

Gorshenin Weekly



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1. TOP STORIES

Normandy Four agree to develop roadmap for Minsk agreements

No documents were signed during the meeting

Read more in ARMED CONFLICT IN EASTERN UKRAINE

Ukraine will not be able to restore control over its border with Russia until elections are held in Donbas

Until that time, OSCE observers will be provided access to the Ukrainian-Russian border

Read more in ARMED CONFLICT IN EASTERN UKRAINE

President signs decree extending anti-Russian sanctions for one year

The same document expands existing sanctions against 335 individuals and 167 legal entities involved in the Russian aggression against Ukraine

Read more in INTERNATIONAL POLITICAL

2. ARMED CONFLICT IN EASTERN UKRAINE

Normandy Four leaders meet in Berlin

The leaders of the Normandy Four – Ukrainian President Petro Poroshenko, German Chancellor Angela Merkel, French President Francois Hollande and Russian President Vladimir Putin - met for the first time this year in Berlin late on 19 October 2016.

Poroshenko said that participants in the talks agreed that there was no alternative to the Minsk agreements and that a roadmap for their implementation should be developed jointly. In his words, the foreign ministers of the Normandy Four were instructed to agree a draft roadmap by the end of November.

He also said that most of the meeting was devoted to security issues.

The presidents did not sign any documents at the Berlin meeting.

Gorshenin Institute President Vadym Omelchenko has suggested that all the participants in the meeting are working with a view to their home audience. The expert said that as far as Germany and France were concerned, the Ukrainian-Russian conflict was pushed on their agenda by the opposition forces of these countries, which receive all kinds of support from Russia.

"The issue is not simple and Hollande and Merkel cannot just brush it off because the propaganda support of their opponents is incomparably stronger than their counter-propaganda capacity. Therefore the domestic agenda of Germany and France requires them to demonstrate their efforts and peaceful



Gorshenin Weekly process. This explains a somewhat ritual nature of their activ

process. This explains a somewhat ritual nature of their actions and sometimes tough rhetoric with regard to Ukrainian commitments," he explained.

However, according to Omelchenko's forecasts, the Normandy format meeting may yield surprising results.

Ukrainian president: Normandy Four to try and deploy OSCE armed mission in Donbas

Following the talks of the Normandy Four leaders, Ukrainian President Petro Poroshenko said that the sides will try and deploy an OSCE armed mission in Donbas. It is expected to ensure security in the region during the election process and in the transition period. Poroshenko said that Russia supported this idea.

German Chancellor Angela Merkel said that the issue of an OSCE armed mission should be raised after Ukraine passes the law on elections in Donbas and launches the election process.

Russian President Vladimir Putin, for his part, confirmed his consent to the deployment of an OSCE armed mission in eastern Donbas only in the area of disengagement of troops and in the areas where heavy weapons are to be stored.

The OSCE recalled that the issue of changing the mission status from non-armed to armed must be approved by all 57 member states and by the OSCE Permanent Council in Vienna.

Representatives of the self-proclaimed Donetsk and Luhansk people's republics object to the deployment of such a mission.

Ukraine to restore control over border only "at the end of the process" -Merkel

Following the talks of the Normandy Four leaders, German Chancellor Angela Merkel said that Ukraine will be able to restore control over the Ukrainian-Russian border in Donbas only "at the end of the process". In her words, OSCE observers will be able to travel freely up to the state border.

Ukrainian Foreign Minister Pavlo Klimkin has said that Kyiv is planning to make sure that a roadmap for the implementation of the Minsk agreements describes a mechanism of restoring control over the border in Donbas. In his words, first of all, OSCE bases should be placed along the Ukrainian-Russian state border with the simultaneous installation of video surveillance on all the key roads. Ukraine is to restore control over the border on the next day after local elections in Donbas are held, Klimkin said.

Ukraine: Key conditions to elections in Donbas - foreign troops' withdrawal, security guarantees

Following the talks of the Normandy Four leaders, President Petro Poroshenko described Ukraine's key conditions to holding elections in Donbas: - a cease-fire;

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- withdrawal of foreign troops;
- observance of disengagement;

- OSCE Special Monitoring Mission members have unrestricted access to the area;

- release of hostages.

