

Report on gap analysis of the current legislation in Ukraine and development of a roadmap outlining EU4Climate support to Ukraine in alignment with EU *acquis* included in Bilateral Agreements on Climate Action and/or Energy Community Treaty (Lot 3)

Part I: Review of relevant climate *acquis* (EU and Energy Community) applicable to Ukraine

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Table of Contents

List of Abbreviations	3
1. Background and Scope	4
2. Review of Ukraine's climate obligations under the Association Agreement with EU	4
2.1. EU climate policy, reporting and <i>acquis</i> under AA	4
2.2. State of implementation of AA climate commitments.....	6
3. Review of Ukraine's climate obligations under the Energy Community Treaty	7
3.1. Description of applicable EU climate <i>acquis</i> under EnCT	7
3.2. State of implementation of EnCT climate provisions.....	8
4. The national legal framework and climate reporting.....	8
4.1. Existing and draft climate legislation in place.....	8
4.2. National policies and sectoral strategies	10
4.3. Climate reporting.....	10
5. Concluding remarks and recommendations.....	11

List of Abbreviations

AA	EU-Ukraine Association Agreement
BR	Biennial Report
CMU	Cabinet of Ministers of Ukraine
CO ₂	Carbon Dioxide
COP	Conference of Parties
CSs	Controlled Substances
EnC	Energy Community
EnCT	Energy Community Treaty
ETS	Emissions Trading Scheme
EU	European Union
F-gases	Fluorinated Greenhouse gases
GHG	Greenhouse Gas
IP	Industrial Processes
KP	Kyoto Protocol
LEDs	Low Emissions Development Strategy
LTS	Long-Term Strategy for low emission development
MRV	Measurement, Reporting and Verification
MS	Member State
NAP	National Adaptation Plan
NALP	National Allocation Plan
NDC	Nationally Determined Contribution
NECP	National Energy and Climate Plan
NIR	National Greenhouse Gas Emission Inventory Report
ODS	Ozone Depleting Substances

PA	Paris Agreement
UNFCCC	United Nations Framework Convention on Climate Change

1. Background and Scope

By virtue of the EU-Ukraine Association Agreement and the Energy Community Treaty, Ukraine has undertaken to task align its legal framework with respect to the EU climate *acquis*, aiming to contribute to climate change mitigation and adaptation with gradual transition towards a low-emission and climate-resilient economy.

The present report is prepared within the framework of the EU4Climate Programme, financed by the European Union and implemented under the indirect management of the United Nations Development Programme (UNDP). The objective of the EU4Climate Programme is to support the development and implementation of climate-related policies by the Eastern Partnership countries, which contribute to their low emission and climate resilient development and their commitments to the 2015 Paris Agreement on Climate Change.

The present report represents the first part of a project which overall objective is a gap analysis of the current legislation of Ukraine and the development of a Roadmap outlining EU4Climate support in alignment with EU *acquis* included in Ukraine Bilateral Agreements on Climate Action and Energy Community Treaty.

The report outlines a detailed review and analysis of the relevant EU climate *acquis* applicable to Ukraine under the Association Agreement and Energy Community Treaty along with a review of existing national legislation in Ukraine both in place and in draft. The review of national report on the implementation of the EU-Ukraine Association Agreement and description and analysis of climate reporting also falls under the scope of the present report.

The report also identifies key actions and results taken by Ukraine in line with its climate commitments under the Association Agreement and Energy Community Treaty as well as priority actions outlined in the existing climate policies, strategies and legislation.

2. Review of Ukraine's climate obligations under the Association Agreement with EU

2.1. EU climate policy, reporting and *acquis* under AA

The EU-Ukraine Association Agreement (AA), following its ratification in September 2016, became fully effective since 1 September 2017 and, in light of Article 9 of the Ukrainian Constitution, forms part of its national legislation.

