

## Slowing Pace of Reforms, Increasing Disillusionment, Ramped up Advocacy – The political -economy of civil society in FY17

### Sluggish reforms, decreasing demonstrated commitment

In 2016-2017, several major elements defined socio-political transformations in Ukraine. The protracted military conflict in Donbas by far has the most significant impact on the political, economic, and security domains. First, it contributed to change in the geopolitical pattern of Ukrainian policy. Kyiv continued to drift away from Russia, dismantling numerous ties on the state and individual levels. By early 2016, Ukraine had ceased all natural gas imports from Russia and cross-border trade was profoundly cut between the two countries. Further addressing hybrid threats, on May 17, 2017, President Poroshenko issued a decree to block Ukrainians' access to popular Russia-based internet services: VKontakte, Odnoklassniki, Mail.ru, and the major search engine Yandex. Ukrainian lawmakers approved the bill, further stipulating that 75 percent of nationwide and 50 percent of local and regional broadcasts must be in Ukrainian.

Despite the grimmest predictions, this did not have negative results for Ukraine's economy. On the contrary, the Ukrainian economy shows steady signs of recovery and even growth. After a devastating cumulative contraction of 16 percent in 2014-2015, Ukraine's GDP raised modestly by 2.3 percent last year, with growth projections reaching 2 percent in 2017, 3.5 percent for 2018, and 4 percent for 2019<sup>1</sup>. The state was demonstrating a positive record of reforms, labeled by many observers as "unprecedented"<sup>2</sup>. The government's own message, that Ukraine achieved more on the reform front in the past three years than during the first 23 years of independence,<sup>3</sup> was substantiated by independent monitors as well. Government reporting<sup>4</sup> highlights progress in judicial reform, public procurement, public administration, reform of law enforcement agencies, energy and decentralization. One of the most anticipated achievements of the EuroMaidan Revolution, visa-free regime with the EU, became reality in July 2017. In the meantime, Prime Minister Volodymyr Groysman's government, appointed in April 2016, managed to sustain the reform momentum, despite having only a very slim parliamentary majority.<sup>5</sup>

But Ukraine is still the poorest country in Europe,<sup>6</sup> with a system of corruption that penetrates all institutions, and impunity for those who, quoting the head of the EU Delegation to Ukraine Hughes Mingarelli, have been using Ukraine as "a cash machine" for years. That is the main reason why reform progress is not obvious to ordinary Ukrainians, who are largely dissatisfied with the

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<sup>1</sup> Ukraine Economic Update – April 2017 // <http://www.worldbank.org/en/country/ukraine/publication/economic-update-spring-2017>

<sup>2</sup> EU report: Ukraine carrying out unprecedented reforms, European Commission press release, December 13, 2016, [http://europa.eu/rapid/press-release\\_IP-16-4344\\_en.htm](http://europa.eu/rapid/press-release_IP-16-4344_en.htm)

<sup>3</sup> Reforms Progress Monitoring 2016, <http://reforms.in.ua/en/news/reforms-progress-monitoring-2016-past-2-years-ukraine-has-made-greater-progress-implementing>

<sup>4</sup> See the reports at [http://www.kmu.gov.ua/kmu/control/en/publish/article?art\\_id=248402431&cat\\_id=248402399](http://www.kmu.gov.ua/kmu/control/en/publish/article?art_id=248402431&cat_id=248402399)

<sup>5</sup> Ukraine Reform Monitor, April 2017, Carnegie Endowment for International Peace, <http://carnegieendowment.org/2017/04/19/ukraine-reform-monitor-april-2017-pub-68700>

<sup>6</sup> VoxUkraine: Bad decisions – how to build the poorest country in Europe// <https://www.kyivpost.com/ukraine-politics/voxukraine-bad-decisions-build-poorest-country-europe.html>

government.<sup>7</sup> The economic hardships caused excessive stress on Ukrainian businesses and citizens, and led to serious dissatisfaction, as captured by public opinion polls which indicate that macro-financial stabilization hasn't brought stability to household budgets<sup>8</sup>. Those who think that events in Ukraine are going in the wrong direction constitute 68-76 percent, from summer 2015 to summer 2017<sup>9</sup>. Dissatisfaction is not connected to reforms *per se*, but more to the current economic and social situation, as well as the lack of credible political alternatives. As a result, low morale is widespread, with people thinking more and more that "this country has no future." Even experts and opinion-leaders are reporting the aggravation of the socio-economic crisis and the overall decline in the standards of living in Ukraine.<sup>10</sup> This became even more apparent in an editorial by Yulia Mostova, editor-in-chief of the *Mirror of the Week*.<sup>11</sup> Mostova describes the situation in Ukraine, and explains why she wants to leave the country. The article sparked a stormy discussion online (and garnered more than 50,000 likes) between those who believe the situation is only worsening and there are no signs of improvement, and therefore are ready to emigrate, and those who find some reason to stay. Aside from manifestation of public sentiments, such discussions also reveal one of the major problems Ukrainian society faces. As Inglehart and Wetzel convincingly show, *the disappointing results of the measures taken by the state lead to a sharp decrease in expectations regarding the effective participation of the people in the democratic process and to people's self-elimination from political life*.<sup>12</sup>

Conflicts within the Ukrainian political class are also boiling in light of the forthcoming elections. Deep mutual distrust between major political actors continues to plague Ukraine's reform efforts. A majority of Ukrainians – 60 percent – believe that the current political situation in Ukraine is tense, and another 30 percent believe it is critical. Only 6 percent called it calm, and less than 1 percent characterized it as prosperous<sup>13</sup>. Adoption of some crucial reform legislation is blocked or slowed down in the Verkhovna Rada, which was acknowledged by Vice Prime Minister Ivanna Klymush-Tsintsadze during the Institute of World Policy Fifth Annual Conference on Ukraine-EU relations.<sup>14</sup>

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<sup>7</sup>Ukraine Poll: Continued Dissatisfaction with Government and Economic Situation, International Republic Institute, October 31, 2016, <http://www.iri.org/resource/ukraine-poll-continued-dissatisfaction-government-and-economic-Situation> . Another poll conducted by Kyiv International Institute of Sociology in December 2016 showed mistrust among Ukrainians towards Verkhovna Rada (82%), Government (72.8%), President (69%), Opposition (59%), and law enforcement agencies (more than 40%), leaving only armed forces on the positive side of trust/mistrust balance. See <http://www.kiis.com.ua/?lang=eng&cat=reports&id=678&page=4>

<sup>8</sup> Ibid.

