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# Ukraine's Reconstruction

## Policy Options for Building an Effective Financial Architecture

Elena Carletti, Yuriy Gorodnichenko, Harold James, Jan-Pieter Krahen,  
Vladyslav Rashkovan, Alexander Rodnyansky and Ilona Sologoub



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# UKRAINE'S RECONSTRUCTION: POLICY OPTIONS FOR BUILDING AN EFFECTIVE FINANCIAL ARCHITECTURE

## Frankfurt Report

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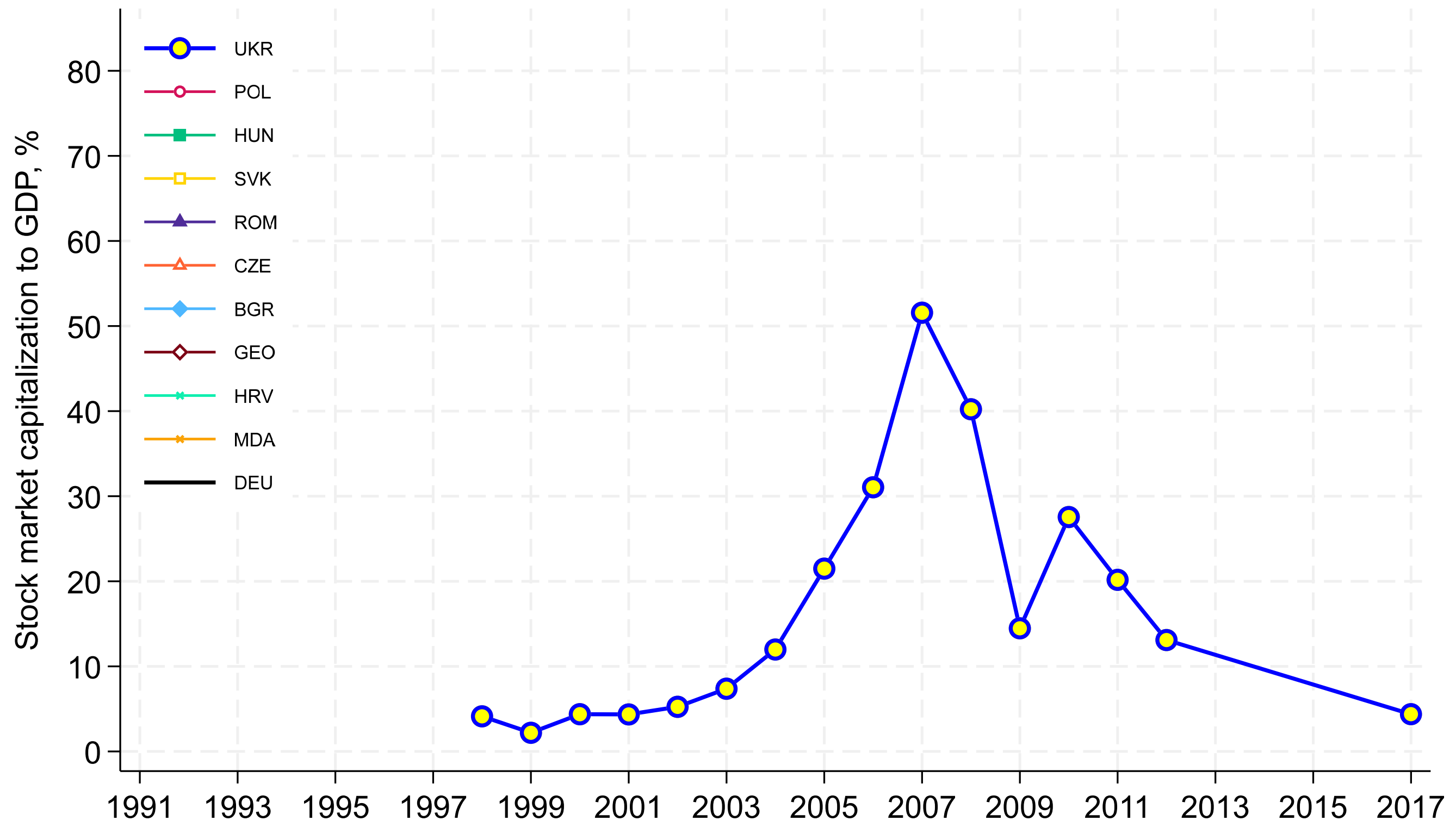
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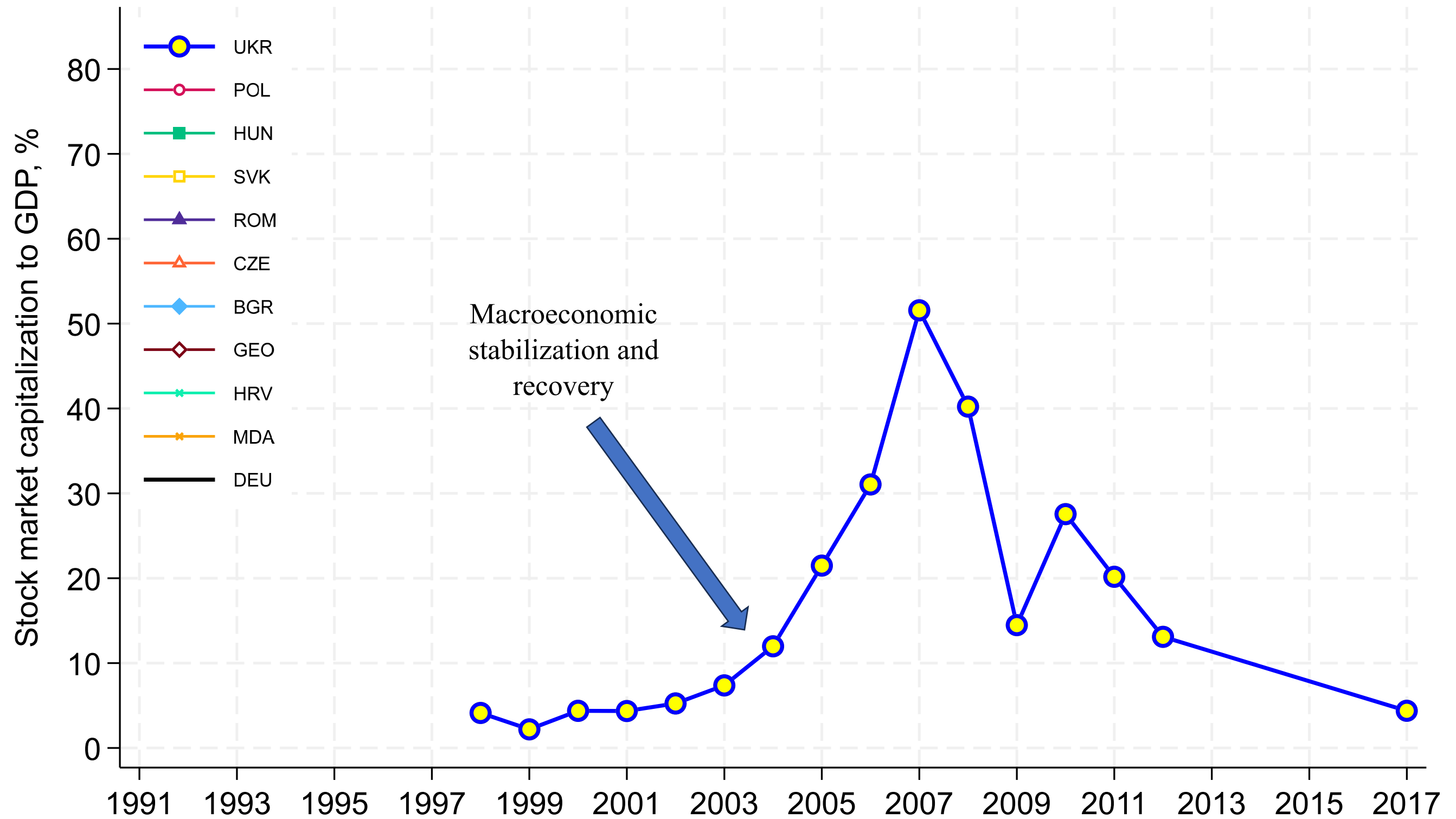
*References*



