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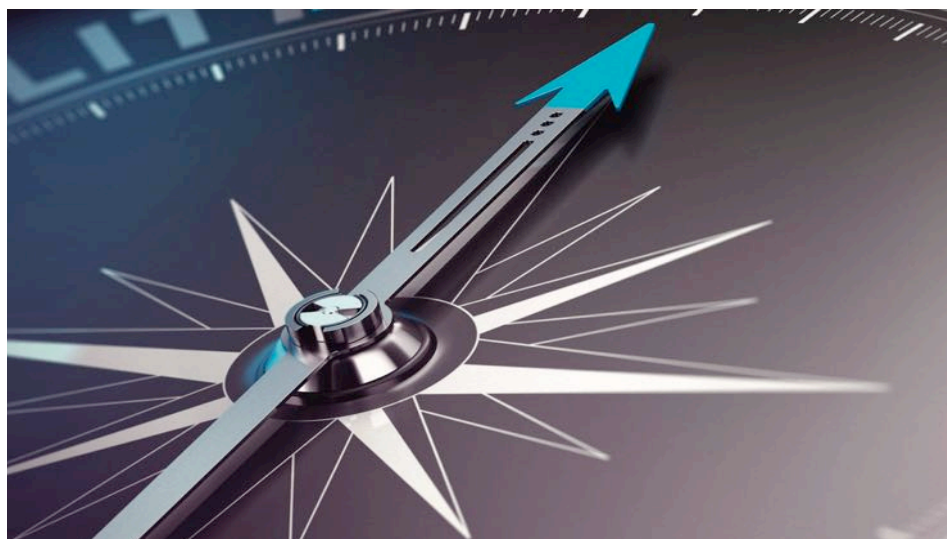


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GOVERNMENT APPROVES INTRODUCTION OF IOT, QUANTUM COMPUTING, 3D PROTOTYPING AS PRIORITIES IN INNOVATION WORK

Ukraine's Cabinet of Ministers has approved a list of medium-term top priority directions in innovation work at the national level for 2017-2021.

According to an attachment to government resolution No. 1056 dated December 28, 2016, its approval would provide for the implementation of innovation activities and create the basis for drawing up medium-term top priorities in the sectors.

The document envisages various directions of innovative activities. This is new solutions for transmitting and transporting energy, introduction of energy efficient and resource saving technologies and use of alternative source of energy.

Designing of next generation aggregates and systems for high-speed railway transport, creation of next generation facilities and technologies in aircraft, ship building and aerospace sector, as well as development of navigation systems and aircraft, ship and missile control systems are among the top priorities.

It is planned to start using new technologies for production of materials, their processing and combination, create nanoscale materials and nanoscale technologies industry. The government also proposes to pay attention to environment protection. It is planned to apply the closed cycle technologies, purification, recycling of industrial and solid household waste.

It is planned to introduce newest technologies in information protection in telecom and IT systems, draw up and standardize 5G technologies and focus on development and introduction of artificial intelligence systems. ■

CABINET EXPECTS RISE IN NUMBER OF FOREIGN TOURISTS TO 21 MLN BY 2020



The Cabinet of Ministers of Ukraine expects the number of foreign tourists in Ukraine to rise to 21 million people by 2020, First Deputy Minister of Economic Development and Trade Maksym Nefyodov has said.

"We expect the number of tourists to rise from 14 million to 21 million people," he said at a round table dedicated to the discussion of the economic issues of the medium term plan of the government's priority actions until 2020 in Kyiv. The plan also foresees the increase in the number of domestic tourists from 500,000 to 1.5 million people by 2020. ■

UKRAINIAN PRESIDENT HOPES EBRD TO EXPAND FINANCING FOR UKRAINE IN 2017 DENT

Ukrainian President Petro Poroshenko discussed prospects of developing cooperation and introduction of investment projects in Ukraine with President of the European Bank for Reconstruction and Development (EBRD) Suma Chakrabarti in Davos (Switzerland).

