

COUNCIL OF THE EUROPEAN UNION

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OUTCOME OF PROCEEDINGS

From:	General Secretariat of the Council
To:	Delegations
Subject:	RELATIONS WITH UKRAINE
	- Council conclusions

Delegations will find attached Council conclusions on Ukraine as adopted by the Council (Foreign Affairs) on 12 May 2014.

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Council conclusions on Ukraine

Foreign Affairs Council, 12 May 2014

1. The European Union stands firm in upholding Ukraine's unity, sovereignty, independence and territorial integrity and calls upon Russia to do likewise. The EU is alarmed by the continued efforts by pro-Russian separatists to destabilise Eastern and Southern Ukraine. Continued seizure of public buildings, kidnappings, killings and violation of media freedom by illegal armed groups is unacceptable and must stop. The EU will not recognise yesterday's nor any future illegitimate and illegal "referenda".

The tragic events in Odessa of 2 May with many dead and injured must be thoroughly investigated and all those responsible brought to justice. The Council encourages the coverage of this investigation by the Council of Europe's International Advisory Panel as a way to ensure its independence and transparency.

2. The EU strongly supports the holding of free and fair Ukrainian Presidential elections on 25 May, and calls on all parties to do so, in order to overcome the crisis and allow the Ukrainian people to choose their own future. The Council takes note of the recent declarations from the President of the Russian Federation regarding the Presidential elections in Ukraine and expects support for the holding of these elections on 25 May 2014. Ukrainian officials and voters should be unimpeded in preparing for the elections, and all presidential candidates should be ensured safe and secure conditions to campaign freely across the whole country. To this end, the Council encourages the presidential candidates to agree on a compact on electoral conduct. The Council welcomes the deployment of the OSCE/ODIHR observation mission in which the EU Member States will actively participate.

The Council encourages continuation of efforts by the Ukrainian authorities to reach out to all regions of Ukraine within the framework of the envisaged national dialogue proposed by the Ukrainian government, including the Government's steps towards inclusive all-Ukrainian dialogue on the constitutional reform process. The rights of persons belonging to national minorities need to be fully ensured in line with the relevant standards of the Council of Europe.

- 3. The EU reconfirms its full commitment to the Geneva Joint Statement of 17 April on initial concrete steps to de-escalate tensions and restore security for all citizens, and calls on all parties involved in the Geneva meeting of 17 April to fully implement it. The Council welcomes the efforts taken so far by the Ukrainian authorities to this end, including by working towards constitutional reform and decentralization in a broad national dialogue and proposing an amnesty law for those who will peacefully leave the buildings they have seized in Eastern Ukraine. The Council encourages further work to this end. The Council also calls on the Russian Federation to take effective steps with regard to fulfilling the commitments taken in Geneva. The Council lends its support to a swift convening of a next meeting at ministerial level in the Geneva format in order to ensure full implementation of the Statement with the assistance of the OSCE.
- 4. In this context, the Council held today a fruitful exchange of views with the Chairman in Office of the OSCE, Didier Burkhalter. The Council welcomes the presentation of the proposals by the OSCE Chairmanship for Ukraine as well as of the Chairman's explanations regarding its implementation. As part of the EU's efforts in the crisis, the Council welcomes today's visit of President Van Rompuy to Kyiv. Furthermore, the High Representative and Member States will continue undertaking the necessary contacts with all stakeholders involved in order to bring forward a political solution to the crisis.

- 5. The European Union reiterates its demand to Russia to call back its troops from the Ukrainian border and to immediately withdraw the mandate of the Federation Council to use force on Ukrainian soil. It also condemns declarations and visits of high officials engaged in supporting illegal attempts at separatism and thus contributing to heightening tensions in Ukraine and other States in the region. The Council condemns any attempt to circumvent the sanctions regime. The EU calls upon all sides for restraint and for an end to violence and provocations. The EU encourages the Ukrainian authorities to maintain their measured approach in pursuing law and order operations and calls on all sides to the conflict to contribute further to reducing tensions.
- 6. The EU commends the work already undertaken by the OSCE and its Special Monitoring Mission, and encourages it to ensure effective operations throughout Ukraine, including assistance in the implementation of the Geneva Joint Statement. The Council takes note of the OSCE roadmap and fully supports the efforts undertaken by the OSCE and its CiO to contribute to de-escalating and stabilising the situation through concrete steps including the establishment of round tables while ensuring Ukrainian ownership. The EU and its Member States will continue to provide support to the Special Monitoring Mission and call on all other OSCE participating States to do the same. The Council welcomes the rapid expansion of the Mission to the maximum number of monitors allowed under its mandate, calls for its rapid deployment, and looks forward to the Memorandum of Understanding rapidly coming into force. It encourages the OSCE to continue its support to the efforts of the Ukrainian authorities to develop a national dialogue. The Council reiterates the concerns expressed by representatives of the OSCE and the Council of Europe about current restrictions on their ability to observe the situation in the area of human rights, including of persons belonging to national minorities, in Crimea. The Council also encourages Ukraine to immediately develop a national disarmament programme together with OSCE specialists targeting all illegally armed groups throughout the country and to end all illegal occupation of public buildings and squares.

