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Subject: Draft DECISION OF THE EU-UKRAINE ASSOCIATION COMMITTEE IN TRADE CONFIGURATION modifying Appendix XVII-3 (Rules applicable to telecommunication services) of Annex XVII to the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Ukraine, of the other part

DRAFT

**DECISION No.../2023
OF THE EU-UKRAINE ASSOCIATION COMMITTEE
IN TRADE CONFIGURATION**

of ...

**modifying Appendix XVII-3 (Rules applicable to telecommunication services) of
Annex XVII to the Association Agreement between the European Union and
the European Atomic Energy Community and their Member States, of the one part,
and Ukraine, of the other part**

THE ASSOCIATION COMMITTEE IN TRADE CONFIGURATION (hereafter referred to as the
'Trade Committee'),

Having regard to the Association Agreement between the European Union and the European
Atomic Energy Community and their Member States, of the one part, and Ukraine, of the other part,
and in particular Article 465(3) thereof and Article 11 of Annex XVII thereto,

Whereas:

- (1) The Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Ukraine, of the other part (the 'Agreement') entered into force on 1 September 2017.
- (2) Article 1(2), point (d), of the Agreement provides that the aim of the Agreement is, inter alia, to support Ukrainian efforts to complete the transition into a functioning market economy by means of, inter alia, the progressive approximation of its legislation to that of the Union.
- (3) In Article 124 of the Agreement, the Parties recognise the importance of the approximation of Ukraine's existing legislation to that of the Union in the telecommunication services sector. Ukraine committed to ensure that its existing laws and future legislation are made compatible with the Union acquis. Such approximation is foreseen to gradually extend to all the acts of the Union acquis referred to in Appendices XVII-2 to XVII-5 of Annex XVII to the Agreement and should, once the conditions for it have been fulfilled, lead to Ukraine's gradual integration in the EU internal market, notably through the reciprocal granting of internal market treatment in accordance with 4(3) of Annex XVII to the Agreement.

- (4) Ukraine has requested further integration with regard to roaming on public mobile communications networks in the Union, in particular internal market treatment for the purpose of roaming on public mobile communications networks.
- (5) Rules on roaming form part of the Union telecommunications acquis, but were not included in Appendix XVII-3 (Rules applicable to telecommunication services) of Annex XVII to the Agreement. Therefore Appendix XVII-3 should be complemented by the relevant Union acts relating to roaming on public mobile communications networks.

- (6) At the current stage of economic and legal development of the EU internal market related to telecommunications services, the relevant Union acts relating to roaming are the following: Directive (EU) 2018/1972 of the European Parliament and of the Council¹, Regulation (EU) 2022/612 of the European Parliament and of the Council², Commission Implementing Regulation (EU) 2016/2286³, and Commission Delegated Regulation (EU) 2021/654⁴.

¹ Directive (EU) 2018/1972 of the European Parliament and of the Council of 11 December 2018 establishing the European Electronic Communications Code (OJ EU L 321, 17.12.2018, p. 36).

² Regulation (EU) 2022/612 of the European Parliament and of the Council of 6 April 2022 on roaming on public mobile communications networks within the Union (OJ EU L 115, 13.4.2022, p. 1.).

³ Commission Implementing Regulation (EU) 2016/2286 of 15 December 2016 laying down detailed rules on the application of fair use policy and on the methodology for assessing the sustainability of the abolition of retail roaming surcharges and on the application to be submitted by a roaming provider for the purposes of that assessment (OJ EU L 344, 17.12.2016, p. 46.).

⁴ Commission Delegated Regulation (EU) 2021/654 of 18 December 2020 supplementing Directive (EU) 2018/1972 of the European Parliament and of the Council by setting a single maximum Union-wide mobile voice termination rate and a single maximum Union-wide fixed voice termination rate (OJ EU L 137, 22.4.2021, p. 1.).

- (7) Directive (EU) 2018/1972 is already included in Appendix XVII-3 of Annex XVII to the Agreement. It is necessary to include the other acts relevant to roaming on public mobile communications networks in that Appendix in order to enable the gradual transition of Ukraine to full enactment and complete and full implementation of all applicable provisions for the telecommunications sector and notably those on roaming on public mobile communications networks.

