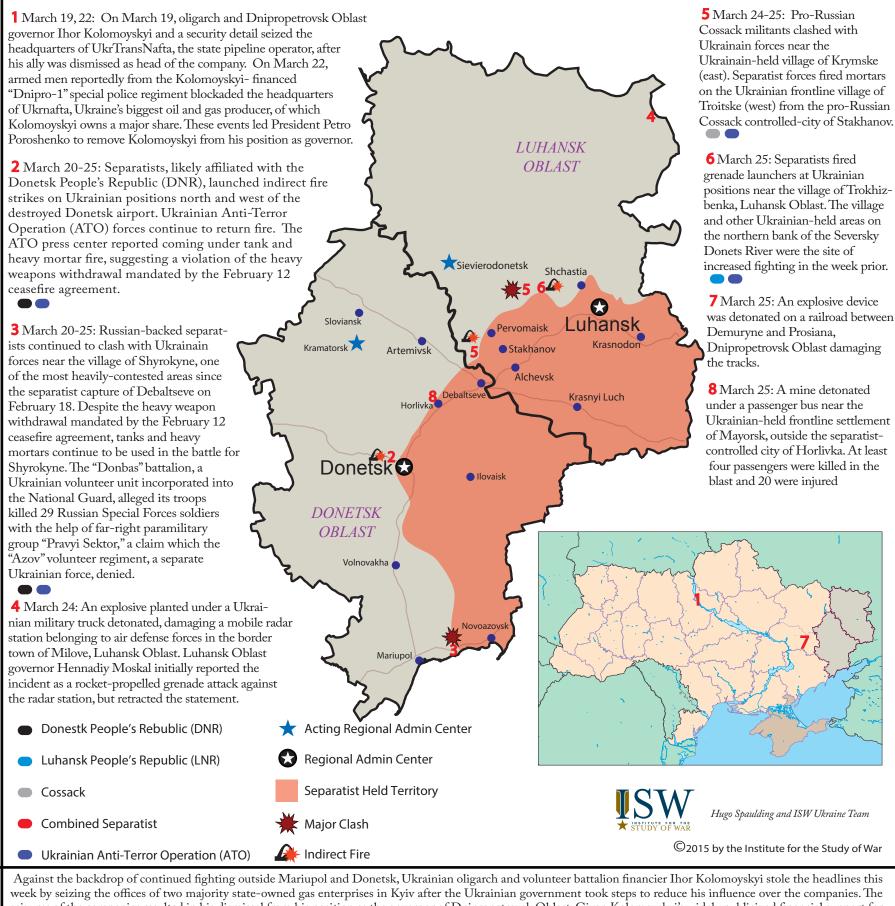
Ukraine Crisis Update: March 26, 2015



Against the backdrop of continued fighting outside Mariupol and Donetsk, Ukrainian oligarch and volunteer battalion financier Ihor Kolomoyskyi stole the headlines this week by seizing the offices of two majority state-owned gas enterprises in Kyiv after the Ukrainian government took steps to reduce his influence over the companies. The seizures of the companies resulted in his dismissal from his position as the governor of Dnipropetrovsk Oblast. Given Kolomoyskyi's widely publicized financial support for several Ukrainian volunteer units, conflicts with authorities in Kyiv raise the concern that the oligarch could utilize force against the central government. The occupation of Ukraine's biggest oil and gas producer by members of the Kolomoyskyi-backed "Dnipro-1" police regiment reinforced this concern. Despite attempts by President Petro Poroshenko to publically mend relations with Kolomoyskyi, an upcoming anti-Poroshenko rally in Dnipropetrovsk organized by Kolomoyskyi's allies could bring forces loyal to the oligarch into confrontation with other Ukrainain forces. Growing tensions between Kyiv and one of the biggest private stakeholders in Ukraine's Anti-Terror Operation (ATO) present a key vulnerability which may be exploited by separatist or Russian forces. In military terms, pro-Russian forces may accelerate offensive operations in Donbas or increase covert attacks in Dnipropetrovsk Oblast, where a railroad was blown up this week. Politically, Russia and the separatists may increase calls for the federalization of Ukraine, utilizing dissent from Kolomoyskyi's camp to put a Ukrainian face behind the movement.