



currently out of work is a real bonus to businessmen. Ukraine has a pool of human resources that's second to none in a lot of ways. They understand the importance of developing long-term goals and strategies. If everything goes well, this country is going to be consumers, producers and our competitors. But we don't have a fear about competing with them, because in the long run, it's going to be positive for both our countries.

But they're still looking at the directions they want to go. The weakest link is the one they're working on right now -- the political/government side, right down to establishing a trained bureaucracy. They never had these trained civil servants working for the benefit of the Ukrainian state and now with so few trained individuals there is a real shortage of competent neutral experts that remain in one are for a length of time. When Ukraine changed a Minister, they would make changes deeply into the Ministry, even to the Director level, and in so doing they could lose all their expertise. You may have been working for three years on a project, but if that Minister goes, you may have to start from scratch because there may not be a single person left who knows anything about that project. **It's not a process that happens anywhere else**, in a country that in other ways is so developed.

- *Do you feel Ukraine is getting sufficient help from the West? Is lack of funds the reason why Ukraine is looking back to its former partners and even further eastward?*

I think Ukraine is beginning to get more credits, but the situation is in limbo. There are problems everywhere in the G7 countries. It's not restricted to the countries of the former Soviet Union. The problem is not strictly credits. It's making commitments and following them through. With Ukraine getting the \$50 million line of credit from Canada and now repaying it, it's establishing its credit rating. I don't see any problems in Ukraine getting additional funds if it gets a handle on its economy and makes changes that the IMF and others have said need to be done.

The reason that Ukraine is now looking to Russia and its other historic neighbors is a

natural phenomenon. It's the same way that Canada couldn't exist without a relationship with the United States. Russia is the largest power in that area. It's the same way that Ukraine also needs a relationship with Germany, because Germany is a dynamic economic force in Europe. You can't exist without that kind of a relationship. It's surprising that people could even think that Ukraine could exist without these relationships with one another. The reason that the government of Ukraine has been signing new agreements with its neighbours is that many of its industries have come to a standstill. Because industries in countries such as Ukraine and Belarus had no relationship with other industries in their own territories, they want to re-establish these contacts with their previous working partners. Only now, these relationships are being established between sovereign nations. At this time, they want to get going again even if it means a retreat from where they were. Many in Ukraine oppose this move as they see it being a return to the old regime. It's their decision to make and except for helping their economy there is little we can do to influence this decision.

- *What progress has been made on trade agreements between Canada and Ukraine? What do you foresee in the near future?*

We are now in the process of finalizing the date when we will meet for what I hope will be the last negotiations on a general agreement. An investment agreement and other such commitments will not be far behind.

- *Is there any particular issue that you feel is critical?*

Privitization is still the key, as well as Ukraine getting control of its economy. If both issues are mastered there will be even more cooperation.

- *What do you foresee as your priorities?*

By sectors they are agriculture, health, environment, energy, and transportation. For my job it is to get out and do more market research and then match Canadian companies with opportunities in Ukraine.

- *Will you have enough staff and resources to tackle all these opportunities in Ukraine?*

Yes, I will have two locally engaged officers and two assistants to provide the necessary support. The Kyiv Embassy itself has 23 locally hired staff in addition to its 10 person Canadian complement. Our government understands the importance of hiring of experienced local staff in any country who know the ins-and-outs of policy, trade, culture, and other aspects of bilateral relations that no outsider could possibly have or be expected to grasp during his posting. I might add we are also expecting to increase this complement by one Canadian and 6 new locally engaged staff.

- *And finally ... a few parting words?*

As I said before, there are now small companies as well as large multinational corporations getting involved in Ukraine. We see small-scale joint ventures and large megaprojects. And yet we still see too much news originating from media stationed in Moscow, so that, even to this day, Ukraine finds herself in Russia's shadow in the west. Under these conditions, I think Canada's Ukrainian community is continuing to do a remarkable job in providing our politicians with the facts and opportunities in Ukraine. The *Ukraine-Canada Policy and Trade Monitor* will also go a long way to help provide information necessary for Canadians to do business with Ukraine and for Ukraine to do business in Canada.