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ANNEXES 1 to 2

ANNEXES

to the

Proposal for a

COUNCIL DECISION

on the Union position with the Cooperation Council established by the European Union – Georgia Partnership and Cooperation Agreement between the European Community and its Member States, of the one part, and Georgia, of the other part with regard to the adoption of a Recommendation on the implementation of the EU-Georgia Association Agenda

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RECOMMENDATION

On the implementation of the EU-Georgia Association Agenda

THE EU-GEORGIA COOPERATION COUNCIL,

Having regard to the EU-Georgia Partnership and Cooperation Agreement, establishing a Partnership between the European Community and its Member States, of the one part, and Georgia, of the other part (hereinafter "the Agreement") and in particular Article 81 thereof,

Whereas:

- (1) Pursuant to Article 81 of the Agreement, a Cooperation Council is established which will supervise the implementation of the Agreement. The Cooperation Council may make appropriate recommendations, by agreement between the two Parties.
- (2) The Parties to the Agreement have agreed on the text of the Association Agenda which aims to prepare and facilitate the implementation of the future Association Agreement through creating a practical framework to realise their overriding objectives of political association and economic integration.
- (3) The Association Agenda serves the dual purpose of setting out concrete steps in bringing the fulfilment of the Parties' obligations set out in the Association Agreement, and of providing a broader framework for further strengthening EU-Georgia relations to involve a significant measure of economic integration and a deepening of political cooperation, in accordance with the overall objective of the Association Agreement.

HAS ADOPTED THE FOLLOWING RECOMENDATION

Sole Article

The Cooperation Council recommends that the Parties implement the EU-Georgia Association Agenda set out in the Annex, insofar as such implementation is directed towards attainment of the objectives of the EU-Georgia Association Agreement including Deep and Comprehensive Free Trade Area, establishing an Association between the European Community and its Member States, of the one part, and Georgia, of the other part.

Done at [...]

For the Cooperation Council

The President

ANNEX 2

ANNEX Association Agenda between the European Union and Georgia

The European Union and Georgia ('the Parties') recognise that the context of their relations has changed in a significant and positive way since the inception of the Eastern Partnership. The Parties began negotiations of an Association Agreement in 2010, and of a Deep and Comprehensive Free Trade Area, to form an integral part of that Agreement, in 2012. They have also developed and launched a Visa Liberalisation Action Plan, whose successful implementation is a fundamental element underpinning the political association and economic integration of Georgia with the European Union foreseen in the Association Agreement, namely the substantial enhancement of mobility and people-to-people contacts.

The negotiations of the Association Agreement were finalised on 22 July 2013, and the Agreement was initialled on 29 November 2013. It will take some time before the full Agreement can enter into force. In the meantime, action is needed to ensure that the Parties are able to enjoy the full benefits of the Agreement starting with its partial provisional application. The aim of the present Association Agenda is to prepare and facilitate the implementation of the Association Agreement, by creating a practical framework through which the overriding objectives of political association and economic integration can be realised and to succeed to the EU-Georgia European Neighbourhood Policy (ENP) Action Plan.

Based on the structure of the Association Agreement, the Association Agenda provides for a list of priorities for joint work in the period 2014-2016.

The fact that the Association Agenda focuses upon a limited number of priorities should not affect the scope or the mandate of existing dialogue under the Partnership and Cooperation Agreement, other relevant Agreements or under the multilateral track of the Eastern Partnership, nor should it prejudice implementation of commitments made in the AA/DCFTA once it enters into force or is provisionally applied.

1. Principles, instruments and resources for implementing the Association Agenda

The following common principles will guide the implementation of the Association Agenda:

- Actions undertaken through the Association Agenda should be implemented in the spirit of the overall objective of political association and economic integration;
- The priorities of the Association Agenda complement the responsibilities of the EU and Georgia to implement in full the provisions of the EU-Georgia Association Agreement once it enters into force;
- The Association Agenda should be implemented in full respect of the principles of transparency, accountability and inclusiveness;
- The Association Agenda involves an engagement from both sides in its implementation;
- The Association Agenda aims to achieve tangible and defined results through the progressive implementation of practical measures;
- The Parties recognise the importance of supporting the agreed priorities through appropriate and sufficient political, technical and financial means; and
- The implementation of the Association Agenda will be subject to annual reporting, monitoring and assessment. Progress made will be reviewed including in the existing structures under the Partnership and Cooperation Agreement or other relevant

Agreements.

The European Union will support Georgia in implementing the objectives and priorities set out in the Association Agenda. It will do so through using all available sources of EU support, as well as expertise and advice, best practices and know how, the sharing of information, support to capacity-building and institutional strengthening. It will also encourage and seek coordination of support from other partners of Georgia. The relevant EU financial instruments will also be available to help in the implementation of the Association Agenda. Notwithstanding this, the latter is not in itself a financial programming document and does not substitute for the programming or formulation exercises undertaken by the Parties.

EU support will be provided in the context of the overall priorities for assistance in favour of Georgia, as outlined in the ENI Single Support Framework (SSF) and in the multi-country programming under the European Neighbourhood Instrument (ENI) as part of the overall funding available for Georgia and in full respect of the relevant implementation rules and procedures of EU external assistance.

This Association Agenda will be applied from the moment of its adoption, for an initial period of three years which may be extended by mutual agreement. From the start of its application, it will replace the ENP Action Plan as the principal vehicle for monitoring Georgia's progress within the European Neighbourhood Policy framework. Civil society will also be encouraged to focus their monitoring activities on the Association Agenda.

This Association Agenda may be amended or updated at any time as necessary by agreement of the EU-Georgia Cooperation Council (Association Council), in particular when the Association Agreement enters into force.

2. Priorities of the Association Agenda

2.1 Political dialogue and reform

Political dialogue and cooperation towards reforms in the framework of this Association Agenda seek to strengthen respect for democratic principles, the rule of law and good governance, human rights and fundamental freedoms, including the rights of persons belonging to minorities as enshrined in the core UN and Council of Europe Conventions and related protocols and to contribute to consolidating domestic political reforms, in particular through approximating with the EU *acquis communautaire*. The EU Special Adviser on Constitutional and Legal reform and Human Rights Thomas Hammarberg's report from September 2013 "Georgia in Transition"¹ and especially the recommendations included therein should be taken into account when implementing the below matters of political dialogue and reform².

