Why does Ukraine not have its own BCG vaccine?

Now it does not have any…

March 24 is World Tuberculosis Day. On this day, once a year, politicians, government and media remember about tuberculosis in Ukraine. A lot of fuss happens throughout the whole day. But then the day is over. And the talks are over. The talks are over for a whole year until the next World Tuberculosis Day. *Telegraf* decided to find out why in 15 years Ukraine still has not managed to overcome the Tuberculosis epidemic. According to our sources, Ukrainian governments (not one, but one after another) have consistently not been interested in overcoming the Tuberculosis epidemic in our country, because it gives them a wonderful opportunity to use large budget expenses from international funds for the organization of a profitable business for private pharmaceutical structures whose interests are lobbied by the government. Read our material and decide for yourself how persuasive our arguments are.
Ukraine

We decided to start our research into the TB situation with its prevention. Today, the only clinical means for fighting TB that has proven effective is vaccination. They use a BCG vaccine for this purpose (for weaker children – BCG-M). The vaccine got its name from the first letters of the last names of two French researchers who developed it at the same time in parallel – Calmette and Guerin. The effectiveness of the BCG vaccine is rated at about 80% by doctors. It is regarded that in ideal conditions the vaccine forms TB immunity for about 15 years. In most cases, after that, another vaccination is necessary. In Ukraine newborn babies are given a TB vaccination on the 3rd-5th day after birth. The next revaccination is conducted at ages 7 and then 17.
For dozens of years, the population of the former Soviet Union was vaccinated with Stavropol vaccine BCG-1. Until 2008, the population of Ukraine was also vaccinated with BCG-1 of Russian production. In 2008, the Ministry of Health Protection of Ukraine issued order #366 of July 7, 2008 on the vaccination of Ukraine’s population with vaccine BCG-SSI (produced in Denmark). Since the beginning of 2010, no regions in Ukraine received any BCG vaccines for newborn babies. This was according to information presented on March 1 at a press conference by Tetyana Bakhteyeva, head of the health care committee of the Verkhovna Rada of Ukraine. She repeated the same information to Telegraf as well. According to Ms. Tetyana, the reason for this delay was tenders. They have not been conducted yet. Neither has the state budget been approved.

Kremenchuk

The Ministry of Health Protection of Ukraine, in an official press release, promised that BCG vaccine shipments to the regions would start March 5-20. On March 20, Telegraf went to the head of the epidemiological department of the Kremenchuk sanitary-epidemiological station, Mr. Vereshchak. We asked if he received the promised BCG vaccines from the Ministry of Health Protection.

“Oh, what are you talking about? The first quarter is almost over and we received no immuno-biological substances for vaccination according to the calendar. I have only 500 vaccine doses left! Its expiration date is August 2010. I have information that city hospitals have a certain amount of BCG doses left with expiration dates in April 2010. And that’s it! All of this is regardless of the fact that we sent our request – just as required – in December 2009. But the tenders have not been conducted and we do not know when they will be. And when will the vaccines be shipped? So it is all in the future… since the vaccine is imported. It also costs a lot – 11 hryvnyas per dose.”
We got interested in why Ukraine doesn’t make its own BCG vaccine. Newborns cannot do without it, especially under the conditions of the timeless TB epidemic in Ukraine. It would have been very convenient for state purchases and the in-country producer would have been supported. Actually, back in 2000, the Verkhovna Rada of Ukraine, in a separate decree, advised the Cabinet of Ministers of Ukraine to “implement measures to create the country’s own production of a TB vaccination” (Decree #2123 of December 7, 2000). In 2006, the Verkhovna Rada of Ukraine, again in a separate decree, made a point that “in Ukraine there are not enough vaccines produced, which creates a real threat to national security” (Decree #3339 of January 12, 2006). So, where is the vaccine?

### Buried production

#### Modest village factory

As it turned out, Ukraine did plan to produce its own BCG vaccination. It was planned in the “Complex program of medical industry development in 1997-2003” (Government Decree #15389 of December 18, 1996). The production of BCG was planned to be launched in a Lviv factory of medicine. The company was supposed to be located in the village Vynnyky near Lviv. In 1982 “under the roof” of the Lviv Scientific-Research Institute of Hygiene and Epidemiology, they started building a plant for the production of bacteria medicines. They wanted to move dangerous bacteria production outside of Lviv. But there was not enough money. The building turned out to be very, very modest. Still, in 1990, it received a big name – state enterprise “Lvivlikpreparaty”. On the basis of this modest but independent (100% state-owned) factory, the government of independent Ukraine was planning to launch the production of a modern Ukrainian BCG vaccine.

#### Serious international campaign

According to the plan, the equipment for the production of the vaccine was supposed to be delivered and mounted by a consortium of serious German companies - Glatt Systemtechnik GmbH and Linde-KCA-Dresden GmbH. In order to implement such a great goal, the state committee on medical and microbiological industries (Derzhkommedbioprom) entitled a private Ukrainian company, CJSC “Biomed” to sign the necessary agreement with the German importers. CJSC “Biomed” signed the contract (#077-2B of March 6, 1995). The currency-loan council of the Cabinet of Ministers of Ukraine gave permission to finance 85% of the contract’s expenses. Under the Cabinet of Ministers’ guarantees, with the German credit line, they signed an international loan agreement. OJSC “State Export-Import Bank of Ukraine” signed an individual credit agreement with the consortium of German banks AKA-Ausfuhrkredit Gesellschaft mbH (#5/0810/6216). The total sum of the loan was 35,275,000 German marks.

On February 2, 1998, the well-disciplined Germans delivered the equipment according to the contract worth 18,300,000 German marks. But they did not launch the production of a modern Ukrainian BCG vaccination. They didn’t even mount the equipment. Because
there was no place to do it. The factory had to be enlarged for the new production and the buildings had to be finished. And the Ukrainian government suddenly stopped financing construction because, as traditionally, it ran out of money. So the super-new German equipment remained in storage in boxes.

By the way, this equipment was meant to produce 10 million doses of BCG vaccine per year. Ukraine, for the vaccination of its own population, would need only 3 million doses per year. Production had the risk of becoming unprofitable.

Germans are in shock! They disappear…

The practical-minded Germans offered to launch ampoule packaging of injection solutions. Such a scheme would have supported the economic effectiveness of production – the vaccine could have been exported. We must mention that the Germans did not understand us in this whole situation at all. They did not understand why Ukrainians paid such a huge amount of money for the high-tech equipment in order to later just leave it in the middle of a field in the village Vynnyky. At the beginning of 1999, the consortium of German companies, Glatt Systemtechnik GmbH and Linde-KCA-Dresden GmbH, made a heroic attempt to convince the Ukrainians to still finish construction in order to make the BCG vaccine in Vynnyky. For the sake of finishing construction, the Germans offered to unite the costs from two other projects. The Ukrainian government, besides BCG vaccines, carelessly decided to produce DTP vaccines in the Kharkiv plant “Biolik” and the vaccine against measles, peritonitis, and hepatitis-B at an Odesa plant of bacteria medicine. The Ukrainians (CJSC “Biomed”) ordered equipment for the production of the vaccines in the Kharkiv and Odesa plants from the same Germans. And the necessary loan agreements were signed. And the credit line was opened under a state guarantee by the Cabinet of Ministers of Ukraine for 41,471,500 German marks. But nobody cared enough to use the full amount of the loans – the busy Ukrainian government, and its crafty “Biomed” company had more important things to do.