"The head of state expressed hope that the EBRD would increase financing for cooperation with Ukraine in 2017," the Ukrainian president's press service reported. The parties also discussed the banking sector reform.

"Chakrabarti praised Ukrainian authorities' effort in the issue of nationalization of PrivatBank and confirmed the EBRD's intention to further provide expert assistance in the reformation of this banking institution," the press service said. Poroshenko pointed out the key role of the EBRD as the manager of the Chornobyl Shelter Fund and the Nuclear Safety Account. It was agreed to continue cooperation in the area. The EBRD president assured the Ukrainian president that the EBRD will continue supporting reforms in Ukraine. ■

SUPPORT FOR DOMESTIC ENGINEERING MUST BE COMPREHENSIVE



Domestic manufacturers are ready to go into partnership with the government to implement large-scale state programs for the manufacture of farm and road construction equipment, locomotives and military hardware, which were announced by Ukrainian Prime Minister Volodymyr Groysman. He promised strong support for machine engineering to maintain the localization of production, save revenue in foreign currency spent on the purchase of equipment, which can be produced domestically, and provide Ukrainians with jobs. Such plans are backed by the Ukrainian League of Industrialists and Entrepreneurs (ULIE), the Anti-Crisis League of NGOs.

The government announced it would allocate funds to buy equipment for rescue and fire-fighting services, and agricultural equipment. The Cabinet also stressed the need for the support of manufacturers of railway cars and locomotives for the Ukrainian Railways (Ukrzaliznytsia). It also announced plans to form a pool of orders for domestic enterprises of the machine building industry.

"The idea that the industry in general and its advanced sectors, namely engineering, should become the core of Ukraine's economic development was formulated by the business community in the anti-crisis program of joint actions by the government and businesses. Every industrial producer should have equal, government-guaranteed conditions for the development and modernization," ULIE President Anatoliy Kinakh has said.

In his words, on the one hand, the government claims that the support of the industry is a priority; on the other hand, the National Commission for State Regulation of Energy and Public Utilities from February 1 is to raise power rates for industrial consumers by 1-3%, while NJSC Naftogaz of Ukraine is going to increase prices of natural gas by 22%. This is a significant deterioration in economic conditions for many manufacturers, including machine builders.

"To change the model of Ukraine's economic development and the transition from raw materials to a model based on investment and innovation is a comprehensive and responsible task. It requires a thorough analysis of current problems the industry is facing, while populism and incompetence must be rooted out. It also requires that a high-quality, system-oriented program be developed and implemented on the basis of international standards and trends to rebuild and develop Ukraine's industrial sector. The ULIE and the Anti-Crisis Council of NGOs are ready to directly participate in the process," Anatoliy Kinakh has said. ■

LABOR MIGRATION THREATENS NATIONAL SECURITY



Developed countries have long been living with the idea that people are the most valuable asset with tough competition. This applies to people with great talents and experienced specialists, as well as to engineers, managers and skilled and even unskilled workers if the latter are proactive and hardworking. The world has become open, providing better access; its global rules guarantee the free exchange of goods, services, finance and the labor force. Yet, the government must take a clear stance, not only by demonstrating its concern over a brain drain but also developing programs to encourage, motivate workers, let them develop their own potential by all available means, including through self-employment and small businesses, guaranteeing stability and confidence in the future. This opinion was voiced by the Ukrainian League of Industrialists and Entrepreneurs (ULIE).

"The issue of preserving the workforce is a matter of national economic security. Poland nowadays employs one million Ukrainian specialists, and it is ready to offer jobs to another million people in 2017. Hungary has given the green light for the employment of 350,000 Ukrainians, and even Belarus invites our workers. According to a December survey by Research & Branding Group, about a third of employable Ukrainians have already thought or think about moving to another country for permanent residence. The emigration of businesses when large companies, mainly innovative ones, change their location for neighboring countries is becoming a trend. It means that today employers are willing to pay high salaries as in the EU rather than putting up with economic instability here," ULIE President Anatoliy Kinakh has said.

