

II. POLITICAL UPDATE

Ukrainian political review 2010



Early 2010 saw a political change at the top in Kyiv following Viktor Yanukovich's victory in the presidential elections, bringing to an end the Orange era and marking the start of a new period in the country's development. President Yanukovich defeated Prime Minister Yulia Tymoshenko by almost one million votes in the February 8 second round of voting to become Ukraine's fourth head of state since the country gained independence in 1991. Thanks to changes in parliamentary procedure which were introduced following the presidential elections, President Yanukovich was soon able to establish a new coalition with a comfortable majority in the Ukrainian parliament and was bolstered by defections from former Orange coalition member parliamentary deputies. Senior Party of Regions official Mykola Azarov was appointed Prime Minister of the new government which boasted one of the largest cabinets of ministers in modern Europe.

Local elections scheduled to take place in May 2010 were postponed by the new authorities until late October. These elections were the first to be held since the recent change in government and were conducted under new regulations which changed the terms of participation for political parties. The local elections resulted in considerable regional successes for President Yanukovich's Party of Regions in all but the country's western regions, where nationalist party Svoboda scored major localized successes. The next major electoral test for the country will now be the next parliamentary elections, which are scheduled to take place in 2012 but which may yet be moved forward.

Autumn also saw a landmark Constitutional Court ruling annulling changes to the Ukrainian constitution which had first

been introduced as part of a compromise deal struck at the height of the Orange Revolution in December 2004. The court's decision meant that considerable powers were returned to the office of the president, placing President Yanukovich in a similar constitutional position to that enjoyed by former Ukrainian president Leonid Kuchma. The 2004 changes had created a degree of constitutional confusion in the country, blurring the institutional boundaries between the offices of president and prime minister and leading to institutional gridlock on numerous occasions throughout the Orange era. Following the 2010 court to revert to the original 1996 constitution, Ukraine's president is now once more clearly established as the most powerful figure in the country's political system.

In the international sphere, 2010 saw concerted efforts by the new administration to rebuild relations with Russia following five years of geopolitical antagonism. April saw the signing of a bilateral accord in Kharkiv which extended the Russian Black Sea Fleet's lease of the Ukrainian port city Sevastopol for a further 25 years, guaranteeing the Russian military presence in Crimea until 2042. In line with the Kharkiv Agreement, Ukraine also received favourable terms for its Russian gas supplies. In contrast to the previous Orange administration's pursuit of NATO membership, President Yanukovich adopted a policy of neutrality and declared Ukraine an officially non-aligned nation before informing the military alliance that the country would no longer be interested in receiving a Membership Action Plan (MAP). However, while future membership of NATO is no longer on the agenda in Kyiv, Ukraine has maintained its practical cooperation with NATO forces throughout the year and

remains committed to developing strong professional ties with the alliance in a variety of sectors. President Yanukovich's first international trip as Ukrainian head of state was to Brussels – a symbolic step which was widely interpreted as a deliberate attempt by the new Ukrainian leader to demonstrate the importance he placed on Ukraine's EU integration. President Yanukovich has stated that European integration remains the country's top international priority and 2010 has seen progress made in bilateral talks between Brussels and Kyiv over a new Association Agreement which will include a free trade agreement. This future Association Agreement is expected to be finalized in the second half of 2011. It is being seen by both sides as a major step towards closer bilateral ties and a document which

reflects the strategic importance of Ukraine to the EU's neighbourhood policy. President Yanukovich has also pushed for a visa-free regime with the EU as a component part of any eventual Association Agreement. EU officials, meanwhile, have stressed that any future free trade agreement would also depend on the Ukrainian government's domestic commitment to the democratic principles adhered to by all EU member states. Meanwhile, throughout 2010 Ukrainian officials refused to rule out Ukrainian participation in a possible Eurasian trade bloc involving Russia, Kazakhstan and Belarus. The coming year should see Ukraine's leaders make the definitive choice between free trade ties with the EU and the CIS, with the country's WTO membership also playing a role in determining the outcome.