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1. Ukraine recognizes Russian elections ForUm, 4 December 2007

"The Foreign Ministry of Ukraine accepts the results of Russian elections as they are," press secretary of the Foreign Ministry Andriy Deshchytsya stated. ForUm's correspondent reports.

He has added that at the moment the Foreign Ministry follows all news and comments concerning the elections in Russia.

The press secretary has informed that the Foreign Ministry of Ukraine hopes for active cooperation with Russia at all levels of cooperation: cooperation between new parliaments, between new governments, and between presidents of Ukraine and Russia.

Text available on World Wide Web, URL:
<http://en.for-ua.com/news/2007/12/04/150019.html>

2. Ukraine's former top diplomat elected parliament speaker Earthtimes.org, 5 December 2007

Former foreign minister Arseniy Yatsenyuk has been elected parliament speaker with the votes of Ukraine's pro-Western coalition. Yatsenyuk received the support of 227 of the 450 members of the

Verkhovna Rada Tuesday night, media reports said, in a vote seen as a test for the upcoming decision on the whether to confirm the designated prime minister, Yulia Tymoshenko.

The so-called orange coalition of Tymoshenko's bloc and President Viktor Yushchenko's Our Ukraine party, of which Yatsenyuk is a member, achieved a narrow majority of 228 seats in the Verkhovna Rada in September elections, but the coalition is seen as tenuous.

Nearly two months of infighting followed the elections until the orange coalition was formed and a new government could begin to be put in place.

Tymoshenko had previously served as prime minister, filling the post immediately after the 2004 Orange Revolution, which overturned the election of a pro-Russian government that was charged with rigging the vote.

Tymoshenko attacked Russia again, this time for its latest hike in gas prices.

"This price is not based on logic but on corruption," she said in Kiev.

The latest hike raised the cost of gas from 130 dollar per 1,000 cubic metres to 180 dollars.

Two years ago, another argument over gas price hikes between Russia and Ukraine led to supply shortages that also affected customers in the European Union.

Text available on World Wide Web, URL:
<http://www.earthtimes.org/articles/show/153380.html>

3. Ukraine minister gets "orange" OK for speaker job Reuters, 4 December 2007

Allies of President Viktor Yushchenko endorsed Ukraine's foreign minister on Monday for the post of parliamentary speaker, ahead of a vote in parliament that could help an "orange" government into office.

Parliament is expected to vote on Tuesday on whether to appoint Arseniy Yatsenyuk as speaker.

Analysts say that if he wins the powerful speaker's job, it will aid ex-prime minister Yulia Tymoshenko's chances of becoming premier in a new coalition government.

Tymoshenko's bloc and Yushchenko's Our Ukraine party, both associated with the "Orange Revolution" that swept Yushchenko to power, formed a parliamentary coalition last week following a September election. The two groups hold 227 parliamentary seats, just one more than is needed to win most votes.

A government headed by Tymoshenko is expected to emerge soon, although the coalition's wafer-thin majority has prompted analysts to question how viable it will be.

There have also been suggestions that some of the president's supporters, and perhaps Yushchenko himself, are unhappy at the prospect of Tymoshenko returning to office.

Party leaders said Our Ukraine had voted unanimously on Monday to back Yatsenyuk, a 33-year-old technocrat seen as a compromise candidate acceptable to most groups in the chamber. Tymoshenko has already said she has no objection to his becoming speaker.

But a top party official said it took two votes to win over some reluctant Our Ukraine members.

If Yatsenyuk's bid fails, alternative candidates for speaker might be less favorable to the formation of an "orange" cabinet -- like Ivan Plyushch, a presidential ally who refused at the last minute to join the two-party coalition last week.

The president's arch rival, caretaker prime minister Viktor Yanukovich, favors a "broad coalition" of his own supporters and members of Our Ukraine to breach differences between nationalist western Ukraine and the Russian-speaking east.

Tymoshenko rejects any notion of such a coalition, and though reserved in her comments since the coalition was created, said on Monday she was ready to go into opposition if no "orange" government could be formed.

"There can be either a democratic coalition or none at all, a power vacuum," news agencies quoted her as telling activists.

But she added: "I do not want anyone to view it as a tragedy if, because of a few traitors, we find ourselves in opposition."

After coming to power on the back of mass protests against electoral fraud in 2004, Yushchenko pledged to move Ukraine closer to the West and join the European Union and NATO.

But splits developed in "orange" ranks and the president sacked Tymoshenko as prime minister months later. The two leaders were reconciled during the September campaign.

(Writing by Ron Popeski; Editing by Catherine Evans)

Text available on World Wide Web, URL:

<http://www.reuters.com/article/worldNews/idUSL0309501320071203?sp=true>

4. Ukrainian Coalition Nominates Tymoshenko for Prime Minister VOA News, 4 December 2007

Two reformist Ukrainian political parties have formally nominated Yulia Tymoshenko as their candidate for prime minister, opening the way for the leader of the 2004 pro-Western "Orange Revolution" to return to power.

Lawmakers representing the "Our Ukraine" party of President Viktor Yushchenko joined with Ms. Tymoshenko's bloc in unanimously approving the nomination Tuesday. The president now has 15 days to approve the nomination, before sending it to parliament for approval.

The coalition also nominated Foreign Minister Arseniy Yatsenyuk as parliament speaker.

These votes follow a deal announced last week under which Mr. Yushchenko and Ms. Tymoshenko agreed to reform their alliance from 2004.

Ms. Tymoshenko served as prime minister after Mr. Yushchenko won the presidency that year. But he later fired her.

Some information for this report was provided by AFP and Reuters.

Text available on World Wide Web, URL:

<http://www.voanews.com/english/2007-12-04-voa27.cfm>

5. NU-NS Member Asserts That Failure of Vote on Speaker May Break the Coalition Ukrayinska Pravda, 3 December 2007

Our Ukraine-People's Self-Defense Bloc (NU-NS) member Viktor Topolov believes that failure of a vote on Arseniy Yatsenyuk's speakership will give up for lost a new coalition.

"If the coalition fails to unanimously vote in favor of Arseniy Yatsenyuk, it will unlikely succeed in voting on PM and forming a government," Mr. Topolov's statement reads.

In Mr. Topolov's view, "it will end with a complete failure of the NU-NS and the entire democratic team in the eyes of millions of Ukrainians who supported them."

"I call on those willing to voice dissent that the situation is quite serious and there is nothing else left for them to do but to vote in favor of Mr. Yatsenyuk. We are close to breach of voters and the President's confidence," stressed Mr. Topolov.

Mr. Topolov added that although democratic forces managed to form a majority they should not rest on their laurels and better face the upcoming first test with dignity."

It is widely known that according to the coalition agreement, speakership is the NU-NS's quota but this time everybody consented to the President's nomination – current Foreign Minister Arseniy Yatsenyuk – which is mutually agreeable candidate for all the sides including the 'blue' one.

Mr. Topolev was one of the dissenters who until recently refused to sign the coalition agreement between the NU-NS and Yulia Tymoshenko Bloc.

Text available on World Wide Web, URL:
<http://www2.pravda.com.ua/en/news/2007/12/3/9523.htm>

6. Coalition officially nominated Yatsenyuk to speaker's post

ForUm, 4 December 2007The coalition has officially nominated Foreign Minister of Ukraine Arseniy Yatsenyuk to the post of the chairman of the Verkhovna Rada, and BYuT leader Yulia Tymoshenko was nominated to the post of the Prime Minister.

The corresponding decision was taken unanimously by the BYuT and the OU-PSD factions at the joint sitting.

Besides, the coalition has taken a decision that Yalia Tymoshenko and leader of the OU-PSD Vyacheslav Kyrylenko will coordinate the activity of the coalition by turns.

Text available on World Wide Web, URL:
<http://en.for-ua.com/news/2007/12/04/124830.html>

7. Party of Regions not to support candidacy of Yatseniuk for post of Speaker UNIAN, 4 December 2007

The faction of the Party of Regions will not take part in the voting for electing the Speaker of the Verkhovna Rada.

Member of the faction of the Party of Regions Vassyl Hara said this in the interview to journalists today.

He noted that the sitting of the faction took place today, where they made the decision not to take ballots while electing the Speaker. According to the words of V. Hara, this can be explained that the Party of Regions "will not be able to work for another format of coalition".

Moreover, V. Hara said that candidate for the post of the Speaker of the VR from the BYUT and the OU-PSD Arseniy Yatsenyuk met with faction of the Party of Regions. At the same time, V. Hara noted that there are a lot of questions which are left without the answer from the side of A. Yatsenyuk. "A. Yatsenyuk behaved himself as real diplomat", said V. Hara.

Constant URL of article:
<http://www.unian.net/eng/news/news-224813.html>

8. Opposition Forgets That Lytvyn Was Elected by a Package Vote Ukrayinska Pravda, 4 December 2007

Our Ukraine-People's Self-Defense Bloc member, Roman Zvarych, insists on a package vote on speaker and vice speaker.

He refers to Part 8 Article 70 of the Parliamentary Rules of Procedure which reads that "speaker may be elected simultaneously with vice speaker and first vice speaker of the Verkhovna Rada".

At the same time, the Lytvyn Bloc and Party of Regions dispute the package vote.

Party of Regions member Nestor Shufrych claims that "the package vote shows that the coalition does not have 226 votes for Yatsenyuk".

In turn, Lytvyn Bloc member Oleh Zarubynsky states that the package vote "is rather an approval than an election".

