

British Ukrainian Chamber of Commerce

Ukraine Branch

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Annual Report on the BUCC in 2019

Dear Members and Friends,

The British Ukrainian Chamber of Commerce (“**BUCC**”) brings together British, Ukrainian and **international companies and individuals doing business in Ukraine and/or the UK, including in the City of London, the financial capital of Europe, Africa and the Middle-East.** We are actively involved in encouraging the development of business and trade, such as with ports and private rail links, irrigation farming and other business areas in Ukraine, as well as to addressing the consequences of Brexit by promoting the priority execution of a new UK-Ukraine free trade agreement that will eliminate tariffs and other trade barriers.

During 2019, the BUCC organized or participated in over 50 events in London and Kyiv, and conducted numerous other activities for our Members, as indicated below and in the attached list of main events. The BUCC, in particular, holds every year monthly networking events in Kyiv, and is now planning to do so in London.

The BUCC provides in-depth information on business, commerce, trade and culture in Ukraine and the UK to assist our members interested in British and Ukrainian business opportunities. We conduct a wide variety of other business focused activities, including those described below by our special committees. We also organise and contribute to many charitable activities for Ukraine.

1. Special Events

We held in 2019, in particular, the following major special events:

- **Annual BUCC Luncheon in Lviv** (for BUCC members only)

This reception, followed by a luncheon, was held on 27 June 2019 to open the Leopold Jazz Festival, with participation of Julian Burns, Information and Communications Technologies Banker at the EBRD, who spoke on Finance for Ukrainian IT. The event was sponsored by SoftServe, Lufthansa Group and B.C. Toms & Co.

- **John Hughes Memorial Dinner**

The British Ukrainian Chamber of Commerce and the Ukrainian Chamber of Commerce and Industry, with the John Hughes Business Club, held on 21 November 2019 at the Opera Hotel their traditional John Hughes Memorial Dinner to celebrate the achievements of **John Hughes, the British founder of Donetsk** and of the steel and coal industries in Ukraine. The Guest of Honour for the event was Tymofiy Mylovanov, Minister of Economic Development, Trade and Agriculture of Ukraine.

The Dinner was attended by over 80 leaders from business, including agriculture, energy, finance, heavy industry and IT, and from the Government. It revived the John Hughes Memorial Dinner that the BUCC used to hold with the Donetsk Chamber of Commerce every year in Donetsk and occasionally in London (at the Ironmongers Hall) before the 2014 Russian invasion of Donbass.

2. Monthly Networking Receptions

In Kyiv, the BUCC holds its Monthly Reception on the last Wednesday of each month (except in April and December, when it is held mid-month) at leading hotels, restaurants and other interesting venues, like the InterContinental, Opera, Radisson Blue and Premier Palace hotels. Pictures and short press releases on all BUCC events can be found on our [website](http://www.bucc.com.ua) (www.bucc.com.ua) and the [BUCC Facebook, Instagram and LinkedIn pages](#).

For 2020, we are also planning to hold regular meetings in London and Lviv.

3. Plans for 2020 – Expansion of the BUCC’s Branches and Membership

For 2020, the Chamber has decided (1) to establish new offices, in addition to the Kyiv and London offices, at Lviv; Odesa; Dnipro and Kharkiv, with local committees for each branch, (2) to begin holding events in Lviv, Odesa, Kharkiv and Dnipro, and (3) through our Special Committees on Agriculture, Energy, Infrastructure and Transport, British-Ukrainian IT, Trade, Investment and Brexit, Tourism, Real Estate (including OSBB), Law and Accounting and Art and Design, to focus on addressing especially important issues through particular BUCC projects, including as described below.

4. The BUCC E-CARD for Discounts

The BUCC’s new membership E-Card system (that will be launched this year) provides substantial (5% to 35%) discounts for our members at leading restaurants, hotels, shops and other establishments in Kyiv, Dnipro, Lviv, Odesa, Kharkiv, London and elsewhere. (Members should be able to more than cover their membership cost through these discounts.)

5. Planned Events for 2020

- (a) Ukrainian Week in London 2020 – presently planned to be held in October 2020;
- (b) Annual Luncheon for the Lviv Alfa Jazz Festival - to be held in June 2020;
- (c) Annual Dinner for the Odesa Film Festival – scheduled for July 2020;
- (d) Impressionism Project Reception 2020;
- (e) The John Hughes Memorial Dinner, in honour of the founder of Donetsk, to be held in Kyiv.

