RESOLUTION

of the Supreme Council of Ukraine

concerning the procedure for the bringing into force of the Act of Ukraine on Communications

The Supreme Council of Ukraine resolves:

- 1. To bring the Act of Ukraine on Communications into force on the date of publication thereof.
- 2. That before the enactment of legislation in pursuance of the Act of Ukraine on Communications the legislative instruments currently in force shall be applicable in those parts that are not in conflict with this Act.
- 3. That the Cabinet of Ministers of Ukraine shall:

within two months decide on a structure for the management of communications associations which will not give rise to additional costs under the state budget;

within two months draw up and duly approve the regulations concerning the Communications Administration of Ukraine;

by 1 July 1995 prepare, and submit for consideration by the Supreme Council of Ukraine, proposals with regard to such amendments and additions to the legislative instruments of Ukraine currently in force as arise out of the Act of Ukraine on Communications, and with regard to liability for infringements of this Act;

by 1 July 1995 make the decision of the Cabinet of Ministers of Ukraine in accordance with the Act of Ukraine on Communications;

by 1 July 1995 ensure that the ministries and governmental departments of Ukraine review and repeal their statutory instruments which are in conflict with the Act of Ukraine on Communications;

by 30 December 1995 submit the draft Act of Ukraine on Communications Operators for consideration by the Supreme Council of Ukraine;

by 30 December 1995 submit the Plan for Utilisation of the Radio Frequency Resources of Ukraine for consideration by the Supreme Council of Ukraine.

Head of the Supreme Council of Ukraine

O.MOROZ

Kiev 16 May 1995 No. 161/95-VR

ACT OF UKRAINE

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ON COMMUNICATIONS

This Act lays down the legal, economic and organisational bases for activity in the communications sector in Ukraine and determines the relationships of communications enterprises, associations, institutions and organisations with the organs of state executive power, local self-government and the users of communications services, and also the characteristics of the sector associated with special public interests.

The Act safeguards the interests of the state, the citizens, enterprises, associations, institutions and organisations that use communications services, and also workers in the communications sector.

Section 1. Definitions of terms

In this Act, terms are used in the following sense:

electrical communications - the transmission, emission or reception of signs, signals, written text, images and sounds, or information of any kind, by radio, wired, optical or other electromagnetic systems;

postal communications - the reception, processing, carriage and delivery of written despatches or items of value and the execution of the instructions of natural and legal persons with regard to money orders and banking operations;

distribution of radio frequency bands - the determination, in the National Radio Frequency Distribution Table, of radio frequency bands for the purpose of their use by one or more radiocommunications, radionavigation or radioastronomy services;

isolation of a radio frequency or radio frequency channel - the recording of a particular frequency channel in the agreed plan accepted by the relevant authority;

allocation of a radio frequency or radio frequency channel - permission to use a specific radio frequency or band;

communications facilities - technical equipment used to organise communications;

communications structures - buildings, towers, antennas, overhead and cable lines, intermediate and terminal fixtures of communications lines, postboxes and other fixtures used to organise postal or electrical communications;

communications network - all the communications facilities and structures combined in a single technological process for providing information exchange;

communications network for public use - a communications network that is operated by communications enterprises and associations to meet the needs of all users for communications services;

administrative communications network - a communications network that is operated by a legal or natural person to meet their own needs;

technological communications network - an administrative communications network for the exchange of information for the purpose of ensuring technological processes in manufacturing activity;

dual-purpose communications network - a communications network that is operated by a legal or natural person to meet their own needs and to provide services under licensing conditions to all users of communications services;

single national communications system - all the communications networks, for public use, administrative and dual-purpose, which ensure that the needs of users (enterprises, institutions and organisations the general public, etc.) for communications services are satisfied;

primary communications network - all the line and exchange structures which constitute a network of standard transmission channels and standard routes;

local primary communications network - the part of a primary communications network that is delimited by the territory of a town and its suburban zone or administrative district;

state system for official communications - a special communications system which ensures the transmission of information containing state secrets, and which functions in the interests of government of the state in peace time and war time;

communications enterprise (operator) - an enterprise whose business is to ensure the operation of communications facilities, structures and networks for the purpose of providing communications services;

communications association - an association of state communications enterprises for the implementation of a single technological process on the territory of Ukraine;

owner of communications facilities, structures or networks - a legal or natural person that holds the proprietary right in respect of communications facilities, structures or networks;

postage stamp - a state token which is the means of payment for postal communications services, and which is produced by printing, with an artistic image and an indication of its nominal value;

communications service - the product (result) of the activity of a communications operator, intended to meet the needs of users.

Section 2. Communications in Ukraine

Communications is one of the most important priority sectors in Ukraine and is intended to meet the needs of users and the organs of state power, local self-government, defence and state security for postal and electrical communications facilities and services.

The development and improvement of communications shall be effected in accordance with the Integrated Programme for Creation of a Single National Communications System, taking into account the priority thereof, and on the basis of the current state of scientific and technical progress.

Section 3. Legislation on communications

Relationships in the communications sector shall be regulated by the Constitution of Ukraine, this Act, other legislative instruments of Ukraine, and the statutory instruments of the ministries and governmental departments of Ukraine.

The legal status, powers and obligations of communications operators, and also the utilisation of radio frequency resources, shall be determined by separate legislative instruments of Ukraine.

Section 4. Scope of the Act

This Act shall cover relationships in the communications sector that involve the organs of state power, local self-government, communications enterprises, institutions and organisations and the users of communications and radio frequency services.

This Act shall not cover the state system for official communications (apart from matters relating to the use of radio frequency resources), nor technological communications networks and administrative communications networks, and relationships that safeguard the operation thereof, except for matters relating to their interaction with communications networks for public use.

Section 5. Management of communications

The Supreme Council of Ukraine shall determine state policy in the communications sector and the legislative bases for the implementation thereof.

The single national communications system shall be managed by the Cabinet of Ministers of Ukraine.

The central organ of state executive power in the communications sector, subordinate to the Cabinet of Ministers of Ukraine, shall be the Communications Administration of Ukraine, which shall regulate conditions in the sector by:

issuing licences for particular types of activity in the communications sector and monitoring the licensee's compliance with the requirements thereof;

supervising the operation of communications facilities of all forms of ownership in communications networks for public use, and the communications facilities of administrative communications networks and dual-purpose networks that interact therewith;

quality control of the provision of communications services by operators in communications networks for public use and dual-purpose communications networks of all forms of ownership;

checking that the maximum charges for communications services are not exceeded;

organising scientific development and the development of standards for the sector;

organising the training of professional staff for the sector.

The Communications Administration of Ukraine shall not have the right to interfere in the economic activity of communications operators.

The powers and obligations of the Communications Administration of Ukraine shall be assigned to the Communications Ministry of Ukraine, with a corresponding change in functions.

The responsibility for deciding on matters relating to the coordination of the work of ministries and governmental departments with regard to the creation, development and operation of the single national communications system, the distribution and use of radio frequencies, and also ensuring the electromagnetic compatibility of radioelectronic devices, shall be assigned to the State Commission on Matters Relating to Communications and Radio Frequencies, which shall be set up by the Cabinet of Ministers of Ukraine.

The Chief Office for Matters Relating to Radio Frequencies, attached to the Cabinet of Ministers of Ukraine, shall be the central organ of state executive power with regard to the distribution and use of radio frequencies.

Matters relating to the organisation, coordination of the interaction and operation of communications networks of all forms of ownership that serve the defence and security needs of Ukraine shall be agreed with the relevant ministries and governmental departments in accordance with the procedure laid down by the Cabinet of Ministers of Ukraine.

Administrative communications networks, technological communications networks and dual-purpose communications networks, as well as networks that are not in state ownership, shall be managed by the owners thereof.

