

THE NATIONAL ENVIRONMENTAL INVESTMENT AGENCY OF UKRAINE



The National Environmental Investment Agency
of Ukraine
2010





Viktor Yanukovich
President of Ukraine

Taking into account that the climate change issues in the context of present conditions are the matter of state concern and directly influence on the state of economical and national security of Ukraine in general, this state policy direction will be considerably reinforced.

Among first-priority steps are:

- realization, starting from the current year, of the greenhouse gas emission reduction activities by using the funds from the sale of the AAU`s according to the concluded international agreements;*
- insulation of the social important objects – schools, hospitals, pre-school institutions;*
- creation of the internal emission trading system within the expedient economical sectors;*
- active participation of Ukraine in the international climate change talks and in forming of the new approaches regarding international greenhouse gas emission trading in order to save the more acceptable conditions of post-Kyoto's agreements.*

Not people for reforms, but reforms for the people

President of Ukraine Viktor Yanukovich's address to the Ukrainian people



Sergii Orlenko

NEIA Head

Climate change that takes place on our Planet nowadays is the integral part of economic, political and humanitarian processes of globalization. Powerful efforts, directed on climate change combat, which Ukraine undertakes in the framework of cooperation with international organizations and leading countries of the World, become the objective reality of the humanitarian, legal and economic environment, setting scope terms of forming and realization of national policy practically in all spheres.

Ukraine takes pride in leading the world's realization of Joint Implementation projects (Art.6 of the Kyoto protocol). NEIA has registered 180 JI projects. 32 of them are at the stage of realization. At that, Ukraine is the world's leader in the amount of projects which are carried out under Track 2 procedure. 13 of the 23 projects under implementation in the world are Ukrainian.

Ukraine was the first country in the world which carried out transformation of Assigned Amount Units (AAU) to Emission Reduction Units (ERU). In total there were 7 million tons of Ukrainian ERUs among the 12 million tons of the world's ERUs – that is 60% of the world market.

In order to overcome the distrust to «hot air», the Ukrainian ecological (green) investments scheme (GIS) was currently improved. Within the framework of GIS projects the Government first receives funds and then directs them to financing of emission reduction projects, and a buyer receives the set amount of the approved volume of assigned amount units (quotas for greenhouse gases emission).

It is determined that the strategic aim is to create in Ukraine the carbon emission reductions market that will allow applying a market mechanism for stimulation of emission reduction activity. We are also interested in creation of promising international mechanism of co-operation in order to facilitate the access to advanced technologies.

Ukraine is well aware of the global climate change challenge. And although, according to scientific forecasts, our country is not among the worst affected by the global warming, Ukraine actively participates both in realization of the Kyoto protocol and in negotiation process on the new climate agreement. Only by joint efforts we can overcome the global climate change challenge.

