

# FACTS AND FIGURES ABOUT EU-UKRAINE RELATIONS



**Ukraine is a priority partner for the European Union (EU).** The EU supports Ukraine in ensuring a stable, prosperous and democratic future for its citizens and is unwavering in its support for Ukraine's independence, territorial integrity and sovereignty within its internationally recognised borders. The **Association Agreement (AA)**, including its **Deep and Comprehensive Free Trade Area (DCFTA)**, is the main tool for bringing Ukraine and the EU closer together, promoting deeper political ties, stronger economic links and respect for common values. Since 2014, Ukraine has embarked on an **ambitious reform programme** to accelerate economic growth and improve the livelihoods of its citizens. Priority reforms include the fight against corruption, reform of the judiciary, constitutional and electoral reforms, improvement of the business climate, energy efficiency, land reform, as well as reform of public administration, digital transformation and decentralisation. Since 2014, the EU and the Financial Institutions have mobilised more than €17 billion in grants and loans to support reforms, while applying conditionality dependent on their progress. **Visa-free travel for Ukrainian citizens** with biometric passports entered into force in June 2017. Since August 2021, digital COVID-19 certificates are mutually recognised between the EU and Ukraine.

## ECONOMY

- ✓ The Association Agreement (AA), including its Deep and Comprehensive Free Trade Area (DCFTA), entered into force on 1 September 2017. Parts of it had been provisionally applied since 1 November 2014 and the DCFTA since 1 January 2016. **The DCFTA is a major milestone in bilateral trade offering new economic opportunities to both sides.**
- ✓ The AA triggers the reform of Ukraine's legal framework, aiming to align it with that of the EU. These **reforms will improve the overall business climate in Ukraine**, including by curbing corruption.
- ✓ **Ukrainian businesses receive preferential access** to the largest single market in the world. EU businesses are able to benefit from easier access to the Ukrainian market, building new relationships with suppliers and partners.
- ✓ The DCFTA has supported the **continuous increase of bilateral trade** between the EU and Ukraine, which has grown by more than 50% since January 2016. The EU has reinforced its position as Ukraine's **number one trading partner**, accounting for close to 40% of Ukraine's total international trade.
- ✓ Private sector development, especially of small and medium-sized enterprises (**SMEs**), **is supported through dedicated programmes** and the EU4Business initiative.
- ✓ Since 2014, the EU has channelled over €225 million for **investments in transport, municipal infrastructure, energy efficiency, fighting the economic consequences of COVID-19 and lending to SMEs**, including in local currency.

## GOVERNANCE

- ✓ **The EU has mobilised large-scale support to Ukraine's governance reform** via the following programmes: anti-corruption (EUACI), the rule of law (PRAVO), public administration reform (EU4PAR), public finance management (EU4PFM), and decentralisation (U-LEAD with Europe). They are worth together over €300 million. **The EU has allocated €27 million to support Ukraine's migration management system** (IMMIS project, the largest single-country investment in migration management that the EU has ever made). The EU also supports integrated border management in Ukraine.
- ✓ The U-LEAD with Europe programme aims at **improving the transparency and accountability of local and regional authorities**, as well as their capacity to offer better services, with an overall envelope of €158 million for the period 2016-2023.
- ✓ The EU continues to **support anti-corruption institutions** with an overall commitment of €30 million. Additional support has been channelled through civil society organisations.
- ✓ The EU has also allocated €25 million to **support digital transformation** in Ukraine, including e-governance, cybersecurity and implementation of the EU acquis in the area of telecommunications as foreseen in the DCFTA. Additional support has been provided through Eastern Partnership regional initiatives. The EU Advisory Mission for Civilian Security Sector Reform in Ukraine (EUAM Ukraine) supports **reform of the civilian security sector**.

