



I C P S

International
Centre
for Policy
Studies

Office 10, 14 Instytutska St., Kyiv, Ukraine, 01021
Tel.: +38 (044) 253-44-82 | Fax: +38 (044) 253-44-82
www.icps.com.ua | office@icps.kiev.ua

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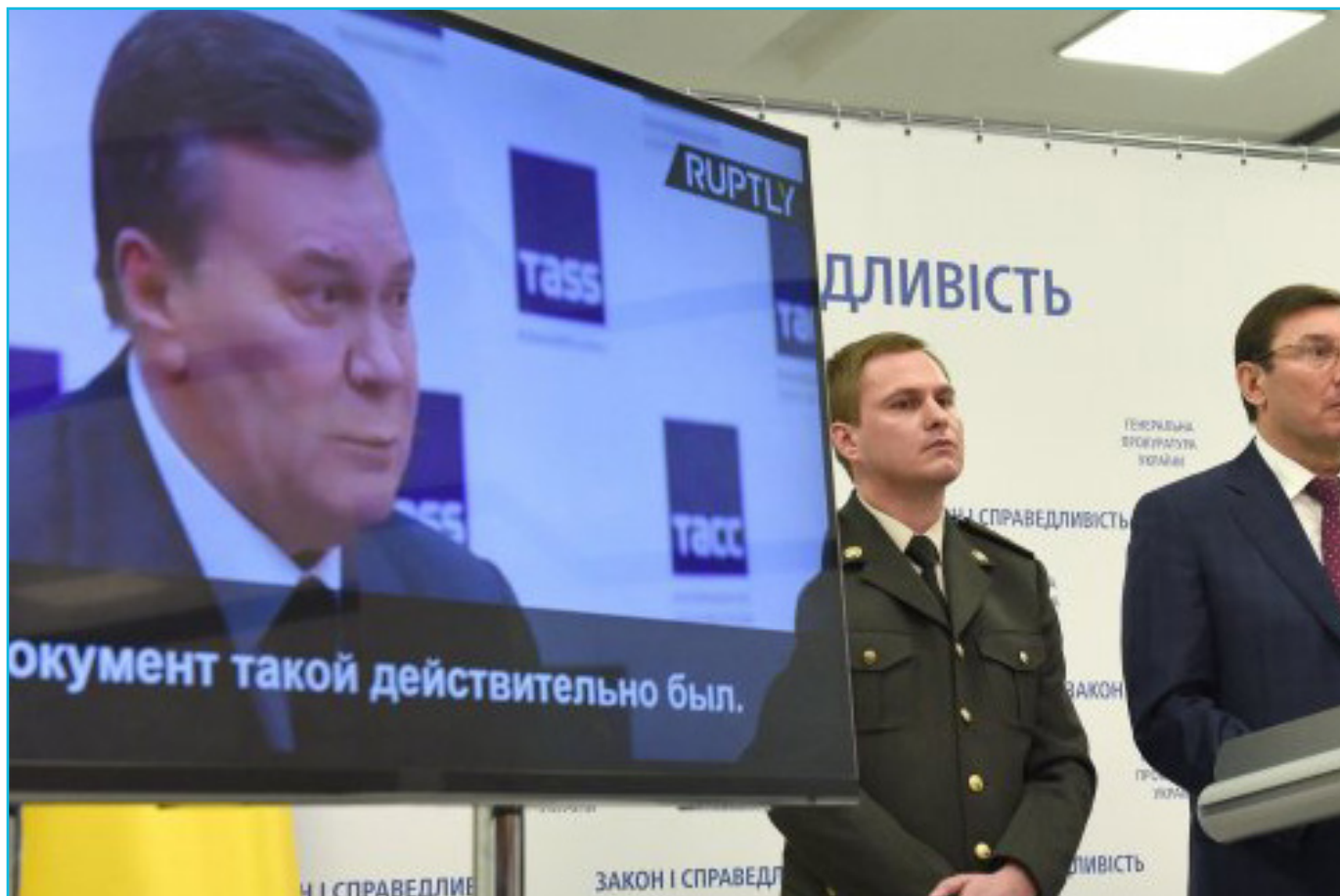
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The results of the Year of General Prosecutor Yuriy Lutsenko

The analysis of the year of work of the General Prosecutor Yuriy Lutsenko showed that his activity is more focused on creating beautiful images in the media, than on achieving real results. Most of the promises of Yuriy Lutsenko were populist, and some were only partially implemented. Almost all high-profile criminal cases initiated by the General Prosecutor are stopped at the investigation stage, either through procedural violations by the prosecution and the weakness of the evidence base collected by them falls apart in court. Yuriy Lutsenko uses GPO as an instrument of political competition and pressure, and also as a PR platform for a future political career. During the year of his work as General Prosecutor Yuriy Lutsenko was not able to reform a body towards European standards, which for 20 years acted as a tool of promoting political interests.

On May 12, 2016 Yuriy Lutsenko was appointed the General Prosecutor. For the first time in the modern history of Ukraine, a politician was appointed to the position of the Prosecutor General, and what is important, without law education and the necessary experience in the field of law.

On the new post Yuriy Lutsenko in the first place, promised to reform and clear the Prosecutor's Office, to punish members of the previous government, responsible for the killings on the Maidan, to return stolen Yanukovych's team funds. Lutsenko also emphasized the political impartiality of his work and promised that politics will in not affect the investigation of resonant cases.

