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CEO: Open Skies agreement poses a threat to Ukraine International Airlines → Page 12

Zelensky uses COP26 talks in Glasgow to talk about Ukraine's security challenges → Page 13

**Ukraine's covid by the numbers (through Nov. 4)**

|               |                  |   |
|---------------|------------------|---|
| Deaths:       | Infections:      | Fully vaccinated:                         |
| <b>70,146</b> | <b>3 million</b> | <b>7.7 million</b><br>(18% of population) |



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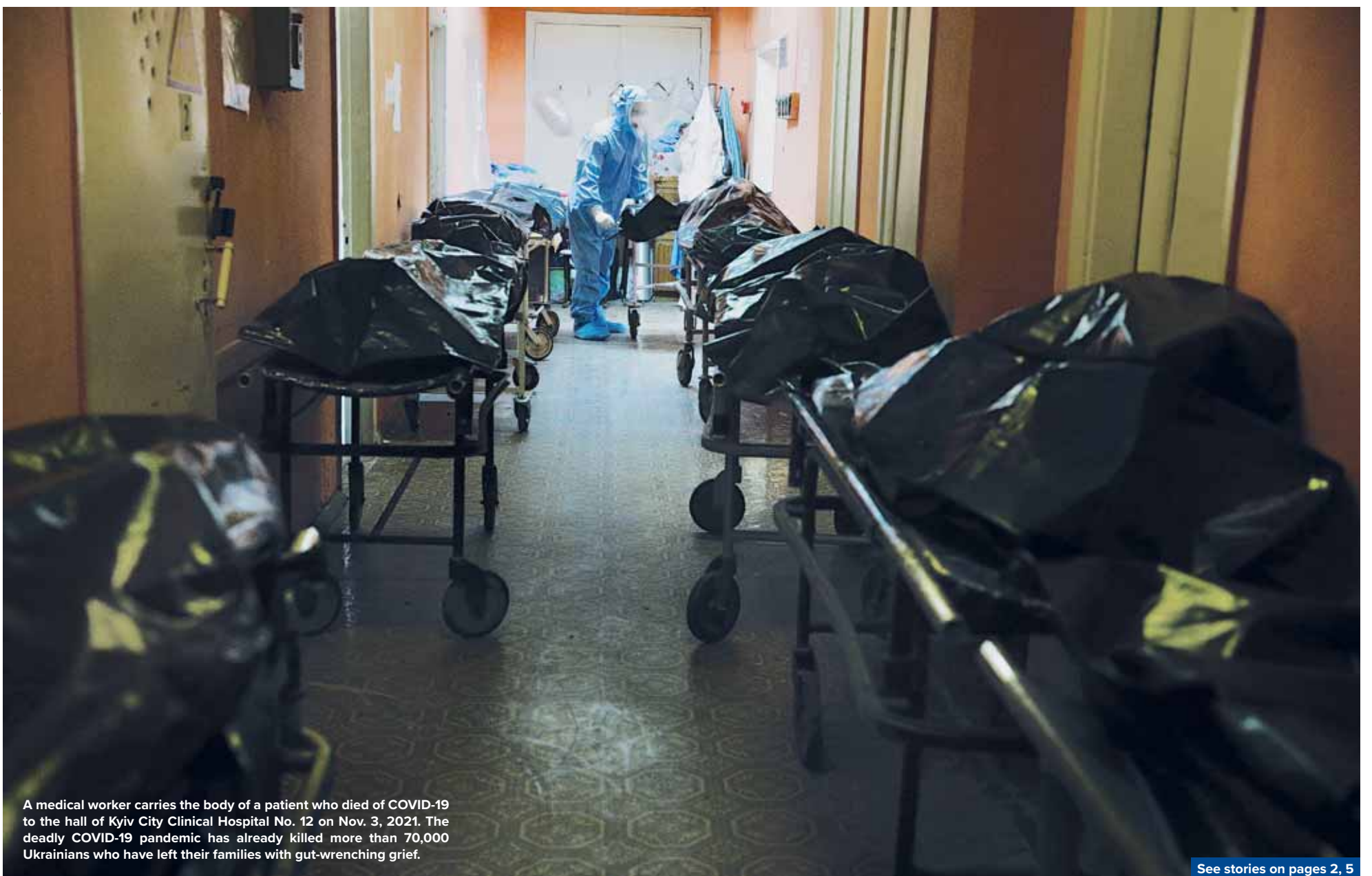
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# Grim Reaper

## Ukraine's COVID-19 death toll may keep spiking as people refuse vaccination

Kostyantyn Chernichkin



A medical worker carries the body of a patient who died of COVID-19 to the hall of Kyiv City Clinical Hospital No. 12 on Nov. 3, 2021. The deadly COVID-19 pandemic has already killed more than 70,000 Ukrainians who have left their families with gut-wrenching grief.

See stories on pages 2, 5



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# Thousands of Ukrainians lose loved ones to COVID-19

By Daria Shulzhenko

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**B**ehind every number in the statistics of deaths from COVID-19, there is a grieving family that lost a parent, grandparent, child or partner.

The deadly COVID-19 pandemic has already killed more than 70,000 Ukrainians. Many of them died alone in the infection disease wards, isolated from their loved ones.

They have left their families with a gut-wrenching tragedy that they may not ever recover from. Some Ukrainians have even endured the loss multiple times as the virus has killed several members of their families.

The death toll continues to rise: Ukraine has seen a record 734 patients who died in a single day on Oct. 26. The peak is yet to come, the authorities predict.

Mass vaccination is now the only effective tool to battle the pandemic and reduce the number of COVID-19 deaths. While the entire adult population could get a jab for free throughout Ukraine since late July, only 7.7 million out of 42 million citizens, or 18% of the population, are fully vaccinated as of Nov. 3.

Ukraine's vaccination rate remains the lowest in Europe. Its death toll, on the other hand, is among the highest in the world.

The Kyiv Post spoke with Ukrainians who lost their loved ones to COVID-19.

## Losing a daughter

It's been almost a year since Ukrainian Ivan Grabar lost his oldest daughter, Olga Grabar, to COVID-19. He hasn't stopped thinking about her even for a moment ever since.

"The father's heart can never get used to this loss," Grabar told the Kyiv Post.

Grabar is a doctor of sciences and a professor. He says he and his daughter were very close. She was following in his footsteps by engaging in science and technologies and becoming an associate professor at a local technical university in their native Zhytomyr, a city of 260,000 people some 140 kilometers west from Kyiv.

The two were working on a book about fractal ornaments in graphic design together. But she never saw it published, as the book came out soon after her death.

The family has taken the COVID-19 pandemic very seriously since its very beginning. They have been following all quarantine rules and even installed ultraviolet lamps to disinfect their homes. They all were quite worried when Olga Grabar lost the sense of taste and smell in late October 2020.

She experienced mild symptoms at first and had some fever. But her condition deteriorated soon and she was hospitalized with pneumonia several days after the first symptoms.

Grabar says he doesn't know how and when she could have gotten the infection. He also doesn't know much about his daughter's course of the disease, as he wasn't allowed to her ward and wasn't informed about



Medical workers talk to COVID-19 patients at the Kyiv City Clinical Hospital No. 12 on Nov. 3, 2021.



Associate professor Olga Grabar died of COVID-19 on Nov. 16, 2020, at the age of 39.

her condition by the hospital's staff.

With low level of oxygen in her blood, Grabar's daughter needed a lung ventilator and oxygen to survive. But there were some "constant interruptions" in the supply of oxygen to the hospital back then, he says.

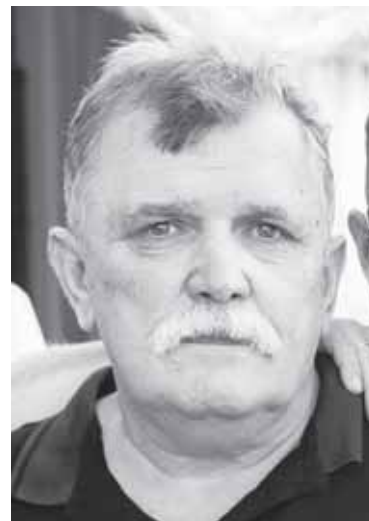
On Nov. 15, his daughter wrote a Facebook post asking Zhytomyr's mayor to fix the oxygen shortage, saying that getting oxygen was "their only chance to survive." It was her last post.

Having spent around two weeks at the hospital, Olga Grabar died the following day at the age of 39, isolated from her family, with no chance to say goodbye.

Officials would later deny the interruption of oxygen supply in that Zhytomyr hospital, saying that she was in a rather serious condition, which made it impossible to save her life.

But if it wasn't for interrupted oxygen supply, Grabar says, his daughter might have survived. Back then, there was no vaccine available in Ukraine that could have saved his daughter as well.

The hardest part for the family was to tell Grabar's 12-year-old



Graphite manufacturing plant employee Oleksandr Ostapenko died of COVID-19 on Feb. 4, 2021, at the age of 61.

grandson Artem about his mother's death.

"He cried a lot," Grabar says. "Artem misses his mother a lot and I can't compensate for this loss, even though I try hard."

## Losing a father

The distance didn't matter for Kyiv journalist Anatoliy Ostapenko and his father, Oleksandr Ostapenko, who lived in Zaporizhia, a city of nearly 800,000 people located 600 kilometers southeast of Kyiv. The two used to talk almost every day.

It was the common interest in

politics that has helped in strengthening their father-son relationship, Ostapenko says.

He hasn't been able to call his father for their regular chats for 10 months now.

"I miss him a lot," Ostapenko told the Kyiv Post.

Ostapenko says his father was a kind man who adored his grandchildren and was fond of fishing, "like many of his age in Zaporizhia." He was working at the local graphite manufacturing plant for the last decade, which affected his health significantly. Ostapenko's father had chronic bronchitis along with heart conditions that could have affected the severity of his COVID-19 infection.

His father suffered a stroke in late 2020. It wasn't a bad one. He could still walk and talk independently and only spent a week at a hospital. But three weeks after he was discharged, his state started to deteriorate with fluid retention setting in. It's a condition when excess fluid builds up in the body. He had to be hospitalized again.

When he was admitted to the hospital, doctors checked his lungs and since there was some liquid in them, they decided to put Ostapenko in the COVID-19 clinic, without testing him for the infection.

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EDITORIALS

# Useless officials

President Volodymyr Zelensky conducted yet another government reshuffle. This time, the Zelensky-controlled parliament fired five ministers on Nov. 3 and hired four new ministers, a day later, to serve until the next reshuffle.

The non-transparent appointment of ministers and their eventual sackings leave everyone wondering why they were hired in the first place.

As more dubious characters pass through Ukrainian ministries, it becomes obvious that the president doesn't have a strategy on how to run the country.

Ukraine had 51 ministers in 26 months since the Zelensky-led parliament held its first session. While fighting a defensive war against Russia in the country's east and combating the ongoing COVID-19 pandemic, Ukraine had three ministers of defense and four healthcare chiefs in just two years.

Zelensky's Servant of the People party controls 242 seats out of 450, making the president unchecked in his desires.

Few ministers survived more than a year on the job, with record-holders ex-Finance Minister Ihor Umansky and ex-Health Minister Illia Yemets fired less than a month into their terms.

Even political observers have a hard time remembering the names of all those people who now have "ex-minister" written in their resumes.

The only minister who was able to remain in power for over two years is Mykhailo Fedorov, who leads the digital transformation ministry.

