



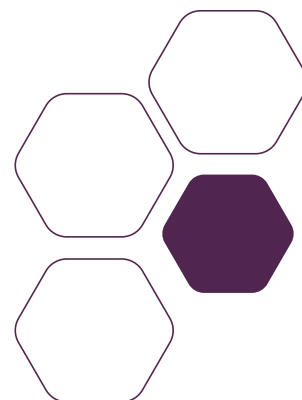
TOWARDS EUROPEAN INTEGRATION

A Study of Existing Projects,
Stakeholder Needs, and
Resource Optimization in
Ukraine



Kyiv, 2023





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Needs, and Resource Optimization in Ukraine

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Challenges to the European Integration of Ukraine

Executive Summary

Since February 2022, Ukraine's relationship with the EU has seen rapid change after it applied for EU membership and was granted candidacy status in June 2022, subject to fulfilling seven conditions. The accession process entails meeting the Copenhagen criteria, and negotiations must follow the implementation of all EU acquis¹ in the candidate country's legislation. EU acquis includes thousands of legislative acts, which are divided into 35 chapters². The Fundamentals cluster plays a critical role in negotiations under the new methodology, and its opening and closure determine the progression to other clusters. Additionally, political engagement with EU member states is vital, as any member can potentially halt the negotiation process at any stage.

Since 2014, when the Association Agreement was signed, Ukraine has made significant progress in cooperation with the EU. According to UCEP monitoring report, by the end of 2022, 55% of the commitments outlined in the Agreement were successfully implemented, with 30% fully aligned with the EU acquis. However, challenges persist, particularly in sectors like education, intellectual property law, public health, agriculture, and transport, where progress has been relatively less dynamic due to various factors. The initiation of EU accession negotiations can provide renewed momentum to European integration reforms

in Ukraine, as it implies the broader and up-to-date EU legislative framework while acknowledging Ukraine's existing progress. Significant work remains to be done to align legislation with the EU acquis and prepare institutions for full EU membership.

The main goal of this paper is to conduct a comprehensive study of existing initiatives and projects related to the European integration of Ukraine in the period of time 2022-2023 and identify the priorities and needs of key stakeholders involved in the European integration process. To investigate existing European integration projects we conducted 36 interviews with the representatives of public authorities, Ukrainian NGOs, consulting firms and business associations, donors organisations and media. We collected data concerning ongoing European integration projects from the open source data and interviews with representatives of different organizations (public authorities, NGOs, media, business associations etc) to create a database of the projects. Based on the collected information we made some conclusions concerning further European integration projects development.

European integration ranks among the top five priorities for donor organisations. The EU stands as the primary donor supporting European integration projects, primarily focusing on institutional support to public

1) According to the government self-screening approximately 3000 EU acts need to be implemented in the Ukrainian legislation

2) Chapters 34 covers the institutional and procedural rules of the EU and does not affect countries the internal organisation of a Member State. Chapter 35 includes miscellaneous issues which come up during the negotiations but which are not covered under any other negotiating chapter. Chapter 35 is dealt with at the end of the negotiating process.

authorities in Ukraine. Meanwhile, donors like the Heinrich Boell Foundation, International Renaissance Foundation, Konrad Adenauer Stiftung, MATRA Programme, Sida, USAID, more often support projects for empowering civil society organisations for driving the European integration agenda. Sectors with substantial identified projects include Judiciary and Fundamental Rights, Functioning of Democratic Institutions, Information Society and Media, Energy, Environment and Climate Change. There are fewer projects in the Resources, Agriculture & Cohesion and Internal Market clusters. Therefore, donors should take this into account when planning future projects.

Since achieving candidacy status for EU membership in June 2022, Ukraine's government has been trying to assess the scope of work needed for EU membership. Ukraine has initiated a self-screening process, with results published in August 2023. As the scope of EU legislation that needs to be implemented exceeds 3000 acts, the burden on the public authorities for EU legislation implementation is increasing. Public service in Ukraine faces common issues, including low English proficiency, staff shortages, and limited knowledge of EU acts. Sectoral training, study tours to EU member states, and Twinning projects³ are highlighted as valuable initiatives to enhance the understanding and implementation of the EU acquis. At the same time, to meet the challenges of European integration, there is an urgent need for public service reform to make it more effective.

Civil society serves as a driver of reforms and a vigilant watchdog while offering valuable expertise for developing draft laws. During the critical period of securing candidate status for EU membership, numerous civil

society organisations provided essential support to the government in preparing the answers for the questionnaire for the European Commission. Civil society organisations also assist public authorities with drafting laws, digitalization efforts, research papers, and policy advocacy both in Ukraine and within the EU.

We surveyed twenty non-government organisations to explore their activities in European integration. Civil society organisations that work with European integration experience the need in raising support. They require more resources for analytical studies, assistance to the public authorities with the approximation of Ukrainian legislation, educational initiatives, and engagement with local communities. Additionally, civil society organisations have educational needs – i.e., they need to improve their competence in EU law.

Journalists and media outlets play a crucial role in informing society about EU integration, reforms, and associated challenges. However, they faced difficulties, including reduced financial resources due to declining advertising during the war. Finding qualified specialists with a deep understanding of the EU also poses a challenge to providing comprehensive coverage. Journalists have highlighted the excessive information restrictions imposed by the state in wartime, facing refusals from state authorities and limited access to official sources.

Businesses play an important role in European integration by supporting and endorsing reforms, while also expressing concerns about potential risks. Consulting firms and business associations actively participate in shaping and implementing reforms, providing advisory services to the government.

3) Twinning is a European Union instrument for institutional cooperation between Public Administrations of EU Member States and of beneficiary or partner countries. Since 2004, the Twinning instrument is available to some of the EU Eastern and Southern Neighbourhood partner countries. In this framework, it aims at upgrading the administrative capacities of the public administration of a partner country through the training of its staff and the support to the reorganisation of its structure. It also supports the approximation of national laws, regulations and quality standards to those of EU Member States in the framework of Cooperation or Association agreements signed with the EU. https://neighbourhood-enlargement.ec.europa.eu/funding-and-technical-assistance/twinning_en#:~:text=Twining%20projects%20bring%20together%20public,peer%2Dto%2Dpeer%20activities

However, their involvement must be balanced to ensure transparency and prevent undue influence on legislative initiatives.

Public authorities face common challenges in the process of European integration, including a lack of expertise in addressing sector-specific issues and insufficient resources like funding and staffing. Effective coordination and cooperation among different government departments (e.g. interministerial, among parliament and government, ministries and other state services and agencies) are crucial for a smooth integration process. Challenges also arise from the perceived lack of political will and the need for greater transparency in prioritizing European integration draft laws. Managing society's expectations and adopting a long-term perspective are vital to sustaining public support and commitment to the European integration process.

Representatives of Ukrainian non-government organisations ranked the Rule of Law reform as the most important and the most challenging European integration reform. Among the other challenging reforms named by experts are implementation of the EU acquis within the Environment and Climate Change chapter and Public Administration reform.

RECOMMENDATIONS

Based on the conducted research we provided recommendations for donor organisations to improve the support of European integration projects.

Recommendations to support public authorities:

- Provide support to Ukraine for public administration reform to make public service attractive for qualified personnel. The responsibility to provide this reform lies with the Ukrainian government, as technical assistance projects alone cannot substitute for a robust civil service in effectively implementing high-quality European integration reforms. Nevertheless, various projects and donor support can aid in facilitating this reform. Therefore, it is essential to prioritize projects aimed at enhancing the capacity of public service.
- Enhance the support for the training of civil servants, focusing on sector-specific knowledge to elevate the proficiency of public servants in their respective fields of work. Donor projects that engage highly skilled sectoral experts capable of drafting legislation and regulatory acts can also offer training opportunities for public servants in relevant sectors. Additionally, sectoral study tours to EU member states can prove beneficial, as well as projects such as Twinning that facilitate the exchange of professional experiences among public servants on specific issues. By implementing these measures, the aim is to equip civil servants with specialized expertise and promote continuous professional development.

- Provide English courses for public servants, which represents a significant aspect of training. The attainment of a proficient level of English is crucial to overcoming a substantial obstacle to sustainable and expeditious European integration reforms. Fluency in English will enable effective communication, cooperation, and collaboration with EU counterparts, facilitating the implementation of necessary reforms.
- Support the further modernisation/development of the IT systems of the Ukrainian governmental activities, which requires increasing funding. For instance, the National Commission for the State Regulation of Electronic Communications, Radio Frequency Spectrum and the Provision of Postal Services (NCEC) requires assistance with setting up an automated system for the submission and processing of statutory reporting from businesses, whilst the Ministry of Economy seeks for help with the development of the internal IT system for the State Service of Ukraine on Labor Issues.
- Support strengthening the capacity of the Government Office for the Coordination of European and Euro-Atlantic Integration. Enhancing the capacities (increasing the number of employed qualified specialists, including sectoral experts) of this office will enable it to carry out its coordination role more efficiently and ensure the coherent implementation of European integration tasks across various government entities. The office also needs effective imperative tools to coordinate interministerial cooperation to enhance its coordination role.
- Increase donor support for projects in the Rule of law as identified by experts as a priority for EU accession. Energy, Free Movement of Goods, Environment and Climate Change, and Public Administration Reform are also identified by experts as important and challenging areas for European integration reforms.

Recommendations for strengthening the role of the NGO sector in the negotiation process:

- Expand the support for NGO projects in the field of European integration. The negotiation process not only involves technical aspects, such as EU acquis implementation but also significant political considerations, requiring ongoing support from all member states. To facilitate Ukraine's progress, it would be highly beneficial to bolster civil society initiatives that provide independent and reliable information about Ukraine's reforms to experts and politicians from EU member states. Supporting advocacy visits to EU member states, organizing joint forums or conferences with EU civil society organizations, and presenting research findings from Ukrainian organizations in EU member states are among the valuable initiatives. These engagements offer opportunities to showcase Ukraine's commitment to reforms, highlight its achievements, and address any concerns or misconceptions that may arise during the negotiation process.
- Enhance the support of educational needs of NGOs in European integration. Like public servants, civil society organizations also require educational support to deepen their understanding of the EU and its legislation. Notably, the most popular types of training identified by these organizations include EU law courses and study tours to EU member states to facilitate valuable experience exchange.

Recommendations to support media coverage of the European integration process:

- Support additional projects for media in their activities related to the coverage of European integration processes.
- Support educational projects for journalists to enhance their awareness in the field of European integration.

Recommendations to support Ukrainian business:

- Support the SME in adaptation to the EU regulations and standards. In light of the challenges faced by Ukraine in adapting to EU regulations, donor organizations could play an active role in providing support and assistance. Recognizing the financial challenges faced by SMEs, donor organizations should allocate funding to support their adaptation efforts.
- Enhance the cooperation between NGOs and business associations in providing research projects to identify potential challenges for business in adaptation to EU legislation, an optimal timeline for EU acquis implementation and areas where Ukrainian and European businesses can cooperate.

