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REPORT

on the implementation of the EU Association Agreement with Georgia
(2017/2282(INI))

Committee on Foreign Affairs

Rapporteur: Andrejs Mamikins

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EXPLANATORY STATEMENT - SUMMARY OF FACTS AND FINDINGS

Four years after the signing by the EU of three Association Agreements (AA) including a Deep and Comprehensive Free Trade Area (DCFTA) with Georgia, Moldova and Ukraine and two years after their full entry into force, the European Parliament has decided to evaluate the level of implementation of these agreements, in line with its strong commitment to its closest Eastern partners and to their deepening relations with the EU.

In preparation for this report, on top of its regular and frequent meetings with Georgian authorities, opposition leaders and civil society representatives as well as with European Commission and EEAS representatives, the Foreign Affairs Committee commissioned three expert studies published over the last 6 months - on electoral reform, on the level of implementation of the AA and on the institutional framework for this implementation.

The findings of this report provide a positive image of the implementation of the Association Agreement with Georgia. Whilst calling on the Georgian authorities to address some remaining concerns in line with AA - notably as regards labour standards, environmental protection and discrimination against vulnerable groups and women - the report also welcomes the legislative and institutional steps taken in order to address those topics.

Finally, the report addresses the institutional framework in place to implement the AA, both from the Georgian and the EU side, with a focus on capacity in terms of human resources and expertise, to ensure full implementation of relevant legislation and the monitoring thereof. The EP reiterates its commitment to assist the Georgian authorities and notably its Parliament in the reform process.

MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on the implementation of the EU Association Agreement with Georgia (2017/2282(INI))

The European Parliament,

- having regard to Article 8 and to Title V, notably Articles 21, 22, 36 and 37, of the Treaty on European Union (TEU), as well as to Part Five of the Treaty on the Functioning of the European Union (TFEU),
- having regard to the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part, which fully entered into force on 1 July 2016,
- having regard to its previous resolutions of 18 December 2014 containing the draft Council decision on the conclusion, on behalf of the European Union, of the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part¹, and of 21 January 2016 on Association Agreements / Deep and Comprehensive Free Trade Areas with Georgia, Moldova and Ukraine², to its recommendation of 15 November 2017 on the Eastern Partnership³, to its legislative resolution of 14 March 2018 on the proposal for a decision of the European Parliament and of the Council providing further macro-financial assistance to Georgia⁴, and to its resolution of 14 June 2018 on Georgian occupied territories 10 years after the Russian invasion⁵,
- having regard to the annual National Action Plans for the Implementation of the Association Agreement between the European Union and Georgia,
- having regard to the European Commission and European External Action Service (EEAS) joint staff working document of 9 November 2017 on the Association Implementation Report on Georgia (SWD(2017)0371),
- having regard to the joint declarations of the Eastern Partnership Summits, most recently that of 24 November 2017 in Brussels,
- having regard to the cooperation framework ‘20 deliverables for 2020’ established during the Riga summit in 2015 and promoting stronger economy, stronger governance, stronger connectivity and stronger society,
- having regard to the Single Support Framework for EU support to Georgia (2017-2020),
- having regard to the outcome of the fourth Association Council meeting between the EU and Georgia on 5 February 2018,

¹ OJ C 294, 12.8.2016, p. 31.

² OJ C 11, 12.1.2018, p. 82.

³ OJ C 356, 4.10.2018, p. 130.

⁴ Texts adopted, P8_TA(2018)0073.

⁵ Texts adopted, P8_TA(2018)0266.

- having regard to the results of the Euronest assembly meetings, most recently those of 25-27 June 2018, resulting in seven resolutions and calling on the EU to increase its mediation efforts in the frozen conflicts,
 - having regard to the final statement and recommendations of the sixth meeting of the EU-Georgia Parliamentary Association Committee held on 26 April 2018,
 - having regard to the joint declaration of the third meeting of the EU-Georgia Civil Society Platform on 22 March 2018,
 - having regard to the Commission’s first report under the Visa Suspension Mechanism, published on 20 December 2017 (COM(2017)0815),
 - having regard to Venice Commission’s final opinion of 19 March 2018 on Georgia’s constitutional reform (CDL-AD(2018)005),
 - having regard to the joint staff working document of 21 September 2015 entitled ‘Gender Equality and Women’s Empowerment: Transforming the Lives of Girls and Women through EU External Relations 2016-2020’ (SWD(2015)0182),
 - having regard to the report of 2 July 2015 by Transparency International entitled ‘The State of Corruption: Armenia, Azerbaijan, Georgia, Moldova and Ukraine’,
 - having regard to the expert studies drawn up for the Committee on Foreign Affairs, including the study on ‘The electoral reforms in three association countries of the Eastern Neighbourhood – Ukraine, Georgia and Moldova and their impact on political developments in these countries’, published on 26 October 2017¹, the study entitled ‘Association agreements between the EU and Moldova, Georgia and Ukraine’ published on 28 June 2018² and the comparative study on ‘The development of an institutional framework for the implementation of the Association Agreements in Georgia, Moldova and Ukraine: a comparative perspective’ published in September 2018³,
 - having regard to Rule 52 of its Rules of Procedure, as well as Article 1(1)(e) of, and Annex 3 to, the decision of the Conference of Presidents of 12 December 2002 on the procedure for granting authorisation to draw up own-initiative reports,
 - having regard to the report of the Committee on Foreign Affairs and the opinion of the Committee on International Trade (A8-0320/2018),
- A. whereas EU-Georgia relations are being continuously deepened by virtue of new major achievements in line with the EU-Georgia Association Agreement (AA), Deep and Comprehensive Free Trade Area (DCFTA) and Association Agenda, including the entry into force of the visa-free regime and Georgia’s accession to the Energy Community;

