

R&D-Report

Business practice in Ukraine Multiplicity of business opportunities in Ukraine

Veronika Vakulenko (ed.)

Nord University
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Business practice in Ukraine

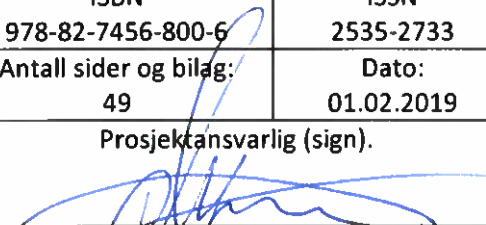

Multiplicity of business opportunities in Ukraine

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Summary: Written in the manner of a scientific diary, this report summarizes the study trip to the capital of Ukraine, the city of Kyiv, made by a group of Master of Science students from the Management Control and International Business specializations at the Nord University Business School, Bodø, Norway. The visit took place between 23 and 30 September 2018.	Keywords: Ukraine, business, management, administration, public sector, reforms, field visit, master students, report	

Executive summary

Written in the manner of a scientific diary, this report summarizes the study trip to the capital of Ukraine, the city of Kyiv, made by a group of Master of Science students from the Management Control and International Business specializations at the Nord University Business School, Bodø, Norway. The visit took place between 23 and 30 September 2018.

Among this visit's key objectives was to develop students' understanding of the features of management and administration in alternative business environments, as well as to become acquainted with the particularities of public sector reforms. The goals of the course were to:

- Connect theoretical knowledge with practical comprehension of Ukrainian governmental and business realities;
- Establish a cross-cultural vision of management control practices, financial management and internationalization strategies;
- Strengthen Norwegian-Ukrainian cooperation in education and business;
- Increase student mobility from Norway to Ukraine;
- Form a positive image of Ukraine.

Taras Shevchenko National University of Kyiv is a partner university in Ukraine. It kindly agreed to host the lectures and provided assistance during the course.

Overall, the goals of the trip were achieved: students formed a positive attitude to the welcoming country and received valuable experience from different perspectives: educational, practical and cultural.

Table of contents

1. From Bodø to Kyiv, welcome to Ukraine.....	9
2. The first intensive day	9
3. Presentation of students' ideas on their research projects, visit to museums and welcome dinner	12
4. Ukrainian public sector developments and two food/beverage companies.....	16
5. At the conference dedicated to the 15th anniversary of the "Ukraine-Norway" project.....	22
6. The final day: horticulture, medicine and programme summary	24
7. Free day	28
8. From Kyiv to Bodø, returning home	28
9. Attachments.....	28

1. From Bodø to Kyiv, welcome to Ukraine

Sunday, 23.09

In good tradition, the group of Master students from Nord University Business School commenced their trip to Ukraine on Sunday. In 2018, a total of 10 students participated in Business Practice in Ukraine. All of them were in their second year of the Master of Business programme and belonged to either the Management Control or International Business specializations.

	Name	Specialization
1	Bjørn-Anders Carlsson	Management Control
2	Kenneth Hardy	Management Control
3	Ragnhild Madeleine Larsen	Management Control
4	Frida Volden	Management Control
5	Hilde Kari Aker	Management Control
6	Sunniva Hermansen	Management Control
7	Caroline Joakimsen	Management Control
8	Lisa Skjervold	Management Control
9	Karoline Ingebrigtsen	International Business
10	Eline Nygård	International Business

The students arrived at Kyiv quite late in the evening. The bus was waiting and transported the group directly to the Twin Apart hotel. Similarly to last year, small bags with snacks and water had been prepared for each student and were left in their rooms. Before the trip, several questionnaires had been distributed among the group to identify students' preferences in accommodation, food and ideas for how they would like to spend their free time. Reflecting the answers of the majority, the students were accommodated in a hotel located close to the city centre.

2. The first intensive day

Monday, 24.09

Introduction at university

After a quick breakfast at the hotel, the students were transferred to the Faculty of Economics at Taras Shevchenko National University of Kyiv. Let the busy and intriguing day begin! The schedule of the programme can be seen in Attachment 1.

The day started with welcoming speeches, delivered by faculty from Taras Shevchenko National University of Kyiv and Nord University Business School. After

the introductory speeches, informative presentations followed. First, Associate Professor Mykola Romanyuk, from the Department of Finance, spoke about current accounting and auditing practices in Ukraine. After that, Olga Iermolenko, Researcher at Nord University outlined the differences and similarities between Norway and Ukraine.

At Itera – Norwegian company that creates digital business

After a quick lunch in the university's canteen, the students visited a famous Norwegian company – Itera, which operates in the Ukrainian IT market and possesses major competency tools in communication, technology and innovation.

Founded in 1995, Itera's headquarters is located in Oslo, with additional offices in several Nordic and Eastern European countries, where around 500 people are employed. Itera's core sectors are banking and insurance, healthcare, the service industry, energy and utility.

Named by *Innovasjonsmagasinet 2017* as one of Norway's top five most innovative companies across industries, Itera was also a finalist in the European Service Provider of the Year category in the GSA Global Awards of 2016.

Recognizing the need to hire enough resources to meet high market demands and to secure flexibility and delivery capacity for their customers, Itera opened its first nearshore office in the capital of Ukraine in 2008.

As the Ukrainian office has been recently relocated, students had a chance en route to get a glimpse of the picturesque Podil district. The group was warmly welcomed by Constantine Vasuk, Public Projects Director. While guiding the group around the new office, Constantine introduced students to the working routines in the office, showed meeting rooms and guided us to a chill-out space, where everyone could enjoy a cup of warm coffee and tea with some Ukrainian delights.

The [office] design was very different from anything we had seen until now in Kyiv and we got the feeling that we were back home in Norway. (Lisa Skjervold and Caroline Joakimsen, MSc students)

After a short welcome coffee, the group proceeded to the room, where the meeting with Itera's managers was planned. The first presentation was delivered by the CEO, Arne Mjøs, who fortuitously was also visiting Ukraine for business purposes. Arne explained the benefits of the company's nearshoring operations: strengthening cross-national collaboration, providing customers with high flexibility regarding cost efficiency and ensuring stable access to resources. He

also spoke about the future of IT and reflected upon how the human body can be influenced by digitalization. After that, Liliya Pogorila, the HR Director, started her presentation on Itera's approach to HR management: for instance, the management encourages work in integrated and interdisciplinary teams and, at the same time, tries to support a common corporate culture across geographical borders.

