

BUSINESS PANORAMA

APRIL-MAY 2(85) ■ 2015



MAGAZINE OF THE KYIV CHAMBER OF COMMERCE AND INDUSTRY

THE STATE ENTERPRIZE
«PLANT 410 CIVIL AVIATION»
HAS BEEN IN THE MARKET FOR ABOVE 65 YEARS

OJSC «MERIDIAN»:
OVER 60 YEARS ON THE MARKET
OF MEASURING INSTRUMENTS
AND HOUSEHOLD APPLIANCES



TATIANA KASKIV:
«WE HELP FOREIGN COMPANIES
ESTABLISH A DIALOGUE
WITH OUR BUSINESS»



1122 members of the Kyiv CCI

5100 enterprises and organizations

2100000 employees

THE KYIV CCI -
IS THE RIGHT WAY TO BUSINESS
IN UKRAINE AND IN THE WORLD

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Dear readers,

You are holding the current issue of «Business Panorama» publication of the Kyiv Chamber of Commerce and Industry in your hands. In this issue we have tried to give full attention to the companies and businesses that have finally determined the direction of their activities by deciding not to dwell on the Ukrainian market, but go much further. I'd like to note that today, despite the unstable situation in the country, Ukrainian entrepreneurs gradually – some overcoming their fear, some with an absolutely sure step – come to realize that they must act to survive. You must speak to be heard. The same can be said about foreign companies that are considering Ukrainian businesses as possible partners. Even if you judge only by the results of the events held by the Kyiv Chamber of Commerce and Industry, such as a joint meeting of the International Trade Club in Ukraine and the KCCI or participation of Ukrainian enterprises in the “ZulieferMesse-INTEC 2015» exhibition in Leipzig, we can say that today the Ukrainian enterprises spark huge interest abroad. This relates primarily to agricultural enterprises, engineering and many other industries.

I believe that Ukraine today is a «sleeping beauty», which has enormous potential. But this potential has not yet been disclosed. Estimations show that the modernization of the economy requires enormous investments, and they must go to agriculture, communal infrastructure, railroads and more. But all this can only be fulfilled with one important condition. This condition is peace. I am confident that we will be able to meet it with the help of the whole civilized world.

Mykola Zaslusky

President of the Kyiv Chamber of Commerce and Industry

INTERNATIONAL ACTIVITIES OF THE KYIV CHAMBER OF COMMERCE AND INDUSTRY

In accordance with the principle areas of its development, the Chamber has been actively engaged in international activities. Over recent years close business relations have been established with 12 foreign Chambers of Commerce and associations. Thus, in general we have already concluded 66 cooperation agreements. Business meetings were held with ambassadors and trade counselors of the Embassies of the African Republic, Hungary, Macedonia, Malaysia, the North Korea, Germany, the Czech Republic, and Lithuania. Issues related to the development of economic cooperation were discussed during them.

A joint meeting of the International Trade-Club in Ukraine and the Kyiv Chamber of Commerce and Industry was organized and held. During its work direct negotiations took place between the Chamber members and diplomats of the embassies that are responsible for economic issues.

The government delegation of Macedonia preceded by Vice-Prime Minister Zoran



Stavreski paid a visit to the Kyiv Chamber of Commerce and Industry. At the Chamber's invitation, above 50 heads of Kyiv enterprises and companies participated in the meeting. Presentation of possibilities related to the cooperation with this country was organized for them.

We organized and participated in economic and business forums like «Kyiv-Leipzig»,

«Ukraine-Saint-Petersburg», «Days of Kyiv in Moscow», «Kyiv-Vienna».

The Ukrainian-Slovenian business forum supported by the Embassy and the Chamber of Commerce and Industry of Slovenia took place in the Chamber. The main goal of the event was to establish and expand business contacts, implement joint projects, and attract investments. 14 Slovenian and 65 Ukrainian companies participated in the forum.

In 2014 the Ukrainian business delegation visited Slovenia. We concluded an Agreement on establishing the Ukrainian-Slovenian business council. Business negotiations were organized, and Ukrainian members established direct contacts with potential Slovenian partners, initiated business projects, and received urgent information related to the work on the EU market. The Chamber participated in the General meeting of the Hanseatic Parliament and the 9th Hanseatic Conference.

Taking into account that the funds allocated for participating in foreign exhibitions and business forums are sufficiently restricted in many enterprises, the Chamber conducts





purposeful work with foreign partners in relation to organizing the participation of representatives of Ukrainian enterprises in such events under privileged financial terms. Such programs are already effective in Malaysia, PRC, Indonesia, the North Korea, and Turkey.

Due to close relations with the Embassy of Malaysia and the MATRADE Governmental Corporation, privileged participation of the delegation of enterprises that are members of the Chamber in International multi industry exhibitions and business negotiations programs has been organized during four years. In 2014 we visited MIHAS 2014 and INTRADE 2014 negotiations programs in the city of Kuala Lumpur. According to the organizers, our

delegations always dominate among other foreign delegations. The volume of agreements was over USD 20 mln.

We organized privileged participation of Ukrainian entrepreneurial delegations in 3 exhibitions and negotiations programs in Turkey: Turkey Build, World of Industry, and ISK Sodex 2014, as well as privileged participation of the delegation in the business forum and negotiations program at the LED&OLED Expo 2014 Exhibition in Seoul.

