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# Kyiv Post

UKRAINE'S GLOBAL VOICE • SINCE 1995

26th year!

I joined team of prosecutors in PrivatBank case to show results



Opinion

Iryna Venediktova

There have been 30,000 criminal proceedings which, in one way or another, related to PrivatBank, the state's largest financial institution. The bank was nationalized in 2016 after losses by its previous owners, Ihor Kolomoisky and Hennady Boholyubov, forced a \$5.5 billion taxpayer bailout.

Two-thirds of those cases – 20,000 – have already been closed. Another 700 under investigation relate to crimes in office, while 40 are particularly relevant and high-profile.

Probably the most high-profile criminal proceeding on the grounds of embezzlement was initiated back in 2017. And since 2019 the investigation has been carried out by National Anti-Corruption Bureau of Ukraine detectives.

However, until 2021, not all necessary investigative and procedural actions were taken to confirm the facts of crime and determine damages, in particular: temporary access to all necessary documents of PrivatBank relating to the committed criminal offense; conducting repeated forensic economic examination; conducting computer and technical examination of the electronic document management system of the bank; conducting a handwriting analysis of the signature made on behalf of the potential suspect and other participants in the criminal offense; interrogations of the bank's employees regarding the preparation, execution, approval, and signing of documents that became the basis for illegal embezzlement of the bank's funds; interrogations of all members of the credit committee of PrivatBank on the circumstances of decision-making at their meetings.

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# Sanctions: Why Now?

## Zelensky deploys a sharp tool to bypass Ukraine's hopeless judges, prosecutors & police



The National Security and Defense Council holds a meeting in Kyiv on Oct. 29, 2020. The council has become an important tool in the hands of President Volodymyr Zelensky. So far, it has shut down Russian propaganda, returned a stolen gas pipeline, nationalized a crucial aircraft engine manufacturer and banned former Kremlin-linked officials from doing business in Ukraine.

By Oleksiy Sorokin  
sorokin@kyivpost.com

After being held back by discredited courts and a decentralized and malfunctioning parliament, President Volodymyr Zelensky found a way to fast-track his agenda.

The National Security and Defense Council has suddenly become the

most talked-about institution under Zelensky. Since early February, the council has imposed severe sanctions on those either considered untouchable or who have been left, with some exceptions, mostly unscathed by Ukraine's judicial system.

In what could be called a very belated act, the latest targets include ousted ex-President Viktor Yanukovich and his associates ex-Prime Minister

Mykola Azarov and fugitive oligarch Serhiy Kurchenko, who is still believed to be doing business in Kremlin-occupied Donbas.

These people and many other members of the Yanukovich administration, however, fled the country more than seven years ago because of the Euro-Maidan Revolution that ousted them.

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### Key steps to liberalize the labor market



Opinion

Mikheil Saakashvili

In order to move on from the Soviet past, Ukraine should take the path of economic liberalization. Since the launch of my column in the Kyiv Post, I have provided an overview of multiple policy areas that need urgent reform.

Although all of them are equally important, the scope of work that needs to be done is significantly more extensive and includes many more branches of societal and government relations. Labor relations are one of them.

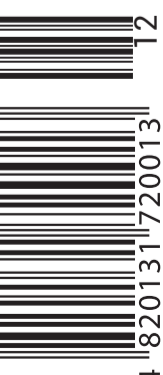
Core Ukraine's labor regulations are outdated – they were passed in 1971 – and fail to effectively meet the needs of the modern labor market. The Soviet approach rooted in the idea of one-sided dependence between employers and workers resulted in the imbalance of rights and responsibilities. In free-market economies, employment is seen as a voluntary exchange based on self-interest. Hence the state's intervention should be limited so that the two parties can get the most out of their interaction.

Hiring and dismissing workers should be easy and simple. The bureaucracy that comes in the way blocks access to jobs, and, therefore, puts breaks on our propensity aspirations. In Ukraine, businesses and potential employees need to sign a standardized employment agreement or employment contract.

In the United States, on the other hand, most employees do not have any employment contracts, written or otherwise. However, high-level executives and managers typically put together written employment agreements to address issues such as obligations, compensation, restrictive agreements, and any post-termination dismissal obligations.

A backward-looking system of remuneration, granting vacations,

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Magazine is coming out on April 2



Special supplement

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A man crosses a bridge over the dry North Crimean Canal in Crimea's Kirovsky region on April 17, 2014. Before Russia invaded Ukraine's peninsula in 2014, the canal supplied up to 85% of Crimea's annual water needs. The canal was closed by the Ukrainian government because of Russia's ongoing illegal occupation.



AFP

# What's up with the Crimea water crisis? (EXPLAINER)

By Anastasiia Lapatina  
lapatina@kyivpost.com

Since Russia annexed Crimea in 2014, pro-Kremlin media has been fueling the belief that Ukraine's closure of the North Crimean Canal left Crimeans without drinking water.

The canal covered 85 percent of the peninsula's water needs, and many believe that its closure led to a water crisis in occupied Crimea. The occupants even called the water blockade an "act of genocide."

The Kyiv Post explains the reality of Crimea's water crisis.

## What is the Crimea water crisis?

It's the limited access to clean water that Crimea suffers now.



A man pumps water from the nearly empty North Crimean Canal in Crimea's Kirovsky region on April 27, 2014.

AFP

In 2014, when Russia invaded and then illegally began occupying the peninsula, Ukraine shut off the water supply through the North Crimean Canal. It led to water shortages, exacerbated by the driest seasons in over a century.

Crimean cities periodically have disconnections of water supply, sometimes receiving water only for two hours a day.

## Why did Ukraine close the North Crimean Canal?

Shutting off the North Crimean Canal from the peninsula is an economic sanction. Part of Ukraine's strategy in regaining control of

Crimea is to make the occupation too expensive for the Russians.

"Ukraine did not block any natural water course or river carrying water to Crimea. It merely suspended the artificial water preference that was previously provided to accelerate the economic and agricultural development of the peninsula," First Deputy Foreign Minister Emine Dzheppar told the Kyiv Post. "This is the price of the occupation, which will only rise."

Ukraine's Foreign Ministry says the canal will be reopened only after Russia returns Crimea to Ukraine.

The ministry believes that Russia is demanding water for the mili-

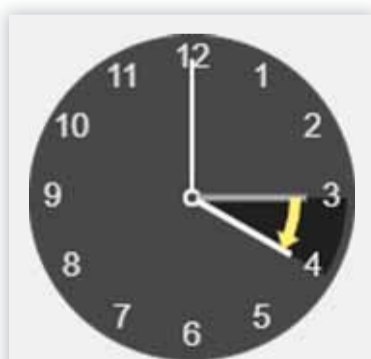
tarization of Crimea, including military bases and the thousands of newly arriving soldiers.

There is enough water in Crimea for the needs of civilians, the ministry says.

According to the 1949 Geneva Convention, providing the population with necessities like drinking water is the responsibility of the occupying state.

## Where did Crimea get water before occupation?

With its dry, semi-desert climate and lack of large rivers, the peninsula has



March 28, 2021  
— Daylight Saving Time Starts

On Sunday, the sun will rise at 6:42 a.m. and set at 7:23 p.m. as longer summer days approach.

# No solution is seen until Russia returns Crimea to Kyiv

page 2 →

always struggled with a lack of clean water. In the 1950s, only 155 out of 926 villages in Crimea had regular access to drinking water.

This changed in 1971 when the 400-kilometer-long North Crimean Canal was built. It brought 1 billion cubic meters of water from the Dnipro River every year.

Up to 85 percent of water consumed in Crimea before the occupation came from the North Crimean Canal.

Every year, the peninsula used around 1.2 billion to 1.6 billion cubic meters of water.

Crimea's natural water resources range from 915 million cubic meters to 430 million in dry years, such as 2020, according to the "The Socio-Economic Situation in Occupied Crimea in 2014–2020" report by Crimean economists.

There are 23 large water reservoirs on the peninsula — 15 natural flow and eight off-stream reservoirs — which together contain up to 400 million cubic meters of water.

Natural flow reservoirs get water from rivers and precipitation during the autumn-winter period, spring floods, and more rarely from summer showers. Off-stream reservoirs are filled artificially from water sources such as the North Crimean Canal.

Underground sources can provide up to 100 million cubic meters of water each year.

## How do the occupants supply Crimea with water?

Russia's occupying government relies mainly on Crimea's reservoirs and some underground streams.

Some of the 22 water reservoirs

have dried out or approaching their minimal capacity.

Eight of them used to receive water from the North Crimean Canal. Out of these eight, four provided drinking water for households.

The occupants are trying to solve the problem by finding more underground wells, drilling through the ground and boring underground freshwater. Ecologists warn against the widespread use of this technique because it leads to an increase in water salinity, which eventually makes the wells unusable.

The occupants have also tried fixing some of the older reservoirs to prevent big losses of water. Russia has allocated over \$686 million to solve the issue of water in Crimea.

## Who are the main consumers of water in Crimea?

Before 2014, the majority of water in Crimea was consumed by the agricultural sector, mainly for the production of rice, soy and grains.

Every year the peninsula used around 1.2 billion to 1.6 billion cubic meters of water, of which 950 went to agriculture.

Households consumed 103 million cubic meters of water per year. The number goes up fourfold during dry seasons, resulting in drinking water consumption of up to 450 cubic meters.

## Did people start consuming more water?

Yes, but not enough to cause the crisis.

Since the annexation, the de facto population of Crimea increased by up to 1 million people, from 2.3 million to over 3 million. While some Crimeans fled after occupa-



Crimeans collect reserved drinking water from a truck following Ukraine's closure of the North Crimean Canal on May 13, 2014.

tion, Russian migrants flocked to the peninsula.

One person in Crimea consumes an estimated 53 cubic meters per year, meaning that the migration flow might have increased water consumption by up to 53 million cubic meters. That's 5% of Crimea's pre-occupation water consumption, which can still be covered by Crimea's own water resources.

## Does Crimea need more water because Russia militarized the peninsula?

It's possible but there isn't enough evidence of that.

Russian troops have been located in Crimea before the occupation, under the treaty that divided the Soviet Black Sea Fleet between Ukraine and Russia. Since the occupation in 2014, their numbers increased — but no one knows exactly by how many.

Right before the occupation, there were 12,500 Russian troops on the peninsula.

Three years later, there were 60,000 Russian troops on the ground, with enough infrastructure to potentially accommodate 100,000, according to local analysts. However, Dzheppar told the Kyiv Post there are 32,500 Russian soldiers in Crimea at the moment.

More military equipment also requires more water.

"Under the pretext of 'humanitar-

ian need,' the Russian occupation authorities in Crimea demand water for the accelerated development of military facilities and enterprises," one statement by the Ukrainian Foreign Ministry said.

Some experts believe the amount of water needed to sustain the military can't be large enough to cause problems.

"Military structures get around 2% of annual water consumption," Alexander Liev, who headed the Committee for Water Management and Irrigated Agriculture in Crimea's parliament from 2010 to 2014, told the Kyiv Post. "It is (Ukraine's) political slogan, but the issue is not the military."

