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PICK OF THE WEEK:

International community welcomes release of Ukraine's ex-interior minister, expects jailed ex-premier to be freed

The EU welcomes the pardoning of former Ukrainian Interior Minister **Yuriy Lutsenko**, the EU high representative for foreign affairs and security policy, **Catherine Ashton**, and the EU commissioner for enlargement and neighborhood policy, **Stefan Fule**, said on 8 April 2013. The EU officials added that Brussels was anticipating Kiev's decision on the remaining cases of what it saw as selective justice.

On 9 April, the acting spokesperson of the US Department of State, **Patrick Ventrell**, said that the USA backed the EU calls to free jailed former Prime Minister **Yuliya Tymoshenko** and to put an end to her persecution.

The European Parliament, Parliamentary Assembly the leaders of France, Germany, Poland, Sweden, Latvia and other EU member states also welcomed the news of Lutsenko's pardoning, encouraging Ukraine to release Tymoshenko and to continue implementing the reforms required for its further European integration.

President Yanukovich pardoned former Interior Minister Lutsenko on 7 April.

Media: Presidential administration prepared for nationwide referendum

A number of Ukrainian mass media reported on 10 April 2013 that the presidential administration had instructed local authorities to start preparing for a possible nationwide referendum.

Among the issues to be put to a referendum, according to the news portal Lb.ua, are the following: the establishment of a two-chamber parliament, the reduction of the number of MPs, the cancellation of MPs' immunity, and holding elections only based on the first-past-the-post system.

New opposition faction to be set in parliament

On 10 April 2013, a number of Ukrainian mass media said that a new parliamentary faction called "For Yulya [diminutive for **Yuliya Tymoshenko**] might be set up in parliament. It can bring together non-affiliated MPs and those who recently left the Fatherland faction.

According to some experts and media outlets, the new faction might aim at driving a wedge into the parliamentary opposition.

INTERNATIONAL POLITICAL

UKRAINE-EU

International community welcomes release of Ukraine's ex-interior minister, expects jailed ex-premier to be freed

The EU welcomes the pardoning of former Ukrainian Interior Minister **Yuriy Lutsenko**, the EU high representative for foreign affairs and security policy, **Catherine Ashton**, and the EU commissioner for enlargement and neighborhood

policy, **Stefan Fule**, said on 8 April 2013. The EU officials added that Brussels was anticipating Kiev's decision on the remaining cases of what it saw as selective justice.

Additionally, Ashton and Fule highly evaluated a contribution of the European Parliament (EP) monitoring commission, which is chaired by former Polish President **Aleksander Kwasniewski** and former EP President **Pat Cox**, to the task of eliminating selective justice in Ukraine.

On 9 April, the press secretary of the European Commission, **Maja Kocijancic**, stated that Lutsenko's release was insufficient for signing the EU-Ukraine association agreement in November. She added that the Ukrainian authorities should comply with the recommendations which the European Council had issued in December 2012.

On 9 April, the acting spokesperson of the US Department of State, **Patrick Ventrell**, said that the USA welcomed the release of the former Ukrainian interior minister and that it backed the EU calls to free jailed former Prime Minister **Yuliya Tymoshenko** and to put an end to her persecution.

The spokeswoman of the United States National Security Council, **Caitlin Hayden**, also urged Ukraine on 8 April to stop politically motivated persecution and to launch judicial reforms.

For his part, US ambassador to Ukraine **John Tefft** said on 11 April that American diplomats would insist on Tymoshenko's release following the pardoning of Lutsenko.

On 9 April, the international human rights watchdog Freedom House called on the EU to demand Tymoshenko's release before the EU and Ukraine sign the association agreement.

The president of the European Parliament, **Martin Schultz**, the president of the Parliamentary Assembly of the Council of Europe, **Jean-Claude Mignon**, the leaders of France, Germany, Poland, Sweden, Latvia and other EU member states also welcomed the news of Lutsenko's pardoning, encouraging Ukraine to release Tymoshenko and to continue implementing the reforms required for its further European integration.

