



PBN

[www.pbnco.com](http://www.pbnco.com)

THE PBN COMPANY is an international strategic communications, government relations and public affairs consultancy serving clients worldwide from offices in Washington, DC, London, Moscow, Kyiv, Riga, Almaty and Chisinau.

Tuesday, January 25, 2005

Volume 1 Issue 23

## A NEW ERA FOR UKRAINE: Yushchenko Sworn in as Ukraine's President



With his hand on the Ukrainian constitution and an antique Bible at his elbow, Viktor Yushchenko takes an oath of loyalty to the people and is sworn in as the Ukrainian President at the Verkhovna Rada parliament on Sunday, 23 January 2005.

Opposition leader Viktor Yushchenko was inaugurated President of Ukraine this past Sunday. After a grueling six-month campaign that included several assassination attempts, poisoning, massive election fraud, a peaceful civic revolution and two Supreme Court cases — Yushchenko overcame hurdles put before him by an intransigent regime to become independent Ukraine's third democratically elected president.

### Yushchenko's Road to Victory

By Myron Wasyluk, Senior Vice  
President, PBN•Ukraine  
[\[click here for full story\]](#)

### The Ukrainian Elections — Views From Russia

By Sergey Kolmakov, Deputy Director,  
Government Relations, PBN•Russia  
[\[click here for full story\]](#)

### Ukraine & Yushchenko: Perspective From Europe

By Trevor Barton, Vice President and  
Managing Director, PBN•UK  
[\[click here for full story\]](#)

### A New Beginning for U.S.— Ukraine Relations

By Paul Nathanson, Senior Vice  
President and Managing Director,  
PBN•USA  
[\[click here for full story\]](#)

### News From PBN Worldwide

PBN VP to Speak at Ukraine  
Investment Symposium  
[\[click here for full story\]](#)

[Email PBN](#)

[Visit our Website](#)

[Access PBN Staff Worldwide](#)

In his first presidential act, Yushchenko nominated opposition ally Yulia Tymoshenko as Prime Minister. She will require a confirmation vote in the country's parliament, the Verkhovna Rada, expected in early February. In another decree, President Yushchenko liquidated the presidential administration replacing it with a secretariat that will be headed by his former campaign manager Oleksandr Zinchenko. Rada Budget Committee Chairman Petro Poroshenko, a Yushchenko ally and deputy campaign manager, was appointed Secretary of the National Security and Defense Council.

The core team ushers in a new era that will dramatically change Ukraine's economic, social and foreign policies. In short, a new post-Soviet political generation is now at Ukraine's helm.

### **New Investments Expected**

"Ukraine is on a cusp of a foreign and domestic investment boom," says PBN's Senior Vice President Myron Wasyluk, who served as an international advisor to the Yushchenko campaign.

Wasyluk points to Yushchenko's promises to remove administrative barriers, break up monopolies and deregulate business activity as initiatives long awaited by the country's entrepreneurs and middle class as well as investors. "Small and medium businesses in the 48-million strong consumer market are seeking equity and capital for expansion. Large industrial enterprises and exporters are retooling and modernizing," Wasyluk explains.

On the foreign policy front, much has been said about Yushchenko's plans for developing closer ties to the West. But it is significant that his first foreign policy trip was to Russia on Monday, where he met with Russian President Vladimir Putin. A key purpose was to mend fences with his northern neighbor, which he called "Ukraine's eternal strategic partner." Putin said after the meeting, "We are very happy that this difficult political period in Ukraine has passed, and that a government is in place. We expect our relations will continue to develop."

"Despite the campaign rhetoric, Ukrainian-Russian relations are too important to both countries to let long-standing rifts go unchecked," explains Wasyluk. "The Moscow meeting between both leaders puts the relationship on a new footing."

### **Trips to France, Poland and Switzerland**

Yushchenko's next trip is to Strasbourg, France where he will address the Council of Europe's Parliamentary Assembly

## **Access PBN Archive**

### **Issue 22**

November 2, 2004

### **Issue 21**

October 19, 2004

### **Issue 20**

July 29, 2004

### **Issue 19**

June 23, 2004

### **Issue 18**

May 5, 2004

### **Issue 17**

March 16, 2004

### **Issue 16**

February 2, 2004

### **Issue 15**

December 8, 2003

### **Issue 14**

September 25, 2003

### **Issue 13**

August 21, 2003

### **Issue 12**

June 10, 2003

**[MORE]**

(PACE). The European human rights watchdog PACE was instrumental in garnering international attention to the civil and human rights violations rampant in the final year of former President Leonid Kuchma's presidency.