At the same time, he stressed that there are no conditions for holding free and democratic elections in some areas of Donetsk and Luhansk regions today.

Earlier, Ukraine insisted on restoring control over the entire state border with Russia as one of the mandatory conditions to organizing elections in Donbas.

It should be recalled that according to an opinion poll conducted by the Gorshenin Institute among Ukrainian MPs in late September, only a quarter of the respondents (24.7 percent) would support the draft law on local elections in Donbas. At the same time, the majority of MPs (57.1 percent) were against the adoption of such a law. Another 18.2 percent found it hard to give a definite answer.

Ukraine raises issue of control over Debaltseve

Following the talks of the Normandy Four leaders, Ukrainian President Petro Poroshenko said that after the disengagement of forces near Zolote, Petrovske and Stanytsya Luhanska, this work should continue in four more place, including in Debaltseve, Donetsk Region. Debaltseve is one of the largest railway hubs of Ukraine.

He stressed that, according to the 19 September 2014 Minsk memorandum, also known as Minsk-1, control over Debaltseve should be handed over to the Ukrainian military.

During the 18 October video conference of the trilateral contact group on a settlement in Donbas, the Ukrainian delegation recalled that the separatists had not pulled their units back from Debaltseve. It was also noted that the separatists had not respected the agreed ban on heavy weapons in the area of Komsomolske, Kumachove, Novoazovsk and Sakhanka.

Russian presidential press secretary Dmitriy Peskov, for his part, said that Moscow would not agree to the return of control over occupied Debaltseve to Ukraine. According to Peskov, this issue remains unsettled.

The 19 September 2014 Minsk memorandum says that units must stop at the line of contact effective as of the day the document was signed. Pro-Russian militants captured Debaltseve on 19 February 2015, after the Minsk-2 agreements were signed.

President denies secret agreement on Donbas conflict

Ukrainian President Petro Poroshenko has said that there are no secret agreements with any foreign partners concerning the Donbas conflict.

Earlier, the first deputy head of the OSCE Special Monitoring Mission (SMM) in Ukraine, Alexander Hug, said that certain secret documents signed by the



parties within the Minsk agreements prevent the efficient operations of OSCE observers in Donbas. This fact does not keep observers from registering violations. he added.

Ukraine's former representative in the trilateral contact group, Roman Bezsmertnyy, has said that immediately after the Minsk agreements were signed, the sides had to submit their maps with a marked line of delineation. He added that because this had not been done, it made Hug think that a part of the agreements was classified.

Donetsk separatists "convict" three Ukrainians of spying

The self-proclaimed Donetsk people's republic (DPR) has convicted three Ukrainian nationals of "spying for Ukraine", pro-separatist media have reported. They were sentenced to 13, 15 and 18 years in jail.

Previously, the DPR sentenced Ukrainian Azov battalion serviceman Yevhen **Chudnetsov** to 30 years in prison.

Ukrainian parliament prolongs MH17 investigation mission mandate

On 19 October 2016, the Ukrainian parliament has prolonged until 1 August 2017 the agreement between Ukraine and the Netherlands on the international mission to protect the investigation into the MH17 tragedy involving the Malaysia Airlines Boeing passenger airliner shot down over militant-controlled areas of Donetsk Region on 17 July 2014.

3. CRIMEAN ISSUE

More searches held at Crimean Tatar houses on occupied peninsula

Four more Crimean Tatar houses in Bakhchysaray on the Russia-occupied peninsula were searched on 20 October 2016, the head of the central electoral commission of the Crimean Tatar self-styled parliament Qurultay, Zair Smedlyayev, has said.

4. INTERNATIONAL POLITICAL

UKRAINE-RUSSIA

Ukraine extends, expands sanctions against Russia

On 17 October 2016, Ukrainian President Petro Poroshenko with his decree enacted the 16 September resolution of the National Security and Defence Council to extend sanctions against Russian legal entities and individuals by another year.

With the same document, the head of state expanded the sanctions against 335 Russians and Ukrainians involved in the Russian aggression in Donbas and Crimea (including State Duma members elected in Crimea) and 167 Russian companies.



