

# Gorshenin Veekly

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# 1. TOP STORIES

# Putin admits Russian military presence in Donbas for first time

The situation in east Ukraine remains tense.

Read more in ARMED CONFLICT IN EAST UKRAINE.

# European Commission approves report favouring visa liberalization for Ukraine

The Council of the EU prolongs sanctions against Russia over its aggression against Ukraine.

Read more in INTERNATIONAL POLITICAL, UKRAINE-EU.

## Ukraine launches official blockade of Crimea

Russia tows away "Boyko's rigs" towards Crimea

Read more in CRIMEAN ISSUE.

# 2. ARMED CONFLICT IN EAST UKRAINE

# Putin admits military presence in east Ukraine

Russian President Vladimir Putin said at the annual news conference on 17 December 2015 that there are Russians in east Ukraine «who deal with certain matters, including in the military area». However, he added, this does not mean that regular Russian troops are present there.

NATO Secretary-General Jens Stoltenberg and Ukrainian President Petro Poroshenko said that it is for the first time that Putin admitted the presence of Russian servicemen in Donbas.

Earlier, Putin flatly denied their presence in Donetsk and Luhansk regions.

# Ukraine urges UN to demand that Russia stop aggression

Ukraine has called on the UN member states to demand that Russia immediately stop its aggression against Donbas and illegal annexation of Crimea, the Foreign Ministry has said in a statement on the occasion of the 41<sup>st</sup> anniversary of the adoption of the UN General Assembly Resolution «Definition of Aggression».

The statement reads that Russia's aggression against Ukraine grossly violates norms and principles of the international law and security, and is subject to the international legal accountability of the aggressor state.

Last week, Malgorzata Gosiewska, a Polish MP from the Law and Order party, published the report entitled «Russian war crimes in eastern Ukraine in 2014» to be used as a basis for an appeal to the International Court of Justice in The Hague.



# Trilateral contact group on Donbas agrees on mine clearance in 12 sectors

Minsk hosted a meeting of subgroups of the trilateral contact group on a Donbas settlement on 15 December 2015.

The security subgroup agreed on mine clearance in 12 sectors. Other subgroups did not reach any progress.

The next meeting of the trilateral contact group is scheduled for 22 December.

## Situation in Donbas remains tense - OSCE

The situation in east Ukraine remains tense and unpredictable with a significant risk of escalation, OSCE Special Monitoring Mission principal deputy chief monitor Alexander Hug has said.

On 18 December 2015, pro-Russian Donetsk militants fired with a Grad multiplelaunch rocket system on Novhorodske, damaging the building in which a kindergarten and a primary school are located.

The same day, the militants shot with grenade launchers and machine guns on the village of Shyrokyne close to Mariupol. Ukrainian journalists working in the village at the time had to be evacuated.

# Donetsk militants impede free movement of monitors - OSCE

Beginning with last week, pro-Russian Donetsk militants have been demanding that the OSCE Special Monitoring Mission apply for a permit from the selfproclaimed authorities to work in the areas beyond Ukraine's control, thus impeding the free movement of monitors, the principal deputy chief monitor of the mission, Alexander Hug, has said.

He added that by the end of March 2016, the mission would be expanded to include up to 1,300 members, with 800 of them working in east Ukraine.

# Ukraine digs anti-tank ditch along 220 km of Russian border

The State Border Service of Ukraine continues the Wall project on the Russian border, now focusing on Chernihiv and Kharkiv regions, its chief Viktor Nazarenko has said.

In his words, there are already 220 km of anti-tank ditches, 40 km of lateral routes, 23 watchtowers and 17.5 km of fence in place.

He added that 400m hryvnyas (16m dollars), or 40 percent of the planned budget, was allocated for the project in 2015.

## 3. CRIMEAN ISSUE

# Russian government questions professionalism of Crimean authorities media

The Russian government has called into question the professionalism of the Crimean authorities, several Russian media have reported, citing a source in the Russian cabinet.