From Strasbourg, Yushchenko flies to Poland to participate in the 60th anniversary of the Auschwitz liberation from the Nazis. The Ukrainian President's father was a World War II inmate in the infamous concentration camp, while his in-laws were German slave laborers. There, Yushchenko will join 35 other world leaders gathered for the commemoration.

Yushchenko completes his first presidential journey with a stop at the World Economic Forum in Davos, Switzerland. He will present and seek support from global leaders for his vision and timetable for integrating Ukraine into European political and economic bodies. Yushchenko campaigned on bringing Ukraine closer to Europe and said he will make it a presidential priority.

### **Balancing Act**

When Viktor Yushchenko was sworn into office on Sunday, he surely realized that it was going to take all his skills and dexterity to heal a divided country, mend relations with Russia, court cooperation with Europe, and end the corruption ingrained throughout the country's bureaucracy.

In this issue of Access PBN, we provide you an on-the-ground view of the election of President Yushchenko as well as the views on his presidency from our analysts in Russia, the U.K. and the U.S.

Visit Yushchenko's personal website: [www.yushchenko.com.ua/eng/](http://www.yushchenko.com.ua/eng/)

Email Myron: [Myron.Wasylyk@pbnco.com](mailto:Myron.Wasylyk@pbnco.com)



Tuesday, January 25, 2005

Volume 1 Issue 23

## Yushchenko's Road to Victory

*By Myron Wasyluk, Senior Vice President, PBN•Ukraine*

During a six-month presidential campaign, Viktor Yushchenko highlighted a platform of political and economic change for millions of Ukrainians looking for a better future than the one offered them by the country's discredited rulers. At the core of his vision for change is a commitment to wage a decisive battle against corruption in government at all levels.

Yushchenko won voter trust when he was Ukraine's Prime Minister from 1999–2001. Then he repaid retirees pensions, stopped the mass switching-off of electric power and paid back salaries to state employees. Voters remembered him as a humble and trusted politician. He was removed from office by a convergence of communist and oligarch-backed legislators unhappy with financial losses caused by Yushchenko's popular reform policies. Thereafter, he united his allies into a coalition of democratic forces called "Our Ukraine," that went on to win the country's parliamentary elections in 2002.

### Grassroots Campaign Overcame Media Blackout

Despite a two-year blackout of positive national news coverage, Yushchenko was able to continue capturing voters' imaginations through a door-to-door grassroots campaign that took him to every major city and virtually every village throughout Ukraine's vast countryside.

After spending the summer months campaigning for president in southern Ukraine, Yushchenko returned to Kyiv in September where he was mysteriously poisoned. Unable to determine the source of his illness, he flew to Vienna, Austria,

[Return to Front Page](#)



Viktor Yushchenko gives the thumbs-up sign to a crowd at Kyiv's Independence Square during the presidential campaign.



Myron Wasyluk, Senior Vice President, PBN•Ukraine

for medical treatment, as campaign managers feared the poisoning was an assassination attempt. He recuperated for more than a month and returned to Ukraine in early October. In December, doctors concluded Yushchenko was poisoned with dioxin.

Despite a noticeable absence from the campaign trail, his voter support remained high. Weeks before the election, tens of thousands of Yushchenko supporters came to campaign rallies to get a glimpse of the unrelenting fighter.

Yushchenko overcame, literally, each roadblock and hurdle placed before him by the government. State resources channeled into negative publicity and smear campaigns backfired, as Yushchenko outmaneuvered the authorities at each step of the campaign trail. He squarely blamed the presidential administration and its oligarch allies for consistently biased national news coverage, while at the same time he urged journalists to offer citizens a balanced view on events. When objective news was replaced by censorship, reporters became Yushchenko's allies against arbitrary state power. Yushchenko's supporters also turned to the internet to get out their messages, including the e-newsletter Our Ukraine, which The PBN Company helped develop and manage. (See the archive at [www.ourukraine.org/newsletter/](http://www.ourukraine.org/newsletter/)).

