



absorb up to \$30 billion in foreign investment over the next several years. Privatization has prepared the economy to facilitate and promote market conditions in agri-food, fuel-energy, telecommunications, natural resources and other sectors.

FOREIGN AFFAIRS MINISTERS MEET IN NEW YORK

Sept. 26, 1995... New York was the setting for a working meeting between Canada's Foreign Affairs Minister André Ouellet and Ukrainian Foreign Minister Hennadiy Udovenko, who head their respective delegations to the 50th Anniversary Session of the General Assembly of the United Nations.

The Ministers discussed the status and future perspectives for the development of bilateral relations between their two countries. They exchanged views on the role and activities of the UN, and confirmed their mutual readiness to strengthen cooperation between Canada and Ukraine on the principles of the special partnership.

Ouellet and Udovenko exchanged documents which put into effect the Agreement on Friendship and Mutual Cooperation between Canada and Ukraine, which was signed on October 24, 1994 between Canada's Prime Minister Jean Chrétien and Ukraine's President Leonid Kuchma.

G-7 DISCUSSES CHORNOBYL IN KYIV

Kyiv, Sept. 28, 1995... Ukrainian Minister of the Environment and Nuclear Safety, Yuriy Kostenko said his government has agreed in principle to a plan proposed by experts from the G-7 industrial states for shutting down the Chernobyl nuclear power facility by the year 2000, reported Ukrainian TV and Radio Liberty.

Mr. Kostenko spoke after experts from the G-7 met in Kyiv the week of September 25 to discuss shutting down the crippled complex and how to reorganize Ukraine's energy sector.

President Leonid Kuchma approves the proposal, said Mr. Kostenko, but maintains that to close the facility would require \$4 billion and not the \$1.44 billion cited by the G-7.

Western experts disagreed with Ukraine's proposal to erect a thermal plant to replace the Chernobyl facility, because "it did not meet the specific criteria of the G-7 countries," said Mr. Kostenko. He said they favoured modernization of the entire energy sector to make up for the 5 percent of Ukraine's electricity produced by Chernobyl, which includes completion of nuclear reactors under construction and upgrading thermal and hydroelectric stations.

Mr. Kostenko explained that the G-7 representatives maintain that entire sites within the energy sector are standing idle and that fewer resources could be utilized to achieve greater effect. He added that again the issue becomes money, "Real financial resources given to us for the examination (of energy sector restructuring) do not in any way satisfy Ukraine's needs today to start the program to shut down Chernobyl."

Maintaining the need for \$4 billion, on October 2 Prime Minister Yevhen Marchuk, meeting in Kyiv with Saskatchewan Premier Roy Romanow, asked Canada to put pressure on the G-7 partners to provide financing to help meet its commitment to close the nuclear facility. He specifically noted France as one country that has been reluctant to move forward with a plan. "In view of Canada's good relations with France, I would ask you to help," said Prime Minister Marchuk. "The French are very negative about our plans for Chernobyl. We hope that during negotiations you will talk to G-7 countries - France, Germany, Japan - to help resolve all these issues." He called the positions of Canada and the United States "constructive" and "understanding".

GOVERNMENT AND ECONOMY

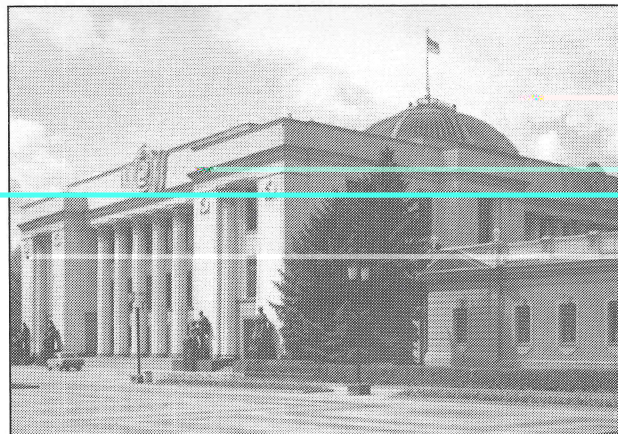
PARLIAMENT APPROVES REVISED UKRAINE ECONOMIC PLAN

KYIV...Oct. 11... - Ukraine's parliament approved a revised plan for economic reforms which Prime Minister Yevhen Marchuk said would produce the first growth in output in Ukraine's post-Soviet history. Deputies backed the program by 234 votes to 61 despite fierce opposition from Communists during an 11-hour debate. The outcome tantamount to a confidence vote in the government, was never really in doubt. Under the terms of a constitutional accord signed earlier this year, parliament cannot alter government economic policy for a year. "Adopting this program will allow us to come through the transition period to the market in the quickest possible time," Marchuk told the chamber just before the vote. In his presentation to deputies earlier, Marchuk had predicted modest 1996 growth of 0.6 percent in industry and 0.2 percent in agriculture after continuous falls in production and living standards since 1989. He said the main task facing the government was to ensure economic growth.

"Our forecast is to maintain gross domestic product at the same level as this year, something we have failed to do for four years," Marchuk said. Industrial production this year is expected to fall 8.2 percent from 1994 figures and farm production by two percent. After three years of inaction following independence in 1991, President Leonid Kuchma drew up Ukraine's first full-fledged reform program and won Western support for it.

But he has come under pressure from a powerful industrial lobby to help ailing factories, prompting his government to issue a new program with a "correction" involving heavier state involvement in the economy. Ministers said the general thrust of reforms was unchanged and the International Monetary Fund (IMF) appeared to have accepted the government's explanation.

In his speech, Marchuk said monthly



Ukraine's Verkhovna Rada (Parliament) in Kyiv