

**JOINT STATEMENT**  
**Ukraine – EU Trade and Sustainable Development Sub-Committee**  
**to the Joint Civil Society Forum**  
*(13 November 2018, Kyiv)*

Representatives of the Ukrainian authorities and the European Commission met on 13 November 2018 in Kyiv for the second Trade and Sustainable Development (TSD) Sub-Committee, dedicated to the implementation of the TSD Chapter of the Ukraine – European Union Association Agreement.

On 14 November 2018, the parties debriefed the Civil Society Forum on the issues discussed during the last meeting of the TSD Sub-Committee.

The 2<sup>nd</sup> meeting of the Trade and Sustainable Development Sub-Committee discussed for the first time in depth labour issues as well as renewable energy, energy efficiency and sustainable fisheries management related to TSD.

The EU emphasised the role of values and principles, such as high social and environmental standards, in the context of EU trade and investment policy. The EU highlighted the importance of reinforcing multilateral governance in these areas, through supporting the International Labour Organization (ILO) and multilateral environmental bodies. Moreover, enabling civil society and having their voices heard are important for the effective implementation of the TSD Chapter.

**Progress on the establishment of the Ukrainian Advisory Group**

The TSD Sub-Committee welcomed the establishment of the Ukrainian Advisory Group. The EU expressed its concern about the late establishment of the Advisory Group. In order to ensure early and inclusive planning and operation of future open civil society meetings, both parties agreed to work jointly on operating procedures and to discuss those with the EU and Ukrainian Advisory Groups in the coming months.

**Progress on selection of candidates for the Group of Experts**

The TSD Sub-Committee discussed the establishment of the Group of Experts. Ukraine updated the EU on steps to be taken for the selection of the 5 Ukrainian experts by early next year. Both parties agreed to endorse the final, complete list of members to the Group of Experts at the 3<sup>rd</sup> TSD Sub-Committee.

**Trade and labour**

The EU underlined that good governance of labour relations and improved labour standards are key to establish a level-playing field and to allow Ukraine to fully reap the benefits of its Association Agreement with the EU.

Both parties discussed the implementation of ILO Conventions № 81 and № 129 on labour inspections as a cross-cutting issue for all labour standards.

Ukraine underlined the main priorities and areas of work of the State Labour Service (SLS). The EU welcomed the first positive results in tackling undeclared work and plans to address the issue of wage arrears.

The EU recalled that legal restrictions and capacity constraints as to the operation of the SLS are not in line with the ILO principles on labour inspections and called Ukraine to act.

Ukraine stressed the positive contribution of the EU-funded ILO project 'Enhancing the Labour Administration Capacity to Improve Working Conditions'. The EU stressed the importance of following up on the recommendations of the project.

Both parties agreed on the need to modernise labour legislation and acknowledged that the adoption of the draft new Labour Code would address legal gaps related to several ILO fundamental labour standards and other Association Agreement obligations (approximation to the EU law). Ukraine also informed that consultations are on-going with social partners on the draft Law of Ukraine 'On Collective Agreements and Contracts' and that its submission to the Parliament is envisaged in spring 2019. The EU stressed the need to ensure that trade unions' rights and activities are respected in line with international standards; both parties agreed to follow-up on this matter at the next TSD meeting.

### **Trade, environment and climate action**

The EU welcomed the 2050 Low Emission Development Strategy as a big step forward and asked for information on how it translates into more sustainable trade in climate-friendly goods and services.

Ukraine updated the EU on data collection and reporting on greenhouse gas emissions in sectors important for Ukraine – EU trade relations.

### **Sustainable forest management and related wood production, sales, processing and trade**

Ukraine and the EU reiterated the importance of sustainable forest management. Ukraine provided an update on measures aimed at strengthening forest law enforcement and the challenges faced by forestry. The EU insisted on the importance of reforming the forest management by Ukraine based on the principles of sustainable resources management in all forests and the separation of state institutions' functions for policy, control, monitoring and management. Both parties agreed that a system for the management of all Ukrainian state forests should be independent from a robust forest control body and from forest policy and legislation function.

Ukraine raised a concern about incorrect information provided in the overview document of the Ukrainian forest sector as published by the European Commission (dated September 2018) in the context of the EU Timber Regulation. Both parties will jointly work to review the document.

Ukraine informed of ongoing work to introduce the electronic timber tracking system to all timber harvest forests and to adopt legislation aiming at a transparent regulation of timber sales.

### **Cooperation on the management of the Black Sea fisheries, namely within the General Fisheries Commission for the Mediterranean**

Ukraine raised concerns regarding the cooperation on the management of the Black Sea fisheries, namely between Ukraine and the General Fisheries Commission for the Mediterranean (GFCM). The EU took due note of the concerns of Ukraine but recommended Ukraine to abide by its international commitments and encouraged Ukraine to consider becoming a full member of GFCM thereby strengthening its position in the organisation.

### **Trade and renewable energy**

Both parties discussed the contribution of the energy sector reform to sustainable economic growth in Ukraine for the environment, the climate and Ukraine's security. Both sides will identify specific priority areas and priority actions in order to set a joint work agenda on this important topic. Ukraine explained measures taken in the field of energy efficiency and renewable energy, including the Ukrainian national renewable energy action plan till 2020, and the law on fostering renewable energy development.

### **Other issues**

The parties agreed on operational conclusions that summarise the steps to be undertaken by the parties until the 3<sup>rd</sup> TSD Sub-Committee.

The parties encourage their respective Advisory Groups to actively engage with civil society at large to monitor progress in implementation of the TSD Chapter. The TSD Sub-Committee looks forward to the Advisory Groups' as well as to the open Civil Society Forum's views in this regard.