

JOINT DECLARATION OF INTENT

ON STRENGTHENING COOPERATION

BETWEEN

THE FEDERAL MINISTRY OF FINANCE OF THE FEDERAL REPUBLIC OF GERMANY

AND

THE MINISTRY OF FINANCE OF UKRAINE

The Federal Ministry of Finance of the Federal Republic of Germany and the Ministry of Finance of Ukraine (hereinafter referred to as “sides”) underline their good bilateral relations, deepened by the cooperation to end the Russia’s war of aggression against Ukraine and to uphold/restore Ukraine’s sovereignty and territorial borders within its internationally recognized borders and express their mutual desire to further strengthen and diversify these relations. The two sides share the belief that the exchange of know-how and experiences in the respective areas of expertise can support Ukraine in preparation for the post-war reconstruction phase to “build back better”. Both sides emphasize that the bilateral cooperation can jointly be adjusted, depending on the evolving situation, to account for changing needs and priorities.

More than 500 days after the beginning of the illegal and brutal Russian war of aggression, Ukraine continues to successfully defend its internationally recognized territory and its people from the aggressor. The German Federal Ministry of Finance will continue to stand by Ukraine for as long as it takes and condemns the actions of the Russian state. Since the beginning of the war, short-term financial and material support for Ukraine and for the people from Ukraine in Germany has been the focus of German-Ukrainian cooperation.

Building on past cooperation, but particularly in light of the developments since February 2022, cooperation between the finance ministries will be extended, with the aim of providing support to Ukraine in the longer term. Ukraine is facing major challenges, as hostilities are ongoing and large areas of land are heavily mined. At the same time, a massive effort is required to rebuild and modernize the country. Both sides share the view that there is the need for fundamental reforms in Ukraine, which are a prerequisite for successful accession to the European Union. Here, combating

corruption and ensuring good governance in Ukraine are particularly important, as well as other structural reforms.

The sides, thus, express their joint intention to strengthen cooperation in the following priority areas:

1. Intensifying the current and encouraging new bilateral exchange opportunities between the two finance ministries.
2. Facilitating the provision of advisory support by the German side which may include, but is not limited to, consultation on holdings management, supervisory activities, privatization of state-owned companies, customs processes and organization, as well as the transfer of knowledge in the following areas:
 - a. The German Central Customs Authority aims to support the Ukrainian State Customs Service by hosting study visits in Germany focusing on the exchange of best practices for customs processes and the organization of customs authorities.
 - b. The German Federal Financial Supervisory Authority (BaFin) aims to provide support to Ukraine by offering advisory services in the field of financial supervision including public sector banks and by providing study visits at BaFin. In the context of international donor financing, advisory teams coordinated by Kreditanstalt für Wiederaufbau (KfW), the German state development bank, aim to provide consulting on public investment management.
 - c. The Federal Ministry of Finance of the Federal Republic of Germany stands ready to conduct an exchange on the implementation of relevant international standards into national legislation, in particular the standards of the Financial Action Task Force on Money Laundering and Terrorist Financing (FATF) and standards equivalent to those adopted by the European Union.
3. The German side expresses its willingness to welcome visiting civil servants from the Ukrainian side, the goal being to foster professional bilateral relationships and to provide tailored professional development opportunities.
4. The German side will provide advice through German civil servants or specialists of subordinate Federal Ministry of Finance -Authorities or third-party experts, mutually considered suitable by both sides. This also includes the promotion of technical exchange between the respective operational specialized institutions of both sides. The scope of the consulting activities will be determined jointly by the two sides on the basis of specific requests by the Ministry of Finance of Ukraine.
5. Advisory activities should aim to support Ukraine in its accession process to the European Union.

6. Advisory activities from the German side will consist of the sharing of actual experiences made and lessons-learned from the German experiences to date in the respective areas. Responsibility for decision-making and implementation will rest with Ukraine.
7. Activities may extend to cooperating with the State Customs Service of Ukraine if necessary.
8. For all areas, the relevant consultation topics can be expanded by mutual agreement; specific requests from Ministry of Finance of Ukraine will be given special consideration. The content of the advice will consist of the transfer of German knowledge and experience in these areas.
9. This Joint Declaration of Intent does not constitute an international treaty and does not create any obligations regulated by international law and does not constitute any financial obligation to the other side.
10. Any dispute between the sides arising from this Joint Declaration of Intent will be settled through consultations.
11. This Joint Declaration will come into effect on the day of signature. It may be amended at any time by mutual consent; amendments should be done in writing. Each side may end cooperation under this Joint Declaration of Intent in writing.

Signed in Kyiv on August 14, 2023, in duplicate in the English language.

For the Federal Ministry of Finance of the
Federal Republic of Germany

For the Ministry of Finance of the
Government of Ukraine

H.E. Mr. Christian Lindner
Federal Minister of Finance

H.E. Mr. Sergii Marchenko
Minister of Finance