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SETTLEMENT OF UKRAINE-RUSSIA ECONOMIC DISPUTES: NAFTOGAZ VERSUS GAZPROM

Introduction. During the past century up to now the international economic relations have played the crucial role in creating a new post-war world order. Maintaining peaceful political, trading and economic relationships with the neighbor states is enormously important under the economic development of every country, and Ukraine in particular. In June 2014, Gazprom and state-owned Naftogaz lodged multibillion-dollar claims against each other with the Arbitration Institute of the Stockholm Chamber of Commerce, which resolves commercial disputes. Due to the deteriorating relations between Kyiv and Moscow since Russia's annexation of Crimea and the start of Russia-backed separatist violence in Ukraine's Donbas region the issue is becoming extremely topical.

Review of recent publications. The issues of settlement of Ukraine-Russia economic disputes have been of great interest to such scientists as S. Alekseev,

I. Borshchevskyi, P. Hai-Nyzhnyk, R. Maidanyk, A. Smenkovskyi and others. However, this topic has not been fully researched yet.

Objectives of the paper. The paper aims to analyse the process and state of the disputes between Naftogaz and Gazprom in terms of political and economic controversies.

Results of research. In the year of 2009 Gazprom (a Russian oil and gas company) and the Naftogaz (a Ukrainian national energy company) made a 10-year contract concerning the transition of gas as well as gas prices. In this contract Arbitration Institute of the Stockholm Chamber of Commerce was mentioned as an institution where the possible disputes are to be settled (as provided for in paragraph 8, subparagraph 8.2). [1] On June 16, 2014, as a result of a long-term “energy blackmail”, Naftogaz sued Gazprom at the Stockholm arbitration. The former required to establish the fair market price for gas, which the latter supplied to Ukraine and to charge from Gazprom the overpayment for gas (paragraph 4, subparagraph 4.1). [1] The same day Gazprom appealed to the Stockholm arbitration to recover a 4.5-billion-dollar debt.

It is worth noting, that the trial turned out to be the largest controversy in the history of the Arbitration Institute of the Stockholm Chamber of Commerce – counterclaims by the parties amounted to about \$40 billion in favor of Naftogaz and \$80 billion in favor of Gazprom. [2]

The arbitration had lasted for three and a half years before the International Arbitration Court of Stockholm passed its final decision on this controversy on February 28, 2018. The Ukrainian company won \$4.63 billion in a lawsuit on unfair delivery of agreed-upon volumes of blue fuel by the Russian side. However, arbitrators deducted about \$2 billion from the above mentioned sum for gas which Gazprom had sold to Ukraine in 2013 and 2014. As a result of two arbitration disputes between companies (one of them concerning the supply of gas and the other one – on gas transit terms) the court ordered Gazprom to make a net payment of \$2.56 billion to Ukraine. In addition, a penalty of 7% per annum for each day of non-payment was imposed on the final amount of compensation. It was also decided that Naftogaz was not obliged to pay for the gas supply for the temporary uncontrolled eastern territories of Ukraine. Moreover, due to the existing contract, the price for gas was reduced from \$450 to \$352. [3]

The Tribunal, though, did not comply with all the requirements of the Ukrainian side, namely the lawsuit regarding the transit tariff review. This was explained by the fact that the review application filed in 2009 had not met the procedural requirements. The Tribunal also refused to satisfy Naftogaz’s demand for a revision of the transit contract in accordance with European and Ukrainian energy and competition legislation, noting that the implementation of regulatory reform in Ukraine is an internal matter and is not within the competence of the court in this case.

Nevertheless, the Russian gas giant disagreed with the court’s decision and refused to make any payments, ignoring the risk of their foreign actives in Switzerland and Netherlands to be arrested. Later, Gazprom, in its turn, filed a petition on reversal of the decision of the Stockholm arbitration to the Appeal Court

of the County of Svea, Sweden. On June, 13, 2018 the latter satisfied the petition of Gazprom and ordered the suspension of the enforcement procedure. A week later Naftogaz lodged a complaint with the appeal due to the fact, that with accordance with their contract the decision of the Stockholm arbitration is conclusive and is not to be appealed. Eventually, after a 3-month-investigation, having all the arguments from both parties examined, the Court of Appeal overturned the reversal of the Stockholm arbitration, according to which Gazprom is obliged to pay Ukraine \$2.56 billion. [4]

Now the Ukrainian gas company is preparing for bringing another lawsuit concerning the transit tariff review and is waiting for the compensation from the Russian party.

Conclusions. The present findings confirm that the process of settling international economic disputes is immensely complicated and time-consuming. Despite the fact that Gazprom tried to reverse the Tribunal's judgment, Naftogaz was able to win the case.

Only cooperation on the basis of partnership and pan-European values can contribute to solving all the key contradictions in Ukrainian-Russian relations. However, in the case of conserving the contradictions between Russia and Ukraine, participation in bilateral cooperation projects with Russia that have dubious legitimacy and cast doubt on Ukrainian European choice should be avoided.

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OSTARBEITERS: PORTRAIT OF DISPOSSESSED WORKERS

Introduction. A lot of researches, documentaries, fiction and nonfiction literature is devoted to the study of the German-Soviet War, and the role of Ukraine in the Second World War. Notes and other resources from ostarbeiters` history play an important role in the war period.

Ostarbeiters were predominantly young residents of occupied territories of the USSR (in Borders till 1939), who were taken out for coercive work to the Reich during the Second World War and used in various branches of the German economy, first of all – the industry, rural and domestic economies.

Getting acquainted with the letters they sent from captivity we can try to restore the realities of this terrible war history period. Unfortunately, for a long time in the Soviet Union, this page was like blind spots. Probably, the study of the tragic fate of people who worked for enemies wasn't needed at that time. In the confirmation of this, we know that those who returned from the other side of barricades were often declared "people`s enemies", "traitors", some were sent even to the Gulag, where they, unbroken by Nazi machine, were killed by a totalitarian system. Ukrainian researcher T. V. Pastushenko said, that the history of those workers of the Third Reich, was for a long time forgotten, ousted from the official memory. In the early 90's of the last century these gaps in history were observed and played a great role in the creation of a "new", "non-Soviet" vision of the events of the Second World War. And, really, now studying of workers` lives is gaining greater importance. It has become a topical issue, because it is so interesting for scientists to fill these gaps with primary sources, such as letters, personal diaries, etc., to investigate the use of coercive, almost free, labor, to know what was actually happening behind the walls of labor camps and how the "portrait" of enslaved in those difficult times looked.