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# <u>Note</u>: This article represents solely the views of the author and does not reflect the official positions of any of the represented organizations.

## Paris Agreement: what does it mean for Ukraine?

## Introduction

The post-Paris discussion in Ukraine was flavoured by quite varying opinions and arguments. On the one hand, the experts and environmentalists' community was very impressed with the achieved result of the COP 21 conference. The fact, that the world finally acknowledged the existence of climate change and started being afraid of its damaging impact on humanity's existence, came as a surprise to many<sup>1</sup>. After years of fights against scepticism and disbelief, the environmental activists and scientists finally saw some result – the COP 21 agreement was supported by 189 countries. The target has been set even more ambitiously than expected – to keep the temperature rise at the level of 1.5C.

On the other hand, the actual position of the Ukrainian government, the public statement by President Poroshenko, as well as the announced country commitment, faced extensive criticism among the stakeholders internally. Many came to realize that the government might be planning to use war in the east of Ukraine as an excuse not to support the global commitments and, moreover, to even increase the emissions.

There are three key aspects worth noting upon the Paris agreement impact on Ukraine's policies, at which we will further look in detail within this brief analyses. Namely:

- Ukraine's attempt to remain neutral in action due to limited impact of climate change on the country
- International obligations in frames of the EU Association Agreement and their impact on developing internal market
- Energy efficiency and renewable energy as the only solution to the long-term country's energy slavery

The important fact is –with or without the Paris agreement, these key aspects remain crucial for Ukraine's future. Hence, Ukraine's role in contributing to combating climate challenges has to be viewed as part of overall Ukraine's development and current obligations, not solely in light of Paris talks.

## i. Ukraine and climate change: will we remain inert?

<sup>&</sup>lt;sup>1</sup> http://www.cop21.gouv.fr/

This must be one of the main concerns currently debated within the country. After our President's speech about Ukraine being at war and hence "we will have to return temporary annexed Crimean peninsula, rebuilt our infrastructure, as a result increase the production of materials and emissions of CO2" was far from expected by the opinion leaders. Instead of sending a strong signal that despite the internal hardships and conflicts, we will remain strong and will join efforts with global community for the single purpose, we claimed to pursue an easy way. Apart from this, our target of retaining the emissions at the level under 60% of 1990<sup>2</sup> caused confusion. Given that Ukraine is already at much smaller level of emissions, the target will in fact mean the possibility for 40% increase of CO2 emissions until 2030 (if current level is considered to be 100%)<sup>3</sup>. This could be perceived as a "modest" worst-case scenario to happen, once we really need to drastically reconstruct the destroyed infrastructure in the east of the country. The valid criticism remains with questioning our true current plans for energy consumption reduction and diversification of non-fossil fuels. Even the basic mathematics would show, that the country with at least 50% energy saving potential would really need to do something special to increase the CO2 emissions by 40%, while the global trends are quite the opposite... So where will be our policies for energy saving and renewable energy support in coming years?!

### ii. Climate "non change" (?) target and international obligations.

Will this "new Ukrainian commitment" actually aim for change or not? This must have been raised already by the international donor community, which since two decades is heavily supporting investment into the extremely difficult energy sector. The hope is that Ukrainian government is not manipulating the current political and military conflict and the strong commitment of the EU to decreasing emissions, while aiming at misusing the system for purely more of the donors money. This should be simply not allowed. Ukraine is receiving a lot of donor support in developing market mechanisms for i.e. energy efficiency, being one of the most crucial sectors for the country's energy security strategy. Finally, hundreds of millions of euros have been borrowed by Ukraine from the International Finance Institutions (IFIs) to invest into the energy infrastructure, including grids, CHPs, hydropower plants and anything else that helps to avoid natural gas. In turn, our only responsibility – to deliver effective reforms to make energy market transparent and effective – seems a mission impossible to achieve. Nevertheless, the current market status (which does not allow the thoughtless energy use for much longer) and almost exhausted donor patience, will gradually, but push Ukraine through, to ensure that the market mechanisms are in place and energy sector reforms are effectively on-going. To achieve this, there are plenty of primary and secondary policy regulatory documents, which have to be finalized, developed and/or adopted.

## iii. Energy Efficiency and Renewable Energy: the only recipe for Energy Independence?

Yes. Yes. And Yes. Is this only my opinion? I am, indeed, biased, but surely not the only one. Like it was surprising to whiteness the unity of countries' leaders in agreeing on the strategy against climate change, similarly within Ukraine we are on the daily basis observing the urge initiated on the local levels to invest in energy efficiency and diversification. This need has been accumulated since many years, but only now, due to external aggression,

<sup>&</sup>lt;sup>2</sup> <u>http://www4.unfccc.int/submissions/indc/Submission%20Pages/submissions.aspx</u>

<sup>&</sup>lt;sup>3</sup> http://www.climateinfo.org.ua/eng/node/1446

it became obvious and is requiring action. With our potential for energy saving and renewable energy resource base it is a crime to delay the laws, market mechanisms and for so long misuse the donor support. Of course, there can always be found strong reasons and excuses of why Ukraine is still so poorly investing in energy efficiency and renewables, but the fact remains – any strong leader who wishes this country well, has to start from Energy Sector and deliver reforms there on all levels. To start with, it would be good to finally focus on adopting the Energy Strategy of the country, which exists only in drafts since almost 5 years, as well as to adopt the pending laws in frames of Energy Community Treaty. This already would be a positive step forward, which would kick-off the market growth.

#### Conclusion

There exists an opinion that Ukraine was not among the key negotiators during the Paris conference, because the impact of climate change is comparatively smaller then i.e. on the "drowning" island countries<sup>4</sup>. In my opinion, this is a very narrow view for the country with 45 million people in the centre of the Europe. We can no longer separate ourselves from the globalized world – where climate change impacts trade, economies, our key strategic alliance partners, etc. Ukraine could always enjoy a very normal 4 season climate without any dramatic natural disasters. Unfortunately, slowly but visibly we already had our minor first earthquakes in Crimea some years ago and southern parts of the country like Odessa, which never suffered from anything more than average snow, now two years in a row get more of it than the Carpathian mountains. This simply cannot be ignored and we, as a country, have to stand along the rest of the world committed to minimize our negative impact on the climate as fast as we can. This is the right outcome of the Paris agreements, additional external "push" to further actively adopt needed policy and, in fact, the only way forward for Ukraine.

<sup>&</sup>lt;sup>4</sup> Some of the most actively negotiating and ambitious countries along with the EU, were countries which will primarily suffer from any further climate changes. For instance many countries located on the islands will end up under water. Some of the African regions, which are not even generating significant emissions will further suffer from water and food shortages.