The final summarizing presentation by Constantine focused on the regulative and legislative aspects of the company's activities. In fact, Itera was the first Nordic vendor to implement Binding Corporate Rules to enable intra-organizational transfers of personal data internationally, in accordance with the EU Data Protection Law.



At Itera's office in Kyiv

Reception at the Royal Norwegian Embassy

Monday afternoon was reserved for an official reception of the group at the Royal Norwegian Embassy. Once all students had signed the guestbook, they were warmly welcomed by Ole Terje Horpestad, the current Norwegian Ambassador in Ukraine and Belarus, and his wife. The ambassador gave an introductory speech, in which he described the embassy's tasks in Kyiv.

The primary task of the embassy, according to the ambassador, is to represent and maintain the interests of Norway and the Norwegian nation in Ukraine and to promote Norwegian-Ukrainian cooperation. The embassy also provides consular advice, assistance and protection to Norwegians. Further, the ambassador and the counselors gave an introduction to the background of the current political

situation in Ukraine and the position regarding the military conflict located on Ukraine's eastern border.

After the introductory speeches, everyone enjoyed a tasty light dinner. Norwegian students mingled with the ambassador and the counselors, as well as with Ukrainian students, who had been studying at Nord University during the spring semester of 2018.



Informal conversations during the reception

Moreover, the Royal Norwegian Embassy in Kyiv, and most of the other Norwegian embassies and consulates, are offering students, every semester, a unique opportunity to become an intern at one of the many worldwide foreign stations and to gain great insight into Norway's interests abroad.

3. Presentation of students' ideas on their research projects, visit to museums and welcome dinner

Tuesday, 25.09

Conference with a special panel for students at the Faculty of Economics

On Tuesday, the group attended a special panel for students, PhD students and young researchers within the XV International Scientific and Practical Conference "World Trends and Prospects of Development of the Financial System of Ukraine". This event took place at the Faculty of Economics of the Taras Shevchenko National University of Kyiv. Official languages of the conference were Ukrainian, Russian, and English.



After the registration for the conference

Based on the main topics of the conference, the following streams were formed:

1. Financial policy and effective functioning of the budget system of Ukraine.
2. Public finance and government financial control.
3. Corporate finance and competitiveness of the national economy.
4. Global trends and development of the national financial and credit market.
5. Norwegian-Ukrainian cooperation in Public Sector Economics Education: Accounting, Budgeting and Finance.

After having been accredited at the registration desk in the main entrance and received conference materials, the students were invited to the auditorium booked for the fifth stream. Everyone sat around a large oval table, creating a pleasant environment of professors and master students. Together, students from Nord University and a group of students from the Department of Finance presented their research.

Under the coordination of the professors and the supervisors, students' ideas on their forthcoming theses were presented. The students had different backgrounds and research interests, which made this more interesting, broadening the view of participants. Topics discussed included: renewable energy, bioeconomics and fish farming, development of private-public partnerships in Ukraine, risk management, operational leasing, auditing, digitalization in the sphere of finances and stock market and value of shares.

It was interesting to hear the perspectives from the Ukrainian students and the themes they were engaged in. (Frida Volden and Ragnhild Larsen, MSc students)

Finally, all students were encouraged to further develop their research ideas and publish their project in a compilation of students' papers issued by Nord University Business School. Fruitful discussions continued until lunch time.



During presentation of students' projects

Becoming acquainted with Taras Shevchenko National University of Kyiv

After lunch, students headed to the city centre and visited the main (red) building of Taras Shevchenko National University of Kyiv, which has a long history, as it was founded in 1834.

The university is named after Taras Shevchenko – famous Ukrainian poet, prose writer, painter and playwright of the 19th century, who was a major figure in the Ukrainian national revival. In 1847, Shevchenko was punished by exile and compulsory military service for writing his poems. Though forbidden to write or paint, he clandestinely wrote a few lyrical poems during the first years of his exile.

Nowadays, the university is listed in the top 500 universities of the world. Comprising 13 faculties and eight institutes, the university also has a number of other facilities, including: the Ukrainian Studies Centre, the Geological and Zoological Museum, the Museum of the History of the University, the Interfaculty Museum of Linguistics, an informatics

centre, an astronomical observatory, a publishing and reprographics unit called "Kyiv University", and the Maksymovych Academic Library.

During the excursion, students discovered more about the active international positioning of the university. Taras Shevchenko National University of Kyiv currently has bilateral partnership agreements with 227 foreign educational and scientific institutions in 57 countries. Around 180 foreign academics and lecturers visit the university annually to collaborate in research, attending conferences and giving guest lectures. Each year, more than 1500 lecturers, researchers and students travel abroad.



Close to the monument to Taras Shevchenko, Ukrainian poet (opposite the entrance to the university's main campus)

Given the university's growing focus on internationalization, this institution has recently become more attractive to foreign students. Thanks to the programmes taught in Russian and English, at present, more than 900 foreign students are enrolled at the university.



*In front of the main entrance of The Red Building (main campus),
Taras Shevchenko National University of Kyiv*

Welcome dinner: a taste of modern Ukrainian cuisine

As there was some free time left before the welcome dinner, guided by two Ukrainian master students, the group had a chance to walk around the city centre.

It was nice to finally see things from the street and not just from the car. The streets in Kyiv are more crowded with people and have a lot more traffic than we are used to in Bodø. (Frida Volden and Ragnhild Larsen, MSc students)

The venue for dinner was Barvy restaurant, which specializes in modern Ukrainian cuisine. The chefs gave a new touch to the recipes of the traditional Transcarpathian, Galicia and Bukovina dishes, as well as specialties of Odessa and Crimean-Tatar cuisine and other dishes. Students had a chance to try the most popular Ukrainian dishes, such as varenyky, deruny and the famous chicken kiev!

4. Ukrainian public sector developments and two food/beverage companies

Wednesday, 26.09

Excursion around the administrative buildings

Wednesday morning started with a walking tour around the modern governmental buildings (the Parliament, the Governing building, the President's Administration, the National Bank of Ukraine) and historical buildings (e.g., Mariyinsky Palace – official ceremonial residence of the President of Ukraine).

