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Ukraine-EU Summit: What will save European integration of Ukraine?



Relations between Ukraine and the European Union have been developing along the lines that were first initiated during the second half of the 1990s. Witnessing the rapid progress of its Western neighbours, which combined de-communization, modernization, reforms and European integration with successful post-communist transformations and accessions to NATO and the EU, Ukraine has striven to follow their successes through advancing European integration. However, due to the absence of systemic domestic reforms and economic and infrastructural modernization, as well as the existence of an oligarchic political system and the nomenklatura state governance in Ukraine, the Ukrainian course towards European integration has not brought about any positive changes in the political and socio-economic system of the country either after the Orange revolution, or during Yanukovich's presidency. Due to a number of subjective and objective reasons, the EU provided Ukraine with neither active stimuli (such as pre-accession assistance) or passive stimuli (the prospect of the EU membership), — which were vital for the countries of Cen-

tral and Eastern Europe at a time when they were undergoing political and economic transformations.

The EU wants to keep Ukraine “close by” while not crossing the “red line” — that is, to name Ukraine a candidate country for EU accession. On the other hand, Ukrainian pro-European forces sought to draw the EU into Ukraine in order to spur reforms and the modernization of the country. The combination and interaction of two policies — European neighbourhood policy and European integration policy — have been the main features of bilateral relations between Ukraine and the EU. The concept of “political association and economic integration” appeared as a compromise between Ukraine and the EU (associate relations with the introduction of a deep free trade area but without the prospect of the EU membership and with limited integration instruments and mechanisms), and was later followed by the Eastern Partnership, which was built on Ukraine's achievements on the way to its rapprochement with the EU.

Ukraine's rapprochement with the EU forced the Kremlin to increase pressure on former President of Ukraine Viktor Yanukovich. Yanukovich ended

negotiations on the Association Agreement in a brisk fashion without protecting Ukraine's national interests in the agreement. He then decided to use the Association Agreement as a bargaining chip in his dealing with the Kremlin. Yanukovych's government's betrayal of the European integration course, the victory of the Maidan, increased Russian aggression, Russia's annexation of Crimea and the armed conflict in Ukraine's east have been the biggest challenges for Ukraine since it gained independence. The events that have played out since the Vilnius summit in November 2013 have changed the paradigm of both European security and cooperation structures created after the Cold War and bilateral relations between Ukraine and the EU.

Today, we need to rethink the existing paradigms and offer alternatives for Ukraine's modernization, its place and role in the region, and the future of the European integration of Ukraine. While Ukrainian political leaders continue to employ the same European integration rhetoric they used 10 years ago, Brussels has hosted several trilateral consultations in the Ukraine — Russia — EU format with a focus on the Association Agreement and the DCFTA. Despite the fact that Ukraine introduced a visa-free regime for EU citizens 10 years ago, Ukrainian citizens will not be granted a visa-free regime at the Riga Summit despite their legitimate expectations. Though mechanisms and instruments of cooperation with the EU, which were created at the end of the last century, have remained, Ukrainian state authorities not only failed to strengthen their institutional capacity but they have exhibited their institutional weakness and inability to meet EU demands for a visa-free regime or the improvement of the investment climate. Giving in to Russian pressure, Ukraine and the EU postponed the implementation of the DCFTA. In order to make up for the postponement of the DCFTA, the EU actually opened its market up to Ukrainian goods. However, the increase of Ukrainian exports to the EU as a result of EU autonomous trade preferences has been insignificant, while a monthly fall in industrial output and the worsening of the business climate calls into question the value of trade preferences, which Ukraine can receive in case of the full introduction of the DCFTA.

In the meanwhile, the economic situation in Ukraine continues to worsen, social tensions are mounting and the political elite and state executive

bodies have proved unable to implement fast reforms. Over the last year, the new Ukrainian government has done nothing which could be called successful and which could make Ukrainians believe in the potential for positive changes. On the contrary, corruption scandals and corruption-related accusations have become more frequent with a number of inadequate and inefficient actions on the part of state bodies. Taking into account Russia's attempts to destabilize the situation in Ukraine, the annexation of Crimea and hostilities in Ukraine's east, it is easy to predict that the "honeymoon" period of European integration is nearing its end. Anti-European political groups as well as Ukrainian sceptics within the EU will thus have more arguments in their favor. "Fatigue from Ukraine" in the EU and "fatigue" from the European integration rhetoric in Ukraine may very quickly become the main motifs of political debates, after which talks focusing on the European perspective will no longer be taken seriously.

