



UKRAINE-CANADA

Policy and Trade Monitor



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УКРАЇНА-КАНАДА

May-June 1993

A Digest on Ukraine-Canada Relations

UKRAINE: A NATURAL PARTNER FOR CANADA



UKRAINE'S AMBASSADORS MEET THE PRIME MINISTER IN KYIV

(See page 2 for identifications.)

GUIDE TO DOING BUSINESS IN UKRAINE

The Monitor begins an information section for Canadian companies and individuals planning to do business in Ukraine. The materials have been prepared by the Toronto firm **Smith, Lyons, Torrance, Stevenson & Mayer**, which has extensive experience in dealing with Ukraine. Since 1988, the firm has participated in trade missions and official government delegations, including missions with the Prime Minister, Secretary of State for External Affairs and the Minister of International Trade. The firm is a member of the Canada/Ukraine Business Council and works closely with Ukrainian enterprises and the Ukrainian Chamber of Commerce. **(See page 16)**

SUPPLEMENT: 1993 CANADIAN TECHNICAL ASSISTANCE PROGRAM FOR UKRAINE

External Affairs and International Trade Canada, May 15, 1993

A Supplement in this Monitor provides details of the 1993 Canadian government's program of the Bureau of Assistance on Central and Eastern Europe for technical assistance to Ukraine. The supplement details goals, sectoral focus and direction of pursuit to maximize the program's impact.

The 1993 program for Ukraine focuses on the priority sectors of government administration, agriculture, health, environment, financial systems, and law and justice. **(See Page 20)**

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**UKRAINE'S AMBASSADORS
IN KYIV APRIL 1, 1993**

Front Row (l-r):

1	R. Lubkiwsky	Czech Republic, Slovakia
2	A. Oliynyk	General Consulate, Chicago
3	O. Bilorus	United States
4	V. Kryzhanivsky	Russia
5	M. Makarevych	First Deputy Minister, Ministry of Foreign Affairs
6	Leonid Kuchma	Prime Minister of Ukraine
7	A. Zlenko	Minister of Foreign Affairs
8	H. Oudovenko	Poland
9	O. Sanduliak	Romania
10	A. Orel	Italy
11	Y. Kochubey	France
12	B. Komeyenko	Greece
13	V. Lipatov	Deputy Minister, Foreign Affairs
14	V. Baliuk	United Nations
15	L. Lukianenko	Canada
16	V. Vasylenko	Belgium, Luxembourg, Netherlands

Back rows (l-r):

17	V. Prymachenko	Chargé d'affaires, Yugoslavia
18	O. Makarenko	Deputy Minister, Foreign Affairs
19	K. Masyk	Finland, Sweden, Denmark and Norway
20	B. Tarasiuk	Deputy Minister, Foreign Affairs
21	V. Pliushko	People's Republic of China
22	O. Slipchenko	Switzerland
23	Y. Shcherbak	Israel
24	I. Turlansky	Turkey
25	M. Zhelba	Belarus
26	V. Chorniy	Dept. of Information, Ministry of Foreign Affairs
27	V. Vorobyov	Bulgaria
28	V. Boyko	Moldova
29	I. Piskovy	Germany
30	O. Maydan	Chargé d'affaires, Iran
31	Y. Kostenko	Austria
32	V. Nahaychuk	Egypt
33	A. Ponomarenko	Consul General, Munich (Germany)
34	A. Ozodovsky	Ambassador-at-large, Ministry of Foreign Affairs
35	S. Komisarenko	Great Britain

NUCLEAR ARMS IN UKRAINE: RELICS OF THE COLD WAR

by *Andrij Vesselovsky*
Minister Counsellor
Embassy of Ukraine in Canada

In the process of disintegration of the Soviet Union, particularly in the agreements reached in Minsk and Alma-Ata in 1991 and 1992, it was concluded that all republics, from Russia to Kazakhstan, become owners of all assets on their respective territories. Thus nuclear arms on our territory became the property of Ukraine. It took only a few days for the former ethnic province to become the third most powerful nuclear state in the world after the USA and Russia.

After the breakup of the Soviet Union, Ukraine was left with 130 SS-19 and 46 SS-24 multiple-warhead intercontinental missiles based on its territory. Ukraine has taken charge of a powerful destructive force. But this status has tempted neither Ukraine's political leaders, nor the population at large.

Even before the dissolution of the USSR, on July 16, 1991 Ukraine proclaimed the Declaration on the State Sovereignty which states that Ukraine will "strive towards a non-nuclear status". Ukraine reconfirmed its intentions in numerous official statements by the President, the Supreme Council (Parliament), the Government, and spokespersons for the Ministry of Foreign Affairs. On May 23, 1992 Ukraine signed the Lisbon Protocol, thus becoming a party to the START Treaty. Ukraine declared that it will become the first state which possesses nuclear weapons but does not wish to remain a nuclear state, and that it will remove nuclear weapons from its territory and will join the Nuclear Non-Proliferation Treaty (NPT) as a non-nuclear state.

The question is: Why is Ukraine subject to criticism on the nuclear question? Why are nuclear weapons still on its ter-

ritory? Why has Ukraine not yet ratified the START-1, has not yet signed the NPT Treaty? Unfortunately in the mass media, the subject of Ukraine's nuclear power is generally limited to an account of its nuclear missiles and to a confirmation that they remain in place. Yet, realistically, Ukraine on its own cannot legally, physically or economically remove the nuclear weapons from its soil.

Modern intercontinental rockets are complicated electronic, chemical and technical complexes. Their dismantling and destruction calls for specialized skills and requires substantial expenditures. As a country in an economic crisis Ukraine is not in a position to reassign the most qualified experts from other critical tasks, to allocate hundreds of millions of dollars to finance this operation, or to build special facilities needed for dismantling. For these reasons, taking into account their value, Ukraine has proposed the establishment of an International Nuclear Disarmament Fund which would ensure proper and efficient dismantling consistent with technical standards. The task, according to our estimates, is likely to cost the world about 1.5 billion dollars. It's a substantial amount. But then, if one compares it with the sum spent annually on such things as, say, Barbie dolls, which reportedly amounts to 25 billion dollars, then the amount becomes very modest. I would guess that the cost of all the paper used this past year to write about Ukraine's "bad record" in the area of nuclear disarmament must by now exceed 1.5 billion dollars!

These are only the technical and financial sides of the nuclear weapons problem, weapons that belong to Ukraine, are stationed on its territory, but are not subject to its operational control.



There is also a political side of the issue. Recognizing the dangerous dynamics of the present political processes in a close proximity to its borders, Ukraine would like to receive security guarantees. Taking into account that Ukraine has declined a nuclear state status, such guarantees should be provided by the nuclear states.

When insisting on security guarantees, Ukraine must bear in mind that its large nuclear neighbour, Russia, conducts a two-track policy with respect to Ukraine. In 1990, an agreement was signed between Ukraine and Russia which provided for a mutual recognition of state sovereignty and of territorial integrity. Nevertheless, both the Russian Parliament and prominent state and government leaders have repeatedly expressed unwarranted pretensions to take over Ukrainian cities, regions and even whole provinces. Both private persons and also official Russian mass media are systematically spreading among the general population a gospel of territorial expansion. That is why we are looking for clear and unequivocal assurances of Ukraine's security in the form of a document to be issued at the highest state level and containing recognition of Ukraine's sovereignty, territorial integrity, inviolability of our borders, a commitment to refrain from the use of force or the threat of force, to avoid political or economic pressure in bilateral relations. Generally speaking, none of these demands exceed the limits of the existing agreements and treaties or of the provisions of international law. Such a document could serve as a precedent for security guarantees of other countries that face a dilemma regarding the acquisition of their own nuclear weapons, as well as for those nuclear states which, following Ukraine's example, may decide to dispose of such weapons.

In case you are getting an impression that Ukraine is too particular at the time when global security problems are at a stake, let me point out that our attitude is based on a negative experience. Exactly a year ago, even before the signing of the Lisbon Protocol, on attempting to meet the wishes of the world community of nations Ukraine decided, as a gesture of goodwill, to remove from its territory to Russia all tactical nuclear weapons, that were its property. Ukraine, of course, expected to receive appropriate material compensation for the

warheads. In addition, as provided for in the agreement, Ukraine expected the Russian side to provide a tangible proof that these weapons have been deactivated and dismantled. No such evidence has been provided by Russia. Ukraine has not received a single cent in compensation, although the nuclear materials, assuming of course, that the weapons were indeed dismantled, are either being used on Russian nuclear power reactors or are being sold as a reactor fuel on the world market. As well, Ukrainian nuclear experts were denied access in order to verify the dismantling of the weapons. This alone, in my judgement, constitutes sufficient reason for a more demanding attitude with respect to strategic nuclear weapons.

Ukrainian authorities understand how high on today's agenda is the removal of nuclear arms from Ukraine, without which neither the implementation of the fundamental START-1 treaty nor further nuclear disarmament are possible. However, the citizens of Ukraine no longer are anxious to listen to the calls from the West or the East. Initially, their response was rather magnanimous. But, hurt because of its willingness to trust and disturbed by the aggressiveness of its neighbour, it now demands unequivocal guarantees for the future. Moreover, with each new demand to immediately hand over nuclear arms to Russia, the number of parliamentary deputies favouring retention of nuclear arms as the only guarantor of independence and security tends to increase. And this process is both justifiable and predictable.

In order to substantiate this thesis, let me quote a few lines from an article in the April 6th edition of the "New York Times" entitled "Clinton Pressing Ukraine on A-arms":

"In an effort to put pressure on Ukraine to give up the nuclear weapons left on its soil by the Soviet Union, the Clinton Administration has rebuffed Ukraine's request for a meeting between the Prime Minister and President Clinton or Vice President Al Gore.

But some specialists fear the move may send a signal that the Kyiv government is important to

Washington only to the extent that it is a nuclear power."

I will interrupt the quotation in order to note: it is a clear signal indeed, but not the first one of that kind given to Ukraine. I shall continue:

"Some experts said the rebuff was a mistake and would strengthen the stand of those Ukrainians who argue that Kyiv should hold on to the nuclear weapons. If they want to send a signal to the Ukrainians that they are isolated and nobody likes them and therefore they might want to think about how to defend themselves, this is a good way to do it."

In this connection I would like to share with you one of the latest news items from Kyiv, which cannot fail to raise attention:

A convention of the Union of Officers of Ukraine recently held its deliberations in Kyiv. This civic organization is very influential within the Armed Forces and carries a strong voice in the society as a whole. The convention voted almost unanimously to approve a resolution in favour of a nuclear status for Ukraine.

Let us now summarize the position of Ukraine at this stage. Ukraine is not a nuclear state since it does not have, and does not wish to possess operational control over the nuclear weapons that became its property following the collapse of the USSR. It would like to dispose of these nuclear weapons, in exchange for appropriate compensation of the dismantling costs, technical assistance and security guarantees from all nuclear states. Furthermore, as a signatory of the Lisbon Protocol and of the START Treaty, Ukraine is committed to take part in the control process of the destruction of nuclear weapons on its territory. And it intends to fulfil this obligation.



NEWS BRIEFS

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QUEBEC TRADE DELEGATION VISITS UKRAINE

May 8 - 16 ... A high level government business trade delegation, headed by Quebec's Minister of International Affairs Guy Rivard, recently completed a successful visit to Ukraine.

The visit had, among its goals, to provide an opportunity for members of the Quebec delegation to make contact with Ukrainian businessmen in their respective fields; to make Ukrainian businessmen aware of Quebec's areas of expertise and specialization; and to identify those sectors in which Ukraine and Quebec could potentially pursue further relationships.

Besides provincial government officials, the delegation included members of the Quebec-Ukraine Business Council, as well as representatives of such institutions as the University of Montréal and Les Hautes Études Commerciales. Official programs had been pre-arranged for the Quebec government officials and businessmen. As the following list indicates, the scheduled meeting covered a wide scope of interests:

- Ukrainian Concern of Medical and Biological Industry (UKRMEDBIOPROM)
- Institute of Public Administration and Centre of Privatization and Management
- Rukh Investment Bank
- Joint Stock Company "Ukrainian Stock Exchange"
- Antonov Aircraft
- International Renaissance Foundation
- Factory of Champagne and Wine Production
- KINTO Bank
- Institute of Pulmonology
- Rukh Economic Coordination Center
- Kyiv State University
- Concern of Broadcasting, Radio, and Television
- Ukraine-Canada Friendship Society
- International Management Institute

- NEOCOM'93 Exhibition
- Oncology-Medtechnik'93 Exhibition
- Ministry of Natural Environment of Ukraine
- Ministry of Agriculture and Food
- Ministry of Communication
- Ministry of Machine Building, Military Industrial Complex and Conversion
- Ministry of Industry
- Ministry of Transportation
- National Bank of Ukraine
- State Committee on Oil and Gas of Ukraine

As well, there were meetings with various Ministers and Ukrainian government officials, including the:

- Deputy Minister of Foreign Affairs of Ukraine;
- Deputy Head of the State Committee on Support of Small Business and Entrepreneurship
- Minister of Health of Ukraine, Mr. A. Spizhenko
- Minister of Education of Ukraine, Mr. Talanchuk
- Minister of Finance of Ukraine, Mr. Piatachenko
- Head of the Ukrainian Chamber of Commerce, Mr. Yanovsky
- President of Concern of Broadcasting, Radio, and Television, Mr. V. Yurchenko
- Minister of Foreign Economic Relations of Ukraine, Mr. Hertz.

At a special reception organized at the residence of the Canadian Ambassador to Ukraine, François Mathys, the Quebec delegation was able to meet with many Ukrainian officials on a more informal basis. Those present included Dmytro Pavlychko, Chairman of the Committee on Foreign Affairs; Yuriy Kostenko, Minister of Environmental Protection; Nikolai Starodub, Deputy Minister of Post and Telecommunications of Ukraine; Yuriy Bohayevsky, Chief of the USA and Canada Division of the Ministry of Foreign Affairs of Ukraine; and Oleksander Tarabuchin of the Ministry of Finance.