Together, PhD student Veronika Vakulenko and Viktor Artemenko, expert in Ukrainian public sector



The Parliament of Ukraine

reforms, guided the tour and told students about the specifics of Ukrainian public governance.

Ukraine is a democratic, sovereign, independent and social state, with a semi-parliamentary, semi-presidential system and separate legislative, executive, and judicial branches. Executive power is shared by the government and the president, whereas legislative power lies with the Ukrainian parliament.

Ukraine became independent on 24 August 1991. The first years of independence were rather challenging, since several difficult tasks, such as building their own political and economic systems and establishing a new system of defence, had to be solved. The Constitution of Ukraine was adopted in 1996.

According to the constitution, the president of Ukraine is the head of state and a guarantor of civil and human rights, territorial integrity, freedoms, and national sovereignty. The president is elected by the citizens of Ukraine every five years. The parliament is the single legislative body in Ukraine, which consists of 450 deputies, elected every five years by Ukrainian citizens. The highest body of the executive power is the cabinet of ministers of Ukraine, headed by the prime minister. The ministries are headed by the vice prime ministers. The president of the country appoints the premier, whose candidacy has to be approved by the parliament.

The president and the prime minister are responsible for nominating candidates for the cabinet, who also should be approved by parliament.



In front of the gates of Mariyinsky Palace

Reanimation Package of Reforms

The first place the students visited was the Reanimation Package of Reforms (RPR), a coalition of non-governmental organizations (NGOs) of Ukraine that have united their efforts to facilitate and implement reforms in Ukraine. RPR coordinates more than 80 NGOs and around 20 expert groups, in order to develop, promote and control the process of reforms' implementation in Ukraine. The main priorities of RPR for 2016-2017 were related to reforms in the judiciary, anti-corruption, decentralization, financial management, public administration, law enforcement agencies and election law.

Founded in spring 2014, after the revolution, when the new government and the parliament started to function again, the RPR formulated the main trajectory for reforms, together with its team of experts and social stakeholders. This initiative included drafts of laws and argumentation to implement those laws. Currently, RPR has road maps in different sectors for the reforms, constituting the major share of the new reforms suggested in parliament.

At the office of RPR, students were warmly welcomed by Olena Prokopenko, Head of International Relations. She gave an extensive overview of the current state of reforms in Ukraine and explained the role of RPR in this process. RPR

combines the role of an active stakeholder, providing suggestions for the reforms, with that of a pressure group, exerting pressure on the government to implement the reforms. The challenges that RPR currently faces concern, but are not limited to, anti-corruption and civil service reforms, as there are many civil servants who are still influenced by the Soviets or the old vertical structure of authority, and the newer generation, which is trapped in those vertical authority structures.

RPR is also active in developing international relations and promoting their achievements by:

- Arranging meetings between RPR experts and foreign high-level officials both in Ukraine and abroad;
- Promoting participation of RPR representatives in international conferences, study trips and seminars;
- Ensuring participation of international partners in the public events of RPR and the activities of the member organizations of the coalition;
- Conducting diplomatic breakfasts dedicated to reform implementation;
- Informing international partners on a regular basis, regarding the progress of key reforms through the distribution of weekly updates;
- Developing and publishing analytical data on Ukraine's reform achievements;
- Partnership with foreign media.



At the office of Reanimation Package of Reforms

According to Olena Prokopenko, there are several achievements in the reforms' implementation process credited to RPR and other major stakeholders, one of which is the reform of healthcare sector funding. Similarly, they are fighting for reforms in the judiciary system regarding the process for selecting Supreme Court judges. RPR also fights against corruption by strongly supporting the establishment of an anti-corruption court. However, RPR's initiatives do not always succeed;

there are some challenges, for instance with reforms of the public administration service, especially law enforcement agencies. Nevertheless, the RPR team continues to work and put effort into promoting and implementing numerous reforms in the near future.

They [the RPR team] are working towards making Ukraine a state with fair justice and economic political competition, without opportunities for corruption and the abuse of power, where every citizen knows their rights and can exercise them, where the authorities, the political parties, the media, and the non-governmental organizations are effective and accountable to the public. (Bjørn-Anders Carlsson and Kenneth Hardy, MSc students)

Visit to the Egersund Seafood store/restaurant

In operation since 1921, Egersund Seafood is one of the largest fish producers in Norway, and its first fish supply to Ukraine took place in 1996.

Egersund Seafood in Ukraine delivers fish products without intermediaries. This means that the company controls all the processes: catching, processing, transporting and selling.

First, general information about the company was provided by Sergii Lysiuk, Director of Egersund Seafood. He mentioned that the company is a leading producer of pelagic fish products for human consumption and an important supplier of essential ingredients in all kinds of fish- and animal feed: protein concentrate, fish meal, and fish oil. Products exported to Ukraine are sold exclusively in their own outlets.



Welcome to Egersund Seafood by professional staff

Then, Konstantin Medvedev, Marketing Director of Egersund Seafood Ukraine, continued in a separate meeting room, outlining the marketing strategy, segmentation, product quality and delivery issues. It was noticeable that the seafood market in Ukraine experienced a fall in 2014, when wages dropped and the national currency was devalued. This was unfortunate for a newly established

company, but they did not experience as dramatic effects as most others, since the quality of the product is their most valuable asset.



During presentation by Konstantin at Egersund Seafood

Egersund Seafood builds its quality on fresh raw materials, which in turn requires quality in every aspect: from production to delivery in Kyiv. The products are delivered twice a week by plane, and without intermediaries, so that shipments do not have to be salted or frozen. This is especially important for the fresh and raw materials that Egersund uses in sushi, so the quality of such sensitive products is always of a high standard.

At the end of the presentation, students were kindly invited for lunch, provided by Egersund Seafood. On this occasion, the most quality-sensitive product was served – delicious sushi.



During lunch at Egersund Seafood store/restaurant

At Obolon brewery plant

The next stop was Obolon, a Ukrainian brewery (among the biggest breweries in Europe!) located just outside Kyiv city centre.

