

## Analysis: The Political-Economy of Civil Society in FY 18

Post-Maidan Ukraine has undergone impressive institutional changes. Reforms have spanned various sectors, from public service and judiciary to public procurement. Ukraine is now more compliant with EU standards of public administration than ever before. Yet almost five years after the Revolution of Dignity, the situation remains complex, with the biggest challenges still looming ahead. The context for transformation of the Ukrainian state is still defined by the ongoing war in the East, Russian occupation and protracted pressure by the Kremlin on nearly every area of sociopolitical life in Ukraine. This grim setting together with painful reforms continue to weigh on the country's economic potential. Elections set for 2019 are adding more political turmoil, as even former pro-democracy allies are clashing with each other and populism spreads.

Amid protracted military conflict these severe circumstances are adding to dissatisfaction with the whole political class among Ukraine's population. The documented recent decline in trust in the president, parliament and government institutions in general is not just a pre-election trend. Discontent among Ukrainians is provoked by the persistence of corruption, lawlessness and declining measures of well-being. Domestic developments of the last year give little hope that the government is genuinely interested in addressing corruption and oligarchs. As political apathy builds, reforms need more public engagement to proceed, and a high level of mobilization and civic oversight are as vital as ever in the post-Maidan period.

### **With Reforms Falling Short, People's Support Decreases**

In the years 2017-2018, Ukraine saw breakthroughs in several major reforms. Ukraine finally acquired a visa-free regime with the European Union and launched reforms in health care, education and the pension system. A new institutional framework for independent investigative and political corruption preventive bodies was established. A package of laws on energy efficiency was adopted, as well as regulations to allow the creation of directorates within ministries. In addition, decentralization is succeeding, and a new Ukrainian electronic public procurement system, called "ProZorro", has won international acclaim. Ukraine is making considerable progress in becoming a more functional state:

Top reforms advocated by Civil Society <sup>1</sup>		Government's Medium-Term Priority Action Plan to 2020 <sup>2</sup>	
Year 2017:	Year 2018:	Year 2017:	Year 2018:
<ul style="list-style-type: none"> <li>• Anti-Corruption Reform</li> <li>• Judicial Reform</li> <li>• Electoral Reform</li> <li>• Energy and Climate Reform</li> <li>• Land Reform</li> <li>• Decentralization</li> <li>• Public Administration Reform</li> </ul>	<ul style="list-style-type: none"> <li>• Anti-Corruption Reform</li> <li>• Judicial Reform</li> <li>• Electoral Reform</li> <li>• Energy and Climate Reform</li> <li>• Decentralization Economic Reform</li> </ul>	<ul style="list-style-type: none"> <li>• Pension reform</li> <li>• Education reform</li> <li>• Healthcare reform</li> <li>• Decentralization</li> <li>• Public administration reform</li> <li>• Privatization and state-owned enterprise reform</li> <li>• Land market reform</li> </ul>	<ul style="list-style-type: none"> <li>• Favorable business climate development</li> <li>• Privatization &amp; SOE Reform</li> <li>• Logistics and infrastructure development</li> <li>• Energy reform</li> <li>• Land market reform</li> <li>• Innovations development</li> <li>• Anticorruption and the Rule of Law</li> <li>• Public Administration Reform</li> </ul>

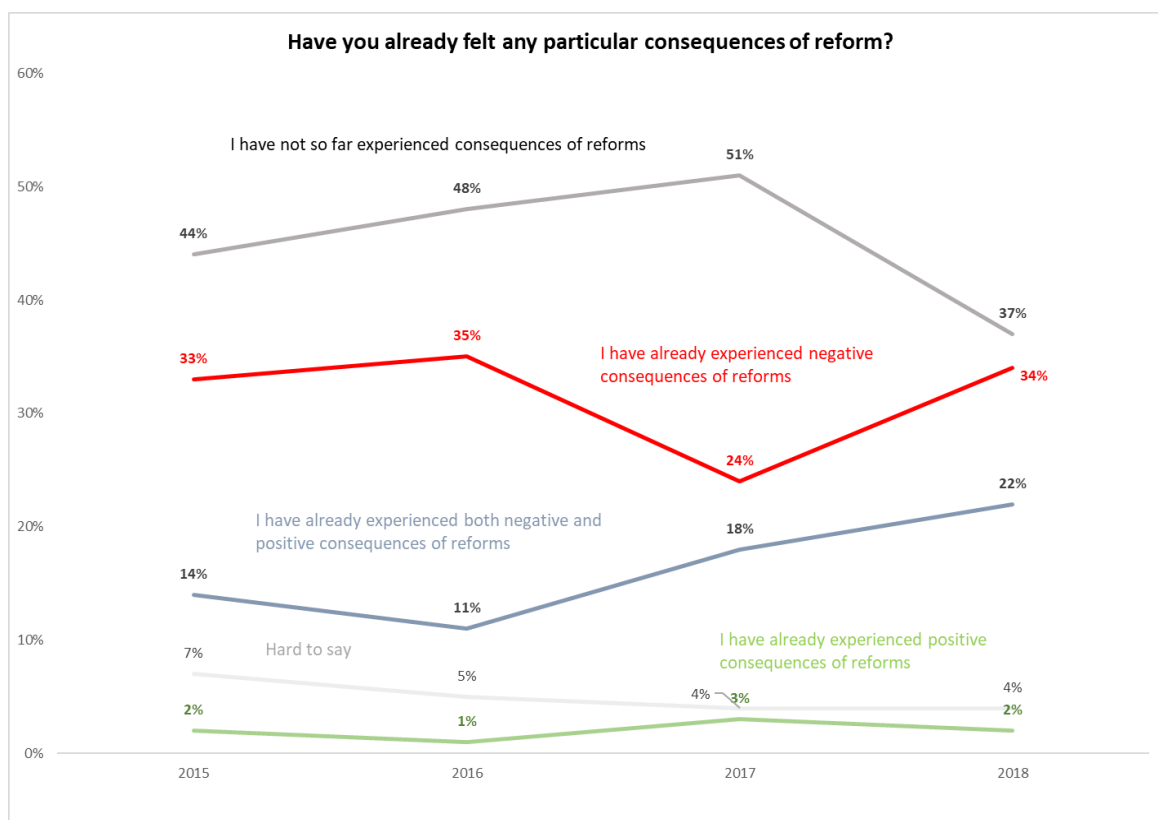
But introducing reforms does not automatically lead to improved socio-economic standards for citizens. On the contrary, the social price of reforms has been growing, whereas the positive impact of reforms has not always been visible in society. Even the issue of Ukraine's EU membership does not enjoy full support among Ukrainian citizens, as 47% consider it as a main direction Ukraine should take, while over 40% don't think so.<sup>3</sup> Regarding attitudes to other reforms, as Pact's National Civic Engagement Poll conducted in May-June 2018 demonstrates, there is a sizable portion of the population (34%) who said their experience with new reforms has been only negative. This is an increase of approximately 10% since September 2017<sup>4</sup>. The negative perception is also reflected in the growing number of citizens who are entirely against the reforms. As of May 2018, it was a quarter of the population, 25%. In terms of measuring which reforms have been the most noticed and positive, decentralization was ranked among citizens as the most successful (20%) followed by medical (18%) and pension reform (18%). At the same time, 44% of Ukrainians cannot choose or indicate any successful reforms.

