

# Internal Sabotage

# **Ex-chairman: Constitutional Court leads attack against Ukraine**



Oleksandr Tupytsky, chairman of the Constitutional Court of Ukraine (C), leaves the courtroom after hearing a case challenging the constitutionality of Artem Sytnyk as director of the National Anti-Corruption Bureau of Ukraine on July 9, 2020. The court, derided as unaccountable and rife with conflicts of interests, has issued a string of rulings that dismantle anti-corruption institutions — including declaring Sytnyk's appointment unconstitutional. In an interview with the Kyiv Post, former court chairman Stanyslav Shevchuk accused the judges of acting in the interests of the Kremlin and Ukrainian oligarchs to sabotage the nation's democratic future.



# **Kyiv Post**

**2 NATIONAL** 

November 20, 2020 Vol. 25, issue 47 Copyright © 2020 by Kyiv Post

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

#### Газета "Kyiv Post" видається ТОВ "БІЗНЕСГРУПП".

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

Засновник ТОВ "БІЗНЕСГРУПП'

Головний редактор Брайан Боннер

#### **Відповідальний за випуск** Брайан Боннер

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

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

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

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

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

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

> Adnan Kivan Publisher

Brian Bonner Executive Director/Chief Editor

 Olga Rudenko
 Alyona Nevmerzhytska

 Deputy Chief Editor
 Commercial Director

News Editor Matthew Kupfer Business Editor Denys Krasnikov

*Lifestyle Editor* Toma Istomina

Staff Writers Darvna Antoniuk, Natalia Datskevvch.

Olena Goncharova, Artur Korniienko, Igor Kossov, Anastasiia Lapatina, Yana Mokhonchuk, Anna Myroniuk, Illia Ponomarenko, Alexander Query, Liza Semko, Daria Shulzhenko,

Oleksiv Sorokin, Oleg Sukhov, Bermet Talant KP Brand Studio Director: Jakub Parusinski. Website: Victoria Petrenko, Anastasia Shepeleva, Helen Mukhina. Photo Editor: Pavlo Podufalov Deputy Photo Editor: Veronika Strashko. Photographers: Kostyantyn Chernichkin, Oleg Petrasiuk, Volodymyr Petrov. Cartoonist: Anatoliy Vasylenko. Video: Ruslan Batytskyi, Anna Borysova, Elina Kent, Tamara Kiptenko, Austin Mallov, Irvna Yavorska Social Media: Sofia Fedeczko. Chief Designer: Vladyslav Zakharenko Designer: Yura Borovik Sales: Yulia Kovalenko, Yulia Krus, Vita Shvets, Elena Symonenko Transport Manager: Mykola Andrusha. Chief Accountant: Galyna Bondarchuk. Accountant: Aleksandra Lyfar. Office Manager: Lena Veleshchuk Subscription: Tetvana Garanich. IT: Oleksiv Bondarchuk. Oleksandr Slipachenko Digital Strategy: Alexandra Trapikayte Website Developer: Roman Kryvenko



Kyiv Post | November 20, 2020

# Crowded Ukrainian hospitals short on beds, oxygen, staff

### By Bermet Talant bermet@kyivpost.com

the 12 days that Vyacheslav Semenenko spent at a Lviv emergency care hospital receiving treatment from COVID-19, he saw six people die and two taken to the intensive care unit.

Of all the people with whom he shared a five-bed hospital room, he was the only one who recovered during this period.

"A person dies, they are taken away, and in 20 minutes a new patient occupies the bed," Semenenko told BBC Ukrainian after a Facebook post he wrote about his hospital experience went viral. He described how five patients shared four oxygen concentrators, and sometimes patients from other rooms were brought in "to breathe." Exhausted nurses and medical assistants were far outnumbered by patients and struggled to attend to every one of them. Moans and cries of pain could be heard everywhere, he said.

"Medical personnel do everything they can. Twenty-four hours on the run," Semenenko said. "But they can't help everyone. There are too few of them."

As Ukraine continues to grapple with COVID-19, the situation Semenenko saw in Lviv is not unique. More hospitals across the country are struggling to treat the soaring numbers of severely ill patients. They report shortages of beds, oxygen and medical staff. Since the beginning of November, around 1,500 people have been admitted to hospitals each day. For two days in a row, Nov. 18 and 19, the country recorded a record number of fatal cases, bringing the total death toll in Ukraine to 10,369.

According to amended state protocol, only patients with severe or extremely severe forms of COVID-19 confirmed by a PCR test are subject to hospitalization.

And getting into a hospital is becoming harder.

Kyiv resident Oleksandr Kondratenko told the Kyiv Post that

### Hospitals under strain

It's not only patients who are struggling. Authorities admit that the medical system is under great strain. "It pathing is done by mid De

"If nothing is done, by mid-December, the health care system will not be able to admit patients any more. There will be no space in hospitals, not even in the corridors," Prime Minister Denys Shmyhal said on Nov. 11, before the government imposed a "weekend lockdown."

Now, non-essential businesses must close on Saturday and Sunday. But in many big Ukrainian cit-



his elderly mother, who had a high fever and pneumonia, spent two days in the corridor of a crowded city hospital alongside non-coronavirus patients, waiting for her PCR test results to confirm COVID-19.

"The hospital's chief doctor told me that infectious disease hospitals in Kyiv are all full, and those with confirmed COVID-19 are transferred there as soon as a bed becomes available," he said.

Kondratenko desperately searched for a vacant bed for her in a different hospital that took COVID-19 patients. Four hospitals he checked were full. Then, his mother's test came back positive and she was sent to the intensive care unit of a COVID-19 hospital and was put on oxygen. On that day, Kondratenko said, he counted 17 ambulances lining up outside the hospital to drop sick people off. ies, local authorities are ignoring the measures. Few view them as effective.

According to the official data, 53% of the total 52,311 beds designated for COVID-19 patients across Ukraine are currently occupied. Before the government increased the number of beds by repurposing more hospital departments or entire hospitals, the bed occupancy in many regions was over 70–80% by the end of October.

But adding hospital beds is not enough, doctors say.

There are shortages of medical workers and medical oxygen, which is vital for the survival of COVID-19 patients who have low blood oxygen saturation. And the surge in demand has put a strain on the limited suppliers of medical oxygen.

—> page 11



# Gas market: winners and losers

This will be Ukraine's first ever winter with a competitive retail gas market. What was once just theoretical ideas is finally being tested in real life.

"We can now say 'we have a market.' We are living in a new paradigm," Vadym Glamazdin, Development Director for the Federation of Employers of the Oil and Gas Industry, opened the Energy Inside online discussion session with cautious optimism.

Consumers can now pick their suppliers, Glamazdin continued, though not everything is perfect. "People still don't understand that gas doesn't come from just nowhere, that you have to pay money for it," he said.

There are other problems, too. Consumers are poorly informed about their rights, suppliers are not eager to play by the rules, and some politicians are scheming how to reverse reforms and bring back the bad old ways.

Still, experts believe Ukraine will be able to take full advantage of the changes – once the kinks are worked out and additional regulatory oversight put in place.

### Reform, a long time coming

Ukraine's gas market reform has been a long time coming. For years, the sector was a source of corruption and fuelled populist politics. Politicians promised "the nation" cheap gas, ignoring the resulting budget deficits (or dependence on Russian discounts, which came at a geopolitical price).

"Naftogaz has been working on this reform since 2014," explained Aliona Osmolovska, GR Director at state gas company Naftogaz. "When the new team took over, we understood that having a competitive gas market was a key ingredient that would allow Ukraine to remain on the map as an independent country."

After years of fighting political logjams – the project was postponed close to a dozen times – the new rules entered into force on August 1 this year. From now on, customers can switch their gas suppliers using an identification code. Moreover, there is a supplier of last resort who can step in and ensure consumers have gas for 60 days should their current supplier fail.

Importantly, this option is available even to consumers with debts to their existing supplier – meaning that payments due cannot be used to prevent someone from switching. Though, naturally, switching does not remove the debt itself, which must be paid eventually, and suppliers can reject new, indebted customers.

The upside to the long years it took to launch the market reform was that a smooth implementation could be prepared – unlike for the electricity market, which experts believe was not properly prepared at its launch.

"[To be successful] the launch of the gas market needs to be as gentle as possible, and not like the electricity market," Serhiy Nagornyak, parliamentarian and member of the Committee on Energy, Housing and Utilities, noted.

### **Regional suppliers undermining the rules**

Yet the implementation of retail gas market rules cannot be called a resounding success – at least for now. The main reason seems to be that not everyone is on board with the new rules, particularly some regional gas supply companies that are unhappy with additional competition and are doing their best to keep customers in the dark.

To have a real, competitive market, experts note, consumers need to know about their rights and have transparent terms, conditions, and prices. That isn't always happening as many companies publish their prices with delays (especially those on the higher end).

"For the market to succeed, more consumers need to learn about the possibility of free choice of gas supplier," Olga Babiy, member of the National Commission for State Regulation of Energy and Public Utilities, emphasized.

"We need to strengthen communication with consumers. It has to be systematic social work," Babiy added. The regulator has been cracking down on such misbehaviour, although warnings and threats of fines are not always enough to secure compliance.

In addition to withholding information, some regional suppliers have also tried various underhanded tricks to keep consumers from switching. "Consumers have faced a lot of problems," noted Tatyana Boyko, coordinator for housing and communal programs at civil network OPORA.

She explained that people who tried to switch suppliers would be presented with suspicious debts they had supposedly incurred for things "temperature coefficients." But once OPORA got involved and started to question the debts, it turned out these were just recommendations for consumers, Boyko added.

"Like, they don't have to pay the debts anymore," she exclaimed.

Suspicious debts are not the only problem, as some regional gas companies through their related distribution system operators are simply shutting off consumers who have changed their gas supplier. Boyko cited a recent example in the town of Lubny, where a pipe was sealed due to an allegedly incorrect boiler connection.

"For years when the consumer bought gas from the local gas company, everything was alright, but after a change of supplier, it suddenly turned out UAH 12,000 is required for reconnection," said Boyko, adding that in theory distribution system operators should not even know which consumers switched suppliers and that the regulator should crack down on such gross violations.

Finally, those who fought past these various tactics found themselves struggling to find their identification codes – the numbers that are the basis for moving customers between gas suppliers. Some suppliers have failed to publish the code altogether, Boyko noted, while others have resorted to various tricks.

"Some regional gas companies print it vertically on the side of the bill, on the line of separation," Boyko explained. "People just tear it off, so they can't find the code to change their supplier."

### **Political risks**

Experts agree the regulator has to step in to address systemic challenges that can derail gas market reform. This is normal, as any public service market requires some oversight to protect consumers. "I think this actually means the market is working," Glamazdin commented.

But not everyone is comfortable relying on politicians to do their role. On the contrary, argued Nagornyak, some of them are against the reform. For years regulated prices were source of corruption and created gaps in the national budget.

"There are calls and rumours among some factions and groups to reconsider gas market reform," Nagornyak warned.

Populism is in some ways an even bigger threat. There are some legislative initiatives in the parliament to make Naftogaz sell its gas below market prices to certain private companies, undermining the idea that state-owned companies should generate profit like private ones.

"Some politicians claim that 'the Ukrainian people should buy Ukrainian gas cheaply.' But it costs money to extract Ukrainian gas from the subsoil, and then to transport it," Nagornyak explained. "We have to pay the real price for gas... The state can help consumers who need subsidies, but solvent sections of the population must pay market prices. Otherwise we will not be able to become energy independent."

"Perhaps they are frightened that now the market will set prices. For years politicians themselves have been in control," he added.

Ironically, one of the biggest problems on the market right now is huge debts accumulated precisely because of populist interventions (as well as poor planning and moral hazard on behalf of some companies). Some of these have exceeded a 100 billion hyrvnias (roughly \$3.5 billion), experts note, and there is no mechanism to properly deal with them.

