

Ukraine - 10 Years of Independence

Ukraine-Canada Relations



President of Ukraine Leonid Kuchma (r) with Canada's Prime Minister Jean Chretien.

Friendly relations of Ukraine with Canada developed long before Ukraine's official declaration of independence. They were mainly due to the presence of a large Ukrainian community in Canada, over 1 million strong.

The Ukrainian Community in Canada has made significant contribution to the formation of the Ukrainian State. Especially of great value was the aid provided in the early 1990-s when Ukraine was taking its first steps as an independent nation. Today the fruitful cooperation between Ukraine, the Ukrainian Embassy and the Community is continuing and is taking new forms and dimensions.

The development of relations between Ukraine and Canada after 1991 can be characterized as dynamic and progressive. Thanks to initiatives by both sides, Ukraine-Canada relations have reached a level of special partnership which was confirmed by signing of the Joint Declaration in Kyiv in 1994. During the state visit to Canada by the President of Ukraine Leonid Kuchma in 1994, a series of agreements had been signed, consolidating the positive results achieved

Dear Readers,

Independent Ukraine marks its tenth anniversary. In terms of history it is a very short time. But in human dimensions this is no small period. We have built the Ukrainian State and defined the geopolitical place of Ukraine on the map of Europe. We have established friendly relations with all the neighboring countries and governments of the region; determined the main priority of foreign policy to be the integration of Ukraine into the European Union. Canada is among our closest friends.

We pay tribute to Canada for having done very much to secure for Ukraine world-wide recognition and promote its progress towards building a modern democracy. In 1991 Canada became the first to recognize the independence of Ukraine.

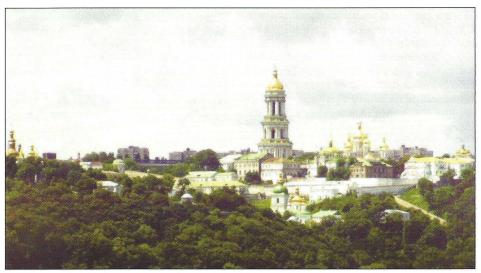
Since that remarkable year Ukraine-Canada relations have gone a long way. We have established special partnership, a unique formula of political dialogue, signed the large-scale agreement on friendship and cooperation, completed a package of documents creating a legal base for bilateral trade and economic cooperation as well as entered many other arrangements in various spheres. Several mechanisms have been established to facilitate cooperation between the two countries, including the Intergovernmental Economic Commission to step up bilateral trade, and regular political consulations between the foreign ministries of Ukraine and Canada. Numerous joint trade and economic as well as technical assistance projects are under way, and many have already been completed.

For me the 10th anniversary of Ukrainian independence is especially memorable: I took part in the historical session of the Ukrainian Parliament (Rada) on 24 August 1991 in Kyiv, when the Act of Independence of Ukraine was proclaimed.

As Ambassador of Ukraine, I have been celebrating each anniversary in various countries of the world. I feel proud that the tenth anniversary I can celebrate in Ottawa, as Ambassador of Ukraine to Canada.

By entering the new century and the new millenium with optimism, Ukraine is ready and willing to continue developing friendship and partnership with Canada. We hope the feeling is mutual.

> Ambassador of Ukraine to Canada Dr. Yuri Scherbak



Famous Monastery of the Caves (Pecherska Lavra) complex of churches in Kyiv have witnessed a millenium of history.

10 Years of Ukraine-Canada Relations (contd.)



Ministry of Foreign Affairs of Ukraine building graced by the monument to Knyahynia (Princess) Olha who ruled Ukraine in the 10th century.

in bilateral relations. In that context, the highlight was the signing in Ottawa of the Treaty of Friendship and Cooperation between Ukraine and Canada.

Both sides are now working over mechanisms to strengthen bilateral collaboration. And, naturally, the importance of practical cooperation in economic sphere, which already is fundamental for Ukraine-Canada relations, will further increase. Last year some positive trends took place in our bilateral trade: its turnover has more than doubled relatively to the previous year and now is comparable to the volume of Canada trade with a number of Eastern European countries.