The decision to pardon the former interior minister should be considered in the context of Ukraine's fulfillment of the EU requirements for European integration, the Ukrainian Foreign Ministry said on 9 April.

In his turn, an advisor to Ukrainian President **Viktor Yanukovych**, **Andriy Honcharuk**, said on 9 April that the actions of the Ukrainian government to resolve the issues of the so-called selective justice were creating a proper political atmosphere for signing the association agreement with the EU.

On 7 April, President Yanukovych pardoned former Interior Minister Yuriy Lutsenko following a request from Ukrainian ombudsman **Valeriya Lutkovska**.

EU representatives to assess Ukrainian situation prior to signing association deal

On 17 April 2013, representatives of three countries - Germany, Poland and Croatia - will visit Ukraine. The objective of the visit is to assess the situation in the country before deciding whether Brussels wants to sign the association agreement with Kiev, EU ambassador to Ukraine **Jan Tombinski** said on 11 April.

The diplomat also expressed opinion that the signing of the Ukrainian-EU association agreement would contribute to the improvement of ties between Kiev and Moscow. From his perspective, this will happen thanks to setting clear rules of the game.

Tombinski added that the EU would launch a public campaign to inform the Ukrainian people about the benefits of signing the association agreement.

Ukrainian president signs law on simplifying visa regime with EU

On 8 April 2013, Ukrainian President **Viktor Yanukovich** signed a law on simplifying a visa regime with the EU.

The bill was adopted by parliament on 22 March 2013. The document expanded the categories of Ukrainian nationals who have the right to follow a simplified procedure for receiving free multiple-entry visas.

On 9 April, presidential advisor **Andriy Honcharuk** said that the European Parliament will consider the liberalization of the visa regime with Ukraine on 17 April.

The influential Ukrainian weekly *Dzerkalo Tyzhnya* reported that the European Parliament would also assess the situation with sexual minorities in Ukraine prior to debating the easing of visa rules for the country.

PACE mission to visit Ukraine

On 14-16 April 2013, the Parliamentary Assembly of the Council of Europe (PACE) co-rapporteurs on Ukraine, **Mailis Reps** and **Marietta de Pourbaix-Lundin** will arrive in Ukraine.

During their visit, the PACE co-rapporteurs plan to meet Ukrainian government officials, opposition leaders, as well as representatives of international community and civil society.

The objective of their visit is to assess the implementation of the constitutional reform, the reform of the Criminal Code and prosecution.

Poland to launch probe into memorandum with Gazprom

On 9 April 2013, Polish Prime Minister **Donald Tusk** spoke about the beginning of an investigation into the signing of a memorandum on the construction of a gas pipeline bypassing Ukraine, which was signed by the Polish company

Europolgaz and Russia's Gazprom. The results of the probe will be announced on 16 April.

Tusk noted that he was not informed about the signing of the document. The prime minister also noted that he had tasked the interior minister with finding out why he had received no information about the deal: whether it was due to negligence or evil intent.

On 7 April, Polish President **Bronislaw Komorowski** assured Ukrainian President **Viktor Yanukovich** that the Polish authorities would not participate in the Russian gas projects that posed a threat to the interests of Ukraine, Polish presidential administration reported.

In the opinion of a Polish member of the European Parliament, **Pawel Zalewski**, Russia's proposal to Poland to construct a transit gas pipeline demonstrates that Moscow has changed its policy towards Warsaw. Previously, Russia bypassed Poland when building its transit routes.

Zalewski believes that Poland should carefully consider all the benefits accrued from cooperation with Russia.

The Europolgaz-Gazprom memorandum was signed on 5 April. The potential pipeline should pass through Belarus and Poland to Slovakia.

Gazprom is among the chief stakeholders in Europolgaz.

UKRAINE-RUSSIA

Russia allocates extra funds for Russian-language programmes in Ukraine

Russia believes that supporting the Russian language in Ukraine is among its priorities, Russian ambassador to Ukraine **Mikhail Zurabov** said on 9 April 2013.

