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Reviews-Comments-Briefs N14

1 Quick Review of GOCEEI 2017 draft AA Implementation Report

2 Kiev Security Forum, 12-13 April 2018

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1 Subject: GOCEEI 2017 draft AA Implementation Report – Quick Review Date: February 13, 2018

Overall: this is a very good-looking report. Some of the reasons to underscore this:

- It has some impressive data – both the data and the fact it includes so much data is actually impressive.
- The overall message – this is work in progress, not victory; is realistic admitting delays; open about hard work ahead - thus giving a fair and positive framework toward future implementation.
- The scorecard brings in serious amount of data – it clearly shows who implements what and also will give food for thought for research, and of course, also for disputes. But this will look authoritative – while the methodology should be explained (see What is Missing).

INTRODUCTION:

- Introduction has number of trade with the EU for 11 months – this is a bit more positive than the overall results in 2017. Nevertheless, the document clearly states that this is the figure for 11 months.
- The new 362 products to the EU markets sounds great. Would be positive to add the number of companies as well (last June 2017 it was 281 <http://www.eurointegration.com.ua/news/2017/06/21/7067514/>).
- Cancelling 14475 regulations and standards – were these eliminated or cancelled for good? As far as known, these were only postponed till January 2019. See: <http://neweasterneurope.eu/2017/07/10/a-bittersweet-victory-ukraine-s-association-agreement-with-the-eu/>.
- The overall summary of results is, by and large, matching with the civic monitors' (UCEP) reports (technical regulation, consumer rights protection, energy efficiency).

WHAT IS MISSING:

- The introduction (probably now at the presentation meeting) should explain why this report is new – based on the scorecards methodology. This is a serious step forward in improving monitoring and evaluation activities of the government - on its own right.
- A short intro in the beginning of the section might contain the basic summary of the section (with establishing trends) – this would make the report more reader/user-friendly – instead of the current description of the objectives.

- The online report could also contain actual hyperlinks to the legislative acts (laws, resolutions, etc).

CHALLENGE:

One of the key issues to tackle will be discrepancy between official progress numbers and civic monitors. This could be done mostly by explaining the difference in the methodologies used – the government (first time) uses the scorecards for the reporting what monitors overall implementation across (including legislation and various government agencies acts), while UCEP a legislative (approximation) monitoring and estimates the progress accordingly (see: http://ucep.org.ua/wp-content/uploads/2017/12/UCEP_report_3_WEB.pdf).

SECTORAL FINDINGS:

- It gives a strong overall impression on how complex and wide the actual agenda is. In this aspect it significantly differs from the civil society reports. It contains tremendous amount of data – a big improvement from previous years – and therefore it will be very useful for research and other purposes.
- Percentages seem problematic in a number of areas, especially there, where there is no legislative act by/in the parliament - such as political dialogue; technical barriers; SPS; customs; procurement; energy including nuclear (while energy efficiency has shown considerable progress); taxation; statistics; environment; transport and postal service; science, technology, innovation, space; public health.
- The largest difference between UCEP and the GOCEEI reports are on taxation – the government report (with no legislation) maintains the progress at 44% based on government` steps. In addition, UCEP evaluates environment more positively than the government report does. There is an agreement between the government and civic report that public health is the weakest.
- Some of the reports` text differ in quality and quantity – particularly those not showing progress and (seemingly) bumped out mostly with government plans (examples: taxation, SPS).
- The political dialogue section is a very important addition – compared with the civic monitors, following approximation only. Compared to last year, this section also has important data to give an impression of serious monitoring effort. However, the number of legislative acts (none) seems contradicting to the text of the report (disclaimer: the entire text was not read with the necessary attention given the lack of time to review the report and its UA language).
- The judiciary part contains reasonably critical anti-corruption part as well, although it does not seem to capture the overall Western and civic criticism in these spheres.

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Kiev Security Forum

12-13 April 2018

Highlights

Pres. Poroshenko: Ukraine will adopt a new package of sanctions against the Russian Federation, taking into account the USA sanctions over Russia's interference in US elections.