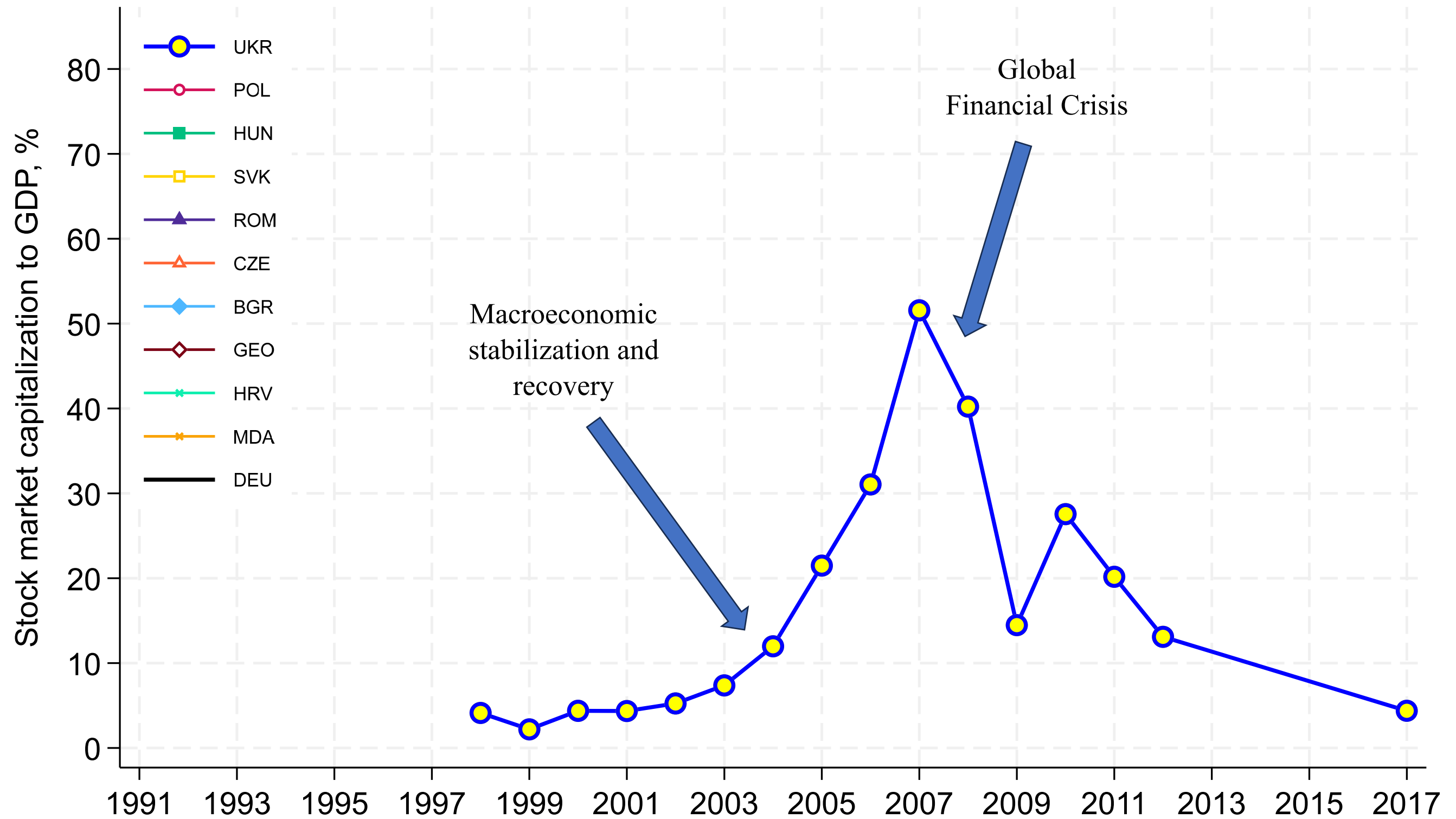
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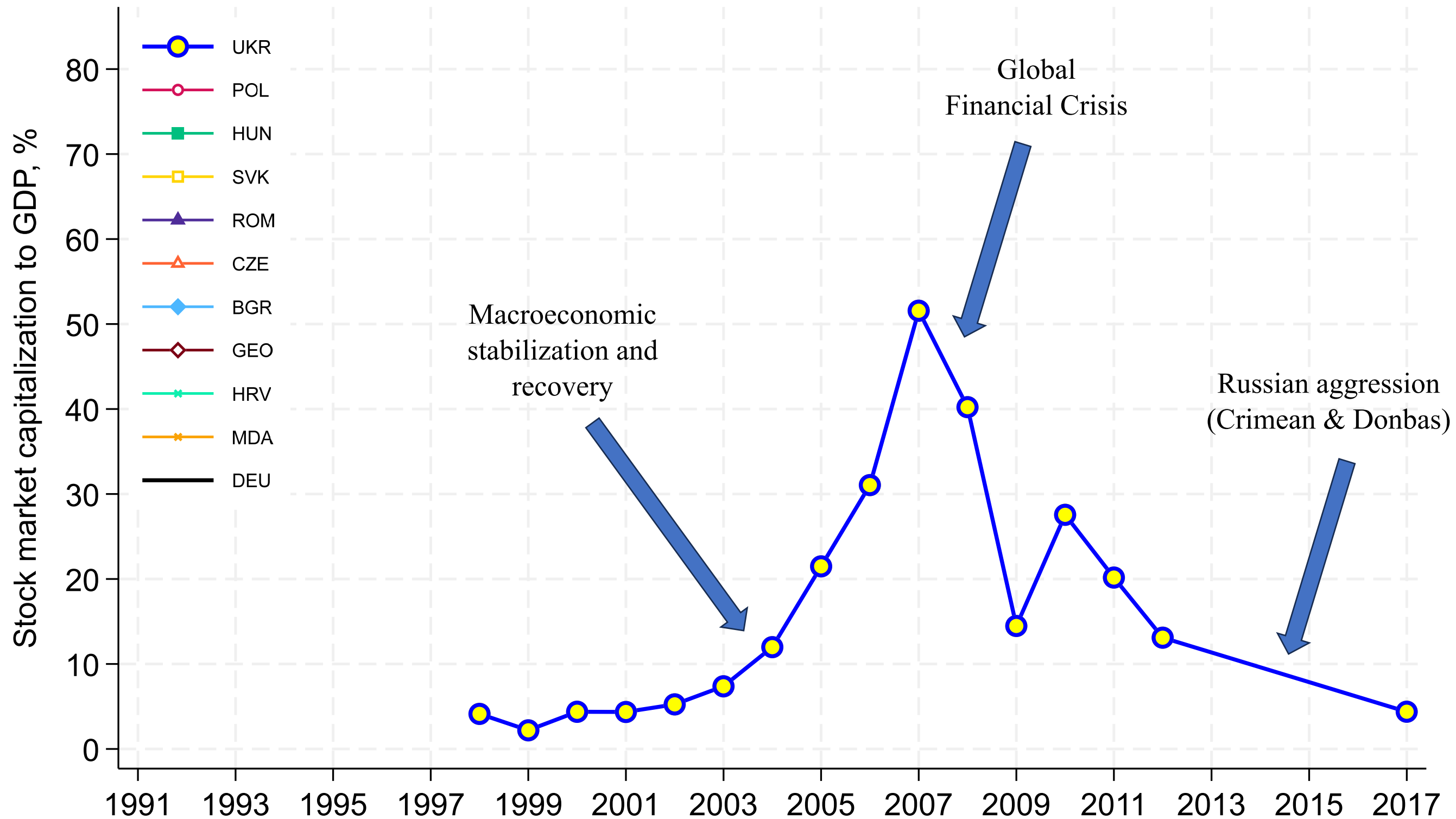
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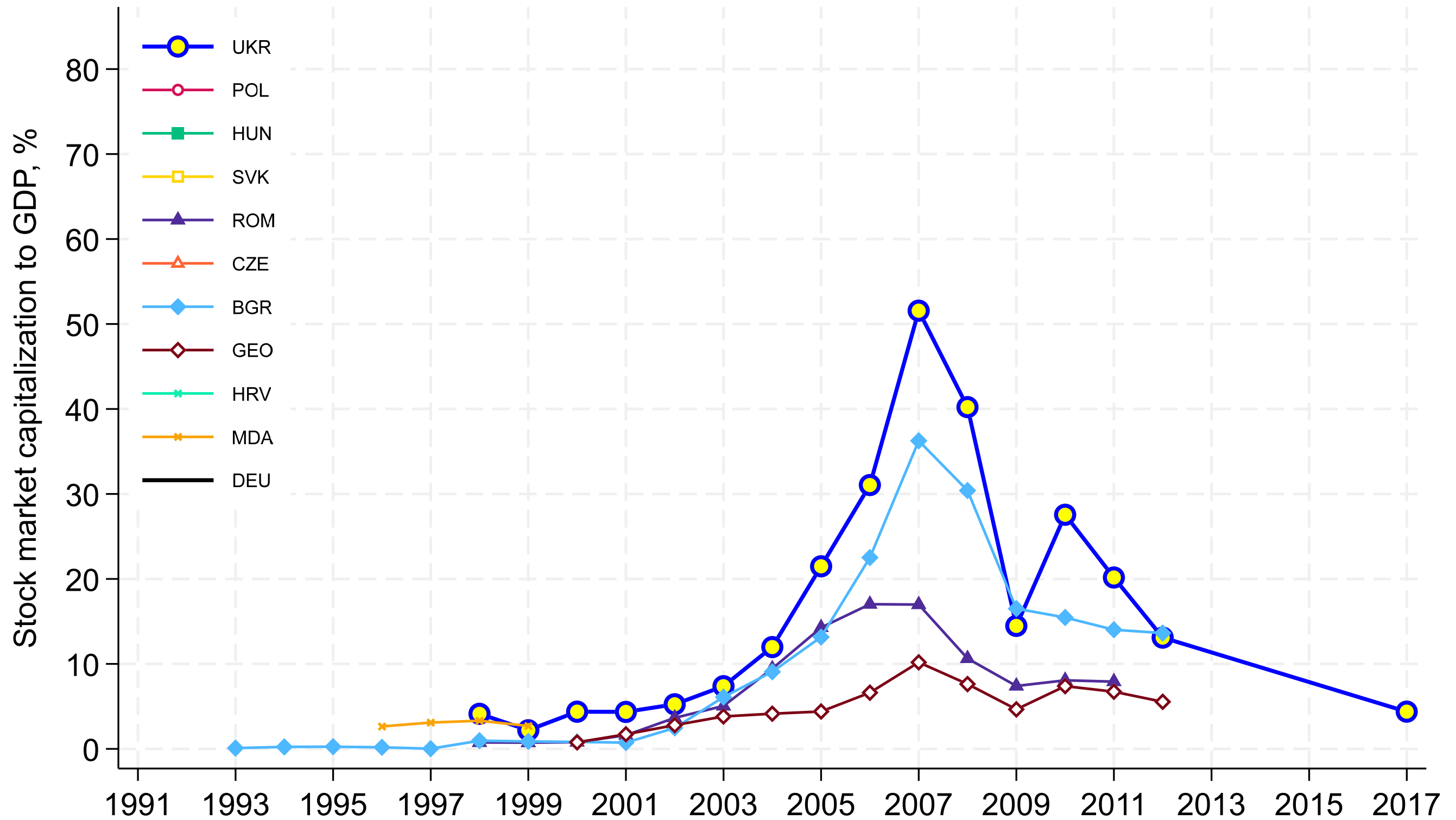


