Statement of the Representative of Ukraine to the Second Committee on "Macroeconomic policy questions" and “Follow-up to the International Conference on Financing for Development”  
(October 16, 2013, New York)

Mr. Chairman,

Ukraine aligns itself with the statement by the Delegation of the European Union. At the same time, I would like to make few specific points in my national capacity.

We welcome the reports of the Secretary-General on international financial system. The concerns raised in the reports are looming large and reflect the most important problems of world’s economy as seen from Ukraine’s perspective. These days, we go through a period of unprecedented changes. Unfortunately, especially in view of world crisis, there are global tendencies of stagnated economic development and growing poverty in some states and regions.

In the recent years we have had several useful discussions on UN’s role in the international financial system and we believe such a role should be a central one. It is important however to ensure that all member states share the same vision and priorities of our future work.

We would like to emphasize the importance of an open, fair, non-discriminating and transparent international trade. We share concerns about the consequences of the world financial crisis for trade, especially in developing countries, and support the necessity to resolve systematic problems of world economy.

We see international trade and its further liberalization as a key element of economic and social progress necessary for achieving the Millennium Declaration goals. Here, my delegation would like to reiterate the necessity for successful conclusion of Doha round within the WTO framework. Further delay in reaching agreement on a response to a global financial and economic crisis could potentially result in billions of dollars being lost, millions left in the trap of poverty and the further erosion of our hard-won development gains.

Ukraine was and continue to be a steadfast supporter of the UN Conference on Trade and Development (UNCTAD) and its various initiatives aimed at strengthening trade capacities of its member states. In this regard we would like to note the launch of new UNCTAD technical project aimed at assessing and strengthening of competition legislation in Ukraine.
Mr. Chairman,

According to the World Bank, economic growth in Ukraine has accelerated its growth in 2013, but the economy will need to be rebalanced. This scenario assumes slow but orderly settlement of the crisis in Europe, with the Euro area returning to growth. Higher external demand would help the Ukrainian economy to accelerate its pace. We assume a return to a tightening of fiscal policy and a shift to a more flexible exchange rate policy to improve the resilience to external shocks. Anchoring expectations with a credible policy mix is a key element of securing the financing to cover external imbalances and reducing external funding costs. Equally important is the need to improve the investment climate and to advance implementation of structural reforms to boost longer-term economic growth, as outlined in Presidential Economic Reform Program for 2010-2014.

As we know, this year some huge accumulation of foreign reserves by a number of countries central banks is taking place causing economic imbalances (amount is estimated to total more than $7 trillion). We are of the view that money should directed as investments into the real economy sectors such as production, construction etc. In our opinion, this is the preferred way to achieve real economic growth in the whole world.

Thank you.