

Copenhagen, 4 July 2002

10607/02 (Presse 195)

**EUROPEAN UNION-UKRAINE SUMMIT
(Copenhagen, 4 July, 2002)**

Joint Statement

**by A. Fogh Rasmussen, President of the European Council, assisted by
J. Solana, Secretary-General of the Council / High Representative
for EU Common Foreign and Security Policy,
and R. Prodi, President of the Commission of the European Communities
and L. Kuchma, President of Ukraine**

The Summit was an important step for the further development of closer relations and cooperation between the EU and Ukraine, based on common values. We confirmed our joint desire to further reinforce our strategic partnership aimed at promoting stability and prosperity in Europe as well as the strengthening of democracy, respect of human rights, rule of law and market economy.

We welcomed progress made by Ukraine towards meeting OSCE and Council of Europe standards, in particular as regards the parliamentary elections in March 2002. These elections demonstrated Ukraine's commitment to achieving further democratisation of Ukrainian society. We agreed that the strengthening and stability of institutions guaranteeing democracy, rule of law and market economy is of vital importance for Ukraine's development and for an intensified relationship with the EU. We strongly support the commitment of Ukrainian authorities to strengthen the judiciary, freedom of the media, human rights and civil society and agreed that cooperation and EU assistance in these areas should be intensified.

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We acknowledged progress made in the implementation of economic reforms in Ukraine and the positive performance of its economy. We have agreed that further structural, administrative and judicial reform is essential for Ukraine's economic development, including trade. We shall discuss how to deepen our cooperation to ensure sustainable economic growth and to encourage the development of competitive sectors of the Ukrainian economy, new technologies and e-economy, and to attract investment.

We agreed that the enlargement process of the EU opens up new opportunities and poses new challenges in different areas of our cooperation. We reiterated that the best way to use the opportunities of enlargement is for Ukraine to intensify its work in aligning its legislation, norms and standards with those of the European Union. The EU reiterated its readiness to continue cooperation and support for Ukraine with regard to legislative approximation which is one of the key elements for an intensified relationship between Ukraine and the EU. The EU welcomed the willingness of the Ukrainian government to develop a scoreboard for priority areas of legislative approximation.

We will intensify discussions on the effects of enlargement in the framework of the relevant PCA bodies, including on issues related to trade, movement of persons and visas. In this context, we also encourage the development of regional and cross-border cooperation, including a human dimension. To facilitate contacts between the enlarged Union and Ukraine, we will work together to make border crossing by citizens of Ukraine and EU Member States as easy and efficient as possible.

We underlined the need to continue to develop our strategic partnership. Implementation of the provisions of the Partnership and Cooperation Agreement (PCA) is the basis for developing our relations further. We recommend that the Cooperation Committee in a report to the next Cooperation Council evaluates the state of implementation of the PCA. In this regard, we reiterated the importance of priorities jointly adopted at our last Cooperation Council in March 2002.

We welcomed agreement in principle on the rules of procedure for dispute settlement which will allow a more effective use of PCA conciliatory procedures to resolve disputes.

The EU informed Ukraine about the decision by the EU Council to identify options for strengthening relations between the future enlarged EU and its neighbours. The ongoing discussions within the EU should lead to a further reinforcement of EU-Ukraine relations. Both sides underlined the importance of taking into account the different state of relations between the EU and the countries involved, as well as their level of political and economic development.

The EU reconfirmed that it welcomes Ukraine's European aspirations. It noted the address of President Kuchma of 18 June to the Parliament on "European Choice - Strategy of economic and social development in Ukraine till the year 2011", with all its implications for further development of EU-Ukraine relations. We also noted the relevant Parliament resolution following this address. The President of Ukraine furthermore underlined the desire of Ukraine to bring the EU-Ukraine partnership to a qualitatively new level.

We look forward to Ukraine's participation in the European Conference in the new format. The relevant decision of the Göteborg European Council has opened up a new perspective for strengthening dialogue and partnership between the European Union and other European countries which share the same values and objectives.

