



EU-UKRAINE PARLIAMENTARY ASSOCIATION COMMITTEE

Seventh Meeting

18-19 April 2018

Strasbourg

FINAL STATEMENT AND RECOMMENDATIONS pursuant to Article 467(3) of the Association Agreement

This text may be subject to linguistic changes

The seventh meeting of the EU-Ukraine Parliamentary Association Committee (PAC) was held in Strasbourg on 18-19 April 2018, and was co-chaired by Mykola Kniazytskyi on behalf of the Verkhovna Rada of Ukraine and Dariusz Rosati on behalf of the European Parliament.

The Parliamentary Association Committee, having considered the state of play of EU-Ukraine relations, the implementation of the Association Agreement and the overall security and political situation in Ukraine, agreed upon the following final statement and recommendations.

The Parliamentary Association Committee (PAC):

On the overall security and humanitarian situation

1. Reiterates its strong support for the sovereignty and territorial integrity of Ukraine within its internationally recognised borders; recalls its strong condemnation of Russia's aggressive and expansionist policy that has resulted in the illegal annexation of the Autonomous Republic of Crimea and the City of Sevastopol and the occupation of some regions of the Donetsk and Luhansk oblasts, in breach of international law and agreements as well as Russia's commitments and obligations within its membership in international organisations; reiterates its joint determination to achieve the peaceful reintegration of these territories; underlines the serious implications of this conflict for overall security in Europe;

2. Expresses its deepest disappointment at the further lack of progress in the implementation of the Minsk agreements and at the deterioration of the security and humanitarian situation in Eastern Ukraine; condemns the withdrawal of the Russian Federation from the Joint Center of Control and Coordination (JCCC); welcomes the prolongation of restrictive measures targeting those who undermined Ukraine's territorial integrity, sovereignty and independence; believes however that the European Union should reflect upon the sequencing of steps leading to the end of the conflict and the peaceful reintegration of occupied territories in Eastern Ukraine; that it should support the deployment of a UN peace-keeping mission which should cover the whole conflict-affected area of the Donetsk and Luhansk regions of Ukraine, including the uncontrolled part of the Ukrainian – Russian border; and that it should make ambitious proposals concerning its own role in the conflict resolution such as through appointing a special EU envoy for the conflict in Eastern Ukraine and Crimea; regrets that the Foreign Affairs Council has not adopted Council Conclusions on Ukraine in its last meeting of March 2018, calls therefore on the EU Member States to hold this discussion with Council Conclusions at the next possible meeting of the Foreign Affairs Council; calls upon the

Ukrainian authorities to reform decisively the defense sector in accordance with the NATO standards in order to raise the quality of the national defense capability; to comply with its obligations under the international humanitarian law in respect of the protected person, and start maintaining records of the detainees, the missing and other persons; to develop and approve a strategy which will define, based on the Geneva and Hague conventions, a consolidated state policy in respect of persons who have a status of “protected” under international humanitarian law, harmonization and coordination of actions of all state organs, taking into account the world practice of post-conflict resolution;

3. Recalls that the security situation in the east of Ukraine remains tense and continue to gradually deteriorate, with a high number of casualties; expects Russia and the Russia-backed separatists to stop without delay 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 well as the reinstatement of full control of the state border by the government of Ukraine;

4. Reminds that Ukraine has almost 1,8 million Internally Displaced Persons and that 4.4 million people are affected by Russia’s military aggression, of whom 3.4 million require humanitarian assistance and protection; calls on the Ukrainian government to provide necessary assistance to these people; expresses deep concern of the fact that due to the Russian aggression Ukraine has become a leader in the world in anti-vehicle mine casualties, that food insecurity has doubled since 2016 – with 1.2 million people food insecure – and that the conflict results in escalating cases of multi-drug resistant tuberculosis and HIV; welcomes the recent EU Joint Humanitarian-Development Framework for Ukraine but believes that a humanitarian disaster of this magnitude on European soil would deserve much higher political attention and financial commitments; calls on the Ukrainian authorities to start keeping record of the damages/losses (to determine the scope of pecuniary and non-pecuniary damages) in order to further compensate the victims of the armed conflict in line with the principles of justice;

5. In this context, reiterates its dismay at the continuation of the constraints placed upon humanitarian organisations in the non-government controlled areas and its calls on Russia-backed separatists to ensure full, safe and unhindered access to separatist held areas for all humanitarian actors;

6. Strictly condemns that the the OSCE Special Monitoring Mission’s monitoring and freedom of movement are restricted by security hazards and threats, including risks posed by mines, unexploded ordnance (UXO) and other impediments; urges Russia-backed separatists to ensure a unhindered, safe and secure access throughout Ukraine;

