

Kyiv, 25 February 2014 140225/01

#### REMARKS

## by EU High Representative Catherine Ashton at the end of her visit to Ukraine

"I am back in Kyiv, for what is the fourth time in less than three months. And as you will have seen, I have been here meeting with a whole variety of people. In the Rada I have met the Speaker, leaders of Party of Regions, leaders of new majority parties, acting Finance minister, this morning also with Yulia Tymoshenko and as always civil society representatives. Some of them I've met on previous occasions as well.

And I want to say that for me it was very important that the first thing I did when I arrived here was to lay flowers to honour those who have died and to understand the sense of loss of the people of Ukraine.

It was interesting for me to see the Parliament, the Rada, functioning. It's very very important, in my view, that citizens all across the country can see that the institutions are working and that they're working to deliver for the people. It was very good to talk to so many people who clearly have done the thinking and are now doing the planning of what has to happen next. That includes the politicians I've met and it includes of course civil society people as well.

My message to all of them has been: you need to work together. There are some short term challenges that need to be faced and addressed and there are some longer-term plans that need to be put in place. But you need to work together and you need recognise the importance of public accountability for everything that you do and to build into your thinking how you will ensure that you are open and transparent and respond to what the people want.

#### FOR FURTHER DETAILS:

We expect to see a new government soon. Of course that needs to be inclusive and it needs to have the expertise that will be so necessary. And it needs to have both lasting political solutions and a credible economic plan. It's very important that the situation is calm and that we see law and order restored everywhere. You know that I've said many times that there needs to be independent investigation into the violence that's happened and we're supporting very much the Council of Europe and Secretary Jagland's work in that direction.

We've come as well to make sure that we offer the support, not interference, support for the future. It's very crucial that, especially on areas to do with the Interior Ministry, with the security situation, that we are able to provide and offer the support that's needed. That means the kind of expertise that may help to ensure that the full operation of the justice systems, and the operation of the police, can provide security for people.

We've seen that elections have been set for the end of May. It's very important to continue the work on the electoral code and make sure that candidates can be openly and transparently put forward. We're very much coordinating with the OSCE, who have a vital role to play in all of this as well.

I want to also make an obvious point, which is the importance of the strong links between Ukraine and Russia and the importance that these are maintained. I'm in regular contact with Russia. I spoke recently with the Foreign Minister Lavrov. We know and understand the strong trade links that have existed with Russia and the strong links that need to exist with Russia in the future. And that message needs to be widely understood.

We also think it's very important to send a strong message about the territorial integrity and the unity and the independence of Ukraine. Everyone I've spoken to here recognises the importance of this country sticking together.

But we also know that there are big financial and economic challenges in the days, weeks and months ahead and I've been very much engaged with that; talking with our international partners, thinking about the short-term, the medium and the long-term. And looking and identifying ways in which we can bring together people to support the economic challenges the country faces.

In doing so I've been talking with institutions; of course organisations like the IMF are subject to their own independent assessment of the situation. They will make their own decisions, they have their own rules and processes. But they're an important part of the jigsaw puzzle of trying to offer support, because their work triggers support elsewhere.

We also need to think about some of the short term economic issues, and to pull together the combination of short term grants and loans as well as the role of long term investment, which is also going to be of enormous importance. So we're here to say very simply: we want to support and help this country to stay strong, to go forward in the way that it chooses and to offer our support in achieving that.

Thank you.

# Q1: Officials are saying they needed 35 billion dollars over a number of years. What can and will the EU do? And people in Europe are saying why should they provide economic financial assistance to Ukraine?

If you look at the kind of figures that have been talked about, you'll see that the analysis shows this is a combination of different elements. There are some short term issues, bills to be paid, short-term deficit. Then there is a bigger longer-term investment programmes that needs to happen. You know that the European Bank for Reconstruction and Development and the European Investment Bank have been engaged here with longer term programmes. There are some questions too about the changes that need to happen in economic reform, especially industries that need to be able to become more competitive and diversified, so that the economy has got more potential to find new markets. And I'd argue energy and agriculture are two big areas where there is a lot of work to be done, where Ukraine can have a stronger economic framework.