<sup>1</sup> <https://rpr.org.ua/wp-content/uploads/2018/07/RPR-2017-4.pdf>

<sup>2</sup> <https://www.kmu.gov.ua/storage/app/media/reform%20office/book-web-smallest-size.pdf>

<sup>3</sup> Social and political attitudes of the residents of Ukraine: June 2018: <https://www.kiis.com.ua/?lang=eng&cat=reports&id=767&page=2>

<sup>4</sup> The dissatisfaction of Ukrainians with the current government is growing, while trust of civil activists increases <https://dif.org.ua/en/article/the-dissatisfaction-of-ukrainians-with-the-current-government-is-growing-while-trust-of-civil-activists-increases>

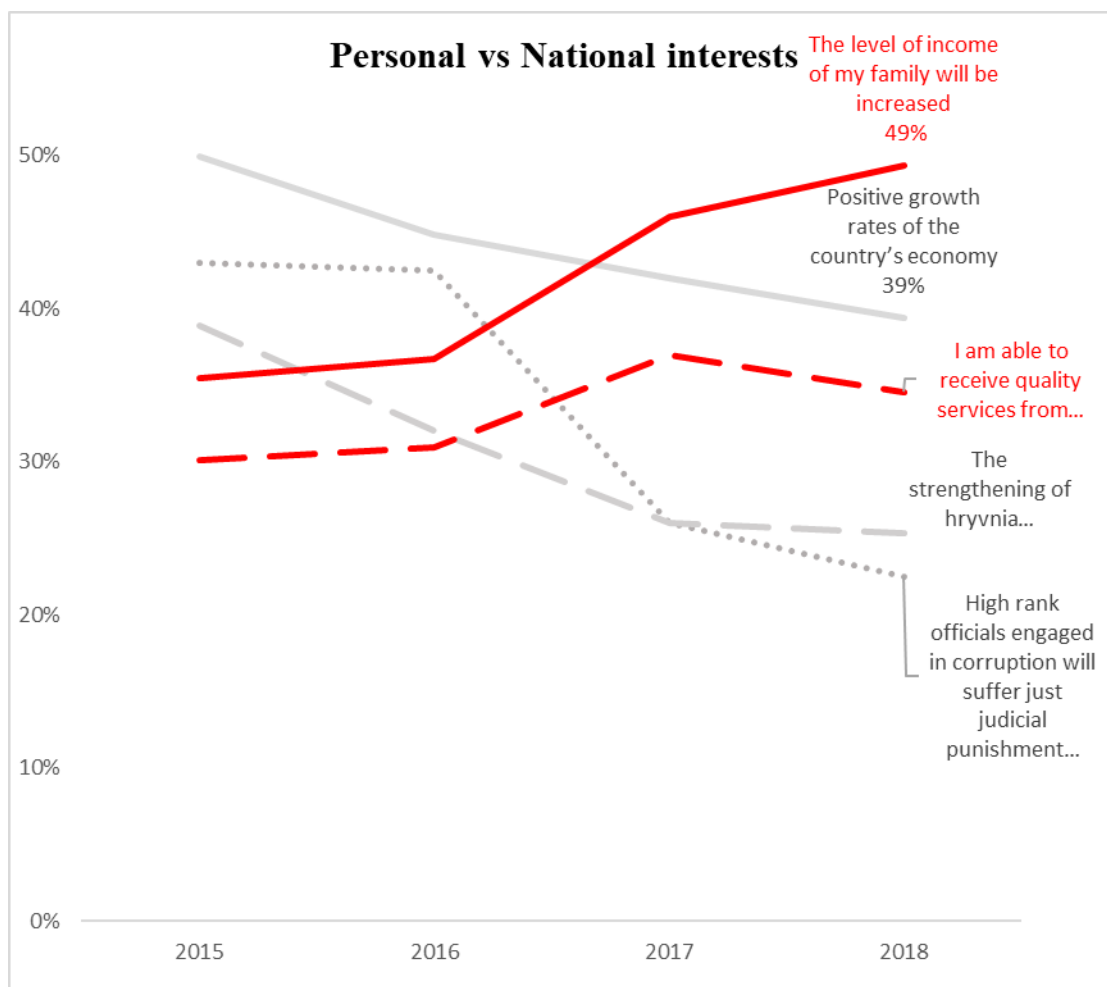


One of the main reasons why reform progress is not perceived by ordinary Ukrainians is that few outcomes of those reforms are reflected on the daily life of households; thus, citizens do not see reforms as addressing their personal needs. The most commonly named indicators of general health of the economy that citizens use are level of personal income, exchange rates and the state's capacity to provide services. In one of the latest surveys that measured the level of public support for reforms, the launch of mass repair of roads infrastructure significantly surpasses any other major reform, including educational, pension or privatization<sup>5</sup>. This is because people saw material outcomes of reform, and those outcomes brought direct improvements in their daily lives. This data directly reflects the trend that people understand political life on the national and local level through the prism of their own welfare.

To address this issue, several USAID/ENGAGE partners launched civic education campaigns on reforms<sup>6</sup>. For example, Centre UA held national policy tour ZminyTY with the aim to establish regional organizational networks to increase citizen engagement in local decision-making processes.

