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Kyiv Post

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PrivatBank's former top managers charged with embezzlement. Is Kolomoisky next?

By Igor Kossov, Anna Myroniuk
kossov@kyivpost.com, myroniuk@kyivpost.com

After three years of investigation, Ukraine's detectives have detained the first suspect in a major bank fraud case.

PrivatBank's former first deputy CEO Volodymyr Yatsenko was pulled from a plane chartered by oligarch Ihor Kolomoisky minutes before he had a chance to escape over the border to Vienna, Austria, on Feb. 22.

The court charged Yatsenko with embezzlement. His alleged accomplices, former CEO Oleksandr Dubilet, who reportedly lives in Austria, and head of the financial management department Olena Bychikhina, who also resides abroad, were charged in absentia.

The three are suspected of stealing over Hr 136 million (about \$5 million) shortly before the state nationalized PrivatBank over large-scale financial fraud that left the bank with a \$5.5 billion gap in its ledger.

The National Anti-Corruption Bureau, or NABU, is also investigating employees of the National Bank of Ukraine, who may have participated in the theft. The central bank also faces a probe for failing to act to stop the wider alleged \$5.5 billion fraud scheme that lasted over a decade and was widely known in the banking sector.

For now, the NABU is tight-lipped about the possible future arrest of the alleged masterminds of the scheme, oligarchs Ihor Kolomoisky and Gennadiy Bogolyubov. Both have repeatedly denied wrongdoing.

According to Kyiv Post sources who were not authorized to talk to the media, U.S. diplomats made it clear to Ukrainian officials that they were watching the PrivatBank case closely and asked when charges would be issued.

The U.S. recently showed progress in its own investigation of Kolomoisky, seizing some of

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Andriy Yermak: 'US support must go to next level'



Pavlo Poduraflov

See story on page 6

Andriy Yermak, President Volodymyr Zelensky's chief of staff, talks with the Kyiv Post at the President's Office in Kyiv on Feb. 19, 2021. Yermak is the most powerful official who wasn't elected by the people or confirmed by parliament. His vast responsibilities and rare public appearances earned him a somewhat sinister reputation in the media. He says that rumors about his far-reaching powers are exaggerated. Today, his focus is on building a good relationship with the administration of U.S. President Joe Biden.



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Viktor Medvedchuk, leader of the pro-Kremlin Opposition Platform — For Life party, attends a parliament meeting on Feb. 16, 2021. A pipeline allegedly linked to Medvedchuk has been seized by the ruling of the High Anti-Corruption Court on Feb. 23. Before that, Ukraine imposed sanctions on Medvedchuk, his wife and allies.

After sanctions, court seizes pipeline allegedly linked to Medvedchuk

By Oleg Sukhov
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The High Anti-Corruption Court on Feb. 23 ordered the seizure of an oil product pipeline owned by Prikarpatzahidtrans, a firm accused of having links to pro-Kremlin lawmaker Viktor Medvedchuk. The politician denies owning it.

The assets were seized as part of an investigation into the allegedly unlawful transfer of the pipeline to entities linked to Russia in 2015, according to the National Anti-Corruption Bureau of Ukraine (NABU).

The decision was based on evidence provided by the NABU and the Security Service of Ukraine.

The pipeline will be transferred to the Assets Recovery and Management Agency (ARMA).

On Feb. 19, Zelensky signed a decree to implement a decision by the National Security and Defense Council to return the pipeline to the state.

The move is part of the Feb. 19 sanctions imposed by the council on Medvedchuk, a close ally of Russian President Vladimir Putin, and his associates.

Troubled pipeline

Prikarpatzahidtrans is part of the Samara-West pipeline, which transports oil products from Russia through Western Ukraine to Europe.

After the collapse of the Soviet Union, the pipeline was acquired by Russia but later a court transferred it to the Ukrainian government.

However, in 2015, a court in Rivne Oblast gave the pipeline back to Russia's state-controlled oil pipeline monopoly Transneft.

In 2015, Transneft sold Prikarpatzahidtrans to International Trading Partners, which is owned by German citizen Anatoly Shefer. Ukraine's Anti-Monopoly Committee, which was controlled by allies of then-President Petro Poroshenko, authorized the acquisition.

Shefer has had some business connections to Medvedchuk. In 2013–2014, ITC Industry Trading Company SA, where Shefer is one of the directors, received a Hr 5.7 million prepayment from Ukraine's Agrotekhnikha to supply grain to Ukraine. Agrotekhnikha is co-owned by Medvedchuk's wife Oksana Marchenko and his ally, lawmaker Taras Kozak.

In 2019, Ukraine's Anti-Monopoly Committee also allowed Belarus' Oil and Bitumen Plant to acquire a stake in Prikarpatzahidtrans. The decision was drafted by Andriy Vovk, who had previously worked at Poroshenko's Ukrprominvest group.

Sergii Leshchenko, who was then an independent lawmaker, saw the Belarusian plant as a front for Medvedchuk and believed this is

an attempt by Medvedchuk to make sure that his asset is safe even if Poroshenko loses the 2019 presidential election.

Leshchenko is a former journalist who has been watching Medvedchuk for nearly two decades. He is now a Kyiv Post columnist.

He said in 2019 that the Oil and Bitumen Plant would be treated as a bona fide buyer, and the new Ukrainian government may not want to spoil relations with Belarusian authorities.

Leshchenko also linked the acquisition to Medvedchuk's recent visit to Belarus and his meeting with its President Alexander Lukashenko in January.

Poroshenko's spokesman Sviatoslav Tsegolko did not respond to requests for comment.

Medvedchuk sanctions

The seizure of the pipeline comes amid sweeping sanctions imposed on Medvedchuk and his allies.

On Feb. 2, Zelensky signed a decree issuing personal sanctions

against pro-Russian lawmaker Taras Kozak, a Medvedchuk ally, and his three nationwide TV channels — NewsOne, Channel 112, and ZIK. As a result of Zelensky's decree, the channels were immediately shut down.

The sanctions mean a five-year restriction on financial operations, freezing of assets, the nullification of all permits and licenses issued to Kozak and to companies he officially owns.

On Feb. 19, the National Security and Defense Council also imposed sanctions on Medvedchuk himself.

Overall, the council imposed three-year sanctions on eight people and 19 companies, all for financing terrorism. All of them are linked to Medvedchuk.

Among the sanctioned citizens is Medvedchuk's wife, Oksana Marchenko, who is the official owner of most of the family's business assets.

As a result of the sanctions, all assets owned by Medvedchuk and his associates will be frozen. ☞



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Ukraine's officials go after former PrivatBank's top managers, charge them with theft

page 1 →

his property in the U.S. last year. Criminal charges may be on the horizon.

In comparison, Ukraine's investigators have been lagging behind. The latest charges may mean they're finally emboldened to act, in spite of Kolomoisky's power in Ukraine.

Yatsenko's arrest

Yatsenko's arrest and charges against someone as highly-placed as Dubilet are important steps towards justice, experts believe.

NABU had almost lost its quarry. Immediately after charges were filed, Yatsenko bolted for the airport and jumped into a plane chartered by Kolomoisky, suggesting that someone in the justice system tipped him off. Law enforcement took the unusual step of grounding the plane before it left Ukrainian airspace.

The High Anti-Corruption court set a bail of Hr 52 million (\$1.9 million), which Yatsenko paid on the same day, despite his lawyers claiming that he's cash-poor. He must remain in Dnipro Oblast and wear an electronic tag.

Prosecutors said Yatsenko had Hr 83 million (about \$3 million) in Universal Bank, which uses the Monobank software suite that Yatsenko co-developed.

Yatsenko's five lawyers spent eight hours trying to persuade the court that Yatsenko is not a flight risk, despite his attempt to leave. Yatsenko called his departure a coincidence and said he was flying to Vienna for a previously scheduled doctor's appointment, after which he would return to Ukraine to take his family on a trip to the Maldives.

Yatsenko owns property in Vienna and has lived in both Austria and Ukraine since 2017, according to NABU. He also has a helicopter, a boat and an impressive car fleet. Yatsenko's real estate took three pages to list, the prosecutors said at the court hearing. They believe his wealth makes it very easy for him to run away.

The prosecutors asked the court to set bail at Hr 136 million, the sum of Yatsenko's alleged theft. He said he should not pay at all as he already returned the Hr 136 million to PrivatBank.

Where is the money?

After being stolen, PrivatBank's Hr 136 million ended up in the account of insurance company Ingosstrakh, which Yatsenko and Dubilet control through other shareholders, according to NABU.

Bychikhina simultaneously worked at PrivatBank and Ingosstrakh at the time of the transfer.

According to prosecutors, the trio

made two fraudulent transfers to the insurance company's accounts disguised as deposit payments.

To make it look legitimate, they backdated the payment documents. These documents stated that Privatbank owed Ingosstrakh Hr 136 million as "indexed commission for a change in the hryvnia-dollar rate." The bank's original deposit contract with Ingosstrakh doesn't include it.

After the state nationalized PrivatBank, it sued its former owners for its missing money. The oligarchs sued back, trying to regain control of the bank.

Hundreds of lawsuits are open in courts across Ukraine, in the U.S., U.K, Switzerland, Cyprus, and Israel. As minority stakeholders, Dubilet and Yatsenko also disputed the PrivatBank's nationalization in court.

Recently, PrivatBank demanded its Hr 136 million back and filed a lawsuit with the Dnipro Economic Court. Ingosstrakh paid back Hr 136 million on Feb. 1. The money came from Ingosstrakh's account in A-Bank, which belongs to Ihor and Hryhoriy Surkis, once Kolomoisky's business partners and former PrivatBank insiders.

Yatsenko told the court that he should be free from charges because the money was paid back. The NABU said this changes nothing — he still committed theft.

Secret bank

Before nationalization, PrivatBank contained a smaller bank that ran Kolomoisky's alleged money laundering scheme, multiple investigations found.

Yatsenko led this secret unit, according to the "Privat Story: The Rise and Fall of Ukraine's Largest Bank," a book by investigative journalists Graham Stack and Andrii Ianiyskyi.

The Kyiv Post's sources said that Yatsenko curated the unit's work.

"(Yatsenko) was in charge of the corporate direction. And 95% of PrivatBank's corporate loans went to the bank's insiders," investment banker Serhiy Fursa wrote on Facebook. "This means that was the same money that was embezzled."

PrivatBank is suing Kolomoisky and Bogolyubov in London, alleging that \$1.9 billion was laundered through six companies in Britain and the British Virgin Islands. One piece of evidence in this case was a spreadsheet found on the laptop of Tetiana Gurieva, a former deputy head of the board of PrivatBank, who allegedly worked in the secret unit.

This file shows how PrivatBank issued loans to the six companies, which rarely paid them back.

To cover it up, the bank's owners



An officer of Ukraine's National Anti-Corruption Bureau arrests PrivatBank's former first deputy CEO Volodymyr Yatsenko in Kyiv Boryspil International Airport after he tried to leave Ukraine on a charter plane on Feb. 22, 2021. Yatsenko was charged with embezzlement and was released on bail on Feb. 25, 2021.

used a "loan recycling scheme" that issued new credit to the owners to pay off the interest on old loans.