The AA explicitly indicates that the climate sector, including the implementation and promotion of climate change policies, falls under the scope of mutual cooperation objectives between the EU and Ukraine.¹ For instance, Chapters 1 and 6 of Title V of the AA call on mutual promotion and strengthening of existing climate commitments included in multilateral agreements, to which both the EU and Ukraine are Parties – the UN Framework Convention on Climate Change (UNFCCC) and Kyoto Protocol (KP). Climate-related cooperation targets are also reflected in the area of science and technology.² Moreover, Article 365(c) AA and Annex XXXI thereto encourage the Parties to develop and implement climate change policy in the following three dimensions: 1) Implementation by Ukraine of KP, including all eligibility criteria for fully using the Kyoto mechanisms; 2) Development of an action plan for long-term (i.e., post-2012) mitigation of and adaptation to climate change; 3) Development and implementation of long-term measures to reduce GHG emissions.

Although the AA does not include any specific climate-relating reporting commitments, it imposes legally binding commitments to implement specific EU climate legislation.

For instance, Article 363 and Annex XXX thereto of the AA, commit Ukraine to adapt its national legislation in the area of climate change and ozonosphere protection within 2 years after its entry into force, in compliance with the following EU *acquis*: 1) Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading (hereinafter - **Directive 2003/87/EC**);³ 2) Regulation (EC) 842/2006 on certain fluorinated greenhouse gases (F-gases) (hereinafter – **F-gases Regulation**); 3) Regulation (EC) 2037/2000 on substances that deplete the ozone layer (ODS) (hereinafter – **ODS Regulation**)⁴.

Ukraine's obligations stemming from **Directive 2003/87/EC** are aimed at promoting GHG emissions reductions in a cost-effective and efficient manner through: (1) adoption of national legislation and designation of competent authority/ies; (2) establishment of installation identification system for activities indicated in Annex I⁵, and six greenhouse gases specified in relation to those activities in Annex II.⁶; (3) development of a national allocation plan (NALP) to distribute allowances to installations based on objectives and transparent criteria, providing information on total quantity of allowances that it intends to be allocated to installations for that period, including the means of its allocation (art. 9); (4) establishment of a system for issuing GHG emissions permits and issuance of allowances to be traded domestically among installations in Ukraine (art. 4 and 11 - 13); (5) establishment of monitoring, reporting, verification (MRV) and enforcement systems and public consultations procedures (art. 9, 14 – 17, 19 and 21).

¹ Article 338(k), 360, 361 of AA.

² Article 374, 376(h) of AA.

³ Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Directive 96/61/EC as amended by Directive 2004/101/EC.

⁴ Regulation (EC) 2037/2000 on substances that deplete the ozone layer as amended by Regulations (EC) 2038/2000, (EC) 2039/2000, (EC) 1804/2003, (EC) 2077/2004, (EC) 29/2006, (EC) 1366/2006, (EC) 1784/2006, (EC) 1791/2006 and (EC) 2007/899 and Decisions 2003/160/EC, 2004/232/EC and 2007/54/EC.

⁵ Activities under Annex I of Directive 2003/87 include : energy, production and processing of ferrous metals, mineral industry and some other industrial plants activities.

⁶ Carbon dioxide (CO₂), Methane (CH₄), Nitrous Oxide (N₂O). Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF₆).

Ukraine's commitments under **F-gases Regulation** consist in harmonizing the requirements on the use and reporting mechanism for F-gases covered by Annex A to the Kyoto Protocol via: (1) adoption of national legislation and designation of competent authority/ies; (2) establishment/adaptation of national training and certification requirements for relevant personnel and companies (art. 5); (3) establishment of reporting systems for acquiring emission data from the relevant sectors to track down quantities of F-gases produced, imported or exported for recycling, for reclamation or for destruction (art. 6); (4) establishment of an enforcement system (art. 13).

The **ODS Regulation**, by targeting the implementation of provisions of the Montreal Protocol⁷ on phasing out ODS production and consumption, legally bounds Ukraine to (1) adopt national legislation and designation of competent authority/ies; (2) establish bans for controlled substances (CSs), including ending the use of virgin hydrochlorofluorocarbons (HCFCs) by 2010 and of all HCFCs by 2020 (art. 4 and 5);⁸ (3) establish a quantitative limit for the use of methyl bromide for quarantine and pre-shipment applications at the level of the average use in the years 1996, 1997 and 1998 (art. 4); (4) phase out the placing on the market of virgin HCFCs by 2015 (art. 4); (5) establish obligations to recover, recycle, reclaim and destruct used controlled substances (Art. 16); (6) establish procedures for monitoring and inspecting leakages of CSs (Art. 17).