How to save the European integration of Ukraine?

The only answer to this question is reform. A delay in reforms leads to significant financial losses and damages the international image of Ukraine. It threatens the successes that Ukraine has already achieved on its way towards European integration. The Association Agreement with the EU is an important instrument of cooperation; however, without domestic reforms, the potential for Ukrainian rapprochement with the EU will be limited. Ukraine should become a reform-oriented country and actively use EU support in this respect.

It is not the repeated assurances that Ukraine is a European country and accusations hurled at Russia and Russian-backed separatists but rather a report on Ukraine's actual progress and planned reforms that should become the essence of the talks during the Ukraine-EU summit in April 2015. It is very important that political declarations lead to concrete actions, especially regarding decentralization, judicial reform and the fight against corruption. The populist rhetoric in the government and the Parliament should not replace the adoption of progressive laws. At the same time, the progress of European integration should not be measured by the number of adopted legal acts, but it should instead trigger positive changes regarding the human rights

situation, social and legal protections, business conditions, humanitarian development etc. According to government reports, 80 implementation plans have been adopted to implement 120 legal acts out of 350 EU legal acts, the implementation of which was set out in the Association Agreement. However, these are merely implementation plans and not the agreed and adopted draft laws or legal acts. On April 16, there was an announcement at the meeting of the National Council of Reforms that two Ukrainian ministries had failed to draw up implementation plans for adapting Ukrainian laws to EU legislation. If it took as long as one year to elaborate the implementation plans, how long will it take to adopt and implement relevant laws?

The aforementioned documents deal with systemic reforms, which provide for major changes in political life as well as financial investments. In particular, the EU advises that Ukraine work on constitutional reform, decentralization, judicial reform, law enforcement and public administration systems and improvements in election law and public procurement procedures. Only small steps have been taken in this respect, many of which were many were hesitant. The successful implementation of such reforms within one or two years is doubtful given the current environment for change. A further delay in reforms in Ukraine can worsen the political and socioeconomic situation in Ukraine, with subsequent political destabilization and the discrediting of European integration projects.

The conflict in Donbas has had a huge impact on relations between Ukraine and the EU. The EU took Ukraine's side in the conflict and introduced sanctions against Russia. Now, the EU is actively involved in negotiations on conflict resolution, as it believes that the solution to the Ukraine crisis can be found merely at the political level. At the same time, while sanctions are becoming more and more burdensome for EU countries, pro-Russian groups are strengthening their positions inside the EU. The EU is unwilling to toughen sanctions against Russia and will undoubtedly soften them with more favorable conditions. Moreover, the EU has realized that the "Ukraine crisis" — as it was christened in Brussels' political circles — is a systemic crisis of the European security and cooperation structure, which cannot be solved without Moscow. As Russian Ambassador to the EU V.Chyzhov stated, de-

spite European sanctions against Russia and the suspension of high-level summits, the intensity of bilateral political and diplomatic contacts between Russian and the EU is at its highest point in several years. For example, the EU discussed the DCFTA with Russia and ultimately agreed to postpone the introduction of a free trade area between Ukraine and the EU. Sooner or later, Russia and the EU may come to work together on systemic security issues in Europe. In this respect, Ukraine should offer the EU a new concept for the development of the European continent to provide for the conflict-free and peaceful co-existence of European states. This concept should exclude unrealistic scenarios (such as a peacekeeping mission, etc.), while providing solutions to the key problems. Such concept should change the existing atmosphere of tensions and conflicts to an atmosphere of cooperation and trust. As Ukraine has involuntarily become the key factor of instability in Europe, Ukraine's policy at the geopolitical level should become more constructive and balanced and effectively aimed at the de-escalation of the conflict in Ukraine's east, the restoration of peace and a peaceful coexistence with Russia.

Readiness for the DCFTA with the EU in 2016 and sectoral cooperation

By agreeing to postpone the DCFTA by January 31, 2015, the EU has made considerable concessions to Ukraine. The EU granted Ukraine autonomous trade preferences, which allowed Ukrainian exporters preferential access to the European market. The abolishment of almost 90 % of customs duties and the introduction of zero tariff quotas for specific goods for export to the EU should have increased Ukrainian exports considerably. However, in 2014, the amount of exports to the EU increased by only 2.6% on a year-over-year basis, whereas in January-February 2015, it decreased by 33.3% year-over-year.