The ULIE and the Anti-Crisis Council of NGOs sharply criticize corruption in the regulatory sector, problems with protection of rights and interests of entrepreneurs, investors in courts and law enforcement agencies.

The ULIE and the Anti-Crisis Council of NGOs insist that a comprehensive program should be developed to support self-employment and SMBs. Threats, groundless raids, fines, closures must be eliminated from regulatory practice vis-à-vis businesses. The Central Bank's refinancing rate should be gradually reduced, while private banks should be given guarantees encouraging them to lend money to the real sector. The tax burden should be minimal. These issues will be on the agenda of the ULIE's debates scheduled for the beginning of February. ■

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The plan also foresees the increase in the number of domestic tourists from 500,000 to 1.5 million people by 2020. ■

ULIE URGES LAWMAKERS NOT TO SUPPORT ELECTRONIC COMMUNICATIONS BILL



The Ukrainian League of Industrialists and Entrepreneurs (ULIE) has urged lawmakers to dismiss bill No. 3549-1 concerning electronic communications that will be put for repeated first reading on January 19 and two other options of the eponymous bill.

The ULIE said in its address to parliamentarians that bill is aimed at not harmonizing Ukrainian legislation with the EU, but approaching the national law system with the Russian one.

"The requirements and provisions that are not in line with the Constitution of Ukraine, Ukrainian legislation and EU recommendations restricting Constitutional rights of citizens, not complying with the state policy and creating the conditions for the unlawful seizure of power by a group of persons in regulating the most attractive sector of Ukraine are evidence of this," the league said.

As reported, on September 20, 2016, the Verkhovna Rada sent for repeated first reading bill No. 3549-1 concerning electronic communications submitted by MP Oleksandr Danchenko. Two other bills – No. 3549 submitted by MP Yuriy Moroko and No. 3549-2 submitted by MP Ruslan Lukyanchuk and Valeriy Babenko – were rejected or failed to have enough supporting votes. ■

JAPANESE SHIPPING COMPANY INTERESTED IN WORK AT CHORNOMORSK PORT



Representatives of the Japanese shipping company NYK Line have visited Chornomorsk seaport, the practical result of the meeting might become the first NYK Line vessel entry to the port in the first quarter of 2017. According to the website of the port, the purpose of the visit was to familiarize with the production capacities of Chornomorsk seaport, particularly the ferry terminal and other facilities.

“The NYK Line representatives gave a satisfactory estimate of the port infrastructure and the prospects of its development,” the report reads.

Chornomorsk seaport is a universal international port, one of the largest on the Black Sea. The enterprise has specialized terminals and systems, which allow overloading a wide range of goods: liquid, bulk, general. Its 29 berths are capable of receiving ships with a carrying capacity of up to 100,000 tonnes. The annual designed capacity of the port is more than 30 million tonnes.

The port’s capacity of container handling is 1.15 million TEU. Since 2007 the port has been capable of providing the simultaneous accepting of three ocean-going container ships with a capacity of more than 5,000 TEU and a length of up to 300 meters. ■

KYIV, HELSINKI AGREE ON COOPERATION IN ENERGY EFFICIENCY, ‘GREEN ENERGY’ AND ALTERNATIVE FUELS

The authorities of Ukraine and Finland have signed a memorandum on cooperation in the areas of energy efficiency, renewable energy (‘green energy’) and alternative fuels.

The document was signed on Tuesday by Ukrainian Deputy Prime Minister Hennadiy Zubko and Minister for Foreign Trade and Development of Finland Kai Mykkanen in the framework of the official visit of President of Ukraine Petro Poroshenko in Helsinki, according to the Kyiv-based Interfax-Ukraine news agency. ■

UKRAINIAN GOVT EXPECTS INCREASE IN NET FDI IN 2017 TO REACH \$4.5 BLN

The Ukrainian government expects the increase in the net inflow of foreign direct investment (FDI) in 2017 to reach \$4.5 billion, according to First Deputy Minister of Economic Development and Trade Maksym Nefyodov.