The reason for such doubts was the statement by the Russia-appointed «head» of Crimea, **Sergey Aksenov**, that the peninsula in 2015 did not receive a single penny of the 15bn roubles (210m dollars) stipulated in the federal target programme for the development of the peninsula.

## Ukraine restricts trade with Crimea

On 16 December 2015, the Cabinet of Ministers decided to ban the sale and purchase of works, goods and services from and to Crimea for the period of its occupation by Russia.

According to the adopted regulation, electricity may only be supplied to Crimea subject to an authorization from the National Security and Defence Council of Ukraine.

Crimean-made goods which are of strategic importance to Ukraine's economy and security may still be supplied.

International humanitarian assistance may enter Crimea.

This regulation comes into force in 30 days after it was adopted by the cabinet.

# Ukraine's exports to Crimea 28 times higher than imports in Jan-Oct 2015

In January-October 2015, Ukraine sold goods worth 702m dollars to the free economic zone Crimea and bought 27.5 times less (25.5m dollars), the State Statistics Servicehas said.

# Russia moves two Ukrainian drilling rigs towards Crimea

Russia has moved two self-elevating drilling platforms B-312 and B-319, known in Ukraine as «Boyko's rigs», of the seized oil and gas company Chornomornaftohaz from the Odeske gas deposit towards Crimea, the State Border Service of Ukraine has said.

In the area where they used to be located, Russia is installing the Tavryda oil platform which it illegally seized near Crimea in 2014, the border service added.

Chornomornaftohaz said that the rigs were moved because of terror alert.

The Russian business daily Kommersant has said that the rigs were moved on concerns that they can be arrested pursuant to a lawsuit being prepared now by the Ukrainian state-owned oil and gas company Naftohaz Ukrayiny.

# Naftohaz estimates losses from Crimea occupation at 1.25bn dollars

The state-owned oil and gas company Naftohaz Ukrayiny has said that as a result of Crimea's occupation by Russia, it incurred the losses (not including this year's losses) of 29.5bn hryvnyas (1.25bn dollars). Of them, the losses resulting from the stopped operations in Crimea in 2014 equalled 13.8bn hryvnyas (586.7m dollars), while the cost of its losses was 15.7bn hryvnyas (667.5m dollars).

In particular, Naftohaz lost 15 oil and gas deposits on the Black Sea shelf near Crimea, three promising oil and gas areas, the Hlibovske underground gas



storage facility, over 1,200 km of main gas pipelines, 43 gas distribution stations, 29 vessels, and four floating drilling rigs. It also lost the capacity to develop deposits containing 50bn cu.m. of gas, 3.5m tonnes of oil and 1m tonnes of gascondensate.

The company said that it was going to claim its assets back as well as compensation of losses through international courts.

# Ukraine's Crimean Tatar leader meets Turkish president

Turkish President Recep Tayyip Erdogan and Ukraine's Crimean Tatar leader **Mustafa Dzhemilyev** met on 17 December 2015.

Following the talks, Dzhemilyev said that Turkey was resolutely inclined to deepen economic cooperation with Ukraine and was favourable about the idea of a free trade zone between the two countries.

The second world congress of Crimean Tatars, which took place in Ankara in August, condemned Crimea's annexation by Russia.

# Two Crimean Tatars go missing in Kerch

Two Crimean Tatars, Ruslan Haniyev and Arlen Terekhov, went missing in Kerch on 15 December 2015, the self-styled Crimean Tatar government Majlis has said.

The National Security and Defence Council of Ukraine said that a total of 21 Crimean Tatars had gone missing on the peninsula since it was annexed by Russia.

# Crimean Tatar leader reports 35,000 internally displaced persons from peninsula

Some 35,000 persons had to leave Crimea following its annexation by Russia, the Ukrainian president' envoy for Crimean Tatar issues, Mustafa Dzhemilyev, has said.

He added that around 100 searches had been conducted in Crimea since the start of the annexation, 95 percent of them in the houses and mosques of Crimean Tatars.

