

EU-UKRAINE PARLIAMENTARY ASSOCIATION COMMITTEE

Third Meeting

FINAL STATEMENT AND RECOMMENDATIONS

pursuant to Article 467(3) of the Association Agreement

(The adopted text may be subject to linguistic adaptations)

Under the co-chairmanship of **Ms Irina Gerashchenko** on behalf of the Verkhovna Rada of Ukraine and of **Mr Andrej Plenkovi** on behalf of the European Parliament, the third meeting of the EU-Ukraine Parliamentary Association Committee (PAC) was held in Brussels on 25-26 April 2016.

The Parliamentary Association Committee, having considered the state of play of EU-Ukraine relations, the implementation of the Association Agreement and the overall security and political situation in Ukraine, agreed upon the following final statement and recommendations.

The Parliamentary Association Committee (PAC):

On the political situation

1. Welcomes the appointment of the new Government of Ukraine on 14 April 2016 and its willingness to steer the irreversible transformation of Ukraine into a modern European country and to lay the foundations for sustainable economic growth; expresses its satisfaction about the nomination of a Vice-Prime Minister for European and Euro-Atlantic integration;

On the overall security and humanitarian situation

2. Reiterates its strong support for the sovereignty and territorial integrity of Ukraine within its internationally recognised borders; recalls its severe condemnation of Russia's aggressive and expansionist policy that has resulted in the illegal annexation of the Autonomous Republic of Crimea and the city of Sevastopol and the occupation of some regions of Donetsk and Luhansk oblasts, in breach of international law and agreements; reiterates its joint determination to achieve the peaceful reintegration of these territories; underlines the serious implications of this conflict to the overall security in Europe;

3. Is appalled by the recent significant increase of ceasefire violations in the Donetsk region and the extremely high number of incidents involving the use of heavy weapons and mortars; stresses the need to continue efforts on achieving lasting de-escalation in Donbass through the proper implementation of the security provisions of the Minsk agreements, in particular, lasting and comprehensive ceasefire; verified and comprehensive demilitarisation of Donbass under the effective international control, which means the withdrawal of all foreign troops; free and safe access of the OSCE Special Monitoring Mission to the whole conflict-affected territory; disarmament of all illegal armed groups providing amnesty to them; exchanges of all hostages and illegally held persons, first of all Nadiya Savchenko;

4. Calls on the Russian Federation which is an occupying power to stop violating human rights and freedoms in Crimea, to ensure unhindered access of international human rights organisations and missions on the peninsula and remove barriers for direct access of international and Ukrainian humanitarian missions and aid workers to some regions of Donetsk and Lugansk oblasts; condemns widespread and systematic violations of racial, ethnic and religious hatred, politically motivated

persecutions, harassments, physical and psychological pressure on ethnic Ukrainians and Crimean Tatars and suspension of the activities of the Mejlis which is the self-government body of Crimean Tatars; strongly condemns the fact that the Mejlis has been designated by the Russian Federation as an “extremist” organisation;

5. Recalls that the gross violation of the norms and principles of international law by the Russian Federation led to the introduction of restrictive measures by the EU and stresses that these measures should remain in force until the full implementation of the Minsk agreements and the restoration of the territorial integrity of Ukraine within internationally recognised borders; believes that the appointment of a high-level international personality trusted by all sides could be envisaged in order to help steer the negotiation process and the peaceful reintegration of occupied territories;

6. Welcomes the Ukrainian initiative to establish an international negotiation mechanism on the reestablishment of Ukrainian sovereignty over Crimea in the ‘Geneva plus’ format, which should include direct engagement by the EU; stresses that the EU policy of non-recognition has remained strong and unchanged since the illegal annexation of Crimea and of the city of Sevastopol by the Russian Federation more than two years ago; calls on all EU political actors to refrain from engaging in any initiatives undermining this policy;

7. Expresses serious concerns about the deteriorating humanitarian situation; calls in this regard for the respect of the international humanitarian law and of obligations under the Minsk agreement, including unhampered activities of international humanitarian organisations; welcomes the appointment of a minister for Internally Displaced Persons (IDPs), Anti-Terrorist Operations (ATO) Zone and Occupied Territories and expresses hopes that the ministry will receive the financial and human resources necessary to cope with the current challenges in this sphere; encourages the Ukrainian authorities to speed up efforts aiming at elaborating a comprehensive integration strategy for the IDPs and to improve the mechanisms ensuring that pensions and state social assistance are accessible for all Ukrainian citizens on the territories under Ukrainian control, including those citizens living in the temporarily occupied territories;

On EU-Ukraine relations

8. Warmly welcomes the presentation by the European Commission of the proposal for visa liberalisation for Ukraine published on 20 April 2016; looks forward to a rapid conclusion of the interinstitutional procedure between the European Parliament and the Council in order to achieve the lifting of the visa requirements for short-term stays within the institutionally shortest possible period; stresses that Ukraine does not pose any serious migration threat to the EU, while being a reliable partner of the EU in the field of migration;

