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Inside Ukraine

October 23, 2014
№34

The logo for the International Renaissance Foundation, featuring the word "Benaissance" in a stylized, cursive font with a green swirl around the letter 'B'.
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The Government Policy

Elections in a number of majoritarian districts in Donbas may be disrupted by pro-Russian militants. Such a development will play into the hands of the Kremlin, which continues to speculate on the idea that the Russian-speaking population of the East does not have its representatives in the Parliament. In addition, there can be sabotage and terrorist attacks in the cities of Donbas, which are controlled by Ukrainian authorities, as well as in regional centers of the East and South in order to intimidate voters and reduce turnout. It should be noted that turnout of voters in these regions is usually lower than in western and central regions of the country.

The Verkhovna Rada has finally adopted the law on protection of the rights and freedoms of IDPs. They have received the right to unemployment state benefits, free housing for six months, health care and education services at the place of actual residence and a simplified procedure of business registration. Such problems are burning issues for all the Ukrainians. They can be resolved through abolition of the institute of state registration, which exists since the Soviet era, binds citizens to one place and reduces their mobility. However, due to the urgent need to solve the problems of IDPs, the Parliament gave preference to creating benefits for this group of people, but not reforming the whole system.

Risk of sabotage and terrorist attacks on the eve of elections



Russia will be trying to disrupt the democratic parliamentary elections in the Donbas districts controlled by the Ukrainian authorities. The Kremlin is interested in reducing the number of majoritarian districts in which elections are held. This will allow Russia to further speculate about ignoring the Russian-speaking population of Donbas and the fact that authorities in Kyiv do not represent the entire

The Kremlin is interested in disrupting elections in Donbas

population of Ukraine. In addition, reduction in the number of MPs will complicate the President's task regarding parliamentary majority, as majoritarian MPs will play a leading role in creation of the pro-presidential faction.

Pro-Russian forces will have a minimum representation in the new Parliament that does not satisfy Moscow. For the first time in years, communists risk not to be in the Verkhovna Rada. Former "regionals", which have been a "fifth column" of the Kremlin for a long time, have also little chances to

get a mandate. The only Russia's lever of influence in the Parliament can be some majoritarians, representatives of "Strong Ukraine" and "Opposition bloc", although the chances to overcome the electoral threshold are miserable for the latter.

Parliamentary elections certainly will not be held in nine districts of Donetsk region and six districts of Luhansk region. Taking into account that Crimea and Sevastopol delegate 12 representatives to the Verkhovna Rada according to majoritarian districts, even under the most optimistic scenario, the future Parliament will consist only of 423 MPs.

Elections will not take place in 27 districts for certain

Holding elections in another four districts of Donetsk region is of serious concern, because even without escalation of the situation, voting process can be organized only at several polling stations. It should be noted that there are 32 electoral districts in Donbas.

There is a high probability of terrorist attacks and intimidation of election commissioners on the day of elections in the Donbas districts controlled by Ukrainian authorities. There are a great number of pro-Russian citizens in Kramatorsk, Sloviansk and Artemivsk. They actively supported the separatists and may be used by Russian security services to disrupt the electoral process.

In addition, sabotage groups have been repeatedly detected in the largest cities of southern and east-

SBU has intensified struggle against Russian subversive groups

ern Ukraine. No doubt that their activities are aimed at destabilizing the situation in Ukraine. The Security Service of Ukraine (SBU) has intensified efforts to neutralize such groups over the past few weeks.

Last week extremist groups were neutralized in Odesa, Dnipropetrovsk, Zaporizhia and Kharkiv. Their task was to organize terrorist and sabotage acts on the day of elections. The SBU also proved the involvement of Russian citizens in organization of the protest held by National Guard soldiers on October 13 and mass unrest near the Verkhovna Rada on October 14, 2014.

