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# EUROPEAN GREEN DEAL: IMPACT ON UKRAINE'S ENERGY, CLIMATE AND ENVIRONMENT POLICIES AND LEGISLATION

**Policy Brief**  
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Resource and Analysis Center  
"SOCIETY AND ENVIRONMENT"



The policy brief addresses the impact of the European Green Deal on Ukraine. Particular attention is paid to the areas of environment, climate and energy.

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# SUMMARY

The negotiation process for Ukraine's accession to the European Union requires serious work on reforming all sectors and includes the implementation of the entire EU acquis, including policies in the fields of energy, environment, climate change. Ukraine's ambition to become part of the EU's ambitious programme to achieve climate neutrality and decarbonisation, as well as concrete steps in this area, dates back to the end of 2019, when the European Commission launched the European Green Deal (EGD). The experience gained by Ukraine in the implementation of EU "green" policies will help to better fulfill its obligations for EU membership in areas closely related to the implementation of the EGD.

In this policy brief, experts tried to analyze the main achievements of the EU in the implementation of the EGD, the EGD impact on Ukraine, in particular in the fields of energy, climate change, environmental protection, and the circular economy. The purpose of the study is to draw conclusions about what key lessons Ukraine should draw in the context of existing challenges and threats, including post-war reconstruction and development.

During the five years of the EGD implementation, the EU managed to design practical mechanisms for a large-scale green transition, give impetus to new industries and fulfill a significant part of the tasks, especially in the energy sectors, climate change, and decarbonization of transport. We expect that in the future the strategic directions of the EGD continue to be supported, and the adopted decisions yield practical results.

By including in the EGD an external avenue of the implementation of goals and objectives in various areas, the EU poses itself as a global leader ready to promote and support an ambitious global agenda in environmental protection, climate change, and energy policy. Countries outside the EU, especially those that find the trade with the union important, have often been concerned about the potential negative impact of EGD policies, mostly in terms of access of their goods to the EU market. In Ukraine, a special discussion was triggered by the possible impact of the carbon border adjustment mechanism (CBAM) on many sectors in the economy.

The outbreak of Russia's full-scale invasion into Ukraine has hampered Ukraine's solid plans to synchronize with the EGD. However, an understanding of the principles and processes of the EGD made it possible in the reconstruction planning process to consider the importance of green reconstruction with a focus on energy efficiency and decarbonization of the economy. It also helped in preparing Ukraine for the negotiation process according to the sections of the so-called "green cluster" (full name – "Green Agenda and Sustainable Connectivity").

In order to synchronize with the EGD goals, the implementation of climate policy and legislation has intensified in Ukraine: a climate strategy has been adopted, a draft law on the principles of national climate policy has been developed and adopted in the first reading, and a National Energy and Climate Plan (NECP) has been developed and adopted. Thanks to the discourse on EGD issues, such concepts as "climate governance architecture," "climate neutrality," "decarbonization" came to the political and legislative documents.

The EGD impact on Ukraine's environmental policy has been very limited. This is primarily due to the EGD's minor achievements in this area in the EU itself, the slow development of environmental policy in Ukraine and the impact of the war. Instead, the EGD had a significant impact on public and scientific discourse in Ukraine on environmental issues.

The introduction of the EGD has impacted Ukraine's strategic decisions in the energy sector as well. The principles of the EGD were integrated into the national energy policy. In particular, higher priority was given to improving energy efficiency and the development of renewable energy sources (RES), especially after the full-scale invasion of the Russian Federation. This impact was reflected in the Energy Strategy of Ukraine until 2050 and NECP, and in other strategic documents. At the same time, their implementation requires a significant amount of work, including since the key acts of energy acquis within the framework of the EGD were adopted only in 2024.

Taking into account these intermediate conclusions, the authors deduced the following conclusions:

- The strategic objectives and the outputs achieved within the framework of the EGD will be determining the development of the EU in the medium and long term. Ukraine should also take these trends into account in the post-war reconstruction and development planning, as well as in the process of EU integration. Such planning should include the creation of new industries, value chains (in manufacturing), and therefore, it shall be strategic.
- It should be borne in mind that the implementation of the EGD has broader implications and goals reaching far beyond specific sectors, security in particular. The invasion of the Russian Federation in Ukraine and the outbreak of a full-scale war re-instated the relevance of the EU priorities, strengthened the focus on energy autonomy, and also reinforced the security component of the green transition to the EU. Russian aggression against Ukraine has completely changed the geopolitical situation on the continent, which Ukraine can use to ensure economic, food, environmental and climate security in the future.
- The EGD has had an undeniable impact on energy, climate and the EU environment policy and law by changing and updating the EU acquis in respective areas. Ukraine will face the issue of approximation of legislation to the acquis, which has been significantly updated thanks to the EGD, in the context of EU accession negotiations. In this regard, the impact of the EGD on Ukraine will continue in the future in the form of more complex tasks for the implementation of the acquis in the fields of energy, climate change, the functioning of the internal market, industrial pollution, environmental protection, etc.
- The associated reforms that Ukraine will need to implement should be measurable and pragmatic. The government and other authorities must show readiness to counter populism and manipulation of citizens' attitudes, their expectations, fears, and dissatisfactions in order to prevent resistance to reforms.
- The EGD, its tools and mechanisms can and should be integrated into the reconstruction of Ukraine, especially given the "build back better" principle and the "do no significant harm" approach recognized by Ukraine and the EU. Strategic priorities for the development of Ukraine's economy should be chosen taking into account the green transition to the EU in order to ensure a completely practical dimension of integration into the new industrial chains of the EU and access to its markets.

# INTRODUCTION

The 2024 elections to the European Parliament and the formation of the new European Commission (EC) mean that it is time to assess the progress of the European Green Deal (EGD), the Commission's program strategy for 2019-2024.

The project team has consistently observed the implementation of the ambitious tasks of the EGD. In this policy brief, we have tried to explore the impact of these processes on Ukraine in the past and the potential future implications.

This policy brief does not purport to be a comprehensive assessment of the implementation of the EGD in the EU. After all, the ambition and long-term nature of the EGD's goals – including climate neutrality by 2050 – is unlikely to warrant such an analysis today. At the same time, it is already clear what the main intermediate achievements and results the EU has achieved over those 5 years. This enables a preliminary assessment of the impact of the EGD on Ukraine.

From the outset, the European Green Deal had a clear external dimension due to the potential impact on international trade, international value chains and the global nature of climate change in general. On the part of the EU, the implementation of the EGD was accompanied by intense diplomatic efforts. Other countries, including Ukraine, have carefully studied and observed these processes, often openly expressing their fears or hopes.

This policy brief presents the findings of our analysis on the following issues:

- What are the main achievements of the EU in the implementation of the EGD and how has it affected other countries?
- How has the EGD affected Ukraine, in particular in the areas of energy, climate change, environmental protection, and the circular economy?
- What are the key lessons to be learned in the context of current and future challenges on the continent, including the post-war development of Ukraine?

The focus is certainly on the impact on Ukraine. For each area, we analyzed the impact of the EGD on policy, legislation, institutional issues, as well as scientific and public discourse in Ukraine.

As a teaser, we would like to share one general conclusion: the European Green Deal will continue to influence the development of the EU and Ukraine in the future. We hope this policy brief will help to comprehend the impact and opportunities this creates for Ukraine.

This policy brief was developed by experts from the Resource and Analysis Center "Society and Environment" (Andriy Andrusyevych, Zoriana Kozak, Nataliya Andrusyevych) and "DIXI GROUP" (Section 2.3.).

**SECTION I**

**THE EUROPEAN  
GREEN DEAL AND  
ITS EXTERNAL  
DIMENSION**

# 1.1. EUROPEAN GREEN DEAL: KEY OBJECTIVES AND THEIR IMPLEMENTATION

**In its ambitious goals, the European Green Deal went beyond the usual scope of activities of the European Commission right away. Despite unprecedented challenges, such as the COVID-19 pandemic and Russian aggression against Ukraine, over the five years, the EU managed to build practical mechanisms for a large-scale green transition, give impetus to the development of new industries, and fulfill a major part of the tasks.**

"This is a man on the moon moment for Europe," said the EC President, Ursula von der Leyen, in December 2019, presenting the European Green Deal – the EU's new development strategy and the plan of activities of the newly appointed European Commission.<sup>1</sup> The ambition of the goals of the European Green Deal (EGD) fully justifies such characteristics.

The main goal of the EGD is a climate-neutral Europe by 2050 – although at first glance, it sounds exclusively "green", it actually involves large-scale economic and social transformations, primarily related to the need to decarbonize the main sectors of the economy and to develop some new (hydrogen energy, battery production, etc.). The European Green Deal is not only about energy or the environment. It set priorities in almost all areas of EU activity<sup>2</sup> (climate, energy, energy efficiency, circular economy, pollution, chemical safety, food security, industrial policy, environmental policy, etc.). The ambition and cross-cutting nature of the goals and objectives of the EGD is so high that their achievement essentially meant the desire to build a new society, built on new principles of production, consumption, and wide socio-cultural change.

Formally, this strategy was approved on December 11, 2019 through the adoption of the European Commission's Communication "European Green Deal". The Communication includes a Roadmap containing the main activities in the areas covered by the EGD, as well as the timeframe for their implementation. The European Parliament as a whole supported this programme by its resolution of 15 January 2020.<sup>3</sup>

Although as of 2019, the choice of climate change as a central element of the EC's activities could be considered political, an urge to meet the voters' demand<sup>4</sup>, this does not diminish the ambition of the goals. Politically, it is also a response to the challenge of global problems of climate change, pollution, loss of biological diversity and, accordingly, the positioning of the EU as a global leader.<sup>5</sup>

The new composition of the EC had five years to implement the necessary reforms that would ensure the achievement of the EGD objectives in the future. Dozens of new strategies and action plans were adopted (new industrial and digital strategies, a new agricultural strategy, a forest strategy, a strategy on biodiversity protection, a zero pollution strategy, Just Transition Fund, etc.), as well as hundreds of legal acts (including the revision of existing and completely new ones).<sup>6</sup>

At the same time, during these five years, two serious challenges for the EU have arisen, probably the most complex in its entire existence: the COVID-19 pandemic and the aggression of the Russian Federation against Ukraine. It slowed down the implementation of many tasks and produced confusing progress assessments in the implementation of the EGD, in particular by environmental groups in the EU.<sup>7</sup>

<sup>1</sup> Press remarks by President von der Leyen on the occasion of the adoption of the European Green Deal Communication. // <https://cutt.ly/qeFclwMD>

<sup>2</sup> "European Green Deal: Opportunities and Threats for Ukraine". Analytical document. – Resource and Analytical Center "Society and Environment" (2020). // <https://cutt.ly/seFcluDg>

<sup>3</sup> Ibid.

