

Economic Development of Municipalities Project



Profile of Yevpatoria City Community

*(Materials for Strategic Plan of Economic
Development)*



Rotunda on Embankment
Yevpatoria

Contents

I	INTRODUCTION	4
II	POPULATION	5
III	HOUSING.....	8
IV	EMPLOYMENT AND INCOME	9
	IV.A. Employment	9
	IV.B. Salaries and Wages.....	10
	IV.C. Unemployment	12
V	ECONOMY	14
	V.A. Economic Agents	14
	V.B. Largest Employers.....	20
	V.C. City Economy.....	21
VI	Public Institutions and Infrastructure.....	23
VII	ENVIRONMENT	26
	VII.A. Atmosphere	26
	VII.B. Waste Management	26
VIII	TOURISM.....	26
IX	CITY DEVELOPMENT GOALS	30
X	CITY’S KEY CHARACTERISTICS	31

Tables

Table 1. Comparison between City and Rayon.....	5
Table 2. Functional Characteristics of Competitor Cities.....	5
Table 3. Number of Residents in City and Rayon, 1989–2005. (As of December 31).....	6
Table 4. Natural and Migratory Population Movement.....	6
Table 5. Population Distribution by Age.....	7
Table 6. Educational Level of Population over Six Years Old (Ukraine data as per Ukraine 2001 census for urban population older than 10 years).....	7
Table 7. Development of Housing Provision.....	8
Table 8. Building of New Housing.....	8
Table 9. General Trends in Employment Change (Number of Jobs: Employees + Self-employed).....	9
Table 10. Employment by Sector.....	9
Table 11. Average Wage Level, UAH.....	10
Table 12. Salaries and Wages by Sector.....	11
Table 13. Level of Registered Unemployment as of December 31 (As Percentage of Economically Active Population of Employable Age).....	12
Table 14. Number of Unemployed Persons per Vacancy as of December 31 (Number of Registered Unemployed Divided into the Number of Job Vacancies).....	12
Table 15. Registered Unemployed by Educational Level.....	13
Table 16. Registered Unemployed by Duration out of Work (As of December 31).....	13
Table 17. Age Structure of the Registered Unemployed.....	14
Table 18. Comparative Table of the Structure of Registered Unemployed — City, Rayon, Oblast, Ukraine (%).....	14
Table 19. Number of Registered Economic Agents per 1000 Residents (As of December 31)	14
A. Legal Entities.....	14
B. Physical Persons.....	15
Table 20. Number of Businesses Registered in the City.....	15
Table 21. Economic Agents Registered in the City.....	15
Table 22. Volume of Goods and Services in Comparable Prices by Sector (UAH 000).....	16
Table 23. City Enterprises by Number of Employees.....	17
Table 24. Export Structure by Goods (USD 000).....	18
Table 25. Geographic Structure of Exports (USD 000).....	18
Table 26. Structure of Foreign Direct Investments by Country of Origin (USD 000).....	19
Table 27. Largest Employers (not more than 30).....	20
Table 28. Per Capita Municipal Budget Revenues (UAH).....	21
A. 2003.....	21
B. 2004.....	21
C. 2005.....	21
Table 29. Unused Land Plots Available in the City and Intended for Conducting Economic Activities.....	22
Table 30. Graduates from Secondary and Higher Educational Institutions.....	23
Table 31. Capacity of Hospitals.....	24
Table 32. Annual Energy Consumption.....	24
Table 33. Road Traffic Statistics (if any) in 1990 and 2004.....	25
Table 34. Public Transport.....	25
Table 35. Air Pollution.....	26
Table 36. Amount of Produced Waste in 2004 and Disposal Cost.....	26
Table 37. Number of Guests.....	26
Table 38. Guest Accommodation Capacity in Hotels, Boarding Houses, Tourist Centers, etc.	27
Table 39. Capacity of Cultural and Sports Facilities.....	30
Table 40. Planned Investment Activities in the City through the Year 2008.....	30 7

I INTRODUCTION

Yevpatoria is one of the oldest cities in the south of Ukraine. The first ancient settlement was founded here, on the shores of the Kalamit Bay, by Greek colonists at the end of 6th century B.C., i.e. 2500 years ago.

The ancient city of Kerkinitida had existed for about 700 years and was destroyed by Scythian tribes. Some remains of old Kerkinitida are preserved in the city's center.

Little time passed before a new settlement emerged on the site of the destroyed ancient city.

After the Crimean coast capture by the Ottoman Turks in 1475, the fortress Gusliev was built on the site of the Kerkinitida city. Gusliev was a large merchant port and one of the centers of slave trade in the Crimea.

Following unification of the Crimea with Russia in 1783, Gusliev was renamed Yevpatoria, to commemorate Mithridates VI, the Eupator.

Yevpatoria started rebuilding and gradually developed as a resort only at the end of the 19th century, especially, after therapeutic mud-baths were built on the shore of the Moynaky Lake in 1887.

In 1997, Yevpatoria was granted the status of the National Children's Resort.

City area is 6,539 hectares. Yevpatoria stretches along the coast for 20 km and is spread in the northerly direction, into the steppe, for 7 km. City's southern border is the shore of the Kalamit Bay, the Sasyk-Syvash Lake limits it on the east, with the Moynaky Lake on the west, as well as several coastal lakes separated from the sea by relatively narrow sandy banks.



Table 1. Comparison between City and Rayon

	Area, km ²	Area in total country's area, %	Population	Population as percentage of total country's population, %	Population density
City	65.4	0.011%	118726	0.252%	1815.38
Oblast	26100	4.323%	1985500	4.215%	76.07
Ukraine	603700	100.000%	47100500	100.000%	78.02

Table 2. Functional Characteristics of Competitor Cities

	Function		
	Population	Labor	Services
Yevpatoria	0.252%	0.230%	0.462%
Alushta	0.108%		0.192%
Saky	0.056%		0.090%
Feodosia	0.227%		0.000%

Note: The function "Population" means city's permanent residents as percentage of country's population; function "Labor" means occupied jobs in the city as percentage of the total number of occupied jobs in the country; function "Services" is the same as "Labor", however, in the sectors, except for agriculture, forestry, industry, construction, transport, and telecommunications.

II

POPULATION

Table 3. Number of Residents in City and Rayon, 1989–2005. (As of December 31).

	1989	1995	2000	2001	2002	2003	2004	2005
City		125400	120300	117565	117757	118106	118726	125400

As of January 1, 2005, the city population increased by 9.4% compared to 2001 due to migration. The number of births increased by 25.1% to 961, the number of deaths increased by 3.9% compared to 2001 and amounted to 1654 deaths. The mortality rate was 13.6% per 1000 population, and birth rate was 7.9% in 2004.

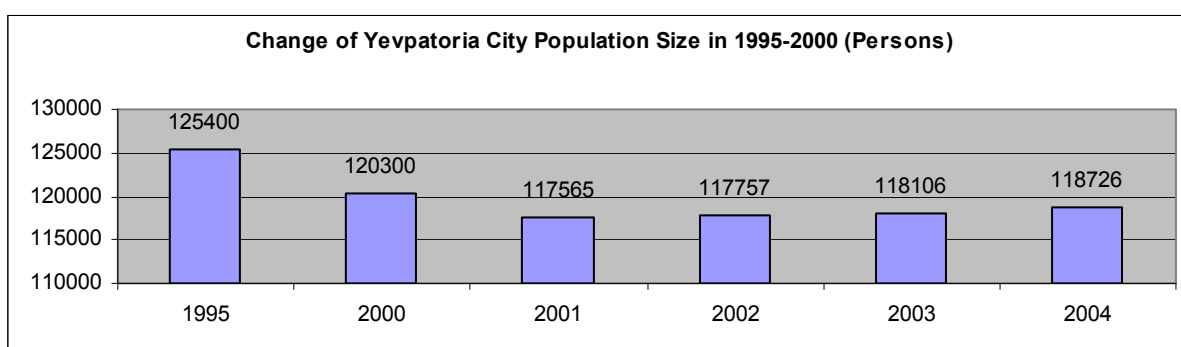


Table 4. Natural and Migratory Population Movement

	1989	1995	2000	2001	2002	2003	2004
Births	1667	948	744	768	894	933	961
Deaths	1187	1838	1638	1592	1626	1628	1654
Natural increase of population	480	-890	-894	-824	-732	-695	-693
Arrivals	5826	4146	2904	3414	3055	2954	3272
Departures	3902	4247	2585	2234	2131	1910	1959
Mechanical increase	1924	-101	319	1180	924	1044	1313
Total increase/decrease	2404	-991	-575	356	192	349	620
Chain index – population size	0,00%	99,22%	99,52%	100,30%	100,16%	100,30%	100,53%

Note: "Chain index" means a percentage of the total population size compared to the previous year (as in a chain, where every link is connected to the previous one).

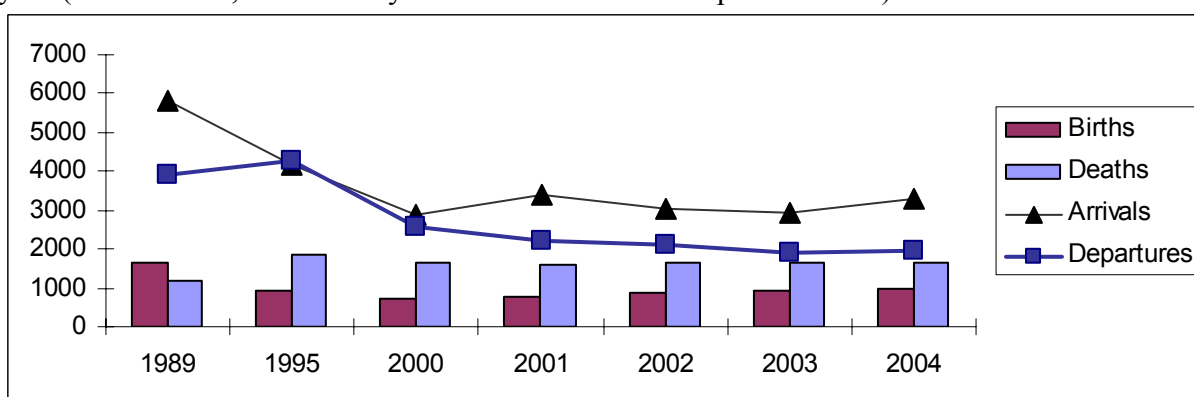


Table 5. Population Distribution by Age

	1989	%	2000	%	2004	%
Men 0-14 years					7275	6.13%
Women 0-14 years					6764	5.70%
Total men and women 0-14 years					14039	11.83%
Men 15-24 years					8218	6.92%
Women 15-24 years					7809	6.58%
Total men and women 15-24 years					16027	13.50%
Men 25-44 years					13962	11.76%
Women 25-44 years					16557	13.95%
Total men and women 25-44 years					30519	25.71%
Men 45-60 years					9157	7.71%
Women 45-60 years					12124	10.21%
Total men and women 45-60 years					21281	17.93%
Men older than 60 years					7497	6.32%
Women older than 60 years					14013	11.81%
Total men and women older than 60 years					21510	18.12%
“Age index”					153.21604	