Another indication of potential escalation of the situation in Donbas on the day of elections is Russia's attempts to coordinate diverse groups of militants in Luhansk region. On October 21, 2014, Mykola Kozitsyn, Oleksiy Mozgovyi and leader of the so-called LNR Ihor Plotnytskyi made a statement on establishing a single command center.

It should be noted that during the nominal truce, militants' leaders Mykola Kozitsyn and Pavlo Driomov announced the creation of the so-called Cossack and Stakhanov People's Republics, which were not subordinated to LNR. Clashes between LNR militants and Oleksiy Mozhovyi's units based in Alchevsk became more frequent. Ukrainian authorities are interested in such fighting between militants, as it allows Kyiv to neutralize weakened and poorly coordinated groups of separatists one by one.

Militants intestine wars are advantageous to Ukrainian authorities

The issue of IDPs has got a legal solution

The upcoming elections sped up the adoption of the law "On ensuring rights and freedoms of internally displaced persons". Its consideration in the Verkhovna Rada has been delayed for a long time. The law provides for additional mechanisms of IDPs' social security from the government. These mechanisms will help these individuals to adapt to the new place of residence.

The Parliament created legislative framework for IDPs

In order to obtain an IDP status, residents of Donbas and Crimea need to apply for a structural

unit of local administration on social protection issues at the place of actual residence. A relevant certificate is issued free of charge on the submission day and is valid for six months. Registration of IDPs is carried out through the Unified State Register of internally displaced persons. Record on registration of IDP's residence place is put in the certificate of registration, and not in the passport. This is due to the fact that many IDPs visit territories controlled by pro-Russian separatists from time to time, and such a record in the passport may become a reason to be prosecuted by terrorists.

Internally displaced persons get the right to receive social payments (pensions, unemployment and disability benefits) in accordance with the laws of Ukraine at the place of actual residence registration. They may change the place of voting without changing the voting address and register legal entities under the simplified procedure. Internal migrants are provided with the possibility of free temporary residence within six months from the date of registration, purpose loan for house construction (with the interest rate which cannot be higher than the NBU discount rate), transportation of movable property and facilitation of returning to their previous residence place. These opportunities are mainly provided by local state administrations and local authorities. Measures on ensuring the reception, travel, accommodation and resettlement of internally displaced persons are financed by the state budget of Ukraine and the local budgets. With reference to international law, the law also envisages that sooner or later the aggressor country will compensate these costs and direct expenses of internal migrants.

The problems faced by internal resettlers are a concentrated essence of the problems faced by average Ukrainians. They have clearly demonstrated how outdated the institution of registration is. It exists since the Soviet era, though in a slightly modified form. Without state registration, one can-

not exercise the right to vote, enjoy administrative and health care services, primary and secondary education at the place of residence. In addition, the citizens can register companies at the place of registration, and not at the place of actual residence. It greatly complicates business activity.

Problems of IDPs represent the problems of all Ukrainians

Thus, problems of IDPs are a matter of national reforms. Instead, the Parliament created a number of exceptions only for internally displaced persons. Such exceptions and privileges increase corruption risks. At the same time, an opportune moment for the abolition of registration institute and geographic restrictions for doing business has been lost.

The Parliament chose making exceptions and not implementing reforms

On the other hand, the issue of IDPs required its urgent solution due to the upcoming winter and crisis in the Ukrainian economy. The economic crisis will result in increased unemployment rate and more complicated adaptation process at the new place of residence. 15 thousand people out of 420 thousand IDPs have applied to the state employment centers. And only 3 thousand were assisted in finding employment.

Economic Situation

International rating agencies continue to estimate Ukraine's credit risks as high and Ukrainian economy as being in a pre-default state. According to Standard&Poor's Ratings Services, slight improvement in national sovereign rating is technical. Unfavourable current credit rating negatively affects the value of credit resources and complicates investment into Ukraine in general and Ukrainian companies in particular.

The restoration of Donbas infrastructure, increase in budget revenues and stabilization of

national currency require an increase in foreign investment. However, due to the ongoing war in Eastern Ukraine and the absence of reforms, foreign investors are wary of investing in Ukrainian economy.