The dialogue and cooperation will cover the following areas:

- (i) Strengthening the stability, independence and effectiveness of institutions guaranteeing democracy, the rule of law and respect for human rights, and in particular by:
 - Ensuring the democratic conduct of elections, addressing any shortcomings in the legislative framework and election administration as identified by the Inter-Agency Task Force on Free and Fair Elections (IATF) and Organisation for Security and Co-

¹ 'Georgia in Transition – Report on the human rights dimension: background, steps taken and remaining challenges. Assessment and recommendations' by Thomas Hammarberg the EU Special Adviser on Constitutional and Legal reform and Human Rights in Georgia, September 2013

² Some of these recommendations are already reflected in the Association Agenda

operation in Europe (OSCE) / Office for Democratic Institutions and Human Rights (ODIHR) including in view of the 2014 local elections;

- Ensuring that constitutional amendments, if contemplated, are subject to comprehensive consultation domestically and with the Council of Europe's Venice Commission to ensure that they stand the test of time;
 - Improving the balance between flexibility and stability of the constitution and strengthen the budgetary powers of the Parliament in line with the opinion of the Venice Commission No. 737/2013;
 - Ensuring respect for the roles of the Prime Minister and President under the constitution;
 - Ensuring adequate checks and balances in the political system as Georgia undergoes transition from semi-presidential to parliamentary system. Continue to reinforce the role of the Parliament and independence of judiciary;
 - Pursuing the implementation of the decentralization strategy in compliance with the Council of Europe European Charter of Local Self Government (CETS No.122).
- (ii) Further reforming the justice sector, in particular ensure the independence, efficiency, impartiality and professionalism of the judiciary and the prosecution, as well as of law enforcement agencies which should be free from political or any other undue interference; continue and intensify the fight against corruption:

Judiciary

- Develop a Judicial Reform Strategy and Action plan with clear benchmarks and priorities, including an appointment and training policy for judges and adequate resources to ensure proper judicial competencies;
- Continue taking further steps on reforms, in particular of judiciary, Criminal Code and Criminal Procedure Code of Georgia, including enhancing the equality of arms in the criminal proceedings, undertaking a comprehensive review and submitting legal proposals:
 - on strengthening the independence, efficiency, impartiality and professionalism of the judiciary ;
 - on ensuring the right to fair trial;
 - on ensuring independent and effective investigation;
 - on reforming juvenile justice to protect rights of the children;
 - on making plea-bargaining system compliant with the EU and the Council of Europe (CoE) / European Convention on Human Rights (ECHR) standards and practices;
 - on status and rights of the victim in criminal proceedings;
 - on reform of the criminal jury trial.
- Implement the Prosecutor's Office reform following the 2013 amendment to the 2008 law. In particular, identify proper constitutional setting for the Prosecutor's Office with effective oversight - to build public confidence in the Prosecutor's office and establish a truly professional Prosecution service (including through adequate training) independent from political party or other undue influence;

- Ensure that criminal prosecutions are conducted in a transparent and impartial manner, free of political motivation, in order to avoid any politically motivated selective justice;
- Continue to implement rehabilitation and re-socialisation policies in criminal justice; promote use of non-custodial sentences, community orders, reinforced use of probation, early release through parole, diversion and mediation;
- Ensure access to justice by adequately funded and professionally capable independent Legal Aid Service;
- Increase the accountability and democratic oversight of law enforcement agencies. Complaints against the police and prosecutors will require a professional, effective mechanism for credible response. Consider establishing a full fledged independent and effective complaint mechanism to investigate such cases. Provide a comprehensive professional training of law enforcement officers on ethical standards and human rights;
- Develop alternative means of dispute settlement (mediation, arbitration); revise rules on administrative detention in compliance with fair trial norms.

Anti-corruption, administrative reform and public service

- Take part in international cooperation on combating corruption, and ensure effective implementation of relevant international legal instruments, such as the UN Convention Against Corruption;
- Take adequate measures at all levels of society to prevent, detect and address corruption especially high level corruption;
- Pursue administrative reform with emphasis on public administration and on building an accountable, efficient, effective, transparent and professional civil service; and strengthening of local self-government in line with European standards;

(iii) Ensure respect for human rights and fundamental freedoms through comprehensive cooperation on the protection of human rights and fundamental freedoms, including as underlined in Thomas Hammarberg’s report “Georgia in transition”. This cooperation will notably include:

- Adoption of a comprehensive National Human Rights Strategy and Action Plan; actively pursue in this strategy and action plan the specific recommendations of UN bodies, OSCE/ ODIHR, the Council of Europe / European Commission against Racism and Intolerance (ECRI) and international human rights organisations notably in implementing anti-discrimination policies, protecting minorities and private life and ensuring the freedom of religion;
- Adoption of a comprehensive anti-discrimination law, as recommended by UN and Council of Europe monitoring bodies, to ensure effective protection against discrimination;
- Take steps towards signature, ratification and transposition into national legislation of relevant UN and Council of Europe instruments in the fight against discrimination, including taking into account the UN Convention on Statelessness and the standing recommendations of the Council of Europe on the European Charter for Regional or Minority Languages.

- Respond appropriately to the conclusions and recommendations of relevant Council of Europe bodies on compliance by Georgia with the Framework Convention for the protection of national minorities;
- Ensure effective implementation of the UN Convention on the Rights of Persons with Disabilities;
- Ensure effective execution of judgments of the European Court of Human Rights;
- Maintain effective pre- and non-judicial mechanisms for both dispute settlement and the protection of human rights;
- To promote and raise awareness on human rights and anti-discrimination in the judiciary, law enforcement, administration;
- Continue to strengthen media pluralism, transparency and independence in line with Council of Europe recommendations;
- Take the recommendations of the Public Defender's Office (PDO) into account in policy-making and provide adequate resources and strengthen the PDO office;
- Support the effective functioning of the institutional mechanism foreseen in the anti-discrimination law; Build monitoring capacities of the Parliamentary Committees on Human Rights and Legal issues linked to the implementation of the Human Rights Strategy and Action Plan;
- Support Civil Society Organisations (CSO) and notably the representative social partners (trade-unions and employers' organisations) as service providers and watchdogs in areas prioritised by the EU-Georgia Association Agreement (AA), including labour rights, privacy, rights of minorities and other vulnerable groups and media freedom.