Note:

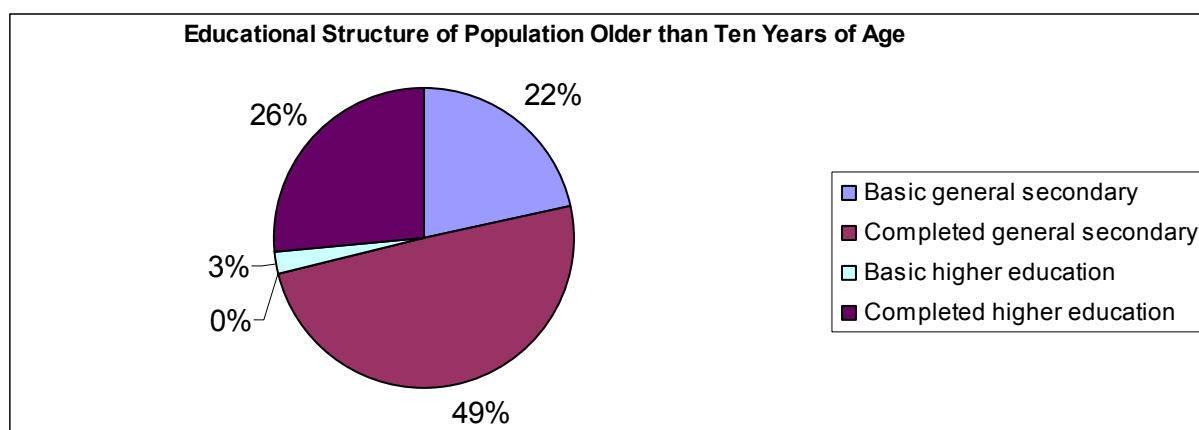
$$\text{Age index} = \frac{\text{population older than 60 years}}{\text{population up to and including 14 years of age}}$$

Table 6. Educational Level of Population over Six Years Old
(Ukraine data as per Ukraine 2001 census for urban population older than 10 years)

	Absolute indicator	Structure	Structure in Ukraine for urban population
Basic general secondary education	14899.558	21.70%	25.0%
Completed general secondary education	33955	49.45%	34.8%
Vocational education		0.00%	
Basic higher education	1731	2.52%	21.3%
Completed higher education	18076	26.33%	16.6%
Other		0.00%	

Notes:

1. Indicate in the column “Vocational education” the number of all individuals, who have graduated from vocational schools (who, however, have not gone to study at and graduate from technical schools or higher educational institutions), irrespective of whether they have the basic or completed secondary education.
2. Indicate in the column “Completed secondary education” the number of all individuals who have achieved this educational level, irrespective of whether they have acquired this level at general school or at vocational school.



III HOUSING

Table 7. Development of Housing Provision

	1970	1980	1990	1995	2000	2002	2004
Total inhabited buildings, including:							5878
- one-family houses							4756
- one-family houses as percentage of all buildings							80.91%
Total inhabited dwellings, including:							48764
- in one-family houses							11145
- percentage in one-family houses							22.85%
percentage of dwellings connected to municipal water service			90.00%		98.60%	97.00%	98.70%
percentage of dwelling connected to municipal gas service			84.00%		93.50%	95.80%	97.10%
percentage of dwellings connected to municipal sewer system			89.00%		97.80%	91.20%	95.60%
percentage of dwellings connected to district heating system			84.00%		91.30%	75.80%	77.90%
Number of dwellings per 100 residents							40.9
Number of dwellings per 100 residents for Ukraine in general (for urban population)			50.7	52.1	56.8	58.4	

The “dwelling” means an apartment or one-family house.

The number of dwellings hooked up to centralized district heating has decreased due to emergence of small boiler houses, installation of individual heating systems, which, in turn, leads to increase in the consumption of electric energy and gas.

Table 8. Building of New Housing

	1995	2000	2002	2004
Total newly built residential houses, including:	59.2	17.5	18.6	31.8
- one-family houses	5.2	2.7	6.9	11.7
- percentage of one-family houses	8.78%	15.43%	37.10%	36.79%
Total newly built dwellings, including:	505	241	201	330
- in one-family houses	41	16	32	62
- percentage in one-family houses	8.12%	6.64%	15.92%	18.79%
Average market price of 1 m ² of newly built dwelling floor area, UAH:	x	525	1033.5	2268.4
Average floor area of newly built dwellings, m ²	117.22	72.61	92.54	96.36

The number of apartment buildings is growing due to stepped up activity of building new commercial housing by city's leading building contractors, such as: OJSC Budkompleks, UNR-28, OJSC BPMK-4, and branch of Konsol Ltd.

IV EMPLOYMENT AND INCOME

IV.A. Employment

Table 9. General Trends in Employment Change (Number of Jobs: Employees + Self-employed)

	1990	1995	2000	2001	2002	2003	2004
City			62214	62296	62767	48951	50295
Oblast			775000	776900	812700	808300	
Ukraine		23811900	21336700	21112400	21502500	21587500	

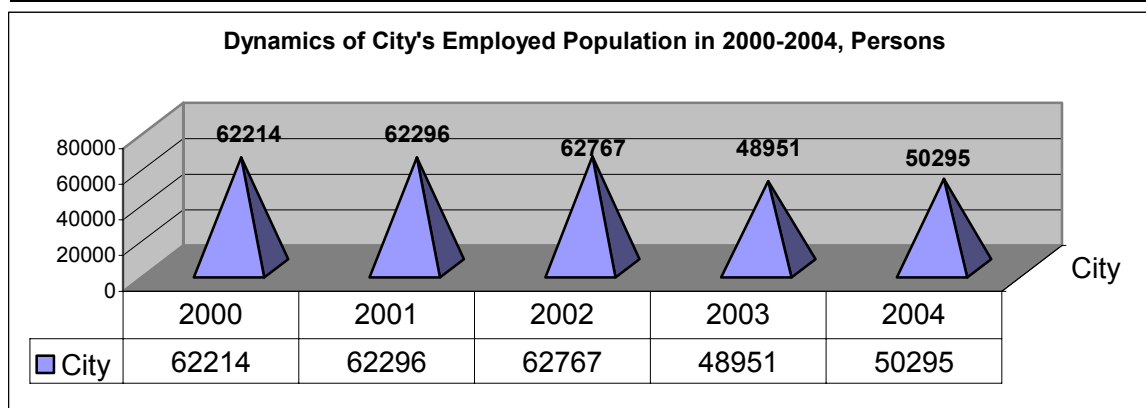
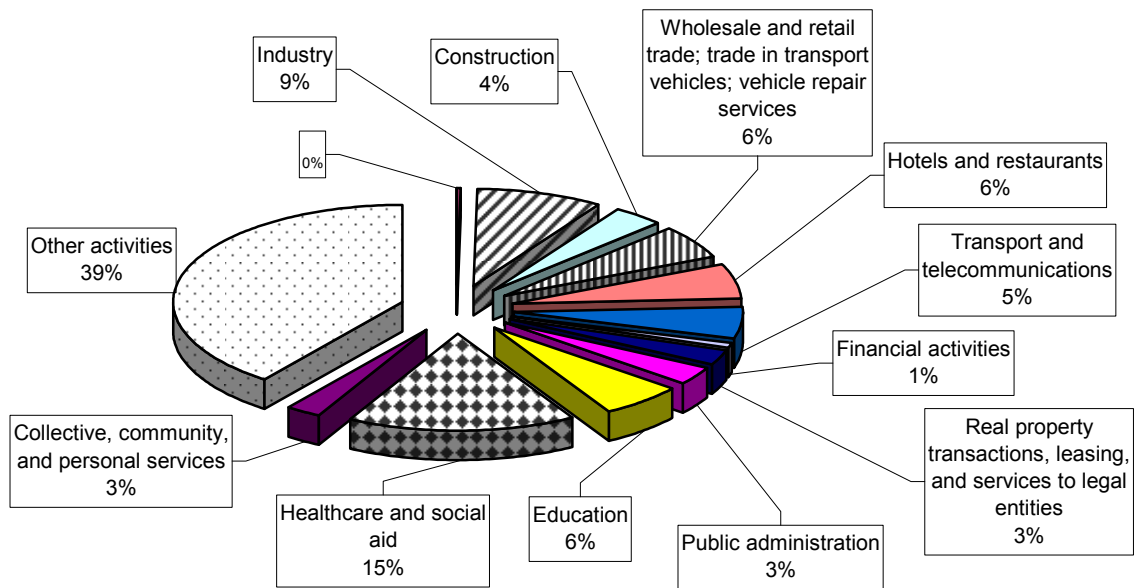


Table 10. Employment by Sector

	1995	2000	2004			
	Number of employees	Percentage of total number	Number of employees	Percentage of total number	Number of employees	Percentage of total number
Agriculture, game-preserves, forestry, and fisheries					144	0.29%
Industry					4399	8.75%
Construction					1853	3.68%
Wholesale and retail trade; trade in transport vehicles; vehicle repair services					2817	5.60%
Hotels and restaurants					3008	5.98%
Transport and telecommunications					2557	5.08%
Financial activities					407	0.81%
Real property transactions, leasing, and services to legal entities					1285	2.55%
Public administration					1509	3.00%
Education					2986	5.94%
Healthcare and social aid					8063	16.03%
Collective, community, and personal services					1284	2.55%
Other activities					19983	39.73%

City's Population Employment Structure by Sector in 2004



IV.B. Salaries and Wages

Table 11. Average Wage Level, UAH

	2000	2001	2002	2003	2004	2001/ 2000	2002/ 2001	2003/ 2002	2004/ 2003
	Nominal values, UAH					Percentage of increase			
City	213.00	279.00	328.00	390.00	462.00	30.99%	17.56%	18.90%	18.46%
Oblast	225.00	301.00	358.46	433.13	542.98	33.78%	19.09%	20.83%	25.36%
Ukraine	230.00	311.00	376.38	462.27	589.62	35.22%	21.02%	22.82%	27.55%