The delegation brought with them a series of concrete proposals, a number of which may be implemented following additional discussions with private and government organizations in Ukraine. Participants noted that this initial visit was fruitful for the Quebec-Ukraine Business Council and promises to bring closer ties between the two governments.

One immediate positive outcome is that a Quebec-Ukraine practical seminar is to be organized in Canada in the upcoming months as a follow-up to the Ukraine trip. ■

QUEBEC SOPROCOM

Among the Quebec delegates to Ukraine in May was Dr. Evhen Yakimiw of Environment Canada's Meteorological Center, who spoke at the Ukrainian Scientific Research Institute of Hydrometeorology. Dr. Yakimiw discussed the state-of-the-art of the research in model forecasting in Canada, which is a leader in environmental sciences. Dr. Yakimiw was representing the Quebec organization SOPROCOM (Société de Promotion des Communications avec l'Ukraine). He made many contacts to further the group's goal of promoting and coordinating relations and exchanges between Quebec, Canada and Ukraine. ■

UKRAINIAN BUSINESS FEDERATION PROGRAM FOR UKRAINE

by Jaroslav B. Kinach,
Program Manager

The Canadian government was the first western government to officially recognize Ukraine's independence and sovereignty. The Canadian government was also one of the first western governments to recognize Ukraine's urgent need to rebuild and establish a political and institutional framework which would enable the creation of



QUEBEC DELEGATION IN UKRAINE

Left to right: G. Lenko, Quebec-Ukraine Business Council; A. Bardoux, Quebec Ministry of International Affairs; François Mathys, Canada's Ambassador to Ukraine; Guy Rivard, Quebec Minister of International Affairs; T. Didus, Quebec-Ukraine Business Council; Marc Cadieux, Advisor to Quebec Ministry of International Affairs; E. Yakimiw, delegate for SOPROCOM. Background: Mariyinsky Palace, site of presidential functions, in Kyiv.

democratic institutions and development of a market economy.

Ottawa's response to these challenges was twofold. Export Development Corporation established a \$50 million line of credit for Ukraine, while External Affairs and International Trade Canada, through its Former Soviet Union Division, Bureau of Assistance for Central and Eastern Europe launched a series of technical assistance programs to provide help and expertise to the fledgling Ukrainian government and its institutions.

One of the first Technical Assistance Programs for Ukraine was a \$772,000 grant provided to the **Ukrainian Canadian Professional and Business Federation**. The goals of this grant are to provide consultants and advisors to Ukrainian ministries and government institutions; in addition, it provides for short-term, in-Canada training for up to 30 middle and senior level Ukrainian civil servants. The in-Canada training phase of this Program is intended to provide the Ukrainians with an overview of how the

Canadian government functions generally and, specifically to provide some insight into policy formulation and its implementation, in particular ministries and government agencies. Another key objective is to offer Ukrainians an opportunity of establishing a network of personal acquaintances which may be useful on a professional basis.

Since launching this program in spring 1992, the Federation placed 10 Canadians in Ukraine who are currently working as advisors and consultants at the National Bank of Ukraine, the Export-Import Bank of Ukraine, the Council of Advisors to the Parliament of Ukraine and the Ministry of Finance. In addition, this Program also funds the salaries of the Director and Administrative Assistant of the Institute of Public Administration and Local Government.

This Program is to be wrapped up substantially by the end of 1993. In the meantime, the Bureau for Central and Eastern Europe has established additional technical assistance programs which

focus on other specific areas such as agriculture, education, public administration and health in Ukraine. With the assistance of the Bureau, Canadians have an opportunity to provide financial and technical know-how to Ukraine and assist Ukraine in helping itself on the long and difficult path to democratic, social and economic reforms. *(See photo page 29.)*

(Mr. Kinach is a partner in Veles Consulting Corporation, a private firm with offices in Kyiv, Munich and Toronto, providing specialized services to companies dealing in Ukraine.)

IDRC PLANS ENVIRONMENTAL PROGRAM IN UKRAINE

The Canadian Government has agreed in principle to provide funds to the International Development Research Centre (IDRC) to develop an environmental rehabilitation program in Ukraine. The proposed program would be implemented by the Ukrainian research institutes with the cooperation of Canadian research institutions (including IDRC).

IDRC will be discussing with Ukrainian institutions an "Environmental Management Development Ukraine" project, focusing on water management in the Dniro (Dnieper) River Basin, covering seven oblasts (regions). It could support the creation of several environmental management centres (perhaps in Kyiv, Dnipropetrovsk and Kherson), a pilot project in GIS technology utilization and data collection through remote sensing. A second component of the program could support research on environmental management policy and water pollution control.

IDRC will be consulting and developing a detailed program with interested Ukrainian institutions. Selection of the mission participants and Ukrainian institutions is to be made at an upcoming Kyiv visit. An agreement in principle is expected to be reached on the appropriate institutions on the objectives, components of the program and proposed budget. Approval from the Canadian Government and IDRC



is to be reached in June, a cooperation agreement signed in July, and the project to start in July/August 1993.

BRISTOL-MYERS SEES POTENTIAL IN EASTERN EUROPE

Bristol-Myers Squibb Co. knows more than most about the potential pitfalls and rewards of developing pharmaceutical markets in the former East Bloc. And despite the risks, Joachim von Roy, Munich-based president of Bristol-Myers Squibb Pharmaceutical Group in Europe, stated the company intends to persevere with its strategy of developing markets in Eastern Europe. The pharmaceutical company uses what it calls the "five pillars" of pharmaceutical market development to assess how best to structure its activities in each country in the region. These pillars are evidence of political stability, low inflation, the existence of a social security reimbursement fund, an ability to guarantee intellectual property rights and to develop an extensive distribution system. Finance is also a key question because even though drug prices in east Europe are rising gradually from the artificially low prices of the Communist era, which even local producers said did not let them make a profit, they are still well short of Western levels. The challenge for Western firms is to find ways of introducing products in line with the ability to pay. Generally this has been through licensing agreements and local production. Von Roy said that, following the Chernobyl nuclear disaster, there continues to be an urgent need in Ukraine and Belarus for anti-cancer drugs at prices people could afford. Bristol-Myers is looking at local production as a means of supplying these drugs.

UKRAINE'S MULTIPLE SCLEROSIS SOCIETY: A SPECIAL APPEAL

The Multiple Sclerosis (M.S.) Society of Canada, British Columbia Division, has issued an appeal for donations in support of Ukrainian M.S. Society to attend the 1993 International Conference of the International Federation of Multiple Sclerosis Societies (I.F.M.S.S.) to be held in Vancouver, B.C.

Multiple Sclerosis is a disease of the nervous system. It usually strikes people in the prime of their lives. It affects sight, coordination, speech, memory and the ability to walk. The cause is unknown and there is no cure.

M.S. Societies are non-profit organizations, which depend largely on donations as well as volunteers. The I.F.M.S.S. consists of these societies from 35 countries. The I.F.M.S.S. hold annual International Conferences which allow the societies to send their scientists, researchers, doctors and M.S. personnel to meet together to discuss new ideas and programs.

Ukraine is currently an associate member of the I.F.M.S.S. The 1992 International Conference of the I.F.M.S.S. was held in London, England in September 1992. The financial plight of the Ukrainian M.S. Society was such that they could not afford to send a delegate to represent them at the Conference.

The 1993 International Conference will be held in Canada, in Vancouver B.C.. It is timed to end the world "YEAR OF M.S." and is being held in conjunction with the WORLD CONGRESS OF NEUROLOGISTS (who only meet very four years).

The dramatic political changes and economic conditions in Ukraine have made significant upheavals in the peoples' lives and social structures. It will be a hardship on the Ukrainian M.S. Society to continue functioning. Their limited financial resources will not allow them to send a delegate to the Conference without financial assistance. The cost of one delegate from Ukraine's M.S. Society will be approximately \$3,200. These funds must be raised by June 1993.

If Ukraine is to keep up to the level of research of the developed countries they must attend these conferences. Please forward donations to:

M.S. International Conference Assistance Fund for the Ukrainian Delegation
M.S. Society of Canada (B.C. Division)
205 - 6125 Sussex Avenue
Burnaby, B.C. (V5H 4G1)
ATTN. Halina Wrotniak

Income tax receipts available on request.

CANADA'S TRADE FACILITATION OFFICE VISITS UKRAINE

May ... At the beginning of May, representatives of the Trade Facilitation Office Canada (TFOC) visited Kyiv to establish contact with agencies concerned with assisting Ukraine's exports to Canada. TFOC is a non-profit company established and funded by the Canadian Government to assist exporters in selling to Canada. Recently, the program was extended to Central and Eastern Europe, under a funding agreement with the Canadian Department of External Affairs and International Trade. Ukraine is expected to become an active participant.

TFOC receives and distributes enquiries from exporters in the participating countries, who are attempting to establish contacts in Canada. TFOC also organizes training seminars and sales, or buying missions for exporters, and provides advice on adapting products to the Canadian market.

Any established exporter in Ukraine with at least one year experience in selling to countries, who thinks that his or her company could compete in the Canadian market, is invited to write to TFOC, at the following address:

Denise Parnell
Trade Enquiry Manager
Trade Facilitation Office Canada
500-56 Sparks St.
Ottawa, Ontario, Canada K1P 5A9.
FAX: (613) 233-7860



Enquiries should, preferably, be sent in either English or French.

The TFOC will discuss the product proposal with industry specialists, and advise the exporter whether it might find a market in Canada. If it requires adaptation (for example, changes in packaging or in specifications), the TFOC will provide limited advice on what might be required.

To provide this service, the TFOC requires detailed information on each product and the manufacturer. Enquiries should include complete product data and technical specifications, when applicable, as well as photographs and/or a small sample, a catalogue and prices, in Canadian or American dollars (fob a Canadian port, if possible).

TFOC will respond, through the Ukraine Embassy in Ottawa, with an application to register as an exporter. Once the product and company are accepted, the TFOC will either contact importers directly with the offer, or publish the enquiry in its quarterly trade magazine "FLASH", which is sent to over 2,500 Canadian importers.

The Executive Director of TFOC, Robert H. Gayner, recently visited Ukraine to announce the Program, and to meet with associations and government departments that are involved in assisting exporters. He described the Program activities that are planned for the coming months, in which Ukrainian exporters, and the Ottawa Embassy, will be eligible to participate. He also discussed means of promoting awareness of the Program amongst exporters in Ukraine.

It is expected that many exporters will seek TFOC assistance under this Program. One challenge will be to ensure that candidate companies have sufficient experience in exporting (for example, to neighbouring countries) to profit from this service. Also, Mr. Gayer pointed out that the products that they propose to Canadian importers are recommended by TFOC as being ready for that market. Therefore, they must be available in consistent quality, and in sufficient and continuing quantity to meet new orders, and the demands of this market.

The TFOC has influenced CDN \$180 million worth of imports to Canada from client countries over the past five years. From that business, Canadian importers report that they have saved CDN \$48 million in lower costs from their new suppliers. One point that this fact has highlighted is that price is a large reason for an importer to try a new source of products. However, Mr. Gayner also noted that price cannot be achieved by reducing quality, as the Canadian consumer is still very quality conscious.

Exporters (and importers interested in Ukraine's products) can contact the TFOC directly, or through the Ukraine-Canada Policy and Trade Centre, or the Ukraine Embassy, in Ottawa.

UKRAINE'S NEIGHBOUR POLAND RECEIVES CANADIAN LINE OF CREDIT

May 11 ... The Honourable Michael Wilson, Minister of Industry, Science and Technology and Minister for International Trade announced the establishment of a \$40 million, Capital Goods and Services Line of Credit for Poland, to be administered by the EDC (Export Development Corporation).

The line of credit will involve the redeployment of unused funds that Canada contributed to the Polish Stabilization Fund (PSF) in 1989.

"This is an opportunity for Canada to further our active program of assistance to Poland," Minister Wilson said, "and the line of credit will help create markets for Canadian exporters and investors in Poland."

The funding is primarily, but not exclusively, in support of the sale of equipment and services in the environmental, telecommunications, oil and gas, and agricultural sectors.

At the present time, Ukraine is benefiting from a \$50 million line of credit from EDC.

CANADIAN COMPANIES JOIN AGROTECH UKRAINE 93 SHOW

May ... A number of Canadian companies visited the international AGROTECH UKRAINE 93 show in Kyiv. They included: Pacific Dairy Centre Ltd. (Abbotsford, BC), Neumann Farms Ltd. (Mission, BC), Alberta Wheat Pool (Calgary, Alta.), Amity AG-Enterprises Inc. (Clyde, Alta.), A.R.S. Trucking and Welding Ltd. (Edmonton, Alta.), CanEd International Inc. (Calgary, Alta.), Cool Grain Inc. (Calgary, Alta.), Courtney Berg Industries Ltd. (Linden, Alta.), Flexahopper Plastics Ltd. (Lethbridge, Alta.), Heritage Foods Ltd. (Edmonton, Alta.), Laden Industries Equipment Inc. (Linden, Alta.), New Noble Services Ltd. (Nobleford, Alta.), Standen's Limited (Calgary, Alta.), Brandt Industries Ltd. (Regina Sask.), Sakundiak Equipment Ltd. (Regina, Sask.), Senstek Ltd. (Saskatoon, Sask.), Wecan Project Development Inc. (Humboldt, Sask.), Brett-Young Seeds Ltd. (Winnipeg, Man.), Canukr Development Corporation (Winnipeg, Man.), S.S. Johnson Ltd. (Arborg, Man.), Roberts, Sloane and Associates Inc. (Winnipeg, Man.), Simpson McGrath Inc. (Winnipeg, Man.), Western Combine Corporation (Guelph, Ont.).