¹[‘The electoral reforms in three association countries of the Eastern Neighbourhood – Ukraine, Georgia and Moldova’](#), European Parliament, 26 October 2017.

²[‘Association agreements between the EU and Moldova, Georgia and Ukraine’](#), European Parliament, 28 June 2018.

³[‘The Development of an Institutional Framework for the Implementation of the Association Agreements in Georgia, Moldova and Ukraine: a comparative perspective’](#), European Parliament, September 2018.

- B. whereas full respect for core values, including democracy, the rule of law, good governance, human rights and fundamental freedoms, including the rights of minorities, represents a cornerstone for further European integration;
 - C. whereas the humanitarian situation in and isolation of the breakaway regions of South Ossetia and Abkhazia continue to represent one of the key challenges for Georgia;
 - D. whereas Transparency International's 2017 corruption perception index shows that good results are being maintained in the fight against corruption;
 - E. whereas the new National Strategy on Combating Organised Crime of 2017-2020 and its Action Plan adopted in 2017 focus on combating 'thieves in law', on the transit of narcotic drugs and cybercrime, and on introducing analysis-based and community policing;
 - F. whereas the Istanbul Convention, mandated to prevent and combat violence against women and domestic violence, entered into force on 1 September 2017 and an Inter-Agency Commission on Gender Equality, Violence against Women and Domestic Violence was established;
 - G. whereas the Reporters Without Borders World Press Freedom Index shows a slight improvement, with Georgia moving up from 64th place in 2017 to 61st place in 2018;
1. Warmly welcomes the sustained reform track and progress made in implementing the AA and the DCFTA, which has positioned Georgia as a key partner of the EU in the region; calls on the Georgian authorities to continue ensuring stability, further democratic reforms and economic and social improvements for Georgians, who are affected by poverty, unemployment and a high level of economic emigration, as a key factor in winning hearts and minds on the path towards Georgia's sovereignty and territorial integrity within its internationally recognised borders, and towards reinforcing cooperation between the EU and Georgia;
 2. Notes with satisfaction that Georgia's European agenda continues to garner cross-party consensus and the support of a majority of Georgian citizens; points out that pursuant to Article 49 of the TEU and in line with the Rome Declaration of 25 March 2017, any European state may apply to become a member of the EU, provided that it upholds the Copenhagen criteria; recalls, in the meantime, the proposal of an 'Eastern Partnership Plus' (EaP+) policy advocated by Parliament in order to unlock additional perspectives; welcomes the initiative by the Georgian Government to draft an EU Integration Road Map aimed at strengthening ongoing relations between the EU and Georgia; welcomes Georgia's active engagement in the activities of the Eastern Partnership multilateral platforms;
 3. Commends the Georgian authorities for their recurrent information campaigns on the benefits and economic opportunities stemming from the AA and the DCFTA and for the assistance they have provided in the management of necessary adaptations;

Institutional framework in place to implement the Association Agreement

4. Notes that EU support to Georgia will reach between EUR 371 and 453 million for 2017-2020, with additional funds available under the 'more for more principle' in line

with the EU-Georgia Association Agenda; encourages the Commission to provide such assistance proportionally to Georgia's absorption capacity and reform efforts; takes note of Georgia's decision to reduce the total number of ministries from 14 to 11 with the aim of functional optimisation and reducing expenses, and welcomes the decision of the Georgian Government to reallocate the resulting savings to education;

