Citizens and the state in the government-controlled territories of the Donetsk and Luhansk regions

Problems, challenges and visions of the future

Funded by:
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CONTENTS

1. Introduction 3
2. Methodology 6
3. Findings 7
4. Statements from interviewees 22
5. Conclusions and recommendations 30
1. INTRODUCTION

The demarcation line (the line of contact)\(^1\) and the ‘grey zone’ between the government-controlled\(^2\) and uncontrolled territories\(^3\) of the Donetsk and Luhansk regions separates the parties to the conflict in the east of Ukraine. The areas controlled by the Ukrainian authorities and bordering the ‘grey zone’ are very politically sensitive, highly militarised, and fall under a special governance regime that is different from the rest of the country. In the absence of a comprehensive political settlement and amid uncertain prospects, it is unclear how long this situation will remain. It is highly likely that over the next few years, Ukrainians in areas adjacent to the contact line will live under very particular and unusual governance structures, and in varying degrees of danger. These vulnerable areas are therefore the focus of this study.

The so-called ‘grey zone’ or ‘security zone’ appeared as the result of efforts aimed at resolving the armed conflict triggered by instability in Ukraine, and Russian policy in the territory of Ukraine’s Luhansk and Donetsk regions. Following the Maidan demonstrations, the collapse of the government in Kyiv, and after the Russian Federation’s illegal annexation of Crimea, the epicentre of violence shifted to the Donbass in the spring of 2014.

As of July 2017, military operations of variable intensity in the east of Ukraine continue. International experts record not only military assistance to the local armed forces from Russia, but also massive shelling from its territory.\(^4\) There is also return shelling from the Ukrainian side into non-government controlled areas. In January 2017, according to Stepan Poltorak, the Minister of Defence of Ukraine, there were about 40,000 members of illegal armed formations in the Donbass, of whom 5,000 are career officers in the regular Russian Armed Forces. According to the United Nations, by 15 May 2017, at least 10,090 people had been killed, 23,966 injured, and more than 1,600,000 forced to move out of the conflict zone. According to the Ministry of Defence of Ukraine, the Ukrainian militaries have borne 2,696 casualties and 9,903 wounded as of 16 June 2017.

Ukraine’s Donetsk and Luhansk regions are densely populated. The population of the Donetsk region is estimated to be 4,234,300 as of 1 May 2017, while that of the Luhansk region is 2,192,100 as of 1 April 2017. Conflict in these densely populated areas has resulted in a decrease in the average population density by 20.2%.

Regional infrastructure has been destroyed as a result of the war. According to expert estimates, most of the damage is to residential buildings and the energy, water, and heating systems. The total losses in the Donetsk region alone exceed 1.25 billion Ukrainian hryvnia (UAH).\(^5\) At the same time, a significant part of the social infrastructure and major industrial enterprises have remained in territory uncontrolled by Ukraine. Military fighting, population flight as a result of these hostilities, the influence of information from the Russian Federation and from occupied areas of the Donetsk and Luhansk regions (ORDLO), and the loss of economic potential, have had a particularly negative effect on the Donbass in general, and particularly on communities living in the government-controlled territories near the line of contact.

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1 The line of contact is a conditional delineation between the uncontrolled and government-controlled territories
2 The government-controlled territory is understood as being the territory where the Anti-Terrorist Operation is being carried out, and where the state authorities fully exercise their powers established by Ukraine’s legislation (the temporary procedure for monitoring the movement of people across the contact line within the Donetsk and Luhansk regions is approved by the Anti-Terrorist Centre under the Security Service of Ukraine)
3 The temporarily uncontrolled territory is the territory where the Ukrainian authorities temporarily do not exercise their powers.
The Ukrainian government has taken steps to address the humanitarian, social, and economic problems in the territories under its control. The programme on ‘Measures to restore the Donbass’ was adopted by Cabinet Resolution No. 1002 on 16 October 2014. These measures mainly focused on restoring damaged infrastructure. On 20 April 2016, the Ministry of Temporarily Occupied Territories and Internally Displaced Persons (MTOT) was established on the basis of the State Agency for the Restoration of the Donbass and the State Service for the Autonomous Republic of Crimea and the City of Sevastopol. On 31 August 2016, the government of Ukraine approved the concept of the state targeted programme 'Restoration and development of peace in the eastern regions of Ukraine.' The document detailed the policy along the demarcation line in the territories controlled by the Ukrainian authorities, and stated that the policy of reconstruction was (at that time) unsystematic, while the main areas of financing were not defined. Three main areas of activity were prioritised:

- To restore critical infrastructure and the social services sector, including energy, transportation, water supply and drainage facilities. There were also plans to reinstate education, healthcare, and social security institutions.
- To support small and medium-sized businesses.
- To develop civil society in the region, and rebuild confidence and peace.

On 11 January 2017, the Cabinet of Ministers approved the Action Plan for the implementation of principles of state domestic policy in certain districts of the Donetsk and Luhansk regions where the state authorities do not currently exercise their powers. The Action Plan has provided for measures to combat corruption, to address infrastructure issues, and to increase trust in communities (activities in the field of education and medical care). Nevertheless, it is difficult today to identify the problem-free implementation of all these measures, because the effectiveness of Ukraine’s politics is hampered by the uncoordinated actions of the state apparatus, a lack of proper financing, and military action in the region. In 2016, a large amount of funds transferred to the special fund of the budgets of the Donetsk and Luhansk regions in July (UAH 3.8 billion) was practically not used, despite the acute need for restoring infrastructure and housing. The reason for this, in the opinion of experts, was the unjustified centralisation of project management.

There is a need for the full reintegration of the government-controlled territories into Ukraine, the solution of social and humanitarian problems, and the strengthening of confidence-building measures inside and outside the Donbass. A policy is also required for communication with citizens residing in the non-government controlled territories, though full reintegration will only be possible after security problems are solved, separatist forces disbanded, Russian troops removed, and the region demilitarised.

Among the main problems of concern to citizens residing in the government-controlled territories near the contact line were the following four components:

- Security problems;
- Receiving social and administrative services, and problems around the reintegration of internally displaced persons (IDPs);
- Lack of drinking water and electricity, and problems of medical care;
- Socio-economic problems typical for the whole of Ukraine, but aggravated in the conflict zone (unemployment, the high costs of utilities, and corruption).

This study focuses on the governance of the region, the information component of the conflict, and the Minsk process, with data from focus groups and interviews assessing the situation in the socio-economic sphere by citizens residing in the government-controlled territories, together with an assessment of their readiness for reconciliation and dialogue.
2. METHODOLOGY

The study aimed to identify the main concerns, views, and practical ideas of Ukrainian citizens living in key vulnerable cities in government-controlled territories near the line of contact, possible areas for improving the relationship between citizens and the government, and practical local measures needed to translate these ideas into reality. The potential and readiness for a dialogue between civil society and local authorities, as well as within communities, was also assessed. The main efforts and problems faced by authorities in the formation and implementation of policies in the government-controlled territories of the Donetsk and Luhansk regions have also been analysed.

The study methods included analysis of documents, laws, by-laws, official statistical information, focus groups, and interviews.

For the focus groups, population centres were selected where people live near the contact line in the government-controlled part of the Donetsk region. Focus groups of 10-12 people were held in June 2017 in the cities of Bakhmut, Novotroitske, and Volnovakha in the Donetsk region. Focus group participants represented different gender, age, social categories, and different levels of education (a total of 44 participants). Participants included citizens who regularly visit or live in the territory currently uncontrolled by the Ukrainian authorities, or who have permanent contact with citizens in the uncontrolled territory (parents, friends, and relatives), as well as internally displaced persons (IDPs). Respondents from Volnovakha, Novotroitske, Kramatorsk, and Sloviansk were individually interviewed. They have differing opinions about the situation in the region and belong to different social groups. Their anonymity was guaranteed.
3. FINDINGS

3.1 The beginning of the conflict, the chronology of the Anti-Terrorist Operation

The start of the conflict in the Donetsk and Luhansk regions dates back to early April 2014, when riots in the east of Ukraine, supported by representatives of groups close to the former president, Viktor Yanukovych, acquired new, more violent forms. Buses of ‘political tourists’ who acted as protesters near administrative buildings, and fighters who took part in the seizure of Crimea started to be deployed from the Russian Federation into Ukraine.9 The key event was the seizure of power in Sloviansk in the Donetsk region on 12 April by an armed group led by the retired Russian military officer Igor Girkin. On 13 April, a battle took place between soldiers of the Alpha special forces unit of Ukraine’s Security Service (SBU) and militants, in which one SBU officer was killed and several injured. On 13 April 2014, with no martial law declared in Ukraine, the National Security and Defence Council (NSDC) decided to launch an Anti-Terrorist Operation (ATO),10 with the use of the Ukrainian Armed Forces. The decision was put into effect the next day.11

The zone of the Anti-Terrorist Operation covered the Donetsk and Luhansk regions (from 14 April 2014), as well as the Izyum region and the city of Izyum in the Kharkiv region (from 14 April to 7 September 2014 and from 2 December 2015 till the present). On 13 April 2014, a decree ‘On urgent measures to overcome the terrorist threat and preserve the territorial integrity of Ukraine’ was signed. This is considered to be the official start of the ATO. The ATO is understood to be a complex of coordinated special measures aimed at preventing and suppressing terrorist activities, releasing hostages, ensuring the safety of the population, ‘neutralising’ terrorists, and minimising the consequences of terrorist actions.12

In his address to the nation on 14 April 2014, the acting president of Ukraine, Oleksandr Turchynov, said, “We will not allow Russia to repeat the Crimean scenario.”13 However, an attempt to hold so-called referendums on ‘self-determination’ in areas of the Donetsk and Luhansk regions (ORDLO) was made on 11 May 2014. Following this, thebreakaway Luhansk People’s Republic and Donetsk People’s Republic declared their ‘sovereignty’ and desire to join Russia. As of July 2017, they still have the status of self-proclaimed republics and are not recognised, even by the Russian Federation. Nevertheless, Russian President Vladimir Putin signed, in February 2017, a decree recognising passports issued by the self-proclaimed authorities.14

3.2 The Minsk Process

The process of settling the conflict in eastern Ukraine started in the summer of 2014. On 6 June in France, the ‘Normandy format’ was established. It included the president of Ukraine, Petro Poroshenko, Russian president Vladimir Putin, French president Francois Hollande, and the German Chancellor, Angela Merkel. During the first meeting, an agreement was reached on the establishment of a Trilateral

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10 A term used by the Ukrainian government to describe the military operations in the east of Ukraine.
11 Decree of the President of Ukraine, On the decision of the National Security and Defence Council of 13 April 2014 on urgent measures to combat the terrorist threat and protect the territorial integrity of Ukraine, No. 405, 2014, http://zakon3.rada.gov.ua/laws/show/405/2014
13 NSDC decided to start an anti-terrorist operation involving the military, Turchynov, RBC-Ukraine, 13 April 2014, https://www.rbc.ua/ukr/news/sno-reshila-nachat-antiteroristicheskuyu-operatsiyu-s-privlecheniem-13042014183500, accessed 4 September 2017
Contact Group on Ukraine (TCG) for the settlement of the Donbass conflict. This included representatives of Russia, Ukraine, and the OSCE. On 23 June, the first meeting of the TCG took place.

The first attempt to stop the violence was made by President Poroshenko on 20 June 2014, a few days before the TCG meeting. He announced a one-week ceasefire, and made public a 15-step peace plan. Poroshenko’s plan included security guarantees for all negotiators, exemption from criminal liability for those who laid down their arms and who had not committed serious crimes, and the release of hostages. However, hostilities resumed, and Ukrainian government forces began to gradually regain control of Ukrainian territories.

Based on the results of the work of the Trilateral Contact Group, on 5 September 2014, the Minsk Protocol, consisting of 12 items, was signed. Its signing was preceded by an escalation of hostilities in the city of Ilovaysk, with the direct involvement of Russian military forces. The document was signed by the OSCE Ambassador Heidi Tagliavini, the second president of Ukraine, Leonid Kuchma, and the Russian ambassador to Ukraine, Mikhail Zurabov. The representatives of the self-proclaimed ‘DPR’ and ‘LPR’, Alexander Zakharchenko and Igor Plotnitsky, also signed the document.

According to the Ministry of Foreign Affairs of Ukraine, the logic of the Minsk agreements lies in the following three consecutive stages:

- **De-escalation** (a ceasefire and the withdrawal of heavy weapons, which should be verified by the OSCE, together with the release of hostages and illegally imprisoned people);
- **Stabilisation** (the removal of foreign armed formations and mercenaries, the reinstatement of Ukraine’s control of the whole section of the Russian-Ukrainian border, the launch of a dialogue on modalities for holding free and fair local elections in accordance with OSCE standards, and other aspects of the political process);
- **Revival** of the Donbass (the restoration of bank payments, the renewal of social and economic ties, the reconstruction of infrastructure, and the political and socio-economic reintegration of the Donbass).

On 19 September 2014, the Minsk Memorandum was signed, in pursuance of the agreements fixed in the Minsk Protocol. It was based on Poroshenko’s above-mentioned peace plan, as well as on Putin’s peace plan, which he ‘sketched’ on the road to Mongolia on 3 September. The purpose of the Memorandum was to agree terms of the ceasefire. Paragraph 2 of the Memorandum states that the parties should stop their units and military forces on the line of contact that existed on the day of its signing, and withdraw heavy and other weapons held by each side from the line of contact, creating a security zone (Paragraph 4).

Efforts aimed at reducing the intensity of the conflict did not yield the desired result, and negotiations continued amid ongoing hostilities. In addition to the need to establish a truce, the main controversial issues included the timing and procedures for holding elections in the territories of ORDLO, the status of these territories within Ukraine, and amnesty for participants in the events in certain districts of Donbass.

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17 Ukraine Ministry of Foreign Affairs, The Minsk Agreement: All details and specifics, 28 March 2016, [https://goo.gl/Kvk8vRa](https://goo.gl/Kvk8vRa), accessed 4 September 2017
On 12 February 2015, following the next escalation of the conflict, the Package of Measures for the Implementation of the Minsk Agreements was signed. The document required an immediate and comprehensive ceasefire by both sides, and the withdrawal of heavy weapons to an equal distance from the line of contact, creating a security area of at least 50 km wide. In accordance with the Minsk Memorandum of 19 September 2014, Ukrainian troops had to withdraw from the line of contact, and the armed formations of certain districts of the Donetsk and Luhansk regions had to do the same. The document also obliged Ukraine to amend the Constitution, and ensure pardon and amnesty to participants in the Donbass conflict. The parties were to swap hostages, ensure the delivery of humanitarian goods, and determine the modalities for the restoration of social payments. The reinstatement of Ukraine’s control over the border with Russia was to begin on the first day after local elections. The document also demanded the withdrawal of all foreign armed formations, military equipment, and mercenaries from the territory of Ukraine, and the disarmament of all illegal groups.

On 17 February 2015, United Nations Security Council Resolution 2022 was adopted, in which the Security Council unanimously called on both sides to implement the Package of Measures and reiterated that the settlement of the crisis in Ukraine is possible by peaceful means only.

In early May 2015, four subgroups were established within the Trilateral Contact Group, in which security, political, humanitarian, and socio-economic issues are discussed. Negotiations within the subgroups continue, as do the armed clashes.

Since early June 2017, security has remained a priority on the agenda of the Trilateral Contact Group’s meetings. The exchange of hostages is blocked. The Ukrainian side has initiated the creation of a subgroup on border issues, arguing that if the process of reinstating control of the border should begin the day after local elections, its details should be agreed in advance. At the TCG meeting on 21 June 2017, an agreement was reached on the ‘bread truce’, the observance of ceasefire during harvesting, from 24 June 2017 onwards. Nevertheless, the hostilities continue.

An integral part of the Minsk process is sanctions by Western countries imposed on individuals linked to the government of the former Ukrainian president, Viktor Yanukovych, people from President Putin’s entourage, related businesses, and some sectors of the Russian economy. The first sanctions, mostly on individuals, were imposed in March-April 2014 in connection with Crimea. Later, sanctions were strengthened and extended, and their withdrawal contingent upon the implementation of the Minsk Agreements. Western leaders have repeatedly claimed that sanctions will remain in force until the full restoration of Ukraine’s territorial integrity.

Despite minimal progress in the Minsk process, all the parties, as well as international organisations, continue to assert that there is no alternative to it. Nevertheless, there is quite a divided assessment of the current results of the Minsk process in Ukrainian society: 38.4% of respondents view it negatively, 28.4% see it as neutral, and 11.6% view it positively. Sociological surveys have shown a largely negative attitude to the Minsk Agreements. Specifically, 55.2% of those polled are against the granting of a special status to the non-government controlled areas of the Donbass, 56% are against a full amnesty, 71% are against conducting local elections, 59.4% are against the formation of local police, courts, and prosecutors exclusively from the ranks of local officials, and 59.9% are against the right to special economic relations of ORDLO with the Russian Federation.

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18 The Trilateral Contact Group on Ukraine, Package of measures for the implementation of the Minsk Agreements, Minsk, 12 February 2015, http://www.osce.org/cio/140156
3.3 The particular features of governing the regions

On 23 February 2015, the Verkhovna Rada (Ukrainian parliament) adopted the law ‘On military-civilian administrations’. At the time of its adoption, Donbass local councils (elected in 2012), were mostly in support of the Party of Regions of the former President Yanukovych, and not in support of the new government in Kyiv. They therefore sabotaged the performance of their duties. In the words of the lawmaker Dmytro Tymchuk, from the political point of view, the problem was that they did not recognise Russia as an aggressor, and the LPR and DPR as terrorist organisations. They did not openly oppose the central Ukrainian authorities, but simply blocked their work. The most serious problem was the regional councils, whose powers included the adoption of local budgets. Their sabotage made it impossible to take necessary decisions in other areas as well.

Under the law, military-civilian administrations of population centres are formed from servicemen and established in accordance with Ukrainian law, and from both rank and file and senior officers from the law enforcement agencies. The purpose of military-civilian administrations (MCAs) is to create conditions for vital work in the respective territorial communities, resolve problems of local concern through the establishment of a special order for the exercise of some powers of local self-governments (village, settlement, town, and city councils, their executive bodies, regional and district councils) in the Anti-Terrorist Operation zone, in particular if local self-governments do not perform such powers or hinder their performance. Military-civilian administrations are established by a decision of the president of Ukraine, if necessary. There are currently 11 district and four settlement MCAs in the Donetsk region, five district and six settlement MCAs in the Luhansk region, as well as the MCAs of the Donetsk and Luhansk regional level authorities.

On 25 October 2015, regular local elections were held in Ukraine. Ukrainian central bodies could not, however, implement them throughout the country. In addition to territories outside government control, no elections were held to 91 local councils in the Donetsk region located in government-controlled territory in the immediate vicinity of the contact line. Similarly, elections to 31 local councils did not take place in the Luhansk region. New members of the Donetsk and Luhansk Regional Councils were also not elected.

Structures of military-civilian cooperation were established in the Ukrainian army according to NATO standards. These are aimed at improving support for the armed forces among the local population, local authorities, international organisations, and others during the performance of their tasks, ensuring the balanced use of military and non-military resources to perform these tasks, and helping to improve public opinion on the activities of the Verkhovna Rada and the government of Ukraine in combatting threats.

3.4 The information component of the conflict

An information campaign targeted towards residents of mainly Russian-speaking regions in Ukraine has been carried out by the Russian Federation for many years. Some researchers believe that it lasted throughout Ukraine’s independence, and became more intense during the ten years preceding the ‘Revolution of Dignity’ in 2013-14. Attempts to discredit the events of the Orange Revolution, and personal attacks on former President Viktor Yushchenko, are examples of the ‘information campaigns’ that the Russian Federation conducted through its media in 2004. Already by that time, attempts to portray Yushchenko and his supporters as fascists and to attribute derogatory statements about the residents of Donbass to opposition leader Yulia Tymoshenko were pitting the residents of different parts of Ukraine against each other.

Volodymyr Horbulin, the Director of Ukraine’s National Institute for Strategic Studies and adviser to the Ukrainian president, sees 2008 as the beginning of Russia’s propaganda campaign for influence in Ukraine. The press, television, and books were used to conduct information and psychological campaigns aimed at derailing Ukrainian statehood. Russian news depicted Ukraine as a failed corrupt state, claiming that its elites were unable to rule, encouraging Ukrainians to think about the unity of the Russian and Ukrainian peoples, and describing the advantages of joining a new Russian empire. A survey by the media monitoring NGO Media Detector showed that the Ukrainian issue became the focus of attention in the Russian media during the events on Independence Square, the occupation of Crimea, and the outbreak of hostilities in the east. It was noted that the actions in the information field aimed at fuelling the conflict were a “long-term, pre-planned, complex, and consistent psychological operation”. The artificial and consistently incited conflict was based on calls for the Russian-speaking population to defend themselves, the demonisation of the Maidan demonstrations, the EU, and NATO, and the course towards European integration advocated by the Maidan protesters. After the start of fighting in the east, the Russian media went on to discredit and demonise the new Ukrainian authorities, and following the killing of pro-Russian demonstrators in Odessa on 2 May, to issue calls to kill Ukrainians.

The media was also used by the Luhansk and Donetsk breakaway republics. The first steps that the self-proclaimed authorities took were to close access to Ukrainian TV channels, which were the main source of information for the population, seize broadcast towers, and establish their own broadcasting. These broadcasts also reached territories controlled by Ukraine. An analysis by the National Institute for Strategic Studies indicated that the republics’ activities were (and continue to be) characterised by one-sided coverage of the conflict, justifying insurgent violence, legitimising the self-proclaimed ‘governments’, dehumanising the image of the Ukrainian (as well as European and American) nation, discrediting the Ukrainian authorities, and demoralising the Ukrainian armed forces through the use of fake video materials (often including scenes of violence and dead bodies).

Currently, the Ukrainian government is working to make Ukrainian television available in the entire territory under its control, the grey zone, and the non-government controlled areas. However, as of July 2017, many residents in these areas could only receive information from Russian media and news outlets controlled by the breakaway authorities of the unrecognised republics.

### 3.5 The trade blockade of the Donbass

On 15 March 2017, by a decree of the Ukrainian president, the decision by the National Security and Defence Council of Ukraine on urgent additional measures (the ‘blockade’) to counter hybrid threats to the national security of Ukraine came into effect. Earlier, the president had opposed the blockade, which was initiated by opposition forces in parliament that were previously part of the coalition. The blockade became a response to the seizure and ‘nationalisation’ of Ukrainian-run businesses in the territories of the so-called DPR and LPR, which began with the creation of ‘provisional administrations’ on 1 March 2017. According to NSDC Secretary Oleksandr Turchynov, the transport blockade will last

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until the seized businesses are returned to Ukraine, and the separatists fulfil the first two points of the
Minsk Agreements – a ceasefire, and the withdrawal of heavy weapons from the line of contact.

Earlier, in late December 2016, ATO veterans and Samopomich (‘Self-help’) MPs blocked railway
services in Bakhmut, Donetsk region, with an ultimatum for the Russian Federation and ORDLO for
the release of hostages held in the non-government controlled territories. Officially, there are 132
hostages, although this number may be higher. There were supporters and opponents of the blockade.
The former motivated their support for such radical steps by the ‘criminal’ nature of trade with ORDLO
that in their view supports the separatists. Opponents emphasised the negative social and economic
consequences of the blockade such as energy problems (coal supplied from the uncontrolled
territories), collapse of the local economy, and the blow to the overall Ukrainian national economy
through the disruption of industrial ties. According to Ukrainian Railways, 13,424,700 tons of cargo
were delivered by rail from the government-controlled to the uncontrolled territory in 2016. Iron ore
(45.5%) and coal (44.5%) were the main items imported into the ORDLO territory. The major importers
were DTEK Pavlogradugol, the Severny Mining and Processing Plant, and the Inguletsky Ore Mining
and Processing Plant. A total of 19,422,400 tons of cargo were exported from the uncontrolled to the
government-controlled territory, including coal (61.6%), ferrous metals (20%), and coke (7.8%). The
main exporters were DTEK Rovenkiantratsit, the Yenakiyeve Iron and Steel Works, and the Donetsksteel
Iron and Steel Works.29

On 13 March 2017, officials of the Security Service stopped the blockade by the ATO veterans, detaining
the main participants in the protest action. Earlier, the government had been extremely negative about
the blockade, citing economic losses and social challenges. However, after the ‘nationalisation’ of
Ukrainian-run businesses by the ORDLO ‘leaders’, payments to the state budget were terminated. This
became the motivation for the change in the government’s position. The blockade and its consequences
will in the long term have an impact on the situation in the region, its economy, and social ties between
the government-controlled and uncontrolled territories.30

3.6 Settlement of the issue of the status of the non-government controlled
territories

To date, there is no consensus on how the issue of status of the non-government controlled territories
should be settled. In accordance with the Minsk Agreements, the law ‘On the special procedure for
local self-government in certain districts of the Donetsk and Luhansk regions’ was adopted on 16
September 2014, which introduced a special self-government regime for the territory not controlled
by the Ukrainian authorities. In March 2015, Article 10 of this law was amended, according to which
Articles 2 to 9 of the law come into force after ‘local governments in certain areas of the Donetsk and
Luhansk regions, elected in early elections held in accordance with the Constitution of Ukraine, enter
into power’, and in accordance with OSCE standards. It was impossible to agree on elections within the
framework of the Minsk process. The law was adopted for a three-year period, and its validity expires
in September 2017.

29 Alexander Moiseenko, Consequences of the blockade: who will suffer the biggest losses, Ekonomicheskaya Pravda, Kyiv, 15 March 2017,
30 See section 3.11, Citizens’ assessment of the impact of the trade blockade of the uncontrolled territories on the situation in communities
A number of bills have also been registered in parliament to regulate the status of the uncontrolled territories and relations between Ukraine and their residents.

- **Bill No. 6400** ‘On the territory of Ukraine temporarily occupied by the Russian Federation’ (authored by Oksana Syroyid, of the Samopomich party, and others). In the words of the Samopomich lawmaker and co-author of the bill, Yehor Sobolev, his faction considers what is happening in the east of Ukraine as a war for independence. According to Sobolev, Ukraine is facing unprecedented aggression and needs to survive. For this reason, he says the restriction of human rights of those people who live in the occupied territory is justified.

  The bill proposes giving certain districts of the Luhansk and Donetsk regions the status of temporarily occupied territories, shifting the responsibility to Russia for providing for its population in accordance with international law. Social and pension payments should not be paid to residents of the occupied territories. The draft law also suggests restricting entry to, and exit from, the occupied territories, as well as import and export of goods. Water and electricity supply should be regulated by the Cabinet of Ministers. Activities of the ‘occupation administrations’ are considered illegal and all documents issued by them to have no legal consequences. The Ukrainian authorities are banned from conducting elections in the occupied territories until the end of the occupation. The date of the end of the occupation is the date of Ukraine's reinstatement of control of its border along the entire country's perimeter.

- **Bill No. 6400-1** ‘On the territory of Ukraine temporarily occupied by the Russian Federation and temporarily uncontrolled by the Ukrainian authorities as a result of the armed conflict with the use of terrorist groups receiving support from outside’ (authored by Natalia Veselova).

  This bill proposes granting certain districts of the Luhansk and Donetsk regions the status of temporarily uncontrolled, but not occupied, territories. This is due to the fact that if the occupation of the territory is recognised, the militants will receive the status of combatants, and the right to carry weapons. The bill provides for social and pension payments to citizens living in the occupied territories, but with payments made only from government-controlled areas. Economic relations with the uncontrolled territories are to be regulated by a separate law. The draft law places no restrictions on the right to move from the uncontrolled territory. Documents issued by occupation authorities are not recognised.

- **Bill No. 6400-2** ‘On the territory of Ukraine temporarily occupied by the Russian Federation’ (authored by Mustafa Nayyem).

  The bill proposes granting certain districts of the Luhansk and Donetsk regions the status of temporarily occupied territories. It recognises Ukraine’s obligations to protect the rights of residents of the occupied territories, and regulates the procedures for crossing the contact line, but, unlike the bill by Oksana Syroyid, does not equate it with a state border. The draft law guarantees the right to pensions and social payments and/or services for people living in the non-government controlled areas of the temporarily occupied territory. All documents issued by occupation authorities are not recognised as valid. The bill also regulates the movement of goods and humanitarian cargos across the contact line.

32 Government of Ukraine, Law on the territory of Ukraine temporarily occupied by the Russian Federation and temporarily uncontrolled by the Ukrainian authorities as a result of the armed conflict with the use of terrorist groups receiving support from outside, No. 6400-1, 10 May 2017, http://w1.c1.rada.gov.ua/pls/zweb2/webproc4_1?pf3511=61756
• **Bill No. 4297** On the specifics of governing certain territories of the Donetsk and Luhansk regions**, authored by a group of the Opposition Bloc MPs in March 2016, to which much less attention is paid than to the above-mentioned three bills. The document is believed to meet all the requirements of the Kremlin administration. It proposes to temporarily create within Ukraine an Inter-Regional Territorial Formation of Donbass, with independent government bodies. Its head will be vested with broad powers, including the rights to conclude international treaties, to propose candidates for heads of local law enforcement agencies, and to act as a subject of contractual relations with the central authorities.

Work on yet another bill, which will resolve a wider range of issues, is being carried out by the National Security and Defence Council. According to its Secretary, Oleksandr Turchynov, military actions in the east of Ukraine “have outgrown the format of the Anti-Terrorist Operation”. Ukrainian legislation stipulates only two cases in which the Armed Forces are used: the ATO, and a declared war. This implies the need for a new format that will protect Ukraine and govern the territories adjacent to the conflict zone. It is proposed that some districts are given the status of occupied territories, and identifies the main methods for their liberation. The bill establishes a joint operational headquarters of the armed forces subordinated to all military-civilian administrations in the territory of the Donetsk and Luhansk regions. All military formations will be subordinated to the headquarters, not, as currently, to the SBU’s Anti-Terrorist Centre. The president will have the right to use armed formations to counter threats. Although the text of the bill has been published in the media, the document is not yet officially registered in the Rada.

### 3.7 Attitudes to the socio-economic problems of citizens living in the government-controlled territories

Socio-economic problems that are typical for the whole of Ukraine are aggravated in the eastern regions, as a result of military actions and shelling of the government-controlled territory by the separatists in the zone of the Anti-Terrorist Operation (ATO). Despite humanitarian aid from non-governmental organisations, volunteers, and international agencies, the situation in the territories controlled by the Ukrainian authorities remains socially and economically difficult. Citizens often have no information about the possibilities of humanitarian programmes (in particular loans for small businesses from international organisations) and compensation by the government for houses destroyed as a result of shelling by the ORDLO militants. Meanwhile, no specific state programmes are being implemented in the region.

The main problems faced by citizens living in population centres of the government-controlled areas along the contact line include common socio-economic challenges, just as in other regions of Ukraine (difficulties in finding work, rising utility prices, and inflation).

In general, the number of unemployed people registered in the Donetsk region, excluding the Anti-Terrorist Operation zone, is 14,100 (as of the end of May 2017), of whom 61.7% are women and 33.9% are young people aged under 35. The Luhansk region is similar. According to the State Employment Service, the number of registered unemployed here is 6,800, of whom more than half (58.1%), are women (as of late April 2017). The level of registered unemployment in the region reached 0.6% of the

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35 Materials are based on the results of focus groups, in-depth interviews, and official statistical data
36 In 2014, with a reduction in Ukraine’s commodity exports by 13.5% compared to the previous year, its decrease in the Donetsk region was 32.3%, and 46.3% in the Luhansk region. In 2015, the situation worsened. In January-August 2015, Ukraine’s commodity exports fell by 39.9% against the same period a year earlier; the decline in the Donetsk region was 61.9%, and 94.4% in the Luhansk region. In 2013, the Donetsk and Luhansk regions together ensured 25.2% of Ukrainian exports of goods, whereas in 2014 that figure dropped to 19.1%, and in 2015 to 10.6%.
working-age population as of late April.\textsuperscript{37} The number of registered unemployed persons per vacant position has increased from eight in late March 2017 to 14 in late April 2017.

From January-March 2017, subsidies for the reimbursement of expenses for housing maintenance and utility services were allocated to almost 35,000 households in the Luhansk region, or 155.9% of the total number of households that applied for subsidies (this includes a backlog of applications made in previous periods). Subsidies were provided to more than 42% of the population of the Donetsk region living in the government-controlled territory as of November 2016.\textsuperscript{38}

Based on assessments by local activists, the unemployment problem in this region could intensify in future. This is also a concern among citizens in general. Those who live in this industrial region previously had jobs in factories and large enterprises. These were crucial to the local economy, but reduced their output because of the conflict. Machine-building products in particular and metal were previously exported to Russia, which does not currently purchase them. Meanwhile, other alternative markets have not yet been established. According to economic experts, a decrease in the real incomes of the population in 2015, and the inability to quickly stabilise the socio-economic situation in the Donbass, mean that the level of absolute poverty in the Donetsk and Luhansk regions is expected to rise by up to 30-40%.\textsuperscript{39}

3.8 Security concerns as seen by citizens living in the government-controlled areas near the contact line

Security problems remain acute, and in particular the ongoing shelling of population centres on the line of contact by the ORDLO separatists. These pose a constant threat to life, together with the destruction of infrastructure and residential buildings. In the third year of military operations, the constant fear for life and property and the threat of an escalation in hostilities and expansion of the conflict zone remain.

As reported by the United Nations, between 16 November 2016 and 15 February 2017, 130 civilian casualties were recorded. Data released by the Foreign Ministry of Ukraine states that since 20 February 2014, more than 9,800 people have been killed and about 23,000 wounded. Ukrainian official sources state that from 2014 to 2017, 10,682 residential buildings, 111 schools, 79 kindergartens, and 50 healthcare centres in government-controlled territories have been destroyed or damaged by the insurgents.\textsuperscript{40}

Residents experience constant psychological stress due to the shelling. Children and adults avoid thinking about the future and making plans, and constantly expect danger. Specialists who provide psychiatric help stress the need for treatment of post-traumatic stress disorder for those affected by military actions, including children. In general, based on data from specialised studies on children in conflict, they complain of feeling oppressed, and a desire to change their place of residence. In addition, children suffer from isolation, misunderstandings with adults, and violence from their peers.\textsuperscript{41}

In the future, psychological problems will only get worse, as a consequence of war.

\textsuperscript{38} According to data from branches of the State Statistics Committee of Ukraine in the Donetsk and Luhansk regions
\textsuperscript{40} Almost 11,000 buildings were damaged in the controlled territory of the Donetsk region because of Russian aggression – Zhebrivsky, Censor. Net, 4 April 2017, https://censor.net.ua/1434801
The shortage of drinking water in population centres near the contact line poses another problem. Shelling in late June 2017 resulted in 380,000 people in the Donetsk region being left without a centralised water supply because of the lack of electricity supply to a pumping station of the South Donbass water pipeline. Emergency water supplies were organised by the local authorities, humanitarian organisations, and executive bodies, but could only be carried out during working hours, when many people were not at home. Respondents also mentioned frequent power cuts and problems with rubbish disposal. However, citizens in the government-controlled territories say that there is no deficit in food or commodities. Citizens from the uncontrolled territories also come there to purchase goods and food.

3.9 The burden on the social sector, and the situation with IDPs, as seen by citizens living in the government-controlled areas near the contact line

There is a significant burden on the social sector and social security agencies in the Donetsk region, and it is becoming more difficult to receive social benefits. In 2015, according to the Pension Fund of Ukraine (PFU), 1.06 million out of 1.2 million pensioners living in the uncontrolled territories were registered with social security agencies and applied to the Pension Fund for pensions. Today, they have already begun to receive pensions in the government-controlled territory. Units of the social security departments of regional administrations and the Kyiv City State Administration report that 1,584,859 IDPs or 1,274,119 families from the Donbass region and Crimea have been registered (as of 27 June 2017). The largest number of IDPs, 528,000, is concentrated in the Donetsk region, while there are 289,700 in the Luhansk region. Among the total number of internally displaced persons there are 806,600 pensioners, 57,600 people with disabilities, and 241,000 children.

IDPs and local residents suffer permanent queues in state institutions and competition to obtain services. Social benefits include pensions (life monetary allowances paid monthly), lifelong state stipends, all types of social assistance and compensation (in particular, monthly targeted assistance to IDPs, birth bonuses, one-parent benefits, etc.), subsidies, benefits, material security (temporary disability benefits, maternity benefits, funeral allowances, etc.), and provision of social services in the employment sector. The Cabinet Resolution No. 365 ‘On some issues of payments to internally displaced persons’ of 8 June 2016 established the procedures for granting and restoring social benefits, and control of their payment. To this end, IDPs need to file applications with the social security authorities, after which social security department (Sobez) employees check their actual places of residence. At the same time, these social structures carry out checks on IDPs, which causes negative responses and resentment.

There is a significant increase in the burden on the social sector, difficulties with obtaining administrative services, and queues at cash dispensers. The focus group results demonstrated that social security agencies and the Pension Fund are struggling to cope with the number of citizens seeking social services. There are 31 social security departments, 21 branches of the Pension Fund, and 29 centres of administrative services in the Donetsk region. These however are overburdened. Based on official statistics, 116,000 pensioners have officially been registered in Bakhmut since 2017, of whom 82,300 are displaced people. Before the outbreak of hostilities, there were 103,000 people in Volnovakha. Today, there are 52,000 pensioners in the city, of whom 29,300 are displaced persons. Branches of Oshchadbank operate in 13 population centres of the Donetsk region, but these are not enough to serve all the pensioners. Between January and May 2017 offices of the Main Directorate

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42 Mykola Shambir: The question of raising the retirement age is not considered, RBC-Ukraine, 7 August 2015, https://daily.rbc.ua/ukr/show/nikolay-shambir-vopros-povysheniipensionnogo-143856092.html, accessed 4 September 2017
43 Donetsk regional state administration, Institutions and institutions of the social protection system, http://donoda.gov.ua/?lang=ua&sec=02&face=ODA&cmd=general_info&args=organization%24_id:171
of the State Migration Service in Donetsk issued more than 11,000 Ukrainian passports in the form of identity cards, and 34,000 biometric passports.

The problem is extremely acute in localities where administrative and social services (pensions and social payments) are provided to Ukrainians who moved there from the temporarily uncontrolled territories. Local people complain about the additional queues at social security departments and the Pension Fund. However, not all people registered as IDPs live in these localities.

3.10 The relationship between executive authorities, local self-government bodies and community members, communication, and development of NGOs in the region

Among the main challenges in the field of communication of communities with the authorities are the inaction of communities, their ignorance of their rights as citizens, a lack of knowledge of civil rights and mechanisms of communication with the authorities, the perception of proposals as simply criticism of the authorities, and the beginnings of confrontation between community members and the authorities. There is a tendency towards paternalism in the region, with the perception of authorities formulating and addressing problems without consulting community members. In addition, there is a regional tradition of limiting criticism of the authorities, and of dependence upon them. This is the result of ties between the authorities’ structures and enterprises crucial for the local economy. In addition, decentralisation has just started in the Donbass, and local communities currently lack the resources and powers to solve local problems. In total, only seven amalgamated territorial communities have been formed in the Donetsk region to date. Another 38 are to be established in future. In the Luhansk region, only four amalgamated territorial communities have been established. Local experts say that after the election of local self-government bodies in the government-controlled areas, the military-civilian administrations do not interfere with the governance of population centres. Military-civilian administrations work in cities along the line of contact – in Avdiivka and Krasnohorivka – where they are addressing the problems of water and electricity supply to civilians and the rebuilding of destroyed infrastructure. However, according to local experts, military-civilian administrations in these areas do not have enough funds to meet all the social challenges since many local enterprises do not work, revenues do not go to local budgets, and the executive authorities do not provide sufficient assistance to resolve housing reconstruction problems. In 2016, there was a conflict over the distribution of budgetary funds. Despite the acute need for restoring infrastructure facilities and residential areas, only a modest share of the funds transferred last July to the special fund of the regional budgets of the Donetsk and Luhansk regions (UAH 3.8 billion) has actually been spent.

Methods of public participation and local democracy include petitions, public councils, statements, meetings with deputies, participation in discussions (conferences), and picketing (used with some caution). According to official information, the number of citizens’ applications filed with regional administration and local self-government bodies has increased. At the end of 2016, a 36.45% increase was registered both in the number of applications from residents of the Donetsk region to local executive authorities and local self-government bodies (71,115 applications in 2016 against 52,118 in 2015) and in the range of issues brought up in these applications. Most often, citizens raised problems of housing and communal services in their applications, with 778 questions or 22% of the total number on these topics, of which 14.8% came from residents of residential buildings, damaged or destroyed as a result of military operations in the ATO zone (115 applications). Some 50% of applications for the reconstruction of housing and communal facilities (115) damaged during the ATO came from the residents of Avdiivka, Kramatorsk, Sloviansk, Toretsk, and others, and up to 30% from the population of the Bakhmut, Volnovakha, Marinka, Sloviansk, and Yasynuvata districts. However, it is difficult to say to what extent the policy for meeting local needs was effective, and whether the number of applications has encouraged policy changes regarding the development of special programmes and their implementation.
Estimates by local experts report that citizens can exert only a *recommendatory* influence on the activities and decisions of the regional military-civilian administration. There was, for example, a conflict over the use of resources, and discontent was expressed during public council meetings, but this incident did not develop further. Other more positive examples of communication with activists to solve local infrastructure problems and challenges have also been given.

In the view of civil activists, communication with the authorities has improved in the past three years of the conflict. Earlier, local authorities simply did not pay attention to activists, whereas today, despite the lack of rotation of local elected officials, they defer to activist opinion, especially since pickets and other peaceful forms of protests are used more intensively, and the institution of petitions works.

Local residents mention the activities of non-governmental organisations (NGOs). Not all of these NGOs receive financial and resource support for their initiatives. Some activists therefore have said that NGO activity may decrease. Meanwhile, citizens continue to unite and, with little or no support from international organisations, work for the improvement of their localities.

### 3.11 Citizens’ assessment of the impact of the trade blockade of the uncontrolled territories on the situation in communities

The trade blockade of the non-government controlled territories has its supporters and opponents. Supporters point out the negative impact of trade with ORDLO as in their view it supports the occupants and their regime. Opponents of the blockade emphasised economic losses. These, however, in the opinion of the blockade supporters, are difficult to verify. Local residents in the government-controlled territories, especially in rural areas, have complained about the shortage of heating coal as one possible result of the blockade.

The blockade has also had a negligible impact on the mobility of the population. In the opinion of local residents, it has not reduced the number of citizens coming from the uncontrolled territories to purchase goods and food, including small entrepreneurs (the weight of goods that can be transported across the contact line has increased from 75 kg to 100 kg per person). Paradoxically, this is often negatively perceived by residents of the government-controlled areas, who view this process as a threat by raising prices for foodstuffs. There have also been examples of small entrepreneurs who transport people across the contact line to receive pensions and simultaneously illegally carry goods to the uncontrolled territory. Respondents discussed the possibility of smuggling, citing specific examples of the continued trade in coal and metal. There is a general distrust towards various restrictive measures taken by the state.

Opinions on the political forces that initiated the blockade (the unofficial checkpoints) have varied. Many local residents (in Bakhmut for example) often interpreted the blockade as unnecessary politicking, even potential supporters of the blockade, who have been sceptical about the benefits that such a political public relations stunt would have in this situation.

Local activists believe that the consequences of the blockade for the Donbass budget will be noticeable next year in view of the lack of budget funds. This is confirmed by official calculations. For instance, experts say that the forced disruption of fiscal ties with enterprises in the uncontrolled territory will lead to a loss of revenues of the state budget and the local budgets of the Donetsk and Luhansk regions, and a decrease in proceeds from the single social contribution to the Pension Fund of Ukraine. Based on these negative forecasts, in the medium-term period, the blockade and the cessation of work of the ‘enterprises nationalised by DPR authorities’ could reduce local budgets and increase unemployment and social tensions in the territories controlled by the Ukrainian authorities.

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Cheap labour could, however, also potentially boost social and economic growth through the attraction of potential investors.

Based on official data, incomes to the local budgets of the Donetsk and Luhansk regions in 2014-2015, including tax and non-tax revenues, slowed compared to other regions where revenues to local budgets have much increased. But by 2016 (the third year of the ATO) the average growth of income of local budgets in Ukraine was 43.3%, while the growth rate of income of the local budgets of the Donetsk and Luhansk regions was 23.3% and 14.6% respectively. The largest share of tax revenues in the industry of the Donetsk region is provided by mining enterprises, which deliver 38.7% to the state budget of Ukraine and 24.9% to local budgets; metallurgical enterprises deliver 20.5% and 27.1%; electricity and gas supply companies deliver 14.3% and 28.5%; and machine-building enterprises provide 8.7% and 6.3% respectively.

However, almost 45% of the production capacities of these tax-paying enterprises are located in the uncontrolled territory of the Donetsk region. In 2016, for Ukraine as a whole, the collection of payments from industry to budgets of all levels increased by 43.1% compared to 2015, including an 18.2% increase to the state budget of Ukraine, and an increase of 1.6 times to local budgets.

### 3.12 Military structures as seen by citizens living in the government-controlled areas near the contact line

Representatives of the Ukrainian armed forces are perceived mostly positively by local residents. In particular, law enforcement officers attempt to interact with citizens through the military-civilian partnership department (with various humanitarian actions). In general, the military-civilian partnership department was set up as a pilot project of the armed forces in 2014 to develop cooperation with the local population, authorities, activists, and international organisations in the conflict zone. Local residents say that the number of negative incidents that occurred two years ago – the movement of military equipment in populated areas, the sale of alcohol to people in military uniforms, and the like – has reduced. They place an emphasis on the humanitarian actions of the military-civilian partnership – holding events for children and various contests, which they favour.

Some locals questioned the use of roadblocks (RBs) and entry and exit checkpoints (EECPs) because of possible queues. Others have understood and accepted this practice because of security reasons. There is the possibility of unauthorised weapons being transported across the government-controlled territory. However, citizens have noted that it is not enough for them to know that roadblocks and checkpoints help to guarantee security; they need to know more about their specific role and functions.

In general, there is high mobility of citizens regarding entry into government-controlled areas, and entry into the uncontrolled territory. Official data states that 1,758,063 citizens entered government-controlled areas in 2016, and 1,742,520 left through five entry and exit checkpoints at the demarcation line. The State Border Guard Service reports that the following nine checkpoints for entry and exit operated at different periods in the government-controlled territories: Mariupol-1, Stanytsia Luhanska, Shchastya, Hnutove, Zaitseve, Marinka, Novotroitske, Bugas, and Artemivsk-2. Currently only five of these remain: Stanytsia Luhanska, Zaitseve, Marinka, Hnutove, and Novotroitske. The Bugas and Mariupol-1 checkpoints ceased working at the end of 2014, Shchastya functioning until February 2015, and Artemivsk operated only until December 2015. These checkpoints were closed due to massive shelling. As of June 2017, there are six entry and exit checkpoints: the Stakhnov-Zolote-Hirne-Lysychansk road corridor-Zolote EECPs; the Horlivka-Bakhmut road corridor-Maiorske EECPs;
the Donetsk-Kurakhove road corridor-Marinka EECPs; the Donetsk-Mariupol road corridor (through Volnovakha)-Novotroitske EECPs; the Novoazovsk-Pokrovsk Talakivka-Mariupol road corridor-Hnutove EECPs (Pyschchevik village); and the Stanitsia Luhanska-Shchastya-Novoidar road corridor-Stanytsia Luhanska EECPs.\textsuperscript{50}

Local residents criticised the entry and exit checkpoints because of the lengthy queues and absence of adequate sanitary conditions. Some respondents, however, understand that the queues are caused by similar border crossing points in the uncontrolled territory. Although the movement of vehicles across the line of contact is now banned (except at official crossing points), such episodes are still reported. These unofficial crossings pose a security threat to passengers (they could be detained by DPR and LPR border guards at their ‘checkpoints’) and increases the threat of corruption.

3.13 Opportunities and assessment of the dialogue in communities and with residents of the temporarily uncontrolled territories as seen by citizens living in the government-controlled areas near the contact line

Residents of government-controlled territories that were under separatist control in 2014 spoke about the different opinions of events at that time and reconciliation of community members. Many supported the policy of the Russian Federation against Ukraine, and the ORDLO regime. This was due to the influence of media campaigns, and a different perception of the 2014 Maidan events. However, after the retaking of Sloviansk, Kramatorsk, and other cities, there was an absence of direct clashes, despite fears of a resumption of fighting in these areas, and a calmer attitude towards the various points of view held. Respondents indicated a decrease in the level of polarisation in assessments of the situation. Local residents say that media outlets, including Russian ones, have a strong influence on public opinion, especially in cities in the non-government controlled territories. These Russian media sources have a strongly negative attitude towards Ukraine. This constantly causes tensions among citizens, because representatives of the middle and older generations trust these sources of information. This was reported by respondents based on their own direct experience communicating with people living in the non-government controlled areas.

The majority of focus group participants held the opinion that an inclusive dialogue and reconciliation with citizens of the uncontrolled territories would be possible after the withdrawal of Russian troops, and the demilitarisation of the region. Some respondents stressed the possibility of the control and influence of these citizens of the uncontrolled territories during such potential dialogues by the ORDLO law enforcement agencies.

Citizens of government-controlled areas indicated the complexity of any potential dialogue with residents in the uncontrolled territory, referring to fears for their safety, the influence of the Russian media, and negative information disseminated by the authorities of the self-proclaimed republics about the situation in the rest of Ukraine. They also mentioned complex identity issues in the non-government controlled areas, and restrictions on the teaching of the Ukrainian language. This increases the problem of understanding the true situation in Ukraine by residents in the uncontrolled territories. However, respondents stated that unofficial initiatives for communication and dialogue are possible. In the words of some participants, communication with citizens in the uncontrolled territories has not really stopped. On average, more than 21,000 people cross checkpoints every day. Communication occurs in the social services sector, in shops, markets, and during conversations with relatives. However, there are often diametrically opposite positions in relation to the situation, its reasons, and consequences, which makes informal dialogue difficult.

\textsuperscript{50} State Border Guard Service of Ukraine, List of vehicle checkpoints, http://dpsu.gov.ua/ua/Perelik-kontrolnih-punktiv-v-izdu-vilzdu-na-avtomobilnomu-transporti/
Respondents are very sceptical about their possible influence on the course of high-level political talks (the Minsk process, and the Normandy format), or the cessation of hostilities. Some focus group participants voiced scepticism about calls by politicians for peace, especially officials and representatives of political parties that were in power until 2014. This is because politicians do not speak about specific ways to achieve peace. Respondents also view with scepticism ‘peace at any price’, considering it a loss of sovereignty, coupled with potential further security threats. In particular, these sentiments are held among the younger generation living in the government-controlled areas. A specific feature of their interpretation of the situation is the connection between threats and the loss of sovereignty of the country, even considering nuclear disarmament as a method of how “a strong state influences a weak one.”
4. STATEMENTS FROM INTERVIEWEES

4.1 General concerns and major issues

Focus group and interview participants listed the following major concerns and problems for citizens living near the line of contact:

- Security problems, particularly ongoing shelling of population centres on the line of contact.
- Psychological health, and constant psychological stress.
- Problems with drinking water, heating, electricity, and rubbish disposal.
- Absence of Ukrainian television and Ukrainian news outlets.
- Socio-economic problems, price hikes, unemployment, and high utility tariffs.
- Difficulties in accessing banking infrastructure and administrative services, heavy burdens on the social sector, queues, and possible conflicts between residents and IDPs.

Security problems, particularly the ongoing shelling of population centres on the line of contact

“The shells flew through us to Olhynka. The last two shelling episodes were two nights ago. Olhynka is 10 kilometres away, but the shells have reached it. If they shoot at 40 kilometres, although Dokuchaievsk is 20 kilometres from us, the shells could go a long way. After all, things are different in the village, but here, near the bridge, the shells are flying. One of them exploded in Svetlana Aleksandrovna’s garden.”

– Interviewee in Novotroitske

Problems with drinking water, heating, electricity, and rubbish disposal

“It’s summer now, people work all day and want to lie down and sleep in the evening, but they start shelling in the night. Sometimes, people come at work all sleepy because they were scared all night long, and in the morning they have to go to work.”

– Interviewee in Novotroitske

“Water is brought to the village, but not here. We collect it ourselves. Someone collects rainwater, someone takes water from the river, and someone else takes it from a puddle.”

– Interviewee in Novotroitske

“My sister’s family was poisoned with well water. They all got poisoned and vomited. They said that they all drank the well water. I do not know which well they took it from. First the children got ill, then the adults. So, this water is potentially dangerous. Nobody checks what is in it.”

– Interviewee in Novotroitske

“Fuel problems are very serious for the population, especially for those who live in detached houses. It is not that easy to buy coal and firewood, especially coal now.”

– Interviewee in Novotroitske

“Fuel problems are very serious for the population, especially for those who live in detached houses. It is not that easy to buy coal and firewood, especially coal now.”

– Interviewee in Novotroitske
Absence of Ukrainian television

“There is no Ukrainian television. But it is possible to organise our own television in a large district like Volnovakha. Let it be local, let it work one day a week, but let it broadcast our district news and be a report, as they used to say, on the party and government policies, to the people. We have completely left this media space. There are only four channels of DPR television here. The other channels are Russian. We have 10 Russian channels in the district.”

– Interviewee in Novotroitske

Psychological health, constant psychological stress

“We live in a constant state of stress. Children cry, they don’t understand what’s going on. They often ask why they shoot, who shoots and where.”

– Interviewee in Novotroitske

“We have problems like all Ukrainians, like everyone else. Utility prices, gas prices. We pay 3,000 [hryvnya] a month for gas. Our parents cannot pay, they have applied for a subsidy, they have been waiting a long time. The queues are huge, you see what is going on in Volnovakha.”

– Interviewee in Volnovakha

Socio-economic problems, price hikes, unemployment, and high utility tariffs

“When it all began, I was in Russia, and I watched only Russian news. But when I came home, my mother talked to me and knocked some sense into me. She asked, ‘Do you know where you are?’ You look. And I have understood.”

– Interviewee in Bakhmut

“Our children already know. When you play games with them, they name models of military equipment and talk about different kinds of weapons. They build roadblocks in their sandboxes. When you ask them to name makes of vehicle, they say: Grad, Uran, White Tank.”

– Interviewee in Novotroitske

“People are concerned about pensions, water and heating in their houses, all well-being, and [they wish for] there to be no shells over their heads.”

– Interviewee in Volnovakha

“The biggest and the main problem is that there is no work here. There are a lot of unemployed people. People are leaving.”

– Interviewee in Volnovakha
Difficulties in accessing banking infrastructure and administrative services, heavy burden on the social sector, queues, and possible conflicts between residents and IDPs

“I mean the crowds of people in Oshchadbank, social security departments, and the Pension Fund. These people are locals, internally displaced persons, residents of villages in which there are no Oshchadbank cash dispensers, although they asked to install them for several years now, so that people from Vladimirovka or Valerianovka do not have to come here and stand in queues for their pensions. They should be able to receive them in any village.” – Interviewee in Volnovakha

“Besides, you need to take into account the general tensions. On weekdays, as a rule, hundreds of people come from that territory, with certain moods, with a certain emotional background. They crowd into our social services and shops. It seems as if everything is all right. But on the other hand, it is very difficult to emotionally survive all this. Especially in overcrowded social security departments where people queue for hours. After that, there is no desire to smile at them or enjoy life. They come here embittered.” – Interviewee in Bakhmut

4.2 Communication with authorities and local self-government bodies

In general, respondents noted the accessibility of representatives of self-governments, the possibility of communication with the authorities, and the practice of regular meetings with local authorities (city councils, village councils, and public reception offices of people’s deputies). Community members bring applications and petitions. Public councils operate under local authorities in district centres. Nevertheless, some participants have been critical about such communication, referring to the formal approach of the authorities to initiatives by community activists.

On the other hand, respondents have indicated that not all social problems can be solved based on the competence and powers of the local authorities, particularly the lack of security.

“We have a people’s deputy, his public office works. Everyone can come and ask for something. The City Council and the other authorities make concessions, and often meet with people who come with applications and petitions. As for me, I have never heard that it is difficult to communicate with the authorities.” – Interviewee in Novotroitske

“In population centres near the ‘grey zone’, the local authorities cannot solve all the problems. Local governments are accessible in rural areas.” – Interviewee in Novotroitske

“The authorities hear us, but cannot always solve all the problems, because not everything depends on them. The ‘grey zone’ is across a highway, and it is too difficult to get there compared to other territories.” – Interviewee in Novotroitske

Focus group participants have also stated that citizens do not know their rights, and lack legal knowledge (how to write an application or petition an authority or a social security department).

The general apathy of community members and their lack of public involvement poses a significant challenge. The reasons for this are citizens’ ignorance of their rights, and the style of communication with the authorities that was established earlier. Communication with the authorities and making
suggestions is interpreted by community members and authorities as criticism of the self-government bodies. In small localities, community members and local authorities often interpret suggestions from the community as confrontation and competition. This is explained by the traditional practice of abstaining from criticising the authorities since residents depend on officials, especially at state enterprises that are crucial for the local economy.

Paternalistic sentiments and hopes that the authorities will solve local problems without communities’ participation are widespread.

Respondents emphasised that currently local authorities do not provide resources to meet local needs (for example for school repairs and urban needs). Rather, they pin their hopes on the merger of communities and decentralisation.

Youth representatives significantly differ from the older generation in the development of initiatives for communication with the authorities. They consider communication with the authorities, and the holding of events, as something purely formal and pro forma, without the authorities really taking into account the recommendations of local initiatives. In the opinion of some participants, criticism of the authorities could be considered by the authorities (in the context of ongoing military action in the area) as ‘a manifestation of separatism.’

In several localities, residents were aware of the activities of local authorities, but they have, however, never communicated with the military-civilian administration, and know nothing of its activities.

**Communication with the authorities**

**Perception of communication with the authorities as confrontation and conflict**

“You see, any communication with the authorities still implies some kind of minimal criticism of them. You did not do it, you did not mount it, you did not organise it, you did not put bins near a playground, and so on, and so forth. In other words, when do people approach the authorities? When they have problems. And it is difficult to do this in the province because everyone here is either a friend, or a brother, or a co-father-in-law, or someone else. You want to complain about the heating system, but here’s your uncle, here’s your aunt, here’s your crony, etc. Therefore, it’s hard to press, or ask. Any communication with the authorities involves a problem. And it is very difficult to communicate here. I do not think it’s scary. It’s just how we live here.”

– Interviewee in Volnovakha

**Communities’ inaction, community members’ lack of legal knowledge**

“The public are really weak. With their knowledge and skills, they are not capable at the moment of somehow influencing the authorities. People lack legal knowledge, and cannot even write an application. They are inactive in so many ways.” – Interviewee in Volnovakha
Traditional practice of perceiving communication with authorities as a conflict, dependence of community members on representatives of the authorities

“And those people who work at enterprises crucial for the local economy, for example, on the railways, and whose bosses dictated to them all their lives what they need to do, how to sit, and how to get up, they are really intimidated. And this fear predominates. This is very noticeable. If a journalist comes to our city and tries to interview someone, or talk to someone, he will see that our people are very fearful. They are afraid to talk about their problems in front of the camera.”
– Interviewee in Volnovakha

“Not so long ago, maybe a month or so, there was a meeting with the authorities, namely, with the representatives of the city administration, because frankly speaking, all power is in its hands in this city. If you are not friends with them, you can just go to hell with your problems.”
– Interviewee in Bakhmut

Manifestations of paternalism by community members

“Either a community, or something else, whatever you call it, but everything depends on the consciousness of ordinary citizens, not officials sitting in their offices. The more we hope for them, the more they will muddy the water.”
– Interviewee in Bakhmut

Formal attitude of the authorities towards public initiatives

“I would like to say a few words about the interaction of youth and the authorities, society and the authorities. It does exist, but, unfortunately, it is just for the sake of appearances. The authorities are ticking boxes. They separate themselves off.”
– Interviewee in Bakhmut

4.3 The implications of the trade blockade

To a certain extent, local residents have an ambiguous and often polarised attitude towards the economic blockade. Its supporters view it as a positive decision, saying that trade with the uncontrolled territories supports the breakaway ORDLO authorities, but nevertheless they accept that this trade has some benefits.

“We wanted to sit down with them (the local authorities) and figure out what is beneficial, and what is not. Our initiative group held a preliminary working meeting ... I understand the argument that we are trying to protect citizens in this way, but it would be better to arrange social security for these people, take care of their houses in the government-controlled territory. They have constant problems with social benefits, and they feel humiliated all the time. And you tell us that you will defend them there. What a joke! We will receive economic justifications for every restriction – what debts to companies we have, what are mutual economic ties, how much is exported, and how much is not exported.”
– Interviewee in Kramatorsk
Opponents of the blockade mentioned the public relations stunts of local elected officials.

“There was a provocation, and we were waiting to see what would happen. It was a violent intervention, I mean what happened here. And now these bastards, these guys live, they enjoy their life, and the trains go just like before. What a farce. I mean those who have earned votes for elections that the state plans to hold.” – Interviewee in Bakhmut

Local residents report that one effect of the blockade is problems with heating coal for detached houses. Meanwhile, according to statements by local residents, trade has not stopped for small businesses, as not all roads are blocked. They even mentioned the possibility of smuggling across the contact line. This is due to low prices in government-held areas, and the export of goods by small entrepreneurs to uncontrolled territories where prices are higher.

Local residents also state that price rises for food products is partially due to the increased burden on the social sector, and the increased demand for foodstuffs in population centres near the contact line (caused by IDP numbers).

“The blockade affected us so that we will not see coal now, unless we find it ourselves.”
– Interviewee in Novotroitske

“Have you compared prices here and in Kharkiv, a million-plus city where prices are much lower? Why? It is because people come here, withdraw money, and just need to spend it on something.” – Interviewee in Bakhmut

“They nevertheless sell and buy goods. Earlier, they bought them by the ton, whereas now it’s by the bag and by the bucket.” – Interviewee in Novotroitske

“Here they use side roads. It is impossible to block everything. A lot of cars bypass the roadblocks, and minibuses go there (to the uncontrolled areas) all the time and bring people there. In any case, they take something to sell.” – Interviewee in Novotroitske

“Any border means smuggling. I say any border, whether protected or not. Even without an armed conflict, any border means smuggling.” – Interviewee in Novotroitske

### 4.4 Problems of IDPs and local community members

Local community members pointed to conflicts with IDPs, caused by the burden on the social infrastructure, and the provision of limited social services. In general, two categories of ‘IDPs’ can be distinguished in cities along the contact line:

1. Displaced persons who moved from the non-government controlled territories, and who now live permanently in government-controlled areas.

2. Citizens who reside in the uncontrolled areas, but who receive social services in the government-controlled territories.

“There are a little over 200 real IDPs in our village (people who have moved permanently from the non-government controlled areas). I mean those whom they called, saying, come for your food package. I received mine a month ago. They called, but only 15 people came. Maybe the rest are real IDPs, who moved a little further away when the shelling started.” – Interviewee in Novotroitske
There is competition among IDPs, local community members, and residents of the uncontrolled territories in the receipt of social services. There are permanent queues for the Pension Fund, social security departments, and Oshchadbank. Community members said that during the first two years of the conflict, the authorities gave IDPs priority for receiving administrative services. The situation has changed today, however. Now there are ‘separate queues.’ In addition, however, displaced persons living near the line of contact mentioned the low quality of services and negative attitude towards them from employees of social security departments, and the biased attitude from community members. They said this was a result of the increased competition for social services and resources. This situation could also be due to the heavy burden on social workers in general, not just by a different attitude towards different groups of citizens, since local community members have also complained about bias, while receiving services.

“At present, employees of all state services treat all citizens this way.” – Interviewee in Bakhmut

IDPs have also stressed difficulties in confirming their status. This process is carried out by social security departments. According to measures taken in the Donetsk region alone between July 2016 and April 2017, more than 190,000 people have been removed from the register. IDPs consider this to be a violation of their rights, and complain about the formal, impersonal approach to the situation.

“The biggest problem is how IDPs are treated by the social structures. Most of you, maybe even all of you, go to social security departments to get allowances, money, and everything else. How do they treat you there? To them, you are dirt, rubbish. They do not treat you like normal people.” – Interviewee in Bakhmut

“When migrants (IDPs) come, documents definitely need to be processed, including in Oshchadbank. Many clashes often occur among our local residents and migrants because the authorities pay attention to them, leaving the locals aside. In the first two years, this was the case, and much more time was devoted to migrants. And a conflict erupted because of this. But over the past few years, the situation has become better; the queues are being divided now.”
– Interviewee in Volnovakha

Conflicts also arise among community members living near the line of contact because of different world views (pro-West versus pro-Russia) and attitudes towards the armed conflict, in particular when they communicate with residents of the uncontrolled territories who receive services in the government-controlled areas.

“Yes, people look from the other side because a natural question arises: if you chose those authorities, why are you coming here? There is division. People are divided into supporters and opponents. Yet this is a personal opinion of everyone, and it is very difficult to judge.”
– Interviewee in Volnovakha

“They look at people and say: you are internally displaced persons, yeah, you came here, you want money, you get money there, and you want money here. There are queues here because of you. Now the number of IDPs has decreased, but that’s how it used to be. Because people came here to buy food, receive money, and get documents reissued.” – Interviewee in Volnovakha

IDPs are, however, being integrated. They are given employment opportunities and are building trust-based relations within communities.
4.5 Civil-military relations

Local residents emphasised psychological tensions in localities near the line of contact, traumatic experiences, as a result of violent military operations, that have not yet been overcome, and fears of an escalation of hostilities.

The majority of respondents report that representatives of the Armed Forces of Ukraine (AFU), stationed along the contact line, do not today trigger any negative reactions from the local population. At the start of the ATO, there were tensions and negative reactions among the local population, but that situation has changed. Military forces are now seen as a defence; a guarantee that populated areas will be protected from the arrival of the ORDLO breakaway authorities.

However, residents living near the contact line that are not part of the ‘grey zone’ know very little about the structures of military-civilian partnership in the Ukrainian Armed Forces, or their activities. They only mentioned their military actions. Local residents knew about activities for schoolchildren, such as the provision of school textbooks, but did not know which military structures organised these events.

“Things are improving because there is no direct military action. Soldiers do not go to slaughter, and do not return home like from the last battle.” – Interviewee in Bakhmut

“At first, about two years ago, there were a lot of them (soldiers), and they caused some discomfort. Not their behaviour, but it is just difficult to see people in military uniform. Now we are completely used to them. I have never, for instance, seen any manifestations of unethical behaviour on the part of servicemen.” – Interviewee in Volnovakha

“Yes, soldiers can be good. There is a garrison headquarters here, it is very powerful. It detains those who act illegally. We have it, we have protection. We must always remember this and be grateful that we have militaries in our city. Because you left Donetsk and Horlivka because it is impossible to live there. These are cities that are actually governed by scum with machine guns.” – Interviewee in Bakhmut
5. CONCLUSIONS AND RECOMMENDATIONS

The conflict in the east of Ukraine has negatively affected security, development, community cohesion, observance of human rights, and resistance to discrimination. Taking into account the problems and fears of citizens living in areas controlled by the Ukrainian government close to the contact line, the following areas of activity should be the focus for central authorities and local self-governments:

- The formation of participatory mechanisms for security;
- The further development of civil-military relations;
- The comprehensive solution of socio-economic problems;
- The promotion of mechanisms for increasing social cohesion and mutual trust both within and outside the communities;
- The development of partnerships between NGOs and the authorities.

These general areas of focus will promote the effective reintegration of the region into Ukraine, and offer opportunities for development. This overall focus should however be augmented by the specific measures outlined below.

Security

- Development of civic education particularly in the field of human rights and human security. These measures should not only aim to raise the passive awareness of citizens about security and other policies implemented by the authorities, but also encourage public involvement in the formation of these policies (through public consultations, and development of partnerships between authorities, NGOs, and business).

- Develop civil-military cooperation in the areas controlled by the Ukrainian authorities, inform the public about civil-military cooperation projects, and their results in the government-controlled territories and other regions of Ukraine.

- Establish a system within the National Police to inform the public about the role and functions of roadblocks and checkpoints in the government-controlled territories.

- Allocate funds from the state budget for equipping checkpoints and developing their facilities (toilets, tents, places to stay warm).

- Address the issue of illegal transportation across the contact line by adopting a relevant bill and regulations.

Social services

- Introduce special measures to increase the level of confidence in government in the government-controlled territories. These should include policies to assist and integrate IDPs, reduce social burdens (for example, through additional offices where citizens receive appropriate payments), development of legal assistance for the protection of citizens, creation of special programmes for compensation to citizens affected by the armed conflict, and analysis of how decisions on social and humanitarian policies impact the socio-humanitarian climate and confidence in the region.
• Decrease the burden on the social sector (for example by developing Oshchadbank’s banking infrastructure in the government-controlled territories, increasing the number of employees of the Pension Fund and social security departments, improving funding of this sphere generally, developing centres of administrative services in the government-controlled areas, and informing the public of this work).

• Improve coordination of state programmes by the authorities and local self-government bodies, establish effective monitoring and control of resources allocated for reconstruction of the region, coordinate international technical assistance to relevant ministries by the government, inform the public, and ensure transparency of activities under such programmes.

• Provide psychological and psychiatric assistance in the conflict zone, and develop special psychological support for children.

• Support and develop a structure for the provision of medical assistance to citizens in the conflict zone.

• Continue and further develop programmes for the integration of IDPs (employment, social security).

Transparent government

• Create precedents of open budgets in the government-controlled territories, publicly discuss the priority activities of the authorities, inform and report to the communities, reduce levels of corruption, and establish general control over the activities of the authorities in the region.

• Advance the decentralisation process, and support local budgets, to develop communities and increasing funding for their infrastructure and social projects.

Civil initiatives

• Directly address the problems of citizens residing in the government-controlled territories through initiatives aimed at developing civil society institutions – for example, support for civil initiatives for communities’ participation, civic education programmes, initiatives explaining the mechanisms of civic participation to youth and any active groups, and initiatives to improve cooperation and communication between various institutions of civil society.

• Support initiatives for joint projects in communities, enabling different groups to pool efforts and resources.

Infrastructure

• Fund infrastructure projects from the state budget (for example, the construction and repair of roads), establish a more efficient communication system between the population in government-controlled territories, as well as between the Donetsk and Luhansk regions and other regions of Ukraine.

• Develop special programmes for the compensation and restoration of housing (this issue has not been solved since 2014), establish a system of control and accountability for the use of funds, keep citizens informed of such programmes.

Public information

• Develop special socio-humanitarian measures for the broader integration of the government-controlled territories of Donetsk and Luhansk regions into the rest of Ukraine. This should include a system for informing the wider Ukrainian population about aspects of citizens’ lives there, interregional exchanges, and the development of extensive communication between different social groups. Confidence-building measures targeted towards citizens of the non-government controlled territories (social policy, education, healthcare) should be extended, but with an understanding that these can only be fully implemented after the cessation of hostilities, withdrawal of Russian troops, demilitarisation of the region, and the implementation of the Minsk Agreements by all parties.

• Provide broader opportunities for broadcasting Ukrainian television and radio in the government-controlled territories, stress the importance (and support the development if possible) of independent broadcasting from the uncontrolled territories, support local TV channels with Ukrainian content, and inform other Ukrainian regions about the socio-cultural situation in the territories controlled by the Ukrainian authorities.

• Communicate more widely the technical assistance projects geared towards advancing small and medium-sized businesses. Support diverse initiatives for the development of cultural projects not only for IDPs, but also for local community members, thus preventing possible competition.

• Elaborate and support programmes of interregional cooperation for different social groups in Ukraine, facilitate the constant exchange of experience in various fields among Ukrainians living in the government-controlled areas and other regions of the country.

• Elaborate measures for improving policy implementation in government-controlled territories, such as information campaigns, accountability mechanisms, improved structures for citizen participation in decision-making, and the development of interregional cooperation.

Political

• The formation of a consolidated position among leading political actors (the Verkhovna Rada, the president, the executive) regarding the future of the Donbass, and identifying solutions to the current social, economic, and humanitarian problems, based on respect for human rights and human security is critical. This crucial high-level collective political leadership is currently lacking.