Russia softened its conditions for gas supply to Ukraine by decreasing the first tranche of debt payment and gas supply volume for winter time. However, agreements on gas prices and sales volume have not been reached.

Ukrainian credit-rating outlook is still negative



According to Standard&Poor's, last week Ukraine unexpectedly improved its sovereign credit rating. However, the reason behind the rating review was not positive economic dynamics or progress on economic reforms implementation, but technical features of rating compiling. As a result, Standard&Poor's

Reason for S&P rating improvement is technical features of rating compiling

positively evaluated a sovereign credit rating of Ukraine by raising it from uaBB+ to uaBBB-. According to S&P level of measurement, BBB rating means that solvency of an issuer is satisfactory. It should be noted that S&P rating does not influence other ratings of the country. According to the agency, Ukraine's long-term FX rating is still at CCC level (high credit risks). It should be stressed that in July S&P improved its forecast for this rating,

raising it from negative to stable. The agency explained that the forecast was improved due to sufficient IMF bailout loans and positive assessment of some government measures.

In April, 2014 international rating agency Moody's lowered long-term T-bill rating from Caa2 level to Caa3. At the moment of publication, the rating already took into consideration high internal political risks in Ukraine, the likelihood of early parliamentary elections and high probability of destabilization in Eastern Ukraine. At the same time, the rating forecast is still negative. It indicates that the rating is likely to deteriorate.

**In April 2014
Moody's lowered
long-term T-bill
rating for Ukraine**

In late August 2014, Fitch international rating agency lowered national currency credit rating for Ukraine from B- to CCC and confirmed long-term FX credit rating at CCC level. Major Fitch assumptions were the following: Ukraine will receive more IMF loans and keep enjoying the EU support, and there will be no large-scale incursion of Russian troops into Ukraine.

At the same time the agency experts noted that key factors which, jointly or severally, could improve ratings included improvement of political stability, implementation of economic measures agreed on with the IMF, and improved external liquidity.

Changes in a country's credit rating cause the review of corporate ratings of individual companies. At the beginning of September, 2014 Fitch Ratings changed ratings for a number of Ukrainian issuers after the decrease of the country's sovereign rating. For example, Fitch lowered national long-term credit rating for Kernel Holding from "AA+ (ukr)" to "A (ukr)", "stable", for OJSC "Myronivskiy khliboproduct" —

from "AA+ (ukr)" to "AA- (ukr)", "stable", for "Metinvest BV" — from "AA+ (ukr)" to "BBB (ukr)", "stable".

Sovereign credit ratings as well as the evaluation of Ukrainian credit risks and the likelihood of insolvency are very topical nowadays. Investors and creditors use credit rating to make a decision on investment and provision of loans respectively. The higher the rating is, the more confidence they have in borrowers and the lower rate is set for loans.

It is worth noting that major criteria for credit rating of a country are political and economic risks. As for Ukraine, political factor, namely the military conflict with Russia, is predominant and continues to put great pressure on political and economic stability of the country. The current credit ratings of Ukraine already consider negative influence

**Major criteria
for credit rating
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of these main factors. It is likely that Russia will resume active military actions that will lead to the escalation of the conflict, which can subsequently change credit rating. The absence of negative changes as regards military actions will not cause the review of a sovereign credit rating of Ukraine. Its improvement may occur only on condition that the economic situation is stabilized, public debt service is improved and structural reforms are effectively implemented in close cooperation with the IMF.

The current situation does not give one much optimism. In early October, Moody's published a report in which it projected a higher risk of default for Ukraine. Next year Russia may demand an immediate repayment of USD 3 billion borrowed by Yanukovich-Azarov's government. However, analysts call this agreement questionable and do not take it as a reason to review the credit rating of Ukraine.

Further outflow of foreign investment recorded in Ukraine

Foreign investment should become one of the main sources for the restoration of infrastructure in Ukraine's East, stabilization of national currency and increased economic growth. However, despite high Ukrainian demand for FDI, the volume of foreign investment decreases every month.

