Ukraine

by Oleksandr Sushko, Olena Prystayko

Capital: Kyiv
Population: 45.36 million
GNI/capita, PPP: US$8,560

Source: World Bank World Development Indicators.

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NOTE: The ratings reflect the consensus of Freedom House, its academic advisers, and the author(s) of this report. If consensus cannot be reached, Freedom House is responsible for the final ratings. The ratings are based on a scale of 1 to 7, with 1 representing the highest level of democratic progress and 7 the lowest. The Democracy Score is an average of ratings for the categories tracked in a given year. The opinions expressed in this report are those of the author(s).
EXECUTIVE SUMMARY

Ukraine has survived the severe political crisis that Russia instigated after popular protests—in what became known as the Euromaidan Revolution, or Revolution of Dignity—led to the fall of then president Viktor Yanukovych in February 2014. However, Russia’s illegal annexation of Crimea and its semi-covert “hybrid war” in the Donbas region of eastern Ukraine have settled into frozen conflicts, leaving the affected territories under de facto Russian control.

In a deal brokered by Germany and France in February 2015, Ukraine and Russia signed the second “Minsk Agreement,” which called for a cease-fire in eastern Ukraine, set out terms for the withdrawal of military equipment, and provided a sequence of steps for a final political solution between the two sides. The agreement brought some relaxation in the conflict, but a comprehensive cease-fire was achieved only in September, after representatives of Germany, France, Ukraine, and Russia met again in Paris. Full implementation of the Minsk accord faces severe challenges, not only because violations of the cease-fire continue, but also because Russia and Ukraine interpret the agreement’s provisions differently, especially those concerning elections in territories not under the control of the Ukrainian authorities.

Ukraine insists that any such elections must meet basic criteria like free access for media and observers, free operation of political parties, and voting rights for internally displaced persons (IDPs). Russia disagrees with these criteria and disregards Minsk’s requirement that it withdraw its military personnel from eastern Ukraine. Constitutional changes required by Minsk, including special status for the occupied portions of the Luhansk and Donetsk regions in the Donbas, are also deeply unpopular in Ukraine and had not passed the parliament at year’s end.

Despite the largely frozen conflict in the east, political life stabilized in 2015, and there was some progress on the huge range of reforms Ukraine requires to become a fully democratic state based on the rule of law. President Petro Poroshenko strengthened his position due in part to the weakness of his rivals; while public confidence in him decreased, he still enjoyed the highest approval ratings of Ukraine’s top politicians. Prime Minister Arseniy Yatsenyuk is deeply unpopular, with public support at 2 to 3 percent. Although the constitutional changes of 2014 reestablished a mixed parliamentary-presidential system, the president remains the center of power. The ruling coalition in the Verkhovna Rada (parliament) initially included five political forces: the Poroshenko Bloc, Yatsenyuk’s People’s Front, Samopomich, the Radical Party, and Batkivshchyna. In September 2015 the populist Radical Party left the coalition.

On October 25, elections were held for mayors of cities and villages and for regional, district, city, and village councils. Poroshenko’s party led the balloting, with approximately 19.4 percent of the total vote. It also won the mayoral contest in Kyiv, though other parties won in the major cities of Kharkiv, Odesa, and Lviv.

The year brought long-awaited and significant reforms in local governance. About 7 percent of local communities were consolidated into larger, more manageable units in the first half of the year on a voluntary basis. Deeper constitutional reform on decentralization remained unpopular, however, because it was entangled with the question of implementing the Minsk accord, and with other provisions that could give additional powers to the president.

Civil society remains the strongest element in Ukraine’s democratic transition. From official councils and independent advocacy campaigns to participation in new anticorruption institutions, Ukraine’s powerful civil society is playing a crucial role in driving reforms aimed at building functional democracy and the rule of law.

Ukraine has a pluralistic media environment, and in 2015 there were positive legislative changes that should bolster it, including requirements to disclose the real owners of media outlets and to publish official registers of property—both essential steps for exposing the media assets of the country’s politically powerful business magnates, or “oligarchs.” A new public broadcaster has been created, and privatization of local outlets will help remove local officials’ control over media. Despite such progress, there continue to be an unacceptable number of attacks on journalists.
Judicial reforms are also under way, but it is too early to determine whether they will be successful. Political bias, corruption, incompetence, and dishonesty are deeply entrenched in the judiciary and prosecutors’ offices. However, the launch of a new police force and significant changes in the legislation regulating the Prosecutor General’s Office in 2015 were seen as steps in the right direction. Similarly, new anticorruption institutions have been established and a new national strategy for the fight against corruption has been adopted, but the struggle to actually uproot corruption in practice still lies ahead.