<sup>5</sup> Опитування населення України щодо сприйняття реформ та ініціатив уряду і судової реформи зокрема [https://www.gfk.com/fileadmin/user\\_upload/dyna\\_content/UA/2018/2018-news/Report\\_GfK\\_Ukraine\\_reforms.pdf](https://www.gfk.com/fileadmin/user_upload/dyna_content/UA/2018/2018-news/Report_GfK_Ukraine_reforms.pdf)

<sup>6</sup> In FY18, ENGAGE continued to support advocacy initiatives implemented by Centre UA, NGO Institute for Development and Social Initiatives, CSO Association of Political Sciences, Charitable Foundation Center for Civic Initiatives, NGO Kirovohrad Oblast Public Union "Institute of Socio-Cultural Management, Kyiv Cyclists' Association, Charitable Foundation Community Foundation of Kherson Zakhyst, CSO KyivPride, NGO Hmarochos, CSO Foundation 101, and NGO Association of Human Rights Monitors on Law Enforcement.

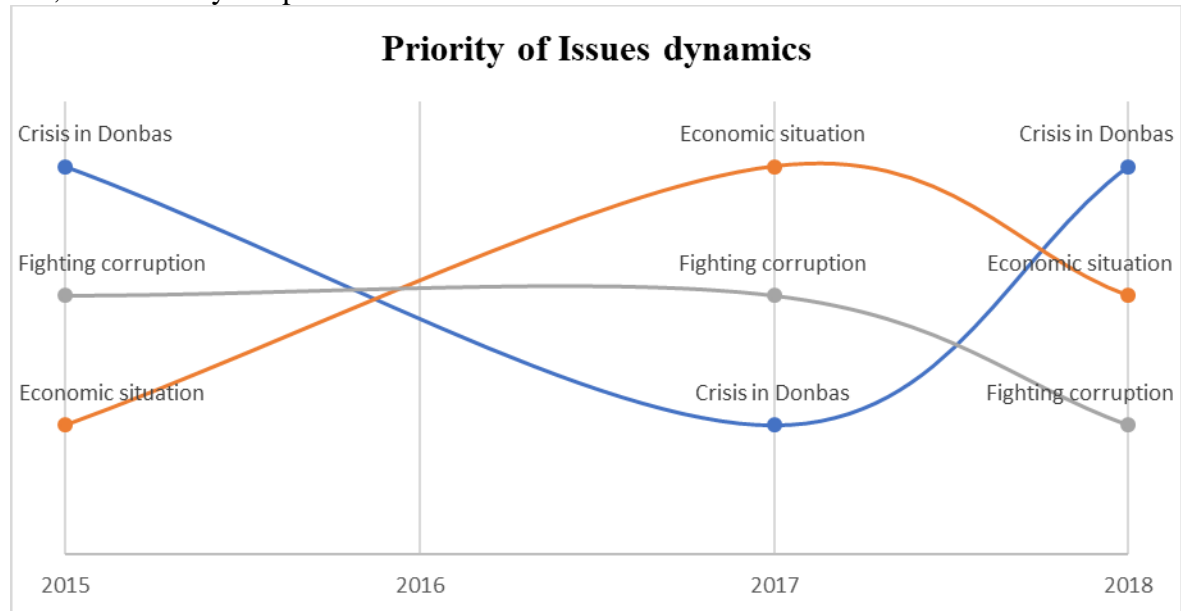


ENGAGE partners report and public opinion data of the past three-years period evidence that the most opportune politically moment to make substantial progress for reforms was regrettably lost. It is easier to carry out disruptive reforms when people themselves are eager to run those reforms and ready to support them. That was the case in Ukraine immediately after Euromaidan. For various reasons – from Russian aggression to the reluctance of traditional political actors to proceed with radical changes – Ukraine failed to seize that moment. Later reforms were only widely accepted when they delivered early returns in economic growth, because with each month wasted on rhetorical support of reforms but without harder work on it, citizens grew increasingly dissatisfied with authorities' political agenda.

Over the last four years, reforms were implemented too slowly, contrasting starkly with hopes and enthusiasm among Ukrainians. Take, for instance, issues of corruption and oligarchy - top problems of Ukraine's development over the decades. Creation of a new Supreme Court did not cleanse the judiciary; trust in the court system was not restored; only 25 % of the finalists for the Supreme Court met the integrity criteria. And the adoption of the High Anti-Corruption Court has been blocked by the administration's decision-makers for more than a year.<sup>7</sup>

<sup>7</sup> Daria Kaleniuk: "Actually, the West's Anticorruption Policy Is Spot On": <http://www.atlanticcouncil.org/blogs/ukrainealert/actually-the-west-s-anticorruption-policy-is-spot-on>

The general perception of reforms does not differ much among analysts. According to a survey of the expert community, Ukraine is still characterized by economic mismanagement and corruption. The greatest failures of the acting president, as mentioned by experts, are weak anticorruption efforts, failure in judicial reform and political deadlock. Instead of real change in these areas, there is only the pretense of reform<sup>8</sup>.



Although Ukraine has moved up in several international rankings, (e.g. *Doing Business 2018 Index* and *Corruption Perceptions Index*<sup>9</sup>), a significant majority of Ukrainians (71%) think that Ukraine is moving in the wrong direction<sup>10</sup>. The conflict in the East is dominating Ukraine's political discourse, but it is also evident that the country faces other major challenges that tests acting authorities to their limits. These include the risk of economic collapse, corruption and the slow pace of enacting reforms to bring Ukraine into line with European norms<sup>11</sup>.

