

## **PRIORITY ACTION PLAN**

### **For enhanced implementation of the EU-Ukraine DCFTA in 2023-2024**

#### **Introduction**

The EU-Ukraine Deep and Comprehensive Free Trade Area (DCFTA), provisionally applied since 1 January 2016, has proved to be an effective instrument to establish conditions for enhanced economic and trade relations between the EU and Ukraine. Since 2016, bilateral trade between the EU and Ukraine has increased by more than half, and Ukraine has significantly advanced in its regulatory approximation to the EU acquis in trade-related areas. This in itself shows that the DCFTA is already delivering on its objectives.

The Priority Action Plan for 2021-2022 was put in place to spur the implementation process of the DCFTA. Since the European Council has granted Ukraine candidate status on 23 June 2022, the EU and Ukraine have reached a new stage in their relationship. In her State of the Union in September 2022, President von der Leyen said that the European Commission will work together with Ukraine to ensure seamless access to the Single Market. The conclusions of the European Council of 20-21 October 2022 called to use the full potential of the Association Agreement (AA) and the DCFTA with Ukraine to ease its access to the Single Market. In the EU-Ukraine Association Committee in Trade Configuration (ACTC) on 25-26 October 2022 both sides agreed to revise and extend the Priority Action Plan so as to reflect these new priorities for 2023-2024.

The purpose of this revised Priority Action Plan for 2023-2024 is to lay down a set of concrete actions to be undertaken by both sides until the end of 2024. The revised Priority Action Plan will be the roadmap to accelerate and monitor the full implementation of the DCFTA, providing Ukraine with further access to the Single Market. Each action has been designed to ensure that it is realistically possible to be completed within a short timeframe, containing concrete measures that are readily actionable and for which there is a clear procedure. It is without prejudice to cooperation in areas not covered in this document or by other parts of the Association Agreement.

#### **Structure of the 2023-2024 Priority Action Plan**

Actions in the Priority Action Plan (see annex) are set out in the below four groups:

- **Group 1 – Further market access under the DCFTA**

These are measures that are already foreseen under the DCFTA, such as a clear commitment to activate internal market treatment for Ukraine – starting with roaming; a clearer perspective and timeline for the conclusion of an Agreement on Conformity Assessment and Acceptance (ACAA); and commitments in the Sanitary and Phyto-sanitary (SPS) area and additional market opening for public procurement upon Ukraine's further approximation with the relevant EU acquis.

- **Group 2 – Further Trade Facilitation and Cooperation**

These are longer-term measures that complement what is foreseen in the AA/DCFTA, where both parties can enhance cooperation to further facilitate bilateral trade. Both sides will continue to intensify these procedures with the aim of achieving further concrete progress by the end of 2024.

- **Group 3 – Further Short-Term Measures**

These measures include other shorter term actions that would not directly fall under the previous groups, such as updating the list of arbitrators or Trade and Sustainable Development (TSD) panelists.

- **Group 4 – Update of annexes and protocols to reflect the evolution of the EU acquis**

This refers to the so-called “dynamic approximation”. Regularly and effectively updating the annexes relating to the EU acquis will allow Ukraine to continuously move closer to the relevant regulatory reality of the EU. This is in line with Article 463(3) of the Association Agreement, which states that annexes shall be updated “taking into account the evolution of EU law and applicable standards”.

#### **Implementation and monitoring of the Priority Action Plan**

In order to ensure good implementation and monitoring of this Priority Action Plan, the co-secretaries of the ACTC shall facilitate the smooth running of each action, including by acting as intermediaries between the experts involved from each side. Problems arising in the implementation of this Priority Action Plan could be addressed in ad hoc meetings between the chairs of the ACTC. Overall progress shall be reviewed in the ACTC, during a dedicated session with participation of experts involved in each action. During this session, both Parties will take stock of progress so far, and address any potential issues hindering its full implementation. Specific actions should also be discussed in the framework of the relevant sub-committees (i.e. Customs, Geographical Indications, SPS and Trade and Sustainable Development).

In view of the Priority Action Plan's objectives in terms of practical enhancement of bilateral trade and providing Ukraine with access to the internal market, the further implementation of the Action Plan for EU-Ukraine Solidarity Lanes will play a crucial enabling role. Strengthened connectivity through new, permanent and upgraded transport links is necessary to allow for a smooth movement of goods and services. In parallel to the implementation of the Priority Action Plan, progress on the connection of Ukraine to the EU via land and inland waterways, with increased capacity and a medium to long-term perspective, will therefore be essential building on the already advanced implementation of the Action plan for EU-Ukraine Solidarity Lanes.

This Priority Action Plan could be extended and broadened in the coming years to cover specific actions to be carried out by both sides for the purpose of enhancing bilateral economic relations. Both sides commit to devote sufficient human resources to its successful and timely completion.

