

MEMORANDUM

of the VIth Plenary Meeting of the Foreign Investment Advisory Council in Ukraine

city of Kyiv

20 October 2005

The Participants of the VIth Plenary Meeting of the Foreign Investment Advisory Council in Ukraine, having discussed the current status and growth prospects of the investment processes in Ukraine, being conscious of the importance of supporting the endeavors of the Ukrainian people in developing the civil society on the principles of democracy, economic freedom, and supremacy of law and ensuring the conditions for a long-term stable development:

- welcome the efforts of the President of Ukraine and the Ukrainian Government aimed at implementation of the democratic reform in the country, improvement of the investment climate and creation of a stable environment for the development of entrepreneurship, establishment of a constructive dialogue between the business and public authorities;
- distinguish certain progress in the implementation of recommendations of the Extraordinary International Round Table of the World Economic Forum on the Ukrainian issue (Kyiv, June 2005);
- compliment the intentions of Ukraine in respect of the gradual fulfillment of all conditions required for obtaining the market economy status and acceding to the World Trade Organization and the European Union.

The participants of the Meeting emphasize the necessity of taking the following immediate measures on creation of the favorable environment for investments and innovations:

- Further active implementation of recommendations of the Extraordinary International Round Table of the World Economic Forum on the Ukrainian issue, specifically, in respect of legislative regulation of the rights of shareholders, implementation of the International Accounting and Auditing Standards, tax system reform, fighting corruption, formation of a clear legal framework for entrepreneurial activities, as well as ensuring guarantees of the right of ownership, simplification of procedures for obtaining land plots,

resolution of problems of bona fide investors operating in special economic zones and priority development territories, improvement of work of the executive service;

- Establishment of a permanent dialogue between investors and the Ukrainian authorities, including within the Foreign Investment Advisory Council in Ukraine and its Working Groups formed with the participation of the heads of the Ukrainian state authorities for the purpose of performing a systematic analysis of the investment climate, summarizing suggestions on its improvement, development and practical implementation of certain regulatory acts, management decisions and organizational measures;
- Formation of an effective system of support of investments and innovation activities in Ukraine, specifically the implementation of rules and instruments for investment and doing business brought in line with the international ones;
- Implementation of a system of public reporting of heads of state authorities on the results of their work in the area of investments and innovations.

The participants of the Meeting voice their readiness for a constructive dialogue between the Ukrainian authorities and the investors in order to eliminate obstacles for foreign and local investment, creation of new investment opportunities and ensure all-ways support to Ukraine's integration into the system of international economic relations and the improvement of its international image.