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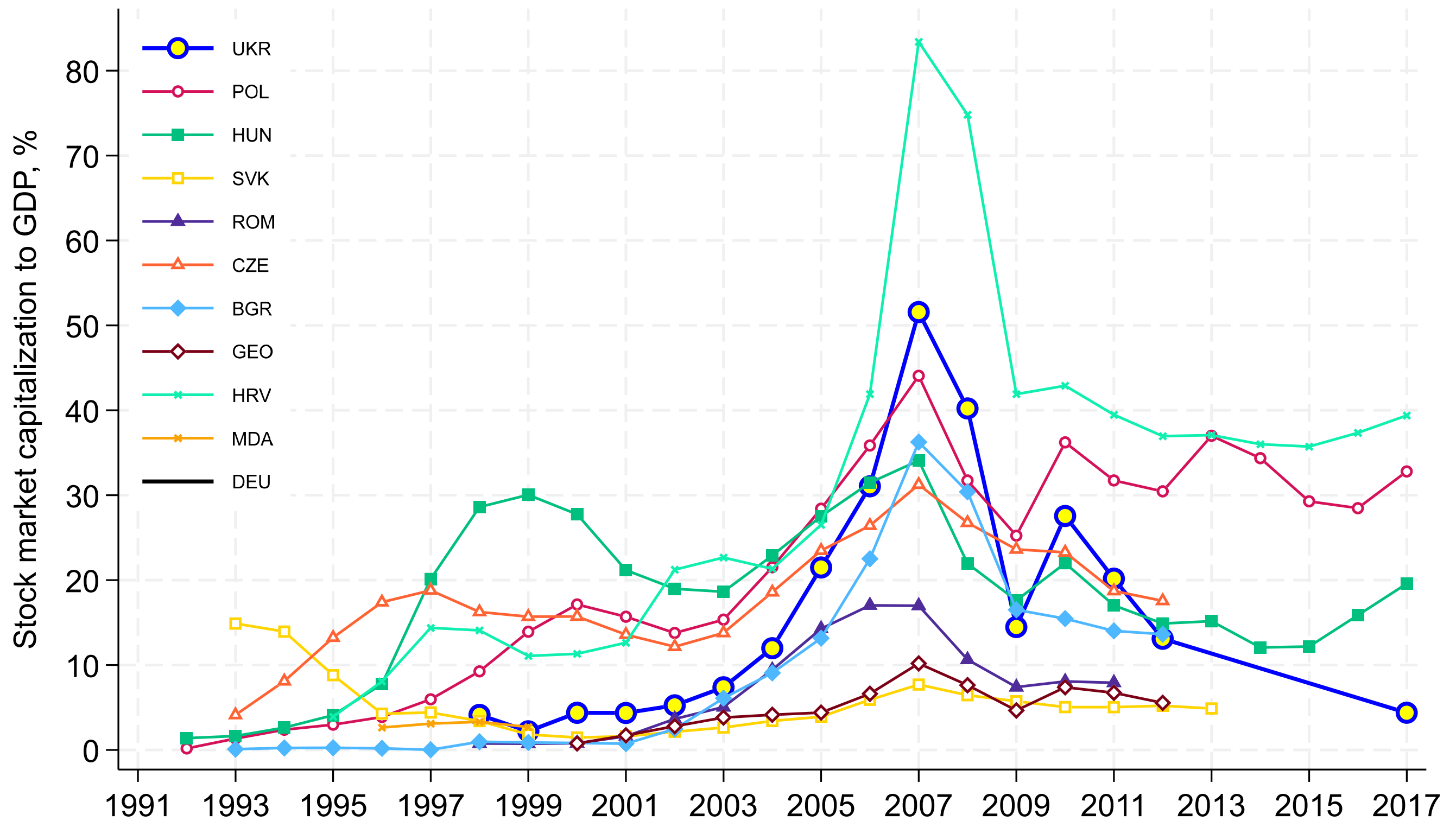