He added that Russia was sponsoring distance learning Russian-language programmes in schools of Ukrainian regions where the population speaks mostly Russian. Textbooks and manuals are also published for Ukrainian schools and kindergartens.

Gazprom expressed its interest in funding such programmes, Zurabov added.

The ambassador also spoke about the plans to open a number of Russian schools in Ukraine, which will function under the auspices of the Russian embassy or the Russian Federal Agency for the Commonwealth of Independent States.

The results of a poll conducted by Gorshenin Institute among children in August 2012 suggest that the majority of respondents (46.2 percent) speak Ukrainian in schools. As many as 28 percent of those interviewed said they preferred to communicate in Russian, 25.2 percent - in both Russian and Ukrainian, while 0.6 percent chose a different language.

Ukraine denies political asylum to Russian opposition members

On 10 April 2013, Russian opposition members **Aleksey Devyatkin** and his wife

Jenny Kurpen said that the Ukrainian State Migration Service had refused to grant them status of political refugees.

The decision of the migration service is dated 22 March. Devyatkin and Kurpen have challenged the refusal in a court of appeals.

In Russia, the opposition members fear criminal persecution by the authorities.

Ukrainian parliamentary speaker visits Russia

On 11-12 April 2013, Ukrainian parliamentary speaker **Volodymyr Rybak** visited Russia to participate in a meeting of the Interparliamentary Assembly of the Commonwealth of Independent States (CIS).

During his address to the assembly, Rybak stressed that Ukraine was considering integration into the EU and cooperation with the CIS as two complementary processes.

Russia eases control over Ukrainian cheese exports

On 9 April 2013, the Russian Federal Service for Supervision of Consumer Rights Protection and Human Welfare announced that it would no longer check every shipment of Ukrainian cheeses on its entry to Russia. The quality of Ukraine-made cheeses will be further assessed by means of selecting samples of products which are already offered in stores.

In February 2012, the service suspended the import of cheeses manufactured by a number of Ukrainian companies due to alleged presence of vegetable fats.

Subsequently, the ban was lifted, although Russia established a tight control over the cheese exports from Ukraine.

UKRAINE-UN

Ukraine faces UN accusations of illegal arms shipments to Libya

On 9 April 2013, the UN included Ukraine on the list of the 12 countries which have reportedly illegally supplied weapons and ammunition to the Libyan regime of **Muammar Qadhafi**, the U.S. daily The Washington Post wrote on 10 April, quoting a UN report.

On 10 April, the Ukrainian Foreign Ministry said that it had not yet received the UN report, adding that Ukraine had not delivered any weapons to Libya since the beginning of the military conflict in this country in 2011.

The civil war in Libya had lasted from February to October 2011. The UN Security Council imposed an embargo on weapon sales to Libya on 26 February 2011.

AUTHORITIES

Media: Presidential administration gearing up for nationwide referendum

A number of Ukrainian mass media reported on 10 April 2013 that the presidential administration had instructed local authorities to start preparing for a possible nationwide referendum.

The Central Electoral Commission (CEC) on 2 April published on its website several resolutions regarding the launch of preparations for an all-Ukrainian referendum, the news and analysis website Lb.ua said.

CEC deputy head **Andriy Mahera** downplayed the resolutions as technical and formal.

Among the issues to be put to a referendum, according to the news portal LB.ua, are the following: the establishment of a two-chamber parliament, the reduction of the number of MPs, the cancellation of MPs' immunity, and holding elections only based on the first-past-the-post system.

Journalist and political analyst **Vyacheslav Pikhovshek** suggested that the authorities were preparing a referendum for the autumn 2013. He said so during a roundtable held at the Gorshenin Institute.

President says parliament dissolution possible

On 11 April 2013, President **Viktor Yanukovych** said that he might disband parliament. However this would be a measure of last resort, he added.

"If parliament is not working, who needs a parliament like that?" he said.

