

Procedure file

Basic information	
INI - Own-initiative procedure	2017/2283(INI)
Procedure completed	
Implementation of the EU association agreement with Ukraine	
See also 2013/0151A(NLE)	
Subject	
6.20.03 Bilateral economic and trade agreements and relations	
6.40.15 European neighbourhood policy	
Geographical area	
Ukraine	
Legislative priorities	
EU support to Ukraine	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 AFET Foreign Affairs	 GAHLER Michael	11/07/2017
		Shadow rapporteur	
		 PICULA Tonino	
		 FOTYGA Anna	
		 VAN BAALEN Johannes Cornelis	
		 HARMS Rebecca	
	Committee for opinion	Rapporteur for opinion	Appointed
	 INTA International Trade	 WAŁĘSA Jarosław	11/10/2017

Key events			
18/01/2018	Committee referral announced in Parliament		
12/11/2018	Vote in committee		
16/11/2018	Committee report tabled for plenary	A8-0369/2018	Summary

11/12/2018	Debate in Parliament		
12/12/2018	Results of vote in Parliament		
12/12/2018	Decision by Parliament	T8-0518/2018	Summary
12/12/2018	End of procedure in Parliament		

Technical information

Procedure reference	2017/2283(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Implementation
	See also 2013/0151A(NLE)
Legal basis	Rules of Procedure EP 54
Stage reached in procedure	Procedure completed
Committee dossier	AFET/8/11790

Documentation gateway

Committee opinion		PE619.279	25/06/2018	EP	
Committee draft report		PE622.304	23/07/2018	EP	
Amendments tabled in committee		PE627.676	10/09/2018	EP	
Committee report tabled for plenary, single reading		A8-0369/2018	16/11/2018	EP	Summary
Text adopted by Parliament, single reading		T8-0518/2018	12/12/2018	EP	Summary
Commission response to text adopted in plenary		SP(2019)355	12/06/2019	EC	

Implementation of the EU association agreement with Ukraine

The Committee on Foreign Affairs adopted an own-initiative report by Michael GAHLER (EPP, DE) on the implementation of the European Union's Association Agreement with Ukraine.

Four years after the signature by the European Union of the three Association Agreements with Moldova, Georgia and Ukraine, which provide in particular for the creation of a deep and comprehensive free trade area, and two years after their full entry into force, this report assesses the degree of implementation of these agreements, while respecting the EU's commitment to its closest Eastern partners and their willingness to deepen their relations with the Union.

The conclusions of the Committee on Foreign Affairs present a positive assessment of the implementation of the Association Agreement with Ukraine, despite a number of shortcomings that the Ukrainian authorities have yet to address.

General environment of reform: Ukraine has made progress towards European integration. The consent of the Ukrainian people for closer relations with the EU remains strong, but a large part of the population are nonetheless dissatisfied with the country's overall development.

The report welcomes Ukraine's reforms in the fields of energy, health, pensions, education, administration, decentralisation, public procurement, defence and security, banking and macroeconomic stabilisation. However, these reforms were accompanied by drastic price increases and a deterioration in access to social protection systems.

Important challenges remain, particularly in areas such as fighting corruption, privatisation and judicial reform. According to Members, Ukraine's reform programme should focus on three main priorities: (i) establishing an effective legal framework to fight corruption, including institutions, financial transparency and audits; (ii) reform for decentralisation; (iii) measures to end oligarchy and privatisation measures.

Condemning the continued Russian aggression in eastern part of Ukraine and the illegal annexation of the Autonomous Republic of Crimea, Members recognised that Ukraine faces challenges of a transformational nature in an environment of warfare and destabilisation attempts. They expressed concern about the highly volatile security situation in the Sea of Azov, which could turn into an open conflict.

Institutional framework in place to implement reforms: the report places particular emphasis on capacity in terms of human resource and expertise to ensure full implementation of relevant legislation and the monitoring thereof. In particular, it proposes to pay particular attention to

strengthening the administrative capacity of the Ukrainian Parliament (the Rada) and to intensify efforts to monitor and follow-up the implementation of the Association Agreements, both on the Ukrainian and EU sides.

Among other things, Members call for:

- further progress in deepening a culture of parliamentary dialogue, a crucial step in making the Rada a more effective, transparent and efficient legislator;
- the establishment of a transparent and highly reliable selection process which will enhance the integrity and professionalism of judges and prosecutors, as well as increase the confidence of citizens in the judicial system. Members call for the swift and transparent establishment of the independent High Anti-Corruption Court and for the independence of the National Anti-Corruption Bureau (NABU) to be safeguarded;
- the speedy adoption of the new electoral code, which should guarantee equal opportunities for representation and eligibility of candidates of all nationalities living in Ukraine;
- the abolition of electronic reporting obligations for non-governmental organisation (NGO) activists and effective and transparent monitoring of declarations by politicians and officials;
- more attention be paid to areas related to the space devoted to civil society in the drafting and implementation of legislation;
- the continuation of the reform in favour of decentralisation and the acceleration of the merger of local and regional authorities in view of the forthcoming general and local elections;
- strengthening the legal basis so that workers can effectively compel their employers by judicial means to respect their right to wages for work done;
- more concerted efforts to implement the Ukrainian human rights strategy, including policies to improve the situation of the Roma minority and other minority groups;
- the ratification of the Istanbul Convention on Violence against Women, as well as the ratification of the Rome Statute of the International Criminal Court;
- reforms to guarantee media independence and pluralism to guarantee the safety of media professionals and journalists;
- the establishment of State programmes to prevent hate crimes and other forms of discrimination as part of the implementation of the national human rights strategy;
- the implementation of necessary reforms to attract new investment, in particular foreign direct investment;
- the further reform of the gas and electricity markets so as to fully integrate them into the EU energy market, and to end existing monopolies, as well as the boosting of energy cooperation within the Eastern Partnership for the implementation of the 2015 Paris Climate Change Agreement;
- the strengthening of Ukraine-EU cooperation fighting against Russian propaganda, including the country's expected interference in the elections in Ukraine as well as in the EU as a whole.