5. Calls for stronger involvement of the Prime Minister and the Minister for Foreign Affairs in providing high-level political oversight to the implementation of the AA, notably through the streamlining of relevant government structures, the coordination and synchronisation of line ministries' plans and their full and effective implementation; welcomes the incorporation of the State Minister's Office for European Integration into the Ministry of Foreign Affairs; suggests, however, that that ownership of European integration should be shared across the whole ministerial apparatus;
6. Welcomes the adoption of a three-year version of the AA/DCFTA Implementation Plan, and invites the authorities to draw up a reform strategy that complements these Plans, focused on outcomes beyond legislation and staff training, and based on expert impact assessment, which should also address interinstitutional cooperation between the Parliament, Government and the presidential administration; encourages, in this context, the Georgian Parliament to step up AA-compliance checks of domestic draft reform proposals;
7. Stresses the need for Georgia to assign highly skilled personnel to implement the Association Agenda; calls, therefore, on the Georgian authorities to guarantee that the structural units dealing with European integration issues in all the ministries are equipped with a sufficient number of specifically qualified officials; calls on the EEAS and/or the Commission to provide assistance in capacity-building and in the training of Georgian officials dealing with AA/DCFTA implementation;
8. Welcomes the establishment of the Interparliamentary Assembly of Georgia, Moldova and Ukraine and encourages this assembly also to scrutinise the implementation of the AAs;
9. Urges the EEAS and/or the Commission to boost internal capabilities to step up monitoring of the implementation of the AA, notably through an increase in dedicated human resources with in-depth expertise in the Georgian administrative and legal system, as well as to move towards a qualitative assessment of progress, notably through the introduction of screening processes, allowing the level of alignment with the EU *acquis* actually achieved to be assessed, as required by the AA;
10. Underlines the crucial role that civil society, including the social partners, play in the implementation of the AA as actors overseeing the reforms and welcomes their efforts in monitoring the implementation of the agreement; calls on the Georgian authorities to ensure that reforms under AA/DCFTA are carried out with the full involvement of local authorities and civil society representatives as well as the social partners on the issue of achieving a 'European' social model, and calls on the authorities and for the EU to ensure their access, and that of the population in peripheral zones, to information on the implementation of the AA;
11. Emphasises the importance of proactive communication to Georgian citizens about the

tangible benefits and goals of the Eastern Partnership as well as the need to fight disinformation through fact-based, accessible and high-quality information in all languages of the partner country; calls on Georgia, with the support of the EU and its Member States to enhance its communication strategy;

12. Welcomes the opening of the Eastern Partnership European School with an International Baccalaureate Programme for students from all Eastern Partnership countries in Tbilisi on 4 September 2018; encourages the Georgian authorities to enhance the role of European studies in the regular school and university curricula;

Political dialogue

13. Reiterates the fact that the EU's position on Georgia's constitutional reform coincides with the Venice Commission's overall positive assessment; regrets the postponement of the implementation of a fully proportional electoral system until 2024; reiterates its readiness to observe future elections in Georgia and to assist the Georgian authorities in following up on and implementing the recommendations that will be presented; reiterates that the composition of the Central Election Commission should be free from political influence and that the pre-election period should be free from any misuse of administrative resources; calls on the Georgian authorities to conduct a meaningful investigation into the politically motivated violent incidents during the 2016 parliamentary elections;
14. Supports the democratic strengthening of Georgia's political institutions and is dedicated to assisting in this area; notes that Georgia is among the few countries where all branches of power are involved in the Open Governance Partnership; underlines the importance of pursuing an ambitious reform agenda aimed at the political neutrality of state institutions and their staff; stresses the role of the opposition in a parliamentary system and stresses the urgent need to put in place more rigorous mechanisms for scrutinising the executive, including through the ability of Members of Parliament to put questions to ministers and the Prime Minister on a regular basis in order to hold them accountable;
15. Welcomes the effective implementation of the visa-free regime for Georgian citizens since 27 March 2017; takes note of Georgia's compliance with visa liberalisation benchmarks and encourages regular monitoring thereof in order to ensure continued compliance; notes that the introduction of visa-free regimes brings positive results in terms of the development of people-to-people contacts; commends Georgia on the measures taken to promptly address violations of the visa-free regime, and calls on EU Member States to recognise Georgia as a safe country of origin; stresses the importance of stepping up the cooperation between the judicial authorities and the enforcement agencies of Georgia and the EU Member States;
16. Welcomes the continuous implementation of Georgia's Migration Strategy and Action Plan and the strengthening of the rehabilitation of border sectors with Turkey and Azerbaijan;
17. Supports Georgia in its pursuit of a policy of peaceful conflict resolution, reconciliation and engagement and its constructive participation in the Geneva International Discussions; welcomes the Georgian efforts to maintain dialogue with Russia; praises

the initiative entitled ‘A Step to a Better Future’, presented on 4 April 2018, aimed at improving the humanitarian and socio-economic conditions of populations residing in occupied regions and fostering people-to-people contact and confidence building between divided communities;