On the other hand, Ukraine has won extra time to implement reforms in order to prepare for the complete implementation of the DCFTA.

All activities to be carried out during 2014–2015 may be divided into three groups:

- institutional and infrastructure-related activities to ensure the creation of the necessary state and civic bodies, coordination groups and advisory groups under EU directives;
- legal measures, which provide for the elaboration

tion and preliminary discussion of common actions between state bodies and stakeholders with the participation of business and civil society for the further harmonization of Ukrainian and European legislature;

- information measures aimed at the elaboration of the decentralized monitoring system to fulfil Ukraine's obligations and make changes to the implementation plans while engaging central executive bodies as well as create consulting centers for business on potential opportunities and risks.

Within the preparation for the complete introduction of the DCFTA, a reform of public procurement is of top priority. The key task in this respect is to increase the transparency of public procurement and open access to public procurement for EU service providers and suppliers. This reform began in 2014 with the adoption of the law on "Public procurement". However, based on statistical data, the law has not led to the significant intensification of public procurement.

The enactment of a recently adopted law, "On technical regulations and conformity assessment", should bring about a transition to European standards and the fulfilment of all Ukraine's obligations, namely in the industrial sector. The compliance of the mandatory technical regulations of Ukraine with EU requirements will stimulate the unrestricted circulation of products between Ukraine and the EU. The introduction of a new technical regulation system based on European standards will not only spur the safety of goods and services but will also contribute to more adequate institutional consumer protection against low-quality products. However, higher safety standards for industrial goods may drive products that fail safety requirements and, most likely, are cheaper from the market. In this regard, the government of Ukraine has to modernize and reorient certain industries.

In order to improve the investment climate and image of Ukraine, the Verkhovna Rada is expected to adopt a draft law on the protection of investors (Reg. No. 2259 as of 02.27.2015), which Ukraine's Ministry of Economic Development and Trade has drawn up. As the law stands, the filing of the derivative lawsuit is possible, i.e. a minority shareholder's right to sue for damages in the interest of the company is enforced; the institution of "independent directors" who represent the interests of minority shareholders

in public companies is established; a detailed regulation of related-party transactions, which will take into account the interests of all shareholders and introduce stricter requirements for public companies whose shares are in the stock register, is allowed.

Despite its priorities and achievements, the future FTA between Ukraine and the EU strategically relies on the settlement of its operation with Russia, whose position caused the postponement of free trade negotiations between the parties. 11 tripartite consultations at both technical and political levels, the last of which took place in Brussels on April 20–21, 2015, are indicative of all participants' common desire to find a compromise to fix problems. It is important for Ukraine to take up a balanced stance to protect its national interests during the discussion at the next meeting, which will soon be held at the political level. The EU's position, which regards economic sanctions against Russia as a temporary measure given that 50% of its exports depend economically on it, should also be taken into consideration.

Among the most urgent sector priorities are those aimed at energy independence, cost minimization and access to quality services. The progress of some sectors could be taken as a representative example.

In particular, despite strong public awareness of the need to enhance cooperation between Ukraine and the EU in the energy sector, some public events and government officials' declarations, a reform of the domestic energy sector is long overdue. The reform of the national energy sector reform has three objectives: increase the energy efficiency of the national economy through economic methods (the state's refusal to subsidize enterprises and population); diversify the energy supply; to expand and fully support national energy producers; and liberalize the energy market and form a favorable investment climate by means of a wide-ranging reform of Naftogaz.

"Shock therapy", which is comprised of a rise in gas prices for domestic consumers by 330% and an increase in heat tariffs by 72% and electricity tariffs by 19%, has contributed to the partial accomplishment of the first objective. However, a rise in energy prices and tariffs cannot serve as an instrument of reform because there are no programs to upgrade energy infrastructure, no measures to quantify energy resources (the installation of meters), and no offers and results in consumer protection as regards substandard energy services etc.

