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A4U Reviews-Comments-Briefs N17 **EUI Policy & Reform Digest**

Prepared by B. Jarabik, STE of the A4U EU Project. It reflects views of the STE only and not the official position of the Project, let alone the EUD. Key Expert: Dr J. Zakonyi

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EUI Policy & Reform Digest

November 2018

This digest has been prepared by A4U project as a review of the most relevant international and local European Integration (EUI) policies and reform related analysis and papers (Reforms Review).

The current volume regarding European Integration includes latest trade statistics, public opinion polls, a brief analyzing long term polling trends, the handbook by CEPS and IER on (how) deepening European integration, progress report by the Civil Society Forum on EaP 2020 deliverables, monitoring report on border crossing, analysis on EU soft power in EaP and the Brexit potential impact on EaP.

The Reform Review summarizes a comprehensive anti-corruption reform assessment by Chatham House, the environmental law review (by RAC), energy reforms review (Euractive) and a comparative analysis on civil society role in AA implementation in Georgia, Moldova and Ukraine.

EUROPEAN INTEGRATION

Trade Statistics: Ukrainian [exports rose](#) to \$30 billion during January-August 2018, representing a 12.4% year-on-year increase against the same period in 2017. The EU was the main recipient of Ukrainian exports, with European Union member states accounting for 42.1% of total exports with a combined value of approximately \$13 billion. This represents an 18.3% increase in Ukrainian exports to the EU compared to the same period in 2017.

Ukraine has now posted growing export volumes for 20 consecutive months as the country's economic recovery continues to gather momentum. The largest individual destination countries for Ukrainian exports over the first eight months of 2018 were Russia (7.9% of total exports), Poland (7%), and Italy (5.9%).

Ukraine's poultry exports to EU more than doubled in value to \$130 million. During MHP, the nation's largest poultry producer, accounted for 94% of exports to the EU last year. By 2023, the company plans to double exports from today's 260,000 tons. Exports of walnuts, a new Ukrainian niche product, was up 83%, to \$67 million through July compared to the same period last year. Last year, the EU bought 60% of Ukraine's walnut exports.

Visa Free: The number of Ukrainian adults holding EU-friendly biometric passports has more than tripled in the last year -- from 7% in June 2017 to 24% in August 2018, according to polls conducted by the Ilko Kucheriv Democratic Initiatives Foundation (DIF) and the Kyiv International Institute of Sociology. Ukrainian holders of biometric passports can visit the EU for 90 days out of each 180. Respondents who say the visa-free regime is important to them has increased from 39% in

June 2017 to 48% in August. Respondents who actually travel to the EU vary sharply according to region: West – 34%; Center –12%; South – 10%; and East – 8%.

Public Opinion: Good roads and foreign investors are the top benefits that Ukrainians hope to see from integration with the EU according to the [New Europe Center think tank](#). Nearly 40% of Ukrainians consider this the clearest indicator that euro-integration has reached their oblast. For about 35% of Ukrainians, successful euro-integration will be evident in better transport infrastructure: rebuilt roads, safe and comfortable public transportation. A similar number of those surveyed said that successful European integration would bring new jobs and foreign investors.

Another [poll identified](#) corruption, insufficient economic development and low living standards as the major obstacle for Ukraine’s EU membership perspective. 44% of Ukrainians consider themselves European.

Almost a third of Ukrainians believe that the European Union can put more pressure on the Ukrainian authorities in the implementation of reforms, according to the results of a sociological survey conducted by the Ilko Kucheriv Democratic Initiatives Foundation and the Kyiv International Institute of Sociology (KIIS) [sponsored by the New Europe Center](#). 28% of respondents said the EU could put more pressure on Ukrainian authorities to enact reforms, while 16.5% said that the EU should stop giving money to Ukraine, because the funds are being embezzled by officials. Only 13.7% of respondents agreed with the statement that the EU can provide Ukraine with the prospect of membership. Also, only 3.8% of respondents said the future of Ukraine is with Russia, while 1.4% said they believe more in the help of the U.S. than in EU assistance.