18. Recalls with regret that after 10 years, the Russian Federation is still continuing its illegal occupation of Georgian territories, and reiterates its unequivocal support for the sovereignty and the territorial integrity of Georgia; takes note of Georgia’s European Court of Human Rights (ECtHR) lawsuit against Russia on the use of coercive measures against people living in Abkhazia and South Ossetia and of the adoption by the Georgian Parliament of a resolution establishing the Otkhozoria-Tatunashvili blacklist of people convicted of or under investigation for murder, kidnapping, torture or inhuman treatment; stresses that the international community must take a consistent, coordinated, united and firm stance against Russia’s occupation and annexation policy;
19. Urges the Georgian authorities to make further efforts to overcome the existing obstacles and to try to extend the benefits of the AA and the DCFTA to the populations of Abkhazia and the Tskhinvali Region/South Ossetia by improving communication about the new opportunities stemming from the agreement and developing ad hoc trade and economic cooperation projects at local level;
20. Commends Georgia’s continued participation in civilian and military crisis management operations under the Common Security and Defence Policy (CSDP); stresses the need to further develop high-level dialogue on security issues between the EU and Georgia, particularly on countering radicalisation, violent extremism, propaganda and hybrid threats;

Rule of law, good governance and media freedom

21. Acknowledges Georgia’s results in fighting low and mid-level corruption leading to a good regional ranking in perception indexes; highlights nevertheless that high-level elite corruption remains a serious issue; commends Georgia’s implementation of the Anti-Corruption Strategy and its Action Plan; calls on Georgia to ensure that the Anti-Corruption Agency is independent, free of any political interference and separated from the State Security Service; reiterates the importance of an effective separation of powers and a clear dissociation between politics and economic interests, and stresses that fighting corruption requires an independent judiciary and a solid track record of investigations into high-level cases of corruption, yet to be established; considers Georgia as an important partner of the EU in different fields of cooperation such as the fight against terrorism and organised crime;
22. Urges the Georgian authorities to put in place a fully-fledged independent and effective mechanism, separated from the authority of the general prosecutor’s office, for investigating and prosecuting cases of abuse by law enforcement officials in order to address the persistent lack of accountability; welcomes, therefore, the creation of the State Inspector’s Service for the investigation of human rights violations by law enforcement officers;
23. Is deeply concerned by the pressure being exerted by Turkey on Turkish residents in Georgia, as well as on educational institutions, such as the International Black Sea

University due to their alleged affiliation to the Gülen movement; urges the Georgian authorities to follow the case closely, ensuring that judicial procedures and any action taken are fully in line with European principles and standards; urges the EU to support and help the Eastern Partnership countries to withstand the pressure exerted over the last few months, in particular, by Turkey;

24. Takes note of the ongoing judicial reform and signs of greater impartiality and transparency of the judiciary, but recalls the Venice Commission's concerns over proposed legislative amendments, which do not ensure the political neutrality of the Prosecuting Attorneys' Council of Georgia; calls for all the necessary measures to strengthen the justice system – including through a reinforcement of administrative capacity – to be put in place and for the full independence of the Judiciary and the Prosecutor's Office to be guaranteed, and calls for democratic scrutiny of the Ministry of Interior, including the police and the security services, which need overhaul and reform, also with a view to guaranteeing transparency, notably in terms of the selection, appointment and promotion of judges as well as in disciplinary proceedings pertaining to them;
25. Underlines the importance of ongoing public administration reforms; welcomes the newly enacted Civil Service Law and expects its rapid implementation with a view to ensuring a sustainable increase in public confidence;
26. Notes with concern that the Georgian Government has failed to adopt new legislation to improve the public's access to information; deplors the fact that the proposed reform further limits access in this area; calls on the Georgian Government to ensure effective access to public information; recalls that this is an essential commitment made within the framework of the AA;
27. Urges the government of Georgia to pursue the implementation of the public finance management reform;
28. Welcomes the adoption of the National Strategy on Combating Organised Crime;
29. Calls on the Georgian Parliament to consider an amendments package aimed at reforming drug policy legislation in line with its 30 November 2017 Constitutional Court decision;
30. Welcomes the Georgian Parliament's assent to a package of laws to improve the situation of inmates;

Respect for human rights and fundamental freedoms

31. Calls on the Georgian authorities to further operationalise the country's human rights coordination mechanism and strengthen its cooperation in multilateral forums; expresses concern over the lack of progress in the investigation of the abduction of Azerbaijani journalist Afgan Mukhtarli from Tbilisi, which revealed many shortcomings as regards the functioning of the security services, including party-political interference; calls on the Georgian Government to deliver a prompt and credible conclusion to the investigation, and underscores the need for Georgia to ensure a safe and secure environment for human rights defenders residing within its territory to

ensure such actions do not happen again;

