

### 1. Military Policy: Ukroboronexport

09.12.10. The President of Ukraine issued Decree №1085/2010 instructing the Cabinet of Ministers to establish within a month's time a state-run economic association "Ukroboronexport".

**Comment:** "Ukroboronexport" was formed by state-run enterprises which engage in economic activity designing, manufacturing, repairing, modernizing and disposing of armaments, military and special equipment and ammunition. The said enterprises also engage in military-technical cooperation with other countries.

Approximately 1500 companies in Ukraine manufacture military and special equipment, "Ukrspetsexport" and its subsidiaries being the primary exporters.

"Ukroboronexport" is to be set up on the basis of the former Ministry of Industrial Policy of Ukraine which was reorganized into a Ukrainian state-run agency for management of corporative rights and assets by the President's Decree №1085/2010 of 09.12.10.

### 2. Military Policy: Annual Meeting of Convention Signatories

06-10.12.10. An annual meeting of signatory states to the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their Destruction was held in Geneva (Switzerland).

**Comment:** The overarching aim of the meeting was further enhancement of international cooperation in order to utilize outcomes of biological research and provide technical assistance to the Convention's signatory states.

The Ukrainian delegation was headed by the Director of Department for Arms Control and Military-Technical Cooperation (Ministry of Foreign Affairs), Ruslan Nimchynsky.

In the course of the meeting, Ukraine joined the EU Statement which emphasised the need for a speedy universalization and implementation of the Convention and outlines the EU's approaches to other vital topics broached in the convention.

The meeting was attended by delegations from over 120 nations.

### 3. Peacekeeping: 14<sup>th</sup> Rotation in Liberia

09.12.10. The 14<sup>th</sup> rotation of the Ukrainian 56<sup>th</sup> Separate Helicopter Detachment operating as part of the UNMIL has begun.

**Comment:** 30 tons of supplies and one Mi-24 helicopter were delivered to the International Airport "Robertsfield" in Liberia by a Ukrainian military transport aircraft Il-76MD in the framework of Phase I of the rotation.

The next transfer of supplies and air equipment for the 56<sup>th</sup> detachment is scheduled for 22 December.

The first batch of 150 peacekeepers will depart on the first flight to Liberia scheduled for 16 December.

The next flight to Liberia scheduled for 22 December will take the remaining 120 personnel.

The total strength of the 14<sup>th</sup> rotation of the 56<sup>th</sup> helicopter detachment is 275 servicemen including 189 officers, NCOs and privates with international operational experience. 36 pilots have been selected for the detachment (nine 1<sup>st</sup> Class pilots, four 2<sup>nd</sup> Class pilots and thirteen 3<sup>rd</sup> Class pilots).

The detachment has eight Mi-8 helicopters and three Mi-24 helicopters.

### 4. International Exercises: "Viking – 2011"

07.12.10. A staff officers training course for the multinational exercise "Viking – 2011" started at the Training and Research Centre for International Peacekeeping at the National Defence University of Ukraine.

**Comment:** Facilitating the course are instructors from the Training Centre of the Swedish Armed Forces "SWEDINT". Ukraine assigned to this course Army 10 officers from the multinational brigade HQ of the distant exercise component deployed in Ukraine for "Viking – 2011". Other students on this course are 18 officers from nine PfP nations.

The course programme also provides for separate and joint map exercises. The staff officers training course will be completed on 17 December.

### 5. International Cooperation: Self-Evaluation of Il-76MD

09.12.10. A coordination meeting of a NATO expert team was held in Vinnitsa. The topic of the meeting was the Level II Self-Evaluation (in the framework of the Operational Capabilities Concept) of an Il-76MD transport aircraft from an air transport brigade stationed in Melitopol.

**Comment:** The aim of the meeting was to provide consultation and advice, settle administrative and organizational issues as well as a Self-Evaluation Plan.

The Level II Self-Evaluation is to be carried out during the final phase of the Ukrainian-Danish operation to transfer fuel to Greenland and at Aalborg Air Base in Denmark in April 2011.

This self-evaluation will enable future participation in international military cooperation activities to deliver humanitarian cargoes as well as delivery of peacekeeping personnel and military technical supplies.

### 6. International Cooperation: Ukrainian-Russian Relations

10.12.10. The Ukrainian Minister of Foreign Affairs, Kostiantyn Gryshchenko, and his Russian opposite number, Sergii Lavrov, negotiated the issue of the Russian Black Sea Fleet stationing in Ukraine.

**Comment:** In the course of the negotiations, the interlocutors confirmed virtual finalization of bilateral agreements meant to settle all issues brought about by stationing of Russian military units in Ukraine.

The two ministers also discussed other topical issues of Russian-Ukrainian cooperation as well as regional and global security challenges.

## 7. Ukraine-NATO: Meeting of the NATO-Ukraine Commission

07.12.10. A meeting of the NATO-Ukraine Commission at the level of Alliance member states' Ambassadors took place in Brussels.