There have been improvements made regarding the diversification of the supply of primary energy sources, including the adjusted imports of Norwegian gas and the reverse of natural gas from the EU and the enactment of the principle not to exceed 30% of energy imports from one source (gas, coal, oil, or electricity). However, the objective to enthusiastically support national energy producers has failed in several areas. First and foremost, the increase in rental rates for gas production by 55%, in some cases up to 70%, has severely aggravated the investment climate in the country and triggered a series of critical speeches of Energy Community officials against Ukrainian state leaders. Some deputies' bills to reduce the rental rates are to be brought before the Verkhovna Rada. Secondly, the lower indexation rates for "green" electricity generation — 50–55% — may lead to further refusal to invest in this area.

In order to liberalize the energy market, the law of Ukraine on the natural gas market has been adopted. Under the law, the principles of the EU Third Energy Package on the de-monopolization of the gas market and the division of companies' production, transportation and distribution activities will be applied. However, a regulator, which has exclusive authority under the law, lacks legislative regulation and does not determine the specific terms and mechanisms of its provision application. In addition, the delays in the reform of Naftogaz — the postponement of its reorganization from 2015 to 2017 within the scope of cooperation with the IMF (EFF) — will adversely affect the liquidity of the energy assets of Ukraine and slow down the process of attracting foreign investment in the technical upgrading of the gas transmission system and storage facilities.

The following are considered immediate priorities in the reform of the national energy sector: the introduction of a system to keep track of energy statistics and energy balances (the laws "On energy accounting system" and "On energy balance"), the creation of financial mechanisms to encourage energy efficiency measures in the housing stock (the law "On thermal modernization of buildings"), the optimization of tariff system and the ensuring of the transparency of activities in the natural monopoly markets (the law "On the transparency of economic activities in the housing and communal services"), the stimulation of gas substitution and the develop-

ment of renewable and alternative energy sources (the law "On gas substitution").

In customs, given the preparations for the introduction of the FTA and the opportunities to increase Ukrainian exports after the EU unilaterally gave an autonomous preferential trade regime to Ukraine in April 2014, the simplification of customs clearance and the improvement of Ukrainian customs and other regulatory agencies on the border should take place in all directions.

The agreement with the EU to hand over the responsibility for issuing certificates EUR 1 from the Ukrainian Chamber of Commerce to the Ukrainian customs authorities has not been implemented yet despite the Order of the Ministry of Finance of Ukraine № 1142 of 18.11.2014 to approve the procedure for filing and issuing a movement certificate EUR 1 in accordance with the Association Agreement between Ukraine and the EU. The establishment of the State Fiscal Service of Ukraine is not a final step in reforming the customs service because the EU expects a comprehensive strategic plan for the customs administration to be devised and implemented.

In the transport sector, the signing of the Common Aviation Area Agreement, which Ukraine and the EU approved on November 28, 2013, is long overdue. The document should provide common and reliable standards of aviation and air traffic safety but not coordinate the positions with the United Kingdom and Spain on Gibraltar Airport, which deprives the Ukrainians of access to European low-cost airlines and benefits of air travel for over one and a half years. The initiative of the Ministry of Infrastructure of Ukraine to start the experiment "open skies" at Lviv Airport, which is aimed at introducing flights to Lviv Airport by budget airlines such as Ryanair Ltd, EasyJet, WizzAir Hungary, Vueling Airlines, Meridiana Fly S.p.a., Air Berlin, Germanwings, and Norwegian Air Shuttle, cannot be considered a satisfactory substitute for the common aviation area with the EU and is seen solely as an attempt to find a problematic alternative.

The progress in education, science and health systems is equally important to the citizens of Ukraine. On March 20, 2015, Ukraine and the EU signed the Agreement on Ukraine's participation in the EU Framework Program for Research and Innovation Horizon 2020, which will offer Ukrainian research-

ers access to mobility programs and scholarships with a total funding of about 6 billion euros. In terms of experience exchange, the agreement is a tremendous achievement because it removes barriers to innovations in research and shapes the state policy in this sphere.

However, Ukrainian educational and scientific standards that are lower than those of Europe will not allow Ukrainian young people to receive a high quality education and researchers to advance the technological progress of the state. More and more students tend to study abroad. In 2013, the number of Ukrainian students studying in the EU increased by 38% from 18,000 to over 29,000.