6. Projects to Facilitate Business, Enhance Corporate Social Responsibility and Promote Ukraine

7.

The BUCC focuses on a number of special projects, including through our Committees, based on our members' ideas as to what we can do to significantly benefit the British and Ukrainian business community. Presently, we are undertaking the following special projects:

(a) Brexit

The BUCC's Trade, Investment and Brexit Committee is studying how best to react to Brexit (the exiting of the UK from the EU), so as to develop further trade between Great Britain and Ukraine, and with other countries, when the DCFTA with the EU ceases to apply for the UK. The BUCC believes that because the UK imports more than half of its food, it should be in favor of expanding food imports from Ukraine, unlike the EU which has severely restricted such imports into the EU in its DCFTA with Ukraine to protect EU farmers. Consequently, as one of the world's major food exporters and for other reasons, Ukraine should be a major beneficiary from Brexit.

(b) Programme for Future Implementation of Ukrainian Week in London

The BUCC is taking forward its Ukrainian Week in London initiative in two directions.

- (1) Together with the British Chambers of Commerce (BCC), that brings together British chambers in the UK and abroad, and the other organisations that cooperated to hold the first Ukrainian Week in London, the BUCC is organising for Ukrainian Week in London to be held in 2020.
- (2) The BUCC's Committees will, before the next Ukrainian Week, be periodically holding events on particular topics of interest for the key Ukrainian Week subjects. In particular, the BUCC's Agriculture Committee, Infrastructure and Transportation Committee, Law and Accounting Committee, Energy Committee and British-Ukrainian IT Committee are addressing issues that were discussed and developed during the previous Ukrainian Week in London, including by encouraging the proposed UK-Ukraine free trade agreement to very broadly liberalise UK-Ukraine trade post-Brexit.

As London is the financial capital of Europe, the UK is Europe's largest net importer of food and the UK is exiting the EU, there are presently special opportunities to greatly enhance commercial and financial ties between the UK and Ukraine. This is especially so because Ukraine is Europe's largest net exporter of food and a major IT center (and the UK's principal IT outsourcing destination). Ukraine is rapidly developing in many other directions, including as one of Europe's growing centers for manufacturing. Thus, the BUCC, through its Ukrainian Week in London initiative, aims over the next several years, during and after the UK's Brexit transition period, to accelerate the development of greater commercial integration between the UK and Ukraine.

(c) Political Risk Insurance

Ukraine needs greater availability of political/conflict risk insurance, so that such political/conflict risk does not discourage foreign investment into Ukraine. The BUCC's proposal is based on

increasing the level of political/conflict risk insurance available from the World Bank's MIGA, just as has been preliminary organised, for the same reason, for the West Bank and Gaza, covering both investments and their projected profits.

(d) Legal Ombudsman Proposal

For Ukraine's judicial reform and anti-corruption programs to actually help protect UK and other foreign investors into Ukraine, Ukraine needs a Legal/Judicial Ombudsman, as was developed by Sweden when corruption in the Swedish courts was a problem in the early 1900s (this is in addition to the existing Business Ombudsman that focuses on administrative issues and is not involved in judicial matters). The BUCC's proposal would allow all litigants in Ukraine to take court decisions that constitute an abuse of justice to this Legal/Judicial Ombudsman for immediate review, as well as for the judges responsible for such abusive decisions to be investigated for presumed corruption (this would operate differently from the lustration of judges that is not based on the actual identified judicial misbehaviour of particular judges). This Legal/Judicial Ombudsman could also provide oversight for the proposed new criminal court as well as the intellectual property court.

(e) Project to Develop Ports and Private Freight Railways

The BUCC's Infrastructure and Transportation Committee is focused on its project to facilitate moving containers from Asia through Ukraine to Eastern Europe, the Baltics and Scandinavia, and then, shipping grain in the empty containers on their return to Asia. This was a principal focus of the discussions with the previous Ukrainian President at the BUCC's dinner for his official visit to London at the Armourers Hall and during the previous Ukrainian Week in London.

(f) Project to Develop Irrigation Farming

The BUCC's Agriculture Committee is focused on providing for greater irrigation to address the problem that crop yields in southern Ukraine are decreasing due to increasing drought from climate change, that is damaging soil quality and yields throughout southern Ukraine, and is making the Oleshky Sands, one of Europe's largest deserts that is located in Kherson Oblast, much larger. In connection with this, the BUCC is working on a proposal to exempt, from the current moratorium on the sale of agricultural land, sales of land to Ukrainian farm businesses in designated drought distressed areas that commit to spending certain specified amounts on equipment to irrigate this land.

