



# Energy policy of Ukraine: international dimension

*The 2<sup>nd</sup> Japan-Ukraine Energy Seminar 2015*  
*1<sup>st</sup> October, 2015 Kyiv, Ukraine*



# Energy Diplomacy in figures

- **212** events
- Increased reverse of gas flow in **10 times**
- Received over **€800 million** of external assistance
- Reduced gas supplies from Russia by **10 billion cubic meters**
- Geography of contacts – more than **40 countries**



# Key achievements:

## depoliticization of gas issue

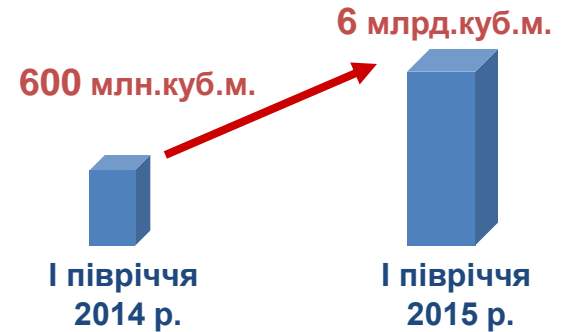
- 🔑 **Prolonged action** of "gas discount" within the "winter package" for the second quarter of 2015
- 🔑 **Solution of gas disputes** transformed from format "Ukraine-Russia" to format "Ukraine-Russia-EU"
- 🔑 **Increased transparency** of gas sphere in the triangle "EU-Ukraine-Russia"



# Key achievements:

## diversification of energy supplies

 The volume of reverse gas supply increased



 Treaty of the Interconnector with FGSZ (Hungary) was signed

 Ensured supply of nuclear fuel from "Westinghouse" (USA)



# Key achievements:

## implementation of EU legislation

🔑 **Plans of implementation** of some legislative acts of the EU in the energy sector approved by the Government

🔑 **Law "On natural gas market"** was developed and adopted

🔑 **Gas sector reform plan** was approved by the Government

🔑 **The law "On electricity market"** was drafted by the Ministry



# Bilateral contacts: the language of statistic



**Total number of meetings – 212**

- Ministers - 8
- Ambassadors - 27
- Foreign companies - 27
- International financial organizations - 15
- International organizations - 18
- Working meetings - 117



# Intensification of bilateral contacts



Special Envoy  
of the USA  
**Amos Hochstein**



Minister of Energy of  
the USA  
**Ernest Moniz**



Minister of Energy and Coal  
Industry of Ukraine  
**Volodymyr Demchyshyn**



Minister of Foreign Affairs of  
Kingdom of Denmark  
**Martin Lidegaard**



European Commissioner  
**Maroš Šefčovič**



Minister of Industry and  
Trade of Czech Republic  
**Jan Mladek**



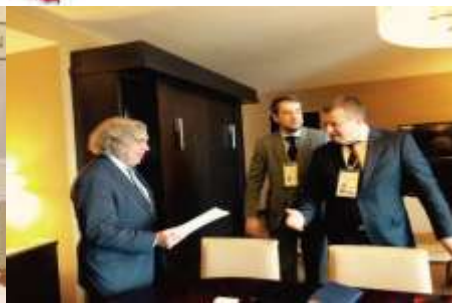
Minister of Economic Affairs  
of the Netherlands  
**Henk Kamp**



Deputy Prime Minister of Georgia  
**Kakha Kaladze**



Minister of Energy of Romania  
**Andrei Gerea**



# Foreign visits of Minister

-  **CERAWeek**, Houston – participation at special energy panel
-  **International conference** (the Hague II) in the Hague – concluding document of the International Energy Charter was signed
-  **Working visit to Turkmenistan**, Ashgabat – participation in the session of intergovernmental Ukrainian-Turkmenian commission





