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# UKRAINE

## OPEN FOR BUSINESS

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## UKRAINE, NETHERLANDS AGREE TO INTENSIFY COOPERATION IN INLAND WATERWAYS, INFRASTRUCTURE DEVELOPMENT

Ukraine and the Netherlands have agreed to enhance cooperation in the development of inland waterways and port infrastructure. Ukrainian Infrastructure Minister Volodymyr Omelyan announced this after a meeting with Dutch Ambassador to Ukraine Kees Klompenhouwer which took place in Kyiv, the press service of the Infrastructure Ministry of Ukraine reported.

Ukraine and the Netherlands have agreed to launch the Dnipro Development Initiative, which will involve cooperation in the development of inland waterways in Ukraine. They reached a preliminary agreement to organize the visit of representatives of Ukrainian government agencies in charge of water infrastructure management to the Netherlands to learn local experience in this area. The officials also discussed the issues of public-private partnerships in infrastructure. The Netherlands is ready to send experts on public-private partnership to work in the Public-Private Partnership Office under the Infrastructure Development Ministry.

Omelyan also invited Dutch companies to participate in development of infrastructure of Ukrainian ports.



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## FRENCH-UKRAINIAN INVESTMENT FORUM TO BE HELD IN PARIS IN LATE OCT – AYRAULT



**F**rench Foreign Minister Jean-Marc Ayrault has said that a joint investment forum with Ukraine will be held in Paris on October 28.

“An important investment forum between Ukraine and France is scheduled for October 28,” he said at a press conference in Kyiv on Wednesday.

The French foreign minister added that he welcomes Ukraine’s support by the IMF, which contributes to the implementation of reforms in the country. ■

## FINNISH BUSINESS GROUP IN UKRAINE READY TO PARTNER WITH UKRAINIAN COMPANIES

**R**epresentatives of the Finnish companies that work in Ukraine have expressed interest in expanding economic ties with Ukrainian companies. Talks held with the Ukrainian League of Industrialists and Entrepreneurs (ULIE) with the participation of the Ambassador of Finland to Ukraine Mr Juha Virtanen resulted in an agreement to arrange a business forum in Helsinki in the near future. With this aim in view, representatives of the Ukrainian League of Industrialists and Entrepreneurs submitted their proposals in September. These issues were on the agenda of a meeting between the ULIE, Finland's Embassy and businesses from both countries. The partners expressed hope that domestic companies working in the chemical sector, information technology, the processing industry are ready for the development of cooperation, as they in many ways complement each other.

At the same time, the Finnish side said it was concerned about the improper development of the business and investment climate in Ukraine, and the high level of corruption, administrative and other obstacles also cause concern.

Unofficial corrupt "taxes" significantly increase the cost of logistics and production, and, consequently, the price of the final product. All this certainly reduces its competitiveness. The fact that a businessman from Zaporizhia finds it more profitable to ship goods from the Lithuanian port of Klaipeda than from the Ukrainian port of Odesa was given as an example at the meeting.

"The business community of Ukraine is well aware of the risks our partners are facing. Therefore, it is actively cooperating with the authorities, urging them to address these issues as soon as possible. Among them are the removal of tax and customs barriers for producers, including importers of necessary equipment, as well as the introduction of personal responsibility of officials for bribes," ULIE President Anatoliy Kinakh said.

Prior to the meeting, a ULIE delegation visited Helsinki. In that city, the Ukrainian industrialists met with the heads of the Confederation of Finnish Industries, Timo Laukkanen and Petri Vuorio. It was concluded after the visit that shipments of wheat flour, vegetable oil, confectionery and bakery foods to Finland hold prospects.

According to ULIE Vice President, the head of the Center for Export Support Denis Krasnikov, the Finnish food market whose volume of imports is estimated at about EUR 4.3 billion, looks very promising for Ukrainian producers.

"I would like to commend the work of our Embassy in Finland, which cooperates closely with domestic manufacturers. Such work of the diplomatic service is very helpful in the promotion of Ukrainian companies' goods onto foreign markets," ULIE Vice President Denis Krasnikov said. "In addition, entrepreneurs expect that Ukrainian authorities will liberalize limitations on the forex market, which put our producers in a disadvantageous situation when entering other countries' markets."

