



NATO PARLIAMENTARY ASSEMBLY

COMMITTEE ON THE CIVIL DIMENSION OF SECURITY (CDS)

Sub-Committee on
Democratic Governance (CDSDG)

UKRAINE: FIVE YEARS AFTER THE REVOLUTION OF DIGNITY

Draft Report

by **Jane CORDY** (Canada)
Rapporteur

133 CDSDG 19 E | Original: English | 9 September 2019

Until this document has been adopted by the Committee on the Civil Dimension of Security, it only represents the views of the Rapporteur.

TABLE OF CONTENTS

I.	INTRODUCTION.....	2
II.	THE SECURITY SITUATION IN UKRAINE	3
	A. ONGOING AGGRESSION IN DONBAS	3
	B. RUSSIAN AGGRESSION IN THE KERCH STRAIT	5
	C. THE SITUATION IN OCCUPIED CRIMEA	6
III.	UKRAINIAN REFORMS: ACHIEVEMENTS AND CHALLENGES	7
	A. OVERVIEW OF THE POLITICAL LANDSCAPE IN UKRAINE.....	7
	B. DEFENCE AND SECURITY SECTOR REFORM.....	9
	C. RULE OF LAW	11
	D. ECONOMIC REFORMS	12
	E. CIVIL SOCIETY, MEDIA, EDUCATION, AND RELIGION.....	15
IV.	CONCLUSIONS: SUPPORTING UKRAINE’S EURO-ATLANTIC INTEGRATION	17
	SELECT BIBLIOGRAPHY	19

I. INTRODUCTION¹

1. When, in November 2013, then President of Ukraine Viktor Yanukovich refused to sign the long-awaited Association Agreement with the European Union, he set off a chain of events that had profound ramifications not only for Ukraine, but also for regional and international security. The fierce pro-European revolution – dubbed “Euro-Maidan” or “Revolution of Dignity”² – and the subsequent Russian aggression against Ukraine have divided the Euro-Atlantic security landscape into pre- and post-2014 eras.

2. The Euro-Maidan was, in many ways, different from the “Orange Revolution” in 2004, the first attempt by the Ukrainians to break out of the post-Soviet grey zone. Under “Orange” leaders, Ukraine remained a deeply divided country whose European aspirations were clearly reversible. By 2010, the “Orange” period was over as the country elected Viktor Yanukovich president, who oversaw a corrupt and increasingly authoritarian regime. Conversely, the second pro-European revolution of 2013-2014 was marked by a far greater determination of Ukrainian citizens to fundamentally transform their country. The violent response by the Yanukovich regime and the unabashed military invasion of eastern Ukraine by Russia have only consolidated the Ukrainian nation in its determination. For the bulk of the Ukrainian society, including in the regions previously considered “pro-Russian”, the path towards European and Euro-Atlantic integration is deeply entrenched. With an enormous delay, Ukraine has finally embarked on a path selected by other Central and Eastern European countries more than two decades ago.

3. Five years after the Revolution of Dignity, Ukraine still faces tremendous challenges, both in protecting its sovereignty in the face of ongoing Russian aggression and in fulfilling its commitments towards reform and, ultimately, a fairer and more prosperous Ukraine. The initial revolutionary enthusiasm was gradually replaced by frustration and disappointment among the population. The desire for change manifested itself in the outcomes of both presidential and parliamentary elections in 2019, where political newcomers – Volodymyr Zelenskyy and his Servant of the People party for instance – achieved a sweeping victory. Nevertheless, Ukraine’s geopolitical ambitions remain focused on European and Euro-Atlantic integration. The newly elected president, Volodymyr Zelenskyy, expressed his support for Ukraine’s EU and NATO membership (UAWire, 2019)³. According to the international election observation mission, the elections were competitive and fundamental rights and freedoms were largely respected (OSCE, 1 April 2019). The electoral transition of power reaffirmed Ukraine’s commitment to upholding democratic principles.

4. The NATO Parliamentary Assembly remains a steadfast champion of Ukraine’s Euro-Atlantic aspirations and has expressed its support and solidarity in numerous reports, resolutions, and statements. The Assembly is committed to forging close relations with the new Ukrainian parliament. This draft report aims to reaffirm the Assembly’s commitment to the territorial integrity of Ukraine and its European integration. At the same time, it reasserts the Assembly’s position that the reform process in Ukraine should not lose pace, especially when it comes to the rule of law and the fight against corruption. This draft report discusses ongoing security challenges in Ukraine, takes stock of the country’s achievements and remaining challenges in various reform areas, and proposes ideas on how the Euro-Atlantic community could better assist Ukraine in its transformation and integration process.

¹ Unless otherwise specified, the contents of this report are derived solely from publicly available information.

² Euro-Maidan and the Revolution of Dignity are used interchangeably throughout this draft report.

³ During the electoral campaign, Mr Zelenskyy emphasised the need to better explain the benefits of NATO membership to the population in eastern Ukraine and suggested holding a referendum on the matter.

II. THE SECURITY SITUATION IN UKRAINE

A. ONGOING AGGRESSION IN DONBAS

5. Despite the signing of the Minsk II accord⁴ in February 2015, violence in eastern Ukraine continues and has already claimed almost 13,000 lives, including more than 3,000 civilians and the 298 passengers of the MH17 airliner downed, as concluded by a Dutch investigation, by Russian-backed illegal military groups. Up to 30,000 people have been wounded and 1.5 million have fled to other regions of Ukraine (RFE/RL, February 2019). In January-June 2019, the OSCE's Special Monitoring Mission (SMM) recorded nearly 170,000 ceasefire violations as well as the deployment of more than 2,000 weapon systems that are forbidden by Minsk II. The SMM has also faced restrictions on its freedom of movement while attempting to fulfil its mandate. The overwhelming majority of these ceasefire violations, illegal deployments, and movement restrictions are committed by Russian-backed illegal military groups in the areas not controlled by the Ukrainian government (OSCE SMM, April 2019). Crucially, the SMM is prevented from effectively monitoring the border between these areas and the Russian Federation, which allows Moscow to send personnel and military equipment to the occupied areas of Ukraine. Between April and June 2019, 91% of cases relating to freedom of movement restrictions encountered by the SMM occurred in non-government-controlled areas (OSCE SMM, 11 July 2019). Moreover, Russian forces and Russian-backed illegal military groups regularly target the SMM's surveillance drones and video surveillance cameras in the conflict area.

6. Talks within the "Normandy Format" and "Trilateral Contact Group" formats have so far failed to produce tangible results. While Ukraine adopted a law on the "special status" of some areas of Donbas in 2014, transferring more economic and administrative powers to local communities in these areas and offering amnesty to Russian-backed militants, Russia has failed to withdraw its troops and equipment from the occupied territories⁵ and violated ceasefire terms. Moreover, Russian proxies have directly violated Minsk II by holding so-called "presidential" and "parliamentary" elections in November 2018 in the regions not controlled by the Ukrainian government. Minsk II clearly stipulates the requirement to hold local elections in accordance with Ukrainian law. Furthermore, until September 2019, there had been no progress regarding the exchange of hostages and unlawfully detained persons – about 150 Ukrainian nationals (RFE/RL, 23 August 2019), including prominent Ukrainian filmmaker Oleg Sentsov – as Moscow repeatedly rejected Ukrainian proposals. In April 2019, Russian President Vladimir Putin announced the decision to fast-track

⁴ Minsk II – officially the Package of Measures for the Implementation of the Minsk Agreements – is a 13-point ceasefire agreement. The terms of the Minsk II Agreement include: a ceasefire, the withdrawal of heavy weaponry by both sides, the release and exchange of all hostages and unlawfully detained persons, constitutional reform on decentralisation in Ukraine, the withdrawal of foreign fighters, the granting of amnesty, the monitoring of the ceasefire and withdrawal, local elections in Donetsk and Luhansk (the Donbas) in accordance with OSCE standards and monitored by the OSCE's Office for Democratic Institutions and Human Rights (ODIHR), humanitarian assistance, economic development, and the restoration of full Ukrainian control over its border with Russia throughout the conflict zone. In addition, Minsk II established four specialised working groups with a view to implementing the military, political, economic, and humanitarian clauses between the Ukrainian government and the separatist regions of Luhansk and Donetsk. The implementation of Minsk II is overseen by its four signatories – France, Germany, Ukraine, and Russia (known as the Contact Group on Ukraine and sometimes referred to as the Normandy Format) – and the OSCE Special Monitoring Mission in Ukraine, which has about 800 unarmed monitors. In parallel, negotiations are also taking place in the format of the Trilateral Contact Group that involves Ukraine, Russia, and the OSCE as moderator.

⁵ According to Kyiv, Russian-backed military formations in Donbas have some 35,000 troops and 496 main battle tanks. About 2,100 members of the Russian military are reportedly present in the areas not controlled by the Ukrainian government. – See the statement of the Permanent Representative of Ukraine to the United Nations Volodymyr Yelchenko at the UN Security Council meeting on 12 February 2019.

Russian citizenship for residents of the occupied territories in eastern Ukraine, a move condemned by Ukraine and its Western partners as an attack on Ukrainian sovereignty⁶.

