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KYIV, BERLIN AGREE TO ESTABLISH UKRAINIAN-GERMAN CHAMBER OF COMMERCE

Ukraine and Germany have signed an agreement on the establishment of the Ukrainian-German Chamber of Commerce, President of the Berlin Chamber of Commerce Eric Schweitzer said at the opening of the Ukrainian-German business forum in Berlin on Friday. “Today, we celebrate the establishment of the Ukrainian-German Chamber of Commerce,” he said. According to Schweitzer, this move will strengthen cooperation between Ukrainian and German businesses. The Ukrainian-German Forum in Berlin is being held on Friday and Saturday. The Ukrainian delegation is led by Ukrainian Prime Minister Arseniy Yatseniuk. It also includes Deputy Prime Minister Hennadiy Zubko, Deputy Head of Presidential Administration Dmitry Shymkiv, Board Chairman of Naftogaz Ukrainy Andriy Kobolev and Head of State Fiscal Service Roman Nasirov, as well as four other ministers. The forum’s program includes several panels: on the ongoing situation in Ukraine, the reforms in the country, industry and energy, transport and logistics, the agrarian sector and processing, and the hi-tech and IT-sector. ■





CHINA READY TO INVEST IN KYIV TRANSPORT, INFRASTRUCTURE

K yiv Mayor Vitali Klitschko and Ambassador of the People's Republic of China to Ukraine Zhang Xiyun have discussed the prospects of Chinese investment in Kyiv's transport and infrastructure facilities, the press service of Kyiv City State Administration has reported.

Xiyun assured Klitschko that Chinese investors and businessmen are interested in the capital's investment projects.

The ambassador said that Beijing is ready to consider projects in Kyiv and to make investments, in particular in the development of the metro, roads, and social infrastructure facilities.

For his part, Klitschko said that he would instruct the Kyiv Investment Agency to draw up investment projects which would be interesting for China.

"Beijing's experience in city development might be an example for Kyiv, also in social infrastructure development.

Such experience gives an opportunity not just to see how a multi-million Chinese metropolitan city functions, but also will help to escape the mistakes in the Kyiv transport infrastructure development," Klitschko said. ■

IMF COULD REVISE LENDING-INTO-ARREARS POLICY WOULD ALLOW THE FUND TO LEND TO UKRAINE – IMF REPRESENTATIVE



T he International Monetary Fund (IMF) could revise its Lending into-Arrears Policy that today does not allow the fund to lend to a fund member-country that has a debt to the official creditor, IMF Director of the Communications Department Gerry Rice has said.

"This has been part of a much broader program of work related to the reform of our lending framework governing sovereign debt restructurings and that program of work has been phased over the last several years and different elements which again we've discussed here some of those elements and it includes discussion of reforms that would allow the fund to lend in the presence of arrears to official bilateral creditors in carefully circumscribed circumstances. Again if this is part of an ongoing program of work this element was - in fact has been referenced in the program of work. I would refer you for example to the 2013 board paper which recommended that - let me just quote from it, because I think it helps the context... 'consideration could be given to extend the lending into an arrears policy official bilateral arrears and in that context clarify the modality through which assurances of debt relief are provided by official lenders'," he said at a press briefing in Washington.

As reported, the definition of the status of Ukraine's debt to Russia being \$3 billion by the IMF – commercial or official – could influence the future payments under the Extended Fund Facility (EFF) Arrangement for Ukraine. The current IMF policy does not allow lending to fund member-country that has a debt to the official creditor. Thus, if 'Russian' eurobonds are set as official debt, and Ukraine would have arrears on it, the fund would not be able to continue lending to Ukraine under the EFF.

The IFM has not yet defined the status of this loan using their methods, while Ukraine considers it as any other debt on eurobonds. ■

LITHUAINIANS WILL HELP UKRAINIAN BUSINESS SUCCESSFULLY ENTER EUROPEAN MARKETS



The business communities of Ukraine and Lithuania will deepen their cooperation with the launch of a free trade area between Ukraine and the EU. Lithuanian political and business circles seek to actively cooperate with Ukraine to contribute to its further integration into the EU and share their experience on the benefits and risks along this way.

