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The Government Policy

On September 16, 2014, it was a very productive day in the Parliament. The parliamentary majority supported the presidential initiatives regarding a peaceful settlement of the conflict in Donbas, namely, draft law on special order for local self-governance in certain districts of Donetsk and Lugansk regions, and draft law on amnesty to people involved in the Donbas events. Adoption of the laws is one of the commitments undertaken by Ukraine under the Minsk protocol. The major point of criticism concerns creation of conditions for militants' legalization in Donbas. Moreover, according to the law, the regions under control of separatists will be financed from the state budget and extensive rights for local authorities without corresponding obligations are guaranteed. Guaranteeing an unconditional amnesty to the participants of the events in Eastern Ukraine also causes a harsh criticism, as in fact, the involvement of militants to certain crimes would be virtually impossible to prove.

On that day, the EU-Ukraine Association Agreement was ratified. However, the provisional appli-

cation of the Deep and Comprehensive Free Trade Area (DCFTA) was suspended until the end of 2015. Actually, it is another concession to Russia. And this concession has a political, not economic covert sense, as the EU extends duty-free trading preferences for Ukrainian goods till the end of 2015 as well. Verkhovna Rada also adopted the law on lustration, which will be hardly impossible to implement due to its vagueness. At the same time, the law on the Anti-Corruption Bureau establishment, which is one of the demands for the next IMF tranche, was not supported by MPs.

This week the first 100 days of Petro Poroshenko's presidency have passed. Ratification of the AA has become one of the key events of this period. Other President's achievements are the announcement of early parliamentary election, gaining international leaders' support in confrontation with Russia and consistent defending of the peace plan on conflict settlement in Donbas. The greatest drawback of the first 100 days of the presidency is the lack of effective steps to implement reforms.

Poroshenko makes concessions to separatists



Petro Poroshenko submitted the draft law "On the special order for local self-governance in certain districts of Donetsk and Lugansk regions" to Verkhovna Rada, which is one the points of the Minsk agreements on conflict settlement in Donbas. According to the draft law, the President

makes considerable concessions to separatists, for instance, regarding the issue of early local elections, possibility to have special relations with the Russian Federation, as well as independently influence appointment of judges and prosecutors and create local police.

Special order of local self-governance in certain districts is to be introduced for 3 years from the date of law's entry into force. However, the law does not specify which "certain areas" exactly will get this status. They are defined by the vague formulation on inhabited settlements, "within the territory specified by the head of the Anti-Terrorist Centre of the Security Service of Ukraine". The absence of a clear specification of the certain districts area is risky, as the constant militants' attacks on Ukrainian forces positions, despite bilateral truce, indicate that separatists will attempt to expand the territory under their control.

The draft law provides for amnesty to all persons involved in the events in Donbas, even if these people have committed crimes on the territory, which is now liberated from separatists. Thus, it is not only about certain districts, but the entire territory of Donetsk and Lugansk regions, i.e. Slovyansk, Kramatorsk and other cities. The basic condition for amnesty is laying down arms, releasing the hostages and liberating the administrative buildings within one month after the law's entry into force. Only persons who committed serious crimes or are involved in the MH17 Boeing crash are not subject to amnesty. However, the question is how to prove these people's guilt if Ukrainian law enforcement bodies do not function on that territory. Conditions for exemption from criminal and administrative responsibility are to be determined by a separate bill, which has been also supported by MPs.

The draft law "On special order" provides for conducting early local election on December 7, 2014. Thus, militants received the possibility to legalize their activities, and political field will be cleaned of any possible opposition at the local level. The fact that local election will be held after parliamentary ones is considered as measures to prevent separatists from disrupting elections on the territory of Donetsk and Lugansk regions controlled by the Ukrainian government. Taking into

The law does not specify which districts of Donbas are subject to its provisions

Conducting local election after parliamentary ones as a preventive measure from disrupting of the election by separatists

account how critically the President's initiative is perceived by separatists, it is unlikely that such preventive actions will be effective.