Although, on May 28, 2002 Volodymyr Lytvyn was elected speaker precisely following the package vote by 226 votes.

Permanent Link: <http://www.pravda.com.ua/en/news/2007/12/4/9535.htm>

9. Orange coalition nominates Tymoshenko for PM UNIAN, 4 December 2007

Ukraine's majority pro-Western coalition voted Tuesday to put forward Yulia Tymoshenko as their candidate for prime minister, opening the way for the leader of the 2004 Orange Revolution to return to power, according to AFP.

The vote followed a deal between Tymoshenko's party and President Viktor Yushchenko's Our Ukraine party to reform their alliance from the 2004 pro- democracy revolution sparked by mass protests against vote rigging.

Viktor Yanukovich, a pro-Russian politician who was Yushchenko's rival in the Orange Revolution standoff, recently resigned as prime minister after 15 months in office.

The move followed elections in September that were called to resolve months of wrangling between Yushchenko, who supports Ukraine's full integration with the West, including the North Atlantic Treaty Organization military alliance, and Yanukovich.

Constant URL of article:
<http://www.unian.net/eng/news/news-224881.html>

10. Ukraine elects parliamentary speaker RIA Novosti, 5 December 2007

Ukraine's parliament elected a speaker late on Tuesday, approving the candidate nominated by the majority pro-West 'orange' coalition.

Arseniy Yatsenyuk, 33, was economics minister from September 2005 to August 2006, and was appointed foreign minister in March 2007.

The Yulia Tymoshenko bloc and pro-presidential Our Ukraine-People's Self-Defense faction formed on Thursday a majority coalition in parliament, paving the way for the formation of a government. The two blocs also nominated Tymoshenko as prime minister.

Mykola Shershun, head of the Supreme Rada's vote count commission, said 227 parliamentarians had voted for Yatsenyuk, with 226 votes necessary for the approval of the nomination.

Yatsenyuk is a member of the Our Ukraine-People's Self-Defense party.

Ukrainian President Viktor Yushchenko, who had reportedly planned to congratulate Yatsenyuk on his appointment, failed to make an appearance at parliament on Tuesday night.

Parliament is due to hold another session on Thursday.

Text available on World Wide Web, URL:
<http://en.rian.ru/world/20071205/90960425.html>

11. Yushchenko ally to lead Ukraine parliament **By Roman Olearchyk in Kiev** **The Financial Times, 5 December 2007**

Ukraine's pro-western governing coalition passed a major obstacle on Tuesday mustering just enough votes to elect a trusted ally of President Viktor Yushchenko as parliament speaker.

The candidacy of Arseniy Yatsenyuk, a 33-year old former central bank chief who served most recently as Kiev's Foreign Minister, was supported by a razor-thin majority of 226 lawmakers in Ukraine's deeply-divided 450-seat legislature.

The approval of Mr Yatsenyuk, a trusted confidant of Mr Yushchenko, boosts chances for the president's erstwhile ally, Yulia Tymoshenko, to be approved as premier in coming days.

Both Orange Revolution heroes reunited this summer after a bitter falling out in 2006 to oust the governing coalition of Viktor Yanukovich, whom they accused of derailing western integration initiatives.

With a surprisingly strong showing in early elections, Ms Tymoshenko's bloc last week entered into a coalition with the president's political grouping. Trust between both camps was fragile in recent weeks but has strengthened with the successful vote on Mr Yatsenyuk's candidacy.

A handful of presidential allies in parliament warned days earlier they would not support Yatsenyuk, whose candidacy was viewed as a key ingredient for a Tymoshenko-led coalition.

Ms Tymoshenko is viewed as a supporter of Mr Yushchenko's efforts to join the European Union and Nato military alliance, but is expected to challenge for the presidency in a 2009 campaign. A vote on her candidacy for premier is expected within days.

Ms Tymoshenko's coalition is expected to be fragile, but it would mark the first time Mr Yushchenko held a western-leaning majority in parliament since being propelled to the presidency by the pro-democracy Orange Revolution.

Mr Yatsenyuk, viewed as a figure who could seek compromise with a strong opposition led by Mr Yanukovich, pledged to bring balanced "diplomacy" into the halls of Ukraine's deeply divided parliament.

Text available on World Wide Web, URL:
<http://www.euro2day.gr/articlesfna/50342658/>

12. Russia, Ukraine reach new gas deal at 38% higher priceXinhua, 5 December 2007Russia and Ukraine have agreed on a natural gas supply deal, under which Ukraine will raise its payments to Russia by 38 percent in 2008, Russia's gas giant Gazprom said Tuesday.

The move is considered a relief from the anxiety over a possible natural gas shortage in Europe.

The price of natural gas will be raised to 179.5 U.S. dollars per 1,000 cubic meters from 130 dollars this year, according to the agreement signed between Gazprom CEO Alexei Miller and Ukrainian Energy Minister Yuri Boiko.

The fee for transporting Russia's natural gas to Europe via Ukraine will also rise to 1.7 dollars per 1,000 cubic meters from 1.6 dollars.

"The agreement can guarantee the transit of gas to Europe via Ukraine," Ukrainian Energy Ministry spokesman Konstantin Borodin said.

A large proportion of Ukraine's natural gas consumption, which amounts to approximately 80 billion cubic meters per year, is imported from Russia.

Russia cut off natural gas supply to Ukraine for several days in early 2006 after Kiev refused Moscow's demand to more than quadruple the price.

The suspension posed a serious threat to Europe, where oil prices had risen more than 10 percent in a week.

The months-long price dispute ended with a five-year deal, under which Gazprom will sell gas for 230 U.S. dollars per 1,000 cubic meters to the Rosukrenergo trading company, which will mix the Russian gas with cheaper gas from Central Asia and sell the blend to Ukraine for 95 dollars per 1,000 cubic meters.

Ukraine had been buying Russian gas at 50 dollars per 1,000 cubic meters over 2005.

Gazprom provides more than a quarter of the gas consumed in the European Union, some 80 percent of which is sent through pipelines that cross Ukraine.

Text available on World Wide Web, URL:
http://news.xinhuanet.com/english/2007-12/05/content_7202906.htm

**13. UPDATE 3-Ukraine agrees to pay 38 pct more for Russian gas
By Dmitry Zhdannikov
Reuters, 4 December 2007**

Ukraine has agreed to raise payments for Russian gas by 38 percent in 2008, Russian gas export monopoly Gazprom said on Tuesday in a deal likely to remove the threat of supply disruptions to Europe.

But in a sign of potential trouble, Ukraine's possible future prime minister, Yulia Tymoshenko, denounced the deal as a "brainless policy" of using intermediaries.

Gazprom, which supplies a quarter of Europe's gas, said in a statement the deal had been reached at a meeting with Ukraine's energy minister, Yuri Boiko, and the price of gas would rise to \$179.5 per 1,000 cubic metres from \$130 this year.

The gas market and analysts follow closely pricing talks between Russia and Kiev as Ukraine accounts for 80 percent of Russian gas transit to Europe and a price dispute two years ago fully cut supplies for several days.

Boiko is a member of the outgoing Ukrainian cabinet.

The shape of a Cabinet due to be formed after parliamentary polls last September is unclear.

But a coalition of pro-Western parties, with a tiny majority, is poised to restore Tymoshenko as premier, a job she held for seven months in 2005. The election of Foreign Minister Arseniy Yatsenyuk, an ally of President Viktor Yushchenko, as parliament speaker on Tuesday boosted her chances.

Ties between Ukraine and Russia worsened considerably during her time in power. Tymoshenko on Tuesday repeated her calls for a revision in the way Ukraine buys gas by eliminating all intermediaries which she says inflate prices.

"This is a consequence of an absolutely brainless policy in which RosUkrEnergo was established as an intermediary," Interfax Ukraine news agency quoted her as saying about the new deal.

DEAL UNLIKELY TO BE REVISED: ANALYST

Tim Ash, emerging market analyst at Bear Stearns in London, said he doubted Tymoshenko would try to revise the deal if she came to power as it was generally positive for Kiev.

"Can Tymoshenko get a better deal? No! Does she want to fight with Moscow? Probably not," he said, adding that the fact that Boiko met President Viktor Yushchenko before going to Moscow indicated the deal had been blessed at the highest level.

Ukraine mostly relies on gas from Turkmenistan, which is imported by Gazprom, and signs of a new dispute emerged after Gazprom said it would pass on cost to Ukraine after agreeing to raise payments for imports of Turkmen gas from 2008.

Under the deal signed last week, Gazprom would pay \$130 per 1,000 cubic metres of Turkmen gas in the first half of 2008, up from \$100 in 2007, and \$150 in the second half of 2008.

Gazprom buys up almost all of Turkmen gas exports, or around 50 billion cubic metres per year -- enough to cover the demand of a country like France.

The purchases allow Gazprom to cover a gap in production to meet demand in Russia, ex-Soviet states and Europe.

Ukraine's 2008 budget assumes a price of \$160 and President Viktor Yushchenko has said \$150-160 would be a market-based price. Economy Minister Anatoly Kinakh has said any price above \$160 would hurt business.

Ash said Ukraine, whose GDP will grow by 7 percent this year, would be able to cope with the price increase as long as prices for Ukraine's main export good - metals - stay high. (Reporting by Dmitry Zhdannikov; editing by Matthew Lewis)

14. Gazprom to raise prices in Ukraine - and Russia AP/Bloomberg, 4 December 2007

MOSCOW: Gazprom, the world's biggest natural gas producer, said Tuesday that it was raising prices in Russia by 25 percent next year and that prices in Ukraine would rise 38 percent.