The parties agreed to formulate specific proposals and present them at the business forum in Finland. Later, the proposals are expected to be introduced at the practical level, given that the Finnish business has long been working in Ukraine, having partnered with the ULIE, and is ready to cooperate.

The ULIE announced it would continue arranging meetings between Ukrainian producers and potential foreign partners. In particular, the ULIE says new meetings with representatives of the business circles of the United States, Canada, Mexico, Germany, Italy, Spain, the Netherlands, and Iceland are in the pipeline. ■

## K.FUND, BLACKBOX CAPITAL TO OPEN TECHNOLOGY COMPANIES' DEVELOPMENT CENTER IN KYIV



Vasyl Khmelnytsky's K.Fund and BlackBox Capital will set up a Technology Companies' Development Center (TCDC) in Kyiv, which will support small- and medium-sized hi-tech projects, K.Fund said in a Tuesday press release.

"The project aims to provide priority support to product developing hi-tech companies; investment is estimated at UAH 100 million," K.Fund said.

The TCDC will be located in a separate building with an area of about 3,500 square meters at 8 Simyi Khokhlovykh Street in Kyiv. Construction is under way at the site now, it is to be completed in December 2016.

"The TCDC will be operated by a managing company, an advisory board, the Juscutum law firm, inter-corporate IT university BIONIC University, two high-tech laboratories: VR Lab (Crytek) and Smart City lab," the press service said. Kyiv-Mohyla Business School (kmbs) will be the center's special educational partner, which has already developed a training program "Be Tech. Client Focus Strategy." To become a TCDC resident, please fill in a form and take kmbs' respective training course. K.Fund will refund 70% of the tuition fees.

K.Fund was founded by Ukrainian entrepreneur Vasyl Khmelnytsky in 2015 to support education and economics projects.

BlackBox Capital, founded by Yevhen Sarantsov, has been creating new business models in the segment of IT and digital commercial communications with Ukrainian companies since 2014. ■

## GERMANY INTERESTED IN UKRAINE'S CONTINUING STATUS AS GAS TRANSIT COUNTRY

Germany is interested in further use of the Ukrainian gas transportation system to meet the needs of Europe, German Ambassador to Ukraine Ernst Reichel told Interfax-Ukraine in an exclusive interview. "The German government is fully aware of Ukraine's concerns regarding the Nord Stream 2 project and the foreign policy context behind it. The government will continue to stand for using the Ukrainian gas transportation system to provide gas to the EU member countries, for example, the countries of South-Eastern Europe," he said.

He said that if the Nord Stream 2 project is implemented, it should fully comply with the demands of European legislation. "If the interested firms decide to implement it finally, Nord Stream 2 should comply with all legal acts on this case, which are applied in the EU to all projects of such nature," he said.

At that, the diplomat said that it is too early to raise the question of participation of German companies in the management of the Ukrainian gas transportation system. "I believe it is too early to raise the question. Naftogaz is still not disaggregated. The conditions under which the EU firms could participate in one of the separate successor companies of Ukrtransgaz are still unclear," he said.

"Regarding the overall economic and investment climate in Ukraine, there is still room for improvement, for instance, in the reforms of the activities of judicial bodies and the fight against corruption," he said. ■

## GOVERNMENT APPROVES STRATEGY OF PENSION FUND MODERNIZATION AND DEVELOPMENT UNTIL 2020



The Cabinet of Ministers has approved the strategy of modernization and development of the Pension Fund of Ukraine until 2020, which provides for the introduction by the end of 2016 of the possibility of servicing citizens in any office of the fund regardless of the place of residence.

"This strategic document foresees strategic directions in the development and modernization of the Pension Fund until 2020," First Deputy Minister of Social Policy Olha Kren-tovska said.