So the Germans offered to not start long-term hopeless projects on three plants, but the launch the production at least at one – in Vynnyky. In July 2001, at the sixth joint Ukrainian-German meeting of the cooperation council (the head of the meeting was Vice
Prime Minister Rohoviy), both sides agreed to unite the three credit lines. Together with the Germans, even the project’s budget for Vynnyky construction was approved. In order to complete construction, the state only had to allocate 8,900,000 hryvnyas from its budget. The Verkhovna Rada of Ukraine joined the matter. In summer 2001, it issued a decree in which it recommended the Cabinet of Ministers “provide financing (the same 8,900,000 hryvnyas) to create the production of TB vaccines at the branch company “Lvivlikpreparaty” (Decree #2564-3 of June 21, 2001)! And…

And nothing. The Cabinet of Ministers did not allocate the money. The factory was not finished. The extremely expensive equipment was still lying around in boxes. The Germans could not understand us at all. What the introverted and sober-minded Europeans thought about our “mysterious Ukrainian soul” is still unknown. So quietly, without a word, the Germans disappear from our story. We, in our turn, continue this sad tale about the Ukrainian government-directed theater of the absurd.

The Accounting Chamber checks everybody!

The equipment for anti-TB vaccine production was collecting dust in the unfinished buildings of the factory. Ukrainian governments (one after another) were talking about the vaccine and their devotion to the fight against TB. Finally, in 2005, the Accounting Chamber of Ukraine conducted an audit – they checked how money from the state budget and from international loans was being spent on the fight against TB. They checked the timeless construction in Vynnyky as well. The audit’s conclusion – the Cabinet of Ministers of Ukraine and the Ministry of Finance of Ukraine did not provide conditions for the production of a Ukrainian BCG vaccine. As a result, the equipment received according to the loan agreement worth 18,300,000 mln German marks in 1998 was physically and morally aging. The production of the Ukrainian anti-TB vaccine under the conditions of the TB epidemic was still not launched. The mechanism for returning budget money used for the loan agreement was absent. At the same time, at the expense of the state budget, the loan in the amount of 29,438,500 Euros or 187,837,500 hryvnyas was being paid back to Germany.

According to the procedure, the conclusions of the Accounting Chamber were sent to the Verkhovna Rada of Ukraine, to the head of the National Security and Defense Council and to the Cabinet of Ministers of Ukraine. But nothing happened. In 2008, after a big scandal about a schoolboy that died during the vaccination against measles and rubella campaign, the Accounting Chamber conducted a second checkup of the “dead” production of vaccines in Vynnyky, and again they stated that the branch company “Lvivlikpreparaty” was not working. And again nothing happened – the plant was not constructed and loans were not returned.
Very-very mysterious production!

Telegraf wonders what will happen next. Who will conquer the German equipment? What will happen to the abandoned factory? Will they ever launch BCG production in Ukraine? And, by the way, who will return the German loans received under government guarantees? With the help of Lviv colleague Mr. Mykhalyk, we found the arbitration manager appointed by the court at CJSC “Biomed” – as you remember, the company that was the receiver of the German equipment for the production of the vaccine.

Mr. Kapelyushniy, you are not the owner, not the founder and neither a shareholder of “Biomed”? You were appointed by the court as the arbitration manager?

- You are exactly right. This is because the shareholders of CJSC “Biomed” did not manage to implement the business project on the production of the BCG vaccine because of unpaid loans. A bankruptcy case was opened. The creditor in this case was the Tax Administration of Ukraine. I was appointed by the court as the asset and arbitration manager.

Where is the German equipment right now? We have information that it disappeared from the factory in Vynnyky?

- This is commercial information.

Who is the owner of the equipment right now? Is it a Ukrainian physical or legal entity?

- This is commercial information.

Who will pay back the huge loans taken under government guarantees?

- This is not a specific question.

Will the production of BCG vaccines be launched in Ukraine using the aforementioned German equipment? Who is the owner of the project?

- This is commercial information. I am a lawyer and I have certain responsibilities before the shareholders of “Biomed”. I cannot tell where the equipment is now and who its owner is. But I can definitely state that the BCG vaccine will be produced in Ukraine because, as you know, there is a state program for it. And there are people interested in such an event happening. Moreover, they have an idea that it is more reasonable to produce a modern form of the BCG vaccine – liquid, not dry as is used now.

So people X are planning to launch ampoule type production of vaccines – the same way as the Germans offered 10 years ago?
So what does this all mean? It looks like “somebody, somewhere, around here, sometime…” will produce the BCG vaccine. Somebody very secretive and in a very secret place. To be honest, such information has no grounds to be taken seriously. Besides that, Telegraf addressed the Ministry of Health Protection of Ukraine with questions. We asked whether the ministry has information on where in Ukraine the BCG vaccine is planned to be produced, and who is now the owner of the disappeared German equipment for the vaccine’s production. The Ministry of Health Protection informed that they do not possess such information.

To our mind, the collected materials prove that the production of a modern BCG vaccine in Ukraine is dead. It is dead because of the lack of interest from Ukrainian governments in launching such production. How else can we explain or treat the situation where first Ukrainians paid 29 mln Euros under government guarantees for equipment, but then were not able to allocate 8.9 mln hryvnyas to finish building the factory? Moreover, it was not able to allocate this little money for 12 years, until the equipment disappeared. Please note that it is not just “the Ukrainian side” – but specifically the Ukrainian government. The production of the Ukrainian vaccine is not the repainting of a kindergarten in Resytylivka village – it is a strategic state project and nobody can say that the government was “not aware of it.” The Verkhovna Rada called for it. The Accounting Chamber informed, but everything was in vain.

They killed the BCG vaccine in Ukraine

Prime Ministers of Ukraine

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<th>Prime Minister</th>
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<td>Pustovoyenko V. P.</td>
<td>(1997-1999)</td>
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<td>Yuschenko V. A.</td>
<td>(1999-2001)</td>
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Mr. Yanukovych – Now, as President of Ukraine, he promises to renew health care in Ukraine and in multiple ways support the Ukrainian doctor and Ukrainian producer of pharmaceuticals. Never-the-less, as Prime Minister of Ukraine longer than all other people together, for six years in total – he did not support the launching of BCG vaccine production in Ukraine.
Mrs. Tymoshenko – The ideological leader of the opposition promises to protect Ukrainians from the inaction and frivolousness of the present authorities. In November 2009, at the beginning of the presidential campaign, Mrs. Tymoshenko, as prime minister of Ukraine, made a huge scandal out of the swine flu. Later, this flu was called among the population the “Prime Minster’s flu”. And the prime minister “for the flu” demanded 608 mln hryvnyas from the Verkhonva Rada of Ukraine for the fight against it. Telegraf never received an official response on where the money was spent. Having demonstrated such an unprecedented pre-election fight against the flu to the Ukrainian nation, Mrs. Prime Minister, by no means, supported a more real project – the production of a Ukrainian BCG vaccine. Even though she was in power for almost four years.

