

EU-Ukraine Association Agenda
to prepare and facilitate the implementation of the Association Agreement¹

I. Strategic part

II. Principles and instruments for the implementation of the Association Agenda

III. Operational part

1. Priorities for Action

The Joint Committee at senior officials' level will define priorities for action and provide guidance for the implementation of the Association Agenda in line with the provisions set up in section III. 9 below.

2. Political Dialogue

2.1 *Democracy, rule of law, human rights and fundamental freedoms*

The Parties agree to maintain dialogue and to cooperate to strengthen respect for democratic principles, the rule of law and good governance, human rights and fundamental freedoms, including the rights of persons belonging to national minorities as enshrined in the core UN and Council of Europe Conventions and related protocols. Such dialogue and cooperation shall cover the following areas:

(i.) Strengthen the stability, independence and effectiveness of institutions guaranteeing democracy and the rule of law and in particular:

- promoting and ensuring an inclusive and transparent constitutional reform process designed to further develop a constitutional system of effective checks and balances between state institutions, in the light of the relevant recommendations of the Venice Commission;
- strengthening of the functioning of local and regional self-government, including by reference to relevant standards contained in the European Charter on Local Self-Government;
- work closely together in reforming and enhancing the capacity of the public administration system in Ukraine on the basis of an assessment by SIGMA, including effective public finance management, effective fight against corruption and public service reform.

¹ The present version of the EU-Ukraine Association Agenda was endorsed by the EU-Ukraine Cooperation Council (Luxembourg, 24 June 2013)

- ensuring the effectiveness of the electoral framework and environment so as to the conduct of presidential and parliamentary elections, in accordance with international standards for democratic elections and ensure appropriate implementation of the recommendations made by OSCE/ODIHR;
- further improvement of Ukrainian legislation on referenda, in particular with the aim of proper and effective implementation of the Constitutional provisions of Ukraine and in compliance with the European standards for organising referenda, in the light of the relevant recommendations of the Venice Commission;
- helping to ensure the full realisation of the Ombudsperson mandate, including his/ her action in the regions and promoting his/her cooperation with European Human Rights institutions and networks . The Principles relating to the status of national institutions (the Paris Principles)² will be relevant for this priority.

(ii.) Ensure the independence of the judiciary and the effectiveness of the courts and of the prosecution as well as of law enforcement agencies, and in particular:

- taking additional steps on judicial reform, including undertaking a comprehensive review and submit legal proposals, in close consultation with the Council of Europe/ Venice Commission:
 - on the law of the functioning of the Prosecutor's Office;
 - on the role of the High Council of Justice;
 - on the laws on the Judicial System and the Status of Judges, as well as
- taking relevant actions on reform of Criminal Code and the Police, in close consultation with the Council of Europe/ Venice Commission;
- continuing reform of the judiciary and of the court system so as to further strengthen the independence, impartiality, and professionalism of the judiciary and courts, notably by enhancing the training of judges, court officials and prosecutors as well as support staff and law enforcement agencies staff;
- effective implementation and enforcement of the civil, criminal, economic and administrative codes and their corresponding procedural codes, based on European standards.
- providing the necessary resources to implement effectively the Criminal Procedure Code and the legislation on the Bar;
- continuing and ensuring follow up of the high level dialogue on the reform of the judiciary.

² Adopted by General Assembly resolution 48/134 of 20 December 1993

(iii.) Ensure respect for human rights and fundamental freedoms by comprehensive cooperation on the protection of human rights and fundamental freedoms, covering both individual cases and issues concerning international law instruments on human rights. This cooperation includes, inter alia:

(a.) *Promoting the implementation of international and regional human rights standards*

- early implementation of all judgments of the European Court of Human Rights and promoting the evolving jurisprudence of the Court as a major source of international human rights law, with the support of the EU;
- implementing the recommendations of the Council of Europe related to detention conditions and medical assistance to persons in detention;
- promoting human rights awareness among judges, prosecutors and other law enforcement agencies by common measures on enhancing trainings of judges, prosecutors and law enforcement officers on human rights issues and in particular on combating torture and inhuman and degrading treatment;
- implementing the UN Convention on the Rights of Persons with Disabilities and its Optional Protocol.

(b.) *Freedom of Expression, Assembly and Association*

Expression:

Promoting the legal and administrative framework necessary for the enjoyment of freedom of expression with a particular emphasis upon the mass media and the rights of journalists, notably by:

- cooperating on the development of a system of public broadcasting, including by exchange of best practices, the adoption of a legislative framework and its implementation in accordance with European and international standards;
- taking early steps to establish clear rules for balanced media access for electoral competitors;
- cooperating to create the conditions necessary for journalists to work freely and shielded from threats or actual violence. This will include the exchange of best practices on effective protection of journalists by law enforcement agencies.

Assembly:

- taking concrete actions towards adoption of legislation for freedom of peaceful assembly in close cooperation with the Ukrainian civil society, OSCE-ODIHR and the Venice Commission and in line with best European practice.

- Step up cooperation to further strengthen the awareness of law enforcement agencies and the courts as regards respect for the right to freedom of peaceful assembly, notably by the exchange of best practices, training and cooperation on implementing rules of legislation.

Association:

Establishing favourable legal and institutional conditions for civil society institutions, notably to promote the involvement of citizens and their participation in public decision-shaping processes.

(c.) Ensuring respect for the rights of persons belonging to minorities

- exchanging best practices on measures to protect minorities from discrimination and exclusion in accordance with European and international standards, with the objective of developing a modern legal framework. Developing close cooperation between the authorities and representatives of minority groups;
- cooperate on measures to combat the growth in intolerance and the incidence of hate crimes (whether due to racism, homophobia, xenophobia or anti-semitism).