Pension Fund Head Oleksiy Zarudny noted the strategy foresees the introduction in 2016 of the possibility of servicing citizens in any office of the fund regardless of the place of residence, while providing services to citizens will be provided at the community level. It is planned to introduce electronic pension service and create a unified electronic database of pension cases. ■

## VIENNA TO HOST UKRAINIAN-AUSTRIAN BUSINESS FORUM



**GROYSMAN SAYS  
IMF TRANCHE IS  
GREEN LIGHT FOR  
INVESTING IN  
UKRAINIAN  
ECONOMY**

**A** Ukrainian-Austrian business forum will be held in Vienna in late October to deepen trade and economic relations between Ukraine and EU countries, including Austria, to encourage Ukrainian exports to the West, and to boost the process of attracting investment in our country. Representatives of the Ukrainian League of Industrialists and Entrepreneurs (ULIE), the Chamber of Commerce and Industry of Ukraine and the Austrian Federal Economic Chamber will take part in the event. ULIE President Anatoliy Kinakh and President of the Austrian Federal Economic Chamber Christoph Leitl reached such an agreement in Vienna.

"Hopefully, there will be specific arrangements for productive cooperation in the areas of common interest – the processing of agricultural products, where Austria has a very good tradition, as well as the use of new technologies in agriculture, industry, energy conservation and energy efficiency, renewable energy, joint ventures. The Ukrainian side, of course, is very interested in foreign investment, and Austrian businessmen, representatives of the banking sector are ready to think about it, having pledged the support of organizations of business cooperation in Ukraine," Anatoliy Kinakh said.

While meeting in Vienna, the parties stressed the need to strengthen cooperation between the two structures – the Ukrainian League of Industrialists and Entrepreneurs and the Austrian Federal Economic Chamber – by signing a corresponding agreement during the business forum. The first agreement between the two organizations was adopted ten years ago, when preparations for the Association Agreement between Ukraine and the European Union were under way and there was no free trade zone. New circumstances require new action plans, new quality of work, based on Ukraine's tasks to move more efficiently through integration into the European, global economy.

"Certainly, any deepening of contacts, providing them with practical content will facilitate the adaptation of the Ukrainian economy to the conditions of the EU, expanding its markets here, in Europe. From our side, interest in Ukraine's markets, investment opportunities, joint ventures remains very high, despite some risks. We are committed to work more actively," President of the Austrian Federal Economic Chamber Christoph Leitl said.

The parties agreed that the ULIE would take Austrian companies operating in the Ukrainian market under wing and, if necessary, will help them.

Deepening the interaction of Ukrainian industrialists and entrepreneurs with European companies, the search for new opportunities for cooperation amid oversaturation in the Western market and firmly established rules and regulations were also on the agenda of a conversation between the ULIE President and Ukraine's Ambassador to Austria Oleksandr Shcherba. ■



**P** rime Minister Volodymyr Groysman welcomes the decision of the International Monetary Fund to allocate the next tranche to Ukraine. "Fund's tranche is not just an aid, which is necessary for the economy, it is also a signal to foreign investors that one can and should invest into the economy of Ukraine. We will have workspaces together with the investment," Groysman wrote on his Facebook page. He also noted that the stabilization of the economic situation allows us to pose the question of raising social standards, "and we envisaged such decisions while forming the budget last week." ■

## SPF: 15 INVESTORS SHOW SERIOUS INTEREST IN PRIVATIZATION OF REGIONAL POWER SUPPLY COMPANIES



A total of 15 investors have signed confidentiality contracts with Ukraine's State Property Fund (SPF) to have the right to study regional electricity supply companies with the purpose of participation in their privatization, SPF Head Ihor Bilous has said. "There are around 15 investors, and 95% of them are foreigners. There are several Ukrainian companies. This will be international privatization," he said. Bilous said that this autumn it is planned to put six regional electricity supply companies and four combined heat and power plants up for sale. He said that there are no buyers for the combined heat and power plants.

He welcomed the adoption of the law on the regulator – National Commission for Energy, Housing and Utilities Services Regulation (NCER) – last week and expressed hope that the NCER would soon endorse RAB (Regulatory Asset Base) regulation.

He said that investors are to invest at least \$30 million in each of the six companies.

Commenting on Centrengo, Bilous said that active advertising of the company will start at the end of this year, and it is preliminarily planned to put it up for sale in Q2 2017. He said that thanks to donors a technical advisor has been hired – Deloitte. Bilous predicts that several times more funds will be spent to prepare Centrengo for the privatization compared to UAH 25 million allocated for Odesa Port-Side Plant.

Bilous also said that he hopes that Odesa Port-Side Plant will be sold this November. The approval of the starting price is left. He said that some clauses of the sale and purchase agreement would refer to English law foreseeing international arbitration. It is done to attract investors.

According to the privatization schedule approved on September 23, SPF seeks to announce tenders to sell 65.001% in Kharkivoblenergo, 70% in Mykolaivoblenergo, 50.999% in Ternopiloblenergo and 70.009% Khmelnytskoblenergo, and in November – 60.248% in Zaporizhiaoblenergo. ■

## KTD GROUP INTENDS TO OPEN REFRIGERATOR PLANT IN CHERKASY IN 2017

KTD Group importing and producing household appliances (Saturn, Kupava trademarks) seeks to open a new refrigerator plant in the first half of 2017 in Cherkasy, the press service of Cherkasy Regional Administration has reported.

KTD Group President Oleksandr Hromyko gave this information at the Cherkasy Investment Forum held last week.

"We do not see obstacles for business in Cherkasy region now. They really love investors and create hothouse conditions for them. When we decided to start a new investment project to produce refrigerators in Cherkasy, we simply wrote a letter to the Regional Administration and were surprised with the quick reaction," the press service said, citing Hromyko.

It is planned to create 500 new workplaces at the plant. According to the Business weekly, investment in the project will total \$25 million. The company said that it recently started the full reconstruction of a large plant in Cherkasy. KTD Group has been operating on the household appliances market for 19 years. ■

## VINNYTSIA LAUNCHES U-LEAD PROGRAM WITH EUROPE TO SUPPORT DECENTRALIZATION IN UKRAINE



Vinnytsia has officially launched the U-LEAD with Europe program to support decentralization in Ukraine. "The decentralization reform is crucial in order to re-establish and strengthen the link between the local communities and their representatives," European Commissioner for Neighbourhood Policy and Enlargement Negotiations Johannes Hahn said, when launching the program.

Hahn said the U-LEAD program would support Ukraine in establishing a more transparent multi-level governance system, which is accountable and responsive to the needs of all citizens of Ukraine.

The U-LEAD program provides for improvement of administrative services at the local level and strengthening the capacity of implementing the reform policy at the national, regional and local levels. At the local level it is planned to create and reconstruct up to 600 centers for providing administrative services, as well as conduct 1,800 trainings for their employees. The program budget is EUR 102 million. Its implementation is planned for the period from 2016 to 2020. ■

## UKRAINE SHOULD STUDY EXPORTS OF BLOOD PREPARATIONS TO INDIA



Ukraine should study the possibility of exporting blood preparations to India, Deputy Minister of Economic Development and Trade, Trade Representative of Ukraine Natalia Mykolska has said.

“When we speak about cooperation in the pharmaceutical sphere, we always speak about imports of drugs from India. However, look at blood preparations: India does not have them. This is a possibility of supplying preparations to India,” she said at the Ukraine-India roundtable in the Verkhovna Rada in Kyiv.