### Addressing Corruption: New Institutions, Decades Old Problems

In winter 2018, the political environment started to warm when events unfolding around judicial and anti-corruption reform generated criticism of civil society and international partners<sup>12</sup>. Among controversial actions taken by the government has been the mocking of vetting processes for judges<sup>13</sup>. In March, the Public Integrity Council, the judiciary's civil society watchdog, terminated their participation in the re-evaluation of judges. As a result, activists argued that the

<sup>8</sup> Троєчник. 50 експертів оцінили чотири роки роботи президента Петра Порошенка, поставив йому 6 по 12-бальної системі // <https://magazine.nv.ua/journal/3204-journal-no-26/troechnik.html>

<sup>9</sup> Doing business in Ukraine // <http://www.doingbusiness.org/rankings>; Corruption perceptions index 2017 // [https://www.transparency.org/news/feature/corruption\\_perceptions\\_index\\_2017](https://www.transparency.org/news/feature/corruption_perceptions_index_2017)

<sup>10</sup> Динаміка суспільно-політичних поглядів в Україні. Березень 2018 [https://www.iri.org.ua/sites/default/files/editor-files/2018\\_03%20National\\_UA%20OFFICIAL.PDF](https://www.iri.org.ua/sites/default/files/editor-files/2018_03%20National_UA%20OFFICIAL.PDF)

<sup>11</sup> Ukraine Country Risk Report - Q2 2018/ Business Monitor International; London, 2018

<sup>12</sup> Ukraine 2017-2018: New realities, old problems (assessments): <https://ukraine-office.eu/ukraine-2017-2018-new-realities-old-problems-assessments/>

<sup>13</sup> Natalia Zinets. Row over vetting Ukraine judges prompts U.S.-backed body to quit. <https://www.reuters.com/article/us-ukraine-corruption-judge/row-over-vetting-ukraine-judges-prompts-u-s-backed-body-to-quit-idUSKBN1H21WH?feedType=RSS&feedName=worldNews>

updated courts “will have anti-Maidan judges, judges who often visit the occupied territories (which threatens Ukraine's national security), judges whose wealth does not correspond to the income declared, judges involved in the adoption of arbitrary decisions that were subject of consideration at the European Court of Human Rights”<sup>14</sup>.

The low level of trust in the judicial system and judicial authorities provokes radical demands from citizens. Thirty three percent of Ukrainians are convinced that it is only possible to restore confidence in the system by releasing all judges and recruiting new ones in a transparent contest. Another 34% believe trust can be restored only after the release and punishment of corrupt judges<sup>15</sup>.

In practice, as of August 7, 2018, qualification assessments of 1,486 local and appeals court judges were completed. Eighty four percent (1,245) successfully passed and were recognized as corresponding to the position held. Only 241 (16%) were to be dismissed<sup>16</sup>. Thus, there is little to demonstrate that judicial reform cleaned up the old, corrupted system. The “reformed” judicial branch looks somewhat less corrupt now, but a complete reboot of the judicial system has not happened.

During the last four years, Ukraine has been working to establish new anti-corruption bodies: the National Anticorruption Bureau (NABU), the National Agency for the Prevention of Corruption (NAPC), the Specialized Anticorruption Prosecutor’s Office (SAPO), and the Anticorruption Court (the last is on its way). This is probably the most ambitious reform project of the post-Maidan years, not only in scope, but also given the fact that all of these bodies were created under tough pressure from the West and Ukrainian civil society.

But the latest developments clearly demonstrate the concerted effort of those in power to compromise the independence of key institutions and undermine their credibility<sup>17</sup>. In December 2017, Yehor Sobolyev, chair of the parliament’s anti-corruption committee and one of the leading anti-corruption reformers, was dismissed. At the same time, members of Petro Poroshenko's party and former prime minister Arseniy Yatsenyuk introduced a bill into parliament to remove Artem Sytnyk, the NABU's director. Due to the efforts of the international community, this was prevented. But what cannot be controlled is being discredited. On June 19, the president appointed his longtime associate Pavlo Zhebrivskyi as an auditor of the effectiveness of NABU’s activity. The biggest anti-corruption CSOs - Anti-Corruption Action Center (AntAc), Transparency International Ukraine and Avtomaydan filed the complaint against his appointment, as they saw that anti-corruption “building” was staggered by attacks on its main pillars.

In April, NABU accused Nazar Kholodnitsky, the head of SAPO, of putting investigations on hold and leaking information to those under prosecution. Despite heightened public interest in this case, the Qualification Commission of Prosecutors ended up only reprimanding

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<sup>14</sup>O. Sukhov Civil society watchdog suspends its work, citing collapse of judicial reform: <https://www.kyivpost.com/ukraine-politics/civil-society-watchdog-suspends-work-citing-collapse-judicial-reform.html>; Ukraine's Public Integrity Council ceases partaking in judges' re-evaluation: [https://en.censor.net.ua/news/3057671/ukraines\\_public\\_integrity\\_council\\_ceases\\_partaking\\_in\\_judges\\_reevaluation](https://en.censor.net.ua/news/3057671/ukraines_public_integrity_council_ceases_partaking_in_judges_reevaluation)

<sup>15</sup> 54% українців вважають, що громадськість має входити до конкурсних комісій з добору суддів – соопитування: <https://cedem.org.ua/news/54-ukrayintsiv-vvazhayut-shho-gromadskist-maye-vhodyty-do-konkursnyh-komisij-z-doboru-suddiv-sotsopytuvannya/>

<sup>16</sup> Комісія завершила процедуру кваліфікаційного оцінювання стосовно 1486 суддів місцевих та апеляційних судів // <https://vkksu.gov.ua/ua/news/komisiia-zawiershila-procieduru-kwalifikacijnogo-ociniuwannia-stosowno-1486-suddiv-misciewich-ta-apieliacijnich-sudiw/>

<sup>17</sup> Троєчник. 50 експертів оцінили чотири роки роботи президента Петра Порошенка, поставив йому 6 по 12-бальній системі // <https://magazine.nv.ua/journal/3204-journal-no-26/troechnik.html>

Kholodnytskyi, not firing him. The fact that the head of the anticorruption prosecutor's office was convicted but still allowed to stand in the position indicated that any progress made could quickly be reversed.

NAPC, which was created to monitor the assets of people in power, has been operated at a turtle's pace and has been caught up in political games. The only benefit of the agency's e-declaration campaign was bringing to light the astonishing wealth of Ukrainian politicians; by mid-2018, there had been no convictions or prosecutions for the outrageous imbalances between their earnings and their spending. Moreover, in July 2018, a new draft law was registered<sup>18</sup> that, if adopted, will allow Ukrainian public officials to avoid a requirement to declare in 10-days' time newly acquired income or property amounting to more than the 50-subsistence minimum. Such a law would be a further step toward the destruction of e-declarations.