So there is a sort of bank of different things. I've been working as you probably know in different countries on what we call a Task Force – an economic task force. We've done that with different countries in our Southern Neighbourhood and also recently in Burma. And that's about bringing together the different financial institutions who can do their own things within their own rules. And adding to that the Member States' contribution, adding to the institutions' contributions, and also business leaders who have a huge interest in investing here.

And what you've got in this country too are business leaders who've been working in Europe, working in Russia, working across the world, who have also got a lot to contribute. So within the framework of what seems like a huge amount of resources, there's actually quite a lot of different elements to this. We need to focus on ensuring that Ukraine gets through the next short period, but then with the support of the government — with the support of all of the people that have been talking about the same issues — to come up with a bigger long-term plan where we can play a part, and where others can play their part as well. That's why people in Europe can feel confident that this is a proper plan that they can engage in.

## Q2: Is the agreement from last Friday signed in Kiev by leaders of Ukrainian government, opposition and EU foreign ministers still valid?

I think the three European Foreign Ministers who came on my behalf and on behalf of the whole of the EU did some extremely important work with the leaders of the opposition and this was an important attempt to try and find a way through that would ensure — and I think it did — that things did not become completely out of control. Now, the situation has moved on — the terrible loss of life is absolutely appalling from our point of view — but I think it was nonetheless an important attempt to try and make a situation that could have been worse less bad.

We have seen that this country has moved on and our role is to support and help to ensure that violence stops, to ensure that the country, economically and politically, has got what it needs: the expertise and the resources it needs to be able to make its own decisions and take itself into the future and I think that's where we now have to be.

## Q3: What about Ukraine's relations with Russia, especially when we talk of military aspects? And how are you working with IMF?

I am not going to talk about military aspects. There is no reason to believe at this point this is something to consider in any way. We have talked to the IMF, we are collaborating with them as they make their decisions, but the Fund will make its own decisions. It has its own rules and procedures, it has its Board of Governors, it will determine what it can and will do. I know that the IMF are very keen to talk with the new government, but it will be for them to make their decisions. What we also know is that that helps to trigger other support. It is therefore important that we all are working in a collaborative way on the different parts of the economic support that can be provided so that it all adds up to make sense in terms of different ways in which support can be given, whether that is loans, grants, investment and so on. So it is collaboration, but it is not of course in any way to take away what the IMF must decide for itself.

#### Q4: What does Ukraine need do to begin the talks for such economic assistance?

What they need to do right now is decide on the government; decide on how they are going to engage the different parties and civil society; they need to work out, as I think they are doing, the kind of plan that they see for the economy.

They then need to start discussing that with international organisations and with all of us to see how best we can support the plan and how best we can also explain what needs to be done. Now in terms of some of this – both in the work that has been done in the agreement that has not been signed with the European Union and I am sure in their discussions with the IMF and with others – they have already had a great sense of what needs to be done, the kind of economic work that needs to happen. So this is already in a sense within the framework for discussion and I hope that the government will be able to move forward on this very quickly.

## Q5: Russian government says that the situation in Ukraine is illegal. Do you agree with Mr Lavrov?

I have seen some comments that Mr Lavrov is reported to have said. I spoke with him at length on Friday and we have talked about the importance of making sure that there is no violence here, making sure that the country stood together – territorial integrity, as I have described – and I think that it is very important that Russia, as an important neighbour of Ukraine, also lends its support so that the country can move forward in the way that it wishes to. And in our deliberations with Russia that is a message that we will be giving to them.

It is important now that with the new government the whole of the country is reached out to, that there is a real sense of communication and that there is a real sense of showing that there is leadership that is now taking the country forward. That is, I think, the best answer to any charge of any kind that suggests otherwise."

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