Mr. Azarov – The third figure we are interested in most of all. Now, when he became prime minister, the government of the Party of Regions presented him as a financial genius and savior of the Ukrainian economy. Never-the-less, for a long five years (1995-1999), Mr. Azarov was a member of the currency-credit council of the Cabinet of Ministers of Ukraine. It is the same council that approved the financing under state guarantees of 85% of the shady contract for the German equipment for the production of the BCG vaccine in Vynnyky. The loans have still not been repaid. The huge fine is not being paid either. By the way, among the decisions of the council, we did not find a separate thought from Mr. Azarov, which would have suggested a scheme for repaying the loans or that he cared at least a little bit about losing such money. So to our mind, in the real story of the vaccine, the theoretical financial genius of Mr. Azarov did not open himself completely into the full light.
Who is interested in Ukraine not having its own vaccine?

First of all, it is to the biggest benefit to trading-pharmaceutical companies that supply BCG vaccines to the Ukrainian market. The tender for supplying the vaccine to Ukraine is conducted by the Permanent Tender Committee at the Ministry of Health Protection of Ukraine. It would be very hard to regard the tender committee as unbiased and independent from the ministry and the influence of the minister of health protection himself. Moreover, the head of the committee is the deputy of the present minister. We are ready to present a specific example that would show who made money on the absence of our own vaccine in Ukraine. The example is from the most recent past – the second-to-last tender.

Very transparent tender

According to the Accounting Chamber of Ukraine, the Tender Committee of the Ministry of Health Protection of Ukraine, in December 2007 (purchasing for 2008) bought 164,000 doses of BCG SSI vaccine (Denmark) from CJSC “Ganza” (decision from December 5, 2007). The total cost of the shipment – 1,804,000 hryvnias, cost of a dose – 11.0 hryvnias. The purchase was conducted according to the purchasing procedure “from one seller”. The motivation for the purchase of the new vaccine was the claim that starting in 2008, the BCG SSI (Denmark) vaccine will be used for immunization against TB. The operation was carried out by the tender committee on December 5. On December 4, that same committee cancelled the trade, regarding the purchase of 724,400 doses of the BCG vaccine of Russian production. The cost of the shipment – 659,200 hryvnias, cost of a dose – 91 kopiys. The reason for the cancellation of the trade – the surplus of BCG vaccine (Russia) in Ukraine.

According to the Ministry of Health Protection Order #27 (January 24, 2008), the BCG SSI vaccine in February 2008 was shipped to the regional sanitary-epidemiological stations via water and train transportation for calendar immunization. But only in July 2008, Minister Knyazevych issued Order #366 “On the Immunization Program switching to anti-TB vaccine BCG SSI (Denmark sample) in Ukraine”. In general, a very smart operation. It has very solid reasoning – the Danish vaccine is more modern and received a positive evaluation from the World Health Organization. The vaccine sample has to be changed every 20 years – so everything was correct. And the fact that it was purchased with state money only from one seller was just a small detail. But it is a very interesting detail. We think it is time to find out who is at the steering wheel of the company.
“Ganza” from which the country purchased goods worth almost 2 mln hryvnias with state money.

**“Ganza” or the ruler of Ukrainian pharmacies?**

In its registration documents, ever since 1994, the head of CJSC “Ganza” is Bahriy Petro Ivanovich. The company specializes in the wholesale trade of pharmaceutical goods and retail sales of pharmaceuticals and perfume goods. The company has a well-developed network of pharmacies and pharmacy kiosks. According to its registration documents (as of 2008), many of them show the owner as Mr. Bahriy (cities such as Okhtyrka, Romny, Konotop, Shostka, Putyvl, Sevastopol and others). Mr. Bahriy is a very famous person in Ukraine, with status. He is the president of the Association of Pharmaceutical Producers of Ukraine. Just imagine what a shock we felt when on the website “Criminal Ukraine” – we saw a story that made our skin shiver. The title itself was scary already. “Pharmacists’ case: What was the SBU Colonel blown up for?” You know why it gave us shivers? Because the publication mentioned the last name of Mr. Bahriy. Besides him, the article mentioned Mr. Lirnyk. And besides the company “Ganza”, it talks about such companies as “Interfarm,” “Try-Tsentralniy Aptekarskiy Sklad”, “Farma-Life” and others. The author of the publication transparently hinted at a secret document in that states that the pharmaceutical market in Ukraine was divided into two groups of pharmaceutical companies. The author also states that this document was the reason for killing of SBU Colonel Golobokov in Kyiv by unknown criminals.

We started looking for the mysterious document to which the article’s author referred. And we found this document – it is very official. Its name is “Analysis and Conclusions regarding state financing in the sphere of health protection and the efficiency of using state budget money.” It was compiled by the subcommittee on planning for budget programs and control over budget expenses in the health care field, and committee of health of the Verkhovna Rada of Ukraine. It was signed by the head of the subcommittee Mr. V. I. Konovalyuk. He sent the document together with an accompanying letter (#04-24/15-k of September 8, 2008) to the head of the health care committee of the Verkhovna Rada of Ukraine Ms. Bakhteyeva T. D. In this document, (pages 5-6) it talks about the fact that 90% of state purchases on the targeted programs “Tuberculosis”, “AIDS”, and “Oncology” are controlled by two financial groups. The first group includes CJSC “Ganza” and “Sumska Aptechka Company” Ltd (controlled by Bahriy Petro Ivanovich).

So, dear readers, you can see for yourself. You probably remember *Telegraf*’s initial theory that the TB epidemic was not accomplished because it was not beneficial to Ukrainian business, who appoints their own servants to government posts. Do you think our arguments are persuasive?

Larysa ARTEMENKO

**In the next issue read: “Why doesn’t the orphan child want to go to a “very good” sanatorium?”**
The list of official documents used in the preparation of this story: “Report on the results of the examination of using state budget of Ukraine costs allocated for the national program fighting TB during 2002-2004, and the costs of international loans and grants allocated for the anti-TB activity”, Accounting Chamber of Ukraine, 2005; audit of the used costs from the state budget allocated to the Ministry of Health Protection of Ukraine for the performance of the immunization of the population”, Accounting Chamber of Ukraine, 2008; a reporting letter, the Ministry of Health Protection of Ukraine @13-15/24 of June 17, 2008; Order of the Ministry of Health Protection of Ukraine #366 of July 7, 2008; “Analytical and reference materials about the TB epidemic in Ukraine and ways for overcoming it”, Cabinet of Ministers of Ukraine, Ministry of Health Protection of Ukraine, 2006; the order of the President of Ukraine #293/95 of October 9, 1995; “Analysis and conclusions regarding state financing in the sphere of health protection and effectiveness of the use of budget expenses,” Verkhovna Rada of Ukraine, 2008; “Epidemic of Tuberculosis in Ukraine,” reference book of the Ministry of Health Protection of Ukraine, 2009.