The money flowed through subsidiaries, often in Cyprus. Part of it was used to buy businesses and real estate in the U.S.

Kolomoisky and Bogolyubov invested stolen from PrivatBank money in real estate in Louisville, Dallas, Cleveland and other U.S. cities, according to the U.S. Department of Justice which accused the oligarchs of fraud and money laundering and moved to seize their property via three civil forfeitures.

American charges

International pressure may have played a role in the timing of Ukraine's latest charges.

Kolomoisky is reportedly under investigation by the FBI and several of his former business partners have testified in U.S. court. Last year's civil forfeiture complaints didn't charge Kolomoisky and his associates with a crime but stated that he was involved in money laundering.

Ukrainian officials, especially the Zelensky administration, may want to avoid looking bad if another country brings criminal charges against the oligarchs first, according to Kyiv Post's banking sources. At the same time, Ukraine is trying to demonstrate to the new administration in the Oval Office that it's cracking down on fraud.

"As Vice President, Biden personally led U.S. efforts to reduce the influence of oligarchs in Ukraine under then-President Obama, and several senior members of his cabinet have recently voiced similar sentiments, especially related to the United States' role in stemming the flow of oligarchic money globally," said Alexandra Wrage, president of the anti-bribery association TRACE.

She expects that the emphasis on seizing stolen assets from oligarchs and prosecuting them will grow under the administration of U.S. President Joe Biden.

The pressure may be more direct. According to Kyiv Post sources, U.S. diplomats recently spoke to Ukrainian officials about charges related to PrivatBank.

Biden is personally aware of the importance of the PrivatBank case. In a leaked recording of a conversation with Former President Petro Poroshenko in November 2016, Biden pressured him to complete the nationalization.

"I know Kolomoisky is a pain in

the ass and a problem for everybody but it really is critical that you guys figure this one out," Biden said then.

Daniel Langenkamp, the spokesman of the U.S. Embassy in Kyiv, said he can't comment on diplomats' private conversations or ongoing legal cases but praised the Ukrainian government.

"We... take a close interest in the Ukrainian government's efforts to combat corruption and applaud their efforts to hold individuals responsible for stealing billions from the Ukrainian people," he said.

It's unknown whether Ukraine or the U.S. will get to the oligarchs first, said Olena Shcherban, a lawyer at Anti-Corruption Action Center, AntAC.

Shcherban believes it is unlikely that another Hollywood-style arrest — like the one of Ukraine's former Prime Minister Pavlo Lazarenko in the airport of New York in 1999 — will happen.

Lazarenko was charged with money laundering and embezzlement of \$200 million from Ukraine's state budget and sentenced to jail. He was released in 2012 after spending six years in prison.

Ukraine unsuccessfully asked for Lazarenko's extradition. The U.S. does not have an extradition agreement with Ukraine so it is also unlikely that Kyiv will give away Kolomoisky and Bogolyubov to the U.S. for trial, said Shcherban.

However, the U.S. can still charge the oligarchs in absentia.

"It is good that there is an investigation against them (the oligarchs) there. Maybe, it will push Ukrainian authorities to do something and demonstrate their political will," said Shcherban.

As of now, nothing indicates that this political will is in place, she said.

"They charged suspects in a tiny episode that concerns the payment to the insurance company.

Compared to a bigger case, looking into billions in stolen money, this was a small move," Shcherban said. "It surprises me why (Prosecutor General Iryna) Venediktova started from this smaller case."

NABU is investigating Kolomoisky and Bogolyubov's alleged theft of \$150 million from PrivatBank, according to the Kyiv Post's sources in the bureau.

The bigger case Shcherban talks about concerns Kolomoisky and Bogolyubov allegedly embezzling \$150 million from PrivatBank, according to the Kyiv Post's sources in NABU.

More arrests to come

Both NABU and the Prosecutor General announced that other arrests in the PrivatBank case are coming up.

These may include officials or former officials from the National Bank of Ukraine.

According to sources close to the state banking system who were not authorized to speak to the media, dozens of current or former NBU officials may be investigated for negligence or worse — deliberately overlooking the massive, hard to miss fraud in PrivatBank, which had a suspicious reputation even before the bombshell report by corporate investigator Kroll Inc.

"No one could prove it with documents but everyone knew about it," financial expert Ruslan Chorniy told the Kyiv Post in 2019. The bank's reports greatly understated the sheer volume of related party loans. PrivatBank's loans to ferroalloys, hydrocarbons, hotels, football clubs and airlines should have raised alarm bells, experts told Kyiv Post.

The anonymous sources said that it's likely that payoffs to central bank officials were made to keep occasional investigations from undermining the scheme. ☹

EDITORIALS

Kangaroo court

On Feb. 23, civic activist Serhiy Sternenko was sentenced to seven years in jail on kidnapping charges by a judge who has a huge background of violating ethics standards and possibly the law. It was a political show trial full of legal violations.

Sternenko's opponents portray him as a far-right radical in an effort to justify the verdict. But this trial is about law and fact, not about him having or not having a questionable background.

We are not stating that Sternenko is guilty or not guilty, and make no assessment of his personality or activism. None of that matters — whoever he is, he deserves a fair and objective trial, not the absurd mockery of justice that he was offered.

The judge in the Sternenko case, Viktor Poprevych, has been vetoed by the Public Integrity Council for violating integrity standards and has no right to deliver justice. On the contrary, he should be investigated for his alleged violations and convicted if found guilty. Ironically, the judge is a fan of Soviet dictator Joseph Stalin, who symbolizes the zenith of totalitarian lawlessness.

President Volodymyr Zelensky's claim that he doesn't interfere in the Sternenko case doesn't stand up to scrutiny. Yes, he may not interfere in it personally. But if he hired and empowered the people who interfere in the case, and failed to stop them, he is responsible for that interference just as they are.

Zelensky has surrounded himself with people implicated in corruption, as well as ones with pro-Kremlin and anti-EuroMaidan sentiments.

Such people appear to be using their influence on Zelensky to deepen the divide in Ukrainian society and trigger social tension. Whether they are acting in their own corrupt interests or those of the Kremlin is another question.

The Sternenko case is led by prosecutors appointed by Zelensky's staunch loyalist, Prosecutor General Iryna Venediktova.

Another top official who might be going after Sternenko is Oleh Tatarov, a suspect in a bribery case and Zelensky's deputy chief of staff. Tatarov was a lawyer for the wife of the man who attacked Sternenko in 2018 and died after he fought back. Now he is in charge of law enforcement at Zelensky's office and can influence the Sternenko case.

Interior Minister Arsen Avakov and Odesa Mayor Hennady Trukhanov, who are mired in corruption scandals, also have a stake in the matter: Sternenko has criticized them repeatedly.

It is not just radicals who are protesting against the Sternenko verdict. The protests were triggered by Ukraine's whole civil society being sick and tired of corrupt officials escaping punishment and critics of such officials being persecuted.

Once again, the Sternenko verdict shows the need for radical and genuine judicial reform. It must include dissolving the current High Council of Justice — a judicial governing body implicated in corruption schemes, according to recordings released by the National Anti-Corruption Bureau of Ukraine.

Is Kolomoisky next?

The Kyiv Post has repeatedly hammered the Ukrainian justice system for allowing bank fraud impunity.

This week, we finally saw progress with the arrest of PrivatBank's former first deputy CEO Volodymyr Yatsenko. In a rare move, anti-corruption chief Artem Sytnyk personally ordered Ukraine's air traffic controllers to ground the plane with the fleeing Yatsenko on board.

Now that he's out on bail, Yatsenko can still try to leverage his millions of dollars in cash and his real estate in Vienna to escape justice.

Charges filed against PrivatBank's ex-CEO Oleksandr Dubilet and head of the financial department Olena Bychikhina shed light on the secret chamber inside PrivatBank that oversaw billions of dollars in fraud and money laundering to benefit the former bank's owners.

NABU said it was ready to charge other suspects. Will former owners of PrivatBank Ihor Kolomoisky and Gennadiy Bogolyubov be next? After all, they were the ones to orchestrate the scheme to steal \$5.5 billion from the bank. This is something that only Prosecutor General Iryna Venediktova knows.

The fact that she approved charges against the trio of the bank's former top managers is a pleasant surprise.

What's going on? Maybe Ukrainian officials are emboldened that "the West will help." The U.S., which has its own bone to pick with Ihor Kolomoisky, seems to be watching carefully to see what will come of PrivatBank — and what that says about the country.

Or maybe Ukraine's leaders can't bear how discredited they'll be if another country becomes the first to bring criminal charges over Ukraine's most publicized financial crime. Maybe by going after the lesser suspects, Venediktova gives time for Kolomoisky and Bogolyubov to escape.

Either way, it's a start. But a start is all it is for now. Ukraine's courts and law enforcement bodies are infamously corrupt and ineffective. The only hope is the High Anti-Corruption Court, a relatively new institution launched in 2019.

The National Anti-Corruption Bureau (NABU), Ukraine's most effective fraud-fighting force, has been thwarted left and right when it tried to investigate powerfully connected officials. Even now, the government wants to fire NABU head Artem Sytnyk because his agency started an investigation into the government's procurement of COVID-19 vaccine. Many have wanted him gone for a while.

If Sytnyk is forced out, the PrivatBank investigation may not survive.

NEWS ITEM:

Ukrainian authorities promised to launch the nationwide vaccination drive on Feb. 15, but they did not meet their own deadline. Instead, while 83 countries all around the globe have been vaccinating their citizens since December 2020, Ukraine started vaccinating only on Feb. 24. On Feb. 18, Health Minister Maksym Stepanov flew to India in order to personally oversee the shipment of the first batch of the vaccine.

NEWS ITEM:

Former President Petro Poroshenko has been regularly taking the credit for incumbent President Volodymyr Zelensky's achievements. When critics praise Zelensky, Poroshenko says it was his government in 2014–2019 that laid the foundation. Just that happened when Zelensky on Feb. 2 sanctioned pro-Russian lawmaker Taras Kozak, banning his three nationwide TV channels: NewsOne, Channel 112 and ZIK. Reportedly, the real owner of these channels is Viktor Medvedchuk, a pro-Russian lawmaker and close friend of Russian President Vladimir Putin. Poroshenko backed the sanctions but said that he was the one who started banning Kremlin propaganda in Ukraine by banning Russian websites Yandex, VKontakte and Odnoklassniki in 2017.



NEWS ITEM:

The National Anti-Corruption Bureau of Ukraine on Feb. 22 arrested Volodymyr Yatsenko, a former deputy CEO of PrivatBank, and charged him with embezzlement. The arrest of Yatsenko was unusual and indicated that law enforcement officers might be leaking information to PrivatBank's former officials to help them avoid arrest. The charges against Yatsenko were signed at about 9 a.m. and weren't publicly announced. About an hour later, Yatsenko flew out of Dnipro Airport on a private plane, heading for Vienna. The NABU asked the State Aviation Service to land the plane in Kyiv. The pilot had to turn back and land in Kyiv. Yatsenko was arrested immediately.