Score Changes:

- **National Democratic Governance rating improved from 6.00 to 5.75** due to the stabilization of the national political situation and the survival of basic democratic institutions following the constitutional and security crises of the previous year.
- **Local Democratic Governance rating improved from 5.50 to 5.25** due to the first visible progress in setting up new local communities under recently adopted legislation.

As a result, Ukraine’s Democracy Score improved from 4.75 to 4.68.

**Outlook for 2016**: Ukraine will continue to face challenges to its statehood and territorial integrity due to Russian aggression and the fragility of its national democratic institutions. At the same time, the most severe crisis has likely passed, and the country will have more space for implementing reforms and encouraging economic recovery. The largest challenges remain the high level of corruption and the weakness of institutions tasked with ensuring the rule of law. The majority coalition in the parliament suffers from internal rifts, and the dissolution of the Verkhovna Rada for early parliamentary elections in 2016 cannot be ruled out.
M A I N   R E P O R T

National Democratic Governance

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- Ukraine proved resilient in 2015 after severe challenges to its statehood from Russia’s violent de facto occupation in the east of the country and the illegal annexation of Crimea, which had cost Ukraine more than 10 percent of its total population and about 9 percent of gross domestic product (GDP) in 2014. Throughout the year, the national leadership was preoccupied with the Minsk negotiations with Russia. The process led to a fragile cease-fire in the Donbas in late February, although the conflict resumed in September before stabilizing once more. Meanwhile, Kyiv, Moscow, and the outside powers mediating the talks have failed to reach consensus regarding the sequence and content of further steps, such as local elections in the occupied portions of Donetsk and Luhansk, withdrawal of Russia’s military forces from the two regions, and the reestablishment of Ukrainian government control over the border with Russia. The Minsk process also does not address the issue of Crimea, meaning it is likely to remain under Russian administration.

- Prime Minister Arseniy Yatsenyuk and the cabinet appointed in December 2014 survived the year, despite political turbulence and growing criticism of their performance. A mixed parliamentary-presidential model was reintroduced after the fall of President Viktor Yanukovych in February 2014, but in practice the presidency remains the key political office, and President Petro Poroshenko strengthened his position at the expense of the government during 2015.

- The governing coalition established after the October 2014 parliamentary elections initially included five political forces: the Poroshenko Bloc, Yatsenyuk’s People’s Front, Samopomich, the Radical Party, and former prime minister Yuliya Tymoshenko’s Batkivshchyna. In September 2015, the populist Radical Party left the coalition to protest the Minsk accord’s concession to Russia on special status for the occupied areas of the Donbas. Samopomich and Batkivshchyna often criticize the government, especially on issues of decentralization, the Donbas solution (Samopomich), and energy tariffs (Batkivshchyna). Moreover, the main political parties are not homogeneous. The Poroshenko Bloc and People’s Front are internally divided between old-guard politicians connected to business and traditional bureaucracy and newer members who are focused on the building of genuine democratic institutions, the rule of law, and strong anticorruption mechanisms. Some new members of parliament from the ruling factions, frustrated by the slow pace of change, have started to vocally criticize the president, the government, the prosecutor general, and political leaders who are engaged in business. In November, 15 lawmakers formed an anticorruption subfaction within the Poroshenko Bloc.

- Behind the formal party structure, the main political conflict in 2015 centered on one of Ukraine’s most powerful oligarchs, Ihor Kolomoyskyy, based in Dnipropetrovsk. Kolomoyskyy gained popularity by supporting the 2013–14 Euromaidan Revolution (“Maidan”) through his 1+1 television channel, became governor of the Dnipropetrovsk region after the revolution, and then succeeded in defending it when Russian-backed separatism seemed to be spreading across the entire east. On March 25, 2015, however, Poroshenko fired Kolomoyskyy from his governorship after he attempted to abuse his public office for personal gain, using his proxies to take control of the state-owned Ukrnafta oil company. Even after his firing, Kolomoyskyy was perceived as a major counterweight to Poroshenko in the Ukrainian political landscape. On October 31, the Security Service of Ukraine (SBU) and the Prosecutor General’s Office arrested Hennadiy Korban, leader of a new political party,
Ukrainian Association of Patriots (UKROP), that was funded by Kolomoyskyy. Korban was charged with various abuses during his tenure as chief of staff to the Dnipropetrovsk governor in 2014–15.