Privileged participation of Ukrainian entrepreneurial delegations was organized for 18 exhibitions and negotiations programs in Turkey and 12 in the North Korea.

The Chamber became a founder of the «Silk Road» International Economic Alliance.

The meeting with the Lithuanian delegation was successful and efficient.

Every year we organize 4-5 programs of the Chamber members' participation in foreign business forums under privileged financial conditions. On average about 40 entrepreneurs participate in them per year.

We can indicate examples of successful cooperation of our members, including:

- «Odesem» – on supplies of electronic systems and components to the North Korea and Malaysia,
- «Chinbar» – on cooperation in the area of joint production and export of leather accessories and components,
- «Kyivsky Margarinovy Zavod» – on supplies of food components and concentrates



to Malaysia, – «Fanplit» – cooperation with the Iraqi Embassy and search for partners, – «Rusin» – an agreement with the Japanese company on supplying sanitary ware and electronic household equipment.

A number of international events took place. During the last year, the total number of about 2 thousand Ukrainian entrepreneurs (the majority being Chamber members) participated in international events of the Kyiv Chamber of Commerce and Industry both in Ukraine and abroad.



ANTONOV-32 AIRCRAFT OF INDIAN AIR FORCE, REFURBISHED AIRCRAFT CARRIED OUT ITS FIRST TEST FLIGHT

THE STATE ENTERPRISE “PLANT 410 CIVIL AVIATION” IS IN BUSINESS FOR MORE THAN 65 YEARS



Nowadays it is the only Ukrainian enterprise that offers a wide scope of high quality services related to the repair of aviation equipment. Thanks to the well-developed infrastructure of the enterprise, competent personnel and advanced technologies, the Plant carries out the complete work cycle related to overhauling of the Antonov-24, -26, -30, -32 aircraft and D-36 aviation engines of 1, 1A, 2A series and their accessories. It repairs TG-16 (M) turbo-generator installa-

tions and RU-19A-300 auxiliary power units. The Plant performs a complex of works on extending of the service life of Antonov aircraft, all types of maintenance for the aeronautical equipment repaired at the Plant, and CRW of 1, 2, 3 types of the Antonov-74 aircraft, and CRM of the Antonov-72 aircraft. In order to perform the overhaul, modernization, re-equipment and maintenance of Antonov aircraft, the Plant has certificates of the Interstate Aviation Committee and the Ukrainian National Airworthiness authorities.



PODRIEZA SERHII MYKHAILOVYCH,
DIRECTOR GENERAL

The Plant is also certified by the Ukrainian Ministry of Defence in compliance with the UAR-MAA-145 JARs and by the State Aviation Administration of Ukraine according to the requirements of “Regulations of Approving the Maintenance Organization (Part-145)” as an organization dealing with overhaul, maintenance and modernization of aeronautical equipment. In addition, the quality system of the plant is certified according to ISO-9001 international standards and AS/EN-9110 airspace complex. Taking into account the performance of works related to repairing of military air-



ADMINISTRATIVE BUILDING OF THE SE «PLANT 410 CA»



craft, the Plant carries the NATO AQAP 2120 standard certificate and the license of the Economic Development Ministry of Ukraine for overhaul and modernization of the military aeronautical equipment.

From August 2008 through now the Plant has been headed by Sergey M. Podrieza. A new stage of the Plant life has started since that day.

Long-term long-term work experience at the enterprise, the journey from Engineer to General Director, the leadership talent, strategic vision and adequate experience for implementing the plans related to the achievement of the set goal give rise and absolute freedom to speak about a new stage of the enterprise development.

Thanks to the efforts of Sergey M. Podrieza., the Plant managed to expand the market for its products that are exported to more than 30 foreign countries, contributing to strengthening economic independence of Ukraine.

The team of the Plant made great efforts to make preparations for the certification according to standards and regulations of the European Aviation Safety Agency (PART-145, PART-147). It will allow not only to diversify the work related to the Antonov aircraft, but also to maintain the aircraft of foreign manufacture as Boeing 737. The Plant also fruitfully cooperates with business aviation.

One of the development lines is the implementation of the “Ukrainian Helicopter” program. It will allow to modernize the Mi-8T helicopter to the extent Mi-8MSB variant by installing contemporary TV3-117VMA-SBM1V engines. The project is implemented in cooperation with JSC Motor Sich. The Plant performs the works related to renewing of paint-and-lacquer coating of aircraft manufactured abroad. It uses high-build aerospace polyurethane

enamels according to the technology of AkzoNobel Company (the Netherlands). Having large experience on renewing the D-36 aero engine, the Plant has all opportunities to master the equipment manufactured in Europe. It is subject to the CFM-56 engine which after the overhaul in all parameters can be tested on the base of the acting motor testing station of the Plant. There is also possibility to master Pratt & Whitney engine of 100, 120 series that is used on ATR-42, ATR-72, and Dash-8 aircraft manufactured by Bombardier. Being the leading enterprise that overhaul Antonov aircraft, the Plant learns how to maintain foreign-made equipment and actively works at the development and implementation of promising projects. The Plant has experience of working with more than 60 countries of the world it developed business, friendly, partnership relations with. It is always ready for fruitful business contacts. That’s why the list of customers from all over the world is yearly updated. As a result, the number of enterprise’s projects rapidly increases.

The 66-years history of the STATE ENTERPRISE “PLANT 410 CIVIL AVIATION” is a bright example when thanks to the team’s devoted work, a small repair base has turned into a powerful enterprise where the world acknowledgment became a guarantee for success.