Methodology

The main goal of researching initiatives in the field of European integration is (a) to conduct a comprehensive study of existing initiatives and projects related to the European integration of Ukraine; (b) to identify the priorities and needs of key stakeholders involved in the integration process (public authorities, non-government organisations, relevant Ukrainian and European analytical centres, consulting companies, donors, media, business associations), and finally, (c) to formulate recommendations aimed at optimizing the utilization of resources for new projects / initiatives in the field of European integration.

Objectives of the study:

- mapping of initiatives and projects in the field of European integration for the period 2022–2024 (both projects that are already being implemented and those whose implementation is scheduled to begin in the second half of 2023 and in 2024);
- highlighting the thematic areas that are being addressed concurrently by multiple projects/initiatives as well as areas that are not receiving sufficient support from ongoing projects/initiatives;
- compilation of a database of experts and civil society organisations engaged in European integration, organised in accordance with their field of expertise;
- investigating how civil society organisations perceive the concept of 'European integration', including its underlying concepts and principles; civil society's awareness of what reforms and activities have already been carried out and what the agenda of the European integration program is for the future; awareness of projects and initiatives of civil society, which are implemented in the field of European integration;
- identification of the main factors that may slowdown the European integration process;
- determination of gaps in the process of European integration and assessment of whether these gaps are being addressed by existing or newly established civil society initiatives, donor organisations, consulting institutions or international consultants;
- ranking of existing gaps according to their level of threat to the European integration process (using an expert survey);
- determination of the needs of public authorities and civil society organisations in ensuring the process of European integration;
- determination of development and training needs of organisations working in the field of European integration;
- providing recommendations to donor organisations and civil society organisations regarding the optimization and launch of new projects/initiatives in the field of European integration.

Data collection

The study provides for the analysis of information from open sources for the period January 2022–March 2023, including:

- changes to the legislation and international obligations of Ukraine in the field of European integration,

- official documents of the EU and Ukraine regarding the assessment of Ukraine’s readiness for integration,
- information and data received from EU technical assistance projects operating in the field of European integration,
- information and data obtained from interviews and questionnaires of organisations working in the field of European integration.

The study comprises three main components:

- conducting personal interviews using questionnaires specially designed for the relevant organisation. The interview was used for further mapping of initiatives and projects in the field of European integration.
- carrying out a questionnaire survey of organisations working in the field of European integration. The questionnaires are tailored to elicit detailed information regarding the organisation’s projects, needs, and awareness of European integration. The questionnaire includes a separate block of expert questions regarding the existence of gaps in the support of European integration projects and their ranking, which will be offered specifically to those organisations that have experience in implementing projects in the field of European integration. The study received a total of 20 completed questionnaires from civil society organisations actively engaged in European integration matters.
- processing open data sources. These sources include international technical assistance projects registered with the Secretariat of the Cabinet of Ministers of Ukraine, research conducted by NGOs in the field of European integration, EU documents and legislation, and other relevant materials.

THE FOLLOWING INTERVIEWS WERE CONDUCTED DURING THE STUDY (36 INTERVIEWS IN TOTAL):

With representatives of the following public authorities:

1. Government Office for the Coordination of European and Euro-Atlantic Integration
2. Advisor to the Chairman of the Verkhovna Rada of Ukraine
3. Committee of the Verkhovna Rada on Ukraine’s Integration into the European Union
4. Ministry of Digital Transformation of Ukraine
5. Ministry of Economy of Ukraine
6. Ministry of Agrarian Policy and Food of Ukraine
7. The National Commission for State Regulation in the Fields of Electronic Communications, Radio Frequency Spectrum and the Provision of Postal Services
8. Ministry of Culture and Information Policy of Ukraine
9. Ministry of Justice of Ukraine
10. Committee of the Verkhovna Rada of Ukraine on Transport and Infrastructure
11. Committee of the Verkhovna Rada of Ukraine on Environmental Policy and Nature Management

With representatives of Ukrainian civil society:

1. The Foreign Policy Council “Ukrainian Prism”
2. The Institute for Economic Research and Policy Consulting

3. Resource & Analysis Centre 'Society and Environment'
4. CASE Ukraine
5. Razumkov Centre
6. Centre of Policy and Legal Reform
7. Centre for Democracy and Rule of Law
8. DiXi Group
9. DEJURE Foundation
10. New Europe Center

With representatives of consulting firms, projects and business associations:

1. Consulting firm E&Y Ukraine
2. Consulting project 'Support of Ukraine in the Implementation of the Association Agreement. Phase 2'
3. Ukrainian Agribusiness Club
4. American Chamber of Commerce

With European organisations working on matters related to the European integration of Ukraine in the EU:

1. Centre for European Policy Analysis (CEPA)
2. European Values Centre, Czech Republic
3. LibMode Centre, Germany

With representatives of donor organisations:

1. USAID ENGAGE project
2. Embassy of Sweden
3. Embassy of Canada
4. The European Union Delegation to Ukraine
5. International Renaissance Foundation

With representatives of media who cover the subject of European integration:

1. European Pravda
2. Online media Dzerkalo Tyzhnia
3. Online media Rubryka

Limitations of the study:

- Given the extensive range of European integration matters addressed through the EU enlargement methodology, which encompasses 35 chapters, it is important to note that the study's coverage of European integration projects and requirements may be constrained. Consequently, it does not encompass the complete array of existing projects in all areas deemed significant for European integration.
- It is essential to acknowledge that the opinion of experts who were interviewed and surveyed may be influenced by inherent biases stemming from their particular sectoral focus and personal experiences. For instance, an expert with extensive knowledge of energy or transport issues might naturally prioritize these areas based on their expertise.
- The field of European integration has witnessed rapid developments in the past year, primarily due to Ukraine's swift attainment of candidate country status for EU membership and accelerated preparations for the negotiation process. Consequently, the political landscape is undergoing corresponding changes. These rapid advancements can also influence the actions of donors and public organisations, motivating them to initiate new projects promptly and secure funding for them. As a result, the mapping of initiatives and projects expected to be completed by the end of summer 2023 may undergo swift transformations by the year's end, particularly if Ukraine initiates negotiations with the EU regarding accession.

The General Context of the European Integration Process

METHODOLOGY OF ENLARGEMENT AND ACCESSION NEGOTIATIONS BETWEEN A CANDIDATE COUNTRY AND THE EU

Since February 2022, when Ukraine made the decision to apply for EU membership, its relationship with the EU has undergone significant and rapid changes. Ukraine swiftly answered the questionnaire for the European Commission, and by June 2022, it was granted candidate status, with seven conditions that must be fulfilled before the commencement of accession negotiations.

In order to attain EU membership, a candidate country must fulfill the three Copenhagen criteria, which entail (1) having stable and democratic institutions, (2) having a functioning market economy, and (3) demonstrating the implementation of the legislation of the European Union, known as the 'acquis'.

The accession negotiations follow the attainment of EU candidate status and involve the implementation of all EU regulations in the legislation of the candidate country. Opening negotiations for Ukraine requires fulfilling seven requirements set by the EU Commission for Ukraine's EU candidacy. Since the last wave of enlargement in 2013, when Croatia joined, the negotiation process has undergone significant changes. The EU acquis has become more comprehensive, with an increased volume of regulations. Furthermore, a new methodology came into effect in 2020. Since Croatia's accession, no other candidate country has fully met all these requirements.

The process of EU accession negotiations encompasses several key elements or phases, including¹:

- adoption of a negotiating framework both by Ukraine and the European Commission;
- First Intergovernmental Conference (IGC);
- screening of the legislation conducted by the European Commission;
- opening and provisional closure of clusters of chapters of the EU acquis (actual negotiations);
- signing and ratification of the Accession Treaty.

The implementation of the EU acquis, which comprises various regulations, directives and other acts, is organized into 35 chapters, along with three additional criteria outside the chapter structure: Economic criteria, Public Administration Reform, and Functioning of Democratic Institutions. These chapters are further grouped into six clusters.

According to the new enlargement methodology, the Fundamentals cluster plays a crucial and demanding role in the negotiations, encompassing five chapters: Public Procurement (Chapter 5), Statistics (Chapter 18), Judiciary & Fundamental rights (Chapter 23), Justice, Freedom & Security (Chapter 24), and Financial Control (Chapter 32). In addition, it includes separate parts such as Public Administration Reform, Functioning of Democratic Institutions, and Economic Criteria.

¹) https://neighbourhood-enlargement.ec.europa.eu/system/files/2022-10/eu_accession_process_clusters%20%28oct%202022%29.pdf

Table 1: Clusters of negotiating chapters

Cluster	Negotiating chapter
1. Fundamentals	23 - Judiciary and fundamental rights 24 - Justice, Freedom and Security Economic criteria Functioning of democratic institutions Public administration reform 5 - Public procurement 18 - Statistics 32 - Financial control
2. Internal Market	1 - Free movement of goods 2 - Freedom of movement for workers 3 - Right of establishment and freedom to provide services 4 - Free movement of capital 6 - Company law 7 - Intellectual property law 8 - Competition policy 9 - Financial services 28 - Consumer and health protection
3. Competitiveness and inclusive growth	10 - Information society and media 16 - Taxation 17 - Economic and monetary policy 19 - Social policy and employment 20 - Enterprise and industrial policy 25 - Science and research 26 - Education and culture 29 - Customs union
4. Green agenda and sustainable connectivity	14 - Transport policy 15 - Energy 21 - Trans-European networks 27 - Environment and climate change
5. Resources, agriculture and cohesion	11 - Agriculture and rural development 12 - Food safety, veterinary and phytosanitary policy 13 - Fisheries 22 - Regional policy & coordination of structural instruments 33 - Financial & budgetary provisions
6. External relations	30 - External relations 31 - Foreign, security & defence policy

Source: COM(2020)57 - Communication Enhancing the accession process - A credible EU perspective for the Western Balkans, https://neighbourhood-enlargement.ec.europa.eu/system/files/2020-02/enlargement-methodology_en.pdf

The Fundamentals cluster is prioritized, opening first and closing last, and can potentially halt the negotiation process at any stage. Under the new methodology, benchmarks are introduced within the Fundamentals cluster, categorized as opening, interim, and closed. These benchmarks serve as important milestones that candidate countries must fulfill.