Poland welcomed the largest number of students — almost 10,000. At the beginning of 2013, Poland legalized employment for Ukrainian students: students can work in their field during their studies, and specialists in the construction, agriculture and IT industries have significant chances to get a permanent job after graduation. As a result of the economic decline and rising unemployment in Ukraine, the conflict in the east and displaced persons' aspiration to move abroad (more than 40,000 to the EU), as well as the authorities statements on preferring to employ young people with foreign education, the Ukrainians become "hopeless" for employers. The situation may improve in the course of the enforcement of the law on higher education, which was adopted in 2014. By the EU estimate, the legislation on primary, secondary and vocational school requires improvements.

The healthcare system has lacked a comprehensive reform over the last year, which discourages improvements in the quality and accessibility of health care for the population. In 2014, the situation regarding the public procurement of medicines, which put at risk the implementation of 14 national programs to combat serious diseases, namely hemophilia, AIDS, and polio, levelled a trenchant criticism from the EU. Ukraine saw a 12% increase in AIDS rates last year.

On April 16, 2015, through the initiative of the Ministry of Health of Ukraine, the first joint meeting of donors chaired by the Minister of Health was held. The launch of a new strategy for health care reform was announced. Therefore, the topics of primary concern, namely the capacity of health management in public health, innovations in the field and e-health

solutions are the top priorities to sort out in cooperation with the EU.

In general, cooperation with the EU in the humanitarian field has considerable potential for the necessary reforms to secure Ukraine's competitiveness. Access to European funds, in the absence of sufficient appropriations from the state budget that mainly aims to support but not to develop this field, should be extensively and efficiently used for specific projects. Given the fact that Ukraine's budget will not cover the educational costs arising from its obligations under the Association Agreement, — namely to modernize and reform the educational system, promote cooperation among higher education institutions and activate students and teachers' mobility, — the educational programs such as Tempus, Erasmus Mundus, Youth in Action, and e-Twinning are becoming extremely favorable.

Complex prospects for a visa-free regime

The performance of criteria of the Action Plan on visa liberalization (VLAP) is a priority guideline in cooperation between Ukraine and the EU in the field of justice, freedom and security. Despite the declared priority, Ukraine has not fulfilled the technical requirements and has no chance of a positive decision on a visa-free regime with the EU by the end of 2015. A year ago, however, this seemed to be a real prospect.

On June 23, 2014, the Council on Foreign Affairs supported the recommendation of the European Commission on Ukraine's transition to the second (implementation) phase of VLAP. Two months after the publication of this decision, the Cabinet of Ministers approved the National Action Plan on implementing the second phase of VLAP. However, as of April 2015, Ukraine failed to comply with all technical criteria envisaged in VLAP, including ensuring the security of documents and data protection, improving policy on asylum, strengthening measures for preventing and fighting against organized crime, terrorism and corruption and improving anti-discrimination policy.

EU expert missions on assessing the performance of VLAP, who were in Ukraine from September 2014 to February 2015, highlighted the positive performance of criteria and progress in only two directions: on the issue of border management, migration, asylum and legal assistance in criminal trials.

European partners are clearly not satisfied with the excessively slow introduction of reforms in Ukraine as well as lack of tangible results in the fight against corruption, which is the key requirement of VLAP. According to the latest report of the Group of States against Corruption (GRECO) on implementing recommendations in combating corruption, GRECO experts stated that 16 out of 25 recommendations were fulfilled by Ukraine or resolved in a working manner.

The issues concerning amending the law on refugees and persons in need of extra protection as well as increasing the term of documents for persons who are seeking international protection in Ukraine up to 6 months still remain unresolved. The Verkhovna Rada of Ukraine must approve amendments to the Labour Code in order to ensure equal labor rights for all citizens who require protection. While making the decision of moving to the second phase of the Action Plan on visa regime liberalization for Ukraine, Ukraine managed to avoid the issue, but it still remains on the agenda and requires additional legislative solution.

The Cabinet of Ministers of Ukraine must adopt an action plan for the current year on the implementation of the State Strategy on drug policy for the period to 2020, provide appropriate funding for the Secretariat of the Parliamentary Commissioner for Human Rights, start work of the information-analytical system of migration management and establish the effective functioning of organized crime investigation divisions.