Yuriy Lutsenko talked a lot about the intensification of the lustration processes within the Prosecutor's Office. The purification began with the verification of probity of prosecutors – collected using a special questionnaire of information on occupations and lifestyle of the employees



of the Prosecutor's Office and possible corruption risks. Such information has become the basis for performance verification and public scrutiny. But the use of questionnaires caused great doubts as to the effectiveness of this mechanism, because the prosecutors just confirmed or denied a number of allegations and did not provide any specifics. As a result, almost zero results were obtained. Instead of layoffs, the Prosecutor's Office issues warnings and reprimands to prosecutors. Among 12,5 thousand prosecutors only three were brought to disciplinary proceedings.

Among 12,5 thousand prosecutors only three were brought to disciplinary proceedings

The GPO repeatedly took the competences of the NABU and SAPO that created excessive competition between old and new anticorruption institutions, and contributed to the collapse of cases in court. A vivid example of relations with the GPO and the newly established anticorruption institutions was the scandal in August 2016, when the Prosecutor's Office detained two detectives of NABU. The statistics is vivid and according to it, by 3.5 times fewer people were detained for this crime than in 2013 during the presidency of Viktor Yanukovich.

In 2016 by 3.5 times fewer people were detained for this crime than in 2013 during the presidency of Viktor Yanukovich

The following cleaning mechanism was the creation of the General Inspectorate of the GPO. But the launch of this body was accompanied by a scandal. Lutsenko decided to as-

sign odious Petro Shkutiak as a person responsible for the inspection, he was not only subject to lustration, and even was involved in corruption fraud. After the resignation, according to the results of competitive selection, Volodymyr Uvarov was chosen for his position. During four month under Uvarov's leadership the office submitted criminal proceedings to the court in respect of nine prosecutors.

The purification of the Prosecutor's Office on grounds of quality did not happen

Thus, purification of the Prosecutor's Office on grounds of quality did not happen. Competitions to the regional Prosecutor's Offices and the GPO were not held. Competitive selection was carried out only in the local offices, but the results can hardly be considered satisfactory. Almost all of the heads and deputy heads of local prosecution offices are from the old system, and the ordinary structure has not been restarted. Public confidence in the prosecution is declining, the official salary, despite promises, remained at an uncompetitive level, and mismanagement leads to degradation of personnel of the GPO.

The GPO did not carry out renewal of staff on a competitive basis

Yuriy Lutsenko did not offer any plan for the reform of the Prosecutor's Office and turning it into a judicial body. The adjustment to the new requirements of the Constitution, the law on prosecution and procedure codes were also left without attention of the General Prosecutor. On the contrary, through lobbying bill No. 5177, Yuriy Lutsenko did not seek to narrow the powers of the prosecution, as required by the basic law, but rather to expand them. This issue, in particular, attracted attention of experts of the Council of Europe, which provided an appropriate conclusion. In general, we can talk about the folding of the prosecution that is a confirmation of the unwillingness of the authorities to lose control over such an important instrument of political pressure.

Yurii Lutsenko did not offer any plan for the reform of the Prosecutor's Office

The start of functioning of the prosecutorial self-government, the Council of Prosecutors and Disciplinary Commission (CDC) of prosecutors, which should form the personnel policy department also did not happen without scandals. The fact that the Ukrainian conference of prosecutors in the last year, until the appointment of Yuriy Lutsenko, elected their representatives to these bodies. Legal grounds for exemption of the elected members did not exist, but that did not stop the current management of the Prosecutor's Office breaking the law and carrying out a new Ukrainian conference of prosecutors and electing other members to the prosecution bodies.

GPO without a legitimate reason replaced members of the prosecutorial authorities elected before the appointment of Yuriy Lutsenko

On May 4, 2017 in the Obolon district court of Kyiv a preparatory hearing in relation to the long-awaited prosecution of Viktor Yanukovich for treason was held. The General Prosecutor considers the mere fact that there was the commencement of legal process to be a big victory for himself and the result did not particularly worry him. Lutsenko does not want to see that the procedure of conviction giving a lot of loopholes for lawyers of the fugitive president, and any deviation from the accepted European understanding of the process of conviction will give the opportunity to successfully appeal the decision to the ECHR.

If we consider the merits of the case, the basic allegations of Yanukovich are based actually on a single action – the so-called appeal of Yanukovich to Russian President Vladimir Putin with a request for sending troops to restore order in Ukraine. But there are serious doubts that the prosecution will be able to comply with the requirements of part 1 of Article 23, part 3 of Article 99 of the Criminal Procedural Code and will provide the court with the original letter, and the examination will state the authenticity of the signature. In the absence of the original, the defense may argue that the letter did not exist at all or to claim that the text of the letter was distorted. That is, without the original document the case is in a procedural impasse.

Without the original letter of Viktor Yanukovich to Vladimir Putin the case is in a procedural impasse

The decision of Interpol on the termination of the international investigation of the former president and his team was also unexpected and very unpleasant decision for Yuriy Lutsenko on the eve of consideration of the case of Viktor Yanukovich by the Ukrainian court. The fact is that Article 3 of the Charter of the Interpol says that he can't be involved in political, religious and racial disputes. And the documents filed by the Ukrainian side stated that Viktor Yanukovich became President of Ukraine, headed an organized criminal group, consisting of the Prime Minister, Ministers and so on. Criminal procedural legislation of Ukraine in this context is also imperfect, because Viktor Yanukovich, despite the open proceeding is not a person to whom the measure of restraint "detention" was applied. And according to the rules of Interpol, the person in respect of whom no measure of restraint in a form of detention was chosen cannot be declared in the international search.

