



Q: So let's also dot our "i's" on Ukrainian nuclear disarmament, in particular, on the assistance of our partners to the trilateral agreement...

A: As to Russia, there are no problems whatsoever. Everything we send them, Russia conscientiously returns in the form of fuel for nuclear power plants. As to the US assistance, the situation is known as well: of the promised US \$350 million only 6 million were delivered to Ukraine. We must enhance diplomatic activity, feel ourselves as normal partner, stand up for our interests, and call everything by its real name, lest the world think that Ukraine has clasped the atom bomb with both hands and doesn't want to let go of it.

Q: Did the visit of US Vice President Albert Gore facilitate the further mutual understanding of the parties?

A: Undoubtedly, the very fact of Gore's visit testifies to the interest of the US in Ukraine. Our lengthy talk on the economy will, hopefully, yield fruits as well. Between us and the US there is one problem left: the agreement on the non-proliferation of nuclear arms. It needs to be signed. Since the trilateral agreement has been signed, everything else is simply formality. We don't own the nuclear arms as it is, we lack the corresponding technologies, so what are we going to proliferate? I will raise a proposal to Parliament to finalize this process sometime in October. I believe parliament will support me. Then we'll see whether the West will again come up with some other conditions for assisting Ukraine.

## Armchair Discussion



October 20, 1994

From Communism to Democracy -  
Phase II: New President,  
New Parliament, New Challenge -  
- Update from Ukraine

Speaker: Bohdan Krawchenko,  
Director General, Institute of  
Public Administration and Local  
Government, Kyiv

Moderator: Stewart Goodings,  
Coordinator of International  
Activities, CCMD.

- Equity participation via companies doing business exclusively or primarily in Russia or Ukraine, whose shares are traded on markets outside the CIS.

Invited speakers include leading investment funds and legal and financial experts such as: Claflin Capital Management; Ernst & Young; Gowling, Strathy, Henderson; Lowen Ondaatje McCutcheon; Paine Webber, Inc.; Providence Capital Inc.

For information, contact Vera Rajcic, CUBC. Tel: (416)862-2821, Fax:(416)862-2820.

## CLAFLIN CAPITAL UKRAINE FUND

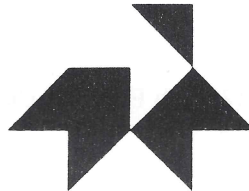
The CUBC Investment Funds Conference will feature Thomas M. Claflin II of the Claflin Capital Ukraine Fund. This Fund was established in the summer of 1992 by Mr. Claflin and George B. Yurchyshyn, and is a venture capital investment fund targeting emerging private companies in Ukraine. To-date, the Fund has made 15 investments in Ukraine (at a rate of approximately 1 per cent), primarily in Ukrainian enterprises in consumer goods and manufacturing. The average investment has been US\$ 200,000, while maximum per company investment can go as high as US\$ 600,000.

The objective of the Fund, the only one of its kind operating in Ukraine, is to achieve a superior rate of return on capital invested in Ukrainian businesses which produce and distribute goods and services for export and local markets. The Fund expects to have 25 Ukrainian companies in its investment portfolio.

Until recently, the Claflin Capital Ukraine Fund was managed by George Yurchyshyn. Beginning in the fall of 1991, Mr. Yurchyshyn, an American born in Ukraine, served as Deputy Chairman of the National Bank of Ukraine. He rejoined Claflin in December 1992 and took over the Fund's operations in Kyiv full-time. Tragically, he was killed in a fatal automobile accident in 1994. Thomas Claflin continues to head the operations of Claflin Capital in Boston, and travels frequently to Ukraine.

## CUBC CONFERENCE IN TORONTO

CANADA-UKRAINE-RUSSIA  
BUSINESS COUNCIL



On October 12, 1994 in Toronto, the Canada-Ukraine Business Council hosts a day long seminar-conference entitled **Western Investment Funds in Russia and Ukraine: A New Mechanism in a Challenging Market**. The conference will highlight the variety of private sources of capital available to investors in Russia and Ukraine.

The CUBC Conference will feature fund managers of the leading western investment funds in Russia and Ukraine, who will discuss:

- Direct equity investment in Russian/Ukrainian enterprises
- Equity participation through the Russian stock market

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