**FDI volume
decreases**

According to balance of payment statistics, in January-August 2014, the FDI deficit amounted to USD 594 million, which means that in Ukraine outward direct investment exceeded inward direct investment. In comparison to the same period in the previous year, there was surplus investment in January-August 2013, as inward direct investment exceeded outward

direct investment by USD 3 billion. Foreign portfolio investment is also characterized by negative dynamics. In January-August 2014, the FDI deficit amounted to USD 365 million, whereas USD 1.9 bln of FDI surplus was reported in the same period of 2013.

Such negative dynamics may cause the first deficit in balance of payment in Ukrainian history, which means that the aggregate investment outflow will exceed inflow by the end of the year. As a result, there will be less budget revenues and currency reserves, with the subsequent economic stagnation driven by the lack of investment. Another problem will be a significant limitation on resources, which will be redirected towards the restoration of Donbas.

There are many causes of foreign investment outflow, with the main ones being the war in Eastern Ukraine and lack of reforms. Also, Dmytro Shymkiv, Deputy Head of Presidential Administration, claims that it is not the armed conflict in Ukraine's East but the pervasive corruption that is the main cause of deteriorating investment climate. For this reason, the fight against corruption should intensify. Ukrainian leadership declares that it makes every effort to address the problem of decreasing foreign investment in Ukraine. In particular, according to the Presidential Administration, a new "Strategy-2020" will ensure FDI inflow in the amount of USD 40 bln in 2015-2020. However, in view of the current economic situation, such plans look over-optimistic.

Major reasons for the decrease are war in the East and lack of reforms

Most western neighbours of Ukraine used to face the problem of FDI. In particular, at the be-

ginning of Polish economic transformation, foreign investors preferred investing into Hungary, Czech Republic, and Slovenia, where investment climate was more attractive. However, after certain improvements in Polish legislation regarding investments and business as well as implementation of economic reforms, the existing situation changed dramatically, with foreign investment into Poland increasing every year.

Decisive actions in the area of economic reforms are needed in Ukraine, particularly as regards the protection of rights of entrepreneurs and creation of favourable investment climate. Reforms should be aimed at:

- 1) The reduction of corruption level — the efforts should be put to create legislative field for a set of special corruption prevention measures as well as for more severe punishment for corruption.
- 2) The enhancement of market regulation and implementation of anti-corruption reform — instead of existing system of economic regulation, inherited from the Soviet Union, market regulation system with new principles and structure should be introduced.
- 3) Tax reform should be aimed at implementation of the following priorities: 1) equal taxation conditions for all economic agents; 2) lower tax burden; 3) effective tax administration and public finances stability.
- 4) Justice and law enforcement reform are to ensure justice and implementation of decisions of courts of law, protection of property rights, fight against raids.

Gas talks are ongoing

Recently Aleksander Novak, Russian minister of energy, stated that Moscow agreed to decrease the first tranche of so called Ukraine's gas exposure repayment from USD 2 bln. to USD 1.45 bln. Besides, the minister offered to decrease volume of gas supply to Ukraine in winter from 5 to 4 bln. cubic m. According to Aleksander Novak, Russian offers were sent to the EU Commission on October 3, 2014. Moreover, Russian minister of energy expressed criticism that Kyiv was not ready to accept new Russian conditions, while even the EU Commission approved the Kremlin's initiatives.

The Kremlin's statements do not correspond to actual situation. Due to reverse flows and supplies of Norwegian gas Ukraine will be able to cover gas deficit in the amount of 1.5-2 bln. cubic m of gas in the winter time, which will decrease gas deficit from 5 to 3 bln. cubic m. Besides, for many times official Kyiv underlined that it would repay the gas debt towards Russia only after the respective ruling of Stockholm arbitration court.