<sup>4</sup> In 2019, more than 93% of Europeans surveyed considered climate change a serious problem, and 49% believed that it was the European Union that was responsible for action to combat climate change, Source: Special Eurobarometer 490. Report. Climate Change. September 2019. // <https://cutt.ly/ueFclvS>

<sup>5</sup> "European Green Deal: Opportunities and Threats for Ukraine". Analytical document. – Resource and Analytical Center "Society and Environment" (2020) // <https://cutt.ly/keFclVst>

<sup>6</sup> The European Green Deal // <https://cutt.ly/heFclOGk>

<sup>7</sup> EEB Mid-Term Assessment of the European Green Deal, EEB (2022) // <https://cutt.ly/3eFcl4nz>



As early as in 2020, the EU faced the first challenge: the COVID-19 pandemic.<sup>8</sup> The COVID-19 pandemic has become a huge challenge for all countries of the world. Its negative economic consequences were systemic and large-scale for the EU in the first quarter of 2020 (Fig. 1). The EU has experienced the biggest recession since World War II<sup>9</sup>. In response, the European Commission did not abandoned the key objectives of the EGD and used economic recovery support tools to deepen and accelerate the green transition.

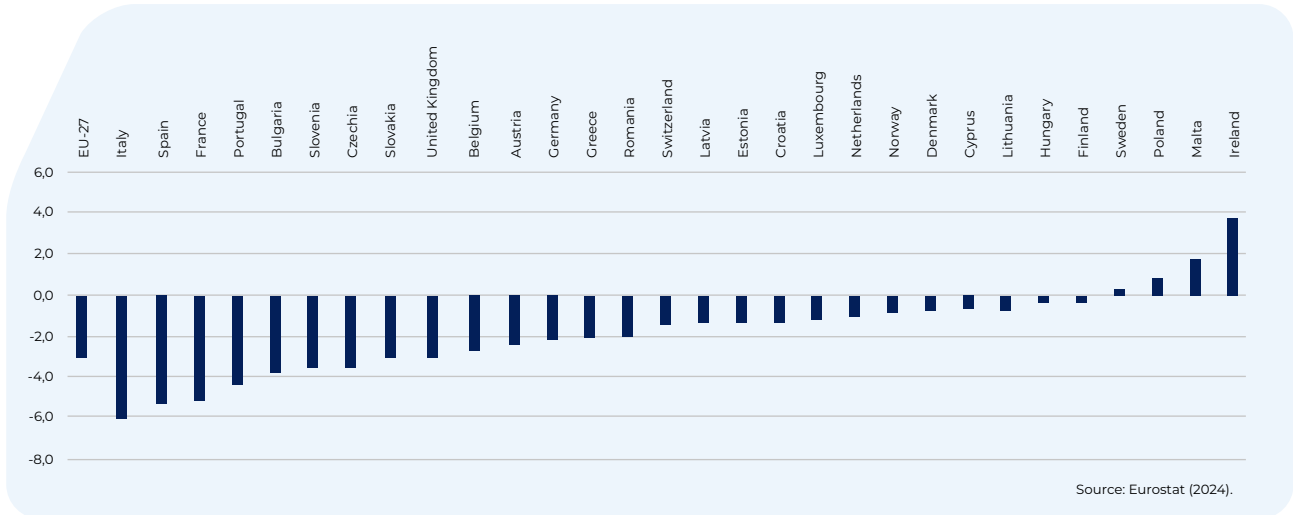


Figure 1. Dynamics of GDP, % for the first quarter of 2020 to the previous quarter.

There is no doubt that the Russian Federation's aggression against Ukraine on February 24, 2022 became a large-scale geopolitical, energy and humanitarian challenge for the EU.<sup>10</sup> The warfare, combined with Russia's energy and other hybrid actions, had a significant impact on the EU's priorities and capacity to implement a green transition strategy. The EU had to act: to abandon Russian energy sources (in particular, through the implementation of the REPowerEU plan, which included, among other things, the creation of a mechanism for joint gas purchases and diversification of supplies), the strategy of the European defense industry, assistance to Ukraine (military, humanitarian, financial) and to refugees.

These challenges became a central element of the final report of EC President, Ursula von der Leyen, in July 2024 before her reappointment<sup>11</sup>. Despite the lack of a systematic final analysis of the implementation of the EGD Roadmap, it can be stated that key tasks are being performed. In the report, she rightly stated that despite all the difficulties, the European Union has not strayed and is achieving its climate neutrality goals, using decarbonization as a stimulus for development<sup>12</sup>. Thus, in 2023, the EU energy production from wind turbines exceeded that from natural gas, and in general, renewable sources produced 45% of all electricity in the EU.

Certain tasks within the framework of the EGD faced internal difficulties, primarily related to the business and political lobby from farmers, the chemical industry, and heavy industry (especially in 2024 due to the elections to the European Parliament). Therefore, there have been no significant achievements in the field of sustainable agriculture, chemical safety and nature protection. Thus, it was only on June 17, 2024 that the Council of the EU was able to approve the regulation on nature restoration. This ended the long-standing "saga" around this initiative, which is the central element of the EGD in the field of nature protection.<sup>13</sup>

In general, experts highlight the "significant" progress made by the EU in implementing the EGD goals and objectives (especially in energy and transport) and expect that in the future the strategic directions of the EGD will continue to be supported, and the consequences of decisions already taken in other areas will be obvious in the next few years.<sup>14</sup>

<sup>8</sup> WHO has announced its decision to treat the coronavirus outbreak as a pandemic on 11 March 2020. <https://cutt.ly/2eFc0qzY>

<sup>9</sup> The story of the von der Leyen Commission. <https://cutt.ly/meFc0uKQ>

<sup>10</sup> Keeping our promise to Europe: The story of the von der Leyen Commission, European Commission (2024). <https://cutt.ly/aeFc0jbv>

<sup>11</sup> Keeping our promise to Europe: The story of the von der Leyen Commission, Op.cit.

<sup>12</sup> Ibid.

<sup>13</sup> Quarterly Review No.10, Ukraine and the European Green Deal, April-June 2024. <https://cutt.ly/ZeFc0Pln>

<sup>14</sup> European Green Deal Barometer, 4th Edition (May 2024), IEEP. <https://cutt.ly/reFc0Dpw>

## 1.2. EXTERNAL DIMENSION OF THE EUROPEAN GREEN DEAL

The introduction of the EGD has become a new factor in international relations and foreign trade. The EU needs effective diplomatic efforts to ensure support for the objectives of the green transformation (for access to the necessary resources, protection of domestic production, etc.). On the other hand, other countries – especially those for which the EU market is important – were often concerned about the potential negative impact of EGD policies, primarily in terms of access of their goods to the EU market.

In the EGD Communication, the EU positions itself as a global leader, ready to promote and support an ambitious global agenda in the areas of environmental protection, climate change, and energy policy. The tools the EU has proposed to use for global leadership include Green Deal diplomacy, trade policy and development support policy financing.<sup>15</sup>

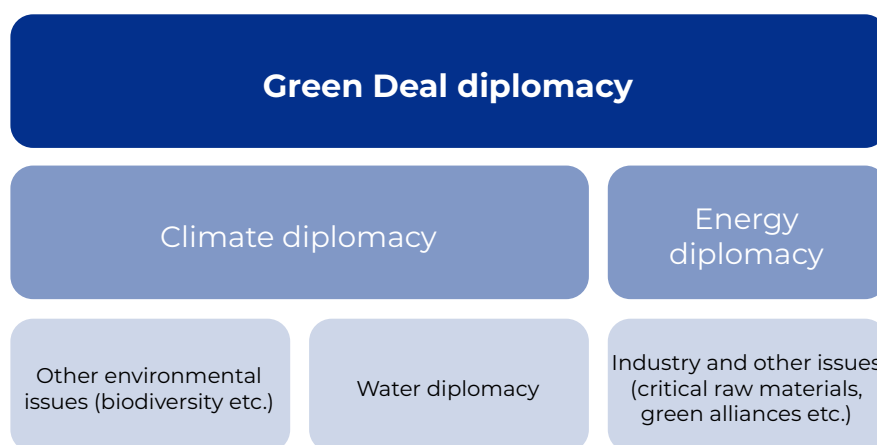


Figure 2. EU Green Deal Diplomacy. (Source: Society and Environment (2021))

The peculiarity of the “Green Deal diplomacy” is the inclusion of a number of issues that are traditionally not included in the “environmental” diplomacy but, given the systemic nature of the EGD, have become its important priorities after 2019 (Fig. 2). Such issues include sustainable energy, finance and investment, access to critical raw materials, green alliances and partnerships, low-carbon development, EU international technical assistance, a.o. Energy and climate diplomacy are increasingly seen in combination and are apparently central elements of Green Deal diplomacy.<sup>16</sup>

Foreign economic and foreign policy dimensions are integral components of the EGD, and the consequences of implementation are geopolitical in nature (energy markets and balance in the EU and the world, fossil fuel producing countries, EU energy security, global trade, etc.<sup>17</sup>). Relevant priorities of the new EU diplomacy included the following:

- Strengthening sustainable development commitments in EU trade agreements;
- Stimulating trade and investment in green goods and services;
- Support for climate-friendly public procurement;
- Ensuring fair international trade in raw materials necessary for a "green" transition and investment in the production of such raw materials;
- Reducing non-tariff barriers to RES trade;

<sup>15</sup> European Green Deal: Opportunities and Threats for Ukraine, Op.cit.

