



Key events of the EU-Ukraine cooperation. January, 2015

EU HUMANITARIAN AID OFFICIAL: “WE TRY TO PROVIDE LIFE-SAVING SUPPORT TO PEOPLE”

The EU is the largest donor of assistance to Ukraine, including humanitarian aid.

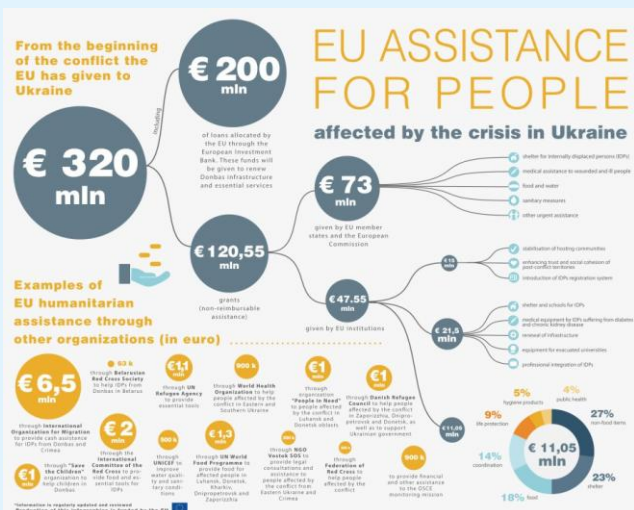
Public opinion does not always attribute these funds to the EU, since the EU provides them not directly but through its partner organisations, including UN agencies, international NGOs like the Red Cross Movement or Save the Children, NGOs based in EU members states like the Norwegian Refugee Council, the Danish Refugee Council, or others. When an internally displaced person gets assistance from the UN, for example, this could be EU money.

At the same time, the humanitarian catastrophe in Ukraine is so big that even millions of euros is never enough. According to different estimations, there are 600,000 – 900,000 internally displaced persons in Ukraine, tens of thousands of wounded, and thousands of families who have lost husbands, wives or children. This is the situation with which humanitarian agencies are faced. They need to make difficult decisions on which needs to prioritise and whom to help.



Mamar Merzouk, head of the Ukrainian office of the EU Humanitarian aid and civil protection department (ECHO), meeting Ukrainian citizens

In order to understand how the whole system of EU humanitarian aid works, through which organisations it is transferred, how needs are assessed, and how priorities are defined, we decided to talk to **Mamar Merzouk**, head of the Ukrainian office of the EU Humanitarian aid and civil protection department (ECHO). Our interview took place on the eve of the visit of the EU Commissioner for humanitarian assistance, **Christos Stylianides**, to Ukraine.



First, let me ask what is the scope of the EU humanitarian assistance to Ukraine right now?

To date we have provided some €11 million of humanitarian aid to Ukraine through the **ECHO** (Humanitarian Aid and Civil Protection).

This €11 million is for emergency humanitarian aid. On top of this, we allocated €17 million from the regional development programme to speed up the repair of the accommodation centres, and €4,5 million from the instrument for stability to peace-building initiatives in the communities.

By the end of March all humanitarian aid funds will be spent. We have already announced another **€15 million** in humanitarian aid to meet the growing needs.

There is also €73 million in aid which comes from the EU member states’ contributions.

[All these figures combined amount to over €120 million of humanitarian and development assistance. On top of this, the European Investment Bank allocated €200 million as loans for rebuilding destroyed infrastructure and other projects. See infographics for more information on figures – Ed.]



EU SENDS 85 TONS OF HUMANITARIAN AID TO UKRAINE

Total EU emergency and early recovery aid amounts to €95 million, including over €47 million coming from the Member States.

*“We arrived in September, and we at once received food and hygienic items,” says Tetyana, an Internally Displaced Person (IDP) from Donetsk, lulling her 2-month-old baby to sleep. She is one of the **900,000 people** which have been displaced from conflict-affected regions to safer areas within Ukraine since the war began. “Before I gave birth to my child I asked for a baby carriage, and I received it [from humanitarian services]. Usually we ask for diapers, as we have nowhere to buy them, and if they appear here, people take them away very quickly,” she says.*



Today, on January 27, Tetyana forms a long line with other IDPs in a military tent in Dnipropetrovsk, waiting to receive clothing. She found out about the available assistance online. The tent, which is located in the courtyard of the “Dopomoga Dnipra” charity in Dnipropetrovsk, was installed by the office of the UN High Commissioner for refugees using EU funds.