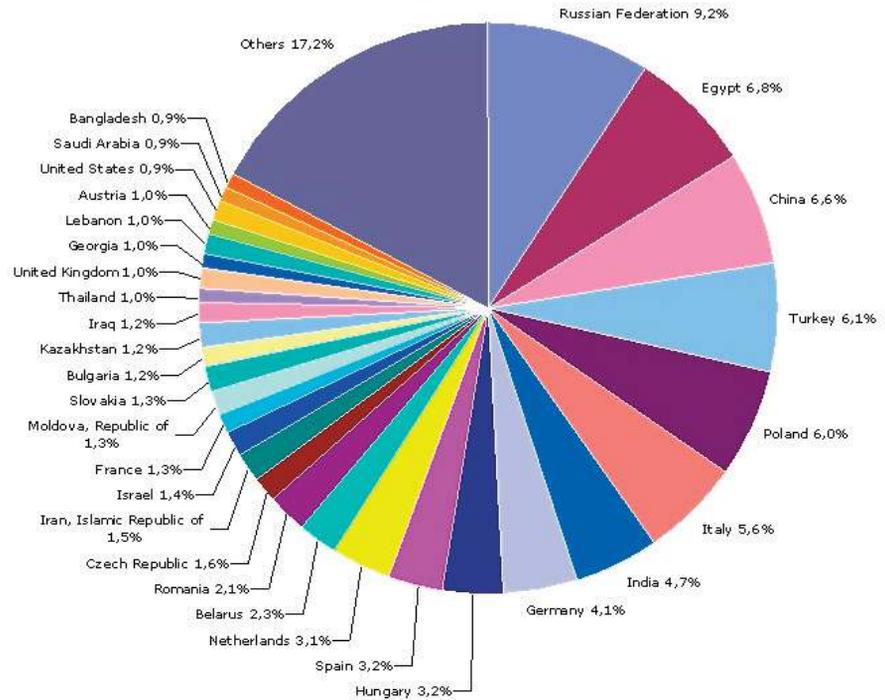
She also said that technologies could be also exported from Ukraine to India, in particular, IT products.

In turn, Deputy Agricultural Policy and Food Minister Olha Trofimtseva said that development of exports of from Ukraine to India leguminous crops would allow speaking not only about exports of raw materials, but also exports of finished products. ■

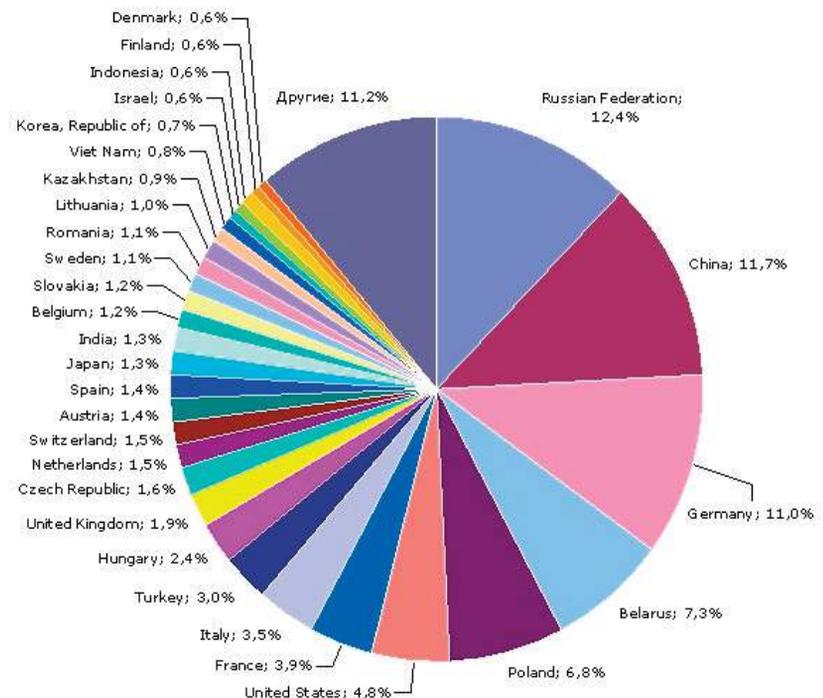
## UKRAINE`S FOREIGN TRADE IN GOODS



Ukraine's Foreign Trade in Goods, January-June 2016, Exports thsd.USD



Ukraine's Foreign Trade in Goods, January-June 2016, Imports thsd.USD



## KYIVSKY CARDBOARD MILL SEES ALMOST 14.4% RISE IN PRODUCTION IN JAN-AUG 2016



**K**yivsky cardboard paper mill (Obukhiv, Kyiv region), a leader in Ukraine's pulp and paper industry in terms of production and sales, produced goods worth UAH 2.751 billion in January through August 2016, which is 14.4% up year-over-year.

According to the UkrPapir association, the mill saw a rise in production of corrugated cardboard packaging and production of base paper in kind in the first eight months of 2016. Cardboard production decreased by 7.3%, to 125,800 tonnes.

Production of base paper (for sanitary products) rose by 7.1%, totaling 49,400 tonnes. Production of toilet paper, where the mill is a strong leader among other producers, grew by 12.4%, to 287.17 million rolls.

Cardboard packaging production in Ukraine grew by 7.5% in January through August 2016, to 520.58 million square meters, while paper and cardboard output almost did not change, being 529,750 tonnes.

Kyivsky cardboard paper mill is one of the largest cardboard and paper producers in Europe. It employs almost 2,200 people. It sells produce to almost 700 companies in Ukraine, some CIS member states and the rest of the world. It mainly produces goods from wastepaper. Its capacity for processing wastepaper exceeds 850 tonnes a day. In 2015, the mill saw a 54% rise in production from 2014, to UAH 3.857 billion. ■

## BORYSPIL AIRPORT SEEKING INVESTOR IN LOGISTICS CENTER



**B**oryspil International Airport (Kyiv) plans to attract a large operator to implement an investment project of a large logistics center. According to the press service of the airport, it is planned to allocate a significant territory in the second flight zone for building a center for processing aviation cargo.

“Creating a high-tech cargo hub of the European level is one of the tasks of the incumbent management of the state-owned enterprise,” the report says.

At present the volume of cargo handling at Boryspil is insignificant – about 80 tonnes per day. Part of profit from freight handling does not exceed 2% of income from other activities. One of the main factors affecting this trend is the low solvency of Ukraine's population.

One of the options as an investor is considered Airport Kyiv Cargo, which carries out freight transportation by road. ■

## ARTERIUM BUYS SLOVENIAN PHARMACY MARIFARM PRESUMABLY FOR EUR6.8 MLN



**A**rterium Corporation (Kyiv) has acquired Marifarm pharmaceutical company (Maribor, Slovenia) from Slovenian bank Nova KBM (NKBM), The Slovenia Times edition has reported.

The bank has not disclosed the amount of the transaction. According to unofficial information from Maribor's local edition Vecer, it is estimated at EUR6.8 million. Arterium and Marifarm intend to jointly explore new possibilities of development of pharmaceutical markets, exchange and apply experience and “know-how,” especially in the development and manufacture of pharmaceuticals.

Arterium Corporation was created in March 2005 on a parity basis by two pharmaceutical companies – Ukraine's largest manufacturer of antibiotics JSC Kyivmedpreparat and Galychpharm (Lviv), the leader in production of plant-based drugs. One of the key owners of the corporation is Finance and Credit Group (Kyiv) controlled by businessman Kostiantyn Zhevaho. ■

## CABINET DISTRIBUTES UAH 223.6 MLN FOR STATE SPACE PROGRAMS



The Cabinet of Ministers has distributed UAH 223.6 million for state targeted programs and state orders in the space sector. According to resolution No. 598 of September 8, the government approved the order of using funds in 2016 provided in the national budget for the implementation of the National Targeted Scientific and Technical Space Program of Ukraine for 2013-2017 and the distribution of state budget funds for state programs in the space field. In particular, the government allocated UAH 8.4 million for transfer of Earth observation space technologies into the real economy sector GEO-Ukraine, UAH 121.7 million for obtaining data from the space Earth observation system and the Sich geophysical monitoring, UAH 15.4 million for space activities in the interests of national security and defense (activities are carried out under the state defense order), UAH 32.25 million for studying Ionosat solar-terrestrial and seismic ionospheric ties, and UAH 17.34 million to ensure independent access to the space. ■

