

ANNUAL MEETINGS
2026 | THAILAND
INTERNATIONAL MONETARY FUND
WORLD BANK GROUP

Governor's Statement No. 6

October 15, 2026

Statement by the Hon. **ANDRIY PYSHNYY,**
Governor of the Fund for **UKRAINE**

STATEMENT
by **Andriy Pyshnyy**,
Governor of the National Bank of Ukraine,
at the Annual Meetings of the IMF and the World Bank Group
Bangkok, 16 October 2026

I would like to thank the leadership and staff of the IMF and the World Bank Group for their unwavering support for Ukraine. I would also like to thank the Kingdom of Thailand and the Bank of Thailand for their hospitality.

I speak on behalf of the National Bank of Ukraine, so I will begin with a challenge that is crucial for us.

Today marks the 1,696th day of Russia's full-scale war against Ukraine. The war has already lasted 128 days longer than World War I. Russia attacks our cities, civilian infrastructure, energy facilities, railways, ports, and businesses every day. Every attack costs human lives. Despite the scale of these attacks, Ukraine's financial system remains resilient. Payments are processed, banks continue to serve their customers, inflation remains under control, and European integration continues. Ukraine is currently experiencing the fastest period of credit growth in its history – during wartime.

But the reality has changed not only for Ukraine. The global economy has entered a period in which disruptive shocks are no longer rare but recurrent, creating a persistent environment of uncertainty. At one time, the COVID-19 pandemic seemed like a black swan event. Today, we understand that it was a black swan that broke free from a whole flock of black swans. The world had barely recovered from the COVID crisis when Russia launched its full-scale invasion of Ukraine. This year, the war in the Middle East has delivered another energy shock. Right now, Russia is once again disrupting exports through the Black Sea and undermining global food security. Meanwhile, climate change is causing the Danube, which serves as an alternative route for Ukraine when the sea is closed, to become shallower.

Until recently, the persistent convergence of several disruptive shocks was largely a subject of academic debate. Today, it has become our reality. The shocks I have listed are compounded by geopolitical fragmentation, trade wars, declining fiscal discipline, and technological change occurring faster than we can fully comprehend. At the same time, the buffers and policy space depleted by previous crises are being replenished only slowly.

Over the past three decades, building resilience has been a key objective of central banks and countries in general. We have accumulated reserves and strengthened institutions and regulation. Today, however, we must ask ourselves: "Have we reached the limits of this resilience?" In our view, this is the central question of these Annual Meetings.

Ukraine encountered this reality earlier than many other countries, and in its most extreme form. We are convinced that the ceiling of resilience during a crisis is determined by the level of preparedness for it. However, the same cannot be said of the ceiling of antifragility. It is defined by the ability of institutions to **change as much as reality demands, while at the same time not losing sight of their goals**. This principle applies equally to central banks, governments, and the IMF itself, and it gives rise to five propositions.

First, the shocks we are facing today are not a series of isolated events. They form a single whole, overlapping, interacting with, and amplifying one another. What matters is no longer the scale of each shock individually, but the overall picture. This is what we call the Yellowstone effect – one of the supervolcanoes whose scale can only be appreciated from space. You can measure with great precision what is happening right before your eyes and still misjudge the scale of the system you are inside. What appears to be an isolated signal at the local level may, from a broader perspective, prove to be a manifestation of a much larger system of risk. We must adjust our frame of reference in time to see the system as a whole.

Taken together, these shocks have become existential, meaning that they change not individual parameters but the entire system. We are accustomed to thinking in terms of marginal changes, but existential shocks work differently. Up to a certain threshold, a system can absorb pressure, but once that threshold is crossed, even a small additional shock can push the system into a different

state. Existential shocks can do more than shift a forecast: they can change the very coordinate system on which that forecast was built. In the extreme case, such a shock does not take away a few tenths of a percentage point, but everything at once. For Ukraine, the war has been such an existential shock. It has taught us to ask not only how likely an event is, but also what will stop working first and, most importantly, what must withstand any circumstances.

Second, technology changes the way we work, but it does not diminish our responsibility. Artificial intelligence is already affecting productivity, labor markets, inflation dynamics, and the work of central banks themselves. It can streamline forecasting, supervision, and communication, but accountability for monetary and financial stability cannot be delegated to an algorithm. The NBU began using big data and machine learning to assess the current state of the economy even before the full-scale invasion. During the invasion, the tools we had developed proved indispensable. One example is the analysis of NASA satellite imagery to assess economic activity when official statistics were arriving with a delay.