Ill-treatment and torture

- Update the National Strategy and Action Plan to combat ill-treatment and torture, and step up efforts to implement them in order to combat impunity;
- Ensure a thorough, transparent, independent investigation into any allegation of the use of torture and ill treatment in the penitentiary system, police, military and other closed facilities;
- Implement structural reforms and support the National Preventive Mechanism (NPM) under the Public Defender's Office to prevent future abuse and ensure the NPM's full access for monitoring closed facilities, including non-state institutions;
- Further strengthen effective internal and external monitoring of the penitentiary system, police, military and other closed facilities for the early detection and prevention of abuse and ill-treatment;
- Continue efforts to improve the penitentiary healthcare system and prisoners access to health care services. Build capacities and empower health care staff working in -or for- closed institutions in the denouncing and reporting of ill-treatment.

Trade Union rights and care labour standards

- Implement the new Labour Code, as adopted by Parliament in June 2013, in line with ILO standards.

- Underpin the new Labour Code with new institutions and procedures for resolving disputes and developing a negotiation culture (mediation centre). Focus also on improving safety at work and create a mechanism and institution with adequate capacities for the inspections of working conditions in the spirit of the new law and International Labour Organisation (ILO) standards;
- Establish an effective Social Dialogue, including through the systematic convening of the Tripartite Commission;
- Continue and intensify dialogue and partnership with the ILO.

Equal treatment

- Enhance gender equality and ensuring equal treatment between women and men in social, political and economic life;
- Approximate to European standards as regards health and safety rules, rules on the protection of maternity, rules on the reconciliation of parental and professional responsibilities as envisaged by the Association Agreement.
- Strengthen the implementation of legislation against domestic violence, including awareness-raising of both the general population and of specific professional groups, such as the police, and in particular in rural and minority areas. Increase the access of victims to counselling services and shelters.

Children's rights

- Address the situation of children's poverty and give considerably higher priority to the situation of vulnerable children; Continue juvenile justice reform (see also above under Judiciary);
- Continue juvenile justice reform (see also above under *Judiciary*)
- The National Human Rights Strategy and Action Plan should prominently include child rights;
- Provide adequate resources and strengthen the role of Public Defender to undertake further ombudsman work for children and monitor the situation in relevant institutions;
- Focus on measures to protect children against all forms of violence.

2.2 Foreign and security policy

Dialogue and cooperation in the field of the Common Foreign and Security Policy (CFSP) aim at gradual convergence, including on the Common Security and Defence Policy (CSDP), and will address in particular security, conflict prevention and crisis management issues, regional stability, disarmament, non-proliferation, arms control and export control. Cooperation will be based on common values and mutual interests, and will aim at increasing policy convergence and effectiveness, making use of bilateral, international and regional fora. In particular:

- Create an environment conducive to pragmatic cooperation and developing political dialogue and cooperation on regional and international issues, including within the framework of Council of Europe and OSCE;
- Promote peaceful conflict resolution and international stability and security based on effective multilateralism;

- Continue to cooperate on increasing alignment of Georgia with the EU CFSP declarations;
- Develop co-operation on sanction regimes;
- Promote respect for the principles of sovereignty and territorial integrity, inviolability of borders and independence, as established in the UN Charter and the OSCE Helsinki Final Act;
- Enhance practical cooperation in conflict prevention and crisis management by facilitating the participation of Georgia in EU-led civilian and military crisis management operations, and consultation and training activities in the CSDP area (on the basis the Framework Participation Agreement signed in November 2013) and in the multilateral framework of the Eastern Partnership Panel on CSDP);
- Promote and facilitate Georgia's participation in CSDP related training and consultation activities (in the framework of the regular bilateral consultations and multilateral EaP Panel on CSDP).

Terrorism, non-proliferation of weapons of mass destruction and illegal arms exports

- Cooperate so as to deepen international consensus on the human rights based fight against terrorism, including on the legal definition of terrorist acts, including by promoting agreement on the Comprehensive Convention on International Terrorism;
- Exchange information on terrorist organisations, groups, their activities and their support networks in accordance with international law and the legislation of the Parties;
- Implement standards in the Financial Action Task Force (FATF) recommendations on terrorist financing;
- Cooperate on, and contribute to, countering the proliferation of weapons of mass destruction and their means of delivery through full compliance with, and national implementation of, the Parties' existing obligations under international disarmament and non-proliferation treaties and agreements, and other relevant international obligations;
- Establish an effective system of national export and transit controls of weapons of mass destruction (WMD) related goods, including a WMD end-use control on dual-use technologies, with effective sanctions for breaches of export controls;
- Co-operate on risk-based customs control ensuring safety and security of goods imported, exported or in transit;
- Tackle the illicit trade in small arms and light weapons, including their ammunition, under existing international agreements and UN Security Council resolutions, and commitments under other international instruments applicable in this area;
- Continue to cooperate in the area of conventional arms export control, in the light of the EU Common Position on control of exports of military technology and equipment. Develop co-operation in the fight against trafficking of arms and the destruction of stockpiles;
- Continue contributing to the implementation of the Nuclear Non-Proliferation Treaty (NPT) on all its three pillars, in a balanced manner;

- Take steps towards signature and ratification of the Arms Trade Treaty, adopted by the UN General Assembly on 2 April 2013.