The lack of political responsibility is what drove up the debts in the first place, Glamazdin argued. "When deputies manage prices and everything is okay, they take responsibility," he said. "When something goes wrong, they blame the government, forgetting that they are the ones who decide what the government does."

### Market means market

Words like "market" and "reform" are popular in market discourse, but many don't really understand what that means. In particular, some players have a problem with comprehending the idea that to profit, you also need to account for market risks, and the responsibilities this entails.

"Gas suppliers are used to playing in conditions when they do not need to predict how much their customers will consume next month," Osmolovska explained. "They never cared whether the winter would be warm or cold or whether there would be enough gas in the underground storage facilities. All these tasks were solved by Naftogaz."

The current situation means they must either take on those risks themselves or hand over responsibility for supplying consumers to competitors. But instead of working hard, noted Osmolovska, they are busy trying to find schemes to game the system.

"These companies are diligently lobbying for some creative nonmarket ways to get gas from Naftogaz. Because subscription is difficult for them. But subscription is a market condition. No market works in such sweet conditions that they would like to get," Osmolovska summed it up.

The idea of what a market is also needs to be communicated to consumers. Only once the latter understand the power of switching will the numerous players and their offers (currently as many as 30 companies with 70 subscriptions) become more competitive.

"It will be possible to say with confidence that the market has developed when 80% of consumers change their supplier," Babiy assessed the situation. "Only then price will become a major factor for people to choose suppliers."



# OF THE INDUSTRY

CONSURAN STREAM OF

### NEW SEASON ONLINE EXPERT DISCUSSIONS



**INSIDE** 



### VADYM GLAMAZDIN

DEVELOPMENT DIRECTOR OF UFEOGI

### OLEKSANDR KHARCHENKO

MANAGING DIRECTOR, ENERGY INDUSTRY RESEARCH CENTER

### LANA ZERKAL

ADVISOR TO CEO OF NAFTOGAZ GROUP

### **4** OPINION

### EDITORIALS

## State capture

On Nov. 15, Odesa Mayor Hennady Trukhanov defeated his challenger, Mykola Skoryk, in a runoff vote to win another term in office.

To a certain degree, that could be construed as good news: Skoryk represents the pro-Russian Opposition Platform - For Life party. But there is strong evidence that Trukhanov has or had Russian citizenship (something he denies), and the mayor faces multiple credible allegations of corruption.

How did voters in Odesa, the Black Sea port city of 1 million people, end up with a choice between two politicians aligned with Russia, the country that has invaded and waged a bloody war on Ukraine since 2014? The answer is straightforward, but not without its nuances: Pro-Russian forces are on the offensive, using a combination of electoral politics, corruption and alliances with oligarchs to retake control of Ukraine.

Nowhere is this clearer than in the Constitutional Court, which recently issued a ruling that will erase most of Ukraine's anti-corruption accomplishments since the EuroMaidan Revolution ousted corrupt ex-President Viktor Yanukovych in 2014. It did this in tandem with pro-Russian lawmakers, remnants of the former president's kleptocratic Party of Regions. These politicians filed complaints against Ukraine's anti-corruption infrastructure, which the court was happy to validate.

Unholy alliances like these aren't restricted to the Constitutional Court. Although President Volodymyr Zelensky's Servant of the People faction holds an unprecedented single-party majority of 246 seats in parliament, the president wields little power there. Billionaire oligarch Ihor Kolomoisky appears to have bought off many of the party's lawmakers.

Meanwhile, the second largest faction is pro-Russian: the 44-member Opposition Platform - For Life. It manages to find ideological allies across party lines to block Ukraine's march to the West and democracy. It's no wonder that Western media have started to speak of Ukraine as an example of "state capture."

The country's corrupt, pro-Russian old guard and oligarchs are teaming up to destroy Ukraine's anti-corruption infrastructure. The politicians want to take the country back to the "wild 1990s" and its era of runaway graft.

The oligarchs want to demolish all obstacles to their control of the country and hope to prevent any possibility that they could face justice for impoverishing Ukraine for decades. And many of them would be happy if the nation returned to Russia's orbit.

Last year, Zelensky won a landslide election on promises to battle corruption and imprison those responsible for impoverishing the nation. But unless he and his allies take radical action quickly, his presidency may prove to be the biggest victory that corrupt officials have seen since Yanukovych came to power. Zelensky is president, but pro-Russian forces and oligarchs increasingly look like the ones in power.

Ukrainians, victimized by corruption throughout their country's independent history, will not tolerate much more. When the Kremlin and rapacious oligarchs find common cause, it's a threat to sovereignty. Unless the forces of evil are defeated, another revolution is inevitable.

Ukraine has waged three revolutions in 30 years (Granite, Orange, EuroMaidan). Nobody wants another one. But surrendering the desire to live in peace and prosperity, with democratic values, is also not an option. Something has to give. The world will soon find out what.

## **Fire Urusky**

Who could have thought that another bureaucratic monster coming from the very depths of a corrupt post-Soviet system would be created to stand against vital reforms in Ukraine? On Nov. 18, defense production giant UkrOboronProm finally admitted something known to everyone in the country's defense community. The Ministry of Strategic Industries headed by Oleh Urusky is actively sabotaging reforms. In an eyebrow-raising move, this ministry was launched in July to shape policies for key industries, such as arms, aircraft, spacecraft manufacturing.

Creating a super ministry contradicts what defense sector reform is supposed to achieve: a competitive pool of modern arms production companies. New Ukrainian defense corporations were supposed to be able to act on their own without asking permission from a big guy at the ministry.

UkrOboronProm, the living symbol of corruption and obsolescence, was to be buried and forgotten forever. This was the plan advocated by the UkrOboronProm team created by Aivaras Abromavicius and currently led



by his former deputy Ihor Fomenko. They finally launched many severely overdue solutions, such as a complete financial audit.

But then Urusky and this new Soviet-style ministry hit the stage. Soon, progressives such as former Space Agency head Volodymyr Usov, were sacked abruptly behind closed doors with no explanation. The change puts Urusky's ministry in control of key enterprises such as the Antonov aircraft manufacture. Uruskiy allegedly pressured the team to appoint his people to lead key defense enterprises, notably special export companies enjoying exclusive rights on foreign arms deals.

As Hlib Kanievskiv, the head of anti-graft watchdog State Watch said, the super ministry is moving in the wrong direction. It changed regulations to favor steel factories owned by Rinat Akhmetov, the billionaire oligarch. It lobbied amendments to the Prozorro e-procurement system, none of which are likely to increase the transparency and competitiveness of state purchases. As one of its first public procurement tenders, it tried to purchase three luxury cars for Urusky and his deputies.

Bottom line: We don't need this shadowy Soviet-style albatross. We don't want officials making shadowy deals behind closed doors and appointing their yes-men.

Ukraine's defense industry has been brought to the brink of collapse before. It needs a wartime president who will strengthen Ukraine's defenses. President Volodymyr Zelensky scored a lot of political points with voters because of the perception that he wants to do the right thing. Unfortunately, so many events recently are tarnishing this reputation.



egal rights to request Yanukovych's extradition. Now, however, it's canceled and has to be reviewed again by a court of first instance.

See these features online at Kyivpost.com

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



**Barack Obama** The former president's already best-selling memoir "A Promised Land" delivered great jabs against Russian dictator Vladimir Putin, Ukraine's No. 1 enemy. It's just too bad that Obama didn't take stronger action when Russia invaded Ukraine during his tenure.



**Donald Trump** The outgoing U.S. president harmed America's democracy greatly. He also tried to shake down Ukraine, getting impeached over the matter. Since he loves Vladimir Putin so much, maybe he'll be welcome to settle in Moscow after he leaves the White House

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

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

# Shevchuk: Court wants to kill Ukraine's Western integration

### By Olga Rudenko and Oleksiy Sorokin rudenko@kyivpost.com sorokin@kyivpost.com

kraine's constitutional crisis has reached an unnerving stalemate.

Three weeks have passed since the Constitutional Court dealt a deadly blow to anti-corruption infrastructure and President Volodymyr Zelensky threatened to disband it through parliament.

But what started as a rapidly snowballing crisis has suddenly stalled. Zelensky doesn't have the votes to disband the court. The court doesn't have the quorum to proceed with its detrimental agenda.

Meanwhile, the future of Ukraine is at stake. The country stands on the brink of losing the support of the European Union and the International Monetary Fund, plus a whole lot more, due to the court's past — and possibly future — rulings.

And this is exactly what the judges want, according to Stanyslav Shevchuk, a former chairman of the Constitutional Court.

"It is a planned attack that aims to undermine the state of Ukraine and divert it from the pro-Western course," Shevchuk told the Kyiv Post in an interview on Nov. 18. "It's for sure coordinated by forces outside the court. The Kremlin has to have a hand in it."

Shevchuk has had a front-row seat in the boiling calamity at the court.

His firing as chairman in 2019 laid the groundwork for today's crisis. It allowed the court to fall into the hands of Oleksandr Tupytsky, a controversial judge who now leads the court's assault on the anti-corruption infrastructure.

Shevchuk's story offers an unparalleled – and chilling – insight into the shady dealings of the most powerful court in Ukraine.

### Well-planned attack

The ongoing crisis began after the Constitutional Court judges conducted a swift attack on Ukraine's anti-corruption institutions in October. With several rulings, they undermined two key agencies: the National Anti-Corruption Bureau (NABU), by ruling the appointment of its chief Artem Sytnyk as unconstitutional, and the National Agency for Corruption Prevention (NAPC), gutting its power to enforce a law against illegal enrichment by public officials required to declare their income and assets.



part in it," Shevchuk says that there are forces in Ukraine that are also interested in killing Ukraine's cooperation with the West.

"Tupytsky wouldn't be so bold if he didn't get some sort of guarantees from someone powerful that he'll be safe," says Shevchuk.

### **Russian trace**

Russia's footprints in the constitutional crisis are obvious.

The main defender of the court's actions is the pro-Russian Opposition Platform – For Life party that has 44 seats of the 424 seats in parliament. The party's lawmakers are the main plaintiffs to the court: It was their complaints that served as starting points for the court's rulings against the anti-corruption institutions.

The party unleashed its powerful propaganda weapon of three TV channels owned by one of its top members -112, NewsOne and ZIK - to defend the Constitutional Court's actions and call out protesters against the decisions for "trying to pressure the court."

That messaging is in sync with the court's chairman Tupytsky, who calls any accusations against him and the court "political pressure." Shevchuk recalls that back in 2018, when he was chair of the court, Tupytsky wanted to speed up the court's hearing on the constitutionality of the sanctions that parliament introduced against channels 112 and NewsOne over their being a threat to national security. The court had the power to lift the sanctions. In the end, there was no hearing. were canceled as a result of the October rulings that undercut the anti-graft infrastructure.

That benefits a wide range of characters: shady lawmakers accused of bribery; officials like Odesa Mayor Hennady Trukhanov, who saw two cases against him closed; and several judges of the Constitutional Court, who themselves were investigated on corruption suspicions — and voted to kill anti-corruption legislation despite the clear conflict of interest.

The upcoming rulings on the court agenda can benefit former owners of insolvent banks, and cost Ukraine billions.

The court is preparing to rule on the constitutionality of the Deposit Guarantee Fund. Killing the fund will give dozens of ex-owners of insolvent and nationalized banks a pretext to sue for compensation. The biggest benefactors of this will be oligarchs Ihor Kolomoisky and Hennady Boholyubov, former owners of PrivatBank, whose bankruptcy cost taxpayers \$5.6 billion.

This hearing "is a high priority for the judges," says Shevchuk. "The (killing of) online asset declarations and the banking system was meant to call into question Ukraine's standing as a trusted partner with Western partners." Why are the judges doing it? Some judges are paid for certain rulings, Shevchuk says, although some may be voting out of their true beliefs. In February 2019, the Constitutional Court made a scandalous ruling — it killed the law on illicit enrichment, irreversibly wiping away years of investigations and allowing officials to escape punishment. It caused an uproar in Ukrainian society.