7. The lack of progress in the Minsk talks and Moscow's continuing disregard for its obligations under Minsk II are the cause of much frustration in Ukraine, where Minsk II is increasingly unpopular. A number of proposals are being put forward, including expanding the Normandy Format to include the United States and the United Kingdom. Another plan was proposed by Martin Sajdik, Special Representative of the OSCE Chairperson-in-Office in the Trilateral Contact Group on Ukraine. The plan suggests the involvement of the United Nations, which, together with the OSCE, would set up a transitional administration in the areas not controlled by the Ukrainian government and hold local elections, while the European Union (EU) would set up an agency for the reconstruction of Donbas. The plan is largely in line with Minsk II, but it will depend on whether or not Kyiv and Moscow would be able to agree to the modalities, such as the size of the UN/OSCE mission, the ability for displaced persons to participate in local elections, and the ability of Ukraine to regain control of its side of the border with Russia in Donbas (Khylyko, 2019).

8. Mr Zelenskyy identified the resolution of the conflict as a top priority of his presidency. A new truce agreement went into effect on 22 July 2019 and resulted in a reduction of ceasefire violations⁷. Nevertheless, on 6 August 2019, four Ukrainian soldiers lost their lives in eastern Ukraine, prompting President Zelenskyy to call for a new round of talks in the Normandy Format. In September 2019, renewed talks between Kyiv and Moscow resulted in the release of 35 prisoners on each side, the largest exchange since the conflict began. Many prisoners were notably high-profile. They included Oleg Sentsov, 24 Ukrainian sailors illegally seized by the Russian Federal Security Service (FSB) coast guard in November 2018, and, most controversially, Vladimir Tsemakh, a Ukrainian citizen and separatist soldier who is suspected of involvement in the downing of flight MH17, and whose release was reportedly a prerequisite for Russia to agree to the exchange (Bennets, 2019). His release has already triggered a strong response from the Netherlands, whose citizens made up a majority of the passengers on MH17, and who had requested that Mr Tsemakh be omitted from the deal (Peel et al, 2019). More generally, while some observers expressed optimism that this might represent a turning point in the conflict, others advised caution or argued that the exchange was not in fact equal, given that the prisoners Russia returned had been arrested on false charges in the first place (Haring, 2019).

9. Meanwhile, the humanitarian situation in the occupied part of Donbas remains dire. The local economy has collapsed, prices for goods are higher than in the rest of Ukraine, and there is a severe shortage of medical personnel and supplies. Corruption and organised crime are flourishing. Indiscriminate shelling periodically disrupts the provision of services, such as water and electricity. More than 1 million crossings between Kyiv-controlled and occupied territories are registered every month as people are forced to travel long distances in order to receive their pensions and visit family members. Conditions at checkpoints, especially from the eastern side, are difficult, particularly for elderly people, children, pregnant women, and people with disabilities, who have to wait in long queues in harsh weather conditions. The SMM reports that 25 people have died at checkpoints since the start of 2019 (OSCE SMM, 15 July 2019). While Russia bears the responsibility for causing this humanitarian crisis in Donbas, Kyiv has yet to develop a coherent and ambitious strategy to reach out to the population in the occupied territories. Speaking at the third Ukraine Reform Conference in Toronto, Canada, in July 2019, President Zelenskyy noted that Ukraine needs more than USD 10 billion to rebuild Donbas, while emphasising that people in Donbas "are our people" (Aslund, 2019).

⁶ Ukrainian President Volodymyr Zelenskyy responded to this by signing a decree that simplifies naturalisation procedures for Russians facing political persecution at home.

⁷ According to the OSCE SMM Status Report of 12 August 2019, about 2,700 ceasefire violations were recorded between 29 July and 11 August 2019, down from over 6,000 in the previous two-week period.

B. RUSSIAN AGGRESSION IN THE KERCH STRAIT

10. In 2018, Russia opened a new front in its aggression against Ukraine. Following the illegal construction of the Kerch bridge connecting Crimea with Russia's Krasnodar region, Russia has gained control over access to the Sea of Azov, with implications for two major Ukrainian ports, Mariupol and Berdyansk. Despite repeated warnings and pleas by Ukrainian representatives, the international community has failed to exert meaningful pressure on Russia and to prevent the bridge from being built.

11. On 25 November 2018, FSB coast guard ships attacked and seized three Ukrainian naval vessels (two Ukrainian gunboats and a tug) as they approached the Kerch Strait on their way back from the Black Sea port of Odessa to Mariupol. Russia's actions violated the international law of the sea as well as a 2003 Russia-Ukraine treaty which provides for freedom of navigation in the Kerch Strait and the Sea of Azov. Nevertheless, the FSB coast guard denied right of passage to these three Ukrainian vessels, accused them of breaching Russian territorial waters in Crimea (which the international community overwhelmingly recognises as Ukrainian territory), pursued them as they attempted to return to Odessa, rammed them, and opened fire, eventually capturing 24 Ukrainian sailors and injuring six people.

12. This incident marked the first instance of a direct and undisguised attack by Russian forces on Ukrainian forces. The actions by Russian forces represented a dangerous escalation of the broader Russian-Ukrainian conflict and prompted Ukrainian President Petro Poroshenko to impose temporary martial law in eastern Ukraine. Russia's blatant violation of international law was strongly condemned by the international community, including the NATO PA. Its President Madeleine Moon stated, on 26 November 2018, that "seizure of Ukrainian vessels is a provocative step which seems to be a deliberate escalation of tension in the region" and called on Moscow "to release the Ukrainian vessels it has seized in the Kerch Strait and to cease hindering Ukraine from exercising its right to free navigation in the Kerch Strait and the Sea of Azov."



13. NATO members have – in a strong display of solidarity – condemned “Russia's unjustified use of military force against Ukrainian ships and naval personnel”, which they see as part of the larger pattern of Russian aggressive actions in the region, including the “ongoing and wide-ranging military build-up in Crimea”. In April 2019, NATO Foreign Ministers adopted a new package of measures to improve NATO’s situational awareness in the Black Sea region and to strengthen support for NATO partners Georgia and Ukraine. These measures were part of NATO’s Tailored Forward Presence, the Alliance’s ongoing effort to reassure regional Allies and partners on NATO’s southeastern flank. At the beginning of 2019, one of NATO’s naval groups – some 20 vessels of the Standing NATO Maritime Group Two – took part in a large multinational exercise in the Black Sea called *Sea Shield*. A US missile destroyer, USS Donald Cook, and two NATO frigates, Canada’s HMCS Toronto and Spain’s ESPS Santa Maria, visited the Ukrainian port of Odessa at the beginning of 2019 (Naval Today, 2019).

14. In response to the Kerch incident, the EU imposed asset freezes and travel bans on eight Russian officials, bringing the number of those sanctioned by the EU in relation to the crisis in Ukraine to 170 persons and 44 entities. The United States sanctioned four members of Russia's FSB as well as six defence companies operating in Crimea. Canada imposed sanctions on 114 persons and 15 entities, and Canadian Foreign Minister Chrystia Freeland stated that "Canada and its allies are unwavering in [their] support for Ukraine's sovereignty and territorial integrity. Russia's provocations in the Kerch Strait and its illegal and ongoing occupation of Crimea will not go unchecked" (DW, 2019).

15. At the time of writing, although the 24 Ukrainian soldiers were released in the September 2019 prisoner exchange, the Ukrainian vessels have yet to be returned. Russia has opened the Kerch Strait for commercial shipping. However, due to the structure of the bridge, ships taller than 33 metres cannot pass through the strait. One Canadian newspaper, The Globe and Mail, reports that, due to physical restrictions imposed by Russia in the Kerch Strait, shipping from Ukrainian Sea of Azov ports has fallen by approximately 25% (Lourie, 2018).

C. THE SITUATION IN OCCUPIED CRIMEA

16. This Committee has reported at length about the serious human rights violations that have been taking place in Crimea since the illegal occupation and annexation of the peninsula in early 2014. Ongoing human rights and humanitarian concerns include suppression of dissent, restriction of the right to public assembly, eradication of independent media, infringement of due process and fair trial rights, confiscation of property without compensation, enforced disappearances, deprivation of liberty, sexual violence, torture, and murders. Recently, international human rights organisations, such as Freedom House and Human Rights Watch, have reported that those opposed to Russian occupation continued to face harassment, arrest, and imprisonment for their peaceful activities (Freedom House, 2019; HRW, 2019). Crimean residents were given Russian citizenship and compelled to relinquish their Ukrainian citizenship or face penalties, such as the loss of their job and property rights. In the space of ten months, from late 2017 to mid-2018, the Office of the United Nations High Commissioner for Human Rights (OHCHR) documented 81 cases involving credible allegations of human rights violations and abuses in Crimea (OHCHR, 2018). In December 2018, the UN General Assembly passed a resolution calling on Russia to stop violating human rights in Crimea, revoke all discriminatory legislation, and hold those responsible for the violations accountable. Although the OSCE SMM’s mandate covers all of Ukraine, monitors continue to be denied access to Crimea.

17. While all residents of Crimea are denied full political rights, Crimean Tatars and ethnic Ukrainians face greater persecution⁸. The representative body of the Crimean Tatar people, the *Mejlis*, closed in 2014 and was officially outlawed in 2016 for “the use of propaganda and hatred toward Russia [and] inciting ethnic nationalism”. Several of the *Mejlis*’ leaders were later arrested and sentenced on separatism and extremism charges, while others, such as Refat Chubarov and Mustafa Dzhemilev, were banned from entering Crimea. In December 2018, four Crimean Tatars received lengthy prison sentences in relation to alleged terrorism charges, while in March 2019, 23 Crimean Tatar activists were arrested on suspicion of participating in a “terrorist organisation”. Russia ignores the 2017 decision of the International Court of Justice calling on Russia to “refrain from maintaining or imposing limitations on the ability of the Crimean Tatar community to conserve its representative institutions, including the *Mejlis*.” An estimated 20,000 Crimean Tatars have fled because of Russia’s occupation of Crimea. Crimean Tatars continue to be disproportionately affected by police raids and prosecuted under terrorism-related offences (OHCHR, 2017).

