



## OBJECTIVES OF THE CONFERENCE ON PARTNERSHIP FOR ECONOMIC TRANSFORMATION OF UKRAINE

### Overview

- At the Naples Economic Summit, the Group of Seven leading industrialized countries (G-7) endorsed Canada's proposal for a conference on Partnership for Economic Transformation in Ukraine to be held in Winnipeg on October 27.
- The Winnipeg conference takes place in the context of both the Summit economic framework and the multilateral assistance efforts led by the International Monetary Fund (IMF), the World Bank and the European Bank for Reconstruction and Development.
- Two of Ukraine's major economic partners and creditors – Russia and Turkmenistan – will participate in the Conference alongside the G-7, the European Union (EU), and the international financial institutions (IFIs).
- The conference will focus on the economic policy issues associated with Ukraine's transformation. It will not focus on Ukraine's financial requirements, or on bilateral financial support. As with other assistance efforts, the latter issues are best addressed through Consultative Group meetings hosted by the World Bank.
- The Canadian government's initiative to host a conference on Ukraine reflects the concerns of Canada and its G-7 partners regarding Ukraine's difficult economic situation. Ukraine is a key player in Eastern Europe, representing the second-largest economy to emerge from the former Soviet Union (FSU). Promoting economic renewal in Ukraine will not only benefit the Ukrainian people, but is an essential part of securing political and economic stability in Eastern Europe.

### Conference Objectives

- One of the principal objectives of this conference is to ensure that the Ukrainian government becomes, and remains, fully engaged with the IFIs, the G-7, and its other major economic partners during its difficult transformation into a fully-fledged market economy. The ultimate aim is to guide and support Ukraine on the path to becoming a market economy, fully integrated into the world economy.
- A key short-term objective is to encourage the Ukrainian authorities to steadfastly implement a comprehensive economic stabilization and reform program to be supported by resources provided by the IMF under the Systemic Transformation Facility (STF).
- The full implementation of the economic policy measures outlined in the STF agreement should help create the initial conditions for a stable economy in which private markets and foreign trade can begin to flourish.
- The key medium-term objective is to set out in some detail the policy requirements for a comprehensive reform program that would go well beyond current plans and achieve full-scale transformation to a market economy, thereby allowing Ukraine access to the US\$4 billion in potential assistance from the IFIs that was announced at the Naples Economic Summit.

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