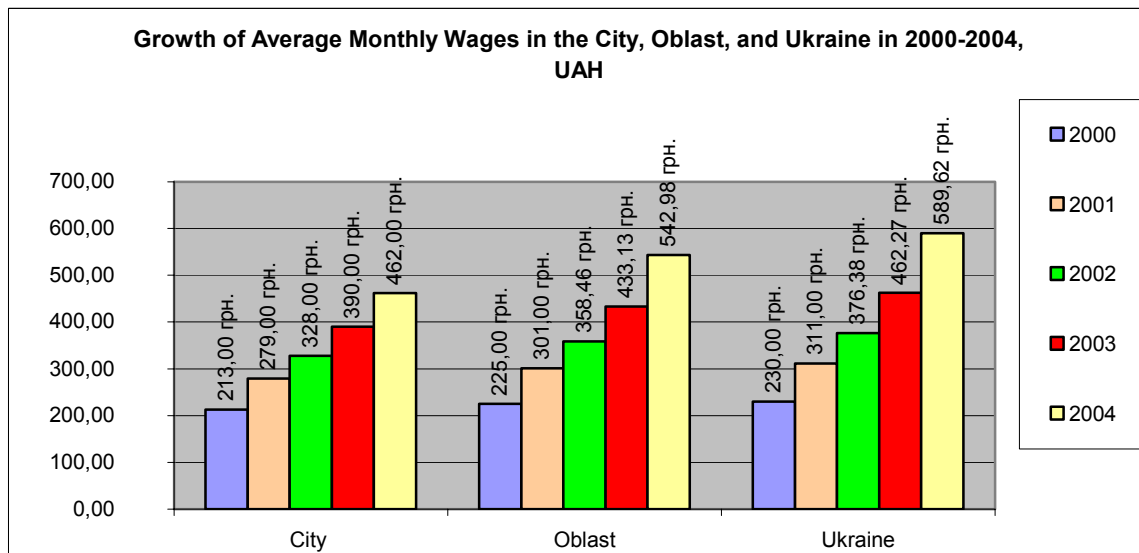


Table 12. Salaries and Wages by Sector

	2000	2001	2002	2003	2004	2001/ 2000	2002/ 2001	2003/ 2002	2004/ 2003
	Nominal values, UAH					Percentage of increase			
Agriculture, game-preserves, forestry, and fisheries			175.00	337.0	401.00			92.57%	18.99%
Industry			424.00	487.00	575.00			14.86%	18.07%
Construction			310.00	457.00	487.00			47.42%	6.56%
Wholesale and retail trade; trade in transport vehicles; vehicle repair services			256.00	273.00	359.00			6.64%	31.50%
Hotels and restaurants			336.00	374.00	444.00			11.31%	18.72%
Transport and telecommunications			374.00	459.00	490.00			22.73%	6.75%
Financial activities			569.00	622.00	690.00			9.31%	10.93%
Real property transactions, leasing, and services to legal entities			378.00	416.00	481.00			10.05%	15.63%
Public administration			510.00	577.00	686.00			13.14%	18.89%
Education			247.00	307.00	396.00			24.29%	28.99%
Healthcare and social aid			280.00	339.00	422.00			21.07%	24.48%

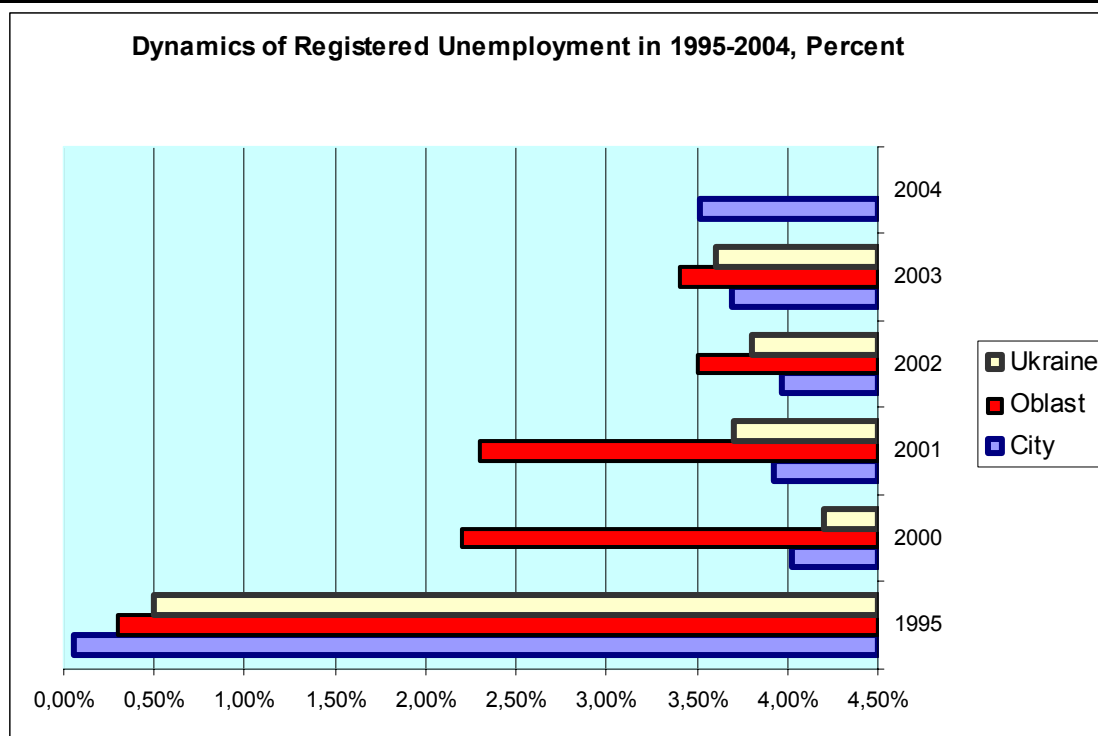
As of January 1, 2005, there were 25,122 full-time employees on the payroll in the city, which is 0.9% more than in 2003.

The number of those employed in the construction sector increased by 29.3%, those in the transport sector by 20.8%. The number of labor contracts decreased. In 2004, the number of those employed on such terms amounted to 3016 persons.

IV.C. Unemployment

**Table 13. Level of Registered Unemployment as of December 31
(As Percentage of Economically Active Population of Employable Age)**

	1995	2000	2001	2002	2003	2004
City	0.05%	4.03%	3.93%	3.97%	3.69%	3.52%
Oblast	0.3%	2.2%	2.3%	3.5%	3.4%	0.0%
Ukraine	0.5%	4.2%	3.7%	3.8%	3.6%	



The reduction in the number of the unemployed is due to creation of new jobs and growth of businesses.

**Table 14. Number of Unemployed Persons per Vacancy as of December 31
(Number of Registered Unemployed Divided into the Number of Job Vacancies)**

	1995	2000	2001	2002	2003	2004
City	3	27	20	9	6	6
Oblast		13	11	14	9	0
Ukraine	2	17	11	9	7	

The situation on the labor market in the city is characterized by easing of social tensions and increase in the number of employed individuals.

Load per one job vacancy is the most important indicator of the situation on the labor market. The number of unemployed persons per one vacancy decreased from 27 percent in 2000 to six persons in 2004. As of July 1, 2005, the proportion was of one person per one job vacancy. The number of vacancies amounted to 1148 jobs and vacant positions as of July 1, 2005, which is 2.7 times more compared to the year outset.

Table 15. Registered Unemployed by Educational Level

	1995		2000		2001		2002		2003		2004	
	abs.	%	abs.	%	abs.	%	abs.	%	abs.	%	abs.	%
Basic general secondary education	1	3.00%	216	8.00%	146	6.00%	143	5.00%	131	5.00%	90	3.66%
Completed general secondary education	6	17.00%	924	32.00%	854	33.00%	897	34.00%	880	36.00%	985	40.06%
Vocational education	17	49.00%	646	23.00%	720	27.00%	659	25.00%	576	23.00%	463	18.83%
Basic higher education			705	25.00%	619	24.00%	664	25.00%	587	24.00%	527	21.43%
Completed higher education	11	31.00%	355	12.00%	285	11.00%	283	11.00%	285	12.00%	285	11.59%

The city's specialization as a resort determines the categories of employees required, who should have vocational training or basic secondary education to perform unskilled tasks; therefore, the level of job placement for such unemployed individuals is higher than for persons with completed secondary education.

Table 16. Registered Unemployed by Duration out of Work (As of December 31)

	1995		2000		2001		2002		2003		2004	
	abs.	%	abs.	%	abs.	%	abs.	%	abs.	%	abs.	%
Less than one month	13	37.14%	284	9.98%	258	9.83%	312	11.79%	475	19.32%	445	18.10%
1-3 months	19	54.29%	1197	42.06%	1414	53.89%	1477	55.82%	1305	53.07%	1284	52.22%
4-6 months	3	8.57%	809	28.43%	743	28.32%	716	27.06%	526	21.39%	434	17.65%
7-9 months		0.00%	140	4.92%	46	1.75%	40	1.51%	45	1.83%	75	3.05%
10-12 months		0.00%	145	5.09%	44	1.68%	50	1.89%	54	2.20%	65	2.64%
13-18 months		0.00%	185	6.50%	81	3.09%	38	1.44%	42	1.71%	35	1.42%
19-24 months		0.00%	27	0.95%	10	0.38%	2	0.08%	4	0.16%	9	0.37%
25-36 months		0.00%	39	1.37%	10	0.38%	4	0.15%	8	0.33%	2	0.08%
More than 36 months		0.00%	20	0.70%	18	0.69%	7	0.26%		0.00%	1	0.04%

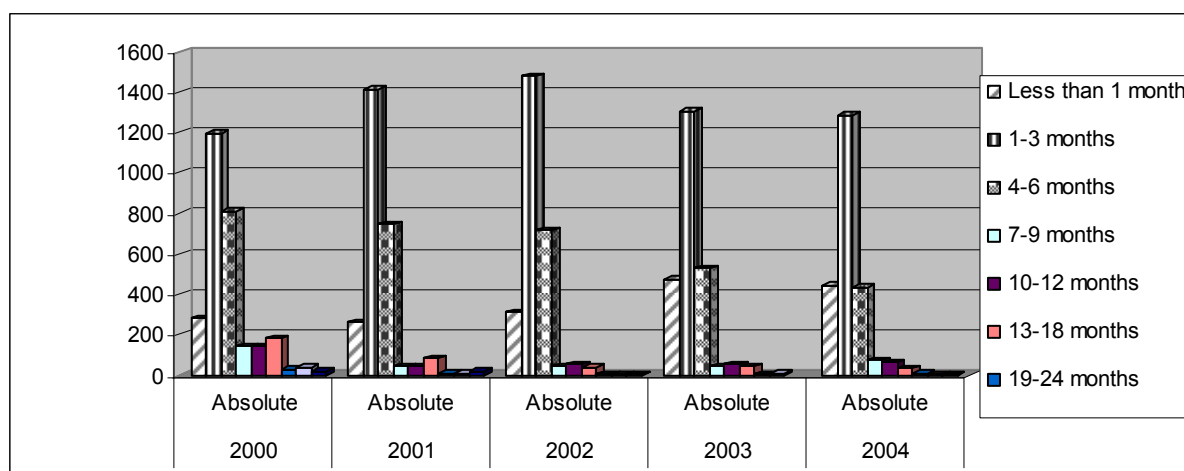


Table 17. Age Structure of the Registered Unemployed

	1995		2000		2001		2002		2003		2004	
		%		%		%		%		%		%
15-17 years		0.00%	31	1.09%	47	1.79%	65	2.46%	56	2.28%	50	2.03%
18-27 years	5	14.29%	661	23.23%	675	25.72%	672	25.40%	593	24.12%	521	21.19%
28 year – pre-retirement age		0.00%	125	4.39%	100	3.81%	112	4.23%	134	5.45%	144	5.86%
Others	30	85.71%	2029	71.29%	1802	68.67%	1797	67.91%	1676	68.16%	1635	66.49%