It should be noted that the *acquis* above mentioned is either no longer in force (the F-gases Regulation and the ODS Regulation) in the EU or has been changed (Directive 2003/87/EC). Moreover, the ODS Regulation is very complicated and sets ambiguous implementation timeframe, in particular for ending the usage of virgin and all HCFCs by 2010 and 2020, respectively. This raises some inconsistencies issues vis-à-vis to obligations of EU Member States, given that ODS Regulation was enforced way before the AA, allowing MSs to leverage on a reasonable, gradual transition from 10 to 20 years to comply with its obligations, inter alia, in part related to HCFCs usage and placing on the market.

2.2. State of implementation of the AA climate commitments

A detailed list of action and measures to be taken for purposes of transposition of the above-mentioned three EU climate *acquis* for Ukraine is outlined in the Action Plan for EU-Ukraine Association Agreement Implementation, approved by CMU resolution of 25 October 2017 No. 1106 (hereinafter - **Action Plan for AA implementation**). At the same time, the Action Plan for AA Implementation explicitly calls for "implementation of measures provided for in Action Plan on Concept of realization of state policy in the area of climate change for the period up to 2030"⁹ as of 6 December 2017 (hereinafter - **2030**

⁷ The Montreal Protocol on Substances that Deplete the Ozone Layer is a protocol to the Vienna Convention for the Protection of the Ozone Layer, signed on 16 September 1987.

⁸ Pursuant to Article 1 of the Regulation "controlled substances" means chlorofluorocarbons, other fully halogenated chlorofluorocarbons, halons, carbon tetrachloride, 1,1,1-trichloroethane, methyl bromide, hydrobromofluorocarbons and hydrochlorofluorocarbons, whether alone or in a mixture, and whether they are virgin, recovered, recycled or reclaimed.

⁹ Paragraph 1726 of the Action Plan for EU-Ukraine Association Agreement Implementation, approved by CMU resolution of 25 October 2017 No. 1106.

Climate Change Concept Action Plan).¹⁰ In turn, 2030 Climate Change Concept Action Plan goes beyond the above-mentioned document by encouraging the adoption of legal basis for establishing an Emission Trading Scheme (ETS). The adoption of domestic legislation on GHG emissions is also envisaged by Ukraine's Energy Strategy for the Period up to 2035 "Security, Energy Efficiency, Competitiveness", adopted by CMU decree as of 18.08.2017 No. 605-r (hereinafter - **2035 Energy Strategy**)¹¹ as well as in **CMU's 2019 Activity Programme**¹² which, comparing to the year 2018, sets up specific targets, key performance indicators and defines competent authorities while calling for reduction of GHG emissions by 2024 and percentage reduction in the use of ODS and F-gases.

According to the AA Implementation Reports from 2015¹³ to 2018¹⁴, top performance results outlined in climate-related obligations are: approval of Ukraine's 2050 Low Emission Development Strategy (2050 LEDS);¹⁵ adoption as a basis¹⁶ by Ukrainian Parliament of both Draft Law of Ukraine "On Monitoring, Reporting and Verification of GHG Emissions" (hereinafter – Draft Law on MRV)¹⁷ and Draft Law of Ukraine "On Ozone Depleting Substances and Fluorinated Greenhouse Gases" (hereinafter – Draft Law on ODS and F-gases)¹⁸; development at the ministerial level of the implementation concept of trade in allowance units of GHG emissions in Ukraine, in order to create the ETS for GHG emission allowance trading in Ukraine.¹⁹

3. Review of Ukraine's climate obligations under the Energy Community Treaty

3.1. Description of applicable EU climate *acquis* under EnCT

By becoming a Contracting Party to Energy Community Treaty (EnCT) as of 1 February 2011, Ukraine committed to transpose and implement provisions of the EU legislation made applicable under it. Climate-related issues became integrated in the context of the Energy Community (EnC) starting from 2016, in the form of recommendations and guidelines, adopted by the Ministerial Council (MC) of the EnC. The recommendations

¹⁰ CMU decision "On Approval of Action Plan on implementation of Concept of realization of state policy in the area of climate change for the period up to 2030" dated 6 December 2017 No. 878.