The Russian Federal Tariff Service is allowing Gazprom to charge an average of 1,690 rubles, or \$69, per 1,000 cubic meters of natural gas to industrial consumers in 2008. Gazprom currently charges an average price of 1,350 rubles.

In Ukraine, the price of gas will rise to \$179.50 per 1,000 cubic meters from \$130 this year.

Gazprom supplies a quarter of Europe's natural gas, and 80 percent of the supply destined for Europe goes through Ukraine. A price dispute between Gazprom and Ukraine cut supplies to Europe for several days two years ago.

The deal to raise prices in Ukraine was reached at a meeting between the Ukrainian energy minister, Yuri Boiko, and the chief executive of Gazprom, Alexei Miller. The deal comes after months of negotiations between Moscow and Kiev and is part of what Russia describes as an effort to end its practice of providing energy supplies to former Soviet republics at cut-rate prices.

In Russia, the Federal Tariff Service's move is part of a larger plan to dismantle price caps to curb demand for the fuel.

Gazprom received 356 billion rubles in revenue from domestic sales in 2006, and the company has said it loses money on its Russian business because of price controls that impede investment. A Gazprom official, who asked not to be identified, declined to comment on whether the company earns a profit on sales inside the country.

Russia, the world's second-biggest natural gas consumer after the United States, has pledged to raise domestic prices so that natural gas sales in Russia are as profitable as exports to Europe by 2011.

The company earned 846 billion rubles in revenue from the sale of 161.5 billion cubic meters, or 5.7 trillion cubic feet, of gas to Europe in 2006. Gazprom sold 316 billion cubic meters of gas in Russia in 2006, according to the company Web site.

Gazprom also won approval Tuesday to charge 19 percent more for gas transportation from independent gas producers in Russia, the tariff service said.

Elena Karpel, the head of Gazprom's pricing department, said in June that the government had committed to raising the domestic gas price by 25 percent in 2008, 20 percent in 2009 and 28 percent in 2010.

"The government fully understands the necessity of having sharply higher gas prices in Russia in order to control rapid domestic demand growth and to encourage and finance the development of replacement reserves," Ron Smith and Konstantin Batunin, analysts at Alfa Bank, wrote in a research note Monday. "Domestic tariffs must be raised rapidly, soon, and for substantially longer than is currently assumed by the market."

Officials in Ukraine have not yet signed documents on the price increase there, according to Andrei Knutov, a spokesman for the joint gas concern RosUkrEnergo, though he said that was expected in the coming days.

Since the supply disruption in January 2006 and a similar incident involving oil shipped across Belarus, Russia has sought to assure the European Union that exports would not be affected.

In October, Russia urged Ukraine to make good on what it said was a \$1.3 billion debt for gas shipments, a demand some Ukrainian officials described as an attempt to exert influence on Ukrainian politics after parliamentary elections in September.

The deal comes one week after Gazprom announced it would pay up to 50 percent more beginning next year for natural gas from Turkmenistan. Russia controls nearly all gas exports from the Central Asian nation and nearly of it is destined for Ukraine.

The increased price was seen as a concession by Moscow to spur construction of a Turkmen pipeline.

Text available on World Wide Web, URL:
<http://www.iht.com/articles/2007/12/04/business/gazprom.php>

15. Ukraine Gas Price Nears Crisis Level Kommersant, 4 December 2007

Gazprom has set the price for natural gas for Ukraine next year at \$179.5 per 1000 cu. m., up from \$130 this year, which will cost Ukraine an additional \$2.71 billion for a total of \$7.2 billion. A raise in the transit price of gas by \$0.10 per 1000 cu. m. per 100 km. will bring Ukraine \$2.65 billion, however. A higher selling price in Turkmenistan and plans by Kazakhstan and Uzbekistan to reconsider their selling prices was the justification for the price hike. Ukraine is buying less than 50 billion cu. m. of gas this year, and next year's volume has not been agreed on yet.

A Ukrainian source says that negotiations between Gazprom head Alexey Miller and Ukrainian Minister of Fuel and Energy Yury Boiko yesterday morning with Gazprom proposing \$180 per 1000 cu. m. and without changing the price of transit. The Ukrainian side countered with a proposal to raise the price of transit from \$1.60 to \$1.70 per 1000 cu. m. per 100 km. and lower that price \$1-3. Negotiations lasted five hours. The minister was ready to leave when Gazprom offered a raise of \$0.10 in the transit price. That concession led to a concession of \$0.50 on the price of gas and an agreement. A week ago, the price of \$147.40 was mentioned as agreed upon, while Gazprom deputy chairman talked about \$160 per 1000 cu. m.

Central Asia is the source of 73 percent of Ukraine's gas. Under a January 4, 2006, agreement, the price of that gas is strictly tied to the selling price in Central Asia. In November, Gazprom signed an agreement with Turkmenistan to buy gas at \$130 per 1000 cu. m. in the first half of 2008 and at \$150 in the second half. Uzbekistan and Kazakhstan then followed suit, with Kazakh sources saying that "individual contracts" may be signed at \$190 per 1000 cu. m. On November 28, Ukrainian Minister of Economics Anatoly Kinakh stated that \$180 per 1000 cu. m. would be a "catastrophic" price for Ukraine. The price of gas within Ukraine next year is now expected to be \$230-240 per 1000 cu. m.

Text available on World Wide Web, URL:
<http://www.kommersant.com/p832712/hydrocarbons/>

16. Gazprom seals natural gas pact with Ukraine By Roman Olearchyk The Financial Times, 5 December 2007

Russia's energy giant, Gazprom, announced on Tuesday that it had struck an agreement on the cost of natural gas supplies to Ukraine, preventing a repeat of the 2006 price standoff that triggered supply shortages in Europe.

Ukraine, a major consumer of gas and the key transit artery for Russian supplies to Europe, has accepted a stiff price increase from \$130 per 1,000 cubic metres of gas supplied to a \$179.5 rate, according to a Gazprom.

The statement, issued late on Tuesday, followed talks between the Russian company's chairman, Alexey Miller, and Ukraine's Energy Minister, Yuri Boiko.

The new rate is higher than the expected price named last month by Ukrainian officials, who predicted Kiev would pay \$150 for the first half of 2008 and a \$180 rate for the last six months of the year.

An official at Ukraine's energy minister said the price was "higher than expected," but an acceptable \$160 discount to what many European countries will pay early next.

The stiff price increases are expected to fuel fresh inflationary pressures in Ukraine, which is still adjusting to sharp price increases imposed in 2006 and this year. Analysts have warned that sharp gas price hikes on Ukraine would raise the risk of a potential Eurobond default by the country's state oil and gas monopoly, Naftogaz Ukrainy.

Ukraine's economy has grown surprisingly strong in recent years and attracting record amounts of FDI, but higher gas prices have kept inflation high, at about 13 per cent annually.

The gas price increase "will cost Ukraine an additional \$2.5 billion in energy import costs," said Tim Ash, a debt strategist at Bear Stearns. "This will add around 1.3 per cent of GDP to the current account deficit, which is expected to total around 3 per cent of GDP in 2007. We think this is manageable," he added.

The gas price increases for Ukraine come after Central Asian producers have moved to increase their export prices and transit fees for gas pumped to Russia, which resells the gas further west. Last month Turkmenistan raised its fee for gas resold by Gazprom to Ukraine by 30 per cent. In recent days, Uzbekistan sought to increase the price for its gas; Kazakhstan has called for higher transit prices for gas pumped through its territory to Russia.

Ukraine fills most of its gas import needs with imports from Central Asian countries: foremost Turkmenistan, while accepting smaller supplies from Kazakhstan and Uzbekistan. The gas is resold by Gazprom to Ukraine through Swiss-registered trader RosUkrEnerg.

Gazprom has in recent weeks blamed the price increases on efforts by western diplomats to court Central Asian suppliers. Officials in Brussels and Washington have in this year stepped up efforts to gain backing from Central Asian producers for construction of new gas pipelines that would circumvent Russian territory, thereby reducing Moscow's grip over energy supplies in the region.

Text available on World Wide Web, URL:
<http://www.euro2day.gr/articlesfna/50342667/>

**17. Gas price at the border of Russia and Ukraine will make \$179.5.
AK&M, 5 December 2007**

The head of the Board of the Open Society "Gazprom" Alexey Miller and the minister of fuel and power of Ukraine Jury Boyko have coordinated the gas price at the border of Russia and Ukraine which will in 2008 make \$179.5. It is spoken about in the report of the company.

The rate of transit on the territory of Ukraine will make \$1.7, on the territory of Russia for Ukraine also \$1.7.

We shall remind, that the arrangement by principles of the gas price formation for intermediate term prospect has been reached on November, 16th, 2007.

Gazprom is the world's largest gas company. On the results of 2006 the group "Gazprom" has extracted 556mlrd cube m. of gas, 11.4mln ton of gas condensate and 34mln ton of oil. In 2006 due to prospecting works the stocks of gas on category C1 have increased up to 587.5mlrd cube m., stocks on categories ABC1 - up 719.9mlrd cube m., as a result their total size for January, 1st, 2007 has reached 29.85trln cube m.

The authorized capital of Gazprom makes 118.367mlrdrbl. 23673512900 ordinary shares by face value of 5 rbl are let out.