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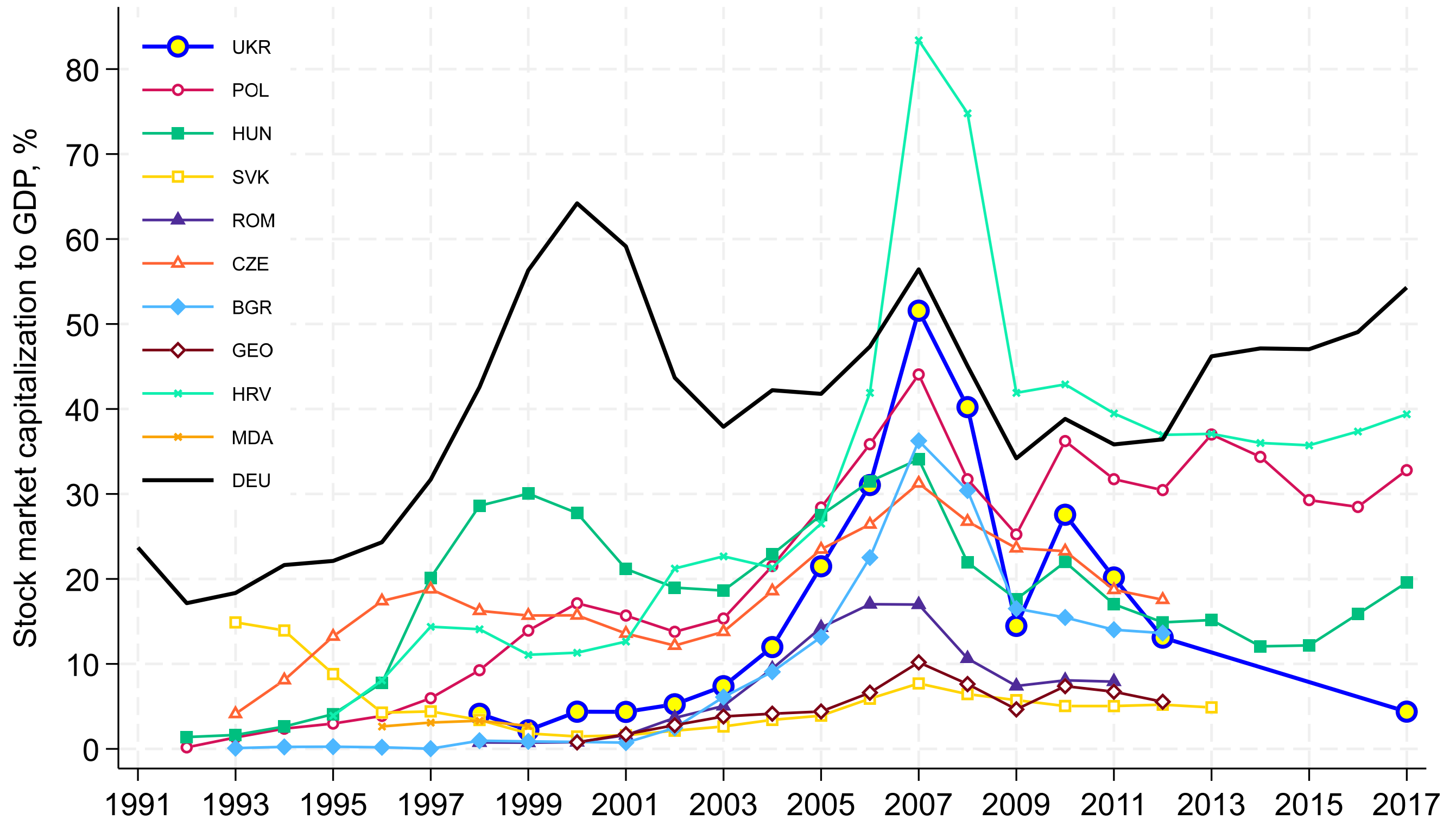