The president called on the parliamentary factions to find a compromise to resume legislative work.

Yanukovych also said that MPs do not feel responsible towards their voters.

Members of Constitutional Assembly protest against referendum law

On 12 April 2013, a number of Constitutional Assembly members sent an open letter to its chairman **Leonid Kravchuk** to report what they believe is a violation of the constitution.

They said that law on referendum adopted in November 2012 contradicts the provisions of the constitution. According to this law, amendments can be made to the constitution if they are approved at a nationwide referendum and no additional endorsement in parliament is required.

The signees noted that in line with the constitution in effect, any amendments to it can be made only in accordance with its provisions.

The constitution says amendments shall be endorsed by a constitutional majority of parliament members, meaning 300 and more votes.

They called on Kravchuk and other Constitutional Assembly members to adhere to the constitution.

Constitutional Court: decision on Kiev election to be made within three months

On 11 April 2013, the Constitutional Court of Ukraine said that a decision on the Kiev mayoral and city council election would be made within three months.

A rally was held outside the Constitutional Court the same day to demand the holding of the Kiev elections.

The news and analysis website Lb.ua recalled that on 2 April parliament failed to schedule the Kiev mayoral and city council elections for June 2012, coming short of 17 votes. The pro-government Party of Regions refused to support the resolution.

On 19 March, Party of Regions members asked the Constitutional Court to explain whether it is in line with the new constitution to schedule the election for 2 June 2013. The opposition believes the authorities are going to use a court ruling to delay the elections in Kiev until 2015.

Speaker signs some bills adopted at extra-mural session into laws

On 8 April 2013, parliament speaker and Party of Regions MP **Volodymyr Rybak** signed four bills adopted at the 4 April extra-mural session into laws.

The signed laws embed a series of amendments into the national budget.

President **Viktor Yanukovich** on 11 April said that he would sign the laws adopted at the extra-mural session after an expert legal assessment.

On 12 April, the Supreme Administrative Court said the extra-mural parliament session was legitimate.

Members of the Party of Regions and the Communist Party of Ukraine on 4 April held a parliament session outside its regular building. They adopted seven bills during the session.

The opposition alleged the number of MPs present at the extra-mural session was not sufficient for lawmaking.

Opposition backs Party of Regions' bid to ban promotion of homosexuality

On 8 April 2013, Fatherland MP **Andriy Kozhemyakin** registered with parliament a resolution to support the bill banning the promotion of homosexuality among children.

The bill banning the promotion of homosexuality was sponsored by Party of Regions MP **Vadym Kolesnichenko**. Parliament adopted this bill in the first reading on 2 October 2012.

According to an opinion poll conducted by the Gorshenin Institute in October 2011, the majority of Ukrainians (78.1 per cent) consider same-sex sexual relations inappropriate.

President sends bill on foreign troops' access to Ukrainian territory to parliament

On 8 April 2013, President **Viktor Yanukovich** sent to parliament a bill allowing foreign troops access to the Ukrainian territory for participation in international military exercises in 2013.

Cherkasy city state executive committee dissolved

On 11 April 2013, the councillors of the Cherkasy city council decided to dissolve the city state executive committee and dismiss the deputies of the city head.

The decision was backed by councillors of the progovernment Party of Regions and Communist party, along with the opposition Fatherland and UDAR parties.

The councillors said that the city state executive committee has been repeatedly violating the constitution and laws of Ukraine. The councillors also criticized the committee's latest decision to ban mass events in the city.

OPPOSITION

New opposition faction to be set in parliament

On 10 April 2013, a number of Ukrainian mass media said that a new parliamentary faction called "For Yulya [diminutive for **Yuliya Tymoshenko**]" might be set up in parliament. It can bring together non-affiliated MPs and those who recently left the Fatherland faction.

According to media reports, new faction members will present themselves as loyal followers of ex-Prime Minister Yuliya Tymoshenko and will be in opposition to the leader of the Fatherland faction, **Arseniy Yatsenyuk**, and his deputy **Oleksandr Turchynov**.