People conflict resolution

- Continue efforts aimed at ensuring the full implementation of the 12 August 2008 Six-Point Agreement and its subsequent implementing measures;
- Maintain constructive participation in and ensure the support for the EU, UN, OSCE co-chaired Geneva International Discussions;
- Emphasise the importance of a meaningful international field involvement including the full implementation of the European Union Monitoring Mission (EUMM) mandate;
- Maintain effective co-operation between the EU and Georgia towards a settlement of the conflict within agreed formats, including consultations with a view to establishing ways for appropriate involvement of Georgian regions of Abkhazia and Tskhinvali region/South Ossetia in the deepening of EU-Georgia relations;
- Intensify effective co-operation and coordination between the EU and Georgia on conflict resolution including through regular political dialogue;
- Support peaceful conflict resolution efforts, including via undertaking contacts with the populations of Georgian regions of Abkhazia and Tskhinvali region/South Ossetia in light of Georgia's reconciliation and engagement policy and EU's non-recognition and engagement policy, on which they cooperate;
- Take appropriate steps to encourage trade, travel and investment across the administrative boundary line, including a review of legislation such as the Law on Occupied Territories;
- Work towards enabling the safe and dignified and voluntary return of all IDPs and refugees to their habitual places of residence in line with principles of international law;
- Taking steps towards the sustainable solution to conflict and without prejudice to the existing formats for addressing the conflict-related issues, the peaceful conflict resolution will constitute one of the central subjects on the agenda of political dialogue between the Parties, as well as in the dialogue with other relevant international actors;
- Seek ways to share the benefits and opportunities stemming from the EU-Georgia Visa Liberalization Dialogue, political association and economic integration process, inter alia from the Association Agreement, with the populations across the administrative boundary lines;
- Undertake measures to foster people-to-people contacts, confidence-building and reconciliation efforts between communities divided by conflict.

International Criminal Court (ICC)

- Continue to cooperate with the International Criminal Court by implementing the Rome Statute and its related instruments, giving due regard to preserving its integrity. Cooperate with ICC with respect to August 2008 war investigations.

2.3 Co-operation on Justice, Freedom and Security

The Parties will cooperate in the following areas:

Protection of Personal Data

- Ensure a high level protection of personal data in accordance with European standards and take appropriate legislative and practical steps towards greater respect for the right to privacy, including in the criminal justice field; ensure the application of data protection standards also in the private sector;
- Continue strengthening the capacity of the data protection authority (Inspector Office) and follow up on the application of data protection standards, in all sectors, especially regarding law enforcement; ensure the independence and sufficient resources, allowing the authority to play the role of independent supervisory authority with adequate powers and obligations;
- Improve protection of privacy rights and investigate abuses. Ensure that the processing of personal data is carried in accordance with the law, meets the principles of necessity, proportionality and confidentiality and that adequate oversight is provided;
- Undertake continuous, targeted information campaigns on data protection and its importance for a human rights-based approach.

Migration and Asylum

- Effectively implement Georgia's Migration Strategy 2013-2105 and the accompanying it Action Plan;
- Consolidate migration and asylum legislative framework, according to EU and international standards including through adoption of legislation ensuring effective access to fair procedures for status determination and rights protection;
- Establish a Unified Migration Analytical System;
- Continue strengthening the State Commission on Migration Issues; to develop programmes for assisted voluntary return of vulnerable migrants;
- Continue effective implementation of the EU-Georgia Readmission Agreement and develop mechanisms for the fight against irregular migration;
- Draft and implement a comprehensive return and reintegration referral mechanism for the reintegration of Georgian citizens and strengthen the operational capacities of the government agencies dealing with returning migrants, including the Mobility Centre;
- Establish a temporary accommodation centre for irregular migrants and ensure its operational capacity;
- Proceed with the organisation of continuous, targeted information campaigns on mobility and migration to the EU, including information on migrants' rights and obligations, rules regulating their access to the EU labour market (including through the EU Immigration Portal) and liability for any abuse of rights under the visa-free regime.

Border Management

- Elaborate a multi-annual Integrated Border Management Strategy and the accompanying Action Plan for the post-2013 period;
- Phase out the use of Georgian non-biometric passports in accordance with the Visa Liberalization Action Plan;

- Maintain a high-level of border checks and border surveillance and develop efficient inter-agency cooperation;
- Enhance efforts for further development of the Green Border management capacities following comprehensive needs assessment;
- Develop further training programmes targeting borders guards, customs and other officials involved in border management and surveillance.

Fight against Organised Crime

- Step up efforts in effectively implementing the 2013-2014 Action Plan on the Fight against Trafficking in Human Beings; raise capacity of the state authorities to proactively identify and efficiently investigate cases of trafficking in human beings;
- Continue efforts in the area of prevention and fight against organised crime; and
- Intensify further efforts in establishing the legal and institutional framework for preventing and fighting money laundering and financing of terrorism;
- For the purpose of effectively tackling organized crime further develop cooperation between EU Member States and Georgian law-enforcement agencies, including through concluding a cooperation agreement with EUROPOL.

Tackling Illicit Drugs

- Implement the National Drug Strategy and Action Plan 2014-2015, while envisaging its extension beyond 2015;
- Continue ensuring a balanced and integrated approach towards drug issues in order to cope with the health and social consequences of drug abuse as well as ensuring more effective prevention and working towards reducing the supply of, trafficking in and the demand for illicit drugs;
- Strengthen the institutional structures for tackling illicit drugs;
- Continue the regular dialogue in the framework of Eastern Partnership (EaP) Drugs Dialogue;
- Develop further the cooperation and information exchange, including by continuing cooperation with European Monitoring Centre for Drugs and Drug Addiction (EMCDDA).

Legal Cooperation

- Enhance judicial cooperation in civil and commercial matters by acceding to and implementing multilateral conventions on civil judicial cooperation and, in particular, the Conventions of the Hague Conference on Private International Law in the field of judicial cooperation as well as the protection of children especially the 1965 Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters, the 1970 Convention on the Taking of Evidence Abroad in Civil or Commercial Matters, and the 1996 Convention on Jurisdiction, Applicable Law, Recognition, Enforcement and Co-operation in Respect of Parental Responsibility and Measures for the Protection of Children;
- Enhance the judicial cooperation in criminal matters by acceding to and implementing the relevant conventions, especially those of the CoE;

- Establish closer cooperation with Eurojust, including through envisaging the conclusion of an operational cooperation agreement.

2.4 Trade and Trade-Related Matters

Trade in Goods

The Parties will cooperate in preparing the proper implementation of the provisions on market access for goods of the envisaged Association Agreement, in particular through joint consultations, with a view to:

- increasing the diversification of Georgia's export structure;
- further improvements in the area of trade statistics;
- close cooperation with a view to applying effectively the anti-circumvention mechanism;
- ensuring that no increase of currently applicable import duties in trade between the parties takes place in the run up to and after the entry into force of the Agreement (standstill clause);
- assisting Georgia in drafting and implementing legislation it may intend to prepare on market access or other related issues (i.e. trade remedies).
- ensuring exchange of information on market access-related developments and policy on market access.

Technical Regulations, Standardisation and Related Infrastructure

The Parties will cooperate in the field of standards, technical regulations, metrology, market surveillance, accreditation and conformity assessment for achieving gradual approximation of these systems with EU relevant systems as provided for in the Association Agreement. The cooperation will include:

- developing legislation which Georgia committed to implement before the entry into force of the Association Agreement as provided in its Technical Barriers to Trade Strategy (TBT);
- developing infrastructure related to administration of standards, technical regulations, metrology, market surveillance, accreditation, conformity assessment procedures;
- facilitating the preparation and adaptation of stakeholders, including economic operators, for the implementation of approximated legislation;
- implementing the Market Surveillance Strategy;
- in the Market Surveillance field, strengthening administrative capacities of relevant Georgian state institutions and market surveillance bodies;
- further staff training for administration of responsible government bodies and agencies;
- exchanging information on all relevant aspects of the Georgian TBT and Market Surveillance Strategies, including timeframes as applicable;
- preparing Georgia to achieve the conditions necessary to conclude an Agreement on Conformity Assessment and Acceptance of Industrial Products (ACAA) covering one or more sectors, as envisaged by the Association Agreement, and in accordance

with a related comprehensive Institutional Reform Plan, and including legislative reforms;

- exchanging information on other relevant developments in the area of TBT, relating i.e. to adoption of international standards or acceptance of products conforming to other than international standards, on its market.

Sanitary and Phytosanitary (SPS) Measures

The Parties will cooperate in preparing for the approximation of Georgia's sanitary and phytosanitary standards for food and feed, plant health as well as animal health, and welfare legislation and practice to that of the EU, as set out in the relevant Annexes to the envisaged Association Agreement. The cooperation will include:

- completing the implementation of Georgia's current Food Safety Strategy and Approximation Programme, in particular in the implementation of the Food Safety Code and progressive adoption of the implementing horizontal legislation;
- setting up Georgia's sectoral priorities and reviewing Georgia's current Food Safety Strategy with a view to covering all areas under the relevant Annexes of the envisaged Association Agreement. It will include sectoral legislation, according to Georgia's economic priorities;
- ensuring that veterinary phytosanitary and food safety checks at the border inspection posts be carried out by the competent authority;
- further providing technical advice and support to Georgia in drafting and implementing the legislation, including training the relevant staff, providing capacity-building to the competent authority and supporting the improvement of the laboratory capacity, in line with the EU requirements;
- preparing to set-up an early warning system for the food and feed, animal health and plant health safety;
- organising information campaigns with relevant agencies, businesses and NGOs on the requirements for accessing the EU market, as well as with civil society on the relevant consumer aspects of food and feed safety;
- facilitating the preparation and adaptation of Georgian businesses for the implementation of approximated legislation.

Customs and Trade Facilitation

The Parties will cooperate in preparing for the approximation to EU acquis and international standards listed in the relevant Annex to the envisaged Association Agreement, in particular by:

- approximating Georgia's Authorised Economic Operator system to that of the EU with the prospect of mutual recognition as envisaged by the Association Agreement;
- continuing to modernise Georgian customs authorities;
- continuing to simplify and modernise customs procedures;
- assisting Georgia in its accession to the Convention on a common transit procedure and in drawing up a roadmap for this purpose;
- co-operating on risk-based customs control and sharing of relevant information that contributes to improved risk management and security of the supply chains,

facilitation of legitimate trade and safety and security of goods imported, exported or in transit;

- strengthening dialogue on the fight against fraud to prevent illegal trade, including in excisable products, particularly through enhanced cooperation in the framework of the Protocol on Mutual Administrative Assistance in Customs Matters;
- approximating Georgia's legislation on customs enforcement of IPR to EU acquis, as envisaged by the Association Agreement.

Rules of Origin

The Parties will cooperate in preparing for implementation of rules of origin to be applicable between the Parties under the relevant Protocol to the envisaged Association Agreement, in particular by:

- assisting Georgia, once the relevant decision is taken, in the process of accession to the regional Convention on Pan-Euro-Mediterranean preferential rules of origin;
- completing the transfer of competence of issuance of EUR.1 movement certificates and verification to Georgian customs authorities;
- providing training to the Georgian customs authorities on certification and verification of preferential origin.

Establishment, Trade in Services and Electronic Commerce

The Parties will continue the dialogue on establishment, trade in services and electronic commerce according to provisions of the envisaged Association Agreement. Furthermore, the Parties will prepare for the implementation of the commitments in the services areas, as envisaged in the relevant Annexes to the envisaged Association Agreement. To this purpose, the Parties will cooperate to:

- provide relevant training and building adequate administrative capacity to cope with the planned approximation of legislation;
- discuss the areas in which such training and capacity-building should be provided including the English translation capacity and the relevant technical assistance;
- ensure regular exchange of information as regards the envisaged or ongoing legislative work in areas selected for approximation and conduct dialogue for this purpose.

Current Payments and Movement of Capital

The Parties will continue dialogue on capital movements and payments, in particular with a view to monitoring compliance with all existing commitments and preparing for implementation of the envisaged Association Agreement.

Public Procurement

The Parties will cooperate in Georgia's preparations for the implementation of the Procurement Chapter of the envisaged Association Agreement and the related reforms. The preparations will include:

- starting preparation of a comprehensive roadmap as stipulated by the Association Agreement providing precise and timely information on developments in Georgian legislation, in particular in case of planned legislative work affecting procurement policy and enforcement.