Back then, the court was chaired by Shevchuk. He supported the ruling, and publicly defended it.

Today, he says that he made a mistake.

While he still thinks that he was right from the legal standpoint — the illicit enrichment law was unconstitutional and couldn't stand — he says he was wrong to even put such a political issue on the agenda. "I was defrauded," he says.

Shevchuk believes that, behind his back, certain judges of the court were bribed to support the ruling.

He calls such hearings "commercial" cases. For a number of the court's judges, "commercial cases," or bribery, are the main reason to be on the court, according to Shevchuk.

Had he realized that the illicit enrichment ruling was passed through bribery, he would have resigned then and there, he says appointed during the rule of former President Viktor Yanukovych and a group of four judges appointed after the EuroMaidan Revolution that ousted him. The first group was led by Tupytsky, the second by Shevchuk.

"The two groups were blocking each other's work," says Shevchuk. "It was a very unhealthy situation."

In a Constitutional Court consisting of a maximum of 18 judges, where 10 votes decide the outcome of a ruling, working together was key. The election of Shevchuk as chair-

man and Tupytsky as his deputy was supposed to end the tensions.

"To unblock the work of the court, I had to make Tupytsky my deputy. I didn't want to, but I had to," says Shevchuk.

In May 2019, Tupytsky rallied 12 of 18 judges to vote Shevchuk out.

"Tupytsky ousted me because I wasn't going to pass rulings on a 'commercial' basis," Shevchuk says. "They needed an obedient chairman."

Shevchuk was fired on May 14, six days before Zelensky took office. He says that such a decision couldn't be made without being sanctioned by the highest echelons of power.

The NABU is now investigating a suspected conspiracy that led to Shevchuk's firing.

According to the investigation, parts of which were leaked to the press, Pavlo Vovk, a notorious and powerful judge leading the Kyiv District Administrative Court, appeared to be coordinating Shevchuk's ouster.

On covert recordings made in his office, Vovk is heard saying that "we own the Constitutional Court now."

Shevchuk believes he wasn't bluffing.

Vovk has long denied all these accusations and been ignoring NABU's summonses for questioning.

The question remains as to who was in on the alleged conspiracy with Vovk and Tupytsky.

Journalist Yuriy Butusov, chief editor at Censor.net, reported that the NABU has a tape on which Vovk discusses Tupytsky's appointment as chair of the court with Andriy Bohdan, then-head of the Zelensky administration, and Andriy Portnov, an ex-official who was in charge of the court system in President Viktor Yanukovych's administration. Other tapes that were leaked verify that Vovk was in touch with Bohdan. Bohdan did not respond to a request for comment.

Next on the court's agenda are even more detrimental rulings that could kill the High Anti-Corruption Court, the creation of an agricultural land market, protection of the Ukrainian language and the soundness of Ukraine's banking system.

Shevchuk said the reversals are no accident.

"It's a complex of measures that aims to undermine Ukraine's anti-corruption institutions," he told the Kyiv Post. "The goal is to kill Ukraine's Euro-Atlantic vector."

While Russia "definitely plays a

The Opposition Platform's headquarters didn't respond to questions about whether its members were among the orchestrators of the court's rulings and the crisis that followed.

### **Crisis benefactors**

There are plenty of benefactors of the Constitutional Court's actions inside Ukraine, too.

Already over 100 corruption cases were closed and two convictions

Furthermore, the judges are defending themselves. Shevchuk believes that the rulings on anti-corruption institutions came at least partly as a response to investigations by the NABU and NAPC against judges of the court.

"They needed to have some political cover," Shevchuk says.

By shaking things up, they got a bargaining chip with the government.

### **First blow**

The groundwork for the crisis was laid in early 2019.

now.

Shevchuk says he is sorry that it happened under his watch.

"It's my personal tragedy. It will haunt me for a long time," Shevchuk savs.

### How it all started

Months after the scandal, Shevchuk was fired from the court by a vote of the judges. He became the first-ever judge of the Constitutional Court to be fired.

Shevchuk says the firing was illegal. He says it was a "coup" organized by Tupytsky and the forces outside the court.

It was the culmination of tensions in the court that had been present for years.

According to Shevchuk, as of 2018, the court was paralyzed.

Two factions inside the court were at odds: a group of six judges

Shevchuk says that he knows from his sources that the judges didn't even write the ruling that ousted him.

"The ruling was drafted outside the court and given to the judges," says Shevchuk.

Shevchuk believes that the same was true for the scandalous ruling that killed asset declarations in October.

### Shevchuk fights back

Shevchuk challenged his firing and

---> page 16

# Renewable energy



# Ukraine racks up \$1 billion in debts with no way to pay them

### By Igor Kossov kossov@kyivpost.com

fter cutting the green tariff, once Europe's highest guaranteed price for renewable energy producers, Ukraine is still struggling to pay it and cover its mounting \$1 billion debt.

If the debts keep piling up, renewable developers say international arbitration is around the corner. So is loss of investor confidence and Ukraine's failure to take part in Europe's Green New Deal.

"Right now, we have the coronavirus crisis, we have market reform these are objective problems why the Ukrainian government has run into problems with payments," said Oleksiy Ryabchyn, adviser to the prime minister on European integration. "Regardless, we have to meet our obligations."

But even after the cut, the expensive green tariff is a big drain on state companies, industrial consumers and, starting next year, the budget.

Controversially, the tariff is paid in euros, which went from being worth Hr 26.5 at the start of the year to Hr 33.3 today, making it even harder for the government to keep up payments.

Others are having the same problem. France announced it is going after its solar sector's "excessive profitability." Spain, Italy and the Czech Republic have experienced similar situations.

But the inconsistent mess that is today's energy market in Ukraine is truly a wonder. "Right now, there's a situation that's murky, the rules are practically absent and everything



A man walks past solar panels of the UDP Renewables power plant in Kyiv Oblast on Sept. 26, 2017. Despite cutting the green feedin tariff in July 2020, the government is still struggling to afford it and its debt continues to grow to renewable producers, some of whom filed lawsuits and threatened arbitration.

is regulated in manual mode," said Oleksandr Kharchenko, director of Energy Industry Research Center.

There are several solutions. Parliament offer guarantees to let state grid operator Ukrenergo borrow money. The Ministry of Finance can also approve the sale of government bonds to retire the debt.

And next year, energy officials are supposed to change Ukraine's public service obligation, giving state electricity producers like Energoatom more freedom to sell energy at market rates. But there are obstacles in the way.

### Legal challenges

While some green developers are waiting for the government to sort out the problem, others have already launched legal challenges.

Three industry players confirmed that multiple companies have filed trigger letters — notices telling the government that they want to start international arbitration. The players did not reveal the names of the companies.

In more public news, a few dozen companies have sued Guaranteed Buyer, the state company that is obliged to buy power from renewable developers. The companies are collectively demanding nearly \$18 million. "Guaranteed Buyer doesn't have enough to pay all of us (but)... losses have to be established," said Tynnyi. "Later, there will be lawsuits against the Ukrainian government."

If arbitration begins, it will be drawn out and messy. Spain, which retroactively cut its own green tariff a decade ago, lost 825 million euros to date and went through a renewable investment crash, following an unsustainable boom, not unlike Ukraine's.

On the other hand, the Czech Republic won most of its own arbi-

Another case is pending in front of the Constitutional Court of Ukraine after 47 lawmakers urged it to review the green tariff. Given the court's recent decisions, it's possible that it may also rule that the green tariff is unconstitutional, causing the government to scramble for solutions.

Gerus believes that if the tariff is struck down, the government will find some other way to reinstall it without going through parliament.

### Where's the money?

The green tariff was the highest in Europe. At first, it was a cash cow for oligarchs. Later on, it arguably did its job. Ukraine's energy went from less than 2% to almost 10% renewable in a year and a half and many investors were foreign companies.

But the growth was unsustainable, due to its generosity, its euro denomination and Ukraine's deeply problematic energy market. Starting late last year, Guaranteed Buyer hasn't been able to pay the tariff. For the first five months, renewable companies have been making electricity for free.

Under a reluctant compromise, which became law on July 21, solar tariffs for plants above 1 megawatt were cut by 15%; plants under 1 megawatt were cut by 10%. Wind tariffs were cut by 7.5%. Solar and wind plants commissioned in 2020 saw another 2.5% reduction.

Renewable energy has big swings in output due to weather and the day-night cycle and needs balancing. Under the law, renewable companies are responsible for half of their balancing capacity starting in 2021 and all of it starting in 2022.

Starting in August, new solar plants over 1 megawatt can only



These include Oril-Leader and Vynnytsia Poultry Farm, which run two biogas plants; Vita Solar, which belongs to Canadian developer TIU Canada; as well as a group of companies under the aegis of Ihor Tynnyi's Ukrainian Association of Renewable Energy.

The companies will probably win, said Dmytro Sydorov, an energy expert at ExPro. But it doesn't mean that they will get their money.

Tynnyi, a green energy entrepreneur, said that the lawsuits are meant to establish how much the government owes the companies. This amount can be used in later arbitration cases. tration disputes after imposing a retroactive tax on solar plants.

In some ways, Ukraine's situation resembles that of France's. In recent weeks, President Emmanuel Macron's government proposed an amendment to the 2021 budget to cut tariffs to a more "reasonable" level. The tariffs it pays for solar plants installed 10–15 years ago is much higher than it pays for newer contracts.

Parliamentary energy committee head Andrii Gerus said that he is not too worried about arbitration, because Ukraine stands a good chance of winning.

Kharchenko said that as far as he can see, no relevant energy authorities are worried about arbitration either. The results will only arrive years from now, when most of them will probably not even be in office. get a tariff by bidding for it in an auction.

For its part, the Cabinet of Ministers promised to pay back all outstanding debts -40% this year and 60% spread over each quarter of 2021.

For a few months, the plan seemed to be working. Guaranteed Buyer covered 100% of the green tariff for August but September's payment was delayed. For October, Guaranteed Buyer paid out just over 30%. Projections are that it will only be able to pay about half.

### **Problems and solutions**

"The situation in Ukraine is not unique," said Ryabchyn. "European Union countries have also run into these problems."

Ukraine's attempts to cover the

--> page 7

In partnership with:

### **BUSINESS FOCUS 7**

# Ukraine fails to keep promises to producers of green energy

### page <mark>6</mark> —>

shortfall have been scattershot. For example, the payments starting from August had to rely on a one-time cash infusion of Hr 779 billion from Ukrenergo.

Starting next year, no less than 20% of the tariff has to come out of the budget, according to the July law. But the latest version of the 2021 budget still has no allocation for the tariff.

Ukrenergo can borrow money from state or international banks, but banks need some kind of guarantee from parliament. The Ministry of Finance could also provide the guarantee or approve the sale of government bonds to cover part of the debt.

Stomping out market manipulation is another factor. Energy traders can buy discounted energy on two-way deals and resell it on the bilateral market or worse, put energy on sale that they don't actually have, before quickly buying it up on the intraday market.

The head of the energy regulator, Valeriy Tarasyuk, told Interfax-Ukraine that manipulation of this sort is no longer possible. After having reviewed dozens of energy companies for wrongdoing, the regulator was planning to fine 40 of them for a total of Hr 16 million but later reversed course, saying "we don't want to create hostile relationship."

"For Guaranteed Buyer, market manipulation leads to a fall in prices on the day ahead market or the displacement of Guaranteed Buyer to the balancing market, leading to a decrease in electricity sales prices and a decrease in funds at the company's disposal," wrote Denys Sakva, energy analyst at Dragon Capital.