32. Notes the implementation of the ECtHR judgement of 28 November 2017 in relation to former Prime Minister Vano Merabishvili, which established a breach of Article 18 of the European Convention of Human Rights by pursuing a 'hidden agenda' and 'ulterior motives' when arresting the former Prime Minister;
33. Stresses the importance of a clear, transparent and human-rights based policy and mechanisms for investigating, prosecuting and compensating human rights violations committed during previous administrations, with the assurance that this process fully respects the principles of the rule of law and due process;
34. Calls on the Georgian authorities to take further steps to uphold fundamental freedoms and human rights, notably for vulnerable groups, by fighting hate speech and discrimination, including on the labour market through an amended Labour Code, against LGBTIQI people, Roma people, people living with HIV/AIDS, persons with disabilities and other minorities; calls, in particular, on Georgia to harmonise legislation on the rights of persons with disabilities with the UN Convention on the Rights of Persons with Disabilities, which it ratified in 2014; welcomes Georgia's ratification of the Council of Europe Convention on preventing and combating violence against women and domestic violence (the Istanbul Convention), as well as the adoption of the Law on Official Language and the State Strategy for Civic Equality and Integration, and calls for the swift implementation thereof and the creation of an efficient monitoring mechanism;
35. Calls on the Georgian authorities to take further steps to protect women against all forms of violence, sexual abuse and harassment at work and in public places, and to increase the number of women on the labour market and in politics where they remain underrepresented;
36. Calls for a strengthening of the protection of children's rights, including the prevention of violence against children, access to education for all children, including those with disabilities; reiterates the responsibility of the Georgian Government to thoroughly supervise the situation of children in orphanages and religious residential institutions;
37. Recalls the importance of free and independent mass media, editorial independence, as well as pluralism and transparency of ownership in the media environment as key democratic principles; notes with satisfaction the improvements in Georgia as reflected in the 2018 World Press Freedom Index established by Reporters Without Borders; underlines the politicisation of media content; recalls the Rustavi 2 TV channel case;

Trade and economic cooperation

38. Welcomes the emphasis put on job creation as well as labour rights notably through the adoption of the law on occupational safety to effectively tackle the dramatic human toll of incidents at work; urges the Georgian Parliament to broaden the scope of the law to avoid exemptions; reminds the Georgian authorities of the obligation to respect international labour rights standards, and stresses the need to transform the Labour Conditions Inspection Department into a fully-fledged and independent labour inspection system aligned with ILO convention 81 to improve safety at work and reduce

undeclared work; calls for an end to discrimination by employers against those availing themselves of their trade union rights; is concerned by child labour and insufficient freedom of association for trade unions; recalls that occupational safety according to the requirements of the AA is of critical importance;

39. Notes that the EU is Georgia's largest trade partner, representing almost a third of total trade, as well as the most significant donor and largest source of foreign direct investment; welcomes the implementation of key structural reforms aimed at the improvement of the economic and business environment and maximisation of the benefits provided by the DCFTA; notes positively the progress Georgia has made in the approximation of its legislation in trade-related areas, including sanitary and phytosanitary measures, but calls for more progress in food safety; underlines the importance of ongoing structural reforms related to the improvement of the investment climate in Georgia; stresses the need for the Georgian authorities to guarantee a fair distribution of the results of the Georgian economy's growth among the population, and of implementation of the AA for the benefit of SMEs;
40. Notes with satisfaction that some new products have begun to be exported to the EU, although Georgia still predominantly exports agricultural commodities and raw materials; encourages the Commission to support Georgia in identifying the areas that could further foster economic diversification and in prioritising them in the process of DCFTA implementation; recommends that Georgia consider a diversification strategy for products exported to EU markets;
41. Notes positively the progress in the area of public procurement with planned alignment of legislation by 2022; stresses the importance of an impartial and independent review body; urges the Government of Georgia to improve the transparency of the public procurement system, in particular by reducing exemptions from open bidding in procurement law in order to reduce the overall volume of non-competitive contracting;
42. Welcomes Georgia's accession to the pan-Euro-Mediterranean Convention on Rules of Origin, which will allow cumulation of origin in the framework of the DCFTA; encourages Georgia, similarly, to accede to the Convention on Common Transit;