An important provision is that the powers of the newly elected local government officials cannot be early terminated. It means that separatists will be able to rule over a part of Donbas for at least five years, although the authors of the draft law expect that the special status of certain districts will be valid only for 3 years.

Some of the separatists' ideas, which were considered by experts as unacceptable for Petro Poroshenko two weeks ago, have also been embodied in the legislative initiative of the President. For instance, appointment of prosecutors and judges in certain districts of Donbas will be held after consultations with the newly elected representatives of the local government. There will be also militia units established in these districts. They will closely monitor the public order. Thus, militants almost get a monopoly on the use of force, which is the exclusive right of state authorities. The separatists influence on the formation of local prosecutor's offices and courts also allows them to manipulate the letter of law.

Separatists' influence on formation of local prosecutors' offices, courts and police provides them with a part of state monopoly on the use of force and interpretation of legislation

Leaders of some districts of Donbas will have a possibility to establish cross-border cooperation with the administrative units of the Russian Federation.

At the same time, the Ukrainian government is committed to maintain socio-economic development of certain districts. The local authorities of these territories may address the central executive authorities to sign an agreement on economic, social and cultural development of certain districts. The Cabinet of Ministers shall begin consultations with local governments of certain districts on the content of such agreements within 10 days. An exceptional regime of economic and investment activities aimed at reconstruction of infrastructure and industrial facilities is provided at the legislative level.

Thus, restoration of Donbas is going to be financed from the state budget under the state programs. It seems that the Ukrainian government is paying contribution to Donbas to end the war

and retain the region as part of Ukraine. Considering the level of expenditures required to restore financially depressive region, which is also now destroyed by the war, financing of certain districts will become a black hole for the state budget, which already suffers from chronic deficit. In addition, such an approach will curb reforms implementation and fight against corruption, as granting a privilege status for certain districts increases corruption risks of doing business in that region.

It seems that the Ukrainian government is paying tribute to Donbas in order to end the war

President is ready to make concessions to separatists in order to be able to hold parliamentary elections. For a successful vote on the draft law, Petro Poroshenko has managed to mobilize “UDAR” faction, loyal deputies and former “regionals”, who have businesses on the territory controlled by separatists and are interested in granting a part of Donbas with a privileged status. However, the closed nature of this decision and the direct President’s interference in Parliament’s activities cause even more questions in the society.

The procedure of presidential draft laws adoption has caused a harsh criticism in civil society

100 days of Poroshenko's presidency

During presidential election campaign, Petro Poroshenko had a very ambitious program. As for him, “to live in a new way” meant decentralization, anti-corruptive lustration, police reform, judicial and prosecutor’s office reform. It also included fight for the return of Crimea, steps to enable Ukraine’s accession to the EU, simplification of business conditions and energy independence of Ukraine.

However, all these goals are impossible to achieve with those President’s powers under the current Constitution. The only option is to elaborate respective draft laws, as the President retains the right of legislative initiative. But lack of his own political force in the Parliament, and even more — the possibility to rely on a stable parliamentary majority — significantly limit the set of tools available to him to implement reforms. Therefore, Petro Poroshenko consistently supports the idea of early parliamentary elections.

Pre-election promises of the President cannot be fulfilled with those powers he has under the current Constitution

All President’s steps during the first 100 days of his presidency can be classified according to three directions:

- 1) ATO in Donbas and increasing of the country’s defense capacity;
- 2) Cooperation with international leaders in order to get financial and military support in confrontation with Russia;

- 3) Establishment of National Council for Reforms as the main body for reforms elaboration.

Petro Poroshenko consistently promotes the idea of a peace plan for Donbas, which allowed him to position himself as a peacemaker during the whole period of the presidential election campaign. He is going to use the same idea during the parliamentary elections.

