

G-7 CONFERENCE ON ECONOMIC TRANSFORMATION IN UKRAINE

Acting upon Canada's initiative, representatives of the Group of Seven industrial nations and leading world financial institutions came to Winnipeg to discuss helping Ukraine manage its transition to a free market.

A package of aid and credits ultimately worth as much as \$6 billion was on the table. The help which included a \$375 million line of credit from the International Monetary Fund, plus social assistance, loans and grants from individual nations, would be a reward for Ukraine's pledge to introduce a long-delayed economic austerity program.

Canada was the ideal nation to host the economic conference. Its special ties to Ukraine, forged by immigration over the past 100 years, had already made Canada Ukraine's strongest supporter in the West.

Leonid Kuchma's decision to undertake a five-day visit to Canada - his first official

trip to the West since his election - sealed the relationship.

Winnipeg, home to 60,000 Canadians of Ukrainian descent, was the perfect site for a conference that would symbolically proclaim Ukraine's coming-of-age in the post-Cold War order.

Following are the highlights of the Chairman's Summary on the G-7 Conference on Ukraine:

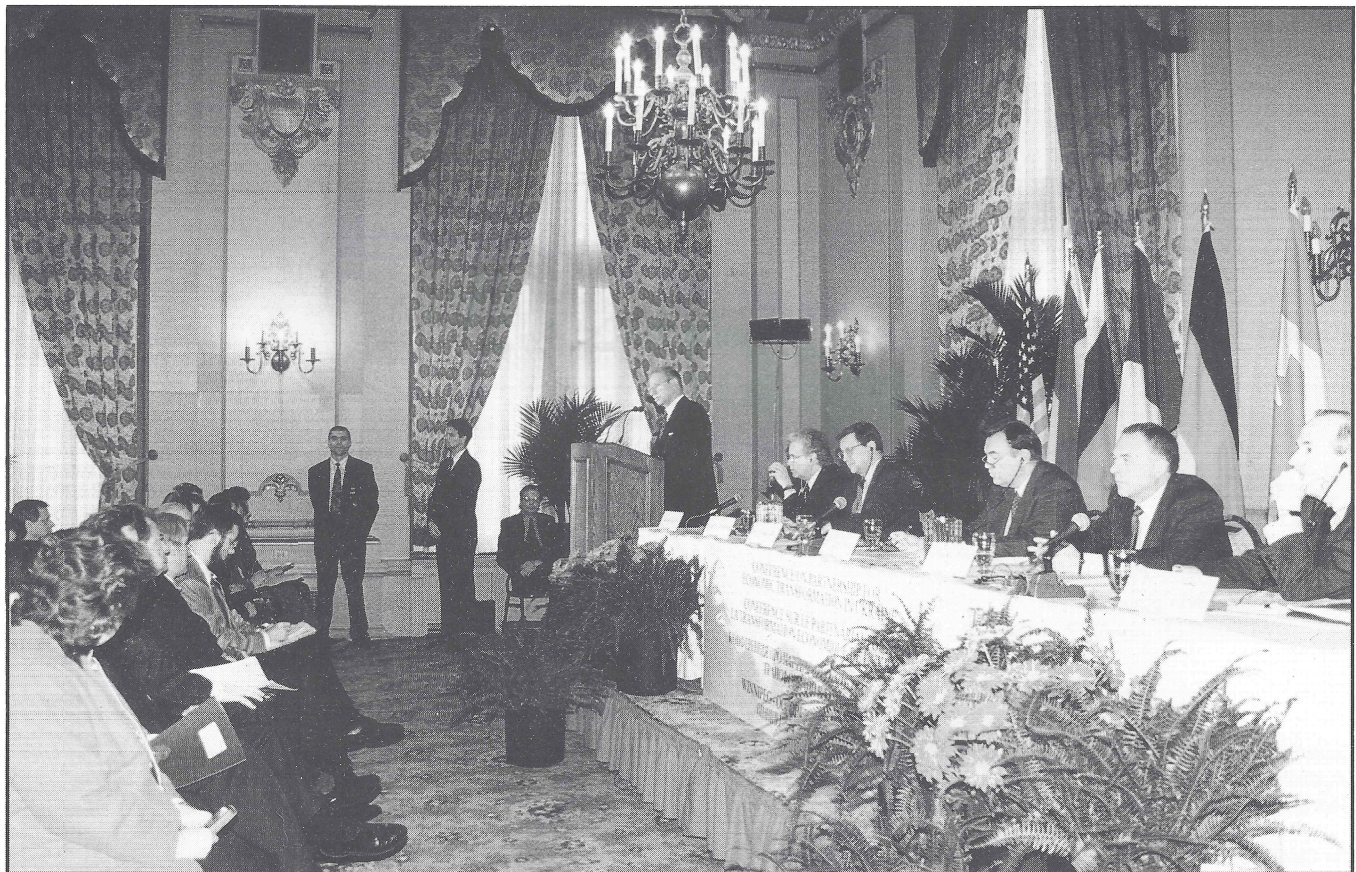
1. Successful transformation to a stable, market economy in a democratic Ukraine, fully integrated into the global community, is a goal shared by the people of Ukraine with the G-7, Russia, Turkmenistan and all other countries desirous of global peace and prosperity.

2. As an important step towards realizing this common goal, senior officials of the G-7, the European Union (EU), the

Ukrainian government and three international financial institutions (IMF, World Bank, and EBRD) met on October 27, 1994 in Winnipeg, as envisaged at the Naples Economic Summit, to exchange views on promoting economic reform in Ukraine. Officials from Russia and Turkmenistan were invited to the conference as major creditors to Ukraine.

3. The main objective of the Conference was to have an open dialogue on the necessary elements of a comprehensive reform program for Ukraine, as well as practical considerations associated with successful implementation of such a program.

4. The participants congratulated Ukraine for the sound measures that it has already initiated or announced to this end. They warmly welcomed President



V. REPIK (KYIV)

President Leonid Kuchma addresses G-7 Conference on Ukraine. L-R: David Walker (G-7); Hon. Lloyd Axworthy, Minister of Human Resources Development and Western Diversification, and Hon. André Ouellet, Minister of Foreign Affairs (Canada); Andrei Kozyrev, Minister of Foreign Affairs (Russia); and Michael Camdessus, Managing Director (International Monetary Fund).