Parents opt for British schooling

By YULIANNA VILKOS

Natalya Stryzhak, 45-year-old wife of a well-off Dnipropetrovsk businessman, is ready to send her child to a private boarding school in England when he turns 14, to pay about 20,000 British pounds (around $34,000) annually for three years, so that Pavlo is “all set for an Oxford education,” Stryzhak asked rhetorically.

“I want to learn more about the British system of education and possibly choose a school for my son,” explained Stryzhak, adding that it’s necessary impossible to get this kind of education in Ukraine with an Oxford education,” Stryzhak asked rhetorically.

To make her dream come true, the Dnipropetrovsk has ambitious plans for her only daughter, 14-year-old Pavlo, who will graduate from prestigious Oxford University, get a well-paying job in London and stay in Great Britain for good. “What is there to do in Ukraine with an Oxford education,” Stryzhak asked rhetorically.

By ROMAN OLEARCHYK

Ukraine’s government and parliament managed to forestall hefty tariff hikes on electricity, natural gas and railway transportation for the public until after the March 26 parliamentary elections, but now the unpopular policy decision looks imminent.

Top officials have in the past week announced plans to introduce still 25 percent tariff increases on electricity and natural gas for households. The increases, expected to take effect next month, have recently been approved by Ukraine’s energy market regulator and registered by the country’s Justice Ministry, but they have yet to be given the green light by the Cabinet.

Meanwhile, Ukraine’s state railway holding, Ukrzaliznytsya, recently announced that they plan on increasing ticket prices for passengers by about 50 percent, starting in June. Long-distance overnight railway tickets currently stand at between $7 and $20 one way, depending on which class one is traveling.

The government is scheduled to approve, modify or deny the planned tariff hikes this month. Borys Bordiuh, an economist at Kyiv’s International Centre for Policy Studies, said the price increases are necessary and will likely be approved soon, adding, however, that they may be modified a bit to soften the blow.

“The elections are over and it looks inevitable, and they cause large losses for state services have not been raised for a long time,” said Bordiuh, adding that it’s nearly impossible to get this kind of tariff hikes approved.

“The current situation equates to economic and social nonsense,” Viktor Skarshevsky, an advisor on economic issues to National Security Chief Anatoliy Kinakh, agrees.

“The prices of electricity, gas and other services have not been raised for a long time, and they cause large losses for state companies and Ukraine’s budget,” he said.

It is this desire that inspired Stryzhak to come to a meeting in Kyiv with the headmasters of a dozen or so British private schools on April 15 and 16. The meeting was organized by the Kyiv-based company Business Link.

“Hi-tech 3G technology put on hold

By JOHN MARONE

Mobile communications operators are eager to introduce modern high-speed mobile communications technology in Ukraine, but licenses are limited and the state’s privatization plans are not helping.

The demand for so-called 3G, or Third Generation technology, which allows mobile phone users to transfer larger than ever amounts of information from computer databases and hold effective teleconferences from their handsets, is expected to continue growing regionally.

However, in Ukraine, state-owned Ukrtelecom, a fixed-line operator earmarked for privatization, is the only company that currently has a license to use the new technology.

Ukraine’s Telecommunications Commission plans to announce tenders for the issuance of up to three more 3G licenses within a year or so. Commission head Oleh Hayduk told a round table in Kyiv on April 12.

The problem is that these licenses entail the allocation of radio frequencies, which are currently being used by Ukraine’s military, he added.

“Ukrtelecom can’t sign a proper agreement to work together with the Ministry of Defense unless we can put up all three licenses,” Hayduk said.

Conversion of the frequencies for commercial use could cost up to Hr 250 million (around $50 million), which, according to commission spokesman Andriy Bohomolov, is not covered by Ukraine’s state budget.

Ukrtelecom, which boasts 11 million fixed-line subscribers, but none of the country’s 33 million mobile users, received its license in December 2005 without having to take part in a tender. Leading mobile communications operators have criticized the Commission’s licensing decision.

Viaros Khodorkowska, press secretary for Ukrainian Mobile Communications, which controls about 45 percent of Ukraine’s mobile communications market, called the commission’s decision “politically motivated” and accused it of “working to increase the value of Ukrtelecom ahead of its planned privatization.”

