

3rd UKRAINE REALITY CHECK

April 16, 2015

Ministry of Foreign Affairs of Latvia
K. Valdemara Street 3, Riga

PROGRAMME

The Eastern Partnership Reality Check is a policy review process aiming to gather insights from top domestic and international analysts, practitioners, diplomats and policy-makers covering Eastern Partnership countries in order to discuss these behind closed doors. It has the ambition to satisfy demand for a more in-depth policy in this area. Under the aegis of Lithuania's EU Presidency (July-December 2013) the first such a review was the Belarus Reality Check (BRC) enacted in Vilnius, Lithuania October 2012. The Reality Checks are now held under the aegis of the upcoming Latvia's EU Presidency (January-June 2015). The 3RD Ukraine Reality Check to be held in Riga, Latvia is comprised of top Ukrainian and international analysts, observers and practitioners to achieve evidence and ground based analysis as well as balanced policy advice. Published non-papers are product of the meetings, fact-checking and peer review process.

09.30 – 10.00 Registration & Welcome Coffee

10.00 – 10.15 **Opening and Welcome Remarks**

Andrejs Pildegovičs, State Secretary, Ministry of Foreign Affairs of Latvia

Andrii Kozlov, Chargé d'Affaires a.i., Embassy of Ukraine in Latvia

Balázs Jarábik, Visiting Scholar, Carnegie Endowment for International Peace & Associate Fellow, Central European Policy Institute

10.15 – 12.30 **UKRAINE AFTER MINSK II: FROZEN DONBAS - HOT POLITICS?**

After the Minsk II agreement Donbas seems to be frozen when it comes to military activities. At the same time there seems to be little mood to move toward a genuine political process what Minsk II actually brought into the table. The rebels could not keep its territory without significant Russian military assistance, and this is what seems to be the main focus on Kyiv, i.e. to arrange the same from the West. Big test for the peace process is sign of reconciliation in society and media (so far very little) as well as steps from the government to re-establish economic and social ties with the Donbas. After Ukraine survived the winter, even without continuing the war – what seems to be the single strongest factor of unity and cohesion - politics expected to be hot. President Poroshenko continues to strengthen its position, pace of reforms are decreasing, corruption could be less or “decentralized” but mechanisms remains the same. Can the center of powers keep the unity as well as political reconciliation? What Russia strategy is with Donbas and after a frozen conflict? How vulnerable the situation of Kharkiv and Odessa is? What are the realistic expectations of reforms from Kyiv?

Supporters:



Implementers:



Moderator: Oliver Carroll, independent foreign correspondent

Yevhen Hlibovytsky, Head of Business Development, Pro.Mova, Ukraine

Volodymyr Paniotto, General Director, Kiev International Institute of Sociology, Ukraine

Hanna Shelest, Senior Researcher, National Institute for Strategic Studies, Ukraine

Andrei Sushentsov, Assistant Professor, MGIMO, Russia

Wolfgang Sporrer, Political Analyst, OSCE Special Monitoring Mission to Ukraine

Viktor Konstantynov, Faculty Member, Institute of International Relations, Taras Shevchenko National University of Kyiv, Ukraine

12.30 – 13.30 Lunch

13.30 – 15.30 **BEFORE BAIL OUT: ECONOMIC TRENDS**

Ukraine currency (hryvna) has become the worst performing one in the world, inflation is calculated to be over 200% and the Western bail out is coming with a much less speed and with necessary zeros attached. Russia threatens cut off the gas, there is a serious challenge to arrange the necessary coal for electricity generation, bank system is particularly vulnerable and largely depending on National Bank` regulations and bail outs. The 2015 budget is a highly criticized both when it comes to (not) realistic as well as due to the process how it has been adopted. There is a group of highly professional experts assembled in the government but the pattern of putting most of the costs of ordinary citizens as well as SMEs are kept – while the classic monopolies and rent seeking schemes remain intact. What are the key economic trends and expectations from 2015? What are realistic expectations when it comes to Western bail out? How is the fight against corruption? How the state of SMEs and what is can be done to support them?

Moderator: Leonid Ragozin, freelance journalist based in Moscow

Ramūnas Vilpišauskas, Director, Institute of International Relations and Political Science, Vilnius University, Lithuania

Anna Derevyanko, Executive Director, European Business Association, Ukraine

Evghenia Sleptsova, Economist, United Kingdom

Vladimir Dubrovskiy, Expert, CASE Ukraine

Devin Ackles, Analyst, CASE Ukraine

15.30 – 16.00 Coffee Break

Supporters:



Implementers:



16.00 – 17.45 TRACKING REFORMS: WHERE ARE THEY?

The space of reforms have decreasing tendencies in some key sectors according to the Vox Ukraine reform index. Anti-corruption, judicial and public administration as well as economic and financial management are the key governance areas where there is little progress. What are the obstacles and what remain to be done? European institutions have been setting up various structures to aid those reforms and there have been pledges for significant aid of this process. However, those structures are not very visible, the communication from and about them is minimal, the EU has also postponed the donor conference for a third date. What are the prospect of effective assistance toward the reform process and how the West can utilize a pause (or peace) in the war to focus Ukraine into governance? What are the realistic expectations for Western aid and what Ukraine can do to make the aid flow more stable?

Moderator: Jana Kobzova, Senior Programme Officer, European Endowment for Democracy

Mustafa Nayyem, Member of Ukrainian Parliament

Petras Vaitiekūnas, Former Lithuanian Ambassador to Ukraine

Péter Balázs, Head of the European Commission's Support Group for Ukraine

Oleg Rybachuk, Director of the Centre UA, Ukraine

Mikhail Minakov, Associate Professor, National University of Kyiv-Mohyla Academy, Ukraine

Mykola Riabchuk, Research Fellow, Institute of Political and Nationalities' Studies, Academy of Sciences of Ukraine

17.45 – 18.00 Closing Remarks

18.00 – 20.00 Dinner at the restaurant “Pie Kristapa Kunga” (Baznīcas Str. 27/29)

Supporters:



Implementers:

