

Main Department of Civil Service of Ukraine  
Center for Adaptation of the Civil Service to the Standards of the European Union  
Center of Social Expertise of the Institute of Sociology, NAS of Ukraine

*Development of a Network of Policy Analysis Groups  
in the System of Central Executive Bodies in Ukraine*

**Harmonization of the National Aviation Safety System  
with European Standards within the Framework  
of the Common Aviation Area Agreement. Participation  
of Ukraine in the European Aviation Safety Agency**

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# Foreword

Development of the Ukrainian State and its movement towards the European community requires establishment of modern, professional civil service that would function in accordance with the requirements of democratic governance. Civil servants of Ukraine must be politically neutral and professional, armed with modern knowledge and skills in public administration.

Among the key functions of public officials in democratic countries is the development of policy recommendations and policy alternatives to solve the existing problems in specific sectors. Civil servants also hold consultations with stakeholders and carry out monitoring and evaluation of the policy efficiency and effectiveness.

Comparing with EU practice, the system of policy coordination and development in Ukraine is not sufficiently transparent and is too centralized. Requirements to analyze policy alternatives and hold consultations with stakeholders are not always fulfilled. The Ukrainian officials often lack practical skills to analyze policy problems and their causes, possible consequences and obstacles to implementation of various options for problem solution.

In order to strengthen the capacity of civil servants to analytical support of the strategic government decisions, the Main Department of Civil Service of Ukraine during 2005–2008 supported a number of initiatives dealing with activities of a network of the policy analysis groups in the central executive bodies in Ukraine. Around 130 civil servants of top and middle managerial levels from the Secretariat of the President of Ukraine, Secretariat of the Cabinet of Ministers of Ukraine, National Bank of Ukraine, ministries and other central executive bodies received training and acquired relevant public policy skills and knowledge needed for application of democratic procedures to the decision-making process.

Results of the policy analysis groups' activities include publication of green and white policy papers. This is an effective tool used in the EU member states and other developed countries to ensure efficiency, transparency, consistency and predictability of work of public authorities.

Requirements to the quality of public policy development and implementation become even more exacerbated in the context of preparation of the EU – Ukraine Association Agreement. Success of the relevant negotiation process largely depends on the capacity of the Ukrainian officials to formulate a coherent, effective and far-sighted strategy of mutual relationships.

Given the magnitude of the obligations of Ukraine in the framework of the future Association Agreement with the European Union, in 2008 the Main Department of Civil Service of Ukraine put forward an initiative, which was supported by the Government, to expand the network of policy analysis groups and to focus their work on the issues of implementation of Ukraine's commitments under the future Free Trade Agreement with the EU.

In December 2008 the initiative on “Development of a Network of Policy Analysis Groups in the Central Executive Bodies in Ukraine” was launched by the Center for Adaptation of the Civil Service to the Standards of the European Union. It was implemented by the Center of Social Expertise of the Institute of Sociology of the National Academy of Sciences of Ukraine. 10 cross-sectoral groups were created to deal with the sectoral issue of the EU–Ukraine Free Trade Agreement and 3 policy analysis groups—to deal with issues of the civil service reform. Each of the groups consisted of 7–10 top-level civil servants (II–IV categories).

**Policy analysis groups dealing with priority issues of the EU-Ukraine Free Trade Agreement:**

- Development of a strategy to overcome technical barriers to trade: standardization and compliance assessment.
- Development of a strategy in the field of financial services.
- Development of a strategy in the field of trade in services: the movement of capital.
- Development of a strategy in the field of public procurement.
- Development of a strategy in the field of sanitary and phytosanitary regulations.
- Development of a strategy in the field of protection of intellectual property.
- Development of a strategy in the transport sector.
- Development of a strategy in the environment sector.
- Development of a strategy in the energy sector.
- Development of a strategy in the field of taxation.

**Policy analysis groups dealing with priority issues of the civil service reform:**

- Reform of the classification system in connection with the civil service compensation system.
- Introduction of new approaches for the annual performance evaluation of civil servants’ activities.
- Reform of the system of professional development for civil servants.