Gorshenin Weekly In particular, Ukraine banned several Russian money transf

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In particular, Ukraine banned several Russian money transfer systems such as Colibri (managed by Sberbank Rossii), Zolotaya Korona, Unistream, Leader, Anelik and Blizko.

The sanctions were also introduced against Russian companies working in the interests of the Russian defence and security sector, including the state-owned corporations Rostec, Rosoboronexport, Urals Tyre Plant, Aeroelektromash and others.

Restrictions also concern Russia's largest automobile and railway car makers, including KamAZ (incorporated into Rostec) and Transmashholding which owns Luhanskteplovoz (Severodonetsk, Luhansk Region), and the Russian airline UTair.

Ukrainian businessman Dmytro Firtash's company, Tytanovi Investytsii (Titanium Investments), a Russian division of Krymskyy Tytan (Crimean Titanium), was also affected by sanctions. Krymskyy Tytan changed its registration from Crimea to Kyiv after the annexation of the peninsula and was renamed Ukrainian Chemical Products.

Ukraine calls on international community to condemn Al-Assad's, Russia's actions in Syria

The Ukrainian parliament has issued a resolution in which it called on international organizations, parliaments of the OSCE and Organisation of Islamic Cooperation member states to condemn the actions of President Bashar al-Assad's regime and the Russian troops in Syria.

The Ukrainian parliament called on the UN Security Council to form an international group to investigate the war crimes of the Syrian regime and its ally, Russia.

Syrian parliament speaker Hadiya Khalaf Abbas has said in an interview with the Russian Sputnik news agency that Crimea is an integral part of Russia.

Ukrainian film director moved to disciplinary confinement in Russia

On 22 October 2016, Ukrainian film director **Oleh Sentsov** was moved to a disciplinary confinement of the Yakutia penal colony where he could be subjected to torture, his sister Natalya Kaplan has said.

Earlier, Moscow refused to hand Sentsov and Oleksandr Kolchenko to Kyiv. Both were convicted in Russia of plotting terror acts in Crimea. The Russian Justice Ministry said that it considered them to be Russian nationals after the annexation of the Crimean peninsula.

The Ukrainian Foreign Ministry demanded an immediate release of Sentsov and other Ukrainian political prisoners in Russia.

Moscow journalist searched in Right Sector's case

On 21 October 2016, the Russian Investigations Committee searched the Moscow flat of the press secretary of the Russian foundation Legal Initiative, journalist Kseniya Babich. Her equipment was confiscated.



Her flat was searched within the framework of the case of Artem Skoropadskiy, who is accused of extremism in Russia. Babich and Skoropadskiy were in the same university class. He is the press secretary of the Ukrainian ultra-nationalist movement Right Sector banned in Russia.

Moscow court extends house arrest of Ukrainian Library director

On 21 October 2016, Moscow's Meshchanskiy court extended the house arrest of Ukrainian Library director Natalya Sharina until 28 April 2017.

Sharina was placed under house arrest on suspicion of extremism and embezzlement on 30 October 2015.

The first hearing on Sharina's case is scheduled for 2 November.

Moldovan rebel region's KGB says six Ukrainians detained

The state security committee (KGB) of Moldova's breakaway Dniester Region on 19 October detained six Ukrainian citizens on the outskirts of the border village of Rotar. They were conducting covert surveillance in the area where KGB units were training, the KGB's press service reported.

However, Ukraine has denied all the charges. According to the Border Service of Ukraine, the Ukrainian citizens were detained by Russian officers as alleged servicemen near the state border.

UKRAINE-EU

Ukrainian president meets EU leadership in Brussels

On the eve of the EU summit in Brussels on 20 October 2016, Ukrainian President Petro Poroshenko held talks with European Council President Donald Tusk, European Commission President Jean-Claude Juncker, European Parliament President Martin Schulz and a number of EU member states' leaders.

According to the Ukrainian president's press service, European politicians agreed that Ukraine should be supported in completing the ratification of the association agreement and in securing trade preferences. They agreed that Ukraine should be granted visa-free travel. Schulz said that there was a stable majority in the European Parliament in favour of visa-free travel for Ukrainians.

The leaders also discussed the agenda of the EU-Ukraine summit scheduled to be held in Brussels on 24 November. Another issue on the agenda was a possible tightening of anti-Russian sanctions in the context of Russia's aggression against Ukraine.