<sup>16</sup> The foreign policy dimension of the EU and Ukraine's environmental and climate policy: an overview and recommendations for Ukraine. Analytical document. – Andrushevych A., Andrushevych N., Kozak Z. – Resource and Analytical Center "Society and Environment" (2021). <https://cutt.ly/PeFc0Kv>

<sup>17</sup> See, Leonard, M., J.Pisani-Ferry, J. Shapiro, S. Tagliapietra and G. Wolff (2021) 'The geopolitics of the European Green Deal', Policy Contribution 04/2021, Bruegel. <https://cutt.ly/yeFc0BHE>

- Use of technical regulation as a tool to promote environmental requirements;
- Implementation of the carbon border adjustment mechanism (CBAM)<sup>18</sup>.

Many of these and other tasks are driven by the need to protect producers within the EU (e.g. CBAM) and some of them are triggered by the need for new resources. In addition, the EU has launched the Global Gateway initiative (with €300 billion in funding instruments) to strengthen investments in green transition and new partnerships.

Thus, the European Commission and EU Member States have made significant efforts to ensure access to the so-called critical raw materials necessary for the development of new industries (in particular, energy storage systems). The EU recognizes the dependence on access to critical raw materials and the importance of such access for EU economies. Therefore, the EU has adopted a special strategy to ensure access to such materials. The latest version of the strategy is reflected in the relevant Communication of the European Commission and contains a list of specific actions to ensure EU access to critical raw materials, in particular for the needs of production in the energy sector (electric vehicles, electricity storage systems). This document also updated the list of such materials which contained 30 materials (in 2020, bauxite, lithium, titanium and strontium were added, bringing the list to 34 items). EU leaders actively visited countries in all regions of the world (Namibia, Argentina, Chile, etc.) in order to conclude relevant agreements on access to the development of such materials and cooperation in their use, including with Ukraine.<sup>19</sup>

In Ukraine, the most attention and concern was caused by the carbon border adjustment mechanism (CBAM), adopted in 2023<sup>20</sup>. CBAM is a set of rules that will regulate the import of certain carbon-intensive goods into the EU, including a special procedure for the import of such goods, declaration of imported goods, calculation methods and requirements for verification of embedded emissions, a mechanism for determining the price of CBAM certificates and their turnover (purchase, sale, crediting). It became part (continuation) of the EU Emissions Trading System in order to fully cover selected energy-intensive industries (cement, fertilizers, ferrous metallurgy products, electricity, aluminum, and hydrogen).

Prior to the full-scale invasion of the Russian Federation in Ukraine in 2022, cast iron and steel occupied the largest share in the structure of Ukrainian exports of CBAM goods (85%). Thus, the impact of CBAM on the export of cast iron<sup>21</sup> and steel will primarily determine its overall impact on Ukraine and this sector actively supported public discourse in Ukraine on CBAM issues. Undoubtedly, in the context of Ukraine, the EGD impact on foreign policy was not limited to the carbon border adjustment mechanism or critical raw materials. The climate and other dimensions of the EGD have a direct impact on the process of Ukraine's accession to the EU and the receipt of assistance within the Ukraine Facility.

Other countries of the world actively followed the development of the EGD, which caused a wave of reactions and discussions, since a number of EU initiatives (CBAM, the new deforestation regulation, etc.) had a direct impact on these countries (mainly, these are countries whose exports to the EU are significant for them). There has been little discussion in the US about the EGD impact, although the implementation of CBAM has a very negative impact on the EU-US Global Arrangement on Sustainable Steel and Aluminum (GASSA) negotiations. While the U.S. decarbonization policy under President Biden's administration has a different philosophy (using tax breaks and grants as incentive tools), overall, at this stage, the U.S. shares the EU's climate aspirations and concerns. India, South Africa, and Turkey see the EGD as a threat to bilateral trade with the EU or even their development, especially through CBAM, which is openly considered by some a discriminatory tool for the countries of the Global South. At the same time, everyone is trying to keep the channels of cooperation open and emphasize the need to find mutually beneficial solutions.<sup>22</sup>

In a recent study by the Institute for European Environmental Policy (IEEP), 61% of surveyed experts from non-EU countries are familiar with the EGD, and 94% believe that the EGD will have a global impact<sup>23</sup>. Most of the interviewed experts believe that the EGD offers both challenges (Fig. 3), and opportunities for their

<sup>18</sup> European Green Deal: Opportunities and Threats for Ukraine, Op.cit.

<sup>19</sup> Ukraine is a strategic partner of the EU in the field of critical raw materials, 30.05.2024. // <https://cutt.ly/GeFc02KY>

<sup>20</sup> Regulation (EC) 2023/956. // <https://cutt.ly/FeFc05ag>

<sup>21</sup> Impact of the Carbon Border Adjustment Mechanism (CBAM) on Ukraine's trade with the EU. Analytical document. – Khabatiuk O., Andrushevych A. – Resource and Analytical Center "Society and Environment" (2021). // <https://cutt.ly/LeFc2rAH>

<sup>22</sup> The EU Green Deal External Impacts: Views from China, India, South Africa, Türkiye and the United States, Ifri (2024)b, <https://cutt.ly/VeFc2prF>

<sup>23</sup> IEEP, op. cit.

countries (we came to the same conclusion in our 2020 study<sup>24</sup>), and CBAM is considered as the main tool that will bring positive change in third countries<sup>25</sup>. At the same time, the experts interviewed by IEEP were diverged on the question of how open the EU is to the participation of third countries in the implementation of the EGD (about a third of them consider it open, and about another third of them consider it closed<sup>26</sup>).

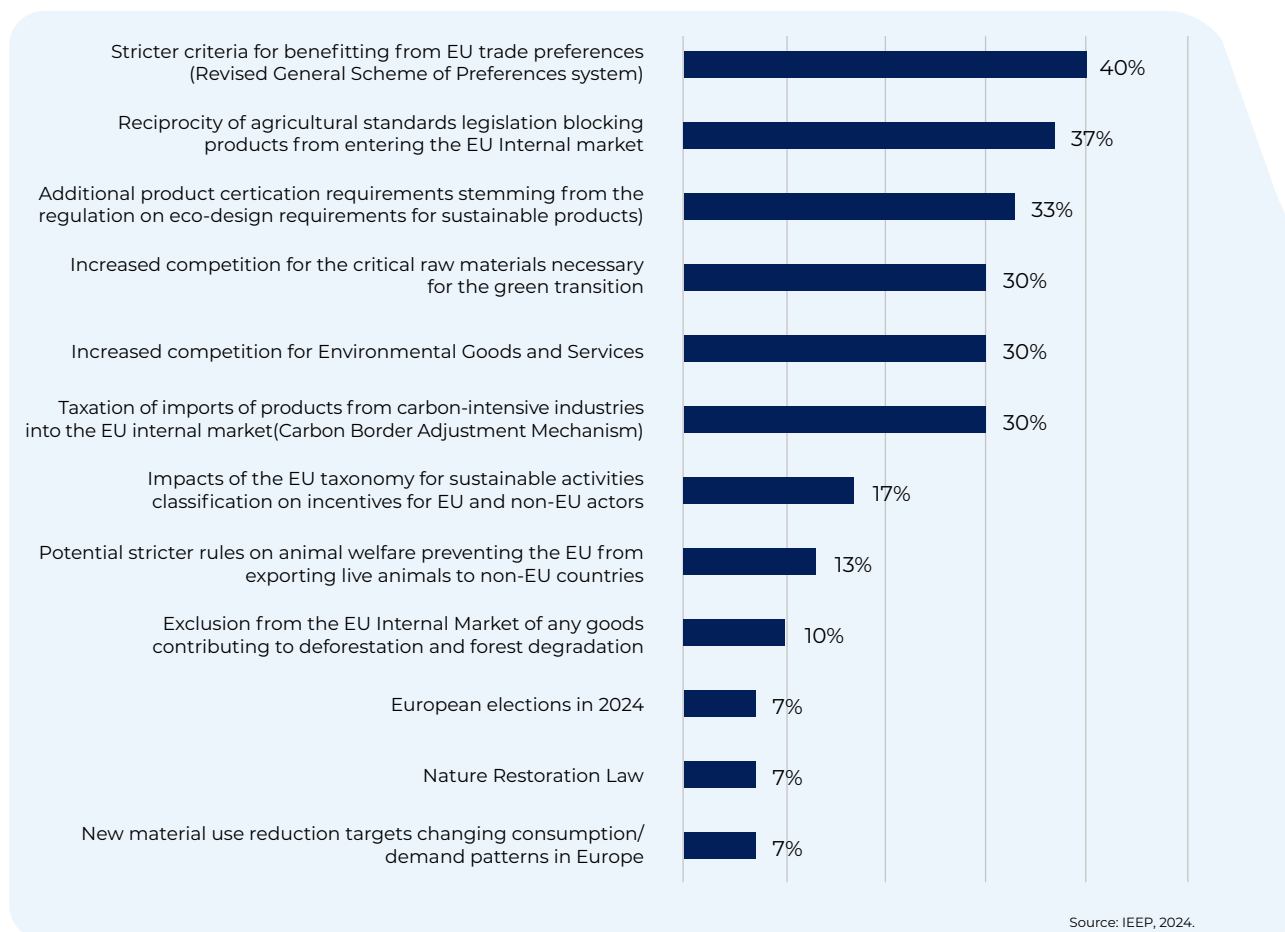


Figure 3. EGD policies that will have the greatest negative impact (expert survey).

Relations with China are particularly acute, since the EU considers the strategic autonomy of its own industry as a necessary element of future security. This includes both raw materials (e.g. steel) and end products (e.g. electric vehicles, wind turbines). In August 2024, the European Commission announced<sup>27</sup> a decision to impose significant import duties on Chinese electric vehicles (up to 36%), accusing China of state aid for manufacturers and dumping in the EU market. Obviously, this step is primarily caused by the growth of the electric vehicle market in the EU (as a consequence of the policy of decarbonization of transport) and the need to protect its own manufacturers. Initially, the EGD was perceived positively in China, and China's announcement of the climate neutrality goal by 2060 was perceived by some experts as the impact of the EGD<sup>28</sup>, and the Chinese emissions trading system, which began in 2021, is clearly based on the experience of the EU. However, with the discussions on measures to restrict trade in certain groups of goods, since 2023, China has been treating the EGD as a threat.<sup>29</sup>

On a separate note, the influence of the EGD on the formation of a new stage of the Eastern Partnership policy shall be highlighted: the issues of climate and environmental resilience began to be considered as one of the priorities of the initiative, in particular through the proposed new bilateral flagship initiatives for the Eastern Partnership countries.<sup>30</sup>

<sup>24</sup> European Green Deal: Opportunities and Threats for Ukraine (2020), Op.cit.

