EU-UKRAINE PARLIAMENTARY COOPERATION COMMITTEE

Eighteenth Meeting

20-22 February 2012

KYIV and IVANO-FRANKIVSK

Co-Chairmen: Mr. Pawel KOWAL and Mr Borys TARASYUK

FINAL STATEMENT AND RECOMMENDATIONS

pursuant to Article 90 of the Partnership and Cooperation Agreement

Under the co-chairmanship of Mr. Borys Tarasyuk (Our Ukraine – People's Self-Defence, Ukraine) and of Mr. Paweł Kowal (ECR, Poland) the Eighteenth Meeting of the EU-Ukraine Parliamentary Cooperation Committee (PCC) was held in Kyiv and Ivano-Frankivsk on 20-22 February 2012. The Committee exchanged views with H.E. Mr Konstatin Yeliveyev, Ukrainian Ambassador to the European Union, on behalf of the Government of Ukraine and Ms Maria Jurikova, Deputy Head of Mission of the EU in Kyiv, on behalf of the European Union.

The Parliamentary Cooperation Committee (PCC):

On the state of play of relations between Ukraine and the EU

- 1. Welcomes the Resolution of the European Parliament of 1 December 2011 containing the European Parliament's Recommendations to the Council, the Commission and the European External Action Service (EEAS) on the negotiations of the EU-Ukraine Association Agreement as well as the recognition by the European Parliament of Ukraine's aspirations pursuant to Article 49 of the Treaty on European Union, provided that all criteria, including respect for the principles of democracy, human rights, fundamental freedoms and the rule of law, are met;
- 2. Takes into account the results of the 15th Summit between Ukraine and the EU, held in December 2011 in Kyiv, and the acknowledgment by the EU of "Ukraine as a European country with European identity" which shares a common history and common values with the countries of the EU;
- 3. Welcomes the statement of the Summit that the chief negotiators of Ukraine and the EU had reached a common understanding on the full text of the Association Agreement, including the Deep and Comprehensive Free Trade Area; calls therefore for the soonest possible completion of the technical work on the final consolidated version of the Agreement and for its initialling at the earliest possible date;
- 4. Calls for Ukraine and the EU to proceed to the signature of the Association Agreement as soon as possible, certainly not later than at the end of 2012 so that all documents needed for the ratification of the Agreement be available shortly thereupon to all parliaments involved into the process;
- 5. Is of opinion that the Association Agreement is a tool for Ukraine's modernization and embraces relevant mechanisms and experience needed for harmonising Ukraine's norms and standards to those of the EU;

- 6. Emphasizes at the same time that should some of the leaders of the Ukrainian opposition fail to fully participate in parliamentary elections in autumn this year this may endanger signing and further ratification by the Parliaments of EU member states of the Association agreement between Ukraine and EU;¹
- 7. Calls on the Central Electoral Commission of Ukraine to make sure that the division of Ukraine to electoral districts is made in a transparent, impartial and balanced way to secure, according to Ukrainian electoral law, a full-fledged representation and participation of all forces taking part in the upcoming Ukrainian parliamentary elections;
- 8. Reiterates therefore that the more Ukraine will share common values with the EU and the more it will focus on implementation of reforms, the deeper its relations with the EU will gradually become;
- 9. Shares the view of Ukraine's and EU's leaders that the Deep and Comprehensive FTA between Ukraine and the EU, linked to the broader process of legislative approximation, has the potential to contribute to further economic integration of Ukraine with the European Union internal market as envisaged in the Association Agreement;
- 10. Reiterates its call on the European Commission to provide Ukraine with sufficient and adequate financial, technical and legal assistance during the implementation of the Agreement and to strengthen its administrative capacity by increasing all forms of available assistance;
- 11. Calls on Ukraine and the EU to intensify the high level political and parliamentary dialogue, including dynamic communication at the level of line ministries and respective members of the European Commission and to accompany in due manner the present ambitious and farreaching EU-Ukraine agenda, including the Association Agreement;
- 12. Reiterates its calls on the European Commission and European Council to define feasible deadlines for the establishment of the visa-free regime between Ukraine and the EU provided that conditions for well-managed and secure mobility, set out in the two-phase Visa Liberalization Action Plan for Ukraine, are in place;
- 13. Calls on Ukraine to duly consider the concerns of the European Commission regarding the lack of progress in the fulfillment of the first (legislative) stage of the Visa Liberalization Action Plan for Ukraine; calls therefore on the Ukrainian authorities to take all necessary legislative measures, in particular those for the introduction of biometric passports and fight against corruption, with a view to speeding up the establishment of visa free regime for Ukrainian citizens;
- 14. Calls on all the EU Member States to use their entire potential and to fully implement the Agreement between Ukraine and the EU on the Facilitation of the Issuance of Visas, in particular by increasing the share of multiple entry visas, of visas with longer terms of validity and of fee-free visas; is convinced that those efforts by the EU countries should be made in order to rapidly ensure effective visa facilitations for Ukrainians, especially in the context of the European Football Championship 2012;
- 15. Welcomes the initialling of the amendments to the Visa Facilitation Agreement, which provide additional groups of Ukrainian citizens to be granted with a facilitated procedure

