



КОНГРЕС УКРАЇНЦІВ КАНАДИ

UKRAINIAN CANADIAN CONGRESS

CONGRÈS DES UKRAINIEN-CANADIENS

Briefing Note from the Ukrainian Canadian Congress

Ottawa, Canada



May 2019

About the Canada Ukraine Stakeholder Advisory Council (CUSAC)

The Canada Ukraine Stakeholder Advisory Council is comprised of representatives of the Ukrainian Canadian Congress (UCC) and senior government officials from the Departments of Global Affairs and National Defence, who meet from time to time to discuss the development of Canada-Ukraine relations.

The Canada Ukraine Stakeholder Advisory Council (CUSAC), is co-chaired by Paul Migus, UCC's Government Relations Director, and Alison LeClaire, Senior Arctic Official and Director General, Circumpolar Affairs and Eastern Europe and Eurasia.

Issues and Opportunities

1. Ukraine Reform Conference

- UCC is pleased to be a partner in the Ukraine Reform Conference, specifically in the Ukraine House Toronto programming with a showcase space to dedicated to highlighting the Ukrainian Canadian community.
- Further information is needed on how community and members of the public may participate and attend Ukraine House Toronto portion of the Ukraine Reform Conference.

2. Bilateral Trade

- UCC continues to be concerned with Export Development Canada's lack of support to Canadian investors in Ukraine. UCC has written to EDC about this matter.
- We believe EDC's "medium-high" risk and sovereign probability of default ranking of Ukraine does not reflect its efforts in the last five years: macro-economic, fiscal, banking and regulatory reforms.
- The EDC's "medium-high" risk rating discourages Canadian FDI in Ukraine and puts Canadian companies seeking to increase investment and trade ties with Ukraine at a serious competitive disadvantage as compared to US and EU companies. Canada's closest allies are actively encouraging such ties.
- The coming into force of the Canada-Ukraine Free Trade Agreement (CUFTA) in August 2017 underlines the Government of Canada's commitment to increasing trade, investment and people-to-people ties between Canada and Ukraine.
- The 14-month US\$3.9 Billion Stand-By Arrangement for Ukraine announced by the International Monetary Fund in December 2018 will further stabilize Ukraine's macroeconomic situation, improve growth and encourage continued reforms.
- The US Overseas Private Investment Corporation (OPIC) is providing considerable support to US companies seeking to invest in Ukraine, as is the European Union.
- In January 2019, the Export-Import Bank of the United States announced that it would resume to providing support to US companies engaged in commerce in Ukraine.
- Ukraine's economy has been growing for 11 quarters in a row, and growth for 2019 is projected at approximately 3%. Inflation has been consistently slowing, foreign reserves have reached pre-2014 levels, and the level of FDI is rising.

Going forward, we recommend that the Government of Canada take the following actions regarding Bilateral Trade:

- EDC risk ranking should accurately reflect the current situation in Ukraine, and Canada should ensure all EDC products and services are available for Canadian businesses investing in Ukraine.
- We also ask that in terms of trade and economic policy toward Ukraine the Government of Canada increases EDC support in the form of accessible loans, guarantees and export insurance for Ukraine.

3. Security and Defence Sector Cooperation

- UCC is very pleased to see an extension of Operation UNIFIER, Canada's military training mission in Ukraine, for an additional three years.
- Since the end of the Cold War, two key challenges to Canadian and global security have emerged: the threat of global terrorism and Russia's military aggression against its neighbours.
- Russia's actions (from its 2008 invasion of Georgia to its ongoing war in Ukraine) present a direct challenge to the international rules-based system that was established after WWII, particularly pertaining to the inviolability of borders and sovereignty of states.
- With its invasion of Ukraine and illegal annexation of Ukraine's Crimean Peninsula, Russia has broken guarantees to respect Ukraine's territorial integrity under the Budapest Memorandum. In exchange for security guarantees from the United States, United Kingdom and Russia, Ukraine voluntarily surrendered its nuclear arsenal (the world's third largest).
- Russia's growing presence in the Arctic, especially coupled with its assertive behaviour in Eastern Europe, clearly underlines the need for a strong NATO policy of deterrence in Europe's east to dissuade the Kremlin from further aggression.
- Canada must consider the existential threat presented to Canada and allied states by Russia's continued violation of international law. Canada must look at ways to counter Russia's aggression and deter further attacks against Ukraine or other states in the region.