The following problems require to be solved: improving procedures for changing the name of a principal, preventing the use of false documents, regulating personal data protection and providing the State Border Guard Service of Ukraine with equipment for reading and checking electronic passports at all points. The main role in these matters belongs to the Ministry of Internal Affairs, the State Migration Service and the State Border Service. As to the working efficiency of the latter, there are many complaints. Although the Ministry of Internal Affairs is responsible for the implementation of key criteria of VLAP, the members of the EU expert missions were displeased with its work. Further, the European representatives several times faced problems stemming from a lack of interest and proper coordination on Ukraine's part. Ensuring effective interagency co-

ordination is the most important task, the failure of which will hinder solving "visa-free issues".

The postponement of the introduction of a visa-free regime with the EU has also been caused by objective factors. As a result of the armed conflict in the Donetsk and Luhansk oblasts, Ukraine faced the problems surrounding the presence of more than a million internal migrants and received the status of the "migration dangerous country." Ukraine, a country that until recently was not even among the top thirty countries for the number of applications for asylum and refugee status in the EU, now occupies the 12th place in the list of countries whose nationals are applying for asylum in the EU. In 2014, 14,000 Ukrainians sought asylum — almost ten times more than the previous year.

Taking into account the intensification of international migration in Europe and the importance of this indicator when deciding on granting a visa-free regime, the majority of EU states may not favor the idea of opening EU borders with Ukraine. During negotiations with the EU, the Ukrainian authorities will be obligated to prove that the state cares about its citizens and provides for the social needs of internally displaced persons and the asylum seekers do not have legal grounds to seek refuge outside their country.

In 2014, the rate of visa refusals for certain countries doubled and sometimes tripled, in particular for Belgium, Finland, Switzerland and Sweden. The amount of refusals increased from 1.7% to 1.8% for Denmark, 0.7% to 0.8% for Austria, 1.4% to 1.6% for Italy and 0.8% to 0.9% for France. The reasons for these refusals and the way to solve the underlying problems should be discussed within the framework of the Joint Committee of experts on executing the agreement for visa facilitation between Ukraine and the EU.

At the May Eastern Partnership Summit in Riga, Ukraine should insist on securing a specific date for implementing a visa-free regime with the EU. This should contain a list of definite criteria by which Ukraine's performance on deadline will be judged. However, only fast and effective reforms can convince Ukraine's European partners that they are not dealing with a "third world" country with a weak state apparatus, which is "kept alive" only due to internal volunteer movements and international donors. The Ukrainian authorities should understand

that in the future the country is expected to become a reliable and equal partner to other European countries in the promotion of democratic values and European standards of living.

Institutional approaches to implementation and monitoring of the Association Agreement

After the signing of the Association Agreement, both parties have formed coordinating institutions for its implementation — the Government Office for European Integration at the Secretariat of the Government of Ukraine and Ukraine's Support Group at the European Commission.

These institutions should become equal partners of high level and establish horizontal communications, which were previously missing. The results of their work were considered to be rapid and efficient decision-making. However, they did not become the major center for coordination. The government office has not acquired institutional advantages over former similar structures. Appropriate alterations have not been made in legislation (Law on the Cabinet of Ministers, Regulation of the Cabinet of Ministers, the provisions of other executive bodies). Functional obstacles to the formation of a single state body in Ukraine also remain — the Ministry of Justice is responsible for the approximation of the legislation, the Ministry of Economic Development coordinates work in the FTA sphere and the Ministry of Foreign Affairs serves as an intermediary Ukrainian institutions and bodies of the EU.

The appointment of the profiled Vice Prime Minister of Ukraine could improve the situation, but it did not happen last year, despite the claims of senior management. This should be only the first step, after which the high official along with the Government Office had to publicly propose a roadmap of achieving objectives of his work during the specified period of time (approximately in a month). These objectives might include the formation of a separate Ministry or the National Agency for European Integration, which will not be managed by the Secretariat of the Government of Ukraine, but will instead have necessary commitments for completing effective work.

During the past 6 months, the powerful start of new bilateral institutions took place — the constituent meeting of the Association, Association Parliamentary Committee and Civil Society Platform for

Ukraine—EU under the Association Agreement were held. On April 27, 2015, political dialogue at the highest level the EU—Ukraine Summit will be held. The constituent meeting of the Association Committee and the Association Committee for trade are scheduled during the second quarter of 2015, where sub-committees should be formed in different directions according to the Association Agreement.

Due to the formation of new bilateral institutions, part of their success lies in their synergy with other state institutions — the Parliament, the Presidential Administration and the newly established the Civil Society Platform Ukraine — EU. It will be necessary to develop a mechanism for communication and decision-making, and to avoid the duplication of commitments.