Last on the agenda for our day was to visit one of the largest breweries in Europe, Obolon. We had a wonderful time. We had the opportunity to see and get information about the whole process of making beer, which was very interesting and probably the most exciting thing for us beer lovers! (Jan Gunnar Jenssen, MSc student)

Obolon has significant physical volume, processing 96 different tanks, which can contain up to 600,000 litres of beer per tank. The production cycle lasts up to four weeks, which means they can produce up to 50,000,000 litres of beer per month. The company has its own malt production, with a plant that can produce 120,000 tons of malt each year. This gives them an advantage, since they produce their own input factors to the production of beer.

Obolon holds international standard certificates, including those in quality management, safety management, environmental management and occupational health and safety systems. This allows merchandise to be sold to 33 different countries.

After the tour around the brewery, students proceeded to the tasting room, where they could taste several products, with or without alcohol. The guide



At Obolon, beside the company's logo

explained the differences between the several types of beverages, showed how to fill glasses, explained what kind of glasses go with the different kinds of beer, how to check whether the beer is of good quality and how the beer should be consumed.

Obolon sells both alcoholic and non-alcoholic beverages, and their fizzy drink, Zhivchik, is among the products that generate highest revenues. Obolon is very considerate when it comes to recycling waste

and bottles, using recycled plastic for their bottles.

5. At the conference dedicated to the 15th anniversary of the “Ukraine-Norway” project

Thursday, 27.09

“Knowledge for Building Society and Business. Norwegian-Ukrainian cooperation”

On 27 September 2018, students were invited to participate in the international conference, “Knowledge for Building Society and Business. Norwegian-Ukrainian cooperation”, which was dedicated to the 15th anniversary of the “Ukraine-Norway” project (full name “Retraining and Social Adaptation of Military Officers and Their Family Members in Ukraine”).

The conference was organized by a long-term Nord University partner – the International Foundation for Social Adaptation. Its activities are focused on the professional retraining of military officers for civilian specialities, subject to the labour market need in Ukraine, and the provision of assistance to project participants in legal and social adaptation to living conditions within civil society.

The conference was divided into three sections. The first was about the quality of institutions, the second concerned the project, “Ukraine-Norway”, in terms of people and results, and the final section dealt with the results and prospects of cooperation in education, research and business.

[During the first section] [t]he speakers emphasized, among other things, the importance of building trust through transparency and registration, as well as the importance of education and quality in knowledge institutions.

The second section was about the project “Ukraine-Norway”, in terms of people and results. The purpose of the project is the professional retraining and social adaptation of military officers and their family members in Ukraine. Currently, 19 different Ukrainian universities are participating in the project, the main aim of which is to reduce the negative social consequences of military and economic reforms in Ukraine for retired military personnel and their family members, as well as to promote cooperation between Norway and Ukraine.

Section three concerned the results and prospects of cooperation in education, research and business. ... There has also been increased Norwegian engagement in renewables like solar, wind and hydro. Business barriers like language and culture, and the importance of social responsibility and sustainable business models, were also emphasized. (Hilde Kari Aker and Sunniva Hermansen, MSc students)



Awarding Ole T. Horpestad



Awarding Frode Mellemvik



Awarding Anatoli Bourmistrov



Awarding Erlend Bullvåg

The conference also included an award ceremony for those who had made a significant contribution to the implementation of the Ukraine-Norway project.

More than 150 programme graduates, academics, policy makers, politicians, non-governmental organizations and other stakeholders took part in this conference. Speakers at the conference included: His Excellency Ole T. Horpestad, Norwegian Ambassador to Ukraine; Professor Frode Mellemvik, Director of the High North Center, Nord University Business School; Volodymyr Rubtsov, President of the International Foundation for Social Adaptation (IFSA); Lieutenant-General Anatoli Petrenko, Deputy Minister of Defence for European Integration; Professor Erlend Bullvåg, Dean, Nord University Business School; Professor Anatoli Bourmistrov, Nord University Business School / High North Center; Professor Jan Mouritsen, Copenhagen Business School; Christian Larsen, Adviser - International Projects, The Norwegian Association of Local and Regional

Authorities; Victor Artemenko, Advocacy Manager, Reanimation Package of Reforms; and Håkon Olderbakk, Senior Adviser, The Brønnøysund Register Centre.

All the participants were invited to attend the gala dinner. Upon arrival, guests were served welcome drinks and there was enough time to mingle and to take group photos. A lavish dinner included several courses of food. During the evening, the guests were also entertained by live music and dancing.



At the gala dinner

6. The final day: horticulture, medicine and programme summary

Friday, 28.09

Fertile Ukrainian gardens and apple tasting

The Institute of Horticulture of the National Academy of Agrarian Sciences of Ukraine is the leading research institution for the branch in Ukraine. Founded in Kyiv in 1930, under its guidance, a network of regional research stations and bases functioned in different zones of the USSR favourable for the development of fruit growing.

Among the institute's achievements are: the development of approximately 300 cultivars of fruit and small fruit crops; the development of modern technologies for growing orchards and small fruit plantations; the production of healthy planting stock; the reclamation of low-productive sandy soils and slopes for orchards and bushy small fruit plantings; the storage of fruits in controlled atmospheric conditions and stores with artificial cooling; over 100 technologies and recipes for domestic non-alcoholic drinks and other processing products with the increased content of biologically active substances, and others.

After the group arrived at the institute, they were guided to the meeting room. The students heard about the institute's main activities and technologies, which enable the mechanization of horticulture, plant protection and nurseries. But most important was that the students themselves were able to taste the organic products, which the institute produced.



Acquaintance with the institute's organic products

...we got to taste different drinks and fruits they produce from their plants. One of the juices, "apple and pumpkin", was a new experience to all of us, but everyone agreed that this one was the tastiest... The visit ended with a trip to their lovely outdoors. Here, the fruits grew freely, and we got to try some fresh fruits, taken directly from the tree. (Karoline Ingebriksen and Eline Nygård)

After that, the group was guided through the apple farm, where they could observe beautiful apple trees. The institute is constantly striving to develop new environmentally friendly technologies for pome- and stone fruit crop cultivation, by using high-productive dwarf seminal and vegetatively propagated rootstocks, large-fruited winter-hardy disease-resistant cultivars, new methods of tree formation and pruning, in order to ensure their high stable yield.

Farmak – a leading pharmaceutical company

After lunch in the city, the group headed to the pharmaceutical company – Farmak.

