



an Infobank correspondent that the meeting of the IMF's executive board, when the decision regarding the third part of the "stand-by" loan will be made, has been planned for Sept. 9. But the possibility of giving Ukraine a loan for the hryvnia's stabilization fund will not be considered at that meeting, he added.

According to Justice, that type of assistance is new for the IMF and has never been given to any country. The decision regarding the possibility of granting any country a stabilization loan was approved only in September. Justice did not deny that the question of assistance for Ukraine in the form of a stabilization fund for the national currency may be considered after Sept. 29 at the executive board's at a future meeting.

---

## CONSTITUTION UPDATE

Sept. 1995... According to Ukraine's Presidential Administration, work on the new Ukrainian Constitution is scheduled to be completed by 1 November for approval via a national referendum by the end of the year.

---

## PARLIAMENT ADOPTS LAW ON CORRUPTION

July 11, 1995... Ukrainian lawmakers amended a law on public officials and passed a corruption law that allows not only the recipients of bribes but their so-called intermediaries to be prosecuted. Those who give bribes to officials but report the offense to the authorities may be freed from prosecution. The Verkhovna Rada also ordered wage increases of 20-50% for Interior Ministry employees who specialize in investigating corruption. (OMRI, Inc.)

---

## UKRAINE TO CONDUCT CENSUS IN 1999

July 24, 1995... The Ukrainian government ordered a national census to be conducted in 1999, the first since independence. The last census was conducted in 1989 as part of an all-union census in the USSR. (Ukr. Gov't Council of Ministers)

---

## The Basilian Press

Printers & Publishers Since 1938  
Your Total Printing House  
- and more -

265 Bering Avenue  
Toronto, Ontario M8Z 3A5  
Tel: (416) 234-1212 Fax: (416) 234-1213

## STATE OF UKRAINE'S COMMERCIAL BANKS

Aug. 1, 1995... Leaders of the Association of Ukrainian Banks told a news conference on 1 August that an audit of major commercial banks revealed that many faced serious financial difficulties because of overdue debts. As of 1 May, interbank and industrial debt amounted to 13.9 trillion karbovantsi (\$9.92 billion). Antonina Palamarchuk, the association's vice-president, said 54 banks have suffered losses, 19 are insolvent, and 12 have liquidity problems. But on a more positive note, banks are showing increased interest in the treasury bill market, the interbank currency exchange is expanding, and the demand for credit cards and traveller's checks is growing. Palamarchuk reported the banks have experienced a capital growth of 91.5% since April. (OMRI Inc.)

---

## 600-800% POSTAL RATE HIKES THREATEN UKRAINIAN PRESS

Aug. 22, 1995... The Ministry of Communications is planning to raise postal rates for the delivery of periodicals after the country's postal service lost some 5 trillion karbovantsi (around \$30 million) last year. Mykhailo Onufriichuk, Ukraine's Information Minister, said the 600% to 800% hikes would bankrupt most of the country's publications. He said his ministry is urgently seeking ways to prevent the rises and find funds to cover the postal losses. (OMRI, Inc.)

---

## GOV'T MAY RETAIN MONOPOLY IN KEY SECTORS

Sept. 8, 1995... President Kuchma's chief economic adviser, Anatolii Halchynskyi stated that the Ukrainian leader is ready to issue two important economic decrees. One decree would allow the government to retain 100% ownership of enterprises deemed strategically important, including those that manufacture arms and "environmentally hazardous" products, and to maintain a government monopoly in key economic sectors, such as transportation, communications, energy, ports, pipelines, postal services, and the manufacturing of spirits. The second decree would give the state the controlling package of shares— 51% or more — in enterprises transformed into

joint-stock companies but barred from total privatization by Ukraine's Parliament. (OMRI, Inc.)

---

## KUCHMA PREDICTS ECONOMIC RECOVERY IN 2 YEARS

Sept. 15, 1995... President Leonid Kuchma, speaking to a meeting of leading Ukrainian economists, predicted that Ukraine's economy will recover from its crisis in one to two years. He said the country cannot simply copy Western economic models but should come up with a blueprint in which the government continues to play a major role in the economy. Kuchma added that the state sector's share of production has fallen to 60% and that the government plans to reduce the number of state owned enterprises to between 15% and 25%. Kuchma said it will be difficult to keep its promises to the IMF to cut monthly inflation to 1-2% by December and halt the decline in industrial and agricultural production at the same time. Meanwhile, the parliament voted the same day to approve a new law on financial-industrial groups, chiefly aimed at encouraging Russian investment in Ukrainian industry to save ailing Ukrainian enterprises. (OMRI Inc.)

---

## PM CALLS FOR PERIOD OF PROTECTIONISM

Sept. 18, 1995... Yevhen Marchuk, speaking to leading Ukrainian economists called for increased government support for industry and temporary protection measures in foreign trade to boost domestic production. Marchuk said the government program for 1996 would provide credits and tax breaks to some enterprises and impose import tariffs and other customs barriers on goods entering Ukraine, but he stressed the measures would be temporary only. (OMRI Inc.)

---

## STOCK EXCHANGE TO BE NATIONALIZED

Sept. 24, 1995... Ukraine's Parliament adopted the "Concept of Functioning and Development of Stock Market in Ukraine", which envisages establishment of a state owned stock exchange. The Concept defines the provisos for the state regulation of the securities market in Ukraine, and stipulates that the National Bank of Ukraine is to be the clearing bank. Chairman of the Parliamen-