These issues were on the agenda of a workshop entitled "Opportunities and Prospects of Business Relations between Ukraine and Europe," which was organized by experts from the Lithuanian Confederation of Industrialists in the Ukrainian capital of Kyiv.

The event was the first to be held under an Eastern Partnership educational project, which was organized by the Ministry of Foreign Affairs of Lithuania for NGOs of industrialists and entrepreneurs of Ukraine. The project is being implemented thanks to cooperation between the Ukrainian League of Industrialists and Entrepreneurs and the Lithuanian Confederation of Industrialists, and bilateral business councils.

The Lithuanians informed the participants in the workshop who represent the local business community about the economic importance of the free trade zone, its benefits for both parties, as well as about certain risks and the tools to avoid them. Thus, according to various forecasts, the Ukrainian exporters will be able to save up to EUR 500 million per year due to the cancellation of customs tariffs. These incentives concern 97% of all planned exports from Ukraine to the EU.

Deputy Director-General of the Lithuanian Confederation of Industrialists Gintaras Morkis forecasts that Ukraine's GDP may grow by 6.2% in the long-term outlook due to the free trade zone with the EU.

The Ukrainian side noted that the country is currently facing a very important task of adapting national products to technical regulations, as well as safety and quality standards adopted by the EU. Another task is the diversification of exports.

Ukrainian industrialists and entrepreneurs continue to build up their contacts with European partners. Thus, on December 8, a Memorandum of Cooperation between the Ukrainian League of Industrialists and Entrepreneurs and BUSINESSSEUROPE, the most powerful structure to support and protect the interests of businesses in the EU, is to be signed in Brussels. What is more, the Belgian capital will host a large-scale conference entitled "The European Parliament is the Civil Society of Ukraine. The educational workshop, organized by the Lithuanian side, will continue as Ukrainian industrialists and entrepreneurs have been invited to Vilnius late this year. There will be an event as part of the First Lithuanian-Ukrainian economic forum, which will be attended by the presidents of both countries and representatives of EU institutions.

The Lithuanian Confederation of Industrialists is an independent organization that represents the interests of transparent business in that country. It unites 44 industrial and 9 regional associations of enterprises of different area of expertise – industrial structures, research and development institutions, educational establishments, and others. It is represented at the European Economic and Social Committee and is a BUSINESSSEUROPE member. ■

EBRD TO ISSUE EUR100 MLN TO CITIES TO UPGRADE TRANSPORT, ODESA TO GET EUR8 MLN FOR TROLLEYBUSES



The European Bank for Reconstruction and Development (EBRD) has approved the issue of EUR100 million to several Ukrainian cities to improve public transportation, focusing on renovating and improving transport efficiency including EUR8 million to municipal enterprise Odesamiskelektrotrans for the purchase of 45 new trolleybuses. According to the project, credit funds will be given to public transport enterprises in Odesa, Chernihiv, Chernivtsi and a number of other cities in the country under municipal guarantees.

At the same time, prior to the signing of relevant agreements the EBRD intends to issue EUR2.5 million within technical cooperation, after signing another EUR5.5 million.

As part of consultation and technical cooperation in the subproject in Odesa it is planned to grant EUR50,000 before signing the contract, EUR350,000 – after its signing. ■

UKRAINE, ITALY SIGN DOCUMENTS ON COOPERATION OVER SMALL, MEDIUM BUSINESSES, AGRICULTURE



The foreign ministries of Ukraine and Italy have agreed to cooperate on assisting small and medium businesses and agriculture. According to an Interfax-Ukraine correspondent, three relevant documents were signed by Ukrainian Foreign Minister Pavlo Klimkin and Italian Foreign Minister Paolo Gentiloni. The foreign ministers of the two countries signed the road map of cooperation between Ukraine and Italy for 2016-2017, the memorandum of understanding between the Ministry of Economic Development and Trade of Ukraine and the Ministry of Economic Development of Italy with respect to cooperation in the sphere of small and medium business sector, and a memorandum on cooperation in agriculture between the Ukrainian Ministry of Agricultural Policy and Food and the Italian Ministry of Agricultural, Food and Forestry Policies (the third document from the Ukrainian side was signed by Agriculture Minister Oleksiy Pavlenko). ■