- (8) A positive assessment of the Ukrainian legislation, its implementation and enforcement conducted in line with the principles set out in Annex XVII to the Agreement is a necessary precondition for any decision by the Trade Committee to grant internal market treatment pursuant to Article 4(3) of Annex XVII with respect to a particular sector. In the context of the Union acquis regarding roaming on public mobile communications networks, the requirement to attain full enactment and complete and full implementation prior to the adoption of the decision on internal market treatment under Article 4(3) of Annex XVII should not be understood as entailing the application between the Parties of the Agreement of the safeguard limits for average wholesale charges for the provision of regulated services related to roaming on public mobile communications networks. The same applies to the regulated maximum voice termination rates for the service of terminating a call to an end user on its network. These are to be granted reciprocally between the Parties of the Agreement as from the date specified in an eventual decision by the Trade Committee to grant internal market treatment for roaming on public mobile communications networks pursuant to Article 4(3) of Annex XVII.

- (9) The gradual integration of Ukraine in the EU internal market, in particular for telecommunication services, will, inter alia, require the full and complete implementation of Commission Delegated Regulation (EU) 2021/654, in line with the objectives of that Regulation. Ukraine is presently not in a position to transpose and fully implement the single maximum Union-wide termination rates for the purpose of national termination services in Ukraine. The implementation of the single maximum Union-wide termination rates also for the purpose of national voice termination services in Ukraine, is however not absolutely necessary for further integration with respect to roaming on public mobile communications networks. A different timeline for implementation is therefore provided for that aspect of Commission Delegated Regulation (EU) 2021/654, with respect to which Ukraine commits to fully implement within three years from an eventual decision by the Trade Committee to grant internal market treatment for roaming on public mobile communications networks pursuant to Article 4(3) of Annex XVII to the Agreement.

- (10) Commission Delegated Regulation (EU) 2021/654 also applies under certain conditions to calls originated from third-country numbers, with the aim of applying the single maximum Union-wide voice termination rates in an open, transparent and non-discriminatory way, and to limit the exclusion of calls originated from third country-numbers to what is strictly necessary to ensure the achievement of the internal market objectives and to ensure proportionality. Ukraine is presently not in a position to transpose and fully implement the single maximum Union-wide voice termination rates for the purpose of calls originating from third-country numbers. While the implementation of the single maximum Union-wide termination rates also for the purpose of termination from third-country numbers, is not absolutely necessary for further integration with respect to roaming on public mobile communications networks, full enactment and complete and full implementation of Commission Delegated Regulation (EU) 2021/654 by Ukraine would be needed to ensure alignment with the applicable rules in the EU internal market for telecommunications services. A different timeline for implementation is therefore provided for with regard to that aspect of Commission Delegated Regulation (EU) 2021/654, with respect to which Ukraine commits to fully implement before an eventual decision by the Trade Committee to grant internal market treatment for telecommunication services pursuant to Article 4(3) of Annex XVII to the Agreement.

- (11) Article 1(4) of Regulation (EU) 2022/612 and Article 3(2) and (3) of Commission Delegated Regulation (EU) 2021/654 refer to reference exchange rates published by the European Central Bank in the *Official Journal of the European Union*. The European Central Bank does not publish exchange rates for the Ukrainian hryvnia at present. An adaptation is therefore needed with respect to those provisions to provide for the use of the exchange rates between the euro and the Ukrainian hryvnia published by the National Bank of Ukraine for as long as the European Central Bank does not publish exchange rates for the Ukrainian hryvnia.
- (12) Article 11 of Annex XVII to the Agreement empowers the Trade Committee to add the remaining four Union acts to Annex XVII to the Agreement by way of modification thereof.
- (13) Once Ukraine considers that a particular Union legal act has been properly enacted and implemented, Ukraine is to submit the relevant transposition tables, together with an official English translation of the implementing Ukrainian legal act, to the Union co-secretary of the Trade Committee in order for the European Commission to proceed with the comprehensive assessment provided for in Appendix XVII-6 of Annex XVII to the Agreement.

- (14) In view of the ongoing Russian war of aggression against Ukraine, the implementation of the obligations laid down in this Decision may turn out to be objectively impossible or exceedingly difficult within the provided timelines. In that event, Ukraine should submit the matter to the Trade Committee, in accordance with Article 11 of Annex XVII to the Agreement, which is to consider the matter in conformity with Article 3(4) and (5) of Annex XVII to the Agreement,

HAS ADOPTED THIS DECISION:

Article 1

Appendix XVII-3 (Rules applicable to telecommunication services) of Annex XVII to the Agreement is hereby modified as set out in the Annex to this Decision.

Article 2

This Decision has been established in the Bulgarian, Croatian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Irish, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish, Swedish and Ukrainian languages, each text being equally authentic.

Article 3

This Decision shall enter into force on the date of its adoption.

Done at Brussels,....

