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ANNEX

to the Proposal of a Council Decision

on the conclusion of the Cooperation Agreement on a civil Global Navigation Satellite System (GNSS) between the European Community and its Member States and Ukraine

**COOPERATION AGREEMENT ON A CIVIL GLOBAL NAVIGATION SATELLITE
SYSTEM (GNSS) BETWEEN THE EUROPEAN COMMUNITY AND ITS MEMBER
STATES AND UKRAINE**

THE EUROPEAN COMMUNITY hereinafter referred to as the "Community",

and

THE KINGDOM OF BELGIUM,

THE CZECH REPUBLIC,

THE KINGDOM OF DENMARK,

THE FEDERAL REPUBLIC OF GERMANY,

THE REPUBLIC OF ESTONIA,

THE HELLENIC REPUBLIC,

THE KINGDOM OF SPAIN,

THE FRENCH REPUBLIC,

IRELAND,

THE ITALIAN REPUBLIC,

THE REPUBLIC OF CYPRUS,

THE REPUBLIC OF LATVIA,

THE REPUBLIC OF LITHUANIA,

THE GRAND DUCHY OF LUXEMBOURG,

HUNGARY,

THE REPUBLIC OF MALTA,

THE KINGDOM OF THE NETHERLANDS,

THE REPUBLIC OF AUSTRIA,

THE REPUBLIC OF POLAND,

THE PORTUGUESE REPUBLIC,

THE REPUBLIC OF SLOVENIA,

THE SLOVAK REPUBLIC,

THE REPUBLIC OF FINLAND,

THE KINGDOM OF SWEDEN,

THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND,

Contracting parties to the Treaty establishing the European Community, hereinafter referred to as "Member States", of the one part,

and

UKRAINE, of the other part, hereinafter referred to as "the Parties"

CONSIDERING the common interests in the development of a global navigation satellite system for civil use,

RECOGNISING the importance of GALILEO as a contribution to navigation and information infrastructure in the European Community and Ukraine,

RECOGNISING the advanced Ukraine's satellite navigation activities,

CONSIDERING the increasing development of GNSS applications in Ukraine, the European Community and other areas in the world,

HAVE AGREED AS FOLLOWS:

Article 1

Objective of the agreement

The objective of the agreement is to encourage, facilitate and enhance cooperation between the Parties in civil global satellite navigation.

Article 2

Definitions

For the purposes of this Agreement:

"Augmentation" means regional or local mechanisms such as the European Geostationary Navigation Overlay System (EGNOS). These mechanisms enable users to obtain enhanced performance, such as increased accuracy, availability, integrity, and reliability.

"GALILEO" means an autonomous civil European global satellite navigation and timing system under civil control, for the provision of GNSS services designed and developed by the Community and its Member States. The operation of GALILEO may be transferred to a private party.

GALILEO envisages open, commercial, safety of life and search and rescue services, in addition to secured Public Regulated Service with restricted access designed to meet the needs of authorised public sector users.

"GALILEO open service" means a service open to the general public free of charges for its provision.

"GALILEO safety of life service" means a service based on the open service offering additionally integrity information, signal authentication, service guarantees and other features necessary for Safety of Life applications like aviation and maritime transport.

"GALILEO commercial service" means a service facilitating the development of professional applications and offers enhanced performance compared with the Open Service, particularly in terms of higher data rates, service guarantees and accuracy.

"GALILEO search and rescue service" means a service improving search and rescue operations by providing a faster and more accurate location of distress beacons and return message capabilities.

"GALILEO public regulated service" means a secured positioning and timing service with restricted access specifically designed to meet the needs of authorised public sector users.

"GALILEO local elements" are local mechanisms that provide the users of GALILEO satellite-based navigation and timing signals with input information, extra to that derived from the main constellation in use. Local elements may be deployed for additional performance around airports, seaports and in urban or other geographically challenging environments. GALILEO will provide a general approach for the development of local elements to support the market take-off and to facilitate the standardisation.

"Global navigation, positioning and timing equipment" means any civil end user equipment designed to transmit, receive, or process satellite-based navigation or timing signals to provide a service, or to operate with a regional augmentation.