Nothing wrong with me mingling with villains

NEWS ITEM:

Oleh Uruskiy, Ukraine's controversial deputy prime minister and minister for strategic industries, has been spotted walking next to notorious Chechen leader Ramzan Kadyrov, who is extremely loyal to the Kremlin. A photo of the two walking side by side through a crowded hall at the IDEX-2021 arms exhibition in the United Arab Emirates was posted on Facebook by Ukraine's Prime Minister Denys Shmyhal on Feb. 22. Uruskiy replied that the "placement of delegation heads during the opening ceremony procession is defined by the host nation's protocol."



See these features online at kyivpost.com

Ukraine's Friend & Foe Of The Week



Friend

Ivan Korchok, foreign minister of Slovakia
The Slovakian government has approved its annual foreign policy strategy for 2021, which envisages helping Ukraine join the EU and NATO with all means available. We appreciate this friendly support.



Foe

Andrey Kartapolov, Russia's deputy defense minister
It is known that this general was in command of Russian regular forces and collaborating militants during the Battle of Debaltsevo in 2015 in the Donbas. Ukraine has recently charged him with war crimes — and hopefully he will face justice.

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.

Envoy: Turkey will defend Turkish Cypriots' rights



Yagmur A. Guldere

I have read with interest the World in Ukraine section of Kyiv Post's last issue, which covered Cyprus. I want to make a few comments.

1. At one specific point in the piece, Turkey's intervention to Cyprus in 1974 is rightly described as a reaction to the coup d'état in the island. I welcome that. However, aside from this easy-to-miss exception, the intervention was referred to as "invasion" exclusively. Let me share some background information that may help put things in a broader perspective.

The state of Cyprus founded in 1960 hardly ever embraced its Turkish Cypriot component. This partnership survived only three years and ended in 1963 when the Greek Cypriot side decided to revive their ultimate goal, which was "reuniting Cyprus with Greece." All legislation safeguarding rights of the Turkish Cypriots rapidly eroded.

ing to the United Nations Security Council, ousted Greek Cypriot leader Makarios himself called the coup a Greek invasion.

2. The issue also touched upon the idea of a two-state solution, and how it is "condemned internationally." Efforts since 1974 to find a formula that ensures problem-free co-existence of two peoples of the island have not yielded any results. All negotiations based on a single state ultimately failed. The reason for this is simple. The Turkish Cypriot component of the island was not, and is not regarded as an equal partner. Since all other formulae have been exhausted, it is time we looked into a two-state solution. While a comment in the piece attributes this idea to President Recep Tayyip Erdoğan, it is actually a model supported by the Turkish Cypriots. In fact, the president of Northern Cyprus elected in 2020 based his election campaign on this very idea.

I was also perplexed by a comment in the piece which said Cypriots did not allow their conflict with Turkey to prevent their accession to the European Union in 2004. This is misleading in a few ways; let me explain why. 2004 was perhaps the closest we ever came to solving the Cyprus problem. Through long talks under then UN Secretary-General Kofi Annan's supervision, and EU membership on the horizon, a workable solution to the conflict appeared. It was called Annan Plan, and parties were supposed to separately take it to referendum. While the Greek Cypriot leader accepted the plan on the table, he then decided to campaign against it. In the end, Turkish Cypriot people accepted the plan by 75%, while Greek Cypriots rejected it by 66%. Result? Greek Cypriots were admitted to the EU as sole representatives of the island, while Turkish Cypriots were given nothing to acknowledge their earnest effort to reconcile.

3. As Eastern Mediterranean (East Med) issues are high on the agenda, let me use this opportunity to say a few words on that too. There are a number of critical points about East Med where Turkey's position needs to be better understood. First, we are trying to protect our own continental shelf rights. Second, we are trying to protect the rights of Turkish Cypriots, who are equal co-owners of the island, including the hydrocarbon reserves in the East Med. We protect their rights because, well, no one else has the means or willingness to do so. To make things worse, Greece and Greek Cypriots use their membership in the EU to turn all these into one big Turkey-EU dispute. They even host international events with other regional states, excluding Turkey, to discuss East Med issues.

I would like to underline that:
a) any East Med design that denies



A picture taken on Aug. 29, 2019 shows the coastline of the fenced-off touristic area of Varosia in the Turkish-controlled ghost town of Famagusta, Cyprus.

Turkey's and Turkish Cypriot's legal rights and vital interests is not realistic and;

b) Turkey is ready to talk about a fair and lasting solution to all East

Med issues. Our proposal to hold a regional conference confirms this. If other parties cease to insist on their maximalist positions and stop ignoring basic rights of Turkish Cypriots,

Turkey has the political will to move forward together.

Yagmur A. Guldere
Ambassador of Turkey to Ukraine

“
Turkey conducted a limited military intervention, effectively putting an end to the bloodshed on the island for good
”

Yagmur A. Guldere

When the military junta took over in Greece in 1967, violence and discrimination against the Turkish Cypriots increased further. While a few Greek Cypriots saw the dangers and distanced themselves from this, many jumped on the wagon.

The coup d'état of 1974, co-organized by the junta in Greece and its extremist associates on the island, was the breaking point. With inter-communal violence growing, with the lives of thousands of Turkish Cypriots at stake, Turkey had to act. After trying to mobilize other guarantors of the 1960 Treaties, to no avail, Turkey conducted a limited military intervention, effectively putting an end to the bloodshed on the island for good.

So, whether this should be called an intervention or invasion, and how appropriate it is to compare this with the illegal annexation of Crimea as you did in your piece, I will let the conscience of your readers be the judge. Yet, I will take the liberty to say that speak-

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AFP

Yermak: 'We hope President Biden will visit Ukraine in 2021'

By Olga Rudenko
rudenko@kyivpost.com

Andriy Yermak influences most decisions in Ukraine, yet Ukraine knows remarkably little about him.

As President Volodymyr Zelensky's chief of staff, Yermak is the second most powerful official in the country — although some would argue that Interior Minister Arsen Avakov holds that prize. And yet, Yermak wasn't elected by the people or confirmed by parliament.

His vast responsibilities and rare public appearances earned him a somewhat sinister reputation in the media as a power-greedy and machiavellian politician.

Yermak says this image is an unwanted inheritance he got from the chiefs of staff to previous presidents, and seeks to disperse it.

"Rumors about (my powers) are exaggerated," he says, repurposing a famous quote by Mark Twain.

But as the Kyiv Post spoke with Yermak at the presidential office on Feb. 19, it was beginning to appear that the exaggeration wasn't that big after all.

Yermak oversees peace talks with Russia, communications with Western partners, regional policy and the office's coordination with the Cabinet of Ministers and parliament. He has to know everything, he says, in order to best serve Zelensky.

Right now, he is preoccupied with the country's relations with the new U.S. administration. Ukraine wants its most powerful partner to play a key role in the peace process in the Donbas, where Russia's war against Ukraine has killed over 13,000 people since 2014.

"I believe that the U.S. support of Ukraine must go to the next level," Yermak says.

'Adventure film'

If he never met Zelensky, Yermak, 49, would likely have spent the last year producing yet another movie and pitching it to film festivals. Instead, he spent it running Zelensky's presidential administration and negotiating for peace in the Donbas.

"My life is like an adventure film



Andriy Yermak, President Volodymyr Zelensky's chief of staff, talks to the Kyiv Post on Feb. 19 at the President's Office in Kyiv.

right now," says the former copyright lawyer and producer, adding that he is forever thankful to Zelensky for that.

His loyalty to Zelensky is perhaps Yermak's most defining feature. He praises the president at every opportunity, especially Zelensky's "integrity and honesty." The two are longtime friends.

Although Yermak is an accidental arrival to Ukraine's politics, he tries to play the part.

Unlike his volatile predecessor Andriy Bohdan, Yermak makes an effort to be diplomatic and restrained. It could explain why, unlike Bohdan, he already lasted more than a year, and appears to be in harmony with his boss.

Notably, when Yermak's brother was implicated in selling government posts — something that both brothers deny and call a political attack — the president immediately supported Yermak.

The tapes implicating Yermak's brother are still being investigated.

Yermak says that he testified in the case.

In his turn, Yermak says he "trusts Zelensky unconditionally" and would agree to serve as his chief of staff again if the president went for a second term.

He says the president's work is underappreciated, especially in the Ukrainian media, and recalls how well Zelensky is received abroad — for example, during his recent visits to the United Arab Emirates and the U.K.

"In the UAE, it was called a historic visit," Yermak says. "I'd like to see a time when Ukrainian media don't shy away from such praise."

The UAE has no free media, according to freedom of press ratings. Yermak notes that he and Zelensky both recognize the importance of press freedoms and welcome criticism when it's constructive.

Focus on US

One of Zelensky's administration's top priorities is building a relationship with the new U.S. administration of President Joe Biden.

Ukrainian media have focused a lot of attention on the fact that Biden didn't yet have a phone call with Zelensky, speculating about what conditions Washington could be setting for the call to happen.

Yermak says that such reports are groundless.

"Barely a month has passed since Biden's inauguration, and he only had a handful of calls," says Yermak. "There are no complications and the call will take place when it's convenient for both presidents. I believe that it will be in the nearest future."

A visit is also very possible, according to Yermak. The last time a sitting U.S. president visited Ukraine, it was George W. Bush in 2008. Many hope that Biden, who visited Ukraine six times as vice president to Barack Obama, will return as president.

"I hope we can arrange the visit this year," says Yermak. "We hope that President Biden will come for our 30th anniversary of independence."

So far, Ukraine has been satisfied with Biden's early signals.

"President Biden voiced his support for Ukraine in his public speeches and in the call with Putin. We feel this support," says Yermak. "It's important that Ukraine



too contributes to this relationship and becomes a really interesting partner, one that will attract U.S. investments."

But Ukraine wants to take the relationship to the next level.

"I want Ukraine to be perceived as one of the top strategic partners (of the U.S.)," Yermak says. "Right now it's not perceived as such."

Ukraine has made it clear that it wants the U.S. to help bring peace to the Donbas, where Russia has been waging a proxy war against Ukraine since 2014.

While the U.S. isn't sitting on the sidelines, having sanctioned Russian nationals and Russia's Nord Stream 2 project, and given Ukraine financial and military aid, the country is not part of the peace negotiations. Since 2014, the negotiations have been taking place in the so-called Normandy Format — with the leaders of Ukraine, Russia, Germany, and France participating — and

within a trilateral group meeting in Minsk.

The negotiations saw small breakthroughs with the Normandy leaders meeting in December 2019 and achieving a shaky ceasefire in 2020, but have largely stalled since.

"The U.S. can play a key role in ending the conflict in the Donbas," Yermak says.

"We count on the U.S. support to help us become a NATO member. The decision is taken collectively but if the U.S. supports Ukraine's candidacy and its readiness to join NATO, it will be a very strong signal."

When asked what the administration's goal is for the Donbas in 2021, Yermak answers simply:

"To end the war."