The company has a long history, dating from 1925. At that time, the production was organized by a total of 54 employees, who worked on the development of synthesis technologies for the first products, which were chloroform and salicylic acid. In December 1925, the plant first manufactured 790 kg of crude resorcinol and 205 kg of salicylic acid. In 1937, the plant went into the production of medical resorcinol, which was successfully used throughout the USSR.

Currently, the company produces a wide range of medicinal products: more than 350 items. This list is continuously increasing, as the company aims to develop up to 20 new products each year, by spending approximately 7% of profits on product development

In 2010, Farmak became a sales leader in the domestic pharmaceutical industry and has maintained this leading position for the last seven years. As of 2016, the company holds approximately 6.5% of the market share in Ukraine, among all manufacturers, and 16.8% among domestic manufacturers of medicinal products.

Farmak also exports medicinal products, mostly to countries which are members of the Commonwealth of Independent States and to the European Union. The export of Farmak products (to 20 countries around the world) amounts to around a quarter of all produced pharmaceutical products.



In Farmak's lobby

Before visiting the Farmak plant, students were given safety instructions and informed about working routines at the plant. After putting on special clothing, the students received a tour around the production line. The group had an opportunity to observe various stages of production processes through observatory windows. They came to a room with pressure differential to prevent cross-contamination and saw the bottling process. Most of this process is done mechanically, but there are some employees who add new bottles to the machine and others that ensure that the caps are placed on the bottles and that they are correctly labelled.

Everyone was told to meet without any make up, and we all had to wear special overalls and hats to get inside the area. We got to see the entire production of insulin, nasal spray and eye drops: from the very beginning of the development of the product to labelling the packages ready for delivery. (Karoline Ingebrigtsen and Eline Nygård, MSc students)

Closing the programme and final dinner

Last but not least, the students came to the Faculty of Economics for the closing ceremony of the Business Practice programme in Ukraine. Professor Igor Lyytuy gave a closing speech, thanking all the participants for their involvement.



Handing out certificates

The students were engaged in a dialogue with the faculty and provided feedback regarding the practical questions of the programme.

As a part of the programme, we also had to summarize and point out some positive and negative aspects about the trip. We all agreed that the trip had been very successful. We felt safe the entire time, we visited relevant businesses and we also got a very warm welcome from both Ukrainian professors and students. (Karoline Ingebrigtsen and Eline Nygård, MSc students)

Afterwards, a certificate was awarded to each student.

The last planned activity for Friday was a farewell dinner, where students, as well as several participants from the previous day's conference, could relax and



Students with their certificates for completing the programme

communicate with each other. This time the dinner was served by a high-class seafood restaurant, Bessarabia.

7. Free day

Saturday, 29.09

Relax, explore and “buy” some memories

On Saturday the group had a day off, so they planned several activities. Of course, the students decided to buy some souvenirs. Their choice was made in favour of sweets produced by Roshen, which is a popular company in Ukraine for chocolates and sweets. The company was founded in 1874 and has operations in 35 countries around the world. It has a product line of around 350 different products and was rated 24th in the global top-100 candy companies' ranking.

In addition to buying the sweets, students walked around a famous shopping street – Krechatik. There, they bought some Ukrainian gifts. After that, students returned home to relax.

8. From Kyiv to Bodø, returning home

Sunday, 30.09

The time had flown by, and now the week's programme in Kyiv was over. This trip was a good combination of academic schedule and social activities. Students developed their understanding of the Ukrainian context of doing business and the national reform strategies and successful activities of Norwegian-Ukrainian cooperation. At the same time, students learned about the history of Ukraine and became acquainted with its spiritual heritage, traditions, national life and cuisine.

Everything was perfectly planned. We felt very comfortable with welcome bags, a nice hotel, etc. Also, the gala was a once in a lifetime experience and great fun to attend! So happy we got the chance! (Karoline Ingebrigtsen, MSc student)

All the meals we had at the different restaurants and events were excellent. I had only great food experiences during the week. (Frida Volden, MSc student)

9. Attachments

Separately:

- BPU programme
- Students' reports



PROGRAMME¹

Business Practice in Ukraine 2018 Multiplicity of business opportunities in Ukraine

Sunday, 23.09	Arrival accommodation at Twin Apart Hotel (Address: Blvd. Druzhby Narodiv, 14-16)
Monday, 24.09	Introduction to the programme
09.00 – 09.10	Opening by Professor Igor Lyutyy , Head of Finance Department, Economics Faculty, Taras Shevchenko National University of Kyiv (KNU)
09.10 – 09.30	Brief introduction to the learning objectives of the trip by Professor Anatoli Bourmistrov , Nord University Business School
09.30 – 10.30	Particularities of accounting and auditing in Ukraine by Associate Professor Mykola Romanyuk , Finance Department, Economics Faculty, Taras Shevchenko National University of Kyiv
10.30 – 10.45	Break
10.45 – 11.30	Doing Business Ukraine-Norway – what differences and similarities to expect? by Olga Iermolenko , PhD, Nord University Business School
11.30 – 12.00	Lunch at canteen
13.00 – 15.30	Visit to Itera
19.00	Reception at Royal Norwegian Embassy
Tuesday, 25.09	Conference at Economics Faculty, KNU
09.00 – 09.30	Registration of participants
09.30 – 10.00	Welcome speech by the conference organizers
10.00 – 14.00	Presentation of students' POPP ideas
15.30 – 17.00	Excursion to KNU museum, the role of KNU in building up Ukrainian science and education (historical evidence and prospects for the future)
	Walk to dinner venue
18.00	Welcome dinner (restaurant Barvy)
Wednesday, 26.09	
09.00 – 11.00	Visit to an NGO Reanimation Package of Reforms
11.30 – 12.30	Visit to Egersund Seafood store and restaurant and lunch with Egersund
13.30 – 16.00	Visiting Obolon
Thursday, 27.09	Conference “Knowledge for Building Society and Business. Norwegian-Ukrainian Cooperation”
09.00 – 09.30	Registration
09.30 – 17.30	Conference sections
19.00	Gala dinner
Friday, 28.09	
10.00 – 11.30	Visit to the Institute of Horticulture of the National Academy of Agrarian Sciences of Ukraine
13.00 – 15.00	Visit to Farmak
16.00 – 17.00	Closure of the programme at Economics Faculty, distribution of certificates
18.00	Final dinner (restaurant Bessarabia)
Saturday, 29.09	Free day
Sunday, 30.09	Departure LH2545 Kyiv-Munchen

¹ Please note, the programme might change due to circumstances arising.