"Regulatory measure" means any law, regulation, rule, procedure, decision, or similar administrative action by a Party.

"Interoperability" means at user level a situation where a dual-system receiver can use signals from two systems together for equal or better performance than by using only one system. Interoperability of global and regional satellite navigation systems enhances the quality of services available to users.

"Intellectual property" shall have the meaning found in Article 2 of the Convention Establishing the World Intellectual Property Organisation, done at Stockholm, July 14, 1967.

"Liability" means the legal accountability of a person or legal entity to compensate for damage caused to another person or legal entity in accordance with specific legal principles and rules. This obligation may be prescribed in an agreement (contractual liability) or in a legal norm (non-contractual liability).

"Classified information" means information, in any form, that requires protection against unauthorised disclosure which could harm in various degrees the essential interests, including national security, of the Parties or of individual Member States. Its classification is indicated by a classification marking. Such information is classified by the Parties in accordance with applicable laws and regulations and shall be protected against any loss of confidentiality, integrity and availability.

Article 3

Principles of the cooperation

The Parties agree to apply the following principles to cooperation activities covered by this agreement:

1. Mutual benefit based on an overall balance of rights and obligations.
2. Partnership in the GALILEO Programme in accordance with the procedures and rules governing the management of GALILEO.
3. Reciprocal opportunities to engage in cooperative activities in European Community and Ukrainian GNSS projects for civil use.
4. Timely exchange of information that may affect cooperative activities.
5. Appropriate protection of intellectual property rights as referred to in Article 8(2) of this Agreement.

Article 4

Scope of cooperation activities

1. The sectors for cooperative activities in satellite navigation and timing are: radio-spectrum, scientific research and training, industrial cooperation, trade and market development, standards, certification and regulatory measures, development of global and regional GNSS ground augmentation systems, security, liability and cost recovery. The Parties may adapt this list of issues by common agreement.
2. Extending cooperation, if requested by the Parties to:
 - 2.1. GALILEO sensitive technologies and items under EU, EU and ESA Member States, MTCR and WASSENAAR agreement export control regulation as well as cryptography and major information security technologies and items,
 - 2.2. GALILEO System Security Architecture (space, ground and user segments),
 - 2.3. Security control features of the GALILEO global segments,
 - 2.4. Public Regulated Services in their definition, development, implementation, test and evaluation and operational (management and use) phases, as well as
 - 2.5. Exchange of classified information concerning satellite navigation and Galileo would be subject to an appropriate separate agreement to be concluded between the Parties.
3. This Agreement shall not affect the institutional structure established by European Community law for the purpose of the operations of the GALILEO programme. Nor does this Agreement affect the applicable laws, regulations and policies implementing non-proliferation commitments and export control of dual-use items and national domestic measures regarding security and controls of intangible transfers of technology.

Article 5

Forms of cooperation activities

1. Subject to their applicable regulatory measures, the Parties shall foster, to the fullest extent practicable, the cooperative activities under this Agreement with a view to providing comparable opportunities for participation in their activities in the sectors listed under Article 4.
2. The Parties agree to conduct cooperative activities as mentioned in Articles 6 to 13 of this Agreement.

Article 6

Radio spectrum

1. Building on past successes in the framework of the International Telecommunication Union, the Parties agree to continue cooperation and mutual support in radio-spectrum issues.
2. In this context the Parties shall promote adequate frequency allocations for GALILEO in order to ensure the availability of GALILEO services for the benefit of users worldwide and notably in Ukraine and in the Community.
3. Moreover, the Parties recognise the importance to protect radio navigation spectrum from disruption and interference. To this end, they shall seek to identify sources of interference and mutually acceptable solutions to combat such interference.
4. Nothing in this Agreement shall be construed so as to derogate from the applicable provisions of the International Telecommunications Union, including the ITU Radio Regulations.

Article 7

Scientific research and training

The Parties shall promote joint research and training activities in the field of GNSS through Community and Ukraine research programmes including the European Community Framework Programme for Research and Development, the Research Programmes of the European Space Agency and other relevant programmes of Community and Ukrainian authorities.