**Comment:** *This was the first meeting of the NATO-Ukraine Commission after adoption of the new NATO Strategic Concept. Ukraine was represented by its Ambassador to NATO, Igor Dolgov. The meeting was also attended by 17 Ambassadors of member states.*

*The overarching aim of the meeting was to approve the assessment of implementation of Ukraine's Annual National Programme of cooperation with NATO in 2010 and identify areas of further development of cooperation between Ukraine and the Alliance.*

*The Annual National Programme consists of two parts: the first part deals with economic and social reform, freedom of the mass media and development of democracy; the second part deals with specific cooperation issues, in particular, the defence sector reform.*

*Furthermore, according to Ukrainian government officials, Ukraine will be able to endorse the Annual National Programme of Cooperation with NATO for 2011 by the end of this year.*

## 8. Development of Military Equipment and Defence Industry: BTR-4

In mid-December, Ukraine will dispatch the first batch of Ukrainian BTR-4 to Iraq.

**Comment:** *Under the contract, Ukraine will send to Iraq over 550 million dollars' worth of armaments.*

*Delivery of the second batch of BTR-4 to Iraq is scheduled for the beginning of 2011. In 2009, the state-run enterprise "Specialized Foreign Trade Firm "Progress" (subsidiary of the state-run company "Ukrspetsexport") concluded a contract with Iraq for over \$550 million. This contract is to become one of a series of military-technical cooperation arrangements between Ukraine and Iraq in the making.*

*The contract stipulates for delivery of over 400 pieces of armoured equipment, in particular BTR-4, six light transport aircraft An-32, as well as repair of aircraft equipment over 3-3,5 years.*

*According to the state-run enterprise "Antonov", the first two vehicles for the Iraqi customer have already been assembled and the terms of their delivery are being coordinated.*

*Previously, the company voices its plan to deliver the first three An-32 aircraft to Iraq by the end of this year as stipulated by the contract. Delivery of the remaining three aircraft is scheduled for 2011-2012.*

## 9. Development of Military Equipment and Defence Industry: Anti-tank Guided Missile "Falarick"

The state-run design bureau "Luch" designed the new anti-tank guided missile "Falarick".

**Comment:** *This anti-tank guided missile with a laser beam guidance system was designed to order placed by the Belgian company CMI Defence for a rifled barrel gun mounted on the CT-CV turret designed by this company. "Falarick" was being designed throughout 2008-2009. In February 2010, the missile successfully passed a firing test in Scotland.*

*The missile's length is 1,015m; it weighs no more than 25,2kg. In general description, the 105-mm missile is compared to antitank guided ammunition for the Chinese tank "Type-59" as well as 100mm, 115mm and 120mm missiles designed for the main battle tanks T-62/T-64 / T-72/T-84 with 120mm guns.*

*"Falarick" destroys a target at the maximum range of 5km in 17sec. Having been launched, the tandem warhead (high explosive antitank) penetrates 550mm of armour with ERA. With the angle of elevation increased to 42° (optionally 55°) the missile can destroy air targets at low altitude.*

## 10. UAF and Society: Public Debates over the Strategic Defence Review

07.12.10. The Defence and Security Policy Centre, supported by the NATO Liaison Office in Ukraine and the Ukrainian Defence Ministry, conducted public debates over the outcome of the Strategic Defence Review in Ukraine and preparation of expert propositions for the Strategic Defence Bulletin till 2025. The event was held in the Central Officers Club.

**Comment:** *The event was attended by DSPC representatives, the First Deputy Defence Minister, Volodymyr Mozharovsky, the Head of the NATO Liaison Office in Ukraine, Mr Marcin Koziel, heads of MoD and GS branches, domestic military experts, executive authority representatives, NGOs and public representatives, advisors and representatives of NATO member states' embassies.*

*The event included expert discussions by representatives of interested parties. The key thesis of the expert discussions was lack of realism and detailed calculations in the Strategic Defence Bulletin till 2025. Results of the discussion were formulated as propositions to the SDB till 2025 to be taken into account by the Defence Ministry as it completes the final version of the SDB.*

*See Annex to IAR DN 49/2010 for anticipated defence appropriations till 2025.*

**Anticipated appropriations for defence  
till 2025**

million UAH

Year	Cabinet's Decree of 07.07.10		Figures established in the Minutes of the meeting between the Defence Minister and the Minister of Finance of 21.08.10, approved by the Government in the Concept of Further Reform of the Ukrainian Armed Forces till 2015	Figures worked out by the Defence Ministry under instructions of the Presidential Administration (№ 02-01/2384 of 03.11.10) and the Cabinet's Resolution (№ 1971-dsk of 08.11.10)
	For defence	Including appropriations for the Defence Ministry		
2011	11239	10475,8	13 600	13 600
2012	13299,5	12396,4	14922,7	14922,7
2013	15360	14317	17122,8	17122,8
2014	17358	16179,4	19246,3	19246,3
2015	19418,5	18100	21406,6	21406,6
2016	21416,5	19962,4		26058,5
2017	23477	21883		30749
2018	25475	23745,4		36283,8
2019	27535,5	25666		42814,9
2020	29533,5	27528,4		50521,6
2021	31594	29449		59615,5
2022	33592	31311,4		70364,3
2023	35652,5	33232		83008,6
2024				92969,6
2025				104125,9