The most debatable issue — approval of the gas price for transitory period — is still unsolved. Ukraine believes that the price of USD 385 per 1000

cubic m should be stated in the contract, while Russia insists on 100-dollar discount to the current price. There are also disputes over the way the gas should be paid for — Moscow requires advance payments, while Kyiv is ready to pay after the delivery. Besides, Russia is against the principle that the protocol on restoration of gas supplies to Ukraine is signed between two companies — “Naf-togaz” and “Gazprom”. According to the Russian negotiators, the protocol should be signed by energy ministers of both countries and European commissioner.

The issue of approval of the gas price for transitory period is still unsolved

Russia’s concessions in the gas sphere are a mere imitation of readiness to continue gas talks. Discounts Russia has offered are a result of Ukraine’s diversification of gas supplies, whereas Russia wants that basic provisions of the contract remain unchanged. Official Moscow agreed to minor concessions in order to freeze energy problems of Ukraine and have leverage over the EU. Since the very beginning gas talks with Russians in trilateral format were doomed to fail. In the times of war it is impossible to sign mutually beneficial commercial agreement with the aggressor.

Russian discounts are a result of Ukraine’s diversification of gas supplies

Political competition

A brief parliamentary campaign illustrated the growing gap between civil society development and the political elite in Ukraine. Civic activists carefully analyzed election promises, while most parties were negligent about their programs and wrote them extremely formally: soaked with a lot of populism and lack of specifics, but without a clear vision of necessary changes in the country.

Compared to the previous elections, the quality of party lists improved, since most parties tried to include civic activists and ATO participants. In addition, due to the rapidity of campaign, there was no time to sell seats at the top of the election lists. At the same time, the key oligarch groups of Ihor Koloimoyskyi and Serhiy Lyovochkin managed to delegate their representatives to various party projects, as well as to majoritarian districts. Although both oligarchs compete with each other, currently they support Petro Poroshenko's policy, and their deputies will help to form the pro-presidential majority.

Powerful information campaigns between the two oligarchs through their own media turned into mutual smearing and brought discredit on most political parties and TV channels themselves. Ulti-

mately, this may lead to the lower turnout in elections, which is a negative trend in conditions of aggressive Russian policy towards Ukraine. According to a recent poll, only 55% of voters are determined to vote. Even smaller percentage of voters has already decided who to vote for.

The obvious favourite is "Bloc of Petro Poroshenko", with support from 25% to 35%. The runners-up are "People's Front" of Arseniy Yatsenyuk and Radical party of Oleh Lyashko (10-12%). "Samopomich" of Andrii Sadovyi, which explosive rating growth caused a vigorous media campaign against the politician, is expected to compete, as well as "Batkivshchyna", which, despite Yulia Tymoshenko's claims about affiliation with the democratic forces in the new parliament, is the most plausible candidate for the role of opposition. A few parties are on the verge of passing the threshold: "Civic position" of Anatoliy Hrytsenko, "Strong Ukraine" of Serhiy Tihipko and "Opposition bloc", which comprises former regionals. In recent weeks the confrontation between "Strong Ukraine" and "Opposition bloc" over legacy of Party of the Regions and a niche of the South-East electorate representative has intensified.

War for the electorate of Party of the Regions



There is still a considerable number of voters in the South and East who are not ready to vote for democratic parties. Disappointed in Party of the Regions betrayal, most of them will simply ignore the elections, while for the votes of the rest

Most of former Party of the Regions voters will ignore the elections

"Strong Ukraine", "Opposition bloc" and Communist party are competing. The latter, after the annexation of Crimea, where the bulk of its voters concentrated, missed a chance of getting to the parliament. Vice versa, "Strong Ukraine" and "Opposition bloc" pre-electoral race has gained momentum in recent weeks.

Former members of Party of the Regions still hope to get to the Rada as part of “Opposition bloc”. Politicians from the party list criticize the government, try to portray themselves as victims of persecution and raise sensitive topics to the public. For example, they condemn the demolition of monuments to Soviet leaders, pretend to be victims of public “lustration”, etc. What is more, even Russian President Vladimir Putin highlighted in his speech the importance of parties representing South-East in the parliament, clearly alluding to the “Opposition bloc”.

However, just a week before the elections, the internet media started to circulate information about possible Victor Yanukovich’s public speech on television and his calls to support “Opposition bloc” as the only representative of the Russian-speaking Ukrainians today. This can be interpreted as part of information campaign against “Opposition bloc”, since a reference to the name of the former President of Ukraine reduces already minimal chances of the party to get to the parliament. As a matter of fact, Yanukovich receives immensely strong disapproval from all the Ukrainians. Most consider him a dictator and a pro-Russian minority sees him as a traitor.

“Strong Ukraine” has a higher rating than “Op-

position bloc”. The rhetoric of this political force focuses on economy issues and peace regulation in the East. The party consists of representatives of big capital that did not retain close links with Yanukovich’s entourage, but actively cooperated with Party of the Regions to protect their assets. The party is trying to gain support of former Party of the Regions voters, who, on the one hand, cannot back the democratic forces of “Maidan”, and, on the other hand, do not approve of Russian aggression and opponents of Ukrainian independence.

Competitors for South-Eastern electorate slam Serhiy Tihipko for opportunism and his ability to cooperate with any government. Since mid-October, campaign materials against Tihipko and his party have been widely distributed in the regions of the South and East.

Efforts to discredit “Strong Ukraine” in the East

Negative rating of Yanukovich is used against “Opposition bloc”

Meanwhile, in order to improve the ability of Ukraine to confront Russia, it is essential that the new parliament had at least one political force focused exclusively on the Russian-speaking East. It will allow channelling political moods of the population which does not support democratic parties and will deprive Russia of grounds to posture that interests of the Russian-speaking Ukrainians are not represented in the parliament.

An effort to discredit young democratic parties

New political forces which have minimum of former MPs on their lists stand a chance of getting to the Verkhovna Rada at these parliamentary elections.

These are “Samopomich” and “Civic position”. The former does not have any previously elected candidates, and the latter has no more than five. Despite the fact that they share a target voter, there is no rivalry between them. However, the other participants of electoral campaign oppose to emergence of new players in the parliament. “Samopomich” and “Civic position” interact with the electoral field of “Bloc of Petro Poroshenko”, “People’s front” and “Batkivshchyna”, particularly concentrating on state reforms issues.

Main parties do not benefit from the emergence of new players in the parliament

“Civic position” used to have higher rating than “Samopomich” till the last phase of the electoral process. According to various opinion polls, it went up to 8-9%, but now it reduced to the threshold. One of the reasons for this phenomenon is a fierce campaign against its leader Anatoliy Hrytsenko. On May 21, 2014 the General Prosecutor’s office charged him with embezzlement of military property. And only in September-October 2014 this topic started to be widely publicized in highly rated media. Such an attack on primary channels resulted in the drop of Anatoliy Hrytsenko’s party rating. Due to a strong link with the leader, the party is directly dependent on his

Dependence of party rating on leader’s name will play against “Civic position”

rating. This is a mistake which may make it lose the elections to the Verkhovna Rada.

A similar method was also employed against the party “Samopomich”. Today its rating goes up to 7-9%, and it is constantly growing. The technique for undermining confidence in this political force was also enabled through discrediting its leader, Andriy Sadovyi. His remarks about loyalty to Victor Yanukovich in 2009 were mentioned, and the video of the president-runaway’s birthday, where the mayor of Lviv was present, was posted in the network. Ostap Drozdov, a well-known journalist in Lviv, began to accuse Andriy Sadovyi of exploitation of Lviv

image for his own political ambitions. Nevertheless, in contrast to “Civic position”, “Samopomich” is not associated with pervasive influence of Andriy Sadovyi. The party comprises a large number of self-sufficient community leaders, and the mayor of Lviv placed himself 50th on the list of candidates. Such a situation and actions quite efficiently negate the attempts to discriminate the party through Andriy Sadovyi’s discredit, allowing the party to gain popularity in the electoral process.

A large number of new leaders in “Samopomich” protects it from criticism

Batkivshchyna’s fight for opposition status

Personal antagonism “Petro Poroshenko-Yulia Tymoshenko” will not allow “Batkivshchyna” to join the pro-presidential majority, although the party leader talks about cooperation with other democratic parties in the new parliament. Taking into consideration the background of the party, it may become the main opposition in the new parliament. Although “Strong Ukraine” and “Opposition bloc” present themselves as constructive opposition, they consist of big business representatives and discredited officials, and therefore, they will feel uncomfortable in opposition to the government. Although officially they are unlikely to join the pro-presidential forces, Petro Poroshenko will influence the parties’ actions in cases of crucial voting.

“Batkivshchyna” as the main opposition in the new parliament

In the niche of democratic opposition, “Civic position” of Anatoliy Hrytsenko may accompany “Batkivshchina”. Even though Hrytsenko did not criticize the President before, the fight against “Civic position” both by Ihor Kolomojskyi’s media and law enforcement agencies will push Hrytsenko into opposition. Besides, he has a track record of cooperation with “Batkivshchyna”.

Last week of the electoral campaign was marked by several bold statements of “Batkivshchyna” against the incumbent government.

The stinging attack was unleashed by the head of temporary parliamentary investigation commis-

sion on the Ilovaisk tragedy, Andriy Senchenko. An old ally of Yulia Tymoshenko and people’s deputy from “Batkivshchyna” claimed that inadequate actions of the Defense Minister Valeriy Heletey and the Chief of the General Staff Victor Muzhenko led to rout of Ukrainian military forces at Ilovaisk. The politician went on to state that the President’s inaction, namely no martial law introduced and no General Headquarters created, is the root cause for the tragedy. Surprisingly, these points coincide with “Batkivshchina” pre-election theses. Could the parliamentary commission come to such generalized conclusions looking for those responsible for particular tragedy in Ilovaisk? Moreover, the time of results publication and the fact that first they were published on the site of “Batkivshchyna” bring up a lot of questions.

Abuse of position in favour of the party one represents is political corruption, even though this position is held in the parliament, not in the executive branch.

Abuse of position in favour of the party is political corruption

Another attack on Petro Poroshenko was made by Yulia Tymoshenko herself. Leader of “Batkivshchyna” publicly criticized the President for his confectionary factory still working in Russia despite external aggression of the Kremlin against Ukraine.

On the background of these two statements the war of ratings broke out, and some of them state that “Batkivshchyna” will not get to the parliament.

However, most sociological companies agree that “Batkivshchyna” can count on 6-8 percent of voters.

Despite Yulia Tymoshenko’s active presence in the media and her frequent visits to regions, the party rating did not increase in last two months. Arseniy Yatseniuk, Oleksandr Turchynov and Arsen Avakov’s withdrawal from “Batkivshchyna” undermined the party positions. Only active involvement of young politicians, who became a vivid illustration

of the party radical renewal thesis, compensated the loss to some extent. Nevertheless, the fact that Yulia Tymoshenko had a significant negative rating in the society and was not ready to delegate campaigning to young members of the team did not allow her to take advantage of this powerful resource.

Yulia Tymoshenko was not ready to delegate campaigning to young team

The aim of the publication is to provide objective information on current political events in Ukraine and thorough analysis of major tendencies in domestic politics. Such analysis will assist in setting priorities in the process of implementing reforms in Ukraine and in evaluating quality of state decisions from the viewpoint of their impact and sustainability. Special attention is paid to evaluation of political competition in Ukraine and ability of key political players to address challenges.

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If citing please give reference on the ICPS*

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This issue is made possible by financial support of International Renaissance Foundation. Views expressed in the issue do not necessarily reflect those of International Renaissance Foundation