Intellectual Property Rights (IPR)

The Parties will cooperate in Georgia's preparations for the approximation to the EU acquis and international standards on the protection of intellectual property rights as provided for in the envisaged Association Agreement. The preparations will include:

- ensuring right holders from both Parties a high level of protection of IPR and adequate measures to enforce such rights;
- strengthening the enforcement capacity of relevant governmental bodies or executive agencies, including Georgian customs authorities, and reporting regularly on evolution of administrative capacity;
- ensuring proper functioning of the judicial system to guarantee access to justice for right holders and availability and effective implementation of sanctions;
- ensuring proper functioning of the relevant institutional structures, as well as of the offices for industrial property rights, copyright protection and collecting societies; extending cooperation with third country authorities and industry associations;
- taking measures to increase public awareness in the field of intellectual and industrial property protection and ensuring effective dialogue with rights holders;
- taking effective measures against counterfeiting and piracy and ensure effective implementation of the enforcement legislation and of sanctions for infringements of intellectual property rights, as well as regular production of statistical data and relevant information regarding the enforcement activities to be shared between the Parties.

Competition

The Parties will cooperate in preparing the implementation of the Competition Chapter of the envisaged Association Agreement and the related reforms. The preparations will include:

- ensuring that Georgia's institutional framework and relevant administrative capacity guarantee the effective implementation of the relevant legislation;
- enhancing dialogue on the experience in enforcement of the legislation in this area, as well as on other legislative developments related to competition.

Transparency

The Parties will pay special attention to cooperation in the following:

- preparing for the implementation of commitments on transparency in trade-related policy-making and consideration of necessary mechanisms to be put in place in this regard;
- discussion on best practices and respective experience in transparent policy-making;
- exchanging information and providing relevant training, including on communication mechanisms and stakeholder consultations;
- conducting seminars and other events for the wider public, aimed at explaining the implementation of the envisaged Association Agreement and the approximation process.

Trade and Sustainable Development

The Parties will engage in a dialogue on the issues covered by the Chapter on Trade and Sustainable Development of the envisaged Association Agreement, in particular by:

- exchanging information on the implementation of the Labour Code, as well as implementation of commitments related to sustainable development;
- discussing the future implementation of the commitments under the Chapter with regard to stakeholder involvement and civil society dialogue;
- exchanging best practices and relevant experience in this regard.
- The Parties will bear in mind that the priorities relating to trade unions' rights and core labour standards in section 2.1 and the first priority identified in section 2.6 are highly relevant for the implementation of the "Trade and Sustainable Development" chapter, and should therefore be addressed in relation with this part of the Association Agreement.

2.5 Economic Cooperation

The Parties will cooperate to support Georgia in establishing a fully functioning market economy and gradually approximating its policies to the policies of the EU in accordance with the guiding principles of macroeconomic stability, sound public finances, a robust financial system and sustainable balance of payments, and in particular:

- develop Georgia's capacity in macro-economic forecasts, inter alia improvement of methodology of elaboration of development scenarios, and monitoring of economic processes, improving the quality of analysis of the factors of impact etc. by exchanging information of best practices;
- strengthen the independence of the National Bank of Georgia (NBG), including by reviewing the central bank legislation in line with best EU practice, including with the support of EU expertise, also from the European Central Bank (ECB);
- share the experience of the EU, including from ECB, on monetary exchange rate and financial and banking sector regulation and supervision policies, and helping to develop and strengthen Georgia's capabilities in all those areas;
- ensure the sustainability and governance of public finances, through implementing fiscal and expenditure reforms;
- Ensure open, competitive and transparent privatisation rules and procedures and their implementation.

Public Internal Financial Control and External Audit

The Parties will cooperate with the aim to ensure the development of public internal financial control and external audit by:

- ensuring further improvement of the internal control system under decentralised managerial responsibility, including functionally independent internal audit, in state authorities by means of harmonization with generally accepted international standards and methodologies and EU best practice;
- ensuring further development of the external audit function of the Court of Accounts in line with generally accepted international standards (INTOSAI);
- ensuring effective cooperation with and assistance to the relevant EU Institutions and bodies including the European Anti-Fraud Office in the case of on-the-spot checks and inspections related to the management and control of EU funds, to be provided in line with relevant rules and procedures.

Taxation

The Parties will enhance and strengthen cooperation aimed at the improvement and development of Georgia's tax system and administration, based on EU and international standards, including preparation for gradual approximation to the EU acquis and international instruments as laid down in the relevant annex of the envisaged Association Agreement, in particular by:

- improving and simplifying tax legislation;
- improving international tax cooperation in order to enhance good governance in the tax area i.e. the principles of transparency, exchange of information and fair tax competition;
- improving capacity of the tax administration, in particular by moving towards a more focused, risk based system for tax control and audits;
- taking measures to harmonise policies in counteracting and fighting fraud and smuggling of excisable products;
- developing cooperation with the tax administrations of EU Member States by exchanging new experiences and trends in the field of taxation.

Statistics

The Parties will cooperate in order to prepare for approximation to the EU acquis in the field of statistics, in particular by:

- conducting the Population Census, including an agricultural component;
- revising the statistical law with a view to strengthening Geostat's role, governance structure and reporting mechanism in accordance with international and European best practices;
- developing a national nomenclature of economic activities in line with the Statistical Classification of Economic Activities in the EU (NACE rev 2) by the end of 2014;
- improving the dissemination of statistics.

2.6 Other Cooperation Policies

Transport

The Parties will cooperate to prepare for implementation of the EU acquis in all transport modes mentioned in relevant annexes of the envisaged Association Agreement and to support Georgia in:

- stepping up efforts to implement the EU aviation acquis in order to take full advantage of the EU-Georgia Common Aviation Area Agreement;
- activities to improve aviation safety;
- efforts to fully implement the digital tachograph;
- the development of infrastructure, in particular through implementation of priority projects for the development of the EaP transport network.