'Ukraine fatigue' over

The U.S. has been the main force blocking the construction of Nord Stream 2, a pipeline that would bring gas from Russia to Germany bypassing Ukraine. The construction stopped due to U.S. sanctions.

By contrast, German officials often defend the project.

"Of course, we are following these statements," he says. "We react to them through diplomatic channels and during meetings. But it's the position of several officials — not the same as the position of a country."

In general, Yermak says the support of Ukraine's European partners isn't faltering, including within the Normandy format talks.

"I can't say that the world is forgetting about the war in Ukraine. We are working relentlessly to not let it forget, and to make sure that everyone understands — Europe won't be safe until the war in Ukraine stops."

Boundaries with West

The week before Yermak's interview with the Kyiv Post was dominated by discouraging news: The mission of the International Monetary Fund concluded that Ukraine needs to "show more progress" before the fund disburses another installment within an existing stand-by agreement. The \$700 million tranche has been postponed for months.

The IMF mission's statement specifically named the areas it focused on: strengthening the governance of the National Bank; improvements to the framework for bank supervision and resolution; policies to reduce the medium-term fiscal deficit; legislation restoring and strengthening the anti-corruption framework and the judiciary; and energy policy.

Yermak doesn't hide that the Ukrainian side wasn't happy with the statement. Without going into details, he says there was a misunderstanding.

"There was a small unfortunate mishap with the IMF statement," Yermak says. "The negotiations went into the night and both sides agreed on the conclusions. Then, in the morning, this statement was released and it wasn't done in the way that reflected what was agreed upon."



Andriy Yermak, President Volodymyr Zelensky's chief of staff, talks to the Kyiv Post on Feb. 19 at the President's Office in Kyiv.

Zelensky's chief of staff: 'No rift with IMF, our cooperation continues'

page 6 →

Yermak's adviser Tymofiy Mylovanov went further, denouncing the IMF's actions during the negotiations and alleging that the fund wanted too much control over Ukraine. It's a narrative favored by pro-Kremlin politicians in Ukraine: The West taking control of Ukraine in return for loans.

Still, Yermak pointed out that Ukraine's cooperation with IMF continues and Mylovanov's comments don't reflect the position of the administration.

"Any rumors of any rift with the

IMF are grossly exaggerated," he said.

This small rebuke captures the mood of the administration, which is eager to confront Western partners when it thinks they overreach.

It finds reflection in other comments, too. Commenting on the G7 ambassadors' proposed roadmap for court and anti-corruption reforms, Yermak's deputy Andriy Smyrnov told news website Zakon i Biznes that the administration appreciates advice but warned that advice should come "without deadlines or coercion."

It's a recurring topic for Yermak as



President Volodymyr Zelensky (C) and his chief of staff Andriy Yermak (L) inspect Ukrainian combat lines during a visit to the war zone of the Donbas on Feb. 11, 2021.

well. While he assures of Ukraine's great relationship with the West, he says that it must be a relationship of equals.

"It's very important for our — independent — state," says Yermak, emphasizing the word, "that today

we are treated with respect. It's very important that we work as partners. The way we work in this administration is that no one forces us to do anything, and we don't beg for anything."

This wasn't the case with the administration of ex-President Petro Poroshenko, when reforms were "a condition" set by the West, he suggests. "But we came here already wanting to reform the country. We don't need to be persuaded to do so."

To back up his words, Yermak added that a court reform roadmap will be presented in late February — and it will reflect the G7 ambassadors' recommendations.

NABU

Another sign of the administration's readiness to confront — or at least raise the eyebrows of the West — is the latest effort to fire Artem Sytnyk, head of the National Anti-Corruption Bureau.

Sytnyk, who has had the strong support of Ukraine's Western partners as a guarantor of NABU's independence, survived several attempts to fire him. The latest attempt comes in the form of the bill reforming NABU proposed by the Cabinet of Ministers on Feb. 15. Among other things, it seeks to fire Sytnyk.

This latest effort to get rid of Sytnyk may succeed — especially since it appears to be backed by the president. The Kyiv Post sources at the NABU who weren't authorized to speak to the press said that days before the bill was submitted, Zelensky called Sytnyk and lashed out at him over an investigation into the government's procurement of COVID-19 vaccines.

While carefully refusing to endorse the firing of Sytnyk ("It's up to the parliament"), Yermak notes that the investigation was indeed concerning.

"I don't want to judge the actions of NABU but I think that any actions that can impede the receiving of the vaccine by Ukraine are strange and untimely," he said.

"But if the NABU has any facts of violations, they should be investigated," he adds. "There are no untouchables."

The NABU opened the investigation after a complaint by an official in charge of procurement. It accused Health Minister Maksym Stepanov of ordering the procurement to go through a specific intermediary com-

pany, which allegedly raised the price of the purchase.

This purchase is for only 1.8 million doses of the vaccine. Later, Ukraine ordered more vaccines from other sellers and will receive some for free as part of the Covax program. The vaccination began on Feb. 24.

Controversial officials

The vaccine investigation may have been the last drop, but the alienation of Sytnyk and Zelensky's office goes back to another recent case.

The NABU has been investigating one of Yermak's deputies, Oleh Tatarov, in a bribery case.

Tatarov is suspected of bribing an expert to get a false evaluation on behalf of a construction company he worked for, Ukrbud. The evaluation was a crucial element of an alleged large-scale embezzlement scheme.

Yermak said this has not been proved and the alleged bribery took place before Tatarov took his post in Zelensky's administration.

"As the head of administration I need to make sure that every employee knows that they won't be protected if they are guilty of corruption. But at the same time I will guarantee there is an independent investigation of any such case," he says.

"If there is a court sentence (against Tatarov), we will immediately take measures."

However, the administration has been accused of protecting Tatarov through Zelensky's appointee, Prosecutor General Iryna Venediktova. Venediktova has changed prosecutors in the case, delaying charges against Tatarov.

Venediktova has been under constant criticism by anti-corruption activists over her alleged attempts to derail or delay prosecution in a number of high-profile cases, such as the PrivatBank embezzlement, coal pricing scheme Rotterdam+, or a bribery case against a lawmaker from Zelensky's party.

Yermak, however, says he trusts the prosecutor general's integrity.

"I know her personally, and I don't believe any allegation (of her corruption)," he says. "She is a professional and a patriot. I think that she will demonstrate results in high-profile cases in the future and it will completely end any existing mistrust in her." 🇺🇦

Ukraine and US: Backstory

There is a complicated background to Andriy Yermak's, and Volodymyr Zelensky's, relationship with the new U.S. administration.

When an impeachment trial in 2019 exposed President Donald Trump and his associates' efforts to pressure Zelensky into investigating Ukrainian company Burisma, which employed Joe Biden's son, they also exposed Yermak's prominent role in the communication.

According to the messages of Kurt Volker, then a special envoy to Ukraine, that were published during the impeachment hearings, Yermak told Volker that Zelensky would make the statement about Burisma.

He also apparently agreed to run the statement by Volker first — but said that Zelensky would deliver it only after the White House confirmed the date for his visit.

The promised statement never happened. During the negotiation, Trump held up U.S. military aid to Ukraine and made the infamous phone call to pressure Zelensky into investigating Biden. A whistleblower's report about the call led to Trump's first impeachment.

Yermak isn't keen on letting out any more details about those days. Moreover, he challenges the idea that the released text messages belong to him.

"I never authorized the publication of any messages that may or may not be mine," he says. "So it's hard to say whether they're authentic. Some things that I saw in U.S. media weren't true. I remember everything I said: I have a good memory and so does my phone."

He said that he reached out to Giuliani and asked to talk to him because he saw Giuliani making public comments about Zelensky being "surrounded by enemies of America."

"I didn't know that he was Trump's lawyer," Yermak says. "I knew him as a former mayor of New York."

At this time, Giuliani was widely known as Trump's lawyer and supporter, and was the subject of articles like The New Yorker's "How Rudy Giuliani Turned Into Trump's Clown."

When Giuliani first brought up Burisma, Yermak says it was a surprise to him. He didn't know anything about the case.

"I think it was obvious from my face that there was no point in talking to me about this (Burisma case)," he says.

That's not how Giuliani saw it. In 2019, he told the New York Times he came away from his interactions with Yermak "pretty confident they're going to investigate it."

"I don't know what was the goal of Mr. Giuliani and others I talked to," Yermak says.

"It was a complicated time," he continues. "But the

president demonstrated a strong position based on integrity. Ukraine and Zelensky showed that we won't interfere in other countries' domestic affairs — and won't let others interfere in ours."

Even now, Yermak carefully refuses to denounce Trump's actions towards Ukraine as unethical.

"It wouldn't be right for me to evaluate the actions of even the former president of the U.S.," he says. "But we still think it was wrong for the American side to publish the transcript of the phone call (between Zelensky and Trump) without our authorization."

Likewise, it's wrong, he says, that some recordings of conversations of then-President Petro Poroshenko and then-U.S. Vice President Biden were leaked and published in Ukraine.

The edited recordings were published by lawmaker Andriy Derkach, whom the U.S. considers an "active Russian agent," in May 2020.

Back then, it got an ambiguous response from Zelensky, who said that "it can be qualified as treason" while not being clear whether he meant Poroshenko's behavior during conversations or the fact they were published by Derkach.

Now, with Biden in the White House, Yermak unequivocally denounces the publication of the Biden-Poroshenko phone calls and says the leak is being investigated.

There is also another phone call in the picture.

Now, as the Ukrainian administration is building its relationship with Biden's, Zelensky's former employee suddenly opened up to the U.S. media about additional details of Trump's entourage's campaign of pressure.

Ihor Novikov, ex-advisor to Zelensky, talked to Time magazine about a phone call between Trump's lawyer Giuliani, who spearheaded the pressure campaign, on the one side, and Yermak and Novikov on the other.

The call, according to Novikov, left him and Yermak in disbelief about what was asked of them. It happened shortly before Trump called Zelensky.

Novikov told Time that he was ready to testify against Giuliani in the U.S.

Yermak won't be joining him.

"I'm a sitting official and it would be strange if I was invited to testify in this case," Yermak said. "I think that participation of any foreign citizen in an investigation in the U.S. can be seen as interference in domestic affairs."

Will Ukraine investigate the actions of Giuliani or others within the pressure campaign in Ukraine?

"It's up to our law enforcement agencies," says Yermak. "If the SBU finds any signs of a crime, they will look into that. I won't interfere."

Dubious ruling triggers protests, shows need for judicial reform

By Oleg Sukhov
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The jail sentence against civic activist Serhiy Sternenko has galvanized large-scale protests all over Ukraine, including clashes with the police in Kyiv.

The protests were triggered by what many saw as an unfair verdict, reached with procedural violations and political motives by a controversial judge.

Odesa's Primorsky District Court on Feb. 23 convicted Sternenko and another activist, Ruslan Demchuk of kidnapping, robbing and torturing Serhiy Shcherbych, a member of Odesa Oblast's Kominternivske District Council, in April 2015. They were sentenced to seven years in jail and confiscation of half of their property. Sternenko denies the accusations.