According to some experts and media outlets, the new faction might aim at driving a wedge into the parliamentary opposition.

Opposition ready to lift blockade of parliament rostrum

On 12 April 2013, Fatherland faction leader **Arseniy Yatsenyuk** said that the opposition was prepared to unblock the parliament work at the next session week.

Earlier Yatsenyuk said that the issues, on which the opposition had insisted, had been included on the agenda. In his words, next week parliament will consider the election in Kiev, government dismissal, cancellation of pension reform, and decriminalization of Criminal Code articles under which ex-Prime Minister Yuliya Tymoshenko was convicted.

Yanukovych says may pardon Tymoshenko

On 11 April 2013, President **Viktor Yanukovych** said that he might consider a pardon for former Prime Minister **Yuliya Tymoshenko**.

He explained that he could do so only after all legal proceedings involving the ex-prime minister have been completed.

On 9 April, ombudsperson **Valeriya Lutkovska** said that she might file an application for Tymoshenko's pardon with the president after all her legal proceedings were over.

Justice Minister **Oleksandr Lavrynovych** on 10 April said that there was no legal ban on using the same pardon mechanism as the one used in the case of former Interior Minister **Yuriy Lutsenko**.

Lawyer **Valentyna Telychenko** on 9 April said that Tymoshenko was entitled to pardon because a cessation court had already issued its ruling in the case regarding the gas agreements with Russia, for which Tymoshenko is serving the sentence.

According to Tymoshenko's defence counsel **Serhiy Vlasenko**, the issue of her pardon is purely political.

On 10 April, the Ukrainian Helsinki Human Rights Union sent a petition to the president to pardon Tymoshenko due to her bad health.

Trial in Tymoshenko's UESU case adjourned again

On 12 April 2013, a court adjourned until 23 April a hearing of the case against ex-Prime Minister **Yuliya Tymoshenko** who is suspected of office abuse as the head of the United Energy Systems of Ukraine (UESU) corporation. The decision to adjourn the trial was made due to her absence.

The same night Fatherland MPs **Arseniy Yatsenyuk** and **Oleksandr Turchynov**, and ex-Interior Minister **Yuriy Lutsenko** were denied a chance to see Tymoshenko in hospital.

Pardoned ex-minister forming public movement

On 8 April 2013, ex-Interior Minister **Yuriy Lutsenko** announced his intention to set up a new public extra-party movement.

He said that he was not going to establish a party or develop his political project People's Self-Defence which joined Fatherland.

He also said that he was not going to take part in the Stand Up, Ukraine! protests held by Freedom, Fatherland and UDAR.

Taras Stetskiv, a former MP from Our Ukraine-People's Self-Defence, on 10 April announced the launch of the public movement initiated by Lutsenko. Apart from the ex-minister, the initiative group includes some active participants in the Orange Revolution, Stetskiv, **Volodymyr Filenko** and **Roman Bezsmertnyy**.

Lutsenko said in an interview with the Dzerkalo Tyzhnya weekly on 12 April that he was ready to help the parliamentary opposition with the organization of street protests.

Lutsenko may not run for parliament for 10 years – expert

On 8 April 2013, legal expert **Anna Malyar** said that former Interior Minister **Yuriy Lutsenko** may not be elected to parliament for 10 years.

She recalled that he had been pardoned but the conviction is still listed on his criminal record.

She added that the ex-minister was convicted for a grave crime. According to law, his conviction will be cleared eight years after he has served the sentence. His term of sentence expires in 2015.

Thus, the conviction against the ex-minister will be cleared in 2023. He cannot contest his conviction in court until 2019.

According to law, a person with uncleared conviction cannot hold some public and government posts, in particular he or she may not be elected to parliament.

Sentence in Lutsenko's second case remains unchanged

On 10 April 2013, the Supreme Specialized Court upheld the sentence handed down to ex-Interior Minister **Yuriy Lutsenko** in the second criminal case.