Voters came to understand that if the discredited government feared Yushchenko, then he was the man they should support. His call to rise against government and oligarch corruption was heard by millions. The trust he established as Prime Minister in 1999, coupled with his reputation for sober resolutions of complicated problems, was the chord that connected Yushchenko to average citizens yearning for a fair and better life. The October 31 election became a turning point for average citizens no longer willing to tolerate government injustice and ready to place trust in Yushchenko to manage change.

### **Coalition of Center-Right, Socialist, Industrialist and Green Parties**

Yushchenko, already supported by center-right political parties, won additional backing during the run-off election from the country's socialist, industrialist and green parties. Women's groups, literary figures and the country's Kyiv-based intelligentsia also threw their support behind Yushchenko. His campaign was joined in its final days by a number of world-renowned sports figures and celebrities such as boxing champions Vitaliy and Volodymyr Klitchko, chess master

Ruslan Ponomaryov, and Ruslana, the energetic singer who won the 2004 Eurovision song competition this past May.

Putting ideological differences aside, what united the broad Yushchenko coalition was a growing public mood in Ukraine to rid the country of discredited and corrupt rulers. Nationwide public opinion polls showed two-thirds of Ukrainians were unhappy with the country's direction. They distrusted the ruling regime and strongly believed government corruption was the root cause of political and economic problems.

When the authorities rigged the November 21 run-off vote and declared incumbent Prime Minister Yanukovych winner of the race, a civil disobedience campaign quickly turned into a peaceful "orange revolution."

Yushchenko petitioned the Supreme Court and proved that the official central election commission results were not a fair representation of the will of the people. The court overturned the official results and mandated an unprecedented third run-off. Yushchenko won the third round with 52% of the vote, compared to 44% for his opponent.

Email Myron: [Myron.Wasylyk@pbnco.com](mailto:Myron.Wasylyk@pbnco.com)



[www.pbnco.com](http://www.pbnco.com)

THE PBN COMPANY is an international strategic communications, government relations and public affairs consultancy serving clients worldwide from offices in Washington, DC, London, Moscow, Kyiv, Riga, Almaty and Chisinau.



Tuesday, January 25, 2005

Volume 1 Issue 23

## The Ukrainian Elections — Views From Russia

*By Sergey Kolmakov, Deputy Director, Government Relations, PBN•Russia*

The drama of the Ukrainian presidential elections is over and a gradual return to normal intergovernmental relations with Russia began with Monday's summit between Russian President Putin and Ukraine's newly inaugurated president, Viktor Yushchenko.

Despite this "thawing of tensions," the election results in Ukraine have and will continue to have long-term consequences for a wide range of issues, including Russia's relations with the United States and the West in general; Russia's relations with other post-Soviet republics; the character and trajectory of Russian-Ukrainian relations; and, even the development of Russia's own internal political agenda.

Vyacheslav Nikonov, a political policy analyst with close ties to the Kremlin and a senior advisor to The PBN Company and our clients, said, "Russia — and Putin personally — invested significant effort and prestige into the Ukrainian electoral campaign, which they thought had been successful... Moscow views what is now taking place as an unconstitutional coup, as the first instance in history of a geopolitical covert operation pulled off by a combination of Western interests on so large a scale — i.e., revolutionary regime change in a post-Soviet republic allied with Russia."

But in many respects it is inconceivable to think of a permanent Russian-Ukrainian standoff. Russia and Ukraine are historically, culturally and economically intertwined.

[Return to Front Page](#)



One day after being sworn in, President Yushchenko met with Russian President Vladimir Putin where he stated that Russia is Ukraine's "eternal strategic partner."

*Photo credit: AP/Wide World Photos*



Sergey Kolmakov, Deputy Director, Government Relations, PBN•Russia

Hundreds of thousands of Ukrainian citizens live and work in Russia, sending salaries to their families back home, and many Russians and Ukrainians have cross-border family ties going back generations. While Yushchenko's election certainly emphasizes Ukraine's European aspirations, it is inconceivable that the European Union will welcome Ukraine into its midst in the foreseeable future. Moreover, Russia remains one of the most important markets for Ukrainian goods and services. Ukraine's non-energy trade balance with Russia is positive — to the tune of US\$1.5 billion. Further, Russian and Ukrainian cooperation in certain advanced technologies — missile production, avionics, and related fields — provides a positive impetus for future cooperation. Whether they like it or not, Russians and Ukrainians will need to continue working together.

