

EU-Ukraine Association Council - Joint statement

Joint statement by Federica Mogherini, High Representative of the Union for Foreign Affairs and Security Policy and Volodymyr Groysman, Prime Minister of Ukraine, following the 4th session of the EU-Ukraine Association Council

The European Union and Ukraine held the fourth meeting of the Association Council on 8 December 2017 in Brussels. This was the first Association Council since the **entry into force of the EU-Ukraine Association Agreement** (including its Deep and Comprehensive Free Trade Area) on 1 September 2017, as well as since the launch on 11 June 2017 of a **visa-free regime** for Ukrainian citizens travelling to the European Union.^[1]

The Association Council reaffirmed continuous commitment to political association and economic integration between the European Union and Ukraine based on common values of democracy, rule of law and human rights. The Association Council welcomed progress in pursuing a comprehensive reform agenda in spite of severe security challenges, and assessed steps in the **implementation of the Association Agreement**, while underlining the need to step-up reform efforts. The Association Council welcomed the establishment by Ukraine of an institutional and legal framework to enhance implementation, coordination and monitoring of the Association Agreement, including the new Governmental action plan and looked forward to the launch of “Pulse of Agreement” online monitoring tool.

The Association Council reviewed and discussed the way forward in reforms set out jointly by the EU and Ukraine in the Association Agenda, welcoming the progress made in decentralisation, public administration reform, the adoption in first reading of the electoral code and the law on privatisation. The EU welcomed the adoption of legislation on health financing and encouraged Ukraine's continued implementation of the **public health and health care reform**, expressing support for the efforts of the Government to this end. The EU also paid tribute to a number of ambitious reforms launched by the Government in the social sphere (including pensions), with a view to raising the living standards of Ukraine's citizens. The EU reaffirmed its support for **Ukraine's substantial reform efforts**, including financial assistance linked to concrete reform progress.

The Association Council discussed Ukraine's proposal for preparation of steps towards Ukraine's further integration with the EU Energy Union and Digital Single Market, as well as for a Customs Union between the EU and Ukraine.

The Association Council looked forward to the adoption of Ukraine's new Labour Code, as well as the ratification of the Istanbul Convention on preventing and combating violence against women and domestic violence. The Association Council took note of Ukraine's modernising **education, research and innovation systems** and improving their quality performance and competitiveness. The Association Council agreed, with regard to the law on education, the need to ensure respect for rights already exercised of persons belonging to national minorities as enshrined in UN and Council of Europe Conventions and related protocols, non-discrimination of persons belonging to minorities and respect for diversity and fully taking into account the expertise of Council of Europe bodies.

The Association Council highlighted the importance of the freedom of **media** and of a pluralistic media environment, taking due care as to the proportionality of measures to protect national security, agreeing on the need to ensure adequate resources for the public service broadcaster. The EU and Ukraine agreed to step up their communication efforts, including through the recently established Informal working group on strategic communications, outlining the far-reaching reform agenda and opportunities arising from the Agreement for Ukrainian citizens as well as in order to challenge disinformation campaigns.

The Association Council welcomed progress in implementing **judicial reform** including the launch of the new Supreme Court as well as in the **fight against corruption**, agreeing on the need to continue crucial efforts in this field and recalling the need to ensure the necessary independence, full effectiveness of and sufficient resources for specialised anti-corruption institutions. The Association Council stressed the importance of establishing a specialised anti-corruption court in Ukraine and ensuring its full independence, as well as an effective mechanism for the verification of electronic asset declarations and subsequent asset recovery. The Association Council acknowledged the significant investigative work of the National Anti-Corruption Bureau (NABU) on high-level cases of corruption and agreed on the need to continue the implementation of the judicial reform. The Association Council commended the overall transparency of the selection process of judges to the new Supreme Court, while underlining the