¹⁰ Ibid, paragraph 1728.

¹¹ CMU resolution as of 18.08.2017 No. 605-r "On approval of the Energy Strategy of Ukraine for the period up to 2035 "Security, energy efficiency, competitiveness".

¹² CMU resolution "On approval of the Program of activity of the Cabinet of Ministers of Ukraine" dated 29.09.2019 No. 1099-VIII.

¹³ The Report on Implementation of the Association Agreement between Ukraine and the European Union, 2018.

¹⁴ The Report on Implementation of the Association Agreement between Ukraine and the European Union, 2015.

¹⁵ Approved by minutes of meeting of CMU as of 18.07.2018 (not available online), the Ukraine's 2050 Low Emission Development Strategy available at: https://unfccc.int/sites/default/files/resource/Ukraine_LEDS_en.pdf

¹⁶ The term "adoption as a basis" is part of legislative process in Ukraine, which means that the Verkhovna Rada of Ukraine upon recommendation of responsible Committee at the Verkhovna Rada has approved in principle the text of the draft law for its further preparation and submission to first parliamentary reading.

¹⁷ Draft Law of Ukraine "On Monitoring, Reporting and Verification of GHG Emissions" registered at VRU under No. 9253 as of 01.11.2018.

¹⁸ Draft Law of Ukraine "On Ozone Depleting Substances and Fluorinated Greenhouse Gases" registered at VRU under No. 9082 as of 14.09.2018.

¹⁹ Pages 17, 132 of the 2015 Action Plan for AA implementation.

have no binding legal force, though CPs “shall use their best endeavours” to carry them out.²⁰

Currently, the soft law climate-related *acquis* consist of: **1) Recommendation 2016/02/MC-EnC; 2) Recommendation 2018/01/MC-EnC, including Policy Guidelines (PG 03/2018) on the development of NECPs; and 3) General Policy Guidelines on the 2030 targets.**

Under **Recommendation 2016/02/MC-EnC**, CPs, including Ukraine, are encouraged to “prepare legal and institutional preconditions” in order to implement key elements of Regulation (EU) 525/2013 on a mechanism for monitoring and reporting GHG emissions, which is planned to become a fully binding part of climate *acquis* under EnCT following its adaptation. In line with **Recommendation 2018/01/MC-EnC**, as part of climate reporting, each CP should strive to prepare and submit by 2020 a National Energy and Climate Plan (NECP) addressing five key EU dimensions.²¹ The **Policy Guidelines (PG 03/2018) on the development of NECPs** is also to be considered by CPs in the preparation of their NECPs.²² As per the **General Policy Guidelines on the 2030 targets**, CPs should establish three separate energy and climate targets²³.

3.2. State of implementation of EnCT climate provisions

The 2019 Implementation Report (IR) of the EnC assessed Ukraine’s progress in National GHG emission monitoring and reporting system at the level of 36%, while the status of NECPs preparation reached only 20%.²⁴ The approval of a comprehensive NECPs for the period of 2021-2030 is scheduled by the end of 2020, as envisaged in the 2030 Climate Change Concept Action Plan.²⁵ As a positive step, the IR outlines the adoption in first reading of the Draft Law on MRV and the Draft Law on ODS and F-gases, including the 2030 Climate Change Concept Action Plan, which, in turn refers to drafting and adoption of national strategic documents, namely the 2050 LEDS and a National Adaptation Strategy.

4. The national legal framework and climate reporting

4.1. Existing and draft climate legislation in place

Ukraine’s climate-relating obligations, both stemming from multilateral (EnCT, UNFCCC, KP, PA, Montreal Protocol, Vienna Convention for the Protection of the Ozone Layer) and bilateral (AA) agreements, are scattered throughout existing and draft domestic legislation. Climate-related provisions are mainly included in the following primary legislation: *Law of Ukraine “On the basic principles (strategy) of the state of environmental*

²⁰ Article 76 of EnCT.