Table 18. Comparative Table of the Structure of Registered Unemployed — City, Rayon, Oblast, Ukraine (%)

		1995	2000	2001	2002	2003	2004
Those registered with Employment Service for more than six months	City	0.00%	19.54%	7.96%	5.33%	6.22%	7.60%
	Oblast						
	Ukraine						
18-27 years old	City	14.29%	23.23%	25.72%	25.40%	24.12%	21.19%
	Oblast						
	Ukraine						
28 years to pre-retirement age	City	0.00%	4.39%	3.81%	4.23%	5.45%	5.86%
	Oblast						
	Ukraine						
Higher education	City	31.00%	37.00%	35.00%	36.00%	36.00%	34.00%
	Oblast						
	Ukraine						
Women	City	77.00%	76.00%	81.00%	85.00%	83.00%	85.00%
	Oblast						
	Ukraine						
Handicapped persons	City						
	Oblast						
	Ukraine						

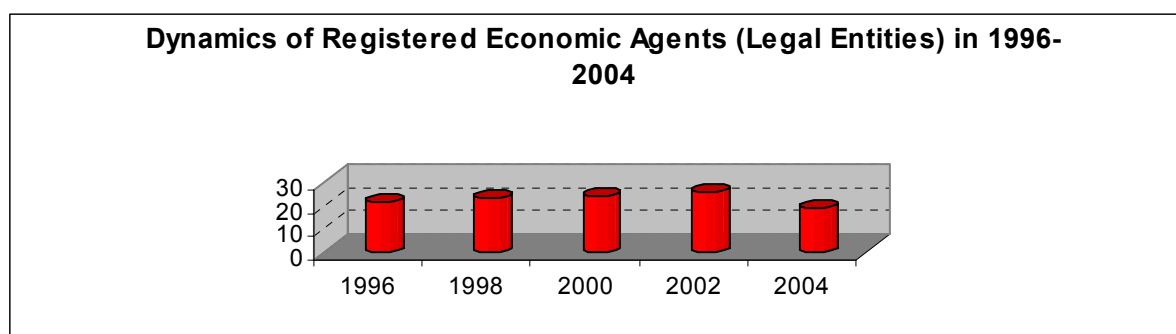
V ECONOMY

V.A. Economic Agents

Table 19. Number of Registered Economic Agents per 1000 Residents (As of December 31)

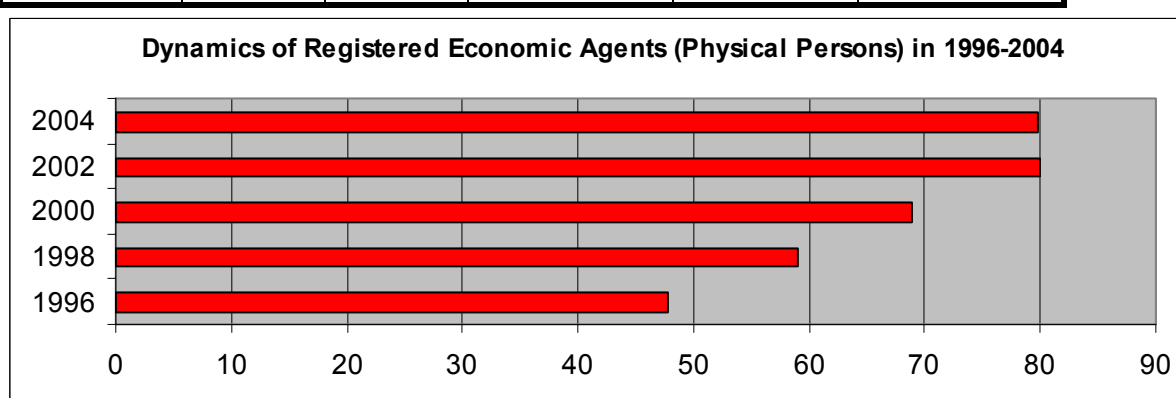
A. Legal Entities

	1996	1998	2000	2002	2004
City	20.76	22.48	23.20033	24.86476	18.57217
Oblast					
Ukraine					



B. Physical Persons

	1996	1998	2000	2002	2004
City	47.85	59.02	68.92768	79.9358	79.76349
Oblast					
Ukraine					



As of January 1, 2005, there were 11,675 businesses registered in the city of Yevpatoria, including 2,205 legal entities and 9,470 physical persons, which is 14.5% less than previous year.

There is a trend observed in the city towards increase in the number of physical persons engaged in entrepreneurial activities due to significantly lower costs of processing of documents, simplified system of registration, reporting, and taxation.

Table 20. Number of Businesses Registered in the City

	1996	1998	2000	2002	2004
Total registered businesses	8461	9910	11083	12341	11675
Percentage of physical persons	69.74%	72.42%	74.82%	76.27%	81.11%
Number of registered businesses — chain index		117.10%	111.80%	111.40%	94.60%

Table 21. Economic Agents Registered in the City

	2000	2004	Including private
Agriculture, game-preserves, and forestry	20	30	27
Fisheries	3	2	2
Industry, including:	262	196	183
extractive industry			
manufacturing industry			
production and distribution of electric power, gas, and water			
Construction	215	179	168
Wholesale and retail trade; trade in transport vehicles; repair services	674	566	544
Hotels and restaurants	116	128	115

Transports and telecommunications	28	36	34
Financial activities	37	29	29
Real property transactions, leasing, and services to legal entities	180	227	197
Education	25	33	21
Healthcare and social aid	99	119	80
Collective, community, and personal services	230	319	301
Other	902	341	
TOTAL	2791	2205	1701

SMEs mean Small and Medium Enterprises.

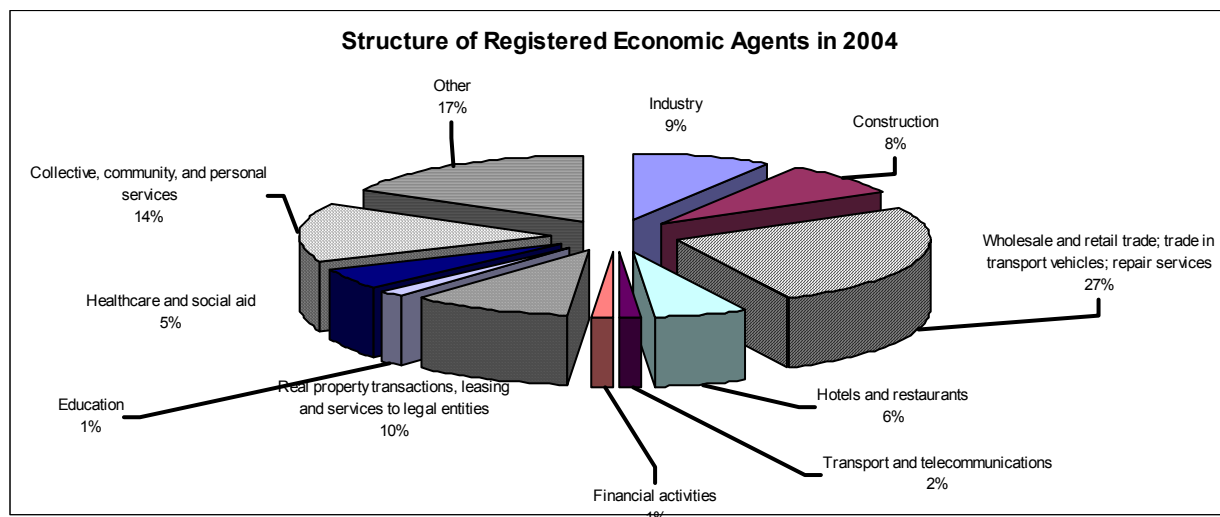


Table 22. Volume of Goods and Services in Comparable Prices by Sector (UAH 000)

	2000	2004
Agriculture, game-preserves, forestry, and fisheries		
Sales of industry products in manufacturers' prices, including:		134070.2
extractive industry		
manufacturing industry		78130.5
production and distribution of electric power, gas, and water		55939.7
Scope of contract works implemented in-house by building companies	5727	30222
Retail turnover	36200.6	154749.4
Sales of services, including:	131314.6	284937.2
Construction	705.6	10643.9
Wholesale and retail trade; trade in transport vehicles; repair services	831.3	1694.6
Hotels and restaurants	23261.5	36478.1
Transport and telecommunications	27761.1	31726.3
Financial activities		
Real property transactions, leasing, and services to legal entities	1981.1	6562
Education	755.5	3856.4
Healthcare and social aid	72966	144008.1
Collective, community, and personal services	3052.5	49967.8
Housework services		

Table 22a

Indicators	2004, UAH			
	Yevpatoria	Alushta	Saky	Feodosia
Sales of industry products per one employee	51884.8	73067.8	36915.2	35370.8
Per capita retail turnover	1275	1300	1038	1513
Per capita provision of services	1702	2779.7	1715.4	2596.3

Sales amounted to UAH134,070,200 in 2004. The production of bakery products increased by 514.8 tons, office furniture by 243 units compared with 2003; however, mention should be made of a decline in the production of confectionery by 781.2 tons, ordinary wines over 15% proof by 197,000 deciliters, concrete by 3,800 units, and newspapers by 174,500 copies.

According to statistic monitoring, in the period of January through December 2004, the enterprises and organizations based in the city (except small businesses and budgetary institutions) incurred UAH3,804,000 in losses (with total earnings of UAH8,925,000 and losses of UAH12,729,000). The percentage of unprofitable enterprises was 41.2% in 2004. The majority of such enterprises operate in industry (57.1%), construction (54.5%), and real property transactions (70%).

The total retail turnover amounted to UAH154,749,400 in 2004, including retail trade turnover of UAH145,995,400 and retail turnover in restaurants of UAH8,754,000.

The proportion of provisions increased to 48.9% in the retail turnover structure in 2004 compared to 46.7% in the previous year.

The wholesale turnover amounted to UAH115,054,900 in 2004, which is 29.2% more than in 2003. As before, the share of domestically-produced goods is growing in the wholesale turnover.