<sup>9</sup> Суспільно-політичні погляди в Україні // <https://www.iri.org.ua/sites/default/files/editor-files/Ukrainian%20Poll%20August%202017.pdf> -P.6

<sup>10</sup>3rd Anniversary of the Maidan: expert survey // <http://dif.org.ua/article/3rd-anniversary-of-the-maidan-expert-survey>

<sup>11</sup> <https://zn.ua/internal/ne-otrekayutsya-lyubya-257614.html>

<sup>12</sup> Modernization, Cultural Change and Democracy: The Human Development Sequence, by Ronald Inglehart and Christian Welzel. - Cambridge

<sup>13</sup>Ставлення громадян до політичної ситуації, виборів і партій  
<http://dif.org.ua/uploads/pdf/11837777675979e41751cad8.18422987.pdf>

<sup>14</sup> From remarks given during the 5<sup>th</sup> Annual Conference on Ukraine-EU relations  
<http://iwp.org.ua/eng/public/2262.html>

The Ukrainian parliament, for the second year, is functioning without a formalized ruling coalition, in violation of the Constitution.<sup>15</sup> Left with a fragile majority in the Verkhovna Rada, the presidential team has chosen to consolidate executive power, pursuing it in a way that adds risk to Ukraine's democratic credentials.<sup>16</sup> Ukrainian experts have been pointing out that President Poroshenko controls all branches of government, law-enforcement agencies, and the electoral commission, and also heavily influences the media by creating a network of trusted individuals managing all of these institutions. There is an unfolding *de facto* presidential system, which lacks separation of powers and institutional checks and balances.<sup>17</sup>

Implementation of the most difficult reforms, where interests of influential groups and individuals are challenged, are difficult, slow, and costly. Resistance from oligarchs and opposition in parliament are growing, spilling out of the Rada into the public space. A group of MPs opposing Poroshenko initiated a blockade of trade with the breakaway regions in Donbas in early 2017. Recently, the return of former Georgian president and governor of Odesa Mikheil Saakashvili, stripped of Ukrainian citizenship by Poroshenko in July, emerged in a major public stand-off between opposition and presidential forces. By trying to prosecute Saakashvili for a minor misdemeanor (even though people often are not prosecuted for serious crimes), the Ukrainian justice system only ridicules itself.<sup>18</sup>

But the main battleground for Ukraine is in the fight against corruption. Opinion polls show that almost 90 percent of Ukrainians find corruption to be a significant problem,<sup>19</sup> and it is the main issue that undermines Ukrainians' trust in the future of their country. Anti-corruption efforts gained momentum right after EuroMaidan, and since Ukraine adopted an impressive package of anti-corruption laws<sup>20</sup> and installed specialized institutions. But 2017 brought new challenges to the cause. The politicization of anti-corruption puts at risk civil society's engagement with government in their joint efforts to tackle the problem. In 2016, the environment for civil society to push for reforms was seen as mostly favorable<sup>21</sup>; but just a year later, many civil society activists are pointing out the split between civil society and government.

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<sup>15</sup>Minakov Mykhailo, Milovanov Tymofyi, Ukraine's authoritarian signs, July 2016,

<https://www.opendemocracy.net/od-russia/tymofiy-mylovanov-mykhailo-minakov/ukraine-s-authoritarian-signals>

<sup>16</sup>Jarabik, Balazs & Minakov, Mikhail, The Consolidation of Power in Ukraine: What It Means for the West, September 19, 2016, <http://carnegieendowment.org/2016/09/19/consolidation-of-power-in-ukraine-what-it-means-for-west-pub-64623>

<sup>17</sup>Minakov, Mylovanov, op. cit

<sup>18</sup>Judy Asks: Is Ukraine Losing Its Way? <http://carnegieeurope.eu/strategieurope/73087?lang=en>

<sup>19</sup>Opinion poll was conducted for the International Republican Institute by Rating Group Ukraine, in January-February 2017 across Ukraine [http://www.iri.org/sites/default/files/wysiwyg/municipal\\_poll\\_2016\\_-\\_public\\_release.pdf](http://www.iri.org/sites/default/files/wysiwyg/municipal_poll_2016_-_public_release.pdf)

<sup>20</sup>On October 14, 2014, Verkhovna Rada adopted laws No 1699-VII On the outlines of national anti-corruption policy in Ukraine for 2014-2017, No 1698-VII On the National anti-corruption bureau of Ukraine, No 1700-VII On prevention of corruption, and No 1701-VII On the amendments to some legal acts of Ukraine to determine final beneficiaries. In recent years this corps of laws was further amended.