### **A Cordon Sanitaire Around Russia**

But the elections have nonplussed Russia's political leadership, including President Putin personally. The magnitude of this foreign political intervention is being compared with the Russian defeat by the combined forces of Turkey, France and Great Britain during the Crimean War in the mid-Nineteenth Century.

From Russia's perspective, Ukraine's election results provide the U.S. and the European Union with an essentially free hand in the economic and political affairs of the CIS. Russia's political elite views this as the de facto creation of a cordon sanitaire around Russia. When he came to power in 2000, President Putin vowed to re-establish Russia's preeminence in its traditional zone of influence, meaning throughout the former Soviet Union. Various provisional models were considered as potential vehicles for reintegration. Unfortunately, none produced adequate results.

The recent agreement on a unified economic zone among Russia, Belarus, Ukraine and Kazakhstan was the first real step toward realizing Russia's broader political agenda. Practically on the eve of the Ukrainian elections, this agreement lowered customs duties and taxes, thereby setting the framework for a unified market for goods and services. This subject was discussed at length during Yushchenko's first meeting with Russian President Putin, and the two sides agreed to build on the substantial work already accomplished toward an integrated economic zone for the CIS republics.

At their first presidential summit, Putin and Yushchenko made clear their intentions to overcome the lingering effects of

Russia's involvement in the Ukrainian election process. This is without doubt a good start; but of course the essential issues remain unresolved.

At the same time, Yushchenko's appointment of Yulia Tymoshenko as Prime Minister was not welcomed by the Kremlin. Tymoshenko faces charges and an arrest warrant in Russia on alleged forgery and gas smuggling from her days as head of a private gas trading firm in the 1990s — charges she vehemently denies.

What are the possible consequences of continued tensions in Russian-Ukrainian relations? Russia might develop a more isolationist posture and distance itself even further from the West. Putin's much-vaunted "good chemistry" with leaders of Western nations, including the United States, is also likely to suffer.

Russian political leaders are especially alarmed by the apparent volatility and mobility of the "orange peril." In their terms, this refers to the ability of a group of agitators to mobilize significant numbers of the public at large by using non-governmental civic organizations and technologies such as the Internet, cell phones, and printing presses for banners and T-shirts.

### **Russia's Alignment with Other CIS Countries**

Geopolitically, Russia is becoming more closely aligned with Belarus, Kazakhstan and the Central Asian republics. Domestically, Russia is expected to redouble its efforts toward combating "internal enemies" and — in general — a tightening of the government's law enforcement and administrative — regulatory structures.

If Yushchenko follows through on his "orange" rhetoric of decoupling Ukraine from the unified economic zone and accelerating Ukrainian momentum toward joining NATO, the Russian-Ukrainian relationship would likely be strained. Any of the following developments would serve to complicate Russian-Ukrainian relations even further:

- Any Ukrainian decision to review or unilaterally alter currently existing agreements with Russia regarding transporting oil and/or gas via Ukraine to Europe;
- Any disruption of industrial cooperation — especially involving production of aviation or military equipment of any kind — or introduction of Western investors into this relationship;

- Any hint that the Ukrainian government plans to review the status of the Russian Navy's Black Sea Fleet, which is currently stationed in Sevastopol;
- A perception that Russian business interests are being targeted for negative treatment on a selective basis — i. e., bias — in the Ukrainian market.

Although the first meeting between Putin and Yushchenko went as well as could be reasonably expected, Moscow will undoubtedly observe the new Ukrainian president's future statements and actions closely to discern whether and to what extent he remains steadfast to his stated commitment to overcome the current rift in relations with Russia.

Email Sergey: [Sergey.Kolmakov@pbnco.com](mailto:Sergey.Kolmakov@pbnco.com)



Tuesday, January 25, 2005

Volume 1 Issue 23

## Ukraine & Yushchenko: Perspective From Europe

*By Trevor Barton, Vice President and Managing Director,  
PBN•UK*

Ukraine as a part of Europe? As Javier Solana, the EU's foreign policy chief said on Friday after a three-hour meeting with Viktor Yushchenko, "nothing is impossible for Ukraine."

But as to whether it is likely in the immediate future, that is another matter.