Section 6. Communications land

Communications land comprises land that is provided to communications enterprises, institutions and organisations under the land legislation of Ukraine for the construction and operation of underground cable and overhead communications and wired broadcasting lines or marine cable communications lines, for communications cables at crossings over navigable and raftable rivers, lakes, reservoirs and canals, for overground and underground booster (regenerative amplification) points, for the structures of radio-relay, tropospheric and satellite communications lines, television, radio broadcasting and reception-transmission radio stations and centres with antenna systems, for buildings, structures and other facilities needed for the operation, technical refitting and reconstruction of electrical communications systems and postal communications enterprises, etc.

Land for temporary use in the period of construction or for use in the period of operation of underground cable and overhead communications and wired broadcasting lines or marine cable communications lines, for communications cables at crossings over navigable and raftable rivers, lakes, reservoirs and canals, and for overground and underground booster (regenerative amplification) points, shall be provided to the owners of communications facilities, structures or networks under the land legislation of Ukraine.

Protection zones shall be set up along overhead, underground and underwater electrical communications lines and around electrical communications emission structures, and passages through them shall be created if necessary. The protection of communications lines and structures on land and water shall be effected in accordance with the Rules for Protection of Communications Lines, which shall be approved by the Cabinet of Ministers of Ukraine.

On plots of land provided to them under the land legislation of Ukraine, communications enterprises shall be permitted to set up cable and overhead communications lines by the proper procedure and to install fixtures ensuring their reliable operation, and also to set up cable and overhead communications lines across bridges and through tunnels, streets, roads, buildings, collecting mains, forests and waters, and on electrical transmission lines, and to install fixtures ensuring their reliable operation in or on these facilities. The procedure and conditions for carrying out the said work shall be determined by the communications enterprises and associations in agreement with the owners and users of the land and facilities. If facilities that have been built with state funds are used to set up communications and wired broadcasting lines, this shall be free of charge.

When buildings, roads, bridges or energy supply lines are constructed or reconstructed with combined use of supports for the suspension of radio broadcasting wires and other facilities, the work connected with the arrangement and transfer of the communications networks shall be carried out by the persons that ordered the construction or reconstruction in accordance with the technical requirements and under the supervision of the owners of the communications facilities, structures or networks.

Section 7. Design, construction and reconstruction of communications facilities and structures

The development of communications facilities and structures for public use that are part of the single national communications system shall be coordinated by the Communications Administration in collaboration with the Cabinet of Ministers of Ukraine and shall be carried out with the resources of the communications enterprises, the general development fund of the associations, budgetary appropriations and resources made available by legal and natural persons on an agreed basis.

Communications enterprises shall have the right to issue and sell securities for the development of communications networks in accordance with the legislation in force.

In the design and development of towns and other centres of population, the local councils of people's deputies shall, using the resources of investors, prepare design documentation and construct special premises for communications divisions, automatic telephone exchanges and radio relay centres, and also re-equip premises that do not comply with the technological standards of the sector.

The said premises shall be handed over for use to state communications enterprises and associations free of charge.

The design documentation for the construction and reconstruction (expansion, technical refitting) of communications networks and structures shall be subject to expert appraisal and approval by the competent organs for state control and supervision, in accordance with the procedure laid down by the legislation in force.

New buildings for civil housing must be equipped with networks and fixtures for the organisation of communications, television and wired broadcasting.

When residential blocks are built in the vicinity of industrial and other enterprises and buildings, the person commissioning them must design and construct electrical and postal communications networks, facilities and structures at the same time as the main industrial facility, at his own expense, in accordance with the standards and technical requirements issued by the communications enterprises and associations.

When designing, constructing and reconstructing electrical transmission lines, energy supply enterprises must make provision for the combined suspension of electrical supply and wired broadcasting lines in accordance with the standards and technical requirements issued by the communications enterprises and associations.

Section 8. Special characteristics of the activity of communications enterprises and associations in networks for public use

The economic activity of communications enterprises and associations shall be regulated in accordance with the legislation of Ukraine that is in force.

State communications enterprises that provide postal and electrical communications respectively in a single technological process shall be incorporated into associations. Matters relating to their creation, liquidation and activity shall be within the competence of the Cabinet of Ministers of Ukraine. An association shall act as a single economic structure and it shall be given the task of managing the assets of the state communications enterprises that are incorporated therein. These enterprises shall retain the right of a legal person.

Out of part of the profit of the communications enterprises that are incorporated in the association, a general fund for development of communications networks shall be set up therein.

In order to coordinate and make the most important decisions with regard to the management of the development of communications networks and the use of the general fund for development, a control board shall be set up in each communications association; it must include representatives from the communications association, users and organs of state executive power, in equal proportions.

The control board shall agree on the annual financial plan of the communications association, approve the guidelines for the contributions of the enterprises to the general fund for development of communications networks, and hear the reports on the activity of the management board of the communications associations.

The composition of the control board shall be approved by the Cabinet of Ministers of Ukraine.

State enterprises and communications facilities for special purposes in communications networks for public use that under ordinary conditions are not used, or are used partially, shall be financed out of the state and local budgets.

Section 9. Collaboration of communications enterprises, associations, institutions and organisations with the local councils of people's deputies

The collaboration of communications enterprises, associations, institutions and organisations with the local councils of people's deputies shall be on an agreed basis and shall comply with the legislation of Ukraine that is in force.

Communications facilities and structures, premises for communications divisions, telephone exchanges and radio relay centres, and residential premises, including staff premixes for postmen and workers who service these facilities and structures, shall be handed over by the owners for use to communications enterprises and associations on an agreed basis.

Premises for rural communications divisions and staff residential premises for servicing personnel shall be provided to communications enterprises on an agreed basis by the rural councils of people's deputies or by organisations that are users of communications services.

Separate premises for the provision of communications services at railway stations, airports, sea and river ports, harbours, service stations, controlled crossing points on the state frontier, technical servicing stations, and in motels and other enterprises, institutions and organisations which serve the public, shall be leased to state communications enterprises and associations.

Section 10. Safeguarding of communications in emergency conditions

Communications enterprises and associations and the owners of communications facilities, structures or networks that form part of the single national communications system shall be required to provide high-quality communications and information in emergency conditions.

The Council of Ministers of the Autonomous Republic of Crimea and the executive committees of the regional, urban, district, urban district, rural and estate councils of people's deputies shall provide assistance to communications enterprises and associations in dealing with accidents arising as a result of a natural disaster, and in eliminating the consequences thereof and acquiring the necessary material resources, and shall also provide labour, transport and other technical resources for this purpose.

In the event of a natural disaster, accidents, epidemics or epizootics, and in emergency situations arising as a result of industrial circumstances, communications enterprises and associations shall impose temporary restrictions on the provision of communications services to the public, until the consequences of the said circumstances have been completely eliminated, for the purpose of providing communications for the restoration work and preventing the spread of epidemics or epizootics via postal despatches, in agreement with the Council of Ministers of the Autonomous Republic of Crimea and the executive committees of the regional, urban, district, urban district, rural and estate councils of people's deputies.

The operation of communications networks of all forms of ownership in peace time and war time, and their readiness for mobilisation, shall be safeguarded in accordance with the procedure laid down by the Cabinet of Ministers of Ukraine.

In war time, all communications facilities and networks that are available in Ukraine, irrespective of the forms of ownership, shall be used to meet the needs of the defence and security of the state.

Section 11. Protection of the interests of the state

The state communications enterprises and associations shall exclusively have the right to ownership and the right to technical servicing and operation of primary networks (apart from local networks) and satellite systems for telephone communications in communications networks for public use, and the right to send money orders, letters up to 20 (twenty) grammes and post cards, and to pay and deliver pensions and financial assistance to impecunious citizens.

The form of ownership of state communications enterprises that are incorporated in associations may be changed only by a decision of the Supreme Council of Ukraine. It shall not be permitted to change the form of ownership in individual communications enterprises which operate in a single technological process.

The creation and activity of communications enterprises with foreign investments, where the foreign investments make up more than 49 per cent (or, in the case of enterprises engaged in broadcasting, more than 30 per cent) of the authorised capital, shall be prohibited.

Section 12. Protection of the rights of users

Communications enterprises and associations shall endeavour to satisfy the needs of legal and natural persons for all types of communications services and to improve the quality thereof.