The opening of any other cluster is contingent upon the closure of the opening benchmarks within the Fundamentals cluster. These opening benchmarks typically involve the establishment of a roadmap for the functioning of democratic institutions and public administration reform, alongside the completion of an economic reform program. It is important to note that, under the revised methodology, all clusters except for Fundamentals are opened as a whole, encompassing all negotiating chapters. However, during the provisional closure, each chapter is evaluated individually. The cluster of Fundamentals deviates from this approach, as all chapters within this cluster must be both opened and closed simultaneously².

Upon the completion of all chapters and clusters, the Accession Treaty can be finalized. The bilateral agreement, known as the Accession Treaty, is signed between the EU member states and the candidate country. This treaty encompasses essential details, including the date of accession, negotiation outcomes, transitional periods, and the country's involvement in EU institutions. Following the signing of the treaty by the involved parties, it must be approved by the European Parliament and ratified by all EU member states³.

The implementation of the EU acquis is not the sole requirement for a candidate country's membership. It is essential to acknowledge that any existing EU member state possesses the ability to impede further progress in the negotiation process at any stage. For the closure of any negotiation chapter there needs to be a unanimous decision of member states. That is why any

member state can block further progress in any stage. As a result, the political aspect of negotiations becomes paramount, as the candidate country must maintain ongoing dialogue with all member states. This political engagement holds significant importance alongside the technical implementation of EU regulations.

ACHIEVEMENTS OF UKRAINE ON THE PATH TOWARDS EUROPEAN INTEGRATION

In 1994, Ukraine took a significant step towards European integration by signing the Partnership and Co-operation Agreement between the European Communities and their Member States, and Ukraine. This milestone marked the beginning of Ukraine's journey towards closer cooperation and alignment with the European Union.

However, the most significant progress in cooperation between Ukraine and the EU has been achieved since 2014 when the Association Agreement between Ukraine and the EU was signed. As of the end of 2022, According to UCEP monitoring, Ukraine successfully implemented 55% of all the commitments outlined in the Agreement⁴. Of these commitments, 30% were fully aligned with the EU acquis. However, there remains a 20% portion where no progress has been made, and 47% of commitments are at intermediate stages. Despite the challenges, including the period of war in 2022, significant progress was made from 2020 to 2022. This progress, though not rapid, was steadily moving forward even during difficult times.

The progress in implementing the Association Agreement varies across different sectors. Some sectors have shown notable success in aligning with the EU acquis, such as company law, public procurement, and technical barriers to trade. In the field of foreign policy and security, significant progress has also been observed. However, this sector does not fully address the challenges currently faced by Ukraine and the EU.

2) https://ucep.org.ua/wp-content/uploads/2022/11/western_balkans_accession_to_eu_lessons_for_ukraine_09.11.2022_final.pdf

3) https://ucep.org.ua/wp-content/uploads/2022/11/western_balkans_accession_to_eu_lessons_for_ukraine_09.11.2022_final.pdf

4) <https://ucep.org.ua/en/doslidzhennya/ukraine-and-the-association-agreement-implementation-monitoring-2014-2022.html>

In certain sectors, Ukraine's progress and cooperation with the EU have surpassed the envisioned level outlined in the Association Agreement. One notable example is the telecom sector. Collaboration in this sector between the EU and Ukraine went far beyond the obligations in the Association Agreement.

Education, intellectual property, public health, agriculture, and transport are identified as sectors where the progress and implementation of reforms have been relatively less successful.

Addressing systemic and complex changes within these sectors often necessitates a combination of political will and significant organisational efforts. Reforms involving customs and tax authorities, for example, require substantial political support and comprehensive organisational restructuring to achieve desired outcomes.

Nevertheless, it is crucial to recognize that the commitments outlined in the Association Agreement represent only a portion of the comprehensive EU acquis that must be implemented for membership.

The initiation of EU accession negotiations has the potential to provide a renewed impetus to European integration reforms in Ukraine. This process will involve the broader and more up-to-date EU legislative framework. By engaging in accession negotiations, Ukraine can further align its legislation and policies with EU standards and requirements.

In February 2023, the European Commission issued an Analytical Report on Ukraine's alignment with the EU acquis⁵. The assessment highlighted that Ukraine had demonstrated a good level of preparation in only four chapters: Energy (15), Customs Union (29), External relations (30), and Foreign, Security, and Defence Policy (31).

However, in seven sectors, Ukraine is at an early stage of preparation or nearly unprepared. These sectors include Financial Control (32), Free Movement of Workers (2), Intellectual Property Law (7), Social Policy and Employment (19), Environment and Climate Change (27), Agriculture and Rural Development (11), Fisheries (13) and Financial and Budgetary Provisions (33).

For other sectors, the level of preparation ranges from moderate to some level of preparation. Notably, the report did not provide an assessment of Ukraine's preparation in the chapter of Judiciary and Fundamental Rights, which is considered one of the most significant chapters in accession negotiations.

Hence, considering the level of implementation of the Association Agreement and the evaluation by the European Commission, it is evident that Ukraine still has a significant amount of work ahead in terms of aligning its legislation with the EU acquis and preparing the necessary institutions for full membership in the EU. There is a substantial task of adapting existing laws and regulations to meet EU requirements. Additionally, building and strengthening the relevant institutions to effectively implement and enforce these regulations will be essential for Ukraine's progress towards EU membership.

5) https://neighbourhood-enlargement.ec.europa.eu/system/files/2023-02/SWD_2023_30_Ukraine.pdf

Mapping of Initiatives and Projects in the Field of European Integration for the Period of 2022—2024

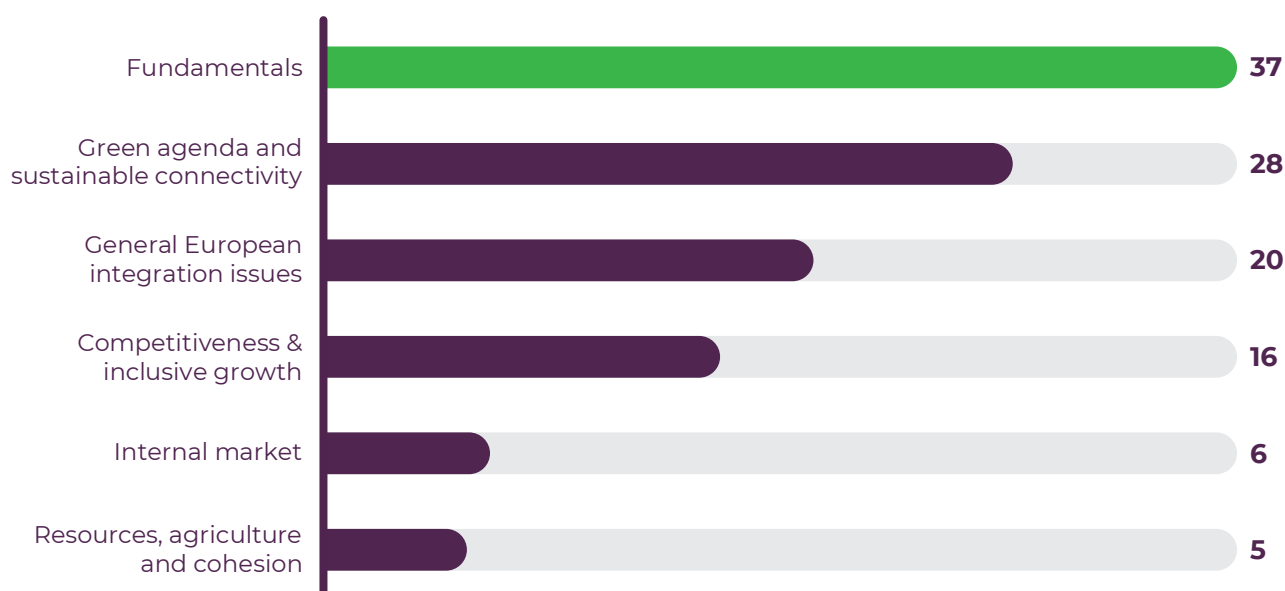
Utilizing data obtained from interviews and open data sources, an extensive map of projects within the realm of European integration has been meticulously compiled. This map can be found in the Annex to this paper.

We identified 112 projects related to European integration matters. These projects have been meticulously classified based on EU negotiation clusters and chapters according to the updated EU enlargement methodology. While not all the projects we researched explicitly aim for European integration, they nevertheless play a crucial role in implementing vital reforms without which Ukraine's accession to the EU would remain unattainable. For this reason, we have included projects focused on rule of law reform as important for European

integration, as well as the support of civil society organisations as part of democracy strengthening.

Some of the projects are related to General European integration issues and can not be classified in any cluster. These include a diverse range of initiatives aimed at institutional support of pro-European civil society initiatives, advocacy campaigns, addressing cross-cutting issues, and fostering comprehensive cooperation with the EU. Among them are projects related to the implementation of the seven candidacy recommendations of the European Commission (COM(2022) 407 final). We also put here projects related to the Ukraine-EU Association Agreement, as they are usually multicluster and can not be classified in one specific cluster.

Distribution of projects among negotiation clusters



Based on our findings, the majority of projects were located within the Fundamentals cluster, totaling 37. Slightly fewer projects were found in the Green Agenda and Connectivity cluster, with a count of 28. The clusters with the fewest identified projects were Internal Market, which had 6 projects, and Resources, Agriculture, and Cohesion, which had just 5.

It is important to note that in certain chapters, no projects were identified, primarily because these chapters did not constitute a part of Ukrainian obligations as per the Association Agreement.