“The net inflow of direct investment we expect will grow from about \$3.8 billion last year to \$4.5 billion in 2017,” he said at a round table to discuss the draft medium-term plan of the government’s priority actions until 2020 in Kyiv. According to Nefyodov, the government expects the net FDI inflow of \$8 billion in 2020. ■

VOLKSWAGEN SEEKS TO OCCUPY AT LEAST 5.3% OF NEW PASSENGER CAR MARKET IN UKRAINE IN 2017

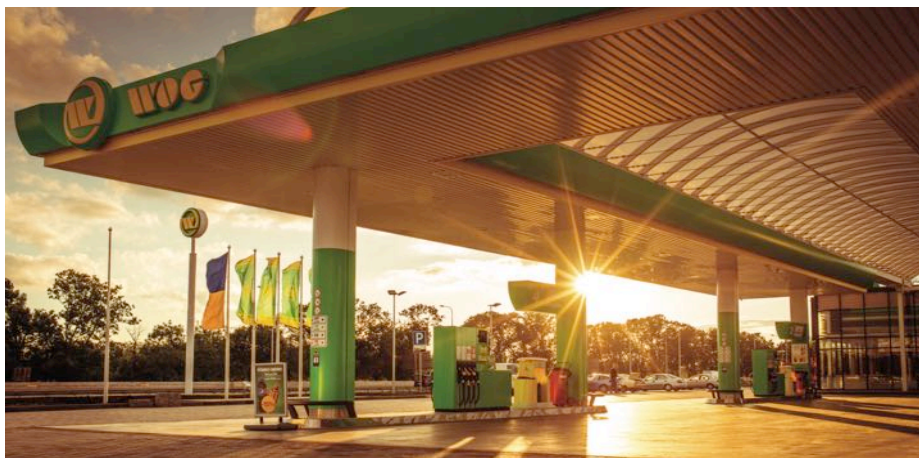


The Volkswagen brand seeks to occupy at least 5.3% of the Ukrainian new passenger car market in 2017 (its share was almost 7.6% in 2016), expecting the market growth by at least 8.5% compared to 2016.

Volkswagen passenger car marketing manager at Porsche Ukraine Oleksiy Ischenko told Interfax-Ukraine that the new passenger car market could be at least 70,000 cars (64,478 in 2016). Volkswagen seeks to sell around 3,700 cars (4,884 were sold in 2016 compared to 2,180 in 2015).

He said that last year was successful for the brand. It managed to reach the top three leaders of the car market (in 2015 it was eighth with 4.7% market share). “The key driver of our success was competitive pricing of popular cars VW Jetta and Polo Sedan. We managed to offer well-equipped cars with efficient engines to the market,” he said. “The important newcomers this year will be upgraded VW Golf and new car Arteon, the new flagship of the passenger car range of the brand. Arteon is the idea successor of Volkswagen CC,” he said. Ischenko said that today Porsche Ukraine has 26 dealers in the country and this year the chain does not plan to expand. ■

WOG TO INCREASE NUMBER OF GAS FILLING MODULES BY 67% IN 2017



WOG intends to increase the number of gas filling units at its fuel filling stations by 67% (160), to 400 in the current year, company CEO Serhiy Korytsky has said at a press conference in Kyiv.

“We plan to increase the number of gas units in our network to 400 objects. Today their number is about 240. We see that gas is one of the products, which has been growing in Ukraine for three years,” he said.

According to Korytsky, WOG plans in 2017 to purchase the first mobile laboratory for autogas quality control. According to the CEO, WOG plans this year to increase the fuel filling station network from 550 to 600 units. “In 2017 it is planned to open about ten new complexes of new formats – a large complex with an expanded menu WOG Cafe and WOG Market,” he said.