Technology expands our ability to understand. At the same time, it can increase our dependence on systems whose logic we understand less well than they understand our data. We must also recognize that digital capabilities are concentrated in the hands of a small number of providers, making dependence on them a source of systemic risk. We need the courage to let innovation evolve, while also having the ability to identify risks in time and set boundaries wherever they begin to threaten system stability and credibility.

Technology raises the bar for expertise, increasing the value of high-quality human capital. No central bank can meet these challenges alone. The NBU supports cooperation with the IMF, the Bank for International Settlements, and other central banks on developing common approaches.

Third, shocks may change our instruments, but they must not blur our objectives. Extraordinary measures introduced during a crisis are justified only as temporary steps, and a path back to market mechanisms must be built into them from the outset. Each step toward easing must be conditional and may be suspended if risks increase. Guided by these principles, in 2023 the NBU discontinued monetary financing of the budget deficit, moved from a fixed exchange rate to a managed flexibility regime, returned to flexible inflation targeting, and has been consistently easing FX restrictions. This year, inflationary pressures in Ukraine have intensified again due to Russia's attacks on energy infrastructure and logistics, higher fuel prices, and labor shortages. In response, the NBU raised its key policy rate twice, from 15% to 16%. We will continue to take the decisions necessary to bring inflation back to its 5% target over the policy horizon.

Fourth, flexibility works only when it has an anchor. For a central bank, that anchor is not only clarity about its objectives, but also credibility and institutional independence. Credibility is memory transformed into expectations; it cannot be inherited. It accumulates decision by decision and is lost far faster than it is earned. The stronger the credibility, the smaller the monetary effort required to prevent a supply shock from turning into persistent inflation. When supply shocks become more frequent, credibility is more important than ever. Central bank independence, in turn, is not a privilege but a lesson learned from past crises and a prerequisite for decisions capable of earning credibility.

Today, central bank independence is once again under pressure in many countries. Rising debt amplifies the risks of fiscal dominance. Populism offers simple solutions in a world where few simple yet effective options remain. However, independence does not mean isolation from the government. The more complex the circumstances, the more important it is for fiscal and monetary policies to remain aligned. The NBU calls on the IMF to continue to consistently advocate the institutional safeguards that protect central bank independence and accountability.

Fifth, reliable partnerships are the foundation for finding new solutions. Our solutions are developed in Ukraine, and we bear responsibility for them. At the same time, international support provides considerable scope for these solutions. Financial assistance has made it possible to cover critical expenditures without undermining macrofinancial stability. Cooperation with the IMF, European institutions, international financial institutions, and central banks has helped preserve reserves, predictability, and credibility. The NBU is grateful to the IMF, the World Bank, the European Union, the G7 countries, and all our partners.

The IMF is an example of how to adapt without losing sight of one's objectives. In 2023, by introducing its policy for lending under exceptionally high uncertainty (EHU), the Fund adjusted its rules while retaining safeguards for its resources and discipline in program conditionality. Approved in 2023, the Extended Fund Facility (EFF) program for Ukraine was the first to apply this policy. This approach remains in place under the current EFF program, which is built around multiple scenarios for how the war may unfold. The IMF has become the cornerstone of Ukraine's entire economic resilience architecture. Just as a keystone holds an arch together, the Fund's program brings together the support of all our partners and anchors Ukraine's economic policy.

We would like to express our particular gratitude to IMF Managing Director Kristalina Georgieva, as well as the Fund's leadership and staff, for their deep engagement in assessing the state and prospects of Ukraine's economy and financial system and in shaping and implementing structural reforms. In her address to participants at the 10th Annual Research Conference hosted by the NBU and Narodowy Bank Polski, Ms Georgieva highlighted four lessons in resilience from Ukraine's experience: preparedness, adaptability, high-quality human capital, and credibility. We share this understanding. The statements outlined above are grounded in precisely these principles.

The NBU remains committed to working with the Fund and fulfilling its commitments under the program. Amid the full-scale war, regular and adequate external financing remains critically important for the resilience of Ukraine's public finances and price stability. At the same time, it is equally important that the aggressor pay for the losses and damage it has caused.

Ukraine experienced an existential shock earlier than many other countries. Our experience shows that a shock not only can fail to break a system but also can make it stronger and more resilient. The NBU stands ready to share its experience, and we are equally grateful for your expertise.

We cannot know what the next major shock will be. But we can and must know what needs to withstand it when it comes, and what we need to do today to prepare. Our answer is this: **change as much as reality demands, but never lose sight of the purpose for which you exist.** The best way to do this is with reliable partners.