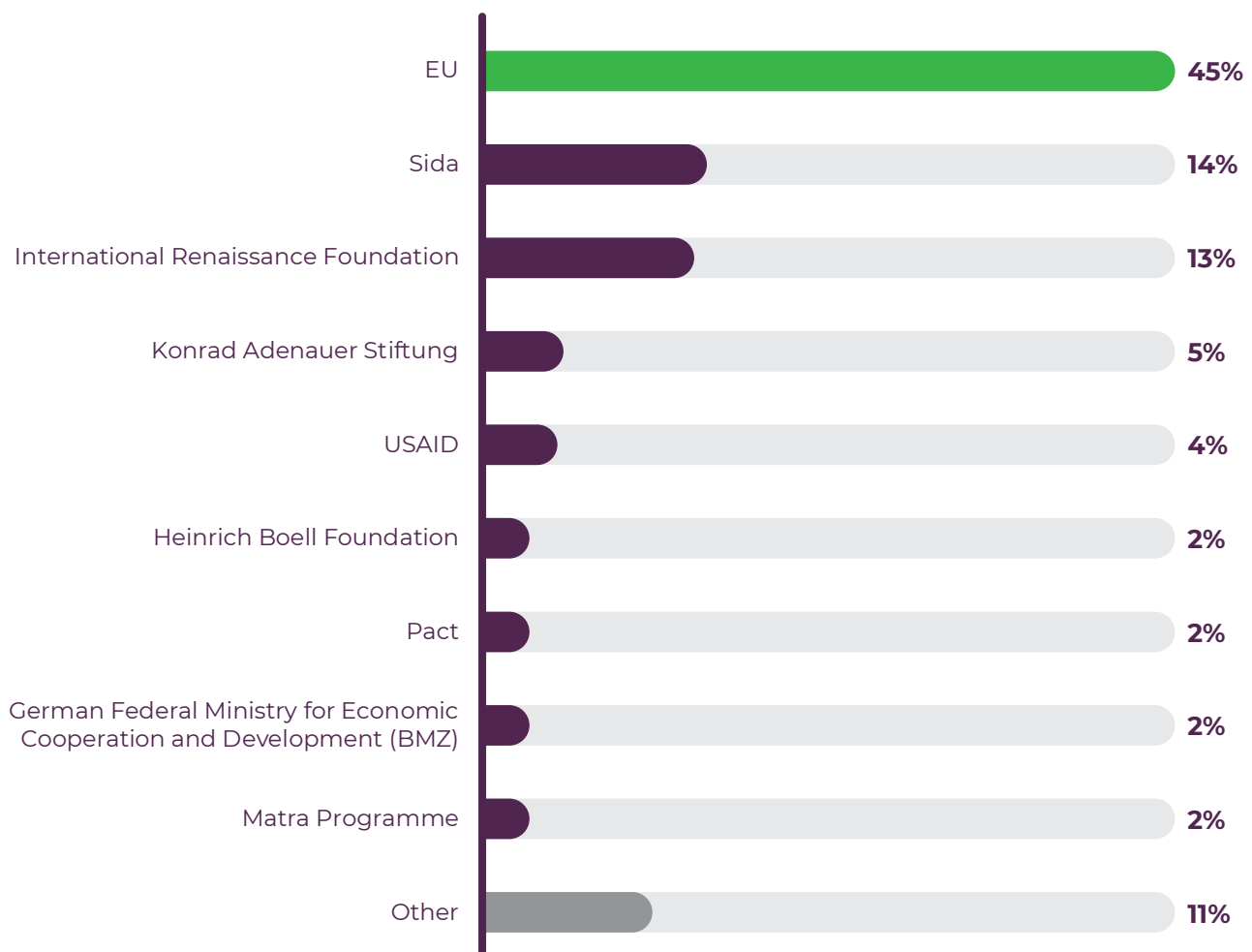
Among all the donors supporting European integration projects in Ukraine, the EU stands out as the primary contributor, demonstrating a consistent commitment to supporting Ukraine's aspirations for European integration. Remarkably, the majority of EU projects are focused on providing institutional

support to public authorities in Ukraine, aiming to bolster their capacities.

On the other hand, donors such as the Heinrich Boell Foundation, International Renaissance Foundation, Konrad Adenauer Stiftung, Matra Programme, Sida, USAID, are more focused on supporting projects led by non-government organisations. Their efforts are concentrated on empowering and strengthening civil society's role in driving forward the European integration agenda in Ukraine.

The primary beneficiaries of the majority of these projects are public authorities, with Ukrainian NGOs being less frequently involved in European integration initiatives. Other beneficiaries encompass local governments, businesses, foreign NGOs, and public companies.

Distribution of projects by donors

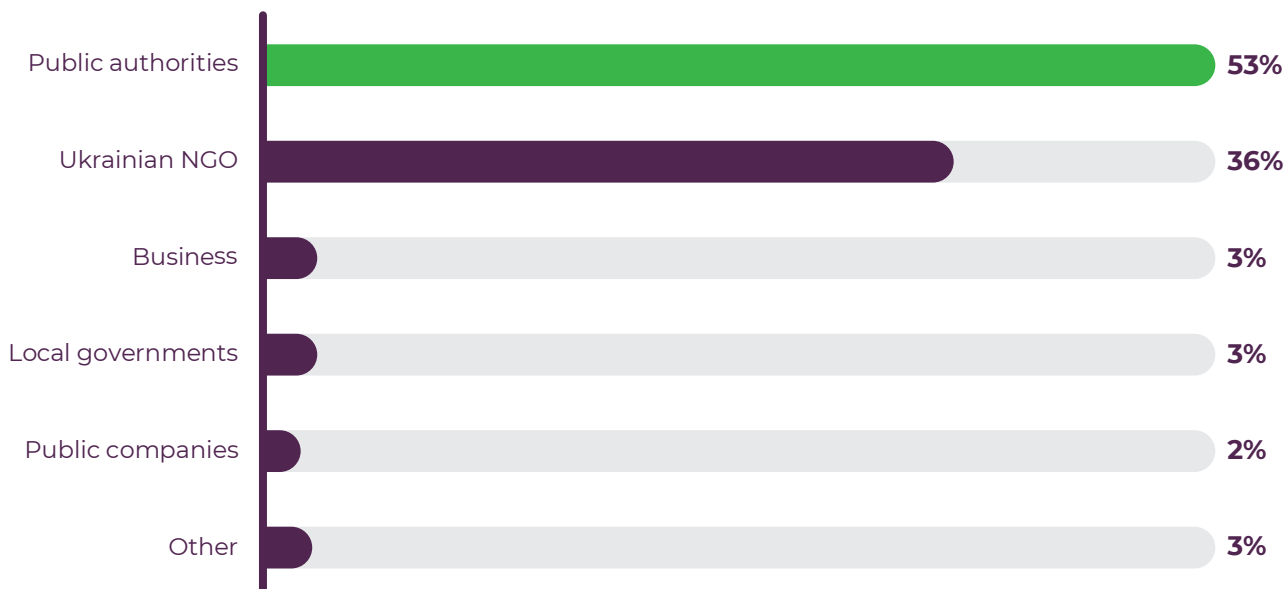


The sectors with the largest quantity of identified projects include Judiciary and Fundamental Rights, Functioning of Democratic Institutions, Information Society and Media, Energy, and Environment and Climate Change.

The Internal market cluster has relatively limited project coverage, highlighting potential areas for increased support and attention. In the Resources, Agriculture and Cohesion cluster, the situation is almost the same. Due to its comprehensive coverage, these clusters may require additional support to effectively address the various aspects of EU integration in these crucial domains.

European integration typically ranks among the top five priorities for donor organisations, alongside post-war reconstruction and recovery, decentralization, rule of law, environmental protection and climate change. The comprehensive nature of the European integration process is reflected in the 35 chapters of the EU acquis and the Copenhagen criteria, which cover a wide range of societal aspects. As a result, European integration has a profound influence on all the reforms undertaken in Ukraine.

Distribution of projects by main beneficiaries



The Needs of Public Authorities and the Non-governmental Sector for Ensuring the Process of European Integration

THE EXISTING COOPERATION AND FURTHER NEEDS OF PUBLIC AUTHORITIES FOR THE EUROPEAN INTEGRATION PROCESS

Ukraine attained candidate status for EU membership in June 2022. The process of preparing for membership entails the implementation of numerous EU legislation acts and enhancement of public institutions. While the task of implementing the EU acquis requires significant preparation in terms of drafting laws, the process of strengthening public institutions presents an even greater challenge. This involves advancing the rule of law, implementing public administration reforms, and enhancing the effectiveness and efficiency of various public authorities.

The war period poses significant challenges for Ukrainian public authorities. They experience a loss of personnel due to the substantial migration of women, including highly skilled professionals with specific knowledge. Furthermore, a lot of men working in public services have been called up for military service. In 2023, budget limitations resulted in a decrease in the remuneration of public service officers, leading to another wave of dismissals from the sector.

Furthermore, Ukrainian legislation does not cover certain areas of the EU acquis and there is no designated state authority. The domain names sector is an example of such an area where there is currently no established authority in Ukraine responsible for overseeing and regulating it.

A total of 76 public authorities, including the Secretariat of the Cabinet of Ministers of Ukraine, are actively engaged in the European

integration process. These entities encompass all ministries, independent regulators, services, and agencies. Notably, the Ministry of Economy, the Ministry of Agrarian Policy, the Ministry of Finance, the Ministry of Development of Communities, Territories and Infrastructure, the Ministry of Environmental Protection, and the Ministry of Justice are expected to bear the greatest burden in preparing Ukraine for EU accession¹. These six ministries are in charge of implementing over half of all EU acquis and policies. However, some of these ministries are facing challenges due to insufficient personnel to handle the additional workload. For instance, the representative of the Ministry of Agrarian Policy during the interview argues that, despite being accountable for almost one-third of all EU acquis (according to Government`s self-screening only in chapter 12 Food safety, veterinary and phytosanitary policy need to be implemented nearly 300 acts², the Ministry is also responsible for chapter 11 Agriculture and rural development and 13 Fisheries), the Ministry currently has a staff of only 240 individuals. For comparison, the Ministry of Digital Transformation currently employs 206 people³, and during the interview they estimated that approximately 20 EU acts they are responsible for.

1) https://nads.gov.ua/storage/app/sites/5/08.05.2023/%D0%9F%D1%80%D0%B5%D0%B7%D0%B5%D0%BD%D1%82%D0%B0%D1%86%D1%96%D1%8F_%D0%A3%D0%9A%D0%A0.pdf

2) http://publications.chamber.ua/2023/HCC/self-screening_ENG.pdf#msdyntrid=ZS11K-Q1stLkX8Hra7JC-G0cxOgeKzdA84_gecU-2FOA

3) https://www.mof.gov.ua/uk/news/minfin_protiagom_pivrich-chia_2023_roku_faktichna_chiselnist_pratsivnikiv_derzhorganiv_skorotilas_na_27_tis_osib-4142?fbclid=IwAR3uVHAae3Qye3Mo3s-GLWxUmIReygcw_fy-OCJ2VtLowD1ko9hB68N0leg

To assess the magnitude of work required for EU acquis implementation, the Ukrainian Government initiated a self-screening process. The screening was projected to be completed by the end of June 2023, with the results published at the end of August 2023⁴.

The EU, along with other donor organisations, endeavours to support the Ukrainian government through various projects aimed at assisting public authorities in implementing the EU acquis. One such project, Association4U, is funded by the EU and focuses on enhancing the capabilities of Ukraine's public administration to develop and implement pivotal reforms derived from the Association Agreement and DCFTA between Ukraine and the European Union⁵. EU4DigitalUA focuses on advancing the digital infrastructure of the government, public e-services, cyber security and data protection⁶. EU4PFM works towards the progressive development of a contemporary, efficient, and equitable revenue collection system, while also providing support to relevant public finance management (PFM) institutions in augmenting their organisational capacities⁷.

Starting in 2024, the EU plans to set up the Ukraine Facility project, which will span four years. One of the pillars of this project is dedicated to providing technical assistance and other support measures, including the mobilization of expertise on reforms. It also encompasses assistance to municipalities, civil society, and other forms of bilateral support typically accessible for pre-accession countries under the Instrument for Pre-Accession (IPA)⁸.