Inefficiency and corruption have been the main reason for ministers to fall out of favor with the president and his party. Even Servant of the People lawmakers are vocal on how bad Zelensky's ministers are.

David Arakhamia, head of the Servant of the People faction, said that it's now hard to find new members for the Cabinet because no one wants these jobs. He also added that the ministries tend to become chaotic amidst government changes.

And yet they continue to shuffle the stripper deck. Some of Zelensky's appointees wouldn't pass even the basic background check. Yet they were still appointed by the obedient parliament.

Ex-Defense Minister Andrii Taran didn't even bother to address parliament during his appointment, breaching the longstanding tradition. He also abstained from doing so when he was voted out of office on Nov. 3.

Parliament has become a printing press for the president's nominees, who don't see the need to present their views to their formal employers. The ministers serve at the pleasure of a single person.

Yet, as experts and lawmakers alike point out, the more changes occur, the dimmer the chances of finding qualified personnel.

An employed professional won't bother to join a government, where his career can abruptly end and his reputation be tarnished.

Two years in, Zelensky's chaotic, unchecked appointments made the government weak, inefficient and a bad career option for certified professionals.

If this administration truly wants to make a difference, it should stick to a single program, instead of neurotically chasing approval ratings by constantly sacrificing ministers.

# Hold that purchase

Everyone knows that Ukraine is under the influence of a group of oligarchs who are very hard to dislodge.

These oligarchs have many smart strategies for staying on top. But far and away, the number one way they got so rich and powerful was by being allowed to buy up all of the country's strategic assets and infrastructure. Everything from energy to resources, without which Ukraine can't function.

A lot of these buy-ups happened in the wild 1990s, when the oligarchs got their start. But this practice continues today due to the poor vigilance of state regulators. In spite of attempts at transparency, rigged tenders and monopolistic purchases persist.

Ukraine's Anti-Monopoly Committee (AMCU) is reviewing a pending acquisition of Kirovohradoblenergo, a big electricity distribution company in the eponymous Kirovohrad Oblast. The buyer is DTEK, Ukraine's largest private energy company belonging to Rinat Akhmetov, Ukraine's richest oligarch. Akhmetov's net worth is estimated at \$11.5 billion, according to a Nov. 4 report published by NV magazine.

If the AMCU cares about the well-being of Ukraine, it will not allow the sale to proceed, even with conditions.

DTEK owns about 70% of Ukraine's thermoelectric power generation and reportedly over 40% of the regional electricity distributors (oblenergos). Ownership of more than 35% is legally considered a monopoly.

The Kirovohradoblenergo purchase will only increase Akhmetov's monopolistic grasp over Ukraine's nervous system, its energy distribution grid.

If we want to see what happens when only one man controls most of the regional distribution network, we can look no further than oligarch Dmytro Firtash's ownership of 70% of the country's gas network.

His companies owe untold hundreds of millions of dollars to Ukraine's state-owned companies but manage to get away with it, while making big profits for their boss.

More importantly, when one man owns so much of a vital resource or infrastructure, without which people will literally die, the government will dare less and less to curb his ambition and his power would only snowball from there.

And let's not forget the murky ownership of this regional energy distributor, Kirovohradoblenergo. The company has been linked to Russian Duma member Alexander Babakov, who used layers of offshore companies to acquire strategic assets throughout Ukraine. It was his entities that sold other oblenergos to Akhmetov over the years.

It would behoove authorities to dig their hands into the muck and sort out who owns what before authorizing any buying or selling of such important enterprises.

It is our hope that the Ukrainian regulators will do the right thing.



**NEWS ITEM:**  
In the recent government reshuffle on Nov. 4, the parliament, dominated by President Volodymyr Zelensky's Servant of the People party, appointed three new ministers and moved one minister to a new position. Since Zelensky took full control of parliament following his party's landslide victory in the 2019 parliamentary election, the country has seen multiple government changes with 51 people having occupied minister jobs.

**NEWS ITEM:**  
An Oct. 30 article by the U.S. media outlet Washington Post quoted U.S. and European officials saying that renewed Russian movements close to Ukraine's border raised concerns in the West. Another U.S. publication, Politico, followed with publishing satellite photos of a "Russian military buildup" near the Ukrainian border. Oleksiy Danilov, chief of the National Security and Defense Council of Ukraine, dismissed the reports as "deliberate disinformation."

**NEWS ITEM:**  
On Oct. 26, the Ukrainian military delivered its first drone strike against Russian-led forces, in retaliation for an artillery attack that had killed a Ukrainian serviceman and injured two. The Ukrainian military used Turkish-produced Bayraktar TB2 unmanned aerial system for the attack. Following the news, Russian President Vladimir Putin held a meeting with the Russian military to produce new drone models.

**NEWS ITEM:**  
Amid the recent COVID-19 wave, 15 of the 24 Ukrainian oblasts are in the red restriction zone as of Nov. 4. The red zone measures require businesses to have their staff fully vaccinated to operate. To enter all enterprises, aside from the essential ones, customers must show a certificate proving their complete vaccination or a negative PCR test done no earlier than 72 hours prior.

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

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



**Justin Trudeau, Canadian prime minister**  
During his latest meeting with President Volodymyr Zelensky in Glasgow on Nov. 1, Justin Trudeau showed unwavering support for Ukraine, a consistent position since he was appointed prime minister in 2015.



**Olga Skabeeva, Russian television host**  
Kremlin TV propagandist Olga Skabeeva recently gloated over the energy crisis hitting Ukraine, applauding the fact that Ukrainians could freeze this winter.

**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.

# Fake Diia applications plague Ukraine amid mounting COVID-19 death toll, infections

By Dylan Carter  
carter@kyivpost.com

Simply faking a COVID-19 vaccination certificate is nothing new in Ukraine.

But fraudsters are now going as far as to produce whole fake applications that resemble the state Diia app, a platform for digital identification that contains vaccination documents.

The most famous fake Diia app came to national attention following the detention of a 21-year-old forger native of Zaporizhzhia Oblast, on Oct. 27.

Almost indistinguishable from the state app, this fake version allows users to visually edit their age, name and crucially, their COVID-19 vaccination status. The app generates a convincing looking identification document, complete with government branding and fake administrative information.

However, the case is just the tip of the iceberg.

Multiple Telegram channels, all named as some variation of "Fake Diia", use memes, TikTok and other social media to encourage young Ukrainians to falsify their COVID-19 status through their fraudulent apps. They also target teenagers to offer the service of faking their age to purchase alcohol.

The recent deadly spike in COVID-19 infection in Ukraine has seen such services surge in use. The majority of adult Ukrainians, unwilling to get a vaccine shot, are looking for other ways to bypass the government's restrictions banning the unvaccinated from many public spaces, including transport.

## Fake certificates

Ukrainians are reluctant to get vaccinated.

A survey conducted in August discovered that the majority of adult Ukrainians, over 56%, do not intend to get vaccinated. A study from late October found that they don't trust vaccines or the advice of doctors. A full quarter of them believe they have contraindications to the vaccine.

High vaccine hesitancy paired with increasing COVID-19 restrictions are driving many Ukrainians to find quick fixes.

A Kyiv Post investigation published on Oct. 1 revealed that there was now a whole illegal market for the creation, sale and distribution of bogus vaccine documents and PCR tests.

Vaccine forgery usually involves the use of complicit doctors who input false information into medical registries, risking their own medical licenses to do so.

The police have opened over 800 criminal probes into such scams as of Oct. 23, according to Prosecutor General Iryna Venediktova.

However, getting access into the database of the Ministry of Digital Transformation or Diia itself is no

easy feat, the authorities say.

First launched in February 2020, the official Diia application is part of Ukraine's digitization strategy. By 2024, the government plans to digitize all public services using the Diia app and website combined.

The app allows users to store nationally-recognized digital versions of their driving license, national passport, international passport, vehicle registration and vaccination status.

According to Minister for Digital Transformation Mykhailo Fedorov, 9 million Ukrainians use the app. Five million vaccination certificates were generated through the app.

Hacking Diia is nearly impossible, according to Mstyslav Banik, head of electronic services development at the Digital Transformation Ministry.

"Tests showed that there are no security vulnerabilities in Diia, or they are insignificant and do not affect the certificate element," Banik said during a briefing on Sept. 27.

An easy solution then is to circumvent the state databases altogether.

## Fake apps

The fake Diia developed by a Zaporizhzhia Oblast developer replicates the look of the original app without accessing the official database.

Telegram bots allow users to easily modify the information that they would like to display. Users then save a web link to their homepages which imitates the official Diia.

As part of its investigation, the Kyiv Post accessed several fake versions of this application, creating completely false identity documents complete with a date of birth, name and even COVID-19 status.

The Kyiv Post does not condone the use of these services.

While true forgeries of vaccination are costly, the applications provide a cheaper alternative.

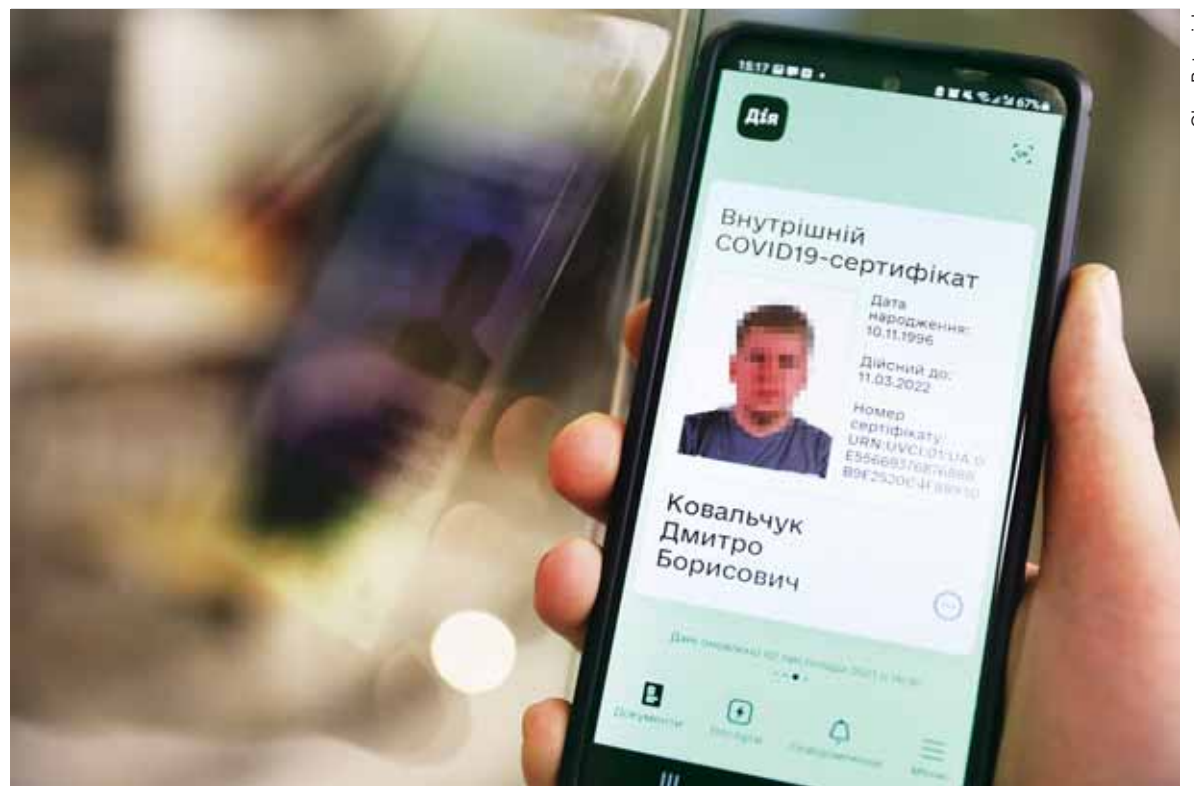
The administrators of one Telegram chat, which is used to generate the fake application, charges just slightly over \$1 (Hr 30) per month for the application without vaccine information. Another one that offers fake vaccine status charges a bit over \$11 (Hr 300) per download. Meanwhile, a fraudulent certificate costs at least four times more than that.