Volunteers distribute tea and coffee in the tent. People, mostly elderly persons, sit on benches around the entire inside perimeter. They are waiting for their turn to get assistance. It is dark and wet in the tent, but it provides people a respite from the rain that started early in the morning.

Today the place is visited by the EU Commissioner for humanitarian assistance, **Christos Stylianides**, EU ambassador to Ukraine, **Jan Tombinski**, director general of the EU’s humanitarian office (ECHO), **Claus Sørensen**, head of the ECHO office in Ukraine, **Mamar Merzouk**, and UN representatives. Similar tents have been erected in all affected regions of Ukraine, as well as in the big cities that host the IDPs.

Three cargo airplanes landed in Dnipropetrovsk today carrying 85 tons of humanitarian assistance from the EU. Commissioner Stylianides has arrived to personally oversee the aid distribution process. Earlier in Kyiv he met with Ukraine’s president, Petro Poroshenko, and together they announced a new EU assistance package. In 2015, the EU will allocate an additional €15 million to ensure IDPs are cared for during and after the winter.

Background information: More than 900,000 people have been displaced from conflict-affected regions to safer areas within Ukraine and about 600,000 people have fled abroad, mainly into neighbouring Russia. Of the 5.2 million people living in the conflict-affected regions, around 1.4 million are considered to be highly vulnerable and in need of humanitarian assistance.

As part of its response to the crisis, the European Commission is pledging €15 million in humanitarian aid in 2015, bringing its total humanitarian assistance to over €26 million since the crisis began. Some 40% of this funding is allocated to affected populations living in rebel-held areas. Additional funding coming from EU Member States amounts to over €47 million.

The European Commission has also allocated humanitarian funding in support of the immediate winter needs of some of the most vulnerable refugees who fled the conflict in Eastern Ukraine into Belarus and Russia.

Total EU emergency and early recovery aid amounts to €95 million, including over €47 million coming from the Member States.

Read the full article at: <http://euukrainecoop.com/2015/02/02/humaid/>



EU EXTENDS SANCTIONS AGAINST RUSSIA

EU Ministers note “evidence of continued and growing support given to the separatists by Russia, which underlines Russia’s responsibility”.

Read below the full text of EU Council conclusions, January 29th

1. The Council strongly condemns the indiscriminate shelling of the residential areas, especially in Mariupol and the recent escalation of fighting in the Donetsk and Luhansk regions of Ukraine. The Council is shocked by the high number of casualties. It notes evidence of continued and growing support given to the separatists by Russia, which underlines Russia’s responsibility. The Council expects Russia to exert its influence and to induce the separatists, without delay to stop their hostile actions and live up fully to their commitments under the Minsk agreements, including notably the cessation of hostilities and the withdrawal of heavy weapons from the security zone along the line of contact foreseen in the Minsk Memorandum, as urgent first steps, which the Foreign Ministers of France, Germany, Russia and Ukraine called for in the Joint Statement, following their talks in Berlin on 21 January. Recalling the European Council conclusions of 30 August, 24 October and 18 December 2014, the Council calls on all sides to fully assume their responsibility and to implement their commitments under the Minsk agreements. It calls in particular on the Russian Federation to condemn the separatists’ actions. Public statements distorting the reality on the ground, inciting to further violence, as well as publicly humiliating hostages in violation of the international law will not lead to the badly needed de-escalation. All signatories of the Minsk agreements should convene as a matter of urgency within the framework of the Trilateral Contact Group to this effect.
2. The European Union will actively support all diplomatic efforts conducive to creating a new political impetus, notably those currently ongoing under OSCE auspices, and will engage further as necessary. These efforts should be undertaken in good faith and lead to meaningful results. Full implementation of the Minsk agreements as the basis for a sustainable political solution to the conflict, respecting Ukraine’s independence, sovereignty and territorial integrity, must remain the focus of such talks. Progress must be made on the withdrawal of illegal and foreign armed groups, military equipment, fighters and mercenaries, freeing of all hostages, securing the Ukrainian-Russian border with permanent monitoring by the OSCE, as well as early local elections in parts of the Donetsk and Luhansk regions in the framework of the Ukrainian law on interim self-governance and an inclusive national dialogue, notably on issues such as constitutional reform and decentralisation.
3. In view of the worsening situation the Council agrees to extend, in full compliance with the requirements of EU law, the restrictive measures targeting persons and entities for threatening or undermining Ukraine’s sovereignty and territorial integrity, adopted in March 2014 and subsequently updated, until September 2015. Moreover, it calls on the High Representative and the Commission to present within a week a proposal on additional listings for decision at the FAC on February 9, 2015. The Council will continue to closely follow the situation on the ground and the current diplomatic efforts, and asks that further preparatory work by the Commission Services and the EEAS be undertaken on any appropriate action, aiming at ensuring a swift and comprehensive implementation of the Minsk agreements.
4. The EU will continue to work closely with international partners, including the OSCE and the Council of Europe. The Council reiterates its appreciation of the OSCE’s role, in particular through the presence on the ground and objective reporting of the OSCE Special Monitoring Mission to Ukraine as well as the efforts of the Special Representative of the Chairperson-in-Office in the Trilateral Contact Group. The Council calls on all parties to ensure free and safe access for the SMM’s monitors and unmanned aerial vehicles to all parts of Ukraine, including all parts of the Donetsk and Luhansk Oblasts and areas along the state border with Russia. The Council reiterates its support for the swift expansion of the SMM to its full capacity and the expansion of the mandate of OSCE Observer Mission at the Russian border checkpoints with a view of re-establishing Ukrainian control of its border with Russia.