- The violent conflict in the east and the need to defend the country against Russian aggression have made the military and security establishment more visible than ever before in Ukrainian history. However, this visibility has not translated into widespread political support in society. By contrast, some dozen commanders of volunteer paramilitary units have become popular public figures, with some—such as Semen Semenchenko, Andriy Teteruk, and Yuriy Bereza—winning seats in the parliament.

- Radical groups that failed to succeed in the parliamentary elections have tried to engage more supporters by taking advantage of society’s widespread frustration with the government. On August 31, a member of the far-right Svoboda party, which did not clear the threshold in 2014, threw a grenade at security personnel near the parliament building during a protest, killing four National Guard soldiers. The paramilitary wing of the radical group Right Sector (DUK Pravyy Sektor) repeatedly clashed with law enforcement, most prominently in Mukacheve in July, when a confrontation involving the group resulted in the deaths of three people. In response, the government began a crackdown on Right Sector members, with a dozen arrested on various charges.

- Access to Russian-held Crimea is restricted through measures imposed by Ukraine (on land routes) and the international community (on sea and air travel). An administration installed by Russia governs the peninsula in practice and ignores basic democratic principles and human rights. Crimean Tatars, who make up 13 percent of the population, and others who do not recognize the legitimacy of the annexation are subject to heavy persecution by the de facto authorities.

- Despite the survival of Ukraine’s political institutions, the conflict with Russia continued to take a toll on the Ukrainian economy, partly through the destruction of industrial capacity and a decline in trade. According to the government, GDP fell by 10.4 percent in 2015, annual inflation was 43.3 percent, and the national currency fell even further, from 16 hryven per dollar at the start of the year to 23 at the end. The government reached an agreement with the International Monetary Fund on an extended financing program and successfully started restructuring old debts with private creditors. Russia has declined to take part in the restructuring of its $3 billion in bonds, and Ukraine has defaulted on repayment.

Electoral Process

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- Elections took place nationwide on October 25 for mayors of cities and villages and for oblast (region), rayon (district), city, and village councils. Seven percent of local communities held elections on the new territorial and administrative basis created by the local governance reform initiated earlier in the year (see Local Democratic Governance). Turnout for the elections was 46.6 percent, with a somewhat lower rate in the east and a higher one in the west. Elections were not held in the separatist-controlled territories of the Donbas. Negotiations continued within the framework of the Minsk process to create appropriate conditions for free and fair elections in those areas. In line with the second Minsk protocol, Ukraine insists that elections are only possible if the election criteria of the Organization for Security and Co-operation in Europe (OSCE) are met, including the free operation of observers, media, and Ukrainian political parties. Russia and pro-Russian separatists continue to obstruct such freedom of access.

- The October elections were conducted according to the amended law On Local Elections that was adopted in July. The law creates a hybrid of majoritarian and proportional electoral systems. Experts agreed that the legislation contained both positive and negative provisions. It established a high
threshold for parties to win council seats under the proportional system (5 percent), and candidates in single-mandate constituencies can only enter the council if their parties pass the threshold within the municipality or region. As a result, some candidates who won their constituency races did not become deputies. In addition, the only internally displaced persons (IDPs) able to participate were those who officially registered at a new address—a very small percentage of the displaced population. The system of counting votes was also rather complicated, resulting in some irregularities on election day.

- The elections showed that the Poroshenko Bloc was still the strongest political force, winning in 14 out of 25 regions where elections were held, with a total of 8,417 local and regional council members. Batkivshchyna placed second overall, with 7,653 deputies. The Nash Kray party, a “loyal opposition” and de facto Poroshenko ally based primarily in the east and south, won 4,397 seats, while the Opposition Bloc, a successor to Yanukovych’s Party of Regions, won 3,843 seats. Populist and radical parties did not perform well in most regions.