## SOCIETY

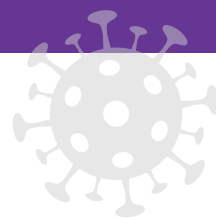
- ✓ **Visa-free travel for Ukrainian citizens** with biometric passports entered into force in June 2017.
- ✓ The fourth report under the visa suspension mechanism published on 4 August this year stated that, overall, Ukraine continued to fulfil the **visa liberalisation benchmarks**. The report made several recommendations, including the need to ensure the sustainability of results, in particular as regards the fight against corruption, organised crime and money laundering, and to continue efforts to address irregular migration and address the issue of unfounded asylum applications.
- ✓ Ukraine expressed interest to join the **European Migration Network**, and discussions on this have started.
- ✓ Since 2015, Ukraine is one of the largest beneficiaries of the **Erasmus+** programme in the Eastern Partnership region, with more than 11,500 Ukrainian and nearly 5,500 European students and academic staff benefitting from higher education exchange opportunities. Ukraine has participated in 48 Erasmus+ capacity building for higher education projects. Over 17,500 Ukrainian youth have participated in Erasmus+ youth exchanges and mobility, European Solidarity Corps and EU4Youth programmes.
- ✓ Ukraine is also associated to the **Creative Europe** programme, which supports cultural diversity and fosters competitiveness of the cultural and creative sectors. Since 2014, 23 cultural organisations from Ukraine were supported in 17 projects.
- ✓ The EU is also providing €38 million to support the **modernisation of the vocational education and training system, €2 million** for enhancing the instruction of Ukrainian as a second language among national minorities in secondary education, as well as €10 million for displaced universities from the non-government-controlled areas.
- ✓ Since 2014, the EU has committed approximately €80 million in targeted **support to Ukraine's civil society**.
- ✓ Ukraine is associated to the **Horizon 2020 Programme** and the **Horizon 2020 Euratom Research and Training Programme**. Ukrainian Horizon 2020 beneficiaries have received grants amounting to a total of €45.75 million. In addition, under Horizon's Marie Marie-Skłodowska Curie actions, 641 Ukrainian researchers have received funding for training, mobility or career development. In October 2021, the EU and Ukraine signed the agreement to associate Ukraine to the successor programmes, Horizon Europe and the Euratom Research and Training programme 2021-2025.
- ✓ Ukraine has signed a **Copernicus Cooperation Arrangement**, granting free, full and open access to data from the EU's Copernicus earth observation programme. Ukraine and the EU are in the process of negotiating a bilateral agreement on the extension of EGNOS, the EU's regional satellite-based augmentation service. Cooperation is ongoing on the hosting of an EGNOS ground station in Kyiv to serve the EU and parts of Ukraine.
- ✓ The EU allocated €366 million for **cross-border cooperation** with Ukraine in 2014-2020 period. More than 150 joint projects are currently implemented.

- ✓ Ukraine remains a valuable partner for cooperation in **Black Sea Basin and Danube region**. The country has been unanimously selected to chair the presidency of the EU Strategy for Danube Region in 2021-2022.

## ENVIRONMENT AND CONNECTIVITY

- ✓ **Security of energy supply** is a key area, which the EU continues to support. In 2019, the European Commission facilitated the conclusion of the new agreement on **gas transit framework** through Ukraine. The agreement, signed for a period of five years (until 2024) and based on EU rules, contributes to stability of supply and transit.
- ✓ The EU contributes substantially to the **Ukrainian Energy Efficiency Fund** (€104 million) and supports raising public awareness for energy efficiency investments.
- ✓ Through bilateral and regional co-operation instruments, the EU continues to support gas and electricity market reform. It supported the establishment of an **independent energy regulatory authority** and the adoption of new legislation in the areas of gas, electricity and renewable energy, including unbundling of the gas transmission system.
- ✓ With a view to Ukraine's **progressive integration with the EU energy market**, the EU and Ukraine have updated the energy annex of the AA.
- ✓ In close cooperation with partners and financial institutions, the EU contributes to the **modernisation of Ukraine's gas transport system and electricity network**.
- ✓ The EU and Ukraine have launched a dedicated **Green Deal dialogue** to support the green transition of the Ukrainian economy. A **strategic partnership on raw materials and batteries** aims to deepen cooperation and achieve a closer integration of EU and Ukrainian value chains.
- ✓ The EU has been the largest financial supporter of the new **Safe Confinement of the Chornobyl nuclear power plant**, and supports the improvement of **nuclear safety** standards in Ukraine.
- ✓ The EU supports an ambitious **transport agenda**, contributing to the implementation of the AA/DCFTA and aiming to achieve an efficient, safe and sustainable transport system.
- ✓ In order to **improve transport and logistics** in the EaP region, the EU is implementing the Indicative Trans-European Transport Network (TEN-T) Investment Action Plan. It is used to guide future investments with a view to complete the extended core TEN-T network by 2030, as well as to promote the **digitalisation and the decarbonisation of transport**.
- ✓ The EU is improving road safety through a range of actions including establishment of a Regional Eastern Partnership **Road Safety Observatory**, development and implementation of a national road safety strategy, improvement of infrastructure inside and outside cities, and development of intelligent transport systems.

