



in selling its production on the world market and founding joint ventures.

And so the list continued, from the youthful representatives of the publishing and advertising sectors ("Halitsky Kontrakty" and "Blitzinform") to the producers of the Perlova brand of vodka which Canadians have already embraced and which was only one of the many quality products exhibited by "Lvivska Horilka ta Drishdzhy".

JUST THE BEGINNING

Forums such as Ukraine and Partners XX-XXI are and will be invaluable to the growth of a good and mutually beneficial relationship between Canada and Ukraine. The Canadian Federal government has already shifted its focus in Ukraine from technical assistance to cooperation, and the ultimate goal must be a relationship based on mutually beneficial business and economics. On the other hand, the reality is that Ukraine is half a world away, and Canadians are by nature cautious



KONTAKT producer Jurij Klufas interviews Ambassador Furkalo for Ukrainian TV at the Trade Show.

to venture into the unknown. Therefore, Ukrainian entrepreneurs will increasingly have to meet Canadians on their turf, and sell themselves here, in Canada. Canadians need a lot of convincing, and trade shows, business conferences, and seminars provide concrete opportunities to establish business contacts.

There is already talk of another Ukrainian trade show in Canada for 1997. Hopefully Ukraine and Partners XX-XXI has started a chain reaction, encouraging both Canadian and Ukrainian businesses to *do* something, so that the currently low Canada-Ukraine trade can finally get off the ground -- to attain the levels and scope worthy of our special relationship.



Trade Show Provides New Business Contacts:

Excerpts from Ambassador Furkalo's address to the conference "Doing Business in Ukraine"

"Ukraine and Partners XX-XXI" can be described as a direct result of the development of bilateral relations between Ukraine and Canada. This daring initiative launched by a Canadian private business was made possible by the positive changes which have occurred in trade and investment opportunities in Ukraine.

It is a positive example of the constructive approach by Canada toward the initiatives launched by the private sector.

The exhibition demonstrates but a small sample of the industrial and export potential of Ukraine. This potential includes ship-building and aviation, software and laser technology, open space welding, the creation of superhard materials, as well as other world-class achievements. We should also mention the high level of education of the population of Ukraine.

The most important part of today's show is that we can meet business people from the private and government sectors of Ukraine, to share ideas. These people have ventured overseas at their own expense; there is no doubt their visit will start a "chain reaction" of contacts between Ukrainian and Canadian business.

We consider international trade as the key factor in strengthening our national economy.

Last year was quite significant for Ukraine's international trade. Despite internal economic hardships, a 12% decline of GDP compared to 1994 and, in spite of several "unpopular" governmental decisions aimed at energy conservation and inflation control, international trade was strong.

In 1995, our goods and services export increased by 18.5% compared to 1994. The volume of international investments for last year was 38% more than that of 1994. Trade between Ukraine and Canada in 1995 increased by 2.5 times while export of



Canadian goods to Ukraine rose almost 6 times over the 1994 figures.

If we take into account the liberalization of the exchange rate for the Ukrainian karbovanets, along with the liberalization of all levels of international trade activities, it is becoming evident that Ukraine has now achieved substantial progress towards an open economy.

This is a successful outcome of the policy pursued by the President of Ukraine and the Ukrainian Government in our strategically important international trade activities.

Ukraine continues to take important steps in pursuit of its goal of joining the world multilateral trade system. The preparatory phase for the accession of Ukraine to GATT/WTO is practically complete. Ukraine has already entered the process of multilateral and bilateral negotiations with respect to its accession to these systems. In this context Ukraine readily welcomed the statement by the Canadian Minister of International Trade Minister Art Eggleton on his intentions to support Ukraine in its aspirations to join WTO and extend GPT over Ukrainian-made commodities.

The planned visit of the Canadian government and business mission to Ukraine this fall and your readiness to create a realistic basis for the activities of the Inter-governmental Commission on Economic Cooperation are viewed in Ukraine as an important factor for further high level contacts.

Although we have established a complete set of basic legal documents in the economic sphere and have experienced an increase in bilateral trade, the volume of the latter is still very small. The flow of Canadian investments into the Ukrainian economy is not yet stable and its progress depends on how aware Canadian companies are of the improving investment climate in Ukraine...

We also suggest that support be rendered to investors by the governments of Canada and Ukraine through their support of the creation of a specific joint program which would outline the concrete channels of Canadian investments into Ukraine. In Ukraine, work has already started on development of regional cooperation between Ukraine and Canada, and we invite you to participate in these activities.

The Government of Ukraine also welcomes the plans by the provincial governments of Saskatchewan, Alberta and Manitoba to establish regional economic relations with Ukraine, and we encourage other Canadian provinces to follow suit...

I am confident that the Trade Show and conference will initiate new contacts to help further the dialogue between business peoples of our two countries.