Energy and other areas of cooperation

43. Welcomes Georgia's membership of the Energy Community and the progress towards the integration of Georgia's energy market with that of the EU through regulatory convergence, in accordance with the AA and the Energy Community Treaty; firmly believes this goes further to meeting the conditions for a pan-European energy mix in line with the Paris Agreement on measures to combat climate change and Goal 10 of the UN 2030 Agenda for Sustainable Development regarding measures to combat energy poverty; urges the Georgian authorities to make all the necessary efforts to step up the adoption of the EU Energy *Acquis* with the support of the EU, as well as scientific cooperation and innovation development in the field of energy efficiency and renewable energy; notes that plans such as the incorporation of the Ministry of Energy into the Ministry of Economy and Sustainable Development should be taken in close coordination with the Georgian Parliament;
44. Recommends that the Georgian authorities develop a robust national energy strategy,

reduce the level of energy subsidies and strengthen the security of energy supplies and energy independence; encourages the development of renewable energy and energy efficiency and the adoption of the necessary laws, as well as an adaptation of the institutional framework; encourages the strengthening of energy transit functions;

45. Stresses the need for further implementation efforts to be carried out in the sphere of transport and environment; urges the Georgian Government to adopt a strategy for combating air pollution; calls on the Georgian authorities to increase public participation in environmental decision-making and the extent to which environmental information is shared to stimulate public interest;
46. Recalls that environmental governance is a key feature of the AA requirements; welcomes the entry into force of a new Environmental Impact Assessment Code in line with EU legislation as well as the adoption of the roadmap for the Climate Action Plan; calls for further alignment of national environmental policies with EU targets to fight climate change, in line with the 2015 Paris Agreement and, in particular, the finalisation and adoption the Low Emission Development Strategy;
47. Notes that Georgia has committed to effectively implementing multilateral environmental agreements under the Trade and Sustainable Development (TSD) chapter, which needs further improvement;
48. Takes note of the plan of the Georgian Government to further develop hydropower; calls, in this context, on the Georgian authorities to adopt and comply with EU standards in all of the projects and, in particular, to apply an open and transparent Environmental Impact Assessment procedure involving all the relevant stakeholders in the main stages of the decision-making process;

Institutional provisions

49. Considers that involving the Georgian authorities from the time of the drafting of relevant legislation onwards is useful in order to make the process more inclusive and to reduce transition costs for Georgia, and calls on the Commission to make full use of *ex ante* information-sharing mechanisms;
50. Reiterates its resolve to increase its monitoring of the implementation of international agreements with the EU's Eastern partners; calls once more on the Commission and the EEAS to transmit to Parliament and the Council more frequent detailed written reports on the implementation of these agreements;
51. Notes that the evaluation of DCFTA implementation is very much focused on trade flows and trade irritants; calls on the Commission to monitor and assess the implementation of the DCFTA appropriately, with special attention being paid to the transposition and implementation of the *acquis* and to the impact on Georgian society, and to provide public and comprehensive annual reporting, including on the technical and financial support provided by the EU;
52. Calls on the Council and the Commission to continue to use all possible leverage to encourage and assist Georgia in its efforts to implement the DCFTA effectively, and recalls that sustainable implementation of the DCFTA cannot rely solely on assistance

from the EU side, but requires independent administration from the Georgian side, with a view to promoting increased trade flows, a reduction in the bureaucratic burden and the simplification of administrative procedures; calls on both sides to offer greater support to Micro, Small and Medium-Sized Enterprises (MSMEs) and to provide technical assistance; urges the Commission to consider setting up a support group for Georgia, similarly to the one created for Ukraine;

53. Calls on the EEAS and/or the Commission to publish all of the annual association implementation reports at the same time, and to simultaneously publish a comparative evaluation of the degree of progress towards AA/DCFTA implementation by each associated partner, measured against specific benchmarks;

54. Resolves to draw up annual reports on the implementation of the AAs;

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55. Instructs its President to forward this resolution to the Council, the Commission, the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy and the governments and parliaments of the Member States and the Government and Parliament of Georgia.

21.6.2018

OPINION OF THE COMMITTEE ON INTERNATIONAL TRADE

for the Committee on Foreign Affairs

on implementation of the EU association agreement with Georgia
(2017/2282(INI))

Rapporteur for opinion: Elsi Katainen

SUGGESTIONS

The Committee on International Trade calls on the Committee on Foreign Affairs, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Notes that the EU is Georgia's largest trade partner, representing almost a third of total trade, and the most significant donor, and that the EU is also responsible for the highest proportion of foreign direct investment in the country;
2. Considers regulatory approximation with the EU acquis to be the key dimension of the DCFTA because actual access to the EU market and reform very much depend on appropriate implementation and enforcement of the relevant legislation; is aware of the major challenge this represents for governance, institutions and public administration in Georgia and encourages the Commission to provide adequate technical and financial support; welcomes the far-reaching political and economic reforms already undertaken by Georgia and encourages further progress, for instance in the areas of sanitary and phytosanitary measures (notably as regards institutional capacity-building in food safety control), the strengthening of democratic institutions, public procurement, regulatory matters and conformity assessment procedures, intellectual property rights, legal and administrative burdens on businesses and customs procedures, in accordance with the timelines agreed by the Parties under the DCFTA and the consolidation of a pluralist democracy;
3. Considers that involving Georgian authorities from the time of drafting of relevant legislation is useful in order to make the process more inclusive and reduce transition costs for Georgia, and calls on the Commission make full use of ex-ante information-sharing mechanisms;