Most companies had noted special interest in agricultural marketing opportunities in Ukraine. Officials from External Affairs should be contacted for details of this show and additional upcoming shows in Ukraine and other East European countries.

UKRAINIAN CURRENCY DISCUSSIONS HELD IN OTTAWA

May 18 - 28 ... A five-person delegation from the National Bank of Ukraine visited the Canadian Bank Note Company (CBN) in Ottawa. The NBUDelegation was headed by Mr. Alexander O. Veselowsky, the First Deputy Chairman of the Board. (For other delegates, see picture above). CBN has already com-



DELEGATES FROM THE NATIONAL BANK OF UKRAINE VISIT THE CANADIAN BANK NOTE COMPANY IN OTTAWA

From right to left: G. Hutton, Pres. Market Divisions (CBN); M. Hurinenko, Exec. Asst. to the Chairman (NBU); V. Krutov, Deputy Head, Bank Security Division (NBU); S. Arends, Corporate Secretary (CBN); O. Veselovsky, First Deputy Chairman of the Board of NBU; O. Honchar, Head of Contract/Agreement Division (NBU); D. Arends, President of Canadian Bank Note Company; V. Terpilo, Deputy Chairman (NBU); O. Nowakiwsky, Vice President (CBN); J. Woods, Special Projects (CBN).

pleted its printing of Ukraine's new currency, the hryvnia, but its introduction timetable is still with the government of Ukraine. During their stay in Ottawa, the delegates also had a meeting with the Export Development Corporation. CBN has also been printing many of the new Ukrainian stamps which have been circulating for some time now. These stamps are to finance themselves through sales to philatelists and the Ukrainian public beyond the borders of Ukraine. If this endeavour becomes successful, it will mean that Ukraine will get its stamps printed here in Canada at no cost.

AULT MILK IN UKRAINE

Extracted from "Moloda Halychyna" and "Dilo" magazines, May 1993.

While most Western businessmen are only now looking at Ukrainian enterprises, given the unsteady economic situation in the former Soviet Union, the governments of some developed countries have taken the initiative. The Canadian Department of External Affairs and International Trade has committed \$1.2 million to finance project "VESELKA". The aim of the project is to help raise the level of Ukrainian milk to world standards.

The main contractor of "VESELKA" is **Ault Foods Limited Corporation**, the largest Canadian milk processing company. It has its enterprises in many coun-

tries and is a world-famous milk processing company. Ault Foods has 1,500 employees working in 21 plants located not just in Canada, but also in Mexico, Ireland and Egypt. It supplies its products to 35 countries.

The firm plans to focus on quality improvement and increasing the range of products made in the dairies. So, for example, they propose to improve the quality and packaging of milk and cheese in order for them to have a longer shelf-life before spoiling. Special attention is being paid to plastic packing techniques.

The work has started with a program of technical assistance, cooperation and equipment (\$600,000) which will be supplied to Ukrainian dairies free of charge. The equipment is to be installed at the Lviv Dairy and the Buchach cheese plant (in the Ternopil region of Western Ukraine), the main partners in the project. These were considered to be the most suitable to introduce the new western technology. The Buchach cheese plant has for a long time been known as a producer of a high-quality cheese and has export experience supplying cheese to Cuba.

In addition to Ault Foods, a Canadian firm called "Glopak Inc." will help with packaging, and a Ukrainian-Canadian joint venture "STU Ltd." will assist a firm in Rivno in making the plastic. The Lviv firm "Trident Consulting" is responsible for coordinating the administration of the "VESELKA" project in Ukraine, along with the Canadian Embassy in Kyiv.

Special attention is being paid to packaging and maximizing of capacity. In packaging, for instance, the project will enable Ukrainians to switch from bottles to Canadian plastic containers, which will cut costs tenfold, and are ecologically safe and recyclable. New equipment at the Lviv dairy will allow the dairy to process the milk more efficiently and use what is now wasted. For example, they will be able to make and market such products as whey, casein and lactose. Ault Foods is helping to pay expenses for equipment and salaries of its employees and to invest part of their income into local agriculture development.

If it is successful, the "VESELKA" project



could become a model for the reconstruction of the Ukrainian milk industry. The project is expected to end in Lviv and Buchach in May of 1994.

GRANT MacEWAN COMMUNITY COLLEGE IN KYIV

What is the Grant MacEwan Community College Kyiv Office?

The recent independence of Ukraine has provided new opportunities for development initiatives. Grant MacEwan Community College's (GMCC) reputation in international programming, particularly with its involvement in Ukraine, has prompted many organizations to request GMCC's assistance and advice with their ventures in Ukraine. In response to these requests, Grant MacEwan Community College of Edmonton, Alberta opened its first overseas office in Kyiv, Ukraine in September 1992. The office is administered by the college's International Education Centre (IEC) in conjunction with GMCC's Ukrainian Resource and Development Centre (URDC).

By combining the resources of IEC's skill in administering international projects and URDC's experience gained from its various projects in Ukraine (most notably the Canada-Ukraine Farmers' Exchange and the Agricultural Curriculum Development Project), GMCC's Kyiv Office is able to provide a wide range of services efficiently and effectively for clients from government, business and education sectors.

What services does the GMCC - Kyiv Office provide?

Both the Canadian business community and the government sector have shown a growing interest in doing business with Ukraine. GMCC's Kyiv Office is well-placed to assist in this process. The Kyiv Office:

- provides educational and office support service to western organizations;
- develops working relationships with educational institutions in Ukraine, particularly

within the college (tekhnikum) system;

- maintains regular contact with key ministries in Ukraine;

- serves as an information conduit to assist Canada in policy development vis-a-vis Ukraine;

- assists Canadian business
- assists Canadian businesses in developing and conducting their commercial ventures in Ukraine, and in training their local staff.

Direct services include:

- conducting customized research studies and market analyses;
- translation services (written and oral);
- secretarial services;
- arranging hotel accommodations and transportation.

Where is the Kyiv Office situated?

The Kyiv Office is centrally located in downtown Kyiv. The address is:

10 Lenin Street, Apt. 52
 Kyiv, Ukraine 250021
 Telephone (011-7-044) 228-2939
 Fax (011-7-044) 225-6836

GMCC International Experience

Grant MacEwan Community College (GMCC) has been actively involved in international education endeavours since the early 80's. In 1987, it established an International Education Centre responsible for researching, developing and coordinating international activities both at home and abroad. To date activities, such as technical assistance and program delivery, have been undertaken in over twenty different countries. This worldwide network includes Singapore, Thailand, Hong Kong and Uganda.

For further information, please contact:
 Dr. Roman Petryshyn, Director
 Ukrainian Resource and Development
 Centre

Telephone: (403) 483-4474
 Fax: (403) 483-4433

HUMAN RESOURCE DEVELOPMENT PROGRAM

A major component of the "Partners in Progress" federal initiative being managed by the Canadian Bureau for International Education is the **Human Resource Development Program (HRD program)**. The HRD program provides financial assistance for Canadians interested in assisting with the reform process in Ukraine, Russia, Kazakhstan, the Baltics and other countries of Central and Eastern Europe and the former Soviet Union. Approximately 100 short-term placements are to be awarded.

The mandate of the HRD program is to promote human resource development in key sectors of the host society. Applicants are required to propose projects or work attachments that have been developed in consultation with a partner or organization in the host country. The HRD program emphasizes support for practical development projects and direct people-to-people contact through the placement of Canadian volunteers.

To receive funding through the HRD program, applicants are asked to develop their own practical development or work-attachment project proposal which would bring them to the host country for a 2-6 month period. The proposal should be designed with a focus on using the skills and interests of the applicant and meeting a need of the proposed host country. All proposed projects must provide a practical, tangible service to the host country.

The HRD program does not fund scientific/academic research, scholarships, or exchanges. Proposed projects should be designed, in general, to support economic development and to promote a stable transition to democracy and to market-based economies within the region. The program draws upon the professional skills, linguistic capabilities and cultural understanding of Canadians, particularly those who trace their roots to the region.

Eligibility criteria for participants:

- applicants must be either Canadian citizens or have landed immigrant status;



- have a minimum of five years of professional work experience, including two years of direct experience relevant to the proposal;
- be familiar with the relevant specialty area in the host country;
- have support for the project proposal from a partner or organization in the host country;
- possess knowledge of the political, economic and social-cultural environment in the host country;
- possess adequate proficiency in the language of the selected host country;
- participate in a pre-departure training/briefing session; and
- have a strategy for publicizing their project after returning to Canada.

Funding assistance includes return airfare (up to \$3,500), equipment or materials required for the project (up to \$2,000), and local costs (up to \$2,000). Most in-country expenses are assumed by the partner organization through cash and/or in-kind contributions.

Additional information and application forms can be obtained from:

The Canadian Bureau for International Education
85 Albert Street, Suite 1400
Ottawa, Ontario, Canada K1P 6A4
Tel: (613) 237-7442
FAX: (613) 233-2937

OTHER "PARTNERS IN PROGRESS" COMPONENTS

Information on the other three components of the "Partners in Progress" initiative of the Task Force on Central and Eastern Europe (also managed by the CBIE) are available from:

Partners in Health Program (for Ukraine and Russia)
170 Laurier Avenue West, Suite 902
Ottawa, Ontario, Canada K1P 5V5
Tel: (613) 230-2654
FAX: (613) 230-8401

Partners in Public Management (for Ukraine and Russia)
150 Eglinton Avenue East, Suite 302
Toronto, Ontario, Canada M4P 1E8
Tel: (416) 932-3666

FAX: (416) 932-3667

Partners in Agri-Food Program (for Ukraine and Russia), Agricultural Institute of Canada

Canadian Federation of Agriculture
151 Slater Street, Suite 907
Ottawa, Ontario, Canada K1P 5H4
Tel: (613) 232-9459
FAX: (613) 594-5190

NISSAN-MOTORS EXHIBITION SALE LAUNCHED

April 26 ... For the first time in Ukraine, an exhibition-sale of automobiles by the Japanese manufacturing company "Nissan-Motors" was launched in the Industrial-Trade Pavilion of Ukraine. Here, the newest models of passenger cars and trucks are exhibited, designed uniquely for the European consumer.

"We organized this exhibition with one goal in mind - to direct the attention of Ukrainian businesses to our production", stated the deputy director of the European chain firm, Kenneth Winning.

The Japanese Charge d'Affaires to Ukraine, Tatsuhiko Kassai has underlined, that recently, Japanese businesses began to show a growing interest towards Ukraine. "Nissan" looks forward not only to exporting its products to Ukraine, in the future, but it also plans to establish its production in Ukraine and, as well, to invest in the development of Ukraine's automobile industry. The company opened a representative office in Kyiv.

UKRAINIAN PARLIAMENTARY INTERNS IN OTTAWA

Six university students from Ukraine have commenced Parliamentary internships with Canadian Members of Parliament

through a program sponsored by the Chair of Ukrainian Studies Foundation in Toronto. The Canada-Ukraine Parliamentary Internship Program is designed to acquaint university students from Ukraine with the Canadian parliamentary system, while providing them with an opportunity to gain first-hand knowledge of the direct roles played by various political, social, judicial, bureaucratic and economic institutions within Canada.

The interns were placed with Members of Parliament David Walker, Scott Thorkelson, John Nunziata, Larry Schneider, David Kilgour and Jim Peterson.

The Ukrainian students will spend four weeks working in the House of Commons followed by three weeks in the Member's constituency office, where they will gain valuable work experience and a broader knowledge of Canada's legislative and decision-making processes.

UKRAINE RETURNS GERMAN TREASURES

May 4 ... Prime Minister Leonid Kuchma met with German President Richard von Weizaecker and other federal officials in Bonn and returned to Germany cultural treasures taken by the Soviet Union during World War II, the Frankfurter Allgemeine Zeitung reported. Kuchma is at the head of a Ukrainian delegation visiting Germany in connection with the May 5th "Days of Ukraine" in Bavaria. According to the newspaper, Kuchma was also laying the groundwork for Chancellor Helmut Kohl's planned visit to Kyiv in June.



UKRAINE'S STUDENT INTERNS VISIT WITH AMBASSADOR

Standing (l-r): Ihor Barydn, Director of the Canadian Ukrainian Studies Foundation, Alexander Hevel, Lesya Barydn (Program coordinator), Ambassador Levko Lukianenko, Tania Oliyryk, Olexander Shandruk (Embassy First Secretary - Trade, Science and Technology), Vadym Samilenko
Sitting (l-r): Lesia Kopin, Tamara Kolesnikova and Luba Gribkova.

UKRAINE AND INTERNATIONAL TELECOMMUNICATIONS

May 11 - 13 ... The newest equipment and elaborations of the leading ukrainian and foreign communications firms were the centre of attention of the participants in "NEOKOM-93" Conference and Exhibition. The Conference was organized by the US firm "NEOKOM" and the University of Kyiv. Among the participants were specialists of the international company "American Telephone and Telegraph", the European Space Agency, the German firm "Siemens", associations of government corporations specializing in communications technology, "Ukrtelecom", and the firm "Vector". Addressing the participants was the Minister of Communications, Oleh Prozhyvsky, who stressed that, at present, the issues were not solely limited to developments in the new communication technologies, but also in the formation of contracts with foreign firms. Three recently established joint ventures proved that investing in this area is profitable.

For example, the firm "Utell", formed by Ukrainian, American, Dutch, and German businessmen, already began fulfilling orders in 12 intercity telephone stations in the cities of Ukraine.