This summer, Ukraine's parliament gave a green light for the creation of the Anticorruption Court, which will help NABU bring to jail high-level officials. But prior to this, there had been attempts to nip the court in the bud for over a year. Only pressure from the EU, the United States, the International Monetary Fund and Ukrainian CSOs forced politicians to concede and vote for the court's creation. As with the support to NABU, ENGAGE partners AntAc, Transparency International Ukraine and Centre of Policy and Legal Reform played prominent role in advocacy activities for the introduction of the High Anti-Corruption Court. Naturally, all these steps were seen by society as part of the government's policy to undermine anti-corruption efforts. Transparency International stressed that a lack of political will among the country's government for a resolute fight against corruption, as well as a low level of trust for Ukrainian courts and prosecution, are still common in Ukraine<sup>19</sup>.

This process coincided with the exposure of numerous cases of cronyism in the government. Despite an announced policy of "de-oligarchizing," Poroshenko was unable to reduce the influence of private interests on the three branches of power (legislature, executive, judiciary). Instead, oligarch Rinat Akhmetov managed to increase his wealth, when a new coal-price calculation formula "Rotterdam+" was introduced. According to this formula, Ukrainian coal power networks buy domestic low-quality coal at a price that includes the cost of sale at the Dutch port, plus its transport to Ukraine.

Observers note the existence of a "dual state" in Ukraine, with the façade of official government institutions being restructured, but at the same time with oligarchic patronal structure. Although, according to Transparency International's "Corruption Perceptions Index," Ukraine has moved up one position in 2017, receiving a slightly better score (30/100 compared to 29 in 2016), the biggest challenge is the underlying architecture of governance, which has not changed much, allowing the existence of basic preconditions for corruption to flourish.<sup>20</sup> Until the government gets serious about the fight against corruption, there is little chance that Ukrainians will trust the public sector and reforms it is running.

Broad dissatisfaction with reforms results in negative public sentiment, which, on the eve of campaigns for elections in 2019, may lead to political radicalization or a further surge of populist politicians. Indeed, some candidates are already deploying populist arguments promising to attain

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<sup>18</sup> В Раді хочуть прибрати з декларацій повідомлення змін до майнового стану: <https://antac.org.ua/publications/v-radi-hochut-prybraty-z-deklaratsij-povidomlennya-zmin-do-majnovoho-stanu/>

<sup>19</sup> Corruption perceptions index 2017// [https://www.transparency.org/news/feature/corruption\\_perceptions\\_index\\_2017](https://www.transparency.org/news/feature/corruption_perceptions_index_2017)

<sup>20</sup>Valbona Zenelli. Ukraine's Other War: The Battle Against Systemic Corruption: <https://www.eastwest.ngo/idea/ukraine%E2%80%99s-other-war-battle-against-systemic-corruption>



a prosperous and well-functioning society without painful reforms. With such promises already demonstrating their potential in the form of higher ratings for Ukrainian populists, more politicians will likely join their ranks. Thus, reforms that failed in past four years are once again in jeopardy – neither authorities nor opposition have much inclination to support fundamental reforms in the future.

Apart from general dissatisfaction by Ukrainian society, the Ukrainian elite risks losing support from international partners. The issue of combating corruption became a determining factor in relations between Kyiv and Western capitals. Ukrainian foreign partners were alarmed by inconsistencies in the ongoing Ukrainian reforms. If last autumn their tone was mostly positive, with EU Commission recognizing the country's progress in the energy, environment, education, decentralization, public administration, and other sectors<sup>21</sup>, through the winter and spring 2018 there was rising criticism. In March the European Union's foreign policy chief Federica Mogherini has pressed Ukraine to do more to fight corruption<sup>22</sup> and stating that further EU aid disbursements would be conditional on the implementation of reforms. Paper titled "Keeping Ukraine on the Reform Path", signed by representatives of thirteen EU member states includes considerable criticism of the Ukrainian government as well as other political forces in the country<sup>23</sup>.

### **Looming Elections Fuel Populist Policies**

Ukrainian society is relying heavily on the nearing elections of 2019, both presidential and parliamentary. People believe there are more chances to push for changes from above. Many Ukrainians hope for new faces and new political forces to come to national and local-level politics, representing their interests better than incumbents - 62% of Ukrainians believe the country needs new political leaders<sup>24</sup>, and they are yet not emerging in advance of the elections.

A year before parliamentary elections (set for October 2019), principle electoral institution is still missing. It is increasingly unlikely that a new Electoral Code will be adopted one year before the start of the electoral campaign. On September 20, 2018, after three years of ineffective attempts to renew the composition of the Central Election Commission (CEC) and to end the lasting political crisis around this issue, the Verkhovna Rada of Ukraine finally reshuffled its composition. The process of nominating candidates to the CEC and their approval by the President of Ukraine and parliamentary factions and groups was non-transparent and heavily politicized<sup>25</sup>. In addition, Ukraine has little experience with party-based politics and clearly articulated political agendas. Several factors will likely define the forthcoming electoral campaign.

First, as a nationwide opinion poll conducted by the International Republican Institute (IRI) found, 71% of Ukrainians believe that the country is moving in the wrong direction, with some 30% of the respondents indicating that they do not yet know which party they will vote for in

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<sup>21</sup>See Association Implementation Report on Ukraine. European Commission: [https://eeas.europa.eu/sites/eeas/files/association\\_implementation\\_report\\_on\\_ukraine.pdf](https://eeas.europa.eu/sites/eeas/files/association_implementation_report_on_ukraine.pdf)

<sup>22</sup> EU's Mogherini Says Ukraine Must Do More Against Corruption. Radio Free Europe Documents and Publications; Washington, (March 12, 2018).

<sup>23</sup> How to keep Ukraine on Reform's Track: <http://euromaidanpress.com/2018/03/21/how-to-keep-ukraine-on-the-reform-track-non-public-paper-of-eu-members/>

<sup>24</sup>Громадянське суспільство в Україні: нові виклики, нові завдання: <https://dif.org.ua/article/gromadyanske-suspilstvo-v-ukraini-vikliki-i-zavdannya>

<sup>25</sup> RPR calls on the authorities to ensure proper operation of the new central election commission: <https://rpr.org.ua/en/news/rpr-calls-on-the-authorities-to-ensure-proper-operation-of-the-new-central-election-commission>



2019.<sup>26</sup> Therefore, any of the political parties currently in the race could secure a plurality, which gives rise to significant policy uncertainty. Any scenario is possible, and nobody can predict at this stage what the outcome might be.

