

So Zelensky took the best remedy available to him for quick results. We wish he would have done it on his Inauguration Day in 2019. Our advice to the president: Don't stop with this action.

While he's emboldened, and with a sympathetic and supportive U.S. president in the White House, he needs to go after other enemies of the state, including oligarchs such as Ihor Kolomoisky, Dmitry Firtash and others who want to bleed the country dry.

After this bold stroke, we hope that this move represents an awakening by Zelensky, who still has multiple challenges facing his administration. In decisively taking this stand to protect Ukraine's national security while aligning himself with democratic values, he's going to find that his popularity will grow with each courageous but essential action.

Help thyself

In a Feb. 1 interview with the Axios program on HBO, President Volodymyr Zelensky wondered why Ukraine is still not a member of NATO.

The reasons are clear. It's true that NATO is reluctant to take countries at war, and Russia is continuing its aggression against Ukraine. However, it is not impossible for countries with unresolved military conflicts to join NATO, as demonstrated by Turkey and Greece with their dispute over Cyprus.

There are other profound reasons as well. Despite having gained combat experience, Ukraine's army is still a clumsy behemoth run in a Soviet way. It shuns NATO-style individual initiative and meritocracy.

The military's progress towards NATO standards has been slower than that of Georgia, which learned its lesson after quickly losing some of its territory in an eight-day Russian invasion in 2008. Military reformers like ex-Defense Minister Andriy Zagorodnyuk and Aivaras Abromavicius, ex-CEO of state defense firm UkrOboronProm, are long gone.

Far from protecting the country, the Security Service of Ukraine (known as the SBU) is a KGB relic. It has been swarmed by Russian agents and transformed into a corruption racket for extorting money from businesses.

Ukraine's courts, prosecutors and police too often behave as a criminal gang ready to sell the country's future to the highest bidder. Stifled with mind-boggling corruption, overregulation and kangaroo courts, Ukraine's economy remains among the poorest in Europe. It does not look like an attractive aspiring member to NATO or the European Union.

If Zelensky really wants to join NATO, he must carry out genuine reforms of the military, judiciary, law enforcement, SBU and the economy.

Once Ukraine acquires a powerful army, a strong democracy and a robust economy, NATO membership will become more than distant dream. Then Zelensky won't have to ask questions with such obvious answers anymore.

NEWS ITEM:

Swedish furniture retailer IKEA opened its first brick and mortar store in Kyiv's Blockbuster Mall on Feb. 1. Its main rival, Ukrainian retail giant Epicenter K, reacted with mockery. The company put up a billboard near Blockbuster Mall that reads, "There is an idea and there is a solution! Epicenter has everything!" The word "IDEA" is written in IKEA's style. At the entrance to the mall, Epicenter's employees handed out free masks printed with the words "Epicenter has everything!"



NEWS ITEM:

President Volodymyr Zelensky on Feb. 2 sanctioned pro-Russian lawmaker Taras Kozak and his three nationwide TV channels that broadcast Russian propaganda — NewsOne, Channel 112, and ZIK. Reportedly, Kozak, a lawmaker representing the 44-member Opposition Platform — For Life faction in parliament, is only the nominal owner of the TV channels, while the real owner is lawmaker Viktor Medvedchuk, something both Medvedchuk and Kozak denied. Medvedchuk is a close friend of Russian President Vladimir Putin, who is the godfather of Medvedchuk's daughter Daryna.



NEWS ITEM:

A Moscow court changed Russian opposition leader Alexei Navalny's suspended three-and-a-half-year sentence into an actual prison sentence for "violating the terms of his parole" while recovering in Germany from a Novichok nerve agent poison attack. Given that Navalny already had spent 10 months under house arrest, he was sentenced to two years and eight months in prison. Navalny said he is a political prisoner and that he is being punished for crossing Russian President Vladimir Putin. Navalny also claims that it was Putin who ordered to kill him by poisoning his clothes with Novichok.



NEWS ITEM:

The Security Service of Ukraine prevented a "shareholder meeting" of Chinese investors who are trying to acquire Motor Sich, a major manufacturer of aircraft engines in Ukraine. The meeting was scheduled for Jan. 31 in the city of Zaporizhia. Ukraine has recently imposed sanctions against the would-be shareholders, including Chinese firm Skyrizon and its parent company, Beijing Xinwei Technology Group. Reportedly, there were no Chinese investors inside the building. Nevertheless, Motor Sich, employees gathered outside to protest against what they call the illegal takeover of the company.

See these features online at kyivpost.com

Ukraine's Friend & Foe Of The Week



Larisa Galadza

The ambassador of Canada to Ukraine is among those in the West to offer strong support of President Volodymyr Zelensky's ban on 3 pro-Kremlin TV stations tied to Viktor Medvedchuk, a Ukrainian lawmaker who is Vladimir Putin's friend.



Anthony Bellanger

The secretary-general of the International Federation of Journalists was quick to decry the Ukrainian ban of Russian-sponsored propaganda TV channels as an attack on freedom of speech. We don't see it that way. We see the 3 banned stations as broadcasting Kremlin propaganda at a time of war.

Feel strongly about an issue? Agree or disagree with editorial positions in this newspaper?

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

Ukraine's Tax Update

In partnership with



Verlanov: Corruption-riddled tax office became political tool

By Alexander Query
query@kyivpost.com

Serhiy Verlanov, 39, used to lead the country's tax service and enjoyed a reputation as an honest official ready to change Ukraine for the better.

Today, however, Verlanov is accused of tax evasion and money laundering that has allegedly cost the country Hr 2 billion, or \$71 million.

Verlanov is specifically accused of helping ArcelorMittal's giant steel plant in Kryvyi Rih, 400 kilometers southeast of Kyiv, evade taxes by canceling tax audits – something Verlanov strongly denies.

Verlanov thinks that the tax reforms initiated by him when he spearheaded the tax service in May 2019–April 2020 destroyed schemes used by corrupt tax officials for personal enrichment. He believes he crossed these corrupt officials and now they are taking revenge.

UNIAN



Serhiy Verlanov, former tax service chief, shows a document during a conference call with former Prime Minister Oleksiy Honcharuk at the State Tax Service on Feb. 27, 2020. Verlanov thinks that the tax reforms initiated by him when he spearheaded the tax service destroyed schemes used by corrupt tax officials.

The case as well as Verlanov's abrupt firing is politically motivated, he told the Kyiv Post on Feb. 1. "It is a punishment for our work," he said, adding that the tax service office in Ukraine has turned into a political tool.

Easy target

Today Verlanov lives in Germany, where he works for a law firm helping Ukrainians abroad.

Before his dismissal, he had served as deputy finance minister under Oksana Markarova in 2018–2019 and was a partner at law firm Sayenko Kharenko.

During his tenure at the State Tax Service, he launched extensive tax overhauls, including the introduction of the law on base erosion and profit shifting (BEPS), a comprehensive law against tax evasion in Ukraine.

At the time, some Ukrainian businesses labeled it a "terror tax,"

→ page 10

No one can direct the wind, but can you calm the waters?

As storm clouds gather, how you plot the course for calmer waters is essential. Find out how we can help navigate your tax complexities for now, next and beyond.

ey.com/tax
 #BetterQuestions



The better the question. The better the answer.
 The better the world works.

Cash registers law riles resisting entrepreneurs

By Daryna Antoniuk
antoniuk@kyivpost.com

Ukraine's economy operates notoriously in the shadows: people get paid under the table and sell goods under the counter. Overall, tax evasion may cost the country \$30 billion a year.

Last year, Ukraine's parliament made a step to fix one of these problems. It passed a bill to oblige more small businesses to use cash registers starting in January 2022 and make sure everyone pays a goods tax.

Thousands of individual entrepreneurs, however, have rallied against the change. They say the machines will burden small- and medium-sized businesses, which are already disadvantaged against large enterprises.

Family businesses can't buy goods in discounted batches like large shop chains can, can't afford accountants and aren't as protected against corrupt tax officials — many don't have lawyers.

During the protests in Kyiv, some individual entrepreneurs threatened to close their businesses or stop working legally if parliament didn't recall the bill on cash registers.

"I want to rip up my individual entrepreneur certificate and work



A woman speaks during a rally against mandatory cash registers for private entrepreneurs in front of the Presidential Office on Sept. 30, 2019, in Kyiv. During the protests, some individual entrepreneurs threatened they would close their businesses or stop working legally if the parliament didn't recall the bill on mandatory cash registers.

illegally because it's less expensive and less stressful," said Sergii Dorotych, head of the movement of

individual entrepreneurs.

"The laws about cash registers are advocated by the owners of big

corporations and shopping malls in the parliament... They are leaving Ukrainian private entrepreneurs without means of living," he said.

cash registers, these businesses are "risky", because they are more likely to sell goods under the counter and evade taxes.

For individual entrepreneurs who run cafes, hotels, local stores and travel agencies, cash registers aren't obligatory today, given they earn less than \$47,000 a year. But Hetmantsev says they exploit the system, underreporting earnings to continue working without cash registers and evade the goods and services tax.

Local businesses without cash registers have fewer liabilities: they can hide their actual income and pay less taxes.

Non-fiscal receipts issued by these businesses do not protect customers from buying counterfeit goods and provide no warranties — with a non-fiscal receipt, it is almost impossible to reclaim the money paid for goods, because it doesn't confirm the payment.

According to Viktoriia Kulykova, an expert from the European Business Association in Ukraine, nearly 30% of the household goods and electronics in Ukraine are sold illegally and go untaxed.

To change that, all businesses have to use cash registers and give customers fiscal receipts, Kulykova says.

What opponents say

Some experts believe that mandatory-for-all cash registers will hinder the work of small and medium-sized businesses.

Businesses have to pay \$300 for a single cash register and invest nearly \$200 annually to maintain it. Some companies also have to hire an accountant to keep financial reports.

According to Ukrainian economist Volodymyr Dubrovsky, small businesses can lose nearly \$355 million per year when cash registers become mandatory for everybody. Some entrepreneurs, he believes, will stop declaring taxes at all, increasing the share of the shadow economy in the country.

Cash registers require constant communication with tax service officials, which may also increase corruption risks, according to Dubrovsky.

Many private entrepreneurs now use the simplified tax regime that provides simpler accounting and reporting, but with cash registers, there will be more nuances and they can be checked more frequently.

Elena Eremenko, head of Porada, a nonprofit that lobbies the interests of local businesses, also believes that cash registers won't help against tax evasion and smuggling.

According to her, the Ukrainian customs service should first look for illegal imports at the border checkpoints. The percentage of smuggled goods sold by medium-sized retailers is tiny anyway, Eremenko said.

Controversial alternative

To make expensive cash registers more popular, Ukraine's tax service has created a digital alternative that

Cofounded by Dubilet, startup Checkbox offers entrepreneurs virtual cash registers

By Daryna Antoniuk
antoniuk@kyivpost.com

The Verkhovna Rada, Ukraine's parliament, allowed businesses to replace old-fashioned cash registers with digital alternatives in the summer of 2020.

Monobank cofounder Dmytro Dubilet and his partner Andriy Sukhov see a business opportunity in the transition. They founded a startup that developed a mobile application and website that made physical cash registers unnecessary.

Called Checkbox, the app allows businesses to turn any mobile device into a virtual cash register to record sales, save financial reports and even provide receipts — in digital form, but they can be printed out too if needed.

Virtual cash registers like Checkbox are cheaper, quicker and more convenient because they just need a mobile device and an internet connection.

For decades, Ukrainians have avoided cash registers because they meant additional expenses, paperwork — and made it harder to avoid paying taxes. As a result, Ukraine's starved state budget received less money than it should have.

Affordability and convenience of services like Checkbox, according to Dubilet, may encourage more businesses to use cash registers and hence pay more taxes.

Businesses can install the Checkbox app on a laptop, smartphone or tablet. The monthly subscription costs \$5 — much cheaper than maintaining a cash register.

A cash register alone costs nearly \$500 and has to be replaced every seven years. According to Dubilet, monthly maintenance costs run about \$18.

Foxtrot, one of the largest electronics retailers in Ukraine, has used Checkbox since the service appeared on the market.

The retailer introduced Checkbox in all of its 162 stores across Ukraine. And although it hasn't yet abandoned its traditional cash registers, its chief executive Oleksiy Zozulya claims the company already saves

\$3,500 a month.

Soon, the company wants to get rid of physical cash registers for good, Zozulya told the Kyiv Post.

Even with Checkbox, however, businesses will still have additional expenses. Some still need to buy a barcode scanner, receipt printer, cash drawer or card reader to serve customers. The price of each device ranges from \$80 to \$200.

Virtual cash registers like Checkbox send tax reports automatically — the data synchronizers in cloud storage. It also helps when the device with a virtual cash register breaks — the cashier can install the app on any other device and continue from where she was interrupted, according to Sukhov of Checkbox.

He also pointed out that repairing the traditional cash registers takes more time and can cause serious delays.

To save even more time, instead of printing out receipts, businesses can send them to customers by email or via messaging app. Customers can later use them to return a product or make a warranty claim.

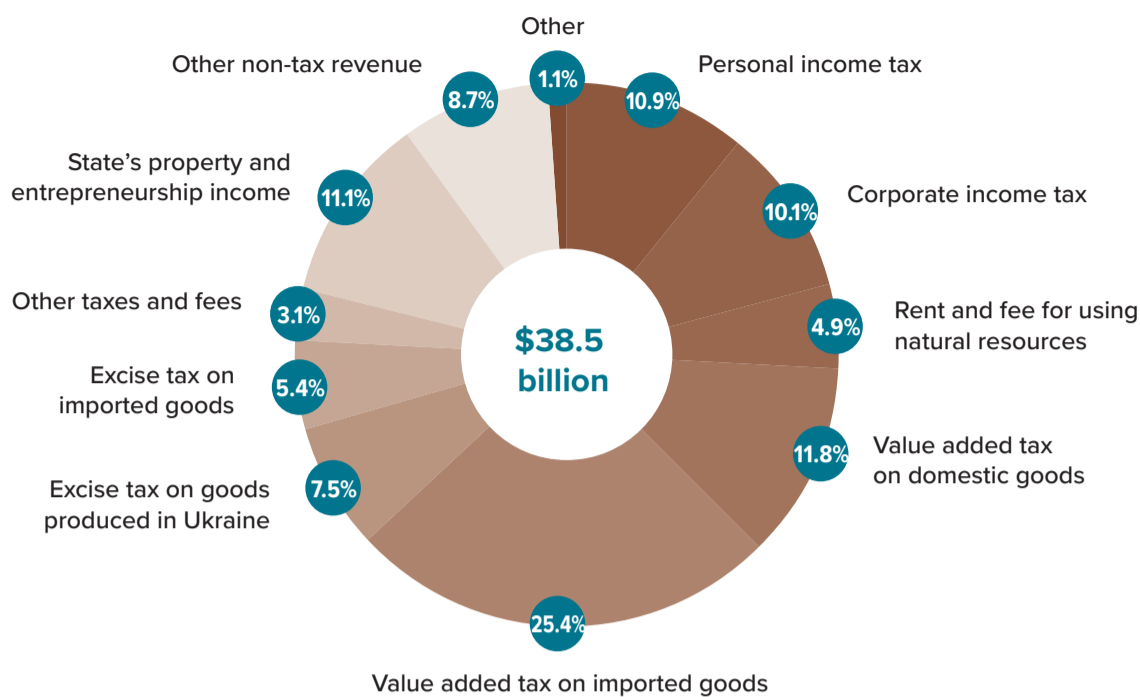
Electronic receipts are especially useful for online retailers, according to Dubilet. Online retailers had to keep traditional cash registers in their warehouses, print receipts there and manually send them to customers. With virtual cash registers, businesses can just send receipts by email.