Ukraine's green tariff was supposed to be covered by transmission tariffs from state grid operator Ukrenergo, but the country's deeply problematic energy market makes this unviable. As a result, Ukraine owes renewable energy producers \$1 billion. The country is looking into ways to clear the debts, including government bonds, drawing from the state budget and borrowing from banks.

this sort is frequent and is a function of Ukraine's patchy, rule-less and incomplete market.

### **Changing fundamentals**

And this incompleteness, on top of Ukraine's market-twisting cross-sub-

sidv, is the root of the problem. Households' power bills are kept artificially low at the expense of non-residential consumers in a way that limits how state energy producers can sell their electricity.

For example, Energoatom has

Kharchenko said manipulation of to sell 50% of its electricity to Guaranteed Buver at fixed rates. Before August, it had to reserve 80%

The European Energy Community has been pressing Ukraine to adopt a new form of public service obligation known as a financial PSO, where companies can sell energy how they want, and then use part of their revenue to cover the population's costs.

Ukraine is planning to introduce a financial PSO starting on Jan. 1, but the energy ministry has not yet released a plan of what it will look like. The ministry's ongoing feud with Energoatom may interfere by making the ministry more reluctant to make the change.

Resolving the situation for the greens would likely mean getting rid of the cross subsidy, which would make Ukrainians have to pay higher energy costs, a deeply unpopular move that politicians are reluctant to make.

It's especially tough now, when half the country is projected to sink into poverty due to the coronavirus crisis that has no end in sight yet.

Advertisement

# **POLLUTED ECONOMY EFFECTS:**

Why the European Green Deal is important to Ukraine (and not in name alone)

### **Read the full version of EUEA Special Online Project:**

If CO2 emissions remain at their current level in Ukraine, the temperature will rise 4 degrees Celsius by 2100. This may cause 34 Ukrainian cities to go under water, turning approximately 75,000 people to climate refugees.



most. On the other hand, the prospect of the imposition of high CO2 emission taxes is already encouraging businesses to invest in energy saving, modernization of production and transition to environmentally friendly alternatives, including renewable energy sources.

The Green Deal is much wider that the Paris Agreement that envisaged changes only in the energy sector. As a result of the Green Deal, within the next 30 years, the EU countries will have innovative, environmentally friendly companies, clean transport and agrarian sectors and other industries. This, in turn, will create new jobs with safer conditions.





European-Ukrainian Energy Agency

On the one hand, Ukraine actively supports the European green ideas, while on the other, the Ukrainian government allocates funding to support the coal industry, destroys investments of RES producers and is not encouraging the industry to reduce CO2 emissions.

This is a window of opportunity for Ukraine. After all, the EU provides financial assistance to the countries implementing sustainable growth policies and opens the European market for them, while setting barriers for the countries that are not prepared to change together with the EU. The carbon border tax, a tax that will be levied on imported products depending on their

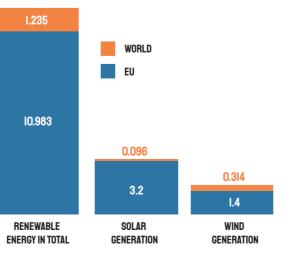
ELIMINATING PROTECTING 出山 NATURI POLLUTION THE EUROPEAN **GREEN DEAL** FROM FARM (\$ ENSURING & JUST TRANSITION FOR ALL TO FORM FINANCING GREEN LEADING THE GREEN ROJECTS MAKING HOMES ENERGY EFFICIENT

Employment in the renewable energy sector is constantly increasing worldwide: in 2018 about 11 million people were reported to work in this sector

Source: European Commission

The world is addressing the challenges of climate change. Last year, the European Commission adopted the European Green Deal with the goal of making Europe a climate neutral continent by 2050. The document is a set of economic instruments to promote decarbonization of the economies of the EU member states, as well as those of economic partners of the EU.

By phasing out the use of fossil fuels, the EU countries are working to create conditions for transforming all sectors of the economy and supporting the sectors that will be impacted the



CO2 content, is one such instrument.

### Estimated employment in certain sectors of renewable energy globally and across EU in 2017- 2018, thousand persons

### SOLAR AND WIND ENERGY IN UKRAINE

**25,000 employees** – excluding the stage of equipment manufacturing 45,000 employees – including the stage of equipment manufacturing 10,700-15,700 jobs - induced employment effect (additional jobs were created in different sectors of the Ukrainian economy as a result of RES development) based on data for 2014-2019

7.8 GW forecast of installed RES capacities by the end of 2020 7,35 GW installed RES capacities by September 01, 2020

### THERMAL MODERNIZATION OF RESIDENTIAL BUILDINGS IN UKRAINE

795,000 jobs - estimated employment potential

#### Source: EUEA Overview

https://euea-energyagancy.org



# Ukraine's biomass energy finds ways to weather green tariff crisis

### **By Alexander Query** query@kyivpost.com

he abundance of agricultural and forestry waste in Ukraine makes biomass a promising alternative energy source. There's only one problem – the green tariff crisis scares away potential investor in renewables, including biomass.

According to Sergiy Savchuk, executive director of Ukrainian biomass producer Clear Energy, not a single project on biomass for electricity and heat production has been commissioned this year. The companies cannot attract investors to a country where the government owes big green energy producers as much as \$780 million, which it can't pay.

"The crisis and absence of stable payments to biomass energy producers have seriously impacted the industry overall," Savchuk said.

At the same time, most of the current biomass power producers generate heat - not electricity. And since Ukrainians pay for heating through their utility bills, current biomass producers feel more stable than other renewable power makers.

### **Green tariffs**

While a small part of Ukraine's overall energy supply, biomass is the most important renewable energy source in Ukraine.

It represents roughly 6% of the total supply and 76% of the renewable sector, according to a report released in May 2019 by the Organization for Economic Cooperation and Development.

Despite that, biomass electricity producers struggle.

Biomass and biogas electricity producers account for 200 megawatts on the market, and they stopped receiving money in March from the state-owned Guaranteed Buyer, which, under the green tariff policy, is required to buy all green power in Ukraine.

Guaranteed Buver couldn't continue paying due to the coronavirus crisis – it found itself unable to fulfill its promises, which enraged investors and put the industry at risk. Today, with a debt of \$780 million, the state doesn't have any clear plans



An aerial view of the biogas complex built by Ukraine's largest poultry exporter Myronivsky Hliboproduct (MHP) in Vinnytsia, a city of 370,000 people located 260 kilometers southwest of Kyiv. The \$15-million complex will generate 20 megawatts of green energy and may eventually become the biggest biogas complex in the world, according to MHP.

gy because biomass producers need to buy raw material to burn it, according to Georgii Geletukha, head of the board of the Bioenergy Association of Ukraine.

"The sun and the wind are free, but we need something to burn and this something is not free," Geletukha said.

Under these circumstances, the only way for a producer to operate a plant is to use its own source of biomass fuel. This, however, is only applicable to companies that operate biomass power plants as part of their larger business in agriculture of forestry.

### **Big players**

Ukraine currently has 15 biomass power plants, and most of them are

Geletukha cited the example of Myronivsky Hliboproduct (MHP), Ukraine's biggest poultry exporter and a near monopolist on the market, which exported over 729,000 tons of poultry in 2019 to 80 countries

In 2017, MHP launched the construction of an enormous biogas power plant worth \$27 million in Vinnytsia, a city of 370,000 located 260 kilometers southwest of Kyiv.

The plant, due to be finished at the end of the year, already produces 12 megawatt of biomass energy thanks to bird dung produced by the poultry MHP sells. "They are owners of their residues and use that to create biomass, which gives them a huge advantage," Geletukha said.

Moreover, many of the big players are financed by international development banks, according to Andreas Biermann, an expert in energy at the United Nations Development Program. For instance, in February 2019, the European Bank for Reconstruction and Development arranged \$56 million in funding to oilseed producer Kernel Group to build four biomass power plants in Ukraine. But the company is already Ukraine's largest vertically-integrated agribusiness, as it trades crops and provides shipment as well as storage services on its own. "It will be important to develop a strong local market of investors and financiers to grow biomass as a source for energy in Ukraine" for smaller biomass energy producers, Biermann said.

cultural land, Ukraine's agricultural sector can harness biomass from crop residues like sunflower husks, livestock manure or wood pellets.

Biomass power producers generate more heat than electricity (over 5,000 megawatts of thermal capacity). As a result, they don't depend as much on Guaranteed Buyer as the rest of renewable energy producers.

Besides, he said, the bioenergy sector seems to be in a better position when it comes to producing heat because biomass is generally cheaper than natural gas. However, its price depends on the cost of raw materials from farm and suppliers and, at times, can be more expensive than gas.

On the upside, using bio-waste

at a landfill in Odesa. The plant will produce 10 megawatts of power and 20 megawatts of heat by using up to 330,000 tons of municipal waste.

When it comes to selling, Savchuk still believes in the green tariffs policy to sell his energy. He said the guaranteed price for biomass projects can be obtained by projects built by January 2023 at the price of 12.4 euro cents per kilowatt. The tariff will remain until 2030.

Athough nearly every big city in Ukraine has installed degassing facilities at big landfills, Geletukha said degassing plants account for only 30 megawatts of power today much less than wood or agriculture biomass.

for payment. It is even worse for biomass ener-

owned by big agribusinesses that use their own residues as biomass fuel.



Haystacks lay in a field before they are burned as biomass to generate energy. Due to its strong agriculture, Ukraine can collect a lot of hay, sunflower husks or livestock manure to produce green energy.

### Raw material

With 42 million hectares of agri-

that usually ends up in a landfill is good for the environment, and this is the strategy Savchuk chose for his Clear Energy group.

Since 2017, Clear Energy started using gas from solid waste through a waste-to-energy process called degassing. The company drills close to a landfill, install tubes and collects biogas produced by rotting wastes. Sewage and agricultural waste is put into high-temperature digesters to rot quicker. The gas is then captured and used as fuel.

In Ukraine, 94% of solid waste is disposed in landfills. But with the available space shrinking, cities are looking for alternative ways to process garbage and potentially use it as an energy source.

Landfills already take up 12,000 hectares of land, creating opportunities for Clean Energy's Savchuk, who is working on a degassing plant **Big potential** In 2019, the majority of raw materials was wood pellets, equal to 2.4 million tons of oil. But Geletukha says hay will take the lead by 2035. Wood and energy crops would follow.

If the country's agricultural byproducts, residue and waste products are managed properly, biomass could become a steady year-round source of energy and eventually replace natural gas, Geletukha said. 'The prognosis is quite favorable

for biomass," he added.

The share of biofuels in Ukraine's energy supply could reach 4 million tons of oil equivalent in 2020, and 11 million by 2035, helping the nation's drive to energy independence.

Another advantage, he said, is that biogas can be transported in natural gas pipelines.

"Biomass is a big sector with big growth prospects," Geletukha said.

In partnership with: Europea

# Ambassadors pressure government over energy debts

Editor's Note: In a Nov. 13 letter to Prime Minister Denys Shymal and other top Ukrainian officials, ambassadors from 11 nations urged the government to honor its payment promises to renewable energy providers.

#### Your Excellency,

Representing countries whose businesses and institutions have invested more than 2 billion euros of foreign direct investment in Ukraine's renewable energy sector, we turn to you with this letter as a follow up to the Memorandum of Understanding (MoU) of June 10, 2020 concluded between the renewable energy industry and the government of Ukraine.

This MoU, which ensured a voluntary restructuring of the feed-in tariffs (FiTs) regime for wind and solar power plants under the mediation of the European Union Energy Community, was an important milestone in finding a joint path out of the crisis in the renewable energy sector.

The MoU provided the basis for the parliament's passage of Law 810 on July 21, 2020, which, in turn, provided for the FiT reductions starting on Aug. 1, 2020. Law 810 was expected to re-establish payment discipline from the Guaranteed Buyer (GB), in particular, by unlocking additional funding sources for the GB, such as 20% co-financing of FiT payments from the state



A power line creates a shadow in Zaporizhia Oblast on Nov. 15, 2019 during the opening ceremony of the Orlivska wind farm built by Ukraine's largest energy company, DTEK.

budget and the issuance of government bonds to repay the GB's accrued debt to renewable energy producers.