These forgeries are a profitable business.

One Telegram channel claims it sold nearly 700 fake applications featuring false vaccination information at \$11.41 per download. That amounts to a profit of nearly \$8,000 since August.

A poll conducted on one of the Telegram channels revealed that more than 42% of its users were based in Kyiv, a region which has recently introduced strict quarantine measures for unvaccinated citizens and enhanced checks at restaurants, gyms and other businesses.

Just a day before the Zaporizhzhia Oblast founder's capture, the largest



A fake Diia application, showing false COVID-19 information, obtained by the Kyiv Post. The application is almost identical to the real document, however the QR codes it generates are not recognised by the real Diia application when scanned.

Telegram group hosting the application announced its closure due to attention from the authorities.

It initially appeared that the programmer's arrest would bring an end to the project, however this was not the case.

Just one day later, the service relaunched, allegedly with new admins who were eager to maintain the project.

The success of the application also encouraged the creation of copycat accounts, using identical or modified versions of the creator's original application.

According to two Telegram channels, there could now be as many as 23,000 fake Diia documents circulating in Ukraine.

## Targeting teenagers

Forgers use outlandish memes, comedy sketches, eye-catching dancers and general hype to lure teenagers to their Telegram channels where they can purchase the fake identity document services.

They encourage underage citizens to use the app to enter bars, fake their vaccination status, buy alcohol and cigarettes.

TikTok is one of their favorite method.

According to a poll posted on one of the Telegram channels, the vast majority (33%) of users found out about the service through TikTok. More than 51% of TikTok's users in Ukraine are girls aged between 13 and 24.

By exploiting TikTok's "for you page," which promotes content to new audiences, the promoters of fake Diia channels were able to attract teenagers to click links which lead to their illegal services.

One video promoted to the front page of the application was viewed more than 63,000 times before the account was removed.

## Crackdown

According to Banik, the cyber police are now taking action against these Telegram groups and forgers.

"The cyber police are very involved in the search for these scammers," Banik said.

On Nov. 3, the cyber police of Ukraine took down the Telegram channel of one of the largest fake Diia groups, who sold apps including COVID-19 vaccination status.

In a note posted through the Telegram bot, the cyber police stated that the application had been blocked for breaking the law.

"This Telegram bot was blocked by cyber police officers for the unauthorized sale or dissemination of information with limited access. Responsibility for these actions carries a penalty of up to 2 years in prison," the statement read.

Police later announced the detention of another 17-year-old forger, who was detained at his home in Kharkiv. According to police, his Telegram channel, which the Kyiv Post was able to access before its removal, had 20,000 subscribers.

Banik said the fake application produced in Zaporizhzhia Oblast had not utilized any of Diia's resources. "This fake app has nothing to do with Diia. Creating fake resources does not affect the security of the application itself," Banik assured.

However, the security issue that these fake apps reveal is that most businesses do not scan the QR codes generated by the Diia app, instead just visually inspecting its information.

"Everyone can independently check the validity of the digital document. If the document is fake, the scanner does not read it," Banik insisted. "It is the responsibility of people themselves to take care of their cyber presence." ❗

# Banking Services

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## Ukraine inching closer to launch digital e-hryvnia

By Daryna Antoniuk  
antoniuk@kyivpost.com

As the world's economies are becoming tech-powered, banks realize that the future of money will be increasingly digital.

To crack into this field, governments worldwide are mulling the launch of digital money backed and issued by state banks. Central bank digital currency, CBDC, is a virtual form of the country's national currency represented by a digital code and held in a digital wallet.

The electronic hryvnia might have many advantages, experts said. It promises faster and cheaper money transfers while reducing fraud and money laundering because digital payments are easier to identify and trace online, experts added.

But the transparency of state-backed digital currency also raises privacy concerns as the state can record every hryvnia that citizens spend.

The National Bank of Ukraine (NBU) would also have a privileged position as a single digital currency issuer, creating a de facto monopoly and unfair competition against other payment services.

According to the NBU, an e-currency issued by the central bank could replace bank cards en masse, causing almost \$1 billion of losses to commercial banks.

"The e-hryvnia will reduce the profit of commercial banks; therefore, they need to find other sources of income," said Konstantin Yarmolenko, the co-founder of non-profit Blockchain4Ukraine.

### Experiment

Today, only seven countries have launched state-backed digital currency. Seventeen countries are testing it, and Ukraine is one of them.

In autumn 2018, the NBU issued 5,443 e-hryvnias (nearly \$206) to test its real-life application.

NBU employees and volunteers used e-hryvnia to top up mobile phones, transfer money from one account to another and exchange digital currency into cash.

The project was too small to evaluate the real impact of digital money on the Ukrainian economy but the NBU acknowledged that e-hryvnia could become an alternative to cash or payment cards in Ukraine for the first time.

"The e-hryvnia is reliable, easy to use, and allows the transfer of money quickly," the NBU report said.

Participants installed a mobile app and registered a digital wallet to pay with digital currency. The app processed all transactions instantly



A woman passes by the National Bank of Ukraine in Kyiv on Nov. 3, 2021. As the world's economies are becoming increasingly tech-powered, the NBU considers launching digital hryvnia to make money transfers cheaper and faster.

and didn't charge commission as commercial banks do.

The findings of this experiment also opened more questions about how digital currency should work and who would control it.

For example, in the 2018 experiment, all e-hryvnia transactions were anonymous, but the NBU could require users' identification in the future. The tryout also raised the issue of the kind of model that the NBU should use.

In a decentralized model, banks and payment services could issue e-hryvnia under the control of the National Bank.

The centralized model, on the contrary, assumes that the NBU is a single issuer of e-hryvnia, while commercial banks only serve the customers.

### Progress

After the first experiment, the digital currency project stalled, but the NBU didn't give up on the idea to launch its digital hryvnia.

"Now, there is no such question as to whether we need digital currency or not. It has already become an obligation," said the former NBU head Yakiv Smolii during a press conference last year.

It is still unclear whether Ukraine will soon upend the current currency system with a digital alternative, but the NBU already prepared a few scenarios to roll it out nationwide.

For instance, Ukrainians could use e-hryvnia to make in-store payments or send money to other mobile wallets in Ukraine and abroad.

Online payments are booming in Ukraine, a country which decades

ago operated entirely on cash. According to the NBU, online payments account for 36% of all cashless transactions in Ukraine. In the first quarter of 2021 they amounted to \$7 billion.

Half of Ukrainians are ready to completely abandon cash payments in the next five years, according to Inga Andreieva, the general director of Mastercard in Ukraine and Moldova.

The NBU could also use digital money to pay subsidies for utilities, cover other forms of social assistance or to settle procurement contracts. It would allow the government to control the flow of funds and avoid corruption.

In September, Ukraine's Ministry of Digital Transformation announced that its employees may be able to receive salaries in e-hryvnia this year as an experiment, with a full launch at the end of 2022 – when the law on payment services allowing the NBU to use the digital currency as a mean of payment will come into force.

Ukraine has all the necessary conditions to continue the e-hryvnia project, according to Yarmolenko.

Legislation regulating virtual assets which was adopted by the parliament in September awaits presidential approval. In June, the parliament passed a law on payment services, allowing the NBU to issue digital hryvnia. This law defines e-hryvnia as a means of payment, contrary to cryptocurrency.

### Impact on cryptocurrency

Central banks love stability. It builds trust and prevents risks. That is why

the cryptocurrency is an outlier in the world of traditional banking.

It is highly volatile, hard to control and almost impossible to predict in the long-term.

The country's attitude toward virtual currencies, including cryptocurrency, is changing fast, but the e-hryvnia has pros and cons, especially compared to private cryptocurrency.

On the one hand, the e-hryvnia would be more reliable and less volatile than cryptocurrencies because the central bank would back it up. It could also help trace suspicious digital funds.

The risk also lies in security: if hackers gain access to the system, they can potentially siphon off money from the country's electronic vault.

On the other hand, private cryptocurrency is more attractive for speculators because its exchange rate is determined by supply and demand rather than by the policy of the central bank.

Cryptocurrency also offers the anonymity and privacy that central bank digital currencies want to avoid. Still, Yarmolenko said that the Ukrainian community of cryptocurrency owners doesn't mind if the government introduces payments in e-hryvnia because these currencies operate on different markets.

One thing is certain for the bank, the e-hryvnia could be a game-changer in Ukraine.

"The e-hryvnia is a disruptive technology that could significantly change the Ukrainian payment market and redistribute the power among its players," the NBU said. ❦

## Digital banks blaze trails to supplant old-school ways

By Daryna Antoniuk  
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Digital banks entered Ukraine's financial market in 2017, shaking up the domestic banking sector.

Known as neobanks, these online banks are fast, simple to use, charge low commission and serve customers via mobile apps, making slow and bureaucratic brick-and-mortar banks look old.

But there is room for improvement. The lack of physical branches and in-person assistance can become a problem when the app glitches.

Digital banks aren't legally recognized and have to partner with traditional rivals to insure their products.

When choosing a parent bank, neobanks evaluate many factors, including assets, the size of capital and clientele, Ukrainian economist Eugene Dubogryz told the Kyiv Post.

The competition for Ukrainian customers among neobanks is growing as Ukrainians give up cash and switch to online banking services, but there is still space for new players, experts say.

Today, at least seven digital banks are operating in Ukraine. Most of them emulate the leader of the market – mobile-only bank Monobank, which, according to its cofounder Oleg Gorokhovskiy, is valued at over \$1 billion today.

Here's a guide to Ukraine's most popular mobile banks and getting to know the people behind them.

### Monobank

Mobile-only Monobank, Ukraine's first neobank, has amassed over 4.4 million clients since its foundation in 2017. Monobank uses the license of Universal Bank, owned by tycoon Serhiy Tigipko, who once was a political ally of fugitive former president Viktor Yanukovich.

Universal's assets amount to \$1.7 billion, 12th nationally. The share of Monobank in Universal's revenue accounts for 80–90%, its CEO Iryna Starominska said in an interview with Forbes.

Monobank has seven cofounders, including Misha Rogalskiy, Oleg Gorokhovskiy and Dmytro Dubilet. Most of them occupied executive roles in PrivatBank before its nationalization in 2016. For this reason, they cannot work as top managers in Ukrainian banks or be their shareholders.

Monobank offers many services that traditional banks do. It allows users to keep and withdraw the money or put savings on depos-

# A guide to Ukraine's 7 digital banks and their importance



Monobank is the first mobile-only bank in Ukraine. It was founded in 2017 by the former managers of PrivatBank. Today Monobank has over 4.4 million clients.

page 6 →

it accounts with up to 10% per annum. But Monobank also stands out from its competitors.

