



MILITARY

UKRAINE TO SEND TROOPS TO BOSNIA

Kyiv, Feb. 1, 1996 ... An agreement between the Ministries of Defence of France and Ukraine was reached for Ukraine to provide peacekeepers for the NATO-led operation in Bosnia. In January, Deputy Foreign Minister Volodymyr Khandogy confirmed that NATO commanders of the 60,000-strong IFOR operation in Bosnia had agreed the 550 Ukrainian men currently there could stay and take part in the mission. France will provide logistics support for the Ukrainian battalion deployed in Sarajevo. Ukraine has had as many as 1,200 peacekeepers in Bosnia and Croatia since 1992, and views participation in the NATO operation as vital for its international prestige. Ukraine's parliament also agreed to send 200 peacekeepers to help uphold a U.N.-sponsored peace agreement in the southern African state of Angola.

MILITARY COOPERATION WITH WEST EXPANDS

Jan., 1996... Ukraine's Defence Ministry announced that a German military delegation is in Kyiv to plan the first-ever German-Ukrainian military staff exercises, to be held in March near Odesa, and that a U.S. military delegation is in Lviv to plan the participation of Ukrainian units stationed there in joint exercises next year in Kansas. Last November, Ukraine's naval flagship, the Hetman Sahaydachny, joined ships of NATO countries in the Classic-95 naval manoeuvres off Italy's La Spezia naval base. In 1995, Ukraine led the East European countries in terms of joint military exercises with the West, both under NATO auspices and bilaterally with the U.S. It hosted U.S. ships for joint manoeuvres off Ukraine's Black Sea ports and land units exercising with Ukrainian units in the Mykolayiv, Lviv and Carpathian regions. British Prime Minister John Major told Ukrainian President Leonid Kuchma in London that closer cooperation with NATO was the best antidote to Ukraine's worries about becoming a buffer between an enlarged NATO and Russia.

LAST TANK DISMANTLED UNDER CONVENTIONAL ARMS AGREEMENT

Oct. 31, 1995... Foreign supervisors and Ukrainian Defence Minister Valeriy Shmarov

witnessed the dismantling of the last of the 1,974 tanks Ukraine has been obliged to dismantle under the terms of the Conventional Arms Agreement for Europe, at the Seventh Kyiv Tank Repair Plant.

Under the terms of the 1990 Agreement Ukraine also disassembled 1,500 other types of armoured cars and 550 military planes. The dismantling of one tank costs nearly US\$4,000.

Speaking with journalists, Shmarov emphasized that Ukraine met the conditions of the Conventional Arms Agreement ahead of schedule. However, he added, many conventional arms are still around in Crimea. Since the status of Crimean forces remains undetermined, dismantling cannot proceed. Legally, the Crimean forces are accountable to both the presidents of Ukraine and Russia, but in fact they follow only Moscow's instructions.

These forces include 226 tanks, 166 armoured cars, 117 artillery pieces, and 102 tanks. Shmarov said the Ukrainian Armed Forces currently have 4,080 tanks, 5,050 armoured cars, 1,090 tanks and 330 military helicopters.

Serhiy Yakovets, the director of the seventh Kyiv Tank Repair Plant, told an Infobank correspondent that 425 tanks had been dismantled at this plant; some of their parts were given to fire stations, and the remaining portion was sent for melting.



UKRAINIAN NEWS

U.S. Secretary of Defense William Perry inspects the Pervomaysk missile silo during a visit to Ukraine.

A final decision on the establishment of the Pre-Export Guarantee Fund is to be reached between the Ukrainian government and the World Bank.

TRADE AND ECONOMY

WORLD BANK DRAWING UP PLAN TO INSURE FOREIGN INVESTORS

Dec. 5, 1995... The World Bank, in conjunction with the Ukrainian government, is drawing up a plan to insure foreign and domestic investors against political and economic risks in the Ukrainian market, said Eduard Skyl, head of the Administration of Contacts with International Organizations of the Ukrainian Finance Ministry.

Among these risks are: the inconvertibility of domestic currency and inability to conduct hard-currency transfers; the annulment of licenses and cancellations of limits on import and export transactions; the increase in export and import taxes; confiscation of goods; commercial obstacles; and changes of transportation routes due to unforeseen circumstances, which inevitably lead to increase of transportation or insurance taxes on goods.

In addition, risks are increased because the Ukrainian government frequently makes its decisions retroactive, which contradicts internationally-accepted legislative practice.

UKRAINE CLOSER TO WTO MEMBERSHIP

Dec. 5, 1995... Ukraine may be eligible to start serious negotiations to enter the General Agreement on Tariffs and Trade (GATT) and the World Trade Organization (WTO) in early 1996, said the head of the Department of Multilateral Cooperation within the Ukrainian Ministry of Foreign Economic Affairs. The second session of a working group on Ukraine's entry into GATT and WTO is to discuss reforms in the agricultural sector and adjustment of trading of services and intellectual property in Ukraine. If talks prove successful, the next round, dealing with tariff concessions, can start.

BUSINESS AND SECTORAL DEVELOPMENT

PRIVATIZATION PROGRESS ANNOUNCED

Dec. 26, 1995... At a briefing on Ukraine's State Property Fund, the results of Ukraine's privatization program in the first 11 months of 1995 were announced.