Although electronic receipts are already legal, many Ukrainians still prefer paper ones, said Zozulya. In Foxtrot, for example, customers should scan a QR code to receive an electronic receipt, but many ask to print them out anyway, according to Zozulya.

Another Checkbox's client, shoe shop Intertop, agrees that the transition to electronic receipts is slow because many Ukrainians don't trust them.

"Customers that demand paper receipts will stay for now," said Natalia Andryushchenko, development director at Intertop. "That's why virtual cash registers are convenient — they allow either to send a receipt via messenger and email or print it."

State budget revenue in 2020 by sources



Much of Ukraine's state budget revenue in 2020 came from value added tax on both imported and domestic goods — 37.2% out of \$38.5 billion collected through tax and non-tax revenue. The state budget, however, approaches \$50 billion. The remainder is financed by borrowing.

Source: State Treasury Service

Recorded sales will help boost tax collection

page 7 →

businesses can use for free.

Cashiers can install electronic cash registers on a laptop or smartphone that can access the internet. But apart from the software, businesses need a printer and paper to print fiscal receipts. One such printer costs up to \$300.

From August to December, Ukrainians have registered nearly 60,000 electronic cash registers, according to Hetmantsev from the tax committee. And many businesses started to develop their own software that works better than the state services.

For example, the company Poster has launched an electronic cash register designed for cafes and restaurants. Using it costs \$17 per month. Ukrainian retailers, online shops and delivery services can use Smart Kassa app that is available for free.

Although Hetmantsev claims that electronic cash registers are quick, cheap and simple to use, many individual entrepreneurs have criticized them.

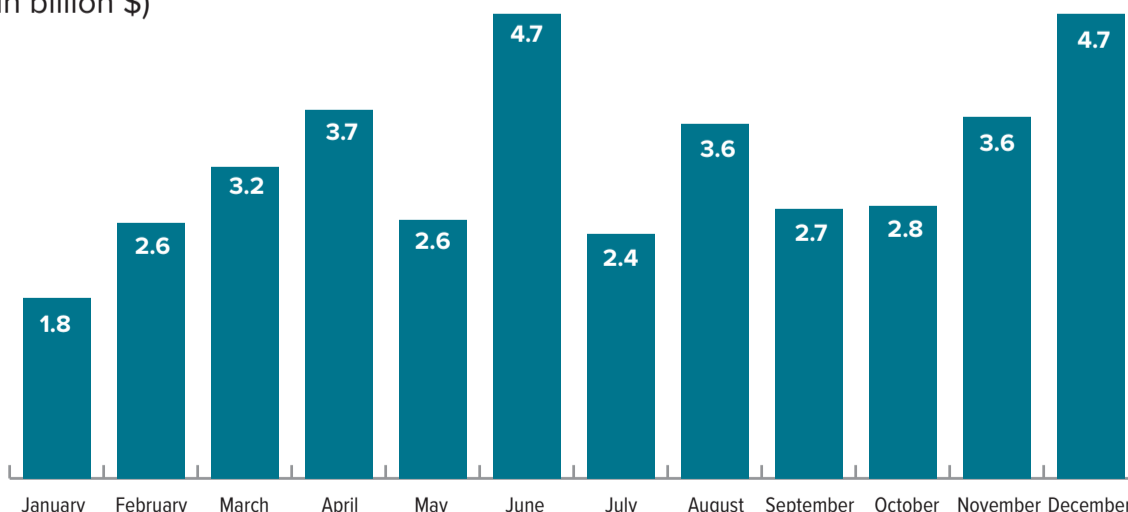
Dorotych said that the free app developed by the tax service works poorly and businesses still need to buy computers or phones to install it on. Many entrepreneurs also com-

plain that electronic cash registers don't work without an internet connection, when lack of access is still a common problem in Ukraine's rural areas.

Experts from the European Business Association disagree. They said that many electronic cash registers can work offline and send information about the transactions to tax service once internet access is renewed.

"Electronic cash registers work automatically around the clock," according to a statement by the EBA. Besides, "there is no need to train cashiers and monitor how they work."

Ukraine's revenue in 2020 by months (in billion \$)



In 2020, Ukraine collected \$38.5 billion in revenue. Taxes secure over 79% of the state budget revenue. Source: State Treasury Service

BUSINESS ADVISER

Advertisement

Guilt and intent as conditions for tax liability from January 2021



Iryna Kalnytska,
Partner, Head of Tax practice,
Restructuring, Claims and Recoveries
practice, Attorney at law

Ukraine's 2020 tax reform hasn't just introduced new rules for foreign-controlled companies and taxation of permanent establishments. It also fundamentally changed approaches to business liability for non-payment of taxes.

It's a well-known fact that not paying taxes carries a penalty of 25% of the total amount owed. Tax authorities usually don't care why a company failed to pay its taxes. Yet a taxpayer can have many reasons for failing to pay: malfunctions in the tax administration system, accountants' errors, negligence when choosing a counterparty or deliberate "tax optimization" strategies that the company failed to conceal.

Starting January 01, 2021, approaches to establishing tax non-payment liability and the size of the penalty have changed. Let's analyze what has changed and whether business will benefit.

The concept of guilt for non-payment of taxes

It's logical to assume that absence of guilt should save taxpayers from penalties for tax offenses. This conclusion appeared until recently in case law, which tax authorities often disregard when drawing up inspection reports.

Starting January 1, 2021, the Tax Code stipulates that a person may be held financially liable for committing a tax offense only if their guilt can be shown.

"Guilt" here refers to a **person's failure to take sufficient measures** to comply with the rules and standards while they were able to take such measures.

It's interesting that it falls to the tax authority to prove that the measures taken by a taxpayer were not sufficient. In other words, a company is considered to have taken sufficient measures by default. To claim otherwise, the tax authority must prove that a taxpayer acted **(a) unreasonably, (b) in bad faith and (c) without due care.**

Anyone who has faced tax disputes related to "unreal" business transactions knows that the terms "bona fide taxpayer" and due care of a taxpayer are not new.

The Supreme Court has repeatedly emphasized that taxpayers must show **reasonable care** since they bear the consequences of choosing a bad faith counterparty. It means that **taxpayers need to prepare the evidentiary basis to prove that they took due care when choosing the counterparty.**

In other words, these terms are inherently interconnected: a **bona fide taxpayer** is a **person who always shows due care** when doing business and choosing their counterparties.

We recommend that companies prepare the evidentiary basis on their own, instead of leaving it to the tax authority to decide whether they complied with the "due care" concept.

The following may testify to due care:

- conducting an established internal counterparty selection procedure such as a tender;
- reviewing the counterparty's permits and documents to prove that they have the labor, financial resources and experience to carry out the activity, prior to entering into an agreement;
- analyzing information about the counterparty obtained from public sources and state registers;
- setting mandatory warranties for the counterparty in the agreement.

Now that the guilt concept has been introduced into tax legislation, taxpayers who want to minimize liability risks must keep evidence of their due care for at least three years after working with a counterparty.

Is establishing a person's guilt by regulatory authorities a prerequisite for bringing them to financial liability?

A tax authority will not have to prove guilt every time it wants to establish financial liability. Guilt is a prerequisite only in cases of **intentional tax offenses**, including:

- intentional acts revealed by a tax authority's inspection;
- intentional violation of deadlines for paying the agreed amount of monetary obligation;
- a tax agent's intentional failure to charge or pay taxes before or after the payment of income to a non-resident or another taxpayer.

Let us analyze when it is possible to conclude that an act is intentional and how a tax authority can prove it.

According to the Code, acts shall be deemed intentional if **regulatory authorities** can prove that a taxpayer **falsely and deliberately** created **conditions, which cannot have any purposes other than failure to comply or improper compliance with the requirements** set by tax legislation.

In other words, the tax authority must prove that a taxpayer's **intention was to obtain tax benefits.**

The intent concept is not yet common in tax disputes. At the same time, the Supreme Court has already argued that: **"if a taxpayer fails to establish whether a counterparty's representative has the power to enter into an agreement when conducting a business transaction and executing primary documents, such conduct may show intent to groundlessly obtain tax benefits** and may entail the risk of adverse consequences for such a taxpayer".

Therefore, a taxpayers' failure to comply with the due care principle will not only prove their guilt, but also may show intent in their actions.

The presence of intent affects the size of the penalty following a tax inspection.

Unless the tax authority proves a taxpayer's guilt, the **penalty** will be smaller than before, only **10%** of the determined tax obligation. However, an intentional offense will carry the prior **penalty of 25%** of the determined tax obligation.

Conclusion

The introduction of the terms "guilt"; and "intent" into tax legislation is a positive change aimed at protecting taxpayers' interests. At the same time, these changes will lead to new case law, proving or refuting them in different categories of tax disputes.

+380 44 581 1220

info@golaw.ua

19B Instytutska St., Office 29

Ukraine, 01021, Kyiv

www.golaw.ua

GOLAW

Top tax lawmaker Getmantsev fights underground economy

By Liza Semko
semko@kyivpost.com

Ukraine's underground economy remains immense, with up to 60% of the individuals and businesses dodging taxes, according to estimates of one of the country's leading tax experts.

Danylo Getmantsev, 42, head of the Verkhovna Rada committee on finance, taxation and customs, aims to fight it with new laws.

Getmantsev's plan is to make it harder to evade taxes and to make it easier to work legally.

Two most important laws for bringing his vision to life have recently come into force: the law on making cash registers mandatory for more types of businesses and the base erosion and profit shifting (BEPS) law that fights tax evasion through offshores.

Cash registers

After the government introduced the law on mandatory cash registers, many individual entrepreneurs took it to the streets to protest.

For small businesses, the law means they need to hire accountants to compile complex tax reports, something many oppose.

Getmantsev, however, thinks it's a mandatory measure that had to be



Oleg Petrasliuk

Danylo Getmantsev, head of the Verkhovna Rada committee on finance, taxation and customs, speaks with the Kyiv Post in his office in Kyiv on Jan. 21, 2021. Getmantsev believes there's a way to de-shadow Ukraine's economy — through passing laws. Two of the most essential ones came into force in 2020: the law on making cash registers mandatory for more types of businesses and the base erosion and profit shifting (BEPS) law that fights tax evasion through offshores.

TOP 10 KYIV POST exclusives online this week

Editor's Note: Most of the Kyiv Post's journalism is published online. Subscribe today at the low rate of \$45 annually for access to all articles, photos, videos, the PDF editions of the weekly printed newspaper and our complete archives dating to 1995.



1. Zelensky bans media empire associated with Putin's friend Medvedchuk
2. IKEA to finally open its first physical store in Kyiv in February
3. Ukraine's new low-cost Bees Airlines takes off
4. Ukraine's Security Service prevents Motor Sich 'shareholder meeting'
5. Study: Ukraine among countries with worst COVID-19 response
6. Motor Sich showdown continues with Chinese shareholder meeting, Ukrainian sanctions
7. Hard Divide: Russia rips families apart by closing Donbas
8. Government rolls out COVID-19 vaccination schedule for 2021
9. Zelensky: Ukraine will not sell controlling stake in Motor Sich to foreigners (TRANSCRIPT)
10. Ukraine to get first COVID-19 vaccine doses in February

imposed even before the pandemic. The law will bring more payment transactions to light and thereby increase tax revenues to the state and local budgets.

Many European countries, including Croatia, Slovenia and Hungary, introduced mandatory cash registers a long time ago. Getmantsev adds that even less wealthy countries like Kazakhstan and Russia have already obliged businesses to use cash registers.

"I think we should always be honest," Getmantsev says.

"We shouldn't suffer from schizophrenia," he went on. "On the one hand, we want normal roads from the state, and on the other hand, we don't want to pay taxes."

After the mass protests, the government backed down on its plans and put off fiscalization for one

year. As of now, only businesses in several spheres, which have high risks of tax evasion — commercial medicine, sale of jewelry and tech equipment — have been obliged to use cash registers.

Individual entrepreneurs who earn over Hr 1.3 million a year have to report about their cash flow, as well.

The introduction of cash registers for risky businesses can bring Hr 5 billion into the state budget, Getmantsev believes. At the same time, the government expects to get at least a threefold rise in direct taxes after the full-fledged launch.

The state budget can receive even much more revenue if it ramps up its fight against smugglers. According to CASE Ukraine, a public organi-

→ page 9



Subscribe! \$45 per year

Online benefits include:

- Unlimited access to all exclusive Kyiv Post stories online
- Continuously updated feed of news stories, analysis, multimedia, opinions and more
- Archives dating back to 1997



www.kyivpost.com

Head of parliament taxation committee aims to de-shadow Ukraine's economy

page 8 →

zation specialized in economics, the state loses from Hr 55–81 billion because of smuggling.

Combating profit shifting

The amount of money tax authorities want to earn through fiscalization, however, may pale in comparison with how much money the state can bring to the coffers through fighting large-scale tax evasion.

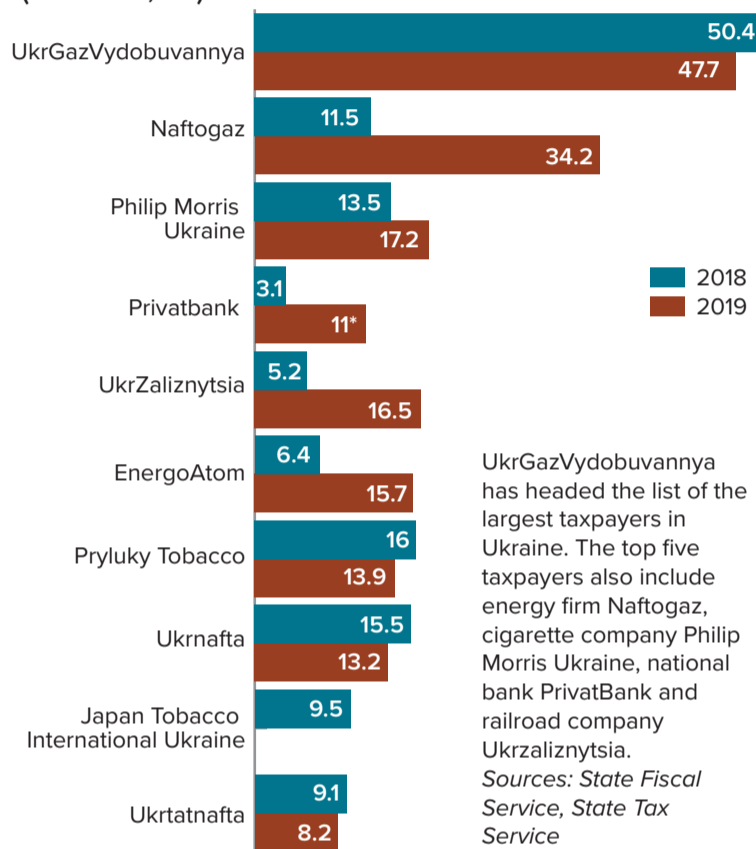
The BEPS law, which Getmantsev initiated and wrote, apart from introducing other norms, will force Ukrainian enterprises registered in offshore zones to pay taxes at home. This can bring Ukraine millions of dollars a year.