Later, Poroshenko expressed confidence that the European Parliament will ratify the agreement on visa-free travel for Ukrainians before the EU-Ukraine summit.

According to Radio Liberty, the EU may agree a mechanism of visa-free travel suspension on 7-11 November. The adoption of this mechanism is expected to speed up the granting of visa-free travel to Ukraine, Georgia and Kosovo.



Ukrainian President Petro Poroshenko and NATO Secretary General Jens **Stoltenberg** held a meeting in Brussels on 20 October, during which they discussed deepening of cooperation between Ukraine and the alliance.

Netherlands to decide on EU-Ukraine association agreement by 1 November - premier

The Netherlands will decide on the ratification of the EU-Ukraine association agreement by 1 November 2016, Dutch Prime Minister Mark Rutte said on the first day of the EU summit in Brussels on 20 October.

He said he could see "little space" in The Hague for a solution of the Ukrainian issue.

On 19 October, the Ukrainian parliament issued a resolution in which it called on the Dutch government together with EU institutions to work out a solution which would allow the Netherlands to ratify the EU-Ukraine association agreement.

Ukraine's path to the EU will be more difficult and will take more time compared to the Baltic countries, Latvian Ambassador to Ukraine Juris Poikans said during the VI National Expert Forum held by the Gorshenin Institute in Kiev on 12 October.

"Ten years ago, Russia did not oppose the membership of the Baltic countries in the European Union. It was against our membership in NATO. But when it comes to Georgia, Ukraine and Moldova, it is obvious that Russia perceives the Eastern Partnership and the association agreements as a direct threat," he noted.

"Second, Ukraine, in contrast to the Baltic States, is resisting aggression in the east. This requires a large amount of resources. And of course, the third obvious factor is that Ukraine has a much more complex historical legacy than us. We had our statehood for 20 years, which helped us very much, and we immediately set our sights on the European Union at the beginning of the 90s," the diplomat said.

UKRAINE-NORWAY

Ukrainian president visits Norway

Petro Poroshenko paid the first ever official visit by Ukrainian president to Norway on 18 October 2016. In Oslo, Poroshenko met Norwegian Prime Minister Erna Solberg, parliament president Olemic Thommessen and King Harald V of Norway.

A number of bilateral documents, including the declaration of partnership, which condemns the occupation of Crimea and aggression in Donbas, were signed.

Poroshenko and Solberg took part in the Ukrainian-Norwegian business forum.

On 27 September, Oslo hosted the first meeting of the Ukrainian-Norwegian intergovernmental commission for cooperation in trade, entrepreneurship and economy.





UKRAINE-USA

Rocket with Ukraine-made first stage successfully launched into space

The Antares OA5 booster rocket with the Cygnus cargo spacecraft was successfully launched from the Mid-Atlantic Regional Spaceport on Wallops Island, Virginia (USA) on 18 October.

The main designer of Antares is Orbital Science Corporation (USA). The rocket's first stage core was designed by Ukraine's Pivdenne (Yuzhnoye) Design Bureau and manufactured by the Makarov Pivdennyy Machine-Building Plant (Yuzhmash) in cooperation with a number of Ukrainian enterprises.

USAID launches lending programme for Ukrainian farmers

The United States Agency for International Development (USAID) has launched a four-year programme for providing loans through credit unions to Ukrainian small- and medium-sized farmers and agricultural enterprises. The size of the project totals 20.6m dollars.

On 12 October, Ukrainian President Petro Poroshenko approved the ratification of the agreement with the European Investment Bank to provide a 400m-euro loan for the Ukrainian agricultural sector for 12 years with a fouryear grace period.

5. DOMESTIC POLITICAL

Former Polish minister appointed Ukravtodor head

The Cabinet of Ministers on 19 October appointed former Polish Minister of Transport Slawomir Nowak as acting head of Ukraine's state agency for roads Ukravtodor.

In November 2013, Nowak had to resign following media reports that he had failed to declare a watch worth 5,500 dollars.

It should be recalled that Ukrzaliznytsya, Ukraine's state-run railway company, is headed by the former head of the Polish railway company PKP Cargo, Wojciech Balczun.

