

### **Relations with Ukraine**

The Council adopted an Action Plan for the EU's relations with Ukraine. The Plan identifies the priority actions by which the Union can contribute to the process of democratic and economic reform on which Ukraine is embarked and foster sustainable development in that country :

- "1. The Council reiterates the European Union's wish to develop a strong political and economic relationship with Ukraine and to consolidate links between Ukraine and the European Union. The Council reaffirms the European Union's intention to continue to support the independence, territorial integrity and sovereignty of Ukraine, as well as Ukraine's democratic development, economic stabilization and integration into the world economy.

2. The Council recalls that the European Union, in late 1994, adopted a strategy and a common position concerning the objectives and priorities towards Ukraine. The objectives, identified in this common position remain valid. The Council also recalls that EU economic assistance to the Ukraine between 1991 and 1996 totalled 3,17 billion ecu of which 1,90 billion came from Member States and 1,27 billion came from the Community; these amounts constitute the largest bilateral assistance given to the Ukraine.
3. The European Union welcomes the entry into force on 1 February 1996 of the Interim Agreement between the EU and Ukraine and wishes to see the Partnership and Cooperation Agreement, which will establish the fundamental basis for a privileged partnership with Ukraine, come into force as quickly as possible. The Council recalls that, since Ukraine achieved independence, the Community and Member States have put into effect a wide range of initiatives, especially in the areas of technical assistance. The Council decided in June 1996 to consider Ukraine as an economy in transition.

#### **Action Plan**

4. The Council now considers that the elaboration of an Action Plan, to identify priorities for action, is timely and would give a new impetus to its partnership with Ukraine. The Council takes note of and welcomes the Commission's very comprehensive communication which constitutes a significant contribution to the achievement of the aim of developing relations with the Ukraine and also to the elaboration of an Action Plan. The Council regards the paper as an important aid and tool to the EU's activities with regard to Ukraine during the upcoming years.
5. With the assistance of this document, and based on the Council's assessment of the EU-Ukraine relationship, the Council approves an Action Plan identifying some priority actions to contribute to the process of democratic and economic reform and to foster sustainable development in Ukraine. These actions fall into several broad areas of the relations between the Union and Ukraine
  - (a) Support for democratic reform and development of civil society
  - (b) Support for economic reform, development of trade and economic cooperation
  - (c) Reinforcement of political dialogue and support for Ukrainian participation in European security architecture
  - (d) Support for regional cooperation
  - (e) Consolidation of contractual relations, in particular through the Partnership and Cooperation Agreement
  - (f) Reform of the energy sector
6. The chief Union objectives and Action guidelines are as follows:

The EU's aim is continually improving relations which will contribute to the development of Ukraine as a stable, independent, democratic, market-oriented, non nuclear weapons state and of undisputed territorial integrity.

The EU will back legislative and administrative reform which will promote the emergence of a pluralist society, based on democratic institutions and principles and on the rule of law. The EU will continue to support both a policy of macro-economic stabilisation in Ukraine, in conjunction with the IMF, and the deepening of economic reforms. Regional cooperation, with the aim of fostering Ukraine's good neighbourly relations in Europe, will be supported. Reform of the energy sector aimed at improving inter alia energy efficiency will be encouraged. Implementation of the PCA will establish a new basis for cooperation and partnership. Development of the full potential of the contractual relations provided by the PCA will lead to progressive developments in most areas of economic cooperation: commercial, industrial, scientific and administrative cooperation and harmonization of laws. The PCA also represents a framework for sustained

cooperation in the key areas of social transformation, education, transport, and of direct concern for the anchoring of Ukraine in Europe, protection of the environment, customs cooperation, control of illegal immigration, drug trafficking and money laundering.

7. The actions set out below will be developed through the implementation of all instruments at the Community and Member State's disposal, in particular through the maximum possible use of the possibilities afforded by the contractual relations between the Union and Ukraine, including the Interim Agreement. The special importance of the role of the TACIS programme in this connection is acknowledged. In the implementation of the following priorities, synergy between the Community TACIS programme and bilateral instruments will be an objective. The Action Plan will be reviewed and updated where necessary, taking into account the further development of relations between the EU and Ukraine and keeping in mind the broad objectives underpinning EU policy towards Ukraine. It is envisaged that a review should take place around 1 year after the adoption of this Plan.