Since Ukraine's independence in, 1991, the country has lost an estimated \$162 billion through offshores. BEPS practices cost countries \$100–240 billion in lost revenue annually, according to the Organisation for Economic Co-operation and Development.

Passing the law, which was dubbed “anti-offshore,” was one of the requirements for getting a new tranche from the International Monetary Fund.

The European Business Association, the American Chamber of Commerce and the Union of Ukrainian Entrepreneurs, however, spoke against the law. Businesspeople were concerned that they now have to report the “business purpose” of their operations every time they have business with non-residents.

Top taxpayers in Ukraine (in billion, Hr)



*dividends to the state

UkrGazVydobuvannya has headed the list of the largest taxpayers in Ukraine. The top five taxpayers also include energy firm Naftogaz, cigarette company Philip Morris Ukraine, national bank PrivatBank and railroad company Ukrzaliznytsia.

Sources: State Fiscal Service, State Tax Service

Results for later

Although Getmantsev can't boast immediate results, he believes the laws adopted in 2019-2020 will show what they are worth this year, bringing more revenue to the budget,

which in 2020 collected Hr 851 billion in taxes.

“2020 is not a year of de-shadowing results,” he says.

Getmantsev is certain that Ukraine doesn't need a comprehensive tax reform. According to him, the government should change only several things, including to simplify income taxation and change ecology tax.

Getmantsev expects the government to pass a law, combining personal income tax, social tax and military levy to simplify tax administration. Getmantsev hopes the government will reduce the effective tax rate – the actual percentage of the income that a person pays in taxes – from 34% to 30%.

The ecological tax should be amended to stop taxing local emissions and turn taxes into fines for polluting the environment. “If the company exceeds norms, it pays a fine,” Getmantsev says.

“We have a normal tax system,” Getmantsev says. “We have questions about its functioning in reality.”

The government has passed a new law that aims to fight offshoring by tracking and taxing profits earned by Ukrainian citizens worldwide. Under this new law, Ukraine-based business owners will have to declare revenues from foreign assets, or they could face a steep fine on their income.



BUSINESS ADVISER

Advertisement

MAPing taxes: How to protect international investors in an unsettled tax world



Vadim Medvedev,
Partner at AVELLUM



Anton Zaderyholova,
Senior associate at AVELLUM

Based on the data from the Organization for Economic Co-operation and Development (OECD), the world economy should say “gracias” to multinational enterprises (MNEs) for approximately 50% of the global exports, 33% of the world's GDP, and 25% of the global employment. Huge amounts of capital moving back and forth between MNEs have eventually appeared on the radar of tax authorities in various jurisdictions. As a result, the OECD launched a massive plan to counteract aggressive tax planning called base erosion and profit shifting (BEPS) action plan.

Such significant changes in tax regulations combined with the aggressive approach of tax authorities has resulted in significant exposure of MNEs to double taxation of the same income in different jurisdictions. In most cases, double taxation may be eliminated by using bilateral double tax treaties. However, it is not uncommon now when tax authorities in two taxing jurisdictions interpret provisions of the treaty differently. Here the mutual agreement procedure (MAP) appears on stage.

Basically, the MAP involves representatives of two tax authorities seating at one table and deciding what country takes which part of the tax pie in a particular case.

Legal grounds for the MAP were included in article 25 of the model OECD tax convention in its first 1963 edition. Despite the international legal framework, there were a number of issues coming from the fact that the MAP procedure was not properly addressed at the level of national legislation in some jurisdictions joining the MAP. In most jurisdictions, the MAP provisions were not obligatory for local tax authorities as well as there were no defined terms for resolving a dispute via the MAP.

Techniques aimed at improving the MAP were included in BEPS Action 14, which is a mandatory part of participation in the Inclusive Framework. Ukraine joined the Inclusive Framework on Jan. 1, 2017.

The latest available comprehensive statistics on the worldwide MAP cases is OECD's statistics for the 2019 financial year. Based on the available statistics, approximately seven MAP cases were initiated every day in 2019 worldwide (three transfer pricing cases and four other cases). According to the OECD, the number of MAP cases has nearly doubled since 2016.

Based on the OECD's materials, the MAP is quite an efficient dispute resolution tool. In 2019, 85% of the MAPs concluded for transfer pricing cases and 70% for other cases fully resolved the double taxation issue.

On Jan. 16, 2020, the Ukrainian parliament passed the anti-BEPS law (No. 466) which came into force on May 23, 2020 and implemented the MAP procedure into the Ukrainian national legislation. The Ukrainian Finance Ministry has already drafted by-laws regulating the MAP procedure. At the moment, the by-laws have not been adopted. Even though the by-laws are not there yet, there is an opportunity to initiate and conduct the MAP procedure based on the provisions of the relevant double tax treaty and the Tax Code of Ukraine. There was already a successfully reviewed MAP case which allowed taxpayer to eliminate double taxation.

It is hard to imagine that the MAP may be a widespread tool for many Ukrainian taxpayers. Still, in the most sophisticated double taxation cases where the stakes are high, the MAP should be taken into account.

In case of major double taxation issues, it is very important to carefully synchronize (1) the MAP mechanism, (2) an administrative appeal, and (3) court litigation. Under existing Ukrainian rules, the MAP should not take place simultaneously with an administrative appeal or court litigation on the same case, which makes it even more important to properly time the measures. Therefore, the taxpayer should have a clear litigation strategy in order to ensure it is not missing such an important available opportunity.

The MAP profile of Ukraine at the OECD official website has the “will be forthcoming” status as of today. Ukraine's active participation in the MAP, we believe, is also “forthcoming” and is going to bring more predictability to operations of international businesses in Ukraine.

Vadim Medvedev is a partner at AVELLUM. He specializes in tax, succession planning, international tax planning, transaction structuring, and has a successful track record in complex high-profile domestic disputes, including commercial disputes and disputes with state authorities.

Anton Zaderyholova is a senior associate at AVELLUM specializing in international tax planning, direct and indirect taxation, personal taxation, transfer pricing, and customs.

AVELLUM

INTERNATIONALLY
UKRAINIAN

avellum.com

Verlanov says oligarchs, wealthy are not paying their share of taxes

page 5 →

believing it might hurt them. Its proponents, in turn, claimed the law would clarify the tax system and bring offshore money back to the state coffers.

But then, Verlanov started reforming the tax audit system — a service that audits businesses to ensure all the reported tax data is correct. The move angered officials who used to profit from it by using it to blackmail businesses and get kickbacks, he said.

“It’s a revenge of the system for firing corrupt tax authorities” and cutting their schemes, he said.

He also believes President Volodymyr Zelensky wants to jail him just to fulfill his presidential campaign promise of putting corrupt officials in jail. Verlanov denies he’s corrupt.

He also blames Zelensky for creating an “atmosphere of fear” among top officials and compared it to the situation in Ukraine in 2012 when ousted President Viktor Yanukovich was in power. Yanukovich would also use tax services to crack down on his political or business rivals.

“I was an easy target,” he said. “Who likes tax authorities?”

Taming oligarchs

Verlanov also said that he’s being prosecuted for his views against the prevailing influence of oligarchs in the government when he was the tax service head.

About 170 lawmakers, out of 422 in parliament, lobby oligarchs’ interests, according to investigative media Bihus.Info. Some 100 members of parliament defend business interests of richest Ukrainian Rinat Akhmetov, while 70 MPs — of oligarch Ihor Kolomoisky.



Serhiy Verlanov, former tax service chief, attends a meeting with ex-Prime Minister Volodymyr Groysman held in Kyiv on May 15, 2019. During his tenure at the State Tax Service, Verlanov launched extensive tax reforms, including lobbying the introduction of the law on base erosion and profit shifting (BEPS), a comprehensive law against tax evasion in Ukraine.

The journalists claim these lawmakers prepare draft laws and amendments favorable to the oligarchs and vote for laws they are asked to vote for. The loyal MPs represent different parties, including Zelensky’s Servant of the People and Batkivshchyna spearheaded by former Prime Minister Yulia Tymoshenko.

Verlanov said that laws should apply equally to everyone, including oligarchs, who frequently

evade taxes through their offshore companies.

“When a business generates revenues, you need to pay taxes, no matter how big your business is,” he said, adding that he tried to fight this through the BEPS law.

They also use schemes merging profitable companies with liable ones, which allows them to avoid taxes. The law helps fight this by declaring such schemes illegal.

Even with the new law, oligarchs

manage to continue to evade taxes with the help of the lobbying groups in the Verkhovna Rada, who push for laws to grant oligarchs’ businesses fiscal incentives.

He said they, apart from “owning” MPs, have good lawyers, financial assets and connections with local tax authorities.

“It’s very hard to make the oligarchs and big business groups pay their taxes,” Verlanov said.

Tax inequalities

The fear of the economic consequences of the coronavirus crisis led to a delay in Ukraine’s tax plan in March and April 2020 — the government thought the crisis would be tough and stopped collecting taxes.

Then, the coronavirus crisis hit revenues from customs the hardest because the trade has declined during this period.

During this crisis, by changing tax rates for some businesses, the fiscal service undertaxed gas companies and collected less tax money from large corporations than they had to.

Meanwhile, entrepreneurs — especially those working in services — suffered three lockdowns without any state support and tax reliefs and kept paying value-added tax (VAT)

and personal income tax, while having to shut down their operations during three lockdowns.

This has deepened tax inequalities in Ukraine, “bringing imbalance to the system” and “tax injustice,” Verlanov said.

For him, the state budget in 2021 will suffer from the poor results of the 2020 tax plan which benefited oligarchs rather than average taxpayers. Oligarchs’ corporations saved money in 2020 by paying fewer taxes.

This all has led to generating a deficit for the 2021 state budget plan, he said. In 2020, the deficit of the state budget increased from Hr 96 billion to Hr 298 billion as the state received Hr 146 billion less in taxes than expected.

Ukraine collected Hr 851 billion in taxes in 2020.

Since it first imposed a lockdown to prevent the spread of COVID-19 in April, Ukraine has seen many protests by small business owners, employees and others who oppose the quarantine measures, which they believe harm the economy, and demand more state support.

One of such protests turned violent in December 2020 after demonstrators clashed with police on Kyiv’s central Independence Square.

Tax inequalities and failing to fulfill a tax plan in 2020 led to the rise of the shadow economy, Verlanov said. When taxpayers perceive the system as unfair, they switch to a grey economy to avoid paying taxes.

He said the shadow economy represents no less than 30% of the real economy and hampers fair competition on the market by price dumping.

“Tax authorities need to solve it to have a fair dialogue with taxpayers who are always bragging to their neighbors that they aren’t paying taxes at all and can get away with it,” he said.

But tax services need to build trust among taxpayers first, which, according to Verlanov, is impossible when the government openly uses taxpayers’ money improperly.

About 80% of the \$2.3-billion fund dedicated to the coronavirus crisis were not spent on hospital equipment and COVID-19 tests to fight the pandemic — the money went on repairing and building roads, Verlanov said.

“How (should Ukrainians) tolerate spending their taxes on the construction of roads, while there’s not enough hospital equipment?” he said. Building trust — not roads — is the key to a functional tax service, he added. 🇺🇦

Ukraine Digest – a daily newsletter by the Kyiv Post

Go to WWW.KYIVPOST.COM to subscribe. It’s free!

Paying Taxes score: Ukraine vs neighbors

The Paying Taxes score shows how easy and transparent it is to pay taxes across 190 economies. Bahrain, a country in the Middle East, received the best score in this ranking (100), while Venezuela got the worst (11.4). Source: PwC

Romania	85.2
Moldova	85.2
Slovak Republic	80.6
Hungary	80.6
Russia	80.5
Ukraine	78.1
Poland	76.4
Belarus	71.2

Sergii Leshchenko: Ukraine scores a big win for democracy

page 1 →

Medvedchuk on the phone a lot. Later, the U.S. Treasury called him “a liaison between Yanukovich and Putin” and sanctioned him for violating Ukrainian sovereignty.

Despite his hypertoxic status, few Ukrainian politicians dared to openly confront Medvedchuk. Three TV channels, the second-largest faction in parliament, a private security agency, one of the world’s largest boats, a private jet, and access to Putin — all of that made him look untouchable. And the systematic propaganda of the TV channels formally owned by his ally Taras Kozak worked well. In the latest rankings, the pro-Russian party led by Medvedchuk, Opposition Platform — For Life, began to emerge as a leading party.

That is why, when President Volodymyr Zelensky imposed the sanctions on channels 112, NewsOne, and ZIK and their legal owner Taras Kozak on Feb. 2, it took many by surprise.

After all, such a decision is not only a blow to the very heart of pro-Russian propaganda. This undermined all plans for Medvedchuk’s revenge and his plan to make Ukraine do a geopolitical U-turn and go right back into Russia’s arms.

What now?

Zelensky’s decision will shift the balance of political powers.

First, without TV channels, Medvedchuk is a crocodile whose teeth were torn out, scary only by appearance. He is not ready to surrender his positions, but he is also not ready to act boldly to fight for his influence. Complicating the situation for him is the fact that Zelensky picked the right moment as Putin is distracted by mass protests in Russia and mounting international criticism over the imprisonment of Russian opposition leader Alexei Navalny.

The sanctions against Kozak and the shutdown of the TV stations came as a real surprise for Medvedchuk, and in the first days after it happened, he did not think of anything better than to continue broadcasting on YouTube. And this reminds us that Medvedchuk’s broadcasting should be banned on this platform as well. The Ministry of Culture and Information of Ukraine has already sent an appeal to YouTube.

Secondly, Zelensky’s order to shut down Medvedchuk’s TV channels changes the balance of power within the 44-member Opposition Platform — For Life party, where Putin’s group led by Medvedchuk competes with the gas lobby group, led by Serhiy Lyovochkin and Yuriy Boyko.

Boyko has a higher personal rating

than Medvedchuk. He also has influence on the Inter TV channel, which is owned by his partner Dmytro Firtash, who has for years successfully fought extradition to the U.S. in Austria to stand trial on corruption charges that he denies.