- Incumbent mayors representing different political forces were reelected in the biggest cities: Kyiv, Kharkiv, Odesa, and Lviv. Vitaliy Klychko of Poroshenko’s party was reelected in Kyiv. In the second-largest city of Kharkiv, Hennadiy Kernes, a former close ally of Yanukovych, was reelected with 63 percent of the vote in the first round. The leader of Samopomich, Andriy Sadovyy, won his third term in office in western Ukraine’s largest city, Lviv. The most remarkable mayoral competition took place in the city of Dnipropetrovsk, where Yuriy Vilkul of the Opposition Bloc was defeated by Borys Filatov of UKROP, the party closely connected to oligarch Ihor Kolomoyskyy, whom Poroshenko had removed as governor of Dnipropetrovsk oblast in March.

- The local elections were competitive and well organized, without systemic misuse of administrative resources, although there were reports of municipal resources being used for a variety of campaigns around the country. There also appeared to be widespread indirect vote-buying through the provision of food packages to needy voters. So long as the gifts do not exceed a set maximum value, this is not banned under Ukrainian law. Several candidates alleged major irregularities in mayoral elections, particularly in Odesa, Zaporizhzhya, and Kryvyy Rih. The campaign was expensive and visible, with ubiquitous advertisements on billboards and television. So-called jeansa, paid political advertising masquerading as journalism, was rampant in the lead-up to the local elections. The OSCE’s final monitoring report noted that “virtually all campaign coverage in the media was paid for.”

- Serious difficulties emerged in the cities of Mariyupil and Krasnoarmyiysk, both close to the cease-fire line in Donetsk, where elections were canceled due to urgent concerns over potential fraud. Voting in the two cities was rescheduled for November 29 and held without major incidents. In a number of other municipalities along the cease-fire line in the Donbas, elections were not held for security reasons.

- In Crimea on September 13, the Russian-backed de facto authorities held illegitimate elections to local and regional governance bodies. The exercise was not recognized by Ukraine or the international community.

Civil Society

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- Civil society remains the strongest element in Ukraine’s democratic transition. Since the revolution, civil society has continued to play a crucial role as a driver of reforms aimed at building functional democracy and the rule of law. Nongovernmental organizations (NGOs) use a variety of practical frameworks for participation, including civic councils advising the government, expert groups, policy consultations, and direct advocacy campaigns.
• After the change in government in 2014, civic councils were reestablished or renewed at ministries, other central executive bodies, regional administrations and councils, and municipalities, with some councils involving more than a hundred NGO representatives. At the same time, due to a lack of trust in the “old” civic councils, the most active civic networks prefer to work independently, building new channels for communication and advocacy at different levels. Some well-known civil society leaders have become members of the National Reforms Council, a top-level consultative body created by President Poroshenko to push reforms.\textsuperscript{15} Civic experts also populate the Strategic Advisory Groups tasked with helping the government to draw up reformist legislation, strategies, and action plans.\textsuperscript{16} A Reform Support Center in the cabinet of ministers has been created to serve as a sustainable connection between the government and civil society initiatives.\textsuperscript{17}

• Among the most active civil society groups that affect policy are the Reanimation Package of Reforms (RPR), Nova Krayina, and VoxUkraine. RPR in particular is highly influential. It is a civic platform that unites leading NGOs and experts from all over Ukraine and serves as a coordination center for development and implementation of key postrevolutionary reforms. RPR experts are involved in almost every policy area where reforms are in progress.\textsuperscript{18}

• The legal framework for civil society is mostly open and supportive. Nonprofit status is easily obtainable for NGOs. The government does not erect barriers to legitimate NGO activities, although there continues to be a pattern of creating imitations of genuine civil society participation, especially at the local level.\textsuperscript{19}

• The legal system does lack provisions to stimulate charity and donations for civil society from the private sector. As a result, many civil society groups are underfinanced or dependent on external funders. The main donors for Ukraine’s NGOs are the U.S. Agency for International Development (USAID), the European Union (EU), the UN Development Programme (UNDP), and Open Society’s Ukrainian branch, the International Renaissance Foundation.\textsuperscript{20} USAID has several programs for civil society support in Ukraine. In autumn 2014 the EU launched a €10 million ($11 million) program to support civil society efforts in the field of reforms, and EU officials have announced that this will increase in 2016.\textsuperscript{21}

• During 2015, civil society advocated effectively for policy changes to counter corruption and ensure transparency and accountability. In particular, new legislation requiring open ownership registers, introducing control over political financing, creating anticorruption institutions, and regulating public broadcasters were adopted with civil society participation. Pressure from civil society groups ensured that civic leaders associated with the Maidan became members of the independent commissions authorized by law to select the management and staff of the National Anticorruption Bureau, the anticorruption prosecutor’s office, and the National Agency for Corruption Prevention.\textsuperscript{22}