need to build public trust by adequately taking into account the issue of integrity in the selection of judges. The Association Council welcomed the key role **civil society** plays in the fight against corruption among other reforms, and agreed that the asset declaration requirements on anti-corruption NGOs should be removed and the transparency rules of financial accountability for NGOs aligned with Council of Europe and other international standards. They agreed to advance civilian **security sector reform**, welcoming the support provided by the EU Advisory Mission for Civilian Security Sector Reform (EUAM). The Association Council confirmed mutual interest in further strengthening cooperation between Ukraine and the EU in the field of security, particularly in Integrated Border Management and tackling challenges such as irregular migration, terrorism, cybercrime, money laundering, human trafficking, asset tracking and recovery, smuggling and illicit trade as well as Ukraine's participation, where appropriate, in EU initiatives in this regard. The two sides agreed on the importance of the draft Ukrainian Law on National Security, looking forward to its adoption.

The EU commended Ukraine for implementing sound **macroeconomic** policies and for its efforts to restore confidence in the financial sector. The Association Council agreed on the need for a supportive and reliable investment and **business climate**, including support for the development of SMEs in Ukraine, continued reduction of the regulatory burden for business and the development of access to finance. The EU called for further efforts to reform state owned enterprises in Ukraine as well as advancing the land reform.

The Association Council noted the importance of continuing the pace of reforms in the **energy sector**, while reaffirming Ukraine's role as a long-term strategic transit country for gas and a key partner for the European Union in this regard. The EU reiterated its readiness to continue cooperation on the joint modernisation and operation of the Ukrainian gas transportation system and storages and stressed the need for completion of gas sector reform. The Association Council underlined the potential of energy efficiency for Ukraine's energy security and agreed on the need for swift implementation of the related legislation and the Energy Efficiency Fund. Ukraine also agreed on the need to progress rapidly in unbundling of Naftogaz and improving the governance of the energy regulator. The Association Council welcomed ongoing and future cooperation in the field of energy based on the principles of solidarity and trust.

The Association Council underlined the importance of signing the EU-Ukraine Agreement on **Common Aviation Area**, as referred to in the Association Agreement, at the earliest possible date.

The Association Council also welcomed the signature by both sides of a high-level understanding that paves the way for the extension of the core EU Trans-European Transport Network (TEN-T) network (road and railroad) to Ukraine, and reaffirmed the importance of the inclusion of inland waterways of Ukraine into the **TEN-T network**, based on progress to be made by Ukraine as regards compliance with international environmental conventions.

The Association Council also noted significant potential for EU-Ukraine cooperation to extend to Ukraine the benefits of the **EU Digital Single Market**, in line with the priorities outlined in the Declaration of the Eastern Partnership 2nd Ministerial Meeting on Digital Economy on 5 October 2017 in Tallinn, including increased access to high-speed broadband, reducing roaming tariffs, spectrum policy coordination and job creation in digital industries.

The Association Council also took positive note of the launch in March 2017 of an EU-Ukraine **High-Level Industrial Dialogue**, which will contribute to further economic integration between the EU and Ukraine by creating conditions for enhanced cooperation between EU and Ukrainian enterprises in global, European and regional supply chains and encouraging exchanges with their EU counterparts.

The Association Council looked forward to Ukraine's presentation of the progress made in the implementation of its reform agenda at the Ukraine reform conference to be held in Copenhagen. The Association Council welcomed the growth in **bilateral trade** between the EU and Ukraine noting a 27% increase in trade flows in the first eight months of 2017 compared to the same period the previous year and the entry into force of the additional autonomous trade preferences offered by the EU to Ukraine. Both sides agreed to focus on an effective and timely implementation of the Deep and Comprehensive Free Trade Area, including as regards introducing customs procedures that facilitate trade, adopting sanitary and phytosanitary measures and technical regulations and standards ensuring the safety of products for EU and Ukrainian consumers. There was also agreement to focus work on reforming public procurement systems to save taxpayers' money and the protection of intellectual property rights, contributing to the development of creative industries. The EU encouraged Ukraine to continue fighting corruption and vested interests in order to improve the business and investment climate and to eliminate trade irritants, such as the wood export ban, as soon as possible.