Sternenko and his supporters have accused his political enemies — Interior Minister Arsen Avakov, Prosecutor General Iryna Venediktova, President Volodymyr Zelensky's deputy chief of staff Oleh Tatarov and Odesa Mayor Hennady Trukhanov — of fabricating the case.

The Sternenko verdict dealt a blow to the Zelensky administration's pro-Ukrainian credentials even after it imposed sweeping sanctions on pro-Kremlin lawmaker Viktor Medvedchuk and his allies.

Legal experts, lawmakers and anti-corruption activists pointed to the verdict as a symptom of Ukraine's corrupt judiciary.

"The verdict against Serhiy Sternenko became possible exactly because we have not managed to carry out a high-quality judicial reform after the EuroMaidan Revolution," Halia Chyzhyk, a legal expert at the Anti-Corruption Action Center, wrote on Facebook. "The head of (the judicial) mafia's hydra is the High Council of Justice. We can cut off this head only by firing all corrupt officials from the High Council of Justice and changing the rules for its members' selection."

Even a number of lawmakers from Zelensky's Servant of the People party issued a collective statement condemning the verdict.

"The Sternenko case... is an indicator of the highest possible distrust in the judiciary," they said. "The choice of the judge — an explicit supporter of Stalin and a person who expresses his political sympathies and is incapable of being unbiased in the case — inevitably causes indignation."

Turbulent years

When the alleged kidnapping took place, Sternenko and Shcherbych represented opposite views during a turbulent time in Odesa's history. Local activists feared that Russia could take over Odesa like it took Crimea and Donbas. Violent clashes between pro-Ukrainian and pro-Kremlin protesters led to 48 people being killed on May 2, 2014.

Sternenko took part in the 2013–2014 EuroMaidan Revolution, which ousted ex-President Viktor



Protesters clash with police in front of the President's Office on Feb. 23, 2021 during a rally in support of activist Serhiy Sternenko, who had been sentenced to seven years in prison on kidnapping charges. The verdict, which is seen as highly controversial and political, has prompted a backlash from civil society.

Yanukovich. He led the Odesa branch of Right Sector, a nationalist group from 2014 to 2017.

Shcherbych used to be a member of the pro-Kremlin Rodina (Motherland) party and participated in the AntiMaidan, an organization of pro-government thugs who acted against EuroMaidan protesters.

Shcherbych is now a member of Trukhanov's Dovyryai Delam (Trust the Deeds) party.

Essence of the case

The prosecutors said that testimony by Shcherbych and an eyewitness, as well as mobile traffic data places both Sternenko and Demchuk in the area where the alleged kidnapping took place. They also cited a medical report and an expert assessment that Sternenko may have shot Shcherbych with a rubber bullet.

However, the alleged witness of the kidnapping has not testified in court. Shcherbych also refused to come to the hearings.

Another problem is that the statute of limitations for the kidnapping charges has expired. The judge used Shcherbych's claim that Sternenko took Hr 300 from him to convict him on robbery charges, which have a longer statute of limitations.

This reasoning has triggered indignation from civil society since Hr 300 is not seen as sufficient motivation for such an act. Sternenko also said that searches at his house were conducted without his lawyer, and he was prevented from contacting him.

Viktor Poprevych, the judge who issued the verdict, failed to meet integrity and ethics standards, state-sanctioned judiciary watchdog, the Public Integrity Council, reported in 2017. The Primorsky District Court did not respond to a request for comment.

Poprevych has helped to white-wash drunk drivers, including a

top judge, and issued a ruling that exempted judges from filing asset declarations, according to the Public Integrity Council. He has also acquitted police officers charged with torturing people and set miniscule bail for the head of the Victoria children's camp, where a fire killed three children due to negligence in 2017.

Poprevych has written many of his rulings in Russian, and about 2000 of them have not been published at all, which constitutes violations of Ukrainian law.

The judge also failed to declare a car and his wife's apartment in Crimea, the Public Integrity Council said.

In 2009 Poprevych installed busts of Stalin and Lenin next to his house in Donetsk.

Previous trial

Sternenko has also been on trial in a separate case.

On June 15, 2018, Sternenko was assaulted on the street by two men. After they fought, one of the attackers ran away and died from his injuries.

The case has attracted a lot of public attention, with many pro-Ukrainian media and activists saying Sternenko acted in justifiable self-defense and pro-Russian media portraying him as a murderer. In June, he was charged with murder — an accusation that he denies — and put under house arrest.

In January Sternenko was released from house arrest in the case.

Sternenko has also been assaulted in Odesa three other times from 2018 to 2020. The organizers of the attacks remain unidentified.

Conflict with Trukhanov

Sternenko has powerful enemies who are able to influence the law enforcement system.

He has consistently criticized Odesa Mayor Trukhanov's alleged

corruption and accused him of organizing attacks in retribution. Trukhanov's office did not respond to requests for comment.

According to case files from the June 15, 2018 assault, Sternenko met several people on the eve of the attack. Sternenko said they included Oleksandr Podobedov and Vitaly Posuvailo, whom he accused of organizing the assault on Trukhanov's behalf. They were not available for comment.

Podobedov has been investigated and questioned but has not been officially charged. Local activists accused him of organizing pro-government thugs known as titushki.

There have been assaults and murder attempts on at least 14 activists in Odesa under Trukhanov.

Tatarov's role

Another of Sternenko's powerful enemies is Zelensky's deputy chief of staff Tatarov, who was a top police official under Yanukovich and was investigated over alleged persecution of EuroMaidan protesters. Tatarov's lawyer Oleksandr Kuzmenko declined to comment, and the President's Office did not respond to a request for comment.

Tatarov was a lawyer for Olesya Kuznetsova, the wife of Ivan Kuznetsov, who assaulted Sternenko and died after being injured by him on June 15, 2018.

In 2019 Tatarov asked the Security Service of Ukraine to charge Sternenko with premeditated murder and an assassination attempt on two people, which carries up to a life sentence, according to documents published by the Slidstvo.info investigative show.

Sternenko was charged with murder in June 2020 when rumors about Tatarov's future appointment to Zelensky's office were in full swing, and Tatarov became a deputy

chief of staff for the president in August 2020.

"Currently Tatarov is in charge of all law enforcement agencies at the President's Office and is capable of influencing prosecutors and investigators in any criminal case," Maksym Kostetsky, a lawyer and former legal advisor at Transparency International Ukraine, said on Facebook.

Tatarov also used to be a lawyer for Yanukovich's ex-deputy chief of staff Andriy Portnov, who has led a massive public relations campaign to have Sternenko jailed.

Tatarov was charged by the National Anti-Corruption Bureau of Ukraine with bribery in December but Venediktova's prosecutors have effectively buried the case.

Clash with Avakov

Sternenko has also regularly organized rallies for the resignation of Interior Minister Avakov, who has been mired in corruption scandals.

Responding to a request for comment, Avakov's spokeswoman Natalia Stativko told the Kyiv Post that it was up to a court to rule on the Sternenko case.

In March 2020 Avakov met with Venediktova to discuss the Sternenko murder case despite the fact that it is being investigated by the Security Service of Ukraine, not the police.

According to official testimony, Abzal Baikumashev, one of those who assaulted Sternenko in 2018, had arrived in a car belonging to Ruslan Forostyak, an aide to Dmytro Golovin, then head of Odesa Oblast's police department, which is subordinated to Avakov. Forostyak and Golovin denied being implicated in the crime.

Venediktova's role

Venediktova's prosecutors led the case against Sternenko. The Prosecutor General's Office did not respond to a request for comment.

Even before the murder charges were announced, Venediktova said in April 2020 that Sternenko would be charged "in any case," prompting accusations that she was biased against him.

Andriy Radionov, who was formerly the chief prosecutor in the Sternenko case, said in 2020 that the murder charges against Sternenko were "unfounded, non-objective and biased." He said that he refused to sign the charges and had formally complained about pressure on him by Venediktova in the Sternenko case. Venediktova denied pressuring him.

"A seven-year sentence for Serhiy Sternenko is not about justice," the Anti-Corruption Action Center said on Feb. 23. "It's revenge on a person who has been a thorn in the side of the police, politicians, state officials and property developers in Odesa. And currently he's a thorn in the side of those who see Ukraine as a Russian colony and can't accept the fact that Odesa is part of Ukraine. The Prosecutor General's Office has again played into the hands of this gang." 🇺🇦

Poll: Internet becomes main news source for Ukrainians

By **Oleksandra Korzh**

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The internet surpassed television and became the primary source of information for Ukrainians, a recent survey shows.

Today 51% of Ukrainians prefer to get information on the internet, while only 44% choose television, according to a survey by marketing analyst Research & Branding Group.

Only 2% prefer radio or print, according to 1,800 respondents.

The internet has gradually gained popularity as a news source over the years. Just four years ago, in 2017, only 38% of Ukrainians were getting information from the web, while 58% preferred television.

Among social media, Facebook is the most popular with Ukrainians,

with 59% using it. YouTube and Instagram (which belongs to Facebook) are used by 43% and 30% respectively.

Only 6% of Ukrainians use Twitter and 2% use LinkedIn.

Once hugely popular, Russian social networks Odnoklassniki and VK lost ground in Ukraine – respectively, only 3% and 5% of Ukrainians use them. In May 2017, Ukraine blocked access to both websites and imposed a range of sanctions on Russian firms.

Before the ban, around 24 million Ukrainians – more than half of the population – used the Russian websites. Three of them, VK, Yandex and Mail.ru, were among the five most popular websites in Ukraine.

Messaging apps have also become a source of information for locals, as some of them offer news feeds across different channels, including ones



Volodymyr Petrov

A woman in a face mask uses her smartphone in downtown Kyiv on Nov. 6, 2020. Today 51% of Ukrainians prefer to get their information from various sources on the internet, while only 44% choose television, according to a survey by marketing analyst Research & Branding Group.

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run by media outlets. Around 75% of Ukrainians use messengers to get information through their channels.

According to the survey, 37% of respondents admit that channels in messengers influence his or her views.

Almost half of Ukrainians or 46% recognize that social media and messengers influence sociopolitics in Ukraine and another 13% consider that influence decisive.

By contrast, 18% of Ukrainians do not believe in the social media

influence and another 23% are undecided.

The most popular messenger in Ukraine is Viber, which 57% of Ukrainians use. Facebook Messenger is used by 37% and Telegram is used by 20% of Ukrainians. The least popular messengers are WhatsApp, used by 9% and Skype, used by 8% of Ukrainians.

Although television is falling behind, it remains the second most popular source of information. All the top channels belong to local

oligarchs.

According to Detector Media, a media watchdog, in January channel Ukraina was the most watched in Ukraine. It belongs to oligarch Rinat Akhmetov, the richest person in Ukraine. Oligarch Victor Pinchuk's ICTV was the close runner-up.