Yuriy Lutsenko considers the case of Yanukovich as a springboard for a future political campaign

Also, the office of Yuriy Lutsenko held a number of searches, which was accompanied by a bright covering in the media. For example, the GPO searched the two mayors of the cities of Bucha and Irpin, Kyiv oblast – Anatolii Fedoruk and Volodymyr Karpluk, who were accused of illegal allotment of land plots to people close to them. We speak about 890 acres of priceless forests near Kyiv. However, no arrests took place, and mayors calmly continue to work at their jobs.

The activities of Yuriy Lutsenko is more focused on creating beautiful images for the media than to achieve actual legal result

The Prosecutor General's Office raided the estates of the former head of the presidential administration of Yanukovich Andrii Kluiuiev and former Deputy Secretary of the NSDC Volodymyr Sivkovych, suspected of involvement in the

events on the Maidan, but they did not bring any result.

The GPO sent to the Verkhovna Rada a request on deprivation of Oleksandr Onyshchenko of the parliamentary immunity, he is suspected of embezzlement of public funds in especially large scale. The MP was deprived of immunity, but at that time Onyshchenko was far away from Ukraine.

Lutsenko personally, not once, tried to convince MPs to withdraw the immunity of the oligarch and representative of the "Opposition bloc" Vadym Novynskyi, who was a suspect in the kidnapping. The deputies supported the idea of Lutsenko, but that was it.

One of the key issues of GPO against the previous government is a proceeding against the former head of the fraction of Party of Regions Oleksandr Yefremov, who is suspected of high treason, organizing and carrying support for the "LPR". But one of the main witnesses in this case – Volodymyr Medianyuk was released. The case against Yefremov is now being considered in a court of Starobilsk in Luhansk region. It is not excluded that Yefremov may escape punishment, because as practice shows, the GPO constantly makes procedural violations.

GPO constantly makes procedural violations in big cases

Also, the GPO has still not finished investigation into the circumstances of illegal actions of officials within the Ministry of Defence of Ukraine and General Staff of the Armed Forces of Ukraine, which could lead to a decrease in the

level of national defense. Also a criminal investigation into the events in Ilovaisk has not been completed.

If we speak in the language of statistics, Lutsenko gave 43 promises (the data of the portal "Word and business") at the office of the General Prosecutor, of which only 5 were kept.

Yurii Lutsenko gave 43 promises at the post of the General Prosecutor, and only 5 of them were kept

Thus, the Prosecutor's Office in Ukraine has always been a political authority and a tool of repressive actions. During the work of Yuriy Lutsenko politicization of the Prosecutor's office reached its peak, because he has his own political ambitions and considers the current position as a kind of career springboard towards the presidency. In the matter of personnel policy the Prosecutor decided not to go into conflict with the system, although several times he has rudely violated the guarantees of independence of the prosecutors. In the matter of implementation of the changes to the Constitution in the direction of the transformation on the GPU in a system of justice, Yuriy Lutsenko has not offered any plan to reform the institution, but rather lobbied for the extension of the powers of prosecutors by limiting maneuvers for NABU and SAPO. The most high-profile cases under the auspices of Yuriy Lutsenko collapsed in the courts, or are being slowed down in the absence of evidence against the suspects.

Yuriy Lutsenko uses the GPO as an instrument of political pressure, and also as a PR platform

Economic Analysis



Land reform in Ukraine: Problems and Prospects

Land reform in Ukraine has already been lasting for 26 years. However, despite a number of completed measures (a huge area transferred to private ownership, unshared), the reform is far from being complete: the market of agricultural land does not exist, a significant portion of the rental market is "in the shadows", and several categories of land do not have a clear legal status, or they are used in opaque ways.

Over the past 16 years in Ukraine there is a moratorium on turnover of agricultural lands. In particular, on October 6, 2016 the Verkhovna Rada for the eighth time extended it (until 2018) despite significant international pressure on the legislative consolidation of the possibility of treatment of agricultural land. The International Monetary Fund expects the adoption by the Verkhovna Rada of the bill relative to the start of the land market, as well as the lifting of the moratorium on sale of agricultural land until the end of 2017.

Imperfect land policy, in particular the existence of the moratorium, worsens the investment climate, can create obstacles for the functioning of markets, creating new businesses and jobs, as well as for the functioning of local government. From the position of land management and urban planning moratorium is detrimental to the effective and rational use of land resources of Ukraine, and from the political position the moratorium has become a cover for the populists in the election campaigning and party propaganda.

At the same time, according to the World Bank researches, the best land and agricultural policies can enhance agricultural productivity by 30% and add about 12.5% of GDP over the next 10 years.

Ukraine is one of the largest exporters of agricultural products in the world, the quality of land administration in the country affects the state of global food security. However, an inefficient land administration stands in the way of the realization of competitive advantages of Ukraine and reduces its attractiveness for for-

eign investment in agriculture and other sectors of the economy.

The total land area of Ukraine is 60.4 million hectares. Agricultural lands occupy 41.5 million hectares, including: arable land – 32.5 million hectares, perennial plantings – 0.9, hayfields 2.4, pastures – 5.4, deposits – 0.2 million ha.