(d.) Combating torture and inhuman and degrading treatment

- further strengthening of efforts to improve the legal basis and practice in the area of detention, in particular as regards pre-trial and administrative detention in order to address effectively the issue of arbitrary detention;
- improve the conditions of detention for all prisoners whether in pre-trial detention or after conviction with the aim of eliminating ill-treatment and implement the recommendations of the UN Committee against Torture and the European Committee for the Prevention of Torture;
- providing the necessary resources to implement effectively the National Preventive Mechanism against Torture;
- consider the establishing of an independent police complaints mechanism.

(e.) Ensuring Equal Treatment

- exchange best practices to ensure the equality of men and women in social and economic life and promote the greater participation of women in public life and decision-making;
- combat domestic violence by supporting the strengthening of the legislative framework and practices of the law enforcement agencies regarding domestic violence and through awareness raising and training.

(f.) *Ensuring respect for Children's Rights*

- in the context of the commitments under the Optional Protocol on the Sale of Children, Child Prostitution and Child Pornography³ to strengthen cooperation on preventing the sale, trafficking and exploitation of children;
- developing juvenile justice standards in line with relevant international standards.

(g.) *Ensuring Respect for Trade Union Rights and Core Labour Standards*

- further strengthen efforts, including through exchanges of best practices, to promote the full enjoyment of trade union rights and core labour standards based on International Labour Organization Conventions, and promote the effective use of collective bargaining.

2.2 *Combating Corruption*

- promote cooperation within the Council of Europe Group of States against Corruption and follow up the implementation of its relevant recommendations, notably on improving legislation on the fight against corruption;
- ensure implementation of the UN Convention against Corruption and the Council of Europe Criminal Law Convention on Corruption;
- implementation of the National Anti-Corruption Strategy in cooperation with relevant EU bodies.
- Ensure adequate follow-up on the recommendations on combating corruption outlined in Progress Reports on the implementation of the Action Plan on Visa Liberalisation of 9 February 2012.

2.3 *Foreign and Security Policy*

Regional and international issues, cooperation on foreign and security policy, WMD non-proliferation and disarmament, conflict prevention and crisis management

(i.) Further strengthen convergence on regional and international issues, conflict prevention and crisis management; work jointly to make multilateral institutions and conventions more effective, so as to reinforce global governance, strengthen coordination in combating security threats and address development related issues

- intensify consultations and coordination through available diplomatic and military channels to address international issues of common concern, including and especially challenges to commonly shared principles of international peace and security, as established by the UN Charter, the OSCE Helsinki Final Act and other relevant

³ To the Convention on the Rights of the Child

multilateral documents, also in view of Ukraine's practice of aligning with EU CFSP declarations and common positions;

- continue dialogue on implementation of the European Security Strategy;
- continue regular EU–Ukraine consultations on crisis management;
- continue the practice of jointly identifying opportunities for Ukraine to participate in current and future CSDP operations, building on the good experience of Ukraine's participation in EU operations in the Balkans, as well as other EU operations (e.g. Atalanta);
- further implement “Seville” Arrangements for Consultation and Co-operation between the EU and Ukraine in EU-led crisis management operations, including continued participation of Ukraine in relevant crisis management exercises and CSDP-related training activities;
- increase interoperability where appropriate between Ukrainian peacekeeping units and EU Member States forces through lessons learned from relevant EU crisis management operations to which Ukraine participated, and through involvement of the units of the Armed Forces of Ukraine into the formation of EU Multinational Tactical Battle Groups;
- Ukraine and the EU to enhance their joint efforts within the 5+2 framework, with the aim of reaching a viable settlement to the Transnistrian conflict in the Republic of Moldova;
- the EU and Ukraine to continue cooperation with the Republic of Moldova on border issues;
- continue consultations on sanctions applied by the EU;
- explore further concrete ways of achieving higher convergence in the field of foreign and security policy;
- take measures to foster military cooperation and cooperation of technical character between the EU and Ukraine
- encourage and facilitate direct cooperation on concrete activities, jointly identified by both sides, between relevant Ukrainian institutions and CFSP/CSDP agencies and bodies such as the European Defence Agency, the European Union Institute for Security Studies, the European Union Satellite Centre and the European Security and Defence College.

(ii.) Further develop co-operation in addressing common security threats, including combating terrorism, non-proliferation of weapons of mass destruction and illegal arms exports

- continue cooperation in the fight against non-proliferation of weapons of mass destruction, including on aspects related to the accession to and national implementation of relevant international instruments, such as CWC, BTWC and NPT, and export control regimes;

- further improve an effective system of national export control, controlling export and transit of WMD related goods, including WMD end use control on dual use technologies, in light of the EU regulation on export controls on dual use goods adopted in 2000 and on its updated version, further cooperate on the development of national lists of dual-use goods, controls over intangible transfer of technologies, enforcement of the export control system, including prevention and sanctions of breaches, and outreach to industry;
- continue cooperation in the fight against the trafficking of nuclear materials;
- continue cooperation in achieving the objectives of the G8 Global Partnership in all its aspects;
- cooperate in the enhancement of bio-security and bio-safety standards in the laboratories, other facilities and during the transport of dangerous bio-agents, in particular in light of the ongoing dialogue on possible cooperation on bio-safety and bio-security in the Ukrainian Anti-plague station (AR Crimea, Simferopol);
- cooperate in enhancing the security of outer space activities through confidence building measures, such as those proposed by the EU draft Code of Conduct;
- further cooperate on arms exports in the light of the content and principles of the Council Common Position 2008/944/CFSP defining common rules governing the control of exports of military technology and equipment and also in jointly supporting the process of ratification and implementation of the Arms Trade Treaty which has been adopted at the UN General Assembly on 2 April 2013 and which will be open for signature as of 3 June 2013.
- further develop cooperation in the fight against the illicit trafficking of SALW and their ammunition;
- jointly address threats for security, posed by Ukrainian stockpiles of conventional weapons and old ammunition, including SALW and their ammunition and anti personnel land mines, in accordance with the provisions of the Ottawa Convention on the Prohibition of the Use, Stockpiling, Production, Transfer of Anti-Personnel Mines.

