

EU-Ukraine Association Council - Joint press release

Joint press release following the 3rd Association Council meeting between the European Union and Ukraine

The European Union and Ukraine held the third meeting of the Association Council on 19 December 2016 in Brussels, one month after a successful 18th EU-Ukraine Summit. The Association Council reaffirmed the close and comprehensive partnership between the EU and Ukraine, based on common values of democracy, rule of law and human rights. It reaffirmed the continuing commitment to political association and economic integration between the EU and Ukraine. The importance of the EU-Ukraine Association Agreement, including its Deep and Comprehensive Free Trade Area, was underlined in this regard. The Association Council took note of the decision by EU Heads of State and Government on the EU-Ukraine Association Agreement, which opens the way towards its full entry into force.

The Association Council welcomed the substantial progress achieved by Ukraine in the reform process since its last meeting, including approximation with EU norms and standards across the board. The EU welcomed the commitment and determined work of the Government of Ukraine on implementation of political and economic reforms during its first nine months, reaffirming resolute support for these efforts and encouraging their continuation in a swift and sustainable manner. The Association Council welcomed the work of the European Commission's Support Group for Ukraine in coordinating this support. The Association Council took stock of progress and discussed the way forward in the reform process as committed to jointly by the EU and Ukraine in the Association Agenda, notably regarding human rights, constitutional and electoral reforms, rule of law and judiciary, decentralisation and local self-governance, public administration, public procurement, energy sector, deregulation, trade related reforms and health sector reform. The recent launch of electronic-asset declarations, the ProZorro public procurement system and the establishment of new anti-corruption bodies are notable successes in this regard. The Association Council underlined that progress should be consolidated and continued notably in the field of anti-corruption by strengthening the capacities and independence of the anti-corruption institutions.

The EU reaffirmed its support for Ukraine's independence, sovereignty and territorial integrity, along with efforts aimed at a sustainable and peaceful settlement in eastern Ukraine. The EU and Ukraine agreed that the complete implementation of the Minsk arrangements by all sides was crucial, underlining Russia's responsibility in this regard. The EU outlined its support for further efforts in the "Normandy" format and in the context of the OSCE, including for the OSCE Special Monitoring Mission. The EU signalled its readiness to step up its support for the implementation of the Minsk agreements, including through a possible OSCE election security mission subject to discussion in the OSCE, as well as an important role in early recovery and future reconstruction efforts. The EU recalled that the duration of economic sanctions imposed against the Russian Federation was linked to the complete implementation of the Minsk agreements. The EU recalled its policy of non-recognition of the illegal temporary occupation of Crimea and the city of Sevastopol by the Russian Federation and condemned the severe deterioration of the human rights situation on the peninsula and its militarisation by Russia. The EU reiterated its solidarity as regards the humanitarian situation in eastern Ukraine, calling on all sides to facilitate the freedom of movement of civilians, and for the effective provision of social benefits to all Ukrainian citizens.

The Association Council acknowledged and welcomed the economic benefits of provisional application of the Deep and Comprehensive Free Trade Area since January 2016, which has already increased the trade volume between the EU and Ukraine by 7.5% in the period October 2015-September 2016 compared to the previous year. The Association Council acknowledged the need for improvement of the business and investment climate in Ukraine in order to restore the confidence of foreign investors. The EU also noted the prospects of possible additional trade opportunities for Ukrainian exports to the EU (beyond trade concessions included in the DCFTA) arising in the context of the European Commission legislative proposal for additional Autonomous Trade Measures. The Council also welcomed the preparations for the first session of the EU-Ukraine High-Level Industrial Dialogue to be held in Brussels in the first quarter of 2017.

The Association Council welcomed Ukraine's ambitious agenda and progress to date in the area of the digital economy and society. Both sides noted considerable potential for EU-Ukraine cooperation in this area both at the bilateral level and in the framework of the Digital Community, opening good prospects for Ukraine's integration in the EU Digital Single Market.