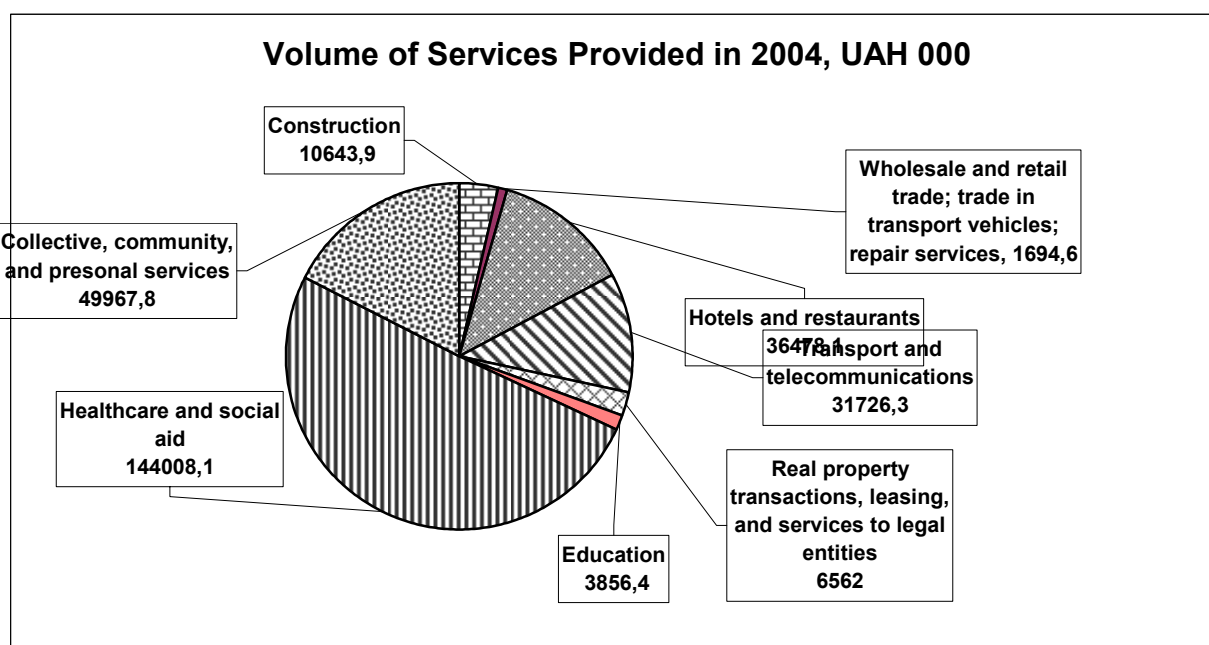


Table 23. City Enterprises by Number of Employees

	1998		2000		2002		2004	
	abs.	%	abs.	%	abs.	%	abs.	%
0 (self-employed persons)								0.00%
1-20 employees							40	22.60%
21-100 employees							88	49.72%
101-500 employees							46	25.99%
501-1000 employees							3	1.69%
1001-5000 employees							0	0.00%
More than 5000 employees							0	0.00%

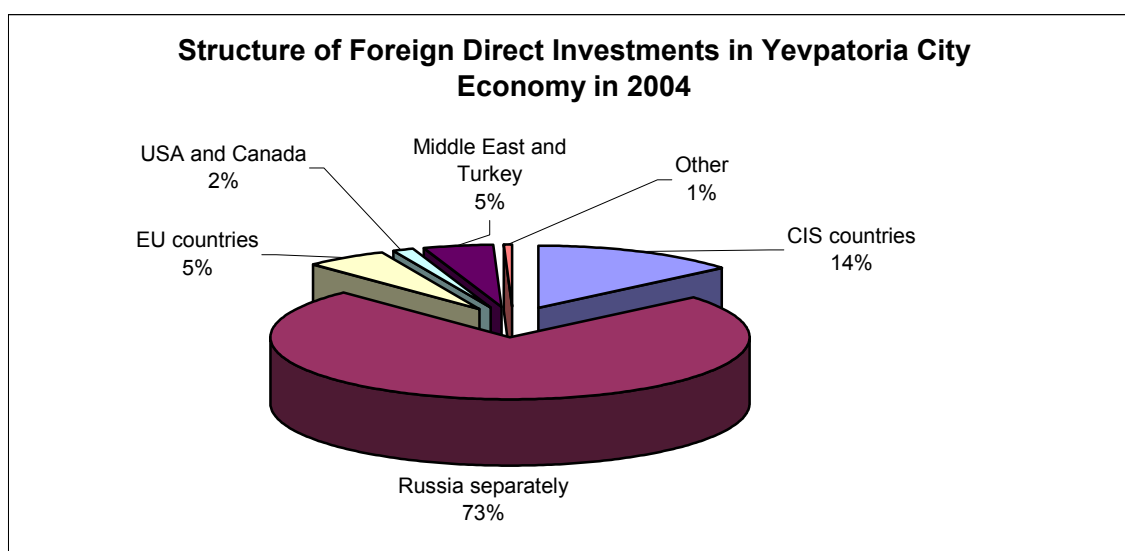
Table 24. Export Structure by Goods (USD 000)

	1996	2000	2004
Live animals, animal products			
Plant products			
Animal or plant fats and oils			
Consumer foodstuffs			
Mineral products			
Chemical and related products			
Polymers, plastics, and rubber			
Leather and fur materials and products			
Wood and wood products			
Wood pulp or pulp made of other fibrous cellulose materials			
Textiles and products			
Footwear, headgear, umbrellas			
Stone, gypsum, cement, ceramics, and glass products			
Base metals and products			
Mechanical equipment, machines, and mechanisms, electrical equipment and components, audio and video recording or replay devices			
Transport vehicles and road equipment			
Optical devices and instruments for photography or cinema; medical and surgical equipment; watches and clocks; musical instruments			
Miscellaneous manufactured goods			
Pieces of art			
Goods purchased in ports			
Miscellaneous			
TOTAL			

Due to city's lacking export of goods, Table 24 has not been completed.

Table 25. Geographic Structure of Exports (USD 000)

	2000	2004
CIS countries	60.73	1401
Russia, taken separately	1499.2	7509.9
EU countries	108.02	554.53
USA and Canada	319.06	155.73
Middle East and Turkey	195.9	476.47
Other	248.52	52.17
TOTAL	2431.43	10149.8



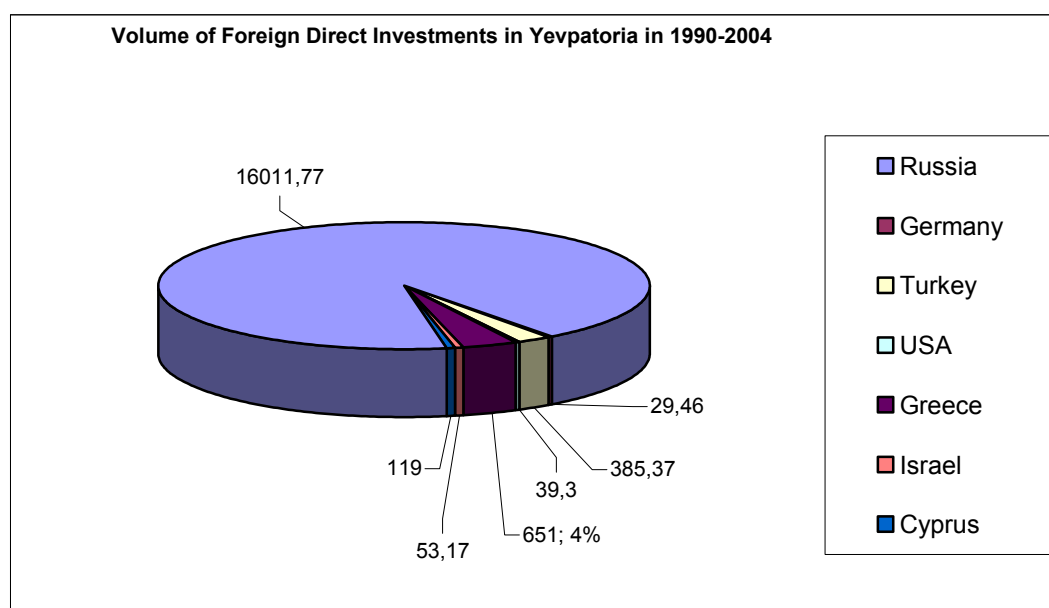
Export of services amounted to USD10,149,800 in 2004, and import of services to USD2,101,340, which is 47.5% more and 54.6% less, respectively, compared to 2003. The positive foreign trade balance increased by 57.6%.

Export of services increased by USD4,616,030, including from health and social aid services by 2.8 times, and construction services by 4.7 times.

Foreign trade was conducted with partners from 18 countries.

Table 26. Structure of Foreign Direct Investments by Country of Origin (USD 000)

	2004	Total starting in 1990	Percentage of total
Russia	5778.46	16011.77	98.28%
Germany	2.41	29.46	0.04%
Turkey	45.37	385.37	0.77%
USA		39.3	0.00%
Greece		651	0.00%
Israel	53.17	53.17	0.90%
Cyprus		119	0.00%
TOTAL	5879.41	17289.07	100.00%



Investors from four countries invested in the city in 2004, the largest being the Russian (98.25%) and Israeli investors (0.9%).

Foreign investors focus on development of companies in the following sectors: health and social aid account for 76.5% of total investments; hotels and restaurants - 19.9%; light industry 2.2%; and food industry - 0.8%.

V.B. Largest Employers

Table 27. Largest Employers (not more than 30)

Enterprise	Core activity	Number of employees in 2004
1. Krymgaz Yevpatoria Gas Authority	Supply of natural gas	254
2. KrymVodoKanal Production Water and Sewer Utility	Water supply and sewerage services	397
3. KrymTeploKomunEnergo, Yevpatoria branch	Generation and distribution of heat energy	449
4. CJSC Yevpatoria Municipal Dairy Plant	Milk processing and production of milk, butter, and cheeses	369
5. OJSC KrymKhib, Yevpatoria Bread-baking Plant	Production of bakery products and confectionery	313
6. Yevpatoria Commercial Port	Cargo handling, passenger traffic	221
7. Tram Authority Municipal Enterprise	Public conveyance	228
8. Children's Clinical Health Care Home of the Ministry of Defense	Health care home and resort services	731
9. DSOC Druzhba	Health care home and resort services	495
10. DSOC Mayak	Health care home and resort services	428
11. Health Care Home – DSOC Mriya	Health care home and resort services	339
12. Krupska Health Care Home	Health care home and resort services	298
13. Directorate of Education of City Council	Education	2178

14. Municipal Territorial Medical Association	Medicine	867
15. Children's Territorial Medical Association	Medicine	507
16. CJSC Khvylya	Health care home and resort services	746
17. Servisgas Company Ltd	Public conveyance	310
18. Konsol Company Ltd	Construction, renovation	285

V.C. City Economy

Table 28. Per Capita Municipal Budget Revenues (UAH)

A. 2003

	Personal income tax	Tax on profit of municipal enterprises	Local taxes and fees	Land tax	Total tax revenues	Lease of municipal property
City	161.72	1.69	27.09	34.71	273.64	12.70
Oblast	232.48		15.48	33.64	391.73	
Ukraine	285.01		12.49	42.84	1 145.00	

B. 2004

	Personal income tax	Tax on profit of municipal enterprises	Local taxes and fees	Land tax	Total tax revenues	Lease of municipal property
City	149.93	0.84	19.37	40.43	263.63	14.32
Oblast						
Ukraine						

C. 2005

	Personal income tax	Tax on profit of municipal enterprises	Local taxes and fees	Land tax	Total tax revenues	Lease of municipal property
City						
Oblast						
Ukraine						

The reduction of personal income tax revenues in 2004 against the previous year was due to reduction in the tax rate from 16.3% to 9.3%, and application of social preferences to more than 5,000 city residents.