• NGOs continued their close engagement in advocacy for civil service reform, energy-sector transformation, and reforms of the prosecutorial and judicial systems. In particular, civil society organizations like the Dixi Group successfully advocated for adoption of the Gas Market Law, which makes Ukraine formally compliant with the EU’s Third Energy Package, and then continued to press for creation of an independent energy-policy regulator.\textsuperscript{23} Informal volunteer movements to provide assistance to IDPs,\textsuperscript{24} wounded soldiers, disabled people, children, and the army remain a remarkable post-Maidan phenomenon. Their activities are supported mostly through crowdfunding, which is a relatively new practice in Ukraine.

• Conflict resolution and dialogue were also a priority for civil society. In Odesa, Kyiv, and Kharkiv, civil society groups organized dialogues to bring pro- and anti-Maidan groups together. The most prominent examples of these efforts are the Odesa Dialogue process, launched after a May 2, 2014, incident in which over 40 people died in a fire in the Odesa trade union building amid clashes between rival protesters, and the dialogue between pro-Maidan activists and former members of the Berkut special police unit in Kyiv, facilitated by the NGO Dignity Space.\textsuperscript{25} Ukrainian Peacebuilding School, a complex reconciliation project involving experts and activists, is working to build the institutional capacities of civil society in parts of the Donbas.\textsuperscript{26}
Civil society is becoming more heterogeneous. Even as LGBT (lesbian, gay, bisexual, and transgender) rights defenders and antiracist movements gain strength, there are also signs of consolidation among homophobic, xenophobic, racist, and other illiberal groups that claim to defend “traditional values.” Some are aggressive, as seen in the direct physical assaults during a June 6 “Dignity Rally” organized by the LGBT community in Kyiv.\(^7\) In a positive sign, police protected the rally, and parliament members such as Serhiy Leshchenko and Svitlana Zalishchuk attended for the first time to demonstrate solidarity.

Trade unions and employers’ associations are weak and often dependent on oligarchic interests. The Federation of Employers of Ukraine is still officially run by Dmytro Firtash, an oligarch who is currently living in Austria and facing investigation by the United States for alleged money laundering.\(^8\)

The role of the church in Ukraine is modest; most of the population is rather secular. The Moscow Patriarchate of the Orthodox Church is declining in influence due to its support for Russia’s position in the war.

In Crimea, the de facto authorities deprive independent civil society organizations of freedom of operation. In particular, there are regular reports of repression against Crimean Tatars and their organizations. The Crimean Tatars’ representative institution, the Mejlis, has been paralyzed. Tatar leaders who relocated to the mainland are not allowed to enter the peninsula, while many of those who remained have been arrested, among them a deputy head of the Mejlis, Akhtem Chiygoz.\(^9\)

**Independent Media**

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Ukraine has a pluralistic media environment that is marred by impunity for attacks on journalists and widespread oligarchic ownership. Citizens generally have free access to information and opinions, including criticism of the authorities, as demonstrated in coverage of the 2015 local election campaign.

The conflict with Russia has resulted in some limitations on media freedom. In 2014, Ukraine banned rebroadcasts of most Russian television channels due to their hostile political propaganda. They remain banned through terrestrial and cable transmission, but are available via satellite and the internet. In a clumsy attempt to limit propaganda, the government in September banned a number of Russian media figures from entering the country for “threatening national interests,” but the list also included three British Broadcasting Corporation (BBC) journalists and the Spanish journalists Antonio Pamlplega and Ángel Sastre.\(^{10}\) After an outcry, the government removed them from the list the next day.

Another worrying problem is the high number of physical attacks against journalists. Media monitors documented 36 beatings within eight months in 2015, and only three of them were effectively investigated. Pro-Russian journalist Oles Buzyna was murdered in April; members of far-right groups have been arrested and charged with his killing. Anticorruption investigative journalists Mykhaylo Tkach and Kyrilo Lazarevych were temporarily detained by the SBU on October 2.\(^{31}\) In September, a group of Ukrainian journalists requested that the government take action to ensure a proper investigation of attacks on journalists. Nevertheless, the number of violations of journalists’ rights decreased in 2015 compared with 2014.\(^{32}\)