4. Believes that further fulfilment of obligations under the Deep and Comprehensive Free Trade Agreement (DCFTA) will create a new climate for economic relations and development of trade and investment, and contribute to economic restructuring;
5. Notes with satisfaction that some new products have started to be exported to the EU, although Georgia still predominantly exports agricultural commodities and raw materials; encourages the Commission to support Georgia in identifying those areas that could further foster economic diversification and in prioritising them in the process of DCFTA implementation; recommends that Georgia consider a diversification strategy as regards products exported to EU markets;
6. Is concerned by the labour rights situation in Georgia, notably in the fields of occupational safety, child labour and freedom of association; welcomes, therefore, the improvements introduced by the recently approved Georgian law on occupational safety and health, and urges that it be fully and effectively implemented; notes with concern, however, that the recently created Labour Inspection Department is not allowed to inspect workplaces without the prior consent of an employer and that recommendations issued following an inspection are not binding; urges the Georgian Government to set up a fully-fledged and independent labour inspection system, which would cover labour standards beyond occupational safety and health, and of corporate social responsibility principles; calls for the effective implementation of ILO labour conventions by Georgia;
7. Notes that Georgia has committed to effectively implementing multilateral environmental agreements under the TSD chapter, which needs further improvement;
8. Welcomes Georgia's recent ratification of the Council of Europe Convention on preventing and combating violence against Women and domestic violence (the Istanbul Convention) and the establishment of an Inter-Agency Commission on Gender Equality, Violence against Women and Domestic Violence;
9. Supports Georgia's continuous anti-corruption efforts, as well as the implementation of its Anti-Corruption Strategy and the corresponding Action Plan; commends the high performance on Transparency International's Corruption Perception Index 2017, in line with the Association Agenda's commitments, and notes that Georgia ranks highest in the region of non-EU Eastern Europe and Central Asia and as 46th least corrupt nation out of 175 in the corruption perception index;
10. Encourages the Georgian authorities to continue to further develop and implement a comprehensive public awareness programme to ensure that micro, small and medium-sized enterprises (MSMEs), businesses, farmers and citizens in general are fully informed of the opportunities and benefits offered by the DCFTA and available support programmes; welcomes the efforts already made in the form of the information-sharing websites;
11. Encourages all efforts aimed at progressive approximation with EU technical regulations and standards, leading to the gradual economic integration of Georgia with the EU's internal market;
12. Notes that, although the adoption in 2014 of the Law on the Elimination of All Forms of Discrimination represented an important achievement, further progress is expected in

order to strengthening protection, by means of both a legislative update and the necessary implementing measures for the full impact of the legislation to be achieved;

13. Welcomes Georgia's membership of the Energy Community; calls on the Commission to closely monitor developments in the energy market and to insist on the swift and transparent implementation of the agreement, with regard in particular to its alignment with the EU market and to renewable energy;
14. Welcomes Georgia's accession to the pan-Euro-Mediterranean Convention on Rules of Origin, which will allow cumulation of origin in the framework of the DCFTA; encourages Georgia, similarly, to accede to the Convention on Common Transit;
15. Calls on the Council and the Commission to continue to use all possible leverage to encourage and assist Georgia in its efforts to implement the DCFTA effectively, and recalls that sustainable implementation of the DCFTA cannot rely solely on assistance from the EU side but requires independent administration from the Georgian side, with a view to promoting increased trade flows, a reduction in the bureaucratic burden and the simplification of administrative procedures; calls on both sides to offer greater support to MSMEs and to provide technical assistance; urges the Commission to consider setting up of a support group for Georgia, similarly to the one created for Ukraine;
16. Notes that the evaluation of DCFTA implementation is very much focused on trade flows and trade irritants; calls on the Commission to monitor and assess the implementation of the DCFTA appropriately, with special attention being paid to the acquis transposition and implementation and to the impact on Georgian society, and to provide public and comprehensive annual reporting, including on the technical and financial support provided by the EU.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	21.6.2018
Result of final vote	+: 32 -: 3 0: 0
Members present for the final vote	William (The Earl of) Dartmouth, Laima Liucija Andrikienė, Tiziana Beghin, Salvatore Cicu, Santiago Fisas Aixelà, Eleonora Forenza, Nadja Hirsch, Yannick Jadot, France Jamet, Elsi Katainen, Patricia Lalonde, Danilo Oscar Lancini, Bernd Lange, David Martin, Emmanuel Maurel, Anne-Marie Mineur, Sorin Moisă, Alessia Maria Mosca, Franck Proust, Godelieve Quisthoudt-Rowohl, Inmaculada Rodríguez-Piñero Fernández, Tokia Saïfi, Adam Szejnfeld
Substitutes present for the final vote	Goffredo Maria Bettini, Reimer Böge, Klaus Buchner, Dita Charanzová, Danuta Maria Hübner, Sajjad Karim, Sander Loones, Lola Sánchez Caldentey
Substitutes under Rule 200(2) present for the final vote	Czesław Hoc, John Howarth, Dietmar Köster, Kosma Złotowski