UKRAINIAN BUSINESS DEMANDS IMMEDIATE DECISION ON TAX SYSTEM CHANGES



Businesspeople have called on the Ukrainian authorities to introduce tax reform as quickly as possible and support a number of the provisions put forth by the parliamentary committee for tax and customs policy. At the same time, entrepreneurs are concerned that there is no consensus on fundamental changes to the simplified taxation system. Representatives of the business community do not support the preservation of VAT accounts and the deposit system they use, when assets are simply "frozen" and do not work for the real economy. They insist on reducing the burden on the payroll fund, and also raised other issues. These were the subjects discussed at a round table meeting entitled "Prospects for the Development of Small Businesses in the Context of Tax Reform."

"Dragging out the modernization of taxation causes uncertainty in the formation of a budget, as it has been declared that the state budget for 2016 must be formed on a new tax base. This destroys the remaining investment climate in Ukraine, and businesses are unable to give their economic outlook for 2016, and draw up a high-quality financial plan, develop tactics and strategy on the domestic and foreign markets," the participants of the round table meeting said in a joint statement.

It was said that the problems of the Ukrainian economy should be solved by improving the business climate rather than by increasing fiscal pressure. And this is the way for searching compensators for budget revenues. Administrative, fiscal methods will have a negative, reverse effect in the sectors where households' solvency is too low and businesses operate in adverse conditions. Every effort should be made to keep the simplified taxation system, as it is the main incentive for private entrepreneurs to do own business. Small- and medium-sized businesses as well as self-employment is now a lifeline for people, as Ukraine's backbone industry is in a plight, which, along with necessary processes of economic modernization and diversification of markets, becomes a cause behind layoffs. It is a small-size business that is able to prop up economic activity, solve the problem of unemployment and supply goods and services on markets. Resisting this at the state level is equal to suicide.

Experts and entrepreneurs stressed the need for a real reduction in taxes and fees, simplification of administration and the introduction of personal responsibility of fiscal officials for inappropriate actions against entrepreneurs. ■

SIEMENS INTERESTED IN ENTERING UKRAINIAN LOCOMOTIVE, TRAM PRODUCTION MARKET – UKRAINIAN MINISTER



Siemens is interested in entering the Ukrainian locomotive and tram production market, Ukrainian Infrastructure Minister Andriy Pyvovarsky said after the Ukrainian-German business forum in Berlin. “We will continue talks on the format of this cooperation at the level of top managers and experts,” he wrote on his Facebook page.

The minister also said that at a meeting in the Transport Ministry of Germany an agreement on joint operations in the railway and road construction sectors, coordination of efforts on the Silk Road initiative, and the further exchange of experience had been reached.

“State Secretary at the Federal Ministry of Transport, Building and Urban Development Rainer Bomba will again come to Ukraine in December. We will exchange with experts again: our [experts] will go to them and German [experts] – to us. We’re working on the joint action plan and clear KPIs from this cooperation,” he wrote. The minister also held a meeting in the Federal Ministry of Economic Affairs and Energy of Germany.

“We discussed the credit from KfW to restore Donbas’ infrastructure. Germany is ready to consider the possibility of increasing its aid to Ukraine,” he said. Earlier, Director of the Integrated Transport System Department at Siemens Ukraine Dmytro Chernenky said that Siemens is not currently interested in creating a joint venture (JV) to manufacture locomotives in Ukraine as the company is only interested in spare parts supplies. ■

ARCELORMITTAL KRYVYI RIH CONFIRMS INTEREST IN PURCHASE OR RENT OF OKTIABRSK PORT BERTHS

ArcelorMittal Kryvyi Rih (Dnipropetrovsk region) has confirmed that it is interested in using berths at Oktiabrsk specialized seaport (Mykolaiv).

