



# *Bankruptcy Law CLE*

*Andrzej Tokaj*

*The critical condition for the  
reconstruction of Ukraine: rule of law*

PENTERIS



# RULE OF LAW – THE UNITED NATIONS

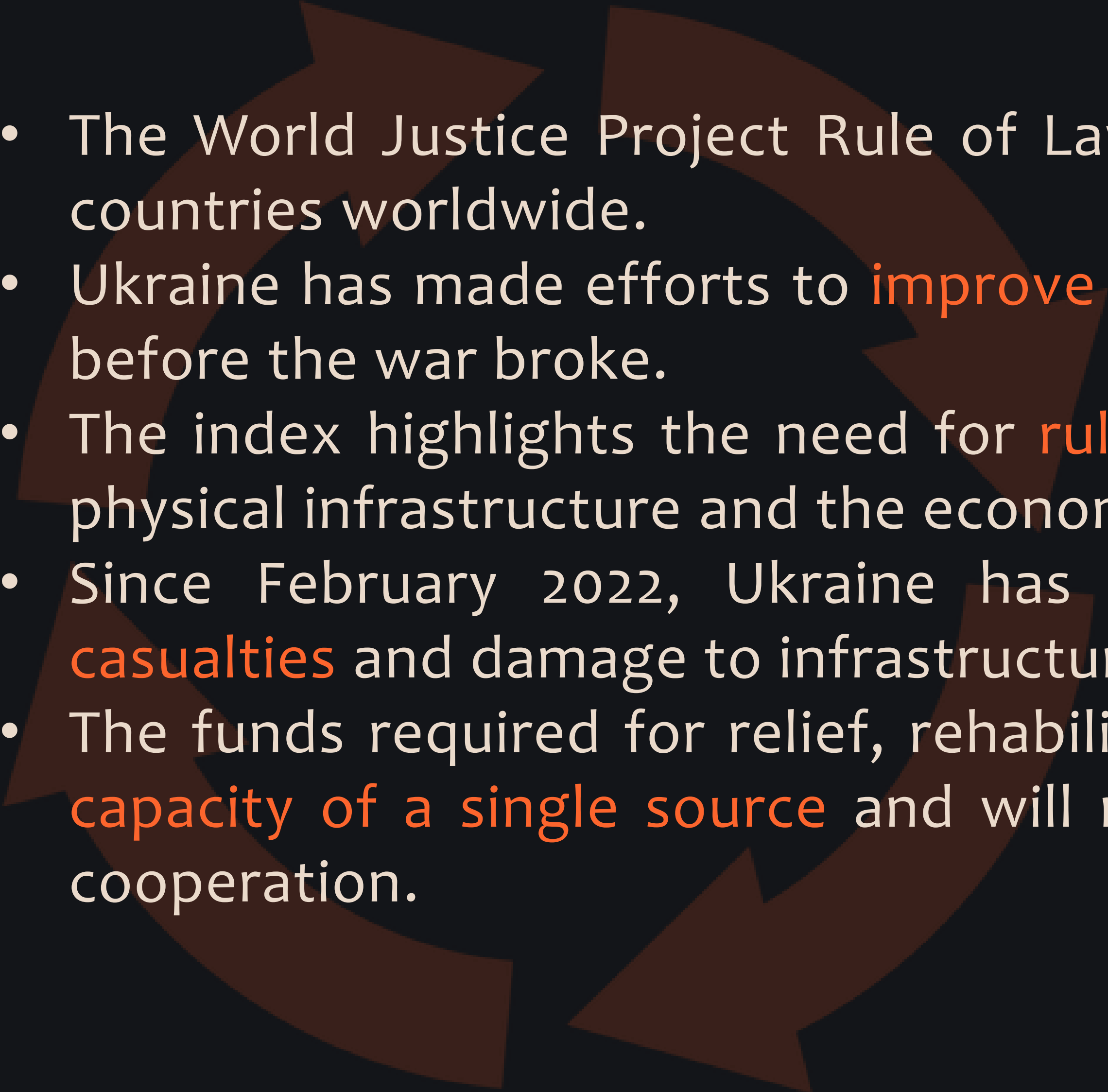


*The rule of law and development are strongly interrelated and mutually reinforcing...the advancement of the rule of law at the national and international levels is essential for sustained and inclusive economic growth, and sustainable development.*