By 14 December, the Ukrainian Social Policy Ministry has registered 1.65m internally displaced people from the areas of the antiterroristoperation and Crimea.

## Two Crimean Tatar media outlets shut down

The children's Crimean Tatar TV channel Lale and the 15 Minut website incorporated into the ATR media holding have announced they are closing down over an escalation of reprisals by Russia.



## 4. INTERNATIONAL POLITICAL

### **UKRAINE-EU**

# EU extends sanctions against Russia until March

The EU has moved to extend for six months its economic sanctions against Russia over its aggression in east Ukraine and annexation of Crimea. The decision was taken by the ambassadors of the EU member states to the Council in writing (without debates).

Ukrainian President Petro Poroshenko paid an official visit to Brussels on 16 December 2015. During his meeting with the EU leadership he presented additional evidence of the Russian military presence in Ukraine.

# **European Commission supports visa liberalization for Ukraine**

On 18 December 2015, the European Commission approved the sixth report on the implementation by Ukraine of the action plan on visa liberalization.

In early 2016, the European Commission will propose that the European Parliament and the Council of the EU include Ukraine in the list of countries whose nationals may travel to the Schengen area for a short period of time without visas.

European Commissioner for Migration, Home Affairs and Citizenship **Dimitris Avramopoulos** suggested the visa-free travel for Ukraine may be introduced in three to seven months.

The Ukrainian Foreign Ministry noted that unless Kiev meets all its commitments, the EU member states can block visa liberalization.

Earlier, the prime minister and president of Ukraine guaranteed the EU that the formation of the National Anticorruption Bureau and the special anticorruption prosecutor's office would be completed and the laws on the agency, on the return of assets, on special confiscation and property arrest would be amended in the first quarter of 2016; to project funding of anti-corruption agencies in the 2016 budget.

## Polish president visits Ukraine

Polish President Andrzej Dudapaid an official visit to Kiev on 14-15 December 2015. Based on the results of his visit, the leaderships of the two countries agreed a currency swap worth 4bn zlotys (or 1bn euros).

Poland will also provide the Ukrainian Cabinet of Ministers with advisers on decentralization and local government.

Duda also promised to talk to NATO member states to have Ukraine invited to the Warsaw summit in mid-2016.

## **UKRAINE-RUSSIA**

# Russia suspends free trade with Ukraine

On 16 December 2015, Russian President Vladimir Putin signed a decree suspending the agreement on a free trade zone with Ukraine as of 1 January 2016.



The Russian State Duma will consider the bill suspending free trade with Ukraine on 22 December.

The Russian Economic Development Ministry said that the trilateral negotiations, including the EU, Ukraine and Russia, on the implementation of the EU-Ukraine association agreement would take place as scheduled in Brussels on 21 December.

The Ukrainian Foreign Ministry said that Russia had violated international regulations by suspending the free trade agreement with Ukraine before the completion of the trilateral consultations on the application of the association agreement.

According to Ukrainian President **Petro Poroshenko**, the Ukrainian economy will be significantly affected by the suspension of free trade with Russia but Kiev is ready for this for the sake of freedom and independence.

Russia decided to cancel free trade with Ukraine because the free trade zone between the EU and Ukraine will come into force as of 1 January 2016.

# Russian investigators search homes of Ukrainian Library staff

On 14 December 2015, the Russian Investigations Committee searched the flats of the staff of the Ukrainian Library in Moscow over alleged violations of the labour code.

The next day, law enforcers searched the library and brought its accountant Nina Dzhebyatovskaya for an interrogation by force.

The Ukrainian Library was last searched in October. Later its director Nataliya **Sharina** was accused of distributing «extremist literature». She was placed under house arrest until 27 December.

# Russian court sentences Ukrainian to 11 years in prison for espionage

The Moscow regional court has sentenced Ukrainian national Valentyn **Vyhovskyy** to 11 years in a high-security prison for espionage in Russia. He was found guilty of economic and military espionage in the Russian aerospace industry.