The largest shareholders of Gazprom for December, 31st, 2006 are: Rosimushchestvo (38.37315035%), the Open Society "Rosneftegas" (10.73985095%). The net profit of Gazprom on ISFA in 2006 has grown in 2 times up to 636.461mlrd rbl. from 315.931mlrd rbl. Gazprom wins the first place in the " Leading enterprise of Russia "rating on the results of 2006, presented by the rating agency AK&M in October, 2007.

Text available on World Wide Web, URL:
<http://www.akm.ru/eng/news/2007/december/05/ns2158063.htm>

18. Three Ukraine border police injured after brawl with Roma Earthtimes.org, 4 December 2007

Thrown bricks and paving stones injured three Ukrainian border police in an altercation with more than 40 ethnic Roma, Korrespondent magazine reported Tuesday. The brawl began near the Moldovan border when a group of seven Roma - five men and two women - attempted to walk from the village Novoandriyashivka into Ukraine via a local road.

The border checkpoint, located in a remote farming region, was closed to road and foot traffic as the time was 9 pm and so after working hours, according to the report.

A pair of border guards on site attempted to turn the group back into Moldova but were met with "foul language and insults," and the Roma group refused to stop.

Reinforcements from provincial police and a border troop unit were called in, augmenting the number of law enforcements officials on the scene to six.

The Roma allegedly used mobile phones to summon members of their extended family, quickly increasing the number of police opponents to nearly fifty.

Further discussion on whether border crossing was permitted during after-work hours was curtailed after the Roma bombarded the police and border troopers with stones, bricks, and debris.

The conflict ended after the Ukrainian law enforcers fired warning shots into the air with their Kalashnikovs.

The three border policemen hurt in the fracas were recovering in local hospitals. There was no report of Roma injuries or arrests.

It was the seventh attempt this year by Roma living in the region to ignore border crossing laws and to pick a massed fight with police, according to the report.

Roma are one of Ukraine's many ethnic minorities. Public prejudice is high against the ethnic group.

Many Ukrainians consider ethnic Roma groups as likely to be involved in organized crime, a charge denied by Roma leaders, but commonly asserted by Ukrainian police.

Ukraine last year was cited by the United Nations as potentially in violation of a UN statute regarding the treatment of ethnic minorities, due to discrimination faced by the Roma in the former Soviet republic.

Text available on World Wide Web, URL:
<http://www.earthtimes.org/articles/show/153102.html>

19. ERRC Welcomes CESCR Concluding Observations on Ukraine ROME/ERRC, 4 December 2007

Concluding Observations of the CESCR on Ukraine welcomes the progress but underlines the need for further action.

The European Roma Rights Centre today welcomed the Concluding Observations of the United Nations Committee on Economic, Social and Cultural Rights (CESCR) on Ukraine. The Committee included a number of concerns regarding the situation of Roma in Ukraine, including police violence, lack of effective protection against discrimination, and the difficulties Roma in accessing employment, health services, education and housing.

The Concluding Observations, issued on 23 November 2007, followed the fifth periodic report of the Ukrainian government on its implementation of the International Covenant on Economic, Social and Cultural Rights. The Concluding Observations underlined the cooperation of the Ukrainian government and acknowledged the legislative measures adopted to promote equal opportunities and eliminate discrimination against women, and disadvantaged and marginalised individuals and groups. The Committee also welcomed the recent ratification of the Revised European Social Charter by Ukraine.

However, the Committee express its concern "regarding the reports about police abuse and denial of effective protection against acts of discrimination and violence committed against ethnic and religious minorities", including Roma. Furthermore, the Committee noted with concern that more than 1,000 Roma lack personal documents, which are necessary to access employment, health services and education. The Committee underlined that few Roma can find regular employment in State institutions, that the majority of the employed Roma work as unskilled labourers and that discrimination against Romani job applicants is reportedly rife in the country. As far as housing is concerned, according to the Committee, many Roma live in informal settlements and camps lacking basic infrastructures and services, without legal security of tenure and under a constant threat of eviction. The Committee also expressed concern regarding the high drop-out rate amongst Romani children frequent refusal to enrol Romani children in mainstream schools, and their segregation in special classes or special schools for children with mental disabilities.

The Committee issued the following recommendations for the Ukrainian government to improve the situation of Roma in Ukraine:

- Adopting comprehensive anti-discrimination legislation and amending its Criminal Code to include provisions on racially-motivated crimes;
- Removing administrative processing fees and bureaucratic requirements, to provide all Roma with personal documents, with a view to enabling them to access employment, health care and education, as well as other economic, social and cultural rights;
- Taking effective measures to combat discrimination against Roma in the field of employment and increase its efforts to reduce Roma unemployment through specifically targeted measures, such as

vocational training, job training and placement, financial incentives for employers, and assistance for Roma opening their own businesses;

- Securing the access of all Roma to adequate and affordable housing;

- Adopting special measures to increase school attendance by Roma children, combat discrimination against Roma pupils, promote their admission to mainstream schools and classes, raise awareness among Roma families on the importance of education, including for girls, and provide additional catch-up and Ukrainian and Russian language classes for Roma pupils.

The ERRC calls on the Government of Ukraine to take all the necessary measures to improve the situation of Roma, in accordance with the Committee's recommendations.

The full text of the Committee's Concluding Observations are available at:
<http://www.errc.org/db/02/8C/m0000028C.pdf>.

20. New special-task unit to be created in State Protection Directorate of Ukraine Eurasian Secret Services Daily Review, 4 December 2007

New special-task unit to be created in State Protection Directorate of Ukraine

The State Protection Directorate of Ukraine, responsible for safety of the higher state officials, will be renamed as the National Protection Service, online edition of daily Moskovsky komsomolets (MK) reports. The corresponding bill has been prepared by the presidential secretariat and will be submitted to the new Supreme Rada (parliament) as priority issue, the head of the State Protection Directorate of Ukraine, Major-General Valery Geletey, has told the Kiev-based daily newspaper Segodnya. According to Geletey, his directorate would suffer structural variations as well. So, a special-task unit, similar to Alpha of the Security Service of Ukraine, Sokol and Berkut of the Ministry of Interior of Ukraine is to be created in the department. Geletey also added that the new unit which existed only on paper earlier will work now as group of rapid reaction in case of emergency situations. He also said that authoritative sportsmen-fighters and kickboxers have been already accepted to the new special-task unit of the State Protection Directorate of Ukraine, named Bulat. The unit is equipped with the Austrian-made Glock automatic pistols, Geletey added.

President of Ukraine meets with Foreign Intelligence Service functionaries

President of Ukraine Viktor Yushchenko met yesterday with functionaries of the Foreign Intelligence Service of Ukraine, news agency UNIAN reports, referring to the President's press-office. Yushchenko congratulated them on the 16th anniversary of Service's establishment and thanked them for their effective work. During the meeting President also presented national awards to Service's functionaries, UNIAN saays.

President also set out basic guidelines of the Foreign Intelligence Service at present stage. As one of the main objectives he named intensification of systematic work aimed at revelation and analysis of main political and economic threats to Ukraine's national security, news agency marks. "Process of search for new markets for Ukrainian products requires concentrated and careful work. This is what economic interests of Ukrainian business and of the state itself require", Yushchenko is cited by the UNIAN. He said he fully relied on patriotism, experience and professionalism of the agency's staff members. President believes that that Foreign Intelligence Service is ready to take up to its functions stipulated by time requirements, news agency notes.

Ukraine's SBU to check political parties bribing accusations

The Prosecutor's General Office of Ukraine will probe into the statements about bribing Bloc of Yulia Tymoshenko lawmakers, news agency UNIAN reports from Kiev, referring to Prosecutor General of Ukraine Alexander Medvedko. He pointed out that Bloc of Yulia Tymoshenko did not turn to Prosecutor's General Office and stressed that he ordered his deputy to investigate whether the

political party officials turned to Security Service of Ukraine (SBU), and whether the SBU gave a negative reply to the appeal. At a press conference on 30 November, Bloc of Yulia Tymoshenko parliamentary faction member Sergei Sobolev claimed that in the nearest future the Bloc of Yulia Tymoshenko will pass to the SBU evidence of Party of Regions' attempts to bribe Bloc of Yulia Tymoshenko lawmakers.

Text available on World Wide Web, URL:
<http://www.axisglobe.com/article.asp?article=1443>

21. Ukraine boosts metal exports to Russia RBC, 4 December 2007

Ukraine increased metal exports to Russia by 18.3 percent to 2.578m tonnes during the first 10 months of 2007 compared to the same period a year earlier. According to government data, Russia's share in Ukraine's overall metal product exports rose from 8.2 to 9.7 percent. In monetary terms, Ukraine's metal sales to Russia grew 48.2 percent to \$1.779bn, with their share in overall proceeds up from 11.2 to 13 percent.

Ukraine's supplies to the CIS (excluding Russia) increased 39.5 percent to 1.527m tonnes, while falling 8.9 percent to the 27 EU member states, and 24 percent to 1.173m tonnes to the US.

Text available on World Wide Web, URL:
<http://www.rbcnews.com/free/20071204103823.shtml>

22. Russian operators sacrifice Turkey for Ukraine CNews, 4 December 2007

The Holding Altimo has had to sell half of its stake in the Turkish mobile operator Turkcell and withdrawn from the WiMax project 'Ukrainian High Technologies'. However, the Norwegian operator Telenor, in compliance with whose requests the given transactions have been concluded, does not exclude the owners of the mentioned assets to be affiliated with the Holding Altimo.