For the purpose of effective implementation of the Association Agreement, the Association Council agreed to intensify dialogue between the parties on updating the annexes and adoption of pending roadmaps for legal approximation as provided by the Agreement.

The EU reaffirmed its resolute support for Ukraine's **independence, sovereignty and territorial integrity**, within its internationally recognised borders, sharing concern over the deterioration in the security situation in eastern Ukraine. The EU

repeated its support for efforts aimed at a sustainable and peaceful settlement of the conflict in eastern Ukraine, including the work of the Normandy format and the Trilateral Contact Group. The Association Council agreed on the need for complete implementation of the **Minsk agreements** by all sides, underlining Russia's responsibility in this regard. Ukraine underlined the need for strengthened international engagement in the peaceful settlement of the situation in Donbas and in particular presented its vision of a possible future UN peacekeeping operation. The EU recalled that the duration of economic sanctions against the Russian Federation remains linked to the complete implementation of the Minsk agreements. The Association Council stressed the importance of full, secure and unimpeded access for the OSCE Special Monitoring Mission (SMM) while ensuring the safety of its monitors and equipment.

The Association Council noted with concern once again the deteriorating humanitarian situation in the conflict area and increasing numbers ceasefire violations including by heavy weapons, notably in civilian and residential areas. The Association Council condemned the deteriorating **human rights** situation in the non-government controlled areas of the Donetsk and Luhansk regions. The EU recalled its readiness to play an important role in early recovery and reconstruction efforts. The Association Council acknowledged the need for maintenance of socio-economic ties between areas not currently under the control of the government and the rest of Ukraine, to protect the supply of water, energy and other utilities across the contact line, mitigate environmental risks, notably by creating safety zones around critical civilian infrastructure and by facilitating movement of people and goods. The Association Council welcomed the work of the Government of Ukraine in this regard.

The EU reaffirmed its policy of non-recognition of the **illegal annexation of the Autonomous Republic of Crimea and the City of Sevastopol by Russia**. Ukraine presented its initiative to establish an international Group of friends of Ukrainian Crimea. The Association Council condemned the ongoing militarisation of the peninsula by Russia and the deterioration of the human rights situation there, including the ban on activities of the Crimean Tatars' self-governing body (*Mejlis*) and persecution of those who do not recognise the illegal annexation. The Association Council called for the immediate release of all illegally detained Ukrainian citizens in the illegally annexed peninsula and in Russia.

The Association Council noted positively the broad cooperation between Ukraine and the EU in the sphere of EU Common Foreign and Security Policy, noting in particular the high level of Ukraine's alignment with the EU's statements and declarations on international and regional issues as well as Ukraine's participation in EU Battlegroups. It welcomed good progress on the implementation of the Administrative Arrangement between the European Defence Agency and the Ministry of Defence of Ukraine.

The Association Council called on all states to assist the investigation and prosecution of those responsible for the downing of **MH17** to ensure that they are brought to justice, as demanded by UN Security Council Resolution 2166.

The Association Council took note of the outcome of the 5th **Eastern Partnership Summit** in Brussels. The EU welcomed Ukraine's active engagement in the framework of the Eastern Partnership as an important specific dimension of European Neighbourhood Policy (ENP). The Association Council also noted the timeliness, while preserving the inclusivity of the Eastern Partnership, of engaging Ukraine and the other AA/DCFTA partners in joint discussions on the progress, opportunities and challenges concerning the association-related reforms as requested by them, and with the aim of facilitating full implementation of the AA/DCFTAs.

The Association Council welcomed the signing of:

- a financing agreement for the EU support programme to the east of Ukraine, a EUR 50 million contribution to strengthen the local governance, economic recovery, community security and social cohesion in the government controlled areas of the Donetsk and Luhansk regions;
- a financing agreement to ease Ukraine's participation in the [EU Strategy for the Danube Region](#) and to allow for full integration into the [Danube Transnational Programme](#) to promote sustainable economic growth and cooperation in the Danube Basin.

[1] For short stays in EU Member States (except UK and Ireland) and Schengen-associated countries.

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