And Boyko has ambitions to run for president, with a high chance of reaching the second round. To quell Boyko’s appetites for independent play, Medvedchuk began ordering opinion polls about whom Ukrainian want to see president, where his candidacy is also proposed. In this way, he tries to tie Boyko to himself — the numbers should show that if Medvedchuk runs separately, he takes some of Boyko’s votes, and Boyko will not make it to the second round.

And, by the way, the ban on Medvedchuk’s channels benefits the Boyko-Lyovochkin’s television group as their audience might grow. Representatives of billionaire oligarch Rinat Akhmetov’s TV channels also expressed solidarity with Medvedchuk’s staff and offered them employment.

Blow to Poroshenko

Finally, Zelensky’s sanctions against Medvedchuk’s TV channels were a serious blow to Petro Poroshenko’s electoral core.

For years, Poroshenko was saying that he could not impose sanctions on Medvedchuk’s channels, despite the expectations of his supporters.

Zelensky did so.

This started in 2018 when Medvedchuk started buying channels, and their broadcasting course underwent irreversible changes.

I experienced it myself, when one day I was blacklisted on the ZIK channel, even though for many years I was a regular commentator and participated in dozens of shows. The ban on my presence was issued with the arrival of Medvedchuk’s management, with whom I have been in litigation for many years. He challenges my revelations that it was Poroshenko who created greenhouse conditions for the businesses of Medvedchuk-related companies. In particular, many of Medvedchuk’s competitors among liquified natural gas importers were killed by sanctions imposed by the Security Service of Ukraine, SBU. And the Anti-Monopoly Committee, controlled by then-President Poroshenko, has allowed Medvedchuk’s structures to take control of the diesel import pipeline and the Rosneft gas station network.

Thus, it isn’t surprising that Poroshenko didn’t go to war with Medvedchuk’s television empire. He chose to not impose sanctions despite a request of the Verkhovna Rada,

Medvedchuk’s media empire spreads lies, bigotry, anti-Ukrainian sentiment

By Oleksiy Sorokin
sorokin@kyivpost.com

On Feb. 2, President Volodymyr Zelensky signed a decree issuing financial sanctions against pro-Russian lawmaker Taras Kozak and his three nationwide TV channels — NewsOne, Channel 112, and ZIK.

As a result of Zelensky’s decree, Kozak’s channels were immediately shut down.

Kozak, who represents the 44-member Opposition Platform — For Life faction in parliament, is the nominal owner of the TV channels, but Ukrainian media and politicians believe the real owner to be Viktor Medvedchuk, the leader of Opposition Platform and a close friend of Russian President Vladimir Putin. Kozak and Medvedchuk deny it.

Reacting to the sanctions, the three TV channels and representatives of Opposition Platform accused Zelensky of censorship and of an attack on the freedom of speech in Ukraine. However, media experts agree that Medvedchuk’s channels never had freedom of speech. Instead, they were spreading disinformation and propaganda.

Below are just several examples of how the channels were echoing Russian propaganda and undermining Ukraine.

Justifying Russian occupation of Crimea:

- Yuri Dudkin, a frequent guest on ZIK, said on Sept. 9, that the Russian army saved Crimea from the Ukrainian army and the potential deaths it could have caused.
- Lawmaker Oleg Voloshin, representing the Opposition Platform — For Life party, said on air that by annexing Crimea, Russia stopped the “future big war” that could have started if NATO soldiers were deployed in Ukraine after the Euromaidan Revolution that ended the rule of Kremlin-backed President Viktor Yanukovich in 2014.
- Blaming Ukraine for Russia’s war in eastern Donbas: Lawmaker Renat Kuzmin, a former fugitive who’s now representing the Opposition Platform, said on ZIK that “a group of Ukrainian conspirators seized power through the revolution, and then ‘to maintain their own power, started a war in Donbas.’”
- Ruslan Kotsaba, who was previously sentenced to 3.5 years in prison for treason, hosts a show on NewsOne. In 2019, he said on air that it was “the Kyiv conspirators and traitors who illegally declared an

anti-terrorist operation in Donbas,” when Russian-led militants began occupying government buildings.

- Former pro-Russian lawmaker Olena Lukash said in a NewsOne studio that “Russia helps occupied Donbas in the same way that the United States and the European Union are helping Ukraine.”
- Renat Kuzmin said on Channel 112 that “the militarization of Donbas was a desperate attempt to protect these territories from the state criminals who seized power in Kyiv.”
- On NewsOne, Oleksandr Kachny, a lawmaker from Medvedchuk’s party, praised the occupied territories, saying that they live “in Ukraine, which still has (the Russian) language, which still has the (Moscow-led orthodox) faith, which still has peace. They don’t rename streets, they haven’t demolished monuments (to Communist leader Vladimir Lenin), they don’t have decommunization.”

Blaming Ukraine for continuing the war:

- Guest speaker Irina Palamar said on ZIK that Russia would have ended the war, but Ukraine is continuing it.
- Renat Kuzmin told ZIK that “the Americans forbid Ukraine to stop the war.”
- Viktor Medvedchuk said on Channel 112 that Ukraine had disrupted the Minsk peace talks because it had not accepted Russia’s demands to change Ukraine’s electoral system.
- Marginalizing Ukrainian language, culture, identity: On Sept. 12, NewsOne invited a woman presented as “Yevhenya Pranova, the mother of two,” who stated that if Ukraine is prioritizing Ukrainians, the state will have to be reduced to five oblasts. (Ukraine consists of 24 oblasts).
- Alexander Semchenko, a blogger known for xenophobia and bigotry, stated on Channel 112 that “Ukrainians are, in fact, Russians,” “I don’t understand how Russians differ from Ukrainians” and “we are forced to believe that we are a separate nation.”
- ZIK host Diana Panchenko said that many people, including her mother, are “annoyed” when they are spoken to in Ukrainian.
- Promoting one party — Opposition Platform — For Life: “I am working here to ensure that the Opposition Platform — For Life party achieves significant electoral success,” said Channel 112 host Vyacheslav Pikhovshek.

Ukraine’s parliament, in October 2018. And the National Television Council, headed by Poroshenko’s ally, didn’t revoke the licenses of the channels, despite numerous violations.

On the contrary, Poroshenko apparently cut a deal with them: 112 and NewsOne were not banned, and these channels promoted Poroshenko during the 2019 presidential election.

By imposing sanctions on Medvedchuk’s channels, Zelensky not only met the demands of many pro-European forces. He showed the weakness of Poroshenko’s position, who was always looking for arguments as to why the propaganda channels couldn’t be blocked. Now it turned out that it can be done if there’s a political will.

Sanctions also undermine Zelensky’s image as a pro-Russian politician, which Poroshenko diligently created for him. With one decision, Zelensky shuffled the cards.

Why sanctions

The procedure of shutting down the channels by imposing sanctions provoked a discussion among Ukrainian lawyers. Medvedchuk’s and Poroshenko’s allies insist that sanctions can be imposed only on foreign entities. This is a false statement because more than 100 people who found themselves under personal sanctions under Poroshenko are citizens of Ukraine, and the decree on their punishment indicates their Ukrainian passports.

Poroshenko, having suffered a reputational blow from Zelensky, is

trying to make up for lost time. He insists that once the sanctions are imposed on Taras Kozak’s financing of terrorism, the lawmaker should be given a notice of suspicion and a public trial should follow.

In fact, Poroshenko is exchanging terms. After all, sanctions are a reaction to the threat against Ukraine, while the beginning of criminal proceedings is a reaction to the violation of the law of Ukraine.

Here are the arguments of human rights activist Volodymyr Yavorsky, a member of the Ukrainian Helsinki Committee for Human Rights. He emphasizes that sanctions are applied not to bring a particular person to criminal responsibility, but to stop threats to national security. And sanctions can be applied regardless of whether someone is eventually found guilty and convicted.

“When the country you are at war with actually has a network of its media, where it systematically carries out information attacks, sanctions are an adequate move. It is obvious to everyone that Taras Kozak could not buy these channels himself and he is a fictitious person for holding media assets. From a legal standpoint, you will not prove anything. In such cases, sanctions are applied, because the threat to national security is obvious. And as a result of their introduction, they do not confiscate property, but only freeze it,” Yavorsky wrote on Facebook. But, in fact, such a “freeze” completely paralyzes Medvedchuk.

There is another telltale sign

that shows how the behind-the-scenes web of Ukrainian politics is woven by pro-Russian forces. Medvedchuk tried to appeal to the Constitutional Court against the 2018 decision of the parliament which called for sanctions on his TV channels. This decision was never implemented by Poroshenko, but was now used by Zelensky as a pretext for sanctions.

Medvedchuk’s goal was to declare the entire act of parliament as illegal and to remove risks. However, the then chairman of the Constitutional Court, Stanislav Shevchuk, blocked the opening of court proceedings, thus disrupting Medvedchuk’s plans. And, perhaps, it was then that it was decided to carry out a coup in the Constitutional Court and bring Oleksandr Tupytsky to power. He is the same one who in the fall of 2020 was engaged in the destruction of anti-corruption gains at the request of Medvedchuk and his associates.

All this shows that the sanctions imposed on Medvedchuk’s channels are not just a way to stop the daily flow of Russian propaganda. This is an attempt by Ukrainian democracy to defend itself, just as American democracy was defended in January from Donald Trump’s attempts to usurp power.

The struggle for democracy continues — both in the U.S. and Ukraine.

Sergii Leshchenko is a Kyiv Post columnist, investigative journalist, and former member of the Verkhovna Rada, Ukraine’s parliament. ☪

World in Ukraine: India

In partnership with



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 591-77-88

After tough year, India enters 2021 with renewed optimism

By Brian Bonner
bonner@kyivpost.com

The coronavirus shook the world with death and destruction in 2020. But despite the global trauma, India's Ambassador to Ukraine Partha Satpathy marvels at how well some things held up — including the bilateral relationship between Ukraine and India.

In the confusing early stages of the pandemic, when Ukraine and India each adopted hard lockdowns like many other nations, fears were running high.

The immediate task faced by the Indian Embassy in Kyiv was a humanitarian one: 15,000 Indian students, primarily studying in Ukraine to become physicians, needed to get home quickly as borders closed. They also needed masks, sanitizers — and reliable information. The embassy stepped in.

Satpathy said that India is satisfied overall with its response to the coronavirus. "We went into strict lockdown and forced contact tracing to make sure the disease did not spread," he said. He also said that Ukraine did "reasonably well" with



Indian Ambassador to Ukraine Partha Satpathy speaks with the Kyiv Post on Feb. 2, 2021 in the Indian Embassy in Kyiv.

a similar strategy early on. The vindication came with lower infection

rates and fewer deaths than many other countries.

7 percent of the nation's territory — the Crimean peninsula and parts of the eastern Donbas — seized.

The common language, Satpathy said, between Ukraine and India is democracy and needs. In Ukraine's case, India is a voracious consumer of agricultural and other exports; in India's case, Ukraine is keen on vaccines and pharmaceutical drugs, among other goods.

India's vital vaccines

In conquering the coronavirus, India is playing a key role in producing and distributing vaccines across the world. While some nations are practicing "vaccine nationalism," and forbidding supplies to be exported, India is playing a different game. It's engaged in "vaccine diplomacy," spreading hundreds of thousands of

doses already to such neighbors as Bhutan, Nepal and Sri Lanka.

India this year will spend \$5 billion for vaccines alone and must tackle the huge logistical challenge of vaccinating as many of its 1.3 billion people as possible with drug supplies that require cold storage every step of the way to remain effective. Satpathy said six vaccines are in the pipeline for approval and two are already on the market. India is home to the Serum Institute, the world's largest vaccine manufacturer.

Indians, he said, are generally receptive to being vaccinated, an issue that remains controversial in some societies, including Ukraine, where there is strong resistance.

Satpathy said that as supplies and choices of vaccines increase, India will follow its guiding philosophy that "the whole world is a family," and it is the nation's obligation to share vaccines as much as possible, especially with poorer nations lacking the vaccine production capabilities of India.

United Nations Secretary General Antonio Guterres last month singled India out for praise.

"I would like to say how much we count on India," Guterres was quoted as saying. "And we strongly hope that India will have all the instruments that are necessary to play a major role in making sure that a global vaccination campaign becomes possible. I think that the production capacity of India is one of the best assets the world has today, and I hope the world understands that it must be fully used."

India has thus far vaccinated more than 3 million of its citizens, while Ukraine has yet to receive any vaccines. But Satpathy said that Ukraine will soon be on the receiving end of 8 million doses of vaccines through the World Health Organization's COVAX alliance.

→ page 13



India at a glance

Government type: **Sovereign socialist secular democratic republic with a parliamentary system of government**

President: **Ram Nath Kovind** | Prime Minister: **Narendra Modi**

India's GDP (nominal): **\$2.8 trillion**
India's GDP (PPP): **\$9.5 trillion**

Total area: **3.3 million square kilometers** | Population: **1.38 billion people**

World Bank's Doing Business Ranking: **63** | Credit ratings: **S&P — BBB- (stable), Fitch — BBB- (negative), Moody's — Baa3 (negative)**

Main economic sectors: **agriculture, manufacturing and services**

Trade: **\$2.7 billion (2020)**

Exports from Ukraine to India: **\$2 billion**. Ukraine exports vegetable fats and oils, fertilizers, power engineering machinery, plastics, polymery items, food waste and animal feed.

Imports to Ukraine from India: **\$720 million**. Ukraine imports pharmaceutical products, mineral fuels, oil, electric machines, organic chemical compounds.

Indian foreign direct investment in Ukraine (cumulative): **\$50 million (2019)**

Sources: World Bank, International Monetary Fund, State Customs Service, World Bank



Students pose for a picture after getting their faces painted to pay tribute to front-line workers fighting the spread of COVID-19, ahead of India's Republic Day celebrations in Mumbai on Jan. 24, 2021.

AFP



Ukraine, India keep up trade relations despite pandemic; vaccinations ahead

page 12 —>

Satpathy said that, in countries with poor infrastructure, vaccines must be developed that are easily transportable. He said India believes that global victory over the pandemic is only possible “when everybody is able to be vaccinated at that threshold level, when the disease is no longer a problem. If people are not healthy, everything is affected: trade, commerce, education, tourism — you name it.”

He described India’s philosophy “access, availability, affordability.”

Return to normalcy

Satpathy hopes that the pandemic will subside enough for “normal diplomacy” to resume in the second half of 2021. “I’m quite optimistic about this scenario,” he said. “This ill happen...

Ukraine and India nearly identical in World Bank’s Ease of Doing Business annual ranking

- 1. New Zealand
- 2. Singapore
- 3. Hong Kong, China
- ...

- 63. India
- 64. Ukraine
- ...

- 189. Eritrea
- 190. Somalia

In 2020, India ranked 63rd in the Doing Business rankings released by the World Bank, Ukraine followed at 64th. Both countries improved their standing with reforms. Last year, for instance, it became easier in both countries to obtain construction permits and trade across borders.