The Russian telecommunications holding Altimo claims its parent structure Alfa-group to have sold half of its shares in the leading Turkish mobile operator Turkcell and all shares in the company 'Ukrainian High Technologies', Ltd., providing WiFi services under the trademark Alnetnet. The most important is Alfa selling 50% of shares in its Turkish daughter company Alfa Telecom Turkey, which owns 49% of shares in the buffer company Cukurova Telecom Holdings, which in its turn owns 51% in the other intermediary structure Turkcell Holdings. The latter owns 51% in the cellular operator Turkcell. The transaction charge is not announced, but, according to Altimo Vice President **Kirill Babayev**, it is not high, as Alfa has preserved its economic interest in Turkcell and will receive the dividends in such volume as if it remained the only shareholder of its Turkish daughter company.

The Kazakhstani Fund Visor Group known for its investment into the developing telecommunications markets has bought Turkcell. In particular, the given Fund is the owner of the mobile operators Applifone (Cambodia) and Spice Nepal Privat (Nepal). According to CNews, the Kazakhstani company is Altimo long-standing partner: in 2003 the daughter company Visor Group – offshore Fellows – acquired the option to buy the Kirghiz mobile operator BiTel. However, BiTel key shareholder – **Aydar**, the son of the former Kirghiz president **Askar Akayev** – refused to execute the option agreement. So consequently, the Kazakhstani group sold 51% in Fellowes to the holding Altimo. Consequently, a long corporate conflict arose over Bitel, the company's property was handed over to another operator Sky Mobile, whose shares were redistributed between Altimo and Visor in the same proportion as Fellowes shares.

The other asset sold - 'Ukrainian High Technologies', Ltd. – was the joint project of the Fund Intel Capital and Russian Technologies, the Alfa-group venture subdivision. 'We have long thought to sell the given company', - Mr. Babayev says. 'UHT was developing too slowly because of several reasons,

- **Andrei Danilin**, IKC-Consulting analyst says. – The first is the company's conflict with the National Communication Regulation Commission of Ukraine, which resulted in UHT to lose some of the initially granted licenses. Secondly, WiMax prospects in the Ukrainian market were overestimated. Finally, **Yuri Chuikov**, one of UHT founders, has left the company not long ago. The transaction charge regarding UHT is also not announced. The buyer is the previously unknown company Intec Holding, which is characterized by Altimo as the investor into the telecommunications markets in CIS.

The reasons, which prompted Alfa to conclude both transactions are similar, i.e. the verdict of the Arbitration at the UN Commission on International Trade in New York, which in August forced Alfa on behalf of its Ukrainian Daughter Company Storm to cease boycotting the mobile operator Kyivstar and sell the shares in the assets competing with Kyivstar. The verdict was made on the claim of the Norwegian operator Telenor, which accused Storm of violating the agreement concluded between them as Kyivstar shareholders. The stake in Turkcell was sold because the Turkish mobile operator owns 54% in the Ukrainian mobile operator Astelit, so Alfa indirect share in Kyevstar competitor amounted to 7.2%. The given share has now reduced to 3.6%, which is below the maximum 5% bar, foreseen by Storm and Telenor agreement.

Initially Altimo claimed the illegality of Kyivstar equity agreement and the invalidity of the US Arbitration verdict in Ukraine, but nevertheless the Russians have undertaken steps to execute the verdict. Thus, last week the holding withdrew the claim on Kyivstar audit illegality and managed to force Storm participate in the shareholders meetings of the Ukrainian operator, meanwhile unsuccessfully. However, Telenor is not pleased with the activities of its competitors. 'Meanwhile, we are not sure Alfa assets have been sold to the non affiliated companies, - Telenor Russia's PR-director **Anna Ivanova-Golitsina** says. – Besides, on December 3d Storm boycotted Kyevstar shareholders meeting again. Furthermore, the company has not withdrawn all its claims filed against Kyivstar'.

Text available on World Wide Web, URL:

<http://eng.cnews.ru/news/top/indexEn.shtml?2007/12/04/277899>

23. Praktiker to Build 25 Outlets in Ukraine, Handelsblatt Reports By Stefanie Haxel Bloomberg, 4 December 2007

Praktiker AG, the German home- improvement retailer, plans to add 25 stores in Ukraine over coming years, making the country its largest foreign market, Handelsblatt said, citing management board member Michael Arnold.

Ukraine may overtake Greece, where Praktiker has annual sales of 259 million euros (\$380 million), the newspaper reported. The stores will have revenue of about 300 million euros, it said.

Praktiker, which opened its first Ukrainian store in the city of Donezk at the end of last week, aims to open three to five outlets a year in the country, Handelsblatt said. Construction of a store in Lemberg already started and building work on another in Kiev will start soon, the newspaper said.

Praktiker is entering the market ahead of German competitor and market leader OBI Bau & Heimwerkermaerkte GmbH, which plans to open several stores in Ukraine next year, Handelsblatt said, citing an unidentified OBI spokeswoman.

Text available on World Wide Web, URL:

http://www.bloomberg.com/apps/news?pid=20601100&sid=aNL3k_OYz8Mg&refer=germany

24. SITRONICS and MTS Ukraine Sign Three New Contracts WELT ONLINE, 5 December 2007

JSC SITRONICS ("SITRONICS" or "The Company") (LSE: SITR), a leading provider of telecommunications, IT and microelectronic solutions in Russia and the CIS, today announced that it

has signed three contracts totalling US\$ 39 million to supply technological equipment and telecommunications solutions to MTS Ukraine, one of the largest mobile operators in Ukraine. SITRONICS Telecom Solutions Ukraine, a regional subsidiary of SITRONICS Telecom Solutions, will supply the radio-relay equipment produced by INTRACOM TELECOM, a subsidiary of SITRONICS, to establish and service 2,200 radio-relay links in the MTS Ukraine network. The value of the contract is estimated at US\$ 27 million. SITRONICS will also provide and service for MTS Ukraine an Interactive Cell Broadcast solution, which was created on the basis of Celltick's products. The technology of interactive transmission allows for the delivery of new information and entertainment services to the mobile phones of millions of subscribers. The value of the contract is estimated at US\$ 5.7 million. In addition, SITRONICS will deliver a Fraud Management system based on the ECI Telecom's solutions, under a contract worth an estimated US\$ 6.3 million. Sergey Aslanyan, President and Chief Executive Officer of SITRONICS, commented: "The new contracts with MTS Ukraine, a subsidiary of the largest mobile operator in Russia and the CIS, prove the strong competitiveness and high quality of our products and solutions, and will assist in strengthening the cooperation between our companies." For further information, please visit www.sitronics.com. SITRONICS is a leading provider of telecommunication solutions, including software, equipment and systems integration, IT solutions and microelectronic solutions in Russia and the Commonwealth of Independent States with a strong presence in Central and Eastern Europe and a growing presence in the Middle East and Africa. SITRONICS serves over 3,500 clients, maintains offices in 32 countries and exports its products and services to more than 60 countries. SITRONICS has over 10,000 employees of whom approximately 4,500 are involved in research and development. SITRONICS' key Telecommunication Solutions operations are based in Prague, Czech Republic and Athens, Greece and Moscow, Russia, while the company's IT Solutions and Microelectronic Solutions divisions are based in Kiev, Ukraine and Zelenograd, Russia, respectively. For the six months ended June 30, 2007, SITRONICS' revenues were US\$ 638.3 million. As of 30 June 2007, SITRONICS had total assets of US\$ 1.7 billion. SITRONICS is majority owned by Sistema, the largest diversified holding company in Russia and CIS. SITRONICS has developed strategic alliances in its home markets with Cisco Systems, STMicroelectronics, Infineon and Giesecke & Devrient in relation to certain products and services. SITRONICS has vendor relationships with Siemens, Ericsson, Motorola, ORACLE, Intel, Sun Microsystems and Microsoft. Key customers include Sistema group companies, such as MTS, Comstar UTS and MTT, and also OTE, Cosmote, Vodafone, Ericsson and TCL. Note to editors: Celltick Technologies Ltd. is a developer of Active Content Marketing. The company was founded in 2000 and privately owned, Celltick is headquartered in the UK with offices in Russia, Singapore, India, Thailand and Brazil and R&D Centre in Israel. Some of the information in this press release may contain projections or other forward-looking statements regarding future events or the future financial performance of SITRONICS. You can identify forward-looking statements by terms such as "expect," "believe," "anticipate," "estimate," "intend," "will," "could," "may" or "might" the negative of such terms or other similar expressions. These statements are only predictions and actual events or results may differ materially. We do not intend to or undertake any obligation to update these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Many factors could cause the actual results to differ materially from those contained in our projections or forward-looking statements, including, among others, general economic conditions, our competitive environment, risks associated with operating in Russia, rapid technological and market change in our industries, and other factors specifically related to SITRONICS and its operations. This document does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any shares or other securities of SITRONICS, nor shall any part of it nor the fact of its distribution form part of or be relied on in connection with any contract or investment decision relating thereto, nor does it constitute a recommendation regarding the securities of SITRONICS.

Text available on World Wide Web, URL:

<http://newsticker.welt.de/index.php?channel=fin&module=smarthouse&id=642560>

25. Altimo honors U.S. court ruling on Ukraine cell phone operator RIA Novosti, 4 December 2007

Altimo, the telecoms arm of Russia's Alfa Group, said on Tuesday it had honored a U.S. court decision on a Ukrainian mobile operator and hoped for an end to a shareholder row with Norway's Telenor.

In August, the Court of Appeal in New York granted a lawsuit filed by Telenor and obliged Altimo to sell its shares in Kyivstar to a non-affiliated party or stakes of more than 5% in Kyivstar's rival cell phone operators Turkcell (which holds shares in Ukrainian mobile operator Astelit) and Ukrainian High Technologies.

