

Brussels, 17 January 2008

## **EU and Ukraine agree terms for Ukrainian WTO accession**

*Late yesterday the European Union and Ukraine resolved the final outstanding issues in their discussions on Ukraine's accession to the WTO. At a meeting in London, EU Trade Commissioner Peter Mandelson and Ukrainian Vice Prime Minister Hryhory Nemyrya sealed the final terms of the agreement. The agreement clears the way for the final approval by WTO members of the terms of Ukraine's accession. Following ratification of the accession agreements, Ukraine will become a member of the WTO. The agreement also clears the path for an EU-Ukraine FTA.*

EU Trade Commissioner Peter Mandelson said: "This is an important day for Ukraine. The EU has always been a firm supporter of Ukraine's WTO membership. Today's agreement clears the way for Ukraine fully to join the world trading system. This is the first step towards greater Ukrainian integration with the global and the European economy."

The EU completed its bilateral negotiations with Ukraine on its WTO accession in 2003. It has since then continued to work with the Ukraine in the multilateral working group that considers all applications for WTO membership on a number of issues, including guarantees concerning agreed reductions in export duties on some raw materials. The EU will now begin negotiations for a comprehensive free trade agreement with Ukraine.

### **Background**

The EU is the Ukraine's largest trading partner and its largest market. In 2006 the EU absorbed 25% of Ukraine's exports worth €8.7 billion and provided 42% of its imports worth €17.8 billion. In 2006, the European Commission proposed a new Enhanced Agreement with the Ukraine that would include the negotiation of a free trade area to strengthen the economic integration between the two economies. WTO Membership is the necessary foundation for such an agreement.

WTO membership will bring significant benefits for the Ukraine. It will provide it with guaranteed access to the markets of all other WTO members, including the EU. It creates a degree of certainty and stability in openness of the Ukrainian market that will help attract new trade and investment. It will be a highly significant step in the Ukraine's integration in the global economy.