The exhibition "NEOKOM-93", organized by the European Space Agency, included the leading firms of Europe, North America, the CIS and the Ukrainian Ministry of Communication. Its aim was the development of communications in the central and Eastern Europe. Modern communications technology was demonstrated, such as the system of information transfer via satellite, method and technology of establishing telephone systems in rural areas, and other modern means of telecommunication.

UKRAINE TO HELP IRAN'S COAL INDUSTRY

May 6 ... Ukraine will upgrade Iran's coal industry and help in other mining project-sunder an agreement signed in Teheran.

The deal, signed by visiting Ukrainian Deputy Prime Minister in charge of energy Yuli Yoffe and Iranian Mines and Metals Minister Mohammad Hussein Mahloujchi, also covered shipment via Ukraine of Russian iron ore to Iran, and Iranian oil exports to Ukraine. Iran is to sell four million tonnes of oil to Ukraine this year under a contract signed in February. Iran said in March it was extending a \$30 million line of credit to help finance the deal.

FRANCE TO HELP UKRAINE BUILD NUCLEAR PLANTS

May 7 ... France will help Ukraine build new nuclear power stations if Ukraine decides to continue construction of plants, a senior French official stated. "If the Ukrainian government can persuade society that their nuclear power stations are safe, we are ready to help Ukraine build new stations and close old ones," said Claude Villan, head of an Interministerial Mission on Cooperation with Central and Eastern Europe. The Ukrainian parliament banned construction of new power stations after the world's worst nuclear accident at Chernobyl seven years ago. But last month the government asked Parliament to lift the moratorium because of a deep energy crisis in the country. Ukraine's five nuclear power stations produce 30% of all electricity in the country. Villan said that France had already helped Ukraine in modernizing its nuclear power industry. France had given 100 million francs as technical aid to Ukraine to teach nuclear power specialists and local authorities.

GERMANY INTERESTED IN UKRAINE'S TANKER FLEET PROJECT

Meetings of a German delegation of financiers with the President of Ukraine in Kyiv have produced a commitment from



the German Bank "Vidbudova" to assist Ukraine with the financing of its tanker fleet.

"The principal goal of our visit to Kyiv," said Bank director Hans Reich, "is to gather information on everything pertaining to the building of a tanker fleet in Ukraine. We have also studied the possibilities of investment in this vast field, the state of relations with firms which will have direct involvement in realization of the project, and many other issues. It became clear to us that the creation of a tanker fleet is imperative to your young country. It is equally understood, that without the participation of foreign firms in the construction of tankers, as well as in supervision of the program, the likelihood of success is minimal, as a result of the difficult economic situation facing your country today."

Mr. Reich remarked that talks with the President of Ukraine, Leonid Kravchuk, evoked optimism and interest in the directors of the bank, to carry out the tanker fleet project in Ukraine.

UKRAINE - MEMBER OF SPACE AGENCIES

April ... At the end of 1992, which was assigned as the Year of Space by the United Nations, the international community concluded that an organization to coordinate international cooperation in the field of space directly was necessary and inevitable. Such an organization was established and its constitutive assembly took place in Rome in April.

Among the 30 participants represented by 22 countries at this assembly was a Ukrainian delegation from NKAU, the National Space Agency of Ukraine. NKAU became a member of this organization, equal to the American, French, and other European agencies. During the forum, representatives of the member countries expressed an interest in the achievements of Ukrainian scientists, in

the specialists in field of space and in their prospective projects. As well, the foreign partner expressed an interest and readiness in collaboration.

UKRAINIAN EXPOBANK

The Kyiv Commercial Bank *Credit Financial Union* has opened EXPOBANK, an import-export bank with currency accounts in: DRESDEN BANK (Frankfurt/Main, Germany), VIENNA BANK GIROZENTRALE (Vienna, Austria), BERLINER BANK (Berlin, Germany), BANQUE NATIONALE DE PARIS (Paris, France) and the BANK FOR AGRICULTURAL CREDIT (Sofia, Bulgaria).

EXPOBANK plans, the near future, to start correspondent relations and to open currency accounts in Canada, USA, Hungary, Japan, Australia, Poland and other countries.

In accordance with its Statutes, EXPOBANK has the right to credit the Ukrainian and foreign currencies to a foreign account and in the form of bank deposits from Ukrainian and foreign natural and legal persons and organizations. EXPOBANK has the right to set up the current accounts types "A", "B" and "D".

- type "A" - current accounts and deposits in a foreign currency from which a free currency export and transfer abroad are allowed;
- types "B" and "D" - current accounts and deposits in a foreign currency to which a partial limitation of a currency export and transfer abroad is applied.

Additional Information on EXPOBANK can be obtained by writing to:

State Export-Import Bank
(EXPOBANK)
8 Kreschatik St.
KYIV, Ukraine
Tel: 216-09-10, 216-16-76
FAX: 216-60-73.

CHAMBERS OF COMMERCE TO AUTHENTICATE "MADE IN UKRAINE"

April 3 ... The Ukrainian Ministry of Foreign Economic Relations has informed the Canadian Ministry of External Affairs and International Trade of its decision to delegate authority to the Chambers of Commerce and Industry of Ukraine and its regional branches to confirm and issue "MADE IN UKRAINE" certificates of origin of goods from Ukrainian enterprises. The decision, taken April 3, 1993, means that Canadian firms can request, through Canadian customs, the verification of certificate of origin of any Ukrainian firm directly through these organizations.

A up-to-date list of names and addresses of the organizations that have been authorized to-date by the Ukrainian government to acknowledge and sign Certificates of origin for goods from Ukraine can be obtained from the *Ukraine-Canada Policy and Trade Centre*.

ASSESSMENT OF MEDICAL EFFECTS OF CHORNOBYL

Ministry of Health of Ukraine

Seven Years after the Chornobyl Incident

One of the major ecological catastrophes of modern time — the accident at the Chornobyl nuclear power plant — has led to radioactive contamination of vast territories in Ukraine and serious medical consequences.

The scale of the catastrophe considerably exceeded initial prognosis and assessment. Besides land territories, the water reservoirs of the Dnipro river basin have been contaminated. The highest radioactive releases continue to be found in the populated area because of internal irradiation.

A consequence of the recognition that Chornobyl was a national Ukrainian catastrophe was the tabling of a new law: "On



the status and social protection of citizens who suffered as a result of the Chornobyl catastrophe."

As a result of this law, whose purpose is the enforcement of state sanitarian inspection in the field of radiation hygiene, 97 radiological subdivisions of the sanitarian and epidemiological service have been established, in addition to the existing 27. Today, all 124 radiological departments of sanitarian and epidemiological stations (SEs) are fully equipped with staff and modern, highly sensitive equipment for radiation control. These are capable of conducting complex dosimetric, radiometric and spectrometric investigations of environmental samples and foodstuffs. Dosimetric centres are functioning at 581 regional SEs on "clean" areas.

In 1992, within the framework of radiation control alone, 9,000 samples of potable water from different water supply sources and 162,000 samples of food raw material and foodstuffs were investigated. Dosimetric data has been prepared for 60,000 milk samples and 30,000 samples of locally-produced potatoes. On this basis, radiation levels and annual doses (both internal and external irradiation) were calculated for the populations of approximately 6,000 towns and villages of Ukraine (1993).

Four categories can be distinguished within the affected population requiring priority medical treatment:

CATEGORY I:

190 persons who suffered from acute radiation syndrome and 15,000 persons who lost working capability as a result of diseases connected with the Chornobyl catastrophe: This group can be extended to include more than 35,000 adults and about 1,500 children for whom a causal connection of diseases with the Chornobyl accident can be established (March 1, 1993).

CATEGORY II:

Individuals requiring specific medical care: These are persons who took a

direct part in the immediate containment of the Chornobyl consequences. This group includes more than 2,000 persons exposed to irradiation doses of 25 mSv (250 rem), 130,000 evacuees and relocated inhabitants.

CATEGORY III:

Children with thyroid gland irradiation: Results of dosimetric analyses in the Chernihiv oblast (east of Chornobyl) indicate that up to 1.5 million children from Chernihiv, Kyiv, Zhytomir, Rivno oblast and the city of Kyiv can be included in this group.

CATEGORY IV:

The inhabitants of the territories in the zone of enhanced radiological control: According to changes incorporated into the "Law on the Status of Victims", the main criteria for being included into this category is exposure to irradiation dosage of 5 Msv (50 rem) established on the basis of dosimetric analyses.

One of the primary goals of the Ukrainian Health Ministry in the context of Chornobyl problems is the establishment of the State National Registry of Chornobyl Victims as a single system of registration, reconstruction of dose loading and medical and sanitization support for victims. The concept and statute for the registry have been developed. The registry will combine the local (district), regional and national sub-systems into a three-tiered system. Information from each of the sub-systems will be integrated through an electronic mail network.

Today, the Ukrainian Registry of Victims includes data on about 374,607 persons. The Military Medical Registry includes 36,000 persons.

The data bank of the victims registry encompasses the results of 100,000 direct measurements of thyroid irradiation doses in 1986, 40,000 reconstructed irradiation doses, about 200,000 measurements of incorporated radioactive cesium, 150,000 radio-immune investigations, and up to 1 million hematological investiga-

BENEFIT CONCERT FOR THE CHILD VICTIMS OF CHORNOBYL

Ottawa is hosting a benefit concert for the victims of Chornobyl on Tuesday, June 15, 1993, at 8:00 pm at the Knox Presbyterian Church, 120 Lisgar. The concert, under the Honorary Patronage of His Excellency the Right Honourable Ramon Hnatyshyn, Governor General of Canada, is being organized by the CAN-TATA Singers of Ottawa under musical director Laurence Ewashko.

tions. According to the Law on the Status of Victims (July 1, 1992), measures are being undertaken to enter the data on all victims into the Registry. **The number of Chornobyl victims today is 3 million, which does not include a considerable number affected within the city of Kyiv.** Measures are currently being undertaken to have all victims, including those in Kyiv, undergo medical examinations.

Following 7 years of observations, investigators found that the dynamics of the health status of victims is characterized by deterioration in general health. In 1987-88, 47% of adults and 53% of children were considered to be healthy. At present, these statistics have significantly worsened: 28-32% of adults and 27-31% of children are considered to be healthy.

In dispensary registration, there are 2.6 million persons, including 570,000 children living mostly in Kyiv, Zhitomir, Rivno, Chernihiv, and Volyn oblast. Some 5,721 children live in zones of compulsory relocation. In 1993, in the Polisskoye and Norodichi districts, 558 neonates (newborn) have been registered; these can be considered to belong to the same group as those irradiated in utero.

During 1992, about 1 million persons living on territories of enhanced radioactive ecological control were registered. Among the Chornobyl liquidation workers, 28.6% were considered to be healthy (33.8% in 1991), and among Chornobyl evacuees - 27.5% (28.7% in 1991).



With respect to morbidity, the highest incidence is respiratory organ pathology, followed by diseases of the cardiovascular system and anaemia, chronic tonsillitis, and congenital anomaly of the cardiovascular system.

The adaptative potential resistance to disease of exposed children is declining, with the result that a Chernobyl syndrome of a frequently sick child is becoming established.

Pathologically, dysfunction of children's thyroids are of particular importance. The incidence of thyroid disorders in children is increasing. Before 1986, 4-5 cases of thyroid cancer were registered annually in Ukraine; by 1990, this number had increased to 25 cases. In 1992, in clinics of the Ukrainian research Institute for Endocrinology and Metabolism, 33 children were operated on because of thyroid cancer.

The appearance of cancer can have a lag time of 10 - 20 years. It is therefore expected that the incidence of thyroid cancer in children will continue to rise since the peak will only be reached sometime in the future. The appearance of extra cases of hypothyroidism and autoimmune thyroiditis is anticipated. It is not by chance that the "Thyroid" section is recognized as one of the most important in the International Medical Chernobyl Program.

A vast network of medical establishments for the treatment of victims has been organized. Ten dispensaries for population radiation protection, clinics of the Ukrainian Research Centre for Radiation Medicine, and a number of specialized departments and hospitals are functioning in this regard. Additional scientific support for diagnostics, prophylaxis and treatment is available from 24 research institutions.

GUIDE FOR OBTAINING VISAS TO UKRAINE

Consular Section, Embassy of Ukraine

Ukraine's Embassy in Canada has provided the following guidelines for obtaining a visa to Ukraine. These guidelines conform to the rules established by Western countries and are in effect as of April 1, 1993.

All visas are being issued only by consular offices of Ukraine abroad. Transit and short-term (not exceeding 72 hours) visas may still be issued exclusively in cases of emergency at selected border control posts. The issuance of transit and short-term visas is based on the following conditions: a serious health problem or a death of a relative, participation in disaster relief operations and other urgent needs, as well as the absence of consular offices of Ukraine in the home country of applicants.

Unless otherwise specified, entry visas do not establish employment authorization in Ukraine.

Visas are not required for citizens of countries that have mutual agreements with Ukraine regarding non-visa entry.

TO OBTAIN A VISA

Applicants for Ukrainian visas must:

- present a passport (valid through the entire period of the stay);
- submit a completed and signed visa application form;
- submit one passport-size photograph;
- submit an invitation or tourist voucher;
- pay the fee in the exact amount.

Applicants are also asked to send a self-addressed courier envelope (with exact address and not Box No.)

FEES

- Regular consular fee for private and business visa processing is \$50.00;
- Consular fee for tourist groups (if a group consists of 10-30 persons and all of them travel as a single group) is \$40.00 per person;
- Visa fee for an individual tourist is \$50.00;
- Multiple entry visa fee (only for business purposes and valid for six months) is \$150.00.

Visa applications and the above-mentioned documents are to be submitted at least two weeks prior to applicant's departure date. *Fees will double in the case of a rush visa (that is, if the applicants requests that it be issued within 48 hours).*

Method of payment: money order, corporate or personal cheques (made payable to the Embassy of Ukraine), or cash.