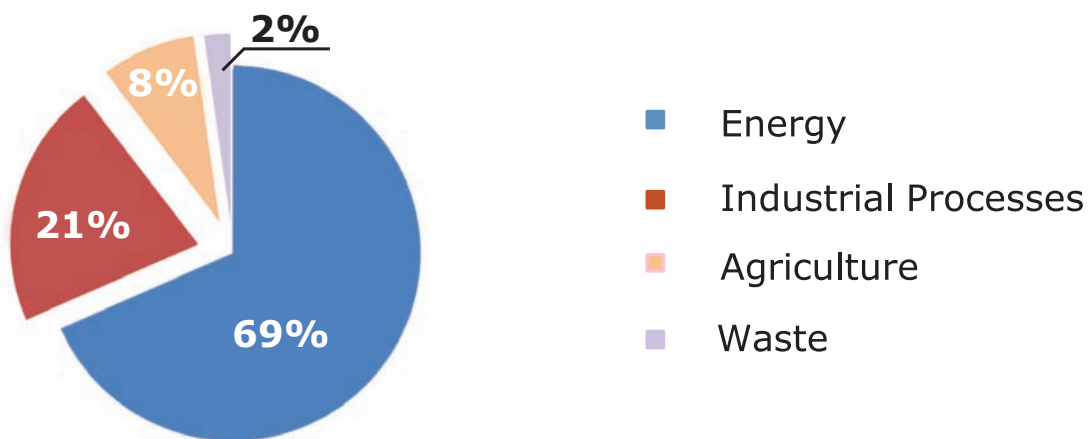
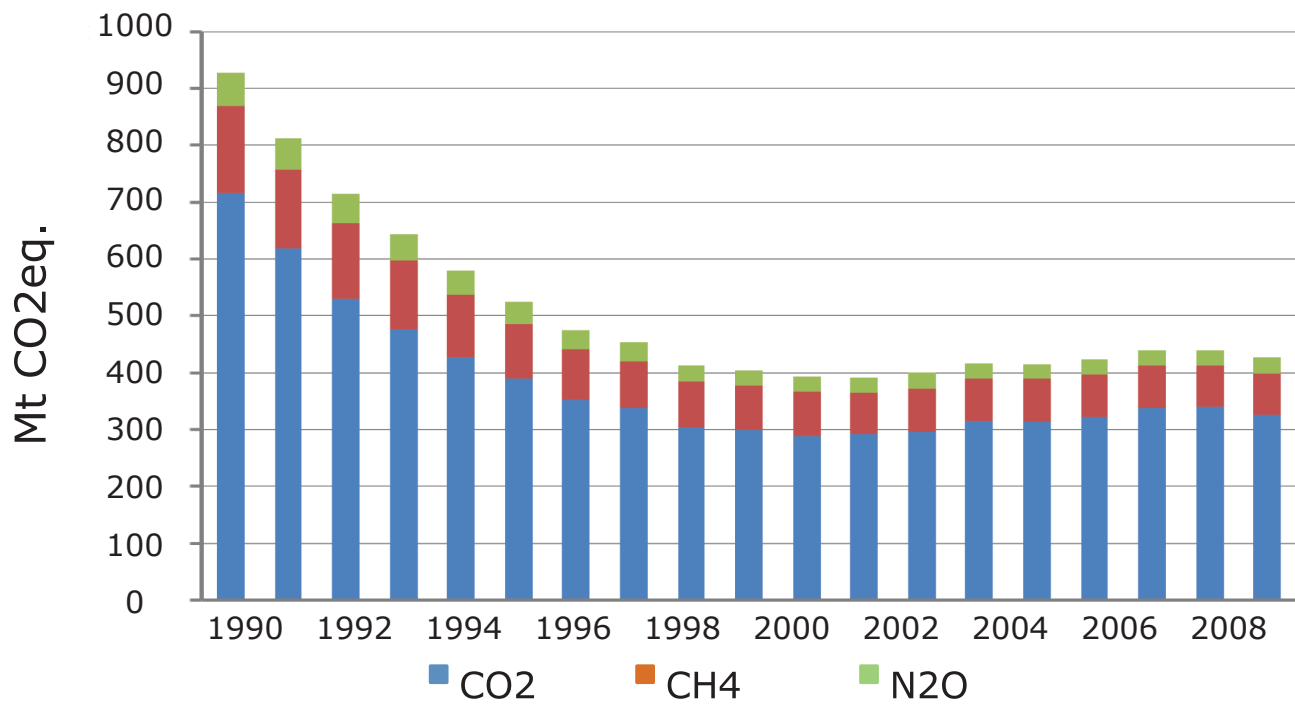
Coordination of the UNFCCC and KP in Ukraine

The National Environmental Investment Agency (NEIA) of Ukraine is the central executive body, established for country-wide coordination of the UNFCCC and the Kyoto Protocol fulfillment in Ukraine by the order of the Cabinet of Ministers of Ukraine of April 4, 2007 №612 «On creation of the National Environmental Investment Agency of Ukraine».

The main responsibilities of the Agency are:

- to participate in establishing and providing for the execution of the state national investment policy in the environmental protection sector area as well as and the state policy in the field of regulation of anthropogenic negative impact on climate change;
- to execute the provisions set in the United Nations Framework Convention on Climate Change and implement the mechanisms of the Kyoto Protocol including implementation of greenhouse gases (GHG) mitigation projects, attracting investments to the environmental protection;
- to establish and ensure the operation of the national system for the assessment of the GHG emissions and absorption.