Table 29. Unused Land Plots Available in the City and Intended for Conducting Economic Activities

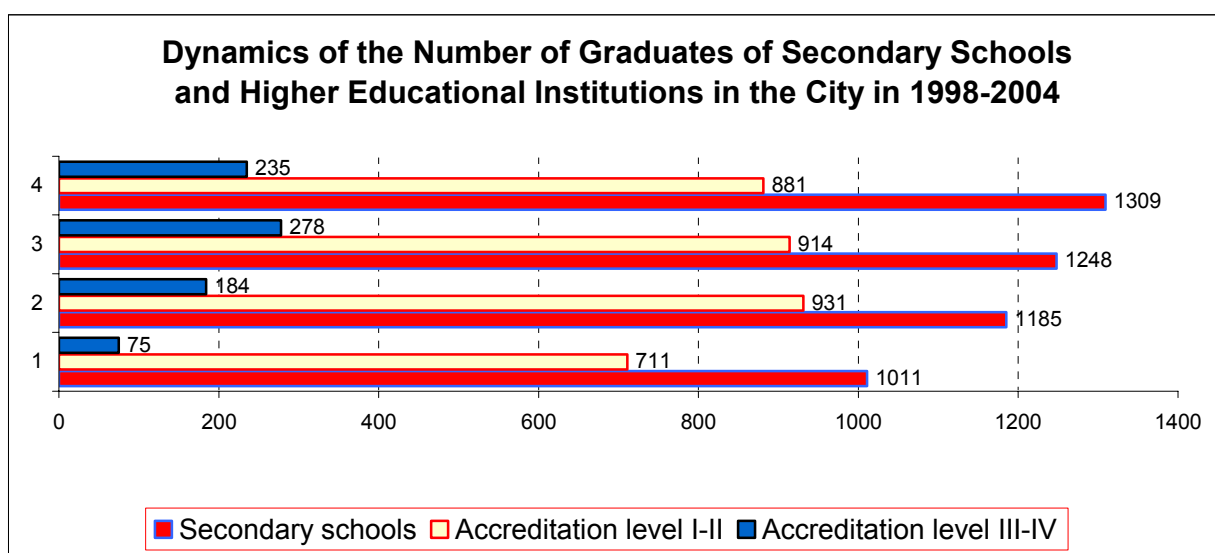
Address, brief description, intended purpose	Owner (owners with interests held)	Area (m ²)
The site is located in the vicinity of the Moynaky mud-baths clinic. It borders on the Polupanova St. on the east, Young Technicians' Station and park zone on the south, Moynaky mud-baths clinic on the north, and the Batkivshchyna Health Care Home on the west. It is intended to use the site for residential development.	Communal property of city's territorial community	14000
The site is located in city's western resort zone, some 1,200 meters from Black Sea coast. It borders on tennis-courts on the east, Rossiya Boarding House on the south, Lenina Ave. and Moynaky Lake territories on the north. Protected areas of the Moynaky Lake are located to the west of the site. It is proposed to use the site for building a small boarding house or a resort hotel	Communal property of city's territorial community	17000
The site is located in the city's south-eastern resort zone and has access to the Black Sea shore. It is limited by a railway line on the north, motorway Simferopol-Yevpatoria on the east, private residential houses on the west, and Black Sea shore on the south. It is proposed to use the plot as camping for motorists.	Communal property of city's territorial community	43000
The site is located in the city's western part. It is limited by the 60 Years of VLKSM St. on the east, Moynaky mud-baths clinic land on the south, Internatsionalna St. and a road leading to the Uytne village on the north, with the protected area of the therapeutic Moynaky Lake. It is proposed to use the plot for building a residential microrayon.	Communal property of city's territorial community	72000
The site is located in the city's northwestern part. It borders on agricultural land on the east, protected land of the Moynaky Lake on the south, the road to the Myrne village on the north, and AK Kosmos on the west. It is suggested to use the plot for development of a residential microrayon or one-family houses.	Communal property of city's territorial community	36000 0
The plot is located in the northern part of the city. It borders on a vacant lot on the south, beyond which is the city's 8th microrayon, and then stretches up to the Prospekt Peremohy on the east. It borders on greenhouses on the west, and the road to the Myrne settlement on the north. It is suggested to use the plot for building a residential microrayon.	Communal property of city's territorial community	15000
The plot is located in the east of the city. It borders on the Vocational School on the west, motorway Simferopol-Yevpatoria on the south, and vacant lots on the north and east. It is proposed to use the plot for building a residential microrayon, possibly, for building cottages.	Communal property of city's territorial community	26000 0

The site is located in city's southeastern resort quarter, in the Black Sea beachfront zone. It is limited by the motorway Simferopol-Yevpatoria on the north, the plot borders on the Sonechko recreational complex on the east, the beach is on the west, and Black Sea on the south. It is suggested to use the plot for building camping sites and beach facilities.	Communal property of city's territorial community	51600
The site is located in the southeastern resort quarter of the city, some 10—150 meters from the Black Sea coast. It is limited by the Simferopol-Yevpatoria railway line on the north and Sonechko Railroad Station on the east. There is vacant lot on the west, and motorway Simferopol-Yevpatoria on the south, beyond which is the costal line. It is proposed to use the plot for building camping facilities.	Communal property of city's territorial community	60000
The plot is located in the southeastern resort quarter of the city, about 100-150 meters from the Black Sea shore. It is limited by the Simferopol-Yevpatoria railway line on the north, the Sonechko Railroad Station on the west. It borders on the Pryberezhne village on the east and motorway Simferopol-Yevpatoria motorway on the south, beyond which is the coast line. It is proposed to use the plot for building camping facilities.	Communal property of city's territorial community	63000

VI PUBLIC INSTITUTIONS AND INFRASTRUCTURE

Table 30. Graduates from Secondary and Higher Educational Institutions

Type and name of educational institution (secondary schools are grouped together)	1996	1998	2000	2002	2004
Secondary schools	737	1011	1185	1248	1309
Higher educational institutions					
Accreditation levels I-II	776	711	931	914	881
Accreditation levels III - IV		75	184	278	235
Including					
1. Medical school	143	129	106	144	137
2. Vocational school No.19	190	164	283	255	285
3. Vocational school No.36	203	238	262	233	235
4. Vocational school No.46	240	180	210	214	160
5. College of economy and management			70	68	64
6. Branch of Interregional Personnel Management Academy (MAUP)				23	33
7. Training and Consulting Center of the Cherkasy Institute of Management			12	24	29
8. Kharkiv Institute of Market Relations					37
9. National University of Internal Affairs, Ministry of Internal Affairs of Ukraine		75	110	100	118
10. Yevpatoria Pedagogical Department, Crimean State Humanitarian University			62	85	80
East-Ukrainian National University				46	56



The four State higher educational institutions of accreditation levels I-II have over 1500 students in 20 professions. Seven non-governmental higher educational institutions of accreditation levels III-IV have over 800 students in 15 professions. They train specialists in tourism, education, healthcare, business, civil engineering, and trade.

Table 31. Capacity of Hospitals

Hospital	Number of beds
City hospital	495
City children's hospital	180
Maternity home	120
City hospital No.2	85

Table 32. Annual Energy Consumption

	1998	2000	2002	2004
Electric power, MWh, including:	203.4	196.8	216.7	225.6
- residential	31.08	40.44	37.02	51.19
- commercial	171.3	156.4	179.7	174.46
Rated capacity				
Gas, thousand m ³	*	*	77493	92437
Rated capacity				
Drinking water, thousand m ³		21597	21535	21221
Rated capacity				
Heating, Gcal, including:	*	188.3	149.6	188.1
- residential	*	155.6	118.7	160.2
- commercial	*	32.7	30.9	27.9
Rated capacity	*	315.9	323.9	320.1

Increase in electric power consumption is due to service reliability, absence of planned blackouts, and increase in the number of individual electric heaters. Reduced consumption of drinking water is caused by the continued schedule-based service provision and installation of water meters.

Table 33. Road Traffic Statistics (if any) in 1990 and 2004

Location (intersection, bridge, street, etc), where statistics is kept	Cars			Heavy motor vehicles and trailers		
	2000	2002	Change, %	2000	2002	Change, %
Number of vehicles	15840	16193	0,022285	1517	1997	31,64%

Public conveyance services are provided by tram, sea, and motor transport. More than 1,500 persons are employed in this industry. Electric transport carries 15 million passengers per year, including 5 million persons entitled to free fare.

Table 34. Public Transport

Motor Transport

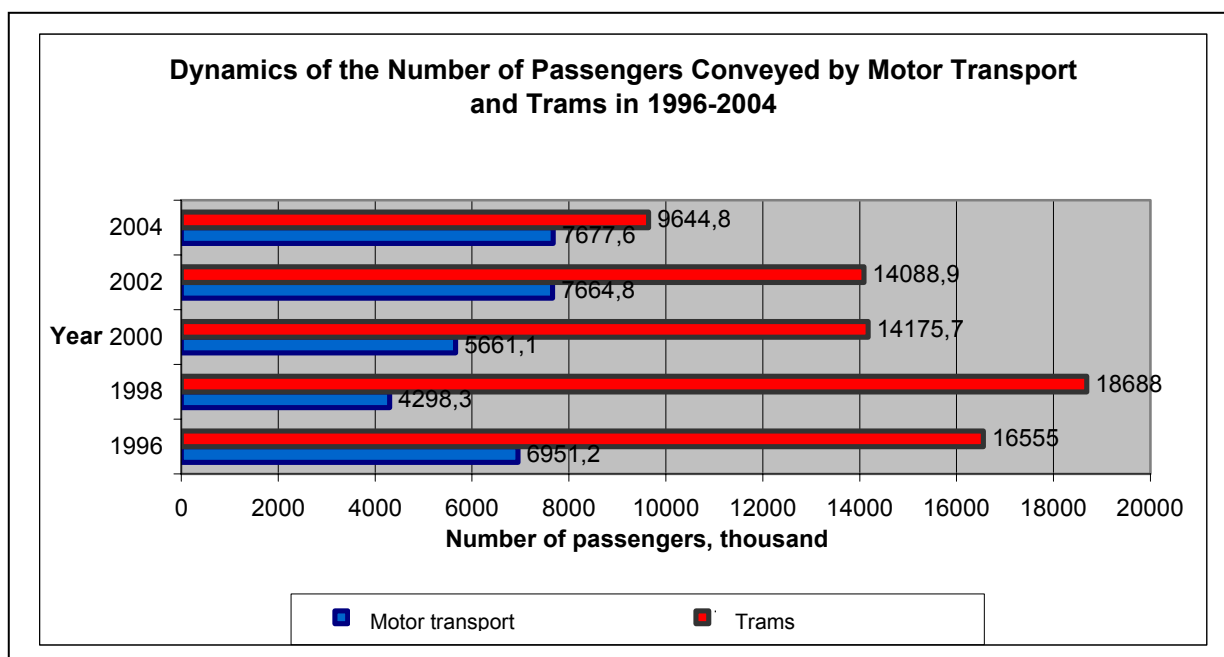
	1996	1998	2000	2002	2004
Passengers conveyed, thousand	6951.2	4298.3	5661.1	7664.8	7677.6
Total length of routes, km	182.7	182.7	266.5	342.5	342.5
Number of routes	8	8	12	15	15
Passenger turnover, passenger km	24.9	98	124.6	157.8	182.3