## **Annex – REVISED PRIORITY ACTION PLAN**

### **List of concrete actions**

#### **• Group 1 – Further market access under the DCFTA**

<b>N°</b>	<b>Action</b>
<b>1.1</b>	<b>Decide on the acceleration and broadening of the scope of the elimination of import customs duties on trade between Ukraine and the EU (review under Article 29(4) AA).</b>
<b>1.2</b>	<b>Finalise the pre-assessment of the readiness of the Ukrainian system, implement the necessary recommendations before conducting the final assessment with the aim to launch negotiations on an ACAA as swiftly as possible.</b>
<b>1.3</b>	<b>Explore additional market opening for public procurement upon Ukraine's further approximation with the relevant EU acquis (Annex XXI-A to Chapter 8 on public procurement).</b>
<b>1.4</b>	<b>Work towards activation of internal market treatment for roaming</b>
<b>1.5</b>	<b>Explore possibilities for internal market treatment for other telecommunication services</b>
<b>1.6</b>	<b>Continue discussions with a view to granting third country listing status for Ukrainian pork and processed meat products.</b>
<b>1.7</b>	<b>Consider the review of the frequency of physical import checks applied by each Party as set out in Annex XI, Part B.</b>
<b>1.8</b>	<b>Continue work on recognising each other's animal health regionalisation measures.</b>
<b>1.9</b>	<b>Prolongation of the temporary road transport agreement</b>

#### **• Group 2 – Further Trade Facilitation and Cooperation**

<b>2.1</b>	<b>Engage in technical discussions and share best practices at expert level with a view to:</b> <ul style="list-style-type: none"><li><b>• a future exchange of alerts on non-food dangerous products from the EU Rapid Exchange of Information System (Safety Gate -Rapex)</b></li><li><b>• the possible participation of Ukrainian authorities in some policy initiatives in the product safety field (e.g. coordinated activities on the safety of products) and/or access to other tools (e.g. the eSurveillance WebCrawler to perform online market surveillance)</b></li></ul>
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<b>2.2</b>	<b>Explore options for enhanced participation of Ukrainian experts in the Commission's Specialised Expert Groups</b>
<b>2.3</b>	<b>Explore options for technical assistance related to enhanced participation of Ukraine in EU standardisation bodies (e.g. CEN-CENELEC)</b>
<b>2.4</b>	<b>In the framework of the High-Level Industry Dialogue Working Group on Raw Materials, organise a specific session on industrial steel cooperation</b>
<b>2.5</b>	<b>Enhanced cooperation towards conclusion of a Mutual Recognition Agreement of Authorised Economic Operators (AEOs).</b>
<b>2.6</b>	<b>Revise, update and continue the implementation of the informal "Joint Working Plan" for cooperation on electronic trust services and electronic identification</b>
<b>2.7</b>	<b>Contribution to the internationalisation of Ukrainian SMEs through targeted EU financial assistance.</b>
<b>2.8</b>	<b>Expand the use of the New Computerised Transit System in view of speeding up customs procedures and transit of goods</b>
<b>2.9</b>	<b>Explore the possibilities for further extension of internal market treatment for Ukraine in a limited number of selected sectors</b>

**• Group 3 – Further short-term measures**

<b>3.1</b>	<b>Explore possibilities to extend to Ukraine the access to the Single Euro Payments Area (SEPA)</b>
<b>3.2</b>	<b>Finalise adoption of the list of experts willing to serve as panelists under Chapter 13, art. 301.3 ("Trade and sustainable development") of the Agreement.</b>
<b>3.3</b>	<b>Update list of arbitrators under Chapter 14 ("Dispute settlement").</b>
<b>3.4</b>	<b>Ukraine commits to putting into place the legislation on hygiene and quality of poultry meat</b>
<b>3.5</b>	<b>Explore possibilities to provide Ukraine with access to the Trade Control and Expert System (TRACES NT)</b>
<b>3.6</b>	<b>Continue to monitor and assess the impact of the trade-related Title on sustainable development</b>
<b>3.7</b>	<b>Ukraine-EU-Africa continent consultations</b>

**• Group 4 – Update of annexes and protocols to reflect the evolution of the EU acquis**

<b>4.1</b>	<b>Update Annex XVII appendix 2 on rules applicable to financial services</b>
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<b>4.2</b>	<b>Update Annex III to Chapter 3 (“Technical barriers to trade”): List of legislation for alignment, with a timetable for its implementation.</b>
<b>4.3</b>	<b>Update Annex V to Chapter 4 (“Sanitary and phytosanitary measures”): Comprehensive strategy for the implementation of Chapter IV.</b>
<b>4.4</b>	<b>Finalise the update of Protocol I concerning the definition of the concept of “Originating Products” and methods of administrative co-operation.</b>