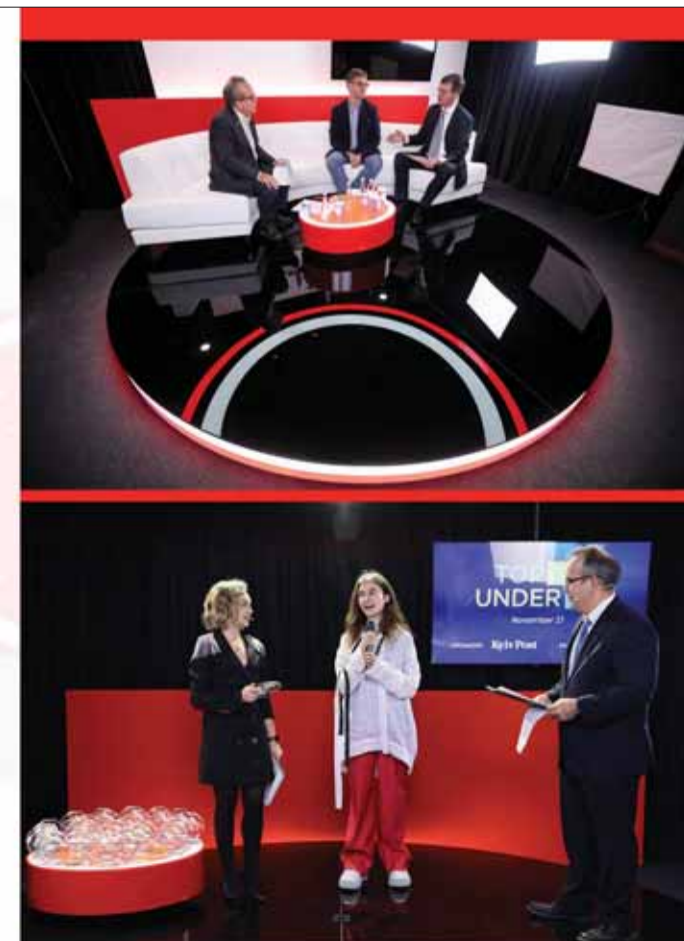
The third most popular channel was 1+1, owned by oligarch Ihor Kolomoisky. STB and Novy, two other channels belonging to Pinchuk, ranked fourth and fifth. 🇺🇦

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Notorious Ukrainians may lose their dodgy Cyprus 'golden passports'

By Anna Myroniuk,
Igor Kossov
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It didn't matter who you were. If you had 2.2 million euros to spare, you could start your life over in Cyprus.

A simple investment could get you a brand new Cyprus citizenship, letting you live anywhere in the EU. Not speaking Greek, not living in Cyprus and having a criminal record or sanctions were no obstacles to buy a master key to Europe. Until recently.

The citizenship-by-investment program, also known as the golden passports scheme, came crashing down in October after Al Jazeera's investigative report implicated high-level politicians in corruption related to the scheme.

The media outlet found that the program breached Cyprus's own rules and that at least dozens of people with criminal records may have gotten passports illegally. The scheme was scrapped in October.

Thousands of people benefitted from the scheme in its 14-year history, especially wealthy people from Russia, China and Ukraine. The list included controversial figures like Ihor Kolomoisky, Mykola Zlochevsky and Oleh Bakhmatiuk.

Cyprus has launched an investigation into the program, which may result with some passports being revoked.

"If the recipients obtained the passport by withholding information, then I presume they'll have an issue," said financial adviser Charles Charalambous. "Based on my information some passports have been revoked."

It is not clear how many as the government does not reveal this information. In 2019, it announced plans to revoke citizenships from 26 golden passports' holders. The names were reported by Cypriot media.

"And you'll note that Ukrainian nationals were not among them. Due to a legal obstacle, however, the process stalled for months, and it remains unclear whether these people have lost their Cypriot — and, by extension, EU — citizenship," Eka Rostomashvili, campaigns lead at Transparency International non-governmental organization told the Kyiv Post.

Rostomashvili believes that Cyprus's response to allegations was quite weak.

"In June 2020, the Cypriot government said that it fixed this loophole but it is still not fully clear if the amended rule could potentially apply retroactively to individuals such as Gennadiy Bogolyubov and Ihor Kolomoisky, who reportedly received their Cypriot passports in 2010 and 2009, respectively," she added referring to Cyprus's step to toughen laws.

But the likelihood that the government will zealously investigate the scheme is low, according to multiple observers.

"I don't think it will be a mass revocation of passports. They will remove



An aerial view of the gulf of Larnaca, a port city on the south coast of Cyprus, on Jan. 1, 2021. The country got infamous for "selling" Cypriot citizenships to wealthy people for investments into real estate.



Oleh Bakhmatiuk



Gennadiy Bogolyubov



Ihor Kolomoisky

some big names of those directly involved in corruption and maybe say that they did not know about that. That is it," Tetyana Shevchuk, a lawyer with a non-governmental organization Anti-Corruption Action Center, AntAC, told the Kyiv Post.

The government is unlikely to investigate Cyprus's top law firms, which get golden passports for their clients, because they are very politically connected, believes Stalios Orphanides, a reporter with the Organized Crime and Corruption Reporting Project (OCCRP).

"The government has several members who are linked directly or indirectly with law and accounting firms or developers that helped foreigners buy passports," Orphanides, who investigated golden passports, said. "They will surely not want to go after them."

Among Cyprus's law firms tied to top officials are the firms of Cyprus President Nicos Anastasiades and former Minister of Justice Giorgios Savvides.

OCCRP has reported on multiple firms, which included the one founded by Cyprus president Nicos Anastasiades, who had been linked to the infamous "Troika

Laundromat" international money laundering scheme. The lawyers Kolomoisky relied on in Cyprus include infamous names with ties to Anastasiades.

Even Charalambous, who believes the investigation will yield results, admits that the country's top law firms are very well connected and have a lot of power.

Ukrainians in question

Ukrainians are in the top three nationalities by number of golden passports after the Chinese and Russians, according to Cypriot authorities.

One of them is oligarch Igor Kolomoisky.

The Kyiv Post got a leaked spreadsheet listing some of the names of golden passport owners. A Cypriot lawmaker put together the file a few years after the scheme was introduced in 2007.

According to the document, Kolomoisky and his wife Iryna got "golden passports" in 2010. Kolomoisky also has an Israeli citizenship and residence permit to live in Switzerland.

One of Ukraine's richest men, Kolomoisky is a former owner of

Oleh Bakhmatiuk, who was on the 2019 list for alleged financial crimes.

The lawyers acting for Kolomoisky and Bogoliubov confirmed to The Guardian that their clients had Cypriot citizenships.

Shulman told the Kyiv Post he has a golden passport, too.

Russian-Ukrainian businessman Konstantin Grigorishin reportedly bought a citizenship. He had been accused of benefiting from ties with presidents Petro Poroshenko and Viktor Yushchenko. Donetsk industrialist Vitaliy Gaiduk and his wife Olena have citizenships as well.

The Kyiv Post could not reach Novikov, Grigorishin, Gaiduk, Zlochevsky and Bakhmatyuk before publication.

The investigation

In November 2019, the government appointed a special three-member committee to investigate whether any of the golden passport buyers were involved in financial crimes.

The committee sorted 2,803 applications received from 2008 to 2018 into two categories, high and medium/low risk and closely examined the filings of 42 investors.

In its findings, the committee recommended the Interior Ministry to strip seven investors of citizenships immediately and consider revoking citizenships from 12 more people.

Soon after the report came out, Cyprus President Nicos Anastasiades said that the seven passports would be revoked. It's impossible to confirm whether he kept his word.

It took the investigators a year to produce the report. The government released a redacted version of it in December. The Kyiv Post obtained the original, full version. In it, the committee details the failures of the Cyprus governing bodies to control the application process.

The Interior Ministry often did not check the applicants' backgrounds and the sources of their wealth.

In one instance, the Cyprus authorities ignored glaring evidence of money laundering when handing a golden passport to Jho Low, a notorious Malaysian businessman wanted at home and abroad for allegedly looting \$1 billion from Malaysian State Investment Fund. Cyprus' money-laundering unit knew that but did nothing to stop him from getting his citizenship.

Another investor paid over 3.2 million euros (\$3.9 million) for his golden citizenship by credit card. He made 25 transactions within just 30 minutes without raising red flags in the bank. He did so, the committee believes, to bypass the 150,000 euro limit for one-time transactions from the country.

According to the report, one investor used two different names and unsuccessfully tried to open bank accounts with each of them. The lawyers, helping this person to get the "golden passport," seemed well aware of the fraud.

Some legal firms providing services were either aware of their cli-

Ukrainians are in the top three nationalities with Cypriot golden passports

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ents' shady business or did not check their backgrounds, including global auditor PricewaterhouseCoopers. PWC once audited PrivatBank and failed to detect the fraud scheme eventually exposed by the National Bank of Ukraine and Kroll Inc.

Sometimes service providers helped their clients launder money through investment in real estate. They chose a property and gave it a price tag that met the investment criteria regardless of its real value.



Mykola Zlochevsky

In one case, the "investor" bought a mansion for 5.5 million euros while the market price of that house stood at 800,000 euros.

The Finance Ministry did not check whether the amount invested corresponded with the real value, the report states.

The Interior Ministry did not verify the applicants' recommendation letters and accepted questionnaires with misleading or false information. The vast majority of applicants left the field regarding previous convictions blank and it did not seem to bother the Ministry, according to the committee's conclusions.

After granting the golden passports, the Ministry did not monitor the passports holders for criminal activity.

A wider, more in-depth probe of more than 6,000 investors and their relatives who received a Cyprus passport since 2013 is being conducted by the attorney general himself.

New inquiry

Yet another new investigation has now launched to cover the period from 2007 through July 31, 2020.

Among other nations, the probe is looking into Ukrainians. The new interim report will be released in mid-March 2021.

In September 2020, Attorney General Giorgos Savvides appointed the new team of investigators.

Myron Nikolatos, the President of the Supreme Court was appointed its chairman. Former Supreme Court judge Costas Pambalis, Deputy Auditor-General Kyriacos Kyriacou and Financial Ombudsman Pavlos Ioannou are the other three members.

However, there are concerns about the probe's impartiality.

Savvides, who appointed the members of the committee, used to serve as justice minister from May 2019 to June 2020 and had a say over approving golden passports.

Nikolatos' leadership also raises questions. Cyprus's former Attorney General Costas Clerides openly accused Nikolatos of making decisions that benefited his family members while he still led the Supreme Court.

The Supreme Court in December 2018 acquitted Bank of Cyprus executives who were jailed for securities fraud. Three out of five judges in the appeal case had children or spouses employed by the law firm Chryssafinis & Polyvios that represented the bank and its executives. The attorney general said that Nikolatos' daughter and sister



UNIAN

Russian-Ukrainian businessman Kostyantyn Grigorishin, who's been accused of benefiting from ties with presidents Petro Poroshenko and Viktor Yushchenko and powerful allies of ex-President Leonid Kuchma, reportedly bought a Cyprus citizenship.

benefited from a settlement with the bank.

The Supreme Court under Nikolatos rejected the accusations.

EU launches legal action

A week before Cypriot authorities announced that they would scrap the "golden passports" scheme, the European Commission had launched an infringement procedure against Cyprus for selling the EU citizenships.