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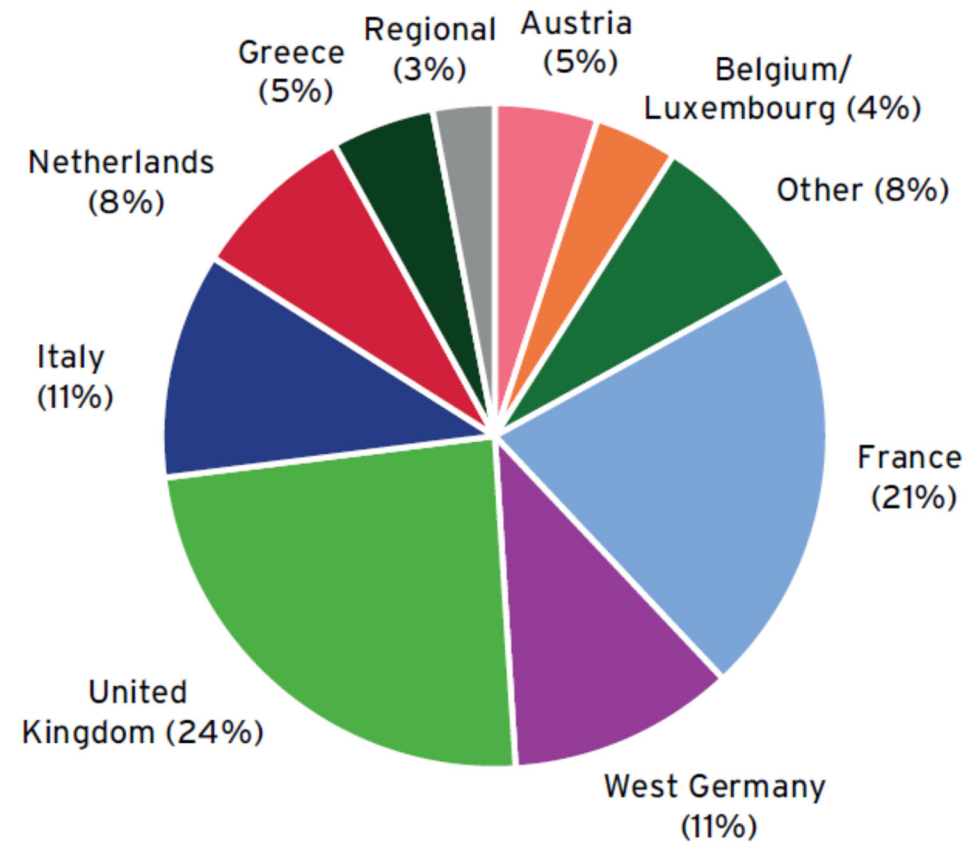