How Crimean sanatoriums were “seized”

*Telegraf* decided to find out why in 15 years the TB epidemic in Ukraine has not yet been overcome. According to *Telegraf’s* theory, Ukrainian governments (not one, but one after another) are regularly interested in not overcoming the TB epidemic in Ukraine. The epidemic gives a wonderful opportunity to use large expenses from the state budget and international funds for the organization of successful business for private structures, the interests of which are lobbied by government officials. Read the story and decide for yourself how well founded our conclusions are.

So we are trying to find out why in 15 years the TB epidemic is not overcome. In the last issue, we explained why Ukraine does not have its own anti-TB vaccine and who that was benefiting. Today we will describe why specialized anti-TB sanitariums are consistently destroyed. Who is benefitting? We will show everything in the example of the Ukrainian anti-TB health resort in Alupka.
For 15 years, Ukrainian governments have been devotedly fighting against the TB epidemic. “Thanks to their fight”, the sanatorium named after Baranov looks like this now.

“Mountain sun” shines only for the Party of Regions

The “seizure” of the Sanatorium “Mountain Sun”

The story of the anti-TB sanatorium “Mountain Sun” is very exemplary. It very vividly shows that the scheme for “seizing” state anti-TB sanatoria. So here we go. There was the sanatorium “Mountain Sun” on the territory of the Ukrainian anti-TB health resort in Alupka. Its biggest value was its location – the buildings of the sanatorium were right on the shoreline. It was not like others located high in the mountains where it takes forever to get to the warm blue sea. The campus of “Mountain Sun” was right on the sea – so that the people sick with TB could go through a course of sea environment therapy. The therapy consists of the patient spending all of their time right next to the sea – they rest on the beach, they eat and sleep and live on the beach.

In 2001, CJSC “Novokramatorsk Machine Building Plant” signed a rental agreement for the sanatorium’s property with officials of the “Mountain Sun” sanatorium (Agreement #10 of June 1, 2001).

In 2003, the independent workgroup on improving the activities of sanatorium/resort institutions (the head of the group was Vice Prime Minister D. Tabachnyk) prolonged the rental term for the “Novokramatorsk Machine Building Plant” for 49 years (Protocol decision of May 30, 2003). Buildings under rent – 3,597.8 m2.
More to come. In a year, in 2004, the independent committee on improving the activities of sanatorium/resort institutions and the protection of property interests on behalf of the state (the head of the committee – that same Vice Prime Minister Tabachnyk) allowed “Novokramatorsk Machine Building Plant” to privatize the rented buildings of sanatorium “Mountain Sun” (protocol decision of the committee from August 26, 2004). The reason was the plant/renter conducted major reconstruction works in the buildings, so-called “irreversible improvements.”

In two weeks, on September 9, the State Property Fund of Ukraine included the buildings of the sanatorium that had been rented by the machine building plant on the list of objects of state property in Group A – those that are up for privatization (State Property Fund Order #1854 of September 9, 2004).

That’s it. The operation was successfully completed. The buildings of the sanatorium “Mountain Sun” located at the address: Alupka, Palace Road 8, was privatized by CJSC “Novokramatorsk Machine Building Plant” (letter of the Ministry of Health Protection #17-01-01/774 of July 7, 2006).

Since then, state anti-TB sanatorium “Mountain Sun” stopped functioning. In the meantime, the TB epidemic in Ukraine has been spreading. Citizens are getting sick with pulmonary TB and need to get treated. But where?

In 2005, the Accounting Chamber of Ukraine examined how state expenses allocated for the national program against TB was used. The auditors of the chamber checked the sanatorium “Mountain Sun” as well. Their conclusion: “The functioning of the anti-TB sanatorium “Mountain Sun” was stopped in violation of Article #49 of the Constitution of Ukraine and Article #26 of the Law of Ukraine “On Resorts” (#2026-2 of October 5, 2000), according to which special sanatorium/resort institutions are banned from privatization, if at the time of the law’s ratification they were state property.”

The auditors of the accounting chamber also stated that the activity of anti-TB sanatorium “Mountain Sun” was stopped in the midst of a TB epidemic breakout in Ukraine, thanks to the direct orders of the independent committee on improving the activities of sanatorium/resort institutions headed by Vice Prime Minister Tabachnyk and with the support of the Ministry of Health Protection of Ukraine.

By the way, don’t you think that the name independent committee on improving the activities of the sanatorium/resort institutions sounds very ironic? It appears that the committee headed by Tabachnyk “was improving” the activities of state sanatorium/resort institutions in a particular way by seizing them. The audit was conducted in 2005.

In 2005, Ukraine was ruled by three ministers, one after another: Yanukovych, Tymoshenko and Yekhanurov. The results of the audit were delivered to each one of
them personally – such is the procedure. But not one of the prime ministers regenerated the state sanatorium “Mountain Sun.”

In July 2009, Telegraf reported that tried to find the acting sanatorium “Mountain Sun” in Alupka on Palace Road. It was not there. It does not function. Even though, according to the letter of the Ministry of Health Protection a couple of alleys, reservoirs and some steps were still preserved on the property of the sanatorium (letter #17-01-01/774).

Instead, on that very seashore, where according to the documents there were a complex of buildings of the old sanatorium, we found the magnificent resort “Mountain Sun” of the “Novokramatorsk Machine Building Plant”. The resort is really beautiful, but it is not state property. So no orphan, nobody with disabilities nor any child that suffered from Chornobyl or anyone that lives in underprivileged families and is sick with TB can get treatment at the expense of the state budget. Of course, we got interested – who does this almighty “Novokramatorsk Machine Building Plant” belong to since Vice Prime Minister Tabachnyk himself was helping to privatize the buildings of the state sanatorium and get such a precious (large) share of the Black Sea shore?

**Matter of political party friends**

Here it is – the beautiful resort “Mountain Sun”. Well, ladies and gentlemen, you have to start making big money and then you will be able to come here as well. Because there is no anti-TB sanatorium here anymore.

At the state registry, we found out that the head of the CJSC “Novokramatorsk Machine Building Plant” is Sukov Hennadiy Serhiyovych. The founders of the company are shareholders, but their last names are absent from the registry. Mr. Sukov appeared to be a member of the city council in Kramatorsk and a member of the Party of Regions. We did not like that. A city council member is a pretty noble title, but only within the boundaries of the city of Kramatorsk. On the whole country level, it is a little bit too low-scale. In any case, it was hard to believe that Vice Prime Minister of Ukraine Tabachnyk just decided to help city council member Mr. Sukov to privatize a state sanatorium. On what grounds? If this was an Indian melodrama, they of course could have ended up being father and unwedded son. They could have ended up being twin brothers separated
in childhood. But this is not an Indian melodrama, this is Ukraine. We sensed the presence of an almighty “third person.” And we found him. On the website of “Ekonomichna Pravda”, we read an interview with Heorhiy Skudar, president of the “Novokramatorsk Machine Building Plant”, who is also its 76% shareholder. In parallel, he is a deputy in the Verkhovna Rada of Ukraine, a member of the Party of Regions (the owners do not plan to sell the “Novokramatorsk Machine Building Plant”, September 7, 2009). From 1991 to 2002, he was the director, head of the executive board and then general director of CJSC “Novokramatorsk Machine Building Plant”. As soon as we found this out, everything became clear. Then we just pulled out the official political biographies of the main characters and compared them. You can compare for yourself.

