Green Bonds in Ukraine as a mechanism for investment attraction into renewable energy and energy efficiency projects

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ENERGY EFFICIENCY AND RENEWABLE ENERGY SECTORAL POLICIES

- State and local programs of co-financing of energy efficiency
- Households stimulation on installation of wind and solar plants
- Energy labelling systems
- Full metering of energy consumption
- Stimulation of recipients of subsidies to save energy

Households

- Stimulation through energy tax
- Energy Performance Contracts

Industry

- Energy Performance Contracts
- The mechanism of energy management

Services, Public Entities and Agriculture

- Stimulation of liquid biofuels production
- Extension of electric vehicles usage

Transport and Non-energy use

<table>
<thead>
<tr>
<th>Country</th>
<th>Energy Intensity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>0.09</td>
</tr>
<tr>
<td>Romania</td>
<td>0.09</td>
</tr>
<tr>
<td>Lithuania</td>
<td>0.1</td>
</tr>
<tr>
<td>Croatia</td>
<td>0.1</td>
</tr>
<tr>
<td>Hungary</td>
<td>0.1</td>
</tr>
<tr>
<td>Slovak Republic</td>
<td>0.11</td>
</tr>
<tr>
<td>Poland</td>
<td>0.11</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>0.15</td>
</tr>
<tr>
<td>Belarus</td>
<td>0.17</td>
</tr>
<tr>
<td>Ukraine</td>
<td>0.31</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Households</td>
<td>33%</td>
</tr>
<tr>
<td>Industry</td>
<td>32%</td>
</tr>
<tr>
<td>Energy Efficiency</td>
<td>8%</td>
</tr>
<tr>
<td>Public Entities</td>
<td>17%</td>
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<tr>
<td>Non-energy use</td>
<td>10%</td>
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</tbody>
</table>
Energy produced from renewables in the overall structure of the final energy consumption of the country:

- **National Renewable Energy Action Plan-2020**
  (Decree of Cabinet of Ministers of Ukraine №902-p as of 01.10.2014)
  - 11%

- **National Energy Efficiency Action Plan-2020**
  (Decree of Cabinet of Ministers of Ukraine №1228-p as of 25.11.2015)
  - up to 9%

Energy Strategy of Ukraine till 2035
(Decree of Cabinet of Ministers of Ukraine № 605 –p as of 18.08.2017)

- 25% energy produced from renewables in the overall structure of the final energy consumption of the country.
National Renewable Energy Action Plan-2020

Decree of Cabinet of Ministers of Ukraine №902-p as of 01.10.2014

Energy Strategy of Ukraine till 2035

Decree of Cabinet of Ministers of Ukraine № 605 –p
As of 18.08.2017

Investments should be aimed at:

- Solar and Wind power stations
- Cogeneration units on biogas and biomass
- Waste processing plants
- Geothermal power plants
- Small hydroelectric power plants
- Production of liquid biofuel

World practice has shown that many countries use the GREEN BONDS as effective financial instruments for attraction of investments for "green" projects.
Lawful development
Introduction into Ukrainian legislation
bond issue legal regime establishment in the context of issuers
development of guidelines and procedures for the green bonds market

Pilot projects realization (in the context of issuers)
Feasibility studies preparation for green projects and cost calculation in the context of issuers
conducting an independent valuation of issuers
estimation of bonds certification according to the international standards

Green finance raising
Preparation and holding of a large-scale marketing session (RoadShow) on the internal and external capital markets
partners involvement for cooperation (International Financial Institutions, Green Climate Fund, Green Bond Fund for Developing Markets, Institutional Investors, etc.)
THANK YOU FOR ATTENTION!

Head of the State Agency on Energy Efficiency and Energy Saving of Ukraine

Sergiy SAVCHUK