<sup>25</sup> IEEP, op. cit.

<sup>26</sup> Ibid.

<sup>27</sup> Commission discloses to interested parties draft definitive findings of anti-subsidy investigation into imports of battery electric vehicles from China. Press release, 20.08.2024. <https://cutt.ly/VeFc2dTD>

<sup>28</sup> IFRI, op. cit.

<sup>29</sup> Ibid

<sup>30</sup> See: European Green Deal: shaping the Eastern Partnership future. Environmental policy of the Eastern Partnership Countries under the EGD. Policy Paper. – Team of authors: Andriy Andrushevych, Nataliya Andrushevych, Zoriana Kozak, Zoriana Mishchuk (2020). <https://cutt.ly/SeFc2lhm>

**SECTION II**

**EUROPEAN GREEN  
DEAL AND ITS  
IMPLEMENTATION  
IN UKRAINE**

## 2.1. HORIZONTAL ASPECTS

Ukraine has not developed or adopted a comprehensive document that would define the principles of the Green Deal or work on all areas of the EGD. Nevertheless, the EGD had a serious impact on the national policy making and discourse building on the green vector of the country's development: climate neutrality, decarbonization, greening of various areas of industry and public life appear on the agenda of various stakeholders (government, parliament, the public, business, academia).

The outbreak of russia's full-scale invasion into Ukraine has hampered Ukraine's solid plans to synchronize with the EGD. However, an understanding of the principles and processes of the EGD made it possible in the reconstruction planning process to consider the importance of green reconstruction with a focus on energy efficiency and decarbonization of the economy, and also helped in preparing Ukraine for the negotiation process according to the chapters of the so-called "green cluster".

Since the statements of the Ukrainian government about Ukraine's aspiration to become part of the EGD, the expert community has proposed to consider the EGD through the prism of opportunities and threats posed by this EU strategic focus for decarbonization and climate neutrality<sup>31</sup>. In this context, it is possible to highlight the benefits for government and business (for example, the opportunity through the EGD initiatives to attract "green" financing, access to financial and technical assistance tools, access to new markets and the emergence of niches for environmental goods and services, participation in green alliances, integration into new industrial processes in the EU, in particular through the emergence of new markets, such as the production of green hydrogen, the need for infrastructure for electric transport, and digital technologies).

Nevertheless, the most important benefit was the opportunity to join the pan-European process, to feel like a full-fledged participant in new green initiatives and mechanisms, which, among other things, would contribute to Ukraine's European integration and support its aspirations to become the EU member.

2020 can be characterized as a year of high-profile statements by the Ukrainian government about the importance of the EGD for Ukraine and its readiness to join the process. Ukraine even prepared a position paper on Ukraine's participation in the EGD with specific initiatives in all areas of the EGD and handed it over to the European side. This position was most likely related to Ukraine's expectation of a large number of financial opportunities, in particular in the context of green investments and business support.

In 2021, the rhetoric slightly changed: Ukraine moved from political statements to a more pragmatic approach, choosing several main areas for future cooperation between Ukraine and the EU on EGD matters. Here we can highlight hydrogen, industrial alliances, critical raw materials, climate issues. Besides, Ukraine took the most proactive position on the application of CBAM to Ukraine.

Active involvement in the goals and principles of the EGD also had a significant impact on two extremely important processes that have arisen since the beginning of russia's full-scale invasion of Ukraine. Firstly, it is the planning of post-war reconstruction and recovery of Ukraine, which is declared as taking place on a green basis and in compliance with the EGD principles, including the "build back greener" principle. Moreover, the Regulation on Ukraine Facility states that activities within the framework of Ukraine Facility should correspond to the approaches to integrating sustainable development, which is the basis of the European Green Deal.<sup>32</sup>

Secondly, deep integration into the EGD processes will definitely help in the negotiation process under the chapters of the so-called "green cluster" (full name – "Green Agenda and Sustainable Connectivity")<sup>33</sup>, because in the process of obtaining membership, not only the adopted legislation (directives and regulations) are important, but also EU policies, including the EGD and its strategic documents.

<sup>31</sup> European Green Deal: Opportunities and Threats for Ukraine (2020), Op.cit.

<sup>32</sup> Regulation (EU) 2024/792 of the European Parliament and of the Council of 29 February 2024 establishing the Ukraine Facility. // <https://cutt.ly/seFc2c5V>

<sup>33</sup> Includes negotiating chapters 14 "Transport", 15 "Energy", 21 "Trans-European Networks" and 27 "Environment and Climate Change". See Negotiations on Ukraine's accession to the EU: a complete guide to 12 issues // <https://cutt.ly/1eFc4b9L>

It should also be noted that all areas that are part of the EGD are somehow already reflected in the Ukraine-EU Association Agreement. Therefore, there was a mutual impact: joining the EGD initiatives contributed to the implementation of the Association Agreement, and, subsequently, the implementation of the EU acquis, which were obligations under the agreement, contributed to Ukraine's joining the EGD objectives. However, the EGD certainly offered a much broader framework for interaction on green issues in various sectors, such as energy, zero pollution, circular economy, industrial policy, transport, digitalization, etc. The legislative acts adopted within the framework of the EGD were either a deep revision of the acts included in the Association Agreement (in fact, the wording of a new, often significantly amended version), or a completely new legislation.

The EGD identified a number of indicators and targets in a particular area. When comparing them with similar indicators in Ukraine, it can be concluded that Ukraine planned to move synchronously with the EU on many matters, although some indicators were not as ambitious as in the EU – for example, in the areas of organic production, renewable energy development, electric transport, and hydrogen production.<sup>34</sup>

There are several levels at which synchronization with the EGD and involvement in initiatives took place:

### ***I. Structural dialogue between Ukraine and the EU on EGD matters***

Here, we can list a number of important events and agreements before the full-scale Russian invasion of Ukraine:

- The 23rd EU-Ukraine Summit (October 2021), where ways of involving Ukraine in cooperation were discussed, taking into account the development of EU policies, including dialogue on the implementation of the EGD, and strategic partnership with the EU in the field of critical raw materials and batteries.
- Meeting of the High-Level Dialogue Working Group on the European Green Deal and Ukraine's Green Transition. The aspects discussed by the group included the architecture of climate governance, cooperation on financing green transformations, reforms in the field of waste management, biodiversity protection, the work of the Energy Efficiency Fund, the development of the hydrogen economy, etc. An agreement was reached to create a financial platform within the framework of the Dialogue, but due to the war, this idea failed to be implemented.
- Ukraine's presidency in the EU Strategy for the Danube Region, when decarbonization and transformation of the economy on the basis of the EGD was listed among the priorities of the presidency.<sup>35</sup>

### ***II. Strategic development planning of Ukraine and sectoral integration in the context of the EGD***

An important strategic planning document, which included individual components of the EGD, is the National Economy Strategy of Ukraine for the period up to 2030.<sup>36</sup> There, the EGD issues are considered in the context of decarbonization and the development of the digital economy, as well as the EU's intention to introduce a carbon border adjustment mechanism (CBAM)<sup>37</sup>. The goal of achieving climate neutrality by Ukraine by 2060 is also included.

The desire to move in sync with the EU in the context of the EGD has also given impetus to the development of the National Energy and Climate Plan 2030 (NECP). The first attempts on the part of the Government of Ukraine to formulate agreed energy and climate policies were recorded in 2020, when the draft Concept of the "green" energy transition of Ukraine by 2050 was presented<sup>38</sup> and the beginning of the development of the NECP was initiated.

<sup>34</sup> European Green Deal: Opportunities and Threats for Ukraine (2020), Op.cit.

<sup>35</sup> Presidency of the EU Danube Strategy. // <https://cutt.ly/weFc4USH>

<sup>36</sup> On approval of the National Economic Strategy for the period up to 2030. Resolution of the Cabinet of Ministers of Ukraine No.179 dated 03.03.2021. // <https://cutt.ly/FeFc4Fb5>

<sup>37</sup> The mechanism for carbon adjustment of imports is a set of rules governing the import of certain carbon-intensive goods into the EU, including the procedure for importing such goods; declaration of imported goods, calculation methods and requirements for verification of related emissions; mechanism for determining the price of CBAM certificates and their running. // <https://cutt.ly/seFc4BqR>

<sup>38</sup> The draft Concept of the "green" energy transition of Ukraine until 2050 was presented // <https://cutt.ly/QeFc46FS>



The EGD issue was also taken into account in the planning of the Government's activities. For example, the Government Priority Action Plan for 2021 identified Ukraine's participation in the EGD<sup>39</sup> as one of the steps towards European integration, in particular through consultations with the EU and the initiation of a structural dialogue.

Important strategic documents that correspond to the focus areas of the EGD are the Strategy for Environmental Safety and Adaptation to Climate Change<sup>40</sup> and the State Forest Management Strategy 2035<sup>41</sup>.

The strategic vectors of development, but in the context of business, offer the possibility of joining the so-called "green alliances". This track was consolidated during the high-level conference in July 2021 "EU-Ukraine Strategic Partnership on Critical Raw Materials and Batteries" in the format of signing a Memorandum of Understanding on the strategic partnership between Ukraine and the EU in the raw materials sector, and the corresponding Roadmap of Actions.<sup>42</sup>

The implementation of the EGD was also supported at the institutional level: on January 24, 2020, an interagency group was established to coordinate climate action within the framework of the European Commission's European Green Deal initiative. Two meetings of this group were held, but with the outbreak of the full-scale invasion of the Russian Federation, the group has not met again. In March 2021, a working group was established to agree on an approach to application of the carbon border adjustment mechanism to Ukraine to be able to have consultations with the European Commission<sup>43</sup>.

In terms of timeline, the process of EGD implementation in Ukraine can be divided into two stages:

- (1) Early 2020 – February 2022 (before the full-scale invasion of the Russian Federation);
- (2) February 2022 – until present.

The first period is characterized by considerable attention to EGD matters, in particular in the context of the opportunities and threats it created for Ukraine, including business. The issue of climate change and the general principles of the EGD have become the subject for discussions also outside expert community. Ministries that had not previously dealt with climate issues in any way actively included the EGD in their agenda: for example, the Ministry of Economy or the Ministry of Infrastructure. Business community actively advocated the issue of derogations for Ukrainian enterprises in the context of CBAM. The importance of synchronization with the EGD was emphasized by the discussion of relevant issues between Ukraine and the EU at the highest level, by the inclusion of the objectives into strategic documents, by trainings on the EGD for civil servants, and by other activities.