## Is the climate in Crimea that's getting drier?

Last year saw the driest seasons in Crimea in 150 years.

An extremely dry winter left almost no snow to melt and fill the water reservoirs.

In the past, dry seasons destroyed harvests and caused water shortages in Crimea once a decade.

## Who lacks water now?

Agriculturalists, especially in Northern Crimea, have suffered the most from Ukraine's water blockade.

Crimean rice, which amounted to 80% of Ukraine's total rice production, hasn't grown on the peninsula in five years.

"But of course no one in the Kremlin is bothered by this. Crimea was not seized for the rice," Liev said.

In 2013, the area of irrigated land on the peninsula was approximately 140,000 hectares. By 2015, it decreased to 11,000 hectares because of water shortages.

While Crimean agriculture was virtually destroyed when the canal was closed, there has always been

enough water for the civilians.

Crimea's own reserves contain up to 450 million cubic meters of water during dry years, which is enough to sustain all households even considering the migration flows.

"No one is going to die from thirst, that's a myth," Liev told the Kyiv Post.

## Is Russia trying to force Ukraine to supply water to Crimea?

Russia continues to push an aggressive propagandist narrative calling the water blockade "attempted genocide."

But military experts worry that Russia may use its military to access the water from the Dnipro River.

"Crimea is the key platform for the Kremlin to dominate the Black Sea, to export its influence into Syria, the Eastern Mediterranean, and onto Africa," Ben Hodges, a retired commanding general of the United States Army Europe, told the Kyiv Post. "The water crisis is a potential pretext for the Russian Federation to send troops to do something in Northern Crimea, in the Kherson region."

The general also thinks Russia's potential long-term goal is to cut Ukraine's access to the Black Sea entirely, occupying the coastal regions of Odesa, Mariupol, and Berdiansk.

"During the last seven years the occupying power has continued depleting Crimea's water resources and bringing closer the looming humanitarian and environmental disaster," Dzheppar told the Kyiv Post.

"The key to solving the problem lies in reversing Russian policies. Crimea is Ukraine and the Kremlin only has to acknowledge it. The sooner, the better." ☹



THE Crimean peninsula depends on Ukraine's water supplies. When Russia invaded Crimea in 2014, Ukraine cut the North Crimean Canal's access to water from the Dnipro River. It is set to renew the supply only when the peninsula returns to Ukrainian control.

EDITORIALS

# Robbing Ukraine blind

On March 22, President Volodymyr Zelensky signed into law the creation of the Bureau of Economic Security to investigate big economic and financial crimes, reminders are all over about why such an agency is needed.

Ukraine's economy leaks so much money to corruption and financial crime that it's hard to estimate that losses, but they're easily into the hundreds of billions of dollars since Ukrainian statehood in 1991. In the last decade alone, Ukraine's banking sector collapsed at a cost of \$20 billion and counting to Ukrainian taxpayers — most of it due to fraudulent insider loans that were never repaid. Official estimates of the scale of theft under ex-President Viktor Yanukovich's rule from 2010–2014 are \$40 billion. If offshore tax evasion is added in, the scale of the theft adds up to a significant share of Ukraine's economy. Think how much richer this nation would be — how much better education, health care, pensions & transportation would be — if Ukraine's law enforcers could stop the theft and deter it from happening in the future.

But only a trickle of the stolen money has ever been returned and no one has been punished. Instead, state agencies have been instigators of economic crimes. The Security Service of Ukraine, the nation's most powerful law enforcement agency, shakes down businesses for bribes. Prosecutors do the same — taking money to open and close cases. And don't get us started on judges, many of whom live for exotic bribes.

A lot could go wrong with the Bureau of Economic Security. If it doesn't have full legal powers and top-flight financial investigators, it could worsen Ukraine's corruption epidemic rather than cure it.

Related to financial crime, the 2nd Kyiv Post Legal Talks on Wednesday, March 31, at 4 p.m. (livestreamed on our website & Facebook page) will tackle the issue of non-performing loans in Ukraine's banking sector. We are calling the talk: "Ukraine's mountain of bad debt: How to collect?"

The total volume of unpaid loans — by definition, those in which the borrowers stopped paying for at least three months — amounts to a staggering \$15 billion. That is 41% of the entire loan portfolio of the nation's banks. This amounts to 30% of the government budget in a single year. Much of this money was due to simple bank fraud. Bank owners took advantage of corruption and lax regulations in the National Bank of Ukraine to lend depositors' money to themselves — and their cronies, who had no intention of paying any of it back.

The clean-up of the banking sector as only partial. About half of the nation's banks were shut down, leaving only about 90 on the market today, the largest of which are state-owned. There was no other choice. They were bankrupt. But under ex-President Petro Poroshenko, nothing was done to prosecute bank fraud and little done to return the money.

Leading the way, of course, in bad banks was PrivatBank. Its billionaire oligarch owners Ihor Kolomoisky and Hennady Boholyubov allegedly made off with \$5.5 billion, forcing the state to nationalize it in 2016 with a state bailout. Its share of bad loans was an outstanding 73% — much of it, allegedly, going to Kolomoisky and his cronies and corporate fronts.

Unfortunately, despite abundant evidence that is emerging in civil lawsuits against Kolomoisky and criminal investigations under way in the United States, Ukraine has not charged him with bank fraud — only his underlings — and has not moved against his vast business holdings.

But he is only the biggest and most conspicuous of the alleged bank robbers. With such impunity, such fraud is bound to happen again — at the expense of all Ukrainians.

# Out of control

Ukraine set two records on March 25 for the number of coronavirus infections (16,669) and deaths (362) in a single day. What will tomorrow bring? Some people forecast up to 24,000 daily infections. Not long ago, that number would have been dismissed as fear-mongering hype. No longer. And it long ago stopped being a theoretical threat: A third of the Kyiv Post staff has been infected. Fortunately, all of us have recovered.

There is no quick relief in sight from the virus that threatens to cause as much or more death in 2021 as it did in 2020. Ukraine appears headed for another nationwide lockdown, which will inflict more economic damage.

The nation is not alone in experiencing a surge in infections or in making mistakes in battling the global pandemic. But it is in danger of having a pandemic that lingers for years longer than other nations if it doesn't get its act together soon. The vaccination campaign is nowhere near what it has to be — with only one person getting both doses of vaccine as of March 25, and less than 160,000 first-shot vaccinations. Today, some European countries vaccinate more people a day than Ukraine did in a month.

To pick up the pace, politicians need to stop behaving irresponsibly in stoking misguided anti-vaccine sentiment. They need to start orchestrating a public campaign on the need to be inoculated. A recent survey found that almost half of Ukrainians said they would probably not get vaccinated even if it is free. It's shocking in a world where people are rightly clamoring for vaccines.

Such sentiments will make it less likely that donors — and Ukraine still needs donors — will divert enough of the precious vaccines our way.

Disinformation about vaccination rages on social media. As a result, another recent study showed that most Ukrainians believe that COVID-19 was produced and released on purpose, with many believing it was done to reduce the population of our planet. It shows the people's vulnerability to disinformation.

It underscores the need for the government to hold an educational campaign and promote the science-based facts about vaccination: That any risks of vaccination don't come close to the much bigger risks of infection, and that the world won't ever go back to normal without mass vaccinations.

We can grit our teeth and endure more lockdowns, reluctantly. Yet the reality remains: Vaccines are the only way out, but only in nations that see the light.



NEWS ITEM:

The President's Office press service said that protesters, who on March 20 rallied against the seven-year jail sentence of Odesa activist Serhiy Sternenko, caused damage to state property worth more than \$70,000. The protesters wrote slogans and exclamations on the President's Office building with spray paint. They also broke windows, threw smoke grenades and tried to set the wall plate that says "President of Ukraine" on fire.



NEWS ITEM:

Self-proclaimed Belarusian President Alexander Lukashenko, who's been ruling the country for 26 years, has asked Belarusians to be "patient" and said Belarus will have other presidents in the future. "I promise," he said. Lukashenko proclaimed himself president of Belarus after a rigged presidential election on Aug. 9. In response, Belarusians have been protesting ever since.



NEWS ITEM:

The Ukrainian Orthodox Church of the Moscow Patriarchate organized mass marches in some of Ukraine's biggest cities, including Kyiv, Zaporizhia and Kharkiv, to "pray for peace" on March 21. It happened while 10 oblasts in Ukraine as well as Kyiv are under lockdown, trying to slow the third wave of coronavirus infections. Many people didn't even wear masks during the marches.



NEWS ITEM:

An unknown man has broken into a garage that belongs to the National Anti-Corruption Bureau of Ukraine, or NABU, in Odesa on March 22. He stole scrap metal. NABU is a Ukrainian law enforcement anti-corruption agency which investigates corruption in Ukraine and prepares cases for prosecution. The agency usually investigates high-profile corruption cases in Ukraine.

See these features online at [kyivpost.com](http://kyivpost.com)

### Ukraine's Friend & Foe Of The Week



Friend

**Annalena Baerbock**, Germany's Green party co-leader recently made it her party's priority to stop the Nord Stream 2 pipeline after federal elections in Germany this autumn. The \$11 billion pipeline would allow Russia to pump 110 billion cubic meters of gas directly to Germany, bypassing Ukraine.



Foe

**Armin Laschet**, the leader of Germany's conservative Christian Democratic Union party wants to stick to Nord Stream 2 for economic interests at the expense of Ukraine and the European Union. The stance undermines Western goals of getting Russia to end its war in Ukraine and return the Crimean peninsula.

### 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](mailto:bonner@kyivpost.com). All correspondence must include an email address and contact phone number for verification.

# When is the vaccination campaign in Ukraine going to pick up speed?

By Olga Rudenko and Anna Myroniuk  
rudenko@kyivpost.com  
myroniuk@kyivpost.com

One month in, Ukraine's vaccination campaign is still struggling to pick up the pace.

Ukraine has vaccinated only 155,586 people as of March 25 and only one person has received the required two doses. On some days, Poland administers more shots than Ukraine did in a month. At this pace, Ukraine will take years to vaccinate its population.

Difficult logistics and disinformation-fueled distrust slow down the pace of immunization in Ukraine.

Supplying vaccines is proving problematic, too.

Ukraine received a fresh supply of 1.9 million doses of Sinovac, a Chinese-made vaccine, on March 25. But Ukraine's anticipated delivery of 1.5 million doses of AstraZeneca/Covishield vaccine from India is at risk: India said it will be stopping exports until the local producer satisfies the country's own demand for vaccines.

But it's not all bad news.

On March 22, Ukraine moved into the second stage of the COVID-19 vaccination campaign. This marks an important change that can speed up the vaccination drive.

## Who got vaccinated in the first wave?

Ukraine started vaccinating its citizens on Feb. 24. Since then, the mobile brigades have given jabs to 121,024 out of 367,000 people in the first high-priority group that includes doctors who treat COVID-19 patients and soldiers on the Donbas frontline.

