



THE BLEYZER FOUNDATION

The Bleyzer Foundation is a non-profit, non-government organization established in 2001. Its aim is to support the successful transition of the Former Soviet Union (FSU) countries into healthy, democratic market economies. The Foundation provides assistance to developing countries in creating favorable market conditions, improving the investment climate, and ensuring sustainable economic growth. Our goal is to help these countries complete the transition process, and become successful, prosperous nations fully integrated into the global economic community.

The Foundation was created by the Bleyzers, an American family with Ukrainian heritage. Michael Bleyzer is the President and CEO of SigmaBleyzer, a multinational corporation based primarily in the US and Ukraine, which provides investment banking, corporate finance and consulting services. Through its family of investment funds, SigmaBleyzer has invested over \$100 million in Ukrainian companies since 1995, establishing itself as one of the leading investors in the country.

The mission of The Bleyzer Foundation is to promote the development of the private sector and the use of best practices in government policies, which create capital-friendly environments and deliver improved quality of life through economic transformation and sustainable growth.

Turning Transitions Into Prosperity

We advocate open market economies, transparency, business liberalization, and the formation of honest partnerships between the government, business, and the public.

We actively support the creation of a stable, predictable and level playing field, which provides conditions for private-sector-led economic growth and development of international economic relationships.

To achieve these goals, the Foundation's activities include:

- ◆ Engaging governments in dialogue to influence economic policy in areas related to improving the business climate;
- ◆ Monitoring and reporting on the evolution of key economic reforms and policies that affect the investment climate;
- ◆ Promoting associations and alliances of businesses and non-government organizations that share the Foundation's goals;
- ◆ Establishing cooperation with national associations and international organizations whose activities are similar to those of the Foundation;
- ◆ Providing informational and advisory support to FSU businesses, governments, public institutions and other NGOs;
- ◆ Advocating and promoting campaigns to create positive images of developing countries and strengthen their international reputations;
- ◆ Promoting education and implementation of best practices in government policies;
- ◆ Building consensus on the major issues of economic development for transition economies;
- ◆ Promoting the necessity of legal, administrative, economic, and other reforms in order to ensure sustainable economic growth;
- ◆ Informing the public of the Foundation's activities, and advocating its ideas and objectives through the media.

Developed and Developing Countries — Assured Interdependence

A large portion of the world is in an unstable state of transition. The main goal in these countries is to successfully complete transitions and achieve stability, based on market economy, private business development and democracy. The developed countries of the world hold the keys to this transition and must lead the effort.

There are three alternatives to consider.

- ◆ **Standoff**— The current state of affairs. Developed countries enjoy relative stability and prosperity, but attempt to isolate their economies. Developing countries struggle to develop, but continue to be immersed in poverty, inequality, instability, and envy.
- ◆ **Payoff**— Wealth redistribution on a global scale. This would be accomplished through substantial increases in foreign aid, in order to avert future troubles in the world. While some believe you can simply pay your way to world stability, this approach will likely produce a global welfare system. Donors and recipients will be equally dependent on each other and motivated to maintain this dependency in perpetuity.
- ◆ **Tradeoff**— Jointly apply best practices to manage change in developing countries. On one hand, developed countries provide know-how, better access to their markets, foreign direct investments, and precisely targeted aid. On the other hand, developing countries fully implement necessary changes to make the business environment more attractive.

The Bleyzer Foundation believes that only the last alternative, tradeoff, will achieve real, long-term results. Our goal is to help refocus multilateral and bilateral assistance to FSU countries on the creation of private business and market economies. Benchmarking and statistical analysis of transition economies help identify the best practices in government policies, which must be used in other developing countries, with some adjustments for local culture.

The Foundation seeks to convince the governments of developed nations, at the most senior levels, to *actively* support the creation of market economy and democracy in the FSU. We must build an alliance of developed countries to implement a coordinated program to complete transition in the region.

Michael Bleyzer

Michael Bleyzer was raised and educated in the former Soviet Union. Prior to starting SigmaBleyzer in 1994, Mr. Bleyzer worked for Exxon Corporation for 14 years in several senior management positions responsible for strategic planning, business process reengineering and change management; and for the management consulting arm of Ernst & Young. A frequent guest speaker and lecturer at international events and conferences, Michael Bleyzer was featured in Forbes magazine as one of the most successful immigrants in the United States from the former Soviet Union.

In 1999, SigmaBleyzer initiated the International Private Capital Task Force (IPCTF). Its objective was to benchmark transition economies to identify best practices in government policies, which improve the investment climate and attract private capital. The result of the effort was an Action Plan for Ukraine. It identifies nine key policy areas, in which Ukraine has to achieve significant progress in order to attract additional foreign investment, sustain economic growth, and create a strong market economy. In 2000 and 2001, this effort was expanded to all countries of the FSU. Mr. Bleyzer, who chairs the IPCTF Steering Committee, has devoted a lot of effort to the development of the IPCTF framework and presenting it to senior government officials in Ukraine, the United States of America and other countries.

In 2001, Mr. Bleyzer established The Bleyzer Foundation in order to promote the IPCTF framework and help countries implement the policies necessary to successfully complete economic transitions.

The operations and activities of The Bleyzer Foundation are overseen by its Board of Directors, whose Chairman is Michael Bleyzer. The Foundation's Managing Director is Mr. Victor Gekker, who is supported by a team of economists and business analysts. The Foundation has an Advisory Board, chaired by Dr. Edilberto Segura, which will provide advice and guidance to the activities of the Foundation. The Advisory Board will include well-known international specialists in economic transition issues.