<sup>21</sup>Feasibility Study on a Legacy Advocacy Mechanism in Ukraine // [http://pdf.usaid.gov/pdf\\_docs/PA00M1SR.pdf](http://pdf.usaid.gov/pdf_docs/PA00M1SR.pdf)

Activists and international donors are increasingly concerned that without the creation of an anti-corruption court, anti-corruption and other reforms in Ukraine will be stalled.<sup>22</sup> Ukraine desperately needs an independent court capable of convicting corrupt officials prosecuted by the National Anti-Corruption Bureau, as the current corrupt and politicized judiciary has proved incapable of doing so. Despite the plans to create such a court were announced last year, Poroshenko and his party have failed to submit a bill on an anti-corruption court and refused to support a bill submitted by opposition lawmakers. On September 15, the President openly rejected the idea of creating independent anti-corruption courts in Ukraine, and recommended creating anti-corruption chambers instead.<sup>23</sup>

Svitlana Zalishchuk, former activist and current MP, defined the situation as “confrontation.” “If for the former government civil activists were the agents of the State Department, then for the present – they are rivals. After EuroMaidan, civic organizations have gained new roles. They had real influence on the development and adoption of reforms (...) Today there is a phase of confrontation.”<sup>24</sup> Yaroslav Hrytsak, a historian at Ukrainian Catholic University, adds, “I cannot escape the feeling that we’re living through a counter-revolution.”<sup>25</sup> Government is trying to limit activities by the groups that either pose the greatest threat to them or whose voices are powerful in reaching the public.

Discussions broke out in social networks about the case against Vitaly Shabunin, head of the “Anti-Corruption Center” (AntAc), convicted of inflicting physical harm to a journalist. According to civil society representatives and especially those in the anti-corruption circle, this case was a clear example of “selective justice” by the central authorities. His trial became an extension of the pressure on the AntAc and public prosecution of an inconvenient activist for the authorities. Transparency International Ukraine made a special statement about this, describing the situation as pressure by law enforcement agencies on Ukrainian anti-corruption activists, which is becoming more and more alarming, stressing the unacceptability of harassment by law enforcement bodies of citizens fighting against corruption.<sup>26</sup> Unfortunately, the situation concerns not just individual activists, but the whole network of the anti-corruption organizations, especially those uncomfortable to the presidential power vertical.<sup>27</sup>

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<sup>22</sup> TI Ukraine opposes creation of anti-corruption chambers instead anti-corruption court // [https://www.transparency.org/news/pressrelease/ti\\_ukraine\\_opposes\\_creation\\_of\\_anti\\_corruption\\_chambers\\_instead\\_of\\_independ](https://www.transparency.org/news/pressrelease/ti_ukraine_opposes_creation_of_anti_corruption_chambers_instead_of_independ)

<sup>23</sup> President on the establishment of the anti-corruption chamber: It is not about the name, but about the level of trust and efficiency of the anti-corruption body // <http://www.president.gov.ua/en/news/prichina-ne-v-nazvi-v-rivni-doviri-ta-efektivnosti-organu-ya-43322>

<sup>24</sup> Мирний, Микола. Наступ на громадянське суспільство: як відповісти владі? [https://humanrights.org.ua/material/nastup\\_na\\_gromadjanske\\_suspilstvo\\_jiak\\_vidpovisti\\_vladi](https://humanrights.org.ua/material/nastup_na_gromadjanske_suspilstvo_jiak_vidpovisti_vladi)

<sup>25</sup> Ukraine’s reform activists are under attack // <https://www.economist.com/news/europe/21727110-fake-news-threats-and-arrests-corrupt-system-fighting-back-ukraines-reform-activists?fsrc=rss%7Ceur>

<sup>26</sup> Публічна розправа над антикорупціонерами набирає обертів. ТІ Україна закликає інформувати про такі випадки // <https://ti-ukraine.org/news/publicna-rozprava-nad-antykoriupcioneramy-nabyraie-obertiv-ti-ukraina-zaklykaie-informuvaty-pro-taki-vypadky/>

<sup>27</sup> Тиск на антикорупційні організації й активістів стає тенденцією, — юрист ТІ Україне // <https://hromadskeradio.org/programs/hromadska-hvylya/tysk-na-antykoriupciyni-organizaciyi-y-aktyvistiv-staye-tendenciye-yu-yuryst-ti-ukraine>

Draft laws No. 6674 “On Amendments to the Tax Code of Ukraine to Ensure Openness to the Public Information on the Financing of the Activities of Public Associations and the Use of International Technical Assistance” and No. 6675 “On Amendments to Some Legislative Acts on Ensuring Openness to Society Providing of Information on Financing of the Activities of Public Associations and the Use of International Technical Assistance” require anti-corruption organizations to file asset e-declarations, and are considered politically-motivated oppression.<sup>28</sup> Washington-based International Center for Non-Commercial Law (ICNL), after analyzing the bills, came to the conclusion that the requirements are discriminatory. The center’s experts do not understand why only civil society organizations are targeted and why such information should be submitted.<sup>29</sup>

The draft laws, and the whole campaign around them are in line with the model described by scholars as a “challenge of credibility,” when the authorities try to undermine CSOs’ credibility by arguing that they are the “same corrupted,” and by so doing, CSOs’ voices in public policy discourse can be effectively silenced.<sup>30</sup> It also suggests that CSOs are motivated by their own aspirations to garner state power or financial betterment. Leading Ukrainian anti-corruption CSOs usually operate in a highly unstable political-economic reality, which can be harmful to the effectiveness of their watchdogging and advocacy. The “disclosure bureaucracy” may force them to lose focus, inflate administrative burden and consequently trust in anti-corruption activities. Diverting the attention from political corruption and abuse of offices and public funds would significantly harm reforms.

These issues have given a rise of polarization not only between the government and civil society, but also inside civil society. Hot discussion between civil society leaders broke out as to whether the main reason for the low efficiency of public authorities is incompetence or all-pervading corruption. Some joined in by writing in an article that an anti-corruption narrative, as it exists in Ukraine, destroys institutions, eliminates trust, and serves only narrow political goals; it increases, but does not reduce corruption.<sup>31</sup>

As the 2019 presidential election approaches, and parliamentary elections are highly probable, reforms will fade into the background, giving way to populism, which will gain even more support due to the difficult economic situation. The typical recipes for reforms, as proposed by the IMF, preclude ‘shock therapy’ – an option every political force will be reluctant to use in the face of impending elections. The government will claim no time and little resources, and will certainly have no political will to search for alternative options. If populists win in the presidential or parliamentary elections, reforms will be deadlocked.