2.4 *International Criminal Court*

Enhance cooperation to promote international justice and fight impunity, including through:

- further support to the International Criminal Court (ICC) and the establishment of a consultation mechanism on the ICC's activities and functioning;
- effectively implement all measures necessary for the entry into force for Ukraine of the Rome Statute establishing the ICC;
- cooperate further within the framework of the Special Working Group on the Crime of Aggression and other special groups.

3. Co-operation on Justice, Freedom and Security issues

In the context of the commitments contained in the 2007 EU-UA revised JLS Action Plan, cooperation in this area shall focus on the following priorities:

- support in strengthening a Ukrainian system of Protection of Personal Data. Take actions to bring Ukrainian system of Protection of Personal Data into conformity with the EU standards;
- take necessary steps for the conclusion of Agreement on cooperation with Eurojust as initialled on 8 December 2011, and Agreement on operational cooperation with Europol;
- pursue an effective migration management with the aim of fighting illegal migration, smuggling and trafficking in human beings, with the support of the EU and implement the corresponding institutional reform program (IRP) under the Comprehensive Institutional Building (CIB);
- practical implementation of the 1951 UN Convention relating to the status of refugees and i.a. its 1967 Protocol including the right to seek asylum and respect for the principle of "non-refoulement" and the 2000 UN Convention against Trans-national Organised Crime with the aim of combating and preventing criminal activities, organised or otherwise;
- actively pursue the visa dialogue with the aim to establish a visa-free regime between the EU and Ukraine, on the basis of the EU-Ukraine Action Plan on visa liberalization, presented at the EU-Ukraine Summit of 22 November 2010 and the Ukrainian National plan on its implementation which was approved by the President of Ukraine on 22 April 2011.
- encourage the EU Member States to use the flexibilities existing under the EU acquis to reduce or waive visa fees in individual cases;
- ensure full implementation of the amended Agreement between Ukraine and the EU on the Facilitation of the Issuance of Visas and of the Agreement between Ukraine and the EC on the Readmission of Persons;
- facilitate further Ukraine-EU judicial cooperation in civil matters on the basis of the applicable existing international instruments as well as conduct consultations on further deepening the cooperation through instruments tailor-made to Ukraine-EU relations in this field;
- pursue cooperation on integrated border management including with the comprehensive support of the EU, to be jointly defined;
- with the technical support of the EU, continue the process of demarcation of Ukraine's borders in accordance with international standards in cooperation with the authorities of the respective neighbouring countries as appropriate;
- intensify and enhance cooperation under the existing working arrangements between the Ukrainian Border Guard Service and Frontex, including in particular analysis and risk

management;

- in the context of Ukraine's continuing cooperation with the Republic of Moldova on border issues, including the effective exchange of information regarding flows of goods and people across the common border, Ukraine and the European Union will maintain their collaboration together with the Republic of Moldova in particular through technical trilateral talks and with the support of the EU Border Assistance Mission adapting Mission mandate to reflect the evolution of the needs of this cooperation;
- pursue cooperation on adoption and implementing the National Strategy of Ukraine on Drugs (until 2020) and relevant Action Plan based on the principles of the EU DRUGS Strategy (2013-2020), particularly on balanced approach to reduction of supply and demand of illegal drugs;

4. Economic cooperation

The Parties cooperate to support Ukraine in establishing a fully functioning market economy and gradually approximating its policies to the policies of the EU in accordance with the guiding principles of macroeconomic stability, sound public finances, a robust financial system and sustainable balance of payments, and in particular:

- develop Ukraine's capacity in macro-economic forecasts, inter alia improvement of methodology of elaboration of development scenarios, and monitoring of economic processes, improving the quality of analysis of the factors of impact etc. by exchanging of best practices;
- ensure the independence of the National Bank of Ukraine (NBU) in line with best EU practice, including with the support of EU expertise, also from the ECB.
- sharing the experience of the EU, including from ECB, on monetary exchange rate and financial and banking sector regulation and supervision policies, and helping to develop and strengthen Ukraine's capabilities in all those areas;
- reinforce the sustainability and governance of public finances, through implementing fiscal and expenditure reforms, covering also the pension system and public debt management, in particular by:
 - exchanging of information, experience, best practice and performing other measures of development of a medium-term system for forecasting/planning;
 - exchanging of information, experience and the best practice concerning improvement of program- purpose approach in budgetary process, analysis of efficiency and gains of budgetary programs fulfillment, planning and implementation of budget and public debt;
 - taking into account latest assessment of Ukraine's public finance management done by the

OECD (SIGMA) and the EU together with the World Bank (PEFA⁴);

- exchanging of best expertise from the EU and the EU Member States on pension system reforms with a view of improving the sustainability of Ukraine's pension system;
- exchanging of best practices on enhancing public debt management in line with international standards.
- reducing the involvement of the State in setting prices and introducing procedures for full cost recovery in line with EU best practices;
- further developing open, competitive and transparent privatisation rules and procedures and their implementation in line with best EU practices.

5. Trade and trade related matters

Trade in goods

The Parties shall cooperate in preparing the proper implementation of the provisions “National Treatment and Market Access for Goods” of the envisaged Association Agreement, in particular through joint consultations, with a view to:

- develop a mechanism for defining an entry price for worn clothing and other second hand items which are classified according to the Ukrainian customs code 6309 00 00;
- identify mechanisms for implementing specific measures applied by Ukraine as set forth in the Agreement, including:
 - special measures for export duty;
 - special measures on passenger cars;
 - management of tariff quotas on pork, poultry, semi-finished poultry meat, as well as on sugar imported from the EU to Ukraine;

Rules of origin

The Parties shall cooperate in preparing the proper implementation of rules of origin to be applicable between the Parties, in particular by:

- provide relevant assistance to the Ukrainian Customs authority in the form of study visits, workshops or TWINNING projects on application of rules of origin upon Ukrainian initiative.