State communications enterprises and associations shall be required to satisfy the needs of communications users for all those types of communications services which are related to the exclusive right of the state communications enterprises and associations under the first part of Section 11 of this Act, and for international and interurban telephone and telegraph communications services, and also services with regard to the availability of the state television and radio broadcasting programmes within the limits of their technical and economic possibilities, which are determined by the Cabinet of Ministers of Ukraine for each stage of development of the communications networks and in accordance with the quality levels determined. The quality parameters for communications services shall be determined by the Communications Administration of Ukraine in accordance with the requirements of state standards and technical regulatory documentation. These quality parameters shall be obligatory for all communications operators, irrespective of their forms of ownership.

The protection of users' rights to postal and electrical communications services of guaranteed quality, and also the mechanism for the implementation of the protection of these rights, shall be regulated by this Act, the Act of Ukraine on the Protection of Users' Rights and the Act of Ukraine on the Restriction of Monopolies and the Prevention of Unfair Competition in Entrepreneurial Activity.

Every communications enterprise which provides services to users must have a book for complaints and suggestions and issue it at the first request.

The managers of communications enterprises shall be required to examine the complaints and statements of users within the time limits laid down by the legislation in force, and to inform them thereof.

Section 13. Liability of communications enterprises and associations to the users of services

Communications enterprises and associations of all forms of ownership shall be materially liable to the users of services for the non-fulfilment or improper fulfilment of services:

for the loss of internal postal despatches, consignments and containers without any declared value - at the level of the cost of the services;

for the loss of valuable postal despatches - at the level of the declared value and the cost of the services;

for failure to pay money in accordance with postal and telegraphic money orders-at the level of the unpaid amount of the order and the cost of the services. In addition, for each occasion when a delivery is delayed beyond the control time limit within the borders of Ukraine, the user shall be paid a penalty at the level of the discount rate of the National Bank of Ukraine determined on the date of imposition of the penalty;

for international postal dispatches, telegraphic messages and money orders - in accordance with the Agreements and Protocols of the World Postal Union and the International Telecommunications Union;

for non-delivery or late delivery of telegrams - at the level of the cost of the service. In addition to compensation for losses in the cases provided for in the second, fourth and sixth paragraphs of the first part of this Section, communications enterprises and associations shall pay the user a forfeit (fine, penalty) at the level of 25% of the cost of the services;

in cases where damage to telephone communications and radio relay facilities is not repaired within the control time limits, the subscriber payment shall not be charged for the entire period of the damage. In addition, the communications enterprise shall pay the subscriber a penalty at the level of 25% of the daily subscriber payment for every 24 hours by which the control time limits are exceeded, but for not more than three months. In the last case, if through the fault of the communications enterprise the damage is not eliminated, the subscriber may - under the Act of Ukraine on the Protection of Users' Rights- instruct a third party to remedy the deficiencies at the expense of the communications enterprise. The same sanctions shall also be applied to the communications enterprise if the quality parameters of the telephone communications or radio relay at the user's premises do not comply with the standards and other technical requirements in force;

for improper fulfilment of the obligations laid down by the lease agreements for technical communications, television and radio broadcasting facilities - as per the conditions of the agreements.

Communications enterprises and associations shall not be materially liable to users for the non-fulfilment or improper fulfilment of obligations as a result *of force majeure* (earthquakes, floods, hurricanes, etc.) or through the fault of the users, and in the cases laid down by the legislation in force.

If the user of communications services does not agree with the level of compensation laid down by this Section, the question of compensation for the actual losses, moral damage or loss of profit caused to him through the improper fulfilment of their obligations by the communications operators, as well as other disputes between the users of communications services and communications operators, shall be examined by a court of law or court of arbitration.

Section 14. Procedure and conditions for provision of communications services in communications networks for public use

Communications enterprises and associations of all forms of ownership shall carry out their activity in accordance with the principles of the equal access of all users to communications services, with priority to the organs of state power.

The services offered by communications operators of all forms of ownership shall be provided to users in accordance with the legislation in force, the conditions of the relevant licence and the agreement between the user and the operator, and also on condition that the user observes the rules for use of communications networks and payment for services.

If there is a delay in payment for communications services provided by communications enterprises beyond the time limits laid down by legislation, users shall pay a penalty, amounting to 1% of the cost of the services not paid for, for each day of delay. If the said delay in payment exceeds one month, communications enterprises shall have the right - one month after the user has received a written warning - to refuse to provide further services to him. The user may appeal by court proceedings against the communications enterprise's refusal to provide communications services. The suspension of the provision of services to users shall not exempt them from payment of the charges due, and the communications enterprise shall have the right to recover the debt by court proceedings.

The services of local telephone communications networks shall be provided to all users without restriction after the submission of a written application. The absence of suitable technical conditions shall be a valid reason for a refusal by a communications enterprise to provide the said services. The applicant may appeal against the refusal by court proceedings.

Applications for the installation of telephones shall be satisfied in the following sequence in places with an inadequate level of saturation of technical facilities for local telecommunications networks:

the organs of state power, local self-government, public prosecutors' offices, courts, the organs responsible for internal affairs, the security services and military institutions;

the diplomatic and consular missions of foreign states;

medical establishments, firefighting units, organisations providing information about natural phenomena (earthquakes, floods, hurricanes, etc.), state pre-school educational and teaching establishments, and state scientific and cultural establishments;

apartment telephones for citizens who under the legislation in force have preferential rights to the installation of apartment telephones;

other enterprises, institutions and organisations;

apartment telephones for other citizens.

Among the citizens special categories shall be identified who under the legislation in force have special priority rights, top priority rights and preferential rights to the installation of apartment telephones. The time when the application was submitted shall be taken into account in determining the order of priority within the said categories.

If the financial assets of legal and natural persons are employed for the construction of telephone networks, telephones shall be installed for them on a special priority basis, without observance of the above-mentioned procedure.

Documentary and postal communications, interurban telephone network and wired broadcasting services shall be provided without any restrictions if they are technically feasible. Urgent services shall be provided at higher tariffs.

A priority service may be set up for the organs of state power.

If it is impossible to trace addressees, the postal despatches not delivered to them shall be returned to the senders. If it is impossible to trace addressees and senders, undistributed postal despatches shall be kept at communications enterprises for a period of six months, after which:

money, securities and precious metals from the undelivered postal despatches shall be handed over to the National Bank of Ukraine;

documents (passports, diplomas, certificates, testimonials, etc.) from the undelivered postal despatches shall be handed over to the enterprises, institutions and organisations that issued these documents;

other objects from the undelivered postal despatches shall be sold via the commercial network. The assets obtained from the sale of these objects shall pass to the local budgets after payment of the expenses involved in the sale.

If technical communications facilities are damaged, the enterprises shall take steps to renew them within the time limits laid down by the Communications Administration of Ukraine.

The owners of dual-purpose communications networks of all forms of ownership may provide communications services with observance of the special conditions for the use of technical facilities in communications networks for public use.

Communications enterprises and associations shall under the legislation in force provide services to particular categories of citizens on a preferential basis, with the associated costs being covered out of the state and local budgets and the assets of the relevant funds and enterprises.

The Cabinet of Ministers of Ukraine shall determine the preferential rights with regard to the provision of and payment for communications services for particular categories of workers and former workers of communications enterprises, institutions and organisations

Section 15. Anti-monopoly rules

It shall be prohibited to award the exclusive rights to carry out any type of activity in the communications sector for enterprises, associations, institutions or organisations of all forms of ownership, except for activity connected with the protection of the interests of the state or with the safeguarding of national security and defence, and also the activity referred to in the first part of Section 11 of this Act.

Telecommunications services may be provided by postal communications enterprises of all forms of ownership on an agreed basis.

