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**SECTOR COMPETITIVENESS STRATEGY FOR UKRAINE
FROM STRATEGY TO IMPLEMENTATION**

FOURTH MEETING OF THE WORKING GROUP ON
RENEWABLE ENERGY AND ENERGY EFFICIENCY

PHASE III

MEETING MINUTES

THURSDAY, 16th October 2014, Kyiv

14:00-17:00



1. List of Participants:

Chairman:

Mr. Serhiy DUBOVYK Deputy Head, State Agency on Energy Efficiency and Energy Saving of Ukraine

Working Group Participants:

Mr. Igor KOVALYOV Head of Renewable Energy Development Department, State Agency on Energy Efficiency and Energy Saving of Ukraine

Mr. Viktor PARZHNYTSKY Head of Division, Institute of Innovation Technologies, Ministry of Education and Science of Ukraine

Mr. Yuriy MOROZOV Head of Department of Geothermal Energy, Renewable Energy Institute of the National Academy of Sciences of Ukraine

Mr. Viktor PUSHNYAK Head of Division, State Space Agency of Ukraine

Mrs. Vira BOGOK Head of Division, Ukrainian Statistic Agency

Mr. Valeriy HRUSHA Head of Division, Ministry of Regional Development, Construction and Housing of Ukraine

Ms. Iryna BZEBINSKA Deputy Head of Division, Ministry of Economic Development and Trade of Ukraine

Mr. Oleksandr RYBAK Deputy Director of Department, State Forestry Agency of Ukraine

Ms. Olga REVINA Vice-Chair, International Chamber of Commerce, Ukraine

Mr. Igor GRES Vice-President, International Chamber of Commerce, Ukraine

Mr. Victor TSYKALENKO Chairman, Committee For Energy Effectiveness, International Chamber of Commerce, Ukraine

Mr. Petro KALYTA President, Ukrainian Association on Quality

Mr. Yuriy MOROZOV Manager, Geothermal Energy Unit, Renewable Energy Institute of the National Academy of Sciences of Ukraine

Mr. Mykola TALAVYRIA Director, Economics and Management, National University of Natural Resources and Environmental Sciences of Ukraine

Ms. Olena BATS Leading Specialist, National University of Bio Resources and Environmental Sciences of Ukraine

Mr. Victor ZHOVTYANSKY Corresponding Member of the National Academy of Science of Ukraine, Head of Department on Plasma Technologies, Deputy Director of the



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SWEDEN

	Institute of Gas, National Academy of Sciences of Ukraine
Mr. Wolfram REHBOCK	Chairman of the EUEA Board, European-Ukrainian Energy Agency
Mr. David CESCHIA	EUEA Interim Director, Integrated CIM Expert, European-Ukrainian Energy Agency
Ms. Olena RYBAK	Board of Directors Member, European-Ukrainian Energy Agency
Mr. Mats LUNDIN	EUEA Vice Chairman, Head of the EUEA Wind Working Group, European-Ukrainian Energy Agency
Mr. Oleksandr ZOLOTKIN	President, Centre for municipal management "HABITAT"
Mr. Viktor YAGODZINSKYI	Deputy Director, IQC "PRIROST"
Mr. Oleg GRAMOTENKO	Ukraine Country Manager, Alter Energy Group AG
Mr. Edward KLAGER	CEO, Alter Energy Group AG
Mr. Oleg GRAMOTENKO	Ukraine Country Manager, Alter Energy Group AG
Mr. Hugo MOSQUEDA	Senior Research, YUNASKO
Mr. Peter O'BRIEN	Country Manager Ukraine, EuroCape New Energy
Mr. Maksym SYSOIEV	LL.M. Counsel, Attorney-at-Law, Marchenko Danevych
Mr. Boris FILIPOV	Sector Manager, Private Sector Development, European Union Delegation to Ukraine
Ms. Jurate JUODSNUKYTE	Analyst, European Union Delegation to Ukraine
Mr. Gianfranco SCALA	CEO of Italian System of Renewable Energy
<u>OECD delegation:</u>	
Ms. Gabriela MIRANDA	Project Manager, OECD Eurasia Competitiveness Programme
Ms. Yerim PARK	Project Co-ordinator, OECD Eurasia Competitiveness Programme
Mr. Dan BIDOIS	Policy Analyst, OECD Eurasia Competitiveness Programme
Ms. Maria STEFANECZ	Assistant, OECD Eurasia Competitiveness Programme
Ms. Olha BOSAK	Local Consultant in Kyiv
Mr. Jesper DITLEFSEN	Advisor, Danish Energy Agency

