

Draft European Council conclusions on Ukraine

1. Recalling the Statements of the Heads of State and Government on Ukraine of 6 March and 27 May and its conclusions of 21 March and 27 June, the European Council stresses once again its support for a peaceful settlement of the crisis in Ukraine, notably the urgent need to agree on a genuine and sustainable cease-fire to create the necessary conditions for the implementation of President Poroshenko's peace plan by all parties. The European Council supports the diplomatic efforts by Ukraine, Russian Federation, France and Germany, as well as the joint Berlin Declaration of 2 July.
2. The European Council condemns the continuation of illegal activities by armed militants in Eastern Ukraine, including the occupation of public buildings, hostage taking and armed attacks against Ukrainian law enforcers and border guards. The European Council notes that the engagement of the Russian Federation has not led to illegal armed groups laying down weapons nor to the cessation of the flow of weapons and militants across the border. In this context, the European Council recalls the decision of 11 July to expand to 11 new individuals the travel ban and assets freeze within the EU for actions undermining Ukraine's territorial integrity, sovereignty and independence.
3. The European Council regrets that the four steps it set out in its 27 June conclusions have not been fully met. As a result, the European Council tasks the Council to proceed with the expansion of restrictive measures, with a view to targeting entities that are supporting materially or financially actions undermining or threatening Ukraine's sovereignty, territorial integrity and independence. The European Council requests the EIB to suspend the financing of new public sector projects in the Russian Federation. Moreover, European Union Member States will coordinate their positions within the EBRD with a view to also suspend EBRD financing of new projects in the Russian Federation. Finally, the European Council invites the Commission to re-assess bilateral EU-Russia cooperation activities with a view to suspending the implementation of EU bilateral and regional cooperation programmes. However, projects dealing exclusively with civil society will be excluded.

The European Council recalls that the European Commission, the EEAS and the Member States have been undertaking preparatory work on targeted measures, as it requested in March, so that further steps can be taken without delay.

In line with the policy of non-recognition of the illegal annexation of Crimea and Sevastopol the European Council requests the Commission and the EEAS to present proposals for additional measures in particular on restricting investments. The European Council also expects the

international financial institutions to refrain from financing any projects that explicitly or implicitly recognise the illegal annexation of Crimea and Sevastopol.

4. The European Council commends efforts undertaken by the OSCE and its Chairmanship in Office particularly in facilitating meetings of the Contact Group in Ukraine, as well as its readiness to establish a border monitoring mission, to which the European Union and its Member States stand ready to consider a substantial contribution.
 5. The European Council stresses the European Union's commitment to pursue trilateral talks on the conditions of gas supply from the Russian Federation to Ukraine, commending efforts of the Commission in that regard. Finding a swift agreement is important for the stabilisation of Ukraine's economy and for safeguarding the security of supply and transit of natural gas through Ukraine.
 6. The European Council, while welcoming once again the signature on 27 June of the Association Agreement with Ukraine and stressing the importance of ratification by Ukraine in view of its early provisional application, welcomes the holding of trilateral consultations at ministerial level between Ukraine, the Russian Federation and the European Union on 11 July on the implementation of the Association Agreement and the setting up of a consultation mechanism to address potential difficulties resulting from the implementation of the DCFTA on the implementation of the CIS FTA.
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