The EU is considered by its own members to be big enough already, to be unwieldy, and to have a raft of almost insoluble problems which take up too much time of excessive numbers of highly-paid Brussels bureaucrats. Recent accessions will take years, not months, to manage and come to terms with, both psychologically and practically. Another accession by a country of the stature and size of Ukraine is viewed by many as an impossibility in the short to medium term. Further complicating this is the EU's desire to maintain a friendly working relationship with Russia however Ukraine chooses to play its own relationship with its powerful neighbour. The EU does not want to take sides in any potential dispute.

This cautious approach, however, is not shared by the incoming Yushchenko administration. Oleh Rybachuk, likely to be named Minister for European Integration, told reporters in Brussels last week that Ukraine would submit a written request to join the EU and said, "Going slow is not a key word in Yushchenko's policy." He said that an agenda of reform would immediately make its way through the Ukrainian parliament.

[Return to Front Page](#)



Then President-elect Viktor Yushchenko met with Javier Solana, European Union Foreign Policy Chief, in his private apartment on Friday, 21 January 2005, just 2 days before the Ukrainian inauguration.

*Photo credit: AP/Wide World Photos*

Yushchenko himself on the day of his inauguration said that the future of the country "is in the European Union. My goal is Ukraine in a united Europe. Our road into the future is the road on which a united Europe is headed."

### **Positive Image of Yushchenko**

There is strong approval in Europe that democracy prevailed over crude electoral manipulation and that the Ukrainian people were able to choose Yushchenko as their new President. Ukraine can now, it is perceived, move on from the mock-democracy which had existed since the formal break-up of the Soviet Union more than 13 years ago. Mr. Putin would argue that these perceptions are a result of the European media's positive portrayal of Yushchenko and its damning indictment of the previous regime. But Europeans have in the past 20 years watched a number of countries emerge from the former Soviet yoke, move towards Europe and thrive, and are therefore able to cut through the media babble and make their own judgments as to what works best for peoples and for countries. Many modern-day Europeans have in fact experienced first hand the sort of system which Ukraine is now in the process of finally throwing off.

So Europeans are happy to be persuaded that Yushchenko is right for Ukraine...but immediately other concerns arise:

- Who else will have power in the new government?
- How will Yushchenko work with the other members of the "coalition" which united behind him in the campaign against Yanukovych?
- How will he mend the schism between eastern and western Ukraine?

Furthermore, perhaps the greatest challenge for him and his government in the context of Europe is to convince the EU and the peoples of Europe that the change which has taken place in government will be reflected in the lives of ordinary Ukrainians, and that there will be no slide back to the ways of the previous regime. Any contrary evidence, however minor it may seem to Yushchenko, will be seized upon by the Western media and used to overshadow his achievements. There can be no more of the "this is the way things work in Ukraine" excuse for corruption or undemocratic processes.

### **European Business Taking a New Look at Ukraine**

As to Europe's business community, it is reacting positively to the commercial and investment possibilities which it sees



Trevor Barton, Vice President  
and Managing Director, PBN•UK

opening up in Ukraine. Companies which have invested in Russia, and even some which have not, have long wondered what may be achieved in Ukraine. Some investors have indeed been there for years already, but the numbers are relatively low. As many of the opportunities in Russia (or at least in the more accessible parts of Russia) have been taken up, investors have had to look further afield, outside Moscow and St. Petersburg and western Russia's population centres.

The opportunity exists now for Ukraine to promote itself as the new, better destination for foreign investment. All will depend on how successful the new government is in very quickly putting in place improved laws and regulations to encourage investors, in marketing the country effectively, and in convincing the world that the old days of oligarchic rule and crony privatisations (a la Krivorzhstal) are well in the past. Europeans have no doubt as to the country's potential — a forthcoming conference on investment in Ukraine, which will be run in mid-March by the Adam Smith Institute in London, is already heavily subscribed — but can potential be realised?

Mr. Yushchenko and his colleagues should take the foreign investment point seriously. The more Western companies invest in Ukraine, the more Europeans will become attuned to the idea of Ukraine taking its place in Europe. International business and investment will provide a means to overcome some of the practical problems and perception issues which, notwithstanding a new government and a general warmth from Europe, will continue to hinder Ukraine's movement westwards. Thus, in due course, the path to integration can be cleared.

Email Trevor: [Trevor.Barton@pbnc.com](mailto:Trevor.Barton@pbnc.com)



[www.pbnco.com](http://www.pbnco.com)

THE PBN COMPANY is an international strategic communications, government relations and public affairs consultancy serving clients worldwide from offices in Washington, DC, London, Moscow, Kyiv, Riga, Almaty and Chisinau.

