

Joint Statement on the United States-Ukraine Trade and Investment Council

May 28, 2015

Kyiv, Ukraine – Today, Ukrainian Minister of Economic Development and Trade Aivaras Ambromavicius and Assistant United States Trade Representative L. Daniel Mullaney released the following joint statement after the fifth meeting of the United States - Ukraine Trade and Investment Council (TIC) held in Kyiv, Ukraine:

“During today’s Trade and Investment Council meeting, we discussed steps to deepen our bilateral trade and investment relationship. Ukraine is taking important steps to strengthen its business and investment environment, in the face of significant challenges, and we look forward to working together to restore vitality and prosperity to Ukraine’s economy. We have an ambitious agenda for the coming year.

We reviewed barriers to increased bilateral trade and investment and discussed steps to enhance economic opportunities to the benefit of both countries. Each partner offered concrete ideas on how to reduce trade barriers and improve bilateral trade in both agricultural and manufactured goods. Ukraine and the United States acknowledged the positive effect that the United States Generalized System of Preferences (GSP) will have, once reauthorized, on trade between our countries and the potential to boost bilateral trade by renewing GSP. Additionally, we discussed the benefits of using multilateral tools to increase Ukraine’s export potential, such as acceptance of the WTO Trade Facilitation Agreement and accession to the WTO Government Procurement Agreement. The Government of Ukraine noted with appreciation the role of U.S. technical assistance in furthering Ukraine’s trade development and promotion efforts.

The second part of the meeting focused on ways of enhancing the business and investment climate in Ukraine. We reviewed Ukraine’s extensive reform agenda, including its ambitious and urgently needed efforts to strengthen the rule of law, combat corruption, and create a favorable business environment. The United States took note of the significant reforms Ukraine has undertaken, and continues to undertake, to solidify predictability and transparency in its economic sector for both the benefit of domestic and foreign investors. The United States welcomed Ukraine’s efforts to reduce regulatory burdens, implement internationally recognized approaches to standardization and to improve the value added tax (VAT) refund system. The United States and Ukraine discussed the benefits of the introduction of the electronic VAT system, and confirmed the value of a transparent, efficient and fair VAT system in sending a strong signal to global business of Ukraine’s commitment to a business environment that welcomes all investment.

We discussed the importance to each country of continued progress in the area of intellectual property rights protection and enforcement. The United States noted Ukraine’s pledge to create a transparent, functioning, and legitimate system in Ukraine for collecting and distributing copyright royalties to rights holders. We also look forward to working together to eliminate reliance on unauthorized software by Ukrainian government agencies and to institutionalize a mechanism for transitioning to the use of authorized software. We also anticipate cooperating in the coming year

to help reverse the widespread and growing online infringement of copyright and related rights in Ukraine. Protecting intellectual property rights will benefit both Ukrainian and American inventors, creators and artists.

To ensure continued progress on efforts to grow our trade and investment relationship, the U.S. and Ukrainian teams plan to intensify their technical engagement. Both sides look forward to concrete progress on the range of issues discussed in our meeting today. The participants in today's meeting have confidence in the potential of the Ukrainian economy and in the opportunities that lie ahead. We hope to hold the next TIC meeting in Washington in 2016 and to report additional progress at that time.

Background

After Ukraine's accession to the World Trade Organization in 2008, Ukraine and the United States signed the United States-Ukraine Trade and Investment Cooperation Agreement (TICA) in the same year. The TICA established the TIC as the principal mechanism for the two countries to work to enhance and broaden their trade and investment relationship. It is the primary forum for discussion of trade and investment relations between the two countries.