



international community in discussions with the G-7, the North Atlantic Treaty Organization (NATO), and international financial institutions such as the World Bank and the European Bank for Reconstruction and Development (EBRD).

At the NATO Summit in Brussels in January 1994, Prime Minister Chretien urged Canada's partners to focus on Ukraine's strategic importance. At this spring's meeting of the EBRD, the Canadian delegation pushed the Bank to be more active in Ukraine. Canada particularly noted the urgent need to support small business.

In March, Mr. Ouellet visited Ukraine to show Canada's strong political support at the time of its crucial first multi-party elections since independence. During his visit, he announced an \$11.5-million assistance package. One project is helping the rehabilitation of the Dnipro River. A second provides training to Ukrainian physicians, while a third allows provision of emergency medical supplies, including vaccines. Mr. Ouellet also announced a \$15-million package of Canadian assistance to support nuclear dismantlement and enhanced nuclear safety.

Regional Stability

Canada recognizes Ukraine's real security interests and has advocated co-operation between Ukraine, its neighbours and NATO to achieve security for all. In a letter to Ukrainian Foreign Minister Anatoliy Zlenko in June on the issue of Crimea, Mr. Ouellet wrote: "Canada strongly supports Ukraine's independence, sovereignty and territorial integrity. A stable and secure Ukraine is essential to European stability and a key factor in global security."

Canada encouraged and supported Ukraine's membership in the Conference on Security and Co-operation in Europe, the North Atlantic Co-operation Council and NATO's Partnership for Peace (PFP) program. Canada has offered Ukraine assistance in officer training to allow the Ukrainian military to reap the full benefits of PFP.

On February 4, 1994, Mr. Ouellet welcomed the unconditional ratification by the Ukrainian parliament of the Strategic Arms Reduction Talks (START 1) Treaty and the Lisbon

Protocol, which committed Ukraine to accede to the Non-Proliferation Treaty (NPT) as a non-nuclear weapons state. Canada looks forward to the implementation of this commitment by Ukraine's new president and parliament.

As a non-nuclear weapons state, Canada is limited in the assistance it can provide for the dismantlement of missiles and warheads. However, Canada has offered its expertise to help Ukraine cope with the safety and environmental consequences of its Soviet nuclear inheritance.

Trade And Investment

In July 1992, Canada and Ukraine signed a Joint Declaration of Economic Co-operation. Many Ukrainian products now benefit from general preferential tariff treatment as they enter Canada.

Total trade between Canada and Ukraine stood at over \$44 million in 1993. A Canada-Ukraine agreement on trade and commerce was signed by Mr. Ouellet in March 1994, during his visit to Kyiv. In the agreement, the two countries extend most-favoured-nation status to each other. It also establishes a framework of General Agreement of Tariffs and Trade (GATT)-compatible rules for the conduct of trade and commercial relations between the two countries. Leading Canadian exports include cheque forms and banknotes; textiles, clothing, yarn and footwear; purebred breeding cattle; pharmaceuticals; and computers and components. Leading imports from Ukraine included textiles, clothing and footwear; petroleum oils and other oils; steel products; and metals.

"It's very rare that you can come with experts who speak the language of the country that you want to help. And in Canada we're probably one of the few who can do that in Ukraine."

*Prime Minister Jean Chrétien.
Naples press conference, July 9, 1994.*

The Renaissance Eastern Europe program, administered by the Department of Foreign Affairs and International Trade, has financed 34 trade development initiatives between

the Canadian private-sector and Ukrainian partners.

Canada extended to Ukraine and Export Development Corporation \$50-million line of credit, which has been fully utilized.

Canadian companies are taking advantage of the new opportunities developing in the Ukrainian market by establishing joint ventures or investing directly. Joint ventures have been established with a large Ukrainian research institution to develop methanol and related technologies, and with Ukrainian producers to produce beverages in Lviv and market them throughout Ukraine. Other Canadian companies are working on the rehabilitation of Ukrainian thermal power plants, and a satellite communications station has been opened. As well, Canadian companies are exploring, among others, opportunities in oil and gas; food processing; and light manufacturing.

Canadian Assistance

Canada's assistance to Ukraine includes technical, humanitarian, and nuclear safety components. To date, Canada has committed over \$52 million in assistance to Ukraine, of which more than \$23 million has been disbursed. More than 60 projects are under way or completed in Ukraine.

Established in July 1991, the program is designed to support the transition to a market-based economy, promote democratic development and increase Canadian trade and investment links with Ukraine. Priorities for the program are democratic development and good governance, private sector development, health, environment, and agriculture.

Assistance funds are used as a catalyst; matching contributions from recipient organizations and from Ukraine have produced a program substantially larger than Canadian government funding alone could sustain. The program has drawn on the tremendous goodwill and experience of Canadians, especially those of Ukrainian origin. So far, almost 200 volunteers have worked in Ukraine for periods of six weeks to six months, adapting Canadian skills to Ukrainian realities.