Section 16. The special characteristics of working conditions in the communications sector

Labour discipline in communications enterprises and associations shall be regulated by the legislation of Ukraine that is in force, and also by the Regulations on the Discipline of Communications Workers in Ukraine, which shall be approved by the Cabinet of Ministers of Ukraine. The Regulations shall provide for the answerability of communications workers for the divulgence of confidential information in correspondence, telephone conversations and other communications that are transmitted via communications facilities, and for the improper fulfilment of official obligations, especially in emergency conditions, the special characteristics of the regulation of working time and leisure time for particular categories of workers in operational communications enterprises and associations, and also their incentives.

Persons who have received suitable training shall be appointed to posts requiring special knowledge in communications enterprises, institutions and organisations

For the performance of official duties with regard to the escorting of special consignments, cash or other valuable postal despatches, and during the guarding of communications facilities, officials of communications enterprises shall be granted the right to keep, carry and use firearms and also special devices for self-defence and personal protection.

The use of firearms and also of special devices for self-defence and personal protection shall be regulated by the legislation of Ukraine.

Postmen shall be provided with uniforms and footwear at the expense of the communications enterprises. Staff residential premises shall be provided for them on an agreed basis by the relevant local councils of people's deputies for the place where the communications enterprise is situated.

The managers of associations, enterprises and the branches thereof shall be employed under contract.

Section 17. Use of languages in the communications sector

The languages of communication within the borders of Ukraine shall be the Ukrainian language and the languages of other nationalities, unless the legislation of Ukraine that is in force provides otherwise.

Section 18. Official time in the communications sector

The standard official time in Ukraine shall be used in the technological processes for transmission of messages in communications enterprises and associations.

In international communications the official time shall be determined by the international agreements to which Ukraine is a party.

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Section 19. Right to ownership of communications networks, facilities and structures

Communications networks, and also particular communications facilities and structures, except for those referred to in the first part of Section 11 of this Act, may be held in any form of ownership.

Communications networks for public use, and also particular communications structures and facilities created at the expense of state capital investments and the assets of state communications enterprises, associations, institutions and organisations shall be owned by the state, and the form of ownership may be changed only by a decision of the Supreme Council of Ukraine.

Communications networks, facilities and structures that are assigned to enterprises, associations, institutions and organisations in other ministries and government departments shall also be owned by the state.

Section 20. Regulation of the use of radio frequencies and radioelectronic facilities

The regulation of the use of the radio frequency spectrum in Ukraine and the positions of radioelectronic facilities on the geostationary orbit in Ukraine shall be the exclusive right of the state and shall be the responsibility of the Cabinet of Ministers of Ukraine.

The National Radio Frequency Distribution Table shall be approved by the Cabinet of Ministers of Ukraine.

Activities relating to the use of the radio frequency spectrum and radioelectronic facilities and the ensuring of their electromagnetic compatibility shall be carried out in accordance with the principles of:

state regulation of the use of the radio frequency spectrum and radioelectronic facilities on a licensing basis;

total compliance with the standards and rules for the use of the radio frequency spectrum and radioelectronic facilities and the ensuring of their electromagnetic compatibility, taking into account the requirements of the International Telecommunications Convention, the Radiocommunications Regulations and other documents of the International Telecommunications Union;

the answerability of legal and natural persons for failure to comply with the requirements of this Act and the rules, standards and instructions issued in pursuance thereof.

The distribution of radio frequencies within the national table of the distribution of radio frequencies and the frequency-orbital resources of the geostationary orbit shall be administered by the Chief Office for Radio Frequency Matters attached to the Cabinet of Ministers of Ukraine.

Special agencies empowered by the Cabinet of Ministers of Ukraine shall be responsible for allocating radio frequencies and call signals, for drawing up the relevant licences for the manufacture, sale and use of radioelectronic facilities on the territory of Ukraine, and the importation thereof from abroad, and for state supervision of their operation. The Chief Office for Radio Frequency Matters attached to the Cabinet of Ministers of Ukraine shall coordinate and control the work of these agencies.

The State Commission for Matters Relating to Communications and Radio Frequencies and the Chief Office for Radio Frequency Matters attached to the Cabinet of Ministers of Ukraine shall exercise supervision - through the intermediary of special agencies attached to the relevant ministries and governmental departments and to the National Council of Ukraine for Matters Relating to Television and Radio Broadcasting (insofar as frequencies for television and radio broadcasting are concerned) - to make sure that the proper procedure for the use of the radio frequency spectrum, radioelectronic facilities and cable television systems and the standards for radio emissions and permissible industrial interference to radio reception are observed.

Section 21. Charges for communications services and for use of radio frequencies

The charges for communications services and for use of radio frequencies shall be regulated by the state in accordance with the legislation of Ukraine that is in force.

The procedure for the determination of the maximum charges for communications services shall be laid down by the Cabinet of Ministers of Ukraine and shall be obligatory for all communications operators irrespective of the forms of ownership.

The procedure for settlement of accounts between communications enterprises shall be laid down by the Communications Administration of Ukraine.

Section 22. Postage stamps

The issue of postage stamps and other tokens of postal payment shall be the exclusive right of the postal communications association.

The postal communications association shall issue tokens of postal payment with the face value, subject matter and print numbers agreed with the Communications Administration of Ukraine and the Artistic Editorial Council, the composition of which shall be approved by the Cabinet of Ministers of Ukraine, and shall also issue catalogues and price lists of collection postage stamps and other philatelic products.

Section 23. Use of means of transport for the carriage of post

Communications enterprises and associations shall have the right to carry post on all routes and lines of the railway, water. air and road transport system in accordance with agreements.

The carriage of post by the various types of transport shall be effected in accordance with rules that are approved by the Ministry of Communications of Ukraine together with the Ministry of Transport of Ukraine.

State organs of power, organs of local self-government, enterprises, associations, institutions and organisations whose means of transport are used for the carriage of post shall be required to facilitate the fastest possible carriage to destinations of all post which is despatched by communications enterprises and associations, and to ensure the safekeeping thereof.

Means of transport belonging to communications enterprises and associations may not be used for work not connected with activity in this sector.

The carriage of post from communications enterprises and associations to the place of delivery and the delivery thereof to fishermen at the place where fish are caught, to workers on geological expeditions, to shepherds on distant summer pastures, to workers in tree-felling areas, and to other addressees who are away from centres of population, shall be effected with the means of transport and at the expense of the enterprises, organisations and institutions in which the addressees work.

Section 24. Licensing of types of activity in the communications sector

Licensing of types of activity in the communications sector shall be introduced with the aim of:

implementing a uniform state policy in the communications sector, protecting the rights of users and coordinating the activity of the various enterprises with regard to the creation and development of communications networks, systems and services, to ensure that they cooperate with each other and with the communications networks for public use;

assisting in the demonopolisation of activities in the communications sector and the development of free enterprise and competition;

committing the resources of enterprises of all forms of ownership for the development of the sector;

ensuring a high level of quality in communications services.

The activity of legal and natural persons in the communications sector (except for activity in the communications networks of the Ministry of Defence of Ukraine, the Ministry of Internal Affairs of Ukraine, the Security Service of Ukraine, the State Committee for Matters Relating to the Safeguarding of the State Frontier of Ukraine, the National Guard of Ukraine, the Civil Defence Corps of Ukraine, technological communications networks and administrative communications networks which do not have any outlet to communications networks for public use or do not provide communications services to other legal and natural persons) shall be carried on under licence in accordance with the legislation in force relating to free enterprise. All legal and natural persons shall have equal rights to obtain licences.

Licences for the use of broadcasting channels and activity in the area of television and radio broadcasting shall be issued in accordance with the Act of Ukraine on Television and Radio Broadcasting.

Additional conditions for the issue of licences in the communications sector shall be:

compliance with the general rules and regulatory documents governing the creation of the single national communications system of Ukraine;

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the use, for carrying out a given type of activity, of the advanced technical facilities and technologies that are specified in the single national communications system of Ukraine;

the need for priority development of socially important communications services and reduction of the charges for these services, for which purpose partial re-investment from other highly profitable communications services shall be allowed for the development of these services.