PBN

Tuesday, January 25, 2005

Volume 1 Issue 23

## A New Beginning for U.S.–Ukraine Relations

*By Paul Nathanson, Senior Vice President and Managing Director, PBN•USA*

Today the U.S. government is embracing the Ukrainian election as yet another example of its stated foreign policy of encouraging democracy and freedom around the world. But the reality is that the U.S. Government was as surprised as the rest of the world at the intensity of the "orange revolution" that would ultimately bring Viktor Yushchenko to power.

In recent years, the United States placed less of a priority on Ukraine because the U.S. government viewed it as a country plagued by authoritarian rule, corruption and economic mismanagement. In addition, the Bush Administration was concerned that high profile efforts aimed at orienting Ukraine toward the West would create problems in U.S.-Russia relations. U.S.-Ukraine relations reached their lowest point in 2002 when allegations arose that Ukraine sold radar equipment to Saddam Hussein. Ukraine's decision to send troops to support the war in Iraq helped to improve bilateral relations but the U.S. continued to view Ukraine as secondary in its foreign policy agenda. (Ironically, both Yushchenko and his rival Viktor Yanukovych vowed during the campaign that they would withdraw troops from Iraq if elected.)

### Concerns about Relations with Russia

In the months leading up to Ukraine's presidential election, the White House was in the midst of its own presidential campaign and, with exception of Iraq and the war against terror, foreign policy issues were placed on the back-burner on the campaign trail.

[Return to Front Page](#)



U.S. Secretary of State Colin Powell (left), Ukrainian First Lady Kateryna Yushchenko and Ukrainian President Viktor Yushchenko pause for a photograph on the day of the inauguration.



Paul Nathanson, Senior Vice President and Managing Director, PBN•USA

Russian President Vladimir Putin's claims that the U.S. somehow engineered the election of Viktor Yushchenko gives the White House more credit than it deserves. President Bush's close relations with his friend "Puttie" (his nickname for Russian President Vladimir Putin) also played a large role in the U.S.'s cautious approach to Ukraine. The White House needs President Putin's help in its global war against terrorism as well as helping to resolve the growing crises with Iran and North Korea. As a result, the U.S. government tried to avoid positioning the Ukrainian election as a rift between East and West.

President Bush did raise the issue of the Ukrainian election in his November meeting with President Putin, and the U.S. government did take the unusual step of denying a visa to Rada member Grigory Surkis for allegations of corruption.

But Ukraine was clearly not a foreign policy priority for the U.S. Government. Senator John McCain said in September that both the U.S. and Europe "have not been fully cognizant of the critical role Ukraine plays, and as a result, the aspirations of Ukrainians to see their nation firmly ensconced in the West has drifted. It would be a terrible blunder if, because of our inattention and mistakes, we allow Ukraine to slip back into the Russian orbit."

### **Ukrainian People Chart their Own Course**

Now that the Ukrainian people, through a remarkable display of civil disobedience, have wrestled the future of their country from the hands of the "old regime," Washington is looking at Ukraine as this decade's catalyst to spread democracy. It is likely that U.S. foreign aid, which had declined significantly over the past several years, will increase dramatically, helping to support the Yushchenko Administration's reform agenda. Even the country's plans to withdraw troops from Iraq by mid-2005 is not likely to dampen the U.S.'s renewed interest in and support of Ukraine.

The U.S.-Ukraine bilateral relationship will certainly grow in the coming months. The new President's Western orientation and the Bush Administration's desire to "spread democracy and freedom" are a perfect match for each other.

With new leaders now in place in Ukraine, the United States has its best opportunity in years to encourage genuine reform. Look for progress on major areas of dispute, such as intellectual property protection. Ukraine has the dubious

distinction of being the only country designated as a Priority Foreign Country by the U.S. Trade Representative because of Ukraine's failure to protect intellectual property rights. This has led to U.S. sanctions of more than \$75 million against Ukrainian exports. Improvements in Ukraine's enforcement of intellectual property rights can lead to the end of these sanctions this year and provide a tangible show of support by the U.S. government for President Yushchenko.

### **A Push for WTO Membership**

If there is progress made on intellectual property and other foreign investment issues, look for the U.S. to make a greater push for Ukraine's accession to the World Trade Organization. Ukraine still has a long road to travel to gain WTO membership, but a breakthrough in intellectual property protection could lead to greater U.S. support at the WTO.