Government allows paying heating bills by instalment

The Cabinet of Ministers on 19 October passed a decision making it possible for citizens who do not receive subsidies to pay heating bills by instalment.

Particularly, one can delay paying half of a heating bill until April-September 2017.

Parliament gives equal pensions to servicemen, disabled army volunteers

The Ukrainian parliament on 18 October passed a law equating pensions of



army conscripts (their family members) and those of army volunteers who became disabled during the anti-terrorist operation in Ukraine's east, as well as pensions paid to family members of those killed in the operation.

The law will apply to 2,000 people. The respective expenses, which will be financed from the Pension Fund, will total 45.6m hryvnyas (1.75m dollars) per year.

In addition, parliament passed a law on the early assignment of old-age pensions to men and women who were combatants in the antiterrorist operation zone after reaching the age of 55 years (for men) and 50-55 years (for women).

Parliament approves bill limiting imports of anti-Ukrainian materials

The Ukrainian parliament on 20 October passed in the first reading a draft law restricting access for foreign printed products with anti-Ukrainian contents to the Ukrainian market, as well as materials that create a positive image of employees of uniformed agencies of the aggressor state (Russia) and officers of Soviet security bodies.

The document provides for the issuance of permits for imports of printed products originating from the aggressor state and temporarily occupied territories of Ukraine.

Military prosecutor charged with illicit enrichment

Prosecutors of the Specialized Anti-Corruption Prosecutor's Office, together with detectives of the National Anti-Corruption Bureau of Ukraine (NABU), on 21 October handed a charge sheet to the military prosecutor of the antiterrorist operation (ATO) forces, Kostyantyn Kulyk. He is accused of illegal enrichment.

Criminal proceedings against Kulyk were launched on 25 December 2015. According to the NABU, the ATO prosecutor and his family own expensive cars and housing not corresponding to his income declaration.

Prosecutor's office notifies former court chairman of suspicion

The Prosecutor-General's Office has notified of suspicions of committing a crime the former chairman of the High Economic Court, Artur Yemelyanov, and his former deputy Viktor Tatkov, who are suspected of the illegal interference in the judicial decision-making system in 2011-14, according to Prosecutor-General Yuriy Lutsenko.

Court jails four activists who seized Kharkiv administration in 2014

The Kharkiv Kyivskyy district court on 17 October sentenced to five years in prison four people who participated in the seizure of the building of the Kharkiv regional state administration in early April 2014. A total of 64 people have been charged with the seizure of the administration building in Kharkiv.



Court extends arrest of former senior MP

The Kyiv Court of Appeals has upheld the decision of the Pecherskyy district court to extend the custodial detention as a measure of restraint for the former head of the Party of Regions parliamentary faction, Oleksandr Yefremov, until 24 November 2016.

The former MP is suspected of infringing the territorial integrity and inviolability of Ukraine, participating in the creation of a terrorist organization called Luhansk people's republic, and embezzling property of the state-owned company Luhanskvuhillya.

6. ECONOMY

Parliament approves 2017 draft budget in first reading

The Ukrainian parliament on 20 October voted for a draft resolution on the conclusions and proposals to the 2017 draft budget. The adoption of this document automatically means that the draft budget is approved by parliament in the first reading. However, the draft budget should pass three readings.

The 2017 state budget is based on a GDP forecast of 3 percent and inflation (December over December) of 8.1 percent.

It should be noted that in their conclusions to the budget law, MPs doubled their own salaries, raising the salary of the parliament speaker to 43,500 hryvnyas (1,670 dollars), those of his deputies to 40,600 hryvnyas (1,560 dollars), and regular MPs to 36,300 hryvnyas (1,400 dollars). However, the cabinet said that they would ignore this proposal.

President signs law increasing 2016 budget expenditures

President **Petro Poroshenko** on 18 October signed the law introducing amendments to the state budget for 2016, according to which the budget expenses increased by 10.12bn hryvnyas (389m dollars) without increasing the budget deficit.

Defence and security expenses increased by 7.17bn hryvnyas (276m dollars).

In addition, spending on salaries to employees of government agencies and foreign diplomatic missions increased by 1.5bn hryvnyas (57.69m dollars).

Also, expenses on the state fund for regional development rose by 950m hryvnyas (36.54m dollars), while those on social protection of miners grew by 420m hryvnyas (16.15m dollars). Additional 90m hryvnyas (3.46 million dollars) is allocated for the Justice Ministry to finance the representation of Ukraine's interests in international judicial bodies.

It is proposed to increase total expenditures of the state budget by 0.3 percent to 676.51bn hryvnyas (26.02bn dollars) and revenues by 0.2 percent to 603.03bn hryvnyas (23.19bn dollars).

Also, it bears noting that on 21 October the Cabinet of Ministers redirected 125m



hryvnyas (4.81m dollars) in budgetary funds allocated for the Economic Development Ministry into projects for production of new and modernization of existing defence products, as well as purchase of equipment.

Foreign trade deficit reaches 1.47bn dollars

The deficit of foreign trade in goods in January-August totalled 1.47bn dollars against a surplus of 548.5m dollars recorded over the same period last year, according to the State Statistics Service.

At the same time, exports of goods fell by 9 percent compared to the same period of 2015 to 22.72bn dollars, while imports declined by 0.9 percent to 24.18bn dollars.

Exports to the EU increased by 4.4 percent to 8.61bn dollars and made 37.9 percent of total exports. Exports to Russia fell by 30 percent to 2.23bn dollars and made 9.8 percent of total exports.

Imports of goods from EU countries grew by 6.6 percent to 10.62bn dollars and were 43.9 percent of total imports. Imports from Russia decreased by 36.8 percent to 3.1bn dollars and made 12.8 percent of total imports.

Industrial production growth slows down to 2 percent in September

Industrial production in September 2016 increased by 2.0 percent compared with the same month last year, while in August, industrial production increased by 3.4 percent, the State Statistics Service has reported.

Over the first nine months of this year, industrial growth totalled 2 percent.

Agricultural output grows 0.9 percent over nine months

Agricultural production in Ukraine in January-September increased by 0.9 percent compared to the same period in 2015, according to the State Statistics Service.

In September 2016, agricultural production increased by 2.6 percent compared to the same month of 2015.

Government approves starting price for Odesa Portside Plant

The Cabinet of Ministers on 19 October backed the proposal of the State Property Fund and approved the starting price of 99.6 percent of shares in Odesa Portside Plant (OPP) at 5.16bn hryvnyas (198.46m dollars). The auction is scheduled to take place before 7 January 2017.

OPP's starting price at the first auction that should have taken place in July was 13.18bn hryvnyas (506.92m dollars), but no investors showed willingness to buy the plant at that price, according to the news and analysis website LB.ua.



Parliament restructures Antonov's debts

The Ukrainian parliament on 20 October approved the restructuring of the 706m-hryvnya (27.15m-dollar) debt of the state-owned enterprise Antonov on bonds issued against the government's guarantees in 2009. According to the decision, the company will be paying off the debt to the state on a quarterly basis over a period of 10 years.

Also, no penalties will be charged on the debt amount, while penalties of 565.8m hryvnyas (22.76m dollars) accumulated on the day the law enters into force will be written off.

Oshchadbank shows 16m-dollar profit over nine months

Net profit of the state-run Oshchadbank (Savings Bank) totalled 410.7m hryvnyas (15.8m dollars) in January-September. At the same time, the bank's assets increased by 20.2 percent compared to the same period of 2015 to 191.3bn hryvnyas (7.36bn dollars). The volume of loans increased by 4.2 percent to 104.5bn hryvnyas (4.02bn dollars).

Also, the volume of deposits of legal entities and individuals increased by 37.9 percent to 127.7bn hryvnyas (4.91bn dollars).

7. ENERGY

World Bank gives Ukraine 500m-dollar loan for gas purchase

The World Bank on 18 October provided loan guarantees of 500m dollars for Ukraine to finance the purchase of natural gas by the state-run energy company Naftohaz Ukrayiny, Finance Minister Oleksandr Danyluk has said.

According to the minister, these funds will allow passing the cold season.

The chairman of Naftohaz's board, Andriy Kobolyev, noted that the loan will be used to cover the company's cash shortages.