If there is a limited number of licences and more than one application, a licence shall be issued on a competitive basis. The number, periods of validity and conditions for the obtaining of licences in this case shall be determined by the Communications Administration of Ukraine and published in the mass media.

The Communications Administration of Ukraine shall keep a register of licences issued and publish a list thereof in the mass media.

Section 25. Conditions for use of technical facilities in communications networks for public use

All technical facilities and equipment used in communications networks for public use must have a certificate issued in accordance with the requirements of the legislation in force on matters of standardisation and certification.

The use of specific communications facilities in communications networks for public use shall be agreed with the Communications Administration of Ukraine.

In the case of the development and reconstruction of communications networks for public use, communications enterprises of all forms of ownership must use communications facilities of Ukrainian manufacture if their technical and economic characteristics are equal to those of imported facilities.

Section 26. State Courier Service

The State Courier Service of Ukraine, attached to the Communications Administration of Ukraine, shall operate for the purpose of providing efficient military courier communications to the Supreme Council of Ukraine, the President of Ukraine, the Cabinet of Ministers of Ukraine, the central and local organs of state executive power, and the embassies, diplomatic missions and consultates of Ukraine.

In its activity the State Courier Service of Ukraine shall be governed by Regulations, which shall be approved by the Cabinet of Ministers of Ukraine, and by other instruments of legislation.

Ministries and governmental departments may have their own courier communications services.

Section 27. Safeguarding the confidentiality of information transmitted via communications facilities

The confidentiality of correspondence, telephone conversations, telegraphic and other messages transmitted via communications facilities shall be safeguarded by law.

Communications enterprises of all forms of ownership shall implement organisational and technical measures to protect information in accordance with the legislation in force.

Except in the cases laid down by the legislation in force, it shall be prohibited to open and inspect postal correspondence and documentary communications, obtain essential information about them, or monitor technical communications channels, including listening to telephone conversations, in communications enterprises of all forms of ownership.

Communications enterprises and associations shall have the right, in accordance with the proper procedure, to seize objects enclosed in postal despatches if the sending thereof is prohibited (weapons, poisons, easily inflammable substances, etc.), but only in the presence of the sender. A list of such despatches shall be drawn up by the Communications Administration of Ukraine and approved by the Cabinet of Ministers of Ukraine.

Section 28. Safeguarding of communications buildings

Communications enterprises, associations, institutions, organisations and buildings shall be safeguarded by official militarised protection.

A special access system may be set up in particular subdivisions of communications enterprises, associations, institutions and organisations

Communications buildings and structures within relevant zones shall be safeguarded in accordance with the legislation in force. Persons who are guilty of damaging communications lines shall be subject to prosecution in disciplinary, civil law, administrative or criminal proceedings in accordance with the legislation in force.

Section 29. Answerability for contravening the legislation on communications

Persons who are guilty of contravening the legislation on communications shall be subject to prosecution in accordance with the legislation in force.

The use of communications facilities for a purpose that conflicts with the interests of state security, impairs civil order and damages the honour and dignity of citizens shall be prohibited. If these requirements are contravened, communications enterprises and associations shall have the right to terminate or suspend the use of the communications facilities, in accordance with the procedure laid down by the Cabinet of Ministers of Ukraine.

Legal and natural persons shall be answerable, as laid down by the legislation of Ukraine, for failing to comply with the procedure for use of radio frequencies, radioelectronic facilities and cable television systems and the standards for radio emissions and permissible industrial interference to radio reception.

Within the limits of their competence the special agencies responsible for supervision to make sure that the proper procedure for the use of the radio frequency spectrum, radioelectronic facilities and cable television systems and the standards for radio emissions and permissible

industrial interference to radio reception are observed, in the relevant ministries and governmental departments, shall give orders concerning the elimination of any contraventions found, and shall in accordance with the proper procedure call to account, in administrative proceedings, any citizens and officials who are guilty of contravening the standards, rules and instructions issued under the legislation on communications.

The organs of the Ministry of Internal Affairs of Ukraine shall have the right to seize radioelectronic facilities that are operated without a special licence. The question of their continued use shall be decided in accordance with the legislation of Ukraine that is in force.

Section 30. Customs inspection

International postal despatches shall be presented by communications enterprises for inspection by the customs authority when they pass through the customs frontier of Ukraine. Postal communications enterprises shall be required to give users a list of postal despatches which it is prohibited to send abroad.

International postal despatches may be inspected and opened by the customs authorities in the cases and by the procedure which are laid down by the legislation of Ukraine that is in force.

The customs authorities shall have the right, in accordance with the proper procedure, to seize objects which it is prohibited to send in international postal despatches or which have been despatched in contravention of the customs regulations. Objects seized by the customs authorities during customs inspection shall be subject to confiscation in accordance with the legislation in force.

Section 31. International cooperation in the communications sector

The Communications Administration of Ukraine shall be responsible for the establishment of legal, organisational, technological and financial relationships with international communications organisations the representation of Ukraine in these organisations on the instructions of the Cabinet of Ministers of Ukraine, cooperation with the communications organisations of foreign states and the international legal protection of the interests of Ukraine in matters relating to communications, and the Chief Office for Matters Relating to Radio Frequencies, attached to the Cabinet of Ministers of Ukraine, shall be responsible for matters relating to the use of radio frequencies and radioelectronic facilities at international level.

The Communications Administration of Ukraine shall represent Ukraine in the International Telecommunications Union (ITU) and the World Postal Union, and shall involve other organisations ministries and governmental departments in this work. The State Commission for Matters Relating to Communications and Radio Frequencies shall coordinate the participation of other ministries and governmental departments in the ITU's work.

International cooperation in the communications sector shall be based on the legislation in force and the relevant international agreements to which Ukraine is a party.

Section 32. International agreements

If an international agreement to which Ukraine is a party lays down rules other than those prescribed by the legislation of Ukraine on communications, the rules laid down in the international agreement shall be applicable.

President of Ukraine

L. Kuchma

Kiev 16 May 1995

No. 160/95-VR

MINISTRY OF COMMUNICATIONS OF UKRAINE ORDER

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<u>16.6.95</u> Kiev No. 86

to bring into force the Act of Ukraine on Communications

By Resolution No. 161/95-VR of 16 May 1995, to bring into force the Act of Ukraine on Communications, the Supreme Council of Ukraine brought into force the Act of Ukraine on Communications from the date of publication thereof in the press (14 June 1995).

For the execution of the Act of Ukraine on Communications and Resolution No. 161/95-VR of 16 May 1995 of the Supreme Council of Ukraine

I ORDER:

1. The heads of the departments and offices of the Ministry of Communications and the managers of the communications enterprises and associations to accept the Act of Ukraine on Communications for execution.

2. That the appended plan containing measures for the introduction of the Act of Ukraine on Communications shall be approved.

3. The telecommunications association "Ukraine Telecom", the postal communications association "Ukraine Post" and the enterprises to draw up measures for the introduction of the Act of Ukraine on Communications.

4. That the task of monitoring the execution of the decree and plan containing measures for the introduction of the Act of Ukraine on Communications shall be assigned to the head of the US, L. L. Yatskovs'kii.