#### Priorities

- A. SUPPORT FOR DEMOCRATIC REFORM AND DEVELOPMENT OF CIVIL SOCIETY
- (i) support for democratic and legal reforms;
  - (ii) implementation of a joint EU/Council of Europe programme on harmonisation of Ukrainian law with Council of Europe rules;
  - (iii) cooperation to combat organised crime, particularly drug related crime and money laundering;
  - (iv) cooperation to combat illegal migration;
  - (v) academic training and exchange programmes for various vocational groups;
  - (vi) encouragement of cooperation through City Twinning, Lien and Tempus Programmes;
  - (vii) support for the development of an efficient and modern civil service;
- B. SUPPORT FOR ECONOMIC REFORM AND DEVELOPMENT OF TRADE AND ECONOMIC COOPERATION
- (i) assistance with Ukraine's application for membership of the WTO;
  - (ii) support for Ukraine's alignment with European standards;
  - (iii) support for reform of the legislative and regulatory framework;
  - (iv) encouragement of investment and the development of the private sector, including through the establishment of round tables;
  - (v) studies, on the basis of clearly defined terms of reference, to detect obstacles to expanding trade and investment, in the light of the PCA;
  - (vi) provision, as appropriate, of macro-financial assistance in 1997, in conjunction with the IMF;
  - (vii) support for reform in the agricultural sector including privatisation, restructuring and market liberalization;
  - (viii) support for measures to improve the environment;
- C. REINFORCEMENT OF POLITICAL DIALOGUE AND SUPPORT FOR UKRAINIAN PARTICIPATION IN EUROPEAN SECURITY ARCHITECTURE
- (i) reinforcement of political dialogue in the perspective of the entry into force of the Partnership and Cooperation Agreement
    - strengthening of existing political dialogue arrangements to ensure that they correspond to the interests of both sides in terms of periodicity and substance;
    - meetings between the President of the European Council, the President of the Commission and the President or Prime Minister of Ukraine on an ad hoc basis, whenever the circumstances so require;
    - Security Working Group troika meetings with Ukraine on an ad hoc basis;

- (ii) support for Ukrainian participation in the European security architecture
  - emphasis on the full involvement of Ukraine in the development of a comprehensive European security architecture, including encouragement for the further development of Ukraine's relations and cooperation with European and transatlantic security organizations;
  - arrangements for cooperation with Ukraine in the further development of the Security Model for the 21st century following the Lisbon Summit;
- (iii) other measures in support of the above-mentioned objectives
  - high level bilateral visits;
  - regular meetings between Troika Ambassadors in Kiev and the Ukrainian Minister for Foreign Affairs;
  - promotion of contacts between the European and national parliaments with the Parliament of Ukraine;
  - encouragement of contacts between the Ukraine Institute of International Relations, the Diplomatic Academy and similar institutes in the European Union;

#### D. SUPPORT FOR REGIONAL COOPERATION

- (i) assistance with cross-border programmes through TACIS and PHARE;
- (ii) support for Ukraine's involvement in regional cooperation in the Central Europe and Black Sea areas, notably in the framework of the Central European Initiative and the Black Sea Economic Cooperation, as well as regional partnerships with the countries of Central and Eastern Europe;

#### E. CONSOLIDATION OF CONTRACTUAL RELATIONS, IN PARTICULAR THROUGH THE PARTNERSHIP AND COOPERATION AGREEMENT

- (i) early ratification and entry into force of the Partnership and Cooperation Agreement;
- (ii) full implementation in the meantime of the Interim Agreement;

#### F. REFORM OF THE ENERGY SECTOR

- (i) assistance with restructuring of energy sector;
- (ii) continuation of programmes to improve nuclear safety;
- (iii) support and assistance with the implementation of the Memorandum of Understanding negotiated by the G7 providing in particular for the closure of Chernobyl in 2000 and support for programmes to alleviate the social, environmental and medical effects of the Chernobyl disaster."