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<th>Find one difference!</th>
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<tr>
<td><strong>Dmytro Tabachnyk</strong></td>
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<td>1999 – Deputy head of the election campaign of Leonid Kuchma during the 1999 presidential election.</td>
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<td>2002 – During the 2002 election, received a mandate as a member of parliament in the Verkhovna Rada according to the list of the bloc “For unified Ukraine!” From November 2002, he was appointed to the post of vice prime minister in the government of Viktor Yanukovych.</td>
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<td>2007 – In the 2007 election, he received a mandate as a member of parliament in the Verkhovna Rada according to the party list of the Party of Regions (#34).</td>
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<td><strong>Heorhiy Skudar</strong></td>
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<tr>
<td>1999 – Trusted person of the presidential candidate Leonid Kuchma during the 1999 presidential election.</td>
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<tr>
<td>2002 – During the 2002 election, received a mandate as a member of parliament in the Verkhovna Rada according to the list of the bloc “For unified Ukraine!” From 2002 until now, he was a member of parliament in the Verkhovna Rada of Ukraine.</td>
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<td>2007 – In the 2007 election, he received a mandate as a member of parliament in the Verkhovna Rada according to the party list of the Party of Regions (#12).</td>
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Did you find one difference? Exactly. In 2002, Dmytro Tabachnyk became a vice prime minister while Heorhiy Skudar became a member of parliament. All of the rest of the stages of their political life are surprisingly similar. They worked for one and the same candidate in presidential campaigns and came to the Verkhovna Rada from the same bloc, and until today follow the same party religion. Do you think we have enough grounds to believe that Vice Prime Minister Tabachnyk, head of the independent committee, acted in the interests of his party friend and the biggest shareholder of “Novokramatorsk Machine Building Plant”, MP Skudar, and thus favored the
privatization of the state sanatorium “Mountain Sun” in favor of “Novokramatorsk Machine Building Plant? And when did Mr. Tabachnyk do so? When he was vice prime minister in the government of Viktor Yanukovych. That’s what we ended up with…

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<th>Three friends</th>
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<td><img src="image1.png" alt="Viktor Yanukovych" /></td>
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Don’t you think that “Mountain Sun” shines only for those in the Party of Regions?

www.telegraf.in.ua Thursday, April 1, 2010TB-Zone-2 09

Destruction scheme of the Sanatorium named after Baranov – “divide and rule!”

The anti-TB Sanatorium named after Baranov in Alupka is one of the oldest and most famous. At least it used to be. Now it doesn’t exist. The only thing left of it is a little half-ruined building where on the third floor a couple of former sanatorium employees live. They refuse to communicate with the media since they are afraid that the local authorities will immediately kick them out of those apartments. In the past, by the way, they were prohibited from privatizing those apartments, even though they had received them as a residence from the state. For many years, the people have been trying to resolve the matter legally, but nothing worked out. They have been living under the roof having “a bird’s little rights” and still do until now. And where will they “fly” if the old building collapses? However, Telegraf did manage to find a former employee of the destroyed sanatorium who has his own housing, and he agreed to conduct a tour of the ruins.
Anti-TB Sanatorium named after Baranov operated year-round in the past. It regularly had patients on 150 beds. In the summer season, it had 50-70 more. Most of the former patients were coal miners, and those sick with TB.

And this is Lenin in weeds. To be specific, everything that is left of the proud statue of the ideological leader. In the past, it was the main decoration of the central alley. The old employees of the sanatorium respect Volodymyr Illich Lenin very much because it is thanks to his decree that the Black Sea shore became a health resort for the working class.

These sad ruins – everything that is left of the labor rehabilitation room. This was the place where the miners who could not work down in the mines anymore (even after being cured of TB) received new skills for new profession – most common jobs were carpentry or gardening.

You don’t understand what this heap of stones is? This is the comfortable dance floor where every evening the sick would come to dance, have fun and gossip. But most importantly, they were breathing the healthy air of Alupka. They can’t do it anymore.

Photos: Author
Alupka, June-July 2009
How was the Sanatorium named after Baranov destroyed?

At first, in May 2003, the independent workgroup on improving the activities of sanatorium/resort institutions (head of the group was Vice Prime Minister Tabachnyk) offered to reorganize the sanatorium named after Baranov by adding it to the specialized anti-TB sanatorium “Peredhirniy” (protocol decision, part 4 of May 30, 2003).

A little later – in July 2003, that same independent workgroup on improving the activities of sanatorium/resort institutions (head of the group was Vice Prime Minister Tabachnyk) approved of CJSC Soccer Club “Dynamo Kyiv” signing a long-term rental agreement of some buildings of the Sanatorium named after Baranov (buildings #1, 3, and the gym). In this way, the soccer club received in rent buildings with a total area of 2,129.8 m2 (protocol decision, part 4 of July 11, 2003).

In two months, in October by the order of the Ministry of Health Protection of Ukraine, the activity of the Sanatorium named after Baranov (160 beds) was terminated. The sanatorium was reorganized by adding it to sanatorium “Peredhirniy” (Ministry of Health Protection Order #441 of September 22, 2003). Everything was done according to the advice of the independent workgroup headed by Vice Prime Minister Tabachnyk.

In another year, in October 2004, the State Property Fund, in one quiet move, included buildings #1, 3, and the gym, rented by Soccer Club “Dynamo Kyiv” on the list of state property up for privatization (State Property Fund of Ukraine Order #1985 of September 23, 2004). Even though this was in direct violation of Article #26 of the Law of Ukraine “On Resorts”, according to which it is prohibited to privatize anti-TB sanatorium/resort institutions that at the time of the law’s ratification were state property (Law #2026-3 of October 5, 2000).

This is how soccer players received the sanatorium’s buildings. The aforementioned property of sanatorium “Peredhirniy” (the owner of the former Sanatorium named after Baranov) was later privatized. The 160 beds of the Sanatorium named after Baranov were “temporarily” terminated forever – the Ministry of Health Protection of Ukraine issued a shameful order #28 of January 19, 2004.

However, the soccer players behaved like gentlemen. According to the documents of the Ministry of Health Protection, they paid 1,500,000 hryvnyas to sanatorium “Peredhirniy”, heir of the Sanatorium named after Baranov, as compensation for the privatized buildings (letter of the Ministry of Health Protection #17-01-01/774 of July 7, 2006). Besides, the money that was paid was meant to be used for noble purposes – the building of an additional treatment complex!