18. Ukrainian political parties are banned on the territory of Crimea. According to the Crimean Human Rights Group, there is not a single school left in Crimea where all classes are taught in Ukrainian⁹, while the number of classes taught in Ukrainian in mixed-language schools has been reduced significantly (UNIAN, 26 March 2019). Most parishes of the independent Ukrainian Orthodox Church have been closed in Crimea, and the remaining ones are facing eviction on the formal basis of failing to re-register under new Russian legislation (RFE/RL, 29 March 2019).

III. UKRAINIAN REFORMS: ACHIEVEMENTS AND CHALLENGES

A. OVERVIEW OF THE POLITICAL LANDSCAPE IN UKRAINE

19. During the last five years, the political scene in Ukraine has transformed from a battleground opposing the pro-European North-West and the pro-Russian South-East regions of Ukraine into a complex and fluid matrix of multiple political groups, nearly all with pro-Western agendas. The Party of Regions, which ruled in 2010-2014 and has now been now rebranded as the Opposition Bloc – For Life, received 40 seats in the 450-seat parliament (*Verkhovna Rada*)¹⁰ in the 2014 elections and 43 seats in the 2019 elections. Although viewed as pro-Russian and anti-NATO, the Opposition Bloc also considers Crimea to be a part of Ukraine. All other political groupings in the previous *Rada* (2014-2019) claimed to represent the Euro-Maidan and supported EU and NATO integration, including the constitutional changes identifying membership in the EU and NATO as a strategic goal for Ukraine¹¹.

⁸ Throughout its history, Crimea has been an intersection of different civilisations, particularly Greek and Turkic. For centuries, a Turkic Tatar population constituted the majority of the peninsula’s inhabitants. Crimea became a part of the Russian empire at the end of the 18th century. The Tatars still constituted a significant share of the region’s population up until the end of World War II, when the Soviet government began to deport large groups of ethnic Tatars to Central Asia as punishment for alleged collaboration with German forces. In 1954, under the leadership of Nikita Khrushchev, Moscow transferred the Crimean Oblast to Ukraine on the occasion of the 300th anniversary of Cossack Ukraine becoming a part of Russia. With the independence of Ukraine, the Tatars started to return to their homeland and constituted 14% of the population on the eve of annexation. The Tatar population overwhelmingly supported Crimea’s status as an autonomous part of Ukraine. According to the 2001 census, ethnic Russians made up 58% of Crimea’s population, followed by ethnic Ukrainians, at 24%.

⁹ Even before the occupation, the overwhelming majority of schoolchildren – about 90% – in Crimea received education in Russian. Thus, the myth that Russian-speakers were somehow oppressed in Crimea before 2014 is unfounded.

¹⁰ Of a total of 450 seats, 26 seats are vacant due to the occupation of Ukrainian territories.

¹¹ According to most opinion surveys, about 40-45% of Ukrainians – or about 60% of those who said they would vote – support Ukraine’s NATO membership, a remarkable increase compared to public attitudes prior to 2014.

20. The early parliamentary elections of July 2019 were unique as they brought – for the first time in the history of independent Ukraine – an absolute majority to one political force: President Zelenskyy’s Servant of the People party. It won 254 seats out of the *de facto* 424. Servant of the People deputies are largely new to politics, a deliberate strategy chosen by President Zelenskyy’s team. Their political inexperience is considered by political commentators as both an asset and a vulnerability, depending on the point of view. Similar to other political parties in Ukraine, the Servant of the People party lacks a clear ideological profile; its electoral messaging called for the dismantling of the old oligarchic system (while rejecting opponents’ allegations of President Zelenskyy’s ties to oligarch Ihor Kolomoisky). The remaining seats were distributed among the Opposition Bloc – For Life (43), Yulia Tymoshenko’s Fatherland party (26), Petro Poroshenko’s European Solidarity (formerly the Petro Poroshenko Bloc – 25), the Voice party (consistently pro-Western and, like Servant of the People, also consisting of political newcomers – 20), and others and non-affiliated (56). In August 2019, the new parliament approved 35-year old lawyer Oleksiy Honcharuk, who is considered a pro-reform free-marketeer, as prime minister. The government includes many reform-minded young professionals, some of them Western-educated, including the new defence minister, Andriy Zahorodnyuk (Hromadske, 2019).

21. Despite the Kremlin’s propaganda, far-right groups have had no tangible influence in Ukrainian electoral politics. Even the Radical Party, which is better described as left-populist rather than nationalist, failed to win seats in the new parliament. Far-right candidates also received very little electoral support in the presidential elections. That said, while the Kremlin’s narrative about the “neo-Nazi regime in Kyiv” is exaggerated, extreme nationalist views and groups have been granted legitimacy in the wider Ukrainian society since 2014 and are seeking to impose their political and cultural views (Likhachev, 2018).

22. Overall, the party system in Ukraine is far from consolidated and can be expected to undergo the dramatic rise of new parties and the disappearance of old ones. Ukrainian voters notoriously distrust politicians: opinion surveys rarely show more than 20% support for any of the major parties or political figures. Except for Leonid Kuchma, no Ukrainian President has so far been re-elected for a second term. The sudden rise of TV producer and actor Volodymyr Zelenskyy, who received an astonishing 73% of votes in the second round of the 2019 presidential elections, clearly demonstrates the disappointment of voters in the traditional political establishment.

23. The system of checks and balances in Ukraine continues to evolve as well. In the last 15 years, Ukraine moved back and forth between presidential and parliamentary-presidential systems. Since 2014, the latter is formally in place in Ukraine, granting significant powers to the prime minister and the *Verkhovna Rada*. Constitutionally, the president has the lead in the defence and security domain; he appoints foreign affairs and defence ministers, heads of security services, and the prosecutor general, *inter alia*. Other areas are mainly the government’s responsibility. Arseniy Yatsenyuk and his cabinet of reformers enjoyed a significant degree of autonomy in their decisions. By replacing Mr Yatsenyuk with his political ally Volodymyr Groysman in 2016, then-President Poroshenko expanded his influence over the executive branch, shifting the centre of power towards the presidency. Enjoying a strong majority in the parliament, President Zelenskyy can be expected to retain key decision-making powers within the presidency. In an apparent effort to move from a post-Soviet perception of relationships between the ruling elites and the citizens to a more European one, President Zelenskyy has undertaken a series of symbolic steps, such as arriving at parliament on foot and asking civil servants to refrain from hanging pictures of the president in their offices.

24. By 2019, Ukraine had accumulated an impressive record of holding largely free and competitive elections that, with the exception of some backsliding during the Yanukovich rule, were assessed positively by international observers, including by the NATO PA. According to an International Election Observation Mission, the 2019 presidential election in Ukraine was “competitive and held with respect for fundamental freedoms”. Michal Szczerba, head of the NATO PA election observation delegation, qualified the voting as “free choice by free people.

Ukrainians demonstrated their strong commitment to democratic and Euro-Atlantic values” (OSCE, 1 April 2019). Similarly, following the July parliamentary elections, NATO PA President Madeleine Moon praised the “calm, orderly and professional conduct of the voting process” and said that Ukraine was “setting an example for the broader region, for countries where citizens are deprived of the rights that [Ukrainians] increasingly enjoy”¹². The legal electoral framework of Ukraine is largely sound, although the unified electoral code¹³ finally adopted on 11 July 2019 might require further polishing, as the NATO PA delegation heard from the OSCE Office for Democratic Institutions and Human Rights (ODIHR) experts during the July 2019 parliamentary elections. The International Election Observation Mission for the 2019 parliamentary elections praised the fact that the new electoral code abolishes majoritarian districts, hoping that the switch to a fully proportional electoral system with open party lists will be implemented by the next parliamentary elections. Steps were taken to amend campaign finance legislation to address concerns voiced by ODIHR and the Council of Europe’s Group of States against Corruption (GRECO). Public funding for political parties has been established, limits have been placed on private donations, public reporting requirements have been expanded, and oversight by the National Agency for the Prevention of Corruption has been introduced. The International Election Observation Mission noted, however, that Ukraine needs to better ensure the implementation of the electoral legal framework and to address problems such as the misuse of administrative resources for campaign purposes. In addition, problems such as the lack of media independence and the widespread use of “clone” candidates¹⁴ must also be addressed (IEOM, 2019).

B. DEFENCE AND SECURITY SECTOR REFORM

25. In 2014, the Ukrainian armed forces were alarmingly unfit to cope with foreign invasion. Of some 150,000 armed forces members (down from nearly 1 million in 1991), only one 6,000-strong brigade was fully capable of carrying out combat operations. Stopping the advancement of Russian troops and Russian-backed military groups in eastern Ukraine was achieved, to a large degree, by Ukrainian volunteer movements.

26. By 2019, the situation has improved dramatically. Ukraine’s armed forces consist of 250,000 troops with better planning, command and control, training, and equipment. Despite economic hardship, defence spending has grown from less than USD 2 billion to more than USD 3 billion (Bielieskov, 2019). Western countries have provided tangible support, supplying both non-lethal and lethal defence equipment, most notably 210 US Javelin anti-tank missiles and 37 launchers (Miller, 5 August 2019). In March 2019, Canada announced it would extend its 200-strong military training mission in Ukraine, which was deployed in 2015, for another three years to help improve and build the capability and capacity of Ukraine’s defence and security forces. Canada’s training mission is part of a larger Multinational Joint Commission that also involves the United States, the United Kingdom, Lithuania, Poland, Denmark, and Sweden (RFE/RL, 18 March 2019).

