Reforms in Ukraine under the Third Package – the Role of the Energy Community

Energy Charter Secretariat Knowledge Centre

Brussels, 6.5.2015
2014/15: Crisis in Ukraine

- Ukraine as the birth place of Europe’s security of supply agenda
- What is different in 2014?
- European approaches so far and their shortcomings
- The importance of a clear and binding legal framework – Energy Community and Energy Charter
Energy Community in a nutshell

► Energy Community as a multilateral integration agreement …
► … requiring deep domestic reforms ….
► … and integrating Ukraine in the internal market as a fully fledged member
► 2015: Ukraine in focus
The Third Energy Package

Main elements

- Market opening and public service obligations
- Protecting vulnerable customers
- Unbundling and certification
- Third party access
- Strong and independent regulators

Legitimacy of the Third Package in Ukraine
November 2014: De- or re-monopolizing the gas sector?

Gas Sector Reform Implementation Plan adopted on 1 April by CoM

New Gas Market Law (drafted April 2014, approved by CoM in January 2015 and adopted on 9 April)

- Adoption of public service obligations and secondary legislation with EnCS
- Naftogaz to submit unbundling plan to EnCS by October 2015
Law on Operating Principles of the Electricity Market of Ukraine adopted in October 2013

Working group set up to elaborate draft Electricity Market Law
- Process
- Key features

Promoting electricity from renewable sources: infringement action against the local content clause
New law on the energy regulatory authority to be adopted by Government

- Extended regulatory powers
- Improved political and financial independence

Other institutions: Anti-Monopoly Committee and State aid enforcement
Integration in the Energy Community Single Market

Infringement Case: Capacity Allocation on Electricity Interconnectors

Electricity system synchronization and Market Coupling Ukraine/Moldova

Ukraine in the Gas Regional Initiative South South East: UA/PL Pilot Project for early implementation of CACM Network Code
Thank you for your attention!

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