We are therefore very concerned that the Guaranteed Buyer is still not meeting its obligations to re-establish complete and timely payments to renewables producers and to commence repayment of the GB's accrued debt by the end of 2020. This is in breach of the agreement under the MoU, and it violates law 810.

It will be difficult for Ukraine to achieve the renewables target set out in the Ukrainian Energy Strategy and Ukrainian international obligations under the Paris Climate Agreement if investors cannot rely on Ukraine's legislative framework and the government's resolve to honor its commitments.

To attract investors, and indeed

to keep existing investors, Ukraine needs a stable and predictable business climate that builds confidence in Ukraine as an attractive investment destination. The extent to which Ukraine honors its commitments under Law 810 will be noted by investors far beyond the renewable energy sector.

We look to you to ensure that Ukraine meets its commitments to restore favorable and sustainable conditions for renewable investors. This will serve to build investors' trust in Ukraine.

Yours sincerely, Ambassador of Belgium Alex Lenaerts Ambassador of Canada Larisa Galadza Ambassador of Denmark Ole Egberg Mikkelsen Ambassador of France Etienne de Poncins Ambassador of Germany Anka Feldhusen Ambassador of Netherlands Jennes de Mol Ambassador of Norway Erik Svedahl Ambassador of South Korea Kwon Ki-chang Ambassador of Sweden Tobias Thyberg Ambassador of Turkey Yağmur Ahmet Güldere Ambassador of United Kingdom Melinda Simmons

Advertisement

## **A NEW BRAND NAME IN THE UKRAINIAN LEGAL MARKET**



NAZALI provides a wide range of consultancy services to its national and international clients in relation to legal, tax and accounting matters. Our philosophy is "quality in delivery", "timely response" and "business-minded approach". The firm, with its principle "growth along with knowledge," has become a well-known brand in the Republic of Turkey thanks to its esteemed clients since its establishment in November 2014.

Mr. Dogus Gulpinar, the head of Kyiv's office, has previously advised foreign investors in the Odesa region, and later oversaw the Turkish desk in a reputable Ukrainian law firm. Gulpinar's experience includes the provision of legal services in the areas of energy, construction, real estate and immigration law. The remaining part of Kyiv's team consists of experienced lawyers and consultants, who worked in the major law firms of Ukraine and the Big Four accounting firms.

Our mission, according to Mr. Gulpinar, is not only to advise Turkish clients in Ukraine, but also to provide an opportunity to local companies to commence their business in Turkey, as well as in the other counties of NAZALI's presence.



For the past couple of years, the Republic of Turkey has become one of the biggest trade partners of Ukraine. Turkish companies are actively investing in the Ukrainian market, especially in the energy, infrastructure, construction, transport and agriculture sectors. Therefore, the availability of a reliable partner, which could guide the foreign investors through the constantly changing business environment, appears to be one of the key elements necessary to succeed in Ukraine.

NAZALI Tax and Legal, the biggest law firm in the Republic of Turkey, counting around 200 lawyers in the five offices countrywide, has recently opened its office in Kyiv. This is NAZALI's fourth international office opened during the past year, as the firm has already established its presence in Russia, Morocco and the Netherlands – this is the part of a greater concept of becoming a worldwide law firm with an aim to open new offices in the United Kingdom, the United States and the United Arab Emirates within the upcoming year, and also in the South America, South Africa and South Asia regions within the next three years.

Last but not least, what differentiates NAZALI from other consultancy firms is that NAZALI does not only provide regular legal services, but also provides wide range of services in the fields of tax, accounting and customs as a team. The Ukraine team is ready to provide quality consultancy services to all types of clients, who require the provision of target-oriented solutions with the consideration of the clients' business strategies and work requirements.



### **Dogus Gulpinar**

Email: dogus.gulpinar@nazali.com T: +380 (44) 390 94 77 | M: +380 (93) 235 81 71 W: nazali.av.tr | nazali.com | nazaligundem.com A: Silver Breeze Business Centre 1v, Pavla Tychyny Av. Kyiv, Ukraine, 02152, Office 434.



# Ukrainian households turn to solar panels

### By Daryna Antoniuk antoniuk@kyivpost.com

kraine's renewable energy giants are suffering losses as the government struggles to pay off \$1 billion in debt it owes them for green power. But the crisis hasn't taken a toll on Ukrainian families who produce clean energy at home – they still get paid.

Ukrainian households with solar panels keep benefiting from the generous feed-in tariff that allows selling the surplus of green energy they generate to the government at 0.16 euros for a kilowatt, one of Europe's highest tariffs.

But even though Ukraine plans to require producers to sell electricity through auctions in 2021, to hopefully reduce the price, nothing will change for households with solar panels generating under 1 megawatt.

Ukraine keeps encouraging households to invest in green energy for environmental reasons. As households become energy-efficient, they use less power. Additionally, green energy is especially helpful to remote villages that suffer from more frequent blackouts.

As of today, there are over 27,500 households with a general capacity of 712 megawatts of green energy – a dramatic surge since 2014, when only 40 families relied on solar power, according to Yurii Shafarenko, deputy head of the Agency on Energy Efficiency.

Encouraged by favorable tariffs and affordable equipment prices, many Ukrainians have installed solar panels on their roofs or near their homes.

### **Thriving industry**

Current legislation allows Ukrainians to install a private solar power station with a maximum capacity of 30 kilowatts. The owners of such stations can get a return on their investment in nearly four years by selling the surplus energy to the state.

With an average monthly consumption among Ukrainians of 400 kilowatt hours, a solar power station with a capacity of 30 kilowatts can bring over \$3,700 of annual revenue if the feed-in tariff remains at 0.16 euros.



A solar panel installed on a balcony of an apartment building in Kyiv on March 31, 2020. Over 27,500 Ukrainian households have installed solar panels at home as of October 2020, with a general capacity of 712 megawatts.

square meters — almost the size of a tennis court, so Ukrainians usually choose smaller and cheaper alternatives.

Vitalii Shestak, for example, owns a small solar power station with a capacity of 5 kilowatts that brings him nearly \$600 a year. Shestak was one of the first residents in Kyiv Oblast who installed solar panels near his house in 2015. The feed-in tariff was 0.19 euros back then.

Since then, nearly 180 families in Kyiv have installed private solar power stations, according to Yasno, a subsidiary of Ukraine's largest energy firm, DTEK. In 2019, they brought these people over \$230,000, feeding 1.6 million kilowatts of clean energy into the national grid. In Ukraine, foreign companies, including Chinese Jinko Solar, Trina Solar and JaSolar dominate the local market. Local manufacturers like Kness, InfoSvyaz and Kvazar try to compete with them.

And, according to Kness, Ukrainian households should order from local producers for two reasons: the panels won't break while shipped and their owners can get an additional 10% increase to their tariff.

However, local manufacturers are struggle finding buyers for projects that take five to seven years to pay off. which will power the city and earn profits for residents who are willing to invest in solar panels.

Zinchenko started the project when the renewable energy market was turbulent as the government announced it would cut the guaranteed price. "That's why it was harder to raise investment," Zinchenko said.

Now the owners of solar panels in Slavutych sell for a lower price and the state-owned Guaranteed Buyer owes the cooperative nearly \$12,400.

Still, Zinchenko expects that the project, which is now worth over \$207,000, will pay off in seven years.

other benefits. Avrora Term rents the roof for \$140 a month, money that can be used for upkeep and renovations of the building, according to Shafarenko.

### Uncertain future

Ukrainians still rely on the feed-in tariff, even though it was reduced from 0.46 euros per kilowatt in 2009 to 0.16 euros in 2020.

But it is still not clear what will happen when the tariff expires at the end of 2029. The auction-based system is too complicated for small owners, Shafarenko said, but they still need incentives to install solar

But these stations cost over \$17,000 and take up nearly 200 The reason for this rising popularity, apart from favorable tariffs, is that the solar panels got cheaper, according to Shafarenko.



Workers install solar panels on the roof of a 4,000-square-meter apartment building in the Troyeshchyna district in Kyiv. Local firm Avrora Term has invested \$330,000 in the solar panels on this roof and expects to return the investment in six years.

### **Medium-sized investors**

The country's renewable energy market is set to reach 13% of total electricity generation in 2020, according to Shafarenko.

But unlike in many European countries, Ukraine's renewable energy is dominated by large players like Rinat Akhmetov's DTEK, which generated 1 gigawatt of green power and made \$176.5 million in 2019. For medium-sized investors, it's harder to keep up.

"In Ukraine, it is the government that generates most of the problems," said Andrij Zinchenko, head of Sun City, Ukraine's first solar energy cooperative with a capacity of 200 kilowatts in Slavutych, a city of around 25,000 residents located 150 kilometers north of Kyiv.

In 2019, Slavutych crowdfunded over \$142,000 in four months to build a photovoltaic power station As of today, 97 small investors put property into it.

Slavutych is an example of how green energy can transform a city and attract money. According to Shafarenko, people benefit when solar panels are installed in places like rooftops that are usually not in use.

In November 2020, Ukraine's DTEK and local enterprise Avrora Term, which provides services for multi-story buildings in Kyiv, opened a 330-kilowatt solar power plant in the Troieshchyna neighborhood.

To cover 4,000 square meters of the roof of an apartment building with solar panels, Avrora Term invested \$330,000 and expects to return the investment in six years, according to company's chief executive, Yuriy Ivko.

Although the residents cannot use the generated green energy, they get panels at home.

One possible solution is to increase the traditional electricity price that now stands at 5-euro cents per kilowatt, compared to 30 cents in Germany.

The more attractive price, plus the ecological benefits, would keep such investments attractive.

Oksana Aliieva, climate change and energy policy expert at the Heinrich Boell Foundation, for example, installed a 17-kilowatt solar power station at her home to reduce the negative impact of dirty energy on the environment. She also said that renewable energy helps people to gain independence from traditional energy suppliers.

"For my family, it is a matter of principle," Aliieva said. "We try to be eco-conscious and that's why we're ready to invest in solar panels."

# 'The ICU is always full. If a patient dies, the bed is occupied by a new one.'

#### page 2 --->

Of all hospital beds for COVID-19 patients, fewer than 20,000 are connected to oxygen pipelines or oxygen concentrators.

The government has recently allocated Hr 895 million (\$31.7 million) for connecting hospital beds to an oxygen source. This money is being taken from the COVID-19 fund – specifically, the larger portion of the fund that had earlier been allocated for road repairs under a widely criticized presidential project. Earlier in October, Hr 572 million (\$20.2 million) were allocated for the same purpose and the government began licensing local producers of medical oxygen.

Doctors say it's too little, too late. While the lockdown in spring bought the Ukrainian government time and prevented the collapse of the unprepared health care system in case of a serious outbreak, many doctors feel more could have been done in the previous months to prepare for the new wave.

"All wards could have been provided with oxygen, and the ICU could have been expanded. This work is just beginning," said Volodymyr Korsunov, who divides his time between working as an anesthesiologist at a Kharkiv Oblast infectious disease hospital and teaching at a medical academy.

"The reserve of medical personnel has not been prepared. Medical interns could be deployed nationwide and for a salary."

The hospital where Korsunov works is exclusively designated for COVID-19 patients and is overburdened. Originally intended for 290 patients, it takes between 270 to 300 patients on average. The situation is particularly bad in the intensive care unit. It has only 12 beds, but up to 40 patients need intensive care. Those patients are accommodated in general wards. For all of them, there are three anesthesiologists.

"The ICU is always full," Korsunov told the Kyiv Post. "If a patient dies, the bed is occupied by a new one."