27. Having set membership in NATO as a strategic goal, since 2014, Ukraine has redoubled its efforts to reform its defence and security sector in line with NATO standards. By providing numerous mechanisms and programmes, most notably the 2016 Comprehensive Assistance Package (CAP) for Ukraine, which includes ten Trust Funds, NATO has proven to be an essential partner in this process. In the framework of CAP, NATO provides strategic-level advice as well as 40 tailored support measures. In 2019, Ukraine plans to participate in 35 NATO-related exercises. Despite the armed conflict on its eastern border, Ukraine continues to contribute to NATO-led operations,

¹² From the speech of NATO PA President Madeleine Moon at the press conference of heads of election observation missions, Kyiv, 22 July 2019.

¹³ The unified electoral code covers all types of elections in Ukraine, including presidential, parliamentary, and local. The adoption of the unified code was a key element of the Ukraine-EU Association Agreement.

¹⁴ I.e. the registration of candidates or parties with identical or nearly identical names as those of political frontrunners in order to confuse the voters and divert votes.

including in Kosovo, Afghanistan, and the Mediterranean. Ukraine also contributes to the NATO Response Force, providing important capabilities, such as strategic airlift.

28. In July 2018, then-President Poroshenko signed the Law of Ukraine on National Security. This legislation is consistent with Western principles and provides a framework for enhancing the Ukrainian Armed Forces' interoperability with NATO. Crucially, the law provides for the establishment of a *Rada* special committee with wide oversight powers over the defence and security sector. Other measures in the defence and security sector reform package include the revision of state secrecy requirements, increased transparency concerning the defence procurement system, and the reform of Ukraine's overly powerful state security service. Overall, NATO officials note a marked improvement in Ukraine's recent efforts to implement the Annual National Programme (ANP), a document that defines the range and pace of reform for Ukraine's further rapprochement with NATO. It is a welcome change compared with the situation prior to 2017, when NATO was reportedly dissatisfied with Ukraine's implementation of its obligations under the ANP (UNIAN, 2018).

29. That said, the reform of Ukraine's defence and security sector is far from over and a number of serious challenges remain. The legislative changes and formal adoption of Western norms have yet to translate into a profound mindset change and the abandonment of the Soviet legacy, corruption, and paternalism. The *Rada* has also failed to adopt important reform legislation related to military ranks and new military service regulations. The implementation of the reform of the Security Service of Ukraine (SBU) – to transform it into a classical special service that protects state sovereignty rather than the interests of those in power – is likely to face entrenched resistance (Roslycky and Tregub, 2018). The SBU played a central role in countering Russian overt and covert aggression since 2014. However, the SBU consists of 30,000 employees – which is seven times the size of the United Kingdom's domestic security service, MI5. It also holds extensive powers that are incompatible with the requirements of a European democracy. SBU reform has been identified as a "top priority" of the Zelenskyy administration. The newly appointed head of the Ukrainian National Security and Defense Council (NSDC), Oleksandr Danylyuk, embarked on the overhaul of the security service in cooperation with an international advisory group composed of representatives of the EU, NATO, and the United States. The reform is expected to limit the SBU's mandate to counterespionage, counterterrorism, cybersecurity, and security analysis, while transferring the role of investigating businesses and corruption to relevant law enforcement agencies (Miller, 17 August 2019).

30. Finally, corruption remains an acute problem in Ukraine's defence and security sector. According to Ukraine's prosecutor general, since 2014, some 480 criminal proceedings have been launched to investigate alleged violations by Ukroboronprom, a conglomerate of about 130 state-owned defence industry enterprises consolidated by former President Yanukovich in a manner that opened up ample avenues for kickbacks and abuses of monopoly power, including hiking prices for imported equipment and driving private defence businesses outside of Ukraine (UNIAN, 7 March 2019). In February 2019, investigative journalists disclosed a scheme where top officials in the NSDC smuggle military equipment parts from Russia and sell them to state defence enterprises at inflated prices. Then-President Poroshenko reacted by proposing reforms, including putting representatives from NATO member states on the supervisory board of Ukroboronprom. President Zelenskyy appointed former Economy Minister Aivaras Abromavicius, a reformist, to Ukroboronprom's supervisory board with the apparent task of implementing necessary reforms. There is likely to be enormous resistance to reform from those who benefit from the current situation (Prince, 2019).

31. In sum, the years 2019-2020 will be crucial in advancing Ukraine's defence and security reform agenda. While remarkable progress has been made since 2014, there is a serious risk that Ukraine might fail to meet the strategic goal it had set in 2016 to fully meet NATO standards and interoperability criteria by the end of 2020.

C. RULE OF LAW

32. Rampant corruption and a weak judiciary are considered to be acute challenges for Ukraine, significantly hampering its European and Euro-Atlantic integration. Prior to 2014, Ukraine was ranked 144th out of 177 countries on Transparency International's Corruption Perceptions Index. In 2018, it was placed 120th out of 180 countries. In 2017, Ukraine was ranked 101st out of 109 countries for judicial independence on the Index of Public Integrity. Public trust in judicial institutions was a mere 7% before the Revolution of Dignity, and had only grown to 11% by 2019 (RPR, 2019).

33. In the last five years, steps have been taken to strengthen the judiciary's independence and to replace judges associated with the old corrupt system. A new Supreme Court was formed in 2016-2017, which reduced the four levels of justice to three. Over 2,000 judges voluntarily left their positions. However, the appointment process for new judges suffered from accusations of a lack of transparency. When the Public Integrity Council (PIC), a consultative body made up of human rights activists, academic lawyers, and journalists, objected to 25 potential appointees to the Supreme Court in 2017, the High Council of Justice ignored its recommendations. There are no indications that the new Supreme Court will be culturally different from its forerunner. On the other hand, in 2018, the parliament approved key constitutional and political reforms to curb political influence within the court system and to boost professionalism among judicial appointees. Some experts consider that only unconventional solutions can help bring real change to the country's judicial system. For instance, they suggest that the selection of judges be delegated to an independent body consisting of human rights defenders, journalists, NGO representatives, and independent legal scholars, rather than to judges themselves (RPR, 2019).

34. The post-2014 leadership of Ukraine established the National Anti-Corruption Bureau (NABU) and the Special Anti-Corruption Prosecutor (SAPO), which could be potent weapons in the fight against corruption. However, SAPO has come under heavy criticism after NABU charged the Special Anti-Corruption Prosecutor Nazar Kholodnitsky with witness tampering and warning multiple suspects of property searches. By contrast, NABU has retained its reputation as a relatively clean organisation. Yet, by September 2018, of the 644 cases that NABU had charged, only 21 had resulted in convictions (European Commission, 2018). The courts of first instance have been delaying or blocking these cases' development. No high-level official has been convicted of corruption so far.

35. The lack of a fair and functioning judiciary makes the establishment of the High Anti-Corruption Court (HACC) critical to Ukraine's reform efforts. As power groups with entrenched interests control the appointment of judges to the courts, the establishment of an independent HACC is essential to complete the chain of independent anti-corruption institutions in Ukraine. After much political resistance and delay, the law establishing the HACC was adopted in June 2018. President Poroshenko, however, tried to postpone the law's entry into force, which finally occurred in March 2019. HACC judges were appointed in April 2019.

36. Volodymyr Zelenskyy and his Servant of the People party ran largely on an anti-corruption platform. There are signs that the new administration intends to deliver on its electoral promises and intensify the fight against corruption, including in top echelons. Notably, in recent months, the former head of the National Energy and Utilities Regulatory Commission, Dmytro Vovk, was accused of running a corruption scheme with electricity and coal producer DTEK, which is owned by Ukraine's richest businessman, Rinat Akhmetov (RFE/RL, 20 August 2019a). Deputy Minister of Temporarily Occupied Territories and Internally Displaced People Yuri Hrymchak has been detained after being caught taking a bribe worth USD 480,000, according to NABU (RFE/RL, 14 August 2019). At the same time, NABU has been ordered by a Kyiv court to launch investigations into former President Poroshenko and former Foreign Minister Pavlo Klimkin on the charges of abuse of power. Former President Poroshenko has also been questioned twice as witness in a tax evasion case

(RFE/RL, 12 August 2019). Ukraine must ensure that aggressive enforcement of anticorruption policies does not translate into political retribution.

37. One of Ukraine's most notable successes in combating corruption has been reforms to public procurement processes. Under Former President Yanukovich, kickbacks related to procurement contracts reportedly reached 30-50% of the procured amounts. The success of reforms in this sector can be largely attributed to ProZorro, a digitised public procurement system, developed after Euro-Maidan by activists at Transparency International Ukraine, along with stock exchange traders, digital marketing experts, investment bankers, and other members of Ukraine's civil society. ProZorro is a single database that holds all tender information and uploads it to seven privately operated systems, each with a different interface but identical information. Since 1 April 2016, state purchases and businesses have been required to use this system for all state purchases, although they can use the platform of their choice. The use of ProZorro has significantly cut down on the level of corruption and kickbacks in the public procurement process. It is estimated that, as of late 2018, ProZorro had saved approximately UAH 51 billion (approximately USD 2 billion) in state procurement expenditures (Lough and Dubrovskiy, 2018).