[TEPSA Briefs: Ukraine on the path to the EU: Citizens’ Opinions and Hopes](#)

This brief outlines the dynamics of Ukrainian citizens' attitude towards the EU and specific aspects of European self-identification processes among Ukrainians. As a major conclusion of the brief, long term trends clearly now there are grounds to claim that Ukraine has passed the stage of choosing between the European and the Eurasian path of development.

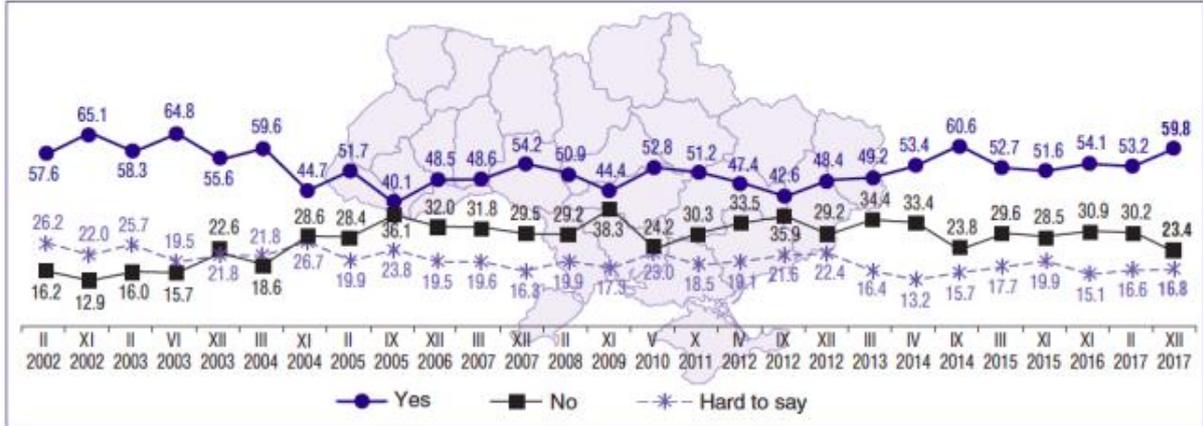


Figure 1: Percentage of answers to question "Should Ukraine join the EU?"

Reference: http://www.tepsa.eu/wp-content/uploads/2018/10/Ukrainian_brief_finalversion.pdf

[CEPS/IER Handbook: Deepening EU-Ukraine Relations: What, Why and How?](#)

Researchers from the Centre for European Policy Studies and the Institute for Economic Research and Policy Consulting prepared a Handbook, which contains a comprehensive assessment of the EU-Ukraine Association Agreement and the DCFTA. The manual contains a comprehensive assessment of the Association Agreement between Ukraine and the EU and the DCFTA. Its purpose is to provide a clear explanation of the main content of each chapter of the Association Agreement, both in terms of the nature of the obligations of the parties and the progress made in their implementation, and in the context of the prospect of further implementation of the Agreement. Reference: [http://www.ier.com.ua/en/institute/news?pid=6037&ct=t\(EMAIL_CAMPAIGN_10_15_2018_14_36\)&mc_cid=1227fa2fee&mc_eid=510db8c1c0](http://www.ier.com.ua/en/institute/news?pid=6037&ct=t(EMAIL_CAMPAIGN_10_15_2018_14_36)&mc_cid=1227fa2fee&mc_eid=510db8c1c0)

[Civil Society Forum: Ukraine EaP Deliverables Progress Report](#)

Ukraine is generally in the process of actively implementing nearly all priorities because most of the 2020 deliverables, in one way or another, reflect the goals envisaged by the Association Agreement, which fully came into effect on September 1, 2017. Ukraine has adopted a number of mid-term strategies and concepts for 2020 and 2021 as part of its overall reforms, and as part of the Ukraine 2020 Sustainable Development Strategy. The report see visible progress in cross-cutting deliverables, highlights digital markets challenges in economic development, mixed results in strengthening institutions and evaluates energy below average.