The company cannot ship the entire volume of its steel products through its existing berths in Mykolaiv, CEO of PJSC ArcelorMittal Kryvyi Rih Paramjit Kahlon said at the press conference "ArcelorMittal: ten years of sustainable development in Ukraine" at Interfax-Ukraine in Kyiv.

"Now we export 2 million tonnes of steel products through Mykolaiv port. We still need to ship another 2.5-2.8 million tonnes. Therefore we have serious plans as for Oktiabrsk port," he said.

He added that the company is also ready to rent the berths and purchase them through privatization.

"It depends on the decision of the state," the CEO said.

As reported, ArcelorMittal Kryvyi Rih plans to rent two or three berths at Oktiabrsk port. This was announced in August this year during the signing of a memorandum of understanding between the port and the steel mill. Investment will be determined after a feasibility is developed. ■

EBRD COULD PROVIDE \$37 MLN LOAN TO MV CARGO TO BUILD GRAIN TERMINAL AT YUZHNY PORT



The European Bank for Reconstruction and Development (EBRD) is mulling the provision of a \$37 million loan to MV Cargo LLC to finance the construction of a grain terminal at Yuzhny port (Odesa region). The EBRD said on its website that the total project cost is \$130 million.

As reported, Cargill, the Ukrainian Sea Ports Authority and M.V. Cargo LLC have signed a tripartite memorandum of intent to realize an investment project at Yuzhny seaport.

The document confirms Cargill’s intention to acquire 51% in a transshipment terminal, which M.V. Cargo stevedoring company will build at Yuzhny seaport. Under the terms of the memorandum, before construction the Ukrainian Sea Ports Authority is to establish a water area on the approach to the terminal with an appropriate level of dredging.

The terminal will allow Cargill to handle grains, cereals and other goods. The capacity of the first phase of construction will amount to 5 million tonnes. The second phase would increase the capacity by another 2-4 million tonnes. It is planned to launch the terminal in 2017. ■

CANADA TO INVEST CAD30 MLN IN SMALL, MEDIUM BUSINESS PROJECTS IN UKRAINE



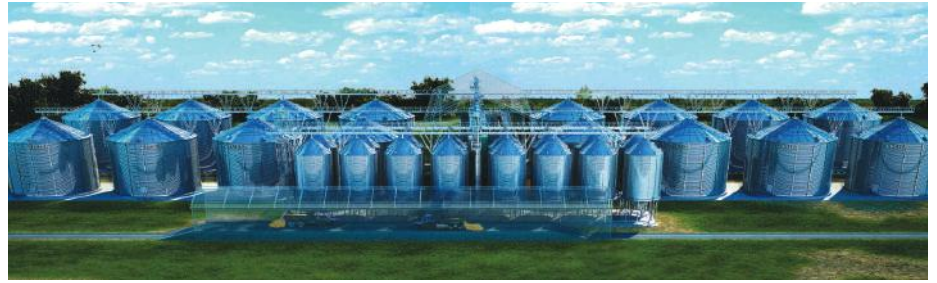
The Canadian government is ready to spend CAD 30 million on small and medium-sized businesses' projects in Ukraine. "We've allocated and will use CAD 30 million to support the projects of small and medium [sized] businesses in Ukraine," Ambassador of Canada to Ukraine Roman Vaschuk said at a press conference in Kyiv. According to him, over the past two years the Canadian government has provided Ukraine with CAD 700 million, of which CAD 400 million is a loan of 1.5% per annum, and CAD 300 million is support for investment in various projects, including for providing military aid and ammunition supplies to the Ukrainian military.

Vaschuk said that for the first eight months of this year Canada increased goods exports to Ukraine by 45.6%, to CAD 150 million compared to the same period last year.

As reported, in mid-July this year Ukraine and Canada completed negotiations on establishing a free trade area (FTA).