7. While clearly underlining the primarily responsibility of the Russian Federation and the separatists it backs, calls on the Ukrainian authorities to exert additional efforts to alleviate the suffering of the population affected by the ongoing Russian military aggression, including through an easy access to pensions and social benefits and services for those living in the territories currently outside the government’s control; calls on Ukrainian authorities to

support and facilitate to the extent possible the work of humanitarian organisations in the occupied territories;

8. Expresses its deep concern at the deterioration of ecological situation in the East of Ukraine as a consequence of the military aggression, in particular problems related to water supply, which might have devastating consequences for the whole Europe and may lead to an irreversible technogenic disaster; urges Ukrainian authorities to maintain a centralised record of the damage done to the environment because of the Russian aggression against Ukraine; is deeply concerned about the possible flooding of the abandoned Yukon mine which bears huge risk of the pollution, including radioactive, for both groundwater and inland waters, with unpredictable severe consequences for the people on both sides of the contact line; urges all stakeholders to prevent this from happening and to work with all means to ensure a proper maintenance and water pumping at the mines;

9. Expresses disappointment at the fact that, four years after the illegal annexation of Crimea and the city of Sevastopol by the Russian Federation, no concrete proposal for an international format of negotiations on de-occupation of the peninsula (in line with EP resolution of 16 March 2017) has been discussed in international fora; strongly condemns illegal actions of the occupying authorities aimed at the organisation of the so-called “presidential elections” on temporary occupied territories of Ukraine - the Autonomous Republic of Crimea and the city of Sevastopol, which it does not recognize;

10. Furthermore condemns political persecution of Ukrainian citizens, illegally detained in Russia and the occupied Crimea, and urges release them immediately; expresses dismay at the further deterioration of the human rights situation in the Crimea especially for Crimean Tatars; in the light of these further violations of international law and fundamental rights and freedoms, believes that the EU and Ukraine should not only prolong existing sanctions but also impose additional ones on the Russian Federation, including against those responsible for the human rights violations and the organisation of the so-called Russian presidential elections in Crimea and the city of Sevastopol; furthermore encourages Ukrainian authorities to do their utmost to ease administrative procedures for Crimeans, including allowing them to have equal access to social, bank and notary services, simplifying the crossing of the administrative border including for those Crimeans evacuating their personal property, and improving the system for issuing/changing of passports, as well as urgently introducing an administrative procedure of registration of births and deaths of the Ukrainian citizens which took place on the temporarily occupied territory, as well as providing citizens with good sanitary and hygienic, medical and in general humane conditions at the entry/exit checkpoints;

11. Strongly condemns the participation of European politicians in “events” conducted on the territory of temporarily occupied Crimea and calls to abstain from illegal visits to the peninsula, which are in full contradiction with Ukrainian legislation;

On EU-Ukraine relations

12. Reminds of the recent major achievements in EU-Ukraine relations, namely the entry into force of both the visa-free regime on 11 June 2017 and of the Association Agreement (AA) on 1st of September 2017; expresses satisfaction at the recent steps taken to improve a smooth implementation of the AA and to strengthen the coordination between all relevant institutional stakeholders, such as the Government Action Plan of October 2017 and the joint legislative roadmap of 28 February 2018; calls on the authorities to take appropriate measures in order to ensure that the ministries as well as the parliament have sufficient and well-trained staff in order to allow for a timely AA implementation; calls on the European Parliament in cooperation with European Commission and Ukrainian respective authorities to elaborate and implement a program of special capacity building traineeships aimed at raising the competences of the respective Ukrainian civil servants working in the sphere of AA implementation;

13. Believes that the EU should devise an “Eastern partnership plus” model in line with the EP resolution on the Eastern Partnership (EaP) of 15 November 2017, including the creation of a dedicated support mechanism for EaP countries committed to implementing the AAs welcomes the establishment of the Euronest PA ad hoc working group on Association Agreements and calls for similar formats to be established in areas others than the interparliamentary cooperation; believes that, while the focus of bilateral relations should be placed on AA implementation, a thorough reflection should take place on areas in which the EU-Ukraine cooperation could benefit from further developments, beyond what is foreseen in the existing agreements; supports in this connection Ukraine’s aspirations of joining the European Energy Union, Digital Single Market, Customs Union and being associated with the Schengen area, as well as further internal market access and deeper integration with EU transport networks, provided that the benefits of such projects for Ukraine are demonstrated, and in accordance with fulfilment of conditionality, notably in the area of rule of law and fight against corruption; looks forward to the results of the feasibility studies currently conducted by EU Commission on the four areas;