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<sup>28</sup>Joint Statement of the Commissioner for Human Rights, the Ukrainian Helsinki Human Rights Union and the Kharkiv Human Rights Protection Group on Draft Laws No.6674 and No.6675. Retrieved from <https://helsinki.org.ua/en/appeals/joint-statement-of-the-commissioner-for-human-rights-the-ukrainian-helsinki-human-rights-union-and-the-kharkiv-human-rights-protection-group-on-draft-laws-no-6674-and-no-6675/>

<sup>29</sup>Мирний, Микола. Вказана праця

<sup>30</sup>NGO Accountability. Politics, Principles and Innovations. Edited by Lisa Jordan and Peter van Tuijl. London; Sterling, VA, 2006. p7

<sup>31</sup>Ігор Семиволос, Нинішня антикорупційна "компанейщина" і боротьба за "відкритий доступ" не мають нічогоспільного// [http://texty.org.ua/pg/article/editorial/read/78903/Nynishna\\_antykorupciyna\\_kompanejshhyna\\_i\\_borotba\\_za\\_vidkryt\\_yi](http://texty.org.ua/pg/article/editorial/read/78903/Nynishna_antykorupciyna_kompanejshhyna_i_borotba_za_vidkryt_yi)

## Key finding from the USAID/ENGAGE Civic Engagement Poll

The following takeaways are based on the results of a USAID/ENGAGE Civic Engagement Poll commissioned by Pact and conducted by GfK in September 2017:<sup>32</sup>

### ***Participation is slowly rising, but disillusionment is growing as well:***

Almost one-fifth (18%) of respondents participated in at least one civil society activities within the last 12 months. However, if asked about engagement in life of their community in general and participation in CSOs activities during the last year the total number of those who claimed they were engaged reaches as high as almost one-third (30%).

The number of potential activists rose from 30% in 2016 to 36% this year. In parallel, however, those who have not participated and were not interested in any civic initiatives also significantly increased (from 29% to 40%). The most common reasons of apathy are the lack of time or motivation (31%) and lack of belief that civic activism could influence a given situation (26%). Should these passive citizens be targeted, their strongest motivators would be engagement in initiatives with direct relation to their personal or family interests.

### ***Engagement grows with age and income***

Correlation between civic engagement and other characteristics of respondents:

- Civic engagement is the lowest among citizens aged 18-24 y.o
- Civic engagement is the highest in the Central, Western and Northern regions and the lowest in Eastern and Southern regions.
- Civic engagement is more widespread among people with middle and upper level of income and full-time employed.

### ***Awareness about civil initiatives is hardly converting into actions***

Overall, 60% of respondents are aware of at least one of the listed civil initiatives, and the highest awareness is about the participation in a peaceful assembly for a specific cause (33%) followed by reporting on a broken road and other infrastructure issues to local administration personally or by phone and creation of a housing, street or block committee (32% each).

However, only 18% of respondents participated in at least one of the listed activities within the last 12 months. Around one in five respondents (19%) participated in the creation of a housing, street or block committee, and one in six (17%) participated in public hearings within the last year. The lowest interest is observed towards anonymous reporting on corruption on-line or violations at elections (56% have not done that and are not interested in doing that in the future).

From those, who participated in at least one of the activities almost 29% evaluated this experience as positive and 25% admitted that it took too much effort, while the end result was mixed albeit at least something perceived to be changed.

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<sup>32</sup> The USAID/ENGAGE Civic Engagement Poll will be conducted three times per calendar year during the period of the USAID/ENGAGE activity. The below discussion are excerpts from the topline data of the September 2017 wave. The full USAID/ENGAGE Civic Engagement Poll results will be released in mid-October 2017.

Two-thirds of all respondents (62%) trust one of these three types of groups/organizations: volunteers/ volunteer organizations, civil organizations, or individual civil activists/informal communities of activists. Overall, for 14% of respondents this trust is based on knowing such people or organization personally.

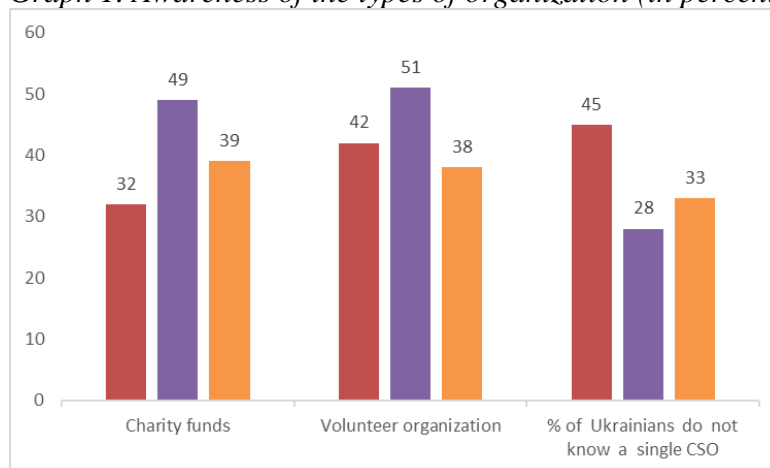
### ***Recognizability of the CSOs is growing***

About one in two respondents (56%) reported about knowing at least one civil organization from the suggested list (incl. CSOs, charity funds, volunteer groups, etc.), and among these people a half gave positive assessment of the activity of these organizations.

Charity funds (39%) and volunteer groups (38%) are still the best-known types of civil organizations. The polling numbers illustrate that Ukrainians have limited understanding of the role of civil society. They tend to associate it more with charitable, service function than aimed at dealing with key social problems. This is rather constant trend during the past years (Graph 1).

