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## UKRAINE

### Statement Circulated by H.E. Mr. Andriy I. Goncharuk Minister of Foreign Economic Relations and Trade

*(As an Observer)*

It is an honour for the Ukrainian delegation to participate in the Third Ministerial Conference of the World Trade Organization, not only due to the fact that the WTO is a unique and influential international organization that unites 134 Members, but also because this Conference opens a new round of multilateral trade negotiations.

This round of negotiations is of great importance for the world community, because in this course issues of further globalization and the creation of a favourable trade environment will be considered, the development of which, with participation of all countries without exception, should become a priority on the WTO agenda in the near future.

Therefore, agreements that will be reached in the course of the new round of negotiations are especially important for Ukraine, which aspires to gain WTO membership during this negotiating round.

Nowadays, on the turn of the new millennium, the trade system is in the critical stage and faces new principal tasks. They are aimed at resolving the questions that have been included in the agenda of the next round, in particular further liberalization of the sphere of services and agriculture, searching for effective measures of protection of intellectual property, development of WTO rules and procedures relating to the areas of anti-dumping, technical barriers to trade, regulation of issues pertaining to agreements on regional trade, competition, etc.

Since the first days of Ukraine's independence, the Ukrainian Government has been pursuing a consistent policy regarding the country's integration into the international community. The main goal of such a policy is to establish a new trade regime which is utterly integrated into the global economic system. The mentioned integration processes are of great significance for Ukraine, because we have opportunities to further develop foreign trade, attract new investments, etc.

The presidential elections in Ukraine, which took place in November of this year, have confirmed once more the aspiration of the Ukrainian people to build a civilized and democratic society and to further implement economic reforms through development, on the basis of market economy principles.

Pursuance of the course for liberalization of the Ukrainian economy lies in further restructuring and harmonization of national legislation in conformity with rules and principles of the international trade system.

Priority goals of the Ukrainian Government include support of further development of the private sector, optimization of the tax system, implementation of structural reforms in the energy sector, increase in agricultural production, acceleration of privatization processes, development of the stock market, and reform of the financial sector. Considerable liberalization of business activity together with a reduction of budget expenses in support of government financing is expected.

For purposes of codification of tax legislation and improvement of the existing taxation system the Ukrainian Government has developed a draft Tax Code of Ukraine. This statute provides for implementation of a range of systematic transformations aimed at the optimization of the tax regime, adjustment and unification of taxes and charges, expansion of their regulating role and reduction of tax pressure upon taxpayers.

Reform of the system of accounting and auditing is implemented as part of the measures aimed at realizing economic relations of market orientation. The Law on "Accounting and Financial Reports" which guided the accounting reform towards the use of international standards, has been adopted in July this year.

The Decree of the President of Ukraine on the "Introduction of the System of Permits in the Area of Business Activity", enacted 20 May 1999 is called to bring order with respect to permits, certificates, and grants. The only document evidencing permission is a licence. A number of draft laws make legislative provision of principles under which the introduction of new licences may be conditioned only due to health, environmental and national security concerns.

It should be noted that during 1998-1999 a number of laws on the establishment of such free economic zones as "Syvash", "Donetsk", "Azov", "Slavutich", "Yavoriv", "Kurotopolis Truskavets" and special investment regimes in the Donetsk were adopted.

Implementation of economic transformation programmes and attainments of stabilization are both carried out with the encouragement and support of international financial organizations.

I would like to stress again that the issue of accession to the World Trade Organization remains one of the priorities of Ukrainian foreign trade policy. So far, the accession process has been characterized by considerable dynamics. Six meetings of the Working Group regarding Ukraine's accession to the WTO were held, as well as bilateral and multilateral negotiations on access to commodity and services markets with delegations of the EU, the USA, Japan, Canada, Australia, and the CEFTA countries.

In 1999 the Governmental Commission on Ukraine's Accession to the WTO prepared a set of documentation, analytical and referential information necessary for holding the next meeting of the Working Group and further reforming national legislation in order to bring it into conformity with the norms and principles of the WTO. The aforementioned materials were sent to the WTO Secretariat, which agreed that the 7<sup>th</sup> meeting of the Working Group would take place in the first quarter of 2000.

Finally, allow me to express certainty that the conference will entirely realize its agreed-upon agenda while taking into account specifics of national economies.

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