14. Stresses that the Association Agreement does not constitute the final goal in EU-Ukraine relations and welcomes the European aspirations of Ukraine; points out in this respect that Ukraine has a European perspective pursuant to Article 49 TEU, and may apply to become a member of the European Union provided it adheres to the Copenhagen criteria and the principles of democracy, respects fundamental freedoms and human and minority rights, and ensures the rule of law; considers that the EU should reconfirm Ukraine’s European aspirations in the text of the final Declaration to be adopted at the 20th EU–Ukraine Summit in July 2018;

15. Expresses satisfaction at the progress made in implementing the roadmap detailed in the EP Needs Assessment Mission, inter alia through the “Jean Monnet Dialogues” held between the leaders of the Verkhovna Rada and in the framework of the Administrative Cooperation Agreement; is however convinced that all the necessary and much awaited internal parliamentary reforms cannot be further delayed and must be agreed upon and launched within the period remaining until the next parliamentary elections; therefore urges all relevant parties and actors to seize the momentum and build on the positive dynamic to take the necessary measures;

16. Regrets that Ukraine has not fulfilled the conditions allowing for the payment of the last tranche of the previous EU macro-financial programme; welcomes the European Commission's proposal for a new macro-financial assistance programme and calls on the Ukrainian authorities to take measures to meet as soon as possible the conditions attached to this programme; supports the initiative to establish a broad investment package ("European Plan for Ukraine") in order to boost implementation of difficult reforms and economic growth; invites EU Member states to participate in the Copenhagen Conference dedicated to the investment support of the reforms in Ukraine on 27 June 2018;

17. Stresses the importance to oppose Russia's fake news and propaganda, including expected meddling in elections in Ukraine; calls for the strengthening of the Ukraine-EU cooperation in this field;

On the reform process

18. Stresses that impressive reform efforts have been made by the Ukrainian authorities since 2014 under severe conditions caused by the Russian military and trade aggression and welcomes in particular steps forward in areas such as public procurement, macro-economic stabilisation, healthcare, pension reform and the decentralisation process; welcomes the recently adopted law on privatisation;

19. Reiterates its views that an effective fight against corruption is paramount for the success of the entire reform process; appreciates the progress made to consolidate the anti-corruption institutional architecture and close the space for corruption in numerous sectors; regrets however the lack of progress on the verification of e-declarations by the National Agency for Prevention of Corruption (NAPC); welcomes the adoption in first reading by the Verkhovna Rada of the law on the establishment of a High Anti-Corruption Court, but believes that further work is required in order to align the law with the recommendations by the Venice Commission; expresses concerns at the illegal disclosure of data linked to investigative or search actions of the National Anti-Corruption Bureau (NABU); stresses the importance to preserve independence of NABU and SAPO and their institutional capacity to investigate and prosecute impartially top corruption cases;

20. Regrets that the Ukrainian Parliament failed to pass laws that would abolish e-declaration requirements of the law obliging civil society activists working in the field of anti-corruption; calls for the necessary measures to be urgently taken to cancel it;

21. Emphasizes the crucial importance of completing the judicial sector reform at all levels; is convinced that a successful implementation of the reform will not be possible without more transparent performance of the High Qualification Commission of judges and without an active consultation of and civil society;

22. Reiterates the common commitment of Ukraine and the EU to further align their legislation and policies with their commitments under the Treaty Establishing the Energy Community and welcomes the signature of the Memorandum of Understanding between

European and Ukrainian gas transmission operators; stresses the importance of completing the reforms in the energy sector, and therefore warmly welcomes the adoption of the Law on Electricity in April 2017; recalls that a high number of secondary legislation remains to be adopted in order to ensure the success of reforms in the energy sector; recalls the objectives and commitments laid down in the Euronest resolution on enhancing energy cooperation within the Eastern Partnership, towards the implementation of 2015 Paris Climate Change Agreement; emphasises the key role of renewable energy development and improved energy efficiency also as vectors of economic growth and employment;

23. Expresses its deep concern at the decision taken by Gazprom to stop supplying pre-paid gas to Ukraine and its following announcement to withdraw from the contract with Naftogaz; strongly condemns the instrumentalisation of gas supplies as a political tool of pressure by the Russian Federation and welcomes the European Commission's willingness to play a mediating role with a view to overcoming this tense situation; reconfirms the role of Ukraine as a strategic transit country for gas to Europe as foreseen by the EC Energy Union Strategy and reiterates its firm opinion that the construction of the Nord Stream 2 project is detrimental to European security, European energy security and European climate policy; calls on the European Commission and European Council to take action to make sure that this project is abandoned and to prevent further development of politically motivated energy projects, such as Nord Stream 2, in the future; considers that all gas pipelines entering EU territory should comply with EU rules, should be accessible to other operators and should be operated with the same levels of transparency;