# EU STANDS BY UKRAINE DURING THE COVID-19 PANDEMIC



The EU reacted fast and responded to the urgent needs of countries in the Eastern Partnership during the COVID-19 pandemic. As part of Team Europe, the EU has mobilised an ambitious support package totalling over **€980 million** to help tackle immediate needs, support the health sector and facilitate the social and economic recovery of the six countries.

As part of this, the EU is mobilising a tailor-made COVID-19 response package worth more than **€190 million**, using a mix of existing and new funds:

## Enhancing the Emergency Response

In cooperation with the WHO and other UN agencies, the EU supplies medical devices, testing kits, masks, goggles, safety suits, gowns and other equipment, and offers training of medical and laboratory staff.

## Strengthening the Health Sector

Together with the European Centre for Disease Prevention and Control, the EU helps Ukraine to receive support on the assessment, capacity building, training and upgrade to health systems and public epidemiological systems.

By virtue of its Association to Horizon 2020, Ukraine participates in the European Research Area vs Corona Action Plan and has accessed the different waves of H2020 calls for research and innovation projects related to the COVID-19 pandemic.

Ukraine has received EU support through the Union Civil Protection Mechanism (UCPM) in response to COVID-19 over the course of the pandemic. This included over 3 million vaccines, over 36 million items of personal protective equipment, three ambulances, other critical medical equipment and knowledge transfer.

Ukraine benefits from the **EU vaccines sharing** initiative, being provided access via the EU-funded COVAX Facility or through direct vaccine sharing from EU Member States (by early October 2021, Ukraine has received more than 3 million doses of vaccines from eight EU Member States). The EU and its Member States stand ready to address Ukraine's future vaccine needs through the EU vaccine sharing mechanism.

**On 20 August 2021, the European Commission issued an adequacy decision for the EU Digital COVID Certificate establishing the interoperability of Ukraine's certificate with the EU system. Ukraine is among the first non-EU countries to benefit from such a decision.**

## SUPPORTING SOCIAL AND ECONOMIC RECOVERY:

- The EU is offering emergency grants to vulnerable citizens and the elderly.
- Promotion and grants for creativity online under House of Europe are helping to fight against COVID-19 disinformation.
- The EU is also supporting SMEs and small farms, enabling them to access grants, loans and business advice through the **EU4Business** initiative.
- Particular efforts are underway to strengthen the **resilience of southern and eastern Ukraine**, affected by the conflict and destabilisation, and now also by the pandemic. Furthermore, the EU provides humanitarian support on both sides of the line of contact, including essential medical goods, protective equipment, awareness raising and increased food assistance.
- In addition, Ukraine has received access to €1.2 billion of emergency **EU Macro-Financial Assistance** loans on highly favourable terms to cover immediate, urgent financing needs.
- The EU, together with the WHO, has supplied various medical devices to hospitals and frontline workers to help Ukraine cope with the pandemic.



