



КОНГРЕС УКРАЇНЦІВ КАНАДИ

UKRAINIAN CANADIAN CONGRESS

CONGRES DES UKRAINIEN-CANADIENS

## **1. Russian Invasion of Ukraine**

The National Security and Defense Council of Ukraine (RNBO) reported at 12:30 PM Kyiv time that towards Mariupol, Kremlin-backed terrorists fired on Ukrainian positions at Shyrokyne with small arms, mortars and artillery. Towards Donetsk, Kremlin-backed terrorists fired on Ukrainian positions from Maryinka to Adviyivka. Towards Luhansk, firefights with Kremlin-backed terrorists took place along most of the contact line. Near Novotoshkiivsk, Kremlin-backed terrorists shelled Ukrainian positions with Grads (truck-mounted multiple rocket launchers), and near Zolote and Popasne, Kremlin-backed terrorists fired on Ukrainian positions with mortars. The Ministry of Defense of Ukraine reported at 8:50 AM Kyiv time that in the last 24 hours, Kremlin-backed terrorists violated the ceasefire 90 times. The RNBO reported that in the last 24 hours, no Ukrainian soldiers were killed and one was wounded. The press-center of the anti-terrorism operation (ATO) reported at 7 PM Kyiv time, that throughout the day on 19 June, Kremlin-backed terrorists violated the ceasefire 50 times. Cease fire violations by Kremlin-backed terrorists totalled 224 in the last 3 days.

## **2. US State Department: Any attempts to seize additional Ukrainian territory will be met with increased cost**

US State Department spokesperson J. Kerby stated on 18 June, "We're concerned by reports of new attacks by combined Russian and separatist forces on Ukrainian positions in Maryinka, Shyrokyne, and northeast of Mariupol, all on the Ukrainian Government-controlled side of the cease-fire line. These attacks reportedly used heavy weapons that are prohibited by the Minsk agreements. Russia bears direct responsibility for these aggressive actions by combined Russian-separatist forces, which are unacceptable and contravene those agreements. Any attempts to seize additional Ukrainian territory will be met with increased cost."

### **3. Ministry of Finance sends updated proposal to Ukraine's creditors**

The Ministry of Finance of Ukraine sent an updated proposal to the ad-hoc creditors' committee in order to accelerate sovereign debt restructuring negotiations. "This proposal includes significant debt reduction, maturity extensions, and a coupon structure ensuring Ukraine's debt burden is sustainable in the medium term, managing the pressure on Ukraine's balance of payments and its financing needs. Furthermore, it proposes a value recovery instrument for debtholders should the situation significantly and durably improve beyond the projections of the EFF Program. The Ministry strongly urges the Committee to come to the table immediately to reach a negotiated solution in the nearest time. Ukraine has both a liquidity and a solvency problem. Therefore, reprofiling its debt will not be sufficient. A simple debt extension does not resolve the massive pressure on Ukraine's financial system from the debt load, largely placed on the country by the Yanukovich regime which had borrowed approximately US\$40 billion. [...] Today, Ukraine remains current on its obligations, including the coupon due on the Eurobond maturing in December 2015. However, the Ministry notifies creditors within the debt operation that, unless a negotiated solution is found in the weeks to come, it will be forced to use the tools available to the Ukrainian Government and provided recently by our coalition partners in the Parliament in order to maintain and strengthen the nation's financial health," the Ministry stated.

### **4. IMF: Ukrainian authorities' program warrants support of international community**

Managing Director of the IMF, C. Lagarde issued a statement today on Ukraine: "I welcome progress made in Parliament yesterday in approving legislation to strengthen the National Bank of Ukraine's independence, which is part of the far-reaching economic and structural reforms supported by the Fund to modernize the economy and restore robust growth. The success of the program, however, also rests on the rapid completion of the debt operation with high participation. In this regard, I also welcome the government's continued efforts to reach a collaborative agreement with all creditors. This is important since this means that the Fund will be able to continue to support Ukraine through its Lending-into-Arrears Policy even in the event that a negotiated agreement with creditors in line with the program cannot be reached in a

timely manner. Overall, I strongly believe that the authorities' program and the determination and boldness with which it is being implemented, despite considerable headwinds, warrant the support of the international community."

## **5. Senate Passes National Defense Authorization Act 2016: Authorizes lethal weapons for Ukraine**

On 18 June, the US Senate, by a vote of 71-25, passed the National Defense Authorization Act 2016. The \$612 billion act allocates approximately \$300 million in military aid for Ukraine, and authorizes the Secretary of Defense, "with the concurrence of the Secretary of State, to provide assistance, including training, equipment, lethal weapons of a defensive nature, logistics support, supplies and services, and sustainment to the military and national security forces of Ukraine, through September 30, 2016, to assist the government of Ukraine for the following purposes: (1) Securing its sovereign territory against foreign aggressors. (2) Protecting and defending the Ukrainian people from attacks posed by Russian-backed separatists. (3) Promoting the conditions for a negotiated settlement to end the conflict." The Obama Administration has thus far resisted calls by US legislators to provide lethal defensive military assistance to Ukraine, despite strong bi-partisan support in both the US House and Senate.

## **6. EU extends Crimea sanctions for one year**

The European Council extended EU sanctions until 23 June 2016 in response to the illegal annexation of Crimea by the Russian Federation. The sanctions include prohibitions on - imports of products from Crimea into the EU; investment by EU-based companies in Crimea; tourism services in Crimea; exports of certain goods and technologies to Crimean companies or for use in Crimea in the transport, telecommunications and energy sectors and related to prospection, exploration, production of oil, gas and mineral resources.

## **7. France freezes Russian state bank accounts**

In an attempt to enforce a \$50 billion ruling won by Yukos shareholders in international arbitration court from the Russian Federation in 2014, on 18 June France seized Russian state accounts in about 40 banks, along with eight or nine buildings, AFP reported. Tim Osborne, director of GML, a holding company representing the shareholders, told the BBC, "The Russian state has made no effort to pay or engage with us - all of its statements and actions suggest it has no regard for international law or the rule of law." Applications have also been filed to seize Russian state assets in the UK and US, Osborne told the BBC.

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