But they weren't the only ones who got the vaccine. To popularize vaccination, the government allowed the use of leftover doses to vaccinate opinion leaders, celebrities, bloggers

Volodymyr Petrov



A person receives a dose of the AstraZeneca/Covishield vaccine at a private hospital in Kyiv, on March 5, 2021.

and journalists.

The first stage of vaccination continues as the second one begins.

## Who will vaccines now?

Family doctors, other medical workers, social workers and people over 80 years old will be vaccinated in the second wave.

Importantly, this also means that vaccination points will be established in regular hospitals. Previously, vaccination took place in COVID-19 hospitals, which meant that inviting people to be vaccinated with leftover doses exposed them to infection.

The plan is to start with 565 vaccination points around the country, apart from mobile brigades. The number of vaccination points will increase to 2,500 when the new

doses arrive.

## What is the order of vaccination?

The plan for vaccination was rolled out in January.

First stage, February-April – doctors at COVID-19 wards and troops on the front lines of the war in eastern Ukraine;

Second stage, April-May – primary health care staff and Ukrainians ages 80 and older (1.9 million);

Third stage, May-June – the remaining medical staff;

Fourth stage, June-July – Ukrainians ages 70–79;

Fifth stage, July-August – the staff of state security agencies;

Sixth stage, August-September – Ukrainians ages 65–69;

Seventh stage, September-October – the staff of schools and other education facilities;

Eighth stage, October-November – Ukrainians ages 60–64;

Ninth stage, November-December – other unspecified categories.

The government planned to vaccinate 367,000 people within the first wave. So far, less than half of that number received first doses.

## Can foreigners be vaccinated in Ukraine?

So far, no. Only Ukrainian citizens are officially eligible for the vaccines distributed for free by the government.

The vaccine isn't commercially available in Ukraine yet. The only

company known to have ordered COVID-19 vaccine for commercial distribution said it expects to receive it in spring.

## What are leftover doses?

The vaccine Ukraine currently uses comes in 10-dose packages. After one is opened, the vaccines in it can be used within six hours. If, for example, 62 people are vaccinated, it means that seven packages were opened, and the vaccination point has eight leftover doses. When those doses aren't used, they expire and get utilized. As of mid-March, Ukraine lost over 200 doses this way.

## Does Ukraine have enough vaccines

No, not nearly so.

So far, Ukraine received two batches of vaccines: 500,000 doses of Covishield/AstraZeneca, produced by India's Serum Institute, in February, and 1.5 million doses of Sinovac from China in March.

The country will also receive at least 8 million doses from COVAX, the global coronavirus vaccine alliance. The first delivery from COVAX is expected at the end of March or in early April. It will include 570,000 doses of AstraZeneca vaccine and 1.2 million doses of Pfizer-BioNTech.

Altogether, the government said that Ukraine booked 30 million doses of vaccine. It will be enough to vaccinate 15 million people.

Ukraine has 42 million people. The government plans to offer a vaccine to at least 21 million people by the end of the year.

## Why did Ukraine increase the interval between two doses?

Three weeks after the vaccination campaign started in Ukraine, the country changed its protocol: The second dose of the AstraZeneca

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**LEGAL TALKS**

## UKRAINE'S MOUNTAIN OF BAD DEBT: HOW TO COLLECT?

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# Zelensky's new & effective weapon: National Security & Defense Council

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This council this year also voted to topple the TV empire and other businesses of pro-Kremlin lawmaker Viktor Medvedchuk, leader of the 44-member Opposition Platform — For Life party.

There is speculation about who else will end up under sanctions and whether the council will be used to finally tackle Ukraine's oligarchs. The council's almost-weekly Friday meetings became a must-watch series.

"We're talking about a mechanism that's instant, doesn't require a formal investigation and doesn't need to go through court," said Volodymyr Fesenko, head of the Penta Center for Political Studies.

"Zelensky loves it," Fesenko added.

## History of insignificance

The National Security and Defense Council has been around since 1996. But its powers varied.

The council was created under then-President Leonid Kuchma to advise the president on national security, gather intelligence from all government agencies and react quickly to crises.

In 2014, the NSDC was given power to impose sanctions on foreign citizens, companies, countries and industries, introduce martial law and force Ukrainian government bodies, such as the Security Service of Ukraine and the Interior Ministry to investigate



Lawmakers from the pro-Kremlin Opposition Platform — For Life party, the second-largest faction in the Verkhovna Rada, issue a statement on the parliament floor on Feb. 3, 2021, denouncing sanctions against lawmaker Taras Kozak and his three TV channels. Kozak is a close ally of party co-leader Viktor Medvedchuk, who is alleged to be the real owner of the channels.

people, companies and organizations.

Ukrainian citizens and companies can only be sanctioned if they sponsor terrorism, which includes financing or doing business in Russian-occupied areas of Ukraine.

The council is headed by the president and includes top government officials, including the prime minister,

the head of the Security Service, the interior minister, and the head of counter intelligence.

Today it consists of 21 people. The only appointee is the council's secretary, Oleksiy Danilov, who presides over the NSDC's day-to-day work.

In the past, the council has rarely made so many headlines.

## Poroshenko's sanctions

In 2014, after Russia launched its ongoing war against Ukraine, parliament voted to expand NSDC's powers.

One of the council's best-known moments under ex-President Petro Poroshenko came in 2017, when it imposed sanctions on 1,128 peo-

ple and several Russian companies. Most famously, it blocked popular Russian social media Vkontakte and Odnoklasniki, as well as online service Yandex.

But Poroshenko wasn't consistent in his approach to Russian-affiliated people and companies.

In October 2018, he stopped the council from banning pro-Kremlin TV channels affiliated with Medvedchuk. He said he wanted to avoid accusations of attacking freedom of speech.

Around the same time, Poroshenko used the council to impose a month-long martial law in regions that border Russia after the Kremlin attacked and seized Ukrainian military vessels.

## Zelensky's weapon

Zelensky didn't deploy the council until 1.5 years into his presidency, when his control over parliament weakened.

"We understand that there's an oligarchic influence over parliament, it's sometimes hard to find the required votes, the judicial system is unreformed, in these circumstances the NSDC becomes an instrument through which it is easier to implement swift decisions," said Oleksiy Haran, research director of the Democratic Initiatives sociological institute.

Zelensky's 245-member Servant of the People faction dominates the parliament — on paper. In reality, the influence of oligarchs and shadow power brokers makes the party hard to control.

Billionaire oligarchs Ihor Kolomoisky and Rinat Akhmetov are reported to control some 30 of Zelensky's lawmakers each.

This was easily spotted during the two failed attempts to appoint former Naftogaz top manager Yuriy Vitrenko as energy minister. The governing party drew only 177 votes.

Frustration over Ukraine's corrupt and ineffective judicial system likely contributed to Zelensky's determination to go through the council.

A Ukrainian court has never sentenced a big-fish politician or businessman.

Zelensky got a wake-up call about the state of judiciary when the Constitutional Court and a tainted Kyiv District Administrative Court came close to destroying Ukraine's anti-corruption infrastructure in October.

With the weak parliament and corrupt courts, Zelensky needed a tool over which he had direct control, and which could implement decisions the judicial and legislative branch couldn't.

"Zelensky is currently using several instruments to return momentum to his presidency and to maintain electoral support, and the Defense and Security Council is one of these instruments," said Haran.

## Medvedchuk, Fuks, Yanukovych

In October, Danilov, a low-profile political figure, took charge of the NSDC. Sanctions soon followed.

Danilov was the mayor of Luhansk, a regional capital now occupied by

## Ukrainians who are currently sanctioned by the European Union and the United States

### EuroMaidan Revolution

**Viktor Yanukovych** (EU, US) — former president of Ukraine — accused of corruption and organizing the murders of protesters during the 2013–2014 EuroMaidan Revolution, which ousted him; called on Russia to invade Ukraine

**Oleksandr Yanukovych** (EU, US) — ex-President Viktor Yanukovych's son — accused of corruption

**Vitaly Zakharchenko** (EU, US) — ex-interior minister — accused of corruption and organizing the murders of protesters during the 2013–2014 EuroMaidan Revolution

**Viktor Pshonka** (EU) — ex-prosecutor general — accused of corruption

**Artem Pshonka** (EU) — Viktor Pshonka's son — accused of corruption

**Viktor Ratushnyak** (EU) — ex-deputy interior minister — accused of organizing the murders of protesters during the 2013–2014 EuroMaidan Revolution

**Serhiy Kurchenko** (EU, US) — businessman and ally of Yanukovych — accused of corruption

**Oleksandr Klymenko** (EU) — former tax minister — accused of corruption

**Serhiy Arbuzov** (US) — ex-deputy prime minister — accused of corruption

**Mykola Azarov** (US) — ex-prime minister — accused of corruption

**Raisa Bohatiryova** (US) — former health minister — accused of corruption

**Andriy Klyuyev** (US) — Yanukovych's former chief of staff — accused of corruption

**Eduard Stavitsky** (US) — ex-energy minister — accused of corruption

**Dmytro Tabachnyk** (US) — ex-education minister — accused of corruption

**Viktor Medvedchuk** (US) — lawmaker from the pro-Russian Opposition Platform — For Life party — supported Yanukovych's regime during the 2013–2014 EuroMaidan Revolution, promoted Russian President Vladimir Putin's interests during the annexation of Crimea and Russia's war against Ukraine

### Russia's annexation of Crimea

**Sergei Aksyonov** (EU, US) — head of Russia's occupation administration in Ukraine's Crimea — took part in Russia's annexation of Crimea

**Denys Berezovsky** (EU) — commander of the Ukrainian Navy who defected to Russia — took part in Russia's annexation of Crimea

**Natalia Poklonskaya** (EU, US) — former chief prosecutor of Russia's proxies in the Donbas, currently a member of Russia's parliament — took part in Russia's annexation of Crimea

**Vladimir Konstantinov** (EU, US) — head of the Russian occupation administration's "parliament" in Ukraine's Crimea — took part in Russia's annexation of Crimea

### Russia's war against Ukraine

**Pavel Gubarev** (EU, US) — former leader of Russia's proxies in Donetsk — took part in Russia's invasion of the Donbas

**Denys Pushilin** (EU, US) — head of Russia's proxies in Donetsk — took part in Russia's invasion of the Donbas

**Igor Plotnitsky** (EU, US) — former head of Russia's proxies in Luhansk — took part in Russia's invasion of the Donbas

**Leonid Pasechnyk** (EU) — leader of Russia's proxies in Luhansk — took part in Russia's invasion of the Donbas

**Oleh Tsaryov** (EU, US) — former leader of Russia's proxies in the Donbas and ex-member of Ukraine's parliament — took part in Russia's invasion of the Donbas

**Igor Bezler** (EU, US) — a Russian-backed militant in the Donbas — took part in Russia's invasion of the Donbas

### Interference in the 2020 U.S. presidential election

**Andriy Derkach** (US) — pro-Russian member of parliament — interfered in the 2020 U.S. presidential election by publishing tapes claiming to demonstrate that U.S. President Joe Biden interfered in Ukraine's domestic affairs when he was running for his current office

**Oleksandr Dubinsky** (US) — member of parliament expelled from President Volodymyr Zelensky's Servant of the People party — interfered in the 2020 U.S. presidential election by promoting narratives spread by former U.S. President Donald Trump about Biden, took part in the presentation of Derkach's tapes

**Kostyantyn Kulyk** (US) — former top prosecutor — interfered in the 2020 U.S. presidential election by investigating Biden's son Hunter's membership on the board of oil company Burisma as part of Trump's effort to frame Biden

**Oleksandr Onyshchenko** (US) — former member of parliament and suspect in an embezzlement case — gave Derkach tapes that he claimed demonstrated Biden's interference in Ukraine's domestic affairs

**Andriy Telyzhenko** (US) — former employee of Ukraine's embassy in the U.S. — interfered in the 2020 U.S. presidential election by promoting debunked narratives spread by Trump about Biden

# High-profile Ukrainians sanctioned by the National Security and Defense Council



Starting from Feb. 2, the National Security and Defense Council began imposing sanctions against high-profile Ukrainian citizens for sponsoring Russian-led militants. Among those sanctioned by the NSDC are officials who worked under ex-President Viktor Yanukovich, former Ukrainian citizens who sided with Russia and two current Ukrainian lawmakers Viktor Medvedchuk and Taras Kozak, known for being close to the Kremlin. Their close associates were also included in the sanctions list.