As for defense issues, first 100 days of Poroshenko’s presidency were remarked with 10-day ceasefire, which allowed Ukrainian military to regroup their forces and prove the Ukrainian government’s desire for a peaceful settlement of the conflict. Later, within six weeks, ATO forces liberated one town after another, having greatly reduced the territory controlled by militants. However, the deployment of Russian troops and a failed operation near Ilovaysk forced the Ukrainian authorities to sit at the negotiating table again, which led to signing of the Minsk protocol.

100 days of Poroshenko's presidency are remarked with 10-day ceasefire and six-week progress in ATO

At the international arena, Petro Poroshenko is much more active than even the Minister of Foreign Affairs Pavlo Klimkin. President has managed to get the support of the majority of world leaders and prove that Ukraine is a victim of Russian aggression. Because of this, G7 countries and the

European Union imposed sanctions against Russia, which in the long term may have a major impact on Russian economy and foreign policy. This June, the very idea of third-level sanctions against Russia was considered as impossible.

As it was promised in the election program, Petro Poroshenko signed economic part of the Association Agreement and submitted the document for ratification by the Parliament. Petro Poroshenko clearly promotes pro-European course of Ukraine, suggesting that the Association Agreement provides a roadmap for reforms in Ukraine and brings it closer to the European standards.

Petro Poroshenko clearly defends pro-European course of Ukraine

President initiated the establishment of the National Council for Reforms, which is engaged in elaboration of reform concepts and their unification into "Strategy 2020". The ultimate goal of this strategy is to ensure submission of Ukraine's application for EU membership.

The good news is that the civic activists were involved in the Council's activities on the basis of transparent competition. The bad news is the delay in formation of the Council, which has already lasted for 3 months. According to Dmytro Shymkiv, the formation will be completed only after parliamentary election. Thus, the issue of reform elaboration is postponed for an indefinite period of time.

President's activities are assessed not only on the basis of his actions, but also based on the steps of his team. Petro Poroshenko directly appointed the Minister of Defence (Valeriy Heletey), the Minister of Foreign Affairs (Pavlo Klimkin), the Prosecutor General (Vitaliy Yarema) and the NBU Head (Valeriya Hontaryeva).

President's work is also assessed on the basis of his team's actions

During the presentation of the National Council, Petro Poroshenko called the judicial reform as the "reform of all reforms". However, experts agree that

the judicial reform should begin with the reform of prosecution. Although the Prosecutor General's Office is headed by a person, who is under influence of Poroshenko, the principles of prosecutors' work have not been changed.

In addition, over the past six months, there has been a series of infamous crimes, investigation results of which were not presented to the public (fire in the House of Trade Unions in Odesa, information leakage in the ATO management, shoot down of a plane with paratroopers near Lugansk, "Ilovaysk pocket" and unsatisfactory military intelligence activities). It means that Prosecutor General remains extremely passive.

The civil society had great expectations regarding the appointment of the NBU Head Valeriya Hontaryeva. So far, they were not justified. Hryvnya broke several records of its fall. The measures implemented by the National Bank to support the FX rate are insufficient. The situation with FX rate has led to the fact that the depositors of troubled banks, who cannot return their deposits, and borrowers, who return FX loans at exorbitant prices, organize protest actions.

Thus, the main promises fulfilled by Petro Poroshenko over the first hundred days of presidency, are as follows: signing of the economic part of the Association Agreement and its ratification in the Parliament, announcement of early parliamentary election and consistent support to the idea of peaceful settlement of the Donbas conflict. The top 5 promises which have not been implemented include introduction of proportional electoral system with open lists, elaboration of amendments to the Constitution, particularly on the issue of decentralization, justice and law enforcement reform, fight against corruption, protection of Crimean Tatars and steps on returning Crimea (Donbas issue completely replaced this issue).