The court ruling on Ukraine's Kyivstar is the latest step in a long-running dispute between the two main shareholders in Russia's second-largest mobile operator VimpelCom - Norway's Telenor and Russia's Alfa Group - over VimpelCom's move into the Ukrainian market.

Telenor had resisted buying into Kyivstar, as it put VimpelCom in direct competition with the Norwegian company's other interests in Ukraine.

In compliance with the New York arbitration award, Alfa Group's stake in Ukrainian High Technologies has been reduced to zero and Alfa's stake in Ukrainian mobile provider Astelit has been brought below 5%, the level permitted under the Kyivstar shareholders' agreement, Altimo said.

Altimo also said it had withdrawn all previous claims filed by its subsidiaries to Ukrainian courts and had instructed Storm, its Ukrainian affiliate and a direct stakeholder in Kyivstar, to attend all shareholders' meetings convened for Kyivstar. Previously, Storm representatives ignored meetings convened by Kyivstar's board of directors and shareholders.

Kyivstar is a leading mobile operator in Ukraine covering territory that is home to 97% of the population. Telenor has 56.51% in the company and Altimo holds 43.49%.

Text available on World Wide Web, URL:
<http://en.rian.ru/business/20071204/90836816.html>

26. SIAST Prepares to Recruit from the Ukraine
BY SHARON VANHOUE
Saskatoonhomepage.ca, 4 December 2007

SIAST is ready to head to the Ukraine to begin assessing skilled labour in that country who could become Canadian citizens, eventually living and working in Saskatchewan.

The program, which is still pending approval, from the Federal Government would see 2 hundred skilled tradespeople in the Ukraine assessed first and then it would be expanded to the Phillipines.

Dave Harvey is the Director of Business Development and International Partnership for SIAST.

He says Ukraine and the Phillipines are the starting points because those are the countries where people appear to be most interested in making the move to Saskatchewan.

Harvey is hoping to partner with vocational colleges in these countries so assessments could be done by officials there rather than having SIAST staff go to those areas for recruitment purposes.

Text available on World Wide Web, URL:
http://www.saskatoonhomepage.ca/index.php?option=com_ezine&task=read&page=9&category=21&article=9249&Itemid=86

27. GUAM Tenth Anniversary Marked in New York
By S.Agayeva
Trend News, 5 December 2007

United States business and scientific circles considers GUAM (Georgia, Ukraine, Azerbaijan and Moldova) one of the stronger international organizations. Such a statement was made at the

conference Regional Cooperation in Caspian and Black Seas region dedicated to the 10th anniversary of the establishment of GUAM in New York on 4 December, Agshin Mehtiyev, a permanent representative of Azerbaijan in the UN, said from New York on 5 December.

The conference was held in New York University. Attending the conference were political scientists and representatives of leading American Universities. GUAM countries were represented by Azerbaijani and Ukrainian, Georgian and Moldova permanent representatives to the UN.

Mehtiyev first delivered a speech at the conference. He spoke about GUAM's function, as well as successes of the organization achieved recently. Mehtiyev informed of Azerbaijan's policy on diversification of energy supply, cooperation in this sphere with GUAM partners and international organizations.

The lasting conflict between Armenia and Azerbaijan causes serious problems and hinders regional cooperation in the region.

Participants of the conference discussed joint economic planning and development issues of GUAM member-countries, as well as GUAM's place in the system of global energy diversification and frozen conflicts.

Text available on World Wide Web, URL:

<http://news.trendaz.com/index.shtml?show=news&newsid=1088686&lang=EN>

28. Regional security and the tyranny of deadlines

By James SHERR

Zerkalo Nedeli # 46 (675) 1 — 7 December 2007

In Britain and several other Western European countries, the caricature of the First World War—a civilisational calamity forced upon decision makers by railway timetables—is etched into public conscientiousness. It is an unhelpfully shallow caricature with incontestable elements of truth. It has also had a most unhelpful result: ridiculing our predecessors and persuading us that we today know better. But of course, we don't. In diplomacy as in war, schedules and 'processes' continue to force decisions out of governments before they are wise enough or prepared enough to take them.

Over the next few months in Central and Eastern Europe, two deadlines might have strategic consequences whether we desire them or not: 10 December 2007, the date when the six nation Contact Group must report to the UN Secretary General about the Troika's efforts to resolve Kosovo's final status; and March 2008, the month in which, according to the current constitution, a successor to President Putin must be elected. Just as these consequences begin to unfold, NATO's Bucharest summit will take place. Whilst it has no formal deadlines to respect, many well and ill intentioned people view the summit as a deadline in itself. It will convene at a time when paradigms about Russia and its need to 'adjust' to the enlargement process are starkly changing. When it comes to the next stage of this process—a Membership Action Plan—developments in Georgia and Ukraine are giving NATO pause for thought. Can NATO and these two candidates act in ways that prevent a pause from becoming a retreat? In other words, can they act with deliberation and in concert? They will need to resist very powerful distractions in order to do so.

Russia: the need for perspective

In the West, it is disagreeable but no longer controversial to make the following points. Russia's mood today is both resentful and self-confident. The country is committed to the 'strict promotion' of its own national interests, and it feels entirely principled about promoting them. (In Putin's words, 'Russia has earned a right to be self-interested'). What is more, it now has means at hand, not only energy (which has an all-European dimension), but two others: an aggressive intelligence presence and a limited, but increasingly methodical re-profiling of military capabilities for rapid intervention, particularly in the Black Sea and Caspian regions. Whether the issue is Kosovo, support for sanctions against Iran, US anti-ballistic missile defences in Central Europe, observance of arms control treaties or the resolution

of frozen conflicts, the Kremlin will not be swayed by 'the merits of the case', but will demand a quid pro quo for any concession it makes. Convinced that it has repeatedly been weakened and deceived by the West, the quid pro quos that matter are geopolitical: agreements that advance (and recognise) Russia's primacy in the former Soviet Union and its 'equality' (de facto right of veto) in wider matters of European security. The West is not only waking up to the realisation that the post-Cold War partnership is over; it is beginning to ask whether the post-Cold War status quo could be undermined or revised.

Yet soon we might have reason to recall the old axiom: 'Russia is never as strong or as weak as it seems'. The first reason is becoming unnervingly plain as we approach March 2008. Succession was the most problematic feature of the Soviet political system and, for all its apparent awesomeness, the clearest sign of its fragility. Has anything changed? Today's succession process is not only a weak link in its own right; it threatens to open every fissure that President Putin's rule has concealed. After all, Putin has not only concentrated power in the Kremlin, but rivalry: rivalry between individuals and clans that dominate the economy and control instruments of surveillance, investigation and armed force. The reverberations of this rivalry are not only being felt by Russians but by others. Today (as Fyodor Lukyanov argued back in January), 'pressure to recruit the international factor is strong'. Has the October CSTO [ODKB] summit in Dushanbe (with its emphasis on pre-empting coloured revolutions and collective peace-keeping 'in any hot spot of the world') not already done this in a most conspicuous way? Ditto the appointment of former SVR chairman Sergey Lebedev as Executive Secretary of the CIS? It is neither a good time for Russians interested in the country's more fundamental problems, nor for those who believe in cooperation with the West. Finally, it is not a good time for those who seek to engage Russia from outside.

Logically, these conclusions should enhance NATO and EU partnership with other regional actors, and it should lead to a strengthening of these actors' capacity. But will this endeavour have priority, or will it be held hostage to more distant and more petty interests?

Kosovo and the logic of consequences

The mantra of the so-called 'Quint' [*kvintet*] (the five Contact Group members minus Russia) is that 'Kosovo's supervised independence should not create any precedents'. This outwardly dogmatic statement can be justified on at least four grounds:

- *History*. Unlike Abkhazia and Nagorniy-Karabakh, the inhabitants of Kosovo (90 per cent of them Albanian) are not the ethnic cleansers but the ethnically cleansed, returned to their homeland under UN and NATO protection;
- *Law*. Kosovo is a UN protectorate. The frozen conflicts in the south Caucasus are not. The process of determining Kosovo's final status occurs within the framework of United Nations Security Council resolution 1244 and the plan of the Secretary General's Special Envoy, Martti Ahtisaari;
- *Rights*. The Ahtisaari Plan maintains a multi-ethnic community in Kosovo and secures (to quote the International Crisis Group) 'maximum concessions' for the Serb minority (7 percent of the population) 'which go far beyond European standards'. No parallel with Nagorniy-Karabakh or Abkhazia;
- *Prospects*. In the south Caucasus conflict zones are ruins; Kosovo's economic prospects are bright and European integration prospects in sight;

Yet the opponents of Kosovo's independence can also justify their position on four grounds:

- *History*. At least 100,000 Serbs were driven from their homes at the conclusion of the conflict in 1999 despite NATO 'protection';
- *Law*. The Ahtisaari Plan is blatantly inconsistent with UNSC 1244, which reaffirms 'the commitment of all Member States to the sovereignty and territorial integrity of the Federal Republic of Yugoslavia' and calls only for 'substantial autonomy and meaningful self-administration for Kosovo';

· *Rights.* What guarantee exists that the minority provisions of the Ahtisaari Plan will be implemented, given the UN's failure to implement provisions of 1244 that Albanians oppose, its failure to protect Serbs in 1999 and, once again, in the riots of 2004 (which wounded 900)?

· *Future Prospects.* What is the likelihood that Kosovo will remain an independent state rather than a transitional entity on a path to absorption by Albania?