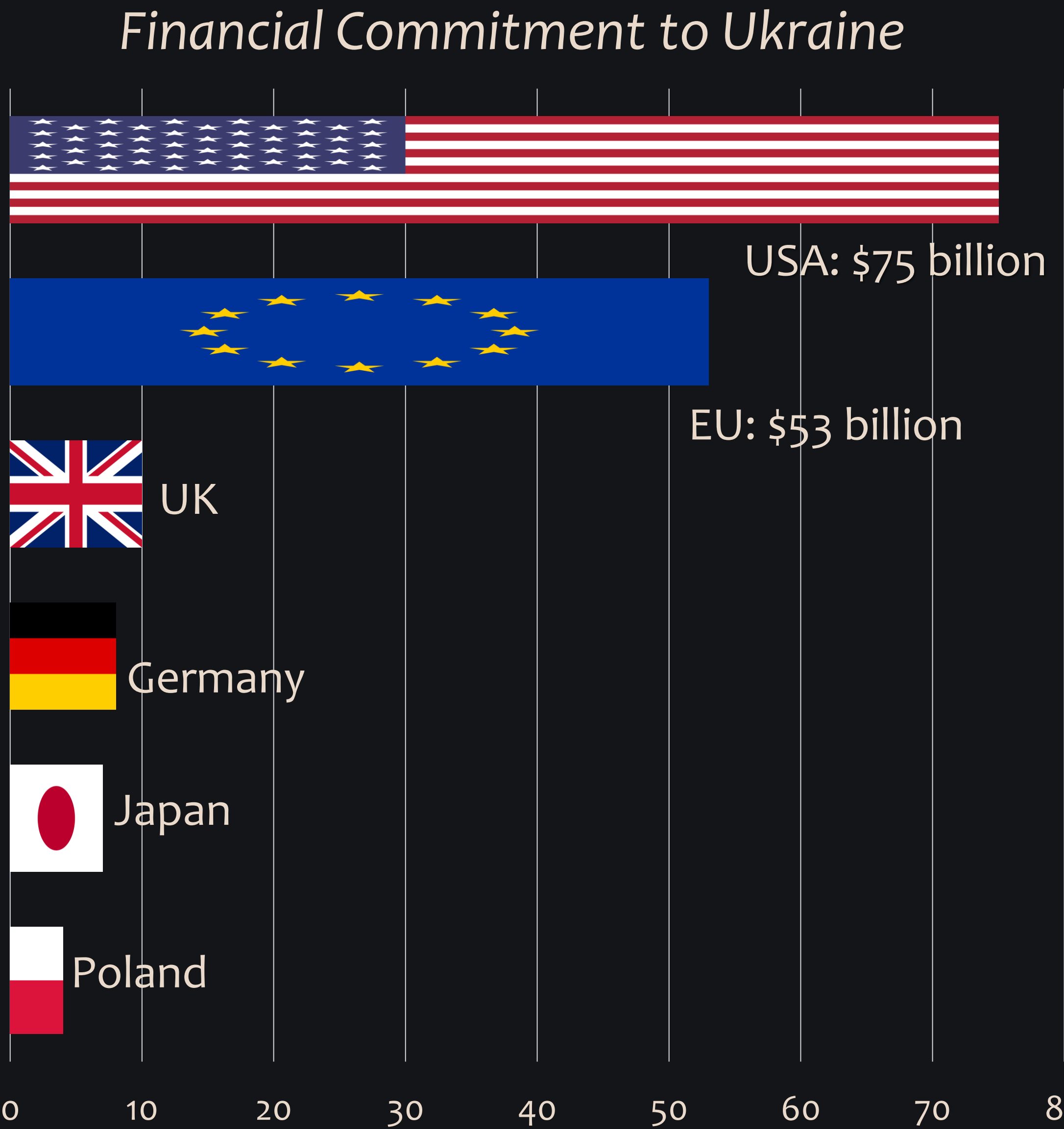
*United Nations*



# RULE OF LAW – SOME STATS

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- The World Justice Project Rule of Law Index® 2021 puts Ukraine **74 out of 139** countries worldwide.
  - Ukraine has made efforts to **improve governance** and democratic circumstances before the war broke.
  - The index highlights the need for **rule of law to be a priority** in reconstructing physical infrastructure and the economy.
  - Since February 2022, Ukraine has faced an unprecedented toll of human **casualties** and damage to infrastructure, economy, and social capacity.
  - The funds required for relief, rehabilitation, and reconstruction are **beyond the capacity of a single source** and will require significant international effort and cooperation.