Monday, 24.09.2018

The first meeting with Ukraine

By Lisa Skjervold and Caroline Joakimsen

We arrived at the hotel on Sunday night at 04.00 and luckily Veronica changed the departure time the next morning so we could sleep for a few hours. The bus picked us up at 09.00 and drove us to the Faculty of Economics at the University of Kyiv. There, we were welcomed by Professor Igor Lyutyy. We were given a short presentation about the school and the programme for Business Practice. Mykola Romanyuk gave us a presentation on accounting and audit in Ukraine, including current aspects and perspectives for development, while Olga Iermolenko gave us some insight into the differences and similarities between Norway and Ukraine. Then we had lunch in the school canteen, before the bus took us from the school to the offices of Itera.

Konstantin welcomed us to Itera and gave us a tour of their new offices. The design was very different from anything we had seen until now in Kyiv, and we had the feeling that we were back home in



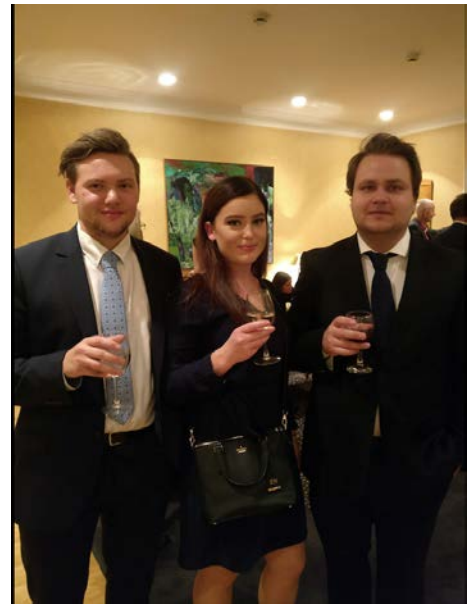
Norway. By coincidence, the board of Itera had a meeting and, therefore, the CEO, Arne Mjøs, was in Kyiv and had time to present his company to us. Itera is a Norwegian company, founded in 1995. The company delivers consulting and strategy services to businesses and, in Norway, is known for the BankID application. Itera has offices in Norway, Sweden, Denmark, Slovakia and Ukraine. The presentation focused on Itera's business model and their hybrid delivery model. Arne also answered a lot of interesting questions about the digitalization of the industry and his expectations of what the future of technology will look like. He was especially interested in how



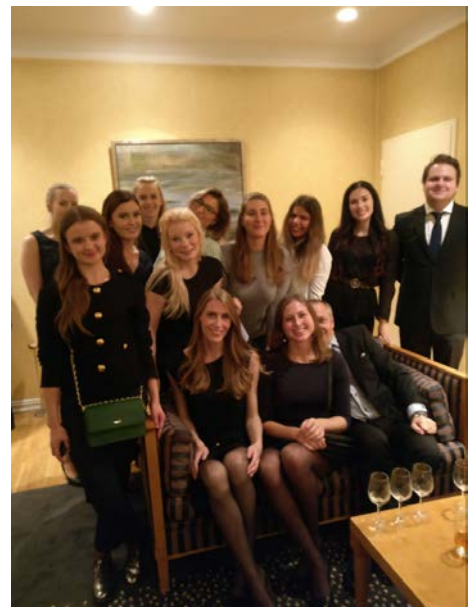
the human body will be digitalized. He pointed out that one of his reasons for opening an office in Kyiv was the high level of technological knowledge and the low salaries. Following Arne's talk, the HR director, Liliya Pogorila, delivered a presentation on the recruiting process and the training of employees. It was interesting to hear that most of the employees were hired on a short-term contract or just for a project. At the end, Konstantin spoke a little about laws and regulations in Ukraine, but then the whole group was very tired and hungry, and it was hard to catch what was

the key message of his presentation. After the visit to Itera, we had about one hour at the hotel to take a short nap and to prepare for our visit to the Royal Norwegian Embassy.

We arrived at the city centre a little early and decided to have a small drink before entering the embassy. Everyone was very excited and nervous, as we did not know what to expect. On entering the embassy, everyone signed the guestbook. The Norwegian Ambassador, Ole T. Horpestad, gave us a warm welcome with a handshake and we understood that we did not need to be nervous. After offering us a drink, the ambassador gave a short speech about the primary task of the embassy and a little about the situation in Kyiv now, especially in connection with the Ukrainian presidential election. The main task is to represent and maintain



Norwegian interests and our nation in Ukraine and to promote relations between the two countries. The embassy also provides advice, assistance and protection to Norwegians against the Ukrainian authorities, people and institutions. We then started to introduce ourselves to the Ukrainian students, who are moving to Norway in January. It was interesting to hear all their expectations about their semester in Bodø; as some of them had already spent one semester in Bodø, it was fun to hear their perceptions of the city and university. The students also asked a lot about our first impression of Kyiv. We had just seen the school and Itera, so we did not have much to refer to yet, but everyone agreed that the city centre was a lot bigger than we expected and that all the Ukrainian people were very polite. During the conversations, we were served a lot of delicious tapas food, with Norwegian salmon being one of the dishes. We also had the opportunity to talk to the ambassador and the others who were present at the



embassy. After a few hours of mingling, Anatoli gave a short speech about how important this collaboration between Norway and Ukraine is, and the Ambassador received a gift from Nord University, as thanks for inviting us to the embassy.

After the visiting the embassy, everyone was in a very good mood and we decided to finish the day at a restaurant, where we had the opportunity to taste some local drinks and to relax a little after the intense day with a lot of first impressions.

Tuesday 25.09.18

Frida Volden and Ragnhild Madeleine Larsen

Our second day in Kyiv was devoted to presenting our POPP ideas at the conference at KNU, visiting the Taras Shevchenko National University of Kyiv, two museums and a welcome dinner. We started the day at 08.00 sharp, with coffee in the student café at KNU. After a long journey and a few drinks at the Royal Embassy of Norway the night before, some were more tired than others. But the Ukrainian coffee made us all capable of taking an active part in the conference.