The second period is characterized by less activity in the development and adoption of relevant strategic documents, but individual components of the EGD become important in the context of reconstruction, and especially of Ukraine's future membership in the EU. In 2024, business community is restoring discourse on CBAM threats to Ukrainian industry. Environmental NGOs use the principles of the EGD as an argument for post-war green reconstruction and recovery.

An important area of synchronization with the EGD in Ukraine are the activities at the local level on green transformation and decarbonization (at the level of cities and communities). Some of the most striking examples include the announcement by the Vinnytsia City Territorial Community of the Green Deal (January 28, 2022)<sup>44</sup>, which is based on the achievement of climate neutrality. During the session of the City Council, the Declaration on the Green Deal of Vinnytsia and the Roadmap of actions for the implementation of the Green Deal of Vinnytsia until 2030 were voted and signed. Interestingly, during the war, the city did not abandon its ambitious plans and continues to implement the Roadmap.

<sup>39</sup> On approval of the Government's priority action plan for 2021. Order of the Cabinet of Ministers of Ukraine No.276-r dated 24.03.2021. // <https://cutt.ly/DeFc7yAB>

<sup>40</sup> On the approval of the Strategy for Environmental Safety and Adaptation to Climate Change for the period up to 2030. Resolution of the Cabinet of Ministers of Ukraine No. 1363-r dated 20.10.2021. // <https://cutt.ly/KeFc7foW>

<sup>41</sup> On approval of the State Forest Management Strategy of Ukraine 2035. Resolution of the Cabinet of Ministers of Ukraine No. 1777-r dated 29.12.2021. // <https://cutt.ly/GeFc7vkS>

<sup>42</sup> The Prime Minister of Ukraine and the Vice-President of the European Commission signed a Memorandum on strategic partnership in the raw materials industry. // <https://cutt.ly/4eFc7QZK>

<sup>43</sup> On the establishment of a working group to agree on an approach to the application of the carbon adjustment mechanism to Ukraine at the border for consultation with the European Commission. Resolution of the Cabinet of Ministers of Ukraine dated March 24, 2021 No.265. // <https://cutt.ly/OeFc7OLZ>

<sup>44</sup> Vinnytsia is the first Ukrainian community to proclaim the Green Course. // <https://cutt.ly/xefc7FOQ>



In addition, there are intentions to take into account the goals and principles of the European Green Deal also in the process of post-war reconstruction at the local level. For example, during the development of the Strategy for the adaptation of the basic sectors of the Lviv region to the martial law and for the post-war period settings, the requirements of the EGD have been taken into account, especially in the context of the earliest possible accession of Ukraine to the EU.<sup>45</sup>

In the context of post-war reconstruction, one could highlight the application of the principles and capabilities of the New European Bauhaus in Ukraine at the local level.

The outbreak of Russia's full-scale invasion of Ukraine in February 2022 certainly had a significant impact on the implementation of the EGD, not only in the EU, but also in Ukraine. It is not only about the impact on policy and legislation but also on the environment and the growing greenhouse gas emissions. According to the findings of recent study, in the first 12 months, Russia's full-scale invasion of Ukraine led to the release of an additional 120 million tons of carbon. During the 24 months of the "big war", emissions continued to grow and reached an estimated 175 million tons of carbon. This exceeds the annual emissions from a highly industrialized country such as the Netherlands, the use of 90 million petrol cars on the roads, or the construction of 260 coal-fired power plants of 200 MW each.<sup>46</sup>

The Verkhovna Rada of Ukraine also actively participated in the consideration of EGD matters, in particular in the format of committee hearings. In 2020, such hearings were held by the Committee on European Integration and the Committee on Environmental Policy and Environmental Management. The recommendations of the European Green Deal<sup>47</sup> committee hearings emphasize the need for dialogue between Ukraine and the EU, in particular on the development and adoption of the Roadmap, as well as on the carbon border adjustment mechanism (CBAM). Following the hearings in the Committee on Environmental Policy and Environmental Management, recommendations were adopted<sup>48</sup> as well. The main idea in the area of synchronization with the EGD is to develop its own "Green Deal for Ukraine", in particular in the form of a national program based on the second Nationally Determined Contribution (NDC2), as well as an action plan for Ukraine's participation in the EGD.

Starting from the early 2020, EGD matters appear not only on the agenda of government authorities or businesses. Here, Ukraine's civil society must be mentioned as an active stakeholder in the EGD implementation. Civil society organizations and think tanks, including platforms and coalitions, are actively involved in monitoring the synchronization process with the EGD, informing about the objectives and EGD components, as well as the benefits and threats it poses for Ukraine, advocating for the importance of keeping pace with the EGD, strengthening the capacities of other stakeholders, etc.

At the same time, a number of donor and international organizations have also taken into account the relevance of the EGD in their activities, in particular regarding the projects they choose to finance. International technical assistance of the EU and the International Renaissance Foundation can be highlighted here on a separate note.

In addition, the signing of an agreement on Ukraine's participation in the Horizon Europe Framework Programme for Research and Innovation 2021–2027 and the European Atomic Energy Community Research and Training Programme (2021–2025) was important in the scientific and research field<sup>49</sup>. The list of topics included in the EGD "cluster" is quite broad and is associated with a radical transformation of the economy, transport, energy, construction, agriculture, and many more.<sup>50</sup>

<sup>45</sup> The adaptation strategy for the basic sectors of the Lviv region should comply with the European Green Deal, – working group on ecology, Lviv Regional Council, 11.05.2022. // <https://cutt.ly/reFc7KLF>

<sup>46</sup> Climate Damage Caused By Russia's War In Ukraine. 24 February 2022 – 23 February 2024. By Initiative on GHG accounting of war. 13 June 2024. // <https://cutt.ly/5eFc7VSm>

<sup>47</sup> Committee hearings. The Verkhovna Rada Committee on Ukraine's Integration into the European Union. // <https://cutt.ly/0eFc717c>

<sup>48</sup> Committee hearing. The Verkhovna Rada Committee on Environmental Policy and Nature Management. // <https://cutt.ly/feFc78XW>

<sup>49</sup> EU Horizon Europe Programme 2021–2027. // <https://business.dia.gov.ua/horizon-europe>

<sup>50</sup> European Green Deal. Delegation of Ukraine to the EU. // <https://cutt.ly/3eFc5oN6>

## 2.2. INFLUENCE OF THE EUROPEAN GREEN DEAL ON POLICY MAKING AND LEGISLATION IN UKRAINE

### 2.2.1. Climate change

The EGD – being a response to the challenges of climate change – has affected the climate policy and legal framework of Ukraine while the efforts to develop and implement them has intensified in recent years. The goal of the EGD to achieve climate neutrality also appears in the political discourse of Ukraine. Work is being completed on the adoption of a law that will determine the architecture of the state climate policy for the first time, and the achievement of climate neutrality will become legally binding in Ukraine.

The EGD and the EU acquis adopted to enforce it also had a significant impact on public discourse, in particular on business (especially on the implementation of CBAM) and civil society (especially on taking into account the EGD tools in the reconstruction and recovery of Ukraine, the integration of climate and environmental components into all sectoral policies). Under the influence of the EGD, research interest in the topic of climate change has increased.

#### *Impact on strategic decisions*

Climate neutrality has not previously been considered in the context of Ukraine's climate policy and law. The interest has intensified due to the adoption of the EGD in the European Union and the voluntary commitment of Ukraine to join the implementation of its tools and mechanisms into national policy and law.

One of the EGD key impacts on national climate policy was Ukraine's recognition of the need to achieve climate neutrality and the reflection of such a political position in Ukraine's strategic documents. It is noteworthy that the primary goal was defined in sectoral strategies, which highlighted, among other things, not only the need to achieve climate neutrality but also its impact on the economic development of the state and its energy security. In this context, the following documents can be listed:

- *The National Economy Strategy 2030*<sup>51</sup>, which emphasizes the need to achieve climate neutrality by 2060. Obviously, the recognition in the strategic vision of the inextricable link between the economic development of the state and the need to achieve climate neutrality is positive, although Ukraine has not set this goal as ambitious as the EU;
- *Energy Strategy of Ukraine 2050*<sup>52</sup>. The text of the strategy itself has not been published, but senior officials<sup>53</sup> emphasize that by 2050 the energy sector of Ukraine should achieve climate neutrality. A similar statement is reflected in the *National Energy and Climate Plan 2030*<sup>54</sup>. This is in line with the EGD focus on climate neutrality. At the same time, the EGD is about achieving climate neutrality in general, rather than in a separate sector of the economy.

Nevertheless, the strategic climate documents adopted in Ukraine after 2019 do not incorporate the concept of “climate neutrality”. In particular, such a shortcoming is common for the *Strategy for the Development and Implementation of State Policy in the Field of Climate Change 2035*<sup>55</sup>

<sup>51</sup> On approval of the National Economic Strategy 2030. Resolution of the Cabinet of Ministers of Ukraine dated 03.03.2021 No. 179.// <https://cutt.ly/leFc5Hrg>

<sup>52</sup> On approval of the Energy Strategy of Ukraine for the period up to 2050. Order of the Cabinet of Ministers of Ukraine dated 21.04.2023 No. 373-r.// <https://cutt.ly/YeFc5c5B>

<sup>53</sup> Ministry of Energy of Ukraine. "Herman Halushchenko: Ukrainian energy is increasing the capacity of renewable energy sources and will become climate-neutral." Governmental Portal 26.01.2024.// <https://cutt.ly/NeFc5m6b>

<sup>54</sup> The text of the NECP on the websites of the Verkhovna Rada and the Cabinet of Ministers The Ministry of Economy posted the text of the National Energy and Climate Plan 2030. The Ministry of Economy of Ukraine 28.06.2024.// <https://cutt.ly/peFc5TFa>

<sup>55</sup> On approval of the Strategy for the making and implementation of state policy in the field of climate change for the period up to 2035 and approval of the operational plan of measures for its implementation in 2024-2026. Order of the Cabinet of Ministers of Ukraine dated 30.05.2024 No. 483-r.// <https://cutt.ly/aeFc5AJ4>

Ukraine's EU candidate status and the EU's support for the reconstruction of Ukraine have provided an impetus for the development of climate policy, including in the context of achieving climate neutrality. Thus, the *Report on Ukraine's progress within the framework of the EU Enlargement Package 2023*<sup>56</sup> drew attention to the need to harmonize national climate strategy and climate legislation with the EU climate and energy policy 2030, in particular with certain legislative acts within the framework of the "Fit for 55" package (which are part of the EGD legislative initiatives).