## National Security and Defense Council becomes Zelensky's new-found weapon

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Russia, in the mid-1990s, and governor of Luhansk Oblast in the early 2000s.

On Feb. 2, the council issued personal sanctions against Medvedchuk's closest ally, pro-Kremlin lawmaker Taras Kozak and his three nationwide TV channels — NewsOne, Channel 112, and ZIK, which aired Kremlin propaganda about Ukraine.

The ruling implied that Kozak and Medvedchuk illegally sold coal from Russian-occupied Donbas. As a result of the sanctions, the three TV channels immediately shut down.

The decision also served a political goal. Shortly before that, Medvedchuk's pro-Kremlin party secured first place in the polls, bypassing Zelensky's Servant of the People party.

The decision was praised by pro-Ukrainian activists, giving the president a green light for further action. In two weeks, Medvedchuk himself was sanctioned.

The public supported these actions.

"It had a positive effect, so now they want to keep imposing sanctions weekly, they want to continue the hype," says Fesenko.

More recently, the council turned its attention to Yanukovich, Ukraine's

Kremlin-backed president from 2010–2014. Attacking him would boost Zelensky's popularity.

On March 19, the council imposed individual sanctions against Ukrainian citizens, who collaborated with Russia during its ongoing war against Ukraine.

Among them are Yanukovich, ex-Prime Minister Azarov, fugitive oligarch Kurchenko, Russia-appointed leader of occupied Crimea Sergey Aksyonov, ex-Ukrainian prosecutor turned Russian lawmaker Natalia Poklonskaya and Leonid Pasechnik, the figurehead of Luhansk-based militants.

The sanctions include a ban on financial transactions, asset freezes and cancellation of all permits.

"Zelensky has the political will that Poroshenko didn't have," wrote lawmaker Mykyta Poturaev, representing the president's Servant of the People party. This has become the rhetorical line of Zelensky supporters.

Many facing new restrictions are also under U.S. and European Union sanctions. However, the EU has been gradually lifting sanctions from pro-Kremlin politicians, citing lack of prosecution from Ukraine.

Seven years after the EuroMaidan Revolution, only Yanukovich has been prosecuted for treason. He received a 13-year prison sentence in

absentia in 2019.

"It is logical that Ukraine also imposes such sanctions, and it is strange that they haven't done it in 2014," said Zelensky after the sanctions against 27 people were made public.

Yanukovich was under sanctions, but the new ones are more severe.

Furthermore, the NSDC imposed sanctions on several companies owned by the low-profile Vitaly Lupeto, who is widely considered to be linked to Russian-Ukrainian energy tycoon Pavlo Fuks.

In all, 19 companies were sanctioned. According to Danilov, all those companies have received permits to extract Ukrainian resources illegally.

The decision to nationalize Motor Sich, a major aircraft engine manufacturer, to keep it out of the hands of China, also came through the council.

### Who's next?

The sanctions against anti-Ukrainian politicians and business people are popular in Ukraine and there are no signs that the process of issuing sanctions will soon stop.

However, the law specifies that only Ukrainians who commit terrorism or treason can be sanctioned, seriously limiting Zelensky and Danilov.



Oleg Petrusiuk

Olesiy Danilov, secretary of the National Security and Defense Council of Ukraine, announces the council's decision to impose sanctions against Viktor Medvedchuk and his associates at a press briefing on Feb. 19, 2021.

"There's a great temptation to impose sanctions on Poroshenko or Kolomoisky, but it will raise a lot of questions," says Fesenko.

Kolomoisky, against whom the U.S. imposed travel restrictions, is involved in an embezzlement scheme, which vacuumed \$5.5 billion from PrivatBank, Ukraine's largest bank, prior to its nationalization.

However, Poroshenko and Kolomoisky have not been linked to terrorism.

According to Fesenko, the Council will concentrate on Yanukovich and continue flogging a dead horse.

"You can't find new people each week to impose sanctions on," he added.

On March 11, the NSDC ordered the Security Service of Ukraine to

investigate possible treason committed by a number of high-profile lawmakers in 2010.

Back then, 236 pro-Kremlin lawmakers voted to allow the Russian Black Sea fleet to maintain a permanent base in the Ukrainian city of Sevastopol in Crimea until 2042.

Danilov has pointed out that Ukraine will also assess all decrees issued by Yanukovich for possible treason.

"We must not forget that prosecuting lawmakers for political decisions is inadmissible in court," said Haran. "It's a symbolic gesture that will be used from a political standpoint."

Fesenko said that the weekly sanctions are getting out of hand and one should know where to draw a line.

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# Iryna Venediktova: PrivatBank case is getting attention that it deserves

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## Embezzlement plan by bank's former top officials

Large-scale transactions took place just before its nationalization. While taking into account the position of the owners of the bank's material share, as well as realizing that in the near future it would be declared insolvent and pass under state control, and realizing that in this regard they would lose control over PrivatBank funds, former top bank officials prepared and decided to implement a plan for embezzlement and withdrawal of funds.

So far, two episodes of criminal activity of former top management related to embezzlement of more than Hr 8.3 billion (nearly \$300 million) have been revealed, and we have five suspects whose notifications of suspicion I personally approved.

## Forensic investigation

I joined the team of prosecutors conducting procedural guidance in this criminal case on Jan. 11, 2021, and the next day I gave a number of instructions to detectives. On Jan. 18, I appointed a forensic economic examination, the results of which, with a proven loss in the first episode totaling Hr 136 million (nearly \$5 million), we received in less than a month — on Feb. 13. And already on Feb. 22, I signed a notification of suspicion for three top managers of PrivatBank.

I can say with confidence that this result became possible only due to the coordinated and effective work of the Prosecutor General's Office and NABU detectives. All our actions in this criminal proceeding were clearly coordinated, and through a synergy of efforts we managed to make significant progress in the investigation.

## Episode I: Illegal accrual and payment of additional remuneration to an associated company in the amount of Hr 136 million (nearly \$5 million)

It has been established that the former chairman of the board of PrivatBank, his first deputy and head of the financial management department, who also held the position of first deputy chairman of the board of a private insurance company, decided to withdraw bank funds before its nationalization, which happened on Dec. 19, 2016.

One of the ways to withdraw the funds was to accrue and pay an unreasonable additional remuneration (index-linked fee) under the pretext of an increase in the exchange rate of hryvnia against the U.S. dollar in the country in favor of a bank-associated legal entity under deposit agreements. The officials unreasonably accrued Hr 136 million (nearly \$5 million) as remuneration, while knowing about the decision of the National Bank of Ukraine, which recognized this legal entity as associated with the bank and the fact that the establishment of any privileges for it that are not current market conditions is a violation of the law

Courtesy of Iryna Venediktova



Since her March 2020 appointment, Prosecutor General Iryna Venediktova has been a polarizing figure in Ukraine, accused of blocking corruption cases and destroying key investigations. Her recent criminal charges against former top officials of PrivatBank, Ukraine's largest bank, are the highest profile cases that she has pursued thus far.

of Ukraine "On Banks and Banking."

## Forgery of a letter on behalf of the bank

In December 2016, senior bank officials created a forged document — a letter allegedly dated Jan. 8, 2014, which was signed by the former chairman of the board and addressed to the associated insurance company, with a proposal to place a deposit on the terms of accrual and payment of additional income in the form of indexation, due to the growth of hryvnia against the dollar during the period of placement of funds on the deposit account. In this way, they tried to create the appearance of a legal relationship that's allegedly been in place since 2014 to make further illegal payments possible.

## Forgery of the minutes of the credit committee

Subsequently, PrivatBank officials retroactively forged another document — the minutes of the bank's credit committee dated Jan. 15, 2014, according to which the committee allegedly decided to apply accrual and payment of the indexed deposit fee to the client, i.e., the insurance company, without actually holding meetings of the credit committee and taking decisions on these issues. The final payment date was Dec. 16, 2016.

The decision on the accrual and payment of this indexed fee was also documented by bank officials in the fictitious minutes of the bank's credit committee dated Dec. 16, 2016, the meeting of which did not actually take place.

## Creation of additional agreements to deposit agreements

In order to create the appearance of legality of transactions, bank officials created additional agreements to deposit agreements with a related legal entity and approved the accrual and payment of remuneration in

connection with the increase in the exchange rate of hryvnia against the dollar totaling Hr 136,892,264 (nearly \$5 million), i.e. approved accrual and payment of remuneration in violation of the terms of the bank's order "On the implementation of a new deposit with remuneration in connection with the increase in the exchange rate of hryvnia against the U.S. dollar."

On Feb. 22, 2021, I approved the notification of suspicion of three former high-ranking officials of PrivatBank over the embezzlement of the bank's property for a total amount of Hr 136 million. One of the suspects tried to leave Ukraine on a private jet that day, but thanks to the efforts of law enforcement officers, the aircraft was returned to the ground, and the former first deputy chairman of the board of the bank was apprehended. The circumstances of the leak of information about the procedural action, which was prepared in conditions of strict confidentiality, are currently being studied in the framework of an internal inspection by the General Inspectorate of the Prosecutor General's Office.

The results of the expert examination concerning the second episode were ready on Feb. 19, 2021. I also made a number of written instructions to NABU detectives, and on March 15, I signed a notification of suspicion over the embezzlement of more than Hr 8.2 billion. A notification of the previously notified suspicion over the embezzlement of Hr 136 million was changed for the ex-chairman of the board due the revelation of an even larger scheme.