Nordstream2: it opens road for Russian offensive in Ukraine, subjects EU to gas wars – Energy panel at Kyiv Security Forum. Vadym Glamazdin, Special Envoy on government relations at Naftogaz, Ukraine's state gas provider, believes that as soon as Nordstream2 is built dooming Ukraine's status as a gas transit country, the EU will experience the full extent of Russian gas manipulations. Meanwhile, Andrius Kubilius, Member of Seimas of Lithuania and ex-Prime Minister of Lithuania, said that the construction of Nordstream 2 will make Putin consider he got a license to use large numbers of military forces for a military offensive in Ukraine. Only Speaker Parubiy noted and thanked the shifted position of Germany as articulated by Angela Merkel last week.

Lithuanian talking points:

- To resist Russia – Pres. Putin, we need to create belt of successful countries around Russia said Andrius Kubilius Lithuanian ex-Prime Minister. The West's strategy to counter Russian aggression and help Ukraine should include creating a belt of successful countries around Russia which will impact the opinion of ordinary Russians.
- Lithuanian Prime Minister: don't separate the Kremlin and the Russians; this is a mistake. Saulius Skvernelis, the Prime Minister of the Republic of Lithuania, believes that the West's approach to discriminate between the "opinion of Russians" and the "opinion of the Russian government" is mistaken.

NATO and Ukraine:

- The case for Ukraine's NATO membership was made by Taras Kuzio. According to him the divided territory should not be an excuse (look at West Germany for example); the added value of Ukraine joining is its large (and to be) modernized army with new fighting experience; Ukraine would pass a referendum successfully according to the polls; Russian interference makes Ukraine experienced in hybrid warfare.
- USA supports Ukraine's movement towards NATO – ambassador. Kay Bailey Hutchison, the U.S. Permanent Representative to NATO, assured Ukraine that the USA supports the idea of Ukraine's membership in NATO.

Observations

All Ukrainian dignitaries were present and spoken at the conference, at the same time no Western Ambassadors were invited to speak this year. Particularly President Poroshenko's presence was taken positively (given this is a Yatsenuk event) even though he was speaking last year as well. The official headline was the move forward Ukraine's Euro-Atlantic integration as the official conference summary also shows.

The most important topic was the Russian aggression and portraying Ukraine not only as a victim but also as a player with experience fighting a "hybrid war", what is a welcome shift in Ukraine government communication (focusing on the offer as well). The US Assistance Secretary Karem presented a perhaps even more tougher stance on Russia as the Ukrainian dignitaries – what was quite a surprise but showing that the US administration is shifting toward a more serious opposition.

The on-going political positioning put the mark into the conference. All dignitaries were given a space to make, essentially separate, statements. Perhaps the biggest surprise was made by Interior Minister Avakov speaking at a panel. He was also raising eyebrows the very same week with big interviews outlining (military) solution for Donbas, looking like preparing for elections. Insiders at the KSF mentioned that this is more a way for him to push back and “balance” Poroshenko’s “creeping power consolidation” what he does relentlessly via legislative process (see the Donbas reintegration law containing increased powers for the president as most recent example).

When it comes to the actual integration process, NATO officials were rather depressed. Ukraine’s ambition faces more and more resistance despite the encouraging words. After receiving the aspirant country status last year, Kyiv is increasing the pressure – also the logic of upcoming 2019 elections season – instead of the implementation of its ambitious plan (see for example the lack of intelligence reform). High level Ukrainian officials are also using personal pressure to express if someone is not swift in repeating the words of support.

Ukraine’s institutional relations is framed by NUC, the NATO Ukraine Council (what was given to Ukraine in the Bucharest Summit in 2008 where US President Bush push for Membership Action Plan (MAP) was rebuked by the Europeans, particularly the Germans. Ukraine is still pushing for the MAP even though it will receive the EOP (Enhanced Opportunities Partnership) status in the upcoming NATO summit in July. This is not enough for Kyiv as Georgia, Jordan, Sweden, Finland already has it. Part of the process that Ukraine may not be alone to receive this status as Italy wants Tunisia, too so to show that this process is not only about the East (and to ease Russia critical considerations).

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