Reference:

<http://prismua.org/en/pdf/%D1%83%D0%BA%D1%80%D0%B0%D0%B8%D0%BD%D1%81%D0%BA%D0%B0%D1%8F-%D0%BF%D1%80%D0%B8%D0%B7%D0%BC%D0%B0-%D0%B4%D0%B2%D0%B0%D0%B4%D1%86%D0%B0%D1%82%D1%8C-%D0%B4%D0%BE%D1%81%D1%82%D0%B8%D0%B6%D0%B5%D0%BD/>

[Europe Without Barriers: Anatomy of the Border \(Monitoring Report 2018\)](#)

"Europe without barriers" presented the results of monitoring for the quality of services at 20 international automobile and pedestrian border checkpoints at the state border of Ukraine with member states of the EU, Belarus and Russian Federation. According to the results, following barriers, which impede the implementation of entry-friendly border policies, have been identified: • Insufficient traffic capacity and outdated infrastructure of existing border checkpoints with EU countries, slow progress in opening new MABCs (multilateral automobile border checkpoints), • Insufficient control from the State border guard service of Ukraine (SBGS) and the National police regarding the formation of queues on Ukrainian border, • Violation of non-discrimination rules for travelers by border authorities of EU countries, • Cases of corruption at the border. Reference: [https://europewb.org.ua/wp-content/uploads/2018/10/PRINT_engl_Anatomiya-kordonu.pdf?ct=t\(EMAIL_CAMPAIGN_10_31_2018_9_28\)&mc_cid=6f62edfd4a&mc_eid=510db8c1c0](https://europewb.org.ua/wp-content/uploads/2018/10/PRINT_engl_Anatomiya-kordonu.pdf?ct=t(EMAIL_CAMPAIGN_10_31_2018_9_28)&mc_cid=6f62edfd4a&mc_eid=510db8c1c0)

[EU-STRAT Policy Brief: EU Soft Power in EaP](#)

The brief analyses how the EU communicates via official channels, what messages and news about the EU are disseminated by media in the Eastern neighbourhood countries (Belarus, Moldova and Ukraine) and finally how these messages are received by citizens. In addition, authors compare the EU's communication strategy to that of other actors present in the region, especially Russia, and its

tools and communicative strategies. The analysis of the style and format of local communications and citizen responses to the way the EU communicates at present suggests that there is room for improvement in terms of effectiveness. Reference: http://eu-strat.eu/?p=974&fbclid=IwAR0T4MUGuOXwLP1bjIpWncD4zu90TWjOZd_FwMYtXVrRQIOTpciANnHyIRc

[Eurasia Democratic Security Network Brief: Brexit and Eastern Partnership](#)

The UK's withdrawal from the EU could shift the balance of power and interests in the bloc in a direction which will not favour Eastern Partnership countries. However, there are some reasons for optimism. First, given that after Brexit the UK will not have a seat at the table in Brussels for most inter-governmental discussions, the UK is likely to double-down on its role as a key security provider in Europe to retain influence. Given the current state of UK-Russia relations, the UK has a direct interest in pursuing this. Quixotic as it may sound, Brexit may present an opportunity for the EU to reframe its broader approach towards the Eastern Partnership countries. The fundamental problem of the Eastern Partnership is that it uses a conditionality toolkit applied in the past to pre-accession states without offering any realistic prospect of membership. At the same time, in constructing itself as the dominant normative power in the region, it condemns those outside the bloc to peripheral status. If the UK can succeed as a prosperous, peaceful and democratic state outside the EU (but undoubtedly with close trade and security ties to it), this will break the EU's de facto monopoly on what it means to be European. This could open the way to a new institutional architecture in Europe, helping to avoid the risk of strategic and institutional drift. Reference: <http://edsn.css.ge/index.php/2018/11/01/brexit-and-the-eastern-partnership-opportunities-as-well-as-risks/>

REFORMS REVIEW

[Chatham House's Anti-Corruption Reforms Review](#)

Significant reforms in this field has brought greater success in restricting the opportunities for corruption than in bringing corrupt officials to justice. As corruption is a symptom of the poor system of governance in the country, not the cause of it, a decisive breakthrough will require opening the political system to more actors, creating greater competition and developing credible institutions to support the rule of law.

