



## Court Rejects October Presidential Election

Ukraine's Constitutional Court has declared the Verkhovna Rada (parliament's) decision to bring forward the date of the presidential election to 25 October as unlawful. Announced last Wednesday, the court's decision means that the date for the presidential election is most likely to revert to January 2010.



▲ The Constitutional Court of Ukraine declared parliament's decision to bring forward the presidential election as illegal.

On 1 April, the Verkhovna Rada voted overwhelmingly in favour of bringing forward the presidential election to 25 October. Most observers interpreted this as a defensive move to stop the president from dissolving the 450-seat parliament and calling a snap election. Under Ukrainian law the president has no authority to dismiss parliament in the last six months before the election.

President Viktor Yushchenko then announced that he would accept the 25 October date, provided simultaneous parliamentary elections were held. But when parliamentary elections looked unlikely, the president, on 8 April, referred the legality of the autumn presidential poll to the Constitutional Court.

The eventual court ruling did not come as a great surprise as according to the revised Constitution of 2006, the election of the head of state should be held "on the last Sunday of the last month of the fifth year of the president being in office." This means that the most probable date for the next presidential election is 17 January 2010.

The parliamentarians had pinned their hopes for an October election on the contention that as the current head of state took office in 2005 – which was prior to the amendments to the Constitution taking effect – the old regulations applied.

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Prime Minister Yulia Tymoshenko greeted the court's decision saying, "The president has managed to haggle a few more months from the Constitutional Court."

Political commentators do not believe that the extra time bought by the president will enable him to claw back the votes he would need to get into a second round run-off.

Viktor Nebozhenko of the Barometer think tank was quoted in the *Kyiv Post* as saying, "Yanukovich will probably win the first round but lose the run-off as she (Ms Tymoshenko) is more skilled at elections."

"Yushchenko won't be saved by several more months. If I were him, I wouldn't cling to his seat so much," said Hanna Herman, deputy leader of the Party of Regions.



It is expected that parliamentary lawmakers will abide by the decision of the Constitutional Court and not seek to hasten the presidential election. Oleh Zarubinsky of the Lytvyn bloc told a ZIK correspondent, "I don't think the lawmakers will bend the Constitution."

The opposition Party of Regions has effectively dropped its call for an early parliamentary election. It halted its two-day blockade of parliament (a protest calling for the dismissal of the Minister for the Interior, Yuriy Lutsenko), which robbed President Yushchenko of the opportunity to dismiss Parliament on Monday, 18 May, when it would have been out of session for the 30 days since 17 April.

"An autumn/winter campaign is now on the cards," said a BYuT spokesperson.

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## UEFA Fires Broadside at Ukraine

**UEFA, Europe's governing football body, has fired a broadside at Ukraine's plans to co-host the UEFA EURO 2012™ soccer tournament. At last Wednesday's executive committee meeting in Bucharest, UEFA officials confirmed four host cities in Poland but only Kyiv from Ukraine's candidate cities received a tentative thumbs up, with a warning that it could miss out on the tournament final. Donetsk, Lviv and Kharkiv were put on probation and given the deadline of 30 November to satisfy UEFA's criteria.**



Significantly, UEFA President Michel Platini warned that Kyiv could be stripped of hosting the tournament final if issues with refurbishing the stadium, airport and transport infrastructure were not resolved.

"Kyiv is okay according to UEFA's criteria for all matches leading up to the semi-final. But certain other criteria must be met to stage the final as well. If it's not Kyiv it could be Warsaw," said Mr Platini.

Speaking to reporters the former French soccer star said, "We would like for the executive committee to have an equal division of cities between Poland and Ukraine. If Ukrainian cities cannot fulfill the conditions by 30 November, we will organise EURO 2012 with four Polish cities and the two best prepared Ukrainian cities."

After Kyiv, Donetsk is arguably the best prepared city with its new 50,000-seat Donbass Arena stadium: home to UEFA Cup finalists Shakhtar Donetsk. The other two proposed cities are Kharkiv and Lviv, with Dnipropetrovsk and Odessa as reserve cities.



On the same day as the UEFA meeting, Ukraine's

Ministry for Family, Youth and Sports announced that it was allocating an additional UAH 67.7 million (\$8.5 million) to hasten the reconstruction of National Olympic Stadium. This landmark 83,000-seat stadium was venue for the 1980 Moscow Olympics soccer final.