Technical regulations on industrial products, standards and conformity assessment procedures

- development of the Ukrainian legislation on technical regulation, standardisation, conformity assessment, market surveillance, metrology and accreditation concerning the provisions, regulating circulation of industrial products in line with the EU acquis⁵ in order to eliminate trade barriers between the Parties;

⁴ Public Expenditure and Financial Accountability

- take actions in line with the benchmarks agreed between the Parties for the EU budgetary support projects in standardisation in 2010-2012.

Sanitary and phytosanitary measures

In view of a gradual approximation of the Ukrainian SPS food and feed, plant health as well as animal health, and welfare legislation and practice to that of the European Union, the EU will support Ukraine inter alia through available instruments, to implement the corresponding institutional reform program (IRP) under the Comprehensive Institutional Building (CIB) program and:

- develop a comprehensive food safety strategy aiming to reform all measures laid down in annexes of the SPS Chapter of the envisaged Association Agreement;
- introduction of proposals to the Ukrainian legislations remaining to be approximated.
- strengthen administrative capacity in these areas by:
 - reviewing the functions of the current state governmental authorities responsible for the SPS matters in line with the comprehensive food safety strategy(future);
 - training of specialists of the Ukrainian competent authorities responsible for the SPS matters , in particular on the implementation of approximated legislation;
 - align the food safety and animal health laboratories with the EU requirements.
- set-up an early warning system for the food and feed, animal health and plant health safety
- support food business operators in implementing own control systems;
- organize information campaigns with relevant agencies and NGOs on the requirements accessing the EU market.

Trade in services, freedom of establishment and investment

Continue the effective dialogue on services trade according to provisions of the envisaged Association Agreement.

Capital movements and payments

Continue the effective dialogue on capital movements and payments, in particular with a view to monitoring compliance with all existing commitments and preparing for the envisaged Association Agreement;

Public procurement

The Parties shall pay particular attention to cooperation in taking the following measures:

- enhance and strengthen cooperation, including through technical assistance, aimed at taking

⁵ EU to make reference as in DCFTA

appropriate measures in particular to ensure that the central government body responsible for economic policy has sufficient administrative capacity to fulfil its tasks related to public procurement;

- ensure that the independent review body (Anti-Monopoly Committee) has sufficient administrative capacity to provide effective remedies in line with Directive 89/665 and 92/13 as amended by Directive 2007/66;
- begin preparation of the strategy on public procurement foreseen by Article 152 of the envisaged Association Agreement, making use of existing arrangement for technical assistance, including where necessary through meetings at expert level.
- work towards further harmonisation of the Ukrainian public procurement legislation with the latest EU acquis on the basis of a strategy on public procurement;

Competition

State aid

The Parties shall cooperate in the establishment of an effective system of State aid control and monitoring in Ukraine and implement the corresponding institutional reform program (IRP) under the Comprehensive Institutional Building (CIB) program.

Anti-trust

The Parties will cooperate in order to:

- enhance the transparency and predictability of competition policy in Ukraine, including the publication of the decisions of the Competition Authority within a reasonably short delay following their adoption and of the principles used in implementation and enforcement of competition laws;
- promote convergence of competition law and practice in Ukraine to EU acquis, notably in the areas of merger control rules and in the principles used in the implementation and enforcement of competition laws;
- implement the provisions to be set out in the Competition Chapter of the envisaged Association Agreement (DCFTA part).

Intellectual property

Strengthen cooperation on the protection of the IPR by exchange of experience and organisation of joint actions on the IPR issues as well as continue a dialogue on IPR issues in order to:

- properly implement standards embedded in the Enforcement Directive 2004/48/EC and the EC Council Regulation 1383/2003 concerning customs actions; the Parties will discuss the

results of the current review of this Regulation with the view for Ukraine to approximate with it once it is adopted by the EU.

- take effective measures against counterfeiting and piracy and ensure effective implementation of the enforcement legislation and of sanctions for infringements of intellectual property rights on the basis of an IPR enforcement strategy;
- strengthen coherent and comprehensive enforcement capacity at public authorities level (administrative, judicial and operational authorities), in particular increasing the enforcement resources regarding internet piracy within the Ministry of Interior.

Customs and trade facilitation

The Parties shall implement of the Strategic Framework for EU-Ukraine Customs Cooperation in line with its Roadmap 2012-2014 which defines concrete priorities and activities. The Parties attach importance to the following measures:

Safe and fluid trade lanes

- development of mutual transparent trade environment. Ensure that relevant legislation and procedures, as well as the administrative and operational capacity of the customs administration, fulfil the objectives of effective control and support facilitation of legitimate trade as a matter of principle, while ensuring security and preventing fraud; Border cooperation between EU and Ukraine is one of the indicators of developing customs relationship as it has immediate influence on traders, freight forwarders and passengers.
- development by Ukraine of Authorized Economic Operator system for trade facilitation with the prospect of mutual recognition; the EU may provide adequate assistance upon request;

Risk management and fight against fraud

- cooperate on the implementation of modern customs control techniques based in particular on selective, risk based control, simplified procedures for release of goods and post clearance controls; mutual familiarization with risk management systems of both sides may take form of study trips or workshops;
- investigating the establishment of mechanisms for exchange of data, inter alia on goods and vehicles, in line with relevant data protection standards and regulations in the framework of the working group set up between EU and Eastern Neighbours;
- strengthening dialogue on the fight against fraud to prevent and enforce illegal trade, including in excisable products, in particular cigarettes, which may include exchanges of practical experience and organization of joint actions.