2. Agenda

- 14.00-14.10 **Opening and welcoming remarks**
- **Mr. Serhiy Dubovyk**, Deputy Head of the State Agency on Energy Efficiency and Energy Saving of Ukraine, Chairman of the Working Group on Energy Efficiency and Renewable Energy
 - **Ms. Gabriela Miranda**, Project Manager, OECD Eurasia Competitiveness Programme
- 14.10-14.20 **Project background and update**
- **Ms. Gabriela Miranda**, Project Manager, OECD Eurasia Competitiveness Programme
- 14.20-15.10 **Suggested project focus for Renewable Energy**
- Presentation of the analysis, suggested policy solutions and relevant OECD case studies for further discussion
- **Mr. Dan Bidois**, Policy Analyst, OECD Eurasia Competitiveness Programme
- Open discussion
- 15.10-16.00 **Suggested project focus for Energy Efficiency**
- Presentation of the analysis, suggested policy solutions and relevant OECD case studies for further discussion
- **Mr. Dan Bidois**, Policy Analyst, OECD Eurasia Competitiveness Programme
- Open discussion
- 16.00-16.45 **Presentation on Denmark's Experience in Energy Efficiency**
- **Mr. Jesper Ditlefsen**, Advisor, Danish Energy Agency
- Questions and Answers
- 16.45-17.00 **Key decisions, conclusions and closing remarks**
- **Mr. Serhiy Dubovyk**, Deputy Head of the State Agency on Energy Efficiency and Energy Saving of Ukraine, Chairman of the Working Group on Energy Efficiency and Renewable Energy
 - **Ms. Gabriela Miranda**, Project Manager, OECD Eurasia Competitiveness Programme

3. Summary of discussions and highlights of the meeting

The Working Group discussions for the renewable energy work stream mostly focused on the following topics:

- Key barriers for attracting biomass investment and suggested actions for improving related administrative policies and procedures. Green tariffs are viewed as sufficient by investors while unclear length of time and inconsistent procedures, particularly at regional level, have hindered biomass investment in Ukraine;
- Suggested focus areas for the project, including the streamlining and standardising of the process for setting up a biomass plant. It was decided that Working Group members would provide further feedback on additional potential focus areas for improving biomass investment as included in the OECD presentation;
- Additional key stakeholders such as the Ministry of Regional Development to be consulted during the analysis of focus areas for the project;
- Expected new draft laws and changes to existing regulations affecting investment in biomass. For example, there are currently draft laws before the Verkhovna Rada to change local content requirements.

The Working Group discussions for the energy efficiency work stream mostly focused on the following topics:

- International best practices on energy efficiency policies, particularly those among OECD and IEA member countries;
- Key policy areas to encourage the private sector to implement energy efficiency measures including the improvement of regulatory framework for ESCOs in Ukraine. It was discussed that the OECD should further consult with the Ministry of Regional Development on implementation of ESCOs;
- The need for associations in Ukraine in order to promote and allow industry to provide energy efficient products and improve implementation of energy efficiency measures;
- Current laws and regulations in Ukraine such as the Law on Public-Private-Partnership that may be leveraged to support energy efficiency implementation;
- Denmark's best practice examples on implementation of energy efficiency policy and measures, including regulatory measures, financing incentives and energy efficiency standards/codes, following the presentation from Mr. Jesper Ditlefsen, Advisor from the Danish Energy Agency.

4. Key decisions taken and next steps

Endorsement of the OECD's analysis and recommendations to improve investment in the biomass sector, and to encourage the private sector to implement energy efficiency measures:

- The Working Group endorsed the preliminary analysis for focus areas of the renewable energy and energy efficiency work streams presented by the OECD. The Working Group agreed to provide feedback on additional focus areas for both work streams so that the OECD may refine the suggested actions and priority areas for the project and finalise with the Working Group Chairman and the State Agency on Energy Efficiency and Energy Saving of Ukraine.

Agreement on the suggested work plan and key meetings

- The Working Group agreed to establish the Working Group on Energy Efficiency (WG EE) to optimise work streams on renewable energy and energy efficiency under the Sector Competitiveness Strategy for Ukraine project, and approved the appointment of Mr. Oleksiy Korchmit, First Deputy Head of the State Agency for Energy Efficiency and Energy Saving of Ukraine, as WG EE Chairman.
- The Working Group agreed on the proposal for the work plan and timelines for key meetings for the Project Phase III. The work plan and timelines for key meetings may be adjusted as the project evolves. Further information on the meetings will be provided in due course.
- The key **forthcoming meetings** and events:
 - **Week of 9 February 2015:** 5th Working Group Meeting on Renewable Energy and Working Group Meeting on Energy Efficiency
 - **June 2015:** 6th Working Group Meeting on Renewable Energy and Working Group Meeting on Energy Efficiency
 - **September 2015:** 7th Working Group Meeting on Renewable Energy and Working Group Meeting on Energy Efficiency
- A draft report on the preliminary findings of the study visit to Sumy Oblast was shared with the Working Group. Feedback on the report should be provided to the OECD by **6 November 2014**.