



*Approved
15/07/14*

From: Minister for Foreign Affairs
To: Secretary to Cabinet
Date: 10 July 2014
Subject: Signature of Association Agreements with the Republic of Moldova, Georgia and Ukraine

On the margins of the 27 June 2014 European Council, the EU signed the Association Agreements with Georgia and the Republic of Moldova and completed the signature process with Ukraine, each providing for a Deep and Comprehensive Free Trade Area.

The Agreements will significantly deepen political and economic ties between the signatories with a long-term perspective of closer political association and economic integration.

The Association Agreements aim to deepen political and economic relations between the EU and the other signatories and to gradually integrate these countries in the EU's Internal Market, the largest single market in the world. This entails creating a Deep and Comprehensive Free Trade Area (DCFTA) between the EU and each of these countries.

Following the signature however substantial work remains to be done on domestic reforms. In this area, the EU and each country will cooperate on the strengthening of the rule of law, advancing judicial reforms, fighting corruption, ensuring respect for fundamental rights and freedoms and strengthening democratic institutions.

Main areas of cooperation:

Core reforms: reforms are foreseen in a number of key areas, including public governance, justice, law enforcement, economic recovery and growth, consumer protection and sectors such as energy, transport, environmental protection, industrial development, social development and protection, education, youth and culture.

Values: the Agreement puts a strong emphasis on democracy and the rule of law, human rights and fundamental freedoms, good governance, a well-functioning market economy and sustainable development.

Trade: the Agreements will offer their signatories a framework for modernising their trade relations and for developing their economies. Opening the markets through the progressive removal of customs tariffs and quotas, and harmonising laws, norms and regulations in various trade-related sectors will make this possible.



MALTA

As well as contributing to stability and the promotion of democratic values in the EU's neighbourhood, the agreements will benefit EU businesses by opening up new markets and providing for a more secure business environment when investing in these three countries.

Provisional application:

The Agreements with all three countries foresee provisional application so that an impact may be expected to a large extent already prior to ratification by the European Parliament and EU member states, a process that may take some time to complete.

The Association Agreements provide for provisional application to start on the first day of the second month after both the EU and the respective partner countries have fulfilled required procedures on their side. Signature and the consequent implementation of the Association Agreements will confirm and seal political association and economic integration with the EU, but the greater the commitment and implementation of the Agreements, the greater the opportunities they will offer. Earmarked for provisional application are provisions regarding such important EU values as democracy, human rights and the rule of law as well as the principles of a free market economy, sustainable development and effective multilateralism.

For Georgia and Moldova important provisions regarding conflict prevention, crisis management and regional stability are to be implemented. For Ukraine there is a provision on regional application (consistent with the non-recognition policy of the illegal annexation of Crimea) included in the Final Act to the Agreement.

Another important area where provisional application can start soon is that of economic and sectorial cooperation. This concerns, for example, consumer protection, financial services, civil society cooperation and the countries' participation in EU Agencies and programmes. The Deep and Comprehensive Free Trade Area part of the Association Agreement will be provisionally implemented, alongside the financial assistance and anti-fraud and control provisions.

Until the commencement of their provisional application, a considerable amount of work needs to be undertaken to prepare the institutional set-up. This includes the creation of the Association Council, and establishing various committees and subcommittees and their rules of procedure. The same is true for trade-related working groups, engagement with civil society and parliamentary cooperation. In this way, it will be possible to formally approve the institutional set up and the monitoring mechanisms as soon as the date of provisional application sets in.

Malta's support to Eastern Partnership countries:

MINISTERU
GHALL-AFFARIJJET BARRANIN



MINISTRY
FOR FOREIGN AFFAIRS

MALTA

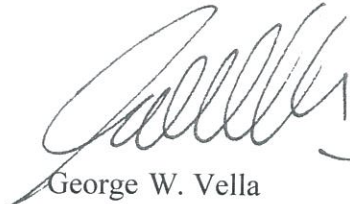
Malta has been extremely vocal in its commitment to support neighbouring countries that wish to associate themselves further, both economically and politically with the European Union.

The signature of the joint declaration on European Integration during the visit of the Deputy Prime Minister and Foreign Minister of Moldova to Malta on 10-11 April 2014 as well as the road map for further cooperation that was discussed by the Foreign Ministers of Malta and Georgia during an official visit to Tbilisi on 24-25 April 2014, also demonstrate that Malta is willing to share its own experience of European Integration with Partners that want to benefit from closer political and economic approximation with the European Union.

Recommendation:

Since these are treaties which Malta is bound to ratify in its own name and on behalf of the European Community, by virtue of its membership within the European Union, it is the understanding of both MFA and the Office of the Attorney General that the ratification of the Association Agreements between the EU and Georgia, Moldova and Ukraine should be accomplished by Malta in terms of Article 4(2)(b) of CAP. 460. These shall come into force one month following their being submitted in order to be discussed by the Standing Committee on Foreign and European Affairs.

However, prior to the submission of this Memo to the Foreign and European Affairs Council (FEAC) in terms of Article 4(2)(b) CAP. 460, Cabinet's approval is warranted.


George W. Vella