Ivan Chernenko, anesthesiologist at Rozdilna District Hospital in Odesa Oblast, shares that sentiment.

"Early on, doctors and volunteers ward, warned that there would be issues with oxygen," he said. "It is not a quick job to build oxygen infrastructure. There are strict technical regulations." with o



A medical worker holding an oxygen cylinder talks to a man next to a private ambulance outside of the infectious disease ward of Kyiv's Oleksandrivska Clinical Hospital on Oct. 29, 2020.

the government failed to mobilize medical personnel. He also criticized its policy of opening COVID-19 units in hospitals that simultaneously treat other patients. This stretches the staff resources thin, he said. Instead, it is better to turn entire hospitals into COVID-19 medical centers and concentrate resources — oxygen and staff — there, he said.

For now, Chernenko and the three other anesthesiologists each work 48- to 72-hour shifts and cover for an infectious disease specialist who is on maternity leave.

"It's very hard physically," he told the Kyiv Post.

A medical intern from Sumy, who asked not to be identified by name, fearing reprisals, said that the 30-bed COVID-19 ward in her hospital is so full that patients are housed in the bathroom.

"They want to open another ward. But they need to provide it with oxygen and find staff," she told the Kyiv Post.

The intern works in a general ward, where medical workers

began paying private labs for testing this month.

Over a month-and-a-half ago, she and the other five doctors in her ward contracted COVID-19 allegedly from one such patient who had tested negative and later died. After the outbreak, her ward received masks.

Recovering COVID-19 patients who are no longer considered infectious but still have breathing difficulties are also moved to the general ward. There is only one oxygen concentrator there and it is being shared, she said.

The government "could have done a lot over the summer," she said. "They could have involved private labs earlier and supplied all hospitals

**ISSUE WILL FOCUS ON** 

**KYIV POST IN ITS DECEMBER 4** 

with protective gear. All medical workers are at risk."

### Compensation

Health care workers remain the single group most at risk of contracting the virus. Over 28,000 of them have been infected with COVID-19 since the start of the pandemic. At least 258 have died.

Ivan Venzhynovych, an infectious disease doctor at the Pochaiv hospital in Ternopil Oblast, became an unexpected symbol of medical workers' struggles during the pandemic.

Earlier this year, the Associated Press photographed Venzhynovych gazing out from behind a mask and face shield. Then, in May, his exhausted face appeared on billboards around Ukraine thanking medical workers for their service to the country.

But Venzhynovych's story did not have a happy ending.

In early October, the 51-year-old doctor died from pneumonia, which his colleagues believe was caused by COVID-19.

Despite presenting all the clinical characteristics of COVID-19, Venzhynovych tested negative. That rendered his family ineligible for state compensation of Hr 1.5 million (nearly \$56,000).

So far, the families of 22 medical workers who died from COVID-19 have received compensation ranging from Hr 219,000 (\$7,780) to Hr 1.5 million.

Thirteen more families are on the waiting list. The Social Insurance Fund is investigating 111 other cases to determine whether a deceased medical worker was infected with the coronavirus at work.

Receiving compensation is not easy.

In late June, Cherkasy-based surgeon Ihor Haida lost his father, Oleh Haida, to pneumonia and respiratory failure caused by COVID-19. His diagnosis was confirmed by a PCR test.

Two commissions established that the elder Haida had contracted the virus while seeing patients at a local polyclinic where he also worked as a surgeon. One of those patients appeared to have infected him with the coronavirus.

The Social Insurance Fund, however, filed an appeal in court claiming the evidence was insufficient. The legal dispute continues.

"They do not want to pay us Hr 1.5 million in compensation for unknown reasons (and they're) hiding behind bureaucracy," Ihor Haida told the Kyiv Post.



Chernenko's hospital has a 45-bed COVID-19 unit that, by current standards, is not yet critically full — it is only 70–80% occupied, he said. There are around 15 oxygen concentrators and an oxygen pipeline was installed in September.

Like Korsunov, Chernenko says

receive neither protective gear, nor salary bonuses like those treating COVID-19 patients. But they too are at a high risk of infection. All patients with clinical symptoms of COVID-19 who test negative are admitted to

who test negative are admitted to their ward, next to people with other diseases.

The intern blames this problem on flawed testing that yields false negative results and long waiting times for a free test at state labs. To tackle delays and backlogs, the government



### Get all Ukraine's hot news delivered to your email before breakfast

Sign up for the Kyiv Post Ukraine Digest!

Just go to the bottom of the Kyiv Post homepage and enter your email. It's free!



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



# A photo series using fashion tools to blast overconsumption



Ukrainian model Snejana Onopka poses for a photograph in Kyiv in late August, as she takes part in the photo series "More than you need." Launched by Kyiv stylist Anna Honcharova, the project aims to raise awareness about mindless overconsumption.

### By Daria Shulzhenko shulzhenko@kyivpost.com

At first blush, it looks like a regular fashion campaign: top models in stylish outfits pose for photographs in eye-catching locations.

But "More than you need,

percent of the annual global carbon emissions, more than from all international flights and maritime shipping combined. For its production, fashion also uses 93 billion cubic year, twice as much as 20 years ago. In Ukraine, the situation is no different. An average Ukrainian household spends about 26% of their monthly expenses on goods like clothes and shoes and other nonfood products, according to estimates made by the State Statistics Service of Ukraine in 2019. The only product Ukrainians spend more on is food.

will last longer, than the cheap but highly fashionable pair," she says.

Now Honcharova wants the world to pay attention.

She quit her job as a stylist for meters of water yearly. Around 100 L'Officiel in February to give her billion new garments are made every more free time. The COVID-19 lockdown gave her even stronger motivation. When supermarkets packed all fruits and vegetables into plastic bags as a precautionary measure, Honcharova saw it as another display of ignorant use of highly toxic products.

Later, however, she realized that the printed ads would be a waste of resources as well and decided to make them available online only. Honcharova is planning to launch a website featuring the photos and information on overconsumption and its consequences.

# City Life

With Daria Shulzhenko shulzhenko@kyivpost.com

Support Kyiv cinemas by going to see a movie on weekdays while the weekend lockdown is in place. Zhovten, Kino42 and Multiplex and Planeta Kino cinema chains screen films in English Buying soda and popcorn helps too

### 92 bright lights of Ukrainian fashion industry shine in book

### By Yana Mokhonchuk yanamokhonchuk@gmail.com

he simple black cover of "Fashion Directory of Ukraine" is hiding a rich palette of stories about the visionary minds developing one of the most vibrant fields in the country today.

"Ukrainian fashion industry is a complicated, exciting and dynamic phenomenon," reads the book's introduction.

The new publication is the creation of Anton Yeremenko, fashion editor of the Harper's Bazaar Ukraine magazine, and fashion historian and critic Zoya Zvynyatskivska. It brings together the paths to success of 92 key players, from designers and photographers to retailers and catalysts.

The industry is on the move, with its most successful representatives making international headlines and earning the admiration of the world's top taste-makers.

"Fashion Directory of Ukraine" is the first publication that captures the state of modern Ukrainian fashion and systematizes its leaders. In Ukrainian with English translation, the book was published on Oct. 28 in 300 copies.

Since it was funded by the state Ukrainian Cultural Foundation, with a grant of Hr 492,000 (\$17,500), the first print run will be distributed for free to leading fashion experts, local libraries and cultural institutions. But because of high demand, the authors plan another reprint in January, which will be available for purchase in bookstores for at least Hr 330 (\$12). In the meantime, all stories from the publication are available in both Ukrainian and English online at www.fashiondirectory.com.ua.

photo series by Kyiv stylist Anna Honcharova, is more than a collection of voguish images. Using the instruments of the fashion world, the project aims to raise awareness about an issue that stems from the industry itself, mindless overconsumption.

Honcharova says that many people don't realize the direct link between their everyday actions, like buying a new clothing item, and such global threats as the climate change. "It's important to educate them on the overconsumption issue, to show them that more is not always better," Honcharova told the Kyiv Post.

The stylist, who used to work for glossy magazines such as Harper's Bazaar Ukraine and L'Officiel, exclusively shared the project with the Kviv Post.

Fashion is one of the world's most polluting industries: It causes 10

### Social impact

Honcharova, 26, witnessed the problem of overconsumption while styling numerous photoshoots.

"I began to notice many people who have no boundaries when shopping. Some couldn't spend a day without buying something," Honcharova says.

But she falls back on her mother's advice in this area. "She kept telling me that it is better to get a pair of more expensive shoes of better quality, which may not be very stylish but

That's when she came up with the slogan: "More than you need." Honcharova decided to focus not only on overconsumption of clothes but also raise the issue of plastic pollution and other critical problems like waste of land and electricity.

### **Eternal effect**

Honcharova's photo series was styled and designed as an outdoor advertisement using bright colors and featuring inscriptions. Her campaign is trying to "sell" sustainability.

The project includes four photographs taken by Honcharova. She initially wanted them displayed as advertisements around the capital.

The stylist put some of Ukraine's top models in front of the camera. All of them, she says, participated for free, driven by the project's idea and sharing its values.

One of them, Alina Baikova, says she joined because she believes that each person should take action to save the planet. "We overuse everything. I believe if everyone starts with themselves, we can halt climate change," Baikova told the Kviv Post.

The photograph featuring Baikova draws attention to overconsumption with an emphasis on greed and selfishness. The model poses for a photograph in front of an abandoned fancy mansion that allegedly belonged to a corrupt politician who has fled Ukraine.

Honcharova says this photograph

### **Fashion preserved**

Yeremenko came up with the idea in 2014, when he was traveling and taking portraits of celebrities at Fashion Weeks abroad. He wanted to compile the same series with Ukrainian fashion stars. However, portraits alone wouldn't have communicated the diversity and potential of the industry, so he decided to add stories to accompany the visuals.

"We are doing international business, and the general public likely

-> page 13

# How to celebrate Thanksgiving like an American in Ukraine

### By Daria Shulzhenko shulzhenko@kyivpost.com

Editor's Note: Ukraine is under nationwide restrictions as the number of COVID-19 cases surges. Restaurants are obliged to work under the government's measures that include social distancing, mask-on policy and a limited number of attendees. They also are supposed to close by 10 p.m. on weekdays and stop operations on weekends.

ne of the most beloved holidays for Americans, Thanksgiving Day, is mostly known to Ukrainians from Hollywood movies. The portrayed celebration is close to reality - it often is a dinner that brings together families and friends over a table with essential roast stuffed turkey, cranberry sauce, casseroles and pies.

The holiday was started as a sign of gratitude for the harvest. In the United States, it is celebrated annually on the fourth Thursday of November, which falls on Nov. 26 this year.

Though it's not commonly celebrated in Ukraine, some Kyiv restaurants prepare themed menus and deliveries for those expats or locals who wish to taste traditional Thanksgiving dishes.

The Kyiv Post has picked out three restaurants that offer delicious turkey to enjoy this Thanksgiving.

### Sam's Steak House

The oldest steakhouse in Kyiv, Sam's Steak House, is a perfect place to celebrate the holiday. On Thanksgiving Day, the restaurant will serve two types of roast turkey. The first one



Kyiv offers several options to celebrate Thanksgiving, a national American holiday that falls on Nov. 26 this year. Such restaurants as Sam's Steak House, Beef meat & wine and Grill do Brasil will serve delicious turkey to enjoy the holiday.

is turkey marinated with paprika, turmeric and soy sauce and served with carrots and onions. The second one is turkey stuffed with apples, dried apricots, celery, candied fruit and almonds.

The first option costs Hr 395 (\$14) per one kilogram. The price for stuffed turkey is Hr 525 (\$19) per kilogram. A roast turkey at Sam's Steak House can weigh around 7–10 kilograms and would suit a big family celebration. Those who plan to celebrate in a smaller company can order half a turkey.

The dishes will not only be available to order while dining-in, but

also to order as takeout. The orders should be placed no later than three days before the celebration.