Numerous projects have been established by the EU to address various reform areas outlined in the Association Agreement.

4) http://publications.chamber.ua/2023/HCC/self-screening_ENG.pdf#msdyntrid=ZS11K-Q1stLkX8Hra7JC-G0cxOgeKzdA84_gecU-2FOA

5) <https://association4u.in.ua/>

6) <https://euneighbourseast.eu/projects/eu-project-page/?id=1443>

7) <https://euneighbourseast.eu/projects/eu-project-page/?id=464>

8) https://ec.europa.eu/commission/presscorner/detail/en/QAN-DA_23_3353

Typically, experts from these projects assist public authorities in drafting laws and regulations, developing digital solutions to meet public needs, providing public authorities with analytical and expert support on sector-specific issues, and translating EU legislative acts into Ukrainian.

Even in cases where ministries have received adequate support in implementing the Association Agreement and fulfilling their main commitments, the negotiation process will likely lead to an expansion in the number of commitments, necessitating additional support from these projects.

The cooperation of ministries and other state bodies with donor projects that would help in European integration is uneven. During the interview, some ministries said that they receive support in EU acquis implementation almost for all areas of responsibility of this public authority. For example, the representative of the Ministry of Digital Transformation mentioned during the interview that they collaborate with three projects that cover almost all their commitments for EU integration. Others have limited support.

These projects operate for a limited period of time (usually cc. 3–4 years). They have different tasks, including support to the ministries, approximation of EU legislation and creation of digital infrastructure, communication of the reforms to civil and business sectors, etc.

Without any doubts, such projects are doing very important tasks for EU integration. However, EU-funded projects are not able (and were not meant to) fully substitute the core functions of the ministries, such as policy-making by means of drafting laws and regulations. For instance, a number of ministries reported that almost all work relating to legislative drafting is actually outsourced to the donor-funded projects, while authorities themselves do not draft any regulations.

Outsourcing core functions of the authorities to third parties may result in inability of the civil servants to perform these tasks (e.g. if the projects cease). This would also result in eroding institutional memory and weakening the institutional capacity of the public authorities (which the projects were supposed to strengthen).

In our view, civil servants should be more engaged in performance of their tasks (including legal drafting), while the project experts would concentrate on analytic support and advisory functions (e.g., trainings, analytics, research, review of the drafts, liaisons with external stakeholders, etc.).

Public service has some issues that may hinder European integration of Ukraine. Among them:

- Low level of English proficiency (only 16% of staff in ministries have a command of English at B2 or higher⁹);
- staff shortage and high staff turnover due to low salaries and unfriendly working environment (non-transparent system of career growth, excessive bureaucratic burden, influence of political forces on the work of public authorities, sometimes unjustified and/or excessive interference of law enforcement agencies in the work of public authorities);
- only nearly 56-60% of public servants have knowledge about the EU acts they need to work with¹⁰;
- only 30% of public servants have competence in the EU acquis and a command of English at B1 or higher.

During the interview, both public servants and members of parliament emphasized the crucial role of specific sectoral training and study tours to EU member states. These initiatives aim to enhance understanding

of the practical implementation of the EU acquis. Additionally, they highlighted the significant value of the Twinning projects, which facilitates the direct exchange of specific experiences in various fields of state regulation. This project plays a vital role in implementing EU norms and standards effectively. However, considering the increasing volume of EU acquis that need to be implemented, it is necessary to address the growing burden on the Twinning projects. Thus, there is a pressing need to expand and strengthen these projects to ensure its continued success.

Due to the shortage of financing some public authorities cannot find resources for important projects in the field of digitalization of administrative service granting. The National Commission for the State Regulation of Electronic Communications, Radio Frequency Spectrum and the Provision of Postal Services (NCEC) wants to create a regulatory platform that provides an opportunity to submit regular reports online. The Ministry of Economy can't modernise the information system of the State Labour Service of Ukraine.

The imposition of martial law restrictions is adversely affecting the progress of implementing European integration changes. A case in point is the Law of Ukraine "On Electronic Communications," which was adopted in December 2020. As per this law, the responsibility for developing regulatory acts was supposed to transfer from the State Service of Special Communications to the Ministry of Digital Transformation. However, the implementation of the norm was suspended due to martial law, even though the State Service of Special Communications lacks the necessary capacity to undertake this responsibility. Consequently, the implementation of the law has significantly slowed down.

9) https://nads.gov.ua/storage/app/sites/5/08.05.2023/%D0%9F%D1%80%D0%B5%D0%B7%D0%B5%D0%BD%D1%82%D0%B0%D1%86%D1%96%D1%8F_%D0%A3%D0%9A%D0%A0.pdf

10) https://nads.gov.ua/storage/app/sites/5/08.05.2023/%D0%9F%D1%80%D0%B5%D0%B7%D0%B5%D0%BD%D1%82%D0%B0%D1%86%D1%96%D1%8F_%D0%A3%D0%9A%D0%A0.pdf

THE NEEDS OF THE NON-GOVERNMENT SECTOR IN THE CONTEXT OF EUROPEAN INTEGRATION

Non-government sector has long played a significant role in driving the reform process in Ukraine. NGOs, journalists, consulting firms, and business associations serve as vigilant watchdogs, offering valuable comments and expert opinions on draft laws. They are also eager to provide diverse forms of assistance to public authorities as needed.

In the spring of 2022, numerous NGOs, consulting and law firms, and business associations provided invaluable assistance to the government in preparing answers to the questionnaire for the European Commission, aiming to secure candidate status for EU membership. This support significantly bolstered the public authorities and played a vital role in enhancing their institutional capacity during the critical period marked by the ongoing war and rapidly escalating humanitarian needs.

Civil society organisations play a crucial role in supporting both public authorities and society in the sphere of European integration. Here are a few notable examples of the assistance they provide:

1. **Monitoring and oversight:** NGOs act as watchdogs monitoring the implementation of EU-related policies and commitments. They provide independent assessments, highlight areas of concern, and offer recommendations to improve accountability and transparency. The Ukrainian Centre for European Policy, for instance, has been actively engaged in monitoring the implementation of the Association Agreement between Ukraine and the EU since 2016. Through their Implementation Monitoring reports¹¹, the think tank provides independent information to society,

offering insights into Ukraine's progress in implementing the EU acquis.

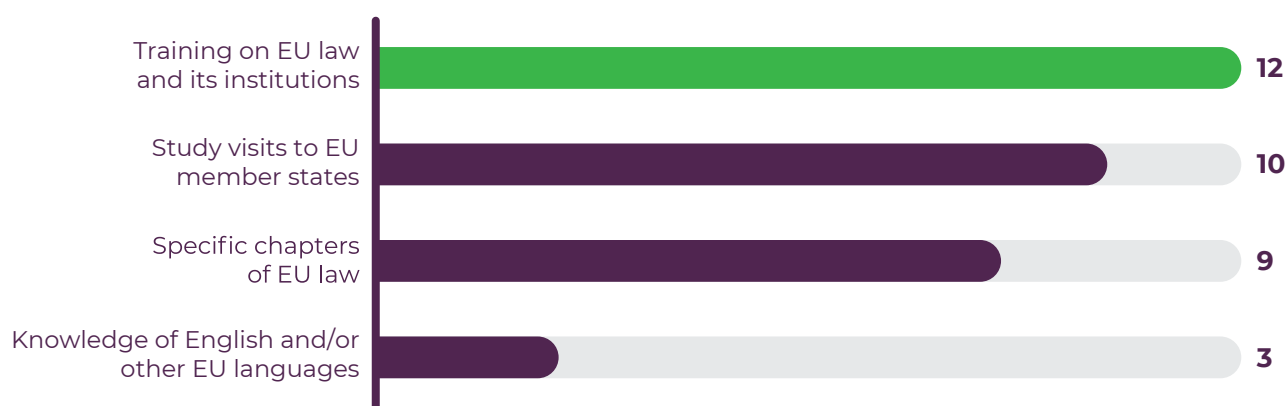
2. These reports play a valuable role in ensuring transparency and accountability in the European integration process¹².
3. Assistance in the preparation of draft laws and regulations. One notable example is the collaboration between the Ministry of Digital Transformation and experts from the Better Regulation Delivery Office (BRDO). These experts lend their support to drafting laws for the implementation of the Digital Services Act (DSA) and Digital Markets Act (DMA).
4. **Digitalization.** NGOs support the government in the creation of various types of registers and their digitalization efforts. One noteworthy example is the Centre to Rescue Ukraine's Cultural Heritage, which specializes in the digitalization of museum collections¹³. This work is particularly significant during times of conflict, such as the current situation with illegal occupation forces, as it helps preserve and protect Ukraine's cultural heritage. By digitizing museum funds, the Centre contributes to safeguarding these valuable artefacts and ensuring their accessibility for future generations.
5. **Research papers.** Think tanks provide important and insightful analytical papers. The Resource and Analysis Centre 'Society and the Environment' has prepared a policy paper that maps out the obligations in the field of environment and climate change as part of Ukraine's preparation for joining the EU. This paper offers a clear understanding of Ukraine's European integration commitments in this specific area. It serves as a valuable resource for policymakers and stakeholders, helping them navigate

11) <https://ucep.org.ua/en/doslidzhennya/ukrayina-ta-ugo-da-pro-asocziacziyu-monitoring-vykonannya-2014-persha-polovyna-2021-roku.html>

12) This monitoring was made due to the project of Institutional support of UCEP by Konrad Adenauer Stiftung

13) <https://uacenter.org.ua/proyekty/>

Educational needs of civil society organisations in the field of European integration



the requirements and challenges related to environmental and climate issues in the context of the EU integration¹⁴.

- Policy advocacy in Ukraine and enlargement advocacy in the EU. Ukrainian civil society organisations are actively promoting European integration reforms. Moreover, since 2022, they have been engaged in raising awareness among experts and politicians in EU member states about Ukraine's progress in implementing reforms. Organisations such as the New Europe Centre, Foreign Policy Council 'Ukrainian Prism' and ANTS have been at the forefront of advocacy campaigns. Initially, their focus was on promoting the granting of a candidate status to Ukraine, and subsequently, they have been advocating for the commencement of accession negotiations. Their efforts aim to garner support and understanding for Ukraine's European integration aspirations within the EU¹⁵.

NGOs are typically funded by a range of donors, including the EU, Heinrich Boell Foundation, International Renaissance Foundation, Konrad Adenauer Stiftung, Matra Programme, Sida, USAID, and others. Following Ukraine's attainment of EU candidate status, European integration has become a priority for many donors. These donor organisations extend support to civil society organisations through various means. One prevalent approach is financing research or policy papers. Additionally, there are projects aimed at providing institutional support and conducting advocacy campaigns.