Upon arrival at KNU, we registered as participants of the “15th International Scientific and Practical Conference” about “World Trends and Prospects of Development of the Financial System of Ukraine”. We received a special programme with our names typed in, as well as a notebook and pen. As participants, we also received name badges to wear. It was organized in a formal way, and we felt warmly



welcomed at the university and the conference. The conference was opened by Igor Lyutyy, Head of the Department of Finances, Faculty of Economics. He wished us good luck, good health and lots of new knowledge. The main goal of the conference was the sharing of ideas, knowledge and experience between Norwegians and Ukrainians. All the participants were divided into different groups, and we moved to a conference room on the second floor.

Here, Ukrainian and Norwegian Master students presented their POPP ideas and received feedback and comments from professors, from both Nord University and KNU. Students were also

active in the discussion. A broad range of themes was presented during the four-hour conference: bioeconomics, Cermaq and fish farming, private/public partnership in Ukraine, Widerøe and risk management, operational leasing, auditing and digitalizing, bitcoin and renewable energy, the stockfish market, cooperation between Ukraine and EBRD, Mobility as a Service (MAAS) and the stock market and value of shares.

It was interesting to hear the perspectives from the Ukrainian students and the themes they were engaged in.

After all the presentations were finished, there was a closing ceremony and we received blessings from Igor Lyutyy. Everyone who had participated in the conference received a certificate. All the names were announced with applause, and it felt like a pleasant and formal end to the conference.



At 13.30, the closing ceremony was over, and we had a traditional Ukrainian lunch in the canteen at KNU. The food was quite different from what we have in the cafeteria at Nord University. There was black rice, white rice, couscous, chicken, pork and several unidentified fried dishes. Many of the dishes tasted very good, and several of the Norwegian students were pleasantly surprised.



After lunch, we went to visit the main building of Kyiv university: Taras Shevchenko National University of Kyiv. We had seen pictures of the iconic red university building before and were eager to see the place for ourselves. When we arrived there, the first thing we did was to pose and smile for our two Ukrainian picture-taking guides from KNU. Smileeeeeee :-)



After that, we went straight inside to check out the university. The entrance was grand and reminded us more of a royal palace than a study environment. We were directed upstairs to the Museum of the History of the University. There, we learned that, when the university was first opened, there were not so many students, and they were all men. They all had to wear certain uniforms for studying and they seemed to live in the university building as well as study there. The museum guide told us that, in the old days, if some of the students behaved badly, achieved poor grades or did not wear their uniform correctly, they would be sent to the university jail and stay there for up to 14 days. We all found this fact quite amusing and were happy that this prison is not in use today.



After the Museum of the History of the University, we went to the Museum of Zoology. Since our programme schedule only stated, "Visit to the Taras Shevchenko National University of Kyiv", I think most of the group was very surprised to go inside this new room filled with stuffed animals from all over the world, skeleton collections from more than 50 different creatures and one of Europe's largest butterfly collections. Here, we learned that the university has a long history with different kinds of studies, with this museum representing one of the many fields of interest that the university covers. It was a fun and unexpected addition to our programme.





We had some free time after the visit to the university, so we took a short stroll around the city centre. It was nice to finally see things from the street and not just from the car. The streets in Kyiv are more crowded with people and have a lot more traffic than we are used to in Bodø. We were guided by two Ukrainian students, who showed us around. We went to the shopping mall, "Gulliver", and took a little break in the food court, where we enjoyed some snacks and drinks.

We were invited to the welcome dinner, for the conference and the Business Practice programme that this trip is a part of. At 18.00, we walked to the Barvy restaurant, a Ukrainian restaurant with traditional food. The restaurant was modern and cosy. It had a very good view of some of the tall business buildings

downtown, and the food was exceptionally good. One interesting thing we learned in regard to Ukrainian food culture is that it is normal to serve two kinds of starters: one cold and one warm. The main course was either trout from the black sea, pork, chicken (Ukrainian style) or calamari. We had a very good time, situated among Ukrainian students, professors and fellow Norwegian students. Since we had had a long night the night before, and a day full of events, we ended our night early. We went straight back to the hotel after the dinner and got some good hours of sleep.



Wednesday 26.09.18

Bjørn-Anders Carlsson and Kenneth Hardy

We started the day bright and early, with a lovely piece of bread with Nutella on it. But good news, we were first on the bus that day, just trying to set a good example for the rest of the group. Anatoli was his usual self, in a good mood as always.



After our bus ride, we were taken to the “Parliament district” (street name unknown), where we had a guided tour with Victor Artemenko. There, we were given a brief view of a lot of buildings for members of the parliament and governance and a great deal of local historical facts about recent developments, and revolutions, as well as the original story behind why many of the buildings were built.





Mariinsky Palace



Former helicopter landing pad, built by the former president

After our quick tour with Victor, we headed to The Reanimation Package of Reforms. Here, we had a brief presentation from Olena Prokopenko about what they do at RPR.

They are working towards making Ukraine a state with fair justice and economic political competition, without opportunities for corruption and the abuse of power, where every citizen knows their rights and can exercise them, where the authorities, the political parties, the media, and the non-governmental organizations are effective and accountable to the public.



As representatives from Nord University, we had a small gift with us, which was given as a small appreciation of our gratitude for welcoming us and having us as guests.

After this, we had a new company to visit: Egersund Seafood. This was also fantastic: they provided us with lunch too! We were first met by the CEO and the CMO, who both greeted us, and then the CMO, Konstantin Medvedev, had a presentation for us. He told us a lot about the company and how it was started and driven. He also told us about many of the difficulties of operating in Ukraine but also about all the good things about doing business there, as well as how their company has stood out from the competition. It can be added that he was a very good presenter of the company.



Presentation



Lunch

Last on our agenda for the day was to visit one of the largest breweries in Europe, Obolon. We had a wonderful time. We had the opportunity to see and obtain information about the whole process of making beer, which was very interesting and probably the most exciting thing for us beer lovers!



Obolon Logo

After this, we had the opportunity to taste some of the products that they produce at this brewery.



Obolon's products



Beer tasting!

Following this, we had the rest of the day off. The whole class came together later in the evening to have dinner at one of the restaurants in the city centre. Today's writers were:



Bjørn-Anders Carlsson and Kenneth Hardy

Thursday 27.09.18

Hilde Kari Aker and Sunniva Hermansen

On Thursday, we attended a conference marking the 15-year-long cooperation between Norway and Ukraine. As usual, the bus picked us up outside our hotel and drove us to the Ramada Encore hotel, where the conference was to be held.