Oligarchic dominance of the Ukrainian media market continues to drive the misuse of outlets, especially television stations, to serve the political and economic interests of their owners. Kolomoyskyy in particular has used his popular 1+1 channel against his competitors, and former Yanukovych chief of staff and opposition leader Serhiy Lyovochkin similarly exploits his Inter
channel. Poroshenko himself remains a major media owner, with his Channel 5 considered one of the leading stations for news and politics, though it ranks only 15th among national audiences overall.\(^33\) While the oligarchs’ impact is also visible in the print media, that sector features stronger competition from genuinely independent outlets including *Novoe Vremya*, *Kommentaryy*, *Tyzhden*, *Dzerkalo Tyzhnya*, and the *Kyiv Post*, which provide balanced political coverage. Independent online outlets such as *Ukrayinska Pravda* are also powerful media actors.

- Positive steps were taken in 2015 to tackle the media’s structural problems. A law on public broadcasting was adopted on March 19 in line with European practices. The newly created National Broadcasting Company of Ukraine’s Supervisory Council has 17 members—8 from parliamentary factions and 9 from various NGOs.\(^34\)

- The government also took steps in 2015 to curtail nontransparent media ownership. A law adopted on July 14 granted public access to national registries, including those for real estate, other property, and vehicles. The legislation eases the work of investigative journalists by allowing them to search various properties by name and address. Immediately after the law came into effect, journalists were able to obtain information on the properties owned by Poroshenko, Yanukovych, and many other current and former officials. Journalists were unable to find a property register for Prime Minister Yatsenyuk, however.\(^35\)

- Another essential step toward transparency came on September 3, when the parliament adopted legislation introducing mandatory disclosure of media ownership, including final beneficiaries.\(^36\) Each media outlet must report its ownership and beneficiaries, indicating not just legal entities but also individuals. In addition, the law bans ownership of broadcast outlets by individuals and companies located in offshore economic zones. If properly implemented, this law will limit corrupt practices and shadowy oligarchic interference with media freedoms, including at the most popular television channels.

- On November 24, the parliament adopted a law on privatization of print media outlets owned by the central, regional, and local executive authorities. When implemented, the law will eliminate an archaic segment of the media sector inherited from the communist era: Soviet-style propaganda outlets owned by executive bodies and councils.\(^37\) The OSCE representative on freedom of the media called the law “a major step forward in advancing media freedom and pluralism in the country.”\(^38\)

### Local Democratic Governance

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- The year 2015 brought important developments for long-awaited reforms to local governance, though they were subject to strong external pressure. In effect, comprehensive reform became a hostage to the war in the east, as the decentralization process and related constitutional changes required by the February Minsk agreement included “special status” for the occupied territories. The speaker of parliament said that the link between overall decentralization and the status of the Donbas was “one of the traps that was set for us.”\(^39\)

- On August 31, a package of constitutional changes related to decentralization passed its first reading in the Verkhovna Rada. The package would give local councils the right to establish executive offices, removing an important barrier to decentralization. Other provisions included the granting of equal rights to all local communities and a provision for the president, acting through local representatives known as prefects, to dissolve local councils or overrule their decisions.\(^40\) Under the amendments, the power of local authorities in the occupied territories is supposed to be regulated by a separate law. Although the Council of Europe’s Venice Commission approved the constitutional
package, the parliament did not hold a final vote on it by the end of 2015, and its ultimate fate was unclear.

- Other important laws adopted in late 2014 and early 2015 transferred powers to the local level and gave the local elections in October 2015 more weight. The measures provided for budgetary and financial independence (December 2014), transferred city planning functions to local government authorities (April 2015), and called for the consolidation of local administrative units to create more viable and financially sustainable communities (February 2015). Under that law, the total number of communities was ultimately expected to fall from 11,000 at the beginning of 2015 to just 1,500.

- The holding of the October local elections as scheduled under the amended law On Local Elections, adopted in July, was itself a partial success for local democratic governance (see Electoral Process). However, Ukraine had difficulty addressing challenges created by the war, such as ensuring the electoral participation of IDPs and holding elections in or even near the occupied territories. The presence of Russian troops and local “volunteer” forces backed by the Russian army remained the main obstacles to normalization of life and local self-government in the occupied areas.

### Judicial Framework and Independence

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- As stated in an open letter to the Council of Judges published by Dzerkalo Tizhnya in February, the Ukrainian judiciary is commonly accused of political bias, corruption, resistance to change, incompetence, dishonesty, and unjust decisions. Judicial reform began as part of the constitutional reform of 2015, but it would be premature to count it as a success.

