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## Economy

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**IMF approves USD16.4 bln loan to Ukraine.** The board of the International Monetary Fund on Wednesday approved USD16.4 bln bailout package for Ukraine intended to stabilize the country's banking system and mitigate the impact of a collapse in the price of steel, one of Ukraine's biggest exports, The Financial Times reported. The Fund said the money – USD4.5 bln of which will be disbursed immediately – would help the authorities overcome the impact of “global deleveraging and a domestic crisis of confidence”. In return Ukraine has committed to adopt a flexible exchange rate regime with targeted intervention, recapitalize its banks, reduce its budget deficit to zero in 2009 and tighten monetary policy.



**Wages up 2.4% to UAH 1,916 in September.** In September, average wages rose 2.4% over August, to UAH 1,916 per month, the State Statistics Committee reported. The highest rate of average wages was registered in the city of Kyiv at UAH 3,181 per month. The lowest rate of average wages was registered in the Ternopil region at UAH 1,371 per month. Average wages rose 34.4% or UAH 491 from UAH 1,425 per month in September 2008, compared with September 2007.

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## Foreign Investments

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**CME media group acquires One Plus One.** Central European Media Enterprises Ltd has announced that several days ago it completed the purchase of the remaining 10 per cent of the Studio One Plus One group following the exercise of its call option. CME now owns 100 per cent of the Ukrainian television station. Michael Garin, CME's Chief Executive Officer, commented: "This is the final step in achieving full control of Studio One Plus One, one of the key objectives of our strategy in Ukraine. As a result, we expect to strengthen our performance and position in this market. Our goal for the future is to make Studio One Plus One the number one television channel in Ukraine." The 10 per cent interest was acquired for USD109.1 mln pursuant to the framework agreement signed in January 2008. Launched in 1997, Studio One Plus One is one of the most popular national broadcasters in Ukraine, with an all-day audience share of 12 per cent and prime time audience share of 14 per cent in its 18+ target group during the first half of 2008. CME is a broadcasting company operating leading networks in seven Central and Eastern European countries.

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## International relations

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**Ukraine and European Union agree to prepare action plan on abolition of visas.** Ukraine and the European Union have agreed to prepare an action plan on abolition of visas between them. Deputy Foreign Affairs Minister Kostiantyn Yelyseev announced this at a news briefing. In particular, Yelyseev said that the dialogue on abolition of visas between Ukraine and European Union that started on October 29 has the aim of preparing this action plan and that the plan will include the conditions of the Schengen zone, which Ukraine must meet before abolition of visas. According to Yelyseev, the action plan will be based on four key issues: the security of documents (including the use of biometric data), civil order and security, migration policy (including readmission), and foreign relations. The Foreign Affairs Ministry is hoping for abolition of visas between Ukraine and European Union by the year 2012.



**Ukraine, Iran sign memorandum on production of An-148 aircraft.** A Ukrainian-Iranian memorandum on Iran's intention to buy and produce 50 An-148 regional passenger aircraft of a new generation in broad cooperation with Ukrainian and Russian companies was signed last week, the press service of the Antonov aircraft science and technology complex has announced. The memorandum sets out the main stages of work and provides for the possibility of modifying the aircraft to meet the needs of Iranian air carriers. The memorandum was signed by the managers of the Antonov company, the Motor Sich aircraft engine producer open joint-stock company, the Kyiv-based Aviant aircraft plant, the Kharkiv aircraft repair plant and Iran's HESA production company. The document states that the parties will initiate the drafting of a relevant Ukrainian-Iranian intergovernmental agreement. The memorandum was signed in Esfahan, which is not far from the HESA plant, where An-148s are planned to be manufactured and where An-140s are being built.

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## Infrastructure

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**Construction of new passenger terminal starts at Boryspil Airport.** The construction of a new D passenger terminal has started at Boryspil International Airport. An Interfax-Ukraine correspondent reported that Transport and Communications Minister Yosyp Vinsky, the Japanese ambassador to Ukraine, Tadashi Izawa, the Turkish ambassador to Ukraine, Erdogan Iscan, representatives of local authorities, the president of Turkey's Dogus/Alarko/YDA Company, which will build the terminal, Burak Talu, and the director general of state enterprise Boryspil International Airport, Borys Shakhshvarov, took part in the ceremony devoted to the start of the terminal's construction. "I'm glad that at last we finished the red tape part of the construction and transferred to practice. We have a clear plan on the reconstruction of the airport, and we plan to bring it to the level of one of the best [airports]," Vinsky said.



**Ukraine: the Azov shipyard opened a new grain shipment complex.** The Azov shipyard (Mariupol) set in operation a new grain shipment complex with daily shipping output of 10.000 tons. The new complex becomes one of the largest in the Azov region and provides all possible services of grain terminal. The complex was created with the usage of

American technical equipment and the machines made in AzovMach. The complex started working on Oct. 30.



**Ukraine International Airlines increases number of weekly flights from 290 to 330 in its 2008/2009 winter timetable.**

The company is forecasting that its passenger transport volume will increase by an average of 14% during this winter. Ukraine International Airlines' passenger transport volume increased by 53,000 or 10.66% to 550,000 passengers in the

July-September period of this year, compared with the corresponding period of last year.



**Ukravtodor to build and repair roads at Ukraine/Poland border checkpoints by 2012.**

The state motor roads service Ukravtodor to build and repair roads approaching Ukraine/Poland border checkpoints by 2012. The program of the checkpoints construction is realized within frames of the countries' preparations for the European Football Championship 2012. Total estimated cost of the roads construction and repairing is UAH

300 million. According to the statement the countries agreed upon opening eight new checkpoints at the Ukrainian-Polish border. These are Lubnia - Volosate (Zakarpattia region), Adamczuki - Zbereze (Volyn region), Boberka - Smolnik, Mszaniec - Bandrow, Belz - Budynin, Uhrynów - Dolhobyczów, Nizankowicie - Malchowice and Hruszów - Budomierz (all in Lviv region).

## Lviv



**Cabinet of Ministers gives UAH 13.1 mln for Lviv bridge repair.**

The government allocated the funds to the Lviv regional state administration from the reserve fund of the national budget for making urgent repair efforts. As Ukrainian News reported, on June 19 Lviv closed traffic by the bridge towards the Levandovka micro-district, because of its disrepair.

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