For example, it allows its clients to split a restaurant bill, transfer money in one click, pay salaries, cover utilities without fees and return up to 20% of monthly expenses in the form of cashback. Monobank also plans to issue cards allowing to trade Bitcoin, the most popular cryptocurrency, and invest in shares of foreign firms.

## Sportbank

Ukrainians Nick Izmailov and Denys Saprykin founded Sportbank in 2019 and have attracted over 300,000 users since then. Sportbank is a digital bank for people who love sport: it returns up to 10% of monthly expenses on sports equipment or fitness centers.

Sportbank is the first and the only neobank with two banking licenses – from small Oxi Bank, which has \$26 million in assets, and Tigipko's Tascombank with \$941 million in assets. Sportbank founders will consider using only Tascombank's license in the future.

Like other neobanks, Sportbank allows users to register a credit card online by adding photos of their documents to the app. The bank has only essential financial services: it offers to top up the card, transfer money, collect cashback and recharge a mobile phone.

Izmailov and Saprykin created a bank for customers, who are primarily between 18 and 35 years old. "For them, sport is a way of saying that they are taking care of themselves," Izmailov said. The bank bets on sports to be different as its services are far behind those offered by Monobank, experts said.

In the future, Sportbank wants to introduce more incentives for its users. For example, its clients could purchase tickets for sports events inside the app or even get access to the locker room of favorite foot-

ball players or win a dinner with a famous athlete.

## Izibank

Another neobank targeting a young audience entered the market in February 2020 and reached almost 100,000 active users in July 2021. Tigipko's daughter Anna Tigipko, leading Izibank, invested nearly \$2 million to launch the company.

Izibank operates under the banking license of Tascombank, which, like Universal Bank, belongs to TAS Group.

Like all neobanks, Izibank has a lax tariff policy, offering a more extended grace period that allows customers to delay short-term loan repayments for up to 62 days.

Izibank also provides 1% cashback on all purchases and 2% cashback every Friday on cafes, clubs and restaurants.

The users are not charged for money transfers, cash withdrawals and deposits from the City24 ATMs, as well as house utility payments. With Izibank, users can plan their budgets and set financial goals.

Although Izibank has a strong competitor, there is still a place for it in Ukraine, Anna Tigipko said in an interview with NV magazine in September last year.

"We are very similar to Monobank in terms of concept and functionality, but I wouldn't rush to compare us," she said. "We are unique in terms of our story, positioning, and strategy."

## Todobank

Ukrainian Todobank, launched in August 2019, focuses on convenient utility payments and offers 1% cashback on utilities.

Todobank works under the banking license of Megabank, which has \$354 million in assets.

Megabank's shareholders are the European Bank for Reconstruction and Development (EBRD) and Germany.

The founder of Todobank, Andriy Karpinsky, works at the management board of Megabank. In 2019,

Gorokhovskiy from Monobank accused Karpinsky of plagiarism.

"The Todobank mobile app looks the same as Monobank's. It only changed the color and removed the branded mascot cat," he said.

Karpinsky, however, said that he started to develop Todobank back in 2015. The main difference of his app, compared to Monobank, is that it works with credit cards issued by different banks, Karpinsky said.

## Neobank

Neobank, which operates under the license of Concord Bank and is part of it, is a financial service for businesses, launched in July.

Concord is owned by sisters Olena and Yulia Sosyedka. With assets of over \$189 million, Concord ranks 39th among 71 Ukrainian banks.

Concord's neobank offers similar services as other digital banks: deposits, money transfers, utility payments, currency exchange and 1% cashback. The bank also has its courier service that delivers physical cards directly to the clients.

According to Sosyedka, in the future, the app could serve as a cash register and would send its users notifications, reminding them to pay taxes or interest on the loan. With Neobank, entrepreneurs would also be able to give separate access to their accountant, Sosyedka said.

## O.Bank

Ukrainian O.Bank, launched in January last year, has over 110,000 users today. It operates under the license of Idea Bank, which has \$214 million in assets.

Idea Bank is owned by the Polish financial holding company Getin Holding. According to Mikhail Vlasenko, the chairman of the board at Idea Bank, the third of the bank's new clients in 2020 came through O.Bank.

The main difference of O.Bank compared to other neobanks is a 30% cashback on subscription services from Apple and Google, including Apple Music, Google Play Music and Apple TV, and a 5% cashback on online purchases.

## Vlasny Rakhunok

In September this year, one of Ukraine's largest retailers Fozzy Group launched its digital bank – Vlasny Rakhunok ("Own Account"). It operates under the license of Vostok Bank, which has \$629 million in assets.

Fozzy's neobank offers essential financial services like money transfers and card replenishment and collects bonuses for Silpo stores' purchases. In the future, Fozzy wants to introduce more banking services for logistics and e-commerce.

According to Kristina Karmazina, who launched Vlasny Rakhunok, Fozzy's neobank is for those who want an "easy and amusing digital bank." ☺

## BUSINESS ADVISER

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### Note for banks: the foreclosure on mortgaged property may require a permit for concentration



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#### General legal framework of concentration

The antitrust laws of Ukraine authorize the bodies of the Antimonopoly Committee of Ukraine to control the concentration of economic entities.

This includes the provision of permits for concentration in cases when it is mandatory. Such cases are clearly defined by the law of Ukraine 'On protection of economic competition'.

Broadly speaking, the permit for concentration is required when:

- A specific operation falls under the term 'concentration' and is not covered with exclusions;
- The parties of the operation meet the criteria of total value of assets, total sales of the goods, under the law.

One of the concentration's types is the **acquisition of ownership of assets in the form of integral property complex**. The term 'integral property complex' may refer to a factory, plant, workshop, elevator for grain storage and handling etc.

The law does not limit the ways of how the ownership of the integral property complex shall be acquired for the purposes of concentration (purchase or any other).

**So, the necessity in permit for concentration may appear even in a case of foreclosure on mortgaged integral property complex if all the requirements for such a mandatory clause are met.**

The permit should be obtained by the person which takes the ownership. In the event of concentration without the required permit, such a person may be fined by the Antimonopoly Committee in the amount of up to 5% of its income from sale of products (goods, works, services) from the last reporting year prior to the year in which the fine is imposed.

#### What happened to Oschadbank?

On Sept. 16, 2021 the Antimonopoly Committee imposed a fine 'Oschadbank' for failing to obtain the permit to concentrate over foreclosure of the mortgaged property. The amount of such a fine was roughly Hr 14 millions.

In 2017, Oschadbank foreclosed on mortgaged a logistic center without obtaining the permit for concentration. In short, the Antimonopoly Committee came to conclusion that there were no grounds for Oschadbank to avoid getting a permit because

- The operation could not fall within the cases which are not concentration under then effective law;
- The parties met the criteria of total value of assets, total sales of the goods, established by the law.

Thus, the Antimonopoly Committee demonstrated the application of general rules regarding the necessity in obtaining the permit for concentration to banks regarding the foreclosure procedures.

The Antimonopoly Committee used to overlook fines for banks for the foreclosure on mortgaged property without permit for concentration. But after the case of Oschadbank, new similar cases may potentially appear with other banks.

#### What should be done by the banks?

Before taking the ownership of any "essential" real estate in the result of foreclosure (for instance, industrial or storage complexes), it is recommended to carefully analyze the documents and factual background to obtain the permission for concentration.

In particular, the bank should check whether the particular foreclosure may be treated as the case which is not concentration under the law or not. For instance, starting from 2019 and as of today, the law establishes that no concentration appears in taking the ownership by the bank or other financial institution of assets in the form of unified property complex (includes integral property complex), shares (stocks, units) of economic entity if:

- This is provided for by the restructuring plan, approved under the law of Ukraine 'On financial restructuring', in the form of foreclosure on the collateral (mortgaged property) or other security encumbrance;
- They are further sold to economic entities not related to the bank or financial institution with control relations within two years from the day of taking the ownership.

There is another **no-concentration** case which may be relevant for the banks in the context of foreclosure on shares. The law establishes that the '**no concentration**' clause applies if the purchase is made for the further resale of the shares (stocks, units), provided that the mentioned person does not participate in voting at the higher board of management or at other boards of management of the economic entity.

In such a case, the further resale shall be carried out within one year from the date of the purchase of shares (stocks). The Antimonopoly Committee of Ukraine may extend this period upon request of the abovementioned persons, which contains a justification for the impossibility of further resale.

As a conclusion, we recommend analyzing each situation of foreclosure on assets of the borrower very carefully before the actual transfer of title.

GOLAW attorneys will be delighted to assist if you have any questions on possible concentration with regard to the foreclosure on collaterals.

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**GOLAW**

# 5-7-9 loan program is failing to boost business

By Max Hunder  
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When it was introduced in January 2020 at President Volodymyr Zelensky's initiative, the 5-7-9% loan program was heralded as a way of making entrepreneurship accessible to ordinary Ukrainians.

The premise was simple. Banks would lend money to small and medium businesses at market rates. The government would cover part of the interest payments so that the borrower only had to pay 5, 7, or 9 percent on their loan — instead of the 11% plus cost of unsubsidized borrowing.

Nearly two years on, banks have loaned \$2.6 billion under the program and the government disbursed about \$230 million so far.

Banks insist that the program is crucial to help the private sector, but experts claim that much of the funding shores up the budgets of established firms.

Conditions to qualify for 5-7-9% financing were made too strict, experts said, and most startups didn't qualify because they had no assets to put down as collateral.

Financial expert Oleksiy Kushch is skeptical of the program's real value to the economy.

"They would have been better off giving the money to pensioners," he told the Kyiv Post.

## Anti-crisis loans

Johannes Andersen is a Danish national and former Kyiv Post employee who lives in Ukraine and runs Faro, a small business producing premium foods for supermarkets.

He told the Kyiv Post that the inability to find loans under reasonable conditions hampers his business and cripples the wider economy.

"The lack of access to capital has been stalling the economy for decades," Andersen said. "It is one of the main factors preventing an



A man browses the official website of the 5-7-9% loan program. Since its launch in January 2020, \$2.6 billion has been lent under the terms of the project.

overall post-Soviet, post 1990s recovery."

The 5-7-9% program was intended to deliver a much-needed cash injection into an economy notorious for its high cost of capital.

The scheme allowed companies with a turnover of over \$1.9 million to borrow money from banks at a rate of 9%, while businesses with a turnover under that amount would pay between 5 and 7% interest. The more employees a business had, the lower the rate.

Although Kushch has long been a supporter of a subsidized loan program, he said the 5-7-9% scheme should be stopped and is not fit for purpose as the money does not go to the right places. Only \$300 million has been loaned to new businesses.

"Approximately one third of the loans go towards refinancing older debts," he said. "There is no multiplier effect for the Ukrainian economy from this."

Rodion Morozov, deputy board chairman at UkrGasBank, agrees that overall, too much of the 5-7-9% capital goes to refinancing. He is keen to point out that of the \$150 million his bank has loaned under the scheme, only \$28 million has gone on paying down old debts.

"At some point, the scheme went wrong because several banks started to refinance their own loans at 0%," he told the Kyiv Post.

## Refinancing

In June, 12 banks signed a letter written by Raiffeisen Bank CEO

nesses who didn't need them, namely agricultural holdings who had a record year in 2020.

"According to Raiffeisen Bank's own statistics, a typical (5-7-9%) program participant can be described as a fully operational agricultural enterprise that has received an anti-crisis loan or refinancing," the letter said.

