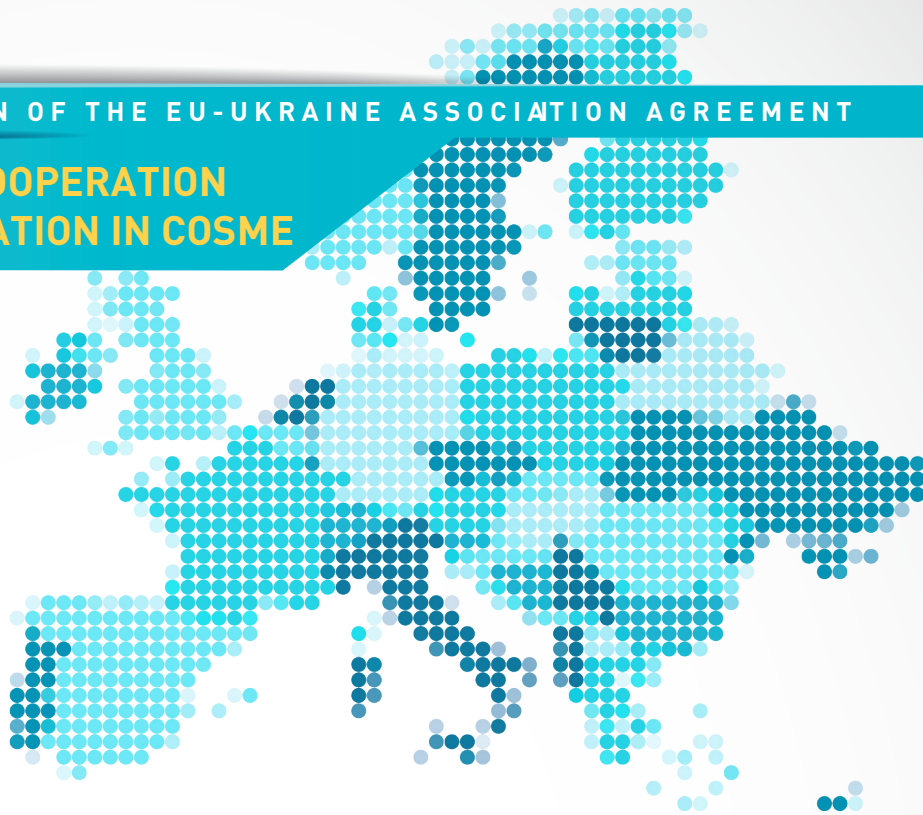


THE PARLIAMENT APPROVED COOPERATION WITH EUROJUST AND PARTICIPATION IN COSME



**PARLIAMENTARY
EXPERT GROUP ON
EUROPEAN INTEGRATION**

Parliamentary Expert Group on European Integration is an independent expert community established by the Open Society Foundation NGO to promote implementation of the EU – Ukraine Association Agreement by improving the quality of lawmaking processes.



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The Parliament ratified the Agreement on cooperation between Ukraine and The European Union's Judicial Cooperation Unit (Eurojust) (№0122) which aims to create a legal basis for cooperation between Ukraine and Eurojust in the fight against serious crime, particularly organized crime and terrorism.

It also ratified the Agreement with the European Union on the participation of Ukraine in the EU «Competitiveness of small and medium enterprises (COSME) (2014 - 2020)» (№0130) which is a significant contribution to the implementation of the Association Agreement. Ukraine's participation in the COSME program allows SMEs to access funds and immaterial resources of the European Union for better preparation of Ukrainian business for free trade with the EU, accelerated entrance to the EU market for domestic enterprises, strengthening trade relations with the European companies and attracting foreign investment to Ukraine.

ENVIRONMENTAL PROTECTION: SOME PROGRESS, BUT THE MAIN EU INTEGRATION LAWS REMAIN TO BE ADOPTED

The Parliament returned for revision to the Committee the Law On Environmental Impact Assessment with the proposals of the President of Ukraine as of October 28, 2016 (**№2009а-д**). This law was vetoed by the President, but specific proposals for revision were not provided. However, the Parliament was not able to form the quorum of 300 votes to overcome a presidential veto, so sending the law back for revision to the Committee was the only possibility to avoid its complete abolition. Complete abolition means to start a process from the very beginning - to prepare and register a bill, to hold discussions in the Committee and gather votes for adoption, at least in principle. Another environmental bill On Strategic Environmental assessment (№ 3259) faced such fate earlier. On January 17, 2017, it did not receive enough votes to be returned for revision to the Committee and was finally rejected. On February 21, a bill with the same name was registered in the Parliament (**№6106**).