DISCOVERING NEW HORIZONS



Biocontact LLC and Kronos Agro PE are located in Kiev and Kiev region and specialize in manufacturing and sale of feed additives, acidifiers, veterinary drugs and disinfectants.

Our companies introduce advanced ingredients in a range of manufactured products to ensure the effectiveness of their use in agriculture. Every fifth ton of feed compound in Ukraine is produced with feed additives containing enzymes, vitamins, probiotics and other biologically active substances. All manufactured products are officially registered in accordance with the law of Ukraine. Kronos Agro PE is one of the first enterprises in Ukraine to be certified in accordance with ISO-9001 and ISO-22000 quality standards and has a modern research laboratory. Therefore, the strategy of the company in the Ukrainian and international markets is focused on getting ahead of competitors in terms of technology, and a significant portion of the company's budget is used to fund scientific research and adaptation of new products in agricultural practices. The main achievement of our firms is the creation of a research and production

team with great potential for new ideas and successful work of employees of the plant with modern flexible production lines.

We offer various forms of cooperation to foreign companies: purchase and sale of raw materials and finished products, as well as any other form of commercial interaction, for example, production under private label, joint production in other countries, and joint development of new high-performance feed additives, veterinary drugs and disinfectants. Detailed information about our companies can be found at www.kronos-agro.com.ua/en





COMPETENCE & PRIVACY

Dear partners, We render our honor and sincere wish to offer you cooperation.

NATIONAL ADVOCACY COMPANY has been working in the legal service business for 15 years. State Registration Certificate No. 283 was issued by the Department of Justice of Ukraine on February 16, 2000.

Our clients' acknowledgement, experience, professionalism and decency stand out our company among leading legal companies in Ukraine. We establish stable and trustworthy relations with partners. The company has a perfect reputation.

NATIONAL ADVOCACY COMPANY is a successful team of professionals including Honored Jurists of Ukraine, specialists with MBA education, and attorneys with many-years' experience.



AREAS:

- *Comprehensive legal support for economic operations of enterprises and establishments of all ownership forms. Advocacy;*
- *Competition and competition law. Merger and acquisition;*
- *Legal support for investment projects from defining the business idea to its implementation (power industry, construction, transportation, agricultural sector).*

Detailed information can be found at: WWW.AONAK.COM.UA

NATIONAL ADVOCACY COMPANY has its representations in all regions of Ukraine.

STANDARDS OF WORK:

- *Competence and Privacy;*
- *High quality and efficiency;*
- *Individual and comprehensive approach;*
- *Reliability in partnership regardless of circumstances;*
- *Achievement of Result.*

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WE INVITE YOU TO COOPERATION

Viktoria Sergeeva, company head





CRANKING IT UP A NOTCH



State-of-the-art well-equipped laboratories, powerful production departments, a highly qualified staff, and a well-organized territory with hundreds of roses and friendly people... These are visitors and partners' first impressions of Borshchahivskiy Chemical Pharmaceutical Plant, one of the leading pharmaceutical companies in Ukraine.

Established as a small work association in 1947, now PJSC SIC «Borshchahivskiy CPP» is a research and industrial centre with up-to-date production departments, warehouses and laboratories, fitted with state-of-the-art equipment for development, manufacture and control of incoming, intermediate and finished products. BCPP is completely equipped with cutting-edge technology and maintains high quality standards. It is currently ranked the fifth best enterprise among the national pharmaceutical manufacturers.

The Company has achieved its remarkable success due to BCPP's development strategy, which has been directed towards attaining European and international quality standards for years. The designs of our production departments were assessed by specialists from the UK, the Czech Republic, and Canada.

French, Czech and Ukrainian companies were invited to design and construct our facilities. Our production departments are fitted with state-of-the-art equipment from leading European manufactures.

Borshchahivskiy CPP was the first Ukrainian company, whose pharmaceutical production was certified for compliance with the requirements of European Good Manufacturing Practice (GMP).

The leadership position means not only the guaranteed quality of medicinal products, but also a European approach to environment protection and assurance of decent working conditions. The Company has implemented ISO 9001 (quality management), ISO 14001 (ecological management), OHSAS 18001 (Occupational Health and Safety) standards, and elements of the IMPAC 10000 system focused on optimisa-



tion of operational activities and cost minimisation. Obtaining of certificates of compliance with the international standards of social accountability SA 8000 and energy management ISO 50001 was another significant achievement of the Company.

The Company has been operating in the field of development of medicinal products since 1994. The Company's scientific and production activities are focused on the development and implementation of innovative medicinal products, modified generics, generic medicinal products, phytochemical products and synthesis of active substances. There is no doubt that the development and implementation of original products have become the Company's considerable achievement and contribution to its success. BCPP has a large portfolio of its innovative products including those based on phytoextracts. These are products for treating arterial hypertension, antibiotics, antiarrhythmics, and medicine for improving myocardial perfusion, regulation of metabolic processes, etc. Although the basic range of products manufactured by the Company is generics, the percentage of innovative products including original medicinal products is large enough, and they form approximately 17% of the Company's product portfolio.

Forming its product portfolio, the Company seeks to balance customers' trust in product quality and affordable prices because BCPP



always cares for its customers and is focused on social programs.