²¹ Five EU dimensions include : (1) Security, solidarity and trust; (2) A fully integrated internal energy market; (3) Energy efficiency; (4) Decarbonizing the economy; and (5) Research, innovation and competitiveness.

²² Adopted at Ministerial Council as Annex 17/16th MC/23-11-2018.

²³ Namely targets for: (1) energy efficiency, (2) contribution of renewable energy sources, and a (3) GHG emission reduction target.

²⁴ P.184 of EnC 2019 Implementation Report.

²⁵ Paragraph 2(9) of CMU decision “On Approval of Action Plan on implementation of Concept of realization of state policy in the area of climate change for the period up to 2030” dated 6 December 2017 No. 878.

policy of Ukraine through 2020” of 21 December 2010 (entry into force as of 1 January 2020), envisaging the adoption of a National Action Plan on environmental protection, as well as the development of sectoral strategies for the protection of ozone layer and climate change mitigation;²⁶ *Law of Ukraine “On strategic environmental assessment”* of 20 March 2018, imposing an obligation to include climate impact assessment as part of planning documents (strategies, programs and development plans) for activities that are subject to an environmental impact assessment;²⁷ *Law of Ukraine “On environmental impact assessment”* of 23 May 2017, providing that information on climate factors, including climate change and GHG emissions, falls under the scope of environmental impact assessment reports, submitted by economic entities;²⁸ the *Tax code of Ukraine* of 02 December 2010, which introduced CO₂ emissions tax in 2011 for stationary sources (mainly power sector and processing industry such as metal and coke production, chemical and petrochemical, cement, food industries).²⁹

The climate-related effective secondary legal acts (beside legal acts on approving climate strategies and planning, which are described further below) include: (1) *CMU Procedure for operation of national anthropogenic emission assessment and absorption system for GHG not controlled by the Montreal Protocol*, incorporating some of the provisions of Regulation (EU) 525/2013.³⁰; (2) *CMU Regulation on National Electronic Registry of anthropogenic emissions and GHG absorption*, establishing a national registry system in order to collect information, inter alia, on reduction of GHG emissions, in line with UNFCCC commitments;³¹ (3) *CMU decree “On establishment of budget institution “National Center for GHG Accounting”* designating new authority responsible for GHG accounting;³² (4) *2030 Climate Change Concept Action Plan*, envisaging the adoption of national climate-related strategic documents and legal basis for transposing EU *acquis* under AA;³³ (5) *CMU decree “On approval of the Transport Strategy of Ukraine through 2030”*, setting the NDC objective in the area of road transport by recognizing its significant impact on global climate change;³⁴ (6) the detailed list of action and measures to be taken by Ukraine for purposes of transposition of the key EU climate *acquis* - Directive 2003/87, F-gases and ODS Regulations - is also outlined in *Action Plan for AA implementation*.³⁵

²⁶ Law of Ukraine “On the Basic Principles (Strategy) of the State Environmental Policy of Ukraine through 2020” dated 21 December 2010 No. 2818-VI.

²⁷ Law of Ukraine “On Strategic Environmental Assessment” dated 20 March 2018 No. 2354-VIII.

²⁸ Law of Ukraine “Law of Ukraine “On environmental impact assessment”” dated 23 May 2017 No. 2059-VIII.

²⁹ Tax Code of Ukraine dated 02 December 2010 No 2755-17.

³⁰ CMU decree “On approval of procedure of operation of national anthropogenic emission assessment and absorption system for greenhouse gases not controlled by the Montreal Protocol on Substances that deplete the ozone layer” dated 21 April 2006 No. 554.

³¹ CMU decree “On the formation and maintenance of national electronic registry of anthropogenic emissions and removals of greenhouse gases” of 28 May 2008 No. 504.

³² CMU decree “On establishment of budget institution “National Center for GHG Accounting” of 7 November 2011 No. 1194-r.

³³ CMU decision “On Approval of Action Plan on implementation of Concept of realization of state policy in the area of climate change for the period up to 2030” dated 6 December 2017 No. 878.