When asked to name at least one such organization, respondents still most often pointed to the Rinat Akhmetov Foundation (17%). But unlike previous years, there are almost as much brand recognition of the National Exit-Poll (15%), Hromadske TV (17%), Pinchuk Fund (12%), EuromaidanSOS (11%) and FEMEN (12 %).

*Graph 1. Awareness of the types of organization (in percentage)*



### ***Growing demand for civic knowledge***

Only 8 % of those surveyed gave correct answers on at least 10 in 13 questions concerning their roles and responsibilities as citizens of Ukraine.

More than three quarters (76%) of respondents had never heard of legislation or legal information about defending their rights. Yet, 70% of all respondents reported that their rights were violated in at least one area (out of 11 areas listed). Human rights, personal income taxes paid by citizen, and economics are three main areas about which people would like to learn more of (29%, 15%, and 14%). As for the practical skills for further development, the top-choice (for 23%) is the ability to protect their own rights, and other relatively popular skills to develop are help resolving interpersonal conflicts (14%) and establishing and running own business (13%).

### ***Low expectations from combating corruption***

The fight against corruption is considered second most important issue for Ukraine after economic situation (51 and 52 percent respectively). In fact, many Ukrainians understand that corruption kills economic growth and prevents resolving other crucial issues. Most respondents (72%) see no progress in anti-corruption reform, and more than half (55%) believe that the corruption rate stays the same compared to last year.

Remarkably, 42% of all respondents cannot define the public authority that is really willing to counter corruption; only one in five (21%) indicate NABU and 15% NACP. One in three (35%) of respondents believe that the biggest role in countering corruption is played by these agencies, while 37% believe that the President of Ukraine should play the greatest role in countering corruption. Only 25% indicated that ordinary citizens are the main players in countering corruption.

### **Analysis of CSOs applying for ENGAGE grants**

The RFAs for Program's Objectives 1 *Enhance civic education* and Objective 2 *Foster effective national, regional and local civic coalitions and initiatives to promote democratic reforms* got an overwhelming response from the Ukrainian civil society organizations: Pact received 363 applications, with 47 applications were awarded. This suggests that there is a high demand for ENGAGE support in the civil society sector. This analysis explores the nature of the demand, and examines some of the emerging strengths and continuing weaknesses in the civic sector.

#### **Organizational Profile of ENGAGE Grant Applicants**

The vast majority of organizations applying for ENGAGE grants are relatively young. Most were established after year 2000, which corresponds with the general evolution of Ukrainian civil society. While some organizations have been operating since Ukraine gained independence in 1991, it is only in the 21st century that CSOs were established in significant numbers. EuroMaidan events in 2013-2014 boosted civic activism, and many new CSOs were created on the wave of popular activism. More than one-third of the total applicants are organizations established since 2013 (table 1.) This indicates strong engagement by newcomers, thus demonstrating that activists who joined civic activities in the wake of the Revolution of Dignity are still resolute in their will to participate in strengthening democracy in Ukraine.

*Table 1: Organizations by age*

<i>Established 1999 or earlier</i>	<i>Established 2000 or later</i>	<i>Established 2013 or later</i>
<b>56 (15,4%)</b>	<b>153 (42,2%)</b>	<b>154 (42,5%)</b>

Women occupy almost the half of the leadership positions in the organizations (45%). This number do not correspond to the general situation in Ukraine. According to the 2016 Global Gender GAP, presented by the World Economic Forum, Ukraine ranked 69th on the Gender Equality Index, out of 142 countries.<sup>33</sup> Comparing this ranking with previous years' indicators, it is clear that the state of gender equality in Ukraine has deteriorated. Ukraine showed the best result in 2006, ranking 48th then. In some of the computing parameters, Ukraine approached the 1.00 mark, which means

<sup>33</sup> <http://reports.weforum.org/global-gender-gap-report-2016/rankings/>

full gender equality in this area. Ukraine's position declined substantially during the period from 2014 (56th place) to 2015 (67th place). This can be partly attributed to the state of war, when men tend to dominate the political landscape even more.

Majority of applicants for Objective 2 (87%) are members or founders of national and regional coalitions. Organizations applied for Objective 1 are also significantly involved in national and regional coalitions: 83 percent stated they participate either in national, or in regional coalitions.

Traditionally, the highest level of civil activity is in Kyiv and oblast centers (regional capitals). Small towns and rural areas are underrepresented among applicant organizations (table 2.) These geographic areas tend to have less exposure to civic activism, and subsequently a lower level of activist mobilization. Local organizations from small towns, and especially from rural areas, are beyond the radar screen for most grants programs. At this grass-roots level, Pact will have to bolster its USAID/ENGAGE efforts to reach beyond circle of oblast centers.

*Table 2: Organizational geographical origin*

	Kyiv City	Oblast Centers	Other Locations
<b>Organizations applied</b>	124	177	63
<b>Organizations awarded</b>	32	12	3

Organizations applied from different parts of Ukraine. While Kyiv-based organizations were expected to be highly represented (124 organizations, or 34% of applicants), other pockets with a high concentration of applicants include Lviv (11), Dnipro (8), Odesa (10) and Kharkiv (13). There was also a peak in interest from Kirovohradska (11) and Sumska (9) oblasts, where Pact conducted USAID/ENGAGE outreach presentations in February 2017.

The number of applicants from Western Ukraine corresponds with the long-term trend of higher civic engagement in the region since independence (both for political and social causes), while growing participation in Eastern Ukraine correlates with recent developments: mass political activism during the Revolution of Dignity and the ongoing war in Donbas. Political mobilization in support of EuroMaidan and in defense of Ukrainian independence and sovereignty remains the major source of civic activism in these regions.