BUSINESS VISA

Application for this type of visa should be accompanied by a letter of invitation from a registered Ukrainian organization or business partner.

TOURIST VISA

The basis for obtaining this type of visa may be a voucher (hotel accommodations) and a letter from a travel agency.

PRIVATE VISITOR'S VISA

An official invitation from a private party made through local organs of the Internal Affairs Ministry of Ukraine is required.

TRANSIT VISA

This type of visa is issued for the period of time required to travel across the territory of Ukraine and only if there is a visa, ticket, or other document to a third country that will confirm the transitory nature of the travel. It does not authorize applicant's stay in Ukraine.

MULTIPLE ENTRY VISA

Such visas are being issued by consular posts of Ukraine in foreign lands to interested parties upon receiving endorsement from Kyiv. This type of visa is valid for six months.

If necessary, visitors may be asked to present round-trip tickets, sufficient funds for the entire period of stay, and/or an affidavit from the inviting person or organization concerned.

All foreign citizens arriving in Ukraine should duly register their documents at the hotel, or the organ of visa registration within their area of residence and in a timely manner.

Applicants residing in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Northwest Territories and Yukon, except the National Capital Area, should apply to:

Consulate General of Ukraine in Toronto
2120 Bloor Street W., Toronto, Ont. M6S 1M8
Telephone: (416) 763-3114 or (416) 763-3115.
FAX: (416) 763-2323

Applicants from the provinces of Quebec, Prince Edward Island, New Brunswick, Nova Scotia, Newfoundland and the National Capital Area should apply to:

Embassy of Ukraine, Consular Section
331 Metcalfe Street, Ottawa, Ont. K2P 1S3
Tel: (613) 230-2961 or (613) 230-8015
FAX: (613) 230-2655 or (613) 230-2400



CANADIAN AMBASSADOR TO UKRAINE TO ATTEND UCPBF CONVENTION

June 30 - July 3 ... His Excellency François Mathys, Canadian Ambassador to Ukraine in Kyiv, is scheduled to participate at the Ukrainian Canadian Professional and Business Federation Convention, which is entitled **Ukraine: The New World Agenda**, from June 30 - July 3, in Winnipeg, Manitoba. The next issue of the *Monitor* will provide extensive coverage of this important gathering of Ukrainian Canadian business and professional leaders.

MORE THAN ONE MILLION UKRAINIAN CANADIANS

In the 1986 census, Ukrainian Canadians numbered 961,315. According to the recently released 1991 census, Ukrainians now number 1,054,295, an increase of 9.7%. These figures include both single origin and multiple origin Canadians. The breakdown by provinces is as follows:

Newfoundland	640
P.E.I.	565
Nova Scotia	6,920
New Brunswick	2,445
Quebec	23,825
Ontario	275,435
Manitoba	165,955
Saskatchewan	131,105
Alberta	266,220
British Columbia	177,915
Yukon	1,635
N.W.T.	1,625

There were increases in the number of Ukrainian Canadians in every province and territory in Canada. The largest gains were in British Columbia and Alberta.

The counts in some Canadian cities are as follows:

Edmonton	121,300
Winnipeg	105,890
Toronto	91,480
Vancouver	78,970
Calgary	52,365
Saskatoon	31,590
Regina	24,115
Hamilton	22,745
Montreal	19,930

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THE LEADERS IN CONCURRENT SOFTWARE



GUIDE TO DOING BUSINESS WITH UKRAINE

Smith, Lyons, Torrance, Stevenson & Mayer
April 1993

This guide presents a general summary of the current legislative framework of Ukraine. Given the progress of reform in the various sectors, legal advice should be obtained before entering into any specific transactions.

THE BUSINESS CLIMATE IN UKRAINE

by Bohdan Onyshchuk

Ukraine has come a long way since the Declaration of Independence in August, 1991, confirmed by a national referendum in December, 1991. In less than two years, it has become one of the more interesting places for Western investment with one of the most liberal and attractive investment regimes in Eastern Europe.

Ukraine represented some 2.7% of the land area of the FSU (former Soviet Union), but contained some 16% of the population base and, more importantly, some 25% - 30% of the G.D.P. of the FSU. It is the second largest country in Europe by land mass, and the third largest by population - just behind France - with a nation of some 52 million, and its own cultural and linguistic heritage of over 1,500 years.

It has a substantial natural resource base (including large deposits of coal, iron, graphite, manganese, phosphorus, gold, amber, titanium - zirconium), and a very large heavy industrial base (with over 40% of the total rolled steel of the FSU, and huge railway, shipbuilding, aircraft, and machine complexes). It possesses one of the largest aerospace industries in the world, with an aerospace sector larger than that of France - a sector that was responsible for the entire Soyuz space programme for over 25 years with over 440 launches. It also has a very large agricultural sector, with some of the best agricultural lands in the world.

Since independence, it has attempted to re-orient itself towards Europe, and to a Western base economy — not without many fits and starts along the way. However, in the areas of law and invest-

ment legislation, it has made quite substantial progress, to the point that the basics for a business climate for investment are virtually in place at the present time, and Western business is beginning to move in with investments in a meaningful way.

In less than two years, Ukraine's Parliament has passed over eighty major pieces of legislation. Some of the important ones are:

- a Banking Law
- a Foreign Investment Law
- a Protection of Foreign Investment Law
- a Securities Law
- a Law on Stock Exchanges
- a Whole Series of Taxation Statutes and The Regime of Personal and Corporate Laws, Value Added Taxes, Duties and Customs
- Four Corporate Laws
- a Land Law (allowing long term lease ownership)
- a Law on Mortgages and Pledges
- a Law on Private Farming
- an Anti-Monopoly Law
- Three Privatization Laws and an entire Privatization Programme now being carried out
- a Bankruptcy Law
- Currency Exchange Controls
- an Environmental Protection Law.

Parliament is presently working on a whole raft of additional draft laws, including:

- an Intellectual Property Law, and
- an Insurance Law

Some of the more interesting aspects of the above laws are the following:

The Law on Foreign Investment is one of the most liberal and attractive in all of Eastern Europe. Foreign investment can

be 100% Western-owned, but the most attractive feature is that most Ukrainian-Western mixed companies are entitled to a five year tax free holiday after first profits, and then a tax rate of 50% of the normal corporate taxes applicable in Ukraine for a subsequent 10 year period. The law also guarantees the right to the return of one's investment in the currency in which it was invested in the country.

Ukraine has acceded to, and honours, the Canada-USSR Foreign Investment Protection Treaty, as a successor state of the FSU. It has signed a series of new bi-lateral FIPA's with a number of states, most recently Great Britain, and a Canada/Ukraine Agreement is in the works. Under the agreements, basic guarantees against expropriation are provided, with additional provisions for compensation.

Similarly, Ukraine honours a series of tax treaties against double taxation entered into by the FSU, and is in the process of replacing these treaties with new bi-lateral agreements. Between Canada and Ukraine, the agreement provides for 15% withholding tax on dividends and interest, and 10% on royalties. However, the tax treaties with Great Britain, Austria and Cyprus provide for 5% withholding tax, an important consideration for many tax structured transactions.

In the area of Banks and Banking, at last count over 130 banks were registered and operating in Ukraine, most of them large ones. Over 30 of them are licensed to carry on foreign currency operations. The number of foreign Western banks that have opened representative offices in Kyiv is increasing substantially; the main Western banks presently operating in Kyiv (and some of the other major centres) are: the Deutsche Bank, Credit Suisse, Credit Lyonnais, National Westminster Bank, Dresdner Bank, the



Landesbank, the ABN-Amro Bank and Internationale Nederlanden.

Through the series of Corporate Statutes passed, Ukraine permits the whole breadth of Western corporate vehicles, including joint ventures, limited partnerships, partnerships, limited liability companies, and joint stock companies, both open and closed. The general corporate level of income tax in Ukraine is 30%, with a 15% tax on dividends, interest and capital gains. Western companies can also do business in Ukraine through representative offices in the country, which however need to be registered with the Ministry of Foreign Economic Relations or the Ukrainian Chamber of Commerce and Industry.

The Privatization Laws in Ukraine were passed in April, 1992 - before Russia passed its own laws - but then became stalled because of the inaction of the Fokin Government. Since the installation of the Kuchma government, the programme has been restarted and has moved forward vigorously under the dynamic leadership of Mr. Victor Pynzenyk, the Deputy Prime Minister for Economic Reform. The laws are based on the Czech voucher system, and a number of private auctions had already been held in Lviv and Odessa in February 1993, as pilot projects with the involvement and the initiative of the O.F.C. Now major auctions are being organized across the country in most major cities, and the Government is proceeding with a very ambitious privatization programme for many of the medium size state industries. Most state industries are in the process of being "corporatized," so that in time their shares can be sold at auction or through the stock exchanges. Morgan Grenfell, the I.F.C., and the E.B.R.D. are advising the country on its privatization programme.

One of the most interesting pieces of legislation is the Law on Pledges, passed October 2, 1992. No similar law yet exists in Russia or anywhere else in the C.I.S. It is a mortgage law, which allows the pledge of security for debts and investments - with both a chattel mortgage (called a "zaklad") and a regular mortgage (whether of a land lease, a right to use land, or buildings and immoveables - called a "hypothecca"). The law also per-

mits a floating charge on inventories and on goods in production. This law, together with the Land Law (which at the present time only permits the leasing of land) are the genesis for project financing and investment for Ukraine's further economic development. Although the mortgage law is very young and not very well developed, it is being followed up by a land registry system, and if official rumours are to be believed, by a law on private ownership of land. Ukraine's Parliament passed a resolution in January, 1992, approving the concept of the private ownership of land, and instructing the then Cabinet of Vitold Fokin to bring forward a law on private property ownership. The government of the day ignored that instruction; it is now supposedly under active consideration by the current government of Leonid Kuchma. If that law comes forward, Ukraine will have out-distanced Russia and the other C.I.S. republics in its transformation to a Western-based market system.

Two final pieces of information are important to round out the investment climate in Ukraine. The first is that at the Second Annual Meeting of the European Bank for Reconstruction and Reconstruction in London on April 26th, Ukraine was given a permanent seat on the Board of Directors of the EBRD. They now have their own permanent director and staff at the Bank, and will be responsible for a "constituency" at the Bank, including countries like Romania, Moldova and Georgia. The Bank is extremely interested in a whole host of infrastructure for private companies and businesses. The Bank will also establish a S.M.F. fund for Ukraine, Russia, and some of the other C.I.S. republics, to encourage small and medium enterprise creation and investment.

Secondly, Ukraine and the I.M.F. have been working very steadily and quietly behind the scenes to establish a structural transformation facility for Ukraine, in parallel with the facility being created for Russia as part of the recently announced \$43 billion G-7 package. The negotiations and discussions over this facility, and a broader stand-by credit arrangement are being worked on in parallel with I.M.F. missions in both Kyiv and Moscow operating to try to complete the documentation for the first phase of a facility by early June. Despite both the indiscriminate money printing and

credit emission policies of the previous Fokin Government, and ongoing running battles by the new Government with the farm and factory manager groups in Parliament, the new Government has clearly understood that the key to economic success and a stabilized currency is a strong central control of monetary policy and credit emission. That is also now clearly understood by Parliament and the National Bank of Ukraine, both of whom as of April 15th agreed to support the tough credit policy of the new Government. As a result, the drop in the exchange rate of the karbovanetz has been halted. If the Government is able to hold the line, the first tranche of the I.M.F. transformation facility, expected by later this summer, will permit the Government to move forward with monetary reform and the introduction of its new currency, the hryvnia.

Ukraine still has a long way to go. But it is open for business, and is looking for Western investment, particularly from Canada. I am asked at least once on every business trip: "Why are there not more of you Canadians interested in investing here?" The look of puzzlement is always sincere —because they think that we Canadians walk on water. We were the first Western country to recognize their independence; we have a large Ukrainian speaking community in Canada; but most importantly, we have a terrific international reputation as honest brokers — unlike the Americans, the Germans or the French. These are advantages that we should exploit while the window of opportunity is still open.

Ukraine is a new country on the map of Europe with virtually boundless opportunities, if they play their cards right. Canada, and Canadian businessmen, can be a part of that future if we see and seize the opportunity available to us, for the mutual benefit of both countries.

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UKRAINE'S FOREIGN INVESTMENT POLICY AND LEGISLATION

by B.S. Onyschuk (Q.C.), Myron B. Dzulynsky and Mark Y. Kowalsky

INVESTMENT INFRASTRUCTURE AND CLIMATE

A. Foreign Investment Policy/Legislation

Ukraine has taken decisive steps in an attempt to attract foreign investment, including signing protocols of economic cooperation with most Western nations and guaranteeing the protection of all foreign investment from nationalization or wrongful expropriation.

For instance, Canada signed a Foreign Investment Protection Agreement with the USSR in November 1991. Ukraine, as a successor state has agreed to accede and to honour the agreement, thereby extending the guarantees of Ukraine to private and public investors. In addition, the *Law on Foreign Investment*, passed March 13, 1992 guarantees foreign investment against nationalization or confiscation.

The pieces of legislation of utmost importance to Western companies seeking to do business in Ukraine are the *Law on Foreign Economic Activities*, dated April 16, 1992 and the *Law on Foreign Investment*. The *Law on Foreign Economic Activities* explicitly permits all foreign business enterprises to engage in every type of business activity in Ukraine, other than those prohibited by law. The *Law on Foreign Investment* governs the establishment of foreign business interests in Ukraine and goes further by offering certain economic benefits to foreign investors. The Law also guarantees that the ability to receive a return on foreign investment will not be removed by subsequent legislation.