# Participations in energy events: new energy networking



Seminar G7 “Energy security and Ukraine’s energy sector challenges”, Berlin



International Support for Ukraine Conference, Kyiv



XXVI International gas conference, Paris



First Ukrainian-Japanese seminar on energy security, Kyiv



# Deepening cooperation with IFIs: from money to real projects

**Credit agreement on clean technology – \$378 million**

**Financing of the working out of secondary legislation to the Gas market Law**

**Grant for implementation of Extractive Industries Transparency Initiative – \$300 thousand**



**European Bank  
for Reconstruction and Development**

**KFW**

**A loan agreement for modernization of pipeline Urengoy-Uzhgorod-Pomary was signed – €300 million**

**The credit for projects of reconstruction and modernization of the eastern regions infrastructure of Ukraine (on energy– €200 million)**



# International support:

## “yes” to reforms in Ukrainian energy sector

- **Declaration of the Ministers of Energy G7** – the existing dynamics in reforming the energy sector of Ukraine was noted
- **17th EU-Ukraine summit – Joint Declaration** – the ongoing reform of tariffs and energy prices, the adoption of the new Gas market Law, submitting the draft law on Regulator to the Parliament were noted
- **Final Declaration of the Riga summit “Eastern Partnership”** – the progress achieved by major energy infrastructure projects was recognized
- **Ukrainian-American working group on energy security** – the progress in reforming of the energy sector of Ukraine was supported



# Cooperation with EU: from “classic” to new initiatives

-  Ministry intensified the process of implementation of the Third Energy Package
-  Signed a joint report on the cooperation in the energy sector in 2014
-  Ministry proposed to the EU to "reset" relations in the energy sector and sign a new Memorandum of Understanding
-  The "Energy Bridge" project, aimed to develop interstate electricity network infrastructure was presented



# Cooperation with the Energy Community: new page in relations



The Law **“On natural gas market”** was drafted and adopted



A **“road map”** on **secondary legislation** to the law “On natural gas market” was prepared



The work on the draft **Law “On electricity market”** was finished



The text of the draft **Law “On national regulator in the energy sector”** was finalized



The application of the requirements on emissions into the atmosphere **(EU Directive 2010/75) was modified**



# Cooperation with Japan: an access to new eastern horizons



**Cooperation with NEDO** on "Demonstration project for replacement of the steam turbine" in Trypilska TPP



**A technical audits** of Trypilska TPP and Burshtynska TPP (JCOAL) were made and respective reports were presented



**Cooperation with IEEJ** on the development of Master Plan (strategy of Ukraine's energy development)



**First Ukrainian-Japanese seminar** on energy security was held



# Tasks that were not fully completed



To sign an additional contract on gas supply within so called "summer package"



To launch "Big reverse" gas flow from European countries and Slovakia in particular



To hold the meeting of Energy Ministers of the Visegrad "Four" + Ukraine



To solve a problem of energy resource purchase for the heating season



# Main tasks by the end of 2015

- ✓ Continue a contract on gas supply from Russia within so called "winter package"
- ✓ Development and adoption of the secondary legislation to the Law "On natural gas market"
- ✓ The adoption of the new Law "On electricity market"
- ✓ To sign agreements on interconnectors between EU operators and Ukraine
- ✓ To purchase a necessary amount of energy resources for future heating season (gas and coal)
- ✓ To draft a new Memorandum of Understanding in the energy sector between Ukraine and the EU





# Main tasks by the end of 2015

- ✓ To develop a **new contingency plan** for the energy sector of **Ukraine**
- ✓ To implement a **rapid response mechanism** regarding problematic issues that foreign investors may face in the energy sector of Ukraine
- ✓ To conduct a number of **bilateral intergovernmental joint commissions** (Iran, Norway, Czech Republic)
- ✓ To hold a **Second Ukraine-Japan energy seminar**
- ✓ To participate in the **Energy Community ministerial meeting**
- ✓ To hold an annual **Energy Forum**
- ✓ To create a "**diplomatic club**" under the Ministry



**THANK YOU FOR  
YOUR ATTENTION!**

**Ministry of Energy and Coal Industry of Ukraine  
Department of European Integration  
Kyiv 2015**