As of Oct. 25, agricultural companies had received 44% of all the loans given under 5-7-9%, which amounted to over \$1.1 billion.

"For the most part, such companies are quite resilient, have not suffered significant losses from the curtailment of business activity in 2020 and are trying to legally reduce their financial expenses."

When asked about the letter, which UkrGasBank did not sign, Morozov voiced skepticism over the motives of the banks who signed the letter.

"It was funny to find out that this position was held by banks who were the most active in refinancing: It's as if they said 'we've got what we need, that's it, time to stop.'"

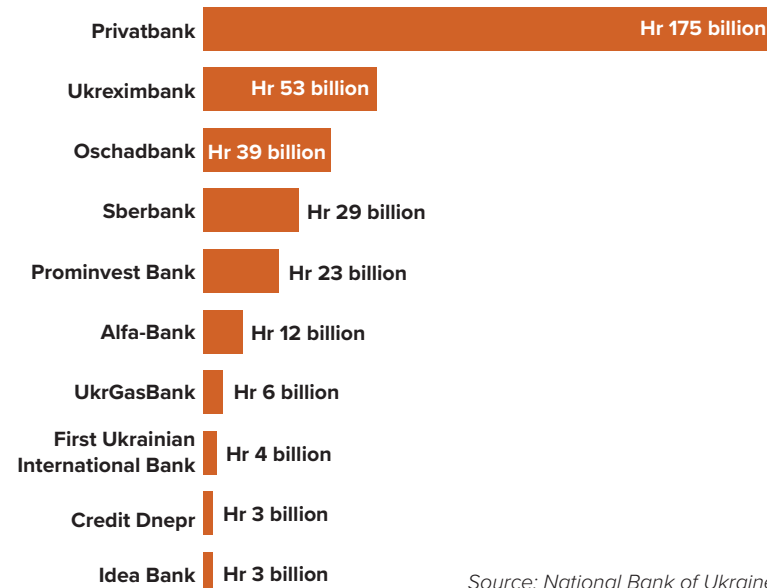
In response to Morozov's comment, Pizaruk told the Kyiv Post that the 5-7-9% program was the right tool to support businesses during the

Alexander Pizaruk, asking the government to stop loans issued since the start of the pandemic.

The letter criticized the scheme for giving loans to profitable busi-

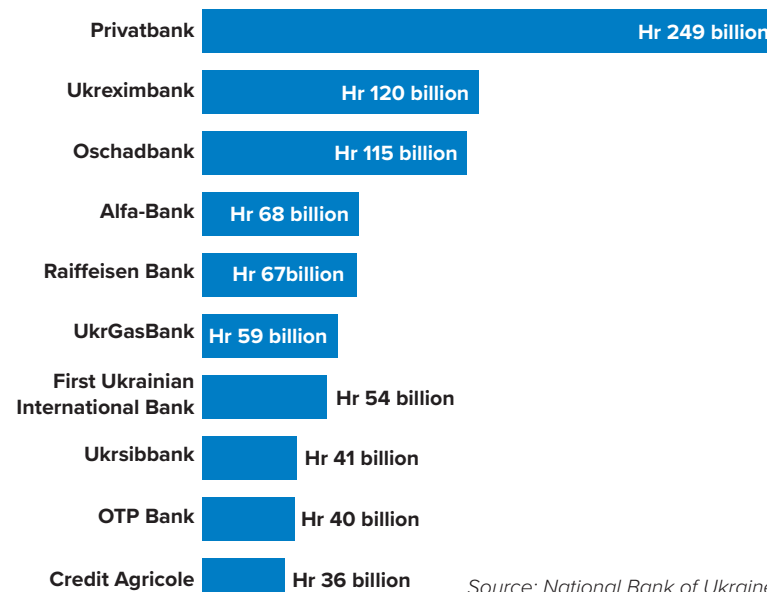
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## Top 10 banks by volume of non-performing loans



Source: National Bank of Ukraine

## Top 10 banks by loan portfolio



Source: National Bank of Ukraine

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# Zelensky's recent government reshuffle shows no strategy

By Illia Ponomarenko and Oleksiy Sorokin

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President Volodymyr Zelensky's loyalist, Yulia Svyrydenko, was the last of four ministers appointed by parliament on Nov. 4.

Svyrydenko, the ex-deputy head of the President's Office, became the 51st minister appointed since Zelensky took full control of parliament, following his Servant of the People party's landslide victory in the 2019 parliamentary election.

Customs Head Pavlo Ryabkin was appointed minister of strategic industries, Zelensky's party lawmaker Iryna Vereshchuk became the minister for the reintegration of occupied territories and ex-Vice Prime Minister Oleksii Reznikov will now serve as the minister of defense.

This was just the latest of many government reshuffles by Zelensky.

Few ministers survived more than a year on the job, with record-holders ex-Finance Minister Ihor Umansky and ex-Health Minister Illia Yemets fired less than a month into their terms.

While fighting a defensive war against Russia and combating the ongoing COVID-19 pandemic, Ukraine had three ministers of defense and four healthcare chiefs in just two years.

The process of hiring and firing top officials under Zelensky has been chaotic, experts say. The disarray delayed crucial reforms in key government sectors, such as defense and medical procurement. Moreover, some ministers have left a dubious trail, with the National Anti-Corruption Bureau opening probes into corruption and abuse of office.

"They don't have a strategy, no one knows why people are hired or fired, what are the KPIs (Key Performance Indicators), what were the initial goals of their appointments," said Anatoly Oksytsiuk, a political expert at the local think tank Democracy House.

"A huge staff turnover, as a result, the skilled don't want to join the government – the reputational damage (to join) is huge," Oksytsiuk told the Kyiv Post.

Yet, this constant shuffling may continue for as long as the president and his 242-member Servant of the People faction sees political dividend in firing government officials.

The President's Office continues to think that new people will do a better job, Oksytsiuk says. "They won't."

## The reshuffle

The recent changes in government have been discussed since late summer. According to Ukrainian media, the replacements weren't done sooner because of the lack of candidates.

The five ministers that were eventually ousted on Nov. 3 are Strategic Industries head Oleh Uruskiy, Defense Minister Andriy Taran, Ecology Minister Roman Abramovsky and Economy Minister Oleksiy Lyubchenko.

Reznikov, head of the Ministry of Reintegration, resigned to take on a new Cabinet role.

According to lawmaker Mykyta Poturaev, who represents Zelensky's party, the main reasons for the oustings were either inefficiency, corruption or both.

"Taran – ineffective, Uruskiy – ineffective, Lyubchenko – corruption, Abramovsky – the inability to combat corruption," Poturaev told the Kyiv Post.

Several media outlets reported that on Nov. 3, the National Anti-Corruption Bureau of Ukraine and the Security Service of Ukraine searched the house of Lyubchenko as part of a corruption probe. The searches were also conducted in the State Tax Service.

Lyubchenko's press secretary Anastasia Polityko told the Kyiv Post that the information about the searches in his house is untrue.

The process of selecting people for the constant new openings remains hidden from public eye. Despite



Ex-Vice Prime Minister Oleksii Reznikov speaks in parliament on Nov. 4, moments prior to his appointment as Ukraine's new defense minister.

Zelensky only having the right to nominate ministers of defense and foreign affairs, the president has been accused of being involved in most appointments.

Moreover, several appointees didn't bother to present their program in front of parliament, sitting quietly through their confirmation hearings, like Taran.

The lack of merit-based appointments and the constant changes in ministries stall key reforms.

## Making U-turns

The defense sector was probably the biggest victim of Zelensky's selection policy.

After a promising start, the lack of a strategic vision and alleged nepotism have repeatedly thrown the nation's wartime effort downhill.

Zelensky's first Defense Minister Andriy Zagorodnyuk appointed in late August 2019, seemed a perfect fit.

Zagorodnyuk wasn't connected to the post-Soviet military establishment while assisting the army and advocating for reform.

But just six months in, Zagorodnyuk was abruptly sacked, without an explanation. Ukrainian media have alleged that Zelensky was dissatisfied with the minister's performance.

Zelensky at some point decided to make a U-turn and kill the civilian defense minister experiment – even though civilian authority over the military has always been a crucial part of Ukraine's pledges to comply with NATO standards.

"There was (eventually) another opinion – that the military must be in charge during wartime," Zagorodnyuk told the Kyiv Post in May. "This concept is very different from that of NATO... but that was (Zelensky's) call."

The president opted to appoint Taran, a retired military general, rolling the situation back to where it was before Zelensky's rule. Taran didn't present his vision to parliament either and was known for declining to speak to the press. He left quietly, in the same manner that he was appointed, with no real results.

On numerous occasions, Verkhovna Rada lawmakers and military watchdogs accused the minister of failing to complete the annual defense procurement plan on time, which he fiercely denied.

Taran's ministry was also investigated for corruption. On Oct. 29, Ukraine's State Investigations Bureau charged Taran's former

deputy, Ihor Khalimon, with embezzlement that allegedly cost the state Hr 700 million (\$26.6 million), due to shady meal procurement deals.

After multiple calls in parliament to sack Taran, the minister eventually resigned on Nov. 2.

According to Danylo Hetmantsev, a lawmaker with Zelensky's party, the parliament had expected "better managerial skills" from Taran.

"It's all about organizing the process," Hetmantsev said on Nov. 2. "Which was not done with due diligence."

## Random people

In a similar fashion, Minister for Strategic Industries Uruskiy also quit on Nov. 2 without saying a word in front of parliament.

The very inception of his ministry in July 2020 under Zelensky was severely criticized as something unnecessary that would breed bureaucracy. Uruskiy himself was repeatedly accused by watchdogs of highly-centralized control of state-run defense production, as well as extremely slow policymaking that effectively hog-tied the sector's reform.

Every time a new batch of ministers is appointed by parliament, the public is left confused by why these new officials had been selected to join the government.

David Arakhamia, head of the Servant of the People faction, has been vocal about the ongoing Cabinet reshuffles, saying that it's hard to find candidates for the vacancies.

"Most of the good people we want refuse to enter the government," Arakhamia said back in September. He also added that as soon as the name of the next minister to be sacked is announced by the media, the ministry under him stops following orders.

As a result, people with questionable reputations end up occupying the top government jobs.

In March 2020, the parliament supported the appointment of Yemets as health minister. That was Yemets' second stint as health minister, first serving under ousted

pro-Kremlin President Viktor Yanukovich.

Inna Ivanenko, managing director of Patients of Ukraine, a non-governmental health organization, said that Ukraine lost valuable time, as the ministry under Yemets blocked procurement of essential medical supplies for weeks. He was also accused of trying to get his own insider into the government's dedicated procurement company.

Yemets was soon ousted. Maksym Stepanov, who was appointed instead of Yemets, was also alleged of stalling medical procurement and was fired in May 2021.

Umansky, who served for less than a month as finance minister, was fired after he was accused of opposing the cooperation with the International Monetary Fund, Ukraine's crucial financial backer.

Acting Energy Minister Olha Buslavets was fired after being accused of lobbying the interests of oligarch Rinat Akhmetov. Both she and Akhmetov's representatives deny it.

## Glimmer of hope

Zelensky went back to selecting a civil official to lead Ukraine's defense. Both Poturaev and Oksytsiuk praised Reznikov's appointment.