Anti-corruption successes include the cleaning up of Naftogaz and reforms in administrative services, banking, the patrol police, procurement and taxation. Decentralization is also creating new opportunities for citizens to hold local authorities accountable for managing local public resources.

Progress is lacking in priority areas such as customs, deregulation, privatization, de-monopolization and the reform of public administration. Defense spending is particularly opaque. Corruption schemes remain untouched in some parts of the energy sector. An overhaul of the civil service is also essential. Reforms of the law enforcement agencies are proceeding slowly, if at all.

It is too early to say whether judicial reform will lead to improvements in the functioning of the courts because of the deep underlying culture of corruption in the judicial system. The newly created National Anti-Corruption Bureau has yet to achieve a high-level prosecution because of the influence of vested interests over the judiciary. This situation should change for the better after the formation of the High Anti-Corruption Court, but there is likely to be a risk of selective justice.

Punitive measures on their own can only have a limited effect on reducing corruption. They must be part of a sustained and comprehensive strategy to reduce the space for corrupt practices and open the political and economic system to greater competition. This requires demonopolizing politics and encouraging Ukraine's power groups to accept new rules of the game. Citizens condemn high-level

corruption but regard petty corruption as a justifiable evil. This perception needs to change, and citizens must accept their responsibilities for limiting the scope of corruption. Reference: <https://www.chathamhouse.org/event/are-ukraine-s-anti-corruption-reforms-working>.

[Advancing the Reform Agenda within the EU Association Agreements: Comparative Analysis of Moldova, Georgia and Ukraine and the Role of Civil Society](#)

The article elucidates more comprehensively this aspect by highlighting the main challenges and puts forward recommendations for improving civil society participation in advancing reforms in these countries. The research on this topic is important in order to present a comparative perspective of the progress towards European integration among the most active pro-European states in the Eastern Partnership. Reference: <http://ukraine-analytica.org/wp-content/uploads/Iovu.pdf>

[RAC Environmental Review](#): the Resource and Analysis Center "Society and Environment" prepared its monthly review of the main developments in Ukraine's environmental policies. Reference: [http://www.rac.org.ua/uploads/reviews_archive/2018/en/2018_Oct_eng.pdf?ct=t\(EMAIL_CAMPAIGN_11_16_2018_9_20\)&mc_cid=0be1d9dcee&mc_eid=510db8c1c0](http://www.rac.org.ua/uploads/reviews_archive/2018/en/2018_Oct_eng.pdf?ct=t(EMAIL_CAMPAIGN_11_16_2018_9_20)&mc_cid=0be1d9dcee&mc_eid=510db8c1c0)

[Energy Reforms Review](#): this blog post provides a comprehensive overview of Ukraine`s energy reforms since 2014 including gas, electricity and renewables. Reference: [https://ukraineoffice.blogactiv.eu/2018/11/08/ukraine-a-country-with-a-huge-potential-what-reforms-were-undergone-and-whats-next/?ct=t\(EMAIL_CAMPAIGN_11_16_2018_9_20\)&mc_cid=0be1d9dcee&mc_eid=510db8c1c0](https://ukraineoffice.blogactiv.eu/2018/11/08/ukraine-a-country-with-a-huge-potential-what-reforms-were-undergone-and-whats-next/?ct=t(EMAIL_CAMPAIGN_11_16_2018_9_20)&mc_cid=0be1d9dcee&mc_eid=510db8c1c0)