The provisions of the draft agreement on a free trade area between Ukraine and Canada provide for deepening trade and economic cooperation, including on trade in industrial and agricultural goods, intellectual property protection, and public procurement regulation. ■

NOVOTECH-TERMINAL TO BUILD ELEVATOR WITH GRAIN STORAGE CAPACITY OF 110,000 TONNES AT ODESA SEAPORT



Novotech-terminal LLC (Odesa) plans to start building an elevator with a grain storage capacity of 110,000 tonnes at Odesa maritime merchandise port.

"Near berth 25 an elevator with a storage capacity of around 110,000 tonnes will be built. As far as I know our partners have drawn up the blueprints which are being examined," Deputy Head of Administration of Odesa seaport Ruslan Sakhautdinov said at the investment forum "New projects of grain and oilseeds terminals in the ports of Ukraine" in Kyiv on Wednesday. He said that construction and assembly works will start soon and that the Novotech-terminal has shown good results in grain handling.

"The wagon turnover is 3.5 days compared to eight days at large elevators in Odesa region. This is a very good indicator," he said.

It is also planned to create a grain complex at berth 7, which is operated by Metals Ukraine.

"[The berth] requires reconstruction. We're at the stage of designing with the port's administration. The length of the berth is 350 meters. All the required permits have been received. Next year we're ready to start construction and assembly works and it could take around two years to finish them," he said. Sakhautdinov said that two stevedoring companies – Metals Ukraine and Olimpex Coupe International – are mulling the technology of uniting their elevators into a gallery and would create a "grain hub" on the territory of Odesa seaport. ■

CONSTRUCTION OF HIGH-QUALITY ROADS IN UKRAINE WITH INVOLVEMENT OF FOREIGN FUNDS ESSENTIAL FOR COUNTRY – POROSHENKO

Ukrainian President Petro Poroshenko has said that construction of new high-quality roads in Ukraine with the involvement of funds of foreign partners is essential for the country.

"We've forgotten how to build roads, asphalt plants stopped and do not operate, there is no asphalt, stones. They forgot how to hold tenders, as they worked only if it was possible to steal money. We should see new contractors who can show both good quality and terms and the competitive price," the president said during his visit of the section of the Mukacheve-Lviv (H-09) highway in Ivano-Frankivsk.

He said that Ivano-Frankivsk region should become the proving ground of how to build roads in Ukraine. "Later, you know that now roads are being built in Zakarpattia and in Lviv region, we would speak about Central Ukraine and we will restore infrastructure of Donbas and build roads there, including using the funds of foreign partners," the president said. ■

RAIFFEISEN BANK AVAL SEES 21% RISE IN NET INTEREST-BEARING INCOME IN JAN-SEPT



Net interest-bearing income of Raiffeisen Bank Aval (Kyiv) grew by 20.8% in January-September 2015 year-over-year, to UAH 4.271 billion. The bank said in a quarterly report that its loss totaled UAH 2.064 billion in January-September 2015, which is 50.8% up year-over-year (UAH 1.369 billion).

In Q3 2015, the loss amounted to UAH 71.376 million, which is 80.4% down year-over-year (UAH 365.908 million). Total assets grew by 12.8%, to UAH 52.639 billion. Reserves for overdue credits reached 85.9% of the total sum of credits and clients' debts as of early October, while as of early 2015 they were 46.7%.

The charter capital of the bank remained UAH 3.003 billion and net worth fell by 35.4%, to UAH 3.843 billion.

The bank said that the loss was seen due to hryvnia devaluation, the bank also formed additional reserves and revised the currency position. The bank saw loss also due to the stoppage of operation in the Anti-Terrorist Operation (ATO) zone and due to the worsening of the economic situation in Donbas. However, the operating profit was large.

"These improved results allowed the bank to see total operating profit of UAH 3.3 billion in Q3 2015, which is a clear evidence of the efficiency and proper development of the institution," the bank said in the report. Capital adequacy coefficient of the bank is 13.23% with the requirement of at least 10%.