The businessman was arrested in Crimea annexed by Russia and later moved to a Moscow remand centre.

In August 2015, the Ukrainian Foreign Ministry included Vyhovskyy in the list of political prisoners convicted or on trial in Russia.

# Jailed Ukrainian pilot on hunger strike again

The Ukrainian pilot jailed in Russia, MP Nadiya Savchenko has once again gone on a hunger strike as of 18 December 2015, her defence lawyer has said.

A Russian court decided to prolong her arrest by three months until 16 April 2016.

The court refused to attach to the case the expert conclusions on the video files



confirming she was not involved in the killing of Russian journalists in Donbas in 2014.

### **UKRAINE-USA**

### USA increases assistance to Ukraine to 658m dollars

On 18 December 2015, US President Barack Obama signed the 2016 Consolidated Appropriations Act into law. According to the Act, US assistance to Ukraine will increase.

Ukraine's embassy in the USA has said that of the funds appropriated by the Department of State, Foreign Operations and Related Programs Appropriations Act, 2016, constituting part of the omnibus legislation, not less than 658.19m dollars shall be made available for assistance to Ukraine, which is 145m dollars above the initial request.

Combined with resources from other funds that may become available for the US Department of State and Department of Defence, the total amount of funds for the defence and security assistance to Ukraine may exceed the authorized level of 300m dollars allocated for Ukraine in the National Defence Authorization Act, 2016, the embassy said.

On 18 December, the Ukrainian Defence Ministry said that the delegation of the California Air National Guard donated several dozen boxes with special protection gear, masks and helmets for the needs of the Ukrainian Armed Forces.

## **UKRAINE-CANADA**

# Canada to give Ukraine 13.6m dollars to develop small, medium business

In 2016-21, the Canadian government will allocate 13.6m dollars to improve bilateral trade with Ukraine and develop its small and medium business, its press service has said in a statement.

On 17 December, Canada provided the Patrol Police Department of Ukraine with certificates for 1,360 new police uniforms and 1,420 personal video cameras.

# **UKRAINE-NATO**

# Ukraine, NATO sign defence-technical cooperation roadmap

NATO Assistant Secretary General for Defence Investment Patrick Auroy and the first deputy secretary of the National Security and Defence Council of Ukraine, Oleh Hladkovskyy co-signed a roadmap for NATO-Ukraine defencetechnical co-operation on 17 December 2015. The signing ceremony was held within the framework of Ukrainian President Petro Poroshenko's visit to Belgium.

Poroshenko said that he also discussed with the NATO leadership «the strengthening of cooperation in giving an adequate response to the growing military presence of the Russian aggressor in the region, including in Donbas».

This was the first visit by the Ukrainian president to NATO's Supreme Headquarters Allied Powers Europe.



## **UKRAINE-WORLD**

## Venice Commission criticizes law on decommunization in Ukraine

On 18 December 2015, the Venice Commission and the OSCE Office for Democratic Institutions and Human Rights issued a joint statement which says that the law on the condemnation of the Communist and Nazi regimes adopted by the Ukrainian parliament in April 2015 may be considered as pursuing legitimate aims, but should be reworked to comply with the requirements set by the ECHR and other regional or international human rights instruments.

The Venice Commission and OSCE/ODIHR recognize the right of Ukraine to ban or even criminalize the use of certain symbols of and propaganda for totalitarian regimes, but in their opinion the law in its current wording is not precise enough to enable individuals to regulate their conduct according to the law and to prevent arbitrary interference by public authorities.

### 5. DOMESTIC POLITICAL

# Government publishes report for 2015

The Cabinet of Ministers on 14 December published a report on the work performed in 2015.

The document contains information on the implementation of the government programme.

It also shows data provided by international rating agencies on Ukraine's sovereign ratings, GDP forecasts for 2016 and other economic indicators.

In addition, the document discloses information on the new security policy, public administration, anti-corruption activities, energy independence, social sphere, culture and international aid.