Over the last five years, the Company has been operating in the following new fields:

- manufacture of veterinary medicinal products;
- manufacture of dietary supplements including herbal-based products.

BCPP is confident that export trade must be one of the priorities in years to come, and is planning to enter new geographical markets. The Company is a permanent participant and exhibitor of its products at CPhI Worldwide, a globally known international exhibition, VET Middle East veterinary exhibition, etc.

The Company has 5 representative offices in: Moldova, Belarus, Uzbekistan, Kazakhstan, and Serbia. It is planning to open a representative office in Vietnam in the nearest future. Our products are exported to almost 20 countries including Baltic, Asian and Eastern European countries.

The brand of BCPP is well known among consumers. People appreciate the high quality of our medicinal products, and the high quality of our products enhances customers' trust, which is the best award for any enterprise.

Due to many-years' working experience and good reputation, Borshchahivskiy CPP is known as a reliable business partner in Ukraine and abroad. The opinions of competent international auditing companies, e.g., Baker Tilly Ukraine LLP, Grant Thornton Ukraine LLC have confirmed that the Company's financial statements fairly and truly reflect its financial status. Thus, recent reports of the rating agency Credit Rating LLC have confirmed the Company's stable credit rating at the ua A+ level.

PJSC SIC «Borshchahivskiy CPP» entered the TOP 100 of the «Capital 500. The best employers in Ukraine» rating in 2014 (PH «Business Country Press»).

BCPP feels confident about the future; BCPP is the first in many Ukrainian projects, that is why it strives not only for maintaining a leading position in the global pharmaceutical market, but also cranking it up a notch.



<http://bcpp.com.ua/>

TATIANA KASKIV: «WE HELP FOREIGN COMPANIES ESTABLISH A DIALOGUE WITH OUR BUSINESS»



Last October, the World Bank in cooperation with the International Finance Corporation (IFC) published an annual ranking *Doing Business-2015*. This ranking shows to what extent a certain country is favorable for doing business. Ukraine hit the top hundred most attractive countries for investments for the first time, taking the 96th place in the new ranking (last year – 112th). We talk to the managing partner of the *Center for Licensing Documentation*, Tatiana KASKIV, about just how interesting Ukraine is for foreign investors today.

– In your opinion, did the conditions for foreign investment change today, after Ukraine has signed an agreement about the Association with the European Union? And what needs to be done in order to attract foreign companies to cooperate with our business?

– I believe that we need to look into the future and build new relationships rather than dig up the past; in other words, we need to analyze what was wrong and create new rules. The main task is to create favorable conditions for developing a state of European style in Ukraine. We try to keep up with

the times, and therefore our company has expanded the list of consulting services. In other words, we want to help build a kind of a bridge between Ukraine and the European states. We analyze the experience of successful countries, highlight key areas that suit us and introduce them in our country to enable small and medium-sized businesses to contact Western partners.

Today, we help foreign companies establish a dialogue with our business. We search for investors to create infrastructure projects. We search for investors for rural development. This will provide people with jobs. In addition, we analyze the market and show promising areas for investment. We offer people and businesses to create joint ventures. We carry out the analysis for the company that plans to enter the Ukrainian market, we analyze the market, find the most effective ways of cooperation and prepare proposals on strategy. In other words, we conceive the idea.

– Tell us more about the work of the Centre. How long have you been in the market, what are the main areas of your activity? Who are your customers?

– Center for Licensing Documentation LLC is a law firm with a successful decade of experience. Over this period, we have





built a team of highly qualified law specialists, which provides legal assistance in the area of economic activity on the territory of Ukraine, preparing permits for the goods for import and export, entry of foreign companies into the Ukrainian market, and lobbying their interests in the central state bodies of Ukraine. It is important to note that we do not issue the permits but legal-

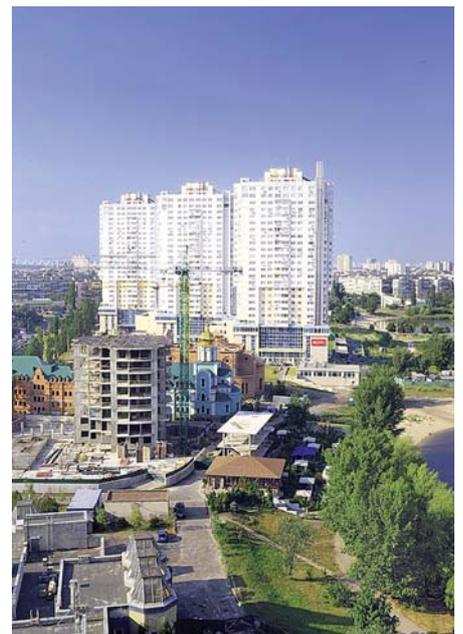
ize them in the state executive bodies and authorized organizations accredited in accordance with the current law of Ukraine. We provide legal assistance at any stage of the business and the preparation of permits as quickly as possible, regardless of the location of the customer. That is, it can be a representative of both the Ukrainian business and the foreign companies.



– **What are the benefits of using your Center?**

– Firstly, I would like to note that you can approach the Center with issues of any complexity, including foreign trade operations, after the refusal from the state authorities, when it's «falling apart», «urgently needed» or other law firms can't help. Today, as I said, an independent process of doing business in Ukraine and obtaining permits is rather complex. It is accompanied by a lot of nuances, subtleties and peculiarities, requires calculation of risks, consultations with qualified specialists, experience and expertise. And since we have the experience and use the subtleties of knowledge in the daily active practice, we provide our customers with comfortable solutions, saving their time and ensuring calm and confident conduct of their business.