## USAID WILL ISSUE \$400,000 FOR KHARKIV SERVICES CENTER – OFFICIAL



The United States Agency for International Development (USAID) will provide assistance in setting up and organizing the work of the Kharkiv regional center of administrative services, Acting Head of Kharkiv Regional State Administration Yulia Svetlychna has said. "We expect organizational, consulting, methodological, as well as financial assistance for the organization of this process from our international partners. USAID has expressed the desire to help us with office equipment (computers and software). As for USAID assistance, we plan to raise about \$400,000 to organize this administrative center," she said at a press conference in Kharkiv. She clarified the project does not foresee money allocation from the regional budget. She said the center will provide about 400 administrative and social services. The center is to open in April 2017. ■

## U.S. GRANTS EXEMPTION FOR ANTONOV AIRLINES' CHARTER SERVICES

The U.S. Department of Transportation has granted Ukrainian operator Antonov Company (Antonov Airlines) broad air charter exemptions for flights to and from the US, according to Air Cargo Week. These exemptions follow the U.S.-Ukraine Open Skies agreement which was concluded by July 14, 2015, and became effective earlier this year. The U.S. DOT has also tentatively granted Antonov Company a foreign air carrier permit. The Antonov Company no longer needs obtain U.S. DOT statements of authorization, following non-objections from U.S. operators, but normal U.S. Customs notifications and approvals are required for flights. Commenting on the decision to Interfax-Ukraine, Antonov Airlines' management said that the U.S. sets quotas for foreign airlines on charter freight transportation to safeguard U.S. companies' commercial interests. "Antonov Airlines transports oversized and superheavy cargo, which cannot be handled by U.S. operators," the source said. Its fleet consists of seven An-124-100 Ruslan, one An-225 Mriya and one An-22 Antei aircraft. Since 2006, Antonov Airlines has been fulfilling a contract under NATO's Strategic Airlift Interim Solution program, servicing 18 NATO and EU member states. In December 2014, the contract was extended until the end of 2016. ■

## EBRD PROVIDING EUR 1.4 MLN LOAN TO FLEXIBLE PACKAGING MATERIALS PRODUCER KHASK GROUP

The European Bank for Reconstruction and Development (EBRD) is providing a loan of up to EUR 1.4 million to support resource and energy efficiency improvements at Khask Group, a Ukrainian manufacturer of flexible packaging materials, the EBRD said in a press release.

Khask, where the bank is a shareholder, will also become the first domestic beneficiary of the Bank's Finance and Technology Transfer Centre for Climate Change (FINTECC) program through a grant for the implementation of a solvent recovery system, which will help remove impurities from used chemicals. The investment will finance the acquisition of state-of-the-art equipment that will allow Khask to implement its modernization program, which aims to reduce the use of energy and solvents and achieve a subsequent reduction in greenhouse gas emissions.

In particular, solvent recovery systems, together with additional energy efficiency measures, will help Khask save up to 350,000 m<sup>3</sup> of natural gas per year and avoid annual emissions of up to 2,900 tonnes of CO<sub>2</sub> equivalent.

In 2016, Ukraine became a member of the EBRD's FINTECC program, which is designed to transfer technology in the area of climate change mitigation and adaptation. It successfully operates in 14 countries where the EBRD invests.

The three-year program is supported by \$7 million of grant funding from the Global Environment Facility (GEF) and a EUR 4 million grant from the EU's Neighbourhood Investment Facility (NIF).

In addition, Khask has benefited from support through the EBRD Small Business Impact Fund, which, with financial support from the United States, has provided \$2 million to moderate the risks of EBRD investment in Ukraine and enable wider lending.

Khask Group is a Kharkiv-based Ukrainian company and one of the leading regional producers of high-quality flexible plastic packaging materials and self-adhesive tapes. The EBRD became a shareholder of the firm in 2011.

The EBRD is the largest international financial investor in Ukraine. To date, the Bank has made a cumulative commitment of almost EUR 12 billion through 368 projects since the start of its operations in the country in 1993. ■

## SWISS ASPRA FINANZ HOLDING LEAVES VECTOR INVEST, VECTOR INVEST LIFE INSURERS AS SHAREHOLDER



Switzerland's Aspra Finanz Holding AG that held 48% each in insurance companies Vector Invest and Vector Invest Life (both based in Kyiv) has left the companies as a shareholder, the companies have reported.