# President, premier, parliament speakerissue joint statement

President Petro Poroshenko, Prime Minister Arseniy Yatsenyuk and parliament speaker Volodymyr Hroysman on 15 December issued a joint statement in which they called for the unity in the coalition. The document stressed that the question of replacing the prime minister was not on the agenda.

In addition, the politicians identified priorities for the next few weeks, including the following: strengthening the combat capability of the Armed Forces; adopting changes to the tax legislation and the state budget; finding solutions that will ensure the continued cooperation with the IMF; supporting the government's and the central bank's steps for improvements in the financial and banking sector; making amendments to the constitution concerning the decentralization of power and the judiciary reform.

# **President sets up International Advisory Council**

President Petro Poroshenko has established the International Advisory Council that will facilitate the implementation of reforms in Ukraine.



The Ukrainian president is the chairman of the council, with the head of the presidential administration of Ukraine, Borys Lozhkin, serving as the deputy chairman. Many prominent international figures were invited to join the council, particularly Carl Bildt, Tony Blair, Elmar Brok, Mikulas Dzurinda, Tony Abbott, Aleksander Kwasniewski, Bernard-Henri Levy, Anders Aslund, Anders FoghRasmussen and Stefan Fule.

It should be recalled that in February, Poroshenko created the International Advisory Board for Reforms and appointed Mikheil Saakashvili to head the agency, but then the president liquidated the council.

# Interior minister, Odessa governor spat at reforms council meeting

Interior Minister Arsen Avakov and Odessa Region governor Mikheil Saakashvili had a heated argument in the presence of Ukrainian President Petro Poroshenko during the meeting of the National Council for Reforms held on 14 December. The officials accused each other of corruption, after which the minister doused the Odessa governor with water.

On 17 December, Avakov filed a suit against Saakashvili in connection with the corruption allegations.

Earlier, Saakashvili repeatedly accused of corruption Prime Minister Arseniy Yatsenyuk and his government. For their part, members of the Cabinet of Ministers issued a statement in which they denied the accusations.

# Law enforcers discover ex-president's archive

Ukrainian law enforcers have discovered an archive belonging to ousted Ukrainian President **Viktor Yanukovych**, including his personal documents as well as documents and stamps of more than 300 offshore companies, according to Ukrainian Interior Minister Arsen Avakov.

According to Avakov, the discovered archive will help putting Yanukovych back on Interpol's wanted list.

# Interior minister gives details on fugitive tycoon case

Should Ukrainian tycoon **Dmytro Firtash** return to Ukraine, he will be detained, particularly under proceedings in the Nadra Bank case, Interior Minister Arsen Avakov said in an interview with the Zerkalo Nedeli weekly.

According to Avakov, the mentioned case concerns guarantees worth billions of hryvnyas which were undertaken personally by the businessman, but were not fulfilled.

The minister also said that Firtash wanted to come back to Ukraine, as the country has no obligation to extradite the businessman to the United States. At the same time, he noted that as soon as the tycoon returns to Ukraine, he may be detained for 40 days, and then the USA may hand over the case against him to Ukraine.



In addition, the minister said that the state-run energy company Naftohaz Ukrayiny reached an agreement with Firtash that he would pay back 4bn hryvnyas (160m dollars) to the state, after which lawyers will assess whether there are any elements of offence in the case of Ostchem Group.

# Ukraine to start issuing plastic biometric ID cardsfrom 1 January

Citizens of Ukraine will receive domestic biometric passports in the form of plastic cards from 1 January 2016, President Petro Poroshenko has said. The cost of such ID will range from 100 to 160 hryvnyas (4-6 dollars) without VAT.

It should be recalled that in early 2015 Ukraine started issuing biometric travel passports.

# Interior Ministry opens access to register of car owners

A new section has been created on the website of the Interior Ministry that provides access to the register of owners of vehicles.

In order to obtain information, one should register using a digital signature or via BankID option.

# **Court upholds Communist Party ban**

The Kiev Administrative District Court on 16 December banned activities of the Communist Party of Ukraine. In such a way, the court fully satisfied the suit filed by the Justice Ministry.