The significance of supporting civil society organisations is highlighted by almost all donor organisations. While the EU traditionally places a strong emphasis on supporting public institutions, other donors prioritize civil society organisations.

NEEDS OF NGOS

Within the framework of this research, we surveyed twenty civil society organisations to explore their activities in the field of European integration. As part of these interviews, we inquired about their specific needs for new or expanded donor support. We received the following responses:

- Expansion and deepening of analytical studies: civil society organisations expressed the need for additional resources to conduct in-depth and comprehensive analyses on various aspects of European integration.

¹⁴ This research was made due to the project "Towards EU membership: tasks in the field of environment and climate change" with the financial support of the International Renaissance Foundation <https://www.rac.org.ua/en/priorities/environmental-dimension-of-european-integration/mapping-obligations-in-the-field-of-environment-and-climate-change-preparation-for-joining-the-eu-policy-paper-executive-summary-2023>

¹⁵ Advocacy visits of the New Europe Centre and Foreign Policy Council 'Ukrainian Prism' were made with the financial support of the International Renaissance Foundation

- Creation of a database of legislation of EU and EEA with a translation into Ukrainian. This would facilitate access to and understanding of the legal frameworks of the EU.
- NGOs need more projects aimed at further legal approximation support;
- Educational products, including short-term programs for different population segments: there is a need for educational initiatives and programs catering to different segments of the population, aimed at enhancing the understanding and awareness of European integration and its implications.
- Projects for engagement with local communities (hromadas): civil society organisations expressed the desire to work closely with local communities to promote energy-related initiatives and foster sustainable practices at the grassroots level.

Non-government organisations also have educational needs to improve their work in the field of European integration.

The chart displays the responses of civil society organisations regarding their needs in the field of European integration. 12 organisations expressed the need for specialized training focused on EU law and understanding the work of its institutions. These trainings are aimed at enhancing their knowledge and expertise in this field. 10 organisations identified the need for study visits to EU member states. These visits would provide opportunities to learn from the experience of other countries in implementing the EU acquis and best practices in various areas of European integration. 9 organisations expressed the need for specific training focusing on particular chapters of EU law. These trainings are designed to deepen their understanding of specific legal frameworks and regulations relevant to their work. 3 organisations highlighted the importance of improving their language skills, specifically in English and other EU languages. This language proficiency is essential for effective

communication and collaboration in the context of European integration.

JOURNALISTS AND THEIR SPECIFIC NEEDS

Journalists and media play a crucial role in informing society about the EU, reforms necessary for European integration, and challenges associated with these reforms. European Pravda is widely recognized as a prominent media outlet that covers European integration. Additionally, media organisations such as Dzerkalo Tyzhnia and Ukrinform regularly report on European integration matters.

However, these media outlets face their own set of difficulties and requirements as Ukraine moves towards closer integration with the EU. Since the onset of the war, they have experienced a decline in demand for advertising, leading to a significant reduction in their financial resources. To sustain their operations and avoid closure, they have sought support from donor organisations. And at least some of them are receiving support from different donors.

Another challenge they encounter in covering the theme of European integration is a common issue shared with other organisations. They struggle to find qualified specialists with a deep understanding of the EU and the negotiation processes, necessary for providing comprehensive coverage.

During interviews, journalists highlighted the excessive information restrictions imposed by the state during times of war. They often face refusals from state authorities when seeking information, while official sources of information remain frequently inaccessible.

BUSINESS AND ITS ROLE IN THE EUROPEAN INTEGRATION OF UKRAINE

Businesses provide support to the government by either endorsing reforms or expressing concerns when these reforms pose potential risks to economic activities.

Consulting firms and business associations assist the government in shaping and

implementing reforms. Like civil society organisations, they actively participated in the preparation of the answers of questionnaires for the European Commission in the spring of 2022. They also contribute to the development of various documents, such as strategies and plans.

Consulting firms have frequently been involved in the implementation of complex reforms. For instance, EY Ukraine provided advisory services to the government on the Naftogas Unbundling process, participated in the EU4digital project and advised the Ministry of Health of Ukraine on public health reform. In sectors closely related to business activities, companies possess unique expertise and knowledge, making their role pivotal in the context of European integration.

The Ukrainian Agribusiness Club (UCAB) conducts research for both business and public authorities, focusing on the implementation of EU legislation in the agrarian sector. In addition, they provide valuable assistance to the Ministry of Agrarian Policy and Food of Ukraine by translating the EU *acquis*. UCAB maintains an ongoing relationship with the Ministry, engaging in regular discussions regarding the implementation of EU regulations.

Ukrainian agrarian businesses, according to information discussed during the interview with UCAB, face significant challenges in complying with EU regulations in agriculture, particularly those pertaining to fertilizers, plant protection tools (Green Deal requirements), and the traceability of agrarian products. Small and medium-sized agrarian enterprises, in particular, will encounter notable difficulties during the adaptation process. In 2022, some of these enterprises managed to survive thanks to the assistance provided by donor organisations through support projects. However, they continue to face obstacles resulting from hostilities and challenging logistics. Consequently, it is crucial to provide support to agrarian SMEs to aid them in adapting to the EU regulations within the agrarian sector.

The American Chamber of Commerce is actively engaged in maintaining continuous

communication with the Ministry of Economy regarding the ongoing reforms in Ukraine. However, they have encountered challenges in establishing consistent contact with certain public authorities, as their leadership undergoes frequent changes. An illustrative example of this issue is the State Customs Service of Ukraine, which has witnessed seven leadership changes since 2020. The rapid turnover in leadership hinders the Customs Service's ability to retain institutional memory, making it necessary to reacquaint each new administration with pertinent business issues whenever a change occurs.

Businesses encounter challenges in engaging experts from the EU to assist with approximation to EU standards, primarily due to security reasons they refuse to visit Ukrainians counterparts. As a result, businesses in these areas may face limitations in accessing the expertise needed to facilitate their alignment with EU standards.

However, it is important to acknowledge that business lobbying can sometimes hinder important reforms, including those related to European integration. Businesses may leverage their influence to block or alter crucial draft laws to serve their own interests.

Balancing the involvement of businesses in the integration process is therefore essential. While they bring valuable expertise and insights, it is crucial to ensure transparency and accountability to prevent undue influence that could undermine the broader goals of European integration.

To avoid misunderstandings and the obstruction of significant legislative initiatives, it is advisable to involve businesses in the development of draft laws related to European integration. This can be achieved through mechanisms such as working groups or public discussions, facilitating an inclusive and collaborative approach. Businesses can also provide valuable assistance to the government in the development of a negotiation position by offering insights concerning reforms that may require additional time for proper implementation.

Block 1. European civil society selected experts' position on Ukraine's European integration

Conducting research we interviewed selected experts from EU think-tanks to understand the position prevailing in the European expert environment regarding the prospects of Ukraine's European integration. In this box, we present their position and describe their activities in this area.

European civil society organisations actively contribute to Ukraine's European integration efforts. One such organisation is Germany's Zemtum Liberale Moderne (Libmod), which advocates for Ukraine's future membership in the EU within Germany. To provide German society with valuable information about Ukraine, Libmod has established an information resource called "Ukraine verstehen."¹⁶

Libmod also has plans to extend support to the Verkhovna Rada of Ukraine in drafting legislation related to European integration. Moreover, the organisation prioritizes collaborating with Ukrainian civil society organisations.

In Spain, a similar initiative is led by Borja Lasheras, a Senior Fellow at the Centre for European Policy Analysis (CEPA).

During interviews with European experts, they named Fundamentals and good governance as priority goals that Ukraine needs to reach for progress with European integration. Along the path of European integration, Ukraine may encounter challenges such as a lack of political will to implement reforms, misunderstandings between Ukrainian politicians and political forces of EU member states, and slow progress in implementing European integration reforms. Additionally, addressing the need for institutional capacity improvement and expertise is essential.

Another issue highlighted is the lack of a strong EU consensus on EU internal reform. Old EU member states like Germany, France, Spain etc emphasize the need for EU reform before any enlargement wave. This reform would entail changes in decision-making tools and strengthening the EU institutions. However, some East European member states, such as Poland and Hungary, oppose these reforms, which could pose a serious obstacle on Ukraine's path towards EU membership¹⁷.

¹⁶) <https://ukraineverstehen.de/>

¹⁷) For more details concerning EU member states' positions on EU internal reform see: https://ucep.org.ua/wp-content/uploads/2023/06/ukraine_accession_to_eu_realistic_path_full_paper_eng.pdf

Challenges to the European Integration of Ukraine

GAPS IN ENSURING SUPPORT FOR EUROPEAN INTEGRATION

Since the conclusion of the Association Agreement, the EU has initiated numerous projects with the aim of assisting state bodies in effectively implementing the relevant provisions of the Agreement. However, it is important to recognize that the accession negotiation process entails a more extensive list of EU legislative areas that Ukraine will be obligated to adopt. Given additional obligations, it becomes imperative to provide substantial support to the authorities to facilitate smooth implementation. In addition, NGO with focus on European integration related issues will also require substantial support.

The Internal Market cluster receives comparatively less support compared to other clusters. Perhaps it is just a temporary tendency for 2022-2023. Certain sectors vital for the Internal market face additional challenges resulting from the ongoing war. An illustrative example is quality infrastructure, essential for concluding the ACAA Agreement, which is currently facing destruction due to hostilities. Additionally, the loss of crucial personnel, inability to upgrade equipment and facilities, and limited resources further exacerbate the situation. Given these circumstances, providing increased support for projects within the Internal market cluster becomes very important. Such assistance can aid in revitalizing critical sectors, like quality infrastructure, and enable them to meet the necessary standards for successful integration with the EU.

Public administration reform is a crucial area requiring substantial attention and support.

Although there are existing projects aimed at fostering this reform, numerous challenges persist, particularly during the ongoing war. In light of these circumstances, there is a pressing need for additional projects that focus on public servant training. Specifically, investing in public servant training programs, particularly in the areas of English language proficiency and online learning concerning EU law, which can significantly enhance the capacity and efficiency of public administration.

Assessing the presence of overlaps in European integration projects might be challenging. The projects that primarily focus on supporting government institutions are usually unique and free from overlaps. Some civil society organisations' projects may have overlapping goals and fields of research. However, even in such cases various projects can employ different methodologies and arrive at diverse results and conclusions. Consequently, research and projects on similar topics can complement one another instead of merely duplicating efforts.