Source: World Bank

People walk past the Mahatma Gandhi monument on Feb. 2, 2021, in Fomin Botanical Garden in Kyiv. India’s Ambassador to Ukraine Partha Satpathy fulfilled a long-held dream when he unveiled the statue to his nation’s founding father and spiritual leader on Oct. 2, 2020. Gandhi was born on that date 151 years ago, in 1869, and was assassinated on Jan. 30, 1948.



Volodymyr Petrov

Ukrainian health authorities are actively searching for procurement for vaccines. Hopefully they will have supplies soon. Infections rates are falling now. Vaccines are rolling out.”

For Satpathy, a singer, events will allow him to resume concerts. Like many people in the world, he had so many plans that had to be cancelled in 2020. India scrapped a planned Bollywood in Kyiv film festival, a textiles exhibition, dances, and a traditional pharmaceutical trade show.

“Hopefully this year we will do” some of these events, he said.

Despite the reduced personal meetings, Satpathy was able in 2020 to accomplish one of his goals for

his ambassadorship: Unveiling a statue of Mahatma Gandhi (1869–1948), revered as the father of independent India, in Fomin Botanical Garden near the University Metro Station. The ceremony took place on what would have been Gandhi’s Oct. 2 birthday. It’s the first and so far only statue of Gandhi in Ukraine.

“I’ve always had a personal desire to see him here in the city,” Satpathy said. “It’s a way for us to spread his message of non-violence, peaceful co-existence, and the understanding of the value of freedom.” He said Kyiv authorities “were very welcoming” and the unveiling “was a positive

event” in bilateral relations, although conducted “under social distancing norms.”

Praise for Ukraine

Despite all the challenges of 2020, Satpathy believes Ukraine’s authorities redeemed themselves in upholding democracy.

“Governance has been boldly visible. This has been a bit reassuring to the people and to observers. The levers of governance are effectively being implemented.

“Challenges to democracy are always there. Freedom as a concept is so valuable yet so fragile.”

In an apparent reference to the

Constitutional Court, which last year nullified key anti-corruption institutions and laws, Satpathy acknowledged that Ukraine’s “institutions of democracy displayed signs where you began to question them. Like in any good democracy, the responses evolved. What I found useful from the leadership is the desire to tackle these challenges.”

“Ukraine managed to do reasonably well. I’m optimistic about this country because this country is a practicing democracy. Things are transparent. You can report on things which go wrong. You can applaud the government for things that go well.”

Broncho Veda®
wellness from nature

An Ayurvedic Product

Made from Herbs
Used for seasonal colds & cough
For the entire family

Herbal syrups 150, 200 ml

Herbal lozenges No. 12, 24, 300 (5 flavors)

Immunity Strengthening drinks No. 10

euro Lifecare Caring for your Life

Dietary supplements, cosmetic products, hygienic oral care product. Not medical products. Consult a doctor before use and read the leaflet and information on contraindications and side effects. www.eurolifecare.com.ua; www.bronchoveda.com.ua

SELF-MEDICATION MAY BE HARMFUL TO YOUR HEALTH

Indian medical students want easier qualifying examinations

By Daryna Antoniuk
antoniuk@kyivpost.com

Many third-year Indian students were expelled from Ukraine's medical universities last year because they didn't pass the Krok exam that allows all undergraduates to study medicine in Ukraine.

Now these Indians have to return home or repeat the year, losing time and money.

Foreign students blamed Ukraine for their misfortune. They said that the minimum passing grade for the exam should be lower during the pandemic when all classes are held online.

At their request, Ukraine's Ministry of Health has lowered the passing grade from 60.5% to 55.5%, but the students asked to reduce it even more — to 50.5%.

The ministry refused to reduce it further, saying that the Krok exam evaluates basic knowledge of medicine, thus all future medical workers must pass it to be able to treat people.

The response from the ministry evoked a strong reaction from many foreign students who go to Ukraine for cheap education and diplomas that are valued abroad. They said Ukraine just uses them to make money but gives no support.

Students' troubles

During the quarantine, many Indian students are stuck in Ukraine and have to study online because local universities closed their doors.

For international medical under-

Oleg Petrasniuk



Foreign medical students protest against the Krok exam in front of the Ministry of Health in Kyiv on May 28, 2019. After the protests in November 2020, Ukraine's Ministry of Health lowered the passing grade of the Krok exam from 60.5% to 55.5% to make it easier for students to pass it during the pandemic when all the classes are held online.

graduates, it is a challenge — they face a language barrier and lack lab work, according to Saurav Kumar,

consultant at the Runfast Medical Educare firm that helps Indians to apply to Ukrainian universities.

Students say that during the quarantine it is harder to prepare for the Krok exam that has always been difficult for them.

The test contains 200 questions that evaluate the basic knowledge of medicine, pharmacology and dentistry. Foreign students can pass the exam in Ukrainian, English or Russian languages. Questions for international and local students are the same.

Even before the pandemic, foreign students had been striking against Krok, but in 2020 they became more persistent.

In November, they started to protest near the Ukrainian Ministry of Health, demanding to reduce the minimum passing grade for the Krok exam by 10%. During the protests that lasted for nearly five days, Indian students told the Kyiv Post that the exam had been constantly postponed due to the quarantine restrictions, and when the date was announced, they didn't have enough time to prepare.

The Krok exam for third-year students, which usually takes place in April-June each year, was delayed until Oct. 29–30. Foreign students said that the Ukrainian Ministry of Health told them about the upcoming exam only two days in advance.

Many students have retaken the exam but with no success. Now they will lose up to \$5,000 they have already paid to study medicine in Ukraine in 2020–2021.

Many Indian students are angry and say that Ukraine needn't worry so much about the results — most

of the Indian will go back to India for work.

"We don't want to stay in Ukraine," said Mohamed Amine, Ukraine's medical student from Mumbai. "We want to come back home where we can secure a well-paid job."

Amine said that if students who were expelled want to return to Ukraine to continue studying after bad test results, they have to apply for a visa again and many are forced into paying bribes to receive it. Kumar agrees that students pay for a visa more than it actually costs.

Discouraged by that, many students decided to continue their studies in other Eastern European countries, including Russia. When other Indian students asked them whether they should apply for Ukrainian universities, many didn't recommend them to do so and said that Ukraine just wants to earn money on them.

Ukraine's response

Foreign students are profitable for Ukraine. In 5–6 years of study, foreign students collectively bring nearly \$3 billion to the country's budget, according to Ukraine's Ministry of Education.

Students of medical universities, the most popular among foreigners, usually pay the most — \$8,500 a year. Thus Ukraine encourages them to apply.

After the protests of foreign students, the Ministry of Health reduced the passing grade for the Krok exam by 5 percentage points to "morally



A reason to dance

Teachers celebrate Republic Day in Amritsar, India, on Jan. 26, 2021. The 71st anniversary of the holiday honored the enactment of the Indian Constitution in 1950, three years after the nation of 1.3 billion people achieved independence from British rule on Aug. 15, 1947.

Despite protests over medical exam, most Indian students are faring well

page 14 →

support them and give psychological relief," according to Iryna Mykychak, deputy minister of health.

However, the professors of local medical universities are not pleased with this decision. They said that Ukraine should evaluate all students fairly because the standards of education in the country are high.

"Exams are essential for students because, after university, they will work in real hospitals and every mistake will cost a life and health of a patient," said Yuriy Kuchyn, chancellor of Ukraine's Bogomolets National Medical University.

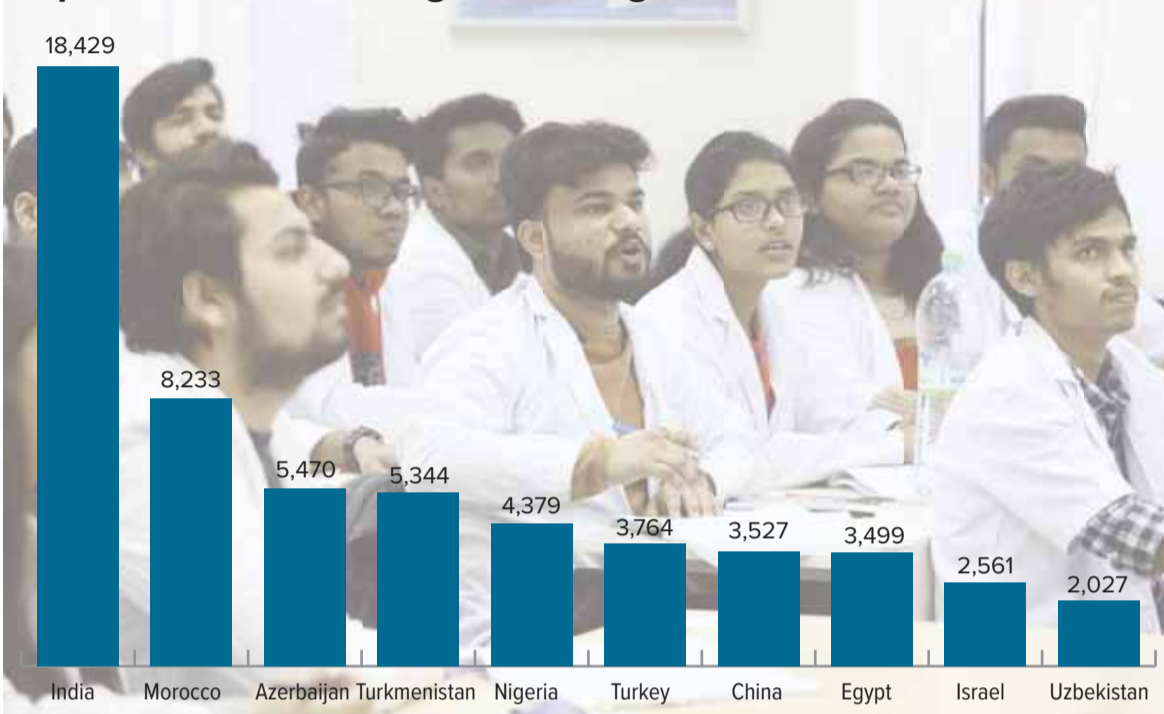
Besides, during the quarantine, students had more time to prepare for the exam and pass it with flying colors, said Lesya Oliynyk, head of the organization responsible for medical exams in Ukraine.

Oliynyk told the Kyiv Post that, in 2020, only 9,757 out of 83,561 medical students didn't pass the exam, which is 4% less than in 2019.

Only 169 Indian students from 28 local universities didn't pass Krok in 2020 – it is 0.67% of all the international students in Ukraine.

That is why Oliynyk is surprised that they protest. She said that some

Top 10 countries of origin of foreign students in Ukraine



Over 80,470 international students from 158 countries study in Ukraine. The largest share of them -- 18,429 -- come from India. Most foreign students in Ukraine study medicine because the quality of education in the country is good, the cost is reasonable and the diplomas are valued abroad.

Source: Ukrainian State Center for International Education

foreign students just use the quarantine as an excuse to study less.

Ukrainian students, she said, do not complain about the passing grade for the exam.

Ukrainian medical students who study with Indian students and who talked with the Kyiv Post said that, to pass Krok, undergraduates just have to study diligently. And during the quarantine, students could study at home using a mobile app that contains over 20,000 questions, undergraduates said.

"The Krok exam simply helps me to revise everything I learned from the basic subjects," said Karyna Pryvarska, a third-year student at the Lviv National Medical University.

Indian Ambassador to Ukraine Partha Satpathy also thinks that the Krok exam is a proper way to evaluate medical students.

Indian students come to Ukraine to study medicine primarily because the quality of education and the degree they get here are good and it's logical that there's a test to pass to prove one is worthy of this degree, Satpathy told the Kyiv Post.

"Finally, face it, it's a doctor who is going to look at the patient," he said. "And you want the doctor to be fully qualified." 🇮🇳



The Imperial Tailoring Co.

Bespoke, high-quality business clothing for men

Pre-entry on presentation:
+38 (044) 272-04-40
or info@mytailor.kiev.ua

Kyiv, O. Gonchara st., 15/3
www.mytailor.kiev.ua

Working hours:
Mon-Sat – from 10:00 to 22:00 without a break,
Sunday – from 11:00 to 19:00

Managing Director: Steve Kriplani

Endless summer at Indian restaurant Delhi Delhi

By Daria Shulzhenko
shulzhenko@kyivpost.com

It always feels like summer at Delhi Delhi, a new Indian restaurant in Kyiv.

Greeted by loud Indian pop melodies and a subtle smell of curry, guests to the eatery leave gloomy Ukrainian winter behind and step into the eternal summer of the subcontinent.

“Namaste,” says a friendly waiter, who leads a customer through the banks of the Ganges River, across the tropical lush jungle where little monkeys swing on vines — all elements of the restaurant’s elaborate interior design.

The culinary journey starts with the first sip of sweet and spicy Masala tea, followed by a luscious meal, and doesn’t end even after leaving the venue — Delhi Delhi leaves vivid impressions of warm and sunny India for long.

The latest eatery by the Mastergood group, which runs the Mama Manana and China Ma restaurants, Delhi Delhi opened almost a year ago on Velyka Vasylkivska, one of the busiest dining streets in Kyiv.

It has instantly become popular among locals and Indians in the capital: The 107-seat venue is lavishly crowded even on weekdays.

The venue’s favorable location, a great variety of tasty food, friendly service and extraordinary design stand behind its success.

“Delhi Delhi reminds of an Indian wedding — noisy, colorful and fun, where everything is about tasty food, dancing and loud music,” Olga Malakhova, the restaurant’s general manager, told the Kyiv Post.

Opening in pandemic

Delhi Delhi was born in love: It was launched on St. Valentine’s Day a year ago. Malakhova, 36, says her passion for Indian cuisine and culture inspired her to open Delhi Delhi on the most romantic holiday, even though the restaurant was not totally ready.

They did not announce the first day, but as soon as the venue’s doors opened, it drew the attention of passersby of the busy street.

“It was a fantastic day,” Malakhova reminisces.

After serving three tables on the first day, the restaurant closed for over a week to make improvements. It reopened at the end of February, just about a month before a strict lockdown started in Ukraine amid the spread of COVID-19.



A waiter carries Indian appetizers at the Delhi Delhi curry bar in Kyiv on Jan. 29, 2021. Delhi Delhi is the capital’s new Indian restaurant known for a great variety of tasty food and extraordinary interior design.

Just like other eateries and non-essential businesses, Delhi Delhi shut down dining for almost two months, partially cutting salaries but keeping the whole 50-member staff. The restaurant used the time to refine all the processes of cooking and serving food.

“Shoulder to shoulder, hand to hand, and we survived,” Malakhova says.

With the first rays of summer sun, Delhi Delhi set up an outdoor terrace, which drew even more visitors. The terrace stood out with a snow-white fluffy carpet, plants and host Charanzhit Singh dressed in traditional Indian garments.

Singh is also the star of funny sketch videos on Delhi Delhi’s social media — another hallmark of the restaurant.

Still, it’s the venue’s conceptual interior design that makes it stick out despite a harsh competition of Kyiv’s saturated restaurant scene.



A restroom at the Delhi Delhi features dark-green walls that symbolize the Indian Ocean. The ceiling is made of plastic bottles to highlight the pressing problem of marine pollution.

