



help make the reactors safer and more efficient.

Environmental issues are also very important and Canadians are exploring ways to assist Ukraine to clean the air, land, and water that had been heavily polluted under the previous system.

Other important areas that seem to bring out new projects on a weekly basis are agriculture, services and health care. If Canadians get involved with only a fraction of the possibilities in these three areas alone, the cooperation and benefit to both countries will extend well into the next century and at a level that will be very advantageous to Canada.

- *Do you believe that the size of Canada's trade with Ukraine can grow much higher?*

At the moment the actual trade is probably about \$8-10 million. Bilateral trade is all so new right now, that there's no way to gather accurate statistics in Ukraine. Whatever the specific volume of trade is, it's not very much. Part of the reason is, that Ukraine can't afford to buy products. Traditionally, Canadian industries, particularly the smaller businesses have a cash flow problem, so they like to go in, sell it and come out. Businesses in Ukraine who want to be successful are those willing to take time and develop their market so that they are able to receive a fair return on their investment, perhaps only in local currency, and are able to expand their segment of the market. In the meantime, they may need to stand on their own and find a way of financing their investment for the first 3,4 or 5 years.

I believe, that if everything goes peacefully, within 3-5 years we're going to see a real change in the way things are done in Ukraine. They're starting a country, they're starting a nation, they're doing everything at once. Many structures are not in place yet. The people will become comfortable with the currency. Businesses will find there'll be more of an opportunity to take their investment out. As it is now, you need to invest, and to look at the medium and long term projects. That's what Ukraine needs and wants, and that's why the joint venture is



Canada's Commercial Counsellor to Ukraine Dennis Goresky (left) meets with Oleksander Shandruk, First Secretary (Trade, Science and Technology).

such an important mechanism, because it assures Ukraine that businesses are there for the duration.

- *Have you been instructed by the Department of External Affairs to emphasize any particular sector? Do you feel any particular trade matters should be stressed?*

Do you have a plan for the next few years?

Yes, a plan was identified a while back. One of Canada's priorities is to ensure that there is a privatization of Ukrainian enterprises. Without privatization in place, a lot of international monetary groups, like the World Bank, that could help out with Ukraine's development, are way to get involved. These types of organizations are always looking to see that the weather vane is pointing in the right direction. As long as they're convinced that Ukraine is going along that line, even though there may be problems, you'll find more credits, more long term loans, and better interest rates on those loans.

It's extremely important for Ukraine to come up front with privatization. The same holds true with Russia, as with all of the states of the former Soviet Union. They all have to make these changes. Much like Hungary, the Czech Republic,

Poland, and perhaps Slovenia. But what you have to remember is that, except for Slovenia, all these countries have had their government structures in place. They have a bureaucracy, they have an economy. In the Ukrainian situation, you truly did not have an independent economy. You had a series of demand production areas that were tied into a central core that told enterprises what to produce and most often provided all the materials that were required for the enterprise to produce its product. When you took that top strata away, you didn't have an economy, but only a series of columns that were tied into enterprises in other countries and had no contact with suppliers even located next door. What remained were a series of columns that exist independent of the environment around them. They're now redoing everything. There has never been a change like this that I can think of. *Even when the colonial powers left Africa, they never left them in a situation as bad as this, each new state had at least a remnant of a government.*

The development of Ukraine in other ways is incredible and many companies find that this is the place to go. The number of educated engineers and technicians in Ukraine