38. However, there is room for further reform in the public procurement domain. Government spending needs to be better audited, antitrust policies should be strengthened to prevent collusion in procurement tenders, and special conditions that only a few companies can satisfy need to be banned, to name a few. Nevertheless, in the space of three years, ProZorro has been a stunning success in reducing corruption in public procurement. In April 2018, an electronic healthcare system, eHealth, was launched, sparking hopes that this might lead to reduced corruption in Ukraine's healthcare sector. Furthermore, a new single automated electronic VAT refund registry system is currently in place, limiting the space for corruption in processing individual VAT refund requests (Miklos, 2018).

D. ECONOMIC REFORMS

39. Ukraine is among Europe's poorest countries. Unlike its Central and Eastern European neighbours, it failed to embark on serious economic reforms in the 1990s. As a result, Poland's GDP is now three times greater than that of Ukraine, although in 1992 both economies were roughly equal in size. Therefore, economic reform is essential for the future of Ukraine. One of the most significant achievements of the pro-European government was Ukraine's fiscal and macroeconomic stabilisation. Following the turbulence of Euro-Maidan and Russia's aggression toward Ukraine, the country experienced a contraction in GDP by more than 16% in 2014-2015. By February 2015, the hryvnia – Ukraine's currency – had lost 70% of its value against the euro and inflation was 46%. Foreign trade had shrunk dramatically, and the banking system was on the brink of default (Moshes and Nizhnikau, 2018). Many Ukrainians left the country to seek employment in the EU. Currently, according to the Ukrainian Finance Ministry, about 3.2 million Ukrainians are believed to be working abroad, mainly in Poland.

40. In this situation, the Ukrainian government, backed by International Monetary Fund (IMF) support programmes, managed to achieve macroeconomic stability due to a combination of a flexible exchange rate policy, strict fiscal and monetary policies, and energy sector reform. Economic growth resumed in 2016, inflation is easing, the hryvnia is strengthening, and foreign exchange reserves have more than tripled compared to 2015 lows. Fiscal and current-account deficits have been cut, spending has been reduced, tax reform and debt restructuring efforts have been initiated, and the health of the banking system has improved (Ash et al., 2017). The Ministry of Economic Development and Trade of Ukraine announced that the shadow economy (e.g. black market transactions and undeclared work) had shrunk from about one half to about one-third of total economic activity. According to the World Bank's Doing Business survey, Ukraine ranked 76th in 2018, up from 142nd in 2010. For the last three years, the economy has grown about 2-3% annually. Kyiv expects the country's economic growth to be up to 5% in 2019 (RFE/RL, 31 July 2019). When addressing

Western audiences at the third Ukraine Reform Conference in Toronto, Canada, in July 2019, President Zelenskyy spoke as a committed free marketeer, prioritising an improved business climate, foreign investment attraction, the liberalisation of labour markets, and the privatisation of state-owned enterprises (Aslund, 2019).

41. Ukraine's overdependence on Russia as a trade partner and energy supplier was damaging the country's economic sectors and lowering its companies' competitiveness in the global market. Substantial progress in this regard must be acknowledged. In 2012, trade with Russia accounted for 25.7% of Ukraine's total trade. In 2016, this number had declined to 11.6%. In the first half of 2018, Ukraine's exports to the EU were worth USD 9.8 billion, five times more than its exports to Russia (Ukrinform, 2018).

42. Ukraine's access to the EU's single market grew all the more critical when trade with Russia decreased considerably in 2014. Ukraine signed the Ukraine-EU Association Agreement/Deep and Comprehensive Free Trade Agreement (AA-DCFTA) in March 2014; it came into full effect in September 2017. In recent years, the EU has become Ukraine's largest trade partner by far, representing 42% of total Ukrainian external trade (European Commission, 2018). The AA-DCFTA is one of the strongest incentives for Ukraine to undertake state and economic reform. While it does not explicitly offer Ukraine a path to membership in the EU, it offers Ukraine a privileged relationship with the aim of integrating Ukraine's economy into the EU's single market. This includes policy and regulatory convergence across a range of sectors, such as judicial reform, energy sector reform, public procurement, decentralisation, and anticorruption measures. Reformers hope that implementing EU-style regulations and standards will transform Ukraine's political and economic landscapes. However, they face an uphill battle. The implementation of the AA-DCFTA and its associated reforms is hindered by entrenched special interests of corrupt elites, a system of rent-seeking, and economic difficulties which are aggravated by Russian aggression in eastern Ukraine.

43. Some of Ukraine's greatest reform successes have been in the energy sector. In an analysis by the US Energy Information Administration, Ukraine's economy was found to be two to three times as energy intensive as that of its neighbours, including Poland, Slovakia, and the Czech Republic. Energy inefficiency is a drag on state budgets and finances. Furthermore, prior to 2015, Ukraine imported most of its gas from Russia despite its own natural supplies. A deeply corrupt rent-seeking system in the energy sector, where oligarchs thrived on incomes derived from government subsidies and regulations, created losses in the tens of billions of US dollars for the state. Naftogaz, the state-owned gas supply company, had a deficit of 5.7% of state GDP in 2014. The government covered these deficits with subsidies, draining already depleted public finances. For years, this process enriched oligarchs in both Russia and Ukraine, discouraged energy efficiency, penalised national gas production domestically, and created a cycle of dependency on Russian gas.

44. By drastically reducing the sale of Russian gas in Ukraine¹⁵, the government removed significant opportunities for corruption. Since 2014, transparency has improved, and subsidies have been lowered significantly. By 2016, Naftogaz registered profits for the first time in five years, and it has since become a net contributor to the state budget (Antonenko et al., 2018). However, recently, reform has stalled in this sector. In 2017, citing government interference in modernisation efforts, the independent directors of Naftogaz's supervisory board resigned. In 2017, Ukraine also failed to meet its commitment to the IMF to raise gas prices further. Little progress has been made in unbundling — separating gas production from transmission and supply. Oligarchs who extracted substantial rents from the gas market and energy sector have delayed and postponed essential reforms.

¹⁵ According to Naftogaz, from 2014 to 2015, natural gas from Russia decreased from 74% to 37% of total Ukrainian imports, while natural gas imports from Europe increased from 26% to 63%. Naftogaz stopped buying gas from Russia's Gazprom in November 2015, following Gazprom's refusal to comply with the Stockholm arbitration award regarding volumes and conditions of gas supply to Ukraine.

45. Critical to Ukraine's economy is the transit role the country plays for Russian energy exports to European gas markets. Of the 193 billion cubic meters (bcm) of gas that Russia's Gazprom pumped westward in 2017, nearly 40% went through Ukraine (Cohen, 2018). The country's role as a transit country for supplies of oil and gas from Russia to Europe is critical to Ukraine for two reasons: first, because transit revenues provide about USD 2-3 billion to the Ukrainian economy annually; and second, because this role gives Ukraine leverage over the Russian energy sector, acting as a form of insurance against Russian energy bullying.

46. However, once completed, the Nord Stream II gas pipeline from Russia to Germany in the Baltic Sea and the TurkStream pipeline in the Black Sea would allow Russia to completely bypass Ukraine. The United States and a number of NATO Allies have voiced opposition to these projects. Nevertheless, the pipelines are expected to be completed by the end of 2019 or the beginning of 2020. One positive development in this regard has been the adoption of legislation by the European Parliament that would subject projects such as Nord Stream II to European energy legislation, including the unbundling requirement, which would make it more difficult for Moscow to use energy as a foreign policy weapon. Moreover, the European Commission is involved in the Ukrainian Russian negotiations over a new long-term gas contract to replace the current one, which expires at the end of 2019. The Commission insists that a significant amount of Russian gas transiting to Europe would travel through Ukraine. In anticipation of the potential halting of Russian gas transiting through Ukraine once Nord Stream II goes online, Ukraine is investing in the opening of a new reverse-flow point from Romania through Moldova as well as expanding its gas-storage capacities (RFE/RL, 20 August 2019b).

47. There are several areas, however, where Ukrainian economic and social reforms have been less successful. For example, Ukraine's oversized public enterprises sector requires significant reform. There are approximately 3,400 state-owned enterprises (SOE) in Ukraine and over 11,000 communal enterprises – their total revenue accounting for approximately 20% of the country's GDP. Reportedly, only half of these SOEs are operational and only a third report a profit. In many of the profitable SOEs, cash flows have been embezzled by their managers (Lough and Dubrovskiy, 2018). These managers – unofficial owners – have an active interest in preventing privatisation, which would require them to invest their own money in the companies rather than having the state do it. In January 2018, the *Rada* passed legislation to strengthen privatisation and transparency in order to meet the IMF's requirements for financial assistance. President Zelenskyy's economic advisor confirmed the commitment of the new administration to accelerate the privatisation process (RFE/RL, 31 July 2019).

48. The World Bank has labelled Ukraine's pension system as "broken" and stated that, without reform, the average pension benefit would have fallen to under 20% of the average wage, and pension costs could have increased to 14% of GDP, thus imposing a heavy burden on state finances (World Bank, 2019). In 2017, Ukraine adopted the Pension Reform Law, which "helped bolster the average pension benefit to above 27% of the average wage [...] while pension costs have been maintained at about 10% of GDP" (World Bank, 2019). Ukraine will need to address the retirement age and pension contribution rates, as well as the issue of special preferences for certain professions, such as the police, army, and civil service (Ash et al., 2017). However, these efforts were strongly opposed within previous parliaments due to the unpopularity of such measures. For Ukraine to truly reform its pension system, it will need to increase the number of contributors by reducing informal power structures in the economy. This will require broader, fundamental reforms in the economy overall.