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

32	+
ALDE	Dita Charanzová, Nadja Hirsch, Elsi Katainen, Patricia Lalonde
ECR	Czesław Hoc, Sajjad Karim, Sander Loones, Kosma Złotowski
EFDD	Tiziana Beghin, William (The Earl of) Dartmouth
GUE/NGL	Eleonora Forenza, Lola Sánchez Caldentey
PPE	Laima Liucija Andrikienė, Reimer Böge, Salvatore Cicu, Santiago Fisas Ayxelà, Danuta Maria Hübner, Sorin Moisă, Franck Proust, Godelieve Quisthoudt-Rowohl, Tokia Saïfi, Adam Szejnfeld
S&D	Goffredo Maria Bettini, John Howarth, Dietmar Köster, Bernd Lange, David Martin, Emmanuel Maurel, Alessia Maria Mosca, Inmaculada Rodríguez-Piñero Fernández
VERTS/ALE	Klaus Buchner, Yannick Jadot

3	-
ENF	France Jamet, Danilo Oscar Lancini
GUE/NGL	Anne-Marie Mineur

0	0

Key to symbols:

+ : in favour

- : against

0 : abstention

INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE

Date adopted	9.10.2018
Result of final vote	+: 43 -: 7 0: 1
Members present for the final vote	Michèle Alliot-Marie, Francisco Assis, Goffredo Maria Bettini, Victor Boștinaru, Klaus Buchner, Lorenzo Cesa, Javier Couso Permuy, Andi Cristea, Georgios Eptideios, Knut Fleckenstein, Eugen Freund, Manolis Kefalogiannis, Tunne Kelam, Wajid Khan, Andrey Kovatchev, Eduard Kukan, Arne Lietz, Barbara Lochbihler, Sabine Lösing, Ramona Nicole Mănescu, David McAllister, Francisco José Millán Mon, Clare Moody, Javier Nart, Pier Antonio Panzeri, Ioan Mircea Pașcu, Tonino Picula, Kati Piri, Cristian Dan Preda, Jozo Radoš, Michel Reimon, Sofia Sakorafa, Jean-Luc Schaffhauser, Jordi Solé, Dobromir Sośnierz, Dubravka Šuica, László Tőkés, Ivo Vajgl, Anders Primdahl Vistisen, Boris Zala
Substitutes present for the final vote	Ana Gomes, Andrzej Grzyb, Norica Nicolai, Gilles Pargneaux, José Ignacio Salafranca Sánchez-Neyra, Helmut Scholz, Igor Šoltes, Bodil Valero, Marie-Christine Vergiat, Željana Zovko
Substitutes under Rule 200(2) present for the final vote	Ivan Štefanec

FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

43	+
ALDE	Javier Nart, Norica Nicolai, Jozo Radoš, Ivo Vajgl
ECR	Anders Primdahl Vistisen
PPE	Michèle Alliot-Marie, Lorenzo Cesa, Andrzej Grzyb, Manolis Kefalogiannis, Tunne Kelam, Andrey Kovatchev, Eduard Kukan, David McAllister, Ramona Nicole Mănescu, Francisco José Millán Mon, Cristian Dan Preda, José Ignacio Salafranca Sánchez-Neyra, Ivan Štefanec, Dubravka Šuica, László Tóké, Željana Zovko
S&D	Francisco Assis, Goffredo Maria Bettini, Victor Boștinaru, Andi Cristea, Knut Fleckenstein, Eugen Freund, Ana Gomes, Wajid Khan, Arne Lietz, Clare Moody, Pier Antonio Panzeri, Gilles Pargneaux, Ioan Mircea Pașcu, Tonino Picula, Kati Piri, Boris Zala
VERTS/ALE	Klaus Buchner, Barbara Lochbihler, Michel Reimon, Jordi Solé, Igor Šoltes, Bodil Valero

7	-
ENF	Jean-Luc Schaffhauser
GUE/NGL	Javier Couso Permuy, Sabine Lösing, Sofia Sakorafa, Helmut Scholz
NI	Georgios Epitideios, Dobromir Sośnierz

1	0
GUE/NGL	Marie-Christine Vergiat

Key to symbols:

+ : in favour

- : against

0 : abstention