Pact received applications from every *oblast*, but in some oblasts, no grants were awarded (Ivano-Frankivska, Khmel'nitska, Mykolaivska, Rivnenska, Ternopil'ska, Volyn'ska, Zhytomir'ska). Historically, most of these oblasts belong to neighboring historical regions, Podillya and Galychyna. While Podillya has really lagged in terms of socio-political mobilization, Galychyna is traditionally seen as one of the leading regions of civil society. These results, especially with Mykolaiv, Odesa, and Kherson on board, raise questions about exactly how spontaneous political activism corresponds with the establishment of grassroots movements and civil society institutions. Thus, it is not just about mobilization (activism and engagement), but about channeling of efforts (how well-informed activists are about options and educated to use them). Pact considers these regions as requiring additional efforts for engagement of citizens and an increase in their activism there.

The difference in requested project budgets is in part defined by the very nature and purpose of the award sub-categories. The median budget was highest for Objective 2 and lowest for small

scale initiatives and emergent needs. Furthermore, most applicants for Activity 2.1 (*Enable long-term strategic planning of coalitions through institutional grants*) are well-established organizations, with diverse activities and experience raising funds from donors, thus they are better prepared to request and manage larger amounts. In turn, small scale initiatives applicants tend to be smaller and younger organizations, and thus their project goals are modest and require less funding.

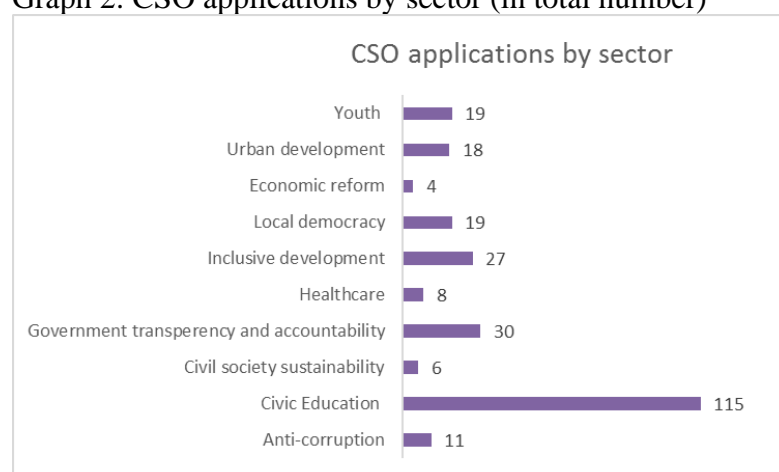
Applicants tend to request substantial amounts from international donors, U.S. Government included, due to the lack of Ukrainian alternatives. CSOs have little hope for government grants, which are generally small and limited in scope to only a few areas of potential civic activism. Philanthropy is also an uncommon source of funding in Ukraine. A wealthy person who is ready to spend a substantial amount supporting civic activism is more likely to establish his/her own CSO, rather than a foundation which could provide grants to other active organizations. Given the current economic situation in Ukraine, it is unlikely that organizations would rely upon raising funds from charity events or grassroots fundraising. Thus, CSOs often try to fund their activities as much as possible by international grants (table 3.)

*Table 3: CSO applicants' sources of income*

<i>USG Funding</i>	<i>Other International Donor Funding</i>	<i>Ukrainian Funding</i>
<b>180 (49,6%)</b>	228 (62,8%)	134 (36,9%)

Civic Education projects are by far most the popular thematic sector among applicants with 37 percent of all applications (Graph 2.) There are both policy and practical reasons behind this. Civic education remains extremely desirable within society because state-society feedback mechanisms are still weak; citizen awareness is at a low level; and while mobilization of civic activists is relatively high, they lack cohesion and a clear understanding of how to achieve their objectives. Civic education is an obvious choice to address these issues. Furthermore, even small organizations can implement civic education projects.

**Graph 2: CSO applications by sector (in total number)**

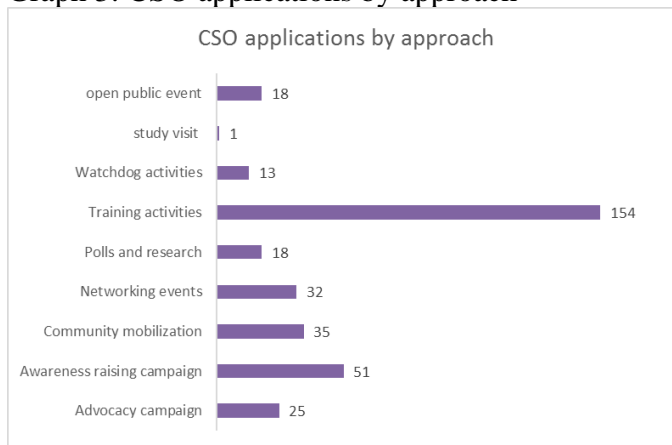


Government transparency and local democracy are popular among applicants because they best correspond with civil society's priorities since the Revolution of Dignity – accountability of the

public sector and fighting against corruption were the strongest demands of EuroMaidan activists. A relatively small number of applications address economic reforms, healthcare and civil society development, which would seem to contradict the current social agenda. This could be explained by civil society being overly politicized (placing political issues before socio-economic ones), and by CSOs lacking experience and influence to set the agenda. Instead, they are more inclined to follow an agenda defined by the political class.

Many applicants rely upon training activities as their approach as this method corresponds with the most popular thematic sector, civic education. Short-term training courses and similar events can unleash the potential of educational activities: they cover a wide audience, in different locations, and without special facilities (Graph 3.) For small organizations with limited resources, such an approach often remains the only viable option to implement education projects. Awareness-raising campaigns and networking events are less popular among applicants as they require substantial resources and/or require long-term projects, which are often beyond the capabilities of small organizations.

