



Ukraine through the reforms proposed by President Kuchma."

A Pygmalion tendency on Chrétien's part? Perhaps, but it is now up to Kuchma to convince his international audience that his performance on the world stage is both steady and believable.

Of course, through its actions, Canada has also served as a supportive friend to Ukraine. It was the first G-7 country to recognize Ukrainian sovereignty. It was also one of the first to lend Ukraine a financial helping hand.

To date, Canadian technical assistance projects in Ukraine have approached the \$90-million mark. Since February 1992, Canada has also offered Ukraine a \$70-million line of credit. Through the federal Renaissance Eastern Europe fund, the Canadian government has assisted 30 Canadian projects worth more than \$2-million, to help build business and investment opportunities in Ukraine.



*Kadima Group*

Several partnerships also exist between Canada and Ukraine, including a joint declaration on economic cooperation, another designed to help Ukraine deal with the IMF and the Organization for Economic Cooperation and Development, and still another offering favored nation status in the areas of trade and commerce.

That, however, is just Ottawa's contribution.

Canadian businesses -- as many as 100 national companies -- are active on Ukrainian soil. Although their profit margins are modest so far, the new market opportunities Ukraine offers Canadian entrepreneurs are too appealing to ignore.

"I have just come back from Ukraine, and I can tell you that there are many very positive things occurring there," explains André Potvin, a deputy director responsible for Ukraine in Foreign Affairs

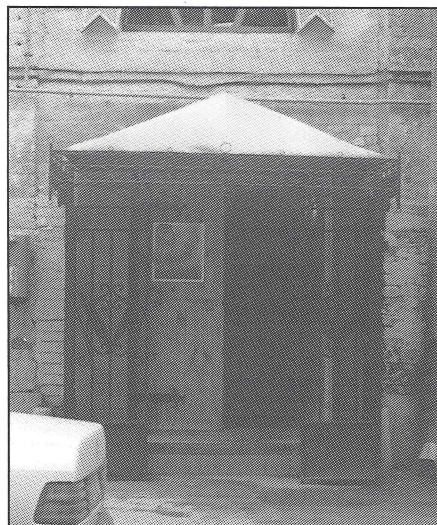
and International Trade's Bureau of Assistance for Central and Eastern Europe. "It was my fourth visit in two years, and things are improving."

Improving for Ukraine and for Canadian business ventures. For instance, a consortium of five provincial utilities, including B.C. Hydro, SaskPower, Manitoba Hydro, Ontario Hydro and Hydro Québec, have joined forces in an unprecedented move to become actively involved in Ukraine's energy sector. "I am very proud of what Canadians are doing there," says Potvin.

In terms of diversity, Canada's entrepreneurial presence in Ukraine is vast -- covering hydroelectricity, oil and construction, to name a few.

### Canadian-Ukrainian Joint Venture signs keep sprouting up all over Kyiv.

For example, Manitoba-based Central Canadian Structures Ltd., which includes building the Canadian embassy in Kyiv, dedicates a substantial portion of its construction business in offshore projects. Ukraine has been targeted, says company president Harry Giesbrecht, and is ripe for worthwhile investments.



*Pizza Vesuvio*

"The construction business for us is a lot more profitable there than it is in



*Tokido*

Canada," he explains. "If I want to compete for a project here, there will be 18 other companies bidding. Although we make a lower profit there, I don't have to compete."

The prospects work two ways: They help Ukrainians develop industry and help Canadian businesses develop their foreign markets. Oil and gas are two prime examples.

Ed Zaderayko, a former geologist turned financial analyst in Calgary, is involved in a project to kick-start the 160 oil wells in Lelyakov, situated about 100 km east of Kyiv. Over the past two decades, oil exploration from the region has dropped by 110 wells. However, through his project, run by Uk-Ran Oil Corp., Ukraine could dramatically cut its oil imports -- which currently stand at 90 per cent of oil consumption in the country.

Says Zaderayko: "Ukrainians use about one million barrels of oil a day. But they only produce about 100,000 barrels daily."

Calgary-based Tenerex, in partnership with Britain's JPX, is meanwhile pumping 10 million cubic feet of gas and 3,000 barrels of oil daily from the Poltava region. The average oil company in Alberta only generates about 30 barrels a day.

Other energy-related joint ventures in Ukraine offer similar ground-breaking possibilities in Ukraine.

Toronto-based Northland Power is currently developing a heat-and-power project for the Kyiv suburb, Darnytsia, worth more than \$100-million. Northland president Jim Temerty explains that the plans are to modernize the existing, 50-year-old plant in the region