The area of agricultural lands amounts to 42.7 million hectares or 71% of the entire territory

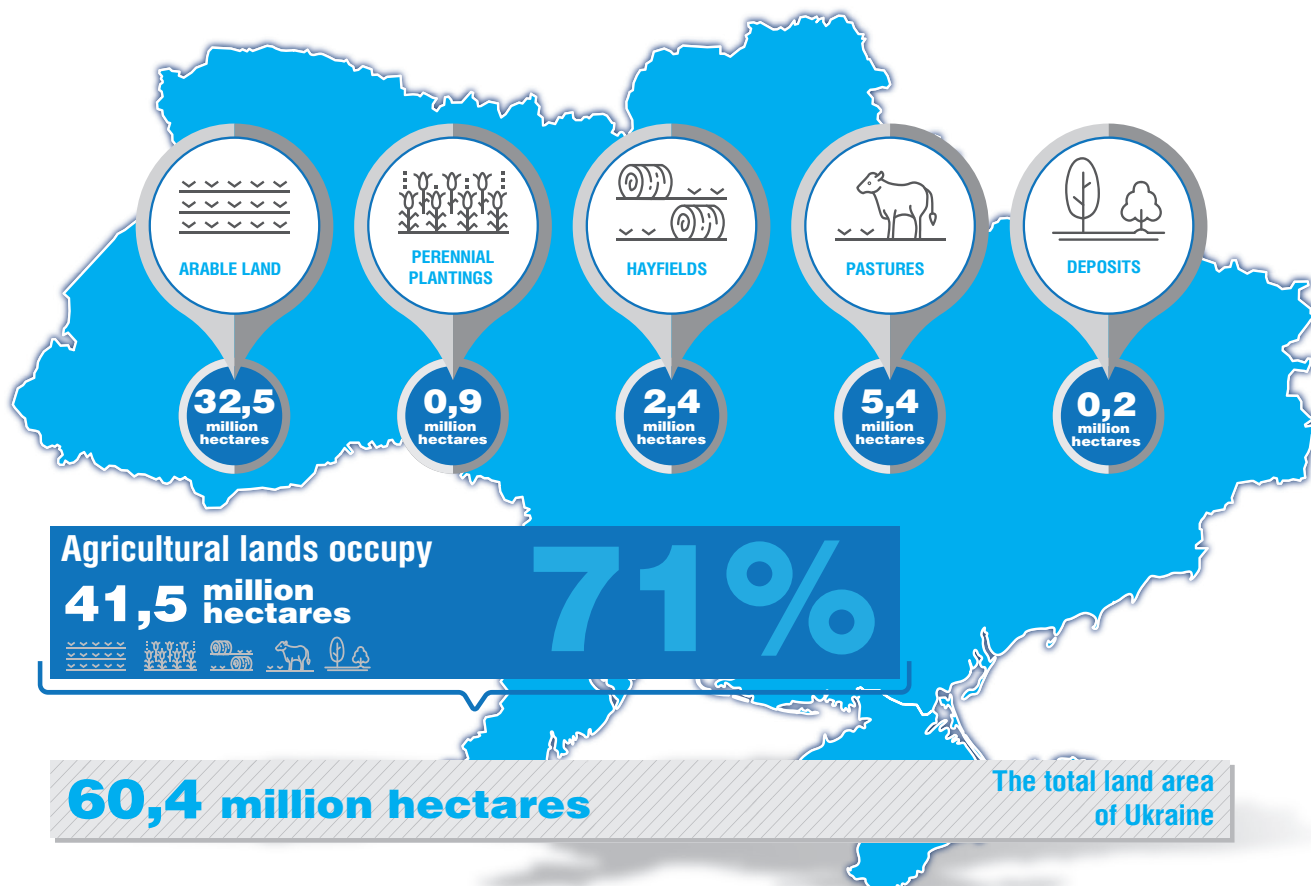
More than 10 million hectares of these lands are owned by the state, which is about 25% of the total agricultural land in Ukraine. Ukraine has about 23 million of private landowners and land users (about 90% of them are individuals), and about 4.9 million users of public lands. Nearly 21.5 million hectares of agricultural land is treated approximately by 45,000 commercial producers (36,000 of whom treated plots with an area less than 200 ha).

Today the people who own shares are actually in the feudal position – they have assets that cannot be disposed of in full. Therefore, currently in Ukraine there is the situation when the farmer essentially has four options to dispose his land. First: give for use for a very reasonable cost the land, which he himself does not use, lease it to the company or the farmer. The second method is to pass the share as inheritance mostly to children and grandchildren, who have little interest in processing this land. There is also the opportunity to exchange his share to another land, or to sell his share informally.

The moratorium prohibits the legal sale of land, as well as to change of purpose of land, the introduction of rights to a share in the authorized capital of economic communities and the transfer unit as collateral.

Moratorium influences not the wealthiest segments of the population: 68% of the land (or 27.7 million hectares) are owned by farm-

THE LAND AREA OF UKRAINE



ers-stockholders. At the same time, 1.6 million of unit-holders of pension age who are unable to cultivate the land, live in poverty because of the impossibility to lease with profit, to sell or mortgage your own share.

Against this background, the shadow land market has been existing for 15 years. There is a minimum of 5 “gray” schemes that allow you to sell the land to bypass the moratorium:

1. Change of its purpose, and the sale of land after the transfer as a reward for the benefit of the state or local communities
2. Sale of corporate rights of enterprises, which previously, concluded leases of 49 years
3. Sale of land after changes in purpose of public or communal land for “assistance” of corrupted officials.
4. The creation of “bogus” debt, for which the court takes away the land
5. The transfer of a share in the annuity contract.

At the same time, the market sale of land (for lands that are not subject to the moratorium on sale of agricultural land) is extremely small, mainly due to the lack of financial instruments and the complexity of the use of land as collateral.

The number of land tax payers (around 7.3 million) is significantly less than the number of private landowners and land users.

Rent for agricultural land is one of the lowest in Europe and the CIS countries (about 37 USD in 2015) .

