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NOTE

| From: | European Commission |
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| To: | Council |
| Subject: | Background document: Follow-up to the EU-Ukraine Summit |

Delegations will find in the annex a background document from the European Commission on follow-up to the EU-Ukraine Summit.

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Background document: Follow-up to the EU-Ukraine Summit

During the EU-Ukraine summit of 3 February 2023, a large number of topics were discussed including facilitating trade, the accession process and responding to Russia's war of aggression against Ukraine. The below note focusses on the intention expressed during the summit to fully exploit the potential of the Association Agreement, including the Deep and Comprehensive Free Trade Area (AA/DCFTA), so as to establish conditions for enhanced economic and trade relations leading towards Ukraine's integration into the EU's Internal Market through the revised Priority Action Plan.

The revised Priority Action Plan for 2023-2024 lays down a set of concrete actions to be undertaken by both sides until the end of 2024. It aims to reflect the request made by the European Council in its conclusions of 20-21 October 2022 to use the full potential of the Association Agreement and the DCFTA with Ukraine to ease its access to the Single Market.

To that end the revised Priority Action Plan constitutes a 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. Actions in the Priority Action Plan are available here and regrouped as follows:

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 Phytosanitary (SPS) area and additional market opening for public procurement upon Ukraine's further approximation with the relevant EU acquis.

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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) panellists.

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 to the DCFTA relating to the EU acquis will allow Ukraine to continuously move closer to the relevant regulatory reality of the EU.

In order to ensure good implementation and monitoring of this Priority Action Plan, the cosecretaries of the ACTC shall facilitate the smooth running of each action, including by acting as intermediaries between the experts involved from each side. Overall progress shall be reviewed in the Association Committee in Trade Configuration ('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.

The intention is that 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.

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