# RULE OF LAW – THE FOUR R’S





LUGANO & LONDON



# Ukraine Recovery Conference

4-5 July 2022 – Lugano, Switzerland 



# Ukraine Recovery Conference

21-22 June 2023 – London, UK 



*Two things form the bedrock of any open society -  
freedom of expression and rule of law. If you don't  
have those things, you don't have a free country.*

*Salman Rushdie*



# LUGANO: THE FOUNDATIONS

- 41 governments and organizations attended the conference.
- The Lugano declaration and Ukraine's National Recovery Plan were created as a road map for rebuilding and modernizing the country.
- These two documents contain a commitment to principles such as (i) transparency, (ii) rule of law, and (iii) sustainability.
- The Lugano Principles prioritize:
  1. partnership,
  2. reform focus,
  3. transparency, accountability, rule of law,
  4. democratic participation,
  5. multi-stakeholder engagement,
  6. gender equality, and inclusion.
  7. sustainability



WORLD BANK



## THE WORLD BANK



*The clearest way to show what the rule of law means to us in everyday life is to recall what has happened when there is no rule of law.*

*Dwight D. Eisenhower*



# WORLD BANK

- The World Bank is involved in financing relief assistance to Ukraine through its **Ukraine Relief Recovery Reconstruction and Reform Trust Fund**.
- It has been focused on promoting:
  - i. **good governance**,
  - ii. **transparency**, and
  - iii. **accountability** in the Ukraine for many years.
- The World Bank aims to promote **stability in the banking sector** and **reduce the cost of doing business**.
- It also aims to promote more **efficient methods of using public resources** to provide critical public services.



A woman with short blonde hair, wearing a yellow jacket over a blue top, stands at a podium with two microphones. She is looking slightly upwards and to the right. The background is a blue wall with yellow stars, resembling the European Union flag. To the left, a portion of the EU flag is visible. In the background, two men are seated at desks, looking towards the camera. The word "EUROPE" is written in white capital letters inside a black rectangular box with an orange border in the top left corner.

EUROPE

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*The Constitution is worth saving, the rule of law is worth saving, democracy is worth saving, but these things can and will be lost if everyone waits around for someone else.*

*Timothy D. Snyder*



# E U R O P E

- Three elements were highlighted for the successful reconstruction of Ukraine:
  1. Ensuring that **Ukraine gets support** at all times;
  2. Establishing the **right mechanism** for broad and inclusive support;
  3. Embedding reconstruction efforts as part of **Ukraine's path towards the EU.**
- The EU proposes to set up the **'Rebuild Ukraine' Facility** to support the reconstruction plan;
- The facility will be embedded in the EU budget for **(i) transparency, (ii) accountability, and (iii) sound financial management;**
- The initiative will have a **clear link to investments and reforms;**
- The rule of law reforms and **fight against corruption** will be a significant emphasis
- Investments will align with climate, environmental, and digital EU policies and standards to **make Ukraine more resilient.**



INTERNAL HARDWORK +  
EXTERNAL ASSISTANCE +  
RULE OF LAW = MIRACLE



Warsaw  
1989



Warsaw  
2023



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Warsaw  
1989



Warsaw  
2023



# EXAMPLE OF SUCCESS & FREEDOM

- In 1990, **PPP gap** between Germany and Poland was **the greatest in history!**
- Poland PPP rose from **\$6,100** in 1990 to **\$35,300** in 2022 (80% of EU average).
- Poland GDP rose from **\$65 billion** in 1990 to **\$1.4 trillion** in 2022.

## MAJOR EUROPEAN CITIES OF THE FUTURE 2023 (FDI FINANCIAL TIMES)

Rank	City
1	London
2	Amsterdam
3	Dublin
4	Paris
5	Madrid
6	<b>Warsaw</b>
7	Stockholm
8	Munich
9	Berlin



THANK YOU

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