Raiffeisen Bank Aval was founded in 1992. As of late September 2015, Raiffeisen Bank International held 96.5% of shares in the Ukrainian bank. RBA ranked sixth among 127 banks operating in the country on July 1, 2015 by total assets (UAH 52.414 billion), according to the National Bank of Ukraine. ■

POROSHENKO: TASK OF POWER AND BUSINESS IS TO RESTORE RIVER FLEET IN UKRAINE

President of Ukraine Petro Poroshenko during his working visit to Mykolaiv region has stated about the importance of river navigation restoration.

According to the presidential press service, he visited the Nibulon ship building and repair plant, where took part in activities for the revival of navigation on the Pivdenny Buh River.

"The launch of the first vessel and new cargo ships was carried out during a solemn ceremony," reads a posting on the presidential website. "Today I've set the task to restore the river fleet – the only way to ensure the growth of Ukraine's export potential and increase the competitiveness of Ukrainian products," Poroshenko stressed.

The president noted that the revival of Ukraine depends on the activities of such companies as Nibulon. "Such Ukrainians support the state. We restore the economy, production and industry. It's nice to be among you. This is another important victory, an important stage in the revival of Ukrainian shipbuilding," Poroshenko said. ■

MPS PROPOSE REDUCING VAT FROM 20% TO 15%, AUTOMATIC TAX REFUND WITHOUT RESTRICTIONS – DRAFT TAX REFORM

Members of the Verkhovna Rada have proposed the reduction of value added tax (VAT) from 20% to 15% and the introduction of the automatic tax refund for all amounts confirmed by the electronic VAT administration system. The provision is contained in the draft tax reform registered in the parliament by 114 deputies on October 26.

The bill provides for the abolition of restrictions on automatic VAT refunds, the introduction of public registration of applications for budgetary compensation, and the disclosure of information about the status of VAT refunds for certain taxpayers and the amount of VAT refunds they claimed. The MPs also proposed the introduction of compulsory VAT refunds according to the order of any given application.

The MPs also offered to solve the problem of the erosion of taxpayers' working capital due to the increase of the "overdraft" incurred by monthly tax liabilities payable to the average monthly accrued tax liabilities of the taxpayer, as well as to introduce the possibility of recording tax bills late without any replenishment of VAT accounts via the changing the parameters of the formula.

The draft document also states that supervisory authorities should be banned from canceling the amount of tax credit on formal specifics: tax credit can be canceled if an error affects the individual tax number of taxpayers or if it is formed by non-taxable transactions. ■

FIRST PRODUCTION LINE TO RECYCLE MERCURY-CONTAINING LIGHT BULBS IN UKRAINE LAUNCHED IN LVIV



A first production line to recycle mercury-containing light bulbs in Ukraine was launched in Lviv at the city's combined heat and power plant on October 20, 2015, the press service of Lviv City Council has reported.

According to the report, the launch of the production line is foreseen in the project on the creation of the municipal electric and electronic equipment waste disposal system in Lviv which is being realized with the financial support of the EU.

It is planned to provide EUR 1.3 million of financing for the project, and the mercury-containing light bulb recycling line cost EUR 700,000.

Sweden's MRT System International AB supplied the equipment for the production line.

"Only two persons will work at the line, as it is fully automated, and two persons have been already trained," Project Coordinator Oksana Viytk said. According to the report, the capacity of the production line is 500 tube mercury-containing light bulbs or 800 compact fluorescent light bulbs (CFLs) per hour, which would allow providing the services to the whole western Ukraine. Almost all elements received after bulb recycling can be used as recycled materials. ■

UKRAINE'S RETAL TO INVEST EUR50 MLN IN BUILDING PLANT MAKING RAW MATERIALS FOR PET PACKAGING IN LITHUANIA



Lithuanian company Neo Group, owned by Ukrainian group Retal Industries, plans to invest nearly EUR50 million in building a plant for to produce granulated polyethylene terephthalate (PET) in the Klaipeda Free Economic Zone, according to the Lithuanian business newspaper Verslo zinios.

The new plant, which will be located adjacent to the existing enterprise of Neo Group, will have a production line with an annual capacity of 160,000 tonnes of granulated PET.

