

International Monetary Fake: tale of anti-corruption court and failed special operation of Presidential Administration

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Five presidents have changed since Ukraine's independence, and out of those five – and we are not being ironic here --Petro Poroshenko was the only one, who led the country to making some serious steps towards the fight against corruption. Yet, it is for President Poroshenko that these anti-corruption issues remain the touchiest subject in relations with partners. Also, Kyiv's actions concerning this issue are the most noxious to Ukraine's image in the West.

The resulting tension can be most vividly exemplified by the recent event taking place after the meeting of President Poroshenko with the management of the World Bank and the International Monetary Fund in Davos.

In the last few days the PR team of the Presidential administration ("the Bankova") is trying their best to blow up the fake news that the President allegedly managed to persuade leaders of these institutions to ease up on their demands concerning the anti-corruption court. The Presidential Administration even resorted to spreading rumors of "firing" the WB regional director for [the critical letter](#) she sent to the Bankova and Parliament. Unsurprisingly, this has no grounds in the real life.

There have been no dismissals. The IMF and WB stance remains unchanged, there is official evidence of that. Likewise for the European stance.

Instead, in the light of some recent events their distrust of the official Kyiv grew deeper.

"Why are they churning out *fake news* at the Bankova, what are they hoping for?" – this was the question some international colleagues addressed the European Pravda.

We have no answer to this yet we can point out that at the Presidential Administration they seem to cross over into the ethical grey zone. Even if the President has nothing to do with the special operation, the consequences are going to affect him personally.

Origins of the Fake

Before refuting the rumors started at the Bankova we shall take a look at where they came from and how they were disseminated.

It is hard to say for sure who leaked the false info on the IMF and the World Bank to the media. Though at least two representatives from the President's media team have been pointed at by the media as those who "in confidence" passed on details of the negotiations behind the closed doors. Fake details, as it turned out

later.

Anyway, it was [“Glavcom” site that was the first](#) to spread this information. On Friday, even before Poroshenko’s return from Davos, the site referenced their “sources in diplomatic circles”, telling about the alleged “details” of the high-level negotiation with Managing Director of the IMF Christine Lagarde (took place on Wednesday evening) and President of the World Bank group Jim Yong Kim (Thursday evening).

The unnamed “source” told the press that the IMF director “did not know of [the ultimatum letter](#)” that the official Kyiv received on January 11, and “promised to investigate how it appeared in the press”; whereas the World Bank allegedly went as far as to guarantee firing their WB Country Director for Belarus, Moldova and Ukraine Satu Kahkonen, who had [signed the stiff letter](#) sent to the Ukrainian authorities.

It was obvious to anyone reporting on the international politics that it was a fake, so this information was not immediately grabbed by the media. However, on the same day the same information was spread by another site associated with the Presidential Administration – [site “Bukvy”](#), referencing not just “Glavcom”, but their “own sources” as well. On Sunday [UNIAN](#) news site unexpectedly joined the party.

As for the social media, this news became very popular.

In addition to the likes of the key warriors of the Bankova information front such as Viktor [Ukolov](#) and Taras [Chornovil](#), the similar fake was also promoted by the popular bloggers who cited their “own sources” and are known for continuous cooperation with the Presidential Administration.

1.4 thousand likes under Allan [Levitov’s](#) post, 1.5 thousand for [Pylip Dukhlui](#), nearly 800 likes for Karl [Volokh](#) – these are just three posts from the so-called “leaders of public opinion” dating from January 26, that the author of the article came across in his Facebook feed. “Information from their sources” was successfully spread via [Twitter](#). What is more, the Friday fake of the WB Country Director was not just “news of the day”, it was still being promoted during the following week.

The abovementioned Mr. Volokh went on insisting that his “sources” reveal “details” of the decision to fire Satu Kahkonen and confirm the fact that the IMF letter had not been approved with the management. The fake was passed on to other top-bloggers Myroslav [Oleshko](#), Olesia [Yakhno-Belkovska](#) and a number of others.

A dose of reality: no changes

All this reputable bloggers’ activity and their extra-credible sources from Davos may leave a reader thinking that the IMF and the World Bank really did realize their erroneous ways, eased up on their demands concerning the anti-corruption court and are ready to accept President Poroshenko’s offer.

The problem is it simply is not true. The World Bank had no intentions of firing anybody – especially their Country Director. The IMF did not as much as considered changing their stance on the anti-corruption court.

Such course of events has been obvious for the international experts. The WB and IMF procedures **rule out** the possibility of a letter not in compliance with the stance of these international institutions. Still, hypothetically, even if Head of the IMF mission Ron van Rooden had sent a letter to the Presidential Administration not approved by the Fund management, why would the IMF Washington office have [confirmed all their demands concerning the anti-corruption court](#)? We decided to check, just to make sure – could the IMF stance change after Poroshenko talked to Mrs. Lagarde?

The miracle did not happen.

In the official announcement of the IMF Washington office, it was confirmed that the demands are still standing.

Below you can see the full quote The European Pravda received in response to its enquiry, signed by Wiktor Krzyzanowski, the IMF press-service spokesperson:

“The IMF is looking forward to cooperation with (*Ukrainian*) authorities and other international partners in order to address the previously voiced concerns about the current law draft on the High Anti-corruption Court and to make it fully compliant with the Venice Commission recommendations and obligations under the program (*of cooperation between Ukraine and the IMF*). As we have previously mentioned, setting up the anti-corruption court in compliance with the Venice Commission recommendations is a significant component of the programme”.

Same story with the World Bank.

They know about the fake and are appalled by it.

“The information about firing Satu Kahkonen is not true. The mass media had better check their information before publishing it”, they say in their official written reply to the European Pravda enquiry. One of the employees in charge of such matters was sorry to note that no press representatives, including the media that published information of “firing” addressed their enquiries to the World Bank to verify the information.

The Bank’s stance on the President’s project not being in compliance with the demands of the international partners remains unchanged.

After President Poroshenko’s meeting with the World Bank President the supposedly “fired” Satu Kahkonen reiterated the key requirements for the presidential project [on air at 1+1 tv channel](#). “These changes would enable the law draft become **in compliance with the Venice Commission recommendations**”, - emphasized the Country Director.

By the way, all the fake did was harm the official Kyiv. Granted, no one has the defining proof that it was the Presidential Administration that administered the informational attack. Cooperation of certain mass media and bloggers with the Bankova is no argument for the international negotiations. However, it is equally well understood in Washington as well as at Ukrainian agencies what it is all about. Perhaps, it was the cause for the neutral statements from the partners in Davos to turn into concrete demands concerning Ukraine.

Trust in the international relations is an asset much easier lost than gained.

It is worthwhile to take a look at the EU stance separately.

It remains unchanged as well and we are not talking about “the opinion of some diplomat in Kyiv”. Last week, Peter Wagner, Head of the Support Group for Ukraine at European Commission spoke of [the crucial importance of creating the anticorruption court](#) in Brussels. In addition, we have the EU spokesperson’s statement implying the [visa-free regime might be put on hold](#) - it has been sent many times by the European Commission press-service in response to the enquiries of other mass media. This latter is not so bad, fortunately.

The European Pravda have previously analyzed the situation and argued that “visa threats” have no real ground to stand on and seem to be just a tool to put pressure on Ukraine. Therefore, there is no real reason to dread the visa-free regime being cancelled yet.

Still, if Ukraine is willing to live through 2018 without encountering a major financial collapse, it should heed the sentiments of international partners. The requirement for the draft law to be in compliance with the Venice recommendations is not likely to be withdrawn from the agenda.

What Venice Commission wants

Until recently, it was the decision of the Venice Commission that created a certain uncertainty.

This body of the Council of Europe provides a legal opinion, often obvious for a lawyer, but not so obvious for an average reader.

Politicians are eager to exploit this ambiguity. It is the reason the President and his services claim that the project is “in compliance with Venice Commission requirements”, while the IMF, the World Bank and experts insist that there are numerous discrepancies with the Venice Commission opinion.

As of the previous week, this issue has been withdrawn from the agenda.

Venice Commission have clearly and explicitly explained that the President’s project includes a number of crucial shortcomings.

However, the official Strasbourg along with Brussels and Washington welcome the fact that President Poroshenko submitted the law draft “On the anti-corruption court”, as it can be further improved if that is what the official Kyiv wants.

Thomas Markert, Secretary of the Venice Commission, went as far as to offer cooperation scheme, “so that representatives of the Presidential Administration, MPs and the Venice Commission experts would sit together and elaborate amendments which would leave everyone satisfied”. “If an invitation like this comes, the Venice Commission is willing to participate in such project”, stressed the official.

The spokesperson from the Venice Commission, a body of the Council of Europe, also explained their requirement concerning selection of judges for the anti-corruption court, one of the issues that make the presidential project completely unacceptable for all partners of Ukraine. He also responded to insinuations about “unconstitutional” nature of proposals from the West (read more about proposals and comments of the Venice Commission [in the interview to the “European Pravda”](#)).

To recap, the Bankova is able to gain back the trust of the international partners provided it creates a truly independent court, and not a puppet one.

All recommendations are in place. Leverages of influence from the West are too. So will the Ukrainian authorities have the political will, albeit a forced one, to do so? We will have our answer very soon. Sadly, if the answer is negative, financial shock will overwhelm the country.

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