Energy Cooperation

The Parties will cooperate with the aim to:

- completing negotiations concerning Georgia's formal accession to the Energy Community as a contracting Party in line with the Association Agreement;

- taking steps towards the integration of Georgia's energy market with that of the EU, and strengthening Georgia' energy security and regulatory convergence through the implementation of relevant EU legislation applicable to Georgia, in line with the AA and Energy Community commitments and in accordance with the timeline agreed by Georgia in the framework of the Energy Community Treaty;
- reinforcing Georgia's energy infrastructure network and interconnections, in particular:
 - with regard to electricity, continuing the implementation of the "Black Sea Regional Transmission Network" project, including by starting operations of the 400kV connection Georgia (Akhaltikhe) - Turkey (Borchkha), strengthening interconnections with Azerbaijan and Armenia, and reinforcing Georgia's transmission grid;
 - with regard to natural gas, facilitating the implementation of the expansion of the South Caucasus gas pipeline on the Georgian territory;
- improving energy efficiency and developing the use of renewable energy sources in Georgia in line with the Association Agreement

Environment and Climate Change

The Parties will cooperate in order to prepare for the implementation of EU acquis and international standards, in particular through:

- full implementation of Georgia's National Environment Action Plan for 2012-2016;
- starting preparation for the adoption and implementation of national legislation and designation of competent authorities in the fields of environmental impact assessment, strategic environmental assessment, waste policies (including: waste management, landfill of waste, management of waste from extractive industries, identification and classification of waste facilities, and urban waste water treatment), water policy and natural resource management (including quality of water intended for human consumption), biodiversity (including conservation of wild birds, conservation of natural habitats and of wild fauna and flora), , development of a coherent method of environmental data collection across the different ministries under the Shared Environmental Information System (SEIS), and public access to environmental information;
- adoption and implementation by Georgia of a national biodiversity strategy and action plan for its implementation in 2014-2020;
- full implementation of the Aarhus and Rotterdam Conventions and drawing-up a roadmap for ratification and implementation of the Espoo Convention and Gothenburg Protocol;
- strengthening dialogue on climate change, aiming at the preparation and signing of a new global agreement on climate change;
- strategic planning and developing measures to mitigate and adapt to climate change;
- and approximation of legislation to EU acts and international instruments as envisaged by the Association Agreement.

Civil Protection

The Parties will cooperate in order to:

- ensure effective communication on 24-hour basis including exchange of early warnings and information on large scale emergencies affecting the EU and Georgia, as well as third countries where the Parties are involved in disaster response;
- facilitate mutual assistance in case of major emergencies, as appropriate and subject to the availability of sufficient resources;
- promote the adoption and implementation of the EU guidelines on host nation support;
- improve the knowledge base on disaster risks by enhancing cooperation on data accessibility and comparability;
- progress with the development of a country-wide disaster risk assessment and mapping and to support as necessary the development of the Electronic Regional Risk Atlas (ERRA) and ensure its effective utilisation at national level;
- initiate the extension of the European Flood Alert System (EFAS) to Georgia in cooperation with the Joint Research Centre of the European Commission;
- improve prevention of industrial or natech (natural and technological) disasters;
- establish dialogue on the policy aspects of disaster prevention, preparedness and response through exchange of best practices, joint trainings, exercises, study visits, workshops and lessons learnt meetings gained in real emergency operations and conducted exercises.

Industrial and Enterprise Policy

The Parties will cooperate to improve the business and regulatory environment, in particular for SMEs, including microenterprises, in particular by:

- Georgia's participation in the SBA (Small Business Act for Europe) Assessment, including the implementation of its recommendations and Georgia's active participation in related projects on enhancing the competitiveness of SMEs;
- further developing innovation policy, including access to finance for start-ups and exchange of information on commercialisation of research;
- establishing dialogue covering mining industries and trade in raw materials;
- establishing cooperation in the areas of safety and sustainable development of mining industries;
- preparing and adapting industrial sectors in Georgia to the DCFTA regulations in order to enhance and upgrade industrial production.

Tourism

The Parties will cooperate to:

- make greater use of their regular dialogue to deepen cooperation and discuss steps which should be taken;
- to strengthen the development of a competitive and sustainable tourism industry;
- to promote and develop tourism flows, products and markets, infrastructure, human resources, institutional structures and efficient policies;
- to continue the exchange of best practices and general sharing of knowledge, training and education in the field of tourism.

Company Law, Accounting and Auditing and Corporate Governance

The Parties will cooperate in view of the Georgia's preparation for the approximation implementation of the EU acquis and international instruments mentioned in relevant Annex to the envisaged Association Agreement, and in particular in Georgia's efforts to: make greater use of their regular dialogue to deepen cooperation and discuss steps which should be taken;

- develop of administrative capacity of relevant state institutions;
- ensure simple rules and procedures on registration of legal persons, including companies, and natural persons, including entrepreneurs, to set up and liquidate business;
- introduce relevant international auditing standards at national level and promoting their application by all listed companies at national level;
- provide timely, relevant and precise information about the state of play and development of the existing legislation in Georgia and its conformity with the EU acquis (in line with the format to be agreed between the Parties in the first years of the Association Agenda and in line with the agreed timetable under the Association Agreement) and exchanging in advance relevant information concerning necessary institution and capacity building relevant to the approximation of the EU acquis;
- identify areas in which training and capacity-building should be provided.

Financial Services

The Parties will cooperate in Georgia's preparations for the approximation of relevant legislation to the EU acquis listed in the relevant Annex to the envisaged Association Agreement and of the international standards listed in the relevant article of the DCFTA. The preparations will include:

- improving the administrative capacity of supervisory authorities in accordance with the relevant EU acquis;
- establishing contacts and exchanging information with the EU financial supervisors in line with the Association Agreement;
- developing national legislation on prevention and counteraction against money-laundering and financing terrorism, in particular by implementing the relevant EU anti-money laundering and combating the financing of terrorism legislation; enhancing cooperation with FATF, the Council of Europe, MONEYVAL, as well as relevant authorities in EU Member States and signing Memoranda of Understanding between financial intelligence authorities of Georgia and EU Member States;
- providing timely, relevant and precise information about the state of play and development of the existing legislation in Georgia and its conformity with the EU acquis (in line with the format to be agreed between the Parties in the first years of the Association Agenda and in line with the agreed timetable under the Association Agreement) and exchanging in advance relevant information concerning necessary institution and capacity building relevant to the approximation of the EU acquis;
- identifying areas in which training and capacity-building should be provided.