As reported, WOG intends in 2017 to expand the network of chargers for electric vehicles at its fuel stations to 300. ■

COMPANIES FROM NORWAY, POLAND, FRANCE READY TO FIGHT FOR CONCESSION OF KYIV'S HEAT PIPELINES



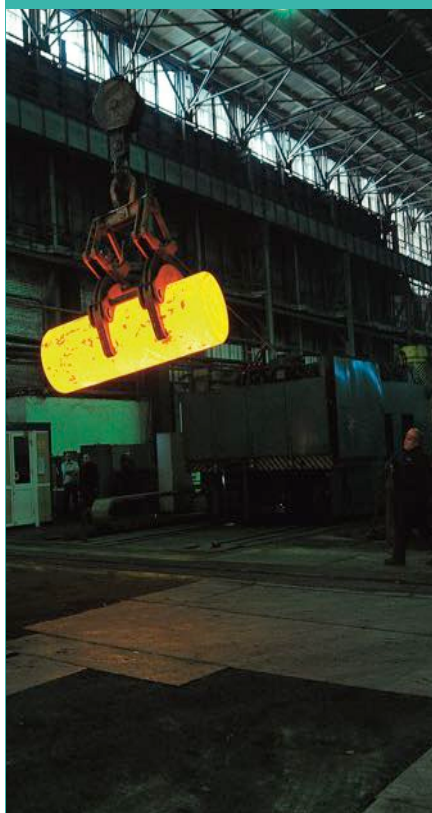
The largest recipient of VAT refunds in 2016 was ArcelorMittal Kryvyi Rih, which received UAH 8.03 billion, the State Treasury Service has said.

According to its data, it is followed by the exporters of oil and other agricultural products Kernel-Trade with UAH 6.8 billion and JSC Cargill with UAH 3.69 billion, as well as two steel plants from Metinvest Group of Rinat Akhmetov: Mariupol-based Illich steel mill with UAH 3.77 billion and Azovstal with UAH 3.46 billion.

The second five largest recipients of VAT refunds for last year includes three other representatives of the mining and metallurgical complex: Poltava GOK with UAH 2.77 billion, Dniprovsky steel combine from ISD Corporation with UAH 2.74 billion and Zaporizhstal integrated into Metinvest with UAH 2.31 billion.

The top ten recipients of VAT refunds in 2016 also includes two agricultural exporters: Suntrade with UAH 2.19 billion and Nibulon with UAH 2.11 billion. ■

ENERGOMASH-SPETSSTAL TO SUPPLY LARGE INGOT BATCH TO SPAIN'S EUSKAL FORGING BY MAY 2017



Public joint-stock company Energomashspetsstal (Kramatorsk, Donetsk region), belonged to Russia's Atomenergomash, will supply a large batch of ingots for Spain's Euskal Forging, according to a posting on the company's website. The cost of the contract is not disclosed. The company will produce 36 ingots with a total weight of 1,039.6 tonnes.

Ingots will be used to produce products for various industrial sectors.

The products will be shipped in parts. The last batch of ingots is to be shipped in April 2017.

Energomashspetsstal is the largest Ukrainian producer of special cast and forged products for individual and small-scale production for metallurgy, shipbuilding, energy (wind, steam, hydro, nuclear) and general engineering. It has been part of the mechanical engineering division of Rosatom since 2010. ■

OKKO INCREASES NUMBER OF GAS SKIDS AT FILLING STATIONS BY ALMOST ONE THIRD IN 2016



The OKKO filling station chain increased the number of gas skids at its operating or new filling stations by almost one third (50 units), to 210 units. The chain's press service reported that in December 11 new gas skids were launched. Last year three autonomous gas filling stations started operating last year. OKKO invested over UAH 100 million in expansion of its gas skid chain in 2016.

"In volumes of gas consumption by vehicles Ukraine is one of the leaders in Ukraine. This gas market continues quickly growing and requires new infrastructure and new outlets. Judging by demand of clients our chain creates as best opportunities for drivers as possible to allow each driver to get gas quickly, safely and on the convenient route," Head of OKKO chain development department Nazar Turkhan said. Galnaftogaz Concern manages a large filling station in Ukraine. It consists of around 400 filling stations under the OKKO brand. ■

SWEDISH THREE-STAR HOTEL JOINS REIKARTZ HOTEL CHAIN



Reikartz Hotel Management LLC (Kyiv), the managing company of the Reikartz Hotel Group, has signed a contract to manage the second hotel in Sweden – three-star Tidbloms Hotel in Goteborg – expanding its chain outside Ukraine to five hotels. The company's press service reported on Monday that the Tidbloms Hotel is located 2 km far from the central part of Goteborg. It has 42 rooms of various categories. The hotel has a gastropub, a bar, a conference hall with 50 seats, an English-style library and a parking area.

