



**International Council
of Business Associations and
Chambers of Commerce in Ukraine**

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Resignation by Governor of National Bank of Ukraine, Yakiv Smoliy

The International Council of Business Associations and Chambers in Ukraine (ICBAC) represents 10 foreign chambers and business associations as well as the Ukrainian Chamber of Commerce and Industry. In that it unites over 9,000 businesses under its roof, representing the majority of employers in Ukraine as well as the companies which have made most foreign investments in Ukraine.

The National Bank of Ukraine under former governor Yakiv Smoliy has done a truly impressive job in cleaning the formerly notoriously corrupt banking sector and initiating court action to regain a major part of the roughly 15 billion USD reportedly siphoned-off from Ukrainian accounts, to bring about macro-economic stability, manifested in a low inflation rate, currency reserves of approx. 25 billion USD, a stable exchange rate of UAH even in times of coronavirus crisis, and substantially cutting the bank rate. As a consequence of all that international trust in the Ukrainian banking sector has been rebuilt, foreign investors into both UAH and UDS/EURO-denominated government bonds have been attracted and vital support by IFI's has continued.

At the same time the international community in Ukraine, among them the IMF, the World Bank, and investor countries in Europe as well as the United States, have been aware about the continuous efforts by well-known Ukrainian circles to undermine the trajectory and independence of the National Bank of Ukraine. They have repeatedly voiced their respective deep concerns.

Against this backdrop the yesterday's all of a sudden wish of governor Yakiv Smoliy to resign, citing continuous political pressure as the reason for that, produced a shock in the international community and is sowing doubts concerning the future role of National bank - and beyond that - the political development of Ukraine in general, thus jeopardizing the international financial support which is so badly needed to keep the country on track.

ICBAC is deeply concerned about this development and appeals to the President, the government, and the parliament to stick to the former trajectory and not to let Ukraine slip into a financial crisis again.

On behalf of all members

Alfred F. Praus, General Secretary
Kyiv, 2 July 2020