49. Once called the breadbasket of Europe, Ukraine's agricultural sector has incredible potential. While Ukraine's grain yields are currently lower than those in Western Europe by a third or more, experts calculate that they could easily reach that standard given the right support. The World Bank calculates that the value of Ukraine's land would triple if farmland sales were to be permitted. However, Ukraine's agriculture sector is significantly hampered by the moratorium on the sale of

agricultural land, which has been in place since 2001 and was extended again in December 2018. Despite the original intention, the prohibition of land sales failed to prevent the concentration of land in the hands of a limited number of agricultural companies through lease agreements. Vested interests in the large leasehold farming system are preventing much-needed reforms. President Zelenskyy's economic team has recently expressed support for lifting the ban on the sale of agricultural land. According to the World Bank, this could increase yearly GDP by about 1.5 percentage points (RFE/RL, 31 July 2019).

50. Many of the above-mentioned reform initiatives in Ukraine face the same underlying problem: the implementation of the adopted reform legislation is often incomplete due to the low quality of mid-level and local bureaucracy. Public administration remains largely inefficient and lacks a proper administrative culture. However, some positive steps have been taken in recent years to remedy the situation, including the creation of a centralised, transparent, and merit-based recruitment system via a dedicated web-platform (career.gov.ua). According to the European Commission, between October 2017 and September 2018, close to 24,000 applications were received using this system for approximately 1,010 published positions (European Commission, 2018).

51. Another welcome attempt to improve the quality of governance is decentralisation and the empowerment of local authorities. Since 1991, Ukraine's heavily centralised political system has created problems regarding political representation at the regional and local levels and public accountability. It has also created issues regarding the financing of regional and local initiatives and effective public spending. The decentralisation reforms that were introduced following Euro-Maidan have begun to transfer more administrative and tax-raising powers to local governments. Many of these authorities now have larger budgets than their predecessors and are using them to invest in local infrastructure, healthcare, and schools. In 2015, local budgets increased by 42% compared to 2014 and, in 2016, local revenues increased by an additional 49% (Hanushchak, Sydoruk, and Umland, 2017). In order to deal with Ukraine's 11,000 weak and poor municipalities, Ukraine passed a law in 2015 to allow for the voluntary consolidation of existing communities into bigger units. As of 2017, 400 new amalgamated communities had been formed. For example, in the Vinnytsia region, which was comprised of 800 municipalities, only 50 will remain (Ash et al., 2017). Decentralisation also has a national security dimension: greater empowerment of local communities might make it politically easier to reintegrate occupied territories in eastern Ukraine.

E. CIVIL SOCIETY, MEDIA, EDUCATION, AND RELIGION

52. The Revolution of Dignity was, to a great extent, a revolution of Ukraine's vibrant civil society. It was started and fuelled by the mobilisation of citizens. While prominent civil society activists were elected to the parliament in 2014, the top political positions were occupied by more experienced politicians and the revolution failed to bring a new cadre of political leaders to the fore. The electoral success of President Zelenskyy can be regarded as a belated response to the failure to refresh Ukraine's political elite.

53. Ukraine's civil society remains vibrant and plays a crucial role in encouraging the government to pursue reforms, tackle corruption, and enhance transparency. However, NGOs are still weak outside of Kyiv and some other big cities. They are also forced to rely on foreign funding. The decision to require anticorruption activists to declare their assets was heavily criticised by institutions such as the Venice Commission and the OSCE. Anticorruption activists often face threats, smear campaigns, and even physical attacks. In a notable case, in July 2018, prominent Ukrainian anticorruption activist Kateryna Handzyuk, who was investigating police and political corruption in the Black Sea port of Kherson, suffered critical injuries from a sulphuric acid attack and died from these wounds three months later, which led to public outcry.

54. Far-right groups such as the National Corps and the National Militia, while lacking any meaningful electoral support, are nevertheless active on the streets, occasionally clashing with law

enforcement. The US Department of State's Ukraine 2018 Report on Human Rights listed a number of violent incidents against ethnic minorities, the LGBT community, and political opponents involving "nationalist hate groups". Despite these problems, civil society in Ukraine appears strong enough to provide a high degree of reassurance against the possibility of democratic backsliding.

55. ODIHR characterises Ukraine's media environment as diverse on both the national and regional levels. Most Ukrainians still receive their news from television, where political debates are frequent and include a wide spectrum of political views. However, all major TV networks and online news portals are owned by a handful of oligarchs, including Rinat Akhmetov, Ihor Kolomoyskiy, Viktor Pinchuk, Viktor Medvedchuk, Dmytro Firtash, and Petro Poroshenko. Mr Akhmetov and Mr Firtash had close ties to the Yanukovich regime, but their outlets have adapted to the new political realities. Some media networks are heavily biased – for instance, channels associated with Mr Kolomoyskiy are extremely critical of Mr Poroshenko, and vice versa. Media associated with Mr Pinchuk is regarded as inclusive and neutral. Mr Medvedchuk reportedly has very close ties with the Kremlin (President Putin is the godfather of Mr Medvedchuk's daughter), and the growth of Mr Medvedchuk's media empire therefore raises national security concerns (AFP, 2019). On the positive side, Ukraine has adopted a requirement to disclose ownership of media outlets, which makes media more transparent.

56. ODIHR notes that the safety of Ukrainian journalists remains a concern as they face violence and intimidation. In one notable case, Ukrainian journalists working with Radio Free Europe/Radio Liberty's Schemes anticorruption programme were subjected to assault, slander, and harassment by government officials.

57. In 2018, Ukraine adopted a new education law, mandating that Ukrainian be the primary language of instruction in secondary schools by 2020. The decision was heavily criticised by neighbours, including Romania, Poland, Russia, and particularly Hungary. Budapest, concerned that the new law will lead to the assimilation of the Hungarian minority in western Ukraine, has blocked meetings of the NATO-Ukraine Commission above the level of ambassadors. Budapest insists that progress on Ukraine's Euro-Atlantic integration will not be possible until Kyiv changes the law. Ukrainian officials argue that children need to understand the state's majority language to fully participate in society, and point out that the law does not prohibit education in minority languages as separate classes. The Venice Commission has presented its opinion about the education law, in which it stressed that "it is a legitimate and commendable aim for states to promote the strengthening of the state language." However, the Commission expressed concern about the scope and pace of the reform, which could "amount to a disproportionate interference with the existing rights of persons belonging to national minorities." The Commission recommended that Ukraine amend the law to guarantee a sufficient proportion of education in minority languages at the primary and secondary school levels as well as to provide more time for gradual reform. During her visit to Budapest, NATO Deputy Secretary General Rose Gottemoeller noted that "Allies have acted in solidarity with Hungary when it comes to Ukraine's Law on Education. In the Brussels Declaration and in the assessment of Ukraine's Annual Programme, all Allies urge Ukraine to fully implement the recommendations of the Venice Commission". Ukraine has taken note of the international reaction and, in April 2019, the parliament postponed the implementation of the law until 2023.

58. In May 2019, the outgoing parliament adopted a law on the Ukrainian language, requiring politicians, judges, military officers, doctors, teachers, and other public service employees to use the state language while performing their work. According to the law, the government shall also provide opportunities for adults to learn the national language free of charge (UNIAN, 23 May 2019). The law was criticised by Russia, but also by NATO Ally Hungary. At the time of writing, the Venice Commission and the European Commission were analysing the new law before presenting their assessments. Some observers, such as Rosemary A. DiCarlo, the United Nations Under-Secretary-General for Political and Peacebuilding Affairs, recommended that Ukraine pass an accompanying law on the realisation of the rights of minority languages "to ensure a fair

correlation between the protection of the rights of minorities and the preservation of the state language as a tool for integration within society” (UN, 2019).

59. In 2018-2019, Ukraine made a significant step towards reducing Russia’s indirect influence on the Ukrainian population by achieving the separation of its Orthodox Church from Moscow’s jurisdiction. In January 2019, Bartholomew I, the Ecumenical Patriarch of Constantinople, signed the document (or *tomos*) that officially granted autocephaly (self-governorship) to the Orthodox Church of Ukraine. By March 2019, the majority of some 600 Orthodox parishes in Ukraine switched from the Moscow Patriarchate to the independent Ukrainian Church (UNIAN, 19 March 2019). Moscow denies the legitimacy of the *tomos*, and some high-ranking Russian clerics warned of potential violence if the separation were to go ahead.

IV. CONCLUSIONS: SUPPORTING UKRAINE’S EURO-ATLANTIC INTEGRATION

60. Ukraine’s Revolution of Dignity was more than a rejection of Russia and a fight for Europeanisation. At its core, Euro-Maidan was a revolution sparked by domestic corruption and involved demands for just and fair politics, society, and economy. The internal reforms the revolution called for are as essential to Ukraine’s survival as they are in resisting external Russian interference. Indeed, the two go hand in hand. If Ukraine is to resist Russian pressures in its political, military, economic, and media sectors, then it must have healthy and transparent institutional frameworks with a correspondingly robust civil society.

61. Ukraine has made significant strides since the Revolution of Dignity. Following the illegal occupation and annexation of Crimea immediately after the 2014 revolution, Ukraine was able to withstand severe military, economic, and psychological stress. Observers assess that more reforms have been launched and enacted in the five years since Euro-Maidan than in the entirety of the preceding 25 years. Efforts span from overhauling the military to reforming the energy sector, the business environment, and law enforcement.