There are also some positive signs of diversification of Ukrainian deliveries to Canada. Currently a big project concerning the supply to Canada of Ukrainian electric energy-generating engines is being carried out. Ukraine can offer to Canada other modern products such as passenger and cargo aircrafts, ships and tankers, etc. There are good examples of several Canadian companies which are successfully selling their products and doing business in Ukraine. Canadian oil and gas companies as Nadra Resorces, Epic Energy are very active in oil extraction from Ukrainian oil fields. We also hope, that the activity of other Canadian firms in Ukrainian market, in particular, of Consumer Packaging, Nortel Networks, MacCain Foods, will mark new success stories in our business cooperation.

Ukraine highly appreciates the Canadian technical assistance renderedthrough the Canadian International Development Agency (CIDA) in reforming its economy and strengthening democratic institutions. Canada is the second largest donor of technical aide to Ukraine. Several important projects are now being realized concerning the transition to a market-based economy, democratic development and good governance within the Canadian technical assistance program to Ukraine. Such projects have crucial importance for Ukrainian agriculture in the context of radical reforms in the agrarian sector of the Ukrainian economy.

Ukraine is also grateful to Canada for its political support and consultative assistance in the process of the accession to the World

Trade Organization which should further boost Ukrainian export and contribute to the strengthening of economic ties between the two countries.

An effective instrument of extending Ukraine-Canada economic relations is the bilateral cooperation at the provincial level in Canada and the corresponding regionallevel in Ukraine. A good example of the interest shown in Canada in such bilateral actions is the creation of Advisory Councils of provincial governments of Alberta, Saskatchewan and Manitoba to deal with cooperation with Ukraine.

Canada also contributed substantial financial aid to Ukraine for the purpose of shutting-down of the Chornobyl Station and for other projects dealing with nuclear safety. Today Ukraine is looking forward to continued cooperation with Canada and other countries in order to clean up the effects of the nuclear disaster and to deal with a series of problems due to the station's shut-down.

The intergovernmental Treaty on Military Relations and the Memorandum of Mutual Understanding between Ukraine's Ministry of Defense and Canada's Department of National Defense signed in 1994 had laid the foundation for bilateral cooperation in the military field. Special attention is being paid by Ukraine, as well as Canada, to peacekeeping efforts.

Of special significance for furthering of Ukraine-Canada relations was the official visit to Ukraine by Prime Minister Jean Chretien in 1999. The visit by Canada's government leader was considered as successful and helpful to bilateral cooperation. Strengthening of relations between Ukraine and Canada, being special partners, is in the interest of both countries and contributes to our expectations in the 21-st century.

Ukraine's Main

 $5^{th}\ cent.\ BC$ Scythian settlements and Greek city-states in the south regions of today's Ukraine.

 $1^{st}-2^{nd}$ cent. Some parts of southern Ukraine are included into the Roman Empire.

 $5^{th}6^{th}$ cent. Foundation of Kyiv, capital of the Eastern Slavic States.

 $9^{th}-11^{th}$ cent. Formation of Kyivan Rus, a large and powerful medieval state whose territory spreads from the Baltic Sea to the Black and Azov Seas. Dynastic connections with Byazantian empire and European states.

988 Christianization of Kyivan Rus by Volodymyr the Great, Grand Prince of Kyiv.

1240 Kyiv is occupied by the Mongols. Cultural centre of Ukraine shifts to the state of Halychyna-Volyn (Western Ukraine), ruled by King Danylo.

14th cent. Ukraine under Polish and Lithuanian rule. 16th-17th cent. Development of Cossackdom.

1648-54 The Great Cossack Revolt. Ukraine gains its independence from Poland. Seeking aid to gain external support for the Revolt, Cossack Hetman Bohdan Khmelnytsky recognizes, in the Treaty of Pereyaslav, the sovereignty of the Tsar of Muscovy and preserves Ukraine's internal autonomy.

Early 18th cent. Hetman Ivan Mazepa makes, with Swedish support, an unsuccessful attempt to reject the Tsar's sovereignty over Ukraine.

Late 18th cent. Ukraine loses its autonomy and becomes a province of the Russian Empire. Western Ukraine comes under control of the Austrian Empire (later Austria-Hungary).

1840 The Kobzar, the most famous work of Taras Shevchenko, Ukraine's great national poet, appears. 1876 Russian imperial authorities ban the use of the Ukrainian language in education, publishing, theatre and music.

1917 As the Russian Empire collapses due to the Revolution, Ukraine asserts its autonomy and creates its own government, the Central Rada.

Jan. 22, 1918 Proclamation of Independence by the Ukrainian People's Republic.