## Episode II — Unreasonable repayment of \$315 million debt of two Swiss agri-traders to the European bank at the expense of PrivatBank money

The investigators established that the former chairman of the board

of PrivatBank, in complicity with the former deputy chairman of the board of PrivatBank — head of the treasury, and the former head of the department of interbank transactions, as well as other officers of the Bank, embezzled the bank's money by granting fictitious loans to the bank-related legal entity which was registered in the Virgin Islands at that moment, in the amount of Hr 8.2 billion, equivalent to \$315 million.

## Letters of the chairman of the board of PrivatBank

The former chairman of the board of PrivatBank sent two letters and SWIFT-notification to the Latvian bank during Dec. 16–19, 2016, asking to repay the current debt of two Swiss agri-traders to the Latvian bank, totaling \$315 million, at the expense of money belonging to PrivatBank that were held on the correspondent account in the Latvian bank.

Moreover, the former chairman of the board of the bank specified in the SWIFT-notification that after repayment of debts under the letters of credit, the Latvian bank would have to inform the Swiss companies about the full repayment of their debt and to confirm that their debt was cancelled and that the agri-traders didn't have any financial obligations anymore.

## Documentation confirms debtor's replacement

Upon the order of the ex-chairman of the board, in order to cover up the embezzlement of the bank's money, his former deputy — head of the Treasury, as well as the head of the department of interbank transactions of PrivatBank, ordered their subordinate bank officers to come to work during the days-off on Dec. 17 and 18, 2016, and instructed them to enter the necessary information into the databases of the bank regarding the replacement of the debtor and the transfer of the debt of two

agri-traders to the bank-related company. All those actions were made without issuing any minutes by the credit committees or signing any loan contracts, and in violation of the law of Ukraine "On Banks and Banking."

The bank's top managers promised the bank officers to provide them with the supporting documentation later. However, they have only received a copy of forged minutes from the credit committee of PrivatBank.

## Forgery of the minutes of the credit committee

The correspondence of the participants of the crime, which was confiscated during the investigation, shows that after the illegal write-off of the bank's funds and after the nationalization of PrivatBank, namely from Dec. 27 to 30, 2016, they decided to give the transactions a legal form by amending the minutes of the bank's credit committee for previous dates.

Upon my instructions, the investigation appointed and conducted a forensic computer and technical examination, which has established that the former top managers organized the inclusion in the minutes of the credit committee dated Oct. 24, 2016, of an additional item on the provision of a loan to a related company for the balance of debt in US dollars before the Latvian bank and other foreign banks for up to five years and attached the file on the justification of the debtor's replacement, which was allegedly the basis for withdrawal and embezzlement of the bank's funds in the amount of almost \$315 million.

According to the evidence we received, the file was created only on Dec. 30, 2016, and on the same day was attached to the page with the October minutes. In addition, the examination confirmed a number of other facts that prove that the bank's computer system was modified in order to conceal the crime.

At the moment, in total, we have five suspects in two episodes: chairman of the board; first deputy chairman of the board; deputy chairman of the board and head of the treasury; former head of the department of interbank transactions; former head of the department of financial management. The investigation is ongoing.

I am convinced that the National Anti-Corruption Bureau of Ukraine and the Special Anti-Corruption Prosecutor's Office have taken a quite dynamic pace in this criminal proceeding, which was necessary for the case of PrivatBank for a long time since we are talking about the unprecedented documented amounts of losses for Ukraine.

Everyone involved in such a large-scale scheme should be revealed and punished, regardless of their status or surnames. We set such a goal for ourselves, and for this purpose, I became a prosecutor in this proceeding.

*Iryna Venediktova is the prosecutor general of Ukraine. She took office in March 2020. She is a former acting head of the State Investigation Bureau and ex-chair of the Committee on Legal Policy of the Verkhovna Rada. ☉*



# Despite Swedish institute's claim, Ukraine says it stopped selling weapons to Russia

By Illia Ponomarenko  
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A recent report on the global arms market by the Stockholm International Peace Research Institute (SIPRI) caused a stir in Ukraine.

The report suggested that in the past five years, Russia has been the second-biggest client of Ukraine's defense industry, claiming some 20% of Ukraine's military-grade exports, despite waging a proxy war since 2014 and occupying 7% of Ukraine's territory.

This was the third annual report in a row in which SIPRI reported ongoing military cooperation between the two warring nations.

However, the situation on the ground doesn't appear to be that simple.

SIPRI's estimates have been strongly criticized by Ukrainian defense industry players, with many arguing that the institute's data are misinterpreted and misleading.

Ukraine has an embargo on sending any military-grade and double-use hardware to Russia since 2014. Ukraine's defense also has a policy of import substitution, trying to get rid of its dependency on Russian hardware and components.

According to Defense Express, a Kyiv-based analytical center, SIPRI's mistake stems from the fact that it counts hardware produced by Russia on its own territory under pre-war Ukrainian licenses as part of Russian-Ukrainian defense trade.

In particular, updated SIPRI databases suggest that Russia had acquired as many as 15 Antonov An-148-100E transport aircraft from Ukraine as part of a \$565 million deal, but this deal was struck as far back as 2013.

Back then, Ukrainian manufacturer Antonov authorized aircraft manufacturing in Russia and was providing components until the war broke out in 2014. As a result, the aircraft were produced in the Russian city of Voronezh for Russia's military.

The SIPRI database on Ukraine-Russia deals acknowledges that the An-148s were produced by Russia under a pre-war Ukrainian license and that the delivery was "delayed after Ukrainian 2014 ban on military exports to Russia."

However, the think tank added that all Ukrainian components could have been delivered before the ban or that the airplanes' pro-

duction was completed by Russia without Ukrainian consent and with Ukrainian components substituted by Russian spare parts.

SIPRI also included the agreement on delivery of D-436 turbofans produced by Ukraine's Motor Sich. According to SIPRI, six engines were supposed to be exported to Russia or produced there under license for Russia's Antonov An-148 and Beriev Be-2000 aircraft. And even though the deal broke down — and Russian authorities publicly complained about it in 2018 — SIPRI included it in its statistics as an example of multimillion dollar military production cooperation between Kyiv and Moscow.

## No deals?

According to UkrOboronProm, the Ukrainian state-run defense production giant, whose affiliates have a state monopoly on foreign arms deals, Ukraine has not sold arms to Russia since they've been officially banned in 2014.

The ban is still in effect for both private and state-run businesses, said Mustafa Nayyem, UkrOboronProm's deputy director-general.

"SIPRI operates on data from open sources," the official told the Kyiv Post.

"But they do not explain what open sources they used to formulate the figures published this year. Including the classification and the designation of export products and their valuation, as well as the calculation methodology, and why they believe the export deals were actually served."

UkrOboronProm has never had any official data requests from SIPRI, the official added.

"That's why we deem this information not fully reliable, to say the least," Nayyem said, adding that the situation might damage SIPRI's reputation as a think tank.

"It's an international institute that studies global issues, and it is strange that they, being aware of the Russian aggression in our country's east, do not clarify their data. This says a lot about the competence of their experts, who did not even care to contemplate whether it was possible that two warring nations supply each other with military hardware. It's absurd."

In May 2015, Ukraine's government also halted a 1993 agreement on military-technical cooperation with Russia, formally spelling



A freshly repaired and modernized Ukrainian T-72AMT main battle tank fires a round before being sent to military ranks at a firing range near Kyiv on Aug. 13, 2018.

the end to any joint projects with Moscow.

## Reasonable doubts

In a written response to the Kyiv Post, the institute insisted on its own point of view.

From its perspective, Russian manufacture under presumably valid Ukrainian licenses can be interpreted as continued cooperation between the two countries.

"What is less clear is the existence of a valid agreement for production in Russia," Alexandra Manolache, a SIPRI communications officer, told the Kyiv Post.

According to the institute, a total of 33 An-148 aircraft had been produced in Russia by late 2018. Some 30% of the aircraft components were to be supplied by Ukraine, but despite the ban, Russian production continued.

"There has been some lack of clarity about the status of the Ukrainian license... and to what extent Ukraine continued to be involved in the production by supplying components," SIPRI's Manolache told the Kyiv Post.

Based on its available information, SIPRI presumed that Ukraine continued supplying the Russians, whose manufacturing continued until 2018. The institute referred to an unspecified Ukrainian media report in 2019 quoting UkrOboronProm and saying that the production continued under Ukrainian license.

But the institute also admitted that it was also possible that Russian manufacturer VASO "used components delivered before the ban became effective and/or managed to replace all Ukrainian components with Russian components."

Regardless, the main question was whether Antonov had terminated its pre-war agreement with Russians.

## Agreements terminated

The Ukrainian aircraft giant, which is still currently part of UkrOboronProm, denied cooperating with Russia, saying that "the execution of the license agreement" with the Russian company was terminated in 2015.

Antonov told the Kyiv Post that it never supplied VASO with components to jointly produce the Antonov An-148-100 aircraft in

Russia after 2014.

"According to available data, the An-148-100 aircraft are not manufactured by VASO, and the production line is mothballed," Antonov said.

As for the D-346 turbofan engines, SIPRI admitted that it was possible that the engines had actually been produced by the Moscow-based Salyut Machine-Building Association, which has its own right to produce the hardware without any Ukrainian licenses.

Ukraine's Motor Sich was also accused by media of providing Russia with AI-222 engines for Yakovlev Yak-130 jets in 2016. The manufacturer denied it and the SIPRI database does not contain any information on the alleged deal.

"We base ourselves on available open (quotable) sources, including official sources," the SIPRI representative added.

"These may be imperfect and contradictory and we therefore often have to judge their reliability based on our experience with specific sources and common sense."

"In the specific case of the An-148 and D-436, we would certainly

re-evaluate, if a clear and authoritative source becomes available on the validity (or lack of it) of the agreement to produce under license and the delivery of components and support after the 2014 ban, or on the intellectual property rights," the institute added in response to UkrOboronProm's accusations.

## Plenty for sale

According to SIPRI, in 2016-2020, Ukraine supplied a whole range of weapons and military hardware to clients around the world, mostly to countries in Africa and the Middle East.

Between 2016 and 2020, Ukraine was the world's 12th biggest weapons exporter.

Ukrainian weapons exports claimed nearly 1% of the world's total, even though the industry saw a sharp drop in the number of foreign contracts amid general stagnation in the global arms market in recent years.

China remained Ukraine's top mil-

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## ON THE MOVE

Advertisement

### Former Chairman of the Anti-Monopoly Committee of Ukraine joins Redcliffe Partners



Yuriy Terentyev

Redcliffe Partners is pleased to announce that Yuriy Terentyev, former Chairman of the Anti-Monopoly Committee of Ukraine (AMCU), has joined the firm as a partner. Yuriy brings a wealth of experience to boost the firm's capabilities in competition, corporate and commercial, government relations and international trade.

Prior to being appointed as the AMCU Chairman by the Ukrainian Parliament in 2015, Yuriy was the General Counsel of ArcelorMittal Kryvyi Rih and held various management positions in the Ukrainian offices of Metro Cash & Carry, Japan Tobacco International and Bristol Myers Squibb.