"According to the global tendencies hotel business is moving towards network management. 2016 has become a jumping-off point for Reikartz in the world of international hotel business... Contracting new partners and enlargement of Reikartz geography is our priority goal for 2017," CEO Reikartz Hotel Group Sebastian Kremer said.

The company said that the first hotel under Reikartz management was Roslagen situated in the city of Norrtälje. Today Reikartz hotel chain unites more than 30 hotels in Ukraine and five hotels in Moldova, Kazakhstan and Sweden. ■

CHORNOBYL ZONE AGENCY RECEIVES 39 APPLICATIONS TO BUILD SOLAR POWER PLANTS BY JAN 1



Ukraine's State Agency for Managing Chernobyl Exclusion Zone had received 39 applications for the allocation of land parcels to build solar power plants in the Chernobyl zone as of January 1, 2017, Ecology and Natural Resources Minister of Ukraine Ostep Semerak has said.

"On January 1, 2017, the first stage of collecting applications for the implementation of the projects finished. We received 39 applications from companies asking to localize the projects," he wrote on his Facebook page. As reported, the State Agency for Managing Chernobyl Exclusion Zone extended a deadline of submitting bids for the allocation of land parcels to build solar power plants in the Chernobyl zone until March 1, 2017.

The total area earmarked for construction of solar power plants is 1,172 ha. Around 2 ha are required to build a solar power plant with the projected capacity of 1 MW. ■

EBRD READY TO HELP KYIV TO BUILD BIG ORBITAL ROAD



The European Bank for Reconstruction and Development (EBRD) is ready to help Kyiv City to implement the bid orbital road construction project, Kyiv City Mayor Vitali Klitschko has told reporters, commenting on the results of his meetings at the World Economic Forum in Davos.

“One of the key tasks we see for ourselves is building the orbital road that could lift the environment situation and unload transport infrastructure. Today Kyiv is suffocating over transport. We have understanding with the EBRD in the issue. They are ready [to help],” he said on the sidelines of “the Ukrainian Breakfast” organized by the Victor Pinchuk Foundation in Davos. Klitschko said that the second round of talks with the EBRD on the project would be held soon in Kyiv.

He said that it is early to speak about concrete details of the future big orbital road, in particular, it will pass across the Dnipro River or a tunnel. “We are looking for options to solve it,” he said.

He also recalled that earlier he made arrangements with German investors regarding the completion of the Podilsko-Voskresensky Bridge. He said that the essential task is to launch the bridge in 2020.

Klitschko said that he will meet President of Azerbaijan’s Socar, a large player on the Kyiv market. He said that if meetings in Davos in the previous years were mainly of the political character, now two thirds of them are devoted to projects to be realized. The mayor believes that criticizing him that he went to Davos is unfair. He recalled that two years ago he met the SAP managing director here and in four months Kyiv joined the SmartCity international system.

“Each trip should have a concrete result. I have something to say what I have done. I do not want to run ahead, but this year it will be the same,” he said. He said the fact that the city managed to halve its foreign debt in two years when up to UAH 2 million every day was sent to service is a positive factor in negotiations. ■

UKRAINE TO LAUNCH SOME MORE TRAINS TO EUROPE IN 2017

Ukraine plans in 2017 to launch several new trains to European cities, Infrastructure Minister of Ukraine Volodymyr Omelyan has told to the Espresso TV Channel.

“Now we are considering a new direction to Poland. In addition, we want to launch a Mukacheve-Budapest train this year. It is also potentially a very interesting destination. We are considering the direction of Slovakia. During several last years it turned out that “train number one” was that to Moscow, but there should be one to Europe. And we are striving for this,” the minister said.