In August 2012, Lutsenko was sentenced to two years in prison for office negligence during the assignment of surveillance within the framework of presidential candidate **Viktor Yushchenko's** poisoning case.

On 2 April, the Supreme Specialized Court upheld the ruling handed down to Lutsenko in the first case, under which he was found guilty of office abuse and sentenced to four years in prison and a fine.

Lutsenko to undergo another surgery

On 10 April 2013, former Interior Minister **Yuriy Lutsenko** was admitted to the Oberih hospital in Kiev for further treatment.

A medical examination on 9 April confirmed that the second surgery, which had previously been planned for late February, was still necessary.

Court drops progovernment candidate's lawsuit against opposition leader, website

On 9 April 2013, a court dropped the lawsuit filed by Party of Regions parliamentary candidate **Tetyana Zasukha** against the leader of the Fatherland faction, **Arseniy Yatsenyuk**, and the news and analysis website Ukrayinska Pravda.

Zasukha accused Yatsenyuk and Ukrayinska Pravda of allegedly defaming her.

Earlier Yatsenyuk said that Zasukha had taken a bank loan of over 1m dollars which she allegedly used to bribe constituency commission members during the parliamentary election. Yatsenyuk's statement was published by Ukrayinska Pravda.

Police question Ukrainian opposition leader

On 11 April 2013, the leader of the opposition Fatherland parliamentary faction, **Arseniy Yatsenyuk**, was questioned as a witness in a case over allegedly illegal interference in the activities of law enforcers.

The Fatherland said that the case was directly supervised by the Interior Ministry's main investigative directorate.

During his trip to Chernivtsi on 30 March, Yatsenyuk stopped a vehicle which, as he argues, was carrying out illegal surveillance of his activities.

The police contend that Yatsenyuk has prevented law enforcers from taking actions which had nothing to do with his activities.

Opposition to continue with Stand up, Ukraine! Mass rallies

On 10 April 2013, the opposition Fatherland, UDAR and Freedom parties held a protest rally in Rivne within the Stand up, Ukraine! All-Ukrainian initiative. According to opposition estimates, about 20,000 people took part in the rally. For its part, police estimated the number of participants at about 4,000 people.

The next rally was held in Kharkiv on 12 April. According to mass media, the city administration tried to disrupt the rally: all routes leading to the square, where the rally was to be held, were blocked by public transport vehicles, some streets were blocked due to alleged road works.

The opposition estimated that over 10,000 people took part in the rally, while police mentioned 2,000 participants.

On 13 April, the opposition held a protest rally in Poltava, with estimated 8,000 participants, while police said there were 2,000 people at the rally.

The head of the Fatherland opposition parliamentary faction, **Arseniy Yatsenyuk**, said that Poltava authorities also tried to disrupt the rally.

HUMAN RIGHTS

European court urges Ukraine to adopt law on peaceful assembly

On 11 April 2013, the European Court of Human Rights (ECHR) issued a ruling which demanded that Ukraine pass legislation to regulate peaceful protests.

The influential Ukrainian business daily Kommersant Ukraina reported that under the constitution, the government has the right to set restrictions on peaceful protests, but a law to regulate such actions had yet to be adopted.

The ECHR verdict was handed down as part of a lawsuit filed by Ukrainian rights defender **Oleksiy Varentsov** against Ukraine.

In 2010, Varentsov was detained and sentenced to three days of administrative arrest for holding a protest. The ECHR decided that his rights had been violated.

ECONOMICS

IMF reports progress in talks with Ukraine

Head of the IMF Mission to Ukraine **Christopher Jarvis** announced on 10 April 2013 that the mission has made a progress in the negotiations with Ukraine on the new stand-by programme.

According to Jarvis, the IMF's key requirements to Ukraine include reduction of the fiscal deficit and current account deficit, as well as reforms in the banking and energy sectors.

On 9 April, Prime Minister **Mykola Azarov** announced that a Ukrainian delegation will visit the United States in the near future to sign a loan agreement with the IMF.