In 2008–2009 the main task of policy analysis groups was the development of the sectoral strategies to meet the obligations imposed by the future Association Agreement with the EU. These strategies defined objectives and steps of implementation of the Agreement, as well as resources needed to implement a strategy (financial, human, and institutional). The draft strategies, discussed with all stakeholders, will enable to prepare for implementation of future Agreement and strengthen the position of the Ukrainian party at the currently running negotiations with the EU.

Public discussions of policy options for solving sectoral problems will promote better understanding and support by the stakeholders of the government policy and provide a feedback for the government.

This year, the policy analysis groups have had a number of innovations. First of all, it is their inter-ministerial structure: representatives of the Ministry of Justice, the Ministry of Economy and the Secretariat of the Cabinet of Ministers participated in almost all policy analysis groups. Secondly, the number of involved public officials and authorities significantly increased comparing to previous years—130 civil servants from 20 central executive bodies as well as from the Secretariat of the Cabinet of Ministers and the National Bank of Ukraine took part in policy analysis groups. In addition, analytical support to members of policy analysis groups was provided by both international and local sectoral experts from the International Center for Policy Studies (ICPS) and the Ukrainian-European Policy and Legal Advice Centre (UEPLAC).

During the year members of policy analysis groups participated in trainings and seminars guided by the EU and Ukrainian experts. They mastered the methodology of development of policy documents and decision-making procedures according to the European standards. The groups organized public consultations aimed at discussion of proposed drafts strategic documents with representatives of NGOs, business community and experts. Considerable number of received comments and suggestions greatly improved the quality of the policy documents.

The key to successful implementation of this initiative was a permanent monitoring and evaluation of the results of policy analysis group's work. According to the survey, most participants consider such trainings in policy analysis as very useful and effective because they provided opportunity to get equipped with skills in policy analysis, cost-benefit analysis and effective communication in the context of the requirements posed by the process of adaptation of the Ukrainian legislation and norms to the EU norms and standards, taking into account national interests of Ukraine.

Moreover, activities of policy analysis groups generate a multiplication effect; they become a basis for the new quality civil service and new administrative capacity of the central executive bodies. Despite the fact that only about ten civil servants are official participants of the policy analysis group, the practice shows that the number of public officials involved into the process of development of strategic policy documents is actually bigger.

In 2008, the School of Senior Civil Service was established, the task of which is to create institutional conditions for developing leadership in the civil service and public administration reform. Given the fact that policy analysis groups have proved their effectiveness as a progressive form of the civil servants' on-the-job training, the follow-up initiatives relating to policy analysis groups are planned to be carried out on the basis of the School of Senior Civil Service. This will contribute to further development of both policy analysis groups' network and strengthening of the in-service training system of the civil servants.

# Introduction

This policy document was developed by the experts of the Ministry of Transport and Communications of Ukraine and the State Aviation Administration of Ukraine with the aim of evaluating the impact of the Common Aviation Area Agreement between Ukraine and the European Union.

## 1. Problem Identification

The negotiation process in terms of a new basic Free Trade Association Agreement between Ukraine and the EU, including a bilateral Agreement on a Free Trade Zone, has been in progress since February, 2007. In parallel, in December 2007 Ukraine and the EU opened the negotiations on the Common Aviation Area Agreement.

Signature of the large-scale Common Aviation Area Agreement between Ukraine and the EU provides for consolidation of Ukraine's air transport markets Ukraine and the EU, which will allow for more effective use of air transport and efficient air services, development of Ukraine's transit capacities, integration of Ukraine into the European aviation structures and Ukraine's more attractive image as a European aviation country. This, in its turn, will result in significant increase of air transport traffic between Ukraine and the EU Member States. Currently, the number of passengers taking regular flights by Ukrainian and international airlines throughout Ukraine and the EU Member States came up to 50% of overall international regular passenger traffic through airports of Ukraine.