Earlier, the Kiev Administrative Court of Appeal upheld the ban on the party's participation in the elections.

Meanwhile, Amnesty International said that the ban imposed on the Communist Party was a violation of freedom of expression.

# 6. ECONOMY

# Adoption of new Tax Code postponed until 2016

MPs and ministers have agreed to postpone the adoption of the new Tax Code until the next year, according to the speaker of the Ukrainian parliament, Volodymyr Hroysman.

The parliament chairman said that the draft state budget for 2016 would be based on the current Tax Code. Starting from 1 January, only new rates of major taxes will be introduced in the present Tax Code.

# IMF recognizes Ukraine's debt to Russia as official

The IMF has recognized Ukraine's debt of 3.08bn dollars to the Russian Federation as official, the IMF's press service has said.



It should be noted that earlier the IMF's statutes prohibited provision of credit to countries with outstanding sovereign debts to other countries. However, on 8 December, the IMF removed the ban. Thus, Ukraine, even if it defaults on the Russian bonds, will be able to continue to borrow from the IMF.

# Ukraine imposes moratorium on Russian debt payments

The Cabinet of Ministers of Ukraine on 18 December issued a resolution introducing from 20 December a moratorium on the repayment of 3.08bn dollars on the so-called «Russian» bonds, as well as on state-guaranteed loans worth 507m dollars of Pivdenne (Yuzhnoye) Design Bureau (Dnepropetrovsk) and Ukravtodor received from Russian banks.

Ukrainian Prime Minister Arseniy Yatsenyuk said that the debt payments were suspended until either Russia agreed to Ukraine's terms or a relevant court decision was made.

Russian Deputy Finance Minister Sergey Storchak said that Moscow planned to file a lawsuit against Ukraine in 10 days after the debt payment deadline.

# Gross foreign debt grows to 127.5bn dollars

The National Bank of Ukraine has reported that the country's gross external debt in the third quarter of 2015 increased by 550m dollars or 0.4 percent and reached 127.5bn dollars as of 1 October.

The largest part of Ukraine's external debt is denominated in the US dollar (73.6 percent of the foreign liabilities).

It should be recalled that at the end of 2014, Ukraine's gross external debt amounted to 126.3bn dollars.

# GDP downby 7.2 percent in third quarter

The State Statistics Servicehas reported that gross domestic product in Ukraine in the third quarter of 2015 declined by 7.2 percent compared to the same period of the last year.

It should be noted that the Finance Ministry expects Ukraine's economy to contract by 12 percent in 2015, a slightly worse forecast compared to the estimates by the Economic Development Ministry, which predicted a decline of 10 percent. At the same time, the Finance Ministry stressed that its estimates coincided with the indicators forecasted by the World Bank.

# President vetoes law on foreign currency loans restructuring

Ukrainian President Petro Poroshenko on 18 December vetoed the law on the restructuring of loans that were issued in foreign currency.

According to the president, the conversion of foreign-currency loans at the rate that was in effect at the time when the vast majority of loan agreements were



signed (5.05 UAH/USD) will inflict a loss of more than 76bn hryvnyas on the country's banking system.

# National bank keeps interest rate at 22 percent

The board of the National Bank of Ukraine on 17 December decided to keep the interest rate at 22 percent per annum.

# Government declares Kiev's 350m bonds as public debt

The Cabinet of Ministers has decided to recognize Kiev's 350m-dollar Eurobonds as national debt. Under the restructuring of these securities, the majority of Kiev debt holders agreed to write off 25 percent of par value. The securities maturing in 2019 and 2020 have a rate of 7.75 percent.

# National Bank set to liquidate Finance and Credit bank

The National Bank of Ukraine has issued a resolution to revoke the banking license of Finance and Credit bank and liquidate the institution.

As of 1 July 2015, the bank ranked 10th in terms of assets (1.85bn dollars). Its main beneficiary is businessman and unaffiliated MP Kostyantyn Zhevaho.

