



Successful Business Strategies for Ukraine

Based on a recent Monitor interview with Dennis Goresky, Commercial Counsellor, Canadian Embassy in Kyiv

"It is much easier to do business in Ukraine now than it was two or three years ago," Goresky explains, "and businesses are finding that their investments are paying off." Business development in Ukraine is moving ahead at a vigorous pace.

According to Goresky, Canadian firms that have been successful in Ukraine have done at least three things. First, they have done do their homework. They have developed a business plan before ever going to Ukraine, a plan clearly identifying strategic priorities, markets, and resources. Second, they have developed local partnerships. These partnerships have provided them with the information they have needed to tailor their products and services to local markets and to effectively combine their investment objectives with local initiative and expertise. Third, successful firms have gone to Ukraine with a serious, long-term commitment. Perseverance is imperative, and treating local consumers with respect is as fundamental to business development in Ukraine as it is to business development anywhere else. In sum, successful firms have worked hard and consistently.

For its part, the Canadian government has been hard at work identifying strategic investment opportunities. It has conducted studies of such vital economic sectors as agriculture, construction, oil and gas, high technology, and health care. Copies of these studies, Goresky affirmed, will soon be made available in trade centres and government offices throughout both Canada and Ukraine. Some of these sectors have already seen remarkable growth. "Construction is now emerging as one of our real success stories," Goresky reports. In March of this year the Canadian department of External Affairs arranged a visit in Ukraine for businesses that were seeking investment opportunities in the construction sector. By June Canadian investors had signed contracts totalling \$6 million. It is anticipated that by the end of this year their sales will have surpassed \$20 million. Other Canadian ventures have also seen a substantial return on investment. Sumi Foods, Northern Limited, and Norcan are just a few of the other success stories. Of course, sectors requiring more gradual development, such as the oil and gas sector, have seen less rapid growth. Even in these cases, opportunities for growth are considerable.

Ukrainian-Canadians seeking to invest in Ukraine should consult the Canadian embassy first. There is a tendency, says Goresky, for Ukrainian-Canadians to invest in regions

in which they have relatives and friends. Though understandable, this tendency should be resisted. These reasons are "not always the best place to do business," Goresky points out. As is true of any country, certain parts of Ukraine are more fertile for profitable business investment than others, and the best way to arrive at a sound investment decision is to consult the appropriate experts.

The Canadian embassy can provide such expertise. It has often served as the crucial link bridging foreign investment and local initiative. According to Goresky, the government of Ukraine also appreciates the need to encourage foreign investment, and has been actively working to remove barriers to investment and business development. Still, more work needs to be done. The high technology sector in Ukraine, for instance, offers enormous potential for business investment, a potential that Canadian firms have yet to develop. Far from leading to pessimism, these unexplored opportunities only serve to underscore the exciting prospects of future Canadian-Ukrainian economic cooperation.



Departing Ambassador François Mathys (r) and Commercial Counsellor Dennis Goresky (c) share a moment with Monitor Editor Orest Dubas (l) at the Canadian Embassy in Kyiv.