Dusty Indian land

By the time Delhi Delhi emerged, there were several restaurants offering Indian cuisine in the capital. But while most of them serve authentic dishes, Delhi Delhi bills itself as a curry bar that provides a taste of modern India.

When developing the concept, the owners were also inspired by Indian eateries in England and France.

“We respect traditions but at the same time, it’s an Indian restaurant located in a big, modern European city,” Malakhova says.

The two-stories restaurant is divided into halls with different design, each representing various elements of Indian heritage.

The warmth inside the eatery quickly eliminates any swirl of cold

air that enters with guests. Walls painted in cinnamon color that reminds of dusty Indian land, along with the dimmed lights, add to the mellow atmosphere.

The hallway is surrounded by round and square-shaped wooden tables, accompanied by soft brown and blue chairs and a stringy pink sofa. It leads to the area of the Ganges River, where tables are set on a stairway resembling the steep banks of India’s main river.

Just like in the deep jungle of the subcontinent, little monkey figures are swinging on thorny vines above the tables. They are painted in the same cinnamon color. And as a reminder of the ongoing pandemic, some monkeys have tiny protective masks on.

The ground floor is divided into two more halls — the pearl one and the hall of kisses, both named in accordance to their design.

With its dark green walls, Delhi Delhi’s restroom represents the Indian Ocean. The ceiling, however, is made of plastic bottles highlighting the pressing issue of marine pollution. In line with the environmentally conscious approach, Delhi Delhi uses only recyclable package for delivery.

One of the core attractions inside the restaurant is an open kitchen on the first floor, where Indian chefs prepare naan flatbread and meat dishes in tandoor, a traditional clay oven usually heated with charcoal to give food a smoky flavor. Watching savory Indian meals being cooked there will leave any mouth watering.

Luckily, there is no chance to starve at Delhi Delhi with a variety of delicious delights. And in case orders take longer to cook than usual, the eatery serves a free appetizer consisting of naan and a selection of chutney, traditional Indian condiments and sauces.

From spicy heat to soothing sweet

There is a dizzying array of knockout dishes, wines and cocktails on the Delhi Delhi menu.

They serve butter chicken, samosas (fried, triangular pockets of flour filled with shrimps or vegetables), pakoras (vegetables or deep-fried in gram-flour coating), lentil dal soup,

Here are other Indian restaurants in Kyiv:

Himalaya. 80 Velyka Vasylkivska St. Mon-Sun. 11 a.m. — 10 p.m.
+38073 466 6707

Sutra. 3 Proviantaska St. Mon-Sun. 5–10 p.m.
+38097 077 9999

Balu. 27 Velyka Zhytomyrska St. Mon-Sun. 11 a.m. — 10 p.m.
+38096 052 0755

The Kitchen 21. 21 Sahaidachnoho St. Mon-Sun. 10 a.m. — 10 p.m.
+38067 326 8186

New Bombay Palace. 33A Druzhby Narodiv Blvd. 11 a.m. — 11 p.m.
+38044 285 9999

Rangoli. 32/34 Shovkovychna St. Mon-Sun. 10 a.m. — 11 p.m.
+38096 993 3999

This venue makes curry 'as hot as in India'

page 16 →

paneer tikka (Indian cottage cheese marinated with spices and grilled in tandoor) and, of course, curry, the signature Indian course.

Made with a colorful and flavorful blend of spices, the curries here are the house specialties that come in 14 types, such as Goan fish curry, palak paneer (spinach and cheese curry), vegetable kofta and more.

Aside from the traditional curries, the restaurant serves variations with twists "to reveal the whole spectrum of curry," such as the Indonesian chicken rendang.

"Curry is more than just a spice and more than just a dish," Malakhova says. "Almost all gastronomic life in India is built around curry."

It's the blend of spices that gives curry a distinct flavor, and Delhi Delhi orders theirs from India twice a month.

The guests can have their curry cooked mild or "as hot as in India," — a common choice of their Indian regulars.

Waiters at Delhi Delhi speak English and are always ready to provide recommendations. And one of the three Indian chefs, Shamsheer Singh, suggests trying butter chicken, his favorite dish on the list.

Another great option for the intro-



Visitors of the new Indian restaurant Delhi Delhi in Kyiv wait for their orders on Jan. 29, 2020. Delhi Delhi is a two-story restaurant divided into halls with different design, each representing various elements of the Indian heritage.

duction to the Indian cuisine is Thali, a selection of several dishes served on one platter. It includes rice, two types of curry with beans and len-

tils, creamy hummus with edamame beans, raita (a condiment made of yogurt, cucumber and mint), mint chutney (spicy condiment made of

mint, cilantro, and garlic), mango chutney, freshly-baked naan, along with several pieces of smoky juicy chicken marinated in cilantro and

mint sauce and cooked in tandoor.

Just in around 15 minutes after order, a visual masterpiece combined of Indian delights appears on the table. Thali is served on a sophisticated copper tray with each of its components placed in smaller copper bowls.

All the copper dinnerware, including pots, bowls, plates and 300 copper cups with hand-painted ornaments arrived from India, Malakhova says.

Thali costs Hr 350 (nearly \$12) and is a perfect choice for two to share.

A great choice to wash the spicy meal is Masala tea prepared with the Butterfly-pea leaf tea, or anchan, that gives the tea blue color and makes the taste a little more bitter than the original.

The total bill would be Hr 450 (\$16), slightly expensive as for the meal for one, but totally worth the price for the gastronomic experience and the friendliest service.

And as the pandemic keeps delaying traveling, there is no better, cheaper and safer way to journey halfway across the world this winter than dining at Delhi Delhi.

Delhi Delhi. 34 Velyka Vasylkivska St. Mon-Sun. 11 a.m. – 11 p.m. +38073165 7771

INDIA IN THE 21st CENTURY

Advertisement

Stabilizing Power:

Purposeful, pragmatic and proactive. A shaper, not an abstainer; a stabilizer, rather than a disruptor; a net security provider and a dispenser of global good. India's foreign policy has found a new vocabulary and framework, as articulated with masterly precision by the country's External Affairs Minister Dr. S Jaishankar at the 5th edition of the Raisina Dialogue held in New Delhi in January 2020. Purposeful pursuit of national interests, pragmatic issue-based alignments with countries and proactive diplomatic outreach have come to characterize and configure India's foreign policy in the 21st century. A new India is emerging in the second decade of the 21st century, which is proactively shaping the international agenda on a wide array of cross-cutting issues, including climate change, sustainable development, counter-terrorism, maritime security and the reconfiguration of global governance architecture.

New India:

Indian foreign policy is being directed to harness the network of partnerships with all friendly countries to create a 'New India' by 2022, the 75th anniversary of India's independence, as promised by Prime Minister Narendra Modi. Development-focused diplomacy can be seen in the interweaving of India's diplomatic outreach with flagship schemes of national renewal like 'Make in India', 'Smart



PM Narendra Modi at UN

Cities,' 'Skill India', and 'Stand-up India' and 'Self-reliant India'. Forging robust and sustainable partnerships in technology, innovation and start-ups will be crucial to creating a New India, and making India count on the global stage.

Shaping Global Agenda:

India has contributed significantly to creating the contemporary multilateral system. Over 2.5 million Indian



External Affairs Minister Dr. S Jaishankar

soldiers volunteered to fight with the Allied armies during the Second World War, enabling India to sign the 1942 Washington "Declaration by United Nations" and subsequently the UN Charter in June 1945 in San Francisco. In June 2020, India obtained 184 out of 193 votes in the UNGA to be elected to a two-year term in the UNSC for 2021-22. This marked the eighth time since 1949 that over two-thirds of the UNGA has endorsed India's credentials to be elected to the UNSC. Looking ahead, with the resurgent India's growing global stature and the rising expectations the World has from it PM Modi has advocated reformed multilateralism to create a new world order that reflects the ongoing shift of power and realities of the 21st century. There is an urgent need to complete the process of democratization of decision-making in the UN Security Council; position development issues at the forefront of UN; and transform the functioning of the UN into a multi-stakeholder body to enable it to respond effectively to the challenges it faces. At the core of this vision is India's belief that UN member-states "cannot fight today's challenges with outdated structures. Without comprehensive reforms, the UN faces a crisis of confidence." India has also taken the lead in combating climate change by fulfilling its commitments under the Paris Accord and taking a series of initiatives for promoting a low-carbon economy. In recognition of New Delhi's leadership role in this area, more countries are joining the International Solar Alliance that seeks to usher in a revolution for a clean and green world.

World's leading public health security provider:

The World will also bear testimony to the role played by India in overcoming the COVID-19 pandemic. The indigenous development and manufacturing of vaccines such as COVISHIELD (Oxford-AstraZeneca vaccine developed in collaboration with Serum Institute of India) and COVAXIN,

developed by Indian pharma company Bharat Biotech, — is a high point in India's technology journey. India is a formidable vaccine powerhouse, accounting for 60% of manufacturing of the world's vaccines. India's vaccination drive seeks to eliminate coronavirus not only from India, but to also assist the country's neighbors, partners and friends to overcome the pandemic. The vaccination drive, preceded by supplies of HCQ to over 150 countries around the world at the height of the pandemic last year, has established India's credentials as the world's leading public health security provider and a net security provider to the region.

Brand India:

In mapping the way ahead, cultural diplomacy and civilizational values will acquire a greater salience in India's foreign policy. Home to all major religions and diverse cultures, the idea of India as a vibrant pluralistic society has struck a chord making the world more amenable to India's aspirations. Prime Minister Narendra Modi has encapsulated the essence of Brand India. "All our endeavours are centered on 1.3 billion Indians, but the dreams that these efforts are trying to fulfil, are the same dreams that the entire world has, that every country has, and that every society has. The efforts are ours, but their fruits are for all, for the entire world," said PM Modi in his speech at the United Nations General Assembly in New York.

One World Family and Role of Diaspora:

Driven by the ethos of mutual empowerment, India has shared funds, technology and expertise with countries in Africa, Asia, Latin America and Eastern Europe. This development cooperation, channeled through Lines of Credit and grants, includes assistance in capacity building, training and enhanced cooperation in education and health. Lastly, in building a new India, the 25-million strong Indian diaspora, spread across different countries and continents, will play an important role. Several Fortune 500 companies are led by Indians. The Indian government provides a welcoming environment to the Indian diaspora to invest in India. This is a win-win proposition for the investors, for India as well as for the countries where the Indian diaspora is based. Going forward, India should pro-actively reach out and provide all facilities to encourage increasing inflows of capital, technology and supply chains to India. The Indian diaspora can play a pivotal role in the movement to make India truly self-reliant in the challenging global circumstances that we confront today.

Embassy of India, Kyiv

Tobacco giants battle Ukraine's Anti-Monopoly Committee over expensive fines

By Mark Rachkevych

When Ukraine's antitrust agency imposed a record fine of \$260 million in October 2019, it triggered a series of lawsuits challenging them that have carried into 2021.

The penalized entities were four multinational tobacco producers who control about 80% of the market and a distributor whom the Anti-Monopoly Committee of Ukraine (AMCU) considers a monopoly. The tobacco groups are challenging the unprecedented fines for alleged collusion.

Namely, they are being fined for engaging in "concerted practices" that enabled TEDIS Ukraine to maintain a dominant foothold in the tobacco distribution market and which led to the "creation and support of artificial barriers that prevented market entry for other companies," an AMCU news release says from October 2019.

As recently as Feb. 2, Imperial Tobacco, one of the four fined tobacco makers failed to nullify its \$18.4 million fine during a hearing at the Northern Appellate Commercial Court.

In a new release sent to the Kyiv Post the same day, Imperial Tobacco called both the ruling and AMCU's actions "unjust."

It likewise intends to appeal the case with the Supreme Court and is "preparing to transfer the case" to

international arbitration. Imperial Tobacco CEO Rastislav Cernak said: "This scenario gives another alarming signal to the community of foreign investors about the real state of justice in Ukraine."

Fight against smoking

The anti-competition fines and court rulings come as Ukraine forges ahead with a combined policy of encouraging tobacco consumers to quit and adequately taxing the related products to bolster revenue for state coffers and discourage smoking. Studies show higher prices on cigarettes prompt smokers to quit or consume less.

About 23% of adults in Ukraine consume tobacco products, according to the World Health Organization (WHO).

And the price of cigarette packs averages \$2 a pack, depending on the brand, excluding newer modes of transmitting the addictive nicotine drug through electronic and heat-stick devices. The price is far lower than most places in Europe or America.

British American Tobacco (BAT), which was fined \$3.2 million, lost its appeal in the same court on Jan. 26. Its Ukrainian subsidiary Pryluki in Chernihiv oblast, fined for \$18 million, is separately challenging the penalty in a closed court hearing at the competition authority's request.

In an earlier news release, BAT



Participants in World No Tobacco Day stand near mock-ups of cigarette packs near the President's Office in Kyiv on May 28, 2020.

stated it will appeal the case and is considering filing a claim in an international arbitration court. It furthermore accused the court of not properly examining all the evidence in the case.

"Such decisions undermine any plans to invest in the Ukrainian economy and cause unjustified damage to our reputation as a reliable corporate citizen," the company stated.

Nataliia Tsuman, a spokeswoman for BAT, declined to provide comment to the Kyiv Post for this story.

Philip Morris reacts

Fined for a total of \$47.2 million, Philip Morris in January filed a claim with the World Bank's International Center for Settlement of Investment Disputes in Washington, D.C., for bilateral arbitration.

"The decision of the committee (AMCU) is a clear violation of investor's rights," CEO of Philip Morris Ukraine Kostas Salvaras said in a news release. "We believe that this dispute between the investor and the state will have an extremely negative impact on the investment

attractiveness of Ukraine, as well as the country's reputation as a while."

JTI lost its first court case in August and has paid the \$36 million fine as have the other penalized companies in order to avoid interest accruing, while BAT has said paying it was "not an admittance" of guilt.

TEDIS Ukraine's monopoly

At the center of the competition authority's probe is TEDIS Ukraine, which had been previously fined for abusing its market position — \$10.9 million in 2016, the same year it changed its name from Megapolis — and through which most tobacco products still get distributed.

It had controlled 99.4% of the market in 2013, according to the AMCU.

TEDIS also considers its courtroom losses as "unfounded and illegal," a news release says, and the distributor didn't respond to a request for comment.

Still, the competition authority found during its investigation that even though there were 22 distributors on the market, all cigarettes made by the four penalized tobacco companies were sold exclusively through TEDIS.

In 2008, Ukraine started to accelerate incremental price hikes for tobacco products. Currently, about 70% of a pack's cost represents some form of taxation, mostly excise.

Over 10 years, according to the WHO, the price for packs increased 27 times and led to a 12-fold increase in tobacco excise revenues.

"This was accompanied by an impressive 40% reduction in the number of daily smokers (from 10.1 million in 2008 to 6 million in 2018)" the WHO report said.