The EU commended the successful launch of the e-asset declaration system by Ukraine. The Association Council underlined the

importance of processing and verifying the submitted data in an objective and transparent way. The Association Council also acknowledged and welcomed progress on visa liberalisation, on the basis of the legislative proposal by the Commission to the Council and to the European Parliament, taking into account ongoing process of approval of the suspension mechanism. The Association Council recalled the importance of a timely finalisation of the processes required for visa liberalisation, as underlined by the EU in the Council conclusions on Eastern Partnership in November 2016.

The EU outlined the way forward in the implementation of its Macro-Financial Assistance programme, urging Ukraine to fulfil the outstanding conditions that could allow the EU to disburse the second tranche of EUR 600 million.

The Association Council welcomed ongoing and future cooperation in the field of energy based on the principles of solidarity and trust. The EU reaffirmed Ukraine's role as a strategic transit country for gas. Both sides welcomed the recent signing of a Memorandum of Understanding on strategic energy partnership between the EU and Ukraine. The Association Council underlined the importance of uninterrupted gas delivery to Europe this winter and also took stock of trilateral talks on gas.

The Ukrainian side expressed its concern over the revised European Commission's exemption decision on OPAL pipeline. Both sides agreed to further discussions on this matter. The Association Council confirmed the readiness of both sides to continue cooperation on the joint modernisation and operation of the Ukrainian gas transportation system and storage as well as on gas supplies from Europe to Ukraine.

The Association Council reaffirmed the importance of closer bilateral and multilateral cooperation in justice and home affairs and welcomed in this context the recent signing of the Agreement between Ukraine and Europol on the Strategic and Operational Cooperation.

The Association Council recalled that transport cooperation plays an essential role for safe and secure movement of people, development of business contacts, the tourism industry and reliable transportation of goods between Ukraine and the EU, fulfilling the needs and requirements of the Association Agreement. In this context the sides discussed the situation of the Common Aviation Area Agreement between Ukraine and the EU and underlined the importance of its signature at the earliest possible date.

The Association Council stressed the importance of a continuous dialogue on the inclusion of inland waterways of Ukraine in the Trans-European Transport Network (TEN-T), based on progress to be made by Ukraine as regards compliance with international environmental conventions.

The Council reaffirmed the readiness of both sides to continue the cooperation in order to preserve, protect, and improve the quality of the environment, the sustainable use of natural resources and promote measures at international level to address regional and global issues of the environment, particularly in the context of the Eastern Partnership. The sides agreed on the need for rapid adoption of pending legislation in Ukraine relating to good environmental governance.

The EU recalled that its neighbourhood was a strategic priority and a fundamental interest as reaffirmed in the recent EU Global Strategy. The Association Council discussed a number of regional and foreign policy issues, taking stock of the developments in the European Neighbourhood Policy and the Eastern Partnership, including preparations of the next Eastern Partnership Summit in 2017. Both sides stressed the importance of effective and strategic communication with citizens in the framework of EU-Ukraine relations and Eastern Partnership participation, agreeing to continue cooperation in this regard.

The EU reaffirmed its strong commitment to support a comprehensive and sustainable reform of the civilian security sector in Ukraine, notably by continuing the implementation of the enhanced mandate of the European Union Advisory Mission for Civilian Security Sector Reform (EUAM Ukraine), including hands-on support and based on good governance and human rights. The EU welcomed Ukraine's interest to continue its engagement with the EU on various Common Security and Defence Policy activities, including participation in EU-led missions and operations.

The Association Council welcomed:

- signing of the financing agreement for Public Administration Reform (PAR) programme, a 104 million euro contribution to support policy development, civil service and human resource management;
- announcement of the PRAVO programme of 52.5 million euro to support rule of law in Ukraine, namely judiciary and law enforcement;
- signing of financing agreements for four Cross Border Cooperation (CBC) programmes in which Ukraine participates;
- signing of five agreements between Ukraine and the European Investment Bank, underlining the importance of further successful cooperation in line with the Memorandum of Understanding between the Government of Ukraine and the European Investment Bank.

The Council was chaired by the High Representative of the European Union for Foreign Affairs and Security Policy, Ms Federica Mogherini. The First Deputy Prime Minister of Ukraine, Mr Stepan Kubiv, led the Ukrainian delegation, accompanied by other members of the Government of Ukraine.

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