¹ Two Ukrainian MPs voted against.

- for acquiring a visa; resolutely calls for a swift signing and allowing the entry into force of the agreed amendments to the Visa Facilitation Agreement without any further delay;
- 16. Welcomes the successful implementation of the agreements on local border traffic between Ukraine and Hungary, Poland and Slovakia, which effectively facilitate border crossing by persons residing in the border areas and strengthen people-to-people contacts; reiterates its call on all the other neighbouring Member States of Ukraine to conclude the agreement on local border traffic regime with Ukraine;
- 17. Calls on the European Parliament and the Council to swiftly consider the legislative proposal of the European Commission to amend the Schengen Borders Code (and its new Annex VI) laying down rules for the conclusion of bilateral agreements permitting to carry out shared border controls on the territory of neighbouring third countries; believes that such agreements, if concluded with Ukraine by the relevant EU Member States, would speed up border controls and increase legal certainty for travellers and border guards;
- 18. Commends the cooperation between Ukraine and the EU in the field of energy and calls for the strengthening of this cooperation with the aim of securing energy supplies for both sides, including a reliable transit system for energy resources and a common response in case of disturbances or interruptions of energy resources deliveries;
- 19. Welcomes the role of Ukraine in guaranteeing effective and stable gas transit to the countries of the European Union during the period of freezing temperatures around Europe; noted therefore that "Gazprom" bids aimed at creating an opinion of ineffective and unreliable gas transit to EU consumers through Ukraine, proved to be false;
- 20. Considers that the Ukrainian gas transportation system (GTS) remains of great importance for the EU as approximately 20% of the EU's gas supply passes through Ukraine; calls therefore on the IFI to provide assistance for the modernization of Ukraine's GTS;
- 21. Takes note of the Communication of the European Commission "On security of energy supply and international cooperation "The EU Energy Policy: Engaging with Partners beyond Our Borders" and the draft Resolution of the European Parliament "On Engaging in energy policy cooperation with partners beyond our borders: A strategic approach to secure, sustainable and competitive energy supply"; considers therefore important the call for the EU to support efforts to rehabilitate Ukraine's Gas Transmission System, while improving transparency and the legal framework and integrating Ukraine into the Energy Community;
- 22. Calls for the speedy conclusion of the agreement on the Common Aviation Area between Ukraine and the EU by not later than the end of 2012; expresses therefore its belief that the conclusion of the agreement will help uniting aviation and transport markets of Ukraine and the EU, assisting more effective use of the market of air transportation, developing transit potential of Ukraine and integrating Ukraine into the European Aviation structures;
- 23. Welcomes the progress achieved so far in preparations in Ukraine for the European Football Championship 2012, which has stimulated the development of Ukrainian infrastructure, and looks forwards to the success of Euro-2012 jointly hosted by Ukraine and Poland;
- 24. Stresses that the EU should support also young citizens of Ukraine; points out that the new generation of Ukrainians which has grown up in the times of independence constitute a large group of dynamic and ambitious people, who would like to positively influence