Reconstruction of the stadium began on 1 December 2008 and is scheduled for completion by the end of December 2010. Kyivmiskbud is



undertaking the wholesale refurbishment of the stadium at a reported cost of UAH 2 billion (\$250 million).

Ilya Shevlyak, chief executive of the EURO 2012 Coordinating Bureau, put a positive gloss on the UEFA statement. "It is important that Michel Platini recognised Ukraine's considerable progress in terms of its preparations for the European Championship in recent months. I think the UEFA decision is a positive signal that has to motivate Ukrainian cities to intensify their preparations," he said.



▲ President of UEFA, Michel Platini put Ukraine's cities on probation.

At last week's executive committee meeting, UEFA confirmed that all four candidate Polish cities, plus two reserve, "are currently in a position to fulfill the conditions for hosting matches." Poland's venues are Gdansk, Poznan, Warsaw and Wroclaw, with Chorzow and Krakow retained as reserve cities.

A confident Prime Minister Yulia Tymoshenko commented, "Four cities from Ukraine and four from Poland will host UEFA EURO 2012. We will get there."

"We have seen progress over the last few months but we must remind both countries that there is still a huge amount of work to be undertaken. There are numerous infrastructure issues that urgently need to be resolved in Ukraine to convince the UEFA Executive Committee that the host city candidates can be appointed as UEFA EURO 2012 host cities," said Mr Platini.

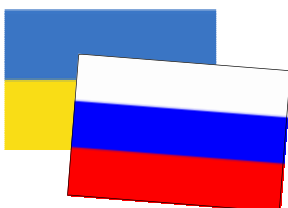
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Football experts believe that UEFA is simply exerting pressure on the co-hosts but its commitment to hosting Europe's largest sporting event in the region is not in question. "A broadside has definitely been fired at Ukraine," said an insider, "but we have to wait until December to see if it was below the waterline and the vessel is irreparably damaged. Let's hope it isn't."

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## Not "Pro-Russian," Merely Pragmatic

**Prime Minister Yulia Tymoshenko's negotiation that ended the 2009 gas crisis illustrated further the ridiculous nature of the treason charges launched against her last summer by the presidential secretariat. Resolution of this dispute was no act of kowtowing to the Kremlin. Nor was the removal of the opaque gas intermediary RosUkrEnergo from Ukraine's gas supply contract, the agreement with the EU to modernise Ukraine's gas pipeline network and the hard fought Stand-By Agreement with the International Monetary Fund. These victories merely indicate the politics of pragmatism and confirm Ukraine's appetite for reform.**



In February 2007, Prime Minister Tymoshenko mobilised a parliamentary vote against the privatisation of Ukraine's pipelines that was supported by the majority of parliament, 430 out of 450 deputies. She skillfully withstood Russian energy pressure (unlike the Yuriy Yekhanurov government three years earlier) and prepared for this year's gas crisis by storing four months supply of gas.



Meanwhile, “pro-Western” President Viktor Yushchenko had supported the re-introduction of RosUkrEnergo into Ukraine’s gas relationship in the January 2006 gas contract, permitting it, according to RosUkrEnergo co-owner Dmytro Firtash, to control three quarters of gas distribution inside Ukraine. Former Defense Minister Anatoliy Hrytsenko, head of parliament’s committee on national security and defence, believes this was a direct threat to Ukraine’s national security.



▲ Prime Minister Yulia Tymoshenko and Russian Prime Minister Vladimir Putin agreed a 10-year gas deal in January. The contract followed an acrimonious gas dispute. The subsequent thaw in relations with the Kremlin is born out of realism as opposed to any change in ideology. Ukraine is still committed to European integration and eventual EU membership.

RosUkrEnergo’s presence in the Ukrainian energy market, with the open blessing of the president, was seen widely as a corrupt influence on the Ukrainian parliament, the president’s entourage, and cast a shadow over the Party of Regions (see *Inform* Issue 105, 10 March, 2009, The “Demise of the Gas Lobby”). As Andrew Wilson, Senior Fellow at the European Council on Foreign Relations, wrote “Corruption in the gas industry is the factor most responsible for driving the revolution off track” (*Wall Street Journal*, 28 January). Ironically, the president’s support for RosUkrEnergo’s presence in the Ukrainian energy market directly undermined the Orange Revolution that brought him to power.

