

IMF, World Bank expect Ukraine land reform this year, media says
Ukraine

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The next IMF loan tranche appears to be conditioned on the IMF accepting a postponement of land reform legislation.

KYIV, July 13, 2017 - For the IMF and World Bank, Ukraine's farmland market launch remains among its top priorities that should be implemented by the end of this year, Concorde Capital informed clients today based on a report on the agroportal.ua news site. The report cited an anonymous source that was present at a meeting on land reform discussion involving Ron van Rooden, the IMF mission chief for Ukraine, and Satu Kahkonen, the World Bank Country Director for Belarus, Moldova, and Ukraine. Recall, the approval of a law launching the free circulation of farmland was among the key structural benchmarks of the latest IMF-Ukraine memorandum. Earlier this month, the same agroportal.ua news site reported that Ukrainian President Poroshenko agreed with IMF Managing Director Lagarde to exclude approval of land reform from their agenda. Recent public opinion polls indicate that majority of Ukrainians do not support the launch of a farmland market. Concorde analyst Alexander Paraschiy added: "The information being reported by agroportal.ua will be consistent if the IMF accepts the farmland legislation being approved at the end of this year (instead of May, as indicated in the memorandum), after the approval of the next loan tranche, which could occur as early as this autumn. So far, the IMF has yet to confirm whether it will accept such conditions. If these reports are true, the only critical item for the next tranche is the pension reform bill, which has a strong chance to be approved soon, possibly even this week. All this allows us to remain optimistic about the next IMF tranche arriving in September-October.

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