

Multi-agency Donor Coordination Platform for Ukraine

Joint Communiqué

April 10, 2024

The members of the Multi-agency Donor Coordination Platform Steering Committee met in Kyiv on April 10 to support Ukraine's immediate and long-term financing needs. The Members reiterated their unwavering support for Ukraine and determination to remain united in condemnation of Russia's illegal, unjustifiable, and unprovoked war of aggression against Ukraine.

Ukraine explained that the total external budget financing needs for 2024 amount to at least 37.2 billion USD. Members recognized the importance of ensuring Ukraine meets its budget financing needs in 2024 and 2025. Building on the successful completion of the third review of the IMF program for Ukraine, Canada discussed its new support program for Ukraine including 2 billion CAD disbursed in March for macroeconomic support for 2024. The European Union announced that it had disbursed 4.5 billion EUR in March in budget support under the Ukraine Facility. Japan and the UK jointly backed a new 1.5 billion USD Development Policy loan from the World Bank to Ukraine in March. Japan also disbursed 470 million USD grant in February to support the budget situation in Ukraine. Members agreed to discuss the 2024-2025 budget financing further at the G7 ministerial meetings and monitor the progress with regard to the remaining gap.

Members also discussed support for Ukraine's early recovery and reconstruction and welcomed the new Public Investment Management framework which will set out Ukraine's investment priorities. They also discussed commitments to meet Ukraine's 2024 urgent early recovery needs, including increasing need for the protection of energy infrastructure, urgent repairs and development of substitute capacity in the energy sector, to enable longer-term economic sustainability and growth. Japan briefed on the outcomes of the Japan-Ukraine Conference for Promotion of Economic Growth and Reconstruction on February 19th, including the signing of 56 cooperation documents.

Emphasizing the significance of private sector engagement, members agreed to launch a Business Advisory Council at the Ukraine Recovery Conference in Berlin. This council aims to provide essential advice and expertise to the MDCP to promote improvements in Ukraine's investment climate, attract private sector investment, and strengthen Ukrainian small and medium enterprises.

Members also discussed support for Ukraine as it implements reforms underpinning economic recovery, including but not limited to rule of law and anti-corruption reform that will improve business climate, attract investments, and create a solid basis for sustainable and inclusive economic growth. Members welcomed the adoption of the Ukraine Plan by the Government of Ukraine and development of the Ukraine Reforms Matrix as a tool to prioritise and sequence private sector-enabling and growth-inducing reforms as well as to support more effective coordination of technical assistance provided by donors as discussed at the Wilton Park reforms conference. Members also discussed these issues with both business and civil society stakeholders during their visit.

Members have agreed to work towards engaging systematically under the Platform with Ukrainian and international civil society.

Looking forward, MDCP Steering Committee members re-committed to the following objectives for 2024:

1. Preserve macroeconomic and financial stability by providing direct budget support;

2. Support Ukraine in meeting its critical energy protection, emergency repairs and restoration needs;
3. Develop a prioritized pipeline of early recovery projects under the Public Investment Management system, in line with Ukraine's strategic vision for economic recovery, including based on the Ukraine Plan and the results of the Ukraine Rapid Damage and Needs Assessment (RDNA3);
4. Refine and support the implementation of a shared list of prioritized and sequenced short- to medium-term reforms and critical measures to unblock economic recovery, boost economic growth, and support Ukraine's path to European integration, with the use of the Reform Matrix as a guiding tool;
5. Develop specific and time bound measures under the PIM Action Plan to comprehensively improve public investment management, and dedicated action plans to address current gaps in assistance monitoring and absorption capacity within the framework of dedicated working groups and sector consultations;
6. Create the conditions for enabling private sector support and private sector engagement in reconstruction, including addressing barriers to investment such as political risk insurance.

The MDCP will continue to foster robust and effective channels for assistance coordination to ensure donors are meeting Ukraine's highest priority needs. United in our mission, MDCP members are dedicated to making a meaningful contribution to the development, stability, and prosperity of Ukraine. We look forward to a future meeting at the ministerial level.