#### Yuriy's work highlights include:

- As the AMCU Chairman, carrying out the relaunch of the AMCU, which helped to increase the external economic impact (as per the OECD methodology) fourfold versus 2015, to USD150 million per annum in 2019 and overseeing the rollout of the state aid control system.

- As the General Counsel of ArcelorMittal Kryvyi Rih, renegotiating the privatization conditions with the State Property Fund of Ukraine, as well as overseeing the successful defence in one of the largest tax litigation cases – valued at USD650 million – and the litigation concerning the invalidation of the collective labour agreement.

- As the General Counsel of Metro Cash & Carry Ukraine, overseeing the launch of the group's wholesale and retail business in Ukraine, which achieved over USD1 billion in annual turnover.

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# Mikheil Saakashvili: Soviet labor code must go

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standardization of working days, vacations, hiring at night and on weekends, which often do not take into account business particularities and, conversely, fail to meet the interests of employers and employees. Such an approach tramples on their freedom to choose.

The Office of Simple Solutions and Results has identified the black holes in the current labor code, and we have drafted an innovative reform that is based on the principles of a free society such as openness, voluntary exchange and transparency. The essence of the policies reflects the best world practices and is consistent with the European Union-Ukraine Association agreement.

At the initial stage of the reform, we propose to introduce a simplified procedure for regulating labor relations for small businesses with up to 250 employees and relations between employers and highly paid employees (with a salary of over Hr 50,000 monthly). The change would imply a significant reduction in bureaucratic procedures and personnel documentation and, as a result, simple and clear hiring and dismissal procedures. After the reform, it will also be possible to recruit employees to work at night, weekends and holidays given they consent to the suggested conditions. Involvement of an employee in overtime work should be carried out without the permission of the elected body of



People take part in a rally demanding a better labor code in Kyiv on Jan. 15, 2020.

the primary trade union organization (trade union representative). This would bring more flexibility into labor relations in Ukraine and make the labor market more open, transparent, and progressive.

In addition, it is also essential to provide both employers and employees with more freedom to self-reg-

ulate. There has to be a choice between indefinite or fixed employment contracts, and it should be only up to the parties involved to decide on the preferred arrangement. Employers and employees should be free to choose their communication tools by mutual agreement, and the exchange can happen

both through online channels or in writing. Overall, all crucial details of the workflow such as the time of the beginning and end of daily work, the duration of daily work, annual leave duration should be set in the employment contract and can only be determined by the organization's internal labor regulations. However,

at the same, the protection of the rights of the workers such as the maximum weekly working time, salary payments, maternity leave and more will be guaranteed.

The dismissal of workers is currently overregulated in Ukraine, and that slows down labor relations and the economy as such. After the proposed reform, employers will get the right to terminate the employment relations unilaterally provided that goes in line with the contract. In order to enforce the decision to dismiss workers, employers will only need to sign an additional agreement in accordance with the initially agreed terms and conditions. The goal of the reform is to reduce the government's role in labor relations in Ukraine, and the outlined policies will significantly cut the red tape.

I would like to thank the members of the National Reforms Council and President Volodymyr Zelensky, in particular, for endorsing the concept during our latest meeting on March 19. I hope that members of the Ukrainian parliament will put their differences aside and work together with our office and member of parliament Halyna Tretyakova to bring the reform to life.

Mikheil Saakashvili has been the chair of the executive committee of the National Reforms Council since May 7, 2020. He served as governor of Odesa Oblast from May 30, 2015, to Nov. 9, 2016. He was president of Georgia from Jan. 25, 2004, to Nov. 17, 2013. ©

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# Vlad the Killer



Diane Francis

Earlier this month, U.S. President Joe Biden agreed with an interviewer that Vladimir Putin was a “killer” and added that the Russian president would “pay a price” for his predations. Putin reacted by recalling his ambassador from Washington, then a day or so later coolly responded by wishing Biden good health. That meant, to me, it was time for the White House to appoint a food taster.

It was refreshing to hear an American president call out Putin for what he is, after the last guy, but there will be consequences and the hybrid warfare between the two superpowers will escalate. This will also be a contest between two disparate leaders. Biden is a wholesome guy from Scranton who has become CEO of the world’s largest economy and commander of its biggest military. Putin, however, is an astonishing rags-to-riches story, fueled by cunning and remorselessness that has made him the wealthiest and most powerful human being in history.

## Putin a trillionaire?

I believe Putin is the world’s only trillionaire (equivalent to 1,000 billionaires) and yet he does not appear on the Forbes billionaire list, which includes 99 Russian billionaires. These fellows are his proxies and partners. Putin controls or owns portions of their assets as well as big chunks of Russia’s largest corporations. His path to such staggering money and power has been a white-collar-crime version of Horatio Alger. He was a poor boy from St. Petersburg whose father was crippled in the war, whose brother died of starvation, and whose mother was devout and doting. Now he has become today’s Genghis Khan or Augustus Caesar. Former Russian chess champion and exiled politician Garry Kasparov has said: “[Putin] controls more money, directly or indirectly, than any other individual in the history of the human race.”

## Crime boss

All this happened in 22 years without unleashing armies to maraud and plunder nations. Putin is the boss of the world’s biggest criminal organization, which poses as a nation-state, that controls the biggest piece of real estate on the planet — or 11.5% of the world’s total landmass. Russia is about twice the size of Canada, the United States (including Alaska), or China. The current Russian Federation has more minerals, metals, and oil resources than any of these, or \$75 trillion discovered so far. Yet its economy is only the size of Texas. This is because a few trillion has been looted and moved offshore to tax havens, yachts, palaces, castles, anonymous corporations, faceless

trusts, businesses, or into accounts in banks and brokerage firms in secrecy havens.

The confiscation began in 1999 when Putin took over from Boris Yeltsin. He had been a mid-level KGB agent for 16 years but knew how to navigate power and personalities handily. He inherited chaos and in short order restructured the former communist country’s decrepit government in order to get the trains to run on time and to kick-start its comatose state-controlled economy. Then he and his colleagues ransacked the place. He put members of his inner circle in charge of everything from railways to oil, mining, forestry, and telecommunications, and transformed Mother Russia into the world’s biggest kleptocracy.

## Global reach

Putin’s wealth and power have been extended globally. Two of Britain’s 44 billionaires are pals of Putin and, along with other rich Russians in London, have acquired newspapers, football teams, trophy real state, Royal friends, and peerages. In the United States, the story is similar. Putin’s influence on the White House and Republican Party is well documented. Russian cyber-warriors helped land Donald Trump his 2016 victory, and Russian-Ukrainian dirty tricks whisperer Paul Manafort advised Oleg Deripaska and other oligarchs how to insinuate themselves into the political process through massive donations, lobbying efforts, and targeting and entertaining prominent and powerful politicians and businessmen.

## Semion Mogilevich

Putin’s business model whisperer has been Ukrainian-born gangster and money launderer Semion Mogilevich, who has been on the FBI’s most-wanted list for years and lives freely in Moscow. The FBI accused him of “weapons trafficking, contract murders, extortion, drug trafficking, and prostitution on an international scale”. The regime adopted a criminal template then squirreled away money that belonged to the people instead of lifting living standards or re-investing that wealth to create a strong Russian economy.

Just as Catherine the Great’s favorite minister Grigory Potemkin lined her travel route with sham villages and happy, prosperous peasants to please her, Russia’s leaders have developed an aptitude for window dressing. In 2016, I wrote a paper called “Stolen Future” for the Atlantic Council in Washington D.C. and described Russian leadership this way: “Vladimir Putin is very skillful in this regard and would have the world believe that Russia is a respectable democracy governed by the rule of law. This is fiction. Under



Russian President Vladimir Putin gives a speech during a concert marking the seventh anniversary of Russia’s annexation of Crimea at the Luzhniki stadium in Moscow on March 18, 2021.

Putin’s administration, Russia is run by Kremlin insiders and a small business elite, whose methods would be prosecuted in G7 countries.”

## Almost 20% in poverty

This has robbed Russians of decent living standards. Roughly, 19 percent of its people live below the poverty line on less than \$200 a month. Russia is ranked 60th in GDP per capita at \$10,192 in 2020, behind Chile and slightly ahead of China with 1.5 billion people compared to Russia’s 144 million. And in terms of life expectancy, Russia is 113th.

Putin, 68, manages the press brilliantly. He doesn’t splash around his wealth and is never photographed in any of his lavish palaces, or with children or wives or mistresses or jet-set celebrities. His posed photoshoots are either holding and smiling at puppies he’s received as gifts; appearing bare-chested and engaged in sports activities; or participating in religious ceremonies. He is, unlike most men in Russia, clean-living, a teetotaler, a fitness buff, and deeply religious.

Putin rules like an emperor in an elegant Kremlin complex of castles and enjoys support from his nation of educated serfs, who are also walled off from the outside world as well as each other. Russia is a damaged society that has been abused for centuries and, while enjoying some internet access and some freedom to travel, are still mistreated. The result: Many Russians cocoon in isolation and shun social interaction.

## ‘Lie, cheat and steal’

In early 1992, I spent six weeks with a photographer covering the dissolution of the Soviet Union and the anarchy that ensued. There was no functioning economy, no currency or goods in stores, and law and order were non-existent. On one occasion, I approached a burgeoning oligarch to help me land an interview with Boris Yeltsin to which he replied: “It has to be breakfast because he’s really really drunk the rest of the time.”

The most revealing interview was with a Russian-Canadian entrepreneur who had moved to Moscow the year before and opened two computer stores. When I arrived at his shop — after being shaken down by police for bribes along the way — he was seated and shaken.

“My manager was just murdered an hour ago as she left work,” he said. “I’m closing up. This is impossible. My workers lie, steal, and cheat. They all have the symptoms of abused children. They were taught to turn in one another, so they trust no one and aren’t trustworthy. This country doesn’t need capitalism. It needs a shrink on every corner.”

Communism was damaging, but before that was the tsar, his Russian Orthodox Church, and feudalism. Now, this. Putin stages Potemkin elections and governs his “peasants” with an iron fist in an ermine glove. His top objective is to destroy the United States and Western institutions by force, propaganda, espionage, and social media. He seeks to emulate his bloodthirsty hero, Josef Stalin, by reconquering former Soviet republics and satellites.

## Putin’s crimes

To achieve his ends, he eliminates opponents. Most recently was Alexei Navalny who has now been banished to a gulag where he may end up wishing he never recovered from a coma that he succumbed to after the KGB poisoned him. In 2006, former Russian Federal Security

Service officer Alexander Litvinenko died from radioactive poison in London. In 2015, prominent opposition leader Boris Nemtsov was shot dead in front of the Kremlin. In 2018, Russian agents used the same Novichok toxin used on Navalny to poison two people in England and also gunned down another in a Berlin park.

