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Heinrich Boell Foundation in Ukraine, jointly with the National Ecological centre of Ukraine, public organization "Ecoclub" and international charitable organization "Environment-People-Law" are pleased to invite you to participate in the conference on the following topic:

## **Ukraine's energy security: challenges of geopolitical crisis. Expert analysis of capabilities to address the issue of energy independence of Ukraine**

**When:** June 10, 2014, beginning at 09.30

**Where:** Kyiv, Large Conference Room, NAS of Ukraine, sectional Hall, Str. Vladimirska, 55, 3rd Floor

For Ukraine, which is the de facto in military conflict with Russia it is also obvious worsening of Ukraine-Russian economic conflict, in which the most vulnerable spot is the energy system of the country. Ukraine is on the threshold of a great energy crisis, which is characterized by a significant rise in price of natural gas from Russia and even possible stopping its supply, stopping deliveries of petroleum products from the Customs Union, the rejection of deliveries of fuel elements to Ukrainian nuclear plants, the abandonment of the storage of spent nuclear fuel in Russia and so on. Also today it is difficult to predict what the outcome of conflict at Eastern Ukraine. In the worst case Ukraine will lose large deposits of coal in the Donets Basin and shale gas on the border of Donetsk and Kharkiv regions, as has already been lost deposits of hydrocarbons on the Black Sea shelf and installed generating capacity of wind and solar energy in the Crimea. Thus the resource base of the Ukrainian energy sector due to the military conflict with Russia is significantly reduced.

Currently the energy system of Ukraine was not ready for flexible and rapid reactions in response to such threats and the geopolitical crisis significantly increases the economic crisis. Energy prices to consumers, which was artificially constrained, will rise, most of the energy system (including nuclear power) are physically worn out and require immediate modernization, energy sector demands urgent reforms, especially within the commitments made to the European Energy Community (EEC). Russia is a major importer of natural gas that used for the needs of industry and thermal power plants and is also a recipient of the spent fuel. Ukraine has still not found a substitute for the Russian fuel rods for Ukrainian nuclear power plants. Thus the probability of timely and saving foreign investment is low, especially in the current conflict with Russia.

And none of these risk of termination of cooperation with Russia would not be so critical if the previous energy policy of Ukraine was more balanced, cost-effective and aimed at addressing the challenges within the strategic national interests rather than situational political gain. Furthermore energy sector was and unfortunately remains the most opaque and corrupt sector of the economy in Ukraine which greatly complicates its reform and cooperation with the EU. Although Ukraine is now more than ever must not only shift to rapid progressive solution but try to play ahead of the curve. The main task for the government and civil society in Ukraine is finding the optimal (from the economic, political, geopolitical, social and environmental points of view) of the energy balance in the short, medium and long term.

This conference aims to address these and other issues that could objectively reveal the possibilities of solutions to current Ukrainian energy crisis.

## The Program

- 9:30- 10:00 Participants registration
- 10:00- 10:15 Welcome speech  
**Dr. Kyryl Savin**, Head of the Heinrich Boell Foundation in Kyiv  
**Todiychuk Olexander**, deputy chairman of "Naftogaz Ukraine"
- 10.15 - 12.00 **Session 1: Energy independence of Ukraine. How to maintain energy balance in the new geopolitical conditions?**

Escalation of the conflict with Russia increasingly reduces the chances for the energy system of Ukraine to retain the structure that has been in the past decades which we received from the Soviet times and used it so far. The new government must react quickly and revise energy policy, both to minimize losses and possible risks, and provide opportunities for safe, cost-effective, environmentally acceptable, geopolitically balanced country's energy supply.

- Is it possible to submit a technical point of view on the energy balance of Ukraine today without energy from Russia? What will this mean for the quality of life of ordinary Ukrainians?
- How the new Ukrainian government is ready to transparent and free from corruption schemes rules in the energy sector in order to speak frankly about EU assistance in this area?
- How can the energy balance of Ukraine in the new geopolitical conditions in Eastern Europe?
- Mean energy independence of Ukraine, that the government should rely exclusively on local energy resources?

Speakers **Michael Gonchar**, director of energy programs, "Nomos", Kyiv  
**Katerina Bosko**, Research Centre for East European Studies, Bremen University  
**Arthur Denisenko**, coordinator of Energy Programme NECU, Kyiv  
**Lily Mlinarych**, energy expert, Kyiv

Moderation **Kyryl Savin**, head of the Heinrich Boell Foundation in Kiev

12.00 - 12.30 Coffee and tea

12.30 - 14.00 **Session 2: Gas issue: total dependence on Russia. Whether shale gas is an alternative?**

Currently the expected volume of natural gas production in the traditional way can not provide the costs of communal services and the public. Fields increasingly depleted, new fields almost not open due to lack of investment. As for shale gas, even taking into account support for the new government, to start production it will need to confirm geological studies, environmental impact assessment, new technologies, great investments and a lot of time. Question of reversible gas supply also depends on political pressure Russia to potential countries-provisioners.