Graph 3: CSO applications by approach



The relatively small number of advocacy campaigns and community mobilization events might be explained by the reluctance of most CSOs to attempt agenda-setting activities. CSOs either are not well connected with the public to mobilize support, or they do not have enough expertise to shape policies. Lack of expertise and experience are also why only a small number of organizations are planning watchdog activities or to conduct polls and research.

Applicants strongly emphasized youth and activists as their target audiences. Young people emerged as likely collaborators. Most education projects amongst the applications target youth. It was expected for Objective 2. as applicants rely heavily upon activists, but the small number of those who plan to address a broader audience among small scale initiatives and emergent needs applicants (5) is rather surprising. A major direction for improvement would be to encourage CSOs to communicate more with the broader public, to engage citizens who are not already active citizens.

Applicants rely heavily on internet resources (ICT) for communication with their target audiences. Well-established organizations tend to use their own organizational websites or sites created for

specific projects. These applicants also value newspapers most among traditional media. Smaller applicants also opted ICT for communication, social media networks are their preferred tool. Those organizations which prefer to use ICT almost twice as large as those rely upon Traditional Media. The most popular form of ICT are social networks (28% of total) and Internet media (16%). Organizations also tend to use own websites in addition to social media. Importantly, applicants do not break with traditional media either: 13% organizations opted for TV and 10% for newspapers.

### Addressing the needs of disenfranchised groups

While the grant applications showed an overall high level of engagement of civil society groups and organizations, CSOs are still poorly addressing the needs and issues of vulnerable groups in Ukrainian society. Gender equality and protection of the most vulnerable citizens remain mostly marginal in CSOs' proposed activities. One reason is that CSOs addressing issues related to gender, LGBTQI, people with disabilities (PWD) or internally displaced persons (IDP) are more likely to be stigmatized in society. According to several recent surveys, this is related to the increase in patriarchal and xenophobic attitudes in Ukrainian society.<sup>34</sup> National and especially local CSOs sometimes avoid sensitive issues when engaging broader audiences to avoid less favorable treatment in their communities. According to USAID/ENGAGE Civic Engagement Poll conducted for Pact by GfK in 2017 the most discriminated groups in Ukraine are: pensioners (28%), sexual minorities (22%) and IDPs from Donbas (20%).

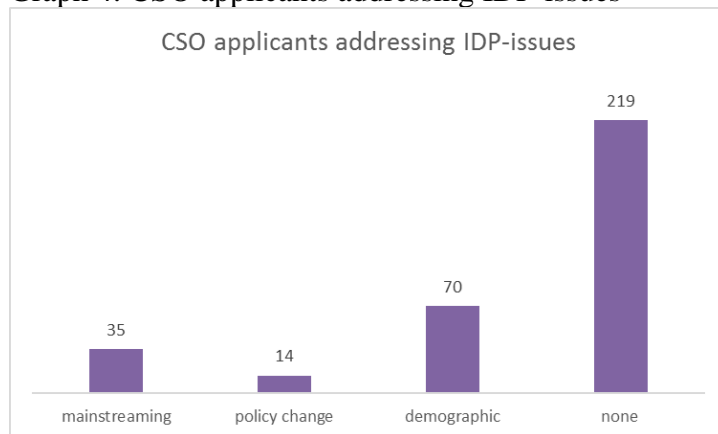
IDPs in Ukraine are a phenomenon closely connected to Russia's illegal annexation of Crimea and aggression in the east of the country, and the issue clearly dominates the political and social landscapes of the nation. However, it does not garner the same sense of emergency as the conflict itself. Applicants show relatively little interest in direct support for internally displaced persons. There are two possible explanations for this. First, the state and society have, to some extent, dealt with the immediate needs of IDPs: lodging, monthly allowances, employment. Second, recently there has been a significant decrease in interest in IDP issues among society, activists included. This is shown by several national polls in which respondents demonstrated less willingness to spend their time and efforts on help to IDPs.<sup>35</sup>

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<sup>34</sup> See for example: Громадська думка про права людини в Україні. Дослідження Фонду «Демократичні ініціативи» Ілька Кучеріва.2016 // <http://dif.org.ua/article/gromadska-dumka-pro-prava-lyudini-v-ukraini>

<sup>35</sup> Благодійність і волонтерство-2016: результати соціологічного дослідження // <http://dif.org.ua/article/blagodiynist-i-volonterstvo-2016-rezultati-sotsiologichnogo-doslidzhennya>

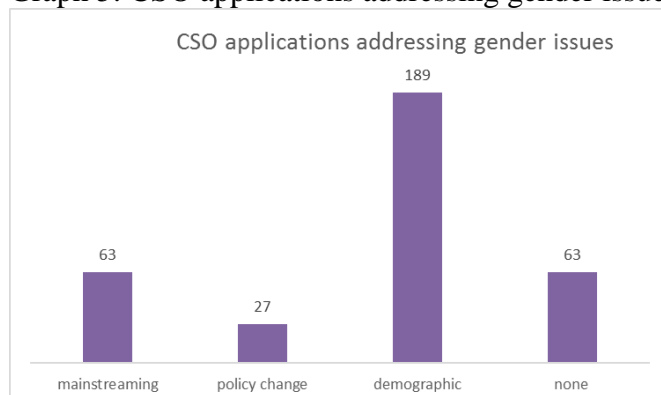
Graph 4: CSO applicants addressing IDP-issues



According to the USAID/ENGAGE Civic Engagement Poll conducted for Pact by GfK in 2017, 18% of citizens are willing to help IDPs with shelter, food or other pro-bono services. Society is experiencing fatigue regarding many crisis-related issues. Yet, there is a positive development revealed in the USAID/ENGAGE grant application process regarding IDPs: most projects with a specific focus on this group applied under the Civic Education Objective, indicating an understanding of the need to educate citizens about IDP issues, and a longer-term approach to addressing their unique needs (Graph 4.) It is important to ensure IDPs' social integration in their current locations, and Civic Education projects have the most potential to succeed at it.