The Parliament adopted and sent to the President the law amending certain legislative acts of Ukraine regarding the implementation of European environmental rules on environmental protection of rare animals and plants (**№2604**). The law specifies the grounds for termination

of the special use of wildlife, provides for liability in case of destruction of habitat (growth environment) of species of fauna and flora listed in the Red Book of Ukraine, as well as increases the size of administrative fines for the deterioration or destruction of the habitats of the wild flora and fauna. The law will facilitate the implementation of the Association Agreement in the field of environmental protection.

Also, in line with the implementation of international standards in environmental protection the Parliament adopted in full the law amending some legislative acts of Ukraine regarding the implementation of the 1979 Convention on the Conservation of European Wildlife and Natural Habitats (**№2023**). The law specifies conditions for import to Ukraine and export abroad of wildlife, claims for damage caused to fauna, and details the protection of wildlife and plants during in the timber logging. The law also clarifies the legal provisions on the procedure for determining the limits for the special use of natural resources in natural reserves, biosphere reserves and national parks; educational requirements to heads of administrations managing territories and objects of natural reserve fund, the size of administrative fines for offenses in this area and so on.

NO PROGRESS EXPECTED IN TELECOMMUNICATIONS

Despite the strong position of the government and the public, the Parliament did not adopt in whole, but returned for a second reading a bill On Electronic Trust Services (**№4685**). The comments by the experts of the parliamentary Legal Department concerned the powers of the body that will be responsible for development and implementation of state policy in the field of electronic trust services and coordination of work in this area by the Cabinet of Ministers of Ukraine.

The bill On Electronic Communications (**3549-1**) was once again not included onto the agenda. PEG experts expressed reservations about the procedure of reform in the field of telecommunications. There is still no roadmap on approximation

of Ukraine in this sphere, which would take into account all the EU rules and provide the bases for considering the bills. Annex XVII-3 to Section IV of the Association Agreement obliges Ukraine to carry out the implementation of a number of EU acts that establish a common framework for the market of electronic communications services. The bill 3549-1, however, did not include a significant amount of EU standards and offered the concept of regulation different from the approaches existing in the European Union. Its main drawbacks included weak, compared to the EU rules, guarantees of consumer protection in electronic communications services, insufficient guarantees of effective state regulation and ensuring fair competition.

DYNAMICS IN LAWMAKING

Laws adopt:

- On Ratification of the Agreement on cooperation between Ukraine and The European Union's Judicial Cooperation Unit (Eurojust) (№0122) (the law was not signed by the President yet).
- On Ratification of the Agreement between the European Union and Ukraine on the participation of Ukraine in the EU «Competitiveness of small and medium enterprises (COSME)» (2014 - 2020) (№0130).
- On amending certain legislative acts of Ukraine regarding the implementation of the 1979 Convention on the Conservation of European Wildlife and Natural Habitats (№2023).
- On amending certain legislative acts of Ukraine regarding the implementation of European environmental rules on environmental protection of rare animals and plants (№2604).

Returned for revision to the Committee after consideration of the plenary:

- On Environmental Impact Assessment with the proposals of the President of Ukraine as of 28.10.2016 (№2009а-д).
- On electronic trust services (№4685).

Returned to the Government for revision:

- On Railway Transport of Ukraine (4593).
- On amending certain automotive transport acts of Ukraine to harmonize them with the EU regulatory acts (4683).

EXPERT RECOMMENDATIONS

1) The Rules of Procedure of the Verkhovna Rada of Ukraine should envisage a mandatory opinion on compliance with the Association Agreement and EU law, such opinion to be attached to every bill registered in the Parliament.

2) The Parliament should speed up consideration of European integration bills submitted by the Cabinet and MPs (the list is attached).