Guarantee of the rights of peasants – owners of land shares requires the abolition of the moratorium on alienation of agricultural land. Opponents of abolition of the moratorium insist that in the case of the introduction of free turnover of agricultural land, the shares will be bought up by foreigners and/or large agricultural producers. However, it is the major agricultural producers at the moment that are among the opponents of abolition of the moratorium because the financial costs they to keep the land banks

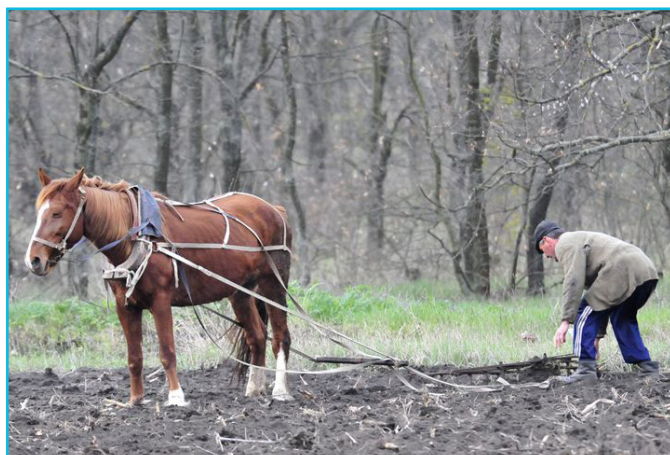
formed by them are now relatively low. In the case of the introduction of free circulation they expect a significant administrative and financial costs of preservation and maintenance of their Bank of Land.

Thanks to the moratorium, agricultural companies were able to accumulate large land banks. Although economic activity in agriculture is held by more than 50,000 companies, the market is monopolized – 100 largest companies lease 6.5 million hectares of arable land (20% of total land bank). Thus, the ten largest companies lease from 125 to 654 thousand hectares. In fact, the existence of the moratorium contributes to the development of agricultural holdings, because only they have access to financial resources. Farmers cannot take the credit on the security of land, and this hinders the development of their own business.

Completion of land reform does not finish with the formal abolition of the moratorium on land turnover, and should include the introduction of a much wider institutional, legislative and administrative procedures and measures which will allow to create effectively functioning land market in Ukraine.

An extremely relevant question on the agenda – how to open the land market and who can buy land? Prime Minister Volodymyr Groysman said that the draft law on land market will allow its sale only to individuals with Ukrainian citizenship. Thus, foreign nationals and companies are not allowed to market the land. However, it is necessary to consider the risk of buying shares from their owners at a low price and the subsequent resale in the secondary market, including a foreign company through surrogates. It is therefore essential to ensure transparent and clear processes that accompany the sale of land, in particular the conditions of use of the land after the sale.

In general, the abolition of the moratorium on the sale of land is one of the key issues to promote reforms. This is a fairly positive signal for the banking sector and the international community. From the point of view of the banking sector, the abolition of the moratorium on land sales should attract credit resources, because land can be used as collateral. Villagers and farmers can use land as an asset, sell it, and the



proceeds will go in their budget to development areas.

The next step towards the implementation of the land reform after the lifting of the moratorium on sales will be the creation of the Land Bank and the Agrarian exchange. This way the next problem – establishing a fair price of land and products, grown on it will be solved.

Active use of the mechanism of futures will streamline the market, guarantee a fixed supply and demand, hedge risks from price fluctuations, which is especially important in the Ukrainian context. In addition, this will also solve an important social task – it will provide the village middle class with the possibility to be formed.

The creation of a land market also includes: improvement of the mechanism of cadaster record, the simplification of the mechanism for land sales, improvement of the procedure of registration of contractual sales prices and rental of land in the state register of real rights on real estate, developing methodologies for mass valuation of land based on market prices of simplification and reduction of the cost of state registration of land plots and state registration of real rights to immovable property.

Also it is necessary to provide a significant increase in land tax for agricultural land. Today, the land tax is a nominal amount and does not encourage the rational use of land. Besides, an adequate amount of land tax will not allow one to speculate on the land, and will make it unprofitable to leave it without treatment.

In the context of land reform, it is important to pay attention to the efficiency of land use, which is in the municipal, state ownership, and in an uncertain legal form.

In particular we are talking about using more than 700 thousand hectares granted to the state authorities and local self-government, public organizations, institutions of education and culture, trade unions, housing organization.

In addition, 550 thousand hectares were granted to industrial enterprises, 640 thousand hectares the enterprises of transport, more than 400 thousand hectares – to military units, educational institutions of the Ministry of Defence of 500 thousand hectares of organizations, enterprises, institutions, health, recreational and historical-cultural purpose, 250 thousand hectares – to the water companies, 88 thousand hectares – to joint ventures, international associations and organizations businesses and individuals.

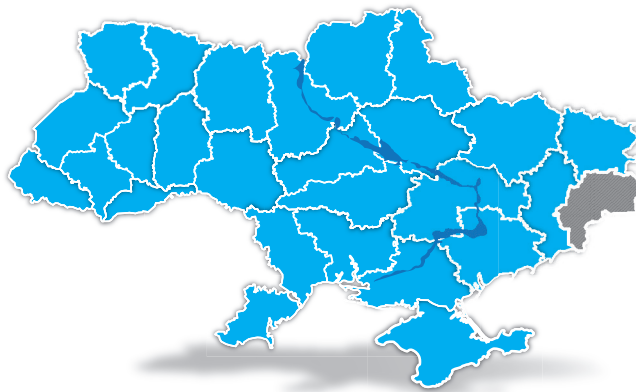
However, in Ukraine there are 800 thousand hectares of land, which has still not been assigned for ownership or permanent use within the boundaries of settlements, and the so-called no man's field roads between the shares, shelterbelts, filbert and the like.