In his confirmation speech, the new defense minister vowed to finally reach a "synergy" between the ministry and the military command. He also promised to turn the Armed Forces into "the country's best employer."

As his first move in office, the official vowed to revise the military documentation procedures. Unprecedented bureaucracy in this domain gave birth to bitter jokes about "the Ukrainian Paper Army" or UPA, for short.

To Hlib Kanievskiy, the head of Kyiv-based anti-graft watchdog StateWatch, the new nomination is a reason for very cautious optimism.

"We have reasons for concern," Kanievskiy told the Kyiv Post. "But we also need to wait and see what comes next." 🇺🇦



Defense Minister Andriy Taran attends a special government meeting with the participation of President of Ukraine Volodymyr Zelensky at Unit.City innovative park on March 13, 2020.



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# Odesa in autumn

- 1 A drone picture shows a view of the cargo ship at the Odesa port on Nov. 2, 2021.
- 2 This aerial picture taken on Nov. 2, 2021, shows the cableway from the city directly to the beach in Odesa.
- 3 People strolling at the beach in Odesa on Nov. 2, 2021.
- 4 A drone picture shows an aerial view of a yachts parked at the Black Sea Yacht Club in Odesa on Nov. 2, 2021.
- 5 The National Academic Opera and Ballet Theater is seen in Odesa on Nov. 2, 2021.
- 6 Two yachts sailing near the beach in Odesa on Nov. 2, 2021.
- 7 A drone picture shows an aerial view of the Nemo dolphinarium at the beach in Odesa on November 2.
- 8 A man fishing on a breakwater at the beach in Odesa on Nov. 2, 2021.
- 9 A photograph shows a view of the Potemkin Stairs in downtown Odesa. (Photos by Volodymyr Petrov)



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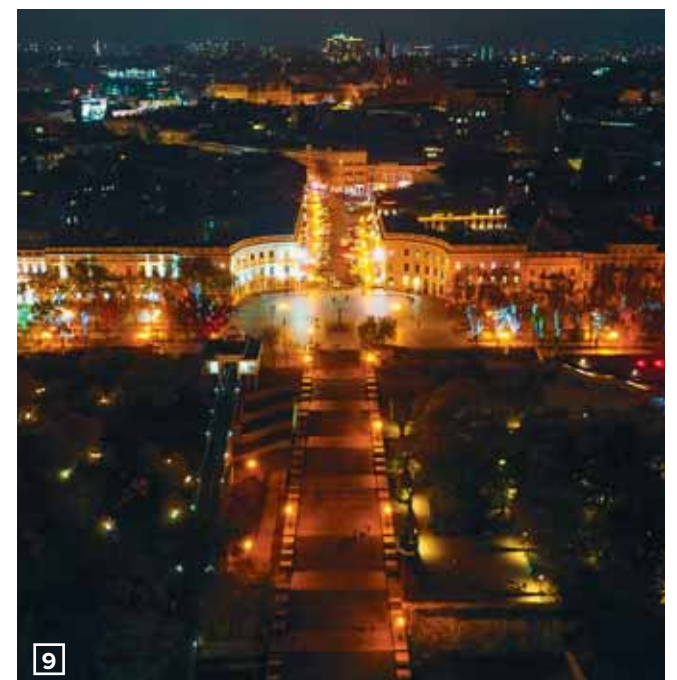
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# EBRD provides key support for Ukrenergo's green bailout

By Max Hunder  
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The state electricity grid operator Ukrenergo announced on Nov. 3 that it had issued \$825 million of green bonds in a bid to resolve the payments crisis gripping Ukraine's renewable energy sector.

The European Bank for Reconstruction and Development (EBRD) backed the green bonds by investing \$75 million.

The bonds will cover 87% of the state electricity transmission system's \$950 million debt to renewable producers, according to investment bank Concorde Capital, which means that the Guaranteed Buyer can finally pay off its long-overdue debts to renewable producers.

"The agreement is a significant step towards resolving imbalances in the Ukrainian electricity market in accordance with Ukraine's obligations to producers of electricity from renewable sources," said Ukrenergo chairman Volodymyr Kudrytskyi in a press release on Nov. 3.

Alexander Paraschiy, head of research at Concord Capital, said the placement will become an important tool for the government to repay its debt to green producers.

### Long-running debt

Paraschiy added that this financing

Oleg Petrusiuk



The drone picture shows an aerial view of the UDP Renewables solar power plant near Velyka Dymerka village in Kyiv Oblast on June 1, 2021. The state electricity grid operator Ukrenergo announced on Nov. 3 that it placed \$825 million green bonds in a bid to resolve the payments crisis gripping the country's renewable energy sector. The European Bank for Reconstruction and Development (EBRD) backed the green bonds by investing \$75 million in the proceeds.

didn't address the problem of the state's payment to green energy producers in the long term, which brought the Guaranteed Buyer to this abysmal debt.

The standoff between green energy developers and the state has dragged on since September 2019.

The tariffs were originally intro-

duced in 2008 to encourage renewable energy investment, with a goal of making 25% of Ukraine's energy production come from renewable sources by 2035. Under the new system, the state company Guaranteed Buyer was supposed to buy all renewable energy.

The tariff has been a running

source of controversy. It also largely enriched ousted President Viktor Yanukovich's political allies Serhiy and Andriy Kluyev, businessmen from Donetsk who held influential positions in government and parliament.

One of the highest in Europe, the tariffs attracted about \$10 billion

in renewable energy projects since they were put in place, according to Kosatka.media.

Billions of dollars of investment in 2018 and 2019 raised renewables' share of Ukraine's energy mix from just over 2% to more than 10% in about a year.

However, the amount of new renewable projects introduced in 2019 and early 2020 exceeded the amount for which the government budgeted.

The arrival of the COVID-19 pandemic further hurt Guaranteed Buyer's ability to cover its debts. On June 10, 2020, the government and numerous renewable producers approved a memorandum to lower the feed-in tariff in exchange for the government's promise to pay back its debts.

Many companies refused to support the memorandum, instead opting to begin international arbitration to recoup lost profits.

Oleksiy Feliv, energy expert and managing partner at law firm Integrites, told the Kyiv Post that while the new bonds do not guarantee that the state will fulfill all future payments, it was a positive step that would encourage investors.

"The payment of these debts would mean that the government is late but is still in compliance with what they promised," Feliv said.



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# Ukraine International Airlines is no fan of Open Skies deal

By Dylan Carter  
carter@kyivpost.com

Ukraine's accession to the European Open Skies agreement, officially signed on Oct. 12, is likely to radically alter the Ukrainian aviation market.

Under the new agreement, foreign airlines can fly between Ukrainian cities and schedule as many flights as they like. Ukrainian airlines, in turn, could fly between European airports but have to start and finish their routes in Ukraine.

Previously, foreign airlines needed the approval of the government to start flights to Ukraine. This process was time-consuming and bureaucratic. The agreement is good news for customers because it reduces ticket prices, but is bad news for Ukrainian carriers.

Yevhenii Dykhne, CEO of the country's flag carrier Ukraine International Airlines, told the Kyiv Post that the program would throw his company against unfair competition. "Ukrainian carriers are disqualified on many issues in (this) competition," Dykhne said on the sidelines of the Kyiv International Economic Forum held on Oct. 7.

## Open market

The liberalization of the Ukrainian

aviation market brings unwanted competition to UIA.

The agreement is meant to foster competition which would bring down ticket prices, but Dykhne worries that the airline can be overwhelmed by foreign competitors. "We don't have access to cheap investment like our competitors," he said.

On Oct. 21, low-cost Spanish carrier Vueling launched routes from Kyiv to Paris for as little as 30 euros. Hungary-based Wizzair has also announced that it will increase the frequency of flights on over 25 routes from Ukraine in 2022. Irish low-cost air carrier Ryanair and other European low-cost airlines already undercut UIA in ticket prices. A midweek ticket to London from Kyiv in November is four times less expensive than a UIA ticket.

According to Dykhne, foreign airlines receive state financial support from their country's government and dodge excise taxes on fuel, which gives them an unfair advantage.

For him, private airlines in Ukraine, like in other countries, are part of state infrastructure and should be supported by the government.

"We did not receive any help from the Ukrainian government, unlike many of our European competitors," Dykhne said. "We also pay aviation



Ukraine International Airlines CEO Yevgenii Dykhne speaks with the Kyiv Post on Oct. 10, 2021 at the Kyiv International Economic Forum in the Ukrainian capital.

Oleg Petrasjuk

fuel excise taxes that our competitors do not pay."

## Massive debts

Ukraine International Airlines is wary of the Open Skies treaty, especially following the COVID-19 travel restrictions.

In 2020, UIA recorded a net loss

of nearly \$170 million (Hr 4.5 billion) after the suspension of international aviation. The company could face closure over its debts, Radio Free Europe/Radio Liberty reported.

UIA's current "operating debt" is a staggering \$780 million (Hr 20.6 billion). The company also saw a huge number of ticket cancellations due to COVID-19, which forced UIA to refund over \$52 million.

The company owes \$57 million (Hr 1.5 billion) to the Ukrainian State Air Traffic Services Enterprise and Kyiv Boryspil Airport.

The layoffs that followed were severe. UIA fired almost a third of its total staff, more than 1,000 people. The airline also halted many of its international routes and significantly downsized its operations.

Dykhne did not comment on the debt. However, he stated that the company was prepared to expand or reduce its activities to survive. "Unfortunately, this restructuring affected both staff cuts and fleet cuts," he said.

UIA requested a loan from the government to stabilize its finances and prevent layoffs, but this request fell on deaf ears.

If the airline does not settle its debts, it will not be able to receive safety accreditation and could be subject to "sudden termination," according to Oleksiy Danilov, secretary of the National Security and Defense Council.

The Ukrainian government has now suggested that it may further diversify the aviation industry with the creation of a new state-owned airline.

In a market in which UIA must compete with other international airlines and low-cost competitors, this may spell disaster, but Dykhne said it was none of his concern.

"If the state, within the framework of its transport development strat-



egy, sees the need for the creation of a national company, then this is not our business," Dykhne said.

According to the CEO, the airline's post-pandemic strategy was to continue to grow by launching new trans-

atlantic charter routes, rebuilding its international transit model and refining its market offers.

## Business model

The airline intends to stick with its current model, even if it differs from low-cost airlines. UIA primarily provides transit connections through Ukraine to international destinations.

"We have business passengers and transit passengers. We don't need to categorically reduce our prices to fill a plane," he said. According to Dykhne, around 82% of UIA passengers go through Ukraine to reach their final destination.

This year, business has picked up. It became profitable again in the first half of 2021, recording a slim net profit of \$795,000 (Hr 21 million).

On the back of a surge in international travel, which has now recovered to around 70% of pre-pandemic levels in Europe, Dykhne said that the company intends to regain profits through investment and new charter routes.

Charter routes offer a low-risk alternative for the airline compared to the establishment of regular air routes. With chartered, the airline works with tourism agencies.

"We believe that long-haul charter flights are a new opportunity. There are no restrictions on the Mexican market now," he said.

Dykhne believes in the company's business model.