Customers of the Center include hundreds



of thriving Ukrainian enterprises, individual entrepreneurs and international companies with a worldwide reputation. Many of them have been using our services for years.

We are looking to cooperate with foreign companies that are interested in doing business in Ukraine. We will help you not only in the search for partners, but also in all matters related to the registration of permits.

Enjoy an easy and safe cooperation with professionals!

CONFORMITY ASSESSMENT OF THE EQUIPMENT FOR THE NPP

LC «CERTATOM» – is the specialized Ukrainian accredited authority which over than 30 years provides services of conformity assessment of the equipment, accessories, hardware and software, supplied to nuclear power facilities, on objects of radioactive waste handling and radiation equipment. «CERTATOM» today – is an independent group of experts, whose work is based on «nuclear safety culture» and the generally accepted principles of the conformity assessment– impartiality, competence and independence. The personnel of «CERTATOM» consists of more than 50 people, which are rendering services in all industrial Ukrain-

ian regions in which the manufacturing of production of nuclear power mechanical engineering take place – in Kharkov, Lviv, Ivano-Frankovsk, Sumy, Nikopol.

CONFORMITY ASSESSMENT OF THE EQUIPMENT FOR THE NPP

The main «CERTATOM» business direction is the conformity assessment of production which is carried out in the form of supervision of manufacturing and inspection acceptance of production directly at manufacturers. «CERTATOM» acts as conformity assessment body of the final production consumer, or certification body in national certification system UKRSEPRO or in vol-

untary production certification system «Register CERTATOM».

The enterprise covers by its valuation activity practically all product range (equipment, accessories, materials, spare parts, etc.), including production of the general engineering supplied to the NPP, in particular: pump equipment, pipeline fittings, pipe products, electrotechnical production, means of ACS and instrumentation.

«CERTATOM» expands the services on other objects in the sphere of use of nuclear energy – radiation equipment, sources of ionizing radiation, packaging and containers for radioactive waste, and also on the common industrial Technical regulations harmonized





with directives of the EU. Besides, «CERTATOM» is the basic enterprise of technical committee on standardization of TC79 «Nuclear energy» and participates in work of the international organizations for standardization of ISO (TC 85) and IEC (TC 45).

ACTIVITY AND PROSPECTS

«CERTATOM» is the reliable partner for the administrations of the foreign NPP, which are under construction on projects of the Russian Federation, the European manufacturing suppliers of the equipment, who assume the participation in these projects, and also the foreign authoritative international bodies of the conformity assessment because:

- Experts of «CERTATOM» are direct bearers of engineering knowledge, standard requirements and manufacturing technologies of nuclear mechanical engineering in the former Soviet Union on all range of production applied on the NPP;
 - Absence of a language barrier provides full freedom of mutual understanding at all evaluation stages of conformity assessment;
 - General construction contractor independence during the performing evaluation, expert, certification works for foreign customers of the NPP under construction.
- The Association Agreement between the European Union and the European Atom-

ic Energy Community, signed by Ukraine and the Agreement on mutual recognition with the International Laboratory Accreditation Cooperation (ILAC), assumes, in 2015-2016, the recognition of certified works results of foreign com-

petent authorities of the conformity assessment of production on which directives of the EU extend in Ukraine. Such Agreement opens prospects of long-term cooperation of «CERTATOM» with the international bodies of the conformity assessment which assumes long collaboration over harmonization of national standards.

The demand for the information, consulting, expert services of «CERTATOM» from foreign suppliers of the equipment supplied within modernization of the power generating objects which are growing old in Ukraine, become more and more actual. It is possible to assume, that the accepted Safety enhancement program of the Ukrainian NPP and the program of modernization of TPP accompanied with supplies of equipment from foreign manufacturers will interest our partners in team-work in that process.

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OVER 60 YEARS ON THE MARKET OF MEASURING INSTRUMENTS AND HOUSEHOLD APPLIANCES



Since 1994, OJSC «Meridian» n. S. P. Korolyov has been the successor of the Kiev «Radiopribor» plant founded in 1953.

Today, OJSC «Meridian» n. S. P. Korolyov is a modern diversified enterprise that specializes in development and mass production of:

- complex electric and radio measuring equipment (frequency meters, spectrum analyzers, signal generators and frequency synthesizers, nonlinear distortion measuring devices, electricity meters);
- devices for information and communication technologies (TV tuners, identifiers and authenticators for PC users);
- environment monitoring devices (anemometers, dosimeters, radiometers);
- consumer goods (radios, induction cookers, boilers);
- parts and assemblies of mechanical and frame-forging manufacture, plastic parts.

In order to achieve its objectives, OJSC «Meridian» n. S. P. Korolyov has extensive engineering and manufacturing capabilities.

The SCIENTIFIC AND TECHNICAL CENTER develops new products and features workplaces equipped with modern tools and design systems (SolidWorks CAD; AutoCAD, P-CAD).

The MECHANICAL PRODUCTION has a fleet of CNC lathes, universal lathes, mill-turning, jig boring, milling, drilling, tapping and thread rolling, surface grinding, cylindrical grinding, and centerless grinding machines.

The PLASTIC PARTS PRODUCTION has injection molding machines, hydraulic presses for manufacturing parts from thermosetting materials and rubber.