EBRD OFFICIAL: “WE INVEST €1 BILLION TO UKRAINE EVERY YEAR”

In total EBRD has invested over €10 billion in Ukraine.

The European Bank for Reconstruction and Development (EBRD), one of the biggest European financial institutions, is one of the largest investors in Ukraine. Throughout the history of its operations in our country it has provided loans worth €10 billion in total, and it continues to invest about €1 billion per year. EBRD loans are usually competitively priced and long-term compared to commercial bank loans.



Anton Usov, senior adviser for external affairs at the EBRD

In order to see the whole picture of EBRD activities in Ukraine, we talked to Anton Usov, senior adviser for external affairs at the EBRD.

What is the average amount of funds the EBRD provides to Ukraine?

For the past five to six years our investment capacity as a bank in Ukraine has been roughly about €1 billion per year. We try to invest around €1 billion more or less successfully in all these years. In 2013 there was a slight decline to under €900 million, but it was insignificant. We still delivered quite a lot. This slight drop can be explained by the fact that we did almost no public sector projects.

As the EBRD operational charter says, most of the lending should go to the private sector. At least 60% of

all our loans are directed towards private sector clients. So far we have invested in total over €10 billion in Ukraine.

What are the EBRD’s priorities in the private sector – SMEs or big business?

SMEs should be our priority regardless of the financial or political situation in the given country, and Ukraine is not an exception. But in recent years it has been difficult to lend to the small and medium-sized business sector for various reasons. One of those is that we are limited in the currency of loans we provide, and local businesses in Ukraine need long-term loans in the local currency, which is hryvnia. Unfortunately, now we don’t have the technical ability to provide lending in hryvnia.

Does this mean that the SMEs programme is mostly on hold?

It is not as active as we would like it to be. We do give loans to smaller companies, but they are mostly tied to such areas as energy efficiency or renewable energy. Full-fledged small and medium business lending operations are pretty much on hold at the moment, [because we cannot lend in hryvnia]. So EBRD lending goes mostly to larger companies.

When can it be restored? What conditions need to be met to renew the SME programme?

We are trying to push that forward as much as we can. There are certain pieces of legislation that allow us to issue bonds in domestic currency and use these resources to lend to companies in Ukraine, including small businesses. But I think it would be speculative to give a date or time.

Let us talk about energy efficiency. What are your priorities in this sphere?

Energy efficiency is a buzzword at the moment. Every single company that comes to the EBRD does an energy efficiency audit, unless it is a bank. Every single company has a significant component linked to energy efficiency. That can be the introduction of new technologies, switching to different types of fuel, giving up on gas and reshaping the production cycle to use wooden pallets, for example.

Read the full article at: <http://euukrainecoop.com/2015/01/29/ebrd/>

More information: [EBRD website](#)



Useful links:

For more information on EU-Ukraine relations, consult the following resources

<http://euukrainecoop.com/useful-links/>

Calendar of past and future events:

<http://euukrainecoop.com/calendar/>