

EU- UKRAINE ASSOCIATION AGREEMENT

Association Agreement in a nut-shell:

- AA aims to accelerate the **deepening of political and economic relations** between Ukraine and the EU, as well as Ukraine's **gradual integration in the EU Internal Market** including by setting up a deep and comprehensive free trade area (DCFTA).
- AA is a concrete way to **exploit the dynamics in EU-Ukraine relations**, focusing on support to core reforms, on economic recovery and growth, governance and sector co-operation.
- AA can be also seen as a **reform agenda for Ukraine**, around which all Ukraine's partners can align themselves and focus their assistance.
- AA negotiations are **not a stand-alone exercise**: our assistance to Ukraine is linked with the reform agenda as it emerges from the result of negotiations; Comprehensive Institutional Building Programme (CIB) particularly important in this regard.

In order to accelerate **Ukraine's political association and economic integration with the EU**, and in line with the EU's Eastern Partnership policy, the EU and Ukraine have negotiated since 2007 a new Agreement. With the EU's support, Ukraine joined the World Trade Organization in May 2008 and negotiations were immediately launched for the establishment of a Deep and Comprehensive Free Trade Area (DCFTA) as an integral part of the EU-Ukraine Association Agreement.

The Association Agreement will provide a new legal framework for EU-Ukraine relations, replacing the existing Partnership and Cooperation Agreement (which entered into force in 1998). The negotiations have now been completed at the level of chief negotiators: The last DCFTA negotiations round (18th) took place on 19-23 September, and the 21st round of Association Agreement negotiations took place on 11 November in Brussels. The Ukraine Association Agreement will be the first of a new generation of Association Agreements with Eastern Partnership countries.

This ambitious and pioneering Agreement is a concrete way to exploit the dynamics in EU-Ukraine relations, focusing on support to core reforms, on economic recovery and growth, governance and sector co-operation in areas such as, for example, energy, transport, environment protection, industrial and small and medium enterprise (SME) cooperation, social development and protection, equal rights, consumer protection, education, training and youth as well as cultural cooperation.

The Association Agreement can also be seen as a reform agenda for Ukraine, based around a comprehensive programme of regulatory approximation, around which Ukraine's assistance partners can align themselves and focus their assistance.

Closer economic integration through the DCFTA will be a powerful stimulant to the country's economic growth. As a core element of the Association Agreement, it will create business opportunities in Ukraine and will promote real economic modernization and integration with the EU. Higher standards, better services to citizens, and above all Ukraine's readiness to compete effectively in international markets should be the result of

this process. Such a DCFTA, linked to the broader process of legislative approximation, will contribute to further economic integration with the EU Internal Market.

Thanks to the Association Agreement, relations with Ukraine will deepen, and people will come closer together, not just governments. The Agreement also provides for more co-operation on the world stage, including in global issues like anti-terrorism and peacekeeping; also on technical issues like environment and energy, and above all in sharing and maintaining the most essential values - human rights and fundamental freedoms.

Finally, the Agreement also recognises the importance of the introduction of a visa free travel regime for the citizens of Ukraine in due course, provided that the conditions for well-managed and secure mobility are in place, with the aim of enhancing people-to-people contacts.

Increased people-to-people between EU and Ukrainian citizens and the benefits of economic development and trade for EU and Ukrainian economic operators will of course contribute enormously to the fostering of political association and economic integration between the European Union and Ukraine.