In truth, the argument will not be resolved by argument, but by those who have the power to put their political convictions into practice. If the Kosovo leadership carries out its threat to declare independence unilaterally on 10 December, the question is what will happen, not what should happen. What will happen within the Quint [*kvintet*]—united in support of 'UN supervised independence', but not on recognition of unilateral independence? What will happen inside Kosovo and between Kosovo and Serbia (including Serbia's paramilitaries, who have threatened immediate intervention), and what will NATO's role then be? What will happen in the *Republika Srpska*, where 77 per cent say they will back secession from Bosnia-Herzegovina if Kosovo declares independence? What will happen inside Macedonia if the Ohrid agreement shatters and Albanians come under attack, and how will the EU, NATO and the Republic of Albania respond? And if the Kosovars are let down, will they just shrug their shoulders and go home?

The questions are relevant even if the turbulence extends no further. For fresh instability in the Balkans will only provide another reason for the West to keep Ukraine, Moldova and Georgia in the antechamber.

Yet Russia's leadership has hinted that if its wishes (and those of Serbia) are defied again, then turbulence *will* go further, and recognition of separatist entities in the south Caucasus will follow. But will such recognition really advance the interests of Russia when (as Sergei Markedonov recently argued), the 'Balkanisation' of the north Caucasus is already so well advanced? We therefore advance the hypothesis that Russia will not do what it threatens, but do what it does best: make life more disagreeable than it already is. Or to restate the proposition: nothing will be done with Russia's cooperation, and nothing can be done without it. Are we prepared for this eventuality? Is it one that we are obliged to accept?

Getting Georgia right

Someone might have sprung a trap for the President of Georgia, but he walked into it with blind confidence. Warnings about his style of leadership have been given: first (and quite early) by some of his more experienced supporters, then by Georgian and Western NGOs, then by those who had become his opponents and finally, on 4 October, by the Secretary General of NATO himself. Like his equally calculating, but cooler and more methodical Russian foil, Vladimir Putin, Mikhail Saakashvili appears to suffer from diminished apprehension of danger. Psychological explanations aside, there are two political ones. First, Saakashvili is a beneficiary of the Western propensity to 'pick winners', and whilst the Secretary General's warning was clear, it was late. Second, Saakashvili has legitimate reasons to be pleased with himself. Despite the Russian blockade, Georgia now has a vibrant economy. Institutions have been reformed, too selectively, but with real result. There is tax revenue as opposed to mere theft. Corruption is a recognised problem with recognised solutions and at least some visible progress. In no country does major reform fail to bring discontent. But the discontented need recognition, respect and answers. These things have not been visible.

Russia has been visible, but not in the present crisis. The question (which Saakashvili answered with characteristic hyperbole) is whether it has been an invisible protagonist. It has every incentive to be. Georgia is no longer a corroding despotism but a credible candidate for MAP. But does Russia have the means? In contrast to Ukraine, Georgia's political culture has become solidly anti-Russian, and 80 percent of the electorate supports NATO membership. In a country where links to Russian interests—not to say intelligence interests—risk instant discreditation, Russia has relatively little to play with. Nevertheless, Russian interests, particularly in the sphere of business, remain unavoidable, all the more so in an economy which remains far too opaque for the country's own good. As a reputed friend of Boris Berezovskiy, Saakashvili's principal foe, the oligarch Badri Patarkatsishvili is most unlikely to be a tool of the Kremlin, but he does appear to be connected with prominent business circles in Russia. Where there is business in the former USSR, there is intelligence. That reality leads to a more

apposite question: does Russia have the knowledge to cause trouble in Georgia? Very possibly so, and it has worked overtime to acquire it. That it played a part in this drama is also possible. Yet the drama's successful *denouement* does not depend upon better defence against Russia, but better governance.

This point has not been lost on Saakashvili's Western interlocutors, who have done much to sober him in the past few weeks—and it has not been entirely lost on Saakashvili, who has begun to listen. Fortunately, after months of unreserved support and weeks of intemperate criticism, Western opinion has become more sober as well. Very possibly, Saakashvili's political methods would bounce him out of any Western government. But which opposition leader is more democratically minded, more competent and less corrupt than he is? In Georgia as well as Ukraine, the question is not 'what is the Western standard', but 'what standard and what tempo of progress can one reasonably expect'? There as well, the key deficit is not one of people, but of institutions that have the legitimacy to represent people and the competence to act. The affair that rudely began with Okruashvili's allegations is significant not because it has exposed the deficiencies of the President, but because it has exposed the gap between Georgia's aspirations and the political culture it has. The question is not whether this realisation delays MAP, but whether it strengthens Georgia and the West's commitment to it. Today a realist can allow himself to be optimistic on both counts.

NATO and ukraine: the issues ahead

Today NATO has much to re-examine. Contrary to the view that it remains a Cold War institution, the fact is that it has evolved too much. It moved east on the new age assumption that Russia would adjust and gradually join us in addressing common (and distinctly soft) security problems rather than decide to pose a distinct set of hard and soft security problems itself. We now find ourselves confronting a zone of *Realpolitik* in Partner countries and some unnerving active measures in aspirant countries and new member states. To state the obvious, not all NATO allies are well prepared for this.

But what is NATO's likely response to be? It is most unlikely that the Alliance would close the door that it has opened and recognise Russia's right to make decisions for others. A 'grand bargain' at the expense of small states would see NATO's influence plummet. It would produce a deep rupture of the Alliance and undercut the legitimacy of the Euro-Atlantic project; it would create demoralisation, uncertainty and instability across the Black Sea and Caspian regions; it would reward a Russia 'dizzy with success' and vindicate a paradigm of security that is outmoded, distrusted, damaging to Russia's neighbours and harmful to every tendency in Russia that the West seeks to encourage. Whilst some allies might contest some of these points, they would need to argue openly and persuasively to create a new consensus or block the established one.

But it is possible that NATO will pause. In principle, that might be wise. The Alliance needs an opportunity to do what has not been adequately done: re-examine its surroundings, think about the relationship between cause and effect and about the adequacy of the tools at hand. *Reculer pour mieux sauter* [otstupat', chtobiy nastupat' silnee] is the motto that should guide such a process. But in practice, such a pause risks being seen as a change of course rather than a consolidation of it. In a world where actions communicate intentions—and in a region of recklessly self-confident actors—it is difficult to communicate strength by pausing, and the Alliance should have no illusions about this.

Ukraine and Georgia dare not leave these deliberations to NATO alone. In an Intensified Dialogue, there needs to be the frankest possible dialogue, even pressure. Yet there are good and bad ways of applying pressure.

The worst way Ukraine could apply pressure on NATO is to arrive at the December Foreign Ministers meeting of the NATO-Ukraine Commission without an Annual Target Plan for 2008, without a fully formed government, without a unified view about defence and security policy, but with a portfolio of arguments about the need for MAP in Bucharest.

The best way for Ukraine to apply pressure would be for Ukraine's president and prime minister to demonstrate a clear commitment to put the country first and the 2009 elections second. That entails speaking with a single voice about national defence and security policy: defence reform and peacekeeping, security sector reform and its financing, energy policy, public information and NATO

membership. NATO will never offer MAP to a country that does not want it. But pause or no pause, NATO will never abandon a country that embraces its principles, fulfils its commitments and believes in itself.

[The views expressed are entirely those of the author and do not necessarily reflect the thinking of the Ministry of Defence or Her Majesty's government]

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29. Those who are happy when being deceived
By Alexei MUSTAFIN
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No Ukrainian Confucius has come of Taras Chornovil. As early as a month ago, he was persuading his party colleagues to "...wait long by the Dnieper river until the bodies of the dead hopes for an orange coalition float by". His colleagues seemed to believe him, and are sitting waiting. But for the time being, much to the Regions Party's astonishment, but the only thing floating by is what remains of their own hopes of their opponents' failure. True enough, Taras himself didn't give up so soon and suggested that his party wait until next spring, in the hope that the 'oranges' would inevitably fall short some day, and that only they would prevail.

Mistake in the calculations

"Why hasn't my ace been played?" This question could easily be read on the faces of the white-and-blue party leaders on Thursday, November 29, when an 'orange' coalition was announced in parliament. They believed their plan to be excellent, and it wouldn't have failed except for chance. The plan seemed faultless to the extent that it was set forth by nobody but Viktor Yanukovich himself during a Cabinet of Ministers meeting, purporting that BYuT and 'Our Ukraine-People's Self-Defense' cannot come to come to terms on the Speaker's nomination, and that Vyacheslav Kyrylenko will never muster the required number of votes, anyway. If so, the Regions would propose a nomination of their own, which, miraculously, would garner the required support! The Our Ukraine faction, deprived of the Speaker's post that they promised, refuse to support Yulia Tymoshenko as prime minister, and would threaten divorce from BYuT forever... just to get into the same kind of trap they found themselves in 2006, when Oleksandr Moroz grabbed the Speaker's seat originally reserved for Petro Poroshenko.