The plant is to be commissioned in late 2017 or early 2018. Companies using granulated PET for the production of various types of packaging for consumer products work near the Neo Group plant in Klaipeda.

Retal Industries unites companies in Lithuania, the Czech Republic, Russia, France, Italy, Ukraine and several other countries. According to the Ukrainian state register of legal entities, the beneficiary of Retal Industries is businessman Anatoliy Martynov.

Retal Group is engaged in the production of PET performs, film, and LDPE caps. ■

UYATSENIUK ANNOUNCES FIVE PRIORITY AREAS OF COOPERATION WITH GERMANY

Ukrainian Prime Minister Arseniy Yatseniuk has announced five areas of cooperation with Germany, summing up the Ukrainian-German Economic Forum held in Berlin.

In the TV program "Ten minutes with the prime minister" Yatseniuk said that the key fields of investment in Ukraine for German businesses are transport infrastructure, agriculture, energy, and energy efficiency.

He noted that together with German Chancellor Angela Merkel on October 23 he opened the first powerful conference in the history between Ukrainian and German businesses.

"The German business over the past year and a half has not left Ukraine but, on the contrary, is willing to continue investment in the Ukrainian economy," Yatseniuk said.

According to him, German business representatives say that Ukraine "has done a lot but more should be done so that German investment come to Ukraine, create new enterprises, new jobs and bring new technologies here."

The key field of German investment in the Ukrainian economy, according to the premier, is primarily transport infrastructure. He said the government has started negotiations with Germany's Siemens to upgrade the rolling stock of Ukrainian railways and perform their modernization. ■

UKRAINE STEEL OUTPUT INCREASES BY 14.1% IN SEPT BUT LEAVES TOP TEN IN WORLDSTEEL RANKING, 10TH IN JAN-SEPT



Ukrainian metallurgical enterprises in September 2015 saw steel production rise by 14.1% compared with July 2014, to 2.061 million tonnes, however the country fell to 11th in the ranking of the 66 countries that are the world's major manufacturers of steel, compiled by the World Steel Association (Worldsteel).

Steel production in September fell in all of the top ten states.

The top ten steel producing countries in September were China (66.12 million tonnes, a fall of 3%), Japan (8.573 million tonnes, a drop of 7.3%), India (7.261 million tonnes, a decline of 1.4%), the United States (6.682 million tonnes, a drop of 8.5%), South Korea (5.615 million tonnes, a fall of 2.7%), Russia (5.528 million tonnes, a decline of 3.2%), Germany (3.379 million tonnes, a fall of 3.9%), Brazil (2.501 million tonnes, a fall of 13%), Turkey (2.489 million tonnes, a drop of 14.1%), and Italy (2.083 million tonnes, a fall of 3.9%).

Ukraine ranked 11th (2.061 million tonnes, a rise of 14.1%) and Taiwan was 12th (1.76 million tonnes, a decrease of 6%).

In September 2015, the 66 countries produced 130.938 million tonnes of steel, which is 3.7% less than in September 2014.

In January-September 2015, the top ten steel producing countries were China (608.94 million tonnes, a fall of 2.1%), Japan (78.81 million tonnes, a drop of 5.2%), India (67.575 million tonnes, growth of 3.1%), the United States (60.629 million tonnes, a drop of 8.6%), Russia (53.304 million tonnes, a decline of 0.5%), South Korea (51.868 million tonnes, a drop of 3.4%), Germany (32.572 million tonnes, a rise of 0.1%), Brazil (25.253 million tonnes, a decline of 1.2%), Turkey (23.78 million tonnes, a drop of 7.8%), and Ukraine (17.106 million tonnes, a drop of 20.5%).

During the first nine months of 2015, Taiwan ranked 11th (16.807 million tonnes, a drop of 0.6%) and Italy was 12th (16.728 million tonnes, a drop of 8.8%).