As reported, Ukrzaliznytsia launched new high-speed Intercity+ train No. 705/706 Kyiv-Lviv-Przemysl from December 23, 2016.

“The fare in the train from Kyiv to Przemysl in first class carriages is estimated at UAH 574, second class cars UAH 406, from Lviv to Przemysl in first class cars UAH 235, second class cars UAH 172,” a statement reads. ■

EBRD SUPPORTS EXPANSION OF FOOD RETAIL CHAIN RUKAVYCHKA WITH UAH 135 MLN LOAN

The European Bank for Reconstruction and Development (EBRD) is extending a hryvnia denominated loan of UAH 135 million (equivalent of \$5 million) to Rukavychka group, a major food retailer operating 110 convenience stores in western Ukraine for the expansion of the company’s operations.

“A six-year loan by the EBRD will support Rukavychka’s investment program, which envisages the opening of 42 new stores across western Ukraine by the end of 2018, modernization and energy efficiency improvements in the existing stores and the development of a logistics centre,” the bank said.

The project will also benefit from an incentive grant of almost \$200,000 extended under the EBRD Finance and Technology Transfer Centre for Climate Change (FINTECC) program designed to transfer technology in the area of climate change mitigation and adaptation, launched in Ukraine in February 2016.

The bank said that the EU4Business Initiative groups together all the EU support for small and medium-sized enterprises in the region of the Eastern Partnership which brings together the EU, its member states and six partner countries: Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine. As of January 20, 2017 the chain had 110 supermarkets in Lviv, Ternopil, Ivano-Frankivsk, Khmelnytsky and Rivne regions. ■

UKRAINE'S GRAIN HARVEST OF 66 MLN TONNES IN 2016 BREAKS RECORD



Grain harvest in Ukraine 2016 has broken a record being 66 million tonnes (in standard weight) and it was 5.9 million tonnes more than in 2015. Ukraine's Agricultural Policy and Food Ministry reported that in 2016 grain yield records were hit: wheat – 42.1 centners per ha, rye – 27.3 centners per ha, corn – 66 centners per ha and peas – 31.3 centners per ha.

In general last year Ukraine threshed 26 million tonnes of wheat, around 28 million tonnes of corn, 9.4 million tonnes of barley, 391,500 tonnes of rye, 499,000 tonnes of oats, 176,400 tonnes of buckwheat, 745,600 tonnes of peas and 64,800 tonnes of rice. Average yield of grain crops was 46.1 centners per ha.

The country also harvested 13.9 million tonnes of sugar beets (the yield is 482.4 centners per ha), 13.6 million tonnes of sunflower seeds (22.4 centners per ha), 4.3 million tonnes of soybeans (23.1 centners per ha), 20.9 million tonnes of potatoes (160.7 centners per ha), 9 million tonnes of vegetables (208.2 centners per ha) and 400,000 tonnes of grapes (95.7 centners per ha). ■

LOZOVA MACHINERY POSTS 80% RISE IN SALES IN 2016



Lozova Machinery (the brand of tillage machines made by UPEC Group's enterprises, Kharkiv region) posted an 80% rise in sales in 2016, to over UAH 250 million, the press conference of UPEC has reported. "Sales grew thanks to expansion of the range of products, active participation in exhibitions and events and improvement of warranty servicing. The number of servicing employees, the number of teams and servicing vehicles was increased," the press service said, citing Sales Director of UPEC's agricultural division Oleksandr Tytov.

Marketing Director of the agricultural division Olha Babkova said that products of Lozova Machinery were actively promoted outside Ukraine.

"The brand is being sold in two strategic directions: CIS and Eastern Europe markets. Thanks to participation in exhibitions and holding demonstration tours we have managed to boost sales and expand the dealer chain in these regions," Babkova said. ■

AMC ALLOWS BUSINESSMAN VEREVSKY'S COMPANY TO BUY OIL EXTRACTION PLANT'S EQUIPMENT



The Antimonopoly Committee of Ukraine (AMC) has allowed Prydniprovsky oil extraction plant (Kropyvnytsky) to gain control over the oil extraction plant by purchasing production equipment from PJSC Zinkiv-Agrotrans (Poltava region).