- So what should be the choice for the new government now? Whether gas conflict is verdict or challenge for Ukraine?
- Should the government take care of providing cheap gas for industrial projects in the hands of the Ukrainian oligarchs? Or can it concentrate on providing gas at affordable prices for the public and utilities, and the oligarchs will be able to take care of their own economic interests?

- What are the prospects and timing of construction of LNG-terminal in Odessa? Will this terminal solve Ukraine's problem of gas supply?
- Is shale gas a viable alternative to natural gas supplies from Russia? Are U.S. corporations to invest in the development of fields in politically and economically very unstable country?

**Speakers**      **Alexander Narbut**, president of the Kiev Institute of Energy Research, Kyiv  
**Sophiya Shutyak**, lawyer in the energy sector, ICO "Environment-People-Law", Lviv  
**Gennady Riabtsev**, Deputy Director of the Scientific and Technical Center "Psyche", Kyiv  
**Dmitry Naumenko**, expert, German Advisory Group, Kyiv

**Moderation**    **Andriy Martyniuk**, head of Ecoclub, Rivne

14.00 - 15.00 Lunch Break

15.00 - 17.00 **Session 3: Sources of heat and electricity production: nuclear energy, shale gas, renewables or energy efficiency? Is it possible to combine them?**

Energy security of any country is based on such main factors - diversification of energy generation and energy imports and the appropriate level of energy saving and energy efficiency. While the current rate of the Ukrainian government for energy independence uses only a part of these factors. Authorities claim the two main vectors of development - the creation of new nuclear energy facilities and intensive shale gas extraction. But despite the fact that nuclear fuel for the stations produced in Russia, then talk about the completion of two nuclear reactors as a prerequisite for energy independence is impossible. Shale gas, taking into account all the potential costs and risks, is a contentious issue for experts for a long time. Therefore, the authorities should not forget about energy efficiency as an alternative auxiliary path, which at one time used by many developed countries. After all now Ukraine has a 2-3 times higher energy intensity of GDP, compared with European countries. Perhaps question is not how much energy we generate, and how to use them? Ukraine should choose a safe and effective course of development of the energy sector taking into account not only the current geopolitical challenges but also the long terms.

- All Ukrainian government said on measures to increase energy efficiency, but real steps were very few. What specific laws and other legislative regulation should take the new government for the implementation of energy saving and energy efficiency measures?
- What should be national policy of energy efficiency to match the pressing needs of the time of crisis?
- Whether Ukraine should completely abandon cooperation with Rosatom in operating nuclear power plants (primarily in supplies of fuel elements) and what it will mean for nuclear energy sector in Ukraine? This is especially relevant given the fact that the period of operation of the project many of Ukrainian reactors expire until 2020.
- Does the Russian occupation of the Crimea and big political problems of Kluev brothers in Ukraine and the EU mean actual folding projects in Ukraine installation capacity from renewable energy sources? Is there a future for "green tariffs" in Ukraine?
- What tools of influence should be used by the government for the appropriate level of energy efficiency? How effective can be financing insulation of public sector's buildings, increasing in tariffs for the population or more stringent requirements for energy efficiency in industry? How does the government need to plan new energy strategy to address climate change and international commitments under UN agreements?

**Speakers**      **Sviatoslav Pawluk**, Deputy Executive Director of the Polish-Ukrainian PAUCI, Kyiv

**Oleksii Korchmyt**, Deputy Director of Strategic Planning and Development in the utilities sector, National Commission for the State Regulation of public utilities  
**Tobias Münchemeyer**, energy expert, Greenpeace Germany, Berlin  
**Christiana Hageneder**, director of projects for energy efficiency, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), Kyiv  
**Oleg Savitskiy**, program coordinator of greening energy, NECU, Kyiv

Moderation **Olena Rybak**, European-Ukrainian Energy Agency

Conference closing: reception.

The working languages of all discussions will be Ukrainian and English with simultaneous translation.

Media partners:



To take part in the conference we kindly ask you to fill in the registration form:  
<http://info.boell.org.ua/registration/index.php>

Visit the website on energy transformation in Germany. Now it is also available in Russian  
<http://energytransition.de/2013/03/ru/>