Ukraine's GHG Inventory



International cooperation of Ukraine under UNFCCC and KP

Memorandums of Understanding signed
with:

Japan
Spain
the Netherlands
Denmark
Canada
France
Italy
USA

MoUs with Austria, Germany and Portugal
are on drafting stage

General legislation

- The law of Ukraine «On ratification of the UNFCCC»;
- The law of Ukraine «On ratification of the Kyoto Protocol»;
- The order of the Cabinet of Ministers of Ukraine of August 18, 2005 №346-p «On approval of the National plan of measurements for implementation of the Kyoto Protocol to the United Nations Framework Convention on Climate Change»;
- The decree of the President of Ukraine of 12/09/2005 №1239/2005 «On coordinator of the measures for commitments fulfillment under the United Nations Framework Convention on Climate Change and the Kyoto Protocol to the United Nations Framework Convention on Climate Change»;
- Regulation of the Cabinet of Ministers of Ukraine of 22 February 2006 №206, as amended on 20 August 2008 by the Regulation of the Cabinet of Ministers of Ukraine №718 «On approval of the procedure of drafting, review, approval and implementation of Projects aimed at reduction of anthropogenic emissions of greenhouse gases»
- Regulation of the Cabinet of Ministers of Ukraine of April 10, 2006 r. №468 «On procedure of the coordination of the measures for the fulfillment of commitments of Ukraine in accordance with the United Nations Framework Convention on Climate Change and the Kyoto Protocol to it»;
- Regulation of the Cabinet of Ministers of Ukraine of April 21, 2006 №554 «On approval of the Procedure of functioning of the national system for estimation of anthropogenic emissions and absorption of greenhouse gases, which are not regulated by the Montreal protocol on substances that deplete the ozone layer»;
- Regulation of the Cabinet of Ministers of Ukraine of July 30, 2007 №977, as amended by Regulation of Cabinet of Ministers of Ukraine, dated 26 April 2010, №325 «On approval of the Statute on the National Environmental Investment Agency of Ukraine»;
- Regulation of the Cabinet of Ministers of Ukraine of 22 February 2008 №221, as amended by Regulation of Cabinet of Ministers of Ukraine, dated 6 September 2010, №807 «On approval of the procedure of review, approval and implementation of GIS Projects during the period of commitments under Kyoto Protocol to UNFCCC»;
- Regulation of the Cabinet of Ministers of Ukraine of April 17, 2008 №392 «On provision of the fulfillment of the international commitments of Ukraine under the United Nations Framework Convention on Climate Change and the Kyoto Protocol to it»;
- Regulation of the Cabinet of Ministers of Ukraine of 28 May 2008 №504 «On creation and operation of National Electronic Registry of Anthropogenic Emissions and Absorption of Greenhouse Gases»;
- Regulation of the Cabinet of Ministers of Ukraine, dated 28 July 2010, № 671 "On Approval of Procedure of Use of Funds in 2010 provided by the State Budget for Government Support Measures aimed at Emission Reduction (Absorption Increase) of Greenhouse Gases and Development of International Cooperation on Climate Change".

Statement of Ukraine's Delegation to the Cancun Round of UN Talks on Climate Change

Ukraine supports efforts by the international community aimed at limiting and reducing anthropogenic emissions of greenhouse gases into the atmosphere to prevent a dangerous increase in global temperature.

Ukraine has been consistently contributing to combating the global climate change, supporting the efforts of the international community aimed at limitation and reduction of anthropogenic emissions of greenhouse gases into atmosphere.

Being Party to the United Nations Framework Convention on Climate Change and the Kyoto Protocol, Ukraine has been meeting its commitments for reduction of greenhouse gases, acting under the abovementioned international instruments.

Being Party to the Kyoto Protocol, Ukraine is actively participating in the reduction of greenhouse gas emissions through the "flexible" mechanisms of the Kyoto Protocol – Joint Implementation projects and emissions trading within the Green Investment Scheme.