However, it should be remembered that during the implementation of the previous stages of the land reform 6.9 million citizens of Ukraine acquired the right on a land part (share), of which 6.8 million were awarded certificates. This implies that about 100 thousand shares (about 400 thousands of hectares) remained unclaimed, and therefore their fate is unknown. It is obvious that such land is used without the relevant title documents, and that is without payment of taxes or rents.

Up to 1 million owners of land shares died, the inheritance was never reissued. Thus, about 1.5 million hectares of agricultural land do not actually have owners, but are used annually, bringing billions of dollars in losses to local budgets.

Improving the efficiency of management of lands of state ownership should become an important element of land reform

THE LARGEST LANDOWNERS IN 2016



THOUSANDS
HECTARES

Associated persons or companies

654		Oleh Bakhmatiuk	UkrLandFarming
430		George Rohr American Pension Fund	NCH
385		Andriy Verevskyi	Kernel
370		Yuriy Kosiuk	MHP
250		Viktor Ivanchyk, Valeriy Korotkov	Astarta-Kyiv
220		Mykhailo Prokhorov	Ukrainian Agrarian Investments
185		Ivan Guta	MRIYA Agro Holding
151		Yuriy Zhuravliov	Agroton
137		Oeksandr Petrov	IMC
127		The owners are unknown	Agrain
122		Petro Poroshenko	Ukrprominvest-AGRO
120		SigmaBleyzer, Charles Begbeder	Agrogeneration
107		Serhiy Taruta	Ukragroprom
100		Ihor Kolomoiskyi	Privat AgroHolding
100		Dmytro Kolesnyk, Cyprus offshores	AST
97		Rinat Akhmetov, Vadim Novinskyi	Harveast
88		Serhiy Tigipko	TAS Agro
82,6		Mykola Tolmachov	Sintal Agriculture
82,5		Andriy Vadaturskyi	Nibulon
80		Buriak brothers	Svarog West Group

In order to use public land as a catalyst for the reform of the land market and not as a source of corruption and inefficiency, it is necessary to develop, implement, and monitor the effect of new regulatory and transparent procedures for clear delineation of state land and transfer them from state ownership. Such transfer can occur through auctions to private ownership or transfer to communal property on the basis of clear criteria.

Also it is important to establish the legal framework to identify unclaimed property (*unclaimed inheritance, property, closed enterprises*) and its transfer to the municipal property, including interim procedures for registration of such land in the inventory, as well as the procedures and the legal framework regarding the definition of the status of collective land ownership (*privatization of unclaimed shares – unclaimed shares, field roads, shelterbelts, farm yards*).

THE HISTORY OF LAND REFORM

Organizational transformation in the land sector started in late 1990 with the adoption by the Verkhovna Rada of the Ukrainian SSR of the Resolution "On land reform", which starting from 15.03.1991 declared all the land of Ukraine to be the object of land reform. The aim of the reform was land redistribution, with simultaneous transfer of their private and collective property, as well as in the use of enterprises, institutions and organizations.

Also in 1990, the Verkhovna Rada of Ukraine adopted the Land Code, which defined the legal regime of transfer of land in lifetime inheritable possession to citizens and permanent ownership of agricultural enterprises, institutions and organizations.

The law of Ukraine "On forms of land ownership" (1992) determined three equal forms of ownership: state, collective and private.

In 1996 the Constitution of Ukraine secured private, state and communal forms of land ownership. Since 1992, after the adoption of the Law of Ukraine "On farming" citizens of Ukraine received the right to create a farm.

The law of Ukraine "On collective agricultural enterprise" (1992) stipulated legal, economic and social conditions for activities of collective agricultural enterprise (CAE) – the reformed collective farm.

In late 1992, the Cabinet of Ministers adopted the Decree "On privatization of land plots", which gave a start to the free transfer to private ownership the land plots for conducting private subsidiary farming (PSF), construction and maintenance of residential homes and commercial buildings, gardening, country and garage construction.

In addition, in Ukraine, in 1995 a monetary assessment of land plots took place. It was conducted out separately for arable land, land under permanent crops, natural hayfields and pastures on the rental income (which depends on quality, location and economic land evaluation) according to the methodology approved by the Resolution of Cabinet of Ministers dated 23.03.1995.

After the publication on 23.04.1997 of the Presidential Decree "On land lease" and on 06.10.1998 city of the relevant Law the formation of new economic structures of the market type without compromising the integrity of the land complexes for lease of land, as well as shares (stakes) became possible.

Despite the existence of normative-legal support of the initial stage of land reform, land privatization process was slow. Reforming of the land relations intensified only after the Decree of the President of Ukraine "On urgent measures on acceleration of reforming of agrarian sector of economy" dated 03.12.1999, which provided the reform of the CAE on the basis of private ownership of land and property.

As the result of the implementation of these reform measures over 2/3 of agricultural lands were transferred to private ownership of citizens and legal entities, more than 6.9 million citizens received certificates for the right for a land share, 94,2% of which replaced certificates for state acts on ownership right to land.

In 2001 a new Land Code of Ukraine was adopted, according to which there was the possibility of creating a legal and institutional environment for the realization of citizens' rights of

land ownership and the introduction of agricultural lands into economic circulation.

However, the new Land Code largely remained as a temporary regulatory act, which set rules aimed at solving current problems of land reform, and not to regulate land relations in market environment. Currently, the implementation of the provisions of the Land Code regarding the introduction of market of agricultural land can be implemented with the adoption of fundamental legal acts, primarily of the Law of

Ukraine "On the market turnover of agricultural lands" and others, should undergo a thorough public discussion.