Investment in customs modernisation

- elaborate and implement a comprehensive strategic plan with EU support upon Ukraine's request for the Customs administration, including structures, procedures, resources, IT support and implementation plan. The EU Modernized Customs Blueprints may be used as a benchmark;
- further development of the Ukrainian Customs legislation and its implementing provisions in line with the international instruments and standards applicable in the field of customs and trade including those developed by the EU, World Customs Organisation, WTO, UN;
- cooperate in the implementation of an up-to-date Harmonized System with a view to adopting the Combined Nomenclature and ensuring proper and coherent classification of goods;
- ensure the highest standards of integrity at the Customs administration, and in particular at the border, with the application of measures reflecting the principles of the WCO Arusha Declaration.
- cooperate on the further development of customs valuation procedures and practice in order to make them more transparent and efficient, including through the exchange of best practices on the implementation of WTO standards;
- take all necessary steps within the competence of the Parties to facilitate future participation of Ukraine in both the Working Group EU – EFTA and the EU/EFTA working group and ECG (Electronic Customs Group) – NCTS;
- elaborate, with EU support upon Ukraine's request, and implement a comprehensive strategic plan for the Customs administration, to align its transit legislation, operational procedures, and IT system on the EU/EFTA Conventions on a common transit procedure and the simplification of formalities in trade in goods, with a view to ensuring the future membership of Ukraine in the said Conventions and participation in the common transit system; provide relevant twinning project to the Ukrainian Customs administration on application of common transit and NCTS system upon Ukrainian initiative.

Trade and sustainable development

The Parties will engage in a dialogue on the issues covered by the Chapter on Trade and Sustainable Development of the envisaged Association Agreement.

Transparency of regulations

The Parties shall pay special attention to cooperation in following:

- ensuring compliance of the measures of general application including internal regulations on the implementation of the regulatory policy in the spheres covered by provisions of Title “Trade and

trade related matters” of the envisaged Association Agreement with the requirements of the principle of transparency;

- establishing a Contact point and a mechanism of processing of requests of any persons concerned on any valid or proposed measures of general application and on practice of such measures implementation, that can influence on issues under the Agreement.

Trade and Regulatory Co-operation

The Parties shall pay special attention to cooperation on further harmonization of Ukrainian legislation with the EU acquis acts in the sphere of:

- distance selling advertising;
- ensuring the safety of food products and informing consumers of products properties;
- implementation of the EU budgetary support program in the sector of removal of technical barriers to trade (TBT).

6. Energy co-operation including nuclear issues

On the basis of the continued implementation of the EU-Ukraine Memorandum of Understanding on energy cooperation and preparing for the implementation of the EU acquis mentioned in the relevant annex of the envisaged Association Agreement, and consistent with relevant multilateral agreements, the Parties shall pay particular attention to cooperation in taking the following steps:

- integration of energy markets:
 - adopt the new energy strategy;
 - following Ukraine's accession to the Energy Community Treaty on 1 February 2011, take all necessary steps for the implementation and effective enforcement of Ukraine's Energy Community obligations, with EU assistance;
 - strengthening of the capacity and independence of the National Electricity Regulatory Commission (NERC), including setting up the legislative framework necessary for this purpose;
 - continue reform of electricity tariff and gas pricing and measures to ensure full payments for providing electricity and gas;
 - continue to cooperate towards the full implementation of the Joint Declaration of the investment conference on the rehabilitation and modernisation of the Ukrainian gas transit network of 23 March 2009;
 - accelerate work on the integration of the united power system of Ukraine into the Union of Central European electricity networks, in accordance with the requirements of ENTSO-E (European Network of Transmission System Operators for Electricity)

- energy security
 - Continue developing and implementing strategic oil stocks.
- energy efficiency, renewable energy and environmental aspects
 - exchange of expertise and best practices in order to prepare, adopt and implement sub-sectoral energy policy documents on energy efficiency and renewable energy, in order to implement the EU Directives that are required by the Energy Community Treaty;
 - continue work towards the implementation of budget support programme “Support to implementation of Ukraine’s energy strategy in the area of energy efficiency and renewable sources of energy”;
 - advance in assessing the technical and financial feasibility of implementing methane capture and clean coal technologies and their promotion.
- nuclear safety
 - continue cooperation on the implementation of the results of the EC-IAEA-Ukraine Joint Project on nuclear safety evaluation of Ukrainian nuclear power plants;
 - safe and efficient implementation of measures for Chernobyl Nuclear Power Plant decommissioning and measures at "Shelter" for the safe transformation of the 4th power unit;
 - continue cooperation under the Instrument for Nuclear Safety Cooperation (INSC);

7. Other co-operation issues

Public financial internal control and external audit and control

The Parties shall cooperate with the aim to ensure the development of public financial internal control and external audit by:

- ensuring further improvement of the internal control system, including functionally independent internal audit, in state authorities by means of harmonization with generally accepted international standards and methodologies and EU best practice;
- ensuring implementation of the internationally accepted external audit standards (International Organisation of Supreme Audit Institutions) by the Supreme Audit Institution (Accounting Chamber);
- ensuring effective cooperation with the relevant EU Institutions and bodies in the case of on-the-spot checks and inspections related to the management and control of EU funds, to be provided in line with relevant rules and procedures.

Taxation

Enhance and strengthen cooperation aimed at the improvement and development of Ukraine's tax system and administration, based on international and European standards, including preparation for gradual approximation to the taxation structure as laid down in the EU acquis set out in the relevant annex of the envisaged Association Agreement, in particular by:

- improving and simplifying tax legislation including;
- improving international tax cooperation in order to enhance good governance in the tax area, as described in the envisaged Association Agreement. In relation to fair tax competition, taking into account the principles of the EU Code of Conduct for Business Taxation;
- improving capacity of the tax administration, in particular by moving towards a more focused, risk based system for tax control and audits;
- implementing a sustainable and swift solution to the VAT refund backlog;
- taking measures to harmonise policies in counteracting and fighting fraud and smuggling of excisable products;
- developing cooperation with the tax administrations of EU Member States by exchanging new experiences and trends in the field of taxation.