Cooperation in the Field of Information Society

The Parties will cooperate to prepare for implementation of EU acquis mentioned in relevant annexes of the envisaged Association Agreement and support Georgia in:

- efforts to approximate the legislation in the field of electronic communications with the EU acquis;
- activities dedicated to strengthening the independence and administrative capacity of the national regulator in the field of communications, in order to ensure its ability to take appropriate regulatory measures and enforce its own decisions and all applicable regulations and to guarantee fair competition in the markets;
- strengthening the sector by exchanging information and experience on the implementation of the Europe 2020 Initiative “The Digital Agenda for Europe”.

Agriculture and Rural Development

The Parties will cooperate in:

- facilitating the gradual adoption of marketing standards for agriculture products to support a higher food safety and the implementation of quality schemes;
- improving the competitiveness of agricultural production, by fostering economies of scale via market-oriented agriculture cooperatives, by developing advisory and extension systems to increase production and augment exports; and by easing access to viable credit and financial resources for agriculture;
- modernising institutions responsible for agriculture development, including through participation of all relevant sector stakeholders in this process;
- the progressive convergence towards effective agricultural and rural development policies, on the basis of proven EU models;

Fisheries and Maritime Policy

The Parties will cooperate in:

- reinforcing cooperation and work together towards sustainable fisheries in the Black Sea, both in bilateral and multilateral frameworks on the basis of an ecosystem approach to fisheries management;
- increasing scientific and technical co-operation with a view to ensure the capacity of monitoring fisheries and evaluating the state of the stocks of marine resources and of marine environment;
- fostering an integrated approach to maritime affairs, especially by contributing to the development of cross-sectorial initiatives which are mutually beneficial to different maritime sectors and/or sectorial policies; establishing an inter-institutional working group on (integrated) maritime affairs between the relevant ministries and services; identifying areas of common interest for future Black Sea cooperation in the context of the EU Integrated Maritime Policy.

Cooperation in Research, Technological Development and Innovation

The Parties will cooperate in:

- facilitating the integration of Georgia into the European Research Area (ERA);
- enhancing Georgian participation in the Horizon 2020 programme;

- reinforcing human, material and institutional resources in order to improve research and innovation capacities;
- reinforcing Georgian participation in Marie Skłodowska- Curie actions.

Consumer Policy

In view of the preparation for the implementation of the EU acquis and international instruments mentioned in relevant Annex to the envisaged Association Agreement, the Parties will cooperate in:

- strengthening consumer protection in Georgia, notably through training of government officials and other consumer interest representatives on the approximation with EU legislation and its subsequent implementation.

Employment, Social Policy and Equal Opportunities

The Parties will cooperate in order to:

- prepare for the implementation of the EU acquis in the area of health and safety at work, labour law and working conditions, and gender equality and anti-discrimination as mentioned in relevant annexes of the envisaged Association Agreement, and in particular:
 - establish an effective labour inspection system in line with ILO standards in order to ensure administrative and enforcement capacities in the area of health and safety at work, and labour law, and strengthen relevant judiciary bodies;
 - build capacity of social partners (eg training on EU health and safety legislation and standards and EU legislation and standards regarding labour law);
- develop a strategic approach to employment, aiming at more and better jobs with decent working conditions, better matching of skills and jobs in the labour market and promoting active labour market measures and efficient employment services;
- strengthen the capacities of the administration in charge of developing and implementing employment and social policies, notably employment services and social services. enhance the level of social protection, including through implementation of the universal health care including insurance programmes; and ensure the efficiency and financial sustainability of the social protection systems;
- encourage social dialogue through capacity-building of social partners.

Public Health

The Parties will initiate cooperation to:

- support Georgia prepare for the implementation of the EU health acquis, as mentioned in the relevant annexes of the envisaged Association Agreement, in particular concerning legislation in the areas of tobacco control, quality and safety of substances of human origin (blood tissues, organs, cells), and communicable diseases;
- exchange best practices in implementing the Framework Convention for Tobacco Control and the International Health Regulations;
- Strengthen preparedness, training and epidemiological surveillance of communicable diseases in particular HIV/AIDS, tuberculosis, sexually transmitted infections, and hepatitis C and B.

Cooperation in the Cultural Field

The Parties will:

- promote the implementation of the 2005 UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions;
- cooperate on the development of an inclusive cultural policy in Georgia and on the preservation and valorisation of cultural and natural heritage with a view to fostering socio-economic development;
- promote the participation of Georgian cultural actors in cultural cooperation programmes, including Creative Europe.

Cooperation in Audiovisual and Media Field

The Parties will cooperate to prepare for implementation of EU acquis mentioned in relevant annexes of the envisaged Association Agreement and support Georgia in:

- work towards reinforcement of independence and professionalism of the media in compliance with relevant European standards and approximation of the audiovisual legislation with the EU acquis as envisaged by the Association Agreement, inter alia by exchanging of views on audiovisual policy, relevant international standards including co-operation in the fight against racism and xenophobia;
- the exchange of best practices and regarding freedom of the media, media pluralism, decriminalisation of defamation, protection of journalist sources and cultural diversity aspects of media through regular dialogue;
- strengthening the capacity and independence of regulatory authorities/bodies for media.

Regional Development, and Regional Level Cooperation

The Parties will cooperate in the framework of regional development policies, in the view of Georgia's efforts to:

- prepare a regional development state strategic program for 2015-2017 (RDP) so as to implement an effective multi-level policy, including through inter-institutional coordination;
- prepare action plans for effective implementation of the region-specific development strategies, adopted in September, 2013;
- train central and local administrations on regional development policies to further implementation and monitoring of programmes in the regions;
- enhance the involvement of local stakeholders and consolidate the partnership between all the parties involved in regional development;
- promote the strengthening of regional and interregional economic and business networks in Georgia.