Naftohaz sues Russia for 2.6bn dollars over asset seizure in Crimea

The state-run energy company Naftohaz Ukrayiny and its six subsidiaries (Chornomornaftohaz, Ukrtranshaz, Ukrhazvydobuvannya, Ukrtransnafta, Haz Ukrayiny and Likvo) on 17 October initiated arbitration proceedings against Russia, demanding a compensation of 2.6bn dollars for losses caused by the unlawful seizure of their assets in occupied Crimea.

The lawsuit was filed in accordance with the agreement on protection of investments between the governments of Ukraine and the Russian Federation.

Companies' debts to Naftohaz grow to 846m dollars

Companies' debts for consumed gas to the state-run energy company Naftohaz Ukrayiny were 22bn hryvnyas (846.15m dollars) as of 18 October, Naftohaz's



press service has reported.

The largest debtors are companies in Kyiv, Kharkiv and Kryvyy Rih.

At the same time, the company said that it had sufficient gas reserves to pass the heating season and would not cut off gas supplies to heating companies with debts.

It should be noted that on 20 October the Ukrainian parliament adopted in the first reading a draft law on restructuring debts of heat-generating and supplying companies.

Court lifts attachment of tycoon's oil transhipment terminal

The Commercial Court of Kyiv on 19 October removed the attachment of the Kherson oil transhipment terminal, which is owned by companies of fugitive businessman Serhiy Kurchenko.

The court complied with the suit filed by the National Bank of Ukraine, which has held the asset as collateral since 2013.

The terminal may become the first major pledged asset sold by the National Bank via an auction.



VI National Expert Forum "Key issues of the year"

On 12 October, Gorshenin Institute hosted VI National Expert Forum, entitled "Key issue of the year". Honorary guests, experts and journalists, who joined three panel discussions, discussed what Ukraine had come through in the past year and what challenges it is about to face.



Among the speakers at the first panel entitled "Decentralisation and state integrity" were Ivan Miklos, co-chairman of Strategic Advisory Group for Support of Ukrainian Reforms (SAGSUR), Oleh Synyutka, head of the Lviv regional state administration, Yuriy Harbuz, head of the Luhansk regional military and civil administration, and Roman Bezsmertnyy, deputy prime minister of ukraine for administrative and territorial reform in 2005.





Other participants in the discussion were MPs **Viktoriya Ptashnyk** and **Ruslan Demchak**, Kharkiv city councilor **Taras Sytenko**; **Vitaliy Kulyk**, director of the Centre for Civil Society Studies; ex-MP **Taras Chornovil**; **Mariya Repko**, deputy director of the Centre for Economic Strategy; **Yuriy Hanushchak**, director of the Territory Development Institute.



The panel focused on the issue of building an effective model of governance under decentralization and the role of local communities in it.

The second panel entitled "Components of energy security" discussed energy issues and the coming heating season. Its speakers included **Serhiy Chekh**, advisor to the minister of energy and fuel industry of Ukraine; **Karel Hirman**, expert on energy sector at the Strategic Advisory Group for Support of Ukrainian Reforms (SAGSUR); **Torsten Wollert**, head of the Support Group for Ukraine, European Commission; **Olha Byelkova**, member of the Ukrainian parliament, deputy head of the parliamentary committee for fuel and energy, nuclear policy and security; and **Vitaliy Butenko**, commercial director at DTEK

Oleh Zarubinskyy, a former MP of four convocations, and **Ivan Plachkov**, the president of the Alll-Ukrainian Energy Assembly and former energy minister of Ukraine, also shared their opinions on the issue.



During the last panel, entitled "Ukraine in Europe and the world", the speakers discussed the issues of European integration and the implementation of the Minsk agreements on a settlement in Donbas.



Pavlo Klimkin, minister of foreign affairs of Ukraine; Isabelle Dumont, ambassador of the French Republic to Ukraine; Juris Poikāns, ambassador of the Latvian Republic to Ukraine; Michael Emerson, associate senior research fellow, Centre for European Policy Studies (CEPS) (Brussels); and Ihor Kohut, director of the USAID RADA Programme, kept the discussion lively with the expert help from Mykhaylo Pashkov, co-director of foreign policy and international security programmes at the Razumkov Centre, and Olesya Yakhno, a political expert.





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