Statistics

- prepare for implementation of EC statistical compendium as annexed to the envisaged Association Agreement;
- improve the coordinating role of the SSSU in the national statistical system through its appropriate and explicit reflection in the statistical law, through the conclusion of Memoranda of Understanding with the most important producers of official (state) statistics and introduction of preparation of a coordinated statistical work programme containing all official statistics;
- improve the dissemination of official (state) statistics including the appropriate metadata to all users including government, civil society, businesses, media and others through a modern and integrated dissemination tools, in particular websites and user-friendly databases etc.;
- enhance the quality of official (state) statistics in cooperation with other data producers and data users, development and implementation a quality assurance framework including the production and publication of quality reports.

Transport

The Parties cooperate to support Ukraine in, and to prepare for implementation of EU acquis mentioned in relevant annexes of the envisaged Association Agreement:

- implementation of the newly developed comprehensive national transport strategy of Ukraine until

2020 and implement the EU budgetary support program;

- the development and implementation of an action plan for improving road safety;
- the development of intermodal and multimodal services, resolving issues relating to the interoperability of different track gauge and other technical standards;
- achieving free circulation of vehicles corresponding to EU standards on weights and dimensions, taking also into account planned needs for upgrading of infrastructure;
- preparing and implementing railway sector reform and restructuring programme;
- preparing and implementing port sector reform with the aim of achieving better connectivity of ports with the hinterland, ensure fair market access to providers of port services (separating operational and commercial functions of port authorities) and achieving better performance and less administrative burden in ports;
- implementing relevant international conventions IMO (International Maritime Organisation), in particular the Convention on Limitation of Liability for Maritime Claims (LLMC) from 1976 (and its Protocol amendments from 1996) and the International Convention on the Control of Harmful Anti-fouling Systems on Ships (AFS Convention), intensifying activity in Port State Control and Flag State Control;
- infrastructure development, in particular through identification of priority projects for the development of the transport network and the identification of priority projects of transnational interest;
- continue efforts to attempt concluding a Common Aviation Area Agreement in the course of 2013;
- pursuing activities to align the Air Code of Ukraine with EU legislation in the field of aviation;
- harmonisation of aviation safety legislation and strengthening the administrative capacity of the aviation authorities;
- development of cooperation with EASA and EU on aviation safety issues.

Environment and climate change

The Parties cooperate to support Ukraine in, and to prepare for implementation of EU acquis mentioned in relevant annexes of the envisaged Association Agreement:

- implementation by Ukraine of primary objectives (strategy) of the State Environmental Policy for the period till 2020 and the National Environment Action Plan for 2011-2015 in order to be able to take measures to implement the EU budgetary support programme;
- strengthening of the administrative capacity at national, regional and local levels, including through development of effective inspection and enforcement capacities;
- further development and implementation of Ukrainian environmental legislation, strategies and

plans, in particular on environmental impact assessment, strategic environmental assessment, access to environmental information, and public participation;

- development of national implementation instruments in line with multilateral environment agreements signed and ratified by Ukraine and the EU, as enlisted listed in the Annex;
- strengthening the dialogue within the Joint EU-Ukraine Working Group on Climate Change on a preparation and signing a new global agreement on climate change, development and implementation of a domestic emissions trade system, and on developing measures to mitigate and adapt to climate change;
- promoting sustainable development and greening of the economy;
- improving the efficiency of measures to protect the ozone layer;
- working together to implement the roadmaps for achieving the water-related Millennium Development Goals and Integrated Water Resources Management targets, using the national policy dialogue under the EU Water Initiative;
- promoting the implementation of the Bucharest Convention and its Protocols and working together with the Parties of this Convention to promote the accession of the European Union to the Convention;
- working on establishing the Shared Environmental Information System in the framework of Eastern Partnership;
- taking measures by Ukraine to open a branch of REC office in Ukraine, inter alia to raise environmental awareness and promote the role of the civil society on environmental matters.

Civil Protection

The Parties cooperate to support Ukraine to:

- strengthen the dialogue on the prevention of, preparation for and response to natural and man-made disasters and to implement the Administrative Arrangement on cooperation in the field of Civil Protection between Ukraine and the European Commission by establishing and implementing bi-annual Work Plans;
- progress with the development of a country-wide disaster risk assessment and mapping, and to advance the extension of the European early warning systems and monitoring tools to Ukraine.
- work towards the development of strategy for industrial risks reduction and prevention of man-made disasters, and to explore funding opportunities for its implementation;
- progress with the implementation of the "Hyogo Framework for Action: Building the Resilience of Nations and Communities to Disasters".

Industrial and enterprise policy

The Parties will cooperate on implementation of an SME policy based on the ten principles of the Small Business Act (SBA) and EU best practices and maintain a regular dialogue on industrial and

enterprise policy, involving government and business representatives from both the EU and Ukraine – amongst other within the framework of the SME Panel of the Eastern Partnership. The Parties will:

- cooperate to ensure the implementation of the recommendations outlined in the assessment “SME Policy Index: Eastern Partner Countries 2012 – Progress in the Implementation of the Small Business Act for Europe” undertaken by the OECD in cooperation with the European Commission, the European Training Foundation and the EBRD;
- continue their cooperation within the framework of the follow-up SME policy assessment as well as the implementation project (“Eastern Partnership SME Competitiveness Strategies Phase II”) undertaken by the same partner organisations.