Going forward, we recommend that the Government of Canada take the following actions regarding Defence and Security:

- **Provide Ukraine with defensive equipment**, most importantly ant-tank, anti-artillery systems and re-introduce support for aerial and other surveillance systems.
- **Strengthen Ukraine's Security Forces** - Strengthening the ability Ukraine's security forces to defend their citizens against foreign aggression will prevent further bloodshed and facilitate a diplomatic resolution.
- **Support the reform of Ukraine's military** - Canada must continue to support the reform of Ukraine's military through the NATO-Ukraine Trust Funds
- **Play a leading role in International peacekeeping missions** through a Mission under the auspices of the United Nations. At such time when Russia finally begins to implement its commitments under the Minsk Agreements, a large and robust international peacekeeping mission will be necessary to ensure effective monitoring of the comprehensive withdrawal of Russian troops, weapons and materiel from the eastern Ukrainian oblasts of Donetsk and Luhansk. Canada must play a leading role in ensuring that international monitoring of the Ukraine-Russia border is effective.

4. Ukraine Development Program

- UCC has extended an invitation to meet with the new Minister, the Honourable Maryam Monsef at her earliest availability, to brief her on our priorities for the Canada Ukraine relationship.
- UCC is pleased with Canada commitment to provide \$50 million annually in support of socio-economic programs to build a strong and accountable democracy and contribute to peace and security in Ukraine and the region.
- UCC was pleased to see significant support for democratic initiatives in Ukraine related to the Presidential and Parliamentary elections, including the \$24 million for elections observation, supporting electoral reforms, promoting women's participation in elections and countering disinformation.
- Much has been accomplished to achieve the strategic objective of Ukraine's democratization and integration into western institutions.
- Ukraine has signed the EU-Ukraine Association Agreement and the EU-Ukraine Deep and Comprehensive Free Trade Agreement has been implemented. The Government of Ukraine has begun a wide-ranging and comprehensive reform program of its state and economic institutions with the goal of fully consolidating Ukraine's democracy and establishing a fully functioning market economy.

- Ukraine has made progress on reforms given the fact that Ukraine is a conflict-affected state.
- The best way to ensure the return of peace to Europe is to ensure the success of a democratic, prosperous and strong Ukraine, whose territorial integrity and sovereignty is respected.

Going forward, we ask that the Government of Canada take the following steps with respect to Canada's international assistance policy:

- **Continue to provide technical assistance to ensure the success of the Government of Ukraine's reform process**, targeted at entrenching the rule of law (police, legal aid, judiciary, prosecution and anti-corruption) implementing full transparency and accountability in governance (reforms in cabinet policy development, public administration, civil service, procurement, citizen service delivery).
- **Continue to assist Ukraine's civil society** to ensure the continuing consolidation of democracy and democratic institutions. Particularly, Canada should continue to assist with programs that will build capacity and increase the effectiveness of Ukraine's political parties, media and independent journalism and non-governmental organizations.
- **Continue to provide humanitarian assistance to those affected by the conflict** through international institutions as well as bilaterally, Canada must continue to provide humanitarian assistance to those affected by Russia's invasion of Ukraine.
- **Ensure the increased participation of the Ukrainian Canadian community** in the development, planning and implementation of Canada's development assistance to Ukraine.

5. Canada's Sanctions Regime and Ukraine

- UCC welcomed the March 15 announcement by Canada's Department of Global Affairs that 114 individuals and 15 entities have been sanctioned in response to Russia's aggression in the Black Sea and the Kerch Strait, the illegal annexation of Crimea, and the war that Russia has been waging against Ukraine for over 5 years.
- On April 24 Russian President Vladimir Putin has signed a decree simplifying the procedure to grant Russian citizenship to people living in Russian-occupied Donbas, eastern Ukraine. UCC hopes that Canada takes a principled position on the issue of increasing sanctions pressure on Moscow in response to the so-called "pass-portization" initiative by the Kremlin.