"Thanks to this model we fly to all the capitals of Europe and to many cities," Dykhne said. "We carry the flag of Ukraine to other airports." ❦

# TOP 10 KYIV POST exclusives online this week

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

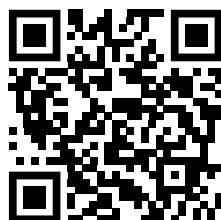


1. Kyiv enters red zone on Nov. 1 as coronavirus cases rise
2. Deadly COVID-19 wave engulfs a mostly unvaccinated nation
3. Ukraine reports record-high daily COVID-19 cases
4. Turkish-supplied drones enter the battlefield against Russia
5. Russia moves more troops to Ukraine's borders, raises concerns in Europe, US
6. Klitschko: Kyiv to remain red for at least 1 month
7. COVID-19 in Ukraine: 19,455 new cases, 700 new deaths, 207,877 new vaccinations
8. Zakarpattia on verge of ecological catastrophe, company allegedly linked to Medvedchuk to blame
9. Vasyl Bodnar takes up duty in Ankara: 'It's essential to have Turkey on our side'
10. US firm acquires Ukraine-founded Depositphotos for \$85 million

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# COP26: Zelensky uses climate summit to talk security issues

By Oleksiy Sorokin  
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With the United Nations Climate Summit (COP26) in Glasgow not living up to the hype, President Volodymyr Zelensky used his two-day visit to the U.K. to rally international attention to the challenges that Ukraine faces amid the ongoing Russian invasion.

The Climate Summit welcomed over 120 world leaders on Nov. 1-2, to jointly combat global warming and reduce the emission of greenhouse gases, primarily carbon dioxide and methane. With little achieved during the summit, Ukrainian attention shifted to the summit's sidelines.

The European natural gas crisis, the Russian military buildup near Ukrainian borders and the crippling ecological and humanitarian catastrophe in Russian-occupied Crimea and eastern Donbas were the key topics during Zelensky's talks with leaders of the U.K., Canada, Germany and the U.S.

"Crimea became a Russian military base and the occupied parts of Donetsk and Luhansk oblasts witnessed the flooding of coalmines, erosion of fertile soil and the lack of drinking water," said Zelensky in his Nov. 1 address to COP26 delegates.

"(Because of the Russian invasion), the planet has received two eco-bombs in the center of Europe — Crimea and parts of our Donbas," Zelensky said.

In late November 2017, the Organization for Security and Cooperation in Europe (OSCE) presented a report saying that up to 36 decommissioned coal mines in the occupied Donbas were not being properly maintained, and were threatened with flooding and collapse.

According to OSCE experts, further collapses and flooding of mines could cause massive releases of chemicals into groundwater and contaminate the region's larg-

Press Service of the President of Ukraine



US President Joe Biden (L) and Ukraine's President Volodymyr Zelensky shake hands at the World Leaders' Summit of the COP26 United Nations Climate Change Conference in Glasgow, Scotland on Nov. 1, 2021. COP26, running from Oct. 31 to Nov. 12 in Glasgow was the biggest climate conference since the 2015 Paris summit and was seen as crucial in setting worldwide emission targets to slow global warming, as well as firming up other key commitments.

est rivers — Kalmius, Kalchik, and Siverskiy Donets.

## Russian squeeze

Zelensky had a lot on his plate during the Glasgow visit.

Over the past month, a new Russian military buildup was recorded on Ukrainian borders by western satellite imagery. Russia also decreased the amount of natural gas transported through Ukraine, keeping the gas prices high, and substantially lowered coal exports to Ukraine paving the way for a potential energy shortage in Ukraine.

Satellite images published by Politico on Nov. 1, showed a buildup of armored units, tanks and self-propelled artillery near the Ukrainian border. According to Ukraine's

Defense Ministry, over 90,000 Russian troops are now stationed near Ukraine.

Ukrainian officials' brushoff reports of an actual "buildup," citing that in April, Russia stationed over 110,000 soldiers within striking distance of Ukrainian positions.

"Show pictures of the situation that was there a month ago, two weeks ago — you will see the same pictures," said Oleksiy Danilov, secretary of Ukraine's National Security and Defense Council.

But starting from November, Russia stopped anthracite coal exports to Ukraine. Over the first three quarters of 2021, Russia exported over 10 million tons of coal to Ukraine, a third of the country's total consumption. Russia con-

tinues to occupy Ukraine's coal-rich eastern Donbas, forcing Ukraine to import the product from Russia.

The squeeze came during the ongoing European energy crisis caused by high gas prices. In October, European gas prices spiked to more than \$1,200 per 1,000 cubic meters, a record-breaking number, slightly decreasing since then.

The gas crisis was among the key issues discussed between Zelensky and German Chancellor Angela Merkel on Nov. 1. The face-to-face meeting with the outgoing chancellor focused on the energy situation in Ukraine.

Germany has been a key backer of the \$11 billion Nord Stream 2 gas pipeline completed this year.

The pipeline allows Russia to bypass Ukraine when transporting gas to the European Union, depriving Ukraine of billions in transportation fees and forcing Ukraine to lose the last deterrent prior to a potential Russian political, economical or military attack.

Nord Stream 2 and the looming energy crisis was also the key issue discussed with Canadian Prime Minister Justin Trudeau.

Zelensky had a brief meeting with U.S. President Joe Biden on Nov. 1, which, according to Zelensky's spokesman Sergii Nykyforov, focused on energy and the situation in the Donbas.

A total of 71 Ukrainian soldiers stationed in Donbas have been killed by Russian-led forces so far in 2021. The latest casualty came on Nov. 2. On the same day, Zelensky held a face-to-face meeting with Secretary of State Antony Blinken to talk about security and defense.

"The main topic was the situation in the Donbas and what we, together with our partners, can do to stop Russia," said Foreign Minister Dmytro Kuleba after the meeting.

The talks with Blinken forced Zelensky to miss the COP26 panel on methane where Ukraine was to join over 90 countries in a daring attempt to cut the emission of methane by 30% by 2030.

Repeating past assurances, Blinken's spokesperson said the U.S. secretary of state in talks with Zelensky "reaffirmed the United States' unwavering support for Ukraine's sovereignty, independence, and territorial integrity."

Blinken "welcomed Ukraine's steps to address corruption and underscored that, together with our allies and partners, the United States would continue to reinforce Ukrainian energy security, including by reducing the risks posed by the Nord Stream 2 pipeline," Ned Price, the U.S. secretary of state's spokesperson, said in a statement. 🇺🇸

# Critics say that 5-7-9 loan program fails to live up to expectations

page 8 —>

COVID-19 crisis.

"The refinancing option was the most popular element of this program among clients of all banks," he said.

"It was appropriate during the recession but should be scaled back once the economy returned to growth."

## Future loans

Morozov believes that the scheme is worthwhile despite the fact that refinancing loans were coun-

terproductive and didn't help the economy.

"It isn't perfect, but the scheme is genuinely aimed at helping small and medium-sized businesses," he said.

"The companies are carefully checked for connections to oligarchs and big businessmen, so that they can't hide behind a small enterprise and get cheap loans that way."

He pointed out that the scheme was expanded in October to include individual entrepreneurs and voiced hope that the program will continue

after it receives "fine-tuning."

"The government has spent about \$230 million on this scheme so far... I don't think it's a vast drain on the budget," Morozov said.

Disagreeing, Kushch said the project should be stopped, as its present inefficiency is destroying the likelihood of any future appetite to build a well-functioning loan subsidy.

"The people responsible for implementing this program used to argue against such policies before they came to power." 🇺🇸

## Top 15 most stable banks by financial strength & investor loyalty in 2021

|    |                                    |                        |
|----|------------------------------------|------------------------|
| 1  | Raiffeisen Bank Aval               | (private, Austria)     |
| 2  | Credit Agricole Bank               | (private, France)      |
| 3  | Ukrsibbank                         | (private, France)      |
| 4  | Kredobank                          | (private, Poland)      |
| 5  | OTP Bank                           | (private, Hungary)     |
| 6  | Alfa-Bank                          | (private, Russia)      |
| 7  | Pravex Bank                        | (private, Ukraine)     |
| 8  | First Ukrainian International Bank | (private, Ukraine)     |
| 9  | UkrGasBank                         | (private, Ukraine)     |
| 10 | Privatbank                         | (state-owned, Ukraine) |
| 11 | ProCredit Bank                     | (private, Germany)     |
| 12 | Universal Bank                     | (private, Ukraine)     |
| 13 | Idea Bank                          | (private, Poland)      |
| 14 | Oschadbank                         | (state-owned, Ukraine) |
| 15 | Ukreximbank                        | (state-owned, Ukraine) |

Source: Ministry of Finance

Overall, Ukrainian banks reduced their non-performing loan portfolios from 41% at the beginning of 2021 to 33.3% in September. State-owned banks reduced their non-performing loan portfolios to 35% as of Sept. 1, 2021. In total, banks got rid of \$2 billion worth (Hr 56 billion) of non-performing loans in January-September 2021.

# Ukraine's emerging comics industry needs support for budding artists

By Artur Korniienko  
korniienko@kyivpost.com

**T**etiana Khlon always emphasizes she is a Ukrainian comic artist, but her debut comic book was first published in Russia, not Ukraine.

After seeing her work on the internet, a Russian publisher approached Khlon, ready to print the first issue even before it was complete. In Ukraine, she was able to find a publisher only after the comic became popular in Russia and online.

"To be published in Ukraine, Ukrainian artists first have to prove that readers find them interesting," Khlon, better known by her alias "Koro," told the Kyiv Post.

With "Hennadiy the Pigeon," sketches about the life of that whimsical character in a post-Soviet city, Koro joined the ranks of Ukraine's comic artists. But while more Ukrainian original comics appear every year, their authors struggle to find recognition and make a living from it.

Meanwhile, comics show trappings of industry in Ukraine: A dozen comics-centered publishers have sprung up, and comic shops have opened in many large cities, a few around the capital Kyiv. Naturally, comics are featured at big comic conventions, but also at book festivals.

Still, people who create original Ukrainian comics feel sidelined in this emerging industry. Their sales are meager compared to sales of licensed translations of popular Western titles. They lack promotion even at comic cons, where costumes, spinoffs and merch take center stage instead of the comics themselves.

"For Ukrainian comics to develop, we need to support the authors, they have to become actual stars," Koro says. "This will drive the comic culture as a whole."

## First tries

When he was a kid, Sasha Komyakhov was fascinated by stories in pictures and wanted to create his own. But he became a notable book illustrator instead, while comics were something he could only do in his spare time because nobody would publish them in Ukraine.

"Sheer enthusiasm was not enough to make it work, to at least break even," Komyakhov told the Kyiv Post.

Generations of Ukrainian artists have experienced the same, including during Soviet Ukraine. Only a few were lucky.

One is the Kyiv Post's own cartoonist Anatoliy Vasylenko, who created some of Ukraine's first comic strips in the Perets satirical illustrated magazine in 1960s. He still works at 82, and in 2019 his scathing but compassionate comics about the Ukrainian police were published in a separate book called "Bulo Dielo" ("There Was a Case").

But in Soviet times, comics by Ukrainian cartoonists were rarely published outside their periodicals. Another Perets cartoonist, Oleksandr Miikhunushov, made a comic based on Robert Louis Stevenson's "Treasure Island," but it was



A customer browses the shelves of Comics Coffee in Kyiv on Oct. 6, 2021. It's one of the many comic shops that have opened around Kyiv as the comics industry grows in Ukraine.

never released, Vasylenko recounts. The only other medium for these artists was book illustration.

