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OUTCOME OF PROCEEDINGS

General Secretariat of the Council From:

On: 25 April 2017 To: Delegations

No. prev. doc.: 7887/17

Subject: Council conclusions on European Court of Auditors' Special Report No

32/2016 on EU assistance to Ukraine

Delegations will find in the annex the Council conclusions on European Court of Auditors' Special Report No 32/2016 on EU assistance to Ukraine, adopted by the Council at its 3531st meeting held on 25 April 2017.

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Council Conclusions on European Court of Auditors' Special Report No 32/2016 on EU assistance to Ukraine

- 1. The Council thanks the Court of Auditors for the Special Report No 32/2016 on EU assistance to Ukraine and takes good note of the conclusions and recommendations made by the Court.
- 2. The Council takes positive note of the Commission's support to the report and its recommendations. The Council welcomes the Commission's acceptance and the fact that it is already in the process of addressing all recommendations.
- 3. The Council welcomes the Commission's prompt reaction to support Ukraine's macroeconomic and financial stabilisation, also in the context of the illegal annexation of Crimea and Sevastopol by Russia and the conflict in eastern Ukraine and acknowledges the Commission's ability to rapidly mobilise significant resources using all instruments at its disposal in the spirit of a comprehensive approach. The Council welcomes the planned return to multi-annual programming under the European Neighbourhood Instrument (ENI) as from 2018.
- 4. The Council commends the progress made by Ukraine in the reform process to date and calls for continued comprehensive support to Ukraine's ambitious reform programme, to build on achievements of the last two years. The Council urges the Ukrainian Government to entrench its reform progress and avoid backwards steps, such as the proposed inclusion of NGOs in the edeclaration law.
- 5. The Council recalls that EU support needs to be carefully designed using the appropriate mix of instruments and be closely linked to pre-defined reform milestones, benchmarks and assessment criteria. The Council welcomes the important role of the Support Group for Ukraine in facilitating and co-ordinating this support and of the EU Advisory Mission for Civilian Security Sector Reform. The Council emphasizes the relevance of conditionality to ensure further concrete progress on reform, in particular in the fight against corruption, and calls for a careful and controlled use of budget support.

- 6. The Council underlines the importance of ensuring that current and future EU support contributes to achieving the broader political objectives of the EU's partnership with Ukraine, as stated in the Association Agreement.
- 7. The Council invites the Commission to provide regular updates on the issues raised by the Court of Auditors' Special Report ensuring they are addressed systematically, including through Association Council and Committee meetings, as appropriate.
- 8. The Council welcomes the intention of the Court of Auditors to review the implementation of its recommendations by the Commission in two years.