Company law, corporate governance, accounting and auditing

The Parties shall enhance their co-operation in all areas of company law corporate governance and accounting and auditing issues through exchanging experience and information about their best practice and their current regulatory frameworks and in particular:

- prepare for implementation of EU acquis mentioned in relevant annexes of the envisaged Association Agreement through progressive approximation of Ukraine company law legislation with the EU company law acquis;
- by the development of administrative capacity of relevant state institutions;
- improve functioning of company law through constant review, modernisation of relevant legislation and its application, including in particular the Joint Stock Company Law;
- simplify rules and procedures on registration of legal persons, including companies, and natural persons, including entrepreneurs, to set up and liquidate business;
- develop further corporate governance policy and promote compliance with the code on corporate governance in line with international standards as well as gradual approximation with the EU rules and recommendations in this area;
- introduce relevant international auditing standards at national level;
- promote the application of international accounting standards by all listed companies at national level, notably by introducing a mechanism to this end.

Financial services

- prepare for implementation of EU acquis mentioned in relevant annexes of the envisaged Association Agreement;
- cooperate to ensure the effective implementation of a prudential regulatory framework for financial markets and supervision equivalent to that existing in the EU;
- cooperate to improve the administrative capacity of supervisory authorities in accordance with

internationally recognised standards;

- encourage cooperation between Ukraine and EU supervisors, especially regarding exchange and disclosure of information;
- develop national legislation on prevention and counteraction against money-laundering and financing terrorism, in particular by implementing the FATF Standards as well as the relevant EU anti-money laundering and combating the financing of terrorism legislation;
- continue organising joint seminars, conferences, trainings, workshops and study visits on counteraction against money-laundering and terrorist financing as well as inviting Ukrainian experts to relevant EU events;
- enhance cooperation with FATF, the Council of Europe, MONEYVAL, as well as relevant authorities in EU member states and sign Memoranda of understanding between financial intelligence authorities of Ukraine and EU Member States.

Information society

The Parties cooperate to support Ukraine in, and to prepare for implementation of EU acquis mentioned in relevant annexes of the envisaged Association Agreement, in particular by:

- Ukraine to further work towards the approximation of the legislation in the field of electronic communications with the EU acquis;
- strengthening of the independence and administrative capacity of the national regulator in the field of communications, in order to ensure its ability to take appropriate regulatory measures and enforce its own decisions and all applicable regulations and to guarantee fair competition in the markets, supported by Twinning projects, including with EU regulators;
- exchanging information and experience on the implementation of the Europe 2020 Initiative “The Digital Agenda for Europe” .

Tourism

The Parties will establish a regular dialogue on the issues covered by the Chapter on tourism of the envisaged Association Agreement.

Agriculture and rural development

The Parties cooperate to support Ukraine in, and to prepare for implementation of EU acquis mentioned in relevant annexes of the envisaged Association Agreement, in particular through enhanced activities of the established agricultural dialogue, in particular by:

- developing and implementing a new Action Plan aiming at bringing the sector closer to EC policies and legislation on agricultural policy and rural development;

- increase cooperation on scientific studies and exchange of best practices for the use of biotechnologies in agriculture;
- training of central and local administrations on new models of rural development policies for further implementation of programmes for rural communities;
- exchange best practices on the renewal and preservation of natural resources in order to ensure efficient, sustainable and high quality agricultural production;
- exchange best practices on the sustainable agricultural production of renewable energy resources and their use, including in agriculture;
- studying EU experience on transition towards providing direct support to agricultural producers;
- improving the competitiveness of agricultural production, including by cooperation on the implementation of quality schemes.

Fisheries and maritime policy

- reinforce cooperation and work together towards sustainable fisheries in the Black Sea, both in bilateral and multilateral frameworks on the basis of an ecosystem approach to fisheries management;
- increase scientific and technical co-operation with a view to ensure the capacity of monitoring fisheries and evaluating the state of the stocks of marine resources and of marine environment;
- ensure the exchange of best practices on the integrated approach to maritime affairs, especially look into the possibility of establishment of a respective contact point in Ukraine and identify mutually beneficial areas of common interest for future Black Sea cooperation in the context of EU Integrated Maritime Policy.

Science, technology and innovations

- cooperate in the area of innovation;
- intensify the performance of the Agreement for scientific and technological cooperation between Ukraine and the EU in order to enhance the participation of Ukrainian research entities in the projects of European programmes.

Space

The Parties will continue a regular dialogue on the issues covered by the Chapter on space of the envisaged Association Agreement.

Consumer protection

In view of the preparation for the implementation of the EU acquis mentioned in relevant annexes of the envisaged Association Agreement, the parties cooperate in order to:

- exchange information and initiate a dialogue on consumer protection. The Parties May explore the possibility to further cooperate on subjects of mutual interest;
- encourage the empowerment of consumers;
- strengthen administrative capacity of consumer protection enforcement in Ukraine, notably through training and technical assistance in the framework of TAIEX programme for the Ukrainian Public Administration, including the Judiciary and the Legislative branch and civil society organizations on the transposition of EU legislation and its subsequent implementation and enforcement.

Social co-operation

The Parties cooperate in order to:

- prepare for the implementation of the EU acquis in the areas of gender equality, anti-discrimination, health and safety at work, labour law and working conditions mentioned in relevant annexes of the envisaged Association Agreement, and in particular:
 - strengthen administrative and enforcement capacities in the area of health and safety at work, and labour law, notably the labour inspectorate;
 - enhance practical measures in the area of gender equality with the aim of reducing the gender pay gap.
- develop a strategic approach to employment in order to ensure:
 - better matching skills and jobs on the Ukrainian labour market and its efficiency;
 - strengthening capacity of administration in charge of employment policy;
 - strengthening the efficiency of public employment services, possibly backed up by twinning exchanges with public employment services of EU Member States;
 - promoting decent work and the transformation of the informal sector into formal work and implementing the decent work country programmes between the ILO and Ukraine;
 - promoting anti-discrimination and ensuring equal opportunities, in particular for people with disabilities, notably in the context of employment.
- exchange best practices in improving the effectiveness of social protection, with a view to enhancing both its social adequacy and financial sustainability and to significantly reduce the number of poor and vulnerable people;
- encourage both tripartite and bipartite social dialogue and the capacity building of social partners, including in the framework of TAIEX;

- promote the conclusion of agreements between Ukraine and EU Member States on the coordination of social security for workers of Ukrainian nationality legally employed in EU Member States;
- exchange of best practices as regards the provision of social services with a view to encouraging synergies between public and private partners in this sector in Ukraine.