On 10 April, Energy Minister **Eduard Stavytskyy** said that during the latest negotiations round Ukraine and the IMF did not discuss the issue of raising natural gas prices for households.

On 12 April, IMF Resident Representative in Ukraine **Max Alier** said that the fund continues to insist that Ukraine needs to increase gas prices for households.

From 27 March to 10 April, the IMF mission was visiting Ukraine to continue the negotiations on the resumption of the stand-by programme.

Ukraine replacing its representative at IMF

Starting from 18 April 2013, Ukraine at the IMF will be represented by **Oleksandr Petryk**, who will replace **Yuriy Yakusha**.

As Forbes reported on 9 April, the respective decision was made by the Governor of the National Bank of Ukraine (NBU) **Ihor Sorkin**.

Currently Petryk heads the Economic Department of the NBU.

Government approves 2014 budget targets

The government registered in parliament a draft resolution on the main areas of fiscal policy for 2014 on 10 April 2013.

According to the document, the government plans to keep the 2014 budget deficit within 3 percent and expects public debt of no more than 31 percent of GDP.

Nominal GDP is set at 212bn dollars, GDP growth at 3 percent.

The 2013 budget projects the GDP growth of 3.4 percent, nominal GDP of 197bn dollars. The deficit is expected to reach 3.2 percent of GDP.

According to a consensus forecast published by the Economics Ministry on 10 April, the GDP growth rate for 2014 has a significant variance of 1.3-4.6 percent.

Ukraine sells 1.25bn dollars' worth of Eurobonds

Ukraine on 9 April 2013 placed ten-year Eurobonds worth 1.25bn dollars at 7.5 percent.

In an exclusive commentary for news and analysis website Lb.ua, chief economic expert of investment company Dragon Capital **Olena Belan** said that including the latest placement, the government since the year's start has raised 4.7bn dollars in foreign-currency debt. Thus, Ukraine has enough money to make all scheduled repayments of its foreign-currency liabilities until mid-June.

Ukraine to get 475m dollars from Japan under Kyoto Protocol

On 8 April 2013, Environment Minister **Oleh Proskuryakov** said that Ukraine will receive 475m dollars from the sales of emission quotas to Japan in the next two years under the Kyoto Protocol.

NBU increases outlays for hryvnya support

As news and analysis website LB.ua reported on 12 April 2013, the National Bank of Ukraine (NBU) in March spent 307.5m dollars on support of the hryvnya exchange rate.

Compared with February, the NBU's hryvnya support expenditures increased by more than 35 percent.

ENERGY MARKET

Cabinet hopes to sign contract with Chevron by June

On 8 April 2013, Energy Minister **Eduard Stavytskyy** said that the government plans to sign an agreement on shale gas production with Chevron before 1 June.

In May 2012, Chevron won the auction for the right to develop the Oleske field in Ukraine. To start the work, the company must obtain consent from the regional councils in Lviv and Ivano-Frankivsk regions, where the deposit is located. The regional councils refuse to give such permission. In particular, the local authorities fear that the production will affect the environment.

On 20 February 2013, Chevron's country manager **Peter Clarke** said that the company may drop plans for production of shale gas in Ukraine if they fail to reach understanding with the local authorities.

Naftohaz Ukrayiny ends 2012 with losses of over 1.28bn dollars

In 2012 state-run energy company Naftohaz Ukrayiny posted a net loss of 1.285bn dollars, while its net sales declined year-over-year by 10 percent to 12.18bn dollars, news agency Interfax Ukraine announced on 9 April, citing the company's financial report.

The government attributes the company's losses to the difference between the cost of imported gas and tariffs for heat-generating utilities.

Founded in July 2010, Gorshenin Weekly is a weekly digest of expert analysis covering the most important political, social and economic events in Ukraine. It is the key source of information about opinion polls carried out by the Gorshenin Institute as well as the best professional commentaries on recent developments.

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