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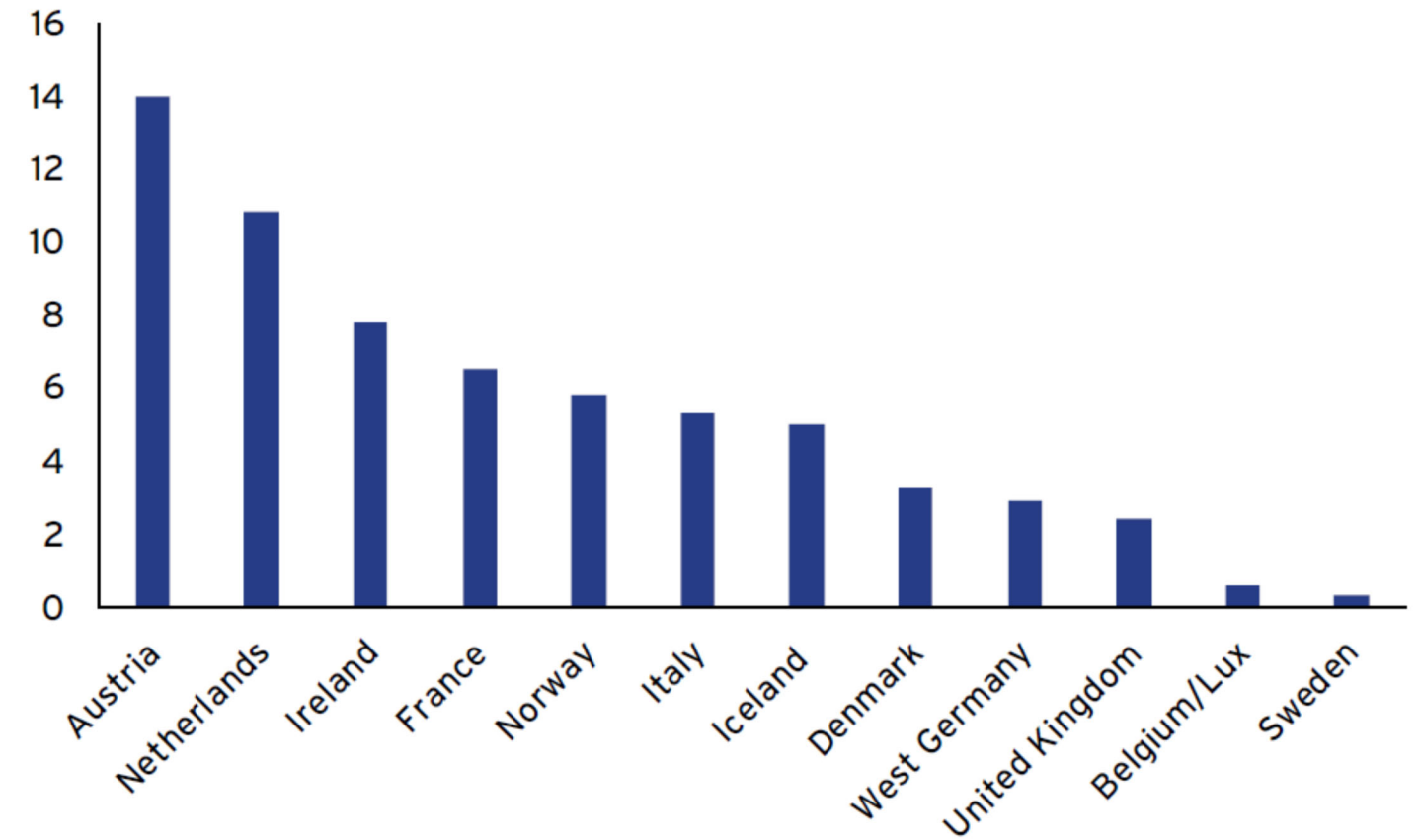
# MARSHALL PLAN FOR POST-WW2 EUROPE

FIGURE 2.1 COUNTRY ALLOCATIONS OF THE EUROPEAN RECOVERY PROGRAM



Source: Statistical Abstract of the United States (1954).

