



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

EU TRADE OFFICIAL: UKRAINE'S EXPORTS TO THE EU ROSE TO 13% OF GDP

Growth of exports to the EU is weaker than expected. However, it is still positive against the background of the collapse of exports to Russia, and the general shrinking of the Ukrainian economy.

*In April 2014 the EU unilaterally opened its market for Ukrainian goods. It introduced the so-called "autonomous trade preferences" under which it started implementing its commitments under the Association Agreement (and its free trade area chapters) before the signature of this agreement. When, in September 2014, the application of the Agreement's trade chapters was delayed until early 2016, EU's trade preferences created a unique situation when the EU decreased its tariff protection from Ukrainian goods, while Ukraine still kept its market protected by tariffs. In order to learn more about the sense and effects of the EU trade preferences for Ukraine, we talked to **Nicholas Burge**, head of trade and economic section of the EU Delegation to Ukraine.*

Can you explain what the EU autonomous trade preferences are?

What we have done is to anticipate one part of the deep and comprehensive free trade area (DCFTA) in the Association Agreement. The DCFTA foresees that both Ukraine and EU should lower tariffs progressively over a period of 7 years. At the end of this time, 98% of duties will be eliminated completely. The DCFTA is asymmetrical, meaning that the EU lowers its tariffs before Ukraine lowers its tariffs, which means that Ukrainian businesses have more time to adjust.

But in addition to that we have made it even more asymmetrical by introducing, in April 2014, the "year one" of the reduction on the EU side. This is what constitutes the EU trade preferences.

Can we say that with this move EU is opening its market for Ukrainian goods, while Ukraine still has more or less closed market for EU goods?

I would not say that Ukraine keeps its markets closed, since compared to some countries Ukrainian tariffs are not particularly high. But the EU trade preferences is a unilateral offer that we made last year in order to help Ukrainian economy to survive and to develop. They will be in place until 31 December 2015, and that is because on the 1st of January 2016 the DCFTA should enter into force.

DCFTA was delayed until 2016 because of Russian pressure. And we understand that Russia will continue to try to block it and to delay it further. What will you do if Russia does this? Will you prolong these preferences?

First of all, the line that we are taking and the line that the Ukrainian government is taking is that we do not want to see any further delay in the implementation of the DCFTA. A red line for us is that we do not foresee any further postponement after the 1st of January, 2016. So I think that the question will not arise.



Nicholas Burge, Head of the trade and economic section of the Delegation of the European Union to Ukraine

Read the full text at <http://euukrainecoop.com/2015/03/01/eu-export/>



ACCESS TO EU MARKETS: MISSION POSSIBLE?

Innovative solutions, the new regulatory environment, and credit lines help Ukrainian producers export to the EU.



Amidst the political and economic challenges facing Ukraine today, Ukrainian producers have the opportunity to gain better access to EU markets. The EU is Ukraine's main trading partner, accounting for over **31%** of Ukraine's exports, so the prospect of trade with the EU promises many opportunities for Ukrainian companies.

But "no pain, no gain." To establish successful business contracts with EU partners, Ukrainian producers need to do their homework. Producers learn about concrete steps forward and real success stories through workshops conducted by various Ukrainian organisations on doing business in the EU (see information about some of these seminars at the end of this article).

Specially-designed guidelines on access to EU markets, a handbook written by *Oleh Miroshnychenko*, an expert on EU trade, helps Ukrainian businesses get practical information on access to EU markets. It provides information about opportunities on EU markets, on key information resources which can help; it also provides tips on how to look for trading partners.

The second step is *to learn the EU directives for the respective product*. The **guidelines** also provide interpretation of the complex EU directives along with links to translations and summaries of EU legislation. Alternatively, to get an answer directly from EU officials, producers can contact **EuropeDirect**. In order to get assistance on exports you can address **EU Export Desk**, a specially designed EU service.

Another way to trade successfully in the EU is by *creating clusters* with other companies. *Volodymyr Patis*, a Ukrainian businessman who has successfully started exporting to Scandinavian countries, advises producers *to cooperate with other companies and to be flexible* to beat out competitors.

To create a cluster, companies can use an online platform for cluster cooperation: www.clustercollaboration.eu. Producers can register, find a business partner, and, in some cases, can even expect some financial support from the EU to develop business cooperation.

Patis explains that the European markets are often conservative and *innovative solutions* are therefore in high demand. Instead of exporting raw materials or products, Ukrainian exporters should provide creative solutions and products resulting from cooperative activities. An almost-finished product coming from Ukraine that would require little further input but would be marked as "made in the EU," is an attractive cost-cutting option for EU-based companies.

Luc Derieppe, a French businessman working both on Ukrainian and EU markets, reminds that South-Asian producers have been very successful in entering EU markets, even they were not "expected" on them, and says there is no reason why Ukrainian businesses cannot do the same. *Taras Kachka*, acting president of American Chamber of Commerce in Ukraine, says that the Association Agreement will in the mid- and long-rung create a more favourable legal environment for Ukrainian exporters, especially in the fields of technical regulations and food safety. However, progressive business culture, creative solutions and capacity to find partners in the EU remain key factors facilitating the market entry.