Trams

	1996	1998	2000	2002	2004
Passengers conveyed, thousand	16555	18688	14175.7	14088.9	9644.8
Total length of routes, km			20	20	20
Number of routes	3	3	4	4	4
Passenger turnover, passenger km	*	*	31.2	31	17.9

Sea Transport

	1996	1998	2000	2002	2004
Passengers conveyed, thousand	69	61.5	57.4	61.8	62.4
Total length of routes, km					
Number of routes					
Passenger turnover, passenger km			1	1	1.7



VII ENVIRONMENT

VII.A. Atmosphere

Table 35. Air Pollution

Month or Quarter	1992			1996			2000			2004		
	SO ₂	NO _x	Dust	SO ₂	NO _x	Dust	SO ₂	NO _x	Dust	SO ₂	NO _x	Dust
Maximum permissible content	0.015	0.006	0.06	0.039	0.028	0.05	0.03	0.022	0.034	0.027	0.022	0.014
	0.05	0.04	0.15									

VII.B. Waste Management

Table 36. Amount of Produced Waste in 2004 and Disposal Cost

Type of waste	Amount, tons	Cost, UAH 000
Mixed household waste		
Waste fit for composting	61.477	
Waste from streets	18.3	
Other plastics	36	
Glass	420	
Other waste unfit for composting	1330	
Bricks		
Electronics waste		
Waste from city markets		
Paints, resins, glues		
Wastewater, thousand m ³	37.5	
Rainwater, thousand m ³		

VIII TOURISM

Table 37. Number of Guests

	Arrivals					
	1997	2000	2001	2002	2003	2004
City		191000	193000	193763	194500	232000
Oblast		371200	418500	480400	568100	0
Ukraine	1539000	1729000	1904000	1963000	2513000	

The number of guests in the city of Yevpatoria is understood as the number of holiday-makers staying at health care homes and resort establishments, the number of which does not change over years. The increase in their numbers in Yevpatoria is only due to extension of the resort season compared to previous years.

The indicators for the Crimea include the number of all holiday-makers, including those staying at hotels, camping sites, and other tourist establishments, the number of which is constantly growing.

The health care home and recreational sector is a highly-profitable sector of the national economy. Its efficient development over decades has made it possible for the city to achieve a modern level of development (the city is one of the best municipalities in the Crimea in terms of social infrastructure level). It should be noted, however, that the number of health care homes decreased by 18 units compared to 1987. There were over 300,000 persons vacationing at city's health care homes and over 800,000 independent holiday-makers in the 1980s.

When reviewing the situation regarding the cost of stay, it should be noted that prices increased by about 23% over five years, with the highest increase of 17% recorded in 2003. A positive trend is observed in the growing volume of additional services. This indicator increased threefold over the last five years. It amounted to UAH7 million in 2000 and increased to UAH19.7 million in 2004. Increase in the provision of services has resulted in creation of new jobs.

Thus, there were 9,600 persons employed in the sector in 2000, with their number growing by 17% to 11,297 persons in 2004.

The health care homes and resort establishments have remitted UAH85 million to budgets at all levels in the last five years, which is 47% more than in the previous period.

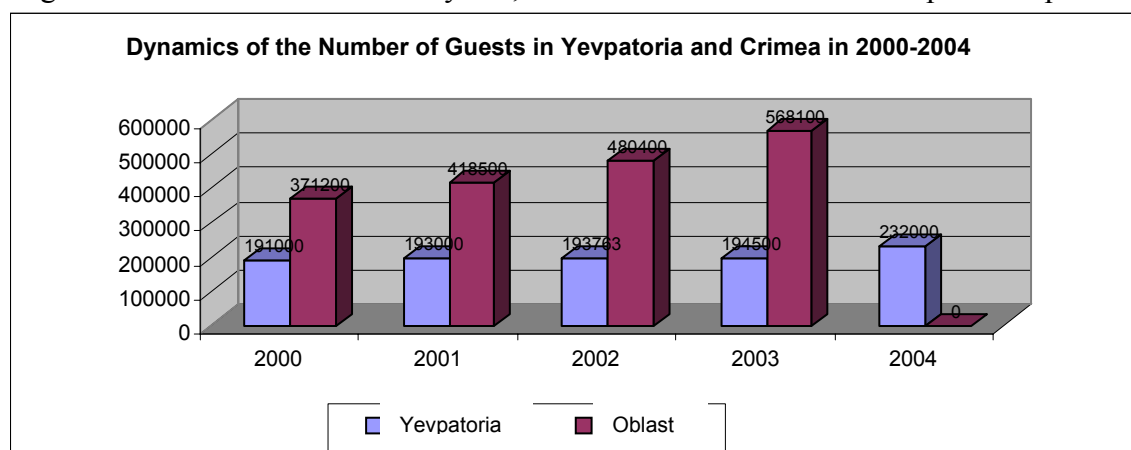


Table 38. Guest Accommodation Capacity in Hotels, Boarding Houses, Tourist Centers, etc.

Establishment	Number of beds	Annual occupancy, %
1. Brigantina Republican Children's Health Care Home	300	
2. Medical Rehabilitation Center, Ministry of Internal Affairs	320	
3. DSOC Druzhna	1620	
4. Yevpatoria Combined Health Care Home of SBU	842	
5. Ozdorovnytsya Children's Health Care Home	570	
6. Iskra Health Care Home	260	
7. Luhezarnyi Children's Health Care Home	250	
8. Medyky-Chornobylyu Medical Center	380	
9. Oren-Krym Health Care Home Ltd	550	
10. Orlyatko Health Care Home	510	
11. Pervomaisky Health Care Home	140	
12. DP Peremoha Health Care Home	516	
13. DP Prybiy Health Care Home	230	
14. DP Prymorye Clinical Health Care Home	460	
15. DSK Prometei, CJSC Volna	1000	
16. Bat'kivshchyna Health Care Home	210	
17. Tropiky Boarding House Ltd	reconstruction	
18. Smaragdovi Children's Medical Rehabilitation Center of the Ministry of Internal Affairs of Ukraine	250	
19. Zmina Children's Clinical Health Care Home	220	
20. Sonyachnyi Health Care Home, CJSC Volna	550	
21. DP Tavrida Children's and Teenagers' Health Care Home	310	
22. Tavria Health Care Home, CJSC Volna	500	
23. DP Udarnik Health Care Home	407	

24. CJSC Chaika Children's Medical Center	1300	
25. Chaika Republican Children's Clinical Health Care Home	410	
26. Yuvileinyi Health Care Home	550	
27. DP Femida Health Care Home and Resort Treatment Center	500	
28. Central Children's Clinical Health Care Home of the Ministry of Defense of Ukraine	900	
29. Krupska Health Care Home	300	
30. Prymorskyi Children's Health Care Home Ltd	620	
31. N.A. Nahovitsyn Health Care Home		
32. DP Khimtek	reconstruction	
33. CJSC Helios Health Care Home	514	
34. Sacco and Vancetti Children's Health Care Home	210	
35. T.Shevchenko Children's Health Care Home	360	
36. DSOC Mriya Health Care Home	950	
37. Tryokhgorka Treatment and Health Improvement Complex	130	
38. Ryabinka Children's Health Improvement Complex	351	
39. Russian Health Care Home and Rehabilitation Center for Orphaned Children and Children Left without Parental Care	240	
40. Planeta Boarding House	284	
41. DOK Rodnichok Health Care Home	550	
42. Pivdennyi Health Improvement and Treatment Boarding House Center	622	
43. Kosmos Boarding House	300	
44. DOT Promenystyi Boarding House	820	
45. Magistral Boarding House	200	
46. Orbita Boarding House Ltd	105	
47. Almaznyi Health Care Home for Children and Parents	530	
48. Kazka Ltd	50	
49. Budivelnyk Health Improvement Complex	636	
50. Yevpatoria Foton Children's Center	400	
51. Yu. Gagarin Boarding House for Parents with Children	1128	
52. Mayak	reconstruction	
53. UOOR Recreational Base	42	
54. DOT Zoloty Bereh Boarding House	436	
55. DOL Rossiya Boarding House	530	
56. DOT Chervoni Vitryla	680	
DOT Perlyna	450	
57. DSOC Mayak	1550	
59. Merkuriiy	480	
60. DOT Salyut	360	
61. DOT Sokol	410	
62. TOK Yevpatoria	1000	
63. DOK Troyanda	450	
64. DOK Yunist	900	
65. DOT Pioner	800	
66. Apogei Hotel	45	
67. Krym Hotel	70	
68. Yevpatoria Tourism and Excursion Complex	729	
69. HTK Khvylya	72	
70. AP FOK Spartak	40	
71. Yupiter Hotel ChP	100	
72. Ukrayina Hotel	150	
73. Korona Hotel Complex	255	
74. Yuliana Hotel	220	

75. AP Kurortni Posluhy Recreational Base	100	
76. Delfin Base	120	
77. Konkor Motel	120	
78. Dolce Vita Hotel	40	
79. Liana Hotel	40	
80. Gryfon Hotel	30	
81. Vizyt Hotel	35	

Table 39. Capacity of Cultural and Sports Facilities

Facility	Seating capacity	Events or activities with largest attendance
Palace of Sports	700	Sports competitions
O.S. Pushkin City Theater	650	Performances by actors and singers
Zolotyi Klyuchyk International Children's Center	275	Theatrical performances, festivals
Raketa Movie Theater	500	Movies
Yakor' Movie Theater	300	Movies
National Center for Paralympic and Deflympic Training and Rehabilitation of Handicapped Persons	350	Sports competitions
City Leisure Center	230	Concerts
Vidpochynok Concert Hall	1200	Performances by actors and singers
Sonechko Recreational Complex	300	Performance by actors and singers

IX CITY DEVELOPMENT GOALS

Table 40. Planned Investment Activities in the City through the Year 2008

Project	Estimated cost, UAH million	Source of financing
1. Tourism development programs:		
Tourist route through medieval historical town	6.2	Local budget funding
Small Jerusalem	6.3	State and local budgets
2. Reconstruction of a building and construction of hotel and restaurant complex		CJSC Baltrans
3. Reconstruction of an old building and building of a hotel		PMS Striy Ltd
4. Construction of a hotel and retail complex		Private company Kaaberle V.A.
5. Construction of a recreation and health improvement complex		Private Company Bdzhol
6. Construction of a trade center		Private Company Penkova
7. Reconstruction of an outdoor movie theater and building of a family leisure center		Private Company Pyer+
8. Construction of a health improvement and recreational center near the Moynaky Lake		Private Company Geya XX1
9. Construction of a hotel		Private Company Borisov
10. Construction of a boarding house		Private Company Pilgrim

X CITY'S KEY CHARACTERISTICS

The City of Yevpatoria is located in the southwestern part of the Crimean steppe, on the shores of the shallow Kalamit Bay on the Black Sea. Favorable climate, medicinal mud, brine, mineral water, fine-sand beaches, shallow sea waters, which are quickly warmed up by the sun and are safe for children to swim—the combination of all these factors makes Yevpatoria the unique resort of national significance.