And where is the new complex?!
In Alupka, right at the footsteps of the mountain, Telegraf found the remnants of sanatorium “Peredhirniy”, we spent a lot of time wandering through the territory, searching for new complexes for the poor, sick people. But we did not find them. Instead, we found this:

Historical sign of the sanatorium “Peredhirniy”. It is the same as 50 years ago.

These great ruins are everything that is left of the cinema. It used to be the place where sick children would watch movies.

A little intrigued, we returned to our room, and one more time read the letter of the Ministry of Health Protection #17-01-01 where it says that the soccer players paid the money for the building of the new sanatorium complex. Oh my, we were not careful enough in reading! It turns out that 120,000 hryvnyas (out of 1,500,000) were spent by the authorities of the sanatorium executing the project of building a new treatment complex. The rest of the money – 1,380,000 hryvnyas – instead of being used on construction was used for remodeling already existing buildings. Maybe you will laugh at us, but we returned to the “Peredhirniy” sanatorium again – to look for the new, not old, completely reconstructed complex.

What can we say? We did not poke the coating on the walls so we have no grounds to say that the million from soccer just evaporated into the air. Maybe they did paint something here and there or changed some pipes here and there. However, the buildings of “Peredhirniy” that survived the privatization looked very sad. We wandered among those aging, ragged buildings and wondered how poor does the Ukrainian government have to be to offer its citizens treatment in such miserable state “sanatoriums”.

Don’t get sick – there is no place to get treatment!

We showed the schemes of the privatization of two state sanatoriums in much detail, but in reality there is much more. There is more even in tiny Alupka. The sanatorium “Zelena Hirka” was terminated, the sanatorium “Rayduha” evaporated into thin air (it joined the story of the notorious “Mountain Sun”). The children’s Anti-TB Sanatorium named after Bobrov is barely surviving invaders as well. It is the most famous Crimean children’s anti-TB sanatorium. It functions throughout the entire year. In the past, this was the place where small patients with a diagnosis of skeletal TB had complicated surgeries done. For
over six years, surgeries are not done here anymore because the main complex of the sanatorium that used to have the operation rooms, in a big scandal, was given up for rent to a private hotel with the pompous name “Ancient Mansion.” Only last year on March 23 did the present authorities of the sanatorium, with the help of the executive service, manage to get rid of those renters. Deputy Chief Doctor of the Sanatorium Mr. Soloshenko informed us about it last week.

Alupka is not all of Crimea. But the destruction of anti-TB sanatoriums is spread throughout the whole peninsula. They are bankrupted, privatized, leased out for rent and even conquered. Everything is done with the support of different branches of Ukrainian authorities, law enforcement, and court institutions. We personally love the documents. So, to conclude, we will quote a couple of paragraphs from the document we received from the Ministry of Health Protection of Ukraine #20.01-701 of September 11, 2007:

“Some of the specialized anti-TB sanatoriums ended up on the edge of bankruptcy because of the illegal decisions of the Economic Court, Appellate Court of the Autonomous Republic of Crimea and the High Economic Court of Ukraine. The most severe problems were in the specialized sanatoriums of “Mountain Sun” (Alupka), children’s specialized clinical sanatorium “Iskra” (Yevpatoria) and the specialized sanatorium “Yunist” (Simeiz). Thus, in specialized sanatorium “Yunist” (because of the decision of the Economic Court of the Autonomous Republic of Crimea case #2-17/10689-05 of October 18, 2005 and the decision of the Economic Court of the Autonomous Republic of Crimea case #2-17/5725-2006A of October 2, 2006), the State Property Fund of the Autonomous Republic of Crimea allowed “Dimeks” Ltd. to privatize by purchasing the pavilion, domestic complex, buildings of the chloratorium, gate building, main walls and the stone staircase that belonged to the sanatorium “Yunist” (State Property Fund of the Autonomous Republic of Crimea Order #47 of January 31, 2007). Because of this decision, the sick that were getting treatment in sanatorium “Yunist” were left without the beach and access to the sea…”

Then follow a couple more pages of text about the problems that Crimean anti-TB sanatoriums face. And here is the closing paragraph:

“The Ministry of Health Protection numerous times addressed to the Ministry of Internal Affairs of Ukraine, Council of the National Security and Defense Council of Ukraine, the Cabinet of Ministers of Ukraine, General Prosecutor of Ukraine, and the Prosecutor of the Autonomous Republic of Crimea… Vice Prime Minister D. V. Tabachnyk, Prime Minister of Ukraine Y. V. Tymoshenko, Prime Minister of Ukraine V. F. Yanukovych… on these matters. However, as of right now, the situation is still not resolved.”

Ladies and gentlemen, do you remember what we started our story with? We had a theory that the TB epidemic in Ukraine was not overcome for 15 years because it was of the benefit to Ukrainian governments. Because government officials in our country lobby the interests of major pharmaceutical companies and big business groups. Do you think our arguments were persuasive?
Why do inmates remain the source of tuberculosis?

*Telegraf* decided to find out why in 15 years the TB epidemic in Ukraine has not yet been overcome. According to *Telegraf’s* supposition, Ukrainian governments (not one, but one after another) have regularly not been interested in overcoming the TB epidemic in Ukraine. The epidemic provides a wonderful opportunity to use large expenses from the state budget and international funds for the organization of successful business for private structures, the interests of which are lobbied by government officials. Read the story and decide for yourself how well founded our conclusions are.

We continue investigating why the TB epidemic has not been overcome in Ukraine in 15 years. In the previous two issues, we described why Ukraine does not have its own anti-TB BCG vaccine and how seized anti-TB sanatoriums and by whom. Today we will share the story of how Ukrainian inmates are treated for TB and why they remain one of the most dangerous sources of TB.

TB is a social disease. The most vulnerable groups that get sick with it are asocial – needle-using drug addicts, the homeless, the poor and drunk. Those in prison are in that category as well. In Ukraine, inmates get sick with TB very often. In 1995, the World Health Organization declared a TB epidemic in Ukraine. Since then, the protectors of Ukrainians’ rights described horrible stories about massive contamination with TB in jails and the concealed deaths of inmates in prisons.
In 2004, Miss Karpachova – a respected authority on human rights in Ukraine – talked about the threatening situation with TB in prisons. In 2004, the World Bank, together with the Ukrainian government, started implementing the project “Control of TB and HIV/AIDS in Ukraine.” The project had a separate program “Prisons”. Its goal was to improve the level of anti-TB activities in prisons. After the project was over in 2008, the Ukrainian state department on sentence execution said that the level of deaths from TB in prisons decreased 12%. So we decided to visit this so-called “TB Zone.” "Telegraf”s reporter received permission to visit Kremenchuk Prison #69, on whose territory the anti-TB hospital is located. Today, the hospital has 273 patients. They undergo treatment in three separate departments: general, those who are recovering, and a closed department for BK+ patients – those sick with an active form of TB. The hospital’s officials prepared very thoroughly for the press visit. They showed us everything they wanted us to see. And we did see it. May the rights protectors excuse us, but in this hospital we saw even the “Olympus” molecular microscope, fibrogastroscope, a centrifuge worth USD 40 ths, and modern ultrasound equipment. The hospital’s authorities mentioned numerous times that all of this equipment was received thanks to the state department.