Apart from that, Sam's Steak House developed a special Thanksgiving menu, which includes a salad with stracciatella cheese, spinach, persimmons, pumpkin and tomatoes. Other options are a pecan pie with walnuts served with vanilla ice cream, and turkey steak with pumpkin puree and cherry sauce.

The Thanksgiving menu at Sam's Steak House will be available from Nov. 23 until Dec. 1.

Sam's Steak House. 37 Zhylianska St. Mon-Fri. 10 a.m. – 10 p.m. SatSun. 11 a.m.- 11 p.m. +38044 287 2000

### **Beef meat & wine**

On Thanksgiving Day, Kyiv's fancy restaurant Beef meat & wine will also serve their version of roast turkey.

Here, turkey is cooked with various spices and oranges. The restaurant staff says they cook each turkey for nearly six hours and therefore ask their guests to make orders in advance and no later than Nov. 24.

The price for the whole roast turkey, which weighs around 3-4 kilograms, is Hr 2,500 (\$90).

Beef meat & wine. 11 Shota Rustaveli St. 9 a.m.- 12 a.m. +38094 928 9804

### **Grill do Brasil**

Every year Kyiv's Grill Do Brazil arranges a grand celebration on Thanksgiving Day and 2020 is no exception.

On Nov. 26, the restaurant will hold a dinner during which each guest can enjoy an unlimited amount of various salads, along with 14 grilled delights such as chicken, pork, beef, bananas and other snacks.

Apart from that, Grill Do Brazil's chef will serve the eatery's special roast turkey after 7 p.m. Each guest can have an unlimited amount of turkey as well.

The price for the dinner is Hr 799 per person. Though it includes entrees and snacks, the price doesn't cover drinks and desserts.

The dinner will start at 6:30 p.m. on Thanksgiving Day. The restaurant recommends booking tables in advance.

Grill do Brasil. 24 Lesi Ukrayinky Blvd. Mon-Fri. 12 p.m.- 11 p.m. Sat. 2 p.m. - 11 p.m, Sun. 2 p.m. - 9 p.m. +38044 593 9898

### Others

Though still unannounced in detail, many other restaurants are planning to introduce Thanksgiving-themed menu items and events.

Popular Milk Bar cafe, which serves some of the tastiest desserts in the city and whose concept was inspired by U.S. eateries, plans to prepare Thanksgiving desserts ahead of the holiday.

Healthy food eatery Good Girl, owned by the same restaurateurs as Milk Bar, is set to hold a celebratory dinner with live music.

### **City Life**

# 'More than you need' is call to action to save the planet

page 12 --->

also highlights the issue of illegal construction, a wide-spread practice Snejana Onopka depicts the over-

and ruins the planet," its inscription reads.

The fourth photograph featuring in Ukraine, and the waste of land consumption of apparel, reading that



sustainability. She follows the idea that "you either recycle or alter the apparel or h ♀ able again." apparel or hide it until it's fashion-

For "More than you need,"

used for huge mansions. "Big house does not mean happiness," reads the inscription on the photograph.

Another model, Nataliia Gotsii, poses for a photograph as she sits on coal piles with an operating factory in the background. The piece spotlights the fossil fuel industry's contribution to air pollution and careless consumption of electricity.

Gotsii wears a necklace and earrings with diamonds, which, Honcharova says, symbolize eternal values. Here, the stylist uses the symbol of eternal values as the antithesis of the eternal damage of gas emissions on the environment.

Another participant, Anna Shoot, is photographed lying on the ground, resembling a dead body outlined with plastic cups instead of chalk. The piece illustrates plastic pollution and the urgency of recycling. "The disposable makes life easier "new is not always better."

Onopka sits in the trunk of a car filled with piles of new clothes and shoes, some of which have sale price tags on them -a sign of fast fashion, a business model that sells high volumes of trendy garments cheaply. It is an industry known for its harmful for the environment production and unfair labor practices.

There are several garbage bins behind the car with clothing pieces hanging on them, as people mostly toss out their clothes instead of recycling.

### **Comfort vs. Earth**

Honcharova highlights the options to dress trendy in a more sustainable way, such as buying used apparel or accessories. She often shops at second-hand and vintage stores. She also favors designers who promote

### **ETERNAL VALUES -ETERNAL PROBLEMS.**

Ukrainian model Nataliia Gotsii poses for a photograph as she sits on coal piles near the operating factory in Kyiv in August 2020. The photo is from the "More than you need" series aiming to draw attention to overconsumption and waste of resources.

F Honcharova did not purchase any new clothes other than a suit with a sale tag for use as a prop, which she returned after the shooting.

The model Baikova says she only buys garments she really needs and hopes Honcharova's project helps people rethink their consumption. "Our comfort kills the Earth, and we need to change our habits," Baikova says

Honcharova plans to continue her advocacy through art installations. She believes that environmental issues should be on the agenda until more people start taking the issue seriously.

"I realize that my project won't make all Kyiv residents recycle and sort garbage immediately," Honcharova says. "But it can at least make them realize that there is such a problem. And it might be the first step towards solving it." @

# 'Fashion Directory of Ukraine' available soon

### page 12 --->

doesn't know about or see it, so I really wanted to show and convey it," Yeremenko told the Kyiv Post.

For the project, he teamed up with Zvynyatskivska, who has been exploring and writing about Ukrainian fashion for over 30 years, and, naturally, was eager to join.

"I am interested in the past, its museumification, reproduction in books, so that it is preserved," Zvynyatskivska told the Kyiv Post.

The two recorded 100 hours of interviews with key players who have remarkable achievements, including in 2020, to keep the book fresh. The authors didn't limit themselves to designers exclusively, but included people with other roles in local fashion development.

They ended up with 92 leaders divided into seven categories and same-name book chapters: designers, explorer designers (groundbreakers), media (journalists and editors), photographers/stylists, managers, retailers, and catalysts (bloggers and other inspirers).

Profiles include a short career summary, principles they follow and what they're known for, as well as a timeline of their path's milestones and photographs.

The designers section features some of the most acclaimed Ukrainian creators from vyshyvanka (embroidered shirt/dress) guru Vita Kin to the inventors of world-famous "demi-denims" jeans Anton and Ksenia Schnaider.

The list also features hat designer Ruslan Baginskiy, whose pieces are favored by Madonna, Gigi and Bella Hadid, the Kardashians and many more influencers and top models. The designer presents his collections



Anton Yeremenko, fashion editor of the Harper's Bazaar Ukraine magazine, wrote the new "Fashion Directory of Ukraine" with fashion historian and critic Zova Zvynvatskivska. Yeremenko poses for a photograph as he talks to the Kviv Post on Nov. 3, 2020. The book spotlights 92 key players of the vibrant Ukrainian fashion industry.

in Paris and sells his garments in 150 stores worldwide. In the book, he says that his ultimate goal is for the word "hat" to be associated with his brand's name.

There's also Svitlana Bevza, who is the first Ukrainian resident of New York Fashion Work and the finalist of the Vogue Talents project that awards the most promising international designers. The book describes her as famous in Ukraine and the world as a minimalist designer, whose clothes are sold at the biggest online luxury retailer Net-a-Porter.

Some of the explorer designers are Kostiantyn Kofta, who uses 3D modeling to manufacture surrealist leather bags and backpacks, and Yasia Khomenko, who promotes upcycling, experiments with colorful prints and puts out spectacular shows.

The managers section lists founders of Ukrainian Fashion Week Iryna Danylevska and Volodymyr Nechyporuk, among others. The two, according to the book, formed the modern fashion landscape in Ukraine by creating a pret-a-porter weekly event and developing an infrastructure for it.

Another fascinating section, catalysts, spotlights Synchrodogs, a duo of photo artists Tania Shcheglova and Roman Noven. Throughout their 12-year career, the duo cooperated with international brands including Louis Vuitton, Burberry, Kenzo and Swarovski and held 15 personal exhibitions around the world.

The directory was published by the ArtHuss publishing house, known for the production of art books. The 192page publication is a stylish edition with a minimalist design, meant to grab attention with its simplicity.

"Designed in the format of a coffee table book it's itself an aesthetic work," Zvynyatskivska said.

### **Opportunities and con**trasts

Ukrainian fashion has grown to become a full-fledged creative industry.

Zvynyatskivska and Yeremenko call it an industry of opportunities because of how fast a brand can go from foundation to presenting collections at the world's fashion capitals. They also write that it's an industry of contrasts that combines conservative glamor and new conceptual fashion. "Today, the Ukrainian fashion industry is a free creative laboratory where any experiments are permitted," reads the book's introduction.

According to Zvynyatskivska, social media gave the Ukrainian fashion industry greater exposure. Fashion weeks and awards also helped. Yeremenko, meanwhile, says that the Mercedes-Benz Kyiv Fashion Days contributed to local designers' understanding of how to sell to the international market.

But the industry still struggles to reach Ukrainians. The majority of locals prefer cheap fast fashion brand imports from China and Turkey. Ukrainian-made garments, for some reason, are still perceived as less worthy than whatever is brought from abroad.

"It is extremely difficult to make Ukrainian fashion popular," Zvynyatskivska said.

But as the COVID-19 pandemic restricted traveling and spurred the trend to support local businesses, Ukrainian brands have new chances to reach the local consumer. According to Zvynyatskivska, the audience is slowly shifting towards appreciating individuality over mass-produced items.

"People need a new quality and Ukrainian designers can give it," Zvynyatskivska said.

### Virtual 3rd Annual Event



Enabling the next generation of leaders

• UGS has helped ~100 young Ukrainians receive ~\$25M in full scholarships at top private high schools and colleges in the US and globally







### Leadership in the 21st Century

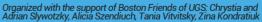
### **NOVEMBER 21, 2020 1 TO 2:30 PM NEW YORK** 8 TO 9:30 PM KYIV



Register at https://rb.gy/lcyppc or scan the QR code below

http://UkraineGlobalScholars.org

- We invite you to hear stories of our alumn leading their peers and generating a ripple effect in Ukraine and globally through startups
- Ambassador William Taylor, our keynote speaker, and Adrian Slywotzky, Partner at Oliver Wyman, will share their perspectives on 21stcentury leadership





William B. Taylor is vice president, Strategic Stability and Security at the US Institute of Peace. Last year, he served as chargé d'affaires at the US embassy in Kyiv. During the Arab Spring, he oversaw US assistance and support to Egypt, Tunisia, Libya and Syria. He served as the US ambassador to Ukraine from 2006 to 2009.

**Business Ombudsman Council** is looking for **Receptionist/Team Assistant** 

For more details, please follow the link www.kyivpost.com/ classifieds/jobs/receptionistteam-assistant

To apply, pease submit your CV and motivation letter in English at hr@boi.org.ua.

The deadline for applications is 08 December 2020.



### WHO invites applications for the post of National Professional Officer (HIV and hepatitis)

WHO is looking for a National Professional Officer (HIV and hepatitis) to WHO Country Office in Ukraine. The incumbent will provide technical assistance in HIV and hepatitis prevention, diagno and treatment to the Ukrainian Ministry of Health, Centre for Public Health and the National HIV and Hepatitis Programmes, with the overall aim to end HIV and hepatitis in Ukrain

For full and detailed vacancy notice please access: https://www.who.int/careers/en/ Closing date for applications: 5 December 2020 Vacancy Notice No: 2004657



# UNDER 30

### Join us on November 27 at 5 pm EST

during the livestream on www.kyivpost.com





INTERNATIONAL RENAISSANCE FOUNDATION

### **BEVERAGE PARTNER:**



More details: 044 591 77 88, events@kyivpost.com

### **PLACE YOUR** MINI RESUME FOR 500 UAH

The U.S. Embassy will have an online vehicle auction beginning on Tuesday, November 24, 2020 at 10:00 a.m. The online auction will end on Wednesday, December 02, 2020 at 3:00 p.m.