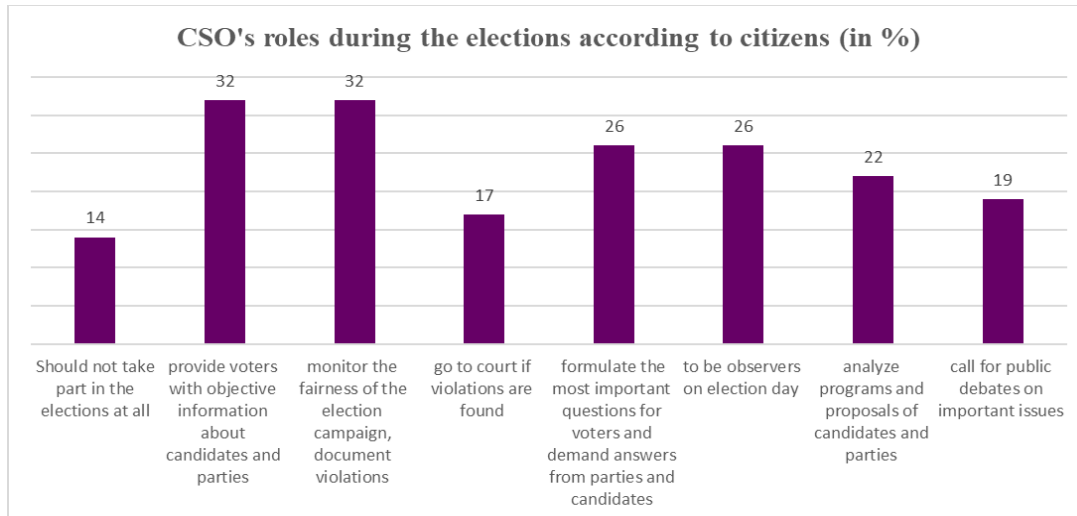
Second, general disenfranchisement with the governing elite plays into the hands of populist parties, and so threatens implementation of reforms in the years ahead. Take, for example, the leader of the opposition Fatherland party, Yulia Tymoshenko, who is currently leading the polls at around 18%, and thus is almost certainly set to strengthen the party's position in parliament. While the party generally sees European Union membership as a strategic long-term goal, it is more critical of pension reform and has fiercely rejected the IMF-mandated agricultural land reform. Another runner-up is the Opposition Bloc's leader Yuriy Boyko, who has been polling at an average of 8-9% since the start of the year. As the successor to the party of ousted President Viktor Yanukovich's Party of Regions, the Opposition Bloc is a coalition of six parties that did not endorse the Euromaidan revolution, and thus naturally are against European integration and advocating a termination of the country's IMF bailout program. Oleh Lyashko with Radical Party, polling at a year-to-date average of 8-9%, often uses anti-Western and anti-IMF rhetoric and advocates for Ukrainian nuclear rearmament and the liberation of Donbas by force. Additional uncertainty came with the return to the domestic political arena of the odious former functionary Viktor Medvedchuk, who has joined the "For Life" political party. He is also a Putin crony and an apologist for the restoration of relations with Russia. Implementation of the current reform course at full scale will be a tough sell to the parties' voting base.

Third, taken together, these politicians prompt a more populist general discourse, with president Poroshenko, also a possible candidate, trying to catch up. The government already in 2017 doubled minimum wages and raised salaries. Unpopular policies, like the IMF-mandated harmonization of gas prices to market level and the removal of the agricultural land sale moratorium, have been put on hold. Instead, the Presidential Administration is constantly sending messages about strengthening army, acquiring Tomos on autocephalous of Ukrainian Orthodox Church and Ukrainian language -issues which are symbolically important but do not respond to the citizen's priority needs.

The upcoming elections bear opportunities for Ukrainian CSOs. While political infighting will grow, there are chances to narrow the gap between CSOs and the public at large. Civil society institutions can "profit" from the public request for new faces and new ideas, and will naturally have better exposure to the public, as their public support is much higher. CSOs and other activists can lead the public in setting and promoting a renewed agenda to either help newcomers in politics (should they show up) to find their supporters or to reshape the political platforms of existing political actors. This is a chance for civil society – at the advent of the next chapter in post-Euromaidan Ukrainian politics – to impact the reform agenda at full scale.

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<sup>26</sup> Динаміка суспільно-політичних поглядів в Україні: [https://www.iri.org.ua/sites/default/files/editor-files/2018\\_03%20National\\_UA%20OFFICIAL.PDF](https://www.iri.org.ua/sites/default/files/editor-files/2018_03%20National_UA%20OFFICIAL.PDF)



Overall, only 14% of the population believes that civil society organizations should not take part in the elections at all. In the opinion of citizens, the main election-related activities of civil society organizations should be to provide voters with objective information about candidates and parties (32%), monitor the fairness of the election campaign, document violations (32%), go to court if violations are found (17%), formulate the most important questions for voters and demand answers from parties and candidates (26%), be observers on election day (26%), analyze programs and proposals of candidates and parties (22%), call for public debates on important issues to be held between candidates and parties (19%). The majority of citizens (54%) approve of the prospect of civic activists running for the Verkhovna Rada, while 21% view this negatively.

Other aspects of the electoral process, like the absence of an Electoral Code and a renewed Central Election Commission, will also require further efforts by CSOs during the new electoral cycle. Yet it is for CSOs to push for improvements in the existing electoral legislation, at least in areas where mistreatments are most striking and potentially have considerable impact on the overall results of future elections. One major area of concern is electoral obstacles for IDPs. The current legislation produces unfavorable conditions for IDPs to take part in elections, as it maintains an outdated, Soviet-era approach to the registration of voters.<sup>27</sup> There is a strong consensus among CSOs and some MPs that this situation must be changed (and that the draft law addresses it in a proper way.) Yet it is necessary to act to remove obstacles in next election cycle. CSOs are also contributing to the improvement of the electoral process. Their latest contribution is the draft law on the inevitability of punishment for electoral crimes, approved by the Cabinet of Ministers and brought to Verkhovna Rada in April.<sup>28</sup> Many CSOs, such as ENGAGE partner Center UA, took part in advocacy for electoral reform, which included a dialogue with the regional offices of different political parties to discuss inclusive decision-making approaches and to advocate for electoral reform.