Words on the head: “Made in Ukraine”

Precedent

Case “Melnyk vs. Ukraine”

The case “Melnyk vs. Ukraine” was examined by the European Court on March 28, 2006 in Strasbourg.

The imprisoned Melnyk filed a claim since he believed he was contaminated with TB while under arrest in Vinnitsya Prison #1 and in Arbyzyn Prison #316/83. Only in Dariyivska Prison #10 was he diagnosed with TB of the lung. According to the inmate, he didn’t receive necessary medical treatment from the Ukrainian state department of sentence execution.
The European Court declined part of the plaintiff’s claims. However, it recognized that articles 3 and 13 of the Human Rights Convention were violated. Those articles talk about the crowdedness of cells, inadequate sanitary conditions in prisons and low-quality medical help. The court decided that the country/defendant (Ukraine) had to pay the plaintiff Melnyk 10,000 Euros as moral compensation and 500 Euros as compensation for court expenses.

“Chocolate-coated zone”

Eduard Anatoliyovych Sydenko, head of the specialized anti-TB hospital:

I have worked here for a long time. I was here during those times in 1997-1998 when we had only three light bulbs in the whole department. And we had only three pieces of potatoes in our soup. Then we ran out of money and we could not purchase bread at the bakery. So we started baking our own. The bread tasted horrible until we learned how to do it right. Now the situation has improved greatly. You see how great the equipment is that we have. Even the city hospitals cannot boast such things. The centrifuge itself is worth USD 40 ths. Each microscope is worth UAH 20 ths or more. The ultrasound equipment is no worse than in “Vikom”. Thanks to the project “Prisons”, our hospital received 23 ths single-use spittoons for those sick with TB. It is enough for 2-3 years! We are supplied with first order necessity medicines for two years (isoniazid, rifampicin, ethambutol). I do remember times when for two months straight we had only one isoniazid. And what could we have done, how could we have treated patients? We also have very expensive medicines of the second order, to treat multi-resistant (resistant to medicines of the first order) forms of TB. This one capsule costs 58 hryvnias – and the patient must have three of them per day. The treatment of multi-resistant forms of TB is a big problem. Too many inmates were released in the 90s who did not finish their treatment completely. Outside, nobody treated them - so they formed a multi-resistant form of TB and the treatment of this form lasts from nine months to two years. It has to be done continually, according to a special process. If inmates do not get treatment by the time they are released, they go off to nowhere and they do not have money for such medicine. In here they are lucky, because we treat them. I also wanted to get an ambulance, in line with the program “Prisons”, but it didn’t work out. And to get respirators for the department that deals with those sick with BK+. But it was too expensive. Generally, the situation improved greatly. I am telling the truth.

In 2007, 6 inmates died in the anti-TB hospital; in 2008 – 3; in 2009 – 0.
pictures of the inmates made with their consent. The inmates were informed that the photographic materials would be published in the newspaper.

Happy inmate near “Plamy” modern equipment, which disinfects sputum and feces at the anti-TB hospital

Happy inmate in the new remodeled shower complex

Relatively happy inmate in the relatively cozy cell of the anti-TB hospital

**First-person accounts**

**Mykola Yosypovych, no matter where he serves his term, he always works in the kitchen:** I have been sick for five months. I got contaminated in the prison in Liv region. This is where I remain, but I receive medicine regularly.

**Volodymyr Volodymyrovych:** I got TB while being out; it was God’s will. If I wasn’t sick, maybe I wouldn’t find God myself. I have been sick for two years. When I was in civil life I didn’t get treatment, I didn’t even know of the disease. Now I receive medicine regularly.

**Ihor:** I got sick in 2002. Got contaminated in the prison in Kherson region, but they didn’t finish treatment there. After going to the Kremenchuk prison, I was done serving my term. But I liked it here, so I came back. I receive medicine regularly and, as you can see, the results show right on my face.

**What did the state department do?**

Remember that the Kremenchuk prison doctor said that it would have been nice to get an
ambulance to transport patients. We found out why Kremenchuk prison never got such an ambulance. Because in 2008 the department did not purchase the ambulance according to the plan for anti-TB hospitals (USD 100 ths). Neither did they purchase ultrasound equipment (USD 100 ths) nor disinfection cells (USD 100 ths). The department did not purchase them because the World Bank did not approve of purchasing any items suggested by the Tender Committee of the Department in 2008. The bank’s reason – “some items (materials used for X-ray rooms) whose prices suggested by the tender committee are more than 3x higher; for other items (disinfection cells), prices are different from reality.” Everything was done within the project “Control of TB and HIV/AIDS in Ukraine” under the program “Prisons.” The party responsible for implementing the program “Prisons” was the Ukrainian state department on sentence execution. The project “Control of TB and HIV/AIDS in Ukraine” was sponsored by the World Bank.

According to material from the audit by the Accounting Chamber of Ukraine

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“Foreigners will help us!!!”

IBRD loans USD 60 mln

The International Bank for Reconstruction and Development loaned USD 60 mln. Having talked to the Kremenchuk prison doctor, we got interested in the project “Prisons.” You probably remember that the doctor said that thanks to this project the hospital received 23 ths single-use spittoons. We wondered what else this project gave to Ukrainian inmates sick with TB since it was part of a large-scale international program.

In January 2004, the project sponsored by the World Bank and the Ukrainian government “Control of TB and HIV/AIDS in Ukraine” started. The project had three separate programs: TB, HIV/AIDS and prisons. For the first time, serious money was allocated to improve the epidemic situation in Ukrainian prisons.

The project’s total financing was very, very attractive – USD 81 million 880 ths. Out of that, 60 million (73.3%) consisted of loans from the IBRD and USD 21 million 880 ths came from the state budget of Ukraine.

On the programs “TB” and “Prisons/TB”, it was planned to use USD 25 million 250 ths of the IBRD loan and USD 16 million 10 ths from the Ukrainian state budget. On January 6, 2004, an agreement on the loan of USD 60 mln between Ukraine and the IBRD went into effect in Ukraine (it was signed in Washington D.C. on April 15, 2003). For the more effective implementation of the project, Ukrainians created a special “observation
So the beginning of the project’s implementation was January 6, 2004. The closed date of the IBRD loan was June 30, 2007. By this date, the loan money – USD 60 mln had to be used to purchase medical equipment, medicine, holding seminars for medical workers, organizing a massive educational campaign on TV, etc. The press service of the World Bank emphasized that the project, “Control of TB and HIV/AIDS in Ukraine”, was oriented toward “risk groups” within the Ukrainian population – needle-using drug addicts, prostitutes, and inmates. Because the rapid spread of TB and HIV/AIDS among such citizens increases the risk of contamination among the rest of society – as happened in African and Caribbean countries.

“Uh, nasty!”

