

The EU–Ukraine Association Agreement: From imitation to results

The Ukrainian government has set itself an ambitious goal: to complete negotiations and sign the Association Agreement (AA) with the European Union by the end of this year. The way that Ukraine has failed to carry out its commitments under the previous agreements with the EU bodes ill for the probability that this one will be handled any better. Now, as the negotiation process continues, the country's political leadership should look realistically at the capacity of the existing state machine to organize implementation. Problems that pose a risk of failure need to be identified and measures taken immediately to remedy them in a comprehensive manner. Under the "Analytical Support for the European Integration Process" project, ICPS undertook a capacity assessment on this issue

Ready to imitate or ready to do?

In its recent assessment of the preparedness of Ukraine's central executive bodies to manage change in the process of executing future commitments in the Association Agreement undertake, ICPS came to a dismal conclusion. Under the present circumstances, the Government cannot hope to carry out the AA properly. Should the situation not change once the Agreement is signed, the Government will be faced with serious problems in organizing its execution, both at the system level and at the level of individual CEBs. Three key problems need overcoming: *Lack of an effective central coordinating mechanism*

Ukraine still does not have a single organ responsible for coordinating European integration policy. At the moment, there are a number of different activities taking place in separate CEBs, often in parallel. Most aspects of European integration policy are coordinated by the Ministry of Economy, the Ministry of Justice and the Secretariat of the Cabinet of Ministers, the latter represented by the Coordinating Bureau for European and Euroatlantic Integration, recently renamed into the Bureau for European Integration.

Individual coordinating functions are attached by law and are actually carried out by more than one body. As a result of this kind of overlap of functions, the entire coordination system is ineffective and no one is actually responsible for specific problems and failures.

If this situation with Eurointegration does not change, the Government will be unable to ensure proper communication with and coordination of CEBs both during

the process of developing the National Program for the Implementation of the AA and during its execution.

Unreadiness to develop a national implementation program

The system of strategic, operational and budget planning, which the Ukrainian Government currently has, makes it impossible to apply a management tool such as a National Program for Implementation based on procedures and templates that have been used by all other countries implementing similar agreements with the EU.

Ukraine has a vast collection of differing procedures and templates for planning, including for Budget programs. The way that they are structured is actually in line with best European practice, but the lack of standards and quality control has led to a situation where the contents of different chapters of Budget programs are disconnected from one another. Thus, this instrument, instead of ensuring that national development priorities are supported by the Budget, became little more than a plan for how the main managers of these funds will spend public money.

Even if a decision is made to put together a consolidated implementation program for the AA, the current conditions contain clear risks that:

- the NPI will not match other Government programs;
- the Government will not have sufficiently detailed action plans to execute it;
- the NPI will lack clear priorities and will not establish what resources are needed to achieve the planned objectives;

- the priorities of the National Program will not be reflected in the Budgets for related years;
- the Government will be unable to maintain the NPI in up-to-date condition, that is, with regular revisions.

Lack of institutional capacity among CEBs

At this time, CEBs have not been clearly delegated the tasks that they are supposed to fulfill for the successful implementation of programs and plans for integration into EU, nor are the products they are responsible for defined.

Indeed, their very structures are an obstacle to fulfilling such tasks and producing the necessary products. Moreover, it has not been identified who specifically will be responsible for individual products that are needed during the preparation and execution of the NPI. Often the same functions are carried out by different subunits, none of which is ultimately responsible for the final product. In addition, the role and mandate of Eurointegration (EI) subunits differs considerably from CEB to CEB.

Without a clear understanding of what products are needed from different CEBs, it is impossible to determine what knowledge and skills are needed by the people working in those bodies in order to prepare them. As a consequence, there is a vicious circle, where products are not delivered because of a lack of knowledge and, yet, it is impossible to provide the necessary training because the civil servants themselves do not always understand what is required of them or what skills they might need.

The effective functioning of EI subunits is a separate aspect of CEB institutional capacity. For now, there is no single vision as to the role and tasks of EI subunits in CEBs:

1. European integration is something generally handled by departments that are also responsible for international cooperation. EI issues thus are handled by a relatively small number of staff, on average 2-3, in each CEB.