Yet, under current legislation, Ukrainian citizens are free to make land transactions with land plots that they received in private property for the conduct of OSG PSF garden plots for gardening, cottages and garage construction. There is a moratorium on the alienation of agricultural land.

Political Competition



Elections to United Territorial Communities: Results, Trends and Prospects of the Parliamentary Political Parties

The first phase of local elections to UTCs was won by the party of power "BPP-Solidarity", which with the help of technological projects "Nash krai" (eng. Our Land), "Agrarian party" and non-affiliated candidates will form its majority in a significant number of territorial communities. With high probability, the government will use this winning scheme in the next parliamentary elections.

Second place went to the party "Batkivshchyna", which was able to take a clear niche of opposition against Petro Poroshenko. "Batkivshchyna" received high scores due to the operation at the local level, pension and land reforms. However, against the background of the campaign of the Radical party of Liashko and the Opposition bloc, technological projects of power – "Nash krai" and "Agrarian party" significantly strengthened their positions,

and maintaining the existing electoral dynamics they have a good chance to get into the new parliament.

The presidential administration went to the elections in several columns, which allowed the authorities to obtain very good results. In particular, in the East and South of Ukraine the project "Nash krai" showed very good results, which allowed to get ahead of the "Opposition bloc", which is in the midst of the organizational, ideological and financial crisis.

«Nash krai» in the electoral race was ahead of the «Opposition bloc»

In turn, new technological power project "Agrarian party" was able to impose electoral fight to the "Batkivshchyna" and the Radical Party of Oleh Liashko, whose voters are concentrated in villages and small towns. "Agrarian party" also criticized land and pension reforms, which allowed it to compete for voters in the opposition. The presence of significant financial resources and strong human asset on

the ground, allowed the "Agrarian party" to get the high fourth result.

Also, the presidential administration can record the considerable part of deputies-independent candidates who, after winning the election will come in the ruling party, or will support "BPP-Solidarity". According to the data of CEC, totally 269 of independents won in the elections.

The majority of independent deputies will support «BPP-Solidarity»

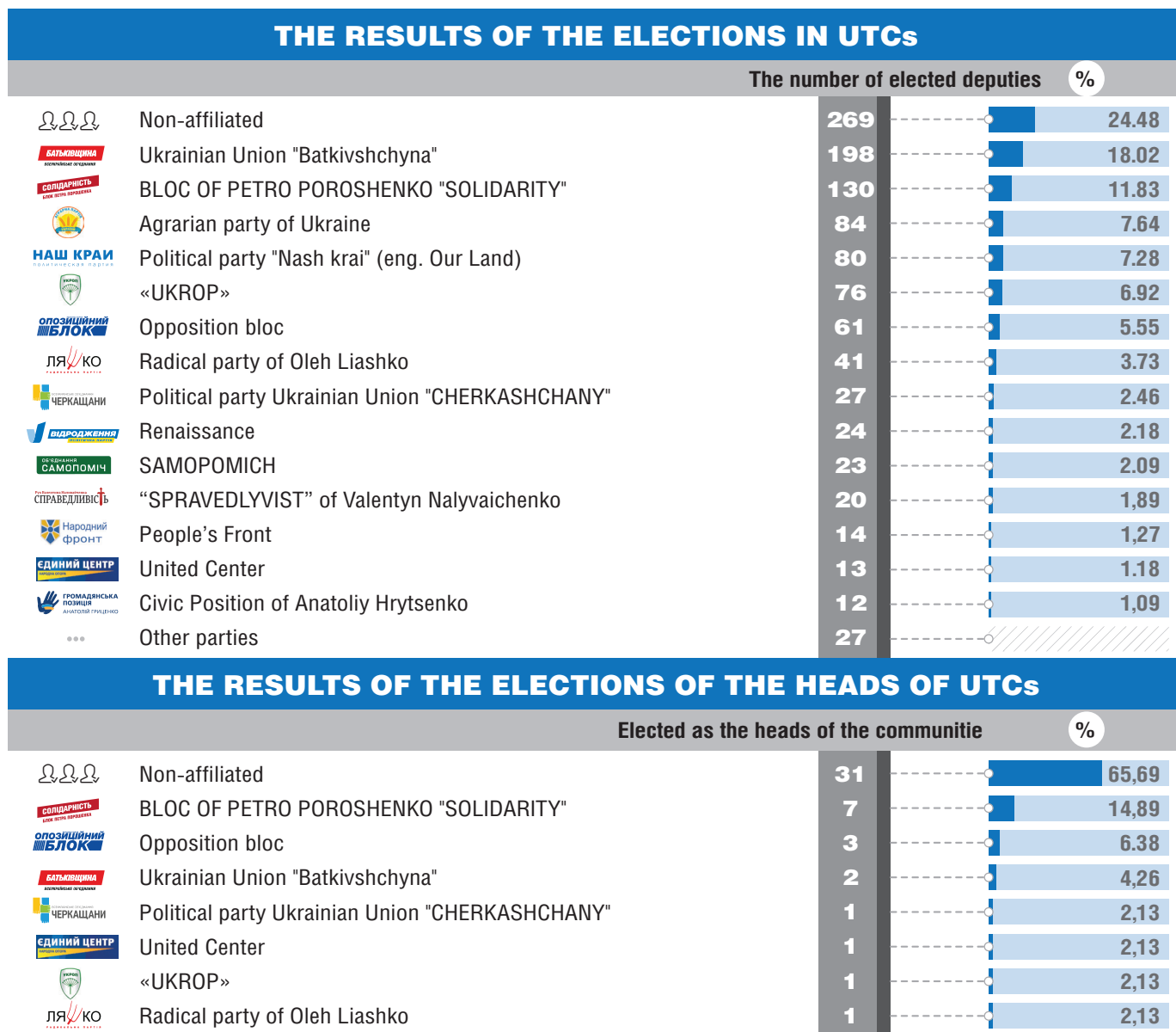
Thus, the results of local elections in the UTCs a landslide victory was obtained by the ruling party "BPP Solidarity", which with the help of

independents and party-affiliated projects received about 60% of the seats in local councils.