In general, for the nine months of 2015, the 66 countries manufactured 1.637 billion tonnes of steel, which is 1.1% more than in the same period in 2014. ■

GOVERNMENT APPROVES BILL TO STRENGTHEN RESPONSIBILITY FOR COPYRIGHT INFRINGEMENT ON INTERNET

The Cabinet of Ministers has approved the draft law on amendments to some legislative acts concerning copyright protection and related rights on the Internet, the Ministry of Economic Development and Trade has announced.

According to the report, the bill will be submitted to the Verkhovna Rada as soon as possible.

The document was previously posted on the ministry's website for public discussion.

The bill proposes the introduction of penalties in the amount of 500 to 1,000 non-taxable minimum incomes if a website owner's fails to fulfill the requirements for the removal or prevention of access to information in violation of copyright on the Internet. The same penalty is expected for the failure of the website owner or the hosting provider to give information that identifies the user who posted illegal information. Actions taken under this article are to be punished by a fine of 1,000 to 2,000 untaxed minimum incomes. ■



RENT RATES FOR WAREHOUSES IN KYIV REGION WOULD NOT CONSIDERABLY CHANGE BY LATE 2015, VACANCY COULD BE 10% – DTZ



Rent rates for high-quality warehouses and logistics premises in Kyiv and its suburbs would not considerably change by the end of the year, while primary vacancy rate in the segment would remain around 10% due to low developers' activity and small demand of leasers, according to the survey for Q3 2015 published by DTZ international consulting company in Ukraine.

DTZ said that as of late September 2015, the vacancy rate in the warehouse segment in Kyiv and its suburbs was 12%, which was 6 percentagepoints more year-over-year.

The company said that in January-September 2015, rent rates in the segment almost did not change, and were \$3-5 per square meter a month for class A premises and around \$2-3 per square meter a month for class B premises. As of late 2014, the smallest rent rates were \$7.5 per square meter a month.

"In January-September 2015, around 124,000 square meters of warehouses and logistics premises were leased in Kyiv and its suburbs. This is around 80% of the figure as of late Q3 2014 and 64% down on Q3 2013," reads the survey.

The company said that supply of modern warehouses in Kyiv and its suburbs totaled around 1.778 million square meters of gross lettable area (GLA) as of late September 2015, including 340,140 square meters of cold-storage warehouses, chemical and pharmaceutical warehouses.

DTZ said in Q4 2015, three warehouse complexes with a total GLA of 38,800 square meters would be commissioned in Kyiv's suburbs. ■

AUSTRIA'S ASTEBO COULD LAUNCH HEATING EQUIPMENT PRODUCTION IN LVIV REGION

Austria's ASTEBO, an industrial boiler manufacturer, is mulling the possibility of launching boiler production in Ukraine – at the Karpaty experimental mechanical plant in Lviv region.

According to a press release of the Chamber of Commerce and Industry of Ukraine, the project was discussed at the Ukrainian-Austrian business forum that took place last week in Vienna.

"Soon ASTEBO representatives with the help of the Chamber of Commerce and Industry would visit the Karpaty plant to study the technical conditions and prepare bids for a tender," reads the press release.

Karpaty experimental mechanical plant LLC produces chemical and mining equipment and spare parts to it, fuel storage and transportation reservoirs for filling stations and autohydraulic hoists. The plant also produces hopper cars and gondola cars.

According to the state register, 41.3% of the limited liability company belongs to Yevhen Pohrebniak, around 41% to Olegro Ltd. (Cyprus) and 17.7% to the company head Hryhoriy Bezv.

ASTEBO is a global leader in designing, manufacturing and installation of industrial boilers and steam and hot water systems. ■

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.

The Ukrainian League of Industrialists and Entrepreneurs
Representative Office in the EU:
168 Avenue de Cortenbergh, 3rd floor, B-1000 Brussels, Belgium
T/F: +32 (0) 2 736 72 13

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The Ukrainian League of Industrialists and Entrepreneurs

Head Office:

34 Khreshchtyk Street, Kyiv 01001, Ukraine

Tel: +380 (44) 278 30 69

Fax: +380 (44) 226 31 52

uspp.ua

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Maksim Urakin is a project director of the Biweekly news digest of the Ukrainian League of Industrialists and Entrepreneurs