

the law, the parliament adopted 12 of the changes proposed by the president and rejected three of them.

The main changes include:

- Eliminating the requirement of a 50 percent minimum turnout for a valid election;
- Declaring the first-past-the-post candidate the winner in single-mandate constituencies, irrespective of the size of that candidate's plurality. Kuchma had favoured requiring a minimum of 25 percent of the votes cast;
- Removing the requirement that parliamentary deputies - and by implication the candidates - must speak the Ukrainian language. Kuchma had rejected this stipulation as unconstitutional;
- Enabling the president to nominate the members of the Central Electoral Commission for consideration by parliament, and authorizing the 15-member CEC to elect its chairman, vice-chairmen, and secretary. The law as initially adopted had reserved these powers for parliament, potentially handing the left a lever against the presidential camp in the election; and
- Authorizing "work collectives" (in addition to parties and public-political associations) to nominate candidates in single-mandate constituencies.

No changes were proposed or made to the basic concept of the "mixed" majoritarian-proportional system, envisaging the election of 225 deputies in single-mandate constituencies and another 225 on country-wide party or bloc states, with a four percent threshold required for a party or bloc to gain parliamentary representation. Adopted by a large margin, the changes virtually guarantee that there will be no need for repeat elections or runoffs, thus ensuring the election of a parliament irrespective of voter apathy.

The easy consensus on eliminating the Ukrainian language qualification reflects the competition among all camps for the votes of eastern Ukraine. The election is due in March 1998 and the campaign is de facto already in full swing. ■

Newsbriefs are compiled by Monitor staff with materials from newspapers and news services, including: Ukrainian News, Ukrainian Weekly, Ukrainian Voice, Homin Ukrainy, Ukraine and the World, Eastern Economist, JF Monitor, Kiev Post, Ukrinform, UCIS, INFOBANK, OMRI, RFE/RL, Reuters, United Press International, and various INTERNET sources.

World Bank to Give US\$1 Billion Annually

Sept.-Oct. 1997... The World Bank is to provide Ukraine with annual financial aid worth US\$1 billion. This aid is dependent on proper implementation of complex reforms, according to the head of the World Bank office in Ukraine, Edilberto Segura.

Segura confirmed that the Bank's Board approved 16 projects for Ukraine worth \$2.2 billion in the last five years, of which \$1.1 billion was disbursed during the 1995-1997 period. Ukraine was the sixth largest recipient of World Bank aid in 1997, receiving \$989.6 million in credits and \$220 million in guarantees. ■

IMF Approves Standby Loan

Sept. 1997... The International Monetary Fund approved a US\$542 million standby loan to Ukraine. Some \$49 million is to be released immediately and the remainder in installments over the next year, provided Kyiv carries out promised economic reforms. A larger \$2.5-\$3 billion loan was put on hold earlier because reforms were not moving fast enough. The standby loan will support the government's 1997-98 economic program, in which the deficit is to be limited to 4.6 percent of GDP in 1997 and 4.5 percent in 1998. ■

Chamber of Independent Ombudsmen for Foreign Investors

Sept. 1997... Ukraine set up a Chamber of Independent Ombudsmen to help mediate disputes between foreign investors and government offices. The new body includes specialists on Ukrainian and international law and representatives of consulting firms, whose task it is help resolve disputes and make recommendations to the government and President. Roman Shpek, Head of the new chamber and Director of the Agency for Reconstruction and Development, told journalists that Ukrainians must understand there is a serious problem with attracting foreign investment to their country. He estimated that Ukraine has attracted only US\$2 billion in foreign investment during the past six years - which, he noted, is less than neighbouring Romania. ■

Foreign Investment Increases ... Trade Falls

Sept. 1997... Foreign investment in Ukraine totaled \$335.5 million during the first half of 1997, a 46.1 percent increase over the same period last year. The largest investors were the U. S. (US\$315 million), Germany (\$165.9 million), the Netherlands (\$160.2 million), Great Britain (\$130.9 million), Cyprus (\$116.4 million), Russia (\$114.2 million) and Liechtenstein (\$103.1 million). Investments are mainly in the food industry, machine building, metal processing, finance and insurance, construction and construction materials production, and the chemical and petrochemical industries.

Ukraine's foreign trade turnover fell seven percent in the first half of 1997, standing at US\$18 billion, with a deficit of \$849 million. Although trade with the former Soviet Union was down 20 percent, trade with other countries rose 7.4 percent. ■

Canadian on Presidential Council on Investments

Oct. 1997... Toronto-based Northland Power President James Temerty has been appointed the Canadian representative on the 21-member Coordinating Council on Foreign Investments set up by President Kuchma to ease the difficulties foreign investors have in Ukraine. ■

Royal Society of Canada Exchange Lectureship with National Academy of Sciences of Ukraine

Oct. 1997... The Royal Society of Canada received Dr. Platon G. Kostyuk, Director of the Bogomoletz Institute of Physiology, Kyiv, as a lecturer from Ukraine to Canada under the RSC - National Academy of Sciences of Ukraine (NASU) Exchange Lectureship Program.

Dr. Kostyuk, NASU V-P, is an internationally renowned physiologist and has carried out pioneering studies on the role of calcium in neural behaviour. He has written over 400 scientific papers and 11 books, and is a foreign member of science academies in Europe. The costs for this exchange lectureship program, which started in 1995, are covered from donations to the RSC-NASU Exchange Endowment Fund. ■