According to the unified state register of legal entities and individuals, the owner of Prydniprovsky oil extraction plant is Andriy Verevsky, the founder and co-owner of Kernel, one of the largest Ukrainian agricultural groups. The owner of PJSC Zinkiv-Agrotrans is the State Property Fund.

According to data from the information disclosure system of the National Commission on Securities and the Stock Market, the value of Zinkiv-Agrotrans' fixed assets as of the end of 2015 was UAH 600,000, the net loss in 2015 increased by 2.3 times, to UAH 450,000, net sales income decreased by four times, to UAH 320,000. ■

UKRAINE INCREASES PROCESSING OF GRAPES BY 31% IN 2016



Ukraine in 2016 processed 253,860 tonnes of grapes for wine materials (excluding the temporarily occupied territory of the Autonomous Republic of Crimea and Sevastopol), which is 30.8% more than in 2015.

According to the State Statistics Service of Ukraine, companies of Mykolaiv region boosted grapes processing by 2.3 times, to 101,770 tonnes, Odesa region – by 6.4%, to 121,450 tonnes, and cut it in Kherson region by 10.6%, to 25,720 tonnes and Zakarpattia region – by 25.7%, to 4,920 tonnes. Companies in 2016 increased production of wine materials by 18%, to 16.64 million decaliters (dal).

Production of wine materials in Mykolaiv region soared by 2.23 times, to 7,140 dal, while in Odesa region it fell by 13.2%, to 7,400 dal, Kherson region by 11%, to 1,760 dal and Zakarpattia region by 14.8%, to 340 dal. Some 15.4% more wine materials for sparkling wine was made in 2016, 73% more for wine aging and production of table wine, and 0.7% less other types of wine materials. Wine material for production of cognac fell by 35.1%, for fortified wine – by 45.4%, and 128,500 dal of spirit was used to fortify them (19.8% less than in 2015). ■

UKRAINE IN 2016 FULLY USES EU TARIFF QUOTAS ON 11 GOODS ITEMS

Ukraine has fully used EU tariff quotas on the deliveries to the European Union of corn, wheat, barley, sugar, poultry, honey, oats, grape and apple juice, malt and wheat gluten, processed tomatoes, barley groats and flour.

“In 2016 Ukraine fully used quotas on 11 groups of products. In 2015 it fully used quotas on eight groups of commodities (sugar by 99%), in 2014 six,” the Ukrainian Agribusiness Club (UAC) association said.

The main drivers of accelerating the closure of quotas were such groups: glucose and glucose syrup (from 6.1% of the used quota in 2015 to 58.7% in 2016), barley (from 77.7% in 2015 to 99.8% in 2016), malt and wheat gluten (from 72.9% in 2015 to 100% in 2016), poultry (an additional quota, from 22.5% in 2015 to 43% in 2016), bran (from 22.7% to 42.8%), starch (from 9.6% to 18.8%).

In 2016 Ukraine started using quotas for duty-free exports of processed dairy goods (24.4% of the quota used), processed cereals (2.7% of the quota) and mushrooms (0.1%). In particular, Ukraine started exporting milk powder (30%) and butter (46%). ■

The Ukrainian League of Industrialists and Entrepreneurs (ULIE) is the largest union of business associations and individual enterprises in Ukraine with its members ranging from vertically integrated corporations to small and medium enterprises (SMEs). For already more than 20 years the League's key mission is to promote and protect interests of the Ukrainian business within Ukraine and beyond. With its central offices in Kyiv, ULIE manages 28 regional subsidiaries, 73 branches, 22 representative offices and 34 commissions on key sectors of the economy.

The League is also a signatory to 155 international agreements on cooperation and has representative offices in 21 countries, including Representative Office in the EU in Brussels.

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