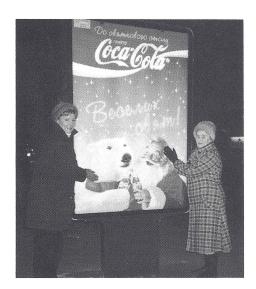
Competition for Kovbassa and Homemade Kvas

McDonald's to Open in Kyiv, Kharkiv

Oct. 1996... The first McDonald's restaurant in Ukraine will open in Kyiv next year on Kyiv Day, the last Sunday in May, 1997, and a second restaurant by Independence Day on Aug. 24. McDonald's has completed a detailed study of the Ukrainian market and seven restaurants are planned for Kyiv, bringing US\$10 million in investment and 700 new jobs. He said during the next 2-3 years, McDonald's would open 100 restaurants throughout Ukraine, providing 5,500 new jobs.



Coca-Cola's New Plant

Nov. 1996... Coca-Cola Amatil, the Australian company with exclusive rights to produce and distribute Coca-Cola's beverages in Ukraine, has begun constructing a new US\$100 million plant in Brovary in Kyiv oblast, which should open July-August 1997. Its production capacity is to be 3.5 mln. litres per day, making it the biggest plant of its kind in Europe. Coca-Cola Amatil already has one plant in Lviv which employs 700 workers.

CCA's president, Norb Cole, visited Ukraine with top Coca-Cola International executives and a large group of investors, and the company plans to pump US\$20 million in investments over the next two years.

Pepsi Deal in Chernivtsi

Nov. 1996... U.S. soft drinks manufacturer Pepsi and Joint Stock Company Rosy Bukovyny signed a US\$6.5 million contract for production of Pepsi's major products at the company's factory in Chernivtsi. According to company President Valentyna Hrinchenko, Pepsi has already invested US\$2.5 million in the factory to start production of glass and plastic bottles for Pepsi's 7-UP, Fiesta, Miranda, and Pepsi-Cola drinks.

stated that the decision to create the commission acknowledges Ukraine's progress on economic and political reforms, contributions to nuclear non-proliferation, and its role as a "pivotal and stabilizing force in Europe." Ukraine is the third leading recipient of U.S. aid, with \$330 million in grants and \$675 million in credits for 1996.

The U.S.-Ukrainian Foreign Policy Committee held its inaugural session in Washington in November, and issued a joint communiqué on the need for a U.S.-Ukraine strategic partnership based on common values and goals.

Influential Advisory Group in Ukraine

Oct. 1996... An influential Advisory Committee, including U.S. Foreign Policy Advisor Zbigniew Brzezinski, international financier George Soros, and Ukrainian Renaissance Foundation board member Bohdan Hawrylyshyn gathered in Kyiv to review the development of Ukraine's internal reforms and its relations with the West. The Committee includes Ukrainian cabinet ministers, presidential aides, senior diplomats, former President Leonid Kravchuk and former PM Yevhen Marchuk. Founded in 1994 at Brzezinski's initiative, it meets twice annually and works out policy recommendations that carry weight in Ukraine, the U.S. and internationally.

Brzezinski told Vice Premier Victor Pynzenyk that the West's trust in Ukraine was much stronger than three years ago, since Ukraine is considered to have passed through a critical stage in its economy. The Committee's new recommendations include: intensification of Ukrainian economic reforms and Western support for those reforms; more active Ukrainian participation in the processes connected with NATO's enlargement; urgent opening of a NATO information centre in Kyiv; practical steps to turn the concept of 'special relationship" with NATO into reality; and support for Ukraine's effort to join Central Europe.

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