The joint research and training activities should contribute to planning the future developments of a GNSS for civil use.

The Parties agree to define the appropriate mechanism aimed at ensuring effective contacts and participation in the research and training programmes.

Article 8

Industrial cooperation

1. The Parties shall encourage and support the cooperation between the industries of the two sides, including by the means of joint ventures and mutual participation in relevant industrial associations, with the objective of setting up the GALILEO system as well as promoting the use and development of GALILEO applications and services.
2. To facilitate industrial cooperation the Parties shall grant and ensure adequate and effective protection and enforcement of intellectual, industrial and commercial property rights at the fields and sectors relevant to the development and operation of Galileo/EGNOS, in

accordance with the highest international standards, including effective means of enforcing such standards.

3. Exports by Ukraine to third countries of sensitive items and technologies developed specifically and funded by the GALILEO programme will have to be submitted for prior authorisation by the competent GALILEO security authority, if that authority has recommended that these items and technologies be subject to export authorisation in accordance with applicable regulatory measures. Any separate agreement referred to in Article 4(2) of the Agreement shall also elaborate an appropriate mechanism for Ukraine to recommend potential items to be subject to export authorisation.

4. The Parties shall encourage strengthened ties between the various stakeholders in the GALILEO programme in the Ukraine and Community in the context of industrial cooperation.

Article 9

Trade and market development

1. The Parties shall encourage trade and investment in Community and Ukraine satellite navigation infrastructure, equipment, GALILEO local elements and applications.

2. To this end the Parties shall raise the level of public awareness concerning the GALILEO satellite navigation activities, identify potential barriers to growth in GNSS applications and take appropriate measures to facilitate this growth.

3. To identify and respond effectively to user needs the Community and Ukraine shall consider establishing an open GNSS user forum.

Article 10

Standards, Certification and Regulatory Measures

1. The Parties recognise the value of coordinating approaches in international standardisation and certification fora concerning global satellite navigation services. In particular the Parties will jointly support the development of GALILEO standards and promote their application in the Ukraine and worldwide, emphasising interoperability with other GNSS systems. One objective of the coordination is to promote broad and innovative use of the GALILEO services for open, commercial and safety of life purposes as a worldwide navigation and timing standard. The Parties agree to create favourable conditions for developing GALILEO applications.

2. Consequently, to promote and implement the objectives of this Agreement, the Parties shall, as appropriate, cooperate on all GNSS matters that arise notably in the International Civil Aviation Organisation, EUROCONTROL, the International Maritime Organisation and the International Telecommunications Union.

3. At bilateral level the Parties shall ensure that measures relating to operational and technical standards, certification and licensing requirements and procedures concerning GNSS do not

constitute unnecessary barriers to trade. Domestic requirements shall be based on objective, non-discriminatory, pre-established transparent criteria.

Article 11

Development of global and regional GNSS ground augmentation systems

1. The Parties shall collaborate to define and implement ground system architectures allowing an optimal guarantee of GALILEO/EGNOS integrity and continuity of GALILEO and EGNOS services and interoperability with other GNSS systems
2. To this end at the regional level the Parties shall cooperate with a view to implement a ground regional augmentations system in Ukraine based on the GALILEO system. Such a regional system is foreseen to provide regional integrity and high accuracy services additional to those provided by the GALILEO system globally. As a precursor, the Parties envisage the extension of EGNOS in Ukraine region through a ground infrastructure involving Ukrainian Ranging and Integrity Monitoring Stations.
3. At local level the Parties shall facilitate the development of GALILEO local elements.

Article 12

Security

1. The Parties are convinced of the need to protect Global Navigation Satellite Systems against misuse, interference, disruption and hostile acts.
2. The Parties shall take all practicable steps to ensure the quality, continuity and safety of the satellite navigation services and the related infrastructure in their territories.
3. The Parties recognise that cooperation to ensure security of the GALILEO system and services are important common objectives.
4. Hence the Parties shall consider establishing an appropriate consultation channel to address GNSS security issues. The practical arrangements and procedures are to be defined between the competent security authorities of both Parties in accordance with Article 4(2).