(g) Project for the Development of Tourism in Ukraine

The BUCC's Tourism Committee promotes tourism between the UK and Ukraine, and is presently aimed at obtaining special UK destination tourism public relations (PR) services for Ukraine, and in particular Lviv, Kyiv and Odesa, to show potential UK tourists the excellent sites, restaurants and hotels that Ukraine has to offer.

(h) Project to Create Foreign LLM and IT Programs at Ukrainian Universities

The BUCC has proposed the creation of one-year foreign (principally UK and US) LLM law programs (i.e. available only to those who have completed their full Ukrainian legal education) at leading Ukrainian law schools. This initial LLM program that we are developing is intended to be a model in Kyiv, based on which similar programs could then be created many other Ukrainian

academic institutions. We also want to cause the creation of information technology (IT) instructional programs, to address the current shortage of Ukrainians trained to work in the IT sector.

(i) Project to Create Scholarships for Ukrainian Students Accepted at Oxford and Cambridge to Cover Tuition so They May Attend-

Many Ukrainian Students complete the difficult admission process and are accepted to Oxford and Cambridge Universities in the UK, only to discover that they cannot afford the tuition and related living expenses, largely because of the cancellation of most scholarship funding programs for Ukrainians to study in the west and the devaluation of the Ukrainian hryvnia. The BUCC is raising funding for scholarships to allow such students to attend, starting with a 17 years old Ukrainian mathematics prodigy, who has completed their Ukrainian undergraduate studies and is interested in continuing their undergraduate studies in pure mathematics, as well as for IT applications, who has been accepted to Trinity College, Cambridge, a world leader in mathematics since Newton taught there.

(j) Proposed Exhibitions at, and Creation of Catalogues for, the Kharkiv Art Museum, Ukrainian National Museum in Kyiv, Tate Modern in London, etc. on the Impressionist Mykhailo Tkachenko

The BUCC has been holding exhibitions and receptions on the Ukrainian Impressionist artist Mykhailo Tkachenko in Lviv and Kyiv as well as contributing art studies on Tkachenko in Kharkiv. Tkachenko's story as a leading Impressionist painter in Paris is extraordinary. Although most Ukrainian impressionist artists painted in Ukraine following this genre, Tkachenko actually painted in Paris as a significant contributor to the original development of impressionism. However, he was forgotten after his death in Kharkiv in 1916, despite the exceptional quality of his paintings and his role in what arguably is the most important art movement ever – Impressionism.

Professor James Rubin, one of the world's leading Impressionism experts, and the author of the principal study on Manet and over 60 other books and important articles on Impressionism, has spoken at several of the BUCC's Impressionism events, as well as at three leading Ukrainian Universities on Tkachenko. The BUCC's exhibition at the Hyatt's Ballroom in November 2017 specially featured 30 major paintings by Tkachenko that are privately held and are not otherwise available for public viewing. Professor Rubin is advising the BUCC on its proposed book on Tkachenko (with Korners Art) and on the BUCC's proposed major exhibition of Tkachenko paintings to be shown in leading museums in Kyiv, London, Paris, New York, Chicago and Toronto.

(k) Campaign to Further Reform the Implementation of the Law on Multi-Apartment Buildings (“OSBB”)

The BUCC's Real Estate Committee earlier obtained significant changes to the implementation of the OSBB laws and regulations in Ukraine (please see our previous KyivPost article on this on our website). The BUCC is continuing our work on this.

Further information on the BUCC, including pictures and press releases on BUCC events, can be found on our renewed [website \(www.bucc.com.ua\)](http://www.bucc.com.ua) and the [BUCC's Facebook, LinkedIn, Instagram pages and on the BUCC Website.](#)

Apart from our networking receptions, most of our major events are limited to our Members, with admission free based on event sponsorship. Only BUCC Members can participate in our special Trade, Investment and Brexit, Infrastructure and Transportation, Agriculture, Real Estate (including OSBB), British-Ukrainian IT, Law and Accounting, Art and Design and Tourism Committees. In addition, only BUCC Members receive for free our E-Card for discounts at restaurants, hotels and shops in Ukraine and the UK.

Please contact us and join the BUCC to participate in our program.

Yours faithfully,

Bate Toms
Chairman