## Crackdown on Ukrainian Civil Society

<sup>27</sup> IDP Electoral Obstacles & Solutions in Ukraine: <https://www.woodenhorse.co/idp-electoral-obstacles-solutions-ukraine>

<sup>28</sup> Cabinet of Ministers of Ukraine voiced approval of the draft law on inevitability of punishment for electoral crimes: <https://www.oporaua.org/en/news/45326-cabinet-of-ministers-of-ukraine-voiced-approval-of-the-draft-law-on-inevitability-of-punishment-for-electoral-crimes>

Ukraine's Democracy Score declined for the first time since the 2014 revolution, according to a recent Freedom House report. The main reason was targeted campaigns against CSOs and activists, namely intimidation of anti-corruption activists<sup>29</sup>.

Over the last few years, there have been positive signs of cooperation between the civil society sector and authorities, especially on decentralization, administrative reform, education and medical reforms. One cannot deny that there was a trend toward joint policy making by joint efforts, as the positive effect of dialogue has been created. But a systemic lack of public communication from the government also led to a widened gap between the two. In reaction to a strengthening civil sector and mounting criticism, politicians held tight to the mantra that those in power are not to be criticized while Ukraine is at war, and went even further, to attempting to silence and discredit civic activists.

Political elites never considered civil society as their pillar even though the very same civil society brought them to power after Maidan. Attitudes among CSOs about ongoing reforms in 2017 and 2018 were critical as well. CSOs were constantly raising their voices against reversals in reforms and tried to mobilize international partners to press the government to stay on the path of reforms.<sup>30</sup> Civil society warned about the risk of backsliding, noting that incomplete reforms threaten to undermine the credibility of the reform process and lead to reform fatigue and disillusionment among Ukrainians.<sup>31</sup>

It is no surprise that such actions by CSOs cause discontent on the part of the government. Ukraine's politicians also seized the opportunity to attack activists and journalists, accusing them of profiting from reforms. Throughout last year, the Security Services of Ukraine or its proxies harassed anti-corruption activists<sup>32</sup> and prosecutors opened trumped up cases against crusading nongovernmental organizations.<sup>33</sup>

The winter of 2017 and the first half of 2018 saw increased attacks on anti-corruption activists, CSOs and investigative journalists.<sup>34</sup> But it was in July 2018 that violence massively escalated. On July 17, activists with anti-corruption organizations took part in a peaceful demonstration outside the Specialized Anti-Corruption Prosecutor's Office, during which Vitaliy Shabunin, head of the CSO AntAC, suffered chemical burn injuries to his eyes after having brilliant green splashed in his face. Between July 31 and August 3, activists in Kherson, Berdyansk and Odessa were also attacked, resulting in death and serious injuries. July also saw the largest registered number of beatings of journalists since the beginning of the year – seven cases<sup>35</sup> – and five registered cases of threats to journalists. In total in July, IMI registered 28 cases of violations

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<sup>29</sup> Ukraine Country Profile // <https://freedomhouse.org/report/nations-transit/2018/ukraine>

<sup>30</sup> RPR calls on the Prime Minister to ensure transparent and non-biased audit of e-declaration system: <http://rpr.org.ua/en/news/rpr-calls-on-the-prime-minister-to-ensure-transparent-and-non-biased-audit-of-e-declaration-system/>

<sup>31</sup> Rikerd Jozwiak. Ukraine's Main Backers In EU Put Pressure On Kyiv Over Reforms: <https://www.rferl.org/a/ukraine-main-eu-backers-pressure-reforms/29098867.html>

<sup>32</sup> Why is Ukraine attacking anti-corruption activists? <https://www.newsweek.com/why-ukraine-attacking-anti-corruption-activists-684602>

<sup>33</sup> Something Is Very Wrong in Kyiv. Ukraine Brags about Reforms and Harasses Activists. <http://www.atlanticcouncil.org/blogs/ukrainealert/something-is-very-wrong-in-kyiv>

<sup>34</sup> Gustav Gressel. Ukraine on the brink of kleptocracy. [http://www.ecfr.eu/article/commentary\\_ukraine\\_on\\_the\\_brink\\_of\\_kleptocracy](http://www.ecfr.eu/article/commentary_ukraine_on_the_brink_of_kleptocracy)

<sup>35</sup> Freedom of speech barometer – July 2018. Institute of Mass Information: <http://imi.org.ua/en/monitorings/freedom-of-speech-barometer-july-2018/>

of freedom of speech in Ukraine, 21 of them cases of physical aggression against journalists. The campaign to discredit civil society has spread to the regions, where activists were attacked with impunity. There is a “real war being waged against them, and a list of last year’s attacks on regional civil society representatives more than demonstrates that”<sup>36</sup>.

### **Perils and Prospects of Civil Society Evolution in Ukraine**

The positive development of civil society in the last few years in Ukraine is steady and obvious. While there is volatility in CSOs’ quantity<sup>37</sup>, it is fair to say their quality is improving. A major trend is the expansion of activist networks across the country, as well as growing professionalism in CSOs’ leadership and management. Initiatives by international donors are adding significantly to these trends.

Improvements in CSOs’ operations have several dimensions. According to the lessons learned from ENGAGE operating period organizations are steadily more focused on specific areas of reforms. Evidence shows<sup>38</sup> that among ENGAGE partners, the anti-corruption organizations are increasingly growing their public recognition and policy influence. Civil society oversight directed mainly toward ruling elites has gained momentum, for example, with VoxCheck in Ukraine regularly rating politicians for lies and populist rhetoric<sup>39</sup>. Seizing an opportunity created by the global mainstreaming of vulnerable, marginalized populations, Ukrainian CSOs are more prone to such concerns as demonstrated by their programming and strategic communication initiatives.

The biggest impediment here is awareness among the wider public about CSOs and their potential role in the improvement of quality of life in the country, as CSOs are mostly perceived as a volunteer function. While overall numbers of CSOs are quite impressive, only a few organizations have real impact on patterns of social interaction. Civil society in Ukraine is still not a solid, developed foundation of social life, but rather appears more like scattered hotbeds of activists. That means that *“the dynamism of civil society continues to depend on a small cohort of activists and professional civil society organizations”*<sup>40</sup>. Relatedly, coalition-building and networking are insufficient among CSOs at large. The drive to recognize counterparts and build value-based relationships is more the exception than the rule.

