

Commentary

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Ukraine: College of Commissioners travels to Kyiv to boost EU support and sectorial cooperation with Ukraine

On February 2, Thursday, the President of the European Commission, Ursula Von der Leyen, travelled to Ukraine for a meeting with Commissioners and the Ukrainian Government. The meeting between the College and Ukraine reflects the commitment that Europe has shown in its support since Russia's invasion of Ukraine. A fresh package worth 450 million euros for 2023 was revealed by President Ursula Von der Leyen, bringing the total amount of funding given by the EU to 50 billion euros.

Von der Leyen also announced the shipment of 2,400 electricity generators, a pact on renewable gases, a €10 million subsidy for childcare, and a €150 million project to buy Ukraine's essential energy equipment. In addition to the 3000 generators that have been provided by the EU since the start of the war, 2,400 additional generators will be provided. The Ukraine Energy Support Fund has raised a total of 157.5 million dollars to meet the demands of energy provision. This program, funded in part by the European Union and the Ukraine Energy Support Fund, aims to increase access to markets, promote economic growth and development, and strengthen competitiveness. During their meetings prior to the Ukraine-EU summit scheduled for February 3, Ukraine and the EU also established a strategic partnership in renewable gases. This partnership includes the implementation of projects to improve energy security and sustainability, reduce energy poverty, and improve the competitiveness of businesses in the region. In addition, the Ukraine Energy Support Fund provides grants and subsidies to support small businesses in the energy sector, including incentives for investing in renewable energy sources.

An EU official said ahead of the trip that commissioners focused their meetings with Ukrainian officials on "deepening sectorial cooperation in relevant areas." The Deep and Comprehensive Free Trade Area (DCFTA), as one of these areas, currently links the EU and Ukraine, and Kyiv is now a recognized candidate for EU membership. To become a full member, the nation must implement a series of changes to improve its institutions, uphold the rule of law, and closely conform to EU regulations. This program is also designed to boost Ukraine's ambitions of full integration into the EU. Several important areas, including telecommunications, financial services, product safety, market monitoring, and sanitary and phytosanitary measures, were discussed in order to improve domestic legislation's alignment.

Additionally, the College of Commissioners and the Ukrainian government concurred to join the Single Market Programme of the European Union, which has a budget of 4.20 billion euros (approximately 4.59 billion US dollars). Denys Shmyhal, the prime minister of Ukraine, commented on the deal, claiming that by assuring green and digital transitions, it will aid in the growth of Ukrainian enterprises' competitiveness. "The budget of the single market program is € 4.2 billion, and one of its main components is the development of business competitiveness. Our participation in this project will contribute to additional support for Ukrainian entrepreneurs, who are the foundation of our economy," Denis Shmygal wrote on Facebook. The program should make it easier for businesses to access markets, foster company growth and development, and assure the competitiveness and sustainability of businesses and entire economic sectors (by combining ecosystems and clusters).

It will support the growth of mentorship programs and the corporate environment. It will also allow the improvement of access to financing, especially for SMEs, facilitate collaboration between the public and private sectors, and strengthen administrative capacity and e-governance.

All these changes will result in increased opportunities for Ukrainian entrepreneurs, allowing them to create more jobs, increase their incomes, and enhance their business practices. Ursula von der Leyen, president of the European Commission, also declared that Ukraine has joined a few EU initiatives and suggested extending the suspension of import taxes on all exports from Ukraine for an additional year. This will help boost the Ukrainian economy, which has been greatly affected by the war.

Additionally, there are ongoing discussions regarding the Priority Action Plan for enhancing Deep and Comprehensive Free Trade Area implementation over the next two years. This includes a deeper integration of the EU market and Ukraine's economic sectors. This entails the elimination of industrial visa requirements, Ukraine's inclusion in the EU roaming area, increased transportation and trade liberalization, and other incredibly useful things.

These accords demonstrate the EU's dedication to helping Ukraine develop politically and economically and to fortifying its connections with the EU.