8% of state revenues

Tax revenues from tobacco account for about 8% of Ukraine's state budget of \$40 billion.

In 2017, Ukraine adopted a plan to increase the excise tax on tobacco by 20% yearly until 2025 to "reach the European Union minimum excise tax rate and further increase revenues, decrease consumption and reduce tobacco-related mortality and morbidity," the WHO says.

Excise revenues would reach \$3.5 billion at the currency rate under the current schedule compared to around \$2.3 billion under the tobacco industry proposal, which has argued that smuggling from

countries where tobacco is cheaper, like Moldova, will offset market dynamics.

Yet the market has received mixed signals from the government. A Cabinet of Ministers resolution from September 2020 seeks to establish a "National Operator" in the tobacco market that could replace the monopoly position of TEDIS.

It is slated to be implemented as a pilot project by the end of this year.

"The tobacco operator will be set up to combat tax evasion, smuggling, and counterfeiting," Deputy Minister of Economy Svitlana Panaotidi has said, adding that it will involve a "track and trace" system of monitoring the movement of tobacco products from the producer to the retailer.

Penalties challenged

Tobacco manufacturers have argued that their inclusion in AMCU's penalties contradicts the antitrust agency's previous actions, notably, by allowing TEDIS to acquire more than 10 existing distributors in 2008–2010.

They furthermore have complained that commercial policies were submitted to the AMCU for approval on how to break up the monopolized distribution market as per a memorandum of understanding that was signed with the authority toward the end of 2019.

No approval has been forthcoming and there is confusion over the establishment of a national operator.

In a legal bulletin written by leading Ukrainian law firm Redcliffe Partners in January, the AMCU didn't sufficiently prove its case of establishing collusion between the producers and distributor.

"The AMCU's decision doesn't provide any evidence of coordination of competitive conduct between the tobacco companies and TEDIS," the law firm wrote.

At best, Redcliffe said, was that the antitrust agency applied the "concept of anti-competitive parallel behavior, a different type of violation, based on which concerted practices may be found if undertakings have similar conduct in the market which has led to the prevention, elimination or restriction of competition and analysis of the situation in the market shows that there are no objective reasons for such similarity."

Mark Rachkevych, a Ukrainian-American journalist and former Kyiv Post editor, freelances for several publications from Kyiv.



IKEA finally opens store in Kyiv

A handout picture on Feb. 1, 2021, shows Kyiv Mayor Vitali Klitschko taking part in the opening of the first Ukrainian store of Swedish company IKEA, the world's largest retailer of furniture and household goods, in the Blockbuster Mall in Kyiv.

Mikheil Saakashvili: Zelensky deserves support for standing up to Medvedchuk

page 1 —>

to sort it out. We made a grave mistake, but Zelensky has done the right thing. Banning those channels is a brave act of self-defense in response to unlawful and intrusive actions from a very powerful enemy. It is well-known that Putin had allocated one and a half billion dollars to Medvedchuk for his pro-Russia media hypnosis, and they were also planning to take over ICTV Holding.

The risks are as high as ever, and we need to be very careful about how we approach them.

Removing a cancer

We are currently dealing with a situation similar to a severe stage of cancer. Zelensky removed the tumor this week, but cancer has already become a part of the organism. Urgent chemotherapy is, therefore, needed which, among other things, also implies refraining from further restrictions. Only fast-paced reforms aimed at improving economic well-being in Ukraine can save the patient and unite Ukrainians around a shared purpose. This would also ensure the society feels represented and listened to.

Leveraging media to affect public opinion in Ukraine is more than a means of spreading the Kremlin's ideological propaganda. These channels used to express the views of the south and east of Ukraine as well as a number of other regions, such as Transcarpathia and parts of Bukovina. If these people feel that their voice is not heard and that the cultural aspect is disregarded, they will get radicalized. Medvedchuk-run channels were evoking nostalgia about the Soviet past while what Ukraine needs right now is the optimism about the freer and better future.

Therefore, although shutting down



Russian President Vladimir Putin meets with leader of Ukraine's Opposition Platform – For Life party Viktor Medvedchuk in Saint Petersburg on July 18, 2019.

the channels was instrumental in fighting cancerous Russian propaganda, it is only the beginning of a long process of creating and sustaining civil society mechanisms in Ukraine. Now is the best time to reconsider our policy of regional representation and how we deal with local feudal kings, who will try to use this situation to their advantage.

In particular, we should take into account Odesa and Kyiv – both falling prey to heads of local separatists. We need to hear regions and not just main cities.

Decisive steps

The president is finally ready to take very decisive steps. However, he has found himself gridlocked:

he can no longer control a part of his parliamentary faction and has to work with the weakest giver in recent decades.

But I'm confident that he can successfully navigate through all those challenges, and I wish him success at this difficult time. The war has already begun and we must fight until our very last breath. The failure

would be the final nail on the coffin of the Ukrainian statehood. We don't have any other options but to win.

Mikheil Saakashvili has been the chair of the executive committee of the National Reform Council since May 7, 2020. He served as governor of Odesa Oblast from May 2015 to November 2016. He was president of Georgia in 2004–2013.



Only 8 discussions during the year.
Book the date for your company!

The Kyiv Post team launches a
new series of online discussions!

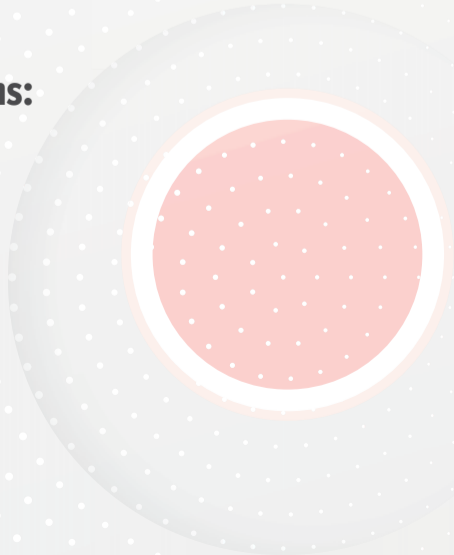
Dates of discussions:

 **March 17**
March 24

 **June 16**
June 22

 **September 15**
September 22

 **December 7**
December 15



LEGAL TALKS

Kyiv Post
UKRAINE'S GLOBAL VOICE

Contact us to find out more:
events@kyivpost.com or call 044-591-7788

Illustrated book breaks down environmental issues for children

By Asami Terajima
asamin.2000@gmail.com

The correlation between everyday actions and the environmental crisis can be a complex subject to explain to children. But the new illustrated book “Eco-Stories for My Little Friends” addresses the pressing issues in a fun and engaging way — all in an attempt to encourage youngsters to be conscious and dedicated to eco-friendly living.

“I believe children are the ones who can change our planet,” the book’s author Bogdan Krasavtsev told the Kyiv Post. “They are pure-hearted and believe in acts of kindness.”

A recent study by international scientists revealed that the planet is facing a ghastly future — mass extinction, declining health and climate devastations.

Climate change, such as heat waves, severe storms and a melting arctic, are happening already. As the planet heats up, the children of today will be the ones responsible.

Krasavtsev’s book was published in January under a non-profit community initiative called Eco Nation. The book, in Ukrainian and English languages, targets 6–10-year-olds.

Krasavtsev, 30, is a Kyiv-based journalist for 7 Channel, a media outlet owned by Odesa businessman Adnan Kivan, who also publishes the Kyiv Post.

The book was given to 90 schools and libraries in Ukraine. As a logistics partner of the publication, the

Kyiv Post sent it along with its printed weekly newspaper to 36 more educational institutions that subscribe.

The book is unavailable for purchase but can be borrowed under a book-sharing initiative. A free online version will be available on the website on Feb. 28.

Future changemakers

Krasavtsev is an environmentalist. “I am very worried about the environment and want to make the world better,” he says. The author came up with the stories while spending time with his 5-year-old son.

The author wrote the 76-page book, which contains eight fairytales. All of the stories were illustrated by his cousin Oleksandra Krasavtseva.

“When they grow up, they will pass it on to their children,” he says of the book and environmental awareness.

To publish, Krasavtsev partnered with GIZ, an agency working towards sustainable development on behalf of the German government. One of GIZ’s goals is helping Ukraine increase energy efficiency and reducing consumption.

The agency funded the printing of the book’s first 1,000 copies. Besides schools and libraries all over Ukraine, Krasavtsev said copies also landed on the hands of the Ukrainian diaspora in the United States and elsewhere.

The author says he has received positive responses from children applying what they have learned in the book to their daily lives, like



New children book “Eco-Stories for My Little Friends” combines eight fairy tales about the urgency of the environmental crisis. The 76-page book that comes in both Ukrainian and English explains how everyday actions can accelerate climate change.

turning off the tap while brushing their teeth or conserving electricity.

Parents have also complimented Krasavtsev’s work, expressing gratitude not only for the environmental lessons, but also but also for teaching English in an engaging way.

Tackling climate change

All of the characters in the stories are good-natured and pure in heart. They discover how the choices that humans make will affect the planet.

One of the tales from the book is “The Giant Boo,” featuring a boy in the eastern city of Kharkiv, who goes on an adventure with Mr. Wind. An extremely strong wind caused by a cyclone blew across the city. Boo finds out later that it’s a sign of cli-

mate change, which he realizes is the reason why the unusual weather has become more frequent.

The Wind tells Boo that factories and cars emit greenhouse gas that traps heat in the atmosphere and as a result, the global temperature rises.

The Wind also explains some of the ways to tackle climate change, like installing filters in industrial sites to reduce harmful emissions into the atmosphere or getting around the city without cars.

“If we do nothing, Ukraine may lose its fertile soil, and the drought will reduce yields and make food more expensive,” Mr. Wind tells Boo.

At the end of the story, Krasavtsev lets the readers know that, together, with friends and family, they can

demand businesses to install filters to improve air quality.

Another fairytale, “Jeremy Saves the Sea,” teaches children to respect nature during recreation.

Jeremy, who came for vacation to the southern Black Sea city of Odesa with parents, learns that ignorant people throw garbage into the sea, which accumulates, forming trash islands.

The Sea tells Jeremy that a lot of fish mistake plastic for food, introducing the nature-loving boy to plastic pollution, one of the most pressing issues killing millions of marine organisms every year.

Aside from the importance of not littering in nature, the story also teaches young readers how to recycle the waste.

When Jeremy and his father finish cleaning the islands, he promises to tell everyone that they should take care of the environment and recycle, as the Sea becomes clear and finally starts shining with all colors in amusement.

Where to find the book

Since the book is not for sale, those interested can participate in bookcrossing, a sharing service. The only thing participants need to pay for is delivery cost.

If interested, sign up for bookcrossing by leaving contact details under one of the Eco Nation’s Facebook posts at www.facebook.com/groups/iameco.

Free electronic version of the book will become available on Feb. 28 at www.econation.tilda.ws.

JOIN OUR CORPORATE CLUB

Subscribe to the Kyiv Post and have fresh issues delivered weekly to your door.

Support Ukraine's trusted source of independent English-language news since 1995!



Contact us at subscribe@kyivpost.com
 #kyivpostclub

Lifestyle

Play | Food | Entertainment | Sports | Culture | Music | Movies | Art | Community Events

Check out the new "Deadly Beautiful Exhibition" aimed to raise awareness about lung cancer in Ukraine at Kyiv Art Gallery (9 Tereshchenkivska St.) on Jan. 4-7, 10 a.m.-5:45 p.m. Free entrance.



Saving old buildings with new Ukrainian music

Courtesy of ZMOVA



The screenshot shows Kharkiv rapper Kurgan perform in the reading room of Vernadsky National Library of Ukraine for the Zmova live music series. The project that features underground Ukrainian artists play live at Kyiv's historical sites was initiated by Kontrabass.promo concert production company to draw attention to the old buildings in need of financing and to promote modern Ukrainian music online.

By Elina Kent
kent@kyivpost.com

Every Kyiv resident knows the National Art Museum of Ukraine.

The large carved marble lions at the entrance have greeted visitors for the better part of 130 years. Inside, its vast Ukrainian art collection spans from the 12th century to modern times.

But the museum, also known as NAMU, has started to fall apart. The previously glorious lions are eroding and the rundown facade of the building has been covered up with tarp.

This is a common story with Ukraine's old sites. While they're popular settings for foreign film productions, without state support and public awareness, many buildings are waiting for their turn to crumble.

But recently, musicians have shed new light on these problems. A live music series, Zmova, got thousands of viewers to pay attention to historical locations in need of funding by filming sessions in them.

"These locations are popular for

big productions for huge Ukrainian projects and foreign ones," one of Zmova's creators, Katya Voychuk told the Kyiv Post. "But the people who live nearby don't know about them because those videos come out for a completely different audience."

It's not the project's only purpose. Led by concert production company Kontrabass.promo, Zmova ("conspiracy" in Ukrainian) also showcases promising but little-known Ukrainian musicians, supporting them during the coronavirus pandemic.

For almost a year, local artists have been deprived of earning money from music. Concerts have been canceled and royalties make up only a small fraction of income in a country where paying for content is rather the exception than the rule.

"[We wanted] to show the diversity of new Ukrainian music," Vostyuk said. "Zmova shows rap, jazz, electronic and rock music."

The four-part series funded by the Ukrainian Cultural Fund, premiered on Jan. 19, featuring beautifully shot films of artists performing at the National Art Museum, Volodymyr

Vernadsky National Library of Ukraine, National Cinematheque of Ukraine and the Mansion of Countess Uvarova.

Pandemic push

Kontrabass.promo specializes in concerts of alternative Ukrainian music. After the pandemic broke out, the company's plans along with many other cultural events that required mass gatherings were put on hold. But they adapted to the world's new requirements and created the online festival Intercity Live that showed alternative Ukrainian music and was streamed by 200,000 people from all seven continents.

According to Kontrabass, that was Ukraine's largest online festival so far, providing unprecedented exposure for the little-known bands. The previous in-person concerts for beginner musicians would have a capacity of 200-300 people. Thanks to Intercity Live, they gained more popularity after being introduced to thousands.

After the festival, Voychuk and Kontrabass's founder Yura Bazaka

wanted to continue promoting new Ukrainian music online and diversifying the sparse Ukrainian YouTube library, this time with aesthetic post-production. And the idea of Zmova was born.

National Art Museum jazz

The offbeat format of the videos is what makes Zmova stand out from other live concert projects. In the intros to their videos, the artists themselves narrate what their music means to them and the significance of the location where they are performing. Meanwhile, the different directors for each film, shoot the artists in their particular style. After a short monologue of a musician, the concert starts.

The first Zmova video, featuring the jazz group Hyphen Dash, starts with the band's drummer trying to enter the art museum but failing due to the construction barrier. He must enter through the side door, the employee passageway and the elevator to reach the main floor of the

Book Critic

With Daria Mochalova
daramocalova35@gmail.com

6 great books of Ukrainian fiction available in English

Ukrainian literature has struggled through centuries, oppressed and censored by autocratic regimes.