- 7. The EU welcomes the release of the eight unarmed international military observers under the OSCE Vienna Document, as well as of the Ukrainian military personnel accompanying them, who had altogether been held hostage in Slovyansk for more than a week, and expresses its gratitude to all those who have contributed to this positive development. This should now be followed by the release of all other hostages still being held by illegal armed groups in Eastern Ukraine.
- 8. The Council recalls its readiness to assist Ukraine in the field of civilian security sector reform, including police and rule of law. In this regard, it welcomes the Political Framework for Crisis Approach in Ukraine, submitted by the High Representative in response to its conclusions of 14 April. As a next step, the Council tasks the EEAS to prepare a Crisis Management Concept for a possible civilian CSDP mission in this field with a view to a decision on further steps at its next meeting. The Council underlines the importance of coordination and complementarity with OSCE and other international actors.
- 9. In light of the recent developments and in the absence of any steps towards de-escalation the Council has agreed to expand the criteria allowing individuals and entities to be subject to visa ban and asset freeze. This will notably allow for the possible listing of natural persons responsible for actively supporting or implementing actions or policies which undermine the territorial integrity, sovereignty and independence of Ukraine, or stability or security in Ukraine, or which obstruct the work of international organisations in Ukraine, and natural or legal persons, entities or bodies associated with them, or legal persons, entities or bodies in Crimea or Sevastopol whose ownership has been transferred contrary to Ukrainian law, or legal persons, entities or bodies which have benefited from such a transfer. The Council has decided to add a new group of individuals and entities to the list of persons, entities and bodies subject to restrictive measures.

The Council notes that the preparatory work by the Commission and Member States is underway on possible targeted measures, as requested by the European Council in March, so that further steps can be taken should events require.

The European Union will pay particular attention to all parties' attitude and behaviour towards the holding of free and fair Presidential elections when deciding about possible future measures.

10. The EU reiterates its strong condemnation of the illegal annexation of Crimea and Sevastopol by the Russian Federation and will not recognise it. The EU notes with regret the presence of President Putin at the military parade in Sevastopol on 9 May. The Council welcomes the Commission's evaluation of the legal consequences of the annexation of Crimea and looks forward to the Council and the Commission continuing their work with a view to the swift implementation of proposals contained therein. These consequences could include but not be limited to economic, trade, and financial measures. The Council calls on UN member states to consider similar measures in line with UNGA Resolution 68/262.

The Council expresses its utmost concern about the deteriorating situation of the human rights situation in Crimea, including the refusal of the right of the leader of the Crimean Tatars Mustafa Dzhemilev to enter Crimea, as well as the warning issued by the de facto prosecutor of Crimea that the national representation of Crimean Tatars Mejlis may be declared illegal for "extremist actions".

11. The Council reiterates the EU's commitment to sign the remaining provisions of the Association Agreement with Ukraine, including the Deep and Comprehensive Free Trade Area, as soon as possible after the presidential elections on 25 May. The Council reiterates the importance of the Autonomous Trade Preferences which entered into force in April, as a temporary measure of support to Ukraine and a step leading towards the signing, provisional application and implementation of the provisions on the DCFTA.

12. The Council welcomes the trilateral energy talks between Russia, Ukraine and the EU, launched in Warsaw on 2 May, aimed at safeguarding the security of supply and transit of natural gas to and through Ukraine on the basis of a transparent regime. Both sides, despite differences between them, expressed their desire to discuss all open issues with the aim of finding a solution by the end of this month. The Council encourages Ukraine and Russia to find a comprehensive negotiated agreement ensuring energy supply to Ukraine on the basis of a fair and transparent market price. In this context, the Council underlines the importance of continuing energy sector reforms in Ukraine.

The Council also welcomes the signature of a Memorandum of Understanding and Framework Interconnection Agreement between Eustream and Ukrtransgaz enabling gas flows from Slovakia to Ukraine, which complements the already existing Hungarian and Polish reverse flow capacities, and which shows the EU's strong commitment in support of Ukraine's energy security sector. This is an important first step to diversify Ukraine's sources of gas supply and to contribute to greater energy security in Eastern Europe and effective interconnections with and within the European Union as a whole. The Council recalls the Conclusions by the European Council on 20-21 March 2014 calling on the Commission to conduct an in-depth study of EU energy security.

13. The European Union welcomes the IMF Executive Board decision to approve a two-year Stand-By Arrangement (SBA) for Ukraine of USD 17.1 billion. The authorities' economic programme supported by the Fund aims to restore macroeconomic stability, strengthen economic governance and transparency, and launch sound and sustainable economic growth, while protecting the most vulnerable. The approval of the SBA with fulfilment of the prior actions, enables the immediate release of USD 3.19 billion, with about USD 2 billion being allocated to budget support. While reiterating its strong support to Ukraine's economic and financial stabilisation, the Council also welcomes the signing by the European Commission of the Memorandum of Understanding on the new EUR 1 billion Macro-Financial Assistance (MFA) loan programme to Ukraine. The Council looks forward to the release of the first tranche of the two MFA loan programmes worth EUR 600 million, when all remaining steps will be taken by the Ukrainian Government and the European Commission. The Council reiterates that the Ukrainian Government must implement the reforms it has signed up to, including the fight against corruption. The Council welcomes the adoption of a new State Building Contract of EUR 355 million, accompanied by a EUR 10 million Civil Society Support Programme, and looks forward to the signature of the Financing Agreement at the occasion of the Ukrainian Government visit to the European Commission on 13 May.