62. But it is clear Ukraine still has a long way to go before realising the hopes of the hundreds of thousands who took to *Maidan Nezalezhnosti* (Independence Square) five years ago. Reforms were marred with delays and obstacles. The power of oligarchs has hardly been addressed and there remains widespread resistance to structural reforms among Ukrainian elites.

63. Western assistance to Ukraine has been crucial and comprehensive, but more can be done. The Euro-Atlantic community cannot succumb to “Ukraine fatigue”. The success of European Ukraine would dramatically change the geopolitical situation in Europe and increase overall security. It might even trigger a positive change in Russia itself. While Ukraine has been saddled with a burdensome Soviet legacy and decades of poor governance, it now has the political leadership and public support to reinvent itself as a fully-fledged European nation. This opportunity should not be wasted.

64. Ukraine needs a truly ambitious and well-resourced assistance package, perhaps even on the scale of the Marshall Plan that ensured the reconstruction of Western Europe in the wake of World War II. The success of Ukraine with the assistance of NATO and the EU would also bolster the *raison d’être* of both organisations. Ukraine is still a long way from meeting membership criteria in NATO and the EU, but it must be given a clear signal that membership is attainable once all membership criteria are met. The Euro-Atlantic community has to demonstrate patience and flexibility towards Ukraine; its approach to Ukraine should be political rather than bureaucratic. In addition, to support reform and financial aid, Ukraine will continue to need Western material assistance in acquiring equipment and platforms in order to be able to defend itself and its borders. NATO’s consistent and substantial presence in the Black Sea is a strategic necessity. The Euro-Atlantic community should also continue exerting pressure on Russia to stop destabilising Ukraine, to comply with Minsk II, to

immediately return those political prisoners who remain imprisoned, to ensure freedom of navigation in the Black Sea and the Sea of Azov, and to stop human rights abuses in occupied Ukrainian territories. Russian authorities should be reminded at every opportunity that illegal occupation and annexation of Crimea will never be recognised.

65. At the same time, Ukrainian leaders should continue demonstrating their commitment to reforms. Strong public support and an absolute majority in parliament give President Zelenskyy and his team a unique opportunity to generate meaningful change in Ukraine, particularly when it comes to tackling corruption and oligarchic influences. It is important that the population finally starts to see the benefits of reforms, including improvements in social and economic well-being. According to a survey conducted in August 2019, half of Ukrainian citizens surveyed believe their country is moving in the right direction, up from only 18.1% in December 2018 (Interfax-Ukraine, 2019). This positive momentum should not be wasted. The citizens of Ukraine should not be discouraged by the realisation that EU and NATO membership might take time. The European reform process has already awarded Ukraine with tangible benefits, such as access to the EU's market, a visa-free regime, the Erasmus+ academic exchange programme¹⁶, and NATO's Comprehensive Assistance Package.

66. Since 2014, Ukraine has consolidated itself as a democratic European nation and its European path is increasingly entrenched. The NATO PA will continue to be a steadfast champion of Ukraine's Euro-Atlantic integration.

¹⁶ Erasmus+ is the EU's programme to support education, training, youth, and sport in Europe. Its budget of EUR 14.7 billion will provide opportunities for over 4 million Europeans to study, train, and gain experience abroad.

BIBLIOGRAPHY

- AFP. (2019, July 22). Putin ally stages political comeback in Ukraine. Retrieved from France24: <https://www.france24.com/en/20190722-putin-ally-stages-political-comeback-ukraine>
- Antonenko, A., Nitsovych, R., Pavlenko, O., & Takac, K. (2018, February 6). *Reforming Ukraine's Energy Sector: Critical Unfinished Business*. Retrieved from Carnegie Europe: <https://carnegieeurope.eu/2018/02/06/reforming-ukraine-s-energy-sector-critical-unfinished-business-pub-75449>
- Ash, T., Gunn, J., Lough, J., Lutsevych, O., Nixey, J., Sherr, J., & Wolczuk, K. (2017, October). *The Struggle For Ukraine*. Retrieved from Chatham House: <https://www.chathamhouse.org/sites/default/files/publications/research/2017-10-18-struggle-for-ukraine-ash-gunn-lough-lutsevych-nixey-sherr-wolczukV5.pdf>
- Åslund, A. (2019, July 5). Zelensky Shines in Toronto, but His Plans Need Right People and Right Priorities. Retrieved from Atlantic Council: <https://www.atlanticcouncil.org/blogs/ukrainealert/zelensky-shines-in-toronto-but-his-plans-need-right-people-and-right-priorities>
- Bennets, M. (2019, September 7). *Families reunite in Russia-Ukraine prisoner exchange*. Retrieved from The Guardian: <https://www.theguardian.com/world/2019/sep/07/long-awaited-russia-ukraine-prisoner-exchange-begins>
- Bielieskov, M. (2019, February 27). *Ukraine's Military Is Back*. Retrieved from The National Interest: <https://nationalinterest.org/blog/the-buzz/ukraines-military-back-24674>
- Cohen, A. (2018, June 18). *Russia's Nord Stream II Pipeline Is Ukraine's Worst Nightmare*. Retrieved from Forbes: <https://www.forbes.com/sites/arielcohen/2018/06/18/russias-nord-stream-ii-pipeline-is-ukraines-worst-nightmare/#4f7fcd853524>
- DW. (2019, March 15). *EU, Canada, and US impose new sanctions on Russia*. Retrieved from Deutsche Welle: <https://www.dw.com/en/eu-canada-and-us-impose-new-sanctions-on-russia/a-47941703>
- European Commission. (2018, November 7). *Association Implementation Report on Ukraine*. Retrieved from EEAS: https://eeas.europa.eu/sites/eeas/files/2018_association_implementation_report_on_ukraine.pdf
- Freedom House. (2019, February). *Freedom in the World 2019: Crimea*. Retrieved from Freedom House: <https://freedomhouse.org/report/freedom-world/2019/crimea>
- Hanushchak, Y., Sydoruk, O., & Umland, A. (2017, April 13). *Ukraine's most underreported reform*. Retrieved from New Eastern Europe: <http://neweasterneurope.eu/2017/04/13/ukraine-s-most-underreported-reform-decentralisation-after-the-euromaidan-revolution/>
- Haring, M. (2019, September 7). Q&A: *What Does Ukraine-Russia Prisoner Swap Mean?* Retrieved from the Atlantic Council: <https://www.atlanticcouncil.org/blogs/ukrainealert/q-a-what-does-the-prisoner-swap-mean-for-ukrainian-russian-relations>
- Hromadske. (2019, August 30). Meet the Ministers: What We Know About Ukraine's New Cabinet. Retrieved from Hromadske International: <https://en.hromadske.ua/posts/meet-the-ministers-what-we-know-about-ukraines-new-cabinet>
- HRW. (2019). *World Report 2019: Ukraine*. Retrieved from Human Rights Watch: <https://www.hrw.org/world-report/2019/country-chapters/ukraine>
- IEOM. (2019, April 21). *PRELIMINARY CONCLUSIONS: Ukraine – Presidential Election, Second Round, 21 April 2019*. Retrieved from OSCE: <https://www.osce.org/odihr/elections/ukraine/417821?download=true>
- Interfax-Ukraine. (2019, August 22). Half of Ukrainians for first time since 2004 positive about developments in country. Retrieved from Interfax-Ukraine: <https://en.interfax.com.ua/news/general/608761.html>
- Khylko, M. (2019, February 11). *Why the Sajdik Plan for the Donbas Will Not Work*. Retrieved from Atlantic Council: <https://www.atlanticcouncil.org/blogs/ukrainealert/why-the-sajdik-plan-for-the-donbas-will-not-work>