Specifically, the *Law on Foreign Investment* provides incentives for both domestic and foreign participants in business ventures involving foreign investment in the form of tax relief. To qualify for

these foreign investment benefits, the foreign participant must invest more than 20% of the share capital of a new business entity, or make an investment of at least U.S. \$100,000. This investment should be made to the Charter or "Statutniy" Fund. One of the examples of the tax relief offered by the law involves tax holidays for joint Western-Ukrainian trading companies for a period of two or three years from first profit, with a subsequent tax reduction of 30% of the taxes that would otherwise be applicable to that specific activity. All other business entities with the qualifying foreign investment listed above receive a five year tax holiday from first profit, after which time the applicable tax rate is reduced by 50% for a subsequent period of ten years. Furthermore, goods required for the production or manufacture of products are exempt from import duties for a period of five years from first profit. For instance, foreign investment in the form of equipment or machinery imported from western sources would be exempt from import duties.

The Law guarantees the foreign investment benefits that existed at the time of registration of the foreign investment vehicles, thereby providing stability in this element of investment planning.

It is important that all foreign investment be registered with the Ministry of Finance and Ministry of Foreign Economic Relations to ensure exemption from the payment of any applicable duties. Should investment be undertaken over a lengthy period of time, it is strongly suggested that a comprehensive registration of the entire package of foreign investment be undertaken early in the establishment of the new business entity, so as to avoid the need of registering each individual component of the planned foreign investment. This would assist in avoiding any potential adverse changes to the foreign investment legislation that may occur in the future which may not provide such exemptions from the payment of duties.

Wholly-owned subsidiaries of foreign companies enjoy reduced tax exemptions which are limited to the amount of foreign capital invested in the subsidiary.

Western investors should plan their

investment and business ventures in Ukraine in such a way so as to facilitate the repatriation of profits. Several mechanisms are available to accomplish this goal in the current legal regime and proper consideration should be given in choosing the vehicle appropriate for any one particular circumstance. Profits earned by business entities in Ukraine with foreign investment may be repatriated by the foreign investor after the payment of a 15% withholding tax.

All foreign investment tax benefits are protected even should the foreign investment legislation be amended in the future. Ukraine is presently working on draft amendments to the *Law on Foreign Investment* which contemplate a reduction of tax holidays and exemptions for future foreign investors. All business entities involving foreign investment which are registered prior to the passage of any amending legislation would enjoy the benefits found in the *Law on Foreign Investment* for at least a ten year period.

B. Banks and Banking

The current banking system, which was established pursuant to the *Law on Banks and Banking Activities* (passed March 20, 1991) consists of a Central Bank, the National Bank of Ukraine ("National Bank"), and commercial banks.

The National Bank has overall responsibility for forming and carrying out monetary, credit, and current circulation policies, as well as supervising the commercial banks. It is specifically forbidden to finance the state budget deficit; however the National Bank does service the state debt and performs operations connected with government borrowings. Moreover, it can act as guarantor of state debts if so requested by the Government. Although it is distinct and can generally act independently, it takes formal instruction from the Parliament, to whom the Chairman of the Bank reports.

Pursuant to the *Law on Banks and Banking Activity*, both the National Bank and commercial banks are required to keep customers' transactions, accounts, and deposits confidential, subject to exceptions as required by law.



Commercial banks may be formed by persons or entities upon the approval of, and proper registration with the National Bank. They must take the form of joint-stock companies with no single shareholder holding more than 35% of shares. There are no restrictions on the nationality or residence status of shareholders.

Foreign banks that wish to conduct banking business in Ukraine but do not want direct involvement with a Ukrainian bank may also do so through wholly owned branches and representative offices. Any foreign bank wishing to establish a presence in Ukraine must apply to receive approval from the National Bank and the Ministry of Foreign Economic Relations. At the present time, there are only a few foreign banks who have set up representative offices only. These include the

Deutsche Bank, Credit Suisse, Credit Lyonnais, National Westminster Bank, Dresdner Bank, the Landesbank, the ABN - Amro Bank, and Internationale Nederlanden.

In theory, commercial banks play a role similar to that of Western banks, including the taking of deposits, maintaining accounts, extending credit, effecting transactions with foreign exchange, trading in precious metals, and providing consulting services. They are specifically precluded from participating in manufacturing, trading in commodities and insurance (with the exception of credit, currency and interest risk insurance). In practice, however, due to bureaucratic procedure, currency control legislation, and lack of banking experience, the type of banking services to which Western investors are accustomed are not yet in place.

In addition to Ukrainian state banks that have taken over the assets of FSU (former Soviet Union) banks, there are over 130 banks registered, with over 30 of them licensed to carry on foreign currency operations. The largest banks in Ukraine are: The Ukraina Bank (the old AgroPromBank), the Prominvest Bank (the old Promstroy Bank), the Oschad Bank (Savings Bank), and the Export-Import Bank of Ukraine (which has taken over the functions of the former Vnesheconombank).

The authors are with law firm of Smith, Lyons, Torrance, Stevenson & Mayer.

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Mark Y. Kowalsky will be the resident Canadian lawyer, supported by a team of local Ukrainian counsel. Bohdan S. Onyschuk, based in our Toronto office, is the partner in charge.

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SUPPLEMENT: 1993 CANADIAN GOVERNMENT TECHNICAL ASSISTANCE PROGRAM FOR UKRAINE

*External Affairs and International Trade Canada
May 15, 1993*

EXECUTIVE SUMMARY

Canada's program of technical assistance for Ukraine, announced at the London G-7 Summit in July of 1991, is coordinated and administered by the Bureau of Assistance for Central and Eastern Europe. Prime Minister Mulroney announced an expansion of the program in June 1992. The 3-year \$30 million program is now into its second year of operation. It is designed to promote democracy, support the transition to a market-based economy and increase Canadian trade and investment links with the region.

The 1993 program for Ukraine in 1993 focuses on the priority sectors of government administration, agriculture, health, environment, financial systems, and law and justice. Emphasis is also placed on promoting the special bond between Canada and Ukraine and the establishment of people-to-people mechanisms to assist with the further development of both government administration and the Ukrainian private sector.

Goal

to deepen the existing special political and economic links between Canada and Ukraine by supporting democratic development and the transition to a market-based economy.

Sectoral Focus

- development of a more efficient and market-based agriculture system
- support for the development of the government administration
- support for reform of the health sector
- democratic development and support for establishment of a modern legal and judicial system
- development of the financial system

with particular emphasis on central banking and credit unions

- strengthening of environmental management capacity
- support for the international Science and Technology Centre in Kyiv
- promotion of trade and investment through the Renaissance Eastern Europe Program

The Bureau of Assistance is maximizing its impact by pursuing a number of directions in 1993.

- I. Development of new activities in the **agriculture** sector in 1993 builds on and complements the large scale projects mounted in 1992. Assistance will be channelled toward grain storage and distribution, upgrading of agri-food processing technologies, establishment of marketing infrastructure and curriculum development.
- II. **Government administration**, the Bureau will focus efforts on increasing the level of Canadian activity in the provision of policy advice and strengthening the training of Ukrainian public servants.
- III. The **health** sector is once again a priority for the Bureau. Activities in 1993 will focus on assisting in the reform of the health sector, supporting the development of health administration programs, supporting the establishment of a regulatory control authority for vaccines and other biological products and health promotion.
- IV. **Democratic development** also continues to be important for the Bureau in its 1993 program. The priority for the 1993 program is developing initiatives to support the establishment of a modern legal and judicial system. Projects will focus on areas of

legal reform, drafting of civil code and legal and judicial education.

- V. Development of the **financial system**, currently in the nascent stage, will also be a priority for the Bureau in 1993. Priority projects will include a large development project in banking and cooperatives, and specific training in the financial sector.

- VI. Strengthening of **environmental management** capacity building with particular focus on the establishment of regional environmental management centres.

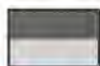
The Bureau will also provide significant funding to the **International Science and Technology Centre**, to assist Canadian projects which deal with defence conversion.

The Renaissance Eastern Europe program will this year continue to capitalize on the opportunities in **trade and investment**, particularly in increasing the number of Canadian joint ventures in Ukraine, in a variety of sectors, particularly technology transfer licensing, and sales of machinery in non-agricultural fields.

I. AGRICULTURE

1. **Agriculture Curriculum Development, Grant MacEwan Community College**
22 November 1991 to 31 January 1993

This project provided funding for the development of an agricultural curriculum for educational institutions in Ukraine. The main objectives were: to train the instructors in curriculum and course development and assist them in developing a model for training technicians and managers. The project developed the



concept of community college self-government, infrastructure, administration, and the ethics of student admission/evaluation practices with Ukrainian institutions.

Grant MacEwan College managed the project with six Ukrainian institutions under the auspices of the Ukrainian Ministry of Agriculture: (1) Vyshniavskii Radhosp Technical School (Radhosp indicates that a teaching State Farm is part of the school) in Lviv Oblast; (2) Zalishchuchkii Radhosp Technical School in Ternopil Oblast; (3) Kakhovskii Radhosp Technical School in Kherson Oblast; (4) Donetsk Radhosp Technical School in Donetsk Oblast; (5) Poltava Radhosp Technical School in Poltava Oblast, and (6) Crimea Radhosp Technical School in the Crimean ASSR. The schools from Lviv, Poltava and Donetsk are agricultural and accounting schools, and those from Kherson, Crimea and Ternopil are fruit and vegetable production, mechanization and agricultural economics schools.

Three project managers (one Canadian/two Ukrainians) were selected to oversee the program's development phase. Six Canadian faculty and instructional designers were sent to Ukraine for one month to form an industry-based advisory committee, develop a curriculum outline and conduct an industry review. The Canadian faculty returned for one month to review the completed curriculum and courses, and selected 24 students for each institution, with involvement of Ukrainian educational authorities. The second phase of the project involved the actual delivery of the courses by both Ukrainian and Canadian instructors for one semester.

**2. Dairy Farm Management, Extension and Veterinary Training Project
International Livestock Management Schools (ILMS)
18 October 1991 to 31 March 1993**

This project provided funding for training twenty Ukrainian dairy farm management and extension specialists and ten veterinarians, to contribute to the re-development of family farms and the restructuring

of livestock production systems in Ukraine. The main objective of this project was to integrate production with the processing and marketing components of the livestock industry. The Ukrainians were trained at the ILMS facilities in Ontario and British Columbia. Follow-up training by Canadian specialists took place at the Central Animal Breeding Enterprise in Pereyaslav-Khmelnytsky (Kyiv Oblast), in Ukraine.

While in Canada, twenty farm managers/extension specialists were trained in the principles of Canadian dairy technology and livestock management for a period of eight weeks. The Ukrainian veterinarians were trained in Canada in preventative health principles and practices for a period of six weeks.

Additional training was undertaken in Ukraine by Canadian specialists with the view to effectively transfer skills, knowledge and attitudes. Two hundred seventy management/extension specialists and 144 reproduction and herd health veterinarians were trained at the Central Animal Breeding Enterprise. They were instructed by two Canadian specialists and assisted by the top graduates of the in-Canada phase of this program.

**3. Agri-Food Consortium Feasibility Project
Canada-USSR Business Council
17 February 1992 to 31 December 1992**

This project provided funding for a feasibility study which would determine the viability of establishing fully integrated agri-food enterprises in Ukraine that will foster on-going commercial relationships for Canadian firms. The Canada-Ukraine Business Council managed the consortium, undertaking a total of ten trips to Ukraine to identify potential business allies. The first initiatives of this consortium have been in Kyiv and Nikolaev Oblasts, in Ukraine. This project was designed to determine the feasibility of such ventures while providing training to the foreign partner in how to conduct feasibility studies on their own and to more readily understand the merits of the final enterprise proposal/business plan.

**4. Torrens Land Registry System Project
UMA Engineering Ltd.
24 September 1992 to 01 March 1993**

This project provides funding for the preparation of a detailed scoping, sequence and work plan to introduce the Torrens Land Title Registry System in the Ivano Frankivsk Oblast, in Ukraine. The project will host a five member Ukrainian team to show them Alberta's survey, conveyancing and Land Titles System. A Ukrainian/Canadian team (including eight Canadians) will travel to Ukraine for two months to prepare a detailed work plan for the project.

UMA Engineering Ltd. will undertake the project with technical assistance from the government of Alberta and the Department of Energy, Mines and Resources.

The first phase of the project will determine: the adequacy of existing mechanisms for conducting surveys and define opportunities for automation; outline requirements for the establishment of a Land Registry System, including legislative and administrative details; opportunities for training and technology transfer; a recommended public information and education program. Subsequent phases will seek to implement the Torrens System for all of Western Ukraine and ultimately on a national scale.

II. GOVERNMENT ADMINISTRATION

**1. Policy Advisors
Ukrainian Canadian Professional and Business Federation
09 March 1992 to 01 September 1993**

This project provides funding for ten Canadian experts, acting as advisors to Ukrainian Ministries for a period of one year. Based in Kyiv, Canadian experts are working directly with policy makers in the following areas: Council of Advisors; Ministry of Finance; the National Bank of Ukraine; the Export Import Bank; the



Ministry of Communications; and the Institute of Public Administration.

A complimentary objective of this project is to develop short-term internships of four weeks in duration for 30 promising Ukrainian government officials at appropriate Canadian government departments or private sector firms. The first group of eight to ten participants will come to Canada in June 1993. These training programs will provide Ukrainian officials with first-hand experience in policy/program formulation and implementation.

2. Institute of Public Administration and Local Government (IPALG), Canadian Bureau for International Education, March 1, 1993 - August 1995

This project provides funding to assist the Institute of Public Administration and Local Government in Kyiv in becoming a self-sustaining institution in the development, management and delivery of professional training programs in public administration. The Institute, established by Presidential decree, represents a key institution which will serve as a catalyst for the growth of a professional public service in Ukraine. The purpose of the project is to strengthen the newly established Institute, both its institutional leadership and its educational curriculum and training programs to all levels of the Ukrainian government.