*The Ukraine Plan*<sup>57</sup> states that the transition to climate neutrality and compliance with the Paris Agreement are key aspects and, therefore, an important part of the Plan. The implementation of priorities and projects within the framework of the Ukraine Plan in the track of "Green Transition and Environmental Protection" (Reforms 2 "Climate Policy") will ensure the implementation of environmental and climate policy in accordance with the European integration focus of Ukraine's development, in particular the European Green Deal.

A number of issues that have become the object of attention of **the EGD, such as carbon pricing** (in particular, ETS, CO<sub>2</sub> tax) and **adaptation to climate change**, are an integral part of the EU acquis and therefore the development of these areas of climate policy and law of Ukraine was largely influenced by European integration processes. On June 5, 2024, the Ministry of Environment Protection published for public discussion *the draft Strategy for the implementation of the greenhouse gas emissions trading system in Ukraine 2033 and the Operational Plan 2024-2026*<sup>58</sup>. At the end of 2021, the *Strategy for Environmental Safety and Adaptation to Climate Change 2030* was adopted, although it has already been planned to update it<sup>59</sup>. Policy documents on adaptation to climate change should be developed at the regional and local levels.

In order to reduce the risks of carbon leakage, the EU has introduced a new instrument within the EGD – the **Carbon Border Adjustment Mechanism** (CBAM), which shall be fully operational in 2026. CBAM has become one of the key issues that raised concerns among businesses in Ukraine and has entered the agenda. In this part, the EGD impacted the public discourse where businesses urged the authorities to take measures, given the difficulties encountered during the preparation stage for reporting under the CBAM<sup>60</sup>. Currently, at the strategic level, the Government of Ukraine has envisaged, among the tasks of climate policy, ensuring regular political and technical dialogue with the European Commission on granting exemptions for products from Ukraine under CBAM.<sup>61</sup>

The impact of the EGD on the national climate policy is also seen in Ukraine's initiatives to **reduce methane emissions**, in particular by joining the Global Methane Pledge initiative and developing relevant acts for the implementation of such policies<sup>62</sup>.

## Impact on legislation

Climate neutrality was initially considered by Ukraine at the level of strategic documents. But the EGD itself emphasizes that climate goals, in particular the achievement of climate neutrality, shall be set at the legislative level. Therefore, in 2021, the EU adopted the European Climate Law (Regulation (EU) 2021/1119), where climate targets acquired the status of a legal obligation. Ukraine has also taken this approach into consideration. Currently, climate neutrality in Ukraine is a political obligation, while the state is working to embed into the law.

In particular, the Verkhovna Rada is considering a *draft law on the basic principles of state climate policy*<sup>63</sup>, which brought climate neutrality to the legislative level as a goal of state climate policy. The development

<sup>56</sup> COMMISSION STAFF WORKING DOCUMENT. Ukraine 2023 Report. 2023 Communication on EU Enlargement policy. // <https://cutt.ly/leFc5J50>

<sup>57</sup> Plan of Ukraine – a plan for the implementation of Ukraine Facility (the program of financial support of Ukraine from the European Union for 2024-2027). On Approval of the Plan of Ukraine. Order of the Cabinet of Ministers of Ukraine dated 18.03.2024 No. 244-r. // <https://cutt.ly/peFc5ZJs>

<sup>58</sup> Notification of publication of the draft order of the Cabinet of Ministers of Ukraine "On approval of the Strategy for the implementation of the greenhouse gas emissions trading system in Ukraine for the period up to 2033". // <https://cutt.ly/9eFc5B1l>

<sup>59</sup> On the approval of the Strategy for Environmental Safety and Adaptation to Climate Change 2030. Order of the Cabinet of Ministers of Ukraine dated 20.10.2021 No. 1363-r. // <https://cutt.ly/XeFc582Q>

<sup>60</sup> For example: the FEU appealed to the Government with business recommendations for resolving CBAM issues. Federation of Employers of Ukraine, 22.04.2024. // <https://cutt.ly/seFc6qyr>

<sup>61</sup> On approval of the Strategy for the making and implementation of state policy in the field of climate change for the period up to 2035 and approval of the operational plan of actions for its implementation in 2024-2026. Order of the Cabinet of Ministers of Ukraine dated 30.05.2024 No. 483-r. // <https://cutt.ly/MeFc6tAD>

<sup>62</sup> On approval of the action plan for the implementation of Ukraine's climate policy as part of participation in the Global Methane Pledge initiative. Resolution of the Cabinet of Ministers of Ukraine dated 07.07.2023 No. 607. // <https://cutt.ly/TeFc6sf2>

<sup>63</sup> Draft Law on the Basic Principles of State Climate Policy. Reg. No. 11310 dated 31.05.2024. // <https://itd.rada.gov.ua/billInfo/Bills/Card/44348>

of climate legislation of Ukraine (*regulation of ozone-depleting substances, fluorinated greenhouse gases, implementation of monitoring, reporting and verification of greenhouse gases, revision of the CO<sub>2</sub> tax, creation of the State Fund for Decarbonization and Energy Efficient Transformation, etc.*) and its further development are largely the result of European integration processes. In these matters, the EGD has an indirect impact on the legislation of Ukraine, since the EU itself has launched a systematic review of the EU climate acquis, which Ukraine must transpose and implement to become the EU member.

### ***Institutional impact***

The EGD also had an institutional impact on Ukraine's climate policy and law. Thus, the draft Law on the Basic Principles of State Climate Policy transposes the provisions of the European Climate Law and provides for the creation in Ukraine of a *Scientific Expert Council on Climate Change and the Preservation of the Ozone Layer* (Art. 7). The Council will be established as a permanent independent advisory scientific and expert body to provide scientific support for setting climate goals, shaping state climate policy, tracking the implementation of state policies and measures, as well as general scientific coordination and forecasting in the field of climate change. Adoption of the regulation on this council is one of the indicators of the implementation of the Ukraine Plan for Ukraine Facility.

One of the indirect impacts of the EGD is the launch of the *Ukrainian Climate Office* in October 2023. The office is currently working within the Capacities for Climate Action (C4CA) project. As stated on its webpage<sup>64</sup>, the office aims to become a leading centre for awareness-raising, political advocacy and innovation in Ukraine aimed at mitigating climate change, adapting to its impacts and promoting sustainable development. The Office acts as an independent organization that will contribute to strengthening the capacity of climate policy, as well as will be a repository of green initiatives, projects, analyses, and an organizer of events dedicated to climate protection and green topics in Ukraine.

In this context, it is important to mention the Green Transition Office launched by the DiXi Group think tank, an independent advisory body that provides support and advice to the Ministry of Economy of Ukraine and other stakeholders. The main purpose of its creation is to make the green transition in Ukraine a driver of recovery, modernization and economic growth without affecting competitiveness.<sup>65</sup>

### ***Impact on scientific and public discourse***

The issues of climate change, the implementation of the state climate policy of Ukraine, taking into account the tools and mechanisms of the EGD, have been persistently present in *public discourse* both at the national and international levels. Such interest continues, there is a synergy of discussions on climate issues with cross-cutting areas of reforms in Ukraine – Ukraine's accession to the EU and reconstruction from the consequences of the war. For example, on June 11-12, 2024, the Conference on the Recovery of Ukraine (URC 2024) was held in Berlin. On its sidelines, the plan for the implementation of Ukraine's climate policy was discussed, and the panel "Green Recovery and the European Green Deal for Ukraine: Conditions for Environmentally Safe Recovery and Growth" was held.<sup>66</sup>

The public discourse involves the main stakeholders (legislative and executive authorities, local self-governments, business and the civil society), various communication platforms are used, including the parliamentary one. Thus, on May 13, 2024, the Committee on Environmental Policy and Environmental Management of the Verkhovna Rada held a hearing on "Ukraine's Way to Reform Environmental and Climate Legislation in the Part of EU Membership Negotiations: Plans and Activities of the Verkhovna Rada of Ukraine and the Government in 2024". A separate panel at the hearing was devoted to the state climate policy in Ukraine.<sup>67</sup>

<sup>64</sup> Ukrainian Climate Office. // <https://climateoffice.org.ua/about/>

<sup>65</sup> The Green Transition Office joined the meeting of the International Network of Climate Councils. // <https://cutt.ly/jeFc6lxz>

<sup>66</sup> Results of the Ukraine Recovery Conference in the field of environmental protection. Ministry for Environment Protection 15.06.2024. // <https://cutt.ly/meFc6c0R>

<sup>67</sup> Rada. Official web portal of the Parliament of Ukraine. 14.05.2024. // <https://cutt.ly/OeFc6Rvu>

In the **media space**, climate change issues were covered, but less than usual. One of the factors in reducing such interest can be considered the war unleashed by the rf against Ukraine, and the shift of focus to the military theme. According to independent studies, the share of reports in the Climate Change section in the first half of 2021 was 9.09%, a significant part of which is devoted to the international agenda<sup>68</sup>. In the first two months of the war, attention to the topic of climate change did not decrease. Climate change was covered a little less than the radiation pollution and grass fires, and the peak of attention fell on the 4th and 5th weeks of a full-scale war. According to the authors, the subject of reports most often concerned the refusal to cooperate with the energy complex of the Russian Federation and the humanitarian consequences of the war. Much more attention was paid to climate change in reports on crimes against the environment and the consequences of the war<sup>69</sup>. At the same time, during the period from the beginning of the war to mid-2023, there was a decline in the number of publications on climate change. The share of such messages in the media was down to 3.87%.<sup>70</sup>

Instead, **research interest in** the topic of climate change has grown, in particular related to the EGD. The results obtained using the Google Academy search engine for the periods 2015-2019 and 2020-2024 indicate a growing interest of researchers in such issues as:

- "climate neutrality": 14 (2015-2019) compared to 315 (2020-2024) scientific publications;
- "carbon border adjustment mechanism": 1 compared to 36 scientific publications;
- "climate policy of Ukraine": 569 compared to 1500 scientific publications.