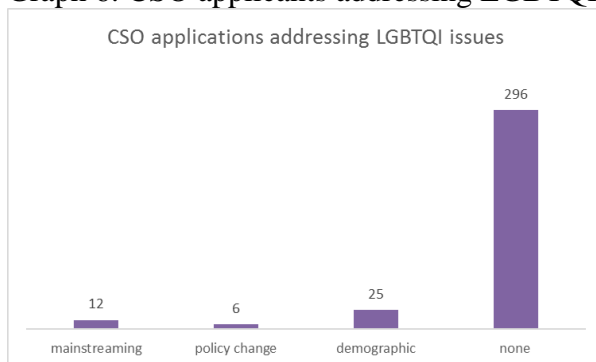
Among the organizations applied, gender issues are better considered by those who fall under Objective 1. While several institutional applicants work on mainstreaming gender and particularly women's rights, small scale initiatives and emergent needs applicants mostly stipulate for gender balance in their activities and neglect to more rigorously address this issue. Overall, though, the level of gender issues among proposals can be attributed to the number of feminist CSOs among the applicant organizations, as well as to the general mobilization of feminist groups since 2014. Their advocacy for women's rights, gender's equality and inclusive policies has already impacted many areas of civil life, producing a better understanding of different genders' needs, and thus more activists and CSOs addressing them. Yet the number of grant applications focused on policy change in gender issues is low, signifying that there is still much room for improvement (Graph 5.)

Graph 5: CSO applications addressing gender issues



The worst situation among grant applications is with addressing LGBTQI interests and needs. Only a very few organizations (12 among 363) are planning mainstreaming of LGBTQI issues. Policy changing options are addressed by only six applicants. While this area is a pinnacle of public curiosity (controversial, and sometimes inappropriate actions by officials across the country during LGBTQI parades and other activities generated a lot of attention), this group's interests are still severely underrepresented and are not protected. The extremely low interest by applicants to support the Ukrainian LGBTQI community or to consider their special interests is striking. Most applicants are ignoring LGBTQI issues altogether (Graph 6.) Actions with direct impact in the area, especially for much-needed policy change, are predominantly planned by a very few specialized LGBTQI-focused groups.

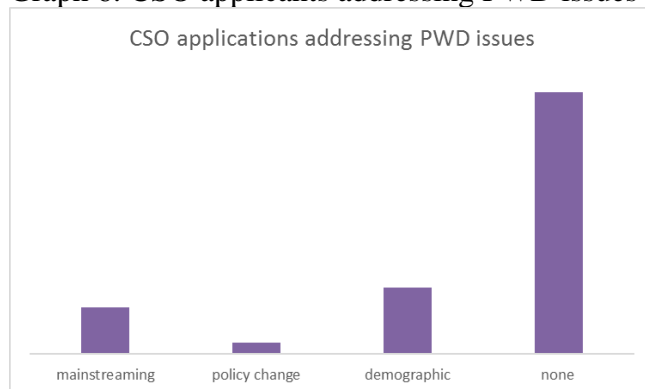
Graph 6: CSO applicants addressing LGBTQI issues.



People with disabilities (PWD) in Ukraine is a large and broad social group, around 3 million people or 6% of the population, and they are very poorly protected by the state. There is enormous demand for better employment options, access to public infrastructure and facilities, for handicapped-friendly environment even in big cities, and for PWD engagement in grass-root activities. At the same time, this group is least visible in the public space (mass media, civil society activities, etc.), thus living under-the-radar for the majority of citizens, including civic activists. With such little awareness about the real state of affairs for PWD, education projects are of exceptional value among CSO activities.

Issues of non-discrimination and equality should gain momentum as a result of civic education. In parallel, the civil society sector should be supported in utilizing a human-rights based approach in advancing the socio-economic rights of vulnerable groups, and community-based organizations should be motivated to promote their social inclusion.

Graph 6: CSO applicants addressing PWD issues



## Key Takeaways and Recommendations

- The grant applications confirmed there is high demand among CSOs to obtain financial support for their activities from international donors. It also revealed growing civic activism across Ukraine, involving multiple actors from Kyiv and regional capitals. At the same time, a disproportionate number of applications from major cities underlines the need for additional efforts to encourage a strong response from provincial towns and rural areas.
- Applicants showed a modest diversity in sectors of activities and approaches they plan to use to reach their target audiences. Their agendas lean towards issues most discussed in mass media and among political figures. This trend is typical for an over-politicized society like contemporary Ukraine. But this bias by applicants to follow political momentum is threatening the cause of civil society. Many important areas of activity directly related to everyday needs of people (socio-economic issues, urban development, social security, healthcare and education) remain poorly addressed by civil society organizations.
- Vulnerable groups are also generally overlooked by activists, leaving specific needs of marginalized groups trailing behind in terms of development. The reluctance to address urgent needs and to engage underrepresented groups in civic activism may lead to the alienation of a substantial part of society, losing their support and sympathy for activists' efforts.
- There are more organizations willing to participate in state reform now than in previous years, when most activists preferred to concentrate on volunteering and humanitarian assistance. But "participatory citizenship" is still poorly established among Ukrainian activists, and tools for civil society to engage with public management continue to be overlooked by CSOs.
- Crucially, the growing tendency of painting CSOs as malevolent political actors carries serious potential consequences in civil society's ability to represent a diverse group of constituencies. It may increase doubts about their motivations and consequently distrust in society. Draconian bureaucratic burden, smear campaigning and scapegoating represent the political elite's pestered reproach on civil society activists. This legal, rhetorical and physical forms of backlash should prompt immediate protective action and reversal.