The project consists of the following main components:

- the appointment of three Canadian experts in administration and policy analysis to support the senior management of IPALG for the duration of the project;
- the provision of three full-time Canadian public administration experts to design and deliver Master of Public Administration programs and specialized courses for the duration of the project;
- the acquisition of essential learning and research materials and the assistance in the production of a Ukrainian lexicon of terminology of public

administration;

- two-week courses for senior executives (Minister or Deputy Minister rank) from Ukraine to be offered twice in Canada and twice in Ukraine to a total of 80 officials;
- professional development for IPALG's teaching officials;
- five-week internships in Canada for a total of 60 IPALG graduates; and
- one-month work attachments in Canada for 12 local government administrators.

III. HEALTH AND HUMANITARIAN ASSISTANCE

1. Provision of Medical Aid Bureau of Assistance: CAD \$1,500,000 Canadian Red Cross Society October 1991 to March 1992

This project provided funding for the purchase and delivery from Canada of medicines and medical supplies for children's hospitals and for visiting nurses for the elderly.

2. Chernobyl Treatment Centres UNESCO 12 February 1992 to March 1994

This program provides funding for teams of medical personnel to assist in treatment and to provide training at a children's radiation clinic (Hospital No.14) in Kyiv and at three rehabilitation centres for relocated Chernobyl victims in Ukraine, Belarus and Russia.

The project aims to assist in the development of the Ukraine Special Clinic for the Protection of Children Against Radiation at Hospital No.14 (Kyiv), providing Canadian physicians, nurses and medical technicians to assist in training of staff and treatment of patients and supplying vital medical equipment to the facility.

A complimentary objective of the program is to develop three pilot social and psychological rehabilitation centres for Chernobyl victims, to assist in coping with

the trauma of physical illness, relocation and family separation. The rehabilitation centres will provide: counselling and programs designed to facilitate the psychological and social adaptation/integration of relocated families into their new environment; counselling and education for children who have been evacuated without their parents; and community projects designed to reduce tensions between relocated individuals and local residents. Special support programs will also be developed for teachers (who often serve as surrogate parents) and pregnant women likely to give birth to disabled children due to their exposure to radiation.

3. Computerized Cancer Registry National Cancer Institute Faculty of Medicine University of Toronto 25 August 1992 to 31 March 1994

This project will establish of a cancer registry for Ukraine which will provide a simple computerized medical record system for 26 hospitals which treat all cancer cases. This system would monitor the long term health consequences of the Chernobyl accident, and be used for health planning and forecasting future needs for medical services.

The National Cancer Institute will manage the project in cooperation with Atomic Energy of Canada, who will provide 40 computers and associated software.

Two Canadian cancer registration experts and one computer expert will travel to Ukraine and train representatives from each of the 26 Oblast Oncologic Institutes in two one-week workshops.

4. Chernobyl's Children Project Faculty of Medicine University of Alberta 21 January 1992 to 31 July 1993

This project provides for the development of a program of medical consultancy and teaching/training services, with the aim to create a model paediatric facility at Children's Hospital No.1 in Kyiv. The project goals include: placement of a senior



paediatrician/coordinator and two laboratory technologists in Kyiv to act as consultants/trainers for the duration of the project; and the development of specialized training programs for Ukrainian physicians both on-site in Kyiv and at Canadian medical institutions.

The Faculty of Medicine at the University of Alberta will undertake this project with Children's Hospital No.1 in Kyiv.

Visiting Canadian physicians will undertake two to four week rotations to provide consultative care to children and instruction/training to Ukrainian physicians and residents.

Eight Ukrainian physicians and residents will be selected for internship programs at Canadian medical institutions for a duration of six to eight months. Their location will vary depending on the specialty to be studied.

5. Immunization Assistance Bureau of Biologics Health and Welfare Canada

This project provides funding to support the creation of a national control authority in Ukraine with a regulatory and quality control framework for vaccines and other biological products. The project consists of a program of technology transfer in regulatory principles and quality control testing of biological products used in prevention and treatment of infectious diseases. It involves the provision of technical assistance through training of scientific personnel in modern laboratory methodology and quality control procedures, including good management practices and good laboratory practices. This will be accomplished through two training sessions in Canada for a total of 18 Ukrainian participants.

Following their practical training in modern technology, the Ukrainian participants will return to Ukraine to establish their quality control testing facilities according to world standards and to train their laboratory personnel in the newly acquired technology. The Bureau of Biologics experts will monitor the effectiveness of

the technology transfers through subsequent validation visits to Ukraine.

IV. DEMOCRATIC DEVELOPMENT

1. Campaigns and Elections College Department of Political Science McMaster University 18 August 1992 to 29 March 1993

This project provided funding to inform and train selected Ukrainian participants in the basic parameters of campaigns and elections in a democratic society, based on the practices of political parties in Canada. Twelve Canadian experts representing the three major political parties, the media and federal/provincial electoral offices were chosen as instructors to deliver the program using especially compiled multi-media teaching materials. The main objective was to hold a two-week training college in Kyiv in December 1992, which was open to key Ukrainian groups including: parliamentarians, representatives of recognized political parties, party organizers and functionaries, academics, journalists, jurists and bureaucrats.

The main topics for presentation included: communications and media management; financing and fund raising; organization; research and policy development; voluntarism; and limitations on campaigning times and election activities. Communications tools were produced in Ukrainian and English, including: a "Campaigns and Elections Binder", available to all political parties in Ukraine; and videos based on the theme of the course, made available to all Ukrainian political parties and to broadcast authorities.

2. Second Language Training Project Radio Canada International 18 November 1991 to 25 March 1992

The funding for this project developed and produced a series of forty half-hour "English as a Second Language" lessons to be broadcast by the Ukrainian Radio Prominy Network. In addition, a text was prepared for an accompanying study

guide to the series.

Radio Canada International adapted the Ukrainian project from an earlier initiative to use radio broadcast "second language" lessons in the People's Republic of China.

Each lesson focuses on a particular aspect of Canadian life and the course content is 100% Canadian. Issues deal with political, economic, cultural and other themes. Broadcast of the series was launched in the fall of 1992 to coincide with the beginning of the school year.

3. Legal Internship Program 1992 Canadian Bar Association 18 May 1991 to 31 January 1992

This project provided funding for the organization and implementation of the Canadian Bar Association's Eastern and Central European Legal Internship Program and Conference on Law Office Management.

This project had a regional focus, involving lawyers from Ukraine, Poland, Hungary, and the Czech and Slovak Republics to participate in a three month internship program with Canadian legal firms and organizations. The project also included: two seminars held in Warsaw and Prague for one hundred lawyers; and judicial training for ten judges of Czech and Slovak origin. In total thirty lawyers were chosen for the internship program.

The internships of the participants to law offices and public agencies across Canada were similar to that of an articling student, including research matters, small claims disputes and court assistance. The Law Office Management seminars were designed to teach basic modern legal office organization and management. Topics selected for discussion included: legal office support systems; effective utilization of computers and word processing; and professional support staff such as paralegals and legal secretaries.

4. Community Policing Course Royal Canadian Mounted Police 01 January 1992 to 01 May 1992

This project provided funding for a two week training program in Canada for



twelve senior police officers from the Baltics, Ukraine, Hungary, Poland and the Czech and Slovak republics. The specific objective of the program was to assist foreign countries in establishing their own capacity to train police officers to a higher level of competency within the principles of law enforcement in democratic countries. A complimentary objective was to stimulate future exchanges between the participant officers and Canada as well as between themselves to create a network to address future training needs and training policies.

The program was undertaken by the RCMP, who provided training and orientation sessions in Toronto (12-20 March 1992) and Regina (21-26 March 1992). The training seminars included topics on: principles of law enforcement in democratic states; discussions with prosecutors and judges; and discussions with community and business leaders on the role of the police.

The participants were attached as observers to rural detachments of the RCMP in Saskatchewan and the Ontario Provincial Police in Ontario, and urban placements with the Metropolitan Toronto Police Force.

V. FINANCIAL SECTOR

Credit Union Development Project Canadian Cooperatives Association 1 March 1992 to October 31, 1994

This project is designed to provide the technical expertise necessary to assist Ukrainians to develop their own credit union system. The overall objective is to plan a successful credit union development project in Ukraine based on a partnership between Canadian and Ukrainian credit unions with support from the World Council of Credit Unions and the World Council of Ukrainian Credit Unions. The project will be based in five regional centres throughout Ukraine and will have the following main components:

- the development of eight to twelve model credit unions throughout Ukraine through staff training and

provision of material and equipment necessary for the successful operation of these credit unions;

- at least six-week internships with a Canadian credit union to be offered to key Ukrainian credit union leaders;
- two Canadian credit union experts to provide technical expertise to developing credit unions and to provide advice and assistance to the government of Ukraine on credit union legislation;
- at least 14 Canadian credit union experts to undertake short-term advisory assignments in Ukraine; and
- the establishment of at least 5 ongoing twinning relationships between Canadian and Ukrainian credit unions which would continue after the end of this project.

VI. TRADE/INVESTMENT AND PRIVATE SECTOR DEVELOPMENT

1. RENAISSANCE EASTERN EUROPE PROGRAM

This trade and industrial development program, managed by the Central and Eastern European Trade Division of External Affairs and International Trade Canada, is intended to increase the involvement of Canadian companies in the markets of Ukraine. The program supports Canadian companies to evaluate joint venture opportunities, to consider investment opportunities or to structure cooperation agreements. Renaissance Eastern Europe also finances pre-feasibility studies for joint ventures between Canadian firms and those in the former Soviet republics and Eastern Europe.

1.1 Feasibility Study Minaker Enterprises Ltd.

The Canadian company will undertake a feasibility study for a potential joint ven-

ture in Kyiv for exportable railroad maintenance machinery.

1.2 Uzhgorod Natural Gas Pipeline Station Upgrade Novacorp International and Dresser-Rand Canada Inc.

These two Canadian companies undertook a feasibility study and initiated training for a Ukrainian pipeline compressor station upgrade.

1.3 Quality Control Training Winquip Industrial Products Canada

This Canadian company will upgrade quality control and assurance programs in the production of railway axles for export in Dniprodzerzhinsk, Ukraine.

1.4 Hotel Feasibility Study Landford International Ltd.

This Canadian firm conducted a feasibility study on the construction of a business centre/hotel complex in Kyiv and provided training on construction techniques.

1.5 Feasibility Study Pharmascience Inc.

This Canadian company will undertake a feasibility study aiming at the establishment of an equity joint venture with Ukrainian partners to create a "modern" pharmaceutical plant for manufacture, sale and distribution of certain soft-cased drugs. Pharmascience is rehabilitating a factory to produce drugs in a manner that complies with Canadian requirements. Consequently, the company is seeking funding to provide extensive training of the Ukrainian partners responsible for regulatory affairs, production, quality control and packaging.

1.6 Brick Plant Arcway Investments

This company will undertake a feasibility study to construct and operate a clay brick plant in Ukraine.



1.7 Feasibility Study, Yalta Development Smith Carter Architects, and Hemisphere Engineering

These Canadian companies have undertaken a feasibility study to investigate tourism and recreation conditions with the aim to develop large scale tourist facilities in Yalta, in conjunction with the city of Yalta.

1.8 Northland Power and Independent Power Projects, Northland Power

Northland Power will evaluate the market opportunities for a "build, own, operate" co-generation power project in Ukraine. The company will work with relevant Ministries, utilities and local equipment and service suppliers in determining the viability of an owner/operator power project.

1.9 Feasibility Study Spilsbury Communications Ltd.

Spilsbury Communications will undertake a feasibility study for a potential joint-venture to manufacture and assemble components for the QTR digital trunked radio system.

1.10 Gas Turbine Joint Venture Hawker Siddeley Canada Inc., Orenda Division

Orenda will conduct a study to determine viability of establishing a joint venture with a Ukrainian and a Russian enterprise to produce, package and service gas turbines for industrial applications.

1.11 Feasibility Study HBT Agra Ltd.

HBT Agra will conduct a feasibility study with its joint venture partner to determine whether certain engineering/environmental projects should be undertaken.

1.12 Rotary Combines Linamar Machines, Western Combine

Western Combine will undertake a study to establish the feasibility of forming a joint venture with a Ukrainian enterprise to manufacture rotary combine harvesters in Ukraine.

1.13 Rural Gasification Connex International Inc.

Connex will conduct a study to determine feasibility of establishing a joint venture with a Ukrainian enterprise to undertake a large scale rural gasification programme in Ukraine.

2. Air Transportation Strategic Plan Hughes Aircraft of Canada Ltd. Systems Division 01 April 1992 to 30 December 1992

This project provided funding for the preparation of an Air Traffic Control/Air Navigation and Airport Modernization plan for Ukraine. The plan focused on four main airports; Borispol (Kyiv), Symferopol (Crimean ASSR), Odessa and Lviv.

Hughes Aircraft of Canada, in concert with Hughes Ground Systems Group (Fullerton, USA) managed the Canadian component of this project with the Ukrainian Ministry of Civil Aviation and the Ministry of Foreign Economic Affairs.

The objectives of the project included a review of existing studies and standards in Ukraine, and on-site inspections of existing air traffic control facilities at the four main airports. Capacities were compared with demand forecasts to arrive at facility requirements for air traffic control. A financial plan for implementation was proposed, including forecasts of system revenues/expenditures. Finally, recommendations for short, intermediate and long-term improvements were made after financial analyses were conducted to ensure that recommended improvements were feasible.

3. Industrial Collaboration Project University of Toronto 10 July 1992 to 31 March 1994

This project provides funding to host 32 Ukrainians in a three-month internship-program in engineering management at Canadian universities.

The University of Toronto is managing a consortium of universities, including McMaster University and the University of Waterloo. The placement of participants in Canadian companies has been coordinated with the Canada-Ukraine Business Council.