Read the full article at: <http://euukrainecoop.com/2015/02/27/business/>



MEDIA FREEDOM INDEX: GEORGIA LEADS EASTERN PARTNERSHIP COUNTRIES

Oligopoly, state control over media outlets, and Russian propaganda are the main challenges facing to media freedom in the EaP countries.

Among Eastern Partnership countries, **Georgia** leads in the **rating of Media Freedom**, with the highest, though not perfect, indices of media policy and practices, and press and Internet freedom. Georgia is followed by **Moldova** (2nd position), **Ukraine** (3rd position), **Armenia** (4th position), and **Azerbaijan** (5th position), while **Belarus** remains the permanent outsider in 6th position.

This ranking is the result of a monitoring initiative undertaken through the **EU-funded Eastern Partnership Media Freedom Watch** project, the results of which were presented at a conference on February 9. Media experts presented a comprehensive overview of the media environment in the six Eastern Partnership countries.

More detailed information about the developments in these countries in 2014) can be found in a report [Eastern Partnership Media Freedom Landscape 2014](#) prepared by the project.

Although all these countries have some common features, this report highlights the unique characteristics of each country that impact the media environment.



Read the full article at: <http://euukrainecoop.com/2015/02/25/media/>

ACCESS TO PUBLIC INFORMATION: MORE CAN BE DONE

Access to public information can be counted among Ukraine's successes in the field of media freedom in 2014, but experts say that amendments can be made to improve the legislation.



Implementation of the law on access to public information was among the requirements of the **State-building contract** signed between Ukraine and the EU in 2014. Since the contract was established, Ukraine has been rated among the best countries in the world with respect to the quality of its laws on access to information (Ukraine received 108 points out of 150 in the **Global Right to Information Rating** and currently holds 18th position).

But, *“perfect law is not enough for an information society and media freedom,”* says **Roman Chlapak**, team leader and project manager of the joint EU and Council of Europe project, *“Strengthening Information Society in Ukraine.”* He notes that, to be effective, the law must also be properly implemented. Chlapak

points out that *“the law demonstrates certain shortcomings in terms and definitions”* and it should also grant considerable power to an oversight body capable of enforcing legislation.

Chlapak presented a paper entitled **Concept on amendments to the law on access to public information** during a round table discussion held on February 17 in Kyiv. The concept paper was prepared by experts from the EU and Canada and contains detailed comments on the definitions contained within the Ukrainian legislation, as well as interpretation of the law. The proposed amendments also envisage the establishment of **a specialised oversight body**. Chlapak says that, *“Currently, the oversight function is not implemented completely.”*



Read the full article at: <http://euukrainecoop.com/2015/02/27/public-info-2/>

[Concept of Amendments to the Law on Access to Public Information](#)

[Strengthening Information Society in Ukraine](#)

[Global Right to Information Rating](#)

EU INSPIRES GRASSROOTS REFORM OF SOCIAL SERVICES IN UKRAINE

Identifying the real needs of people, decentralising functions through cooperation with NGOs, and decentralising financing are **among the key messages promoted by an EU Twinning project on social policy in Ukraine.**

The project came to an end last month after two years of extensive work to improve the Ukrainian system of social services. The initiative made a significant impact in Ukrainian society, particularly among the grassroots social services workers who had an opportunity to learn from the EU experience.

Halyna Shevchenko has been involved with the project since its very beginning in 2012. Having worked for 14 years as a social worker in Zaporizhyya, she is well acquainted with social issues.

Halyna Shevchenko, social worker at Zaporizhyya department on social services

Her profession has led her to work with many different categories of people who need social support. Social work, *“demands lots of energy and emotions, because our work is to solve people’s problems,”* she says, though she adds that, *“when the problem is solved thanks to your work, you get moral satisfaction.”*

During Shevchenko’s involvement with the Twinning project, she had the opportunity to work with EU experts in social policy and to implement European practices in her work.

She says that one of the best practices that should be implemented in Ukraine is closer cooperation between authorities and NGOs in the social sphere. Her team took this approach during a Twinning project initiative to feed homeless people in Zaporizhyya oblast.

“We invited NGOs to implement this activity,” she says, explaining that, *“delegating functions to the non-governmental sector will help reduce costs.”* For instance, in order to feed homeless people in the winter, there was no need to create a specialised agency and to incur extra expenses: Zaporizhyya authorities entrusted this project to an NGO experienced in providing social services.

Another principle learned from the EU is, *“addressing the need when it first appears,”* says Shevchenko. This strategy was applied through her department’s initiative to establish centres of psychological rehabilitation for disabled soldiers based in current centres for professional rehabilitation in Zaporizhyya oblast. Shevchenko explains that *“soldiers went through a huge amount of stress, and many of them became disabled. It is our duty to help them in adapting to a new life.”*



Halyna Shevchenko, social worker at Zaporizhyya department on social services

Read the full article at: <http://euukrainecoop.com/2015/02/24/eu-social-reform/>



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/>