The Russian Empire and the Soviet Union banned the Ukrainian language, seized books, eliminated cultural organizations and politically repressed those who dared to disobey.

Thanks to dedicated writers, Ukrainian literature grew to be rich in genres and themes. And since Ukraine gained independence, the development of literary writing has been moving onwards and upwards.

Historical intricacies made it difficult for the world to discover even a handful of the best books written in Ukraine. But thanks to new translations and digital technologies, introducing oneself to Ukrainian prose and poetry has never been easier.

The Kyiv Post picked some of the best works of Ukrainian literature available in English.

"The Forest Song" Lesya Ukrainka, 1911

This fairy tale play, known in Ukrainian as "Lisova Pisnya," is a classic of local literature. Considered one of the foundational works for future Ukrainian fantasy,

the poetry play is often described as an anthem to nature and love, purity and beauty.

It's the work of one of Ukraine's most prominent writers, Lesya Ukrainka, whose real name was Larysa Kosach. The author wrote it inspired by her own observations of nature and the local folklore she explored as a child, ever since she first heard about various creatures in Ukrainian mythology. She secretly ran to the forest at night in hopes to meet mavka, a female mythological creature similar to a mermaid.

Mavka is the center character of "The Forest Song," which portrays the complexities of an unlikely love between the forest creature and young man Lukash.

The author puts a sharp philosophical conflict at the forefront of the story: the incompatibility of a person's high vocation with the humiliating, slavish conditions of their daily life. The play praises the



Live music series exposes alternative Ukrainian artists

page 21 →

museum. Then the monologue starts. “The function of music is to transmit experiences and emotions,” the band’s members say. “And in the preservation of memories, which you can return to at any point in your life.”

The experimental jazz that the group plays serves as a soundtrack for the viewers looking at exhibited portraits and paintings.

“If painting is static conservation of time, then isn’t the National Art Museum an arrangement of those fragments of time — in space? Similar to an arrangement of musical structure,” the monologue goes on.

The museum does not receive funding from the state, and no major overhaul has been provided in the past two decades. To stay afloat, it has launched a charitable foundation that can receive donations for the restoration.

“It is falling apart, these sculptures, the lions are falling apart too,” Bazaka said. “The museum needs help.”

Rap at Vernadsky Library

Zmova’s second video premiered one week later. It captures Kharkiv rapper Kurgan at the Vernadsky Library.

Kurgan is known for his down-to-earth brutally honest attitude that translates into his lyrics. His style cuts through societal fluff and roundabout politeness.

“We chose the most contrasting artist for the library,” Bazaka said.

Kurgan walks alone in the large library room and starts with the first track of his 2018 mini-album “The Library of Bizarre Knowledge.”

“It’s not everyday someone offers you to read rap in a reading room, especially at the Vernadsky Library,” Kurgan told the Kyiv Post.

The rapper says he joined the



Yura Bazaka and Katya Voychuk of concert production company Kontrabass.promo, who founded the live music series Zmova, pose for a photograph in Kyiv’s HVLV club on Jan. 30, 2021. The project features four sessions by little-known but promising Ukrainian artists filmed at Kyiv’s historical buildings that need support.

project because he loved the concept and was curious to see the inside of the library. Just like many musicians these days, he also had a lot of free time to fill.

“I really liked the process. I think there should be more projects like this,” Kurgan said. “There’s a lot of interesting artists that don’t end up on the recommended page on YouTube.”

The video has reached over 35,000 views beating the first one by over 10,000.

“We never had such a massive reaction to a project,” Voychuk said.

Although Ukraine’s biggest library doesn’t lack for funding, it is slowly becoming obsolete.

Despite their appearances in trendy music videos and commercials, the huge halls of Vernadsky barely get visitors in the digital era. Zmova tried to reshape the institution’s image.

“We wanted to show you can come not only to the reading room, but that you can hold concerts, exhibitions and conferences there,” Voychuk said.

Electronics at National Cinematheque

The National Cinematheque of Ukraine is over 80 years old and has created all sorts of films and animations throughout its history. The list includes famous animations “Doctor

Aybolit” and “Treasure Island,” popular Soviet films and even Soviet propaganda.

But for the past few decades, it remains unused. There has been no state support and the studio went bankrupt.

“We have a strange Soviet building, it isn’t the most beautiful and not the most presentable,” studio director Taras Bosak told the Kyiv Post. “So it was interesting to see how Zmova would film it.”

Bosak says the studio hopes to use the film for its own promotion, showing that it can be used as a setting for modern projects. That fits perfectly with the main goal of Bosak, who was hired just a year ago, to revitalize

the building.

The director aims to restore the studio’s main function, so that modern Ukrainian films are created there.

“I want to try everything possible so that the studio would stay a studio and, at the very least be a cultural location,” he said.

Zmova’s video in the cinematheque showed experimental electronic group Ragapop that includes two members of the acclaimed Dakh Daughters band.

To match Ragapop’s theatrical performance with elements of drama, Zmova chose one of the building’s screening rooms with red audience chairs.

The studio’s premises have much more to offer. Right now, they are in dire need of renovation but its management is open to cooperation.

“The pavilions are crumbling, the water freezes in the pipes and they are now trying to restore everything on their own,” Bazaka said. “The pavilions you can shoot in have great potential for Ukrainian cinema.”

It’s a wrap, for now

The final video of Zmova was filmed at the gorgeous 110-year-old estate of Countess Uvarova and is set to release on Feb. 9.

Although the series has come to an end, Kontrabass is hoping to create a second season if they receive funding so that there is more quality Ukrainian music on YouTube.

“Right now whatever is out there is more blogger-based, a lot of politicalized ones, or huge pop stars with huge budgets, and that’s why they have a lot of views,” Voychuk said.

“Alternative Ukrainian music on YouTube practically doesn’t exist. It’s a good niche to leave a mark of local music in the bigger sphere,” Bazaka said. 🍷

Looking for a space to hold ONLINE EVENTS?

Check out the brand new Kyiv Post studio!

Advantages:

- location in the city center in the KADORR building on 68 Zhylianska St.
- great interior design
- the latest equipment for a successful livestream
- professional assistance



Contact us for more details: 044-591-7788 or events@kyivpost.com

Book Critic

These 6 books will bring understanding of Ukraine in English

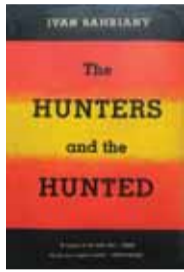
page 21 →

unprecedented strength and grandeur of a free man.

Get a hardcover copy of *"The Forest Song"* in English on Amazon for nearly \$30 or read online at www.sites.utoronto.ca/elul/English/Ukrainka/Ukrainka-ForestSong.pdf

"The Hunters and the Hunted"

Ivan Bahrianyi, 1944



One of the most fascinating adventure books in the history of Ukrainian literature, "The Hunters and the Hunted" was initially published in Ukrainian under the name "Tiger Trappers."

Trappers."

It is a multifaceted book, but first and foremost, it's an expression of protest against human rights violations, portraying the striking tragedy of the Ukrainian people under the totalitarian Soviet regime. Ivan Bahrianyi portrays the life and traditions of Ukrainians exiled to the northern taiga. The plot follows Gregory and Nataka, whose love is put to the test.

The author shows the impact of Joseph Stalin's terror on the fate of an individual and depicts the cruelty of the ruling elite's servants. The

novel is partly autobiographical – Bahrianyi himself was repressed for trumped-up charges of anti-Soviet activities. The original text of "The Hunters and the Hunted" was seized by authorities, but Bahrianyi rewrote it from memory after emigrating to Germany.

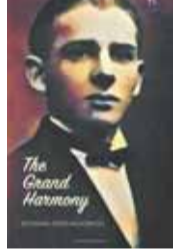
Although the novel has a specific time frame, it raises many eternal issues: good and evil, life and death, justice and punishment, moral choice, will to live and purpose, the relationship between a human and nature, family relations and, of course, love.

For the immeasurable impact on the Ukrainian culture, the book received the Shevchenko National Prize, the country's highest state prize for the works of art.

Read online at www.diasporiana.org.ua/wp-content/uploads/books/19590/file.pdf

"The Grand Harmony"

Bohdan Ihor Antonych, 1967



Bohdan Ihor Antonych is one of the most prominent and offbeat poets in the Ukrainian history. His exquisite inventive poetry is believed to have influenced generations of the future artists in Ukraine.

In the collection of poems "The

Grand Harmony," Antonych celebrates the unity of nature and man – a dominant topic in his works. The poet often compares himself to the animals and plants of his land, seeing himself and the whole human race as a small atom of the planet. Antonych's peculiar religious views are often compared to the Buddhists' interpretation of eternity: after six reincarnations in plant and animal forms, a human soul becomes a star in a constellation.

Get "The Grand Harmony" on Amazon for \$6–27 or read online at www.scribd.com/book/425628888/The-Grand-Harmony

"The Moscoviad"

Yuri Andrukhovych, 1992



Yuri Andrukhovych is a modern writer, whose style stands out with its unrestrained irony, allusion, parody and black humor.

His postmodern novel "The Moscoviad" portrays a day in the life of a student of Moscow Literary Institute set in what appears to be the 1980–1990s. The dormitory, in which he lives, turns out to be a coven of writers from around the world who fritter their lives away, drinking, frolicking and exploring the crumbling city around them.

Using travesty and phantasmagoria, the author shows the devastation and emptiness that prevailed in the post-Soviet society in the waning days of the Soviet era.

The reader will be gripped by the depiction of grotesque and surreal rumors swirling around the forthcoming collapse of the Soviet empire. But the work is also full of realistic details of the time like huge lines to stores and countless rallies.

Get "The Moscoviad" on Amazon for \$6–14.

"Sweet Darusya: A Tale Of Two Villages"



Maria Matios, 2004

Another winner of the Shevchenko National Prize, this novel portrays the pre-war and post-war periods of the Soviet occupation of western Ukraine.

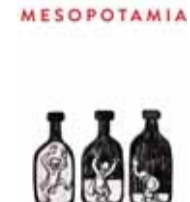
At the center of the book, contemporary writer Maria Matios put the unfortunate fate of Darusya and her parents, who were terrorized by NKVD officers in the remote mountain village of Cheremoshne. The novel follows all the troubles of the family thrown in a whirl of cruel historical events, mixed with contrasting picturesque descriptions of local life and customs.

Combining indelible human evil with indestructible good at the same time, the story highlights the importance of solid family connections, as it condemns the horrific methods of totalitarian regimes.

Get "Sweet Darusya: A Tale Of Two Villages" on Amazon for \$16.

"Mesopotamia"

Serhiy Zhadan, 2014



"Mesopotamia" is an award-winning book of one of Ukraine's most acclaimed post-independence writers Serhiy Zhadan.

The collection of stories and poems is set in the eastern city of Kharkiv, where Zhadan has lived most of his life, calling the piece his most personal book. "Mesopotamia" transfers the story of Babylon onto the life of Kharkiv, where through the years, characters fight for their right to be heard and understood.

The book conveys the culture of the Kharkiv life through philosophical digressions, fantastic images, exquisite metaphors and humor. The author touches on the subjects of admission and betrayal, escape and return, tenderness and cruelty.

Get "Mesopotamia" on Amazon for \$14. 🇺🇸

EMPLOYMENT / CV / TENDER

THE BEST WAY
to reach the largest group
of English-speaking
Ukrainians

is to advertise in the
KyivPost
UKRAINE'S GLOBAL VOICE
Call the advertising department
at (044) 591 7788
or e-mail: advertising@kyivpost.com

WESTMINSTER FOUNDATION FOR DEMOCRACY

JOB VACANCY
Programme Manager - Kyiv

Contract length: 22nd February 2021 – 21st July 2021
Contract type: Full-time – Fixed Term Contract for Service

Westminster Foundation for Democracy WFD is looking for an experienced Programme Manager based in Kyiv, to support the implementation of WFD's Ukraine programme.

Programme Manager
Reporting to the Country Representative Ukraine you will be tasked with; supporting the implementation of grants, contributing to the design of programmes to support WFD's strategic direction, managing medium term goals, overseeing budgets, programme activities and operating plans and as well as writing business development funding proposals.

The core skills and experience we are looking for are;

- First-hand experience of designing, implementing and managing a portfolio of programmes – minimum 5 years' experience.
- In-depth political professional and sectoral knowledge of the Ukraine environment.
- Exceptional project and programme management skills
- Proposal development, contracting, procurement, grant management, donor compliance, financial management and control skills
- Senior stakeholder analysis, development and management skills
- Experience producing accurate briefing documents and communications.

Applications will be assessed on a rolling basis therefore this position may close before the closing date 10th February 2021.
To apply for this position please visit our website www.wfd.org/careers/.

alinea

Alinea International is one of the Canada's leading international development organization. It executes projects for the Government of Canada, as well as the World Bank, United Nations, Asian Development Bank, Inter-American Development Bank and others.

In October 2019, Alinea International launched a new five-year project in Ukraine: **Support Ukraine's Reforms for Governance (SURGe)**. SURGe is a technical assistance project in Ukraine, funded by Global Affairs Canada and implemented by Alinea International Ltd.

SURGe Project is looking for the following experts:
within the *Corrections Reform* implemented by the Ministry of Justice of Ukraine:

- **Senior Data Analyst**

Deadline for applications: **February 19, 2021.**
Please, send your applications to: valeriias@alineainternational.com.

for the Ministry of Justice of Ukraine (civil servant position, category "B3"):

- **Head of Data Analytics Laboratory.**

Deadline for applications: **February 22, 2021.**
Please, send your applications to: ievgen.mashuna@gmail.com.

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

CLASSIFIEDS

BEST BARGAIN!

Advertising in the Classifieds and Employment section
+380 44 591 77 88 or
advertising@kyivpost.com

Work permits
RESIDENCE PERMITS
Business set up, accounting services
+380-44-237-72-76
www.accounting.ua

TEXT FOR 215 UAH

Hi my name is Dave 70 and I am still virile and healthy.

I live in Australia. I am looking for a long term relationship. If you are serious please email me at tonnaclay@gmail.com.

I am looking for someone 45 years or older.
Please send a recent photo.

FastDocs
LEGAL TRANSLATION
Trusted by TOP-10 law firms in Ukraine.

+380 44 338 44 50
info@fastdocs.com.ua
fastdocs.com.ua

Kyiv Post Digital

Most of the Kyiv Post's content is online. Here are some samples of the great journalism that readers will find daily at kyivpost.com

VIDEO



Protecting icons of Ukrainian Modernism

OPINION



Bohdan Nahaylo: Standing up for democracy



Timothy Ash: Zelensky takes decisive action in Ukraine

UKRAINE



Activists: Rada gives judicial body carte blanche to appoint corrupt judges

BUSINESS



Ukraine's Security Service prevents Motor Sich 'shareholder meeting'



UK court orders Kolomoisky to pay 1 million pounds in legal fees



Ukraine's new low-cost Bees Airlines takes off



Find your FRESH copy of the Kyiv Post here!

DISTRIBUTION.KYIVPOST.COM