FIGURE 2.2 MARSHALL PLAN AID AS A SHARE OF NATIONAL INCOME



Source: Statistical Abstract of the United States (1954).

# MARSHALL PLAN FOR POST-WW2 EUROPE

- **Demand stimulus**
- Presence on the ground (Economic Cooperation Administration)
- Targeted imports of goods to address bottlenecks in the economy
- Grant-based funding (90% of funding was in grants)
- Local ownership of reconstruction
- Cost sharing (counterpart funds provided by national governments)
- Promote interlinkages between the different European economies
- Facilitate and multilateralise European payments.

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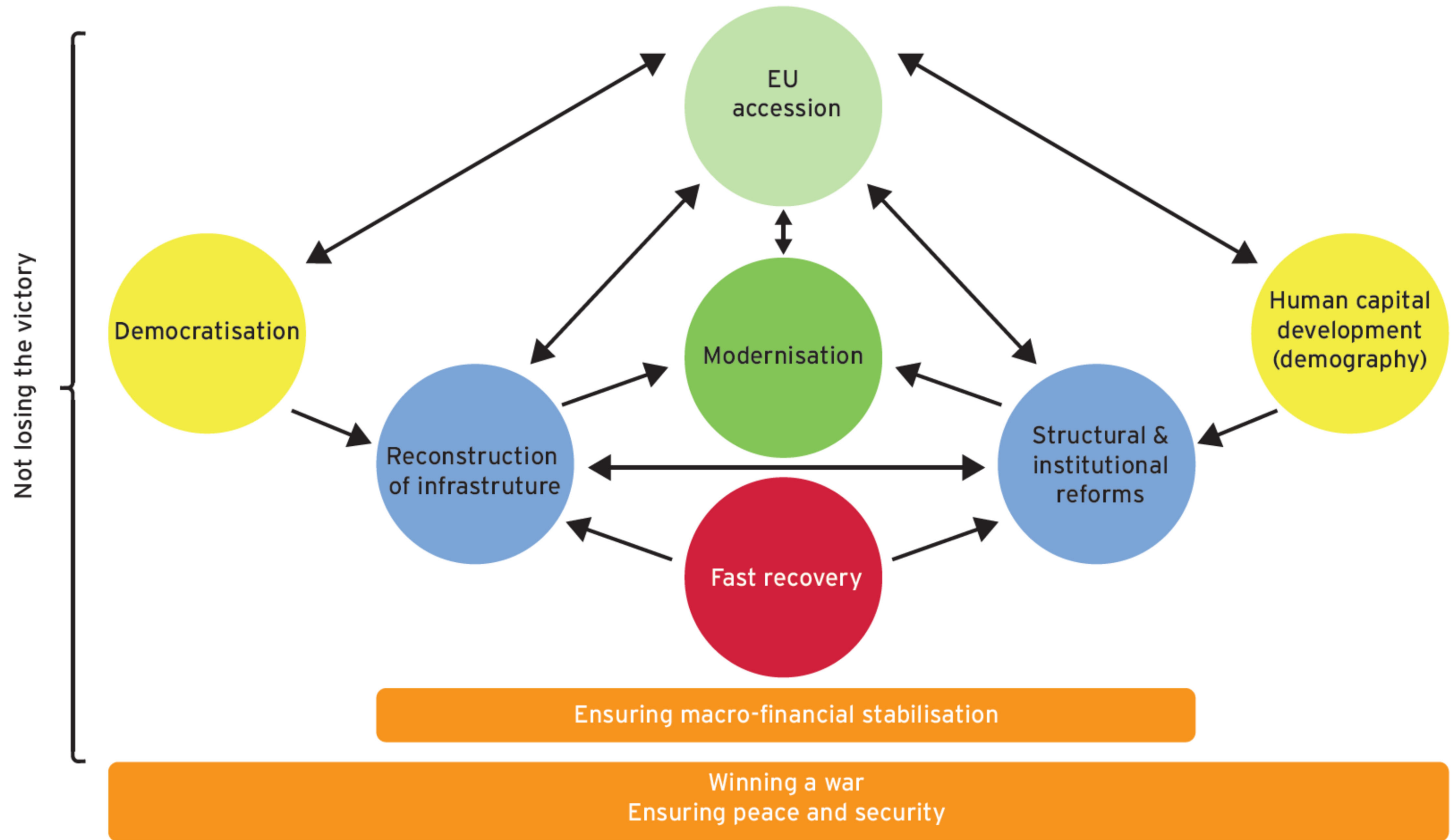
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## Lessons for Ukraine:

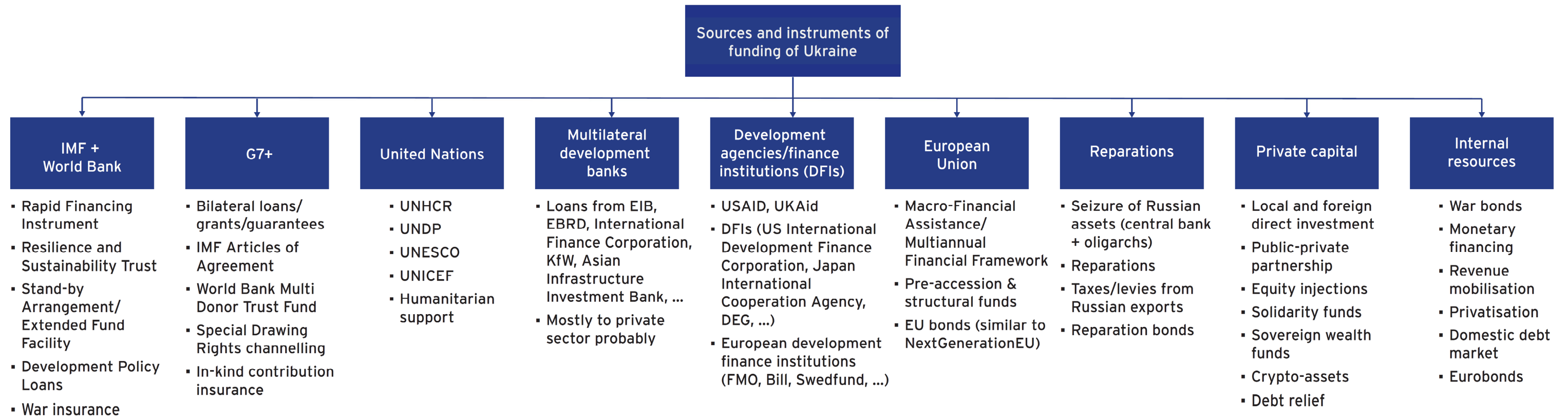
- Sources of funds for reconstruction, debt relief
- Tackle bottlenecks
- Create ownership and build democracy
- Restore cross-border economic interactions, promote financial integration



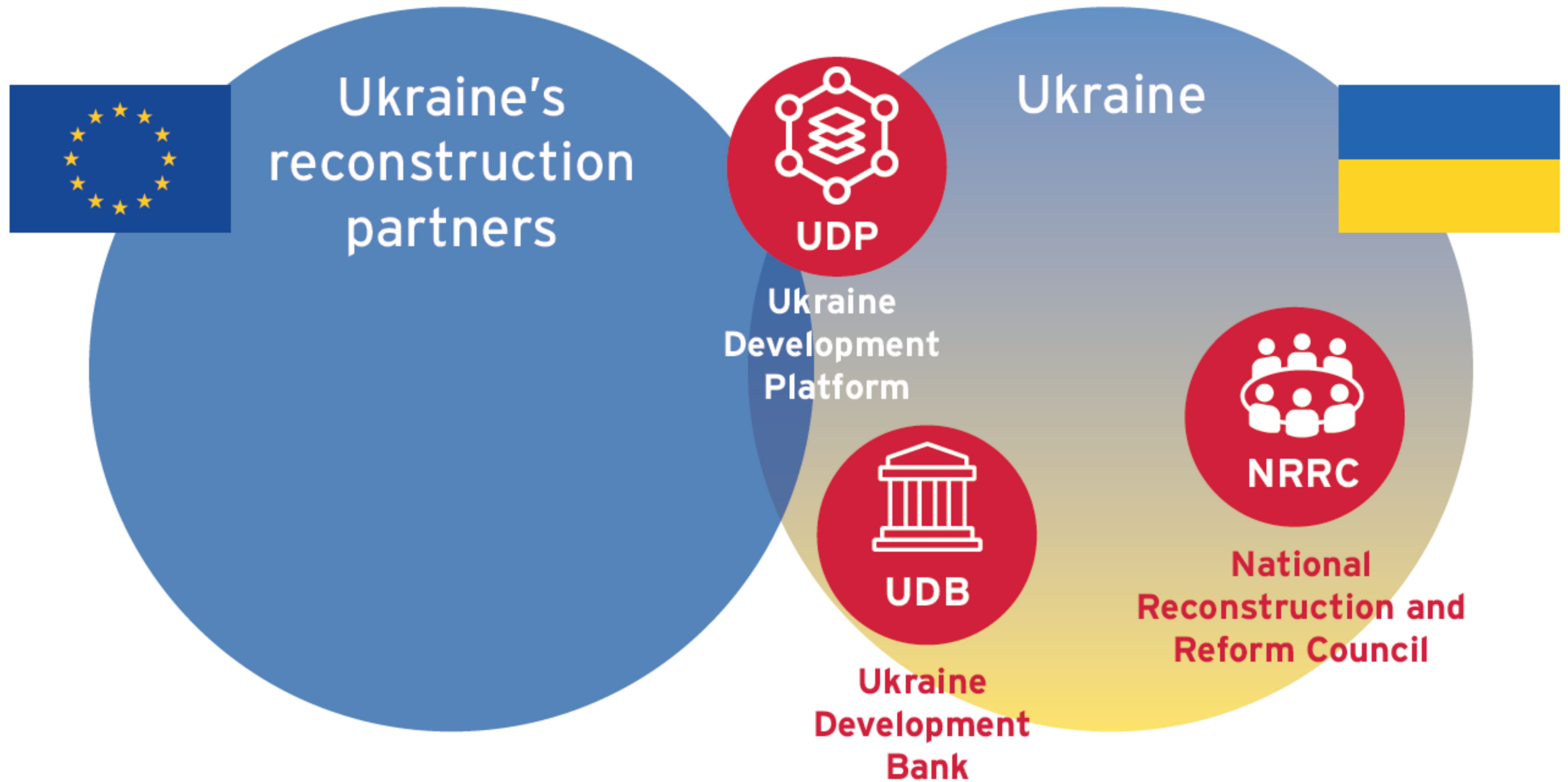
# UKRAINE'S RECONSTRUCTION AND REFORM CHALLENGE



# SOURCES AND INSTRUMENTS OF FUNDING



# NEW INSTITUTIONS FOR FINANCING RECOVERY





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