

United States-European Union Summit Statement on Ukraine *June 21, 1999*

Ukraine's successful transition to a democratic and market oriented country, secure within its borders, is crucial for long-term stability in Central and Eastern Europe and the continent as a whole. Helping Ukraine achieve these objectives is one of the top priorities for U.S.-EU cooperation. The EU and the U.S., as Ukraine's largest donors, share a strategic interest in the successful evolution of Ukraine toward a prosperous economy and stable democracy and in bringing Ukraine more fully into Euroatlantic structures. The EU and the U.S. welcome the progress made in the realization of their strategic partnerships with Ukraine and look forward to a further deepening of these relationships. We commend Ukraine for the important progress it has achieved in recent months, in particular the economic reform measures which have allowed Ukraine to return to compliance with its IMF program. We urge President Kuchma to seize the opportunity presented by the renewal of the IMF program to push forward his reform agenda, including privatization of large industries, agricultural and energy sector reform, restructuring of the financial sector, as well as improvements in public administration. We encourage Ukraine in its efforts to accede to the WTO and will support decisive action in establishing a favorable environment for foreign investments and in removing key obstacles to trade.

We note Ukraine's progress on democracy. However, we call on Ukraine's leaders to ensure a free and fairly contested presidential campaign leading up to the October 31 presidential election in compliance with OSCE and Council of Europe standards. A free and fair election will be an important step in the transition of democracy and demonstrate that it is taking firm root in Ukraine. We express our continued support for efforts to develop the rule of law and institute an effective presidential electoral process. In this context, we emphasize the need to protect the freedom of the media. These are fundamental underpinnings to democracy in Ukraine. In that regard, we consider Ukraine's recent decision to retain a continued OSCE presence in Ukraine another important signal of Ukraine's determination to meet its commitments to de-

mocratization and to Euroatlantic cooperation. We support the continued efforts of Ukraine to play a responsible role in relations with neighboring states and within the larger transatlantic relationship. We welcome Ukraine's commitment to regional cooperation as well as its contributions to find solutions to the conflicts in Transnistria and Kosovo.

As Ukraine continues its transition to democracy and a free market, we recognize the social problems arising from necessary social adjustment and remain committed to joint U.S.-EU efforts that bolster Ukraine. We strongly encourage Ukraine's efforts to implement additional power sector reforms, particularly increased cash collections and strategic privatization of energy distribution companies, as crucial components of the energy investment strategy embodied in the G-7/Ukraine Memorandum of Understanding on Chernobyl Closure. We reiterate our commitment to the closure of Chernobyl in the year 2000. We reaffirm our commitment to assist Ukraine in securing the financing necessary to strengthen its energy sector, facilitate Chernobyl closure and in securing the remaining financing of the necessary stabilization of the Chernobyl sarcophagus.

We applaud the initial project under the U.S.-EU civil society program to support Ukrainian non-governmental organizations working to build democracy in Ukraine, as well as the agreement to launch the Kiev Regional Environmental Center sponsored jointly by the EU and the U.S. We look forward to inaugurating our other joint projects. We are actively considering the possibility of launching a joint project on public health issues in Ukraine. We have illustrated our common view on the importance of economic reform, as well as our commitment to further Ukraine's economic transition, through our joint demarche to President Kuchma and Rada Speaker Tkachenko.

NOTE: An original was not available for verification of the content of this joint statement.