The Yushchenko government will also likely generate a new wave of interest in Ukraine among current and potential U.S. foreign investors that has not been seen since Ukraine became independent 13 years ago. The always politically active Ukrainian Diaspora in the U.S. will renew efforts to encourage the Bush Administration and Congress to promote U.S. investment in Ukraine by repeal of the Jackson-Vanik amendment and other actions. In addition, U.S. corporations who had written off Ukraine because of corruption and other issues may take a second look at the country, particularly given concerns about the Russian Government's handling of the Yukos affair.

Geopolitically, the U.S. will continue to take a careful approach in helping encourage the spread of the "orange revolution" to neighboring states because of sensitivities to disrupting U.S-Russian relations. The U.S. will encourage Ukraine toward the West by supporting membership in NATO, the EU and other institutions. While the U.S. role may not be highly visible, the U.S. government will not likely pass up this "second chance" at solidifying a truly independent and Western-oriented Ukraine.

Email Paul: [Paul.Nathanson@pbnc.com](mailto:Paul.Nathanson@pbnc.com)



PBN

[www.pbnco.com](http://www.pbnco.com)

THE PBN COMPANY is an international strategic communications, government relations and public affairs consultancy serving clients worldwide from offices in Washington, DC, London, Moscow, Kyiv, Riga, Almaty and Chisinau.

Tuesday, January 25, 2005

Volume 1 Issue 23

## News From PBN Worldwide



**Investment Welcome.** That's the message of an upcoming Ukraine Investment Symposium scheduled for March 15-16 in London. PBN's Myron Wasylyk will be speaking at the conference.

Visit the website: [www.ukrainian-investment.com](http://www.ukrainian-investment.com)

**Retail is Booming in Russia.** That was the thesis in an article written by PBN's Chairman Peter B. Necarsulmer that appeared in the U.S. Department of Commerce BSNIS Bulletin.

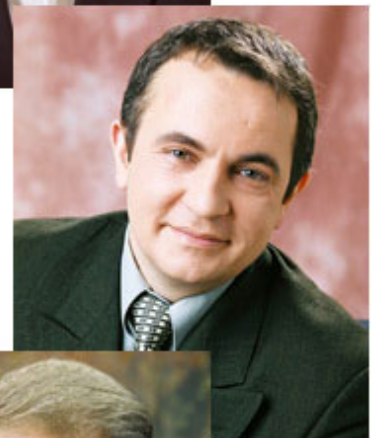
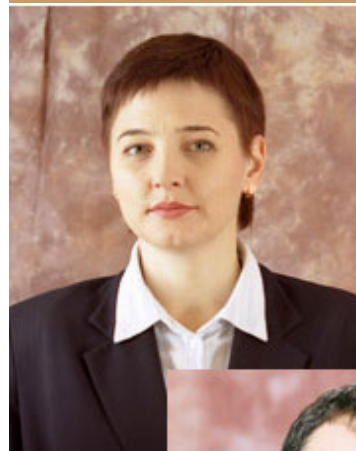
Read the article: [www.pbnco.com/eng/news](http://www.pbnco.com/eng/news)

**Two More PBN Pens.** Two articles from PBNers appeared in this month's Russian Investment Review. One was an interview with Senior Advisor Slava Nikonov on the Russian political and government outlook and the other was an article by Vice President Vlad Berezansky on the August banking crisis in Russia.

Read the articles: [www.pbnco.com/eng/news](http://www.pbnco.com/eng/news)

**36.6 President Joins National Retail Federation Board.** PBN client, Artem Bektemirov, President of Russia's Pharmacy Chain 36.6, was elected to the Board of the National Retail Federation. He is the first and only Russian retailer on this prestigious organization's Board. Artem also delivered a presentation on the opportunities and growth of the Russian retail sector to the group. See the presentation: [www.pbnco.com/eng/news](http://www.pbnco.com/eng/news)

[Return to Front Page](#)



**Moving Ahead in Moscow.** Two long-time PBNers have been promoted into the management team of our Moscow office. Tatiana Nikulshina has been promoted to Director of Client Service and Vladimir Chernyavsky has been promoted to Director of Operations and Administration. Congratulations to both Tanya and Wolfie!