The government of Prime Minister Yurii Yekhanurov, which could replace a result of last month’s parliamentary elections, has stepped up efforts to sell Ukrtelecom to a strategic investor.

“Ukrtelecom has a fixed-line network, but they will have to build a radio network from scratch,” said Khodorkowska.

Even for companies that already have a mobile communications infrastructure, the switch to 3G is “significantly expensive,” she added.
UK boarding schools eager to attract more Ukrainian children

Analysts: Electricity, gas and railway tariffs likely to be raised

SERHII ZAVALNYUK

The Week

APRIL 20TH, 2006

BRITISH, continued from page 1

information in Dnipropetrovsk, where her family lives.

Growing trend

The management at Business Link, which has consulted Ukrainians on education in Great Britain since 1997, says that while the number of Ukrainian parents sending their kids to boarding schools in Britain is still small, the trend is growing and will reach its peak in the next five years.

Valentyn Samsonov, who heads the UK education department at Business Link, said his company started focusing on boarding schools in the UK only recently, seeing it as a very promising niche in a competitive market in Ukraine.

“The first wave of Ukrainian children going to private boarding schools in Britain coincided with the years that followed independence, when many Ukrainians, especially those with advantages of Western education grew, Samsonov is confident the trend will only continue to grow.

Terry Sandell, director of the British Council Ukraine, agrees, saying that while there has been a definite upswing in the number of Ukrainians going to Great Britain for a higher education, with the figure doubling between 2004 and 2005, reaching 2431 students a year, a growing interest in boarding schools has been evident as well.

“We feel that people have started looking at boarding schools as a great way to prepare children for a smooth entry into a British university,” said Sandell.

According to him, there are about 500 private boarding schools in the UK, 88% of which have accepted international students for centuries. Ukrainian children are now more slowly joining the trend, he said.

“As apart from better chances of getting into British universities, fluency in English and the all-round development of a child are the motives cited by some of the parents attending the fair, which hosted headmasters from some 15 private British schools and about 100 children and parents. And if the prestigious British boarding schools, such as Winchester and Eaton, weren’t present at the fair, it’s because “they don’t really need the promotion” Sandem said.

“Ukraine’s industry will be allowed to increase tariffs for the public.

Anatoliy Kinakh, says that many Ukrainian parents still opt for short-term stays in UK schools, considering their high costs.

But Samsonov of Business Link said it’s also a matter of a lack of information.

“Look at the costs of apartments in Kyiv and at the luxury cars on Kyiv streets,” Sandell said “I think if people knew more about the opportunities, they would consider giving their children a good education over buying a new car.”

Meanwhile, Ukrzaliznytsya General Director Vasyl Haidak told journalists that the long overdue increase on ticket prices will help the state to repurchase its preprivatization rail equipment and companies need to improve services for travellers and modernize their aging Soviet-built infrastructure.

“Whatever kind of service we can talk about if 1 kilometer of train on a travel costs 1 kopeck?” he asked.

“We need to raise the price for passenger travel, we now use only one third of the He 24 billion ($478 million) annually as a result of the below-market fare, but added. Haidak said that the railway, which has gradually modernized its infrastructure in recent years, would need to triple the price to break even on passenger and transportation services.

Ukrainian household consumers of electricity and gas, as well as railway pass-

sengers, are currently subsidized by the nation’s industry, which is charged more than twice as much. But, for the general population, the government officially put off tariff increases for power, gas and railway transportation in recent years.

In a report, Kyiv-based investment bank Dragon Capital said the new tariffs envision electricity prices for residential consumers increasing to up to 59 cents per kilowatt-hour. Gas prices for households and state-funded enterprises would increase up to $47.5 per 1,000 cubic meters and $71 per 1,000 cubic meters of gas, respectively. Meanwhile, the gas tariff for home-producing companies would rise to $78 per 1,000 cubic meters.

“The longer we wait to increase prices, the more painful it will be. ” – Viktor Skharskyy, Economic Adviser

In comparison, industry is charged in excess of $100 per 1,000 cubic meters of gas. Gas prices for households were last increased in 1999.