All subject vehicles are being sold "as is, where is", are temporarily imported into Ukraine, are not customs cleared

and have no expressed or implied warranties on the condition of the vehicles. Bidders must register and log into the website by following the link: <u>https://online-auction.state.gov</u> in order to bid on auction items.



Agriteam Canada is one of Canada's leading international development firms, providing management and technical expertise to developing and transitional country partners on projects that promote sustainable growth and meaningful opportunities for people to improve their lives. Agriteam has two offices in Canada and 11 offices around the world, including an office in Ukraine.

In October 2019, Agriteam Canada launched a new five-year project in Ukraine: Support to Ukraine's Reforms for Governance (SURGe). SURGe's Ultimate Outcome is to help the Government of Ukraine (GoU) to deliver governance and economic reforms that better respond to the needs of its citizens.

SURGe Project is looking for the following experts:

For the Office for Administrative (Public) Services Reform under the Ministry of **Digital Transformation:** 

### Team Lead

Please, send your applications till November 27, 2020 to: valeriias@alineainternational.com

For more detailed information about preferred qualifications and skills, indicative duties and responsibilities, as well as applying procedure, please visit web-site: https://www.edge.in.ua/vacancies/

### **Kyiv Post**

The Kyiv Post is looking for a political reporter to complement its team of journalists covering Ukraine's political life, government and reforms; the coronavirus pandemic; and Russia's war in the Donbas. It's a full-time job in the newspaper's office in Kyiv.

### **Responsibilities:**

Pitching and writing stories for the Kyiv Post newspaper and website. Breaking exclusive stories. Discovering the underlying trends driving Ukraine's po-

litical life and reporting on them. Developing and maintaining a network of contacts in Ukraine's parliament, govern-

### ment and expert community. **Requirements:**

Excellent command of written and spoken English. Fluency in Ukrainian and/or Russian languages



### Director of IIE, Ukraine/Fulbright Representative Office

### JOB DESCRIPTION

Founded in 1919, IIE has become the world leader in international education, managing an annual portfolio of approximately \$350 million in revenue and trusted to administer flagship programs on behalf of the U.S. Government, leading foundations and corporations, and government partners around the world. We manage a rich portfolio of programs that include scholarship and teacher training programs with leading companies, outreach to talented students on behalf of some of the world's most prestigious universities and fellowship programs, as well as efforts to internationalize higher education.

The Director of IIE – Ukraine will provide leadership to IIE's Ukraine office based in Kyiv, Ukraine. Represent IIE to key clients and stakeholders and efforts to develop client relationships with foundations, governments, corporations and academic institutions in the region. This individual will provide program and compliance oversight for programs and operations in the office and develop a culture of collaboration and commitment to IIE's mission. The Director will develop a clear and targeted business plan for the office that identifies areas of growth and opportunity, especially with the higher education sector; work with IIE's research and evaluation experts to raise IIE's profile in the country; and develop a clear plan for the office's operations, including local registration status. Will lead efforts to engage and support alumni in ongoing activities and maintains important institutional relationships with representatives of the U.S. and Ukrainian governments and international counterparts based in Kyiv. Current operations include eight (8) team members in Kyiv, Ukraine, with an annual operating budget of US\$ 790,000, to include the flagship Fulbright Program.

### **Essential Functions:**

- Program Leadership and Compliance Oversight for the operations of programs including the Fulbright Program, the flagship international academic exchange program between Ukraine and the United States. Complies with applicable contract and sponsor requirements and follows all IIE policies and procedures. Diplomatically maintains lines of communication with the three major American Fulbright stakeholders in Ukraine: the U.S. Embassy, the Bureau of Educational and Cultural Affairs of the U.S. Department of State (the program funder), and IIE.
- Provides technical input into US Government (e.g., US Department of State/ ECA, US Embassy, etc.); host country government agency; foundation; corporate; and other sponsor-funded education, scholarships, and leadership-related projects
- · Provides guidance and supervision of office budgeting and ensure that financial matters are managed in accordance with sponsor and IIE requirements and international best practices.
- · Works closely with project managers to monitor implementation and to ensure the timely completion and submission of all contractually-required deliverables
- Provides office leadership in order to meet or exceed office and program annual goals and budget targets. Recruits, retains and implements people management programs, meeting specific annual objectives.
- Identifies relationship building opportunities within the Europe and Eurasia region in coordination with headquarters client engagement teams. Represents and promotes IIE with sponsors, funders, and partners, including university contacts, national education agencies, government, foundations, corporations and embassy representatives.

### JOB REQUIREMENTS

### Education and Work Experience:

- Requires an advanced degree in order to apply in-depth knowledge of the theo-
- ries and principles of a specialized work function, field or discipline Requires at least eight years of related work experience.

### Knowledge, Skills and Abilities:

- Eight (8) years of work experience with educational programs in Ukraine preferred. Knowledge of U.S. higher education system and higher education systems in
- Ukraine. Networks and contacts in this sector preferred In-depth knowledge of US Department of State/ECA, US Embassy, and Fulbright standards and guidelines preferred.
- A substantial and demonstrated track record for effectively managing and building the capacity of multi-cultural staff to effectively achieve targeted ob-
- jectives Excellent communication skills in English required. Fluency in Ukrainian preferred.
- Track record for working effectively with range of stakeholders in the Ukraine context, including national government agencies, educational institutions and the private sector, to implement programs and development new business.
- Proven track record of effective budgetary and financial management over-

Deep understanding of Ukraine's political life; background knowledge in Ukrainian politics

Ability to write journalistic stories in English. Commitment to Western journalism standards and democratic values.

Experience in media or English-language writing is preferable.

For consideration, send a CV, three story ideas and a cover letter to deputy chief editor Olga Rudenko at rudenko@kyivpost.com.

- sight, including direct supervision of financial staff
- Demonstrated success in proposal development and attracting new funding for education and/or training programming, effective client relations, and quality program implementation.

### HOW TO APPLY

Please submit resume in English at: https://iie.hua.hrsmart.com/hrsmart/ats/Posting/view/3101

### **CLASSIFIEDS**

## BEST **BARGAIN!**

Advertising in the Classifieds and Employment section advertising@kyivpost.com





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

### **TEXT FOR** 195 UAH

# **Court is battleground for Ukraine's future**

#### page 5 --->

won – but only on paper.

He believes that his reinstatement can be a legal way out of the ongoing crisis because he would replace Tupytsky, who leads the court now.

The problem is that the Constitutional Court doesn't want him back.

In October 2019, a court ordered Shevchuk's reinstatement. The Constitutional Court failed to abide by the ruling, referring to an article of the Constitution, which states that the court's decision is final and cannot be undone.

"It's absurd," says Shevchuk, adding that it means that judges can be blackmailed by threatening them with firing.

Shevchuk says he's not even allowed to enter the building of the court – even to visit the court's library, which is open to all former judges.

"I was told that the guards were instructed to not let me in," he says.

### Ways out of crisis

The perfect way out of the constitutional crisis, according to Shevchuk, would be for Tupytsky to resign. However, he indicated he wasn't going to do it.

An imperfect but radical solution would be to pass Zelensky's

suggested law to fire all judges of the court.

Shevchuk says this move is partially justified, because "the Constitutional Court went against the Constitution," but he thinks it's going too far.

"I don't think that all of the judges need to go," he said. "Those several who didn't vote for the scandalous rulings should stay."

There are currently not enough votes in parliament for Zelensky's proposal. Parliament Speaker Dmytro Razumkov offered an alternative bill. It would restore the powers of the NAPC that were taken away by the Constitutional Court. Yet, it won't reform the court, leaving the country exposed to future threats.

<sup>\*</sup>Razumkov's bill is a way to save Tupytsky. I don't know if Razumkov is doing it deliberately," says Shevchuk. Razumkov's spokesperson said that he can't comment because he is currently sick with COVID-19.

There is one more way to solve the crisis. If Tupytsky, the chair of the court, were charged with a crime, Zelensky could suspend him.

There are currently three investigations into Tupytsky. According to Kyiv Post sources familiar with the matter, in one case – the conspiracy to fire Shevchuk – the charges have been drafted and given to Prosecutor General Iryna Venediktova to be signed. Venediktova's office told the Kyiv Post that, officially, they haven't received the charges against Tupytsky.

Prosecuting Tupytsky may not prove easy. A source familiar with the matter told the Kyiv Post that Tupytsky is enjoying help from prominent lawyer Viktor Barsuk, senior partner at the Equity law firm. The Kyiv Post wasn't able to confirm this: Tupytsky couldn't be reached, while Barsuk's law firm didn't respond to a request for comment.

Equity is a law firm with influential clients. It represents the oligarchs Ihor and Hryhoriy Surkis, Kolomoisky's business partners, in their lawsuits against the state-owned PrivatBank and the National Bank of Ukraine.

A source at the National Bank told the Kyiv Post that, in one instance, when dealing with the Surkis' lawyers from Equity, they were surprised to learn that the Constitutional Court made a swift ruling that benefited the Surkises' side.

### What's ahead

With the crisis dragging on for weeks, it doesn't look like the president, parliament or law enforcement agencies have found a solution.

Shevchuk says that, if Tupytsky is kept as the head of the Constitutional Court, Ukraine will **Timeline of Constitutional Court crisis** 

By Oleksiy Sorokin sorokin@kyivpost.com

**Feb. 27, 2019** – The Constitutional Court rules that the law on illicit enrichment is unconstitutional.

**May 14, 2019** – Twelve Constitutional Court judges vote to oust Constitutional Court Chairman Stanislav Shevchuk.

**Oct. 11, 2019** – Kyiv Administrative District Court rules to reinstate Shevchuk in the court.

**Dec. 18, 2019** – The Constitutional Court, in a closed-door meeting, rules to not reinstate Shevchuk.

**July 17, 2020** – National Anti-Corruption Bureau of Ukraine publishes taped recordings of conversations of Pavlo Vovk, head of Kyiv's Administrative District Court, where he says that he controls the Constitutional Court and that the law of illicit enrichment was killed at his request.

Sep. 16, 2020 – The Constitutional Court rules that some provisions of the law on the NABU were unconstitutional, stalling the work of Ukraine's most credible anti-corruption agency. The appointment of Artem Sytnyk, head of the NABU, was deemed unconstitutional as well.
Oct. 26, 2020 – Kyiv Administrative District Court orders the firing of NABU chief Artem Sytnyk. By then, Vovk was charged with organized crime, usurpation of power, bribery and unlawful interference in the work of the High Qualification Commission of Judges, a state body that selects judges.

**Oct. 27, 2020** – The Constitutional Court ruled that several provisions of the law on the National Agency for Corruption Prevention were illegal, dismantling the online asset declaration system and canceling penalties for lying in officials' asset declarations. Over 100 corruption cases were closed as a result.

**Oct. 29, 2020** – President Volodymyr Zelensky registered a draft law in parliament that, if adopted, would fire all 15 judges of the Constitutional Court due to the "loss of trust and wrongful judgments." Zelensky called on the judges to resign.

**Nov. 2, 2020** – Overnight, the Constitutional Court adds several crucial issues to its Nov. 2-3 agenda: assessing the constitutionality of land reform and the Deposit Guarantee Fund.

**Nov. 3, 2020** – Peter Stano, European Union spokesperson for foreign affairs and security policy, called on Ukrainian authorities to save egislation establishing the country's anti-corruption infrastructure.

continue its backslide on reform and the country's relations with Western partners and institutions will deteriorate.

"What's happening now is a battle between the old Ukraine and the new Ukraine. The old elites want to bury this issue through empty debate and leave it be," says Shevchuk.

"There can't be a situation where 10 judges hold the whole country hostage," he adds. "We either move forward (with reforms) or we'll slide back to where we started." ©





## during the livestream on www.kyivpost.com

More details: 044 591 77 88, events@kyivpost.com





**BEVERAGE PARTNER:** 

