

Defense and Security Policy Center  
Kyiv, Olenivs'ka Str. 34a

Tel: (044)4257899  
Fax: (044)4259595  
E-mail: info@defpol.org.ua

### **1. Security Policy: the Law of Ukraine “On Foundations of Domestic and Foreign Policy”**

15.07.10. The President of Ukraine, Viktor Yanukovich, signed the Law of Ukraine “On Foundations of Domestic and Foreign Policy” passed by the Supreme Council on 1 July 2010.

**Comment:** *The Act establishes principles of domestic and foreign policy for development of statehood, local government and stimulation of regional development, forming of civil society institutions as well as national security and defence.*

*The final provisions of the Act introduce amendments to the Law on Foundations of National Security of Ukraine. In particular, Ukraine’s integration into the Euro-Atlantic security space has been removed from the list of national priority interests enshrined in Article VI of this Law. Article VIII of the Law on Foundations of National Security of Ukraine that established key areas of the national security policy no longer contains the provision on Ukraine’s full-fledged membership in the North-Atlantic Treaty Organization.*

### **2. Military Policy: Military Budget for 2010**

15.07.10. The President of Ukraine, Viktor Yanukovich, signed the Act “On Amendments to the Law of Ukraine “On the State Budget of Ukraine for 2010”.

**Comment:** *Under this Act, State Budget allocations are to be reduced by almost 18,35 billion UAH compared to the State Budget adopted on 27 April 2010. This cutback includes 2 billion UAH of the Defence Ministry Special Fund (at the expense of the proceeds from surplus equipment sales).*

*It will be recalled that the State Budget of Ukraine for 2010 provided for 13,471 billion UAH for military needs, including 8,807 billion UAH from the General Fund and 4,664 UAH from the Special Fund.*

### **3. UAF Development: Enlarged Meeting of the Defence Ministry Board**

15.07.10. A meeting of the Ukrainian Defence Ministry Board chaired by the Defence Minister, Mykhailo Yezhel, was held in Kiev.

**Comment:** *The focus of the meeting was the state of the military education system and the arrears of wages, in particular, how they correspond with financial and economic capabilities of enterprises managed and controlled by the Defence Ministry.*

*Based on the results of the meeting, it was established that preparation of propositions for the UAF Development Concept for 2011-2015, conduct of the Defence Review and development of Military Doctrine should in the nearest future become the main task of military science and research centres and higher military education institutions. Furthermore, a decision was made to optimize the structure and strength of military education institutions and impose sanctions upon executive officers of state-owned MoD-controlled enterprises with arrears of wages.*

### **4. Military Policy: Revising Legitimacy and Validity of Defence Lands Transfer**

Following a meeting of the Commission for Control over Use and Transfer of Defence Lands and other State-owned Lands chaired by the Vice-Premier, Volodymyr Sivkovich, the State Lands Commission plans a comprehensive revision of legitimacy and validity of defence lands transfer.

**Comment:** *According to the Head of the State Lands Commission, Oleg Kulinich, the recent inspections revealed a considerable amount of cases where land transfer documentation and record keeping procedures were breached as well as unfounded expropriation of lands by local authorities and local self-government institutions without the MoD’s consent, illegal use of land for building, unauthorized seizure of land.*

*Furthermore, the actual area of the lands in question differs from the figures in the state record keeping system, partly due to the discrepancy in the land records of the Defence Ministry and the State Lands Commission that amounts to over 107000 hectares. According to official acts, the Defence Ministry is entitled to the permanent use of only 401000 hectares (75%). No budget allocations were made for these purposes last year. This year, according to the MoD information, 4,073 million UAH are to be allotted from the Special Fund, whereas the requirement is 117 million UAH.*

### **5. Defence Planning: Anticipated Allocations for Defence**

On 7 July 2010, the Cabinet of Ministers issued a Decree approving the anticipated allocations for defence from the State Budget General Fund till 2023.

**Comment:** *The aim of the Decree is to increase efficiency of long-term defence planning, establish legal foundation for defence review by designated state authorities and elaborate a long-term strategy for development of the Ukrainian Armed Forces and other military formations.*

*Due to the lack of the aforementioned figures it was impossible to complete the Defence Review in Ukraine, anticipate middle-term and long-term development figures for the UAF and OMF as well as development of equipment and the domestic defence industry in general.*

*See Annex to IAR DN 28/2010 for anticipated allocations for defence from the State Budget General Fund till 2023.*

### **6. Forces Training: Enlarged Meeting of the Military Council of the Air Command “South”**

12.07.10. An enlarged meeting of the Military Council of the Air Command “South” was held in Odessa.

**Comment:** *Discussions at the meeting were focused at preparation of weapons, military equipment, aircraft, antiaircraft troops, rocket troops and radio specialists as well as logistic and municipal facilities for a tactical exercise with live fire in Chauda Training Area. In the course of the meeting, the attendees discussed fulfilment of the flying training plans and flight safety in air force units against the backdrop of underfunding.*

## **7. Peacekeeping: Training of the 56<sup>th</sup> Separate Helicopter Detachment in Liberia**

Servicemen of the 56<sup>th</sup> Separate Helicopter Detachment in Liberia conducted a sea search-and-rescue exercise whereas the battle control group exercises aiming helicopters at ground targets.