Second place was awarded to the party "Batkivshchyna", which at the local level had a successful campaign based on critics of land and pension reforms. It is also worth noting that the party "Batkivshchyna" has one of the strongest party and organizational structures in Ukraine, which for the past 15 years regularly took part in election campaigns. The analysis of the results of local elections shows that the best results belong to the party of Yulia Tymoshenko in the central and southern regions of Ukraine.

In these areas small and middle-sized farms are particularly developed, they very painfully re-

Results of Local Elections in 47 UTCs Dated April 30, 2017 (the official data of the CEC)



act to the sale of land that is actively used by the party "Batkivshchyna" in the process of political competition.

The party «Batkivshchyna» will be represented by a total of 198 deputies, 27.5% of the total number of nominated candidates by political parties

The low results of the elections in the communities were also demonstrated by the Radical Party of Liashko, whose main competitors were "Batkivshchyna" and "Agrarian party".

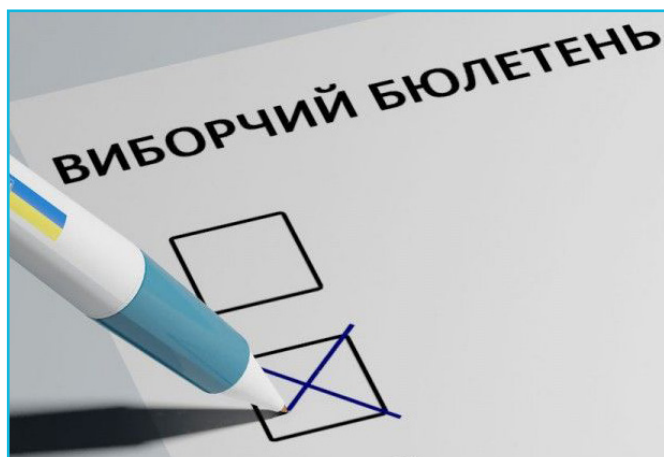
Also the parliamentary party "Samopomich" and "People's Front" also took part in the electoral process and they showed very weak results. This is due to the overall drop in ratings of the parties of Yatsenyuk and Sadovyi, as well as very weak institutional and party structures. It is interesting to note that "People's Front" decided to keep distance from "BPP", and in some regions still prepared their candidates who won the election.

The party "UKROP" demonstrated very good performance in its base region Volyn and Western Ukraine in general. The relative success of the party "UKROP" was due to the failure of another nationalist party "Svoboda", which failed to gain a foothold in Central Ukraine.

Another player on the right wing – "National Corps" of Biletskyi did not participate in local elections. The new party of Valentyn Nalyvaichenko "Sparevedlyvist" (eng. Justice) appeared, and it received 20 seats in the community. The party of Nalyvaichenko was trying to push the maximum number of its candidates for all districts, thereby demonstrating its desire to participate in the next parliamentary elections.

"UKROP» became a leader among nationalist parties

One of the main trends of local elections is the participation in the election campaign of regional political projects, such as "Cherkashchany" or "United center", focused on the regional elite, with large resources and strong influence in the certain communities. Elections were held



in conditions of mobilization of the administrative resource by the party authorities, who tried at the expense of independents to maximize their representation in the local councils. Local elections in the UTCs demonstrated the fact that political parties have actively fought for financial sponsors who are already eyeing the potential of successful projects that can be funded in the next parliamentary elections.

In some communities, decentralization led to the formation of a separate «feudal» communities

Thus, without exception, all political parties consider local elections to UTCs as a rehearsal before the parliamentary elections. The administration of the President can count on the continued electoral success through independent candidates, the project "Nash kraj", which competes with the Opposition bloc and the "Agrarian party", which is seen in Bankova Str. as the main electoral opponent of Radical Party and the "Batkivshchyna." For Yulia Tymoshenko, this election showed that her party is perceived as one of the few opposition alternatives regarding the structure of government of Petro Poroshenko.

The ideological and organizational weakness of the Opposition bloc, voter fatigue from radicals and nationalists opens for "Batkivshchyna" a good electoral prospects.

The first results of elections in UTCs also showed the increased influence among nationalist voters of the party "UKROP" which gradually absorbs the people's and organizational network of "Svoboda" and other right-wing parties.

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

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Responsible for the project: Anatoliy Oktysiuk

Responsible for the chapters:

Public Policies – Ihor Petrenko

Economic Analysis – Vasyl Povoroznyk

Political Competition – Anatoliy Oktysiuk

Team of ICPS experts:

Vasyl Filipchuk, Anatoliy Oktysiuk, Yevgeniy Yaroshenko, Vasyl Povoroznyk, Anhela Bochi, Iryna Ivashko, Vadym Perebyinis, Yulia Gomeniuk, Iryna Stepanova, Veronika Shygirt



International Centre for Policy Studies

Telephone: +38 (044) 253-44-82

Fax: +38 (044) 253-44-82

E-mail: office@icps.kiev.ua

www.icps.com.ua



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