Ukraine; encourages the creation of the Eastern Partnership University in Ukraine, which would provide cadres for the facilitation of the process of European integration of Ukraine;

On internal developments in Ukraine

- 25. Keeps following closely the internal developments in Ukraine stressing the need of Ukrainian authorities in delivering comprehensive reforms which ought to be duly implemented in order to pave the way for Ukraine to converge with European norms and standards; reiterates its conviction that it is upon due implementation of reforms that Ukraine's rapprochement with the EU should be built, as well as upon its commitment to EU values and freedoms;
- 26. Believes that the constitutional reform in Ukraine remains one of the most important reforms, which shall end up with the establishment of a balanced and functional system of government excluding political crises and confrontation between branches of power as it was once a case;
- 27. Calls upon all the political forces in the country to reach consensus as to the constitutional reform and to jointly reform the Basic Law of the country to ensure the respect for human rights and fundamental freedoms, the establishment of an effective system of checks and balances and of a balanced system of a representative democracy in line with European practices;
- 28. Encourages all political parties represented in the Verkhovna Rada to engage in a positive and constructive dialogue regarding future constitutional amendments;
- 29. Calls for stepping up efforts in judicial reform in Ukraine in a transparent and inclusive manner; reiterates the need for credible strengthening of the rule of law and fight against corruption as they are critical for deepening of the relations between Ukraine and the EU and consolidation of democracy and the rule of law and improvement of investment climate in Ukraine;
- 30. Takes therefore positive note of the adoption by the Verkhovna Rada of Ukraine in the first reading of the draft Code of Criminal Procedure on 9 February 2012;
- 31. Underlines the importance of a stability of the electoral legislation and considers that a compromise of majority and the opposition reached when adopting new electoral law has to be maintained;
- 32. Recognizes implementation of various long-standing needed reforms which correspond with the priorities of the Association Agreement agenda;
- 33. Strongly recommends Ukrainian authorities to duly consider and implement recommendations and demands laid down in the Resolution of the Parliamentary Assembly of the Council of Europe (PACE) "The Functioning of Democratic Institutions in Ukraine" on 27 January 2012 as well as in recent Resolutions of the European Parliament regarding Ukraine; takes note in this respect, the decision of the President of Ukraine of 1 February 2012 to set up a working group tasked with the implementation of the abovementioned PACE Resolution recommendations;
- 34. Deeply regrets of the condemnation of Yulia Tymoshenko and is of the opinion that a politician has to bear political responsibility before electorate for his political decisions and

- calls upon the Verkhovna Rada to remove from article 365 of the criminal code criminal responsibility for political decisions;²
- 35. Takes further note of the cassation appeal in Ms Tymoshenko's case against the decision of Pechersk District Court in Kyiv submitted on 26 January 2012 to the High Specialized Court of Ukraine on Criminal and Civil Cases; calls therefore the respective authorities of the country to guarantee impartiality and transparency of the cassation process to be in line with the national legislation of Ukraine and European standards and practices;
- 36. Expresses its concern regarding the state of health of Ms Tymoshenko and Mr Lutsenko and other prosecuted political figures and calls for Ukrainian authorities to continue to provide possibility for independent international experts to carry out due diagnostics and, in case of need, treatment outside the prison system;
- 37. Reiterates its opinion on the critical importance of the parliamentary elections in Ukraine later this year, which should result in free and fair electoral campaign and elections in the country; calls therefore the respective Ukrainian authorities to ensure timely invitation of international observers, including from the European Parliament, to monitoring the electoral campaign and the election day of 28 October 2012 in Ukraine;
- 38. Further encourages, including in the run-up to the parliamentary elections, all political forces in Ukraine to keep the pro-European reform agenda high with the aim of democratic, political and economic progress of the country along the standards and values enshrined in the EU and in the future Association Agreement between Ukraine and the EU;

