

MEMORANDUM OF UNDERSTANDING AND COOPERATION

BETWEEN

THE NATIONAL BANK OF UKRAINE,
THE NATIONAL SECURITIES AND STOCK MARKET
COMMISSION,

THE NATIONAL COMMISSION FOR THE STATE
REGULATION OF FINANCIAL SERVICES MARKETS,

THE DEPOSIT GUARANTEE FUND

AND

THE MINISTRY OF FINANCE OF UKRAINE

ON

DRAFTING AND IMPLEMENTING THE UKRAINE FINANCIAL
SECTOR DEVELOPMENT STRATEGY UNTIL 2025

MEMORANDUM NO. 101215

of understanding and cooperation between the National Bank of Ukraine (NBU), National Securities and Stock Market Commission (NSSMC), National Commission for the State Regulation of Financial Services Markets (NCSRFSM), Deposit Guarantee Fund (DGF) and the Ministry of Finance of Ukraine (MoF) on drafting and implementating the Ukraine financial sector development strategy until 2025

Kyiv

28 May 2019

The NBU represented by the Governor Yakiv Smolii, the NSSMC represented by the Chairman Tymur Khromaiev, the NCSRFSM represented by the Chairman Ihor Pashko, the DGF represented by the Managing Director Kostiantyn Vorushylin and the MoF represented by the minister Oksana Markarova (hereinafter - the Parties),

in order to ensure further reforming and development of the Ukraine's financial sector, in accordance with the best international practices, and implement actions envisaged by the EU-Ukraine Association Agreement

considering the fact that the due dates for the implementation of *Comprehensive Program for Development of Ukraine's Financial Sector Until 2020* are terminating in 2019

taking into account that the Parties intend to enhance cooperation in the implementation of reforms in Ukraine's financial sector

have entered into this **Memorandum** (MoU) as follows:

1. Subject and Objectives of MoU

1.1. The Parties shall focus their cooperation on the coordination of actions to develop and implement the *2020-2025 Strategy of Ukrainian Financial Sector Development* (hereinafter - the Strategy).

1.2. The Strategy shall be established by means of uniform approaches and coordination of the Parties' efforts as certain measures (projects) specified in the Strategy are implemented.

1.3. The objectives of this Strategy are to promote sustainable economic growth in Ukraine, ensure macrofinancial stability, strengthen reliability and automation of financial system, reach European standards at the financial market, increase confidence in the financial market, and implement EU-Ukraine Association Agreement and other Ukraine's international agreements.

2. Areas of Cooperation

2.1. Implementing the Ukraine's financial sector reforms, the Parties have agreed to cooperate as follows:

2.1.1. To ensure the operation of interagency task force to develop the Strategy jointly with the Parties' representatives.

2.1.2. To approve the Strategy by the Parties' regulatory documents and publish it under the relevant procedure before the end of 2019.

2.1.3. To ensure the implementation by the responsible Parties of certain measures (projects) specified in the Strategy in line with the principles of project management. In case of need to create joint task forces for the implementation of projects, conduct meetings at all levels, provide mutual assistance, participate in discussion of concepts, projects, regulations, etc.

2.1.4. To create Management Committee (hereinafter - the Committee), which shall comprise the Parties' Heads, in order to implement the Strategy. The NBU Governor shall coordinate the Committee's activity. The Committee's meetings shall be conducted not less than once per three months. The Committee shall make resolutions subject to consent received from all Parties. The Committee's resolutions shall be formalized in the Minutes and sent to the Parties to refer to in their regular business. The Parties within their competence should ensure the implementation of the Committee's resolutions formalized in the respective Minutes. In order to build the executive discipline, to arrange meetings of the Parties' representatives being responsible for the implementation of Strategy's projects and invite field experts according to Agenda at least once per month. The NBU shall ensure the organizational and analytical support to the Committee.

2.1.5. In order to implement uniform approaches to monitoring and compilation of consolidated status reporting under the Strategy's projects, the Parties shall submit to the Committee members the monthly reporting on implementation of projects under the approved form, and shall report on the implementation status of the projects at the Committee's meetings according to the Agenda.

2.1.6. To arrange and hold joint open activities dedicated to the implementation of Strategy and establishment of reforms in Ukraine's financial sector, to publish the information about the implementation of Strategy and cooperation under the provisions of this Memorandum on the Parties' official websites.

3. Amendments to MoU

3.1. Any amendments to MoU shall be introduced subject to mutual consent given by the Parties and formalized in a supplementary agreement.

3.2. Supplementary agreements and Annexes to the MoU shall constitute its integral part, and shall be stipulated in written and signed by the Parties.

4. Final provisions

4.1. The MoU shall become effective when signed by all Parties and shall be valid through 31 December 2024 inclusive.

4.2. The MoU shall make no legal or financial liabilities to the Parties.

4.3. Any discrepancies arising when implementing the provisions of this Memorandum shall be resolved solely by the mutual consent from the Parties received during negotiations.

4.4. This Memorandum is signed in Ukrainian in 5 (five) identical copies with equal legal force, one copy for each Party.

5. SIGNATURES OF THE PARTIES

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| <p>National Bank of Ukraine</p> <p>9, Instytutska St., Kyiv 01601</p> <p>Governor</p> <p>Yakiv Smolii</p> | <p>National Securities and Stock Market Commission</p> <p>8, Moskovska St., Kyiv 01010</p> <p>Chairman</p> <p>Tymur Khromaiev</p> | <p>National Commission for the State Regulation of Financial Services Markets</p> <p>3, B. Hrinchenka St., Kyiv 01001</p> <p>Chairman</p> <p>Ihor Pashko</p> |
| <p>Deposit Guarantee Fund</p> <p>17, Sichovykh Striltsiv St., Kyiv 04053</p> <p>Managing Director</p> <p>Kostiantyn Vorushylin</p> | <p>Ministry of Finance of Ukraine</p> <p>11, Mezhyhirska St., Kyiv 04071</p> <p>Minister</p> <p>Oksana Markarova</p> | |