While effecting the concept of "common but differentiated responsibilities", Ukraine pledges not to exceed the greenhouse emission level of 80% from the level of the base year 1990 by 2020, provided the project (like JI projects) and market (like emissions trading) mechanisms continue to function.

Ukraine is ready to consider and accept a more stringent emissions reduction, if the economy of Ukraine is given access to financial and technological resources for implementing low-carbon energy-efficient technologies.

On the form of the agreement. The Parties should reach a unified and coherent agreement, specifying legal obligations of all Parties. Should such an agreement be not feasible, efforts must be applied to secure that:

1. The Kyoto Protocol is extended by three to five years, with no substantial amendments made to it.

2. Decisions are taken by the Conference of the Parties on further negotiations, while a separate decision should specify Parties' quantified commitments for the period until 2020, and their MRV commitments.

In absence of a unified and coherent agreement, Ukraine is ready to take on quantified commitments on limitation and reduction of greenhouse gas emissions under bilateral and multilateral agreements.

On the term of the agreement. The term of the new agreement must reach 2020, with a concrete guidance as to its functioning for a longer period of time – till 2050 and beyond.

On the base year. The new agreement should keep 1990 as the only base year for calculation of obligations of the Parties.

On carbon units. The new agreement should provide for the carry-over of carbon units from the first commitment period under the Kyoto Protocol to further periods (i.e. banking), be it next period under the Kyoto Protocol or a period under a new agreement, and borrowing of these units, if 2005 is recognized as the base year.

On project mechanisms. The new agreement should accommodate the time-tested project ("flexible") mechanisms of the Kyoto Protocol. Meanwhile, the agreement should provide for the facilitated access of the Parties to the project mechanisms and enable the prompt implementation of new project mechanisms.

On market mechanisms. The new agreement should lay conditions to develop the unified financial mechanism, international emissions trading systems and respective national plans of actions for mitigation and adaptation.

Ukraine is on the road to establishing the national market of emissions trading as an emissions reduction mechanism that has proven to be efficient.

Ukraine is ready to unify its national market of emissions trading with the markets of other states and regions, striving to increase its efficiency as an instrument of global greenhouse gas emissions reduction.

On MRV. All Parties to the new agreement should undertake to strictly adhere to the international MRV standards for national GHG emissions inventories, as well as to project and market mechanisms.

On arrangements for adaptation measures. Ukraine believes the respective negotiations to be important and welcomes constructive arrangements on the urgent development of the relevant systemic measures and mechanisms for their financing.

On LULUCF. Ukraine emphasizes the important role of forests in reducing anthropogenic emissions and removals of greenhouse gas emissions and calls for a mechanism to ensure a proper consideration of the role of forests in the fulfillment of the Parties' commitments.

On status of the countries that are undergoing the process of transition to a market economy. The special status of Ukraine as country undergoing the process of transition to a market economy, enshrined both in the UN Framework Convention on Climate Change and in the Kyoto Protocol, should be maintained. **The outcome of the Cancun Conference of the Parties** needs to accommodate the following abstracts, to be included in new arrangements of the post-Kyoto period under the Climate Change Talks, on the Annex I Parties that are undergoing the process of transition to a market economy:

«The Conference of the Parties:

DECIDES that the Annex I Parties undergoing the process of transition to a market economy shall not be bound by legal commitments under the new post-2012 climate-change agreements to provide new and additional financial resources, technology transfer and institutional capacity building in support of developing country Parties in enabling enhanced implementation of mitigation and adaptation actions, although they may wish to consider to do so on a voluntary basis.

IINVITES Annex I Parties which are in a position to do so, through multilateral agencies, including through the Global Environment Facility within its mandate, bilateral agencies and the private sector or through any further arrangements, as appropriate, to make available the capacity building, financial, technical and technology transfer assistance for the Parties undergoing the process of transition to a market economy in order to assist those Parties in the development and implementation of their national low-emission development strategy and action plans consistent with their priorities and with their emission reduction targets.»



More detailed information is available on the following web-sites:

www.neia.gov.ua
www.carbonunitsregistry.gov.ua

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