- In November 2018, Russian naval forces seized three Ukrainian ships and took 24 Ukrainian sailors prisoner. The sailors have been in captivity for over 100 days. In addition, over 70 other Ukrainian citizens remain illegally imprisoned in Russia. We welcome sanctions in response to these premeditated and deliberate acts of aggression against Ukraine by Russia.
- Russia's continuing aggression against Ukraine, and the illegal imprisonment by Russia of Ukrainian political prisoners are an affront to the values of peace, democracy and human rights that we as Canadians hold dear
- The international community must continue to unequivocally oppose and condemn Russia's deplorable actions, which threaten not only Ukraine's sovereignty, but the peace and liberty of the European continent
- It is crucial that Canada and our allies maintain pressure on Russia until the occupation of Crimea is reversed, and until Russia stops its war of aggression in eastern Ukraine and releases all Ukrainian political prisoners.

Going forward, we ask that the Government of Canada take the following steps to increase the effectiveness of sanctions and deter Russia's aggression:

- **Toughen economic sanctions on Russia** - Canada in cooperation with the EU, the G7 and other like-minded nations must toughen economic sanctions on Russia. Such actions will deter further Russian efforts to seize more Ukrainian territory and pressure Moscow into full implementation of the Minsk agreements and withdrawal of Russian troops (and their proxies) from the territory of Ukraine, including Crimea.
- **Use the Magnitsky Act** to directly target human rights abusers in Russia by instituting travel bans and asset freezes against them. The Magnitsky Act allows Canada to impose sanctions on individuals responsible for the illegal imprisonment of Ukrainians illegally held in Russia; Canada must engage this legislation more robustly to hold Russian officials to account for human rights abuses against Ukrainian prisoners being held illegally in Russia and to sanction perpetrators of religious and cultural persecution against Crimean Tatars
- Designate the self-styled (self-proclaimed) **Donetsk and Luhansk "Peoples' Republics"** as **terrorist organizations** and designate the **Russian Federation as a state sponsor of terrorism**, as has been requested by the Parliament of Ukraine.

6. Immigration and VISA Reforms

- Ukraine dropped visa requirements for Canadian visitors in 2005. However, Canada continues to require visas from Ukrainian residents seeking to visit Canada.
- Visa-free travel for Ukrainian citizens has been successfully adopted by the European Union. Since June 2017, Ukrainian citizens with a biometric passport have been able to travel to the EU for up to 90 days without a visa.
- Within the context of the Canada Ukraine Free Trade Agreement (CUFTA), the lifting of short-term visa requirements for Ukrainian citizens visiting Canada would greatly facilitate the development of commercial and cultural ties between Canada and Ukraine.
- While Ukrainian citizens travelling to Canada are currently eligible for 10-year Multiple Entry Visas, we believe that further increasing travel opportunities would enable trade and business development and be mutually beneficial to both countries.
- Since 2017, Brazilian citizens who have successfully obtained a visitor's visa to Canada in the last ten years have been eligible to apply for an eTA (Electronic Travel Authorization). ETAs enable trusted travelers to make more frequent trips to Canada and are valid for up to five years.

Going forward, we ask that the government of Canada takes the following steps to facilitate movement of people between Canada and Ukraine:

- **Offer the option of an Electronic Travel Authorization (eTA)** to Ukrainian citizens who have demonstrated a commitment to Canada's immigration principles and who have demonstrated past compliance with Canadian immigration laws.
- **Implement visa-free travel for Ukrainians visiting Canada** by introducing a Trusted Traveler-style, expedited visa processing program for Ukrainian citizens who have demonstrated a commitment to Canada's immigration principles, have undergone a risk assessment, and have demonstrated past compliance with Canadian immigration law.