The FRAME STAMPING PRODUCTION is equipped with stamping equipment with press nominal force from 2.5 tf to 350 tf, and stamping machines with force from 10 tf to 25 tf. We also have CNC revolver-type punch presses.

The TOOL PRODUCTION has technical equipment for manufacturing special tooling: stamps, die molds, cast molds, cutting tools, fixtures, jigs, measuring instruments. We have the following machines: jig grinding, thread grinding, cylindrical grinding, inside

grinding, surface grinding, profile grinding, optical grinding and electro-spark machines. The forging department is equipped with forging and hot die forming presses.

The company provides services in ELECTROPLATING and LACQUERING: parts zinc coating, chrome coating, nickel coating, coating with the Sn-Bi alloy, anodizing of aluminum alloys, oxidation of steels, coating with powder enamels (ML12; PF); KTL coating according to European standards (RAL), aluminum and bronze simulation coating. Lettering of all colors is applied to metal and non-metal surfaces by means of screen printing.

The RECYCLING CENTER operates in electroplating works to extract precious met-



VIACHESLAV PROTSENKO,
CHAIRMAN OF THE BOARD OF OJSC «MERIDIAN» N. S. P. KOROLYOV



als from waste materials and old equipment. The center provides coating of large parts and contacts for electronic modules and energy installations with thin shiny gold, matte technical gold and with silver, silver coating with oxidation to make them look «aged». The ASSEMBLY PRODUCTION performs installation, assembly, adjustment, technological burnishing of universal and special complex electrical and electronic equipment and household electronic equipment: electronic energy meters, radio and television receivers, energy-saving devices. Assembly shops are equipped with a fleet of testing and measurement equipment, and

modern systems of automated monitoring of technical characteristics of the equipment manufactured. The TESTING facilities are certified to the UkrSEPRO system, and make it possible to perform radiometric, electrical, radiation, mechanical tests, and to test the effect of external mechanical and environmental factors. The enterprise's territory is adjacent to license warehouses. The enterprise is certified according to the ISO 9001: 2008 quality standard. It exports its products to the countries of Western Europe and the CIS, and has necessary li-



censes for development and manufacturing of products. Our goal is creating competitive products, attracting investments, cooperation and reliable partnership in implementation of joint entrepreneurial intentions on mutually beneficial terms.

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VOLKER SASSE:

«THE POTENTIAL OF AGRICULTURE IN UKRAINE IS NOT IN AGROHOLDINGS, BUT RATHER IN SMALL FARMS»

German-Ukrainian agropolitical dialog has been working in Ukraine for 9 years now, advising the government and farmers in agricultural issues. Volker Sasse, head of the project, talked about how the German experts contribute to the development of Agribusiness Development Strategy and the German experience of managing agricultural business.

– German-Ukrainian agropolitical dialog has been working in Ukraine for quite a long time. What are the main directions and objectives of the project?

– The project was created in 2006. Prior to its creation, there were other projects for agricultural policy and transformation program. Thus, the German experts have been working in Ukraine since 2000.

Our main goal is to provide advice on the formation and development of the agro-political conditions, using the German and international experience. To be more precise, these are issues concerning the legislative, institutional, structural and administrative aspects of agricultural policy.

We are constantly monitoring the current legislative situation in Ukraine and analyzing it in comparison with the German experience. We also show our own initiative

if we see that some legal aspects may contradict the sustainable development of the agricultural sector.

Along with commentaries on the laws, we also arrange trips to Germany for experts in agricultural sector. As you know, Germany has a federal structure, and we demonstrate how the legislative processes work on the example of such business trips. By the way, in a short time, in May, we are preparing a working visit at the highest level to the Bundestag and the Bundesrat.

Of course, we compare the developments in the agricultural sector of both countries in frames of the project, and on the basis of this we carry out a critical analysis of what is necessary to change in the framework conditions of agrarian policy of Ukraine.

– How productive is the harmonization of our legislation with European standards? How can we minimize the risks for producers that will arise during the implementation?

– Minimizing risks is primarily a political task of the Ukrainian government, because European legislation is transparent and accessible. If you put aside the political factor, it seems to me that quite a big responsibility lies with the business.

Today a Ukrainian businessman can enter the European market with clear, tried

and true rules. All the producer needs is to qualify at the legislative level and to comply with the quality requirements. This implies investments in manufacturing technology, which may be outdated.

Here, of course, the government plays an important role, but above all, the capital is required. And here a question arises of why the entrepreneurs are not willing to invest in the business. That's because the investment occurs when an entrepreneur is confident in its payback over time through income.

Today, the civil war, unpredictable relations with Russia and the corruption problems prevent investment flows to Ukraine. This applies not only to international investments, but also to domestic ones, which exist in the country.

– Nonetheless, how to attract investment under these conditions? After all, the Ministry of Agrarian Policy and Food manages to conclude contracts for financial grants – a recent agreement with Canada can be an example.

– I would call this kind of cooperation not investment, but rather technical assistance. I believe that, of course, we must take steps. We must begin with the fact that people who take important political decisions should be able to take them based on some experience and education.

Unfortunately, the education system in the field of agricultural policy still leaves much to be desired. We need to create the fundamental principles of education, the very concept of «agricultural policy», its organization, implementation and goal setting.

Therefore, we believe that it is necessary to invest in the educational direction, but it is not as easy as it sometimes seems. If you simply change the management, major changes can hardly happen.