- The president created a Council for Judiciary Reform under the chairmanship of Oleksiy Filatov, deputy head of the presidential administration, in late 2014, and in 2015 the council elaborated a judicial reform plan that would require constitutional amendments. On September 4, Ukraine’s Constitutional Commission sent a draft of the amendments to the Venice Commission. An alternate version envisioning radical change through the dismissal and reappointment of all judges was also submitted. In late October, the Venice Commission endorsed the moderate approach to reform, arguing that the dismissal of all judges could violate the principle of judicial independence. The amendments passed the parliament at the end of December and were submitted to the Constitutional Court for approval.

- Several important pieces of legislation concerning the judiciary were adopted or under consideration by the Verkhovna Rada in 2015. A law designed to ensure the right to a fair trial was adopted by the parliament in February, introducing mechanisms for assessment of the professional qualifications of judges and verification of their integrity, and providing an option to apply directly to the Supreme Court for a review of lower court decisions. Also in February, the Verkhovna Rada adopted a law allowing the merger of existing special units of the Ministry of Internal Affairs into a single universal special police unit.

- Although Ukraine has not yet ratified the Rome Statute, the founding treaty of the International Criminal Court, in February 2015 the parliament adopted a declaration recognizing the court’s jurisdiction over crimes committed during the Euromaidan period and after the beginning of the Russian aggression against Ukraine. This move provided an additional instrument for bringing to justice those former Ukrainian officials who were accused of crimes and are currently outside of Ukrainian jurisdiction. However, official steps to ratify the Rome Statute had not been completed by the end of year, and civil society groups expressed concern about a clause in the relevant draft legislation that would delay implementation by three years.
The law on national police was finally adopted in July, and results were immediately visible, making it the benchmark for reforms in Ukraine in 2015. The new force of street-level “patrol police” is currently in full operation in four cities: Kyiv, Lviv, Odesa, and Kharkiv. The selection and training process is ongoing in more than 10 cities. On September 26, recruitment was launched in Slovyansk and Kramatorsk, the largest cities that were recaptured from Russian-backed forces in Donetsk the previous year. By the end of 2015 there were about 10,000 new patrol police officers in Ukraine. A poll conducted in Kyiv after the first three months with the new force indicated 80 percent satisfaction with the reforms.

On July 15, a new law on the Prosecutor General’s Office entered into force, and the office announced an open competition for positions across Ukraine. A long selection process for new prosecutors was ongoing at year’s end. The result should be qualitative and quantitative changes in the personnel of this critical institution. The articles of the law governing qualification and disciplinary procedures, the order of selection of candidates, and the functioning of the prosecutorial self-governing authorities will take effect on April 15, 2016. By the end of 2017, the number of employees under the Prosecutor General’s Office is supposed to be reduced from 18,000 to 10,000.

There are still major shortcomings regarding accountability for past abuses by the judiciary. Not a single judge has been removed from office under the law On Cleansing the Government. According to the head of the Lustration Department of the Ministry of Justice, this is because in Ukraine a judge can be dismissed only by the body that appointed him, the Verkhovna Rada, and only the High Council of Justice—which was disbanded in April 2014 and has not yet been reelected—can submit the necessary documents. Little has been achieved on accountability for the oligarchs who supported the Yanukovych regime or the tens of thousands of minor criminals who served it. According to the deputy chairman of the public commission for the investigation and prevention of human rights violations in Ukraine, “As it turns out, the blame for the Yanukovych regime should be put on the first 10 persons. The rest are either offered to write resignation letters, or lustrated, or simply left in peace.”

Ukrainian authorities have not made significant progress in recovering money that was stolen by Yanukovych and his circle. The government has neither proven their guilt nor provided formal substantiated claims against most individuals from Yanukovych’s administration. As a consequence, the Council of the EU has lifted sanctions against some of these individuals and warned that it could do the same for others.

The investigation of crimes committed by law enforcement agencies during the revolution is moving very slowly. In February, Prosecutor General Vitaliy Yarema was dismissed from his post amid frustration over the lack of results. His replacement, Viktor Shokin, soon faced criticism as well, though the Prosecutor General’s Office reported that it was making progress in the Maidan investigation. Independent experts have described Shokin’s work as “window dressing.” Another expert and member of parliament criticized him for his “total loyalty” to Poroshenko.