Other predations include the murderous 2014 invasion of Ukraine that has so far resulted in 14,000 deaths, the destruction of its industrial base, and the displacement of two million Ukrainians from their homes.

Kasparov has escaped Putin’s cross-hairs and publicly warns that Putin is becoming bolder and more dangerous than ever. Russia is a “rogue regime” that must be ejected from international organizations.

This week, Biden hrew down the gauntlet by saying, “he will pay a price. You will see shortly.”

I’m sure that’s true. But it’s also true that Putin won’t take it in the chin.

Diane Francis is a columnist, author, investigative journalist, and television commentator. She also serves on the international advisory board of the Kyiv Post. ☎

## ON THE MOVE

Advertisement

### New leader for KPMG’s TP group



Yaroslav Kotlyar

KPMG in Ukraine is happy to announce that Yaroslav Kotlyar has been promoted to Head of Transfer Pricing group, Tax & Legal.

Yaroslav Kotlyar has over 20 years of professional experience in dealing with a broad range of financial, tax and accounting issues.

Before joining KPMG in 2011, Yaroslav worked as an auditor at the Ukrainian audit company, achieved the level of Head of Audit department and became a partner. Also, Yaroslav managed internal audit department in a large Ukrainian concern. Yaroslav specialized on financial audit of Ukrainian entities, as well as tax audit. At KPMG Yaroslav specialized on managing a large transfer pricing team as a Director, including operational project management, selling transfer pricing projects and transfer pricing consulting.

“Yaroslav has shown a strong client focus and high level of professionalism in the transfer pricing area. We believe Yaroslav together with our professional TP team will continue to provide extra high-quality transfer pricing services,” says Serhii Popov, Partner, Head of Tax & Legal.

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# Lifestyle

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## Infamous Troieshchyna shines in edgy foreign productions

Volodymyr Petrov



A 13-year-old local boy makes a front flip off a tire from a trash dump that runs along the sandy edge of Kyiv's Troieshchyna neighborhood on March 23, 2021. The residential area's sandy fields are highly popular for foreign production shoots, adding an edgy aesthetic to the international music videos.

**By Elina Kent**  
[kent@kyivpost.com](mailto:kent@kyivpost.com)

Every Kyivan has some opinion on the Troieshchyna neighborhood, and it's usually not a good one.

If its critics are to be believed, drug dealers hang around every corner, people get robbed left and right and young children run around with alcohol and cigarettes.

But, said Olga Podorozhna, who grew up in the neighborhood in the 1990s, "these are not stereotypes." It really was infested with crime that left the neighborhood with a bad reputation even into the third decade of the 21st century. "Every day I would walk home from school and collect newly discarded stolen wallets that were left under the fountains. I still have them," Podorozhna says.

Located on the northern edge of Kyiv, Troieshchyna is one of

Kyiv's many bedroom communities. Designed during Soviet times, these neighborhoods are remote, isolated geographically and culturally, and often far from subway lines.

Even though the neighborhood is the butt of jokes, international producers and filmmakers have a surprisingly contrasting view. They often travel to Ukraine specifically to film music videos for Western stars in the midst of Troieshchyna's apartment buildings.

And while it remains one of Kyiv's most neglected neighborhoods, Troieshchyna is making a positive contribution to both the city budget and the capital's image abroad.

### Subway promise

The aesthetic that Troieshchyna presents is monotonous: multi-story apartment buildings of the same or similar designs. It developed in the 1980s, after the Troieshchyna village

linked up with Kyiv in the north.

The infrastructure was meant to cover only the basic needs of local residents, providing schools, kindergartens, clinics, pharmacies, shops and perhaps a cinema or library. Residents had to travel to the city center to go to work.

Hundreds of apartment buildings are clustered together, creating the illusion of an enormous unbreakable grey wall. The buildings tower over the residents, with mismatched balconies and decaying facades. If the sun isn't shining, it feels like all the color has been drained from this gloomy area.

Other than the rumored shady characters and outdated Soviet architecture, one of the top complaints is the lack of transportation. There is no metro station here, so people are forced to use ground transport and endure traffic jams. There is even a popular joke about "the legend of the

subway to Troieshchyna," with more than 20 years' worth of unfulfilled promises of extending a metro line to the neighborhood.

"They promised us a metro station back in the 1990s," Lubov Mishovets, a pensioner who has lived in Troieshchyna for more than 30 years, told the Kyiv Post, "and we have yet to see one."

Olena Shkarpova, who lived in the neighborhood for a decade, said: "I hated it because it took too long to get anywhere. I gave so many hours of my time, my life and energy trying to travel out of the neighborhood."

### Progress and glamour?

But there is progress.

Trees have been planted to liven up the sandy expanse around apartment complexes. Green spaces emerged. So did clean, wide bike paths. The

## City Life

With Yana Mokhonchuk  
[mokhonchuk@kyivpost.com](mailto:mokhonchuk@kyivpost.com)

### Spiritual retreats offer chance to recharge during unending crisis

Putting yourself into an even more isolated environment during the pandemic might not seem appealing.

But going for a spiritual retreat can be especially helpful now, at a time of surging depression and other mental health challenges.

Long before COVID-19 spread around the globe, retreats were popular ways to explore one's inner world and simply take a break from busy city life while staying in quiet solitude.

Today the spiritual practices serve as helpful tools for resting from digital overload and finding inner peace amid crisis. They also are alternatives to the now-inaccessible regular tourism.

Here are four upcoming retreats that will take place near Kyiv and farther away in the Carpathian Mountains, ranging from yoga and meditation to art therapy.

All of them welcome foreigners since the organizers can provide assistance in English.

### Silent retreats

For those who are ready to dive deep into their own subconsciousness, Denys Buchma, a yoga teacher with 10 years of experience, organizes spiritual retreats with elements of vipassana meditation techniques of self-transformation through self-observation.

Staying completely silent, without access to the internet or phone calls, participants will face a real challenge. The program will also combine hatha and kriya yoga, the practice of conscious sleeping, tea ceremonies and more.

The upcoming retreat by Buchma's Moksha Yoga Project will take place on April 16-18 at a marvelous Zvenyhorod estate, surrounded by forest and close to a river, some 100 kilometers southeast from Kyiv. The three-day retreat package includes accommodation in a room for two, transport to the location and three vegetarian meals a day for Hr 4,700 (\$170).

Another retreat will take place on May 1-8 in the Carpathian Mountains. The price for a full package is Hr 9,200 (\$333), which includes a vegetarian menu, accommodation in a room for two and transport from the railway station in Pylypets, a village in Zakarpattia Oblast. The participants will have to pay for getting to Pylypets separately. The price for a one-way ticket starts

# Gritty Troieshchyna turns out to have its glamorous places

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children's library was updated and new benches have been installed. Newer versions of private buses, or "marshrutkas" are visible.

Deputy Finance Minister Oleksandr Kava even kept alive the promise of the metro, announcing that several stations on the line leading to Troieshchyna would be launched by 2024.

And there's even glamour. Seeing her native streets in a popular music video by Danish singer MØ was a pivotal moment for former resident Shkarpova.

"When I saw the clip I felt proud and happy for my neighborhood," she said. "I even spotted my old apartment building in the background in one of the clips."

MØ's 2015 "Kamikaze" video was one of the first works putting a new slant on Troieshchyna. More followed.

## Attractive aesthetic

Showing MØ dancing and singing on cars driving through the neighborhood, "Kamikaze" ended up becoming the most-watched music video filmed in Troieshchyna, reaching over 72 million views.

But it all started in 2014 with Paolo Nutini's "Iron Sky." The Scottish singer's video put a spotlight on many soon-to-be hit locations for filming in Kyiv. One of them was the now-famous Troieshchyna landscape.

Sasha Bevko is the head of production at Kyiv-based star production company Radioactive Film, which was involved in the making of "Iron Sky."

Bevko says that it had never crossed anyone's mind to see the

Volodymyr Petrov



A drone picture taken on March 23, 2021, shows an aerial view of the residential Troieshchyna neighborhood on the outskirts of Kyiv. Developed in the 1980s, the monotonous buildings of similar design tower over each other all around the area.

beauty in the aesthetic of the capital's Soviet residential areas.

"He (Nutini) was the first to open the eyes of other cinematographers and directors and bring an entirely new perspective on the 'sleeping' neighborhoods of Kyiv," Bevko tells the Kyiv Post.

In the following years, British bands Foals, Hurts and Nothing But Thieves, French rapper Orelsan, and British singer Charli XCX joined the list.

The neighborhood's character even became front and center of

a short film by Canadian photographer and director Gordon von Steiner. "Troya" premiered during the multimedia exhibition of the same name in New York in 2019.

The neighborhood's grungy look is apparently exactly what

The residential neighborhood of Troieshchyna is located in Kyiv's biggest district, Desniansky, on the northern outskirts. The area of about 3,200 hectares is home to more than 280,000 people.



foreign production companies are looking for.

"The secret is in the fact that these buildings are graphic," Bevko says. "They have this texture, which is super important when you are trying to convey that atmosphere through the camera," she says. "So we get really beautiful shots."

In the sandy plains where production companies orchestrate choreographed fights and dancing, local children play, smoke and drink among broken glass, rubble and strewn trash left behind by local adults.

"You look at all of this and may think 'Oh god, how scary looking it is,' but then you look in the camera and see that it's incredibly cool," Bevko says.

Other than the neighborhood's charms, Ukraine's cheap prices attract film crews, bringing additional funds to the city budget.

And while the financial contribution might be insignificant, all these cinematic shots viewed by millions of people have an impact on Ukraine's image abroad, revealing a little-known but dazzling side of its capital city.

"This shows that you can visit here, it's beautiful and we have interesting locations," Bevko says.

But even perhaps more importantly, such productions push locals to rediscover their own city, highlighting the urgency of preserving its heritage while investing into its development.

"The people who live there now look at their neighborhood differently," Bevko says. "They see its unique beauty." 🇺🇦

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## City Life

# Yoga, meditation and digital diet for better mental health

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at Hr 400 (\$15).

Moksha Yoga Project. +38093 224 1630. [www.moksha.com.ua](http://www.moksha.com.ua).

## Gnosis retreat

During this retreat right by the Dnipro River, participants will focus on answering the main question "Who am I?"

Three days in complete silence, with no gadgets and no access to news, television and books, the attendees will have to focus on their own thoughts and nothing else.

The retreat is organized by spiritual techniques teachers Max Mo and Irina Nebos from the School of Integrity Free Souls.

"Of all the things I've tried, this is the coolest opportunity to reboot emotionally, to find yourself (even if you haven't lost yourself)," a participant of the previous retreat wrote on its website. "Distract from the hustle and bustle and improve physical health."

Calling themselves masters of the transformation of consciousness, the organizers guide attendees to reach "gnosis," a higher state of human consciousness when an individual comes to understand the true nature of things.

The retreat program will also include dynamic meditations and dancing sessions.