Ukraine welcomed the arrangements for consultation and cooperation between the EU and Ukraine on crisis management, adopted recently by the Seville European Council. We reiterated our commitment to strengthen cooperation in the field of crisis management. We welcomed the decision of Ukraine to appoint a contact person with the EU military staff. We expressed satisfaction over the progress we have made in exploring the possibilities for the EU to use Ukrainian capabilities in the field of long haul air transport. We will continue our consultations with a view to reaching an early and positive outcome. The EU police mission in Bosnia and Herzegovina - the first EU operation initiated under ESDP - will be another concrete opportunity to develop operational cooperation between the EU and Ukraine. In this context, the EU noted the offer by Ukraine to use the Police training Centre in Kyiv.

We agree that Ukraine's rapid accession to the WTO on commercially viable terms is in our joint interest, and is fundamental for Ukraine's efforts to increase trade and investment. To this end, we will seek during the coming months to conclude our bilateral market access negotiations, and Ukraine will at the same time pursue urgently the task of bringing its legislation into conformity with WTO rules; the EU will continue to provide assistance for this purpose. Progress on this work will facilitate the launching of the process of drafting the WTO Working Party report, which is an important step in the WTO accession process. Full implementation of the relevant PCA provisions and WTO accession would be the basis for eventually establishing a free trade area as foreseen in the PCA. We welcomed the substantial increase in EU-Ukraine trade but noted with disappointment the low level of foreign direct investments of EU origin in Ukraine. We reiterated the need for Ukraine to take steps to amend discriminatory legislation on trade in automobiles, to ensure that tax refunds are paid in a timely fashion, and to strengthen the protection of intellectual property rights.

We have reiterated that our shared objective is for Ukraine to continue to progress rapidly in its process of structural and economic reform, which would lead to full market economy status. The EU continues to fully support Ukraine's progress, which has already been explicitly recognised and has led since 2000 to the granting of market economy treatment to Ukrainian companies on an individual basis. The relevant EU bodies are in the process of analysing all relevant information which provides a basis for granting full market economy status with a view to establishing whether the criteria are met which would allow for a decision to be taken as soon as possible.

Cooperation in the energy sector remains a key issue for our relations. We welcomed the commitment of the Ukrainian authorities to ensure that the new reactors in Rivne and Khmelnytsky, "K2/R4", will meet internationally accepted nuclear safety standards at their commissioning. We encouraged our experts to reach an agreement on the conditions for the Euratom and EBRD loans as soon as possible. We agreed to reinforce our support to the efforts to use the Chernobyl Shelter Fund effectively and to avoid any further delays in implementation of the project. The EU reaffirmed its commitment to assist Ukraine in addressing nuclear safety issues and the social consequences of the closure of Chernobyl. We welcomed the progress in preparation of the EU-Ukraine Nuclear Agreement.

We support the continuation of reforms in Ukraine's energy sector, including privatisation of the conventional power generation and distribution sector as well as reform in the coal sector. We welcomed the establishment of the three EU-Ukraine working groups in the field of energy (policy, efficiency and gas transit) and agreed that the first reports of the groups should be prepared for the next meeting of the relevant PCA sub-committee. We emphasise the necessity of further co-operation on the safety and reliability of energy transit. To this end we underlined the importance of implementation of common projects within the framework of the INOGATE Programme. We agreed to cooperate further with regard to the emerging market of biofuels and the use of clean coal technologies in Ukraine.

We agreed to intensify our cooperation in the field of environment, including on environmental problems linked to the Black Sea region, as well as on climate change. We are looking forward to an early ratification of the Kyoto Protocol. Its implementation will open up new possibilities for cooperation between the two parties. We look forward to the Kyiv 2003 Pan-European Environment Ministers Conference and welcomed ongoing close cooperation in its preparation.

We underlined the high importance of cooperation in transport, including further integration of Ukraine's transport infrastructure into the European transport network. We welcomed Ukraine's accession to Eurocontrol and supported its application for membership for the Joint Aviation Authority. We welcomed the establishment of EU-Ukraine expert contacts in order to pave the way for future co-operation on air-transport issues. We also welcomed the recent EU decision concerning GALILEO and encouraged our experts to intensify dialogue on possible cooperation related to this project.