An individual that held 42% of shares in Vector Invest left the company as a shareholder. An individual that held 42% of shares in Vector Invest Life also left the company as a shareholder.

Other individual acquired 100% or 7,500 voting shares in Vector Invest and an individual became the only shareholder in Vector Invest Life buying 11,000 shares.

Ultimate beneficiaries of the two companies are the founder of Pozniaky-Zhyl-Bud Corporation Never Mkhitarian and Aspra Finanz Holding AG, the ultimate beneficiary of which is Sinan Bodmer (Switzerland).

According to the public register, Mkhitarian holds 47% of shares in Vector Invest Life and Kyiv's resident Hahik Mikaelian – 5%. ■

## UKRZALIZNYTSIA TESTING GENERAL ELECTRIC'S DIESEL LOCOMOTIVE



Public joint-stock company Ukrzaliznytsia is testing TE33A freight diesel locomotive made by General Electric Corporation (the United States).

"The General Electric's locomotive is being tested in Ukraine. The tests will last for four months. All its capabilities will be tested," Ukrainian Infrastructure Minister Volodymyr Omelyan said at the presentation of the locomotive in Kyiv on Wednesday.

He recalled that by late October Ukrzaliznytsia will draw up a five-year Ukrainian locomotive and wagon modernization plan. Foreign experts will be involved in this work in the second half of October – leading locomotive manufacturers and experts with experience of railways transformation.

"We believe that the locomotive presented by General Electric will be a success. I would like that General Electric was not only a strategic partner of the Olympic Games, but a strategic partner of Ukraine. The corporation has all facilities for this. There are enough directions for cooperation: railways, aviation, other spheres where the corporation has proved to be a global leader," the minister said.

Omelyan said that TE33A diesel locomotive allows saving fuel and lubricants and doubling the loading capacity.

The minister did not give an affirmative response to the question what the likelihood to buy the locomotive is. He said that negotiations with all leading manufacturers would be held to determine a strategic partner in production of locomotives in Ukraine. ■

## INDIAN AMBASSADOR TO UKRAINE CALLING ON UKRAINIAN FARMERS TO EXPORT LENTIL TO INDIA



**I**ndian Ambassador to Ukraine Manoj Kumar Bharti has called on Ukrainian farmers to export lentil to India. “In 2015, Canada exported 500,000 tonnes of lentil to India. If Canada can export lentil, why not Ukraine export it?” he said at a roundtable in the Ukrainian parliament in Kyiv on Friday.

“India’s population is mainly vegetarians, and lentil for them is the main source of protein,” he said. The ambassador also called on Ukrainian educational institutions to open their branches in India, as India needs skilled specialists.

He pointed out the potential of Ukrainian engineering in India.

“I recently returned from Lviv where I visited Elektronmash. This company has a huge potential in India where transport corridors are being actively developed,” he said.

The ambassador mentioned traditional cooperation in the aviation and space sectors.

“I would like Ukraine attentively studies the opportunities for cooperation with India. We are ready to provide consultations and tell how develop business in India,” he said.

He also focused on the potential of cooperation in the pharmaceutical and medical spheres. “Complicated surgeries in India are cheaper than in Europe,” he said. ■

## ISRAEL'S SHAPIR INTENDS TO OPEN REPRESENTATIVE OFFICE IN UKRAINE, PARTICIPATE IN ROAD TENDERS



**I**srael's road and construction company Shapir has decided to open a representative office in Ukraine and participate in tenders to repair and build Ukrainian roads, Ukrainian Infrastructure Minister Volodymyr Omelyan has said.

"Several months of talks preceded this [decision] and their specialist studied the situation and potential of our market. Several more foreign road companies are coming soon. We are breaking monopoly of no-names and traditional bidders of all tenders. Our condition is the legal registration and payment of taxes in Ukraine and new jobs," he said.

The minister added that now it is time for parliament to vote for the creation of the road fund.

Shapir and its subsidiaries are involved in various types of construction. They implement projects to build roads, tracks, hubs, bridges, tunnels, pillars and earthworks. ■

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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