On regional administration reform

- 39. Deplores the fact that the current Ukrainian system of regional development can be characterized as rather fragmented and ineffective; as inherited from history, a top-down approach with too many inconsistent and uncoordinated policies and strategies elaborated and hardly ever implemented is still the prevailing policy mechanism;
- 40. Expresses concern that the regional and local administrations face an extremely narrow income base and lack powers to expand it; as a result, they have been heavily dependant on transfers from the central level and ended up distributing delegated expenditures in the framework of annual budgets rather than pursuing comprehensive and forward-looking policies in the delegated spheres;
- 41. Deeply regrets the fact that the division of responsibilities and the allocation of powers between the different levels of the Ukrainian State Administration do not follow the principle of subsidiarity and are frequently unclear; legislation is not fully harmonized with the European Charter of Local Self Government signed by Ukraine in 1996, in the framework of the Council of Europe; underlines the fact that experts estimate that 80% of the powers of local governments are duplicated by the powers of regional state administrations, which is controlled and financed by the central state.
- 42. Underlines the importance of the functioning of local and regional self-government which is one of the priorities defined in the Association Agenda bringing Ukraine closer to the EU; this process should be seen not only in the perspective of ameliorating the governance of the whole country, but also in the context of broader and more balanced economic and social development of the regions and municipalities;

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² One abstantion from EP side.

- 43. Underlines the fact that priority is given to the regional development in the Memorandum of Understanding signed by the Ministry of Regional Development and Construction of Ukraine and the Directorate General Regional Policy of the European Commission in 2009; reminds that in the National Indicative Programme for the period 2011-2013 the EU is offering substantial technical and financial support to the Ukrainian Government to reform the Regional and Local Development System;
- 44. Takes note that the Ukrainian government has declared its interest in approximating its policy to EU Regional Policy; takes further note that President of Ukraine has instructed the Government to develop a programme to reform the "management system for regional development", one of the mandatory elements of which is the establishment of the State Fund for Regional Development following the model of EU Structural funds.
- 45. Reiterates the value of the Pilot Regional Development Programme (PRDP) modelled on the EU Cohesion policy approaches and aimed at overcoming structural problems stemming from sharp economic and social disparities between Ukrainian regions;
- 46. Reiterates its support for the strengthening of local democracy; in this regard welcomes the creation of the Conference of Regional and Local Authorities of the Eastern Partnership (CORLEAP) as a platform for political dialogue and exchange of best practice of multilevel governance mechanisms welcoming the preparation of the CORLEAP Action Plan as a solid ground for concrete actions; calls for the European Commission to support CORLEAP actions via "Local Administration Facility" instrument;

On cooperation in the common neighbourhood

- 47. Takes further note of the progress in the Eastern Partnership, including of the work launched by the EEAS and the European Commission with a view to elaborate in consultation with Eastern Partnership's (EaP) partner states the EaP Roadmap that would list objectives, instruments and actions and guide their implementation through the next Eastern Partnership Summit in the second half of 2013;
- 48. Believes that the EaP Roadmap should include ambitious targets in terms of bilateral Ukraine EU relations, in particular swift signature and ratification of the Association Agreement, provided that all demands laid down in the respective Resolutions of the European Parliament and Parliamentary Assembly of the Council of Europe regarding Ukraine, are met;
- 49. Welcomes the active work of the Euronest Parliamentary Assembly, takes note of results of the latest meetings of PA committees on political affairs, economic integration and energy security in January 2012 in Brussels and; calls for all partners to keep working closely together for the sake of success of the second session of Euronest Parliamentary Assembly in April 2012 in Baku;
- 50. Welcomes the active and constructive position and engagement of Ukraine into the settlement of the Transnistrian conflict, including the initiative on the first meeting between Prime-Minister of the Republic of Moldova Mr Filat and newly-elected Head of Transnistria Mr Shevchuk in Odessa on 27 January 2012;
- 51. Looks forward to the regular meeting of "the Permanent Council on political issues within the framework of negotiation process on the Transnistrian settlement" in the '5+2' format in

- the end of February 2012 in Dublin, Ireland, as well as to constructive and consistent conduct of further negotiations on the Transnistrian settlement;
- 52. Welcomes the decision of the Ukrainian government to prolong EUBAM mandate for another period as a proof of its commendable performance and example of mutually beneficial and successful co-operation between Ukraine, the Republic of Moldova and the EU.