**Comment:** *The search-and-rescue exercise was controlled by representatives of the Air Safety Unit of the UN Mission in West Africa.*

*The aim of the exercise is to verify readiness of the battle control group and Mi-24 crews for employment according to their intended purpose. Tasks exercised in the course of the training event include coordination between Mi-24 crews in the air as well as tactics and techniques of mutual covering when attacking ground targets. Battle aiming and radio training for the battle control group is conducted twice a month.*

*Since their deployment to Liberia as part of the peacekeeping mission, helicopter crews of the 13<sup>th</sup> rotation have flown over 140 hours, transported more than 500 passengers and 20 tons of cargo.*

## **8. Multinational Exercises: Ukraine-US Exercise “Sea Breeze 2010”**

12.07.10. The Ukraine-US Exercise “Sea Breeze 2010” Opening Ceremony was held in the Garrison Officers’ Club in Odessa. A number of other countries have also been invited to take part in the event.

**Comment:** *The ceremony was attended by the Ukrainian Navy Commander, Vice Admiral Viktor Maksimov, the U.S. Naval Forces Europe and Africa, Deputy Chief of Staff for Strategy, Resources, and Plans, Rear Admiral Gerard Hueber, the Commander of the Southern Operational Command, UAF, Lieutenant-General Petro Lytvyn, senior executive officers of local authorities and security, defence and law enforcement agencies.*

*Some 2000 Ukrainian servicemen and almost 500 military personnel from other twelve nations – Azerbaijan, Belgium, Greece, Georgia, Denmark, Moldova, Germany, Poland, Romania, Turkey, Sweden and the USA – are involved in the exercise. The exercise will be controlled by a multinational HQ established at the Western Naval Base of the UAF in Odessa. Seven exercises of the “Sea Breeze” series have been conducted since 1997 – in 1997, 1998, 1999, 2001, 2002, 2007 and 2008.*

## **9. International Cooperation: A Ukrainian Navy Delegation Visiting the US**

13.07.10. A Ukrainian Navy delegation finished its visit to Washington DC.

**Comment:** *In the course of the visit the Ukrainian seamen were exposed to the organization of work in the International Programmes Directorate, US Navy Command, as well as processes and procedures of purchasing military equipment, materiel and services to foreign countries.*

*The representatives of the Ukrainian Navy also discussed prospective cooperation areas to execute existing contracts for purchase of military equipment for the Ukrainian Navy.*

## **10. International Cooperation: Visit of the French Navy Frigate “Jean de Vienne”**

13.07.10. The French Navy frigate “Jean de Vienne” called at the Sevastopol port on an unofficial visit.

**Comment:** *At their meeting, the French and the Ukrainian delegations discussed the state and prospective development of the Ukrainian Navy, the future joint participation in the operation “Atalanta”, operation “Active Endeavour” and exercise “Sea Breeze 2010”, counter piracy challenges, building of a corvette for the Ukrainian Navy and manning of the Ukrainian Navy with contract servicemen. “Jean de Vienne” frigate is an antisubmarine vessel. Its crew is 230 personnel. Its home base is the port of Toulon.*

## **11. Social Security: Commission for Housing Distribution Control in UAF Garrisons**

The Defence Minister’s Decree № 354 of 08.07.10 established the scope of authority and responsibilities of the Commission for Housing Distribution Control in UAF Garrisons.

**Comment:** *The aim of the Decree is to ensure observance of housing legislation and transparency of housing distribution in UAF garrisons.*

*The Decree established the new composition of the Commission and the appropriate Regulations determining the Commission’s authority and responsibilities. The Decree also regulates other aspects of the Commission’s functioning. The Commission is accountable to the Defence Minister. It will consider Lists of Permanent or Temporary Housing Distribution to the Garrison servicemen and make decisions on legitimacy and validity of providing servicemen with housing including temporary flats and re-occupation cases. Besides, the Commission will verify record cards of those servicemen who’ve been put on Housing Distribution Lists, availability of all required documents and legitimacy of servicemen and their families’ presence on Housing Registries.*

## **12. UAF and Society: MoD Military History Research Centre for**

The Cabinet of Ministers repealed the previous Government’s decision to establish a Military History Research Centre at the Defence Ministry.

**Comment:** *In October 2009, the Cabinet of Ministers established a Military History Research Centre and put in under the control of the Defence Ministry. The original purpose of the Centre was revival of national military historical traditions as well as fundamental military historical research.*

*Establishment, staffing and sustainment of the Centre were to have been financed by the yearly State Budget allocations to the MoD.*

**Anticipated Allocations for Defence  
from the State Budget General Fund till 2023**

Year	Allocations, million UAH	
	Total for defence	Including allocations to the Defence Ministry
2011	11239	10475,8
2012	13299,5	12396,4
2013	15360	14317
2014	17358	16179,4
2015	19418,5	18100
2016	21416,5	19962,4
2017	23477	21883
2018	25475	23745,4
2019	27535,5	25666
2020	29533,5	27528,4
2021	31594	29449
2022	33592	31311,4
2023	35652,5	33232