Minister

O. P. Prozhival's'kii

Order to be sent to: departments and offices of the Ministry of Communications, communications associations and enterprises

by the Order of the Ministry of Communications dated 16.6.95, No. 86

PLAN

containing measures for the introduction of the Act of Ukraine on Communications

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| | Description of measures | Execution deadline | Executed by: | Remarks |
|---|--|--------------------|--------------------------------|---------|
| 1 | 2 | 3 | 4 | 5 |
| 1 | Introduce proposals in the KMU ¹ with regard to the management structure of the communications associations without committing additional assets from the state budget (Sec. 8, pare. 2) | by 14.7.95 | UPRV, UFEP, associations | |
| 2 | Draw up and approve by the proper procedure: | | | |
| | - the Regulations concerning the Communications Administration (Ministry of Communications) | by 14.7.95 | UPRV | |
| | - the distribution of the powers for the representation and coordination of the participation of the Communications Administration in international organizations dealing with communications matters (Sec. 31; VR ² Res. Point 3, para. 2) | by 15.12.95 | UMZ ³ | |

¹ Translator's Note: "KMU" probably stands for "Cabinet of Ministers of Ukraine"

² "VR" probably stands for "Supreme Council"

³ Translator's Note: "UMZ" may stand for "Ukraine Ministry of Communications"

Introduce proposals in the KMU with regard to such

| C | amendments and additions to the current legislative instruments of Ukraine as arise out of the Act of Ukraine on Communications: | | |
|---|---|-------------|---|
| | - with regard to answerability for contravening this Act (Sec. 29) | by 20.6.95 | UPRV |
| | - with regard to the procedure for installation of apartment telephones (Sec. 14) | by 20.8.95 | UKP |
| | - with regard to the concessionary payment for communications land (Sec. 6) | by 1.8.95 | UPRV UFEP |
| | - with regard to the amendments and additions to the Act of Ukraine on Free Enterprise (Sec. 26) | by 1.10.95 | UPRV |
| | - with regard to the making of additions to the Decree of the President of Ukraine to Make Amendments and Additions to Decree No. 227 of the President of Ukraine dated 16 March 1995 (Sec. 14, para. 3) | by 1.8.95 | UFEP |
| 4 | Review and repeal the statutory instruments that are in conflict with the Act of Ukraine on Communications | by 1.7.95 | UPRV departments & offices |
| 5 | Review and introduce proposals in the KMU with regard to the making of decisions by the KMU in connection with the Act of Ukraine on Communications | by 20.6.95 | UPRV departments & offices |
| 6 | Together with the departments and offices of the Ministry of Communications and with the help of the relevant ministries and governmental departments, draw up and submit to the KMU the draft Act of Ukraine on Communications Operators | | Deputy to the Minister O.M. Tretyakov UPRV departments & offices |
| | | by 15.11.95 | |
| 7 | Together with the departments and offices of the Ministry of Communications and with the help of the relevant ministries and governmental departments, draw up and submit to the KMU the draft Plan for the Utilization of the Radio Frequency Resources of Ukraine | | First Deputy to the Minister Yu. O. Soloviov USITP department & offices |
| | | by 1.10.95 | |
| 8 | Introduce amendments and additions to the Rules for the Use of Local Telephone Communications, and prepare the draft of the KMU resolution to approve them (Sees. 12, 13, | | UKP |
| | 14, 19) | by 30.9.95 | |
| 9 | Prepare the draft of the KMU resolution to approve the Rules for Protection of Communications Lines (Sec. 6) | by 15.9.95 | UKP |
| | | | |

3

| 10 | Prepare the draft of the KMU resolution concerning the priority provision of communications services to the organs of state power (Sec. 14) | by 1.8.95 | UKP |
|----|---|-------------|-----------------------------|
| 11 | Prepare the draft of the KMU Resolution concerning the Establishment of Concessions for Certain Categories of Workers and Former Workers in the Communications Sector with Regard to the Provision of and Payment for Communications Services and the Sources for Covering these Costs (Sec. 14) | by 1.11.95 | UKP UFEP UPRV UKNZ |
| 12 | Complete the development of the quality parameters for communications services and introduce them into experimental operation | by 1.8.95 | UKP |
| 13 | Draw up and approve the Instructions: | | |
| | - concerning the Procedure for Keeping Records of Telephone Numbers Not Included in the Subscriber Lists of the Enquiries Services, and ensure the registration thereof | | UKP |
| | - concerning the Elimination of Damage in Local Telephone Networks, and ensure the registration thereof | by 1.12.95 | UKP |
| | - concerning the Identification of Telephone Numbers Used for Malicious Purposes, and ensure the registration thereof | by 1.11.95 | |
| | - concerning the Sequence for Dealing with Applications for Telephone Communications and ensure the registration thereof | by 1.12.95 | UKP UKP |
| | | by 15.12.95 | |
| 14 | Prepare the draft of the KMU resolution to approve the Rules for use of interurban and international telephone communications | by 15.12.95 | UKP |
| 15 | Draw up the Rules for use of wired broadcasting and prepare the draft of the KMU resolution to approve them | by 15.12.95 | UKP |
| 16 | Draw up the Telegraph Rules and prepare the draft of the KMU resolution to approve them | by 15.12.95 | UKP |
| 17 | Bring the Postal Rules, approved by Order No. 94 of 7.7.94 of the Ministry of Communications, into line with the Act of Ukraine on Communications, and prepare the draft of the KMU resolution to approve them | | UKP |
| | | by 15.12.95 | |

| 18 | Draw up the draft Instructions concerning the Procedure for Examining and Recording Suggestions and Complaints from Communications Service Consumers, in accordance with the Instructions concerning the Filing of Suggestions, Applications and Complaints from Citizens. approved by the KMU | by 1.10.95 | UKP |
|----|---|------------------|-----|
| 19 | Draw up and approve the Ukraine Regulations concerning State Tokens for Postal Payment, and ensure the registration thereof | by 1.10.95 | UKP |
| 20 | Draw up and approve the Instructions concerning the Payment of Pensions and Assistance in State Communications Enterprises, and ensure the registration thereof | by 15.11.95 | UKP |
| 21 | Draw up and approve the Instructions for the Control of Money Order Accounting in Postal Communications Enterprises and Their Branches. and ensure the registration thereof | by 1.10.95 | UKP |
| 22 | Draw up and approve the Instructions concerning the Procedure for the Recording, Safekeeping, Issue and Destruction of Form No. 1 Certificates with Regard the Right to the Escorting of Postal Despatches in Postal Wagons, and ensure the registration thereof | to by 1.10.95 | UKP |
| 23 | Draw up a list of postal despatches which it is prohibited to send by post both in and outside Ukraine, and submit it for approval to the KMU | by 1.12.95 | UKP |
| 24 | Bring the drafts of the following into line with the requirements of the Act of Ukraine on Communications: | · | |
| | - the Rules for the Carriage of Post and the Operation of Postal Wagons on the Railways of Ukraine, agree on them with the Ministry of Transport of Ukraine and ensure the registration thereof (Sec. 23) | | UKP |
| | - the Instructions for the Carriage of Post by Motor Vehicle Transport | by 15.12.95 | |
| | | by 15.12.95 | |
| 25 | Draw up and approve the Instructions concerning the Procedure for Drawing Up the Control Time Limits and Arrangements for the Processing, Sending and Delivery of Postal Despatches | by 15.11.95 | UKP |
| 26 | Agree on and approve the Instructions concerning the Procedure for the Making-Up, Receipt and Despatch of Postal Consignments under Ukrainian Foreign Trade | hai 1.0.05 | UKP |
| | Permits, and ensure the registration thereof | by 1.8.95 | |

| 27 | Draw up and approve the Rules for the Payment by Ukrainian Communications Enterprises, Irrespective of the Forms of Ownership, of Compensation for Loss, Shortage, Theft, Damage or Replacement of the Contents of International Postal Despatches, taking into account the amendments adopted at the Congress of the World Postal Union (Seoul 1994), and ensure the registration thereof | by 15.12.95 | UKP |
|----|---|-------------|-------------|
| 28 | Draw up Rules: | | |
| | - for the Receipt and Despatch of International Post by the International Postal Exchange Points of Ukraine | | UKP |
| | - for the Processing and Despatch of International Post in the Places of the International Postal Exchange, taking into account the amendments adopted at the Congress of the World Postal Union (Seoul 1994), and ensure the registration thereof | by 15.12.95 | UKP |
| 29 | Draw up with the help of the Anti-Monopolies Committee and Ministry of Economics, and submit to the KMU, proposals with regard to the requirement for communications enterprises, irrespective of the forms of ownership, to observe the procedure for determination of the maximum charges for communications services (Sec. 21) | by 1.10.95 | UFEP |
| 30 | Prepare recommendations to state communications enterprises with regard to their use of the right to issue and realize securities for the development of communications networks | by 1.10.95 | UFEP |
| 31 | Draw up, and agree with the Ministry of Economics and Ministry of Statistics, the Procedure for the Representation in Accounts of the Fines and Penalties Paid to Communications Service Consumers by Communications Enterprises, Irrespective of the Form of Ownership, in Accordance with Sec. 13 of the Act of Ukraine on Communications, with Determination of the Sources for Covering Their Own Losses and Consumers' Losses, and ensure the registration thereof | by 1.10.95 | UEFP |
| 32 | Draw up the Procedure for Settlement of Accounts between Communications Enterprises, Irrespective of the Form of Ownership (Sec. 21) | by 1.9.95 | UFEP UKP |