³⁴ Ibid, paragraph 1728.

³⁵ CMU decree “On approval of the Transport Strategy of Ukraine through 2030” dated 30 May 2018 No. 430-r.

³⁵ Action Plan for EU-Ukraine Association Agreement Implementation, approved by CMU resolution of 25 October 2017 No. 1106.

It should also be noted that with the new government in place since August 2019, ambitious targets are set in its 2019 CMU Activity Program.³⁶ By substantially overcoming the 2018 one, the new CMU Activity Program instead of climate-related provisions sets up specific climate targets, key performance indicators and defines competent authorities responsible for achieving measures targeting, inter alia, the reduction of GHG emissions by 2024 and percentage reduction of ODS and F-gases usage.

Draft legislation following on Ukraine's commitments under the AA climate *acquis* includes: *Draft Law on MRV and Draft Law on ODS and F-gases* (both adopted on 28 February 2019 in first reading). This also includes a list of draft CMU resolutions, which are, however, excluded from the scope of AA Implementation Report: *Draft CMU resolution "On adoption of procedure for MRV of GHG emissions"*; *Draft CMU resolution "On adoption of procedure for verification of reports of operators on GHG emissions"*; *Draft CMU resolution "On adoption of list of activities, which are subject to MRV of GHG emissions"*; *Draft legal act "On some issues related to accreditation of the operator report on GHG emissions greenhouse gases"*.³⁷

4.2. National policies and sectoral strategies

Existing climate-related policies and strategies of Ukraine include: **1) National Environmental Action Plan for 2011-2015 (NEAP)**, focusing on Ukraine's commitments under Directive 2003/87;³⁸ **2) 2035 Ukraine Energy Strategy**, outlining strategic guidelines for establishing a GHG ETS, including meeting GHG emission targets set at 60% by 2030 compared to level of 1990, and at 50% by 2035 compared to 1990 levels; **3) Ukraine's 2050 Low Emission Development Strategy**, setting the indicative GHG emissions target at 31-34% by 2050 compared to 1990 levels.³⁹

At the same time, the 2030 Climate Change Concept Action Plan envisages the development of the National adaptation plan to climate change for the period up to 2020, which, for the time being, has been developed and implemented at the local level by specific cities or local communities of Ukraine.⁴⁰

4.3. Climate reporting

As Annex I Party to the UNFCCC⁴¹, Annex B Party to KP and Party to Paris Agreement (PA), Ukraine is legally bound to prepare and submit: **Nationally Determined Contribution (NDC); Long-Term Strategy for low emission development (LTS);**

³⁶ CMU resolution "On approval of the Program of activity of the Cabinet of Ministers of Ukraine" dated 29.09.2019 No. 1099-VIII.

³⁷ Available at the website of the Ministry of Energy and Environmental protection: <https://menr.gov.ua/news/32022.html>

³⁸ CMU decree "On approval of the National Environmental Protection Action Plan for the period 2011 – 2015" of 25 May 2011 No. 577-r.

³⁹ Approved by minutes of meeting of CMU as of 18.07.2018, the Ukraine's 2050 Low Emission Development Strategy available at: https://unfccc.int/sites/default/files/resource/Ukraine_LEDS_en.pdf

⁴⁰ NAPs are developed with the support of EU Commission within project of Climate Forum East II. For instance, NAP to climate change of the city of Kamianske is available at: https://climateforumeast.org/uploads/files/final_1.pdf

⁴¹ Ukraine signed the UNFCCC in June 1992, ratified it in May 1997, and since August 1997 became Party to Annex I of the UNFCCC.

National Communication (NC); National GHG emissions Inventory Report (NIR); Biennial Transparency Report (BR); National Adaptation Plan (NAP).