### Corruption

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In 2015, Ukraine adopted new anticorruption legislation, created new institutions to implement anticorruption policies, and took steps toward transparency in political party financing and public procurement. At the same time, there has been limited progress to date on removing factors that contribute to corruption, such as overregulation of the economy and the power of oligarchs.

A new law creating a National Anticorruption Bureau of Ukraine (NABU) came into force in January, and the institution was formally established in April. As of October 1, the bureau’s first 70
investigators had been selected and started their work. The head of the NABU and an anticorruption prosecutor were appointed in a transparent and accountable manner, and the bureau has launched its first investigations.

- A new law on corruption prevention entered into force on April 26, requiring the creation of a National Agency for Corruption Prevention (NACP). The NACP’s functions include approving the rules of ethical behavior for public officials and monitoring and verifying officials’ declarations of assets and income. At year’s end, the NACP was still being established and its performance could not be assessed.

- On April 29, the cabinet of ministers approved a state program for the implementation of its 2015–17 anticorruption strategy. The plan calls for additional laws on subjects including lobbying, whistleblowers, and the release of registration information about some state-owned enterprises. To eliminate the basis for corruption among elected officials, the strategy also requires a review of the electoral law and the creation of effective mechanisms to eliminate conflicts of interest. The strategy further envisions the creation of an open register of enterprises with over 50 percent state ownership, and the release of data on state procurement by June 2016.

- The parliament adopted a law on political party financing in October, allowing the financing of parties from the state budget and introducing mandatory reporting on all parties’ incomes and expenditures. Legislation amending the law on access to information was also adopted to make this information open to the public.

- Progress on public procurement reforms continued. A new law on public procurement adopted in September requires the disclosure of information on public tenders, including bids, the final beneficiaries of participating companies, and the evaluation protocol. Use of a pilot online system for public procurement called “ProZorro” has started, introducing accountable and transparent standards for procurement policy. Experts gave the launch of this pilot project a positive assessment. The National Reforms Council reported that the program was 77 percent implemented by the end of the year. Measurement of the system’s effectiveness will be based in part on the average number of participants in each public tender, the share of tenders with participants from different parts of Ukraine, the number of participants from other countries, and the share of tenders that are competitive.

- Despite these reforms, ordinary citizens, businesses, and international observers remain skeptical about progress against corruption in Ukraine. Businesspeople see corruption as the main problem that the government has failed to solve, as confirmed by an Ernst & Young survey in May. The Ukrainian public shares this unflattering assessment, with respondents to another survey placing government corruption (29 percent) and the behavior of oligarchs (29 percent) ahead of Russia’s actions (25 percent) as the main factors that could divide Ukraine.

- Accusations of corruption in the highest ranks of the Ukrainian leadership persist. A key ally of the prime minister, parliament member Mykola Martynenko, is under investigation in Switzerland for suspected money laundering and bribery; Poroshenko ally Ihor Kononenko has been accused by the former head of the SBU of money laundering and corruption.

- In December, the parliament adopted a new law on civil service that envisions comprehensive reform of the public administration in line with democratic standards, including separation of political and administrative positions, regulation of the status of a public servant, introduction of mandatory transparent competition for civil service positions, and a framework for fair compensation of civil servants. A draft law on service in local self-government bodies, which passed a first reading in the parliament in April, regulates the status of local government officials, ensures equal access to service in local self-government, and provides for transparent recruitment to local self-government bodies. The bill is still awaiting final approval.
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Dr. Olena Prystayko is the executive director of the Ukrainian Think Tanks Liaison Office in Brussels. Previously, she was project manager at the Directorate of Internal Oversight of the Council of Europe (2013); representative in Brussels of the Memorial Anti-Discrimination Center and the Sova Center (2012); research fellow at the EU-Russia Center in Brussels (2008–2011); project coordinator at the Razumkov Center in Kyiv (2006–2007); assistant professor at the National Academy of Public Administration under the President of Ukraine (2005–2010); project director at the Center for Peace, Conversion and Foreign Policy of Ukraine (2005–2006); and researcher at the Friedrich Ebert Foundation’s Ukraine regional office in Kyiv (2003). The author of more than 20 publications, she obtained her PhD in Political Sciences from the Institute of International Relations at Kyiv Taras Shevchenko National University and her LL.M. in European Law from the Europa-Institut at the University of Saarland in Saarbrücken, Germany.

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