But even after Ukraine's independence in 1991, published comics were rare. Some of them include "Buiviter" (1995) by Kostiantyn Sulyma and "Mamai" (1993) by Igor Baranko, both Cossack fantasies and artifacts that were never reissued. Baranko emigrated in 1999 and became a successful comic artist in the West, but in Ukraine, his most famous works were published much later.

## Comics revolution

Something finally started shifting for Ukrainian comics in 2012, after a new publishing project Nebeskey released "Daogopak," a reimagining of Cossacks as martial arts heroes. A year later, they published "Chub" by Komyakhov, a Cossack science fiction story in space.

"I drew it as a passion project, without any publication prospects. But Maskym Prosolov (founder of Nebeskey) saw it on the internet and offered to publish," Komyakhov says.

These first Ukrainian comics publishers were also driven by passion rather than by income prospects. Comics are laborious to draw and costly to print in color, while being faster to read than ordinary books. Naturally, comics need an audience that can appreciate the artwork and is ready to pay extra.

But like in other creative fields, one event boosted the confidence of publishers and support of readers in 2014 — EuroMaidan Revolution, the popular uprising that ousted Kremlin-backed President Viktor Yanukovich, distanced Ukraine

from Russia's influence and ignited a cultural revival.

"This realization that you can do what you are interested in, the impulse to do it came as the result of the Revolution of Dignity (EuroMaidan) and the societal changes at that time," comics author and art critic Borys Filonenko told the Kyiv Post.

More comics started to pop up every year, especially since 2017 when Ukraine imposed restrictions on Russian book imports. Ukrainian comics publishers began to earn more by replacing Russian translations of popular Western titles with Ukrainian ones.

"Especially in 2017, when restrictions just came into force and Russian publishers had not yet received import permits, we had six months to take a deep breath," says Yaroslav Mishenov, director of Vovkulaka comics publishing house, which he founded around a comic shop.

Like other publishers in Ukraine, Vovkulaka sells translations of Western licenses, such as "Hellboy" and "The Witcher" to support their efforts in releasing Ukrainian original comics. But some Ukrainian originals start selling just as well or better, such as Oleksandr Korieshkov's "Among the Sheep," a dystopian tale about a wolf fighting a fascist regime of other animals.

Traditional book publishers also set their sights on comics. This month, Komyakhov releases his second graphic novel called "Tato" ("Father") with Luta Sprava publishing. It's his reflection on EuroMaidan, where a young female protester has nightmares with premonitions of an upcoming war — Russia's War

Against Ukraine that will be the sequel's setting.

"It's a black-and-white graphic novel with a dramatic plot — a serious work that I hope reaches the audience that reads textual literature," Komyakhov says.

## Lack of promotion

Comics enthusiast Dmytro Danyliuk had collected every Ukrainian original issue, but now there are so many new releases that he does so selectively. For years, he has promoted comic culture at festivals and co-founded Maliopus publishing that released Koro's "Hennadiy the Pigeon" in Ukraine.

"Comics are released en masse now. Artists who drew only for their drawers see that publishers are more interested and bring out comics that they developed for years," Danyliuk told the Kyiv Post.

Economic and societal changes that helped Ukrainian comics after EuroMaidan also coincided with the global popularity of superhero movies and video games based on comics, mainly by the U.S. Marvel and DC companies. Fans celebrate this popular culture at a few comic cons in Ukraine, the largest being Comic Con Ukraine.

As the coordinator of the comics zone at Comic Con Ukraine, Danyliuk tries to make sure that the actual origins of this fandom are well-represented and comics gain in popularity among fans of their derivatives, young and old.

But some artists and publishers think it's not enough. Ukrainian comic cons should give a more prominent role to actual comics and their authors, Koro and Mishenov say. Comic artists from Ukraine

and abroad should be the invited stars, not only famous actors and cosplayers.

"Unfortunately, comic cons concentrate on the attributes, not the actual art source," Mishenov says.

As a result, comic artists and publishers don't have their own specialized forums, such as the Kyiv Festival of Comics previously organized by Danyliuk until 2019. There is also a lack of media platforms that would popularize and write about comics in Ukraine, Mishenov says.

Comics in Ukraine need that attention because they are not treated seriously, even by the general book industry, artists say. There was some progress at Kyiv's International Book Arsenal Festival this year, where comics publishers were given a separate wing that highlighted their maturity.

But then at Ukraine's largest Book Forum Lviv in September, the jury decided not to award the prize in "the Best Comics and Graphical Novels" nomination, citing that eight contenders were not enough to make a decision. The comics community criticized the move, saying that it sets a harmful precedent of ignoring comics as if it's a medium less important than other books.

To fix the situation, the book forum awarded two special mention prizes to competing comics. One of these went to Filonenko and his co-authors for "U Myati" ("In Mint"), an artsy love story with experimental structure and full of cultural references.

"It's a problem that U.S. comics also went through," Filonenko says. "People and institutions there also didn't treat comics seriously up until Art Spiegelman received a Pulitzer Prize for his 'Maus' graphic novel." ❦

# ‘Your mother is crying, your sister is crying, and you can’t even hug them’

page 2 →

“He was hospitalized on Friday, but test results arrived only on Monday,” Ostapenko says. “It was negative.”

Although he was immediately transferred to a non-coronavirus clinic, three days spent at the COVID-19 hospital were fatal: Ostapenko’s father began to suffer from convulsions and low blood pressure and had a second stroke. He tested positive for COVID-19 the day after.

The doctors transferred him back to the COVID-19 hospital where he died on Feb. 4. He was 61.

“It all happened so fast,” Ostapenko says, adding that he believes his father would have been alive even after the strokes if it wasn’t for COVID-19.

Ostapenko’s mother, who had been taking care of her husband while he was in the hospital, also

tested positive for COVID-19. So did his 89-year-old grandfather, who lived with the family at that time. He died from COVID-19 complications.

The funeral of his father was one of the most trying experiences in Ostapenko’s life.

“Your mother is crying, your sister is crying, and you can’t even hug them because they are COVID-positive and you are not,” he says. “It’s a horrible picture.”

## Losing a mother

Odesa resident Oleksandr Boldyrev says his mother, Tamara Boldyreva, was never indifferent to people’s misfortunes. As a pediatrician, she spent all her spare time taking care of sick children.

“She was a good person,” Boldyrev told the Kyiv Post.

Boldyrev’s parents lived together in Yuzhne, a small city of over 30,000 people some 50 kilometers from the southern provincial capital

of Odesa. His father died of cancer in 2019, and his mother was living alone ever since.

She was feeling quite depressed after her husband’s death. Shortly before her own death, she just started to recover from the loss, making some plans for the future.

In late October, she surprised her son with a phone call, saying she tested positive for COVID-19. Several days after that, she was hospitalized with low oxygen saturation, after the infection had already damaged 60% of her lungs.

Boldyrev saw his mother for the last time as she was taken from the ambulance to the hospital.

“I told her that everything was going to be alright.”

It was the last words he said to his mother. Around six days since she tested positive, she died on Oct. 27, at the age of 82.

Boldyrev says he was encouraging his mother to get a job as soon as vaccination started. She kept refusing, saying that she would rather protect herself by spending most of the time at home. That didn’t help.

His mother had a diary where she used to write about her health and everyday routine. He found it shortly after her death. It turned out she went to a dentist shortly before discovering she got infected. Boldyrev assumes that’s when she might have gotten infected.

He says he will regret not insisting on her getting vaccinated until the rest of his days.

## Losing a husband

Lviv residents Olga Gayda and Ivan Gayda were married for 35 years. There was no bigger joy for the couple than family gatherings, with



A medical worker enters a COVID-19 ward at the Kyiv City Clinical Hospital No. 12 on Nov. 3, 2021.

Kostyantyn Chernichkin



Pediatrician Tamara Boldyreva died of COVID-19 on Oct. 27, 2021, at the age of 82.



Armed Forces medical services colonel Ivan Gayda died of COVID-19 on June 18, 2020, at the age of 58.

home filled with laughter of their children and grandchildren.

That was before COVID-19. Months after the pandemic has swept Ukraine, the disease took Gayda’s husband life.

“He was an extraordinary man,” she told the Kyiv Post.

A colonel of the medical service of Ukraine’s Armed Forces, he headed a military medical center of western Ukraine for the past 10 years. This was a major medical and diagnostic hospital in the provincial capital of Lviv. He knew all his employees by their names and cared about them deeply, Gayda says.

Although there was much skepticism about coronavirus at the beginning of 2020, Gayda imposed the required precautions in the hospital to protect the personnel and the customers.

“He invested a lot of his effort and energy in the hospital,” Gayda says.

Her husband didn’t smoke or drink alcohol and followed a healthy lifestyle, so there was no sign of trouble before that warm Sunday afternoon in late May: He started to feel bad as he had just returned from one of the regular work trips across the region. Gayda went to work the next day to get tested for COVID-19 and spent the night at the hospital so that he didn’t infect his relatives in case he was infected.

He tested positive and was hospitalized with lung inflammation the

next day. Gayda says she and her daughter tested positive in a couple of days as well. Unlike her husband, the two only got a fever and a slight cough.

Gayda recalls her husband coughing badly. After a week of treatment in Lviv, he was transferred by plane to Kyiv. Because of COVID-19 pneumonia and low level of oxygen in his blood, he had to be supported with extracorporeal membrane oxygenation or ECMO.

But it didn’t save him.

He died at Kyiv’s Oleksandrivska hospital on June 18, after over two weeks of battling the severe disease. He was 58.

“It was a bolt from the blue for us,” Gayda says. “We knew it was a terrible disease but didn’t fully understand how much.”

Both she and her daughter could not attend the funeral since they were still ill.

Another tragedy followed shortly: His brother, surgeon Oleg Gayda, died of COVID-19 on July 1. He wasn’t present at the funeral as well since he was feeling bad at that time already.

“This disease can affect anyone,” Gayda says, adding that their whole family is vaccinated now. She regrets her husband didn’t make it until the vaccine was made available.

“Vaccine doesn’t save from getting infected but it at least gives a chance for survival,” Gayda says. “If only it appeared earlier...”

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## Tour de Onur, the most popular Ukrainian Bicycle Race

TOUR de ONUR was organized second time by Onur Group Ukraine and the West Road Cycling club in Lviv and Lviv Region on the Ukrainian Carpathians. This year 350 participants from five different countries took part in the three-day race. All cyclists competed on roads built by Onur Group Ukraine, that supports the development of cycling in Ukraine. This tournament is the dream of the founder and chairman of the Onur Group Mr. Onur Çetinceviz, who started his business career in bike repair and production in 70's in Istanbul. Onur Group as one of the largest road construction companies in the World, constructs the finest roads around the World, including in Ukraine.

- 1) Participants of the Tour de Onur 2021 at the starting point.
- 2) Carpathians' roads are best for cycling in Ukraine.
- 3) Onur Çetinceviz poses with the only Turkish participant of the race Mustafa Özunal from the Kyiv team, Bike Family
- 4) Onur Çetinceviz, together with the young management team of Onur Group's Ukrainian companies and with the Chairman of the Turkish-Ukrainian Business Association Burak Pehlivan at the Tustan stage.
- 5) The Lviv city stage of the Tour de Onur.
- 6) Women power.
- 7) 30% of the Tour de Onur's participants are women.
- 8) The founder and chairman of the Onur Group, Onur Çetinceviz greets the participants before the awarding ceremony.
- 9) The President of the Organization Committee Emre Karaahmetoğlu shares his remarks with media.
- 10) Champions are celebrating.