I am convinced that if we want to change something in this country, we need to start bottom up. We need to provide more effective ways to manage and show people a positive attitude.

I'm not saying that this result will be dramatically visible in a year or two, but we must take small steps every week in a certain direction of development. First of all, we need to improve the overall policy of the state.

– There is much tension around the issue of land relations in Ukraine. What are your views on this aspect?

– There are various arguments in favor of lifting the moratorium on the sale of land and its prolongation. Again, referring to the German experience, we have a free land market, and everyone has the right to sell or buy land plots. Did this lead to somehow undesirable structures? I would say no.

Larger structures dominate in the Eastern Germany, but there are no such wide organizations as in Ukraine. In the structure of the Western Germany, small farms dominate with an average of 50 hectares per owner.

I think that there are no special negative effects of lifting the moratorium on the sale of land. However, there are certain risks. Again, I do not see a deficiency in the capital, I see a deficiency in the security of that capital.

We should not make hasty steps in the land issue. In general, tenants and owners are not much interested in lifting the moratorium. If we want to open the land market, we should do so with extreme caution.

In my opinion, if we start lifting the moratorium, in any case, it should be done consciously and with certain restrictions, constantly monitoring the situation on the market – whether the land market brings any positive or negative effects – and regulating the situation from that perspective.

– Will the consolidation of small farms into cooperatives bring any positive effects?

– Cooperatives operate quite successfully in Europe. But in Ukraine, there is some negative connotation of the historical past in relation to cooperatives. Today, however, the framework conditions are completely different.

People should follow a common goal for the benefit of farm development. So far, Ukraine has no confidence in the general projects, which applies not only to cooperatives but also to the attitude to the authorities and politics. It's a question of mentality, which should be slowly worked over.

According to our estimates, there are about 15 million hectares in Ukraine now, which are in the hands of small family farms that do not have any legal or fiscal status.

They need to receive a legal status as soon as possible. We are talking about significant financial cost, but we need to understand how such farms are organized and to evaluate their maximum production capacity.

Potential to improve the efficiency of agriculture in Ukraine is not in agroholdings, but rather in small farms. 5 tons of yield per hectare received from agroholdings can be increased by 2 tons. But the costs of achieving such a result will cost much more than building capacity in small farms.

If a small farm can ramp up production from 1 ton per hectare to 3 tons, these 2 tons will be much cheaper to the state than the achievements of the agroholding. That is why I believe that the future development of the agricultural sector of Ukraine lies in small and medium-sized businesses.

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IN UKRAINE EXPORTS OF GOODS EXCEEDED IMPORTS

In Ukraine, exports of goods exceeded imports in January 2015, – comments Sergei Parpulansky, specialist of the Investment Banking Department of Pro Capital Investment

The positive balance of Ukraine's foreign trade in January 2015 amounted to USD 100 mln. According to the State Fiscal Service, exports of goods and services amounted to USD 3 bln, while imports amounted to USD 2.9 bln. In the structure of exports, most of the proceeds from custom duties were from the steel industry and the agricultural sector, in the structure of imports – from oil and gas industry products.

The structure of foreign trade in services in 2014, Ukraine, USD mln

In 2014, the positive balance of foreign trade amounted to USD 5.1 bln (according to the State Statistics Service of Ukraine). At that, these figures were made possible due to the variety of the foreign trade in exports of services. Analysis of the structure of Ukraine's foreign trade in services shows a significant decrease in imports

by 25% and exports by 21% over the past year. Reduction in exports of services related to a decrease in oil and gas transit volumes and a decline in cargo transportation through our country. At the same time, the figures of imports of services decreased due to the devaluation of the national currency.

In January 2015, the trend of improving the performance of foreign trade in goods continued. This is primarily due to the devaluation of hryvnia, making it unprofitable to export many goods to Ukraine for other countries, and the government program to equalize the balance of payments. In addition, the country has reduced imports of mineral resources by 27.9% and land transport by 54.8%, leading to a drop in the volume of imports by 28.3%. Exports of goods from Ukraine decreased by 13.5%, mainly due to the closure of the Russian export market – exports of railway equipment, chemical products and finished products all significantly decreased. Due to the growth of grain exports by 34%, exports of sunflower oil and other fats by

almost 10%, Ukraine completed 2014 with a negative balance of trade in goods in the amount of USD 0.49 bln, against USD –13.5 bln in 2013.

The structure of foreign trade in goods in 2014, Ukraine, USD mln

Imports of goods and services in 2015 will continue to decline due to the further devaluation of hryvnia, economic and military crisis, and, as a consequence, a decrease in the purchasing power of the population of Ukraine. The downward trend in exports will continue as well, the cause of which is the loss of a part of industrial facilities in the East of Ukraine and the actual closing of the Russian market for products distribution. The balance of foreign trade in 2015 will depend heavily on the agricultural sector and exports of its products, summarizes Sergei Parpulansky.