Yevpatoria's history goes back 25 centuries. It has wonderfully preserved monuments of antiquity: Greek and Scythian settlements Kerkinitida and Chaika; unique medieval mosques Cuma-Cami and Tekkiye-Darvish, Turkish Baths. The historical zone is adorned with ancient temples, including an Armenian-Graeco-Gregorian Church. Of great importance for Yevpatoria and all the world culture is a complex of Karaim *Kenessas*—temples of a small and ancient Turkic nation of Karaim. There are other architectural monuments preserved from later times, including a German church, Greek St. Elias's Church, Jewish Synagogue, Muslim mosques built in the 19th century, which preserves a certain unique city character, and provides an opportunity to create an historical and cultural preserve with ethnographic centers of the Karaim, Germans, Jews, Greeks, Armenians, Crimean Tatars, and others.

City's O.S. Pushkin Theater is one of the best in the Crimea. It was built in 1910 and has been in service without any major repairs since that time.

The administrative-territorial jurisdiction of the Yevpatoria City Council covers the republican-significance city (City of Yevpatoria) and three urban-type settlements (Zaozerne, Myrny, and Novoozerne). All the population within the City Council jurisdiction is urban population.

The city population totaled 122,000 persons (119,000 permanent residents) as of August 1, 2005, including 106,400 persons living in the City of Yevpatoria.

The number of employees in all economy sectors is 50,300.

The resort town is developing in accordance with the State Program for Development of the National Children's Health Resort of Yevpatoria for the Years 2004-2010. The Program is aimed at creating in Yevpatoria, which is one of the most popular treatment and health improvement destinations in Ukraine, the favorable conditions for development of a physical and technological infrastructure for the health care home, resort, and tourism sector, including through privatization of unfinished building projects and attracting domestic and foreign investments.

In 2004, the city had 65 operational health care homes, resort and health improvement establishments with 28,284 beds total, which served over 200,000 persons, including 87,600 children who make up 44.8% of total visitors. In terms of the number of health care homes, resorts, and health improvement establishments and their capacity, Yevpatoria holds the second place in the Crimea (after Yalta).

A significant scope of scientific research is conducted based at Yevpatoria's health improvement establishments. The city is home to the Ukrainian Scientific Research Institute of Children's Balneology and Physiotherapy, and a Pediatric Chair of the Crimean Medical Institute has been established in the city.

The indications for referral to the Yevpatoria resort include respiratory diseases, diseases of the peripheral nervous system, endocrinological, gynecological, hematological, and dermatological diseases. The resort scientists and doctors have made a valuable contribution into development and implementation in resort practices of the methodologies for treatment of such severe child diseases as bone tuberculosis, consequences of poliomyelitis and infantile cerebral paralysis, diseases of musculoskeletal system, and rheumatic diseases.

The development of tourism in the city in recent years shows a positive dynamics and occurs in the context of growth of the whole tourism industry, which in addition to tourism companies, also includes service and public catering enterprises, which are oriented towards satisfying the needs of both visitors and city residents.

The city economy is represented by a wide range of municipal economy sectors, including industry, building, transport, telecommunications, and trade.

The structure of city industry is closely linked with the resort. Food-processing enterprises are the core of city's industry. Their products include baked products, confectionery, meat and dairy products, wine, beer, soft drinks, etc. The development of food industry was planned within such a scope as to be able to provide to the extent possible, both the city residents and visitors with foodstuffs.

The city is a major transportation hub in the Autonomous Republic of the Crimea. Yevpatoria has a railway station, freight station, cargo and passenger seaport, tram depot, and one of Crimea's best bus terminals. The motor transport has a well-developed network of freight and passenger routes. The tram is the main municipal means of transportation accounting for 60% of passenger traffic. The rolling stock has not been modernized due to lack of financing, with 44% of trams still in service since 1957 and already three times past their original service life. Nearly UAH20 million are needed to renew the tram fleet. Also, it is vital to overhaul 5 km of tram tracks and move the tram depot outside the resort area. Building a new depot would cost UAH30 million.

City educational system has 17 general educational school, two private schools, three vocational schools and medical school, as well as 11 higher educational institutions.

Health and medical treatment services to the population are provided by health institutions, including city hospitals, polyclinics, and maternity home. There are more than 900 hospital beds available or 68.6 beds per 10,000 residents. In addition to providing professional aid, outpatient services are provided by such specialists as hematologist, geneticist, nephrologist, allergist, and pulmonologist.

City's utility needs are catered to by the Yevpatoria affiliate of the KrymTeploKomuEnergo Leased Enterprise, Yevpatoria Gas System Operating Authority of OJSC Krymgaz, and Yevpatoria Production Enterprise of the VP KrymVodoKanal Water and Sewer Enterprise.

The city in general has satisfactory supply of energy carriers and energy services, except for hot water service, which is irregular.

The Yevpatoria Water and Sewer Enterprise is selling more than 9 million m³ of potable water to city residents per year. The enterprise operates 404.5 km of water networks and 200 km of sewers, which are in need of capital repairs. The district heating enterprise has 26 boiler houses and 106 km of lines. The Yevpatoria KrymTeploKomuEnergo Affiliate provides more than 174 Gcal of thermal energy.

To improve the heating and water service, as well as interaction with other municipal entities, it is planned to acquire these organizations into municipal holding as per Law of Ukraine "On Local Self-government".

In order to attract investments, the Executive Committee of City Council has prepared a list of available plots in the city for implementation of investment projects, which list has been posted on the Executive Committee's website.

The natural environment of the resort town Yevpatoria differs favorably from other parts of the Crimea. According to the Ministry of Health of Ukraine and State Committee for Statistics, Yevpatoria is one of the cleanest cities in terms of ecology, sanitation, and epidemiology.

Further improvement of the environment is primarily focused on the protection and renewal of natural healing factors. First of all, this applies to the coastal sea waters, sandy beaches, protection and conservation of medicinal, brine and mud lakes.

Successful resolution of environmental problems is closely linked with the water supply and use of potable water. The city is supplied with potable water drawn from artesian wells and further disinfected by ultraviolet irradiation sterilizer. The city, however, experiences an acute shortage of potable water, especially in summer months. Therefore, building a storage reservoir for potable water is vital.

There were 5 km of gravity main reconstructed with reservoirs for pure water built. The installation for fine purification of wastewater has been put in operation. It increases the level of wastewater purification up to 96% and allows for reusing the purified water for technical purposes.

The municipal wastewater treatment plant with a complete cycle of wastewater treatment operates in a stable mode, without overloads, with a rated capacity of 63,000 m³ per day and actual inflow of 30,000 m³ per day. Activities are undertaken annually to improve performance of the treatment plant to raise purification efficiency up to 96%-98%. There is a problem, however, related to a worn-out sewer main. Urgent repairs are needed for the pipeline leading from the sewer pumping stations and to the treatment plant, so as to prevent any likelihood of emergency wastewater dumping in the resort area. Also, the problem of building a rainwater sewer needs to be addressed. The city is lacking a centralized system of rainwater sewer and the existing isolated stretches are not provided with treatment installations and untreated water is dumped in the sea.

The statistics show some stabilization of harmful substances emission in the atmosphere from stationary pollution sources. In the total volume of emissions in the Crimea, Yevpatoria accounts for 1.0%. In order to minimize emissions of pollutants in the atmosphere, virtually all boiler houses have been converted to use gas, motor vehicles are also being gradually converted to run on compressed gas, and all gas filling stations have been moved to city's industrial zone. In addition, to be able to reduce emissions in the atmosphere, the heating and gas supply installations need to be modernized.

In addition to the efforts related to the protection of water and air, the city is undertaking great efforts to prevent pollution of soil and underground waters. Centers have been set up to accept secondary raw materials and tires. Work is underway in the city to replace mercury lamps with progressive, energy-saving lamps, which contain no harmful substances. The municipal landfill for solid household waste of 28 hectares is designed to operate until 2005. Subsequently, a waste processing plant will have to be built, so as to avoid allocating any additional area for a landfill.

Special focus is made on the issues related to protection of the natural environment, preservation of the existing parks, public gardens, and other green areas. The total area of green plantations per resident within city limits is 218 m², and green plantations occupy 31.7% of city area. Further efforts are needed to restore city's parks and gardens, and the surrounding woodland belt.

Despite the overall positive results, the problem of the condition of resort city's coastline remains unresolved. Environmental agencies record the continuing shrinking of the beaches, with nearly total disappearance of beaches along many stretches of the Yevpatoria coast.

The existing city master plan provides for developing the following projects: Resort Zone Service Center, cultural and educational institutions, public catering establishments in the city's southwestern part; administrative and business organizations, specialized schools, polyclinics, hospitals, a dispensary, ambulance stations, and sports complex near the Moynaky Lake; and a mud baths clinic, retail outlets, fire depot, and boiler house in the southeastern zone.

Social orientation is the priority goal of the investment policy. The budget funds are allocated for building the facilities of gas service, energy supply, water supply, reconstruction of streets and the city, and providing essential services to the locations, where former deportees live.

In the nearest future, the city has plans for the following investment activities:

- Implementing a project of building a waste processing plant, providing for collection and recycling of waste;
- Implementing a project aimed at reconstruction and modernization of the Moynaky mud-baths clinic;
- Reconstruction and modernization of the brewery and facility for production of non-alcoholic beverages, and others.

Implementation of investment projects and programs provides for using all sources of financing, including the State, republican, and local budget resources, off-budget funds, resources of enterprises and private individuals, funds of international donors and charity foundations.