MAIN CHALLENGES THAT MAY AFFECT THE SLOWDOWN OF THE EUROPEAN INTEGRATION PROCESS

There are several common challenges faced by public authorities that can impede the process of European integration. These challenges include:

- 1. Lack of expertise.** Public authorities and parliamentary committees are facing a lack of expertise, particularly when it comes to addressing sector-specific issues. The need for experts to analyse draft laws on an article-by-article basis is crucial. Additionally, there is a strong demand

for analytical reports and research on specific matters. This problem could be partly solved as part of the public administration reform, which would help to attract highly qualified specialists to the civil service who would receive decent remuneration. However, various representatives of public authorities have proposed interim steps to tackle this issue, before the reform is implemented.

One proposed solution is the establishment of Reform Support Teams (RST) dedicated to assisting specific authorities. These teams would provide expertise and support in the preparation of draft laws and policy development. For instance, the Ministry of Finance has already established a Reform Support Team, while the Verkhovna Rada (Ukrainian Parliament) is in the process of forming such a team.

Another suggestion is to create expert platforms that connect professionals from different organisations, facilitating collaboration and knowledge sharing.

Cooperation with specific non-governmental organisations (NGOs) is also recommended as a way to address expertise gaps in specific tasks. As an example of collaboration with an NGO, the Ministry of Culture is working alongside The Centre to Rescue Ukraine's Cultural Heritage on the Digitization of Museum Funds project¹.

Regardless of the specific solutions proposed, it is crucial that all measures taken are complemented by efforts to enhance the awareness and professionalism of public servants within their respective areas of responsibility.

- 2. Insufficient resources.** Inadequate funding, staffing, and technological resources can hinder the capacity of public authorities to effectively carry out the necessary tasks for European integration.

3. Coordination and cooperation.

Ensuring effective coordination and cooperation among different public authorities is vital for a smooth and successful integration process. Occasionally, the cooperation between public authorities on various European integration tasks can be insufficient, often influenced by the performance of specific public authorities. Challenges may also arise when new civil servants are appointed to oversee European integration reforms in particular public authorities. It typically takes time for them to comprehend the situation, understand the processes, and establish personal connections with representatives from other ministries or the parliament.

Public authorities also frequently encounter challenges when cooperation is required between multiple entities to address specific tasks such as personal data protection or the export of cultural values. It is often difficult for state bodies to collaborate effectively, and at times, the responsibility for executing a task may be transferred to a partner agency, even though the competence of both authorities is necessary to resolve the issue.

To address these cooperation difficulties, it is essential to empower and enhance the capacity of the Government Office for the Coordination of European and Euro-Atlantic Integration. This office plays a vital role in coordinating the work and fostering collaboration among various public authorities. Additional powers to the Office needed to help to resolve the disputes between different public authorities if they occur concerning European integration reforms.

- 4. Lack of political will.** A significant challenge hindering progress in European integration is the perceived lack of political will. Members of Parliament have expressed concerns about feeling pressured by interested stakeholders, particularly influential business representatives, during the

¹) <https://uacenter.org.ua/proyekty/>

deliberation of individual draft laws related to European integration. This external influence often leads to delays, with certain European integration draft laws remaining pending for years, such as the draft law addressing industrial pollution.

Moreover, Ukrainian politicians should demonstrate political leadership when European integration reforms meet different types of obstacles. NGO provide substantial efforts to encourage the government and parliament to go on with European integration reforms. This is one of the reasons why they need further support from the donor's organisation.

5. Lack of transparency. Concerns have been raised by some MPs regarding the lack of transparency in the procedure for creating a priority list of European integration draft laws. The criteria used to determine the inclusion of laws in this list require clarification to ensure a fair and transparent process.

6. Lack of effective communication concerning European integration. Effective management of society's expectations is crucial to avoid potential disappointment regarding European integration, which could impede progress. Achieving full-fledged membership in the EU in the short-term is highly unlikely due to the extensive amount of EU acquis that need to be implemented. It is possible some kind of politically motivated decision concerning Ukrainian membership, however such a decision probably will include limitations in powers and possibilities for Ukraine. Ukrainian business representatives emphasized the need for ample preparation time to adhere to EU standards and practices, indicating time frames ranging from 3 to 10 years for different types of EU regulations.

Given these factors, the Ukrainian government must adopt a long-term perspective and consider the importance of managing society's expectations appropriately. Sustaining the popularity and support for the idea of European integration requires transparency, clear communication, and realistic timelines for achieving key milestones. By managing expectations effectively, the government can maintain public trust and commitment to the European integration process over the long haul.

PERCEPTION OF EUROPEAN INTEGRATION BY CIVIL SOCIETY ORGANISATIONS (AWARENESS, THREAT RANKING)

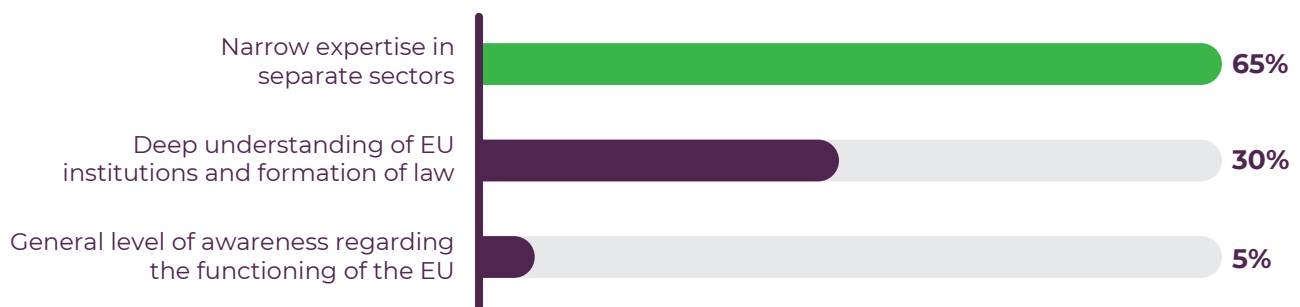
Within this research, we surveyed twenty civil society organisations to explore their activities in the field of European integration. The chart below provides information on the reported understanding and expertise of civil society organisations in relation to EU institutions and specific sectors.

The chart shows that six organisations reported having a deep understanding of EU institutions and the EU policy making. These organisations possess comprehensive knowledge of the functioning of EU institutions and the legislative processes involved in shaping EU law.

Thirteen organisations reported having narrow expertise in specific sectors. These organisations have focused their efforts on developing specialized knowledge and expertise in particular sectors relevant to European integration. This indicates their ability to provide in-depth insights and contribute effectively in these specific areas.

And one organisation reported having a general level of awareness regarding the functioning of the EU. While it may not possess deep expertise in specific sectors or a comprehensive understanding of EU institutions, it maintains a basic understanding of the overall functioning of the EU.

Awareness of civil society organizations in the field of European integration



The chart below presents the reported experience and education background of civil society organisations in relation to European integration.

Of all the organizations surveyed, five reported having practical work experience with the implementation of the EU acquis. This indicates their hands-on involvement in applying and adapting EU legislation in their respective areas of work.

Twelve organisations reported conducting research work specifically related to the implementation of the EU acquis. These organisations focus on studying and analysing the EU legislative framework and its application in different contexts.

No organisations reported having education specifically in the field of EU law.

Two organisations reported having experience, education background, and conducting research in the field of EU law. These organisations encompass all the options provided in the chart.

Taking into account their research and practical experience, most of the surveyed organisations perceive European integration as implementation of the EU acquis and, therefore, Ukraine's full membership in the EU. Think tanks dealing with the issues of public policy and political reforms recognised that public administration including local governance and civil service reform concerns European integration as well. This point is worth emphasising as it refers to one of the Copenhagen criteria – stability of institutions guaranteeing democracy – which is beyond the EU acquis, i.e., EU negotiating chapters. Therefore, on average, Ukrainian civil society organisations understand European integration as a comprehensive concept that involves sectoral alignment with EU legislation and bringing state functioning in line with EU norms and standards.

The following chart represents the reported views of civil society organisations regarding Ukraine's progress towards EU accession.

A source of expertise in the field of European integration



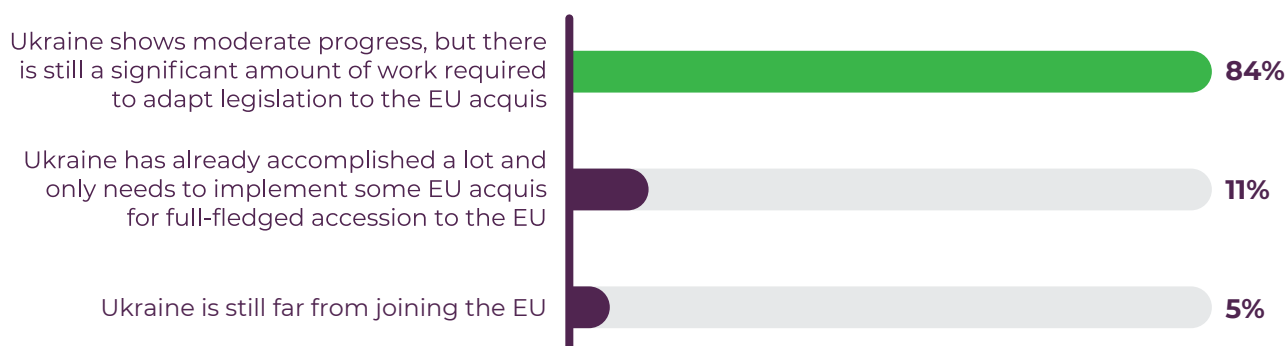
Two organisations reported that Ukraine has achieved significant progress in its European integration efforts and emphasized that it primarily needs to focus on implementing specific EU acquis for full-fledged accession to the EU.

Sixteen organisations – or the vast majority – expressed the view that Ukraine has made moderate progress on its path towards EU accession. However, they also emphasized that substantial efforts are still required to adapt legislation and policies to align them with the EU acquis.

One organisation reported the opinion that Ukraine is still very far from becoming an EU member. This organisation believes that substantial work remains to be done before Ukraine can meet the necessary criteria for EU accession.

The next chart represents the perception of different civil society organisations regarding the time it would take for Ukraine to join the European Union, highlighting a range of viewpoints that span from relatively optimistic to more cautious or uncertain.

Assession of Ukraine's progress towards EU integration



Only one organisation reported that they believe Ukraine should join the EU within a relatively short timeframe of 2-3 years. This suggests that this particular organisation holds an optimistic view on the matter, hoping for a quicker integration process.

Fifteen organisations reported that they perceive Ukraine's EU accession might take 5 to 8 years. This indicates that the majority of organisations surveyed consider a mid-term timeframe for Ukraine's integration, possibly accounting for various political and economic factors, as well as time needed to implement a big amount of EU acquis.

Three organisations reported that they believe it would take more than 10 years for Ukraine to join the EU. These organisations likely hold a more cautious or sceptical view, anticipating a longer and potentially more complex process of EU integration for Ukraine.