It was not an impulsive decision.

The Commission had previously expressed concerns about the golden passport scheme a number of times saying that such a practice poses serious security risks to the EU with money laundering, tax evasion and corruption.

This time the European Commission was even more straightforward. It called such a scheme the one that "undermines the essence of EU citizenship" and affects not only the states that grant them but also the EU as a whole.

"The person concerned automatically becomes an EU citizen and

enjoys all rights linked to this status, such as the right to move, reside and work freely within the EU, or the right to vote in municipal elections as well as elections to the European Parliament," a statement on the European Commission's website says.

Cyprus had two months to respond to the EU's complaints.

"Cyprus has replied to the Commission's Letter of Formal Notice sent on 20 October 2020. We are now analyzing the reply and will then decide on the next steps," Katarzyna Kolanko, a press officer of the European Commission told the Kyiv Post.

"We do not comment on the ongoing infringement procedures," her written response reads.

There are a few options of what can happen next.

If the replies are not satisfactory, the Commission can take the case to the European Court of Justice, the highest court of the EU. If the court finds the member state to be violating the EU laws, it can impose financial penalties. ❁

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Billionaire Firtash presses all buttons to avoid US extradition

By Mark Rachkevych
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Austria's most high-profile involuntary guest, Ukrainian billionaire Dmytro Firtash, has fought with every available resource to resist extradition to the United States on charges of racketeering and bribery.

While living in an Art Nouveau villa in the posh Hietzing neighborhood of Vienna since early 2014, Firtash's compulsory stay has been marked by intrigue, media spotlight, and, at times, secrecy regarding the work of his international legal team.

The fate of his stay was thought to have reached a denouement on July 16, 2019, when then-Justice Minister Clemens Jabloner approved his extradition based on a Supreme Court ruling the previous month — usually the final step in Austria's legal process for such cases.

Then, the 55-year-old gas and chemicals tycoon moved swiftly to file a motion in a lower court to ask for a re-trial, presumably based on new evidence that was not available at the time of his first trial on March 13, 2014.

'Not standard business'

This was "not standard business," said Bettina Knoetzel, founding partner of white-collar crime law firm Knoetzel in Vienna, Austria's capital.

She told the Kyiv Post in a phone interview that such proceedings are not public and that the appellant "has to show there are 'serious concerns'" that call into question the final judgment of the nation's highest court. Knoetzel added that a different

AFP



Ukrainian oligarch Dmytro Firtash reacts prior to a public hearing at the supreme court in Vienna on June 25, 2019. Firtash has fought with every available resource to resist extradition to the United States on charges of racketeering and bribery.

judge usually hears the new case and decides whether a re-trial is warranted at the same court where Firtash first appeared — the Vienna Regional Criminal Court.

She added that Firtash's team had probably started compiling the "new" evidence after the Ukrainian lost his appeal in February 2017 — "that's what we at Knoetzel (law firm) would do," Knoetzel said.

During these proceedings, the Austrian lawyer said, Firtash can ask

for a postponement of his extradition until the court decides whether the new evidence that was submitted is worthy of a re-trial.

When asked for a status update on the oligarch's pending extradition, Austrian Justice Ministry spokeswoman Christina Salzborn didn't offer much explanation.

COVID-19 delays

She confirmed that Firtash "submitted a request for a resumption of

proceedings," while adding that "due to the COVID-19 (pandemic), the final deadline for the documents has been postponed many times and the decision is still pending."

The powerful Ukrainian has maintained his innocence and his base legal argument has consistently been that he is a political victim of the U.S. judicial system that is bent on reducing his influence in Ukrainian politics.

His Group DF holding company didn't respond to a Kyiv Post emailed inquiry and a spokesman, Oleg Arestarhov, head of the asset management company's corporate communications, didn't answer numerous calls or respond to messages.

Shokin's 'new' evidence?

Little is known about the "new" evidence that Firtash has filed except for a sworn affidavit dated Sept. 4, 2019, from former Prosecutor General Viktor Shokin.

In it, Shokin attests that the former U.S. presidential administration of Barack Obama, including then-Vice President Joe Biden, had pressured Kyiv not to let Firtash back into Ukraine after his April 2015 court victory that rejected the extradition.

"Therefore, it is clear to me that certain U.S. officials from President Obama's administration, in particular the U.S. Vice President Joe Biden, directly manipulated the political leadership of Ukraine on false pretexts, in order to prevent (Firtash) from returning to Ukraine, as they were concerned about him re-establishing public life there," said the former Ukrainian chief prosecutor.

After only less than 14 months in the post, Shokin was dismissed in March 2016 after calls from anti-corruption activists and Ukraine's Western backers grew impatient with his lack of progress on reforming the prosecutor general's office

and in pursuing cases of public interest, including an energy firm where Biden's son had a paid seat on the board.

To substantiate his defense that Washington's case against him is politically motivated, Firtash's legal team has argued that the indictment against him was once already unsealed.

The Americans withdraw

Toward the end of October 2013, Firtash's defense has argued, the U.S. first had applied for his extradition.

Yet, "shortly before Austria could execute the arrest warrant, however, the Americans withdrew unexpectedly. Firtash remained undisturbed. Later, the Ukrainian's lawyers claimed in court that this was one piece of evidence that the U.S. extradition request was politically motivated," Austrian media outlet Profil reported in October 2019.

The defense's line of argument was that the timing wasn't right for strategic reasons and when the political situation changed after the EuroMaidan uprising, the U.S. "decided to take Firtash... out of the political game," the media outlet wrote.

\$18.5 million in bribes

An April 2014 unsealed U.S. Justice Department indictment in Chicago alleges that Firtash had sought a titanium deal in India and conspired to pay \$18.5 million in bribes to secure mining licenses there. He allegedly "used U.S. financial institutions to engage in the international transmission of millions of dollars for the purpose of bribing Indian public officials."

Ultimately, the project was expected to generate more than \$500 million from the sale of the titanium products, including to an unnamed company based in Chicago whom U.S. media identified as aviation giant Boeing.

In turn, Boeing has stated that it had "considered business with Firtash but never followed through," Voice of America reported in July 2019.

Boeing is not accused of wrongdoing.

US pursues case

The U.S. is still pursuing Firtash's extradition and in June 2019, the same month that the Austrian Supreme Court approved his expulsion, a federal judge in Chicago rejected a motion to dismiss his indictment based on jurisdiction matters.

As recent as Feb. 10, the U.S. Justice Department told the Kyiv Post that it continues "to work closely with the Austrian Ministry of Justice seeking to extradite Mr. Firtash," Nicole Oxman, the department's senior communications advisor for international law enforcement and spokesperson, wrote in an email.

Firtash & Yanukovich

From the outset when authorities in Vienna arrested Firtash nearly seven



Ex-Finance Minister Markarova becomes Ukraine's ambassador to US

Then-Finance Minister Oksana Markarova speaks during the 15th Kyiv Post CEO Breakfast on July 10, 2018, at the InterContinental Kyiv hotel. President Volodymyr Zelensky on Feb. 25 appointed Markarova as Ukraine's ambassador to the United States. Markarova also served as a deputy to finance ministers Natalie Jaresko and Oleksandr Danyliuk in 2015–2018 before she became finance minister herself, serving from 2018 to 2020.

Oligarch Firtash tries hard to avoid US extradition on bribery charges

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years ago, the news made headlines.

A media frenzy ensued in the wake of the EuroMaidan Revolution in Ukraine when then-President Viktor Yanukovich abandoned office and fled to Russia following a popular uprising against his corrupt, increasingly authoritarian rule.

Firtash had further enriched himself during Yanukovich's truncated presidency and was a huge financial backer.

When the Ukrainian tycoon posted a record bail of 125 million euros (about \$174 million) on March 21, 2014, provided by Russian billionaire Vasily Anisimov, Russia had already forcibly seized Ukraine's Crimean peninsula.

In April a year later, Firtash's high-caliber legal team, consisting among others of former Austrian Justice Minister Dieter Bohndorfer, secured a rejection of the U.S. extradition request based on arguments that the case was politically motivated.

The same year in March 2015, Firtash founded the Agency for the Modernization of Ukraine and stacked its board with prominent European politicians. Within 200 days of its founding, it released an agenda to reform Ukraine and Firtash voiced his intention of returning to Ukraine to give a presentation at his Federation of Employers of Ukraine in Kyiv.

Some of the board members included Austria's former Vice-Chancellor and Minister of Finance Michael Spindelegger and former German Finance Minister Peer Steinbrück.

Avoiding extradition

"Of course, (Firtash) wants to press all the buttons one can press to make

sure he is not extradited," Knoetzel said. "He is certainly investing a lot of energy and resources into this. From what I see he is doing the best he knows to do — to help him make his case."

Simultaneously, Firtash successfully fought back against an extradition case to Spain on charges of being part of an organization to launder about 10 million euros through property deals and restaurants. He denied the charges.

Six months after an Austrian appeals court overturned a lower court's ruling that he shouldn't be extradited to the U.S., a Vienna criminal court rejected the Spanish extradition request.

A Spanish court in Barcelona closed the money laundering case against Firtash and 16 other suspects in November 2019.

Marta Vivas Chamorro of the Spanish State Attorney General's Office told the Kyiv Post that "we cannot provide any information about this case."

Hiring US lawyers

Meanwhile, Firtash in autumn 2019 hired Washington-based lawyers Victoria Toensing and Joseph DiGenova to join his high-powered legal team.

The couple are huge Republican Party donors and during Donald Trump's presidency briefly helped defend him during Special Counsel Robert Mueller's investigation into the 2016 U.S. presidential election and also were mentioned in the U.S. House of Representatives' Intelligence Committee impeachment report.

Firtash told the New York Times he hired Toensing and DiGenova under the premise that they could help "with his Justice Department problems."

The offer to hire them came on



Ukrainian billionaire Dmytro Firtash (L) attends the 7th Ukraine-Russia Economic Forum back in 2010. Then-President of Russia Dmitry Medvedev (2nd left), Kharkiv businessman Oleksandr Yaroslavsky (C) and ousted Ukrainian President Viktor Yanukovich (2nd right) also attended the forum. Firtash greatly enriched himself during Yanukovich's truncated presidency.

June 19, Firtash told the newspaper, and came from two associates of the former U.S. president's personal attorney: Rudy Giuliani.

The associates, Lev Parnas and Igor Furman, are currently under indictment on campaign finance charges. Parnas worked as an English-language interpreter for Firtash's legal team.

One month before he was charged by U.S. authorities, the wife of Lev Parnas received \$1 million from a Russian bank from one of Firtash's lawyers.

Firtash also pursued a Manhattan hotel deal that never came to fruition with Paul Manafort, Trump's former campaign chairman who helped Yanukovich ascend the Ukrainian presidency as a political consultant and lobbyist.

Manafort was convicted in 2018 in Mueller's investigation for financial fraud and conspiring to obstruct his probe and subsequently sentenced to seven-and-a-half years in prison. Trump pardoned him in December.