Petro Poroshenko has already managed to fulfill some of his pre-election promises

Economic Situation

For the first 100 days in the office President did some steps to fulfill his “economic” promises, but there are no specific results in this sphere yet. According to the current Constitution, a major instrument President possesses is legislative initiative. Yet he does not use it to elaborate concepts of reforms. This task was assigned to Presidential Administration, namely Dmytro Shymkiv.

Again, Cabinet of Ministers violated the deadline of submitting project of state budget for the next year to Verkhovna Rada. Government explains that a new budget should be based on a new taxation

system. Therefore, there is no point in presenting the budget without conducting tax and budget reform.

Recently Verkhovna Rada adopted the law “On introduction of amendments to Tax Code and some other bills (on improvement of some provisions)”, which increases tax burden on oil and gas sector companies from 17.5% to 55%. Hastily adopted law provokes more questions than answers. It will decrease investment attractiveness of Ukrainian energy sector and reform process will be transformed into a desire to impose higher taxes on the industry.

Implementation status of Poroshenko's “economic” promises for the first 100 days



In his electoral program Petro Poroshenko defined rather clear economic priorities. The major focus was the following: in tax sphere taxes should become lower and their number should decrease, in international economic activities — economic part of the Association Agreement with the EU should be signed promptly.

Taking into account actual war with Russia and threat to territorial integrity of Ukraine, after becoming President Petro Poroshenko focused on military, domestic and foreign policy issues. Coordination function

Petro Poroshenko focused on military, domestic and foreign policy issues

in reform-making was delegated to Presidential Administration, namely Dmytro Shymkiv, deputy head of the Administration, who came from the business sphere.

Dmytro Shymkiv initiated several events related to elaboration of the strategy on economic reforms. Work on anticorruption, justice and deregulation reforms was announced as well. A positive thing is that Mr. Shymkiv tries to ensure maximum transparency of the process through public consultations with inclusion of stake-holders and experts.

Presidential electoral promise that the Association Agreement will become a basis for reforms is not fulfilled so far. However, Mr. Shymkiv assured

that in “Strategy 2020” it is the Association Agreement that would become a road map for transformations in the country.

The Administration also initiated deregulation reform, which will decrease the number of controlling bodies from 83 to 19 and introduce over 800 amendments in various spheres of economy.

In the area of fight against corruption one of the major initiatives was to create an Anticorruption bureau — a system of specially authorized subjects in the sphere of fight against corruption. Its maximum staff will consist of 700 employees, who will work in seven territorial administrations. As it is the case with National Council for Reforms, Anti-Corruption Bureau does not function yet.

National Council for Reforms and Anti-Corruption Bureau do not function yet

Regardless of electoral promises to conduct a radical tax reform, no initiatives from President

and his team have been observed. Government remains a major driver of tax reform.

Another contradictory idea of Poroshenko’s presidential campaign which was not yet reflected in any reform concept is the idea of making Anti-Trust Committee of Ukraine a major economic regulator.

In general, Poroshenko’s team started work in all the reform areas defined in his electoral program. However, there are no specific results yet. It is caused by low speed of reform elaboration and implementation. Though there is a general belief that President has limited scope of functions, he owns a major tool to implement reforms — legislative initiative, and thus an opportunity to introduce institutional changes. Therefore, reform-making process could be faster and more effective.

Legislative initiative is one of major instruments President has

Implementation status of Poroshenko’s “economic” promises for the first 100 days

Again, government has not submitted budget project to Parliament in time. According to Article 37 of Budget Code, Cabinet of Ministers adopts resolution on state budget draft and submits it with all the respective documents to Verkhovna Rada and President not later than September 15.

Again, government has not submitted budget project to Parliament in time

Yet, violation of deadlines for budget submission has been typical for Ukraine since 1991. For instance, in 2007 the budget was submitted on November 28, in 2008 — on December 23, in 2009 — in time, on September 15, in 2010 — on December 10, in 2011 — in time, in 2012 — on December 3. The most interesting case was in 2013 when a respective draft law was submitted on September 15, but at once it was returned to Cabinet of Ministers for fine-tuning. In fact, it was not even registered.