Public Health

The Parties will cooperate in:

- implementing health sector reform;
- strengthening administrative capacity in the field of public health;
- preparing for the implementation of EU health acquis, especially those mentioned in the relevant annexes of the envisaged Association Agreement, including on tobacco, blood tissues and cells, communicable diseases;
- preventing of non communicable diseases through health education and promotion of healthy lifestyle, and through actions addressing major health determinants and problems, such as mother and child health, mental health, addiction to alcohol, drugs and tobacco as well as through strengthening civil society involvement;
- preventing and controlling of communicable diseases in particular HIV/AIDS, tuberculosis, sexually transmitted infections, and hepatitis C and B;
- exchanging best practice in implementing the Framework Convention for Tobacco Control and the International Health Regulations;
- participating in the EU public health related networks and working parties such as the annual network meeting on health information and the HIV/AIDS Think Tank;
- developing gradually cooperation with the European Centre for Disease Prevention and Control.

Education, training and youth

The Parties shall cooperate in:

- carry out joint work and exchanges with a view to promoting Ukraine's further integration into the European Higher Education Area, in the context of its membership of the Bologna process;
- work towards mutual academic and professional recognition of qualifications, diplomas and certificates on education;
- carry out joint work and exchanges with a view to supporting Ukraine to bring its system of vocational training more closely in line with the modernisation of EU VET structures as pursued in the Copenhagen Process and via instruments such as European Qualifications

Framework (EQF), the European Credit system for VET (ECVET) and the European Quality Assurance Reference framework for Vocational Education and Training (EQARF);

- enhancing dialogue on systems of general secondary education, distance education and lifelong learning;
- enhancing exchanges and cooperation in the field of non-formal education for young people and youth workers as a means to promote intercultural dialogue and support civil society, inter alia through EU programmes in the field of youth.

Culture

- The Parties will promote the implementation of the 2005 UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions;
- cooperation on development of an inclusive cultural policy in Ukraine and on the preservation and valorisation of historical heritage;
- promote the participation of Ukrainian cultural actors in cultural cooperation programmes, including Creative Europe.

Sport and physical activity

Exchange of information and good practices on the following topics: promotion of health-enhancing physical activity, national competence and qualification systems in the sport sector, integration of disadvantaged groups, the fight against doping, the fight against match-fixing.

Civil society cooperation

The Parties will cooperate in the familiarisation of the Ukrainian civil society institutions, including the EaP Civil Society Forum national platform as regards the process of consolidation and dialogue between social partners in the EU, with a view to further integrating civil society into policy processes in Ukraine.

Cross-border and regional cooperation

- implementation of the Memorandum of Understanding for the Establishment of a Dialogue on Regional Policy and Development of Regional Cooperation;
- strengthening cooperation under regional and cross-border programmes between Ukraine and the EU with the aim of decreasing the imbalance in development between relevant regions and ensuring their prosperity by means of:
 - establishment of long term links between social and economic actors on both sides of the common borders contributing to the improvement the competitiveness of border

territories;

- joint activities for promoting social and economic development in the border territories and integrating such activities in the shaping of longer-term regional policies;
- diminish the border effect as a physical barrier by means of:
 - establishment of close contacts between regional and local authorities;
 - improvement of the efficiency of border procedures, including through the further improvement of necessary border infrastructures;
 - Implement the EU budgetary support programme in border management.

Regional development

- Approval and implementation of the State Regional Development Strategy until 2020;
- Defined Regional Development framework through the adoption of the Law on Fundamentals of State Regional Policy or amendments to regional development legislation;
- Effective coordination mechanism in place, including a structured consultation procedure with Regional Development stakeholders (national and regional level, including civil society);
- Full transparency and oversight of the budget for Regional Development, including State Regional Development Fund and subventions.

Audio-visual

- preparation for implementation of EU acquis mentioned in relevant annexes of the envisaged Association Agreement, in particular Directive 2007/65/EC of 11 December 2007 on Audiovisual Media Services amending Council Directive 89/552/EEC the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the pursuit of television broadcasting activities;
- explore Ukraine's possible participation in the EC programme "Media", and in the future Creative Europe-programme, once the framework agreement enabling Ukraine's participation in European Community programmes has been concluded.

Participation in Community Programs and Agencies

The Parties signed a framework agreement which enables Ukraine's participation in European Community programmes and will cooperate closely to implement it through specific working arrangements.

8. Resources

This ambitious Association Agenda will require Ukraine and EU to make available resources for the implementation of agreed priorities.

In the case of the EU, such support is to be provided in the context of the overall priorities for assistance in favour of Ukraine, as part of the overall funding available for Ukraine and in full respect of the relevant implementation rules and procedures of EU external assistance.

As appropriate, the EU will also encourage international, governmental, business and civil society partners to promote the objectives and priorities of the Association Agenda and, where relevant, facilitate them in these tasks.

9. Monitoring and reporting provisions

A Joint Committee at Senior Officials level will be established to review progress in implementing the Association Agenda as well as future priorities and any necessary adjustments to the Association Agenda. The Joint Committee will meet regularly, at least once per year. Either side may carry out its own review of progress in implementing the Association Agenda independently of the Joint Committee. It is anticipated that the Joint Committee mechanism will be reflected in the final arrangements agreed for the envisaged EU-Ukraine Association Agreement.