Article 13

Liability and cost recovery

The Parties shall cooperate, as appropriate, to define and implement a liability regime and cost recovery arrangements, in particular in the framework of international and regional organisations, in order to facilitate the provision of civil GNSS services.

Article 14

Cooperative mechanism and exchange of information

1. The coordination and facilitation of cooperative activities under this Agreement shall be accomplished on behalf of Ukraine, by the Government of the Ukraine and, on behalf of the Community and its Member States, by the European Commission.

2. In accordance with the objective in Article 1, these two entities shall establish, in the framework of the Partnership and Cooperation Agreement establishing partnership between the European Communities and their Member States and Ukraine, a GNSS Steering Committee, hereinafter referred to as the "Committee", for the management of this Agreement. This Committee shall consist of official representatives of each Party and it shall establish its own rules of procedure.

The functions of the Steering Committee shall include:

2.1. Promoting, making recommendations to and overseeing the different cooperative activities as mentioned in Articles 4 to 13 of this Agreement;

2.2. Advising the Parties on ways to enhance and improve cooperation consistent with the principles set out in this Agreement;

2.3. Reviewing the efficient functioning and implementation of this Agreement.

3. The Committee shall, as a general rule, meet annually. The meetings should be held alternatively in the Community and in the Ukraine. Additional meetings may be organised at the request of either Party.

The costs incurred by the Committee or in its name shall be borne by the Party to whom the official representatives relate. The costs other than those for travel and accommodation which are directly associated with meetings of the Committee shall be borne by the host Party. The Committee may set up Joint Technical Working Groups on specific subjects where the Parties consider it appropriate.

4. The participation of any relevant Ukrainian entity to the Galileo Joint Undertaking or to the European GNSS Supervisory Authority is possible in accordance with the applicable legislation and procedures.

5. The Parties shall encourage further information exchanges concerning satellite navigation among the institutions and enterprises of the two sides.

Article 15

Funding

1. The amount and arrangements of Ukrainian contribution to the GALILEO programme through the Galileo Joint Undertaking will be subject to a separate agreement subject to compliance with the institutional arrangements of the applicable legislation.

2. The Parties shall take all reasonable steps and use its best efforts, in accordance with their laws and regulations, to facilitate entry to, stay in and exit from its territory of persons, capital, material, data and equipment involved in or used in cooperative activities under this Agreement.

3. Without prejudice to paragraph 2 when specific cooperative schemes of one Party provide for financial support to participants from the other Party, any such grants and financial contributions from one Party to the participants of the other Party in support of those activities shall be granted tax, customs and other duties exemption in accordance with the laws and regulations applicable in the territories of each Party.

Article 16

Consultation and dispute resolution

1. The Parties shall promptly consult, at the request of either of them, on any question arising out of the interpretation or application of this Agreement. Any disputes concerning the interpretation or application of this agreement shall be settled by friendly consultations between the Parties.

2. Paragraph 1 shall not prevent the Parties from having recourse to dispute settlement procedures under the Partnership and Cooperation Agreement establishing partnership between the European Communities and their Member States, and Ukraine.

Article 17

Entry into force and termination

1. This Agreement shall enter into force on the first day of the month following the day on which the Parties have notified each other the completion of the procedures necessary for this purpose. Notifications shall be sent to the General Secretariat of the Council of the European Union which shall be the depositary of this Agreement.

2. The expiration or termination of this agreement shall not affect the validity or duration of any arrangements made under it or any specific rights and obligations that have accrued in the field of intellectual property rights.

3. This Agreement may be amended by mutual agreement of the parties in writing. Any amendment shall enter into force on the first day of the month following the day on which the Parties have notified the depositary of the completion of the procedures necessary for this purpose.

4. This Agreement shall remain in force for a period of five years and is renewable by common agreement between the Parties for additional periods of five years at the end of the initial five-year period. Either Party may, by giving three months' notice to the other in writing, terminate this Agreement.

This Agreement is drawn up in duplicate in the Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Slovak, Slovenian, Spanish, Swedish and Ukrainian languages, all texts being equally authentic.