Prime-Minister explains violation of deadlines with the statement that government will not sub-

mit budget with existing taxation system, when tax reform, reform of single social payment and budget reform have not been implemented. In this case, it will mean “process of economic decay, but not stabilization”. The very moment Parliament votes for reforms government promotes, the law on state budget will be presented. Such position of government contradicts current legislation — there is no law which allows officials to submit or not submit the budget project depending on “reforms and other laws”.

Government requires from Verkhovna Rada to support its tax reform

Meanwhile, government registered draft law on amendments to Budget Code (as for reform of inter-budget relations) and draft law on amendments to Tax Code and some other bills (as for tax reform). We have repeatedly criticized the government initiatives — “Package of Economic Growth” and “Recovery of Ukraine”, which lay the ground for these draft laws. Though tax pressure decrease

is expected by society, most taxes and dues are not cancelled. They get new forms through increase of tax rates, new taxes are introduced and some tax benefits for enterprises are cancelled.

Though government declared bigger financial autonomy for regions, it is proposed to take away or re-distribute taxes and dues which provide the largest proceedings for local budgets. For instance, losses from smaller proceedings of individual income tax may constitute up to UAH 26 bln. It was this item that provided 70.7% of all the proceedings to local budgets in 2013. Doubtful excise on retail trade, wider basis for property tax or environment tax cannot compensate these losses. In general, proposed reform may cut revenues of local budgets by UAH 6 bln. At the same time, it is planned to

Part of proceedings will be taken away from local budgets

transfer important functions in social and cultural spheres, such as education and healthcare, support of sport teams and their training complexes, maintenance of national and state establishments, to local level. So called reforms may result in economic decay of regions, but not their financial independence.

Therefore, government initiatives on tax reform and budget decentralization should be fine-tuned after consultations with stake-holders: business, NGOs and local authorities. Only afterwards it may be submitted to Verkhovna Rada for approval. Moreover, draft law on state budget 2015 should have been registered in time without becoming the object of political speculations for government.

Opinion of stake-holders should be taken into account while elaborating tax reform

Reform or tax pressure increase?

Central bodies of executive power, national energy company and private companies are major actors in implementing international commitments of our country in the sphere of Ukrainian energy market reform. Yet, society support is vital for reform implementation. Desired transparency may be reached only when efforts of all subjects in the energy sector are coordinated.

Coordination of all the energy sector actors is needed for transparency

Energy sector may be successfully reformed only when international and Ukrainian experts in the field are involved in the analysis of the sector issues. Implementation of innovations in energy sector is to be preceded by intensive intellectual work. However, first steps of respective Ministry in the area of energy sector reform are surprising. In particular, draft law No. 4309a "On introduction of amendments to Tax Code and some other bills (on improvement of some provisions)" caused an active discussion, namely representatives of private energy companies published an open letter on July 29, 2014. Regardless of the open address, proposed draft law turned into a law. Commentaries of oil and gas sector experts were not taken into consideration.

As a result, increase of tax burden on oil and gas companies up to 55% makes development of Ukrainian companies virtually impossible. Energy business has quite a peculiar nature. Commercial energy companies have high profitability of end product. Yet, exploration of new wells is a risky affair. One may invest in exploration of ten wells and receive gas from none of them. Obviously, revenues of oil and gas companies are first and foremost invested in exploration of new fields. However, these activities are intangible assets and banks usually do not provide financing for such projects. Attraction of foreign investments in energy sector is problematic when respective taxes amount to 55%. Therefore, it is questionable whether Ukrainian companies are capable to develop new drills. It is a lengthy process which may take up to 3-5 years.

It is impossible to reform energy sector in haste and without consultations with all the stake-holders. Otherwise, reform will only transform into increase of tax burden on the industry. So far government chose the path of this kind.

