

Interview with Jorge ZUKOSKI, president of American Chamber of Commerce in Ukraine

### **Three foundations for facilitation of relations**

**On the eve of the National exhibition of Ukraine in Chicago, Jorge ZUKOSKI, president of American Chamber of Commerce in Ukraine, tells about realities and prospects of Ukrainian-American cooperation.**

**– Staying in Ukraine, you have the possibility to monitor the development of cooperation between our countries in dynamics. How can you evaluate modern trade and economic relations between Ukraine and the USA?**

– Trade and economic relations between the United States and Ukraine have historically shown strong dynamics and from what we can see will continue to develop in the future as Ukraine undertakes additional market reforms, accedes to the WTO and negotiates a free trade agreement with the EU. These three points are important for Ukraine to be competitive in regards to attracting additional foreign and domestic investment and taking their rightful position in the global market place.

**– What changes have taken place in economic and business relationships between our countries since the bilateral agreement on mutual access to the markets of goods and services was signed?**

– Since Ukraine became an independent nation, many bilateral agreements have been signed between Ukraine and the United States that directly impacts trade and investment and these documents are important to continuing a successful relationship between the two nations. These agreements are designed to create a framework in which the two nations can have mutually beneficial business relationships as well as defining parameters of cooperation which should add additional predictability and stability that businesses on both sides of the border can use to plan their business activities. That is why adhering to these agreements by both nations is one of the keys to the success of the relationship.

**– In your every day work you often communicate with US investors. Can we say about an increasing of American investors' confidence to Ukraine?**

– American investors, as well as many foreign investors, require predictability and stability in the political and economic environment in which they operate to be successful. Recent political changes, including constitutional reform and the difficulty in building a coalition, as well as the ensuing mixed

messages and lack of coherent strategy put forth by the new government in regards to how they will govern, who are the decision makers, and how they will ensure that a level playing field is created and maintained for both foreign and domestic investors, have led many investors to become more cautious when looking at projects in Ukraine. Once the government is perceived to have a clear strategy and operational procedures and is no longer thought to favor domestic over foreign business interests through market interventions that leave a negative feeling among foreign investors, we should see an increase in investor confidence. Bottom line, for Ukraine to be successful in increasing investor confidence it has to create a level and clear playing field that is stable and predictable and does not favor one investor over another no matter what the nationality of the investor may be.

**– Will American Chamber of Commerce take part in the National exhibition in Chicago in December? As for you, is the role of such events important in deepening economic relationships between countries or it's more like an image step?**

– The American Chamber of Commerce in Ukraine is pleased to have been invited to take an active role in the exhibition in Chicago and I look forward to attending the event personally. These types of events are excellent opportunities for Ukraine to market itself to US investors who may be interested in doing business with Ukrainian companies and/or investing into Ukraine. It deepens the relationship and also helps to promote the image of Ukraine as an investment destination.

**– You know that Ukraine intends to join the World Trade Organization. How can you evaluate our chances, taking into account current political and economic situation in Ukraine?**

– The latest statements from the President and the Prime Minister tell us that they expect to accede to the WTO at the beginning of 2007. We as an organization fully support Ukraine's bid to become part of the global trading community on a fair footing that can only be achieved when a country is a part of the club. It is unfortunate that it has taken Ukraine so long to become a member of the WTO and we hope that 2007 will finally be the year when Ukraine will start to benefit from this powerful trading alliance.

**– Our potential US investors – who are they: representatives of small and medium companies, separate businessmen or «old» investors who decided to expand their presence on the Ukrainian market?**

– All categories of investors are looking closely at Ukraine. Our current investors are reinvesting and solidifying their market positions, new companies that have not yet entered the market are looking closely and finalizing their due diligence on both Greenfield and Brownfield projects for large scale investments and then we are also seeing medium sized investment getting geared up as well.

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