- Likhachev, V. (2018, May 11). *Far-right Extremism as a Threat to Ukrainian Democracy*. Retrieved from Freedom House: <https://freedomhouse.org/report/special-reports/far-right-extremism-threat-ukrainian-democracy>
- Lough, J., & Dubrovskiy, V. (2018, November). *Are Ukraine's Anti-corruption Reforms Working?* Retrieved from Chatham House: <https://www.chathamhouse.org/sites/default/files/publications/research/2018-11-19-ukraine-anti-corruption-reforms-lough-dubrovskiy.pdf>
- Lourie, R. (2018, October 26). *Putin's bridge over troubled waters*. Retrieved from The Globe and Mail: <https://www.theglobeandmail.com/opinion/article-putins-bridge-over-troubled-waters/>
- Miklos, I. (2018, July 2). *Ukrainian reforms – is the glass half full or half empty?* Retrieved from EuroActiv: <https://www.euractiv.com/section/europe-s-east/opinion/ukrainian-reforms-is-the-glass-half-full-or-half-empty/>
- Miller, C. (2019, August 17). Mission: Impossible? Ukraine's New President Ventures To Reform Powerful State Spy Agency. Retrieved from RFE/RL: <https://www.rferl.org/a/ukraine-zelenskiy-reform-state-spy-agency-sbu-30114589.html>
- Miller, C. (2019, August 5). U.S. Ambassador: Ukraine Asks To Buy More Javelin Missiles. Retrieved from RFE/RL: <https://www.rferl.org/a/us-ambassador-ukraine-asks-to-buy-more-javelin-missiles/30093162.html>
- Moshes, A., & Nizhnikau, R. (2018, March). *Russian-Ukrainian Relations*. Retrieved from FIIA: https://www.fiia.fi/wp-content/uploads/2018/03/bp235_russia-ukraine.pdf
- NATO. (2019, March 18). *Statement by the North Atlantic Council on Crimea*. Retrieved from NATO: https://www.nato.int/cps/en/natohq/news_164656.htm
- Naval Today. (2019, April 2). *Canadian, Spanish NATO ships arrive in Odesa, Ukraine*. Retrieved from Naval Today: <https://navaltoday.com/2019/04/02/canadian-spanish-nato-ships-arrive-in-odesa-ukraine/>
- OCHA. (2018, July 16). *Ukraine: Checkpoints - Humanitarian Snapshot*. Retrieved from OCHA: https://reliefweb.int/sites/reliefweb.int/files/resources/ukraine_humanitarian_snapshot_checkpoints_20181607_en.pdf
- OHCHR. (2017, September 25). *Situation of human rights in the temporarily occupied Autonomous Republic of Crimea and the city of Sevastopol (Ukraine), 2014-2017*. Retrieved from OHCHR: https://www.ohchr.org/Documents/Countries/UA/Crimea2014_2017_EN.pdf
- OHCHR. (2018, September 10). *Report on the situation of human rights in the temporarily occupied Autonomous Republic of Crimea and the city of Sevastopol, Ukraine*. Retrieved from OHCHR: https://www.ohchr.org/_layouts/15/WopiFrame.aspx?sourcedoc=/Documents/Countries/UA/CrimeaThematicReport10Sept2018_EN.pdf&action=default&DefaultItemOpen=1
- OSCE. (2019, April 1). Ukraine election competitive, but legal issues remain, international observers say. Retrieved from OSCE: <https://www.osce.org/odihr/elections/ukraine/415742>
- OSCE. (2019, April 22). Ukraine, Presidential Election, Second Round, 21 April 2019: Statement of Preliminary Findings and Conclusions. Retrieved from OSCE: <https://www.osce.org/odihr/elections/ukraine/417821?download=true>
- OSCE SMM. (2019, April 18). *Trends and Observations JAN-MAR 2019*. Retrieved from OSCE SMM: <https://www.osce.org/special-monitoring-mission-to-ukraine/417584?download=true>
- OSCE SMM. (2019, July 11). Trends and Observations. April-June 2019. Retrieved from OSCE: <https://www.osce.org/special-monitoring-mission-to-ukraine/425429?download=true>
- OSCE SMM. (2019, July 15). Come snow, shine or shelling: how eastern Ukraine's elderly risk their lives for their pension. Retrieved from OSCE SMM: <https://www.facebook.com/notes/osce-smm-special-monitoring-mission-to-ukraine/come-snow-shine-or-shelling-how-eastern-ukraines-elderly-risk-their-lives-for-th/1331036730381362>
- Peel, M., Olearchyk, R., and Foy, H. (2019, September 8). *Prisoner swap divides EU on Russia-Ukraine relations*. Retrieved from Financial Times: <https://www.ft.com/content/cdc80784-d243-11e9-8367-807ebd53ab77>

- Prince, T. (2019, August 5). *Comic Or Commander In Chief? Reform Of Ukrainian Defense Industry Giant Tests Zelenskiy's Will*. Retrieved from RFE/RL: <https://www.rferl.org/a/ukraine-zelenskiy-reform-defense-industry-nato-ukroboronprom/30093619.html>
- RFE/RL. (2019, March 18). *Canada Expected To Announce Extension Of Ukraine Training Mission*. Retrieved from RFE/RL: <https://www.rferl.org/a/canada-extension-training-mission-ukraine-freeland-sajjan/29827261.html>
- RFE/RL. (2019, February 26). *Death Toll Up To 13,000 In Ukraine Conflict, Says UN Rights Office*. Retrieved from RFE/RL: <https://www.rferl.org/a/death-toll-up-to-13-000-in-ukraine-conflict-says-un-rights-office/29791647.html>
- RFE/RL. (2019, March 29). *Ukraine's Orthodox Church Faces Eviction In Russia-Annexed Crimea*. Retrieved from RFE/RL: <https://www.rferl.org/a/ukraine-s-orthodox-church-faces-eviction-in-russia-annexed-crimea/29849975.html>
- RFE/RL. (2019a, August 20). *Facing Price-Fixing Charges, Ex-Energy Regulator Official Says Will Stay Out Of Ukraine*. Retrieved from RFE/RL: <https://www.rferl.org/a/facing-price-fixing-charges-ex-energy-regulator-official-says-will-stay-out-of-ukraine/30118686.html>
- RFE/RL. (2019b, August 20). *Kyiv Pursues Additional Reverse Gas Flows In Preparation For Potential Russian Gas-Transit Cutoff*. Retrieved from RFE/RL: <https://www.rferl.org/a/kyiv-pursues-additional-reverse-gas-flows-in-preparation-for-potential-russian-gas-transit-cutoff/30118706.html>
- RFE/RL. (2019, August 23). *Ukraine, Russia Reportedly Preparing To Exchange Dozens Of Prisoners*. Retrieved from RFE/RL: <https://www.rferl.org/a/ukraine-russia-reportedly-preparing-to-exchange-dozens-of-prisoners/30124930.html>
- RFE/RL. (2019, August 14). *Ukrainian Deputy Minister Detained Over Alleged \$1.1 Million Bribe Scheme*. Retrieved from RFE/RL: <https://www.rferl.org/a/ukraine-deputy-minister-detained-over-alleged-1-1-million-bribe-scheme/30110029.html>
- RFE/RL. (2019, August 12). *Ukrainian Ex-President Questioned In Tax-Evasion Case*. Retrieved from RFE/RL: <https://www.rferl.org/a/poroshenko-ukraine-tax-evasion/30105801.html>
- RFE/RL. (2019, July 31). *Zelenskiy's Economic Team Head Wants New IMF Loan, To Lift Farmland Sale Ban*. Retrieved from RFE/RL: <https://www.rferl.org/a/zelensky-s-economic-team-head-wants-new-imf-loan-lift-farmland-sale-ban/30084495.html>
- Roslycky, L., & Tregub, O. (2018, July 30). *Why It's Too Soon to Celebrate Ukraine's New National Security Law*. Retrieved from Atlantic Council: <https://www.atlanticcouncil.org/blogs/ukrainealert/why-it-s-too-soon-to-celebrate-ukraine-s-new-national-security-law>
- RPR. (2019, July). *Sectoral Policy Briefs on Reforms in Ukraine*. Retrieved from Reanimation Package of Reforms Coalition: https://rpr.org.ua/wp-content/uploads/2019/07/A4_Toronto_engl_web3.pdf
- UAWire. (2019, April 8). *Zelensky promises to maintain Ukraine's course toward NATO and EU and protect foreign investments*. Retrieved from UAWire: <https://uawire.org/zelensky-promises-to-maintain-ukraine-s-course-toward-nato-and-eu-and-protect-foreign-investments>
- Ukrinform. (2018, August 28). *Ukrainian exports to EU five times more than to Russia in H1 2018*. Retrieved from Ukrinform: <https://www.ukrinform.net/rubric-economy/2526033-ukrainian-exports-to-eu-five-times-more-than-to-russia-in-h1-2018.html>
- UN. (2019, July 16). *Briefing Security Council on Ukraine, Under-Secretary-General Expresses Concern over Language Law, Ceasefire Violations*. Retrieved from UN: <https://www.un.org/press/en/2019/sc13884.doc.htm>
- UNIAN. (2018, March 28). *Poroshenko approves Annual National Program of Ukraine-NATO cooperation*. Retrieved from UNIAN: <https://www.unian.info/politics/10060226-poroshenko-approves-annual-national-program-of-ukraine-nato-cooperation.html>
- UNIAN. (2019, March 26). *No school with Ukrainian language of instruction left in occupied Crimea – human rights activists*. Retrieved from UNIAN: <https://www.unian.info/society/10493511-no-school-with-ukrainian-language-of-instruction-left-in-occupied-crimea-human-rights-activists.html>

- UNIAN. (2019, January 28). *OSCE envoy tells of new Donbas settlement plan*. Retrieved from UNIAN: <https://www.unian.info/politics/10424811-osce-envoy-tells-of-new-donbas-settlement-plan.html>
- UNIAN. (2019, March 19). *Over 500 parishes become part of Ukraine's new independent Church*. Retrieved from UNIAN: <https://www.unian.info/society/10484175-over-500-parishes-become-part-of-ukraine-s-new-independent-church.html>
- UNIAN. (2019, March 7). *Prosecutor General: 480 criminal proceedings launched into violations at Ukroboronprom enterprises since 2014*. Retrieved from UNIAN: <https://www.unian.info/society/10471341-prosecutor-general-480-criminal-proceedings-launched-into-violations-at-ukroboronprom-enterprises-since-2014.html>
- UNIAN. (2019, May 23). *Venice Commission to analyze Ukraine's language law*. Retrieved from UNIAN: <https://www.unian.info/society/10560810-venice-commission-to-analyze-ukraine-s-language-law.html>
- World Bank. (2019, April 12). *Ukraine and the World Bank Group: Supporting Ambitious Policy Reforms to Restore Sustainable Growth and Strengthen Public Services*. Retrieved from World Bank: <http://www.worldbank.org/en/results/2019/04/12/the-world-bank-group-and-ukraine-supporting-ambitious-policy-reforms-to-restore-sustainable-growth-and-strengthen-public-services>
-

www.nato-pa.int