Email Tanya and Wolfie: [Tatiana.Nikulshina@pbnco.com](mailto:Tatiana.Nikulshina@pbnco.com) and [Vladimir.Chernyavsky@pbnco.com](mailto:Vladimir.Chernyavsky@pbnco.com)

**Promos in Kyiv.** Serhiy Movchan was named Managing Director of PBN's Ukraine office. Myron Wasylyk remains Senior Vice President and will increase his focus to expand PBN's business in new markets. In addition, Natalia Sedova has been promoted to Account Manager overseeing clients in the oil and gas and metallurgy industries. Congratulations, Serhiy and Natalia!

Email Serhiy, Myron and Natalia: [Serhiy.Movchan@pbnco.com](mailto:Serhiy.Movchan@pbnco.com), [Myron.Wasylyk@pbnco.com](mailto:Myron.Wasylyk@pbnco.com) and [Natalia.Sedova@pbnco.com](mailto:Natalia.Sedova@pbnco.com)

**London Manager.** A warm welcome to Sarah Robinson, who joins the PBN London office as an Associate Account Manager. Sarah spent the last seven years working in Moscow for the British Council and the British Embassy, and the last four years working directly for Sir Roderic Lyne, then British Ambassador to Russia.

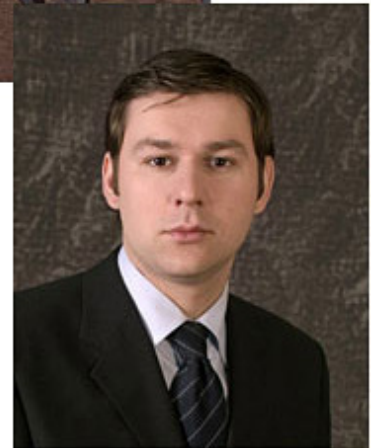
Email Sarah: [Sarah.Robinson@pbnco.com](mailto:Sarah.Robinson@pbnco.com)

**Kyiv Manager.** PBN welcomes Svitlana Grytsenko a new Associate Account Manager in the Kyiv office. Previously, Svitlana was a research associate at the Ukrainian Center for Economic and Political Studies named after Alexander Razumkov in Kyiv. She was also an active staff member of the Yushchenko presidential campaign.

Email Svitlana: [Svitlana.Grytsenko@pbnco.com](mailto:Svitlana.Grytsenko@pbnco.com)

**IT Reinforcements.** The Moscow office is pleased to welcome our new IT Specialist Gregory Simonov. Originally from Moscow, Gregory lived for 10 years in New York City where he worked with leading Internet development companies and e-business providers, as well as the highly popular radio station WNYC, all in New York City. Gregory is fluent in Russian and English.

Email Gregory: [Gregory.Simonov@pbnco.com](mailto:Gregory.Simonov@pbnco.com)



FROM TOP: Tatiana Nikulshina, Director of Client Service, PBN•Moscow; Vladimir Chernyavsky, Director of Operations and Administration, PBN•Moscow; Serhiy Movchan, Managing Director, PBN•Kyiv; Natalia Sedova, Account Manager, PBN•Kyiv; Gregory Simonov, IT Specialist, PBN•Moscow; Alexei Brevnov, Account Manager, Government Relations, PBN•Moscow

**Moscow GR Team Expands.** Please welcome Alexei Brevnov to the Moscow GR team! Alexei previously worked in the Department for External Church Relations of the Moscow Patriarchate of the Russian Orthodox Patriarchy.

Email Alexei: [Alexei.Brevnov@pbnco.com](mailto:Alexei.Brevnov@pbnco.com)

**New Moscow Recruits.** We're pleased to welcome Adam Fuss, a new English editor in our Translation Department, and Yelena Morozova, who has joined the Moscow office as a receptionist. Both Adam and Yelena are fluent in English and Russian.

Email Adam and Yelena: [Adam.Fuss@pbnco.com](mailto:Adam.Fuss@pbnco.com) and [Yelena.Morozova@pbnco.com](mailto:Yelena.Morozova@pbnco.com)

**Hello to Anna.** Also send a big hello to Anna Balishina, our new full-time intern in Washington DC. Anna has an educational background in law, political science, and international affairs; broad international experience; and work experience in the U.S. Congress. She is fluent in English and Russian.

Email Anna: [Anna.Balishina@pbnco.com](mailto:Anna.Balishina@pbnco.com)

[Return to Front Page](#)