9. Expresses its deep disappointment at the negative outcome of the advisory referendum held in the Netherlands on 6 April 2016; but underlines that this outcome should not eclipse the unprecedented solidarity and strong support demonstrated by the EU towards Ukraine since 2014, nor be used to harm the implementation of the ambitious EU-Ukraine agenda and Ukraine's European aspirations;

10. Looks forward to the announcements by the Dutch authorities on the way forward; stresses the need to continue, with the provisional application of the Association Agreement and therefore

welcomes the stated determination of the Ukrainian authorities to go ahead with the implementation of the Agreement;

11. Stresses that the Association Agreement does not constitute the final goal in EU-Ukraine relations; points out, furthermore, that Ukraine has a European perspective may pursuant to Article 49 TEU, and may apply to become a member of the European Union provided that it adheres to the Copenhagen criteria and the principles of democracy, respects fundamental freedoms and human and minority rights, and ensures the rule of law;

12. Reminds of the great challenge of implementing a comprehensive reform agenda in Ukraine; the momentum of reforms must not become victim of internal political dispute or fatigue; reforms have not yet reached critical mass, therefore are not yet irreversible; continuing the reform effort requires the necessary determination from the side of the authorities and the crucial support of the population; the international community, and the European Union in particular, must assist and encourage every step of the way; Ukraine becoming a normally functioning democracy, with strong and healthy institutions, transparent procedures and a decent future for the people of Ukraine will be beneficial for Ukraine and the international community;

On the implementation of the Association Agreement and of reforms

13. Expresses appreciation for the reform efforts undertaken by all Ukrainian institutions and the energy deployed to this end in the past two years, despite some resistances and the parallel and challenging tasks of ensuring the full sovereignty and territorial integrity of the country; stresses that the Verkhovna Rada has a key role to play not only in drafting and adopting reform-minded laws, but also in overseeing the government's action in implementing the reforms; underlines that steps should be undertaken in this regard in order to improve the related working methods within the Rada and between the Rada and the government, in line with the NAM recommendations;

DCFTA implementation, sectoral cooperation

14. Welcomes the start of provisional application of the DCFTA part of the Association Agreement on 1st January 2016; in this regard notes the first meeting of the Association Committee on trade issues held on 12-13 April 2016 in Kyiv; stresses the need for Ukraine to make real progress in removing sanitary and phytosanitary barriers to trade; underlines that successful implementation of DCFTA is, inter alia, dependent upon the creation of attractive business climate in Ukraine through tax, regulatory and institutional environment;

15. Recommends taking systematic measures to activate trade through: regular Joint Committee meetings to monitor the implementation of DCFTA and solve ongoing issues; negotiations on tariff and non-tariff liberalization to increase and diversify bilateral trade; development of trade diplomacy; improvement of trade information mechanism; liberalization of trade remedy measures; coordination of cooperation regarding technical assistance;

16. Considers actions taken by Russia aimed at implementing a number of significant trade restrictions on Ukraine to be unfounded and those violating WTO rules and bilateral agreements with Ukraine; calls on the EU to support Ukraine in the conditions of trade restrictions, which cause significant harm to its economy;

17. Welcomes the EU's readiness to move ahead with the disbursement of the second tranche of the macro-financial assistance if the outstanding conditions are met;

Economic policy

18. Expresses satisfaction about start reformation of competition law; hopes that implementation of system for preventing competition violation by reforming the national competition authority, implementing clear and efficient merger control and concerted actions procedures etc. will become one of the significant direction for economic development and will ensure healthy business environment and encouraging investment; looks forward to essential increasing of the intellectual property rights protection to secure foreign investor-friendly legal and economic environment by, *inter alia*, securing effective IPR protection in the Internet, improving IPR registration processes, reforming the IPR enforcement system, etc.

Decentralisation

19. Hopes that the internal and external conditions will soon be met to gather a constitutional majority in the Rada in order to proceed with the vote in second reading of the decentralisation amendments to the Constitution; reminds that the primarily aim of the decentralisation reform is to strengthen the power and institutional capacity of local communities and substantially improve the management of, *inter alia*, land, health care, education and social protection for the benefit of citizens, and that it should not therefore be regarded purely as re-distribution of tax revenue to local governments, but primarily be seen as a modernization tool which will build institutional capacity to attract investments, create jobs and implement regional development programs with the support of Europe; underlines that decentralization will be beneficial for the whole of Ukraine;

Justice sector

20. Welcomes the vote in first reading of the constitutional amendments on judiciary; encourages Ukrainian authorities to recognise the jurisdiction of the International Criminal Court and to ratify the Rome Statute as soon as possible; calls for appointment of a new Prosecutor General who will be independent from political influence and will be able to ensure a fair, transparent, efficient and corruption-free prosecution system; notes that the Prosecutor General will not be able to fulfil his duties without adequate support, and for this reason, the process of renewal of judicial and prosecutorial staff should be sped up to avoid delays in the implementation of the reform agenda; welcomes implemented assessment procedure of all ordinary judges with respect to their professionalism, ethic and honesty and, in particular, assessment of both judges' property and justification of origin of this property, which should become an efficient tool for the renewal of the judicial system and for the restoration of citizens' trust for the judiciary;