The Norwegian embassy has always been closely linked to Ukrainian projects; it was therefore natural that the Norwegian ambassador should open the conference. Then, several ministers and other speakers, both Norwegian and Ukrainian, said a few words. After this, we had a small coffee break with snacks.

The conference was divided into three sections. The first was about the quality of institutions. The purpose of the cooperation and all the projects between our two countries is to develop knowledge and competence, facilitate social creation and strengthen the business environment – how can we be better? Unfortunately, the quality of, and trust in, Ukrainian institutions is low. This section was consistently concerned with what ensures quality institutions, and how to change the situation in Ukraine. The speakers emphasized, among other things, the importance of building trust through transparency and registration, as well as the importance of education and quality in knowledge institutions. The first section was followed by an hour's lunch break.



Next, the second section concerned the project, “Ukraine-Norway”, in terms of people and results. The purpose of the project is the professional retraining and social adaptation of military officers and their family members in Ukraine. Currently, 19 different Ukrainian universities are participating in the project, the main aim of which is to reduce the negative social consequences of

military and economic reforms in Ukraine for retired military personnel and their family members, as well as to promote cooperation between Norway and Ukraine. Two former military officers and a family member were present at the conference and shared their personal experience of the project.

Before the final section, we had another coffee break. Section three dealt with the results and prospects of cooperation in education, research and business. In this section, the opportunities for further business cooperation in Ukraine were highlighted. Ukraine has already become an important market for Norwegian seafood, as well as an attractive IT destination. There has also been increased Norwegian engagement in renewables like solar, wind and hydro. Business barriers like language and culture, and the importance of social responsibility and sustainable business models, were also emphasized.

After the conference ended at 16.30, we had about half an hour to get ready and change before departing for the hotel where the gala dinner was to be held. On arrival, we had some welcome drinks, mingled, and took group photos. Dinner was served at 18.00 and consisted of several, both warm and cold, Ukrainian dishes. There was also a free bar. There was live music all night, a lot of dancing, and the atmosphere was good throughout the dinner, which lasted until 23.00. Back at the hotel, we all gathered in one hotel room, where we shared some pizza and drinks before going to bed.



Friday 28.09.18

Karoline Ingebrigtsen and Eline Nygård

The Institute of Horticulture of the National Academy of Agrarian Sciences of Ukraine

After a successful gala dinner on the previous evening, we were ready to have our last excursions.

As we were getting closer to today's first stop, we saw the surroundings outside the bus change from a city environment to a farming one. Today's first visit was to the Institute of Horticulture of the National Academy of Agrarian Sciences of Ukraine. It was founded in Kiev in 1930 and named the Research Institute of Fruit and Small Fruit Farming, but it has gone under its current name since 2010. Under the guidance of the institute, a network of regional research stations and bases functioned in different zones of the USSR, which were favourable for the development of fruit growing. The important part of the institute's activity is the promotion of the achievements in the branch, for instance through the publication of the interdepartmental subject scientific collection "Sadivnytstvo (Horticulture)" or other literature, lectures, consultations and seminars.



On arrival at the company, an employee told us about the production, and we got to taste the different drinks and fruits they produce from their plants. One of the juices, "apple and pumpkin", was a new experience to all of us, but everyone agreed that this one was the tastiest.

The fruits produced varied from berries to apples. We were able to taste the apples and pears, which were all very enjoyable. The visit ended with a trip to their lovely outdoors. Here, the fruits grew freely, and we got to try some fresh fruits, taken directly from the tree.

After the visit, we all had a new perspective on Ukrainian farming. It is in fact an industry, with a high level of quality, where the fruits are grown on beautiful plants. As all products were of a very good quality, some of our classmates in fact went to the grocery store to buy some of their juices to take home.

After the enjoyable visit to the fruit farm, we went to the city centre to have lunch. We were introduced to a good lunch place where we ate and had some time to relax before moving on to the next company visit.

Farmak – a leading pharmaceutical company

The next visit was to the pharmaceutical company, Farmak, which was established in 1925. Farmak has been a sales leader in the Ukrainian pharmaceutical industry since 2010, exporting products to about 20 countries around the world. The company produces a wide range of medicinal products, more than 350 different products, and the number is increasing.

An experienced employee welcomed us and told us some facts about the company. She took us to the area where the production takes place and gave a guided tour around a part of the factory. Inside the factory, they have strict routines for cleaning and disinfection.

Everyone was told to meet without any make up, and we all had to wear special overalls and hats to gain admission to the area. We got to see the entire production of insulin, nasal spray and eye drops: from the very beginning of the development of the product to labelling the packages ready for delivery. Due to the strict hygiene requirements, we saw the production through observatory windows from the outside. Most of the process is done mechanically.



At the end of the visit, all the students got a small gift bag from the company, as they wanted to thank us for visiting. In the production area, photography is forbidden, but a photo was taken in the lobby:

After the visit to Farmak, we had some free time to freshen up and get ready for the closing of the programme. After a quick bus trip back to KNU, we met in the meeting room we had been welcomed into five days earlier.

As a part of the programme, we also had to summarize and point out some positive and negative aspects about the trip. We all agreed that the trip had been very successful. We felt safe the entire time, we visited relevant businesses, and we also received a very warm welcome from both Ukrainian professors and students. To finish off, we were handed certificates that stated that we had taken part in the last five days. When walking out of the school, it felt unreal that it was all over.



To close the programme, we headed for the city centre and restaurant Bessarabia. We got a short introduction to the main shopping street, which we had decided to visit the next day.

In the restaurant, we were served in real Ukrainian style. This means that there is an overflow of food. There were several dishes spread all over the table. We were told that in Ukraine it is traditional to start with a cold starter, then the warm starter, and then the main courses follow shortly after. The food selection varied from fish to meat, also including hummus, salads and crispy bread.

As previously mentioned, the professors and students were very warm and welcoming. And on this evening, one of the students helped us find a local bar where we enjoyed delicious drinks and a small taste of the Ukrainian nightlife. When going to bed that evening, we were all happy with today's excursions and looked forward to the next day.