Kyiv-based national and umbrella organizations tend to target their reform communication toward international donors and the bureaucracy of the Ukrainian government, rather than toward improving connections with ordinary Ukrainians and running more field work.<sup>41</sup> An ongoing

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<sup>36</sup> In Ukraine, Attacks on Civil Society Spread to the Regions: <http://www.atlanticcouncil.org/blogs/ukrainealert/in-ukraine-attacks-on-civil-society-spread-to-the-regions>

<sup>37</sup> In recent years, the number of CSOs has decreased by 2,000 organizations due to the political and economic situation, but the number of informal initiatives and movements has increased. See for reference: Індекс сталості розвитку організацій громадянського суспільства України в 2015 році: <http://ccc-tck.org.ua/library/drukovani-vidannya/>

<sup>38</sup> According National Civic Engagement Poll, commissioned by Pact, public recognition of anti-corruption initiatives increased from 1 % in January 2018 to 4 % in May 2018 // <https://dif.org.ua/uploads/pdf/11840830095b58982de29a54.07265026.pdf>

<sup>39</sup> Anti-populist lessons from eastern Europe’s civil society: <https://www.demdigest.org/anti-populist-lessons-from-eastern-europes-civil-society/>

<sup>40</sup> Chatham House Report: The Struggle for Ukraine. <https://www.chathamhouse.org/sites/files/chathamhouse/publications/research/2017-10-18-struggle-for-ukraine-ash-gunn-lough-lutsevych-nixey-sherr-wolczukV5.pdf>

<sup>41</sup> Orisya Lutsevich. How to Finish a Revolution: Civil Society and Democracy in Georgia, Moldova and Ukraine. <https://www.chathamhouse.org/publications/papers/view/188407>

challenge for the empowerment of Ukrainian civil society is elitism spread among organizations. There is an inequality in access to bilateral and multilateral agencies aiding Ukraine's reforms.

Local-level Ukrainian CSOs lack experience in cooperation across issues to gain influence beyond individual advocacy campaigns. According to Reanimation Package of Reforms data, as of 2017, only in 4 out of 24 oblasts' cities had CSOs ever formed temporary, multi-issue alliances or coalitions to achieve larger community agendas.

At this point, seven city coalitions, supported by ENGAGE, have started implementation of previously developed local Roadmaps of Reforms<sup>42</sup> (Ternopil, Rivne, Kharkiv, Sumy, Chuhuiv, Bohuslav, Kropyvnytskyi), with the regional coalition-building process underway in eight other cities (Poltava, Dnipro, Odesa, Khmelnytskyi, Cherkasy, Kherson, Khmilnyk and Kryvyi Rih). In a range of cities, community coalitions were unable to form because local CSOs were reluctant or failed to cooperate with each other (Vinnytsia, Mykolaiv, Kramatorsk, Ivano-Frankivsk, Chernivtsi, Lviv and Severodonetsk).

Ukrainian regional CSOs face the following obstacles in coalition building:

- a lack of a common platform for networking, sharing insights and discussing issues, both in the sense of physical space as well as in leadership (Vinnytsia, Zaporizhzhia, Mariupol, Chuhuiv);
- a high level of intense competition among experienced organizations performing in a common sphere of activity;
- insufficient communication and cohesion between local CSOs working mainly in autonomous clusters;

The situation appears to be different for issue-based sectoral networks and coalitions in Ukraine. CSOs that are working in a single field and share a common interest frequently establish long-lasting networks and temporary coalitions to coordinate their activities across regions to generate issue intensity. Examples include CSOs that have come together to promote energy efficiency, local budgets transparency, public procurement, e-governance, anticorruption instruments, responsiveness and accountability among state authorities, electoral reform, environmental protection, EU integration reforms, and LGBTIQI inclusion.

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<sup>42</sup> See, for instance, Roadmap of Reforms for Ternopil: <https://rpr.org.ua/wp-content/uploads/2018/06/Dorozhnya-karta-reform-Ternopilsoji-koalitsiji.pdf>



## Conclusion: Resolute Year Ahead

The next two years may bring about a moment of truth, not just for some CSOs, but for the whole of civil society: will CSOs maintain their role in channeling citizens' needs, push for genuine reforms, exert oversight over government as watchdogs, or will they turn into echo-chambers of political parties?

Politicization of Ukrainian life could hamper CSOs further as the country enters another election cycle with both parliamentary and presidential contests looming ahead. This constitutes the greatest challenge to CSOs as they are sucked into the havoc of political fights. As tension rises among major political forces, they will look for any resource that might bolster them. CSOs, with their influence on citizens, represent potentially valuable assets for any political actor entering the parliamentary or presidential campaigns. This means major risks for CSOs: as their criticism of the government coincides with agendas of opposition political forces, the public may perceive this as evidence of connections between civil society organizations and political actors. The same goes for relations between CSOs and the government; if some steps by the government are praised by civil activists, public opinion could view their actions as politically motivated cooperation.

In the background is a belief that efforts by CSOs to exploit the political moment for more successful policy shaping are rare and unsure. This means that CSOs are reluctant to adopt their natural place and to address the most crucial social issues, such as growing economic inequality. Little effort is seen by CSOs to influence election programs of political parties or politicians.

However, growing dissatisfaction among citizens with the government and its policies, augmented by declining living standards for most Ukrainians, seems to be favourable to further development and active intervention by CSOs in various areas of social life. In particular, CSOs should focus on advocating tangible economic improvements that ordinary Ukrainians will feel at the community and household level. Serving this need is the growth of CSOs acting to promote the socio-economic interests of citizens and self-organized groups, which is in line with the fact that citizens tend to trust institutions more proximate to them far more than political or social institutions. This is helping more people to accept CSOs as positive, valuable players in the promotion of their social and economic rights, especially at a time when satisfaction with the bottom-line reform results thus far is waning.



Another critical focus should be on seeing through emerging anti-corruption efforts, so that Ukraine has true achievements to point to, such as successful prosecution of corruption cases with indictments by an unbiased court in a timely manner. This will go a long way in restoring citizens' trust in the government and its institutions and will help lay a strong foundation based on the rule of law for bolstering Ukraine's economy.