We welcomed the signing of a Science and Technology Agreement, which will be the basis for increased co-operation and for Ukrainian participation in the EC framework programme. We reconfirmed our commitment to the Science and Technology Centre in Ukraine (STCU) and to fulfilling all related commitments to ensure its effective operation in Ukraine.

We underlined the importance of the Action Plan on Justice and Home Affairs and noted with satisfaction that the "scoreboard" will be an essential tool for the implementation, monitoring, evaluation and definition of annual priorities in this field. The promotion of rule of law and the reform of the judiciary are fundamental objectives of the Action Plan and will be vigorously promoted. Moreover, we agree that fundamental elements of our co-operation are efforts to combat organised crime, including trafficking in human beings, stolen goods, money laundering and corruption, as well as illegal migration.

The EU welcomed the Ukrainian efforts to develop a system of efficient and comprehensive border management on all Ukrainian borders. Such a system will also contribute to further strengthening of the fight against illegal activities. The EU will continue to provide substantial assistance in this field. We look forward to a successful conclusion of the negotiations on a readmission agreement. We encourage all countries in the region to conclude readmission agreements between themselves. The EU reiterated that it will continue to support Ukrainian efforts to conclude readmission agreements with its neighbouring countries. We also look forward to a positive continuation of our dialogue on visa issues, including an examination of Ukrainian proposals in this regard.

Co-operation on achieving conflict resolution, and in the combating of terrorism and financing of terrorism, will be an important part of the further development of our relations.

Both parties agreed that the presence of the OSCE project coordinator's office in Kyiv was a positive element.

On the Middle East, we condemned terrorism and violence of any kind and were convinced that there is no military solution to the conflict. UNSCR 1402 must be fully implemented as called for in UNSCR 1403 with a view to starting negotiations. We recalled the need for a comprehensive political solution based on the principles of the Madrid Conference of 1991, UNSCR 242 and 338 and the formula of "land for peace". Against the background of further escalation, it was noted that it becomes more and more difficult for the parties to find a solution themselves. The need for the International Community to sustain all initiatives conducive to a peaceful solution of the conflict, for the benefit of all parties, Israeli, Palestinian, Syrian and Lebanese was underlined. The possible convening of an International Conference remains an option. We support the final objectives expressed by President Bush in his speech of 24 June 2002 and in UNSCR 1397 of two States, Israel and Palestine, living side by side within secure and recognised borders.

We called upon the parties to the Transnistria conflict to take urgent steps to find a peaceful solution to the conflict and thus to ensure the stability of Moldova while fully respecting the sovereignty and territorial integrity of the Republic of Moldova. We are committed to increase our efforts to support the settlement of the conflict. In this respect, we encourage the efforts undertaken by the mediators from the OSCE, the Russian Federation and Ukraine. We noted the necessity of an efficient border and customs regime at all Moldovan borders. We also stressed the importance of a complete fulfilment of the OSCE/Istanbul commitments.

We discussed the situation in Belarus. The EU side expressed its deep concern about the deterioration of the political situation and the lack of progress in political and economic reforms in Belarus. We consider that reforms are the only way forward for Belarus. We stressed the need to find a rapid solution to the question of the nomination of the Head of the OSCE Assistance and Monitoring Group in Minsk and of its mandate.

We welcomed the strengthening of relations between Russia and the EU as well as the partnership arrangement between Russia and NATO. We will continue to keep each other informed about our dialogue with Russia on energy, economic relations, crisis management and general development of our partnership.

We share the serious concerns arising from the danger of proliferation of Weapons of Mass Destruction and their means of delivery and underline the importance of universal adherence to multilateral treaties, regimes and agreements in this field. These agreements can also make an essential contribution to the global fight against terrorism by reducing the risk of non-state actors gaining access to weapons of mass destruction, radioactive materials and means of delivery as well as by preventing the spread of conventional weapons.

In conclusion, taking into account progress made by Ukraine towards democracy, the positive performance of its economy and its strong pro-European choice as well as EU enlargement, we should seek to acquire a new and strengthened dimension of our strategic partnership.