Currently, monthly electricity and gas bills paid by those who receive no privileges can be $20-30, or much high-

er, depending on consumption. The official average monthly salary in February stood at about $792, though many people in the government service are believed to be the mother figures, her son will get used to the British system of education and won’t have to leave home for an extended period, so soon.

Sandell of the British Council said that many Ukrainian parents still opt for short-term stays in UK schools, considering their high costs.

KPAA

The Week

APRIL 20TH, 2006

BRITISH, continued from page 1

in Dnipropetrovsk, where her family lives.

Growing trend

The management at Business Link, which has consulted Ukrainians on education in Great Britain since 1997, says that while the number of Ukrainian parents sending their kids to boarding schools in Britain is still small, the trend is growing and will reach its peak in the next five years.

Valentyn Samsonov, who heads the UK education department at Business Link, said his company started focusing on boarding schools in the UK only recently, seeing it as a very promising niche in a competitive market in Ukraine.

“The first wave of Ukrainian children going to private boarding schools in Britain coincided with the years that followed independence, when many Ukrainians, especially those with advantages of Western education grew, Samsonov is confident the trend will only continue to grow.

Terry Sandell, director of the British Council Ukraine, agrees, saying that while there has been a definite upswing in the number of Ukrainians going to Great Britain for a higher education, with the figure doubling between 2004 and 2005, reaching 2431 students a year, a growing interest in boarding schools has been evident as well.

“We feel that people have started looking at boarding schools as a great way to prepare children for a smooth entry into a British university,” said Sandell.

According to him, there are about 500 private boarding schools in the UK, 88% of which have accepted international students for centuries. Ukrainian children are now more slowly joining the trend, he said.

“As apart from better chances of getting into British universities, fluency in English and the all-round development of a child are the motives cited by some of the parents attending the fair, which hosted headmasters from some 15 private British schools and about 100 children and parents. And if the prestigious British boarding schools, such as Winchester and Eaton, weren’t present at the fair, it’s because “they don’t really need the promotion” Sandem said.

“Ukraine’s industry will be allowed to increase tariffs for the public.

Anatoliy Kinakh, says that many Ukrainian parents still opt for short-term stays in UK schools, considering their high costs.

But Samsonov of Business Link said it’s also a matter of a lack of information.

“Look at the costs of apartments in Kyiv and at the luxury cars on Kyiv streets,” Sandell said “I think if people knew more about the opportunities, they would consider giving their children a good education over buying a new car.”

Meanwhile, Ukrzaliznytsya General Director Vasyl Haidak told journalists that the long overdue increase on ticket prices will help the state to repurchase its preprivatization rail equipment and companies need to improve services for travellers and modernize their aging Soviet-built infrastructure.

“Whatever kind of service we can talk about if 1 kilometer of train on a travel costs 1 kopeck?” he asked.

“We need to raise the price for passenger travel, we now use only one third of the He 24 billion ($478 million) annually as a result of the below-market fare, but added. Haidak said that the railway, which has gradually modernized its infrastructure in recent years, would need to triple the price to break even on passenger and transportation services.

Ukrainian household consumers of electricity and gas, as well as railway pass-

sengers, are currently subsidized by the nation’s industry, which is charged more than twice as much. But, for the general population, the government officially put off tariff increases for power, gas and railway transportation in recent years.

In a report, Kyiv-based investment bank Dragon Capital said the new tariffs envision electricity prices for residential consumers increasing to up to 59 cents per kilowatt-hour. Gas prices for households and state-funded enterprises would increase up to $47.5 per 1,000 cubic meters and $71 per 1,000 cubic meters of gas, respectively. Meanwhile, the gas tariff for home-producing companies would rise to $78 per 1,000 cubic meters.

“The longer we wait to increase prices, the more painful it will be. ” – Viktor Skharskyy, Economic Adviser

In comparison, industry is charged in excess of $100 per 1,000 cubic meters of gas. Gas prices for households were last increased in 1999.

Currently, monthly electricity and gas bills paid by those who receive no privileges can be $20-30, or much high-

er, depending on consumption. The official average monthly salary in February stood at about $792, though many people in the government service are believed to be