The report calls for better monitoring of the implementation of reforms, on both the Ukrainian and EU sides, on the basis of coherent and measurable indicators. It invites the Commission and the EEAS to submit more frequent and detailed written reports on the implementation of the agreements to Parliament and the Council.

Implementation of the EU association agreement with Ukraine

The European Parliament adopted by 433 votes to 105 with 30 abstentions a resolution on the implementation of the European Union's Association Agreement with Ukraine.

Parliament noted that the Deep and Comprehensive Free Trade Agreement (DCFTA), which is part of the EU-Ukraine Association Agreement (AA), and has been officially operational since 1 January 2016, provides a solid basis for Ukraine's economic development and modernization.

General environment of reform

Members considered that while Ukraine has been making progress on the path towards European integration, more difficult tasks still need to be addressed, and public support for modernisation and reform is suffering on account of peoples disappointment at deteriorating social conditions.

The consent of the Ukrainian people for closer relations with the EU remains strong, but a large part of the population are nonetheless dissatisfied with the country's overall development.

Parliament welcomed Ukraine's reforms in the fields of energy, health, pensions, education, administration, decentralisation, public procurement, defence and security, banking and macroeconomic stabilisation. However, these reforms were accompanied by drastic price increases and a deterioration in access to social protection systems.

Significant challenges remain, particularly in areas such as fighting corruption, privatisation and judicial reform. According to Members, Ukraine's reform programme should focus on three main priorities: (i) establishing an effective legal framework to fight corruption, including institutions, financial transparency and audits; (ii) reform for decentralisation; (iii) measures to end oligarchy and privatisation measures.

Institutional framework in place to implement reforms

Parliament stressed its conviction that meaningful progress with the implementation of the Association Agreement and the reforms will only be possible if the deoligarchisation process is pursued. It criticised the entrenched system in which economic, political and media power is concentrated in the hands of a few individuals feeding off one another, a problem which increasingly hampering the progress of reforms. Members were concerned about persistent conflicts of interest on the part of regulatory and supervisory authorities, and also critical of the fact that deoligarchisation has so far been used mainly as a tool for restoring the balance between the different groups of oligarchs, which was fundamentally disturbed in 2014.

Parliament went on to called for, inter alia:

- further progress in deepening a culture of parliamentary dialogue, a crucial step in making the Verkhovna Rada a more effective, transparent and efficient legislator;
- the establishment of a transparent and highly reliable selection process which will enhance the integrity and professionalism of judges and

prosecutors, as well as increase the confidence of citizens in the judicial system. Members called for the swift and transparent establishment of the independent High Anti-Corruption Court and for the independence of the National Anti-Corruption Bureau (NABU) to be safeguarded;

- the speedy adoption of the new electoral code, which should guarantee equal opportunities for representation and eligibility of candidates of all nationalities living in Ukraine;
- the abolition of electronic reporting obligations for non-governmental organisation (NGO) activists and transparent monitoring of declarations by politicians and officials;
- more attention be paid to areas related to the space devoted to civil society in the drafting and implementation of legislation;
- the continuation of the reform in favour of decentralisation and the acceleration of the merger of local and regional authorities;
- strengthening the legal basis so that workers can effectively compel their employers by judicial means to respect their right to wages for work done;
- more concerted efforts to implement the Ukrainian human rights strategy, including policies to improve the situation of the Roma minority and other minority groups;
- the ratification of the Istanbul Convention on Violence against Women, as well as the ratification of the Rome Statute of the International Criminal Court;
- reforms to guarantee media independence and pluralism to guarantee the safety of media professionals and journalists;
- the establishment of State programmes to prevent hate crimes as part of the implementation of the national human rights strategy;
- the implementation of necessary reforms to attract new investment, in particular foreign direct investment;
- the further reform of the gas and electricity markets so as to fully integrate them into the EU energy market, and to end existing monopolies;
- the strengthening of Ukraine-EU cooperation fighting against Russian propaganda, including the country's expected interference in the elections in Ukraine.

Parliament called for better monitoring of the implementation of reforms, on both the Ukrainian and EU sides, on the basis of measurable indicators. It invited the Commission and the EEAS to submit more frequent and detailed written reports on the implementation of the agreements.

Relations with Russia

Parliament condemned both the illegal annexation by Russia of the Autonomous Republic of Crimea, and the deliberate act of aggression by the Russian Federation against Ukraine on 25 November 2018 in the Kerch Strait, when three Ukrainian Navy vessels conducting a routine transfer from Odessa to Mariupol were blocked, shot at and seized in international waters by the Russian Coast Guard. Members called on the EU and its Member States to introduce targeted sanctions if the Ukrainian servicemen are not released and if there is any further military escalation. They demanded that Russia guarantee freedom of navigation through the Kerch Strait and in the Sea of Azov, urging the OSCE and its Members to extend the mandate of the OSCE Special Monitoring Mission to the Sea of Azov. Parliament called on the EU and its Member States to close access to EU ports for Russian ships coming from the Sea of Azov should Russia not re-establish freedom of navigation through the Kerch Strait and in the Sea of Azov.