A mechanism for monitoring the implementation of appropriate measures should become an equally important part of the implementation of the Association Agreement. According to Article 475 of this document, monitoring should include the assessment of approximation of Ukraine to EU law, including aspects of enforcement and implementation.

The executing of the state bodies is of primary importance, which should be carried out according to the determined practices and decisions of institutional bodies established under the Association Agreement. The frequency of assessment must be defined as well.

Today, the government published a report on the fulfillment of obligations for the period from September 2014 to January 2015, which mostly contains information about the adopted decisions and activities in key fields. Further, their efficiency in terms of actual impact on stakeholders was not assessed, and their role in decision making was not defined, primarily concerning society. The lack of coverage of issues and approaches to their solution, as well as information on key events in reforming process and their timing does not enable the public either to form an idea of the economic, social, legal and cultural achievements of European integration or to assess the contributions of certain state bodies. This deficiency would become typical for government reports considering the fact that the Action Plan for the implementation of the Association Agreement for the years 2014–2017, which was approved by the Cabinet of Ministers of Ukraine № 847 from 09.17.2014, does not contain defined criteria of efficiency and

deadlines for the majority of measures. Local inspections of the missions involving the EU institutions, bodies and agencies, non-governmental organizations, supervisory bodies, independent experts and others should become one monitoring form. This approach is more responsible and requires providing conditions for future collaboration.

An important task is to introduce the public monitoring of the Association Agreement. This would considerably strengthen the efforts of the government by achieving the main objectives and active participation of civil society in the formation of appropriate public policies. Making opinion polls, proposals and comments by non-governmental institutions and other measures on assessing the performance of the authorities should comprise the bulk of work in this direction. The adoption of such a format of collaboration by the authorities will enable increased credibility by civil society as well as put into practice the following principle enshrined in the Constitution of Ukraine — “the only source of power in Ukraine is the people.”

Summarizing

Over the last year the Ukrainian leadership made hundreds of political statements on commitment to European values and the immutability of the European integration of Ukraine. Since the year of victory of the Revolution of Dignity, the political declaration of Ukraine's European affiliation and move on to practical affairs — in political, security, trade and economic spheres, sectoral or humanitarian cooperation. The EU has clearly expressed its willingness to assist in carrying out reforms, exhibited, for instance, in the decision in 2014 on funding in the amount of 11.1 billion euros and the formation of the Support group for Ukraine in order to promote reforms. Ukraine was allocated 1.6 billion euros in loans and grants and initiated the Advisory mission for reforming civil security sector. In 2015, support continued, in particular on April 21, when the EU allocated the next tranche of macro-financial assistance in the amount

of 250 million euros. It is high time for the Ukrainian authorities to reciprocate this commitment to reform though its actions and its affairs.

During the nearest Summit EU — Ukraine, the Ukrainian leadership should at least:

- propose to the EU a new concept for the development of the European continent, which would make possible the conflict-free and mutually beneficial coexistence of European countries;
- use the time that remains before the formation of the FTA in order to match technical standards with EU requirements and make Ukrainian companies take advantage of the new terms of trade with the EU as well as develop a strategy and balanced policy in negotiations with Russia on the FTA ;
- ensure the determination of a specific date for the launch of a visa-free regime with the EU, including a list of defined criteria for this purpose's achievement;
- provide a schedule on the implementation of the EU Third Energy Package, including the abolition of energy power monopolies;
- outline steps on strengthening institutional support of a coordinating body for the implementation of the Association Agreement and the establishment of a government office at the Secretariat of the Government of Ukraine public authority with adequate powers and human resources;
- support civic monitoring of the implementation of the Association Agreement, which should become an efficiency indicator for the authorities' actions. This indicator may be used as means for their improvement.
- determine measures in order to enhance communication between civil society and the government.

The Association Agreement with the EU became for the Ukrainians hope for a better life and the denial of its post-Soviet past. Therefore, the responsibility for the success of European integration means responsibility for the success of the project called “Ukraine”.

The aim of the publication is to provide analysis of Ukraine's foreign policy in the context of global processes in the region and the world, as well as an overview of major world events that may have an impact on the further development of Ukraine and the region. Special attention is paid to the European integration of Ukraine, in particular implementation of Ukraine–EU Association Agreement.

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