The Regions seem to have never believed their opponents' ability to learn from their own mistakes. But this blunder of theirs doesn't seem to be an isolated one. The 'excellent' plan turned out to be resting on the belief that President Yushchenko is so uninterested in a BYuT-Our Ukraine coalition and Tymoshenko becoming Prime Minister that he was unprepared for open confrontation within his party. He himself might be uninterested, indeed, but he never acknowledged this, at least, in public. So, predictably enough, the president preferred a bird in the hand to two in the bush. He just exchanged his consent for an 'orange coalition' for his man in the Speaker's seat. This could well have been predicted back on Wednesday, when [Yushchenko's Secretariat Chair] Viktor Baloha announced the signing of an 'orange coalition' agreement with all of the seven Our Ukraine members who previously refused to sign. But Regions didn't believe it. [Party of Regions faction leader] Raisa Bohatyreva was, until the last moment, trying to convince journalists that an 'orange coalition' would never be set up. I wish you saw the faces of the white-and-blues when Roman Zvarych announced the signing of a 227-strong coalition agreement. But they were even more saddened by Kyrylenko's announcement about Arseniy Yatseniuk's proposed nomination for Speaker. The trouble for Regions is not in the fact that the Foreign Minister's [Yatseniuk] nomination has higher chances of being approved, but that Yatseniuk fully suits the President himself, and that the latter therefore uninterested in Yatseniuk's nomination being snowed over.

True, the white-and-blues never learned how to acknowledge mistakes at the proper time. After all, if they acknowledged their calculations were wrong, they would have had to admit that the men they assigned reach a coalition agreement with the Presidential Secretariat were absolutely incompetent as negotiators, which the Regions will never do (they even avoided holding 'after-election reviews' lest

they compromise Rinat Akhmetov's and his friends' gifts). After agonizing for one or two days over whether Yushchenko had deceived them or not and, if so, why, they decided to keep up appearances and make as if everything was proceeding as scheduled: as if Yushchenko and Baloha are prepared to team up with Regions, and Yatseniuk's nomination is just a kind of deceptive maneuver in preparation for dismantling the orange coalition forever. So Chornovil suggested that his comrade-in-arms wait by the river until the bodies of their enemies float by. After all, if the desire was there, it is inevitable that the BYuT-Our Ukraine coalition would fall apart, if not on Thursday then next Tuesday, if not because of the Speaker's nomination then because of the Prime Minister's. If the 'oranges' do not quarrel themselves, they would be helped by Andrei Kliuev's storied 'ambush squad'.

As for the rumors about the existence of a long enough list of potential defectors, there is so far no reliable proof from independent sources. That 'work is proceeding' as scheduled, the mass media largely learns from Regions negotiators' and BYuT's complaints. Since either the former or the latter are interested, I cannot but suspect that they both are just wishful thinkers. True enough, Tymoshenko's performance looks much more spectacular and productive so far, and not only when it comes to Lytvyn faction's support. According to informed sources, a meeting between Tymoshenko and the Communist Party's major financial backer Kostyantyn Hryhoryshyn was to the satisfaction of both parties, no matter what one can think or say about its results.

Hope springs eternal?

For their part, the Regions, as before, are placing much of their expectations on President Yushchenko, or, to be more precise, on his dislike of Yulia Tymoshenko. Their goal is to convince the President that he would find himself much more comfortable with Regions than with BYuT. To this end, they occupying the building on Lypska St., are even prepared to consider supporting the presidential nominee for the Speaker's post, more so as Yatseniuk's personality is a welcome among Regions, given that he was supported almost unanimously by the white-and-blues during voting in parliament to approve him as foreign minister.

In addition to Yatseniuk, the Regions are vigorously looking for a suitable candidate to serve as a 'technical' Prime Minister who would be to Yushchenko's liking – to an extent where the president would give his most loyal supporters a go-ahead for blackballing Tymoshenko's nomination for Prime Minister. At this point, suitable candidates have not been identified, but the search goes on, which itself speaks volumes. The white-and-blues never stopped hoping that Yushchenko might switch to their side some day, and they almost convinced themselves that the President has enough resources for waging a war with the BYuT leader. If Tymoshenko's nomination for Prime Minister is supported by President Yushchenko, Regions will have to explain this by another 'skillful subterfuge'.

On the other hand, among Regions' ranks there are people who know even today that voting on the Prime Minister's nomination would be productive. Anna Herman has even invented a provisional motto for the Party of Regions, saying "Winter is yours but spring will be ours". Taras Chornovil rushed to explain it this way: even if Yulia Tymoshenko is approved as the next Prime Minister, life will not be comfortable either for her Cabinet or the 'orange' coalition until, as he put it, 'both are brought to disruption' as soon as next spring.

Chornovil did not specify, however, what exactly could bring the government and the coalition to shambles, and what would be next. But he should have had to, because, according to the Constitution, breakdown of a parliamentary coalition, and even less so defections by individual lawmakers, do not automatically trigger a Cabinet's resignation. In the case of a no-confidence vote in the Prime Minister, the Regions' blackballs might be easily make up with other factions' whiteballs, for example, from Lytvyn or Cthe ommunist Party factions (what else could Tymoshenko negotiate with Lytvyn and Hryhoryshyn?). And what is more, even if the Cabinet is given a no-confidence vote, the government stays on in a caretaker capacity until the next government is appointed and a new Prime Minister is nominated by a new coalition (Regions know this if anyone does, for it is under this provision that Yanukovich still remains at the head of the government). Therefore, ousting Yulia Volodymyrivna [Tymoshenko] as prime minister will be a hard job, even in theory.

For a political party in opposition, it's hard, if possible at all, to change the alignment of forces in parliament in its favor. This proved impracticable even for an energetic leader such as Yulia

Tymoshenko in the spring and winter of 2007, as she was losing deputies without being offered any adequate compensation, which in the end brought about a snap election. The Regions may try and act according to the same pattern. But on this path they confront several challenges. First, parliament cannot be fired for 12 months after a snap election. Second, failure to form a parliamentary majority does not automatically trigger early dissolution of parliament, as constitutional provisions governing parliament break-up refer to a parliamentary majority formed in parliament elect, not in place of a coalition collapsed. Even so, parliament without a coalition may well remain in place, because the Constitution terms dissolution of parliament under such circumstances as the President's 'right', not 'must'. After all, it was precisely Yushchenko's support that helped BYuT make its point in spring. But the fact that Viktor Yushchenko teamed up with Tymoshenko at that time does not at all mean he would team up with Yanukovych this time around, at least for the simple reason that Yushchenko's electoral outlook, both parliamentary or presidential, seems gloomy enough. But on the other hand, this is what the Regions may try and turn into an advantage.

All-prize lottery

If President Yushchenko is about to turn the tide, he needs a victory, but not one won in backrooms but among the electorate, desirably with the electoral majority. From this perspective, the parliamentary campaign earlier this year was a total failure, given that the presidential party garnered a meager 14 percent of popular support, even though Yushchenko himself was campaigning for Our Ukraine. One more campaign, considering what we all could see as the new coalition, threatens to become an even worse failure. But voters go to polling stations not only to elect their deputies but also for expressing their viewpoints in nationwide referendums.

The Regions – whose latest parliamentary campaign was least successful, and who need new victories as much as President Yushchenko does -- were the first to start speaking about referendums, if not national ones then at least locally. First, they attempted to revive the old idea of calling a referendum on NATO and the official status of the Russian language. That most of Ukrainians are against the country's possible NATO membership, and support the status of Russian as a second official language, is quite clear even to the most ardent advocates of Euro-Atlantic integration. But the trouble is that Regions far too often exploited these two topics in their election campaigns to just forget about them the day after election. In addition to this, as destiny of the SDPU (u)'s plebiscite suggests, referendum results cannot be implemented other than with presidential support. But where NATO and the official status of the Russian language are concerned, this will hardly be the case, as Yushchenko's stance on these two issues is directly opposite that of Regions. This may well be the reason why the referendum came from ordinary deputies rather than Regions leaders, who were quick to announce that they had nothing to do with this initiative. They did deny having something to do with it, but never forgot about it.

This time around Regions may propose this idea to President Yushchenko, but in a new wrap pleasant to him. After all, the President has been continuously speaking about the need for a new Constitution, which he believes needs to be adopted at a nationwide referendum. As early as summer, Regions objected, in the hope that they would win a parliamentary majority, again, and Yanykovych would continue as Prime Minister. But the situation is different today: Regions no longer has a parliamentary majority, while their leader Yanukovych is still managing Cabinet, but not because the Rada authorized him to do so but because deputies are busy dealing with far more serious matters than firing Yanykovych and his Cabinet. Given these circumstances, it's high time for the current Prime Minister to offer support to President Yushchenko. As a matter of fact, Yushchenko does not risk anything, as in nationwide referendums, most voters tend to answer 'yes' to proposed questions. In addition, no competitors are expected to intervene, unless, of course, Tymoshenko's bloc proposes an alternative variant (which looks very unlikely).

At the time when Regions faction leaders are maintaining a pause, deputies have already drafted constitutional changes. One of the proposed changes calls for a coalition to be formed not by factions but rather by individual deputies, and for the president to be elected in parliament. Reasonably enough, nobody is proposing draft changes for a national referendum. But this is no more than just an 'invitation to dance'. The right to 'call the tune' – that is to formulate 'requirements' of a new constitution – is kindly reserved by the Regions for Yushchenko. Certainly, they would offer a helping hand. As a matter of fact, Regions is more concerned about the distribution of powers between

national and local authorities, and guarantees for their own survival, which they believe could be of interest to President Yushchenko as well, just as kind of a counterbalance to Tymoshenko's ever-growing influence.

But even if this is the case, the white-and-blues have no security against being exploited by someone else. This is because instead of playing their own game, they aim to second-guess what the President may want and thereby to remain a convenient prospective partner. This may well be the case that they just cannot act differently because of habit. But he who cannot dictate to others what to do. But what is hard to understand is why Regions is complaining about being deceived so easily.

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