

Scenario Framework for a Post-crisis Ukraine

Institutional Environment

To what extent will Ukraine's domestic institutional environment be supportive or unsupportive to the full development of the country's physical and human assets?

Unsupportive



Supportive



Note: An unsupportive institutional environment may result from lack of vision, sustained inaction and failure to implement reforms. High levels of polarization, political deadlock and focus on short-term priorities are all elements that contribute to this outcome.

Note: In a variety of pathways for institutional reform, the two extremes stand out. The first prioritizes efficient public services and low barriers to doing business over trust and inclusive institutional processes (top-down model of institutional change). The second puts emphasis on inclusive processes and high levels of trust as a basis for building a more holistic institutional reform agenda (bottom-up model of institutional change).

External Economic Conditions

Will the global economic context result in favourable or unfavourable external conditions for Ukraine's economic model as we know it today?

Unfavourable



Favourable



Note: Although global energy prices could decline, it is uncertain if and how that would translate into cheaper and more predictable gas import prices for Ukraine. At the same time, a changing composition of global growth where prices for hard commodities grow slower while energy prices remain high could equally result in a less favourable external environment for Ukraine.

Note: A favourable external environment for Ukraine can also result from different macro-conditions. Renewed investments and stimulus programmes could revive the commodities boom of the early 2000s. Similarly a gradual transition to lower energy prices and increasing sources of supply coupled with high growth and strong demand for food as well as for sophisticated metals products could represent a favourable context for Ukraine.