# THE EU'S SUPPORT TO UKRAINE'S SOVEREIGNTY AND TERRITORIAL INTEGRITY

The EU remains steadfast in its commitment to Ukraine's sovereignty and territorial integrity within its internationally recognised borders. The EU strongly condemns the illegal annexation of Crimea and Sevastopol by the Russian Federation and continues to condemn this violation of international law. The EU has adopted a **strict non-recognition policy** that has led to substantive sanctions that include diplomatic measures, asset freezes and travel bans, and substantial restrictions on economic exchanges with the territory.

The EU strongly supports efforts to come to a peaceful and sustainable solution to the conflict in eastern Ukraine. It supports the diplomatic efforts of the Normandy format, the Trilateral Contact Group and the OSCE. **The EU's approach is to combine pressure through restrictive measures against Russia with diplomatic efforts and continuing dialogue.**

The Russian decree of April 2019 enabling the simplified issuing of Russian passports to residents of the self-proclaimed separatist entities in eastern Ukraine is another attack on Ukraine's sovereignty. This also goes against the objectives and provisions of the Minsk agreements. On 1 October 2019, the EU issued guidelines to its Member States on how to handle visa applications from residents in these areas, including on the non-recognition of passports. EU leaders imposed the first diplomatic restrictions against Russia in March 2014, when sanctions were also imposed against persons responsible for actions against Ukraine's territorial integrity, sovereignty and independence. Economic sanctions against Russia were announced in July 2014. Their duration remains linked to the complete implementation of the Minsk agreements.

**EU restrictive measures are part and parcel of the EU's approach to the Ukraine crisis. Sanctions are kept under constant review.**

The EU and Ukraine launched a cyber dialogue in 2021, which reaffirmed a joint commitment to a global, open, stable and secure cyberspace, where the rule of law is fully respected, where the same rights that individuals have offline are also protected online, and where the security, economic growth, prosperity, and integrity of free and democratic societies is promoted and preserved.

**The EU has provided humanitarian, early recovery and, increasingly, development assistance in response to the conflict in the east of Ukraine and internal displacement.** This includes €190.2 million of humanitarian assistance, projects on humanitarian demining and psychosocial support, €130 million under the Instrument contributing to Stability and Peace to assist internally displaced persons and to support the OSCE Special Monitoring Mission (SMM). The EU and its Member States are the biggest contributors to the OSCE SMM, which monitors the implementation of the Minsk agreements. The €122 million dedicated to Ukraine under the European Neighbourhood Instrument includes the €50 million **'EU Support to the east of Ukraine' programme** supporting the implementation of reforms in the conflict-affected areas of Donetsk and Luhansk oblasts, and an additional €10 million to this programme as **support to the Sea of Azov region** to alleviate the impact on the local economy and communities of Russia's destabilising actions in the Sea of Azov and the conflict. This includes an EU programme office in Mariupol, improving connections, and including feasibility studies for rail and road rehabilitation projects, in cooperation with international financial institutions. A follow-up **€30 million programme on EU4Resilient Regions** was adopted in 2020. Starting in 2021, programme activities will target social capital, human security and information integrity aspects in specific regions of Ukraine identified as particularly vulnerable based on the effects of the conflict, socio-economic situation, location, and exposure to disinformation. The programme is also part of the EU's COVID-19 response for Ukraine. The European financial institutions also channel investments to conflict-affected areas; the European Investment Bank has provided a package of €200 million for the early recovery of small-scale damaged infrastructure. So far, 25 infrastructure sites such as housing, hospitals, schools and community centres in the Azov Sea area in Zaporizhzhia and Kherson regions have been renovated. The newly adopted phase 2 of the Ukraine Recovery Programme of €340 million, operational as of October 2021, aims to support renovations in 200-400 projects.

## IN FIGURES

Along with its member states, the EU is the largest donor of humanitarian aid to eastern Ukraine, providing

**€190.2 million**

in financial assistance to the most vulnerable people affected by the conflict

More than

**€17 billion**

mobilised in support of Ukraine's reform process since 2014

EU-Ukraine bilateral trade has grown by more than

**50%**

since January 2016