Jan. 22, 1919 Act of Union of Western and Eastern Ukraine.

1917-20 Civil War; establishment of soviet power in Ukraine. Western Ukraine becomes part of Poland.

1922 Ukraine becomes a Soviet Republic within the USSR.

1932-33 Great famine: Soviet policies lead to an artificially created famine-genocide that devastates the Ukrainian countryside, causing population losses of 6-7 million. Despite strong resistance, Stalin imposes collectivization in agriculture.

1929-53 Decades of Stalinist repression and purges that decimate supporters of Ukrainian nationhood, especially intelligentsia. Strict censorship enforced, religious life banned, churches destroyed, institutions dissolved.

1939-45 World War II. Ukraine suffers enormous human and material losses: 8 million killed and 2.3 million sent to Germany as slave labourers.

1945 Ukrainian SSR becomes one of the founding members of the United Nations.

1960's-70's Dissident movement among Ukrainian intelligentsia.

Apr. 26, 1986 Chornobyl nuclear disaster (70 km north of Kyiv).

Late 1980's Creation of first Ukrainian political opposition parties and movements. (Rukh, Zeleny Svit).

1990 Parliament of Soviet Ukraine adopts the Declaration of State Sovereignty.

Historical Events

Aug. 24, 1991 Declaration of Independence of Ukraine.

Dec. 1, 1991 In a national referendum, more than 90 percent support independence. Newly- elected President Leonid Kravchuk becomes Supreme Commander of all armed forces on Ukrainian territory. Ukraine's Parliament adopts the national flag, anthem and coat-of-arms.

1992 Ukraine joins the Organization on Security and cooperation in Europe (OSCE).

1994 The first democratic presidential elections take place: Leonid Kuchma defeats Leonid Kravchuk. The process of radical economic reform begins in Ukraine. Ukraine becomes a participant in NATO's "Partnership for Peace" program. Ukraine joins the non-proliferation treaty and becomes the first country in the world's history to destroy its nuclear stockpiles.

1995 Ukraine becomes a member of the Council of Europe.

1996 Ukraine's Parliament adopts a new Constitution. In Atlanta, independent Ukraine is represented for the first time in Summer Olympics, finishing in the top 10. Ukraine introduces the hryvnya, its monetary unit.

1997 Ukraine and Russia sign a Treaty on friendship, partnership and cooperation, as well as a historic accord on division of the Black Sea Fleet. Ukraine and NATO enter into a special relationship signing the "Charter on a Distinctive Partnership".

1998 Agreement on Partnership and Cooperation between Ukraine and the European Union enters into force.

1999 The UN votes in favor of Ukraine's becoming a non-permanent member of its Security Council in 2000-01. In a presidential election runoff, Leonid Kuchma is re-elected.

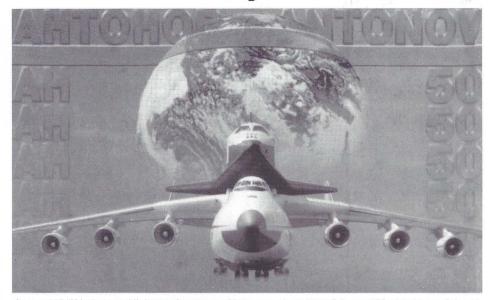
2000 Ukraine's Parliament abolishes the death penalty. The Chornobyl nuclear power plant is finally shut down.

2001 Parliament approves Anatoliy Kinakh as prime minister. The Presidents of Georgia, Ukraine, Uzbekistan, Azerbaijan, and Moldova (GUUAM) sign a charter formalizing the alliance of their countries. Pope John Paul pays a 4-day visit to Ukraine.



Pope John Paul II during his recent visit to Ukraine.

Ukraine's Economy: Time to Invest



Antonov-225 "Mriya", the world's largest plane shown with the space shuttle "Buran", is one of 20 original types of aircrafts built in manufacturing plants in Ukraine over more than 50 years. The plane is a continuing symbol of Ukraine's achievements in aerospace industry and revitalization of its science and engineering sphere.

Ukraine has enormous economic potential. It has a highly educated labour force, fertile agricultural land and a variety of mineral resources. It is also strategically located close to the European markets, Black Sea and the Caucasus region, which makes Ukraine an important transit state.