LAWMAKING AND IMPLEMENTATION OF THE EU-UKRAINE ASSOCIATION AGREEMENT

EUROPEAN INTEGRATION BILLS CONSIDERED CURRENTLY BY THE VERKHOVNA RADA OF UKRAINE

№	r/n	Title	Stage
1.	4614	On amending the Customs Code of Ukraine to protect intellectual property in the movement of commodities across customs borders of Ukraine	Not included onto the agenda
2.	4615	On amending the Customs Code of Ukraine to comply with the EU – Ukraine Association Agreement	Not included onto the agenda
3.	4584	On amending certain laws of Ukraine that regulate government statistics	Received the Committee submission for consideration (31.05.2016)
4.	4593	On Rail Transport of Ukraine	Returned for revision to the introducing body (21.02.2017)
5.	4683	On amending certain automotive transport acts of Ukraine to harmonize them with the EU regulatory acts	Returned for revision to the introducing body (21.02.2017)
6.	4941-д	On the Energy Efficiency of Buildings	Released by the Committee to be approved in principle
7.	2845	On Animal Feedstock Security and Hygiene	Released by the Committee to be approved in principle (30.06.2015)
8.	4611	On Requirements to Food Contact Items and Materials	Released by the Committee to be approved in principle (20.09.2016)
9.	4589	On amending certain food safety laws of Ukraine	Released by the Committee to be approved in principle (06.12.2016)
10.	4579	On amending certain legislative acts of Ukraine to acquire, exercise and protect the copyright and related rights	Being studied by the Committee
11.	4629	On amending certain legislative acts of Ukraine to protect the copyright and related rights in the Internet	Being studied by the Committee
12.	4646	On amending the Law of Ukraine On Accounting and Financial Reporting in Ukraine to improve certain provisions	Being studied by the Committee
13.	4775	On amending certain laws of Ukraine related to European groupings of cross-border cooperation	Being studied by the Committee

LAWMAKING AND IMPLEMENTATION OF THE EU-UKRAINE ASSOCIATION AGREEMENT
EUROPEAN INTEGRATION BILLS CONSIDERED CURRENTLY BY THE VERKHOVNA RADA OF UKRAINE

№	r/n	Title	Stage
14.	4777	On amending the Customs Code of Ukraine regarding authorized economic operator and simplified customs formalities	Being studied by the Committee
15.	4776	On amending the Tax Code of Ukraine regarding peculiarities of taxation of import of goods to Ukraine by authorized economic operators	Being studied by the Committee
16.	5448	On the basic principles and requirements for the organic production, handling and labeling of the organic products	Being studied by the Committee
17.	5548	On amending certain legislative acts of Ukraine on protection of consumer rights	Being studied by the Committee
18.	5598	On the Energy Efficiency Fund	Being studied by the Committee
19.	5627	On amending the Customs Code of Ukraine to bring transit procedures in line with the Convention on a common transit procedure and Convention concerning the simplification of formalities in trade in goods	Being studied by the Committee
20.	6106	On Strategic Environmental Assessment	Being studied by the Committee
21.	6016	On the Audit of Financial Statements and Audit Activity	Being studied by the Committee
22.	6023	On amending certain legislative acts of Ukraine to improve the legal protection of geographical values	Being studied by the Committee
23.	4493	On the Electricity Market of Ukraine	Endorsed in the first reading (22.09.2016)
24.	4591	On Business Ombudsman	Endorsed in the first reading (31.05.2016)
25.	4644	On amending certain legislative acts of Ukraine to harmonize them with the EU legislation on transportation of dangerous goods	Endorsed in the first reading (17.01.2017)
26.	0906	On the government control to observe the compliance with laws on safety and quality of food and animal feedstock, on animals' health and welfare	Handed for additional second reading (21.02.2017)
27.	2431	On amending legislation on protection of economic competition regarding establishment by the Antimonopoly Committee of Ukraine the size of penalties for violations of the competition laws	Handed for additional second reading (26.01.2016)
28.	4685	On Electronic Trust Services	Handed for additional second reading (07.02.2017)
29.	4619	On amending the Tax Code of Ukraine (in regard to tobacco products taxation)	Voted as an amendment (06.12.2016)
30.	2009а-д	On Environmental Impact Assessment with the proposals of the President of Ukraine as of 28.10.2016	Returned to the Committee for revision