



**Future Climate without Risk for Life!**  
**Ukrainian NGO Working Group on Climate Change**  
[www.climategroup.org.ua](http://www.climategroup.org.ua) , phone/fax: +38 044 353 78 42

02/06/2010

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André Küüsvek  
Country Director  
16 Nemirovicha-Danchenko street  
01133 Kiev

Dear Mr. Küüsvek,

We are writing to express our view of the negotiations Ukraine is holding with EBRD. We believe that reforms in the energy and transport sector, concerning Climate change, are coherent with the goals that EBRD is proposing to Ukraine.

The Ukrainian government still does not have a constructive position on the international negotiations on Climate Change. A National Environmental Investment Agency (NAEI) target at the conference of Copenhagen to reduce greenhouse gas emission by 20% in comparison to the 1990 levels actually implies the increase of emissions from current levels by 70% by 2020. Such an increase can not be achieved even under the most optimistic forecasts for the Ukrainian economy. So Ukraine is only creating a puffer of emissions that could be traded in the future since it is known that Ukraine supports such a position during the negotiation process.

The position of the NAEI does not meet the findings and recommendations of the Intergovernmental Panel on Climate Change (IPCC) about the need to reduce greenhouse gas emissions according to Annex 1 of the Kyoto Protocol by at least 40% from 1990 to 2020 to avoid a catastrophic and dangerous increase in global temperature by 2°C compared with the preindustrial era.

The absence of reasonable and responsible goals to reduce greenhouse gas emissions makes subsidies and cross subsidies in the Ukrainian energy sector possible.

Another problem is the extremely flawed energy legislation in terms of energy efficiency incentives. In Ukraine, by the Cabinet decision it is directly prohibited to include all the related costs, e.g. maintenance costs, into the heating tariffs. This makes measures to improve energy efficiency in residential and commercial buildings extremely problematic from a legal and financial standpoint. A clear and realistic analysis of energy consumption in the nonindustrial sector simply does not exist.

Our country received funds for a green investment scheme. Open competition and transparent application of project selection scheme were prerequisite, but we have no clear data on the use of funds derived from sales quotas to Japan and Spain.

Given the foregoing, the NGO Working Group on climate change believes that financial assistance for the country should be allocated only if the following requirements are made:



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1. The Ukrainian government should make climate protection obligations based on the findings and recommendations of the Intergovernmental Panel on Climate Change. The NGO Working Group on climate change believes that such obligations should be a „stabilization of the existing greenhouse-gas emissions by 2020 with their subsequent decline“.
2. The government should implement a transparent use of Green Investment Schemes
3. Ukraine should adjust its legislation in the energy sector to the European one

Priority should be set to the following tasks:

- a. elimination of subsidies „dirty“ power
  - b. bound water and heat meters for end users
  - c. incentives to implement EE in the public sector and in municipal energy
  - d. wide information campaign on EE
4. monetarised social system should be in place to improve the conditions for disadvantaged people

We believe that the allocation of international aid or loans should address the mentioned problems. This would make the government work more efficiently to reduce energy costs in the economy, which ultimately will mean more efficient use of aid funds and implementation of effective measures to reduce greenhouse gas emissions.

I sincerely hope for your support and concern,

Chairman of the Working Group on Climate Change

Andriy Martynyuk

Reference: The Working Group of Ukrainian non-governmental organizations on climate change consists of 22 environmental organizations in Ukraine. The main focus of our work is on promoting climate conservation through active participation in working out and implementing policies of Ukraine on climate protection and educated population. Information on our activities can be found at [www.climategroup.org.ua](http://www.climategroup.org.ua)