Human Rights

21. Welcomes the adoption of the National Human Rights Strategy and Action Plan 2015-2020 and encourages the Ukrainian authorities to work closely together with local civil society and international actors in implementing them; stresses that that the new antidiscrimination law and the new Labour Code should be in line with EU antidiscrimination directives;

Fight against corruption

22. While maintaining its strong concerns about the level of deep-rooted corruption in the country, expresses satisfaction about the finalisation of the adoption of legislation aimed at putting in place the appropriate institutional framework, in compliance with the commitments taken under the Visa Liberalisation Action Plan; reminds that implementation and adequate resources are key; notes, in this context, the potential positive impact of e-government services on increasing transparency and accountability and thus reducing corruption;

Public administration reform

23. Expresses satisfaction about the adoption of the Civil Service Law, and underlines the importance of its entry into force on 1st May 2016 and its full implementation as well as the need to finalise a comprehensive long term strategy for reform of the public administration; welcomes the EU technical and financial support in this area; stresses the necessity to find mechanisms to increase the salaries of civil servants; underlines that strong leadership for coordination and adequate resources are needed to achieve the set objectives; calls for the immediate formation of the Commission for High civil service, as well as for the adoption of legislative amendments to the Law on the cabinet of ministers and Law on the central executive bodies, in order to bring both in compliance with the Civil Service law;

Legislative framework in the field of elections and political parties

24. Expresses its conviction that a short window of opportunity exists for reforming and unifying the electoral code and adopting a law on elections of Members of the Parliament, in line with OSCE/ODIHR recommendations and other international organisations; believes that this issue should be the subject of a broad public discussion; underlines the importance of implementing the law on financing political parties; considers that the appointment of the 12 Members of the Central Election Commission whose mandate has expired in June 2014 should be handled as a matter of priority;

25. Takes into account the concerns expressed by civil society organisations and many international actors regarding the recently adopted law on amending the law on Election of People's Deputies (on expelling candidates to the People's Deputies from a party list in multi-mandate constituencies); recommends to reconsider this law in order to put it in compliance with democratic principles of parliamentarism;

26. Expresses satisfaction that since the last meeting of the Parliamentary Association Committee, Ukraine has conducted free, fair and transparent local elections in Donbass cities Mariupol and Krasnoarmeysk; expresses concerns that, as a result of Russian aggression, 400 000 people in the parts of Donetsk and Lugansk regions controlled by Ukraine remain for security reasons deprived of their constitutional rights to elect their local authorities whose powers expired in October 2015.

Energy

27. Stresses that the completion of energy sector reforms in Ukraine is of utmost importance, in particular the setting up an independent energy regulator in line with the 3rd Energy Package;

28. Commends the constructive role played by the European Commission in facilitating talks between Russia and Ukraine in the energy sector and its readiness to enlarge the trilateral talks to the negotiations of a new transit contract between Russia and Ukraine;

29. Stresses the need to respect the principle of solidarity in terms of preventing the implementation of new routes, including the Nord Stream Project 2 which does not correspond to the EU energy strategy aimed at diversifying sources of supply and does not reduce the overall EU dependence on single supplier; welcomes Commission's proposals on reinforcing cooperation and solidarity mechanisms between the European Union and Energy Community countries, including Ukraine, as outlined in the regulation on measures to safeguard security of gas supply.

30. On the day of the 30th anniversary of the Chernobyl disaster, honours with pain the memory of all victims of this tragedy and pays tribute to all the heroes who participated in the liquidation of its consequences; calls on the EU and its Member States to continue to support Ukraine in overcoming consequences of the Chernobyl disaster; believes that the powers of the State Nuclear Regulatory Inspectorate of Ukraine should comply with the EU nuclear safety rules and the regulatory framework should be adopted accordingly;

31. Calls on the EU institutions and EU member states to join their efforts to achieve the signature of the EU-Ukraine Common Aviation Area Agreement, which is a shared commitment under the Association Agreement, in the nearest future;

Civil Society

32. Commends the crucial role played by Ukrainian civil society as a driver for reforms and welcomes the participation of the EU-Ukraine Civil Society Platform in this PAC meeting as a starting point for the cooperation between the two bodies established under the Association Agreement;

Inter-parliamentary cooperation

33. Commends the comprehensive capacity-building programme developed by the European Parliament for the Verkhovna Rada; stresses the unprecedented nature, high-level character and the efficiency of the "Ukraine Week" held early March 2016 in the EP; welcomes the agreements reached in this framework, in particular the approval of the final report and the roadmap on internal parliamentary reform; positively notes the unanimous consent of the leaders of all political parties in Ukraine to work on the implementation of the related recommendations and the continued priority of the Rada leadership to deliver without delay on the reform process; highlights, in this context, the role of the Parliamentary Association Committee in implementing the recommendations linked to the harmonisation with EU legislation;

Next meeting

34. Intends to hold the next meeting of the EU-Ukraine Parliamentary Association Committee in autumn 2016 in Ukraine.