Therefore, it can be concluded that the EGD has influenced the scientific discourse in Ukraine on climate issues.

## 2.2.2. Environment and Circular Economy

**The EGD impact on Ukraine's environmental policy has been very limited. This is primarily due to the EGD's minor achievements in this area, the slow progress of environmental policy in Ukraine and the impact of the war. On the other hand, the EGD had a significant impact on public and scientific discourse on environmental issues in Ukraine.**

### *Impact on strategic decisions*

Since 2019, there have been no significant changes in the field of environmental policy in Ukraine. The main strategic document remains the *Basic Principles (Strategy) of the State Environmental Policy of Ukraine 2030*.<sup>71</sup> The *National Environmental Action Plan 2025* (approved by the Government on 21 April 2021<sup>72</sup>) does not contain activities that can be directly linked to the impact of the EGD. At the same time, the *Guidelines on the content of the development of regional environmental protection programs*<sup>73</sup> have direct links to the EGD.

The impact of the EGD has not been identified in the provisions of the Decree of the President of Ukraine No. 111/2021 On the Decision of the National Security and Defense Council of Ukraine of March 23, 2021 "On Challenges and Threats to the National Security of Ukraine in the Environmental Sphere and Priority Measures for Their Mitigation", or the Strategy for Environmental Safety and Adaptation to Climate Change 2030 approved by the Order of the Cabinet of Ministers of Ukraine No. 1363-r of October 20, 2021, or in the *State Forest Management Strategy of Ukraine 2035*.<sup>74 75 76</sup>

<sup>68</sup> Environmental aspects in the public information space of Ukraine. 2019- 2021 // LLC "EL.BI.I." NGO "International Institute of Interdisciplinary Innovation Research", Kyiv, 2021. – P. 12, 13. // <https://cutt.ly/UeFc6OIi>

<sup>69</sup> Environment and war in Ukraine: Media monitoring of the presence of the topic in the media and search queries of Ukrainians (February 24 – April 27) // International Renaissance Foundation. // <https://cutt.ly/PeFc6GMB>

<sup>70</sup> Environmental aspects in the public information space of Ukraine // LLC "EL.BI.I.", Kyiv, 2023. – P. 14. // <https://cutt.ly/xefc6XVb>

<sup>71</sup> On the Basic Principles (Strategy) of State Environmental Policy of Ukraine 2030: Law of Ukraine. Law of Ukraine dated 28.02.2019 № 2697-VIII. // <https://cutt.ly/peFc61cH>

<sup>72</sup> On approval of the National Action Plan for Environmental Protection 2025. Order of the Cabinet of Ministers of Ukraine dated April 21, 2021 No. 443-r. // <https://cutt.ly/ZeFc64uj>

<sup>73</sup> Methodological recommendations on the content of the development of regional environment protection programs. // <https://cutt.ly/QeFc66WZ>

<sup>74</sup> On the decision of the National Security and Defense Council of Ukraine of March 23, 2021 "On challenges and threats to the national security of Ukraine in the environmental sphere and priority actions to mitigate them". Decree of the President of Ukraine dated 23.03.2021 No. 111/2021. // <https://cutt.ly/reFvqyih>

<sup>75</sup> On the approval of the Strategy for Environmental Safety and Adaptation to Climate Change 2030. Order of the Cabinet of Ministers of Ukraine dated 20.10.2021 No. 1363-r. // <https://cutt.ly/leFvqs5I>

<sup>76</sup> On approval of the State Forest Management Strategy of Ukraine 2035. Order of the Cabinet of Ministers of Ukraine dated 29.12.2021 No. 1777-r. // <https://cutt.ly/QeFvqlmM>

The political initiative of the President of Ukraine "Green Country" (approved by the Decree of the President of Ukraine No. 228/2021 "On certain measures for the conservation and reproduction of forests") may have been adopted under the influence of the EU initiative to plant 3 billion trees<sup>77</sup>.

### ***Impact on legislation***

Since the end of 2019, several important systemic and specialized laws have been adopted in the field of waste management, chemical safety, industrial pollution, etc. At the same time, the adoption of these laws is primarily related to Ukraine's European integration obligations to implement the relevant EU acts. The direct impact of the EGD on these laws and their implementation cannot be traced.

### ***Institutional impact***

No impact of the EGD has been identified in the institutional structure of public administration in the field of environmental protection. The presence of the words "circular economy" and "industrial pollution" in the names of individual structural units is obviously associated with the general "Europeanization" of public administration in this area, rather than with the EGD.

### ***Impact on scientific and public discourse***

In their statements and speeches, the Minister, his deputies, and staff of the Ministry of Environmental Protection and Natural Resources repeatedly referred to individual initiatives within the framework of the European Green Deal. Although the Recommendations of the Parliamentary Hearings on the topic "Priorities of the Environmental Policy of the Verkhovna Rada of Ukraine for the Next Five Years"<sup>78</sup> do not contain provisions related to the EGD (probably because the hearings took place before the public announcement of the EGD in the EU), the environmental committee of the Verkhovna Rada has repeatedly discussed the goals and initiatives of the EGD during their work. Thus, on December 22, 2020, Committee hearings were held on the topic "Participation of Ukraine in the European Green Deal".<sup>79</sup> A number of NGOs actively discussed the goals and objectives of the EGD in the environmental areas, including publications in the media.

According to independent studies, in the period before 24.02.2022, "the average share of environmental topics in the Ukrainian media field for the specified period was 2.3%, but the dynamics of the presence for the first half of 2021 gives every reason to believe that 2021 will become the leader in the number of publications and will significantly exceed the results of 2019 and 2020".<sup>80</sup> Moreover, the interest of Ukrainians in topics related to the environment increased after the full-scale Russian invasion, although the leading thematic block focused on the threats and consequences for the environment from Russian aggression against Ukraine<sup>81</sup>, especially the blowing off the Kakhovka HPP.<sup>82</sup>

Therefore, in general, the European Green Deal had a certain impact on public discourse in Ukraine on environmental issues.

In the scientific environment, the EGD had a significant impact. Thus, according to Google Scholar<sup>83</sup>, the term "circular economy" appears only 170 times in Ukrainian-language articles for all years up to 2019, inclusive. In contrast, in 2020-2024, this term has been used in 1,510 scientific publications (nine times more!). Even the familiar concept of "biodiversity" was much more often the object of scientific research in 2020-2024 (14,600 studies in 2020-2024 vs 9,360 in 2015-2019). This can be attributed to the implementation of the EGD in the EU.

<sup>77</sup> <https://cutt.ly/HeFvqbnC>

<sup>78</sup> On the Recommendations of the parliamentary hearings on the topic: "Priorities of the environmental policy of the Verkhovna Rada of Ukraine for the next five years". Resolution of the Verkhovna Rada of 14.01.2020 № 457-IX. // <https://cutt.ly/JeFvqECV>

<sup>79</sup> Committee hearing. The Verkhovna Rada Committee on Environmental Policy and Nature Management. // <https://cutt.ly/reFvqIzi>

<sup>80</sup> "Environmental aspects in the public information space of Ukraine, 2019-2021" "EL.BI.I", "International Institute for Interdisciplinary Innovation Research". // <https://cutt.ly/3eFvqSxI>

<sup>81</sup> Environment and war in Ukraine: Media monitoring of the presence of the topic in the media and search queries of Ukrainians (February 24 – April 27, 2024), International Renaissance Foundation. // <https://cutt.ly/xeFvqJ43>

<sup>82</sup> Environmental problematics in the public information space of Ukraine, LLC "EL.BI.I." Kyiv, 2023. // <https://cutt.ly/leFvqCl6>

<sup>83</sup> <https://scholar.google.com/>



## 2.2.3. Energy and energy efficiency

The introduction of the EGD has impacted Ukraine's strategic decisions in the energy sector as well. The principles of the EGD were integrated into the national energy policy. In particular, higher priority was given to improving energy efficiency and the development of renewable energy sources (RES), especially after the full-scale invasion of the Russian Federation.

These tracks are reflected in key strategic documents aimed at achieving energy independence and environmental sustainability of Ukraine, supported by close cooperation with the EU in the context of green recovery.

### *Impact on strategic decisions*

Energy efficiency and the transition to renewable energy sources have not been key priorities of Ukrainian energy policy before. However, interest in these issues has increased in recent years, in particular in connection with the deployment of the EGD and Ukraine's voluntary commitment to integrate EGD policies, tools and mechanisms into national energy policy.

One of the key impacts of the EGD on Ukraine's energy policy has been the adoption of a number of strategies that not only recognize the need to improve energy efficiency and accelerate the transition to renewable energy sources, but also identify specific steps or solutions for the practical implementation of these goals. With the outbreak of a full-scale invasion of the Russian Federation on the territory of Ukraine, these issues began to be considered from the standpoint of energy security and the achievement of energy independence. Some of the national strategic documents adopted during the EGD policies in the EU are as follows:

- *The National Economic Strategy* approved in March 2021, among other things<sup>84</sup>, defines the decarbonization of the economy, in particular the improvement of energy efficiency, the development of RES, the circular economy, and synchronization with the EGD as one of the principles of Ukraine's economic policy;
- *The National Energy and Climate Plan (NECP) for the period up to 2030*, approved on June 25, 2024<sup>85</sup> in accordance with the requirements of Regulation (EU) 2018/1999 and taking into account the best practices of the EU MS, under Ukraine's obligations as a contracting party of the Energy Community and in the process of acquiring EU membership, integrates climate, energy and other policies to achieve rather ambitious sustainable development goals;
- *The Energy Strategy of Ukraine 2050*<sup>86</sup>, although it has not become a public document, according to politicians, it reflects the goals<sup>87</sup> of the EGD and Ukraine's international obligations to strengthen energy efficiency, the use of renewable energy sources, and also takes into account the need to achieve climate neutrality in the energy sector. Indicators include achieving a share of 27% of energy produced from RES in gross final energy consumption by 2030 and 70% of energy from renewable sources in total primary energy supply by 2050.
- The Energy Security Strategy<sup>88</sup> defines the following strategic goals and objectives for their achievement, among others:
  - stimulation of import substitution, in particular through the development of bioenergy, wind energy, and reasonable increase in production of energy resources;
  - implementation of activities to expand the use of local alternative fuels, the use of electricity and biofuels;
  - prevention of increasing dependence of Ukraine on external suppliers.