<http://invest.pro-capital.ua>

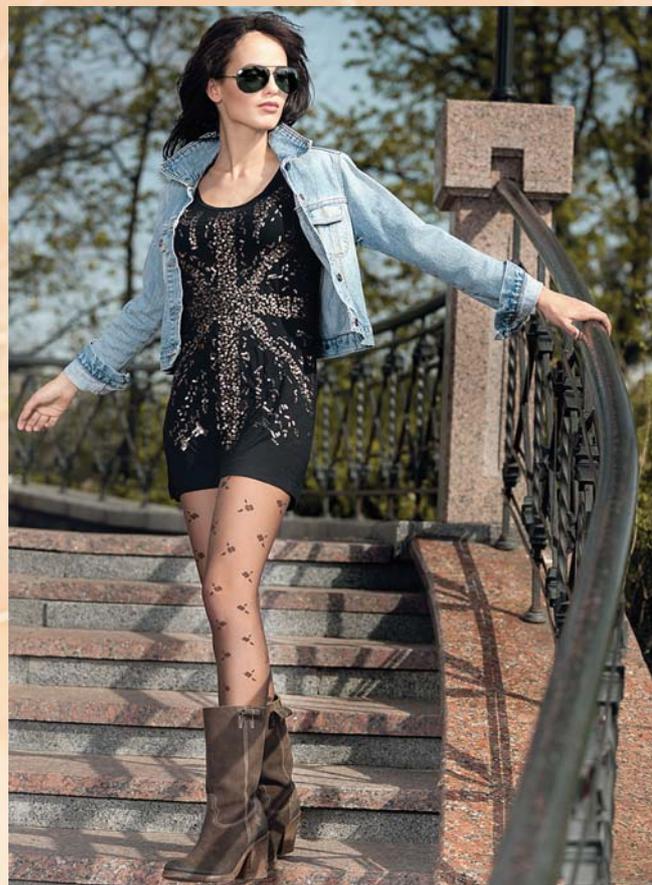
OMAKS INTERNATIONAL COMPANY – QUALITY IS IN DETAIL!

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The plant capacity allows today to produce 900 thousand pairs of tights a month. Having been equipped at a state-of-the-art level, the plant is one of the most promising companies in the industry in Ukraine. Kitting is done on 4th and 5th generation equipment of Italian manufacturers and sewing is performed on Japanese automated machines. The most critical and accurate processes are effected only by hand.

In its production of legwear Omaks International uses top-quality raw materials exclusively of Italian origin, i.e. polyamide thread 6.6 by Fulgar, Alsafil, Radici, polyamide thread 6.0 by Legs, Stilon, wrapped elastane by Fulgar and bare elastane by Creora.

In dyeing only original, certified dyes of Italian manufacturer Nearchimika and Swiss Huntsman are applied. In the process of dyeing, silicone-containing softeners are used. They soften a finished product and make it elastic. Skin may breathe due to so called «second skill effect».



And certainly the Company's well-qualified and devoted staff is the key to its success. There are 200 people employed. Top specialists improve their skills, attend seminars, international exhibitions and courses on regular basis.

The Company has two trademarks Intuition and Magic Lady (economy segment). Intuition TM is among three national leaders and enjoys enduring popularity among customers.

Due to its wide range and constant high quality, Intuition TM may compete with the most famous Italian brands.

Each season the Company designs a new collection «Fantazy» – fantasy 3D stockings made from high-quality multifilament yarn.

Style texture is in line with modern trends and is a piece of design work. The collection has colours being the hit of a season. All stockings are formed and flavoured.

Omaks International is a reliable partner for its clients. Superior quality, up-to-the-

minute styling, optimum range of products of Intuition and Magic Lady TM are in demand both for wholesale and retail trade in Ukraine, the Russian Federation, Belarus, Spain. Intuition TM is on sale in the majority of trading networks not only in Ukraine. Belarus network «Mila» and Russian network «ChernyiKot» are among our partners abroad. Our production lines are capable enough to have products tailor-made, i.e. private trademarks. We have such private trademarks as Carmen (the Russian Federation), Admas (Spain), AQ (Spain).

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MEDIATION CENTER

at the Kyiv Chamber of Commerce and Industry

Mediation is a present-day mechanism of alternative dispute resolution that implies a confidential flexible negotiation process when an independent person (a mediator) provides qualified assistance to parties in reaching agreement (mutually advantageous solution) on resolution of a dispute or differences. It is understood that parties control absolutely a resolution-making process and determine by themselves conditions for dispute settlement.

The KCCI Mediation Center was opened following the Chamber's participation in the Partnership Program between Leipzig Chamber of Commerce and Industry (Germany) and the Lviv Chamber of Commerce and Industry supported by the German Federal Ministry for Economic Cooperation and Development and with kind assistance from the Project Business Manager Mr. Volker Stötzner. In setting up the Center the Kyiv CCI used experience of the Munich CCI Mediation Center which activities were studied by experts from Ukrainian Regional Chambers during their visit in October 2013 within the Project.



Mediation has many obvious advantages, specifically:

- Confidentiality;
- Time and money saving;
- Mediator's independence and impartiality;
- Equality of parties;
- Mediation procedure comfortable for parties;
- Parties have a prior knowledge that only resolution satisfactory for both parties and encouraging a compromise would be a result of successful mediation;
- Maintaining partnership relations.

30.05.2014 the KCCI Presidium approved:

- Regulations on the KCCI Mediation Center
- Regulations on the KCCI Mediators
- Regulations on the KCCI Mediation Procedure
- Regulations on the KCCI Mediators Council
- Regulations on Information and Consulting Services Fees (the KCCI Mediation Procedure fees)



In addition, the KCCI Register of Mediators was approved. Register of Mediators includes experts who passed "mediation" training course in Ukraine and abroad and have experience in mediation in various areas.

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