At the same time, there are certain problems with regard to the signature of the above Agreement. One of them deals with Ukraine's aircraft fleet, the bulk of which is represented by aircrafts made in Ukraine or even in ex-USSR, which do not meet the EU standards. Another problem concerns Ukrainian aircraft industry focusing on Russian market and strong traditional cooperation with enterprises of the Russian Federation.

## 2. Policy Objectives, Directions and Alternatives

The aviation of Ukraine shall define its prospective aviation strategies.

At present the following cooperative activities could be considered:

- with the EU;

- with CIS countries and the Russian Federation;
- with the USA;
- with Asian and Arab countries.

However, entering the mentioned markets requires Ukraine's integration into the certain technical regulation system: the European Aviation Safety Agency (EASA), the Interstate Aviation Committee (IAC) or the Federal Aviation Administration (FAA).

### **Aviation market of the EU covers all EU Member States.**

#### **Positive aspects for Ukraine:**

- improved political situation;
- entry to the EU market, including countries meeting the EU standards;
- increase of passenger traffic;
- increase of cargo traffic.

#### **Negative aspects for Ukraine:**

- language barrier (learning English is an essential requirement for cooperative activities; there is a need for experts with fluent English skills in aviation area);
- system reorganization (implementation of all EU and EASA standards and regulations);
- increase of aircraft certification costs for aircrafts designed in Ukraine.

### **CIS and the Russian Federation Aviation Market.**

#### **Positive aspects for Ukraine:**

- language skills (as the main component of quick information transfer);
- close location (time and money saving in the context of any problem-solving);
- historical ties;
- common mentality.

#### **Negative aspects for Ukraine:**

- political differences;
- difficulties in entering the EU and USA markets;
- obsolete aviation technical regulatory system.



## **USA Aviation market.**

### **Positive aspects for Ukraine:**

- entering the USA market, including countries meeting the USA standards;
- increase of passenger traffic;
- increase of cargo traffic.

### **Negative aspects for Ukraine:**

- language barrier (learning English is an essential requirement for cooperative activities; as there is a need for experts with fluent English skills in aviation area);
- distance location of countries which hinders coordinated actions within the integrated system;
- system reorganization (implementation of all FAA standards and regulations);
- increase of aircraft certification costs for aircrafts designed in Ukraine.

## **Aviation market of Asian and Arab countries.**

### **Negative aspects for Ukraine:**

- english language;
- insignificant market segment;
- lack of concise regulatory and legal framework.

Financial, economic and social factors should be taken into account while evaluating the process of aviation standards and regulations harmonization with the EU (EASA) standards and regulations.

Stakeholders	Financial Factors		Economic Factors		Social Factors	
	-	+	-	+	-	+
National Aviation Management	Costs for experts' training; Costs for studying English; Costs for Ukrainian translation of the EU documents; Costs for studying management structure, procedures and processes.					Improvement of safety standards
Aircraft industry (air carriers, technical maintenance companies, educational institutions, factories, manufacturers, aviation services providers)	Costs for experts' training; Costs for studying English; Costs for Ukrainian translation of the EU documents; Costs for studying management structure, procedures and processes.			Recognition of certificates by the EU countries; Demands markets development; Improved performance of air carriers, technical maintenance companies, educational institutions, created new jobs.	Possible joblessness	Improvement of safety standards

### 3. Impact Evaluation of Signing the Common Aviation Area Agreement with Regard to Stakeholders

Stakeholders	Positive outcomes	Negative outcomes
Political / economic	<p>Closer cooperation with the EU in a certain economic sector, provided Ukraine will meet the Common Aviation Area criteria and will be entitled to rights and duties of the EU Member State in the area of civil aviation.</p> <p>Stimulation of the air traffic demand.</p> <p>Investment climate improvement.</p> <p>Development of Ukraine as a transit country.</p>	<p>Agreement on a Free Trade Zone with the EU contains specific restrictions.</p>

<b>International and legal framework</b>	<p>Development of the agreement framework with the EU, assignment the market economy status to Ukraine, closer trade partnerships in the area of air transport services. Further development of the air transport agreements system (Common Aviation Area Agreement).</p> <p>Grounds for further development of relationships with the European institutions (the European Commission, EASA).</p>	<p>Provisions of the Agreement with the EU could not be limited to services included in the Annex to the General Agreement on Trade in Services (GATS) on Air Transport Services.</p>
<b>Citizens/ consumers</b>	<p>Diversification of services and their quality.</p> <p>Development of international air routes of regional destinations.</p> <p>Reduction of air service tariffs.</p> <p>Enhancement of consumer protection in accordance with the international standards.</p>	<p>Impossibility to meet the individual air transportation demand in the context of visa regime for the citizens of Ukraine.</p>
<b>Government/Regulatory authorities</b>	<p>Increase of fiscal revenues due to growing air traffic volume and flow.</p> <p>Positive changes within the complex regulatory and control system, including aviation safety.</p> <p>Possible use of the EU resources for resolving internal issues within the framework of relevant assistance mechanisms, including the EU budgetary aid of 2009 in the transport area.</p>	<p>Possible decrease of fiscal revenues from air carriers due to increased competition, possible market exclusion of noncompetitive national air carriers of all forms of ownership.</p> <p>Imbalance of liberalized Ukraine-EU market compared to other air services markets, unbalanced development of transit capacities of Ukraine.</p> <p>Partial subordination in administrative decision-making in case of establishing Ukraine - the EU Joint Committee under the Common Aviation Area Agreement, which will approve resolutions in accordance with the Common Aviation Area standards and regulations, and in case of partial transfer of regulatory functions with regard to aviation technical standards and requirements development to supranational bodies (for example, the EASA), in which only associated membership is eligible.</p> <p>Financial liabilities towards the supranational body – the EASA (in case of full membership in all EASA activities defined by Regulation (EC) <sup>1</sup> 216/2008).</p>

<b>Ukrainian Air Carriers</b>	<p>Responsibility motivation of air carriers for regular flights performance.</p> <p>Improved aviation safety.</p> <p>Implementation of advanced management techniques.</p>	<p>Impossibility to meet individual air transportation demand in the context of visa regime for the citizens of Ukraine.</p> <p>Increase of positional and price competition in all market segments (regular flights, charter flights, passenger and freight traffic).</p> <p>Leading European air carriers expansion and new international air carriers on the Ukrainian market, and, therefore, inability to compete in tariffs (foreign companies have advantages related to lower fuel prices and greater capacities for handling aircraft fleet).</p> <p>Unequal conditions for purchasing aircrafts (European air carriers are exempted from VAT).</p> <p>Rapid risk-growing with regard to continuous fuel price increase.</p> <p>Possible decrease in revenues in view of joining the European Union Emission Trading System (EU ETS), which will decrease the tax base.</p> <p>Possible EU operating restrictions for certain types of aircrafts which lack certificates of the EASA type (at present all aircrafts designed by Antonov Aeronautical Scientific/Technical Complex (Antonov ASTC) are subject to the restrictions).</p> <p>Heavy increase in number of air carriers which should pay compensations to passengers within the framework of responsibilities to consumers for quality service.</p> <p>Possible additional costs for compensations to be paid to passengers in case of flight delays or cancellations.</p> <p>Discrimination of the Ukrainian air carriers on domestic flight routes as they are obliged to pay VAT. Foreign air carriers are exempted from VAT as non-residents of Ukraine.</p>
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<b>Airports</b>	<p>Modernization and expansion of airport capacity: according to the projected calculation passengers flow through airports of Ukraine in 2010 will come up to 15 million people. In case of signature of the Common Aviation Area Agreement between Ukraine and the EU the passengers' flow is expected to amount to 20 million people. This will enable national airports in 2010 to earn additional revenues of 600–620 million UAH and additional profits of up to 75 million UAH. At the same time the additional amount of all federal taxes paid will grow up for approximately 35–40 million UAH.</p> <p>Implementation of changes in airport accounting system and clearing accounts subject to further diversification of airport operations.</p>	<p>Lack of time and funds for prompt modernization of terminals and aircraft fleet.</p> <p>Monopolization in ground servicing and fuel supply.</p>
<b>Providers of air navigation services</b>	<p>Increase in air traffic in the air space of Ukraine.</p> <p>Simplified procedures for air-navigation equipment supply.</p> <p>Procedures for air navigation equipment supply and flight data transfer harmonized with the EU standards.</p> <p>Closer cooperation with Air Traffic Services Units (ATSU) of the countries bordering with Ukraine.</p>	<p>Possible decrease of a company's taxable profits (at present the "Ukraerorukh" Air Traffic Services Unit public enterprise is considered to be a reliable profit taxpayer).</p>
<b>Air craft industry</b>	<p>Simplified entrance to the EU and Asian markets in the segment of freight aircrafts (provided the position of the national aircraft industry on the EASA certification is changed).</p>	<p>Overall stronger competition on the international market.</p> <p>Increase of costs for certification of aircrafts of "Antonov" type.</p>

## **The European Aviation Safety Agency (EASA) (General Information).**

The European Aviation Safety Agency (EASA) is in operation in accordance with Regulation (EC) No 216/2008 of the European Parliament and of the Council of the European Union of February 20, 2008 on common rules in the field of civil aviation and establishing the European Aviation Safety Agency, and repealing Council Directive 91/670/EEC, Regulation (EC) No 1592 and Directive 2004/36/EC.

# **4. Main Stages and Institutions Responsible for Cooperation with the EASA (Full and Associated Membership)**

Formalization of the relationship with the EASA is possible, firstly, in the context of negotiations with the EU on the Common Aviation Area Agreement between Ukraine and the EU; and, secondly, due to transfer of the Joint Aviation Authorities (JAA) functions to the EASA.

Because of the scheduled closing-down of the JAA system on June 30, 2009, all Member-States of the European Civil Aviation Conference (ECAC), including Ukraine, the aviation authorities of which cooperated with the JAA within the framework of the Arrangements Concerning the Development, the Acceptance and the Implementation of Joint Aviation Requirements (JAR) (Cyprus Arrangements), including the State Aviation Administration of the Ministry of Transport and Communications of Ukraine, have the possibility for ongoing cooperation with the EASA provided they conclude Working Arrangements with the EASA instead of the Cyprus Arrangements.

Conclusion of the Working Arrangements between the State Aviation Administration of the Ministry of Transport and Communications of Ukraine and the EASA will be of help for overcoming current uncertainty with regard to further regulatory maintenance and implementation of changes in the European aviation technical standards and requirements ((JAR/Part), as a result of the JAA closing-down.

The Working Arrangements could be regarded as interim working arrangements, since in case of the signature of the Common Aviation Area Agreement with the EU the subject matter of the Arrangements will be significantly different in the context of comprehensive working procedures related to cooperation between the State Aviation Administration of Ukraine and the EASA.

Article 66 of Regulation (EC) No 216/2008 stipulates that the Agency shall be opened for participation of European third countries which are contracting parties to the Convention on International Civil Aviation (signed in Chicago in 1944, Chicago

Convention) and which have entered into agreements with the European Community whereby they adopted and apply the EU legislation in the field covered by the Regulation and its implementing rules.

In line with the relevant provisions of the given agreements, arrangements are to be developed which shall, *inter alia*, specify the nature and extent of, and the detailed rules for, the participation by these countries in the work of the EASA, including provisions on financial contributions and staff.

The participation of the third countries could be associated (not eligible to vote during decision-taking procedures). The associated participation is divided into full and partial association.

**Full association in the EASA** envisages the third country agrees to delegate its functions and tasks on design, production of aeronautical products to the Agency according to the Chicago Convention together with issuing aircraft type-certificates (associated changes), certificates for parts and appliances, restricted certificates of airworthiness, environmental certification, certificates of design organizations, production organisations located on the territory of the EU Member States, production and maintenance organisations located in the third countries.

Furthermore, the third country should pass standardization inspection with regard to the implementation of the EU aviation safety standards and requirements. Based on the results of the inspection the country is granted with the right for mutual recognition of issued technical certificates.

**Partial association** envisages cooperation in the regulatory area (implementation of the EU aviation safety requirements, information exchanges, participation in drafting proposals related to development of, and amendments to the requirements, cooperation in staff training/retraining, participation as an observer in the EASA operation and management bodies, etc).

The EASA priorities are compatible and meet the priorities of Ukraine – the EU cooperation in the context of the current negotiations on the Common Aviation Area Agreement between Ukraine and the EU. They meet the primary needs of the State Aviation Administration pertaining to effective implementation of the European aviation technical standards and requirements in the national regulatory and legal framework within the “Harmonization of Legislation and Standards of Ukraine with the EU Legislation and Standards in Civil Aviation” present technical assistance EU TWINNING project.

The key prospects for Ukraine – EASA cooperation include strengthening of regulatory cooperation with the EU in aviation matters within the EASA competence.

**In short - term period** the cooperation is likely to be initiated, with the emphasis on implementation of the EU legislation in terms of aviation safety in Ukraine and Ukrainian experts’ involvement in development and improvement of European aviation technical standards and requirements.

**In the middle - term period** it is quite possible to meet the “mutual recognition” criteria; introduce positive changes in the complex aviation regulatory and control system, including aviation safety; use the EU (EASA) resources for resolving internal issues within the framework of relevant assistance tools, including the EU budget aid; develop related regulatory scope aimed at cooperation of Ukraine’s and the EU commercial corporations with regard to design, production, maintenance and operation of aircrafts, parts and appliances; ensure appropriate civil aviation safety in Ukraine.

The State Aviation Administration of the Ministry of Transport and Communications of Ukraine (Derzhaviaadministratsia) is the body in charge of, and the focal point for cooperation with the European Aviation Safety Agency.

At the present moment the legislative framework of civil aviation of Ukraine covers about a thousand of obsolete normative and legal acts of ex – USSR Ministry of Civil Aviation, and, thus, their replacement by the relevant national normative and legal acts harmonized with the EU aviation legislation one of the key objectives.

Currently, with a view of resolving problematic legislative issues, the State Aviation Administration has developed the Action Plan for implementation of the National Program on aligning Ukrainian legislation with the EU legislation.

The above-noted Action Plan covers the *acquis communautaire* and its sources regulating legal relationships in the relevant area, as well as defines measures to be implemented by the relevant administrative bodies in charge.

### **Financial and Economic Impact.**

At the present moment it is impossible to calculate even approximate costs or revenues resulting from the signature of such an agreement, in view of the fact that some of air carriers may go out of business without spending their resources on system harmonization and staff training so that to meet the European standards. Yet, the revenues of air carriers and aircraft producers will depend on competitiveness of their machinery, and as for air carriers – on quality of services and ticket prices.

**Note:** While considering financial and economic impacts it is utterly important to realize that high level of aviation safety and passengers’ rights protection is one of the major effects.



# Information about the Activities of Policy Analysis Groups

The project “Development of a network of policy analysis groups in the system of central executive bodies in Ukraine” is aimed at:

- promoting the development of democratic governance in Ukraine;
- promoting the strengthening of institutional capacity of central bodies of executive power for policy making;
- improving the coordination of public policy development;
- strengthening the strategic character and analytical support of decisions and enhancing the quality of overall government planning; and
- enhancing civil servants’ professionalism in developing policy proposals.

The legal basis for policy analysis groups functioning includes:

1. Order of the Cabinet of Ministers of Ukraine on “Activities of Policy Analysis Groups”, dated December 30, 2008 <sup>1</sup> 43542/99/1-08.
2. Regulation of the Cabinet of Ministers of Ukraine “On approval of the year 2008 “EU – Ukraine Action Plan“, dated August 6, 2008 <sup>1</sup> 1072-p.
3. Memorandum of Understanding between the Government of Ukraine and the Government of Canada concerning Ukrainian Civil Service Human Resources Management Reform Project, signed on May 26, 2008.
4. Regulation of the Cabinet of Ministers of Ukraine “On Ensuring Functioning of the Policy Analysis Groups in Central Executive Bodies and the Secretariat of the Cabinet of Ministers of Ukraine”, dated February 7, 2007 <sup>1</sup> 32-p.
5. “Civil Service Development Program for 2005–2010”, approved by the Cabinet of Ministers of Ukraine on June 8, 2004 <sup>1</sup> 746, with changes approved by the Cabinet of Ministers of Ukraine on September 3, 2008 <sup>1</sup> 776.

The objectives of the project are the following:

- holding a series of practical target-oriented trainings and ensuring exchange of experience between the groups in respect to policy analysis, including methodology and practice of the comprehensive study of a situation and identification of a problem, assessment of its causes and implications, selection of alternative approaches to problem solution based on cost-benefit analysis and consideration of different stakeholders’ opinions;

- drafting policy documents relating to fulfillment of obligations imposed by the future EU – Ukraine Association Agreement with clear definition of tasks and steps for implementation of this Agreement;
- organizing public consultations aimed at discussion of proposed policy documents.

Policy documents developed by policy analysis groups in 2009:

- A policy on overcoming technical trade barriers: standardization and conformity assessment;
- Improvement of risk management in financial services sphere in Ukraine;
- Consultations on improving the investment climate of the agricultural sector of the Ukrainian economy;
- Dissemination of information on public procurement: adaptation of the Ukrainian legislation to the *acquis communautaire*;
- Strategy for the improvement of state sanitary and phytosanitary control and surveillance at state border crossing;
- Determination of optimal ways to reduce the level of piracy in Ukraine with respect to copyright and related rights in the course of circulation of copyright objects on tangible mediums;
- Harmonization of the national aviation safety system with European standards within the framework of the common aviation area Agreement. Participation of Ukraine in the European Aviation Safety Agency;
- Development of water resources management policy under the “Environment” Section of the EU Association Agreement;
- Priority efforts for the integration of unified power system of Ukraine into unified power systems of the European Union;
- Harmonization of Ukrainian legislation on the application of excise duty on alcohol and tobacco products in the context of the future Agreement on Association with the European Union.

# Previous Initiatives on Policy Analysis

This project is a logical follow-up of the previous policy analysis initiatives carried out by the Main Department of Civil Service of Ukraine and international donors:

- “Public Policy Capacity Building” (1999–2003);
- “Establishing Policy Analysis Groups and an Information Resource Centre in the Government of Ukraine” (2000–2001);
- “The Activity of Policy Analysis Groups (PAGs) in Government Bodies in Ukraine” (2005–2006);
- “Strengthening the Institutional Capacity of Central Executive Power Bodies for Policy Making in the Context of the Concept Development of a Training and Consultative Center for the Highest Corps of Civil Servants” (2007–2008).

Firstly, such initiatives were funded by foreign donors, in particular, by the Canadian International Development Agency (CIDA) and the Swedish International Development Agency (SIDA).

Within the framework of the first project “Public Policy Capacity Building” (1999–2003) students of the National Academy of Public Administration under the President of Ukraine (NAPA) were engaged in the policy analysis training. The training included the internship in Canada and drafting of policy papers. Based upon project results, a course on policy analysis was included into the Academy’s curriculum, with practical assignments in drafting policy papers on selected topics.

The next project “Establishing Policy Analysis Groups and an Information Resource Centre in the Government of Ukraine” (2000–2001) was implemented as a joint initiative of the Cabinet of Ministers of Ukraine, International Center for Policy Studies (ICPS), Open Society Institute (OSI) and International Renaissance Foundation (IRF) with financial support from IRF under the tripartite agreement on cooperation between the Secretariat of the Cabinet of Ministers of Ukraine, ICPS and the IRF. The participants of this project were 49 governmental officials of higher and middle rank from the Ministry of Economy, Ministry of Finance and the Secretariat of the Cabinet of Ministers.

The outcome of these projects was inclusion into Regulations of the Cabinet of Ministers of Ukraine of a section that set requirements to policy documents (“policy decisions”), in particular, with regard to analysis of alternative solutions.

Upon the initiative of the Main Department of Civil Service of Ukraine, the efforts towards creation of policy analysis groups in central bodies of executive power continued in 2005. The projects were implemented by the Center for Adaptation of the Civil Service to the Standards of the European Union (the former name – Center

for Civil Service Institutional Development under the Main Department of the Civil Service of Ukraine), and were financed from the State Budget. List of policy documents developed by policy analysis groups during 2005–2008, is presented in Table 1.

In 2005–2006 the International Centre for Policy Studies implemented a project “The Activity of Policy Analysis Groups in Government Bodies in Ukraine”. The Department for International Development of the United Kingdom (DFID) and the Delegation of the European Commission to Ukraine provided assistance in engaging foreign consultants and trainers. The project results demonstrated the need to modify the training programs, to create policy analysis groups in other governmental bodies and to develop the network of policy analysis groups as a permanent forum for the articulation of new policy priorities and discussion of trends and prospects of social development.

The project “Strengthening the Institutional Capacity of Central Executive Power Bodies for Policy Making in the Context of the Concept Development of a Training and Consultative Center for the High Corps of Civil Servants”, which was implemented during 2007–2008, showed the importance of enhancing professional capacity of top civil servants in policy analysis and democratic decisions-making process. The need to acquire more knowledge and skills is emphasized in the context of participation of the government bodies in the Twinning projects.

**Table 1. Analytical documents prepared by the policy analysis groups in 2005–2008**

<sup>1</sup>	<b>Central executive body</b>	<b>Period of activity of PA groups</b>	<b>Subject of study</b>
1.	Secretariat of the President of Ukraine	2005–2006	Strategy of democratic development of Ukraine and institutionalization of public policy tools in work of central bodies of executive government
2.	Secretariat of the Cabinet of Ministers of Ukraine	2005–2006	Democratization of decision-making process and compliance with the European requirements on applying democratic procedures in the decision-making process
3.	National Bank of Ukraine	2007–2008	Building the National Bank of Ukraine on the basis of independent, open and transparent activity
4.	Ministry of Economy of Ukraine	2005–2006	Policy and procedures for the preparation of state budget as the strategy for economic development of the country
5.	Ministry of Finance of Ukraine	2005–2006	State fiscal and taxation policy

6.	Ministry of Transport and Communication of Ukraine	2005–2006	State policy of Ukraine on integration of Ukraine to trans-European transport networks
7.	Ministry of Fuel and Energy of Ukraine	2007–2008	Creation of minimum supplies of oil and oil products
8.	Anti-Monopoly Committee of Ukraine	2005–2006	Policy in respect to liberalization of the domestic market and raise of competition at this market
9.	State Tax Administration	2007–2008	Improvements in tax information exchange
10.	State Committee of Ukraine on Technical Regulation and Consumer Policy	2005–2006	Policy of adaptation of the national legislation to norms and standards to requirements of the European Union
11.	State Nuclear Regulatory Committee of Ukraine	2007–2008	Increasing safety for resources of ionizing radiation in Ukraine
12.	State Agency of Ukraine for Investments and Innovations	2005–2006	Attracting foreign investments to Ukraine: problems and solutions
13.	State Commission on Securities and Stock Market	2007–2008	Increasing the level of corporate governance in joint-stock companies and ensuring of investors' rights
14.	National Electricity Regulatory Commission of Ukraine	2005–2006	Policy on regulation of the domestic electricity market
15.	National Space Agency of Ukraine	2005–2006	Policy on institutional development of the national space industry under market conditions
16.	Administration of State Border Service of Ukraine	2007–2008	Improvement of the system of border crossing in Ukraine for persons and transport vehicles
17.	State Department for the Execution of Punishment of Ukraine	2007–2008	Identification of the most optimal ways for minimizing the number of detainees in custody, and observance of norms for detention procedures in Ukraine

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**Harmonization of the National Aviation Safety System with European  
Standards within the Framework of the Common Aviation Area  
Agreement. Participation of Ukraine in the European Aviation  
Safety Agency**

developed within the framework of the "Development of a Network of Policy Analysis  
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