*For the Association Committee in Trade
configuration*

The Chair The secretaries

ANNEX

Appendix XVII-3 (Rules applicable to telecommunication services) shall be modified by adding under section ‘A. Overall European electronic communications policy’ and after the item related to ‘Directive 2014/61/EU of the European Parliament and of the Council of 15 May 2014 on measures to reduce the cost of deploying high-speed electronic communications networks’ the following:

‘Regulation (EU) 2022/612 of the European Parliament and of the Council of 6 April 2022 on roaming on public mobile communications networks within the Union (recast)

The provisions of the Regulation shall, for the purposes of this Agreement, be read with the following adaptation: Article 1(4) refers to reference exchange rates published by the European Central Bank in the *Official Journal of the European Union*. For as long as the European Central Bank does not publish exchange rates for the Ukrainian hryvnia, exchange rates between the euro and the Ukrainian hryvnia published by the National Bank of Ukraine shall be used for the purposes of applying Article 1(4). The reference periods and conditions laid down in Article 1(4) remain unchanged.

- Implement all provisions with the exception of:
 - Article 7 - Implementation of fair use policy and of sustainability mechanism, Paragraphs 1-3. The exception regarding Article 7(1)-(3) is without prejudice to Ukraine's obligation to implement the Implementing Acts on the application of fair use policies, the methodology for assessing sustainability of the provision of retail roaming services at domestic prices and the application to be submitted by a roaming provider for the purpose of the assessment of the sustainability
 - Article 20 - Committee procedure

Timetable: the provisions of Regulation (EU) 2022/612 shall be implemented within 12 months after the date of entry into force of Decision [x/2023].

Commission Implementing Regulation (EU) 2016/2286 of 15 December 2016 laying down detailed rules on the application of fair use policy and on the methodology for assessing the sustainability of the abolition of retail roaming surcharges and on the application to be submitted by a roaming provider for the purposes of that assessment

Timetable: the provisions of Commission Implementing Regulation (EU) 2016/2286 shall be implemented within 12 months after the date of entry into force of Decision [x/2023].

Commission Delegated Regulation (EU) 2021/654 of 18 December 2020 supplementing Directive (EU) 2018/1972 of the European Parliament and of the Council by setting a single maximum Union-wide mobile voice termination rate and a single maximum Union-wide fixed voice termination rate

The provisions of the Regulation shall, for the purposes of this Agreement, be read with the following adaptations: Article 3(2) and (3) refer to reference exchange rates published by the European Central Bank in the *Official Journal of the European Union*. For as long as the European Central Bank does not publish exchange rates for the Ukrainian hryvnia, exchange rates between the euro and the Ukrainian hryvnia published by the National Bank of Ukraine shall be used for the purposes of applying Article 3(2) and (3). The reference periods and conditions laid down in Article 3(2) and (3) remain unchanged.

Timetable: the provisions of Commission Delegated Regulation (EU) 2021/654 shall be implemented before those of Regulation (EU) 2022/612 and within 11 months after the date of entry into force of Decision [x/2023], with the following exceptions:

- With regard to national calls originated from and terminated to Ukrainian numbers in Ukraine, Article 1(3) shall become applicable within 3 years from the date specified in an eventual decision by the Trade Committee to grant internal market treatment for roaming pursuant to Article 4(3) of Annex XVII
- Article 1(4) shall be implemented before an eventual decision by the Trade Committee to grant internal market treatment for telecommunications services pursuant to Article 4(3) of Annex XVII

Regulation (EU) 2018/1971 of the European Parliament and of the Council of 11 December 2018 establishing the Body of European Regulators for Electronic Communications (BEREC) and the Agency for Support for BEREC (BEREC Office), amending Regulation (EU) 2015/2120 and repealing Regulation (EC) No 1211/2009

- The national regulatory authority of Ukraine with primary responsibility for overseeing the day-to-day operation of the markets for electronic communications networks and services shall participate fully in the work of the Board of Regulators of BEREC, the working groups of BEREC and the Management Board of the BEREC Office. The national regulatory authority of Ukraine shall have the same rights and obligations as the national regulatory authorities of the EU Member States, except for the right to vote and for the Chairmanship of the Board of Regulators and of the Management Board
- In light thereof, the national regulatory authority of Ukraine shall be represented at an appropriate level in accordance with the provisions of the BEREC Regulation. In accordance with the relevant rules of the EU regulations mentioned above, BEREC and the BEREC Office shall, as the case may be, assist the national regulatory authority of Ukraine in the performance of its tasks.

- The national regulatory authority of Ukraine shall take the utmost account of any guideline, opinion, recommendation, common position and best practices adopted by BEREC with the aim of ensuring the consistent implementation of the regulatory framework for electronic communications.

Timetable: the provisions of Regulation (EU) 2018/1971 shall be implemented within 12 months after the date of entry into force of Decision [x/2023].’