<sup>84</sup> On approval of the National Economic Strategy for the period up to 2030. Resolution of the Cabinet of Ministers of Ukraine dated 03.03.2021 No.179. // <https://cutt.ly/meFvq8iy>

<sup>85</sup> Ukraine approved the National Energy and Climate Plan on the day of the start of negotiations on accession to the EU. // <https://cutt.ly/JeFvq564>

<sup>86</sup> On approval of the Energy Strategy of Ukraine for the period up to 2050. Order of the Cabinet of Ministers of Ukraine dated 21.03.2023 No. 373-r. // <https://cutt.ly/MeFwvtmj>

<sup>87</sup> Decarbonization of energy: will Ukraine fulfill its international obligations? // <https://cutt.ly/CeFwwi4u>

<sup>88</sup> On approval of the Energy Strategy of Ukraine 2050. Order of the Cabinet of Ministers of Ukraine dated 21.03.2023 No. 373-r. // <https://cutt.ly/feFwvswxv>

- *The National Renewable Energy Action Plan 2030*<sup>89</sup>, approved on August 13, 2024, was developed to implement the provisions of the relevant EU directive (in the versions known as RED II and RED III). The document aims to bring the share of green energy in gross final energy consumption to 27%, and specifies pathways for the growth of the share of RES in the areas of electricity, heating and cooling, and transport. The plan provides for 38 measures, performance indicators and identifies those responsible;
- *The strategy for the development of distributed generation 2035*, approved on July 18, 2024, provides for support for the development of a network of renewable energy facilities and energy storage facilities (both by producers and active consumers<sup>90</sup>). Along with gas generation, it is RES installations that are indicated by the main types of electric power facilities, the use of which is advisable to create distributed generation systems and solve the problem of insufficient generating capacity in the United Energy System of Ukraine;
- *The National Energy Efficiency Action Plan 2030*<sup>91</sup>, approved at the end of 2021, provides for the implementation of energy-efficient measures in various sectors of the economy. Despite the fact that the document does not mention the EGD, the document is based on the principles and provisions of EU legislation and the practices of European countries;
- *The Strategy for Thermal Modernization of Buildings of Ukraine 2050*<sup>92</sup> (approved at the end of 2023) includes a long-term plan for the gradual renovation of the building stock, taking into account energy-saving technologies, which meets European standards and approaches to energy efficiency. The document contains references to energy efficiency policies and initiatives within the EGD.

In addition, it must be mentioned that in the context of the ongoing war of Russia against Ukraine, the achievement of energy security through strengthening energy efficiency measures and the development of renewable energy sources has acquired new importance, in particular in the framework of green recovery. The European Commission supports Ukraine's plans for green reconstruction and further implementation of the EGD<sup>93</sup>. In early February 2023, Ukraine and the EU signed a Memorandum of Strategic Partnership in the field of biomethane, hydrogen and synthetic gases<sup>94</sup>.

At the same time, several strategic documents supporting the implementation of EGD policies and initiatives in the energy sector of Ukraine have not been approved or are still under consideration.

In particular, the draft Concept of the "green" energy transition of Ukraine 2050<sup>95</sup>, presented on January 21, 2020, provided for the gradual transformation of the energy sector of Ukraine with the goals to achieve climate neutrality and increase energy efficiency. In the public space, the document was called the "Ukrainian Green Deal" but its approval was postponed in favor of updating the Energy Strategy.

The draft Hydrogen Strategy of Ukraine 2050<sup>96</sup>, presented on January 13, 2024, includes hydrogen energy development goals, hydrogen classification and pilot ideas for the production of renewable hydrogen. The document is under development.

<sup>89</sup> On approval of the National Renewable Energy Action Plan 2030 and the action plan for its implementation. Order of the Cabinet of Ministers of Ukraine dated 13.08.2024 No. 761-r. // <https://ips.ligazakon.net/document/kr240761>

<sup>90</sup> On approval of the Distributed Generation Development Strategy 2035 and approval of the operational plan of measures for its implementation in 2024-2026. Order of the Cabinet of Ministers of Ukraine dated 18.07.2024 No. 713-r. // <https://cutt.ly/6eFvwjvY>

<sup>91</sup> On the National Energy Efficiency Action Plan 2030. Order of the Cabinet of Ministers of Ukraine dated 29.12.2021 No. 1803-r. // <https://cutt.ly/ueFvwviu>

<sup>92</sup> Some issues of strategic development of energy efficiency of buildings. Order of the Cabinet of Ministers of Ukraine dated 29.12.2023 No. 1228-r. // <https://cutt.ly/1eFvwWFI>

<sup>93</sup> The European Commission supports Ukraine's plans in the post-war "green" reconstruction and further implementation of the European Green Deal. // <https://cutt.ly/CeFvwYGr>

<sup>94</sup> The Government of Ukraine and the European Commission have concluded a Memorandum of Strategic Partnership in the areas of biomethane, hydrogen and other synthetic gases. // <https://cutt.ly/NeFvwOGm>

<sup>95</sup> The concept of Ukraine's "green" energy transition by 2050. // <https://cutt.ly/LeFwvSO5>

<sup>96</sup> Hydrogen strategy of Ukraine for the period up to 2050. Project. // <https://cutt.ly/SeFvwJji>



## ***Impact on legislation***

At the end of 2021, Ukraine, within the framework of the Energy Community Treaty (by the decision of the Council of Ministers of the Energy Community dated November 30, 2021 No. 2021/14/MC-EnC), undertook to implement the Clean Energy for All Europeans package. This package covers EU legislation in the field of energy efficiency, renewable energy, management and design of the electricity market, rules for the security of electricity supply, etc. In particular, it includes Directive (EU) 2018/2001 on the promotion of the use of energy from renewable sources as amended in 2018 (RED II).

An important step was the adoption on June 30, 2023 of the Law No. 3220-IX "On Amendments to Certain Laws of Ukraine on the Restoration and Green Transformation of the Energy System of Ukraine"<sup>97</sup>. This law provided a comprehensive renewal of the electricity market by introducing European mechanisms to stimulate the development of RES, such as a feed-in-premium, contracts for difference, net billing, and guarantees of the origin of electricity from RES. In addition, on February 24, 2023, Law No. 2955-IX was adopted<sup>98</sup>, which laid the foundation for the development of highly efficient cogeneration in Ukraine. This act established new qualification indicators for cogeneration plants, which will contribute to saving primary energy and reducing the cost of electricity and heat production.

Taking into account the process of EU membership, Ukraine should also implement the provisions of Directive (EU) 2018/2001 as amended in 2023 (RED III) and the relevant delegated regulations. Some key provisions of the updated version worthy of attention are about the planning of territories suitable for the deployment of renewable energy projects (the so-called "acceleration zones"), the simplification of licensing procedures for the planning, construction and commissioning of such facilities.

Thus, the adopted acts and plans for the implementation of EU legislation are more consistent with European integration processes and the approximation to pan-European goals, rather than the implementation of EGD policies and initiatives. This can be explained, among other things, by the fact that key acts of EU energy legislation within the framework of the EGD – the Hydrogen and Decarbonised Gas Market Package and the reform of the Electricity Market Design – were adopted only in 2024.

## ***Institutional impact***

As part of the implementation of European integration commitments and in the context of supporting Ukraine on the path to achieving energy independence, the EGD had an indirect impact on the creation of new bodies and structures that were supposed to contribute to the development of the energy sector and energy efficiency in Ukraine.

It is worth noting the adoption on April 11, 2023, of Law No. 3035-IX providing for the creation of the State Fund for Decarbonization and Energy Efficient Transformation, which began its activities on January 1, 2024. The funds are used to finance energy efficiency programs and activities.

Also, one of the key elements was the initiative of the State Agency on Energy Efficiency and Energy Saving to create regional offices for decarbonization and energy efficiency. These offices should become the main focal points for the coordination and implementation of decarbonization policies at the local level, ensuring effective communication between central authorities, local communities and the private sector. Regional decarbonization offices are already operating in Dnipropetrovsk, Kirovohrad, Vinnytsia, Zhytomyr, Kharkiv, and Rivne oblasts<sup>99</sup>.

<sup>97</sup> On Amendments to Certain Laws of Ukraine Regarding the Restoration and Green Transformation of the Energy System of Ukraine. Law of Ukraine dated 30.06.2024 No. 3220-IX. // <https://zakon.rada.gov.ua/laws/show/3220-IX#Text>

<sup>98</sup> On Amendments to the Law of Ukraine "On Combined Heat and Power Production (Cogeneration) and Utilization of Waste Energy Potential" regarding the development of highly efficient cogeneration. Law of Ukraine dated 24.02.2023 No. 2955-IX. // <https://zakon.rada.gov.ua/laws/show/2955-20#Text>

<sup>99</sup> The State Agency for Energy Efficiency and Energy Saving has opened a decarbonization office in Rivne. // <https://cutt.ly/feFvwBz1>

## *Impact on scientific and public discourse*

With the beginning of the process of Ukraine's accession to the EU and the development of cooperation in the field of energy, the issues of stimulating renewable energy and improving energy efficiency have become key in scientific and public discussions. Representatives of the government often referred to the EGD initiatives and the provisions of the relevant EU legislation in their speeches, emphasizing the need to implement Ukraine's energy efficiency and green policy even despite the challenges of war<sup>100,101</sup>.

For example, in June 2024, during the International Conference on the Recovery of Ukraine (URC 2024), the problems of the energy sector were actively discussed, as well as the importance of investing in the development of renewable energy capacities and strengthening energy efficiency in the context of the implementation of the new energy policy of Ukraine focusing on the EGD.<sup>102</sup>

In public discourse, since 2020, the topics of the EGD have also been actively covered. In particular, some media resources have created pages dedicated to the EGD,<sup>103, 104</sup> which publish updates related to EU policies, in particular on renewable energy and energy efficiency. It must be mentioned that the media often talk about European policies in relation to a certain initiative in Ukraine. Thus, after the adoption in 2023 of Law No. 3220-IX on new mechanisms for supporting renewable energy sources, the Ukrainian media actively described this topic, referring to the mechanisms for supporting renewable energy sources