### Labels Wrongly Applied

The Western media regularly use the term “pro-Russian” and “pro-Western” when describing Ukrainian politicians. These terms were once used to describe Party of Regions leader Viktor Yanukovich and President Viktor Yushchenko respectively. This has now changed to “Viktor Yushchenko, the pro-west president, and Yulia Tymoshenko, prime minister, who has looked to Moscow for support” (*Financial Times*, 4 May).

But “Pro-Russian” can mean very different things in Kyiv, particularly when compared to Moscow’s definition of the term. Russia proved unable to build a political and strategic union, despite a decade spent trying, with the most “pro-Russian” leader in the world, Belarusian President Alexander Lukashenko. So it is most unlikely Russia will find an even more suitable “pro-Russian” leader in Ukraine, except perhaps on the extreme marginal left of the political spectrum.

It would appear that Russia has not learnt its lessons from its heavy handed intervention in the 2004 elections that there are no “pro-Russian” politicians, in the manner Russia defines “pro-Russian.” For Russia will never find a politician in Ukraine that could be defined as sufficiently “pro-Russian” as to prioritise Russian interests over Ukrainian national interests.

The rhetoric from Russia when Prime Minister Tymoshenko signed the pipeline modernisation agreement in March, was in part testimony to Russia’s difficulty in appreciating that as head of the government her first priority is to defend Ukraine’s national interests, not to advance Russian or Western interests. This is not any different to what politicians in other countries see as their first priority, including Russia. Why then, should Ukraine be different?

Prime Minister Tymoshenko seeks good relations with Russia while simultaneously advancing Ukraine’s trans-Atlantic integration. Such a stance, tirelessly promoted by Deputy Prime Minister Hryhoriy Nemyria in Brussels and other Western European capitals, has progressed Ukraine’s integration into Europe.



The government's policy of seeking good relations with Russia and integration into Europe is bringing Ukraine far greater dividends than that pursued by Ukraine's allegedly "pro-Western" president. In Brussels (never mind in Moscow) President Yushchenko is seen as anti-Russian and therefore has been placed in the same basket as the Georgian president whose image in Western Europe suffered a severe setback after his misconceived military intervention into South Ossetia in August 2008. Indeed, there is a new wariness in the west of politicians from former Soviet-block states who seek to position themselves by puffing out their chests and poking Russia in the eye at every turn. A more practical approach is needed.

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When taking into account Ukraine's energy independence from Russia and Ukraine's integration into Europe, the Tymoshenko government has pursued the right mix of policies that have advanced most successfully Ukraine's national interests. It is therefore time for Western and Ukrainian observers to approach their study of Ukrainian politicians in a more mature manner than seeing Ukrainian politicians simplistically divided into "pro-Russian" and "pro-Western" figures.

This division is simply passé and irrelevant.

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## Gas Bill Settled in Full

**Prime Minister Yulia Tymoshenko announced last week that Ukraine has completely settled its gas bill for supplies of Russian gas in April.**



The premier said that Naftohaz Ukrainy – Ukraine's state-run gas company – had settled a \$650 million gas bill which accounts for more than 2 billion cubic metres of natural gas.

Consumption of natural gas has fallen sharply in Ukraine as industrial output has fallen. The market price for gas has also plummeted. Naftohaz officials said that the price for gas in the second quarter would be \$270.95 per 1,000 cubic metres, compared with the \$360 it paid in the first three months of the year.

Naftohaz has made timely payments for gas delivered to Ukraine in January, February and March. According to agreements reached with Gazprom, Ukraine must pay for each month's gas supplies by the 7th day of the following month. If payment is not made on time, then Gazprom can insist on a switch to advance payments for deliveries.

The gas deal struck by Ms Tymoshenko with her Russian counterpart Vladimir Putin, promises a long-term stable framework for gas supply and transit. Quoted in an interview in *The Guardian* newspaper, Ms Tymoshenko said that the new deal eliminated the chance of another gas cut-



off "because we achieved a true breakthrough by concluding a contract with Russia for 10 years. We have completely removed any political implications from the gas price and gas transit calculation formulas. Ukraine has become dramatically more independent, both economically and politically."

This removal of corrupt influences in the energy sector is a significant achievement. Speaking at a government session the premier said, "As it had been in the times of the Second World War when minefields had been checked and information received that the territory was free from mines, nowadays we have several areas, including the area of natural gas supplies, which are completely free from corruption, from abuses, from bureaucratic impudence of previous authorities."

The premier also reported that the government had started preparing for the autumn-winter season by pumping a significant amount of natural gas into storage.



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