| 33 | Prepare the amendments and additions to the Methodological Recommendations concerning the Auditing of the Financial Activity of Communications Enterprises, Taking into Account Their Special Characteristics, which are provided for by the Act of Ukraine on Communications | by 1.11.95 | UFEP |
|----|---|-------------|--|
| 34 | Draw up, and present for approval to the KMU, the Regulations on Discipline in the Communications Sector and the Special Characteristics of Working Time and Leisure Time for Particular Workers in Operational Communications Enterprises (Sec. 16) | by 1.4.96 | UPRV UFEP departments & offices |
| 35 | Draw up the Regulations on Communications in Ukraine. and submit them to the KMU for approval (Sec. 3) | by 1.4.96 | UPRV |
| 36 | Revise the Basic Regulations for the Creation and Development of the ENSZ for Networks for Public Use and the Requirements for Administrative Communications Networks and Dual-Purpose Communications Networks in Their Work with Networks for Public Use, and ensure the registration thereof | by 1.12.96 | USNTP |
| 37 | Make changes to the existing technical regulatory documentation on the provision of communications services and operation of communications equipment and networks in accordance with the supplementary list | 1995-1996 | USNTP departments & offices |
| 38 | Draw up guidelines for the development and siting, in the towns and countryside, of a network of communications offices and postal communications points, and ensure the registration thereof | by 1.7.96 | USNTP UKP Ukraine Post |
| 39 | Set up the "Zv'yazok" [Communications] system for certification of the communications facilities of the networks for public use, draw up and approve the Regulations concerning the "Zv'yazok" certification system, and ensure the registration thereof (Secs. 5, 25) | by 1.12.95 | USNTP |
| 40 | Arrange for the accreditation of the authority for certification of communications facilities in the "Zv'yazok" certification system (Sees. 5, 25) | by 15.12.95 | USNTP |
| 41 | Arrange for the accreditation of the test centres of the "Zv'yazok" certification system in accordance with the current legislation of Ukraine (Sec. 25) | by 15.12.95 | USNTP |

| 42 | Draw up the structure of the organs for technical protection of information (TPI) in the sector and the Regulations concerning the Principal and Basic Organizations for Matters relating to TPI (Sec. 27) | by 15.12.95 | USNTP 1 office |
|----|--|-------------|---------------------------------|
| 43 | Draw up and approve the Regulations on the Organization of Information and Communications in Emergency Situations (Sec. 10) | by 1.12.95 | P dep. |
| 44 | Draw up and approve the Basic Rules for the Use of Communications in Emergency Conditions and the Introduction of a Temporary Restriction on the Provision of Communications Services to the General Public Until the Consequences of a Natural Disaster, Accidents and Other Emergency Situations Have Been Completely Eliminated (Sec. 10) | by 1.12.95 | P dep. UKP |
| 45 | Draw up, and submit for approval to the KMU, the Regulations on the Preparation for Mobilization of the Resources and Organs of the Ministry of Communications of Ukraine (Sec. 5, 10) | by 1.6.96 | P dep. |
| 46 | Draw up and approve additions to the Postal Rules for war time (Sec. 5) | by 1.12.96 | P dep. |
| 47 | Draw up and approve the Specialized Regulations on Mobile Communications Units (Sec. 10) | by 1.12.95 | P dep. |
| 48 | Prepare recommendations to communications enterprises with regard to the recovery of debts by court proceedings (Sec. 14) | by 1.9.95 | UFEP UPRV |
| 49 | Draw up the draft of the Regulations on the Provision of Postmen with Uniforms and Footwear, and submit it to the Ministry of Communications for approval (Sec. 16) | by 1.12.95 | Ukraine Post |
| 50 | Prepare proposals with regard to the application of Sec. 24, pare. 11 in relation to re-investments for the development of local telephone communications services | by 1.12.95 | UFEP UPRV |
| 51 | Draw up the Procedure for Combined Suspension of Electrical Supply and Wired Broadcasting Lines, together with the Ministry of Energy (Sec. 7) | by 1.3.96 | UKP USNTP Ukraine Telecom |
| 52 | Prepare the draft of the KMU Resolution on the Procedure for Financing State Communications Enterprises and Facilities for Special Purposes (Sec. 8) | by 30.3.96 | P dep. UFEP |
| | | | |

| 53 | Prepare the Order of the Ministry of Communications on the Liability of Communications Enterprises and Associations of All Forms of Ownership to Consumers of Services (Sec. 13) | by 1.12.95 | UKP UFEP |
|----|---|------------|-----------------|
| 54 | Prepare the draft of the Model Agreement on the Provision of Communications Services, and submit it to the Ministry of Communications for approval (Secs. 13, 14) | by 1.10.95 | Ukraine Telecom |

Approved Deputy Minister of the Economy of Ukraine (seal) (signature) T. Pavlikovska 27th October 1994 Approved Head of the Anti-Monopoly Committee of Ukraine (seal) (signature) O. Zavada 28.08.94 (special conditions)

Approved Deputy Head of the State Property Fund of Ukraine (signature) (seal)

_____1994

Ratified

Deputy Minister of Communications of Ukraine, Joint Head of the Commission for Economic Analysis of the Transport and Communications Sector (seal) (signature) O. Tretyako

PROGRAMME of market transformations in the communications sector for 1994-1995

(signatures)

2

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CONTENTS

1. General provisions

- 2. Organizational structure of the management of the communications sector
- 3. The concept of privatization in the communications sector
- 4. Sub-programme for the restructuring of the communications sector
- 5. Sub-programme for the de-monopolization of the economy and the development of competition in the communications sector

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3

1. GENERAL PROVISIONS

The sectoral programme for market transformations in the communications sector was drawn up according to the Order of the Cabinet of Ministers of Ukraine of 03.03.94 No. 146-r on the ratification of measures for performing the tasks of the State Programme for Demonopolization of the Economy and the Development of Competition related to carrying out sectoral analysis and drawing up programmes of market transformations.

The Programme provides for the achievement of the following main aims:

- change in relations of ownership of means of production with the aim of improving their use;
- the creation of a stratum of non-State owners as the basis for a mixed economy with a social inclination;
- structural restructuring of the economy in the communications sector;
- the development of competition and restrictions on monopolies in the market for communications services;
- the enlistment of foreign investments.

The Programme sets:

- priorities and conditions for the privatization of enterprises in the field subordinate to the Ministry of Communications of Ukraine;
- tasks connected with privatization for 1994-1995;
- measures for demonopolization of the economy and the development of competition in the communications sector;
- measures for ensuring reform of management of the communications sector in 1994-1995;

4

The concept of privatization in the communications sector in 1994-1995

The concept of privatization in the sector consists of a list of tasks related to the scope of privatization of enterprises and establishments designated by the State Privatization Programme for 1994, whether in groups or individually, the grounds for this on the basis of sectoral analysis of the communications sector and proposed conditions for carrying out this process.

At the beginning of 1994 the sector included 94 State enterprises, 3 joint ventures with 51['], State ownership, 2 enterprises which were privatized in 1991-1992 and are in collective ownership and also 46 private enterprises rendering communications services on licences obtained from the Ministry of Communications.

Privatization of the State share in joint ventures is not planned for 1994-1995.

The tasks listed, related to the scope of privatization, are given in Tables 1-11, drawn up according to the "Methodological recommendations for the drawing up of sectoral and regional programmes for market transformations".