Firtash's business empire

In Ukraine, Firtash runs a fertilizer business, and owns a media empire as well as enjoys control over about 70–75% of the gas distribution and supply market, known as oblgases.

Eighteen of the oblgases tied to him were fined Hr 380 million (\$13.5 million) in December by the nation's competition authority for abusing their monopoly position on the market. In 2019, 16 of the oblgases were fined about \$9 million by the same anti-trust agency.

In addition, Firtash allegedly used funds his former bank had received from Ukraine's central bank as part of a five-installment bailout program to buy a near-controlling stake in the state-owned Zaporizhzhya Titanium and Magnesium Plant — Europe's only producer of titanium sponge, a September report by the Organized Crime and Corruption Reporting Project (OCCRP) said.

Instead of investing the promised \$110 million into the plant under the partial privatization deal for 49% of shares, the plant's management diverted the funds to other Firtash-

controlled entities, OCCRP reported, citing the National Anti-Corruption Bureau.

Following numerous court cases, Ukraine regained operational control over the plant in June 2020.

In Russia, whose banks had largely bankrolled Firtash's procurement of Ukrainian assets during Yanukovich's reign from 2010 through early 2014, it was revealed in January that about \$1.3 billion worth of the oligarch's assets are being held as collateral at a Russian nonprofit called Foundation of Industrial Assets.

They previously were part of a portfolio of non-performing loans belonging to the Russian state-run Bank for Development and Foreign Economic Affairs, Russian media reported, including RBK. They include assets Firtash's Vienna-based Ostchem chemical holding that control most of Ukraine's chemical fertilizer producers.

In a response to questions from Interfax news agency, Firtash's Group DF holding company said it "does not comment on the commercial terms of lending to our businesses." ❌

Timeline of Dmytro Firtash case

June 2013: A U.S. Justice Department five-count criminal indictment of Dmytro Firtash is returned under seal.

March 2014: Firtash is arrested in Vienna based on a U.S. extradition request; released on record bail of 125 million euros and promises to remain in Austria for the duration of legal proceedings.

April 2014: U.S. Justice Department unseals Firtash indictment charging him with international racketeering and bribery.

March 2015: Firtash establishes the Agency for the Modernization of Ukraine and stacks it with high-profile European politicians.

April 2015: Vienna Regional Court rejects U.S. extradition request, rules case is politically motivated.

August 2016: Austrian Constitutional Court refuses to consider appeal by Firtash to recognize the U.S.-Austrian extradition treaty as unconstitutional.

November 2016: A Spanish court in Barcelona approves extradition of Firtash on suspicion of money laundering.

February 2017: Spain officially requests extradition of Firtash; a higher Austrian court overturns a lower-level court's rejection of extradition.

August 2017: Austrian court denies extradition of Firtash to Spain.

June 2019: Austrian Supreme Court approves extradition of Firtash.

July 2019: Then-Austrian Justice Minister Clemens Jabloner approves extradition of Firtash; lower court agrees to examine new evidence to determine whether to reopen the extradition case.

November 2019: A Spanish court rules to close the money laundering case related to Firtash.



First Ukrainians vaccinated from COVID-19

A medical worker receives a dose of COVID-19 vaccine in the hospital of the town of Brovary near Kyiv on Feb. 24, 2021. Ukraine finally launched a nationwide campaign to vaccinate its population on Feb. 24, more than a week past the original deadline of Feb. 15. Ukraine, where 40 million people live, has struggled to keep up with other European countries to source vaccines and begin inoculating its population.

Lifestyle

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

Support Ukrainian businesses by shopping for home decor, textile and dishes at the upcoming market by Vsi Svoi at 12 Desiatynna St. from 10 a.m. till 8 p.m. on Feb. 27–28. Free entrance



Kyiv gyms start to offer online trainings

Oleg Petrasjuk



Fitness trainer Maryna Kushnirenko trains her clients online via YouTube and Zoom in the Smartass fitness studio in Kyiv on May 8, 2020. Since the start of the pandemic in March, many Kyiv gyms started offering online trainings as a safer way to stay fit during the pandemic.

By Daria Mochalova, Toma Istomina

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Going to a gym has never been as controversial as during the pandemic.

While exercise helps to boost the immune system and health overall, with the start of the COVID-19 spread, it came with a risk of getting infected with the coronavirus from fellow fitness enthusiasts.

Much like many other industries, gyms went online during the harsh lockdowns in Ukraine, broadcasting training sessions to the clients stuck at home.

Under the current quarantine measures, gyms are allowed to operate following the government's guidelines: there should be no more than one person per 20 square meters, while visitors must wear masks when

entering gyms or moving around inside.

Despite the safety requirements, fitness fans might not be able to fully avoid social contact, possibly exposing themselves to the virus.

For those not willing to take the risk, Kyiv gyms have come up with a variety of online training options. These often don't require any special equipment, save time commuting and are cheaper than regular workouts.

The Kyiv Post has picked some of the capital's best fitness clubs and services to stay fit while training at home.

Hiitworks

Hiitworks is a gym chain that has units in nearly every Kyiv district. Though named after the high-intensity interval training, a recent star in the world of fitness, the company offers all kinds of workouts from strength to TRX, total resistance

exercises that require suspension training equipment.

Hiitworks provides personal online training, under which a coach develops an individual program for each client, according to their physical abilities and goals and the equipment at hand. The schedule is made up depending on the client's availability, and the training is held via Skype or Zoom.

A coach also gives recommendations on nutrition and a healthy lifestyle and is "constantly in touch to help and encourage" the mentees.

A single workout with a personal trainer costs Hr 350 (\$13). A set of five workouts is Hr 1,500 (\$54).

Check details and sign up at www.hiitworks.com/ru/personalni-trenuvannya-online.

EBSH

EBSH is a sports hub for functional training and "a community of people

obsessed with self-development" that has three gyms in Kyiv.

Its name is the acronym for a Russian curse word that means working one's ass off. In line with the name, the company's motto says "you can train, or you can work your ass off."

The gyms provide 25 types of workout sessions. Three of them are available online as part of the group training offer including yoga, stretching and functional, or bodyweight, training.

EBSH's clients can pick the type and time of a workout on its website, sign up and pay online. The number of people per session is limited so that a coach has a chance to pay attention to each trainee.

A single online workout costs Hr 112 (\$4). Sign up at www.online.ebsh.ua.

City Life

With Henrietta Wolter

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Agency Banda designs logo for Chernobyl exclusion zone

While the Chernobyl nuclear disaster lives on within the global collective memory, the towns within the 30-kilometer Chernobyl exclusion zone are gradually disappearing, destroyed by the passing of time and gradually absorbed by nature.

In response, the Ukrainian advertising agency Banda has created a new logo for the exclusion zone as a way to remind people of the worst nuclear tragedy in history.

On Apr. 26, 1986, near the city of Chernobyl in the Ukrainian Soviet Union, a reactor exploded at the Chernobyl Nuclear Power Plant, releasing a cloud of highly radioactive dust into the air and affecting the lives of millions of people.

Today about 150 people live in the zone, despite the fact that it is illegal to reside there.

By 2064, the settlements in northern Ukraine around the Chernobyl Nuclear Power Plant will completely disappear.

To make sure people remember the disaster even when the towns are completely gone, the Banda agency has created a highly symbolic, visual representation of this change as the official branding for the exclusion zone.

The logo will be used for promotional materials, tours and other marketing purposes related to the exclusion zone by both private and state companies. Banda also says that companies will be able to use the logo to create merchandise for sale, including shirts and tote bags.

The center image is a black octagon — in the shape of the fourth reactor, which exploded.

The logo will change every year to represent the changes in the exclusion zone. Each year the octagon will appear slimmer, as it radiates backwards into itself until it disappears completely.

Companies that use the logo will have to renew it each year on the day of the tragedy — April 26.

"We needed to find a strong visual image that would make people think and learn an important lesson — every action has a consequence," the agency writes on its website.

Its designers believe that the slight annual changes in the logo may help turn the merch with it into collectible items.

The idea for the logo came up during a staff excursion to the exclusion zone.

"We experienced untransferable

Chornobyl's logo to change every year, symbolizing healing

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emotions and got the idea to create a brand for this territory. We talked with the administration of the zone and they supported us," says the project manager Iryna Pikalova by email.

It took around one year to complete the idea.

"We are particularly proud that we have an opportunity to implement creativity in the public sector of Ukraine. And most of all – that this creativity works," Pikalova writes.

Together with Other Land Studio and Orient Web Development, they



CHORNOBYL 2031

also created a new website to present information about the exclusion zone and how to visit it.

Banda is an award-winning agency famous in Ukraine for unconventional and creative ideas.

The team was behind the "Ukraine NOW" brand that the country uses to promote itself abroad. The agency also previously developed advertising strategies for companies like Puma, OLX, Moyo, Good Wine and even for the Eurovision Song Contest.

Banda ranked as the most effective independent agency in 2020 by the global Effie Index awards. 📌



Volodymyr Petrov

A visitor takes a picture of the Ferris wheel in Pripyat during a Chornobyl tour excursion. While the Chornobyl nuclear disaster lives on within the global collective memory, the towns within the 30-kilometer Chornobyl exclusion zone are disappearing. Advertising agency Banda has created a new logo for the exclusion zone as a way to remind people of the worst nuclear tragedy in history.

Workouts for those trying to be fit at home amid pandemic

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Fizmat

Fizmat is another popular gym chain that has two outlets in Kyiv. The company keeps its menu minimalistic but sufficient, providing six kinds of training and promising to help clients fall in love with the sports.

As for the online options, Fizmat offers five pre-recorded programs to join. Each one covers from five to eight training sessions that remain available to a client permanently after watching.

The program list includes "Home Alone Functional" that targets all muscle groups with exercises of various intensity, "Barre" which uses static contractions to target core muscles, "Stretching Anatomy," "Smart Yogi" that also touches on meditation and even "Face Fitness."

Each program usually costs Hr 690-990 (\$25-35). Right now Fizmat has a special offer for some of them for Hr 490 (\$18). Sign up at www.fizmat.me.

Hitworks/Facebook



Kyiv fitness studio chain Hitworks provides individual training programs for those who prefer the safer option of working out at home during the COVID-19 pandemic.

Smartass

The Smartass gym is famous for

its unconventional approaches, house-developed programs and attention to detail. The venue combines a sports club, a cafe and a beauty salon under one roof.

During the quarantine, Smartass adopted some of its star workouts for home. The choice offers total body sessions mixing cardio and strength, Tae Bo training that incorporates martial arts techniques and workouts that target specific muscle groups such as lower body and abs, upper body and abs, core and abs.

After signing up for a session and paying online on the gym's website, a link to an online workout appears in the personal account. The link remains available for 24 hours.

Another option is "Smart Month," a program that gives access to 12 pre-recorded sessions that include some of the gym's most popular types of training.

A single workout costs Hr 100 (\$4). Sessions come in packages of 5, 10, 25 and 50 workouts. The more workouts one buys, the smaller the price of a single one is in the end. "Smart Month" program – Hr 990 (\$35). Sign up at www.smartass.ua. 📌

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