

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

July 8, 2002

WILLARD A. WORKMAN
SENIOR VICE PRESIDENT, INTERNATIONAL AFFAIRS

1615 H STREET, N.W.
WASHINGTON, D.C. 20062-2000
202 / 463-5455
FAX: 202 / 463-3173

The Honorable Faryar Shirzad
Assistant Secretary of Import Administration
U.S. Department of Commerce
14th and Constitution Avenue, NW
Washington, D.C. 20230

Dear Assistant Secretary Shirzad:

On behalf of the U.S. Chamber of Commerce, the world's largest business federation, representing more than three million businesses and organizations of every, size, sector and region of the country, I wish to express our support of the revocation of Ukraine's non-market economy (NME) status under section 771(18) of the Tariff Act of 1930, as amended ("the Act").

The U.S. Chamber of Commerce and its affiliated American Chamber of Commerce in Ukraine have been following the economic developments in Ukraine since the break-up of the former Soviet Union. We frequently dialogue with Ukrainian and American companies who are engaged in business in Ukraine, as well as NGOs, Ukrainian officials and business association executives. Based on the criteria recently applied by the U.S. government to other former Soviet republics, we believe that Ukraine's transition fully warrants revocation of its classification as a non-market economy.

The recent experience of American businesses in Ukraine confirms that market forces have taken hold in this country, which has tremendous potential as a U.S. commercial partner. While some rules and norms of a mature market have yet to be realized in Ukraine, the private sector clearly plays a dominant role in the economy and entrepreneurs enjoy a great measure of economic freedom. In its latest Transition Report, the European Bank for Reconstruction and Development noted that the private sector accounts for over 60 percent of Ukraine's GDP. We also take Ukraine's desire to enter the World Trade Organization seriously.

Recognizing Ukraine as a market economy will acknowledge the facts and encourage Ukraine to remain on the course of challenging economic reforms. It will also remove an unnecessary cloud over the Ukrainian perception of American economic policy and business practice towards Ukraine.

Sincerely,



Willard A. Workman