24. Warmly welcomes the progress made in the decentralisation process, which has seen 30% of village municipalities having voluntarily amalgamated into new, larger municipalities; underlines the positive impact of this process, notably in terms of local development, quality of service for citizens, improvement of the business climate, reduction of sources of corruption and higher tax compliance; takes the view that, to complete the reform, new municipalities should be able to enjoy financial stability and a well-grounded legal status, and that also larger cities should be able to become part of the amalgamation process; also recommends to the Ukrainian authorities, with support of the EU, to improve legal knowledge of representatives of the local communities; regrets the abolishment of the open and competitive selection process that was previously introduced for hiring heads of Rayon and Oblast administration and their deputies as civil servants and the power attributed to the President to appoint and dismiss them as it represents a big risk for the achievements already attained through political decentralisation and the decentralisation reform in general;

25. Welcomes the steps taken by the Ukrainian authorities to modernize Ukraine's education and respects the sovereign right of Ukraine to reform its education system; calls on them to do so while fully respecting the rights of national minorities and consulting them; underlines in this respect that the Venice Commission recommendations on the new law on education should be fully implemented by the Ukrainian authorities; welcomes the steps already undertaken in this matter and encourages all concerned countries to engage in a constructive dialogue;

26. Reiterates its particular interest in seeing the Public Administration Reform fully implemented and underlines therefore, the particular and primary importance of

implementing the Public Administration Reform Strategy for 2016-2020; supports the establishment of the College of Europe branch on the basis of the Eastern European College of Territorial Civil Service and Local Self-Government (Khyriv, Lviv Oblast);

27. Expresses its deepest disappointment at the rejection by the Parliament of the draft law “On Service in Local Self-Government Bodies”; calls for the preparation and adoption in the nearest future a new version of that draft law and looks forward to its implementation, therefore leading to the formation of the new public administration in Ukraine;

28. Emphasizes the need to develop economic competition by improving hearing procedures of the antimonopoly authority as it is established in Article 255 of EU-Ukraine Association Agreement; expresses concern at the delays in implementation of the Association Agreement in the area of transport and urges for the necessary laws to be adopted; calls to urgently start the process of transport market liberalisation, including in the part of lifting the restrictions on access to railway transportation and the related infrastructure, for these purposes to accelerate the adoption of the relevant legislation and start the gradual implementation of related reforms; also expresses concern at the lack of protection of intellectual property rights and calls for immediate amendments to the legislation related to the protection of trademark holders, activity of collective management organisations and other issues of intellectual property rights protection, in particular taking into consideration the EU experience;

29: points out that it is critically important for Ukraine to attract large foreign direct investments (FDI) and internal capital investment to the real sector of economy; highlights the need to diversify Ukrainian's economy and exports, and to improve the trade balance; stresses the importance, for the intensification of trade under the DCFTA, of the creation of Export and Credit Agency (ECA) and of a comprehensive strategy for the reform of taxation and customs;

30. Strongly encourages the Ukrainian authorities to step up its efforts to implement the National human rights strategy and emphasises the importance of fulfilment of the plan of actions for 2015-2020 with an aim to reach the objectives of the strategy; encourages the Ukrainian authorities to move forward effective investigations into the crimes committed during the EuroMaidan protests and the violence in Odessa of 2 May 2014, in order to bring those responsible to justice without delay; is deeply concerned about reports that rape is used as a weapon of war; stresses that more needs to be done to eradicate violence against women and combat impunity; recognises the benefits of the Istanbul Convention to prevent and combat violence against women and protect victims and calls for a speedy ratification by Ukraine of the Istanbul Convention; looks forward to the full ratification of the Rome Statute of the International Criminal Court (ICC); urges Ukrainian authorities in cooperation with human rights organizations to provide the documentation of war crimes and effective investigations of crimes done due to the armed conflict; calls for the full respect of freedom of expression and of information; emphasises that Ukrainian authorities should pay more attention to ensuring gender equality and non-discrimination of persons belonging to minorities, including national and sexual minorities, in line with the provisions of the Association Agreement;

31. Underlines the need for independent media and media pluralism; underlines to Ukrainian authorities that dealing with journalists who are suspected of violating local laws or of being a threat to national security can only be done through courts in a transparent and non-arbitrary manner; calls on the Ukrainian authorities to speed up and to finally deliver on their promises to find and prosecute all persons responsible for the murder of journalists;

32. Reiterates its call to the Ukrainian authorities to take a decisive step to reform and unify the electoral code and adopt a law on parliamentary elections, in line with the OSCE/ODIHR recommendations; believes therefore that the draft law that passed first reading in October 2017 should be brought to 2d reading as soon as possible and no later than the Summer 2018; calls to ensure the participation of IDPs in local elections;

Next meeting

33. Intends to hold the next meeting of the EU-Ukraine Parliamentary Association Committee in the autumn 2018, in Ukraine.