One organisation reported that they consider the issue of Ukraine's EU accession to be a political matter, suggesting that the timeframe could either be 2-3 years or more than 10 years. This organisation possibly sees the timeline as contingent on political developments and negotiations between Ukraine and the EU.

In the survey, we sought the insights of experts regarding the sectors of the EU acquis in which achieving close integration with the EU in the medium term (3-5 years) is feasible. Energy emerged as the most frequently cited sector among the experts, with over half of them highlighting its potential for future collaboration. Trade in goods and services ranked as second most popular sector. Additionally, experts emphasized the significance of customs policy, transport, and foreign security and defence policy on multiple occasions.

The experts were asked to rank the sectors of European integration reforms based on their

perceived importance. The results obtained from the survey are as follows:

Rank	Sector
1	Rule of Law
2	Energy
3	Free Movement of Goods
4	Economic Policy
5	Environment and Climate Change
6	Public Administration Reform
7	Agriculture
8	Intellectual Property Law
9-10	Financial Services
9-10	Transport

The results suggest that the experts consider the Rule of Law to be the most crucial sector for European integration reforms. It occupies the top spot in terms of importance. Energy is ranked second, highlighting its significant role in the integration process. Free Movement of Goods takes the third position, indicating its importance for the functioning of the internal market.

The least important sectors according to the survey are Transport and Financial Services, which may indicate lower awareness of the situation and EU requirements in these sectors.

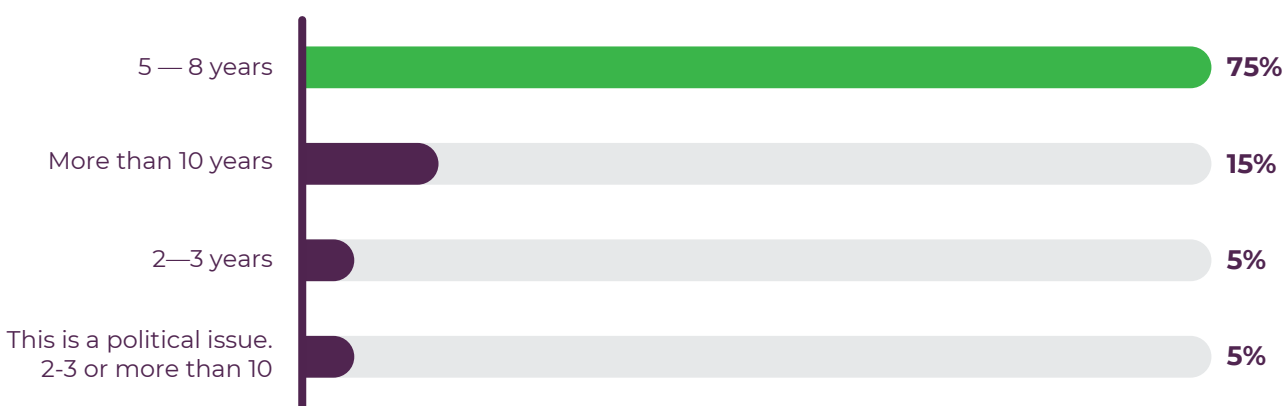
When posed a similar question, business representatives and journalists provided

slightly different responses. Business representatives emphasized free movement of goods and services as an unequivocal priority for European integration. Additionally, they highlighted the significance of the energy sector and free movement of capital.

On the other hand, journalists identified the rule of law reforms as a foremost priority. They also underscored the importance of reforms in financial services, taxation, free movement of goods, and customs matters as key areas of concern and relevance.

These variations in responses reflect the differing perspectives and priorities of civil society organisations, business representatives and journalists regarding

The perception of different civil society organizations regarding the time it would take for Ukraine to join the EU



the crucial aspects of European integration. While business focuses on the facilitation of trade and economic activities, civil society organisations and journalists place particular emphasis on the rule of law and related reforms.

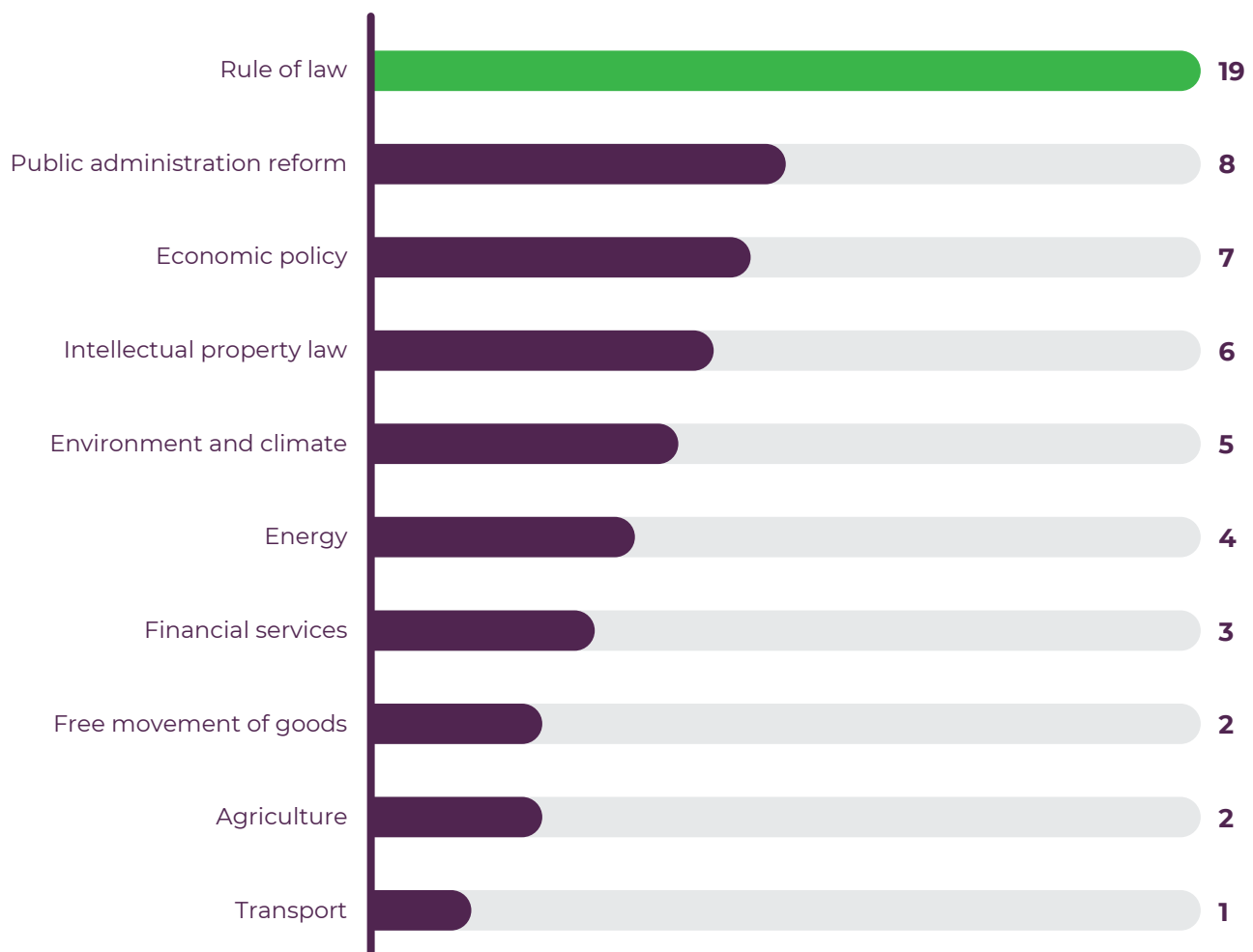
The experts from civil society organisations were asked to rank the sectors based on the perceived difficulty of implementing European integration reforms. The results obtained from the survey are as follows:

Rank	Sector
1	Rule of Law
2	Environment and Climate Change
3	Public Administration Reform
4	Energy
5	Economic Policy
6	Transport
7	Agriculture
8	Intellectual Property Law
9-10	Financial Services
9-10	Free Movement of Goods

According to the experts' assessments, the Rule of Law is considered the most challenging sector for implementing European reforms. Environment and Climate Change ranked second in terms of difficulty. This highlights the complexity associated with implementing reforms aimed at addressing environmental and climate-related issues. Public Administration Reform ranks third, suggesting that transforming and improving administrative structures and practices within the EU is seen as a challenging task. Reforms in Energy, Economic Policy, Transport and Agriculture are considered moderately difficult. Financial Services and Free Movement of Goods are considered the less difficult reforms.

The experts were asked to identify the sectors in which absence of reforms could slow down Ukraine's path to EU integration. The results obtained from the survey are as follows:

Sectors the lack of reforms in which could slow down Ukraine's path to the EU



According to the experts' responses, the sector deemed most crucial for reforms to facilitate Ukraine's path to EU integration is the Rule of Law, with 19 experts highlighting its significance. The Rule of Law encompasses aspects such as judicial independence, effective legal systems, and anti-corruption measures. These reforms are considered vital for establishing a solid legal framework that aligns with EU standards and principles.

Public administration reform emerges as the second most favoured choice in response

to this question, indicating that experts believe the EU places greater emphasis on this reform in Ukraine compared to others. Interestingly, this finding contrasts with the rankings for the importance of reforms, where public administration reform ranked sixth.

Economic policy and intellectual property law are also among the most potentially problematic reforms.

Sectors where experts expect fewer obstacles on Ukraine's path to the EU are agriculture, transport and free movement of goods.

Annex.

Projects in the field of European integration.



You can view the table at this link.



The Ukrainian Center for European Policy (UCEP) is an independent think tank for policy analysis and development, established in 2015.

Our mission is to promote reforms in Ukraine for sustainable economic growth and to build an open society in partnership with institutions at all levels.

Priority activity areas:

- development of expert-analytical materials to promote European integration reforms in Ukraine;
- promotion of European values among Ukrainian society;
- informing the public on opportunities and benefits of close cooperation with the EU;
- promoting enhanced economic, political, and trade cooperation between Ukraine and the European Union;
- informing the international community about the challenges and achievements of Ukraine's reform process under the EU-Ukraine Association Agreement.

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ISAR Ednannia is a Ukrainian civic organization that, for the past 24 years (since 1999), has been dedicated to promoting and developing civil society and the culture of strategic philanthropy.

Additionally, it works to enhance initiatives that strengthen democracy in Ukraine. Ednannia is one of the largest grant providers in Ukraine, offering between 200 and 500 grants annually to support socially beneficial initiatives. Ednannia's strategic focus areas include the organizational development of non-profit organizations, improving the environment for civic initiatives, and conducting research on the civil sector to develop new programs.

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