# Ukraine abolishes 13,000 Soviet production standards

The Centre for Standardization, Certification and Quality Problems has cancelled almost 13,000 Soviet standards (GOSTs) starting from 1 January 2016, Deputy Economy Minister Maksym Nefyodov has said.

## Government raises salaries for managers of state-run companies

The Cabinet of Ministers has increased by 20 times the maximum size of salaries paid to top managers of state-owned enterprises, according to the government's resolution published on 14 December.

## 7. ENERGY

# Russia says gas discount for Ukraine todepend on purchase guarantees

Russia may provide a natural gas discount to Ukraine depending on whether the latter gives any guarantees for the purchase of Russian gas in the first quarter of 2016, Russian Energy Minister Aleksandr Novak has said.

It should be recalled that the winter gas package initialled by Ukraine, Russia and the EU on 25 September provides for the purchase of 2bn cu.m. of gas by Ukraine's state-run energy company Naftohaz Ukrayiny from Russia's Gazprom using 500m dollars provided to Ukraine by the European Union. As part of the winter package, the Russian Federation gave Ukraine a discount of 20 dollars per 1,000 cu.m. to be used in the fourth quarter of 2015. Taking this discount into account, the price for the period is 227 dollars.



# Ukraine introduces emergency measures on energy market

The Cabinet of Ministers has decided to impose temporary emergency measures in the electricity market.

This regime makes it possible for the National Energy Regulatory Commission to collect additional payments from energy companies, to adjust electricity tariffs and investment programmes of companies. Also, the commission can amend the algorithm for the distribution of funds in the wholesale electricity market.

It should be recalled that the cabinet already made the decision to introduce emergency measures in the electricity market in late March 2015 and then cancelled them in May.

# EU allocates 5m euros for energy sector reforms in Ukraine

The European Union has provided to Ukraine the first tranche of 5m euros under the EU programme for the implementation of Ukraine's energy strategy.

The programme's total budget makes 45m euros.

# **Energy Ministry cedes control over Naftohaz company**

The Energy Ministry has transferred the shares of the state-run energy company Naftohaz Ukrayiny to the Economic Development Ministry.

In should be recalled that the Cabinet of Ministers on 5 December issued a resolution obliging the Energy Ministry to transfer Naftohaz's shares to the Economy Ministry before 15 December.

# Naftohaz, EBRD name winners in gas supply tenders

Noble Clean Fuels Ltd (UK) and ENGIE SA (France) have been declared winners of the first three tenders for the supply of natural gas to the state-run energy company Naftohaz Ukrayiny in December and January using the money from the European Bank for Reconstruction and Development.

It should be recalled that on 23 October, Ukraine and the EBRD signed a loan agreement worth 300m euros to be used for the purchase of gas.

# Government halves gas reserve requirement for suppliers

The Cabinet of Ministers has reduced the requirement for insurance natural gas reserves that should be maintained by suppliers from 100 percent to 50 percent of monthly volumes, according to **Oleksandr Vovk**, an adviser to the energy minister.

# Another tanker with Kazakh oil arrives in Odessa

The fourth tanker from Kazakhstan with oil for the Ukrtatnafta company arrived in Odessa on 15 December. The shipment volume is 85 tonnes of oil.



# Ukraine cuts coal production by 40.9 percent

Ukrainian coal-mining enterprises in January-November 2015 reduced coal production by 40.9 percent compared to the same period in 2014, to 36.35m tonnes, the Interfax-Ukraine news agency has learned from a source in the Energy Ministry.

### Ukraine receives coal from South Africa

Some 76.7 tonnes of coal ordered from South Africa have been unloaded at Pivdennyy port (Odessa Region).

# DTEK buys out 88 percent of 2016 electricity export quota

DTEK company, which is controlled by **Rinat Akhmetov**, at the annual electricity export auction purchased 2.1 GW of electric power to be supplied in 2016, accounting for 88 percent of the entire capacity offered by the state-run company Ukrenerho.

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