Structure and main characteristics of State property in the communications sector

Table No.1

| Item N° | Provinces and enterprises | Total number of State enterprises, partially State - owned enterprises and incomplete building works as of 01.01.94 | Including those not to be privatized in 1994-1995 | State enterprises and establishments to be privatized | | Includii special conditions | 0 | on | | | al cond tion of | | |
|---------|------------------------------|--|--|--|--|---|-----------|---|----|----|--------------------|----|----|
| | | дівництва ва Станом на Di, Di, 94 | | | To be privatized by decision of Cabinet of Minister of Ukraine | Joint Ventures with State participation | Leasehold | Enterprises taken over before corporatization and corporatized | А | В | С | D | Е |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |

_ _ _ _

| Operating enterprises and associations in provinces: | | | | | |
|--|---|---|---|---|--|
| Vinnitsa | 2 | 2 | _ | _ | |
| Volhynia | 2 | 2 | _ | _ | |
| Dnepropetrovsk | 2 | 2 | _ | _ | |
| Donetsk | 2 | 2 | _ | _ | |
| Zhitomir | 2 | 2 | _ | - | |
| Zaporozhye | 2 | 2 | _ | _ | |
| Transcarpathia | 2 | 2 | - | _ | |
| Ivano-Frankovsk | 2 | 2 | - | _ | |
| Kiev | 2 | 2 | _ | _ | |
| Republic of Crimea | 2 | 2 | - | _ | |
| Kirovograd | 2 | 2 | - | _ | |
| Lvov | 3 | 3 | - | _ | |
| Lugansk | 2 | 2 | - | _ | |
| Nikolaev | 3 | 3 | _ | _ | |
| Odessa | 2 | 2 | - | _ | |

| | | | 1 | | 1 | 1 | | | |
|----|---|----|----|---|---|---|---|---|----------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 11 12 13 14 |
| | Poltava | 2 | 2 | _ | _ | _ | | | |
| | Rovno | 2 | 2 | _ | _ | - | | | |
| | Sumy | 2 | 2 | _ | _ | _ | | | |
| | Ternopol | 2 | 2 | - | _ | _ | | | |
| | Kharkov | 2 | 2 | _ | _ | _ | | | |
| | Kherson | 2 | 2 | _ | _ | _ | | | |
| | Khmelnitsky | 2 | 2 | _ | _ | _ | | | |
| | Cherkassy | 2 | 2 | _ | _ | - | | | |
| | Chernigov | 2 | 2 | _ | _ | _ | | | |
| | Chernivtsy | 2 | 2 | _ | _ | _ | | | |
| | City of Sevastopol | 1 | 1 | _ | _ | _ | | | |
| | City of Kiev | 14 | 14 | _ | _ | _ | | | |
| | Total | 87 | 87 | _ | _ | _ | | | |
| 2. | Industrial enterprises in provinces : | | | | | | | | |
| | Odessa | 1 | | 1 | | | | | |
| | Poltava | 1 | | 1 | | | | 1 | |
| | Kharkov | 1 | | 1 | | | | 1 | |
| | City of Kiev | 4 | | 4 | | | 1 | 1 | |
| | Total | 7 | | 7 | | | 1 | 3 | |
| 3. | Repair, construction and supply enterprises in provinces: | | | | | | | | |
| | Kharkov | 1 | 1 | | | | | | |
| | City of Kiev | 4 | 3 | 1 | | | | | |
| | Total | 5 | 4 | 1 | | | | | |
| | | | | | | | | | |

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 10 11 12 13 1 |
|----|---|----|----|---|---|---|---|-----------------|
| | Educational institutions in provinces: | | | | | | | |
| | Lvov | 1 | 1 | _ | | | | |
| | Odessa | 2 | 2 | - | | | | |
| | Kharkov | 1 | 1 | - | | | | |
| | City of Kiev | 2 | 2 | - | | | | |
| | Total | 6 | 6 | _ | | | | |
| 5. | Scientific and design organizations in provinces: | | | | | | | |
| | Odessa | 3 | 3 | _ | | | | |
| | City of Kiev | 2 | 2 | _ | | | | |
| | Total | 5 | 5 | _ | | | | |
| 6. | Other enterprises and installations in provinces: | | | | | | | |
| | Vinnitsa | 1 | 1 | _ | | | | |
| | Odessa | 1 | 1 | _ | | | | |
| | Rovno | 1 | 1 | _ | | | | |
| | City of Kiev | 2 | 2 | _ | | | | |
| | Total | 5 | 5 | _ | | | | |
| | Total in sector | 94 | 97 | 7 | | | | |

City of Kiev 3 -

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 11 12 13 14 |
|----|--|---------------------------------|---|---|---|---|---|---|----------------|
| 8. | Other incomplet works belongin in provinces: | te building g to enterprises | | | | | | | |
| | Lugansk | 1 | | 1 | | | | | |
| | Ivano-Frankovsl | k 1 | | 1 | | | | | |
| | Cherkass | 2 | | 2 | | | | | |
| | Total | 4 | | 4 | | | | | |

9 LIST of enterprises in the sector not to be privatized in 1994-1995 according to the State Privatization Programme

| Provinces and enterprises | Number of enterprises not to be privatized | Reasons why such enterprises are not to be privatized Belonging to Group D (natural monopolies) |
|---------------------------|--|--|
| Vinnitsa | 2 | Provincial Communications Enterprise(PCE). Provincial Radio and Television Transmission Centre (PRTTC) |
| Volhynia | 2 | " |
| Dnepropetrovsk | 2 | " |
| Donetsk | 2 | " |
| Zhitomir | 2 | n |
| Zaporozhye | 2 | n |
| Transcarpathia | 3 | Transcarpathian Provincial Postal Communications Enterprise. Provincial Telecommunications Enterprise. PRTTC |
| Ivano-Frankovsk | 2 | Provincial Communications Enterprise (PCE), Provincial Radio and Television Transmission Centre |
| Kiev | 2 | " |
| Republic of Crimea | 2 | n |
| Kirovograd | 2 | n |
| Lvov | 4 | PCE. PRTTC. Lvov Electrical and Communications Technical College. "Azimut-L" Space Communications Centre |
| Lugansk | 2 | Provincial Communications Enterprise (PCE). Provincial Radio and Television Transmission Centre PRTTC |
| Nikolaev | 3 | PCE. PRTTC. Nikolaev Radio Centre |
| Odessa | 7 | PCE. PRTTC. Odessa Academy of Communications, Odessa Electrical and Communications Technical College. "Ukrzvyazproekt" State Communications Research and Design Institute, Ukrainian Scientific Research Institute of Radio and |

Television. Odessa Scientific Research Institute of Communications

| | 9a | |
|--------------------|----|---|
| Poltava | 2 | Provincial Communications Enterprise (PCE). Provincial Radio and Television Transmission Centre |
| Rovno | 2 | " |
| Sumy | 2 | " |
| Ternopol | 2 | " |
| Kharkov | 3 | PCE. PRTTC. Kharkov Electrical and Communications Technical College. |
| Kkerson | 2 | Provincial Communications Enterprise (PCE). Provincial Radio and Television Transmission Centre |
| Khmelnitsky | 2 | " |
| Cherkassy | 2 | " |
| Chernigov | 2 | " |
| Chernivtsy | 2 | " |
| City of Sevastopol | 1 | City Communications Enterprise |
| City of Kiev | 18 | See Page 50 |
| TOTAL: | 79 | |
| | | |

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Table No. 5

SCOPE of privatization of leased enterprises 1994-1995

| Item No. | Branch of communications | Total number of leased enterprises | Number to be privatized | Incl | Notes | |
|----------|---|------------------------------------|-------------------------|------------------|------------------|--|
| | City of Kiev | | | 1st half of 1995 | 2nd half of 1995 | |
| 1. | Directorate of Repairs and Construction | 1 | 1 | 1 | | |
| 2. | "Radian" Factory | 1 | 1 | 1 | | |
| | TOTAL: | 2 | 2 | 2 | | |