The program focuses on western engineering and business practices in the sectors of metallurgy, environmental engineering, electrical energy and electronics. The objective of this project is to build on the already established industrial ties between the consortium and the Kyiv Polytechnical Institute. Sixteen Ukrainians are chosen in each year of the two year program, including three industry workers and one student from Kyiv Polytechnic for each of the four chosen sectors. The first sixteen participants arrived in Canada at the end of January 1993.

The internship program begins with a three week formal instructional session focused to familiarize the participants with engineering practices in Canadian industries. This is followed by an eight week placement with a Canadian company, compatible with the industrial sector to which the participant belongs. In the final week of the internship, the participants will summarize their experiences during the placement phase of the project, and prepare a report on their experiences with the program.

4. Centre for Business English and Western Business Concepts, Centre for Second Language Instruction University of Saskatchewan 12 March 1992 to 31 March 1994

This project provides funding for the establishment of a centre for instruction in



business-related English as a second language and western business concepts in Chernivtsi, Ukraine. A fundamental objective of this project is to encourage Ukrainians to participate as instructors, as the centre will eventually become self-sustaining and will be staffed by Ukrainian administration and teachers.

The Centre for Second Language Instruction at the University of Saskatchewan sent a three-person planning mission to Ukraine to determine curriculum and materials development. Between May and September 1992, three English teachers and two MBA students from the University of Saskatchewan will work at the Chernivtsi Centre and establish a pool of potential Ukrainian itinerant teachers and teaching assistants. From September to April 1993, one English teacher will remain in Ukraine to continue teaching and local teachers will be employed to assist with instruction. The period May 1993 to April 1994 will continue to offer English and business classes, but will also develop a strategy to raise revenues in order to ensure the centre's economic sustainability without Canadian financial assistance. Energies would also be directed at determining a strategy for the expansion of this program into other regions of Ukraine and Eastern Europe.

**5. Student LEADER Project
University of Western Ontario
18 February 1992 to 30 June 1992**

This project provided funding for 50 Western Business School students to teach a four week introductory business course to up to 500 local students, managers and entrepreneurs. The main focus of instruction was: basic finance; marketing; joint ventures; and general management. The course was taught in May 1992. This project has a regional outlook and instruction took place at institutions in Moscow (Russia), Riga (Latvia), Vilnius (Lithuania), Minsk (Belarus), and Dnipropetrovsk (Ukraine).

A certain number of the 50 students were assigned to participate in a casewriting exercise reflecting the current economic conditions in the area. These case studies

will be integrated into Western's undergraduate and MBA programs in the following academic year.

**6. Canada-CIS Management Education, Program: Phase I,
Faculty of Management, University of Manitoba
07 October 1992 to 31 March 1994**

The funding for this project provides for assistance in the development of management education programs at one Russian and one Ukrainian university.

Four Canadian professors per year of the two year project will visit each of the selected universities, teaching MBA level courses in Western-market functioning (eg. capital markets, financial institutions, or financial theory).

The second portion of this assistance will provide the opportunity for four professors per year from each of the selected institutions to travel to Canada for instruction in Western management theory and practice. This instruction will be comprised of a combination of lectures and internships with Canadian businesses.

**7. East/West Enterprise 1992
Faculty of Administrative Studies
York University**

This is the most recent in a series of projects undertaken by the Centre of Entrepreneurship, York University. The project had a regional focus, providing funding for a four week training course and subsequent three week internship for fifty-five delegates from Russia, Ukraine and the Baltic States. The delegates included business managers as well as business administration faculty and government economic development personnel.

The main objectives of the program are: to reinforce and support renewal of management education in the former Soviet republics and to expand business contact between Canadian, East European and Baltic companies.

Those delegates from the business man-

agement sector are instructed in aspects of corporate networking. The economic development delegates studied how market economies function and how governments can support and encourage them. The faculty training focuses on management and entrepreneurship education.

VII. HUMAN RESOURCE PARTNERSHIPS

**1. Policy Mentor Program
Institute of Public Administration of Canada**

This project provides funding to assist with the development of government administration in Ukraine and the reform of the public sector in Russia. Approximately fifty advisors will be placed in Russia and Ukraine. The placements of the advisors will be from two to twelve months depending on the needs of the ministries and availability of Canadian experts. It is expected that a large number of advisors will be placed in a critical mass of activities at the national ministry level with some advisors also being placed at subnational levels of government. For maximum effectiveness, a small number of longer term senior advisors will be placed in strategic ministries/policy areas to assist with policy re-formulation and institutional strengthening while simultaneously identifying specific needs to be served by shorter term specialists.

The advisors will: provide policy and programs/systems advice in key areas and ministries identified by the recipient countries; assist with training of government officials in public sector management; assist with institutional and administrative reform; and, begin the process of developing partnerships between Canadian and recipient government institutions.

2. Human Resource Development Program, Canadian Bureau for International Education

This project provides funding for Canadians who have developed their own proposals to support democratization and market reforms in the countries of the former Soviet Union, the Baltic states and countries of Central and



Eastern Europe. The proposals must be developed in consultation with a partner organization in the recipient country. Applicants to the fund will be required to develop short-term hands on projects which will involve the placement of Canadians in the host country for no less than two months. It is anticipated that up to 100 Canadians will be placed during the 18 month duration of the project. 60% of the available funding for this project will be allocated to the former Soviet republics, primarily to Ukraine and Russia.

3. Partners in Health, Canadian Society for International Health (CSIH)

This project provides funding for the placement of approximately 40 experienced health professionals to serve as health advisors to assist in development of health care systems and health human resources in Russia and Ukraine. The program is largely targeted with a small number of responsive placements in both countries. Canadian health professionals from all areas in the health sector, including physicians, nurses, managers, social scientists and laboratory scientists will be considered advisors, depending on the specific needs of the recipient country. Where appropriate, emphasis will be placed on a team approach (placement of a small team of professionals) to maximize the effectiveness of the transfer of skills and knowledge to the recipient organizations. The five priority areas targeted for placement of Canadians are: design and management of national health care system; operation of epidemiological services and collection of health information; redesign of health worker education; development of methods of maintaining standards in health services; and development of independent professional health associations.

4. Partners in Agri-food Agriculture Institute of Canada

This project aims at increasing the efficiency of the agri-food sector and the promotion of market-based farming systems and services in Russia and Ukraine. Approximately 50 agriculturalists and/or farmers will be placed in Russia or Ukraine to provide assistance in the following areas: develop-

ment of environmentally sound storage and processing technologies; development of farm extension training; restructuring of food distribution, transportation and marketing systems; and development of market oriented farm and agri-food enterprise management skills.

The Agriculture Institute of Canada will provide training and business management agricultural workshops and seminars; support for the establishment of farmer training/service centres; and, facilitate mechanisms for on-going cooperation through exchanges between Canadians and recipient country farmers, agricultural professionals and scientists after the end of the project.

Agri-food advisors will be sourced from the private sector, the public sector, Universities, the Canadian Federation of Agriculture, the Agriculture Institute of Canada, and provincial and scientific organizations. Potential recipient organizations of targeted advisors include: Ministries of Agriculture, specialized State Committees dealing with agri-food issues, independent farmers and peasants associations, collective and state farms, research academies and training institutes.

5. Academic and Professional Visits Program, Association of Universities and Colleges of Canada

This project provides funding to support a program of academic and professional initiatives for well-defined projects of no more than two months in duration. The project will finance Canadian academics and professionals who have been invited to be key speakers at conferences which impact directly on democratic and economic development in the region. As well, persons from Eastern Europe or the former Soviet republics may come to Canada for training sessions or to participate in key conferences or seminars.

6. Volunteer Consultant Program Canadian Executive Service Organization (CESO) 24 March 1992 to 31 March 1993

This project provides funding for CESO vol-

unteer consultants to work as advisors, consultants or to provide training and management expertise to private and public economic and service sectors in Eastern Europe and the former Soviet republics.

The goal of the project is to provide 291 consulting assignments to the region, including 51 to the former Soviet republics (30 being assigned to Ukraine). Each assignment will last between one and three months, with a possible extension to a maximum of six months. Among other objectives, the assignments will focus on developing mechanisms for privatization; assistance in restructuring state-owned enterprises; marketing, financing and accounting; tourism development; telecommunications; and environmental protection and management.

7. Health Promotion and Disease Prevention Program Health and Welfare Canada and the World Health Organization 14 May 1992 to 31 May 1995

This project provides funding for Health and Welfare Canada to assist with the delivery of the Country Integrated Non-Communicable Diseases Program of the Eurohealth Committee of the World Health Organization. Canadian resources in the health sector (Governmental and non-governmental) will be used for technical assistance, training and consulting with national project teams. This is a regional project involving Russia, Ukraine, Poland, Hungary, Czech and Slovak Republics, and Lithuania.

The objectives of the program are as follows: develop policies, goals and guidelines to prevent non-communicable diseases; restructure the operation of health services in the recipient countries toward prevention and intersectoral collaboration; develop intervention protocols, methods and technology; train staff in methods of analysis and management; and strengthen information and evaluation of systems.



DEFENCE CONVERSION OPPORTUNITIES

Ukraine's Ministry of Defence has provided a list of opportunities for western companies to assist Ukraine's Defence Industries in their conversion programs from arms to consumer and industrial products. Given Ukraine's lead role in the former Soviet military-industrial complex, defence industries possess all the advanced technical skills, but need capital, management tools and new export markets.

Following is a listing of potential areas for partnerships and joint venture companies:

ELECTRONICS, TV AND RADIO FACILITIES

Production of kinescopes for colour TV sets; assembly facilities for integral microcircuits, silicon plates; phosphor, magnets; magnet circuits, transformers, power supply units, gas analyzers; colour TV sets, including portable ones; satellite communication and television facilities; electrical equipment and electronics for cars; connectors for electronic injection; telephone sets, including cordless, calculators; electronic toys; navigation equipment; electronic automatic telephone exchanges; players, dictating machines, aerial amplifiers; video facilities; "Screw-driver" assembly of radio and electronic equipment; production of tape recorders, including cassette type; glass ceramic substrate; distance meters, power supply units, liquid-crystal displays; dynamic heads; electron watches and car computers; frequency-division multiplex units; household magnetic recording units; word-processing systems, electronic typing machines; TV satellite aeriels; car tape recorders, all-wave radio sets, vehicle electronic equipment, connectors type CP-BP; printed circuits, hybrid thin and thick-film microcircuits; laser players, radio telephone sets, radio stations -multichannel, individual with ranges up to 5-10 km. - radiation counters; printed circuits.

ELECTRICAL INSTRUMENT ENGINEERING

Production of household electrical soft heat appliances; electric counters, controllers; AC and DC various power electrical motors; marine switchgears; electrical pumps; electric magnet, hydraulic and friction clutches; magnet starters, relays; fluorescent light fixtures, electric mounting items.

MACHINE-BUILDING (AVIATION, AUTOMOBILE TRANSPORT) AND MACHINE-TOOL INDUSTRY

Production of diesel engines for diesel-generator and pump units, tractors, harvesters, Ratings - 100 to 250 h.p.; diesels 64H 26/34, diesel-generators rating 800, 1000 KW; iron and steel castings; vehicle and tractor springs, hot forgings, spanners, appliances for cars; self-propelled hydraulic cranes 25-32 t., tower cranes 8-25 t., truck crane mounted on special chassis 8-25 t.; welding machines for vertical, girder welds, columns and burners; sharpeners and grinders; roughing and abrasive reinforced wheels; pipe valves (shut-off, control). TU -334 aircraft; machine-tool attachments; cutting tools (cutters, threading dies, screw taps); numerically-controlled universal milling machines; piston rings for tractor and harvester engines; wheels for automobiles, tractors and agricultural machinery; filters (oil, fuel, air) for cars; car cable linkages and casings for them; centrifugal, vacuum pumps; die castings; printing equipment; industrial air conditioners, fans, heat-exchangers, air filters, air heaters; vacuum flasks using steel 1,6; 3; 4; 61; cryobiological vessels, vehicle refueller ATZ - 4310; wood-working machines; pressing, wire and nail, spring coiling and straightening/cutting-off machines; gear shapers; steam boilers E-1/9, chemical water treatment facilities, mobile boiler units; control facilities, oil equipment; maintenance, revamping, assembly of specific types of automobiles.

MACHINE-BUILDING FOR AGRO-INDUSTRIAL COMPLEX

Production of baking ovens KEP-400, telescopic suspensions; equipment for milling, grain elevator and forage industry; grain and forage shredders DMF-4, IZ-T-I; motor cultivators; shovel loaders 0.2 - 2.0 t PEA-1, PEF; sieving facilities SH.25, I-CHPM/I; small-size equipment for agro-industrial complex; cage batteries BKN-3A, dry forage loaders; automated lines for poultry processing.

CONSUMER GOODS

Production of kitchen machines, electric irons, microwave ovens, mixers, juice extractors, electric ringers; plastic items; consumer goods using optics; refrigerators; washing machines, side shows; household tools, electric-driven tools TEMP; radiators BIMETAL; household gas cookers; ball pens, plotting assemblies and components for them; vacuum flasks TBI -I (1 L); mill-work, furniture and bricks; garage equipment; household light fixtures.

MEDICAL EQUIPMENT

Production of devices for lungs artificial ventilation; hearing aids; biological stimulants; tomographs, medical diagnostic facilities; lithotripters (kidney stone crushers).

CHEMISTRY AND OTHERS

Production of lacquers and paints for construction and shipbuilding purposes; metal and polymer containers and packing materials, 0.05 - 200L; condensate drums.



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ADVISORS IN THE TECHNICAL
ASSISTANCE PROGRAM (TAP)
FOR UKRAINE**

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See story page 4.

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