Before the entry into force of PA, Ukraine in 2015 submitted its **Intended Nationally Determined Contribution (INDC)**, setting a GHG emission level target not exceeding 60% of 1990 GHG emissions level in 2030.⁴² Ukraine's INDC targets include activities on energy, Industrial processes (IP), agriculture, land use, land-use change and forestry (LULUCF), and waste. However, it is missing adaptation information on priority sectors, data quality and transparency and information on participatory process, specific financing request and technical needs. Ukraine has not submitted its revised **NDC** yet, though preparatory process has been launched.⁴³ Under the PA, Ukraine should communicate its vision for climate change mitigation targets towards 2050 by submitting its **LTS** to the UNFCCC by 2020.⁴⁴ Pursuant to the PA, Ukraine has submitted its 2050 LEDS in July 2018.⁴⁵ As an Annex I Party to UNFCCC, Ukraine has to submit its **NC** every four years and **BR** every two years⁴⁶. Ukraine submitted to the UNFCCC in 2013 its first BR with sixth NC combined into a single document.⁴⁷ On May 2019, Ukraine has submitted its most recent **NIR**, being part of Ukraine's GHG Inventory, consisting of information on national GHG emissions and removals during the period of 1990-2017.⁴⁸ Ukraine's draft **NAP** was developed in 2013, though never approved.

5. Concluding remarks and recommendations

Most of applicable EU climate *acquis* under the AA is either outdated or unnecessarily complex, thus requiring bringing clarity in terms of specific provisions and timelines to be applied, so to avoid different interpretations or variation in its enforcement. In addition, the AA fails to take into account climate obligations of Ukraine under the Paris Agreement, concluded afterwards; neither includes any climate-related reporting obligations.

Whilst some of the climate *acquis* arising from Ukraine's obligations under the AA already exists in draft, further progress depends on political will and efforts of newly designated government and elected Parliament of Ukraine. For the time being, the establishment of a comprehensive climate legal framework and preparation of climate planning and reporting documents is required. At the same time, applicable domestic legislation is mostly composed of action plans setting out detailed measures and steps to be taken for gradual approximation with the AA, in some parts overlapping with or supplementing each other, instead of focusing on adopting draft legal acts or developing new ones in alignment with the EU *acquis*. Other climate-related provisions are roughly enshrined in Ukrainian environmental legislation.

⁴² COP decisions 1/CP.19 and 1/CP.20 UNFCCC.

⁴³ According to information available on website of Ministry of energy and environmental protection, on 4 February 2019, the first meeting of the Working Group on the development of the second NDC was held, composed of representatives from state bodies, non-governmental organizations, experts, regional and municipal association, etc, available at: <https://menr.gov.ua/news/33080.html>

⁴⁴ Paragraph 19 Article 4 of Paris Agreement.

⁴⁵ Approved by minutes of meeting of CMU as of 18.07.2018 (not available online), the Ukraine's 2050 Low Emission Development Strategy available at: https://unfccc.int/sites/default/files/resource/Ukraine_LEDS_en.pdf

⁴⁶ COP decision 9/CP.16 and 2/CP.17

⁴⁷ NC and BR available at: <https://unfccc.int/documents/199066>

⁴⁸ NIR available at: <https://unfccc.int/documents/195605>

In principle, climate commitments stemming from the EnCT are of advisory nature, since not legally binding; however, they call for using best efforts and endeavors by CPs in implementing climate-related recommendations and guidelines.

Key preliminary recommendations to be drawn from above is that Ukraine shall: 1) establish a comprehensive and integrated climate legal framework, including the adoption of existing draft legal acts transposing the EU climate *acquis*; 2) continue bilateral dialogue within the AA on implementation of new or updated EU climate *acquis*, with the view, inter alia, of its commitments under Paris Agreement; 3) continue its climate dialogue with the EnC and moving forward with the implementation of climate-related recommendations and guidelines; 4) develop climate-related reporting, including strategies and policies, namely Ukraine's National Energy and Climate Plan, required to be reported to the Ministerial Council of EnC; the National Adaptation Plan and the Strategy of Ukraine on Adaptation to Climate Change.

Further steps within this project include the preparation of a detailed gap analysis of Ukraine's current legislation and the development of a Roadmap outlining EU4Climate support in alignment with EU *acquis* included in AA and EnCT. The purpose is to enhance the alignment of Ukrainian legislation with EU legislation enshrined in Article 363 and Annex XXX thereto and EnC recommendations and policy guidelines.