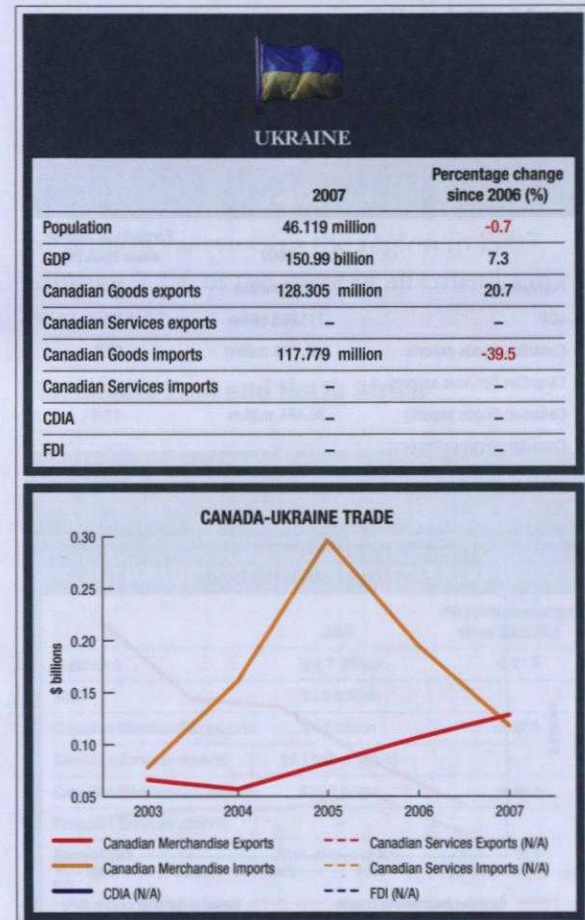


many point to difficulties in obtaining permits, licences and other government approvals in a timely fashion. The Russian government is increasing its ownership in strategic sectors, and Canadian investors need to be aware of this. In order to offer Canadian investors greater assurance, Canadian officials are working with Russian counterparts to explore the possibility of upgrading our current FIPA.

Russia has successfully concluded the majority of its bilateral negotiations with individual WTO members, including Canada (in December 2005). However, it has yet to complete the WTO multilateral working party process. The pace and intensity that Russia brings to this effort will largely determine the timing of its accession to the WTO. Canada looks forward to Russia completing its final negotiations and meeting its accession commitments. Russia's membership in the WTO will enable further strengthening of the commercial ties between our two countries.

Ukraine

Ukraine's economy offers attractive opportunities for Canadian exporters and investors: strong economic growth, high consumer demand, large infrastructure projects, an educated yet affordable workforce, strong S&T capacity, and geographic proximity to the EU's nearly half billion consumers and Russia's 142 million. In addition, Ukraine and Canada have similar climates, arable land conditions and energy resources (oil, gas and uranium), giving them significant opportunities to trade equipment and services in sectors such as nuclear energy, agriculture,



construction, aviation, resource extraction and energy generation. Canada's large Ukrainian community (1.2 million persons) represents another advantage.

Canada concluded bilateral WTO accession negotiations with Ukraine in February 2002. On February 5, 2008, the General Council approved Ukraine's accession package, paving the way for Ukraine to ratify the terms of membership and become a full WTO member. Ukraine became the 152nd member of the WTO on May 16, 2008.