2. The list of functions and tasks handled by EI sub-units in different CEBs is anything but homogenous.
 3. EI sub-units carry out not only the tasks of communication and coordination but also a large number of other functions, such as planning, policy development and so on, that often overlap with activities of other sub-units.
 4. The scope of responsibilities and resources granted to these sub-units are generally severely mismatched: subunits have too many assignments and too few resources, especially human ones.
- reflecting the NPI in the State Budget on an annual basis and in the medium-term prospect;
 - establishing the priorities, objectives, human and material needs for implementation, and the expected results in a clear and accurate manner;
 - establishing a functioning mechanism for regularly reviewing the Program;
 - effective monitoring and reporting on the execution of the Program;
 - overseeing the fulfillment of the tasks in preparing and implementing the Program by designated CEBs and their responsibility for any failure to perform.

Getting ready to perform: First steps

1. Build a centralized EI coordination model

The Cabinet of Ministers needs to approve a decision to establish a central coordinating body. The main purpose of such a body should be coordinating the work of CEBs in the area of European integration, in particular preparation and execution of a National Program for the Implementation of the Association Agreement with the EU.

The powers of most CEBs in European integration issues need to be redistributed in order to concentrate most of them within this central coordinating body. With the exception of a handful of functions, that naturally belong to the Finance Ministry and the Main Department of the Civil Service, all systemlevel functions regarding implementation of the AA can be delegated to the central coordinating body.

A resolution to set up the central coordinating body should clearly establish the mechanism for it to interact with other CEBs and the duties of other CEBs as relates to EI interactions.

2. Switch to centralized planning of AA implementation

The Government should draft and facilitate the adoption of a legal act that designates the status and place of the National Program for the Implementation of the Association Agreement with the EU within the system of state programs and plans. Given that this document is key to AA implementation, it should be given priority status in relation to other programs.

The Government should also establish template and quality standards for the program and the procedure of its preparation in this legal act. The procedure, for example, should clearly provide for:

- bringing national strategy and programs in line with the EUAA NPI;

In addition, in order to establish a single methodological and institutional basis for preparing the National Program, the Government should develop and approve four basic documents:

- a standard template that the Ministries should use in the process of developing sector chapters of the Program;
- guidelines on how individual Ministries should prepare chapters of the Program;
- institution-building methodology, which includes: the procedure for assessing institutional capacity; templates, algorithms and procedures for calculating expenditures for personnel, equipment, premises and so on;
- guidelines on how to put together the National Program as a consolidated document, containing: a scope of responsibilities of individual CEBs; the timeframes for all stages of the work on the document; procedure for adopting individual parts of the Program presented by the responsible CEBs.

Having prepared the necessary methodology, the Government should then task the CEB system with preparing the National Program. Moreover, it will be necessary to plan and deliver the necessary training for responsible officials and to provide ongoing support in using the new methodology.

3. Building capacity among CEBs

Write the list of mandatory tasks and products into law

The list of products and functions that are key to the successful implementation the Association Agreement by CEBs must be clearly outlined. The functions tree developed by ICPS experts during their capacity assessment work can be used as the basis for such a list. The standard list of products and functions needs to be approved by Government decision, specifically as part of its decision on preparing the National Program for the Implementation of the EU AA.

This same decision must require CEBs to bring their provisions in line with the standard list approved by the Government.

Reform the internal structure of CEBs

Functions must be clearly delegated and responsibility for products attached to individual subunits of CEBs. Localization of functions should be ensured by eliminating any evident problems, such as overlap of functions, unclear distribution of responsibility, and so on.

Change the role of EI sub-units under CEBs

CEB subunits for European integration should become the coordinating centers for other subunits during the development and execution of the NPI. They should also ensure proper and permanent communication with other CEBs and the central coordinating body.

This means changing the functions that are currently being carried out by EI subunits in CEBs. The Government will have to develop and approve a standard regulation on such subunits, after which all CEBs will have to bring their regulations on those subunits in line with the standard.

Determine professional requirements of personnel

Once the list of products, tasks and functions for AA implementation by CEBs has been drawn up, the necessary human resource capacity needs to be developed. This need is present in all CEBs, which means that it will be necessary to:

1. Determine the knowledge and skills that responsible officials should possess in order to successfully carry out the delegated tasks and produce the required products. Enshrine the relevant requirements in standard professional job descriptions for civil servants.
2. This will provide the basis for improving the system of professional development for civil servants in the sphere of European integration.
3. Develop a workable method for assessing the needs of civil servants in terms of knowledge and skills related to European integration.
4. Institute a system of performance assessments or examinations for civil servants to properly check whether they actually possess those knowledge and skill sets that are required by their standard job descriptions. ■

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