During the last and current years the tendency of rapid growth of all macroeconomic indicators has been observed. The gross domestic product for 2000 grew by 6%, during January-May, 2001 - by 9%, industrial output - accordingly 12.9% and 18.8%. These rates are the highest among the CIS countries which makes the Ukrainian economy the most dynamic in the region.

Thanks to agricultural reform that was a result of active transformation in the agrarian sector in 2000 with the liquidation of 11000 Soviet-style collective agroenterprises (the kolkhozes) the gross agricultural output rose by 9% last year. This year it is expected to harvest 35 mln. tons of grains - record amount for the last few years. In order to stimulate the agricultural production the Government of Ukraine has introduced tax incentives for farmers: privileged taxation (one of the lowest in Europe), including the fixed agricultural tax, exemptions from VAT payments and the removal from import tariffs on agricultural machinery.

The basis of the economy's growth in recent years has been provided by a sound monetary and budget policy of the Government and the National Bank of Ukraine, favourable external economic conjuncture and the activity first of all of domestic investors.

At the same time attracting foreign capital is one of key challenges to the economic reforms and further economic growth in Ukraine. The overall amount of direct foreign investments in Ukraine as of the end of 2000 reached US \$3,8 billion and rose by 24% when compared with the previous year.

The Ukrainian government pays great attention to the attraction of foreign investments, improvement of investment climate in Ukraine, transparency and stability of the legal framework. In order to stimulate the inflow of foreign capital to Ukraine's economy 11 special economic zones and 9 priority development areas with privileges for investors have been established covering 10.5% of Ukraine's territory.

The most promising branches of Ukraine's economy from an international investor's point of view are agriculture and food processing industry, chemicals and fertilizers production, machine-building, aerospace industry, exploration, transportation and refining of oil and gas, power generation etc.

One of the major instruments of economic reforms and the attraction of foreign investments is privatization. In recent years state monopoly has been almost broken up, and over 7500 companies emerged in the market as a result. Privatization is being carried out according to new principles, that is, a compulsory preparation of these objects in order to increase their liquidity, settlement of the enterprise debts to the state, formation of the tariff policy and compliance of the state-enterprise relations to the fixed rules.

Majority holdings of the regional energy distributing companies, Ukrtelekom telephone company, petrochemical and metallurgy enterprises are offered for sale in 2001 (total 177 objects).



Clockwise from top left: Traditional Sorochynsky Market in Poltava Region. Lviv Opera and Ballet Theatre. Playing in the wheat fields of central Ukraine. Famous Swallow's Nest Castle in Crimea. Leader of Ukraine's Cossacks Bohdan Khmelnytsky, rising in front of the 11th century Mykhaylivsky Cathedral of the Golden Domes in Kyiv. Ukrainian Zenith rocket used to boost satellites for the international Sealaunch Project, shown on a platform off Christmas Island in the Pacific.

Ukraine is located in Central and Eastern Europe. Area: 603,000 sq. km. Population: 49 mln. Ukraine comprises 24 administrative regions and the Autonomous Republic of Crimea. Capital: Kyiv.

Head of State: President. State power is enforced on the grounds of its division into legislative, executive and judicial branches. The central authority of the legislative power is the Verkhovna Rada (Parliament). Issues of local significance are addressed by local or city authorities. The supreme body of the executive power is the Cabinet of Ministers. Legal proceeding are carried out by judicial courts.

State language: Ukrainian. Currency: hryvnya (1 hryvnia=CDN\$ 0.30).

95% of Ukraine's territory lies on plains, the rest being at higher elevations and mountains. Almost half of total area is rich in black earth. The highest point in Ukraine is Hoverla in the Carpathians (2061 m). Climate is temperate, with the southern coast of Crimea subtropical.



Embassy of Ukraine

310 Somerset St. W. Ottawa, ON K2P 0J9 Tel. (613) 230-2961 Fax (613) 230-2400 E-mail: ukrembassy@on.aibn.com http://www.infoukes.com/ukremb

Consular Section

331 Metcalfe Street
Ottawa, ON K2P 1S3
Tel. (613) 230-8015
Fax (613) 230-2655
Jurisdiction:
National Capital District, Manitoba, New
Brunswick, Newfoundland and Labrador,
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2120 Bloor Street West, Toronto, ON M6S 1M8 Tel. (416) 763-3114 Fax (416) 763-2323 Jurisdiction : Alberta, British Columbia, Ontario (except National Capital District), Saskatchewan, Northwest Territories, Nunavut, Yukon.

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