

G7 Finance Ministers' Statement on support to Ukraine

Berlin, 22 December 2022

1. Throughout 2022 and looking ahead to the new year, our commitment to supporting Ukraine remains unwavering. The G7 will continue to stand firmly with Ukraine for as long as it takes. We reiterate the statement made by our Leaders on 12 December 2022 and join them in condemning Russia's war of aggression and the resulting tragic loss of human lives as well as Russia's continuous inhumane and brutal attacks targeting critical infrastructure, in particular energy and water facilities, and cities across Ukraine. We have a moral imperative to help Ukraine resist Russia's unprovoked assault – an assault which is also an attack on the underpinnings of the rules-based international system.
2. The significant global disruptions caused by Russia's war continue to be felt acutely in many economies around the globe and disproportionately so by low and middle-income countries. This is why our collective response to the global impact of Russia's war is critically important at this juncture, especially in mitigating the devastating effects of Russia's weaponisation of energy and food for the most vulnerable countries. We reaffirm that with our sanctions we are not targeting food; we explicitly allow for the free flow of agricultural products and make every effort to minimise potential negative impacts and spillovers on third countries.
3. Recalling our statement of 12 October, we remain strongly committed to addressing Ukraine's urgent short-term financing needs. Since the start of this brutal and unjustifiable war, the G7 along with the international community has provided significant support to Ukraine, demonstrating great unity, creativity and strength in addressing Ukraine's urgent humanitarian, material and financial needs.
4. For 2022, we mobilised 32.7 billion US dollars of budget support to help Ukraine close its financing gap for this year. This full amount has now been disbursed to Ukraine or is currently in the process of being disbursed. With this support Ukraine has been able to continue the delivery of core government functions for the Ukrainian people. We recognise the important efforts made by the World Bank Group and International Monetary Fund (IMF) to channel significant parts of this support, including the IMF Administered Account for Ukraine. Additional support to Ukrainian

authorities, state-owned enterprises and the private sector through the European Bank for Reconstruction and Development, the International Finance Corporation and the European Investment Bank amounts to 6.7 billion US dollars. The aforementioned support is in addition to ongoing G7 military, humanitarian, development cooperation, export finance and early-recovery support to Ukraine.

5. To underscore our unwavering commitment to supporting Ukraine together with the international community, today, we confirm our joint approach for coordinated budget and economic support next year in line with the needs of the Government of Ukraine: for 2023, we have already mobilised up to 32 billion US dollars of budget and economic support for Ukraine and continue to make further progress. Notably this amount includes 18 billion euros from the European Union, complemented by a grant component from Member States to cover interest costs, and another very significant support package by the United States as proposed by the Biden administration and which could be approved by the U.S. Congress later this week, as well as the imminent disbursement of 500 million US dollars in further World Bank lending guaranteed by the UK and 115 million Canadian dollars in Canadian tariff revenues from imports from Russia and Belarus. Japan is also preparing additional budget support for 2023. These significant commitments, building on a clear specification of Ukraine's needs, give Ukraine certainty and enable the government to continue the delivery of basic services, carry out the most critical repairs and stabilise the economy. We are prepared to do more as needed on budget and economic support in addition to our military, humanitarian, development cooperation, and early-recovery support. We also strongly encourage other donors to step up their support.
6. We support the IMF's close engagement with Ukraine and strongly welcome the IMF Program Monitoring with Executive Board Involvement to help Ukraine develop and adhere to a consistent macroeconomic framework, enhance governance and transparency and identify financing needs. We urge the IMF and Ukraine to make swift progress towards agreement on and delivery of a credible, ambitious, fully financed and appropriately conditioned IMF program as soon as possible in 2023.
7. Following our Leaders' agreement to establish a multi-agency Donor Coordination Platform to support Ukraine's repair, recovery and reconstruction together with Ukraine and our international partners in close coordination with relevant International Organisations and International Financial Institutions, we will continue our joint efforts to support and contribute to this important work. We also welcome the outcomes of the international conference in support of the Ukrainian people held in Paris on 13 December 2022.