The retreat will take place on April 23-25 at the Open Skies Retreat Center in the village of Trypillia, 50



People practice yoga during a retreat in the Ukrainian Carpathian Mountains organized by Moksha Yoga Project, one of few companies holding retreats in Ukraine in the pandemic. The local wellness tourism offers yoga, meditation and silence practices in locations outside of Kyiv and in the Carpathians.

Moksha



Women attend a yoga class during a retreat for women organized by Kateryna Iskrova in the Carpathian Mountains. Iskrova's wellness tourism trips usually mix various spiritual practices including yoga, tantrtras, meditation, art therapy and more.

kilometers south of Kyiv.

The price of the retreat depends on the participant's choice of accommodation. Staying in a hotel room for two or three people starts from Hr 9,163 (\$330), the option of a room for five people costs Hr 8,330 (\$300), and a bed in a hostel with 12 people in one room starts at Hr 7,820 (\$260). The package includes vegan meals three times a day. The participants have to bring a mat and a raincoat.

School of Integrity Free Souls. +38050 874 2505. [www.integrity.info/gnosis](http://www.integrity.info/gnosis).

## Meditative shamanic retreat

Shamanic practices, meditations and yoga during this retreat are aimed at deepening the participant's connection with their inner selves and clearing the mind from the unimportant.

The three-day retreat program includes singing mantras, dancing around the bonfire and walking on hot coal to experience unity with nature.

The team of trainers from the Universum center of spiritual development that holds regular classes of yoga, meditation and breathing practices in Kyiv, will guide the participants of the upcoming retreat.

It will be held on May 1-3 in a picturesque location near a pine forest and a river in the Dozovilla recreation center in Kozyn village, 30 kilometers south of Kyiv.

The participation cost is Hr 1,600 (\$58) if booked before April 1. Later

on, the price will go up. The accommodation in bedrooms for two or three costs Hr 600 (\$22) for the duration of the retreat.

Meals provided by the recreation complex and transport are charged separately.

Universum center of spiritual development. +38063 352 7581. [www.universum.world/shaman-retreat](http://www.universum.world/shaman-retreat).

## Retreat for women

Having lived in Thailand for six years and learned about all kinds of spiritual practices there, Kateryna Iskrova now creates opportunities for self-exploration for women in her native Ukraine.

In late spring, she organizes another retreat in the Carpathian Mountains, where five teachers will share insights into different spheres of spirituality.

The seven-day program mixes daily yoga, female tantra aimed at revealing women's sexuality, meditation, as well as consultations with a sexologist, art therapy, aromatherapy and group discussions.

The exact location, dates and prices are still to be announced. The approximate price is about Hr 10,800 (\$390) for the whole program.

Retreat for women by Kateryna Iskrova. +38095 124 6002. [www.instagram.com/shine88sun](http://www.instagram.com/shine88sun).

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# Ukraine sells its weapons all over the world, but insists that it long ago stopped supplying enemy Russia

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itary trade partner, claiming 36% of the country's overall arms export in 2016–2020.

Ukraine made and exported nearly 1,200 military items including Al-222 turboprop engines produced by Zaporizhia-based giant Motor Sich for Bangladesh (for Yakovlev Yak-130 trainer jets), China (for L-15 trainers), and Zambia (for Chinese L-15s).

Lots of heavy armor, both new and old, has been rolled out for sale as well, including 25 modernized T-64B1M main battle tanks as part of a \$10 million deal with the Democratic Republic of the Congo, and 49 brand new advanced T-84 Oplot tanks to fulfill an old contract with Thailand. The Asian nation has also procured over 130 BTR-3 armored personnel carriers of various versions as part of several deals worth over \$340 million, according to the database.

Ukrainian 6TD diesel engines have been in high demand as well,

with Pakistan getting nearly 145 engines for its Al-Khalid tanks (the local version of Chinese Type-90–2M tank) starting in 2014.

According to SIPRI, the last five years were not successful for the global arms market. The volume of international transfers of major arms in 2016–2020 remained nearly the same as in 2011–2015, even decreasing by 0.5%.

"It is too early to say whether the period of rapid growth in arms transfers of the past two decades is over," said Pieter D. Wezeman, a senior researcher at SIPRI.

"For example, the economic impact of the COVID-19 pandemic could see some countries reassessing their arms imports in the coming years. However, at the same time, even at the height of the pandemic in 2020, several countries signed large contracts for major arms."

Indeed, some global players have had a great time on the market, while others emptied their pockets in the last five years. For instance,

the United States has held on to its top spot, with its share of global arms exports increasing from 32% to 37% thanks to its deals with 96 countries in 2016–2020, more than any other supplier.

Russia — Ukraine's proxy war adversary — has stayed in second place, with 20% of the global market. Still, its arms exports dropped by 22% to the level of 2006–2010.

"Russia substantially increased its arms transfers to China, Algeria, and Egypt between 2011–2015 and 2016–2020, but this did not offset the large drop in its arms exports to India," said Alexandra Kuimova, a researcher at SIPRI. "Although, Russia has recently signed new large arms deals with several states and its exports will probably gradually increase again in the coming years."

In the top exporters' chart, Russia is followed by France (8.2% of the market, a 44% growth), Germany (5.5%, a 21% growth), and China (5.2%, a 7.8% drop). ❖

# At this pace, Ukrainians will not get vaccinated against COVID-19 soon

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vaccine now has to be administered 90 days after the first dose. Before, it was 28 days.

The protocol was changed based on the latest international studies that showed that a 90-day interval yields more effectiveness.

Only one Ukrainian was vaccinated with both doses, right before the protocol was changed.

Those who get one dose don't develop immunity for COVID-19. Viktor Lyashko, Ukraine's chief sanitary doctor and deputy health minister, was diagnosed with coronavirus days after being vaccinated.

The government said on March 25 that those who were vaccinated with AstraZeneca vaccine can get a different vaccine as their second dose.

## Why do so many Ukrainians turn down the vaccine?

Vaccination is voluntary in Ukraine. There are no publicly available statistics on how many Ukrainians from high-priority groups turned down the vaccine, but anecdotal evidence

and the slow pace of vaccination suggest that many do.

Several recent polls showed that about half of Ukrainians don't want to get vaccinated against COVID-19. Many of them distrust vaccines in general or this one in particular. Some refuse because they've already had COVID-19.

Disinformation also fuels suspicion. Social media is filled with unverified reports about side effects and even deaths caused by the vaccine.

A new poll by Rating Group, published on March 25, revealed the depth of Ukrainians' vulnerability to conspiracy theories: Over 70% of respondents believe that COVID-19 was made artificially and released on purpose. Out of them, 40% think it was done to reduce the world's population.

Politicians tune in. Ex-President Petro Poroshenko was the most high-profile politician to try to discredit the vaccination campaign. During a televised meeting in parliament, he said that doctors turn down the vaccine en masse because the AstraZeneca/Covishield vaccine that Ukraine uses is "shit." ❖

## EMPLOYMENT / CV / TENDER



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### CANADIAN EMBASSY / GLOBAL AFFAIRS CANADA REQUEST FOR PROPOSAL

The Development Program of the Canadian Embassy is seeking proposals to contract a consultant/organization for a period of up to 5 months in order to conduct a summative evaluation of the Canada-Ukraine Trade and Investment Support Project (CUTIS).

#### How to apply:

Qualified individuals should submit a proposal, containing a technical and financial component. For more information about this Request for Proposals (RFP), please download related documents at <https://bit.ly/3ovnywu>. Should you wish to receive a French copy of the proposal documents, please contact us at the email on the RFP front page.

Proposals must be submitted by email by **25 April 2021, 17:00 hrs (GMT+3)**.

### ПОСОЛЬСТВО КАНАДИ / МІНІСТЕРСТВО МІЖНАРОДНИХ СПРАВ КАНАДИ ПОДАВНЯ ПРОПОЗИЦІЙ

Програма міжнародного розвитку посольства Канади запрошує подати пропозиції з можливим подальшим підписанням контракту з консультантом / організацією на період до 5 місяців для проведення підсумкового оцінювання Канадсько-українського проекту з підтримки торгівлі та інвестицій (CUTIS).

#### Як подати:

Кваліфіковані особи запрошуються до подання пропозицій, що мають складатися з технічної та фінансової частин. Для отримання додаткової інформації відповідно до цього запиту пропозицій (RFP), будь ласка завантажте відповідні документи <https://bit.ly/3ovnywu>. Якщо ви бажаєте подати пропозицію французькою мовою, будь ласка, зв'яжіться з нами за електронною поштою на першій сторінці RFP.

Пропозиції приймаються електронною поштою до **17:00 (GMT + 3) 25 квітня 2021 року**.

### AMBASSADE DU CANADA / AFFAIRES MONDIALES CANADA DEMANDE DE PROPOSITION

Le Programme de développement de l'ambassade du Canada lance un appel à propositions visant à engager un consultant / une organisation pour une période maximale de 5 mois afin de mener une évaluation sommative du projet Soutien au commerce et à l'investissement entre le Canada et l'Ukraine.

#### Comment présenter une proposition:

Les personnes qualifiées doivent soumettre une proposition qui contient la composante technique et la composante financière. Pour de plus amples informations sur cette demande de propositions (DP), veuillez télécharger les documents connexes <https://bit.ly/3ovnywu>. Si vous aimeriez avoir la version française des documents de propositions, svp envoyer un courriel à l'adresse qui se trouve sur la première page de la DP.

Les propositions doivent être soumises par courriel avant le **25 avril 2021, 17h00 (GMT + 3)**.

## CLASSIFIEDS

### NOTICE OF DISSOLUTION KUK SHIPPING LTD. (IBC No. 038577)

Notice is hereby given that KUK SHIPPING LTD. is being dissolved and the dissolution commenced on the 24/11/2020. Who has any claims against the company must lodge their claims with the liquidator within 1 month hereof.

Ms. Tiffany Nicole Lanza of 15 Cor. Poinsetta Lane & Parakeet Str., Belize District, Belize has been appointed as a liquidator of the company.

Dated 22/03/2021

Ms. Tiffany Nicole Lanza, Liquidator

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# Kyiv Post Digital

Most of the Kyiv Post's content is online. Here are some samples of the great journalism that readers will find daily at [kyivpost.com](http://kyivpost.com)

## CORONAVIRUS

Ukraine introduces mandatory PCR tests for arriving foreigners



Dangerous new mutated British COVID-19 variants found in Ukraine



## UKRAINE

Security service investigates Medvedchuk's group over annexation of Crimea



## OPINION

Paul Niland: Ukraine's coronavirus catastrophe



Alexei Bayer: Could Nord Stream 2 be good for Ukraine?



Bohdan Nahaylo: Diversions, subterfuge and what matters



Timothy Ash: Ukraine's central bank backtracks on reform



# VIDEO

# Kyiv Post

UKRAINE'S GLOBAL VOICE

Haunted by death, a Ukrainian town hospital strives to save lives

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HAUNTED BY DEATH, UKRAINIAN TOWN HOSPITAL STRIVES TO SAVE LIVES

Kyiv endures third lockdown

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KYIV ENDURES THIRD LOCKDOWN

