

Policy Note 2019.2 – Ukraine’s National Energy and Climate Plan

An Integrated National Energy and Climate Plan (NECP) for Ukraine

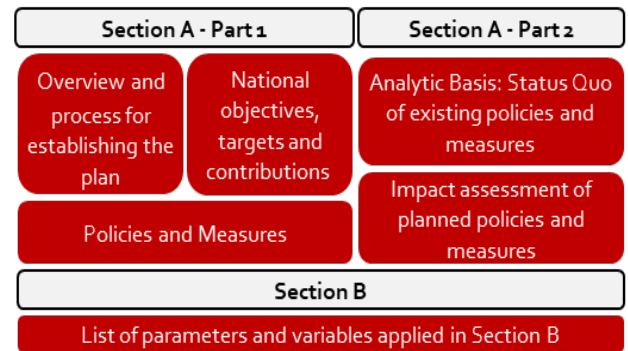
Each member state of the EU has to prepare an Integrated National Energy and Climate Plan by the end of 2019. These national plans shall ensure that the EU as a whole can meet its targets, and to coordinate policies between different countries. By 2030 the EU wants to reduce greenhouse gas emissions by 40%, improve energy efficiency by at least 32.5% and increase the share of renewables to 32%, compared to the 1990 levels. In 2017, the Energy Community¹ (EnC) recommended that their members (incl. Ukraine) shall also develop NECPs. This is a necessary step for Ukraine to participate in the Energy Union² – as the NECPs are a main tool of Energy Union governance. But the NECPs are not only instrumental for EU integration and cross-border coordination, they can also help Ukraine to streamline its energy and climate policies. A realistic plan in line with EU rules would serve as a credibility anchor that could reassure both foreign donors and investors.

NECP Timeline

2018	<ul style="list-style-type: none"> Setting targets, methodology and start stakeholder processes First EnC working group meetings
2019	<ul style="list-style-type: none"> Ongoing preparation of NECP in close collaboration with EnC, relevant stakeholders, the EU-Commission and regional partners Focus on scenario development for Section A // Part 2
2020	<ul style="list-style-type: none"> Submission of draft and feedback from peer reviews, the EnC and the EU-Commission Finalising of the NECP
2025	<ul style="list-style-type: none"> Revision and update of the NECP to ensure the achievements of the set targets
2030	<ul style="list-style-type: none"> End of 1st NECP
2031	<ul style="list-style-type: none"> Start of 2nd NECP-Period (Finalisation of 2nd NECP)

Energy Community members should have already started to set out the structure of the NECP and the process of its elaboration. In 2019 the actual drafting should begin to be ready to have a properly consulted final NECP by 2020. Given this timeline and that the final NECP will be some 100 pages long, the work on the Ukrainian NECP should be started immediately, irrespective of the election calendar.

Structure of the NECP



Guidelines by the EU and the Energy Community as well as first drafts and outlines of NECPs in various EU member states provide a template for Ukraine’s NECP. Nevertheless, there will be a number of strategic and political decisions that should precede the detailed work on the Ukrainian NECP. Most importantly, which institution will be responsible for drafting the plan. But also, how it will relate to existing strategies and action plans; who will conduct modelling and quantification or how are stakeholders involved in the process.

Consequently, we think that a first urgent step is to clarify responsibilities on this document that will be crucial for Ukraine’s aspiration to participate in the Energy Union.

¹ The Energy Community consists of the EU and nine countries in the EU’s neighbourhood that want to become part of the EU internal energy market.

² The Energy Union is a political project of the Juncker Commission to ensure that “Europe’s energy supply is safe, viable and accessible to

all”. It bundles and structures different legislative initiatives along five pillars and provides a new governance framework for the cooperation between the member states and between member states and the EU.