Energy sector cannot be reformed in haste

Political competition

September 15, 2014, was the deadline for submission of party lists for parliamentary elections. Most players have included civic activists and ATO participants in the upper part of the electoral list to increase the party chances to win. In this respect, pro-presidential party “Bloc of Petro Poroshenko” stays aloof. The strategy of pro-presidential party will be drawn on a direct link to President’s actions and Poroshenko’s personal approval ratings. Additional PR-steps, like inclusion of Euromaidan activists in the party electoral list, will play a secondary role. For this reason, unlike other political parties, the electoral list of “Bloc of Petro Poroshenko” has the biggest number of well-known politicians with a significant track record as an MP.

Party leaders, who think that the political branding of electoral lists by including civic activists and commanders of voluntary battalions will

help extend the number of potential party seats for businessmen and “old politicians”, may get greatly disappointed. The truth is that the majority of political parties participating in this election campaign are competing on the same electoral field. Except for Petro Poroshenko and Oleh Lyashko, there are no other favourites in this election campaign. The parties like “Civic position”, “Batkivshchyna”, and “People’s Front” may expect to get as many as 30 mandates under proportional electoral system. Since first 20 candidates in their party lists include a plenty of civic activists, it provides a social and political platform for civic activists to enter Ukrainian politics and thus renew the elite. In addition, civic activists who have already been included in electoral lists have come up with the idea of inter-faction parliamentary group in the new Parliament.

Traditional approach to Petro Poroshenko’s party list design



Unlike other political parties, pro-presidential party is not trying to engage new faces in its election campaign. Vitali Klitschko became No. 1 in the party list, whereas the rest of the party list was divided under 70:30 ratio between Porosh-

Pro-presidential party is not trying to engage new faces in its election campaign.

enko and Klitschko’s teams. However, it is hard to draw the line between the two teams, as many UDAR members have been very loyal to Petro Poroshenko since the presidential elections. Though politicians like Vitali Kovalchuk and Iryna Herashchenko used to be main players in Klitschko’s team, now they are on the electoral list under President’s quota.

Nevertheless, the President did draw a few civic activists to his party, namely Olha Bohomolets, a renowned Ukrainian doctor, Serhiy Leshchenko and Mustafa Nayem, Ukrainian journalists, as well as representatives of a non-governmental sector — Oleksandr Chernenko (“Ukrainian voters committee”) and Svitlana Zalishchuk (“Chesno” movement). Mustafa Dzhemilev, the leader of the Crimean Tatar National Movement, is on the 5th place in the party list, which is supposed to send a positive signal to Crimean people. However, former MPs loyal to Poroshenko as well as persons involved in the development of a new Poroshenko’s political party form the biggest part of the list.

This political party is confident about its victory, linking the campaign to Petro Poroshenko and his successful actions at domestic and international level, including the ratification of the much-expected Association Agreement between Ukraine and the EU as well as peaceful resolution of the armed conflict in Ukraine’s East. The presidential draft

laws related to Poroshenko’s peace plan were approved by Ukrainian Parliament on September 16, 2014.

However, the draft law “On special order of local self-governance in some districts of Donetsk and Lugansk regions” faced harsh criticism from Ukrainian society. The said draft law provides for some major concessions to separatists. It raises no doubt that many political parties will try to turn this situation to their advantage, in particular “Svoboda” and “Batkivshchyna”. It is not the content of the draft law that caused public outcry but rather the way it was adopted, as the voting was done behind closed doors. If the President allows for such lapses in communication with Parliament and Ukrainian society in future, it may seriously diminish the chances of his political party at elections.

President’s draft laws on peaceful resolution of the conflict in Donbas may seriously hit the position of his party

“People’s Front” is set to participate in elections independently

Following the continued talks with Petro Poroshenko, Arseniy Yatseniuk failed to reach agreements with President. Ukrainian Prime-Minister was seeking to get one third of the upper part of the electoral list, change the name of the party as well as become the 1st on party list. However, “Bloc of Petro Poroshenko” and “People’s Front” have pledged to agree their candidates in single-seat districts. There is also a good chance for the alliance of their political parties after the parliamentary elections.

While Petro Poroshenko positions himself as a “peace-maker”, the new party of Yatseniuk&Turchynov clearly underlines their militarist nature, drawing a clear line between their and Poroshenko’s attitude towards separatists. This explains why there are many commanders of voluntary

“Bloc of Petro Poroshenko” and “People’s Front” have different electoral fields

battalions on “People’s Front” electoral list. The military nature of “People’s Front” is underlined by the inclusion of Arsen Avakov, Ukrainian Interior Minister, and Andriy Parubiy, former Head of National Security and Defence Council, in the upper part of the electoral list. Among the civic activists on the party list who have already tried themselves in politics there are the former deputy head of National Security and Defence Council Viktoriya Siumar and former government commissioner on fight against corruption Tetiana Chornovol. The upper part of the electoral list also includes the names of those politicians who recently left “Batkivshchyna” alongside Yatseniuk and Turchynov.

Since “People’s Front” is pro-government party, it thus has a fair chance of winning in single-seat districts where the party has already nominated candidates with high ratings.

“Bloc of Petro Poroshenko” and “People’s Front” have different electoral fields

"Batkivshchyna" makes a successful PR-trick

Yulia Tymoshenko fulfilled her promise and surprised Ukrainian society with "Batkivshchyna" electoral list. The biggest PR-effect was caused by No. 1 on "Batkivshchyna" list, who is not Yulia Tymoshenko herself but Nadia Savchenko, Ukrainian pilot and active ATO combatant, who is now in jail in Russia. The case of Savchenko has become one of the first proofs of Russia's involvement in the conflict in Donbas. Ms. Savchenko is now facing legal proceedings in a court of law where she is staunchly advocating her pro-Ukrainian position.

Except for "Samopomich" and "Power of People", the list of "Batkivshchyna" contains probably the biggest number of civic activists. Yulia Tymoshenko had to move her party functionaries down the party list to make room for new faces from civil society. "Batkivshchyna" builds its electoral campaign on the idea of its renewal. As Tymoshenko was eager to improve her rankings, she invited civic activists to fill the upper part of the electoral list. For Tymoshenko, it is an acceptable price to pay in order to improve standing of her party at parliamentary elections by few points. In addition, this step is aimed to demonstrate that "Batkivshchyna" has not been badly hit by the "retreat" of the group of Yatseniuk-Turchynov.

Civic activists, who are on top of "Bloc of Petro Poroshenko", "Batkivshchyna", "Civic position",

Tymoshenko had to move her old party functionaries down the party list to make room for new faces from civil society

and "People's Front" lists, may unite after getting to the Parliament. The joint statement of these candidates as to the creation of inter-faction group in the new Parliament has already appeared in the media. Civic activists need to learn how to withstand the pressure of existing political system and party leadership as well as to stand up for their principles which they stuck to during their work in non-governmental sector.

"Batkivshchyna" will build its electoral campaign on the criticism of Petro Poroshenko in regard to his concessions to separatists and the adoption of the law "On special order of local self-governance in some districts of Donetsk and Lugansk regions". One of the aspects which seriously influenced presidential campaign of Yulia Tymoshenko and will influence her current parliamentary campaign is lack of access to media resources. Ukrainian Parliament is practically the only showcase for "Batkivshchyna". "Batkivshchyna" will use it for the most critical statements and populist draft laws. At the same time, a serious mistake of "Batkivshchyna" is the absence of outstanding and feasible election program to present to the public.

A serious mistake of "Batkivshchyna" is the absence of outstanding and feasible program to present to public.

However, all the main political parties have failed to prepare outstanding election programs, concentrating instead on formation of party lists, which can easily "be sold" to voters.

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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