The World Bank stopped giving away the 60 million loan

Everything started so nicely and sweet – they gave us money and we used the money to treat inmates and other asocials. The speed of TB contamination is slowing – everybody is happy – us, them, and everyone. It was the ideal scheme, but it broke into pieces in April 2006 when the World Bank terminated the provision of the huge anti-TB loan to Ukraine. “The project did not manage to significantly influence the situation of TB and HIV/AIDS contamination in Ukraine and neighboring countries.” – said Paul Birmingham, World Bank regional director for Ukraine, Belarus and Moldova.

The credit line was blocked from April 12, 2006 to November 22, 2006. The World Bank did renew the loan. It even extended the project’s timeline by 18 months – until December 30, 2008. But it lowered the total sum of the loan from USD 60 mln by 12.5 mln, claiming that it was impossible to use the full sum of money for that short a period of time.

What forced the bank to act in such a way? The bank said that the Ukrainians were implementing the project ineffectively. The credit costs were used too slowly and were used ineffectively: the Tender Committee of the Ministry of Health’s project requests obviously overestimated prices for medicine and medical equipment.

“Take the money! I don’t want it!”

In the years of Ukraine’s independence, the Ukrainian nation is used to endless talk by officials about the permanent absence of money in such a young, but proud country as Ukraine. Officials are persuading us that there is a lack of money for fighting TB. Fine. The World Bank organized a loan of USD 60 mln for us – just take it and fight TB. Check out how Ukrainian governments took the money. Also check how they were fighting TB.

Uses of IBRD loan proceeds
2004 – Used about 8% of the planned sum of money for the year
2005 – Used 2% of the planned sum of money for the year
2006 – Used 23.2% of the planned sum of money for the year
2007 – Used 86% of the planned sum of money for the year
2008 – Used 8% of the planned sum of money for the year (as of December 1, 2008)

(According to the audit of the Accounting Chamber of Ukraine as of December 30, 2008)

According to the International Bank for Reconstruction and Development, during implementation of the project “Control of TB and HIV/AIDS in Ukraine”, the Ukrainians used almost USD 25.7 mln, which was only 54% of the lowered loan sum (out of USD 47.5 mln). This is not just statistics. This meant that modern equipment for the national reference-laboratory was never purchased and that same national laboratory was supposed to be the one that would accumulate probes from all over Ukraine to test medicines for their sensitivity against TB. Only 1/4 of the computer complexes planned to be purchased for bacteriological laboratories were purchased. The educational campaign on TV failed. They planned to conduct over 246 seminars on detecting and treating TB and teach 7,074 medical workers on the topic. They taught 60.

“Government portal”

The inaction of Ukrainian governments


The project “Control of TB and HIV/AIDS in Ukraine” was enacted in January 2004. The government in 2004 was led by Mr. Yanukovych. In 2004, Ukrainian officials spent UAH 672.1 mln of the loan money. UAH 72.1 ths was spent on telephone conversations. UAH 600 ths was paid in commissions to the bank. That’s it. No medicine was purchased. In 2006, Mr. Yanukovych headed the Ukrainian government again. That was the year when the World Bank stopped the project completely because of the ineffectiveness of the Ukrainians. In that same year, in 2006, the bank renewed the credit line, but lowered the loan sum significantly – again because of the ineffectiveness of the Ukrainian side.
Yekhanurov government (2005-2006)

In reality, no major prospects for the project were realized during Yekhanurov’s government. Let us remind that in 2005, when the Ukrainian government was led by three prime ministers (Yanukovych, Tymoshenko and Yekhanurov), the Ukrainian side completely forgot about the project against TB. During the time between political wars, our officials managed to use only 2% of the loan money planned for that year. Only in the fourth quarter of 2005 did they purchase the first set of laboratory equipment and x-rays – this happened 1.5 years after the start of the project.


In 2005, the political party in power changed completely. Mr. Yanukovych left and Mrs. Tymoshenko became prime minister. At that time, the Accounting Chamber of Ukraine, at the request of the Verkhovna Rada of Ukraine, conducted an audit of the use of money according to the anti-TB program. They also checked the joint project of the World Bank and the Ukrainian government. The auditors came to the conclusion that the project was not working. The report with conclusions was submitted to the prime minister. We have grounds to state that even after that, Prime Minister Tymoshenko did not promote effective implementation of the project. At that period of time, the regional director of the World Bank in Ukraine, Paul Birmingham, in a letter (from May 30, 2005) to Minister of Health Protection Mr. Polyachenko stated that “the speed of the project implementation is very slow and is not relevant to the big threat of the epidemic.” And after the end of the loud ministry of Mrs. Tymoshenko in 2005, Paul Birmingham, in a letter from October 31, 2005, emphasized that “three years after the decision to give the loan was ratified by the executive board of the World Bank, the project did not bring any real help to the citizens of Ukraine, the opportunity to provide quality services to the population and stop the threatening spread of infectious diseases is lost.”
Only in 2007 – we must understand after the World Bank blocked the credit line completely – the Tymoshenko government more-or-less actively used loan proceeds (86% of the planned money for the year). But already in 2008, the Ukrainian side used only 8% of the planned money for the year, even though this was the last year of the project’s life and the last chance to use IBRD money to fight TB in Ukraine.

**Active players**

Mr. Azarov

The project started in 2004. Mr. Azarov was the minister of finance of Ukraine at that time. Because of delays in opening special accounts and subaccounts in the banks BNP Paribas and Ukrgazbank by the Ministry of Finance, work on implementing the project was delayed by eight months.

Mr. Semynozhenko and Mr. Tabachnyk

Both were appointed heads of the observatory council that was supposed to control the project’s implementation. But the council never started its real activity, neither under the leadership of Semynozhenko or Tabachnyk.

**Ministers of health projection: Pidayev A. V., Polishchuk M. Y., Polyachenko Y. V., Knyazevych V. M.**

It is the ministers of health protection that should have cared the most about the project “Control of TB and HIV/AIDS in Ukraine”. They did care – but in such a way that during the four years of the project’s activity in Ukraine, they managed to use up only 54% of World Bank loan money. I guess we should understand that we do not need money. Or maybe the ministers do not need a healthy nation?

**For whom the bell tolls?**
Working on this story we heard the phrase, “Why would you care for inmates? Don’t you have anything better to do?!” multiple times. But I think that the best answer to these questions came from our talk with the Kremenchuk prison doctor.

This is what he said, “I remember my patients really well. I often see them in Kremenchuk. They freely walk around the city’s streets and nothing! I look at them and think: Guy, you are BK+, you are spreading TB droplets into the air! While you were in the hospital, I tried to stay a couple of meters away from you – and I was wearing a mask.” But out into the city? How many people can such a person contaminate just by taking a ride on the trolleybus? But he rides not once, but many times! According to statistics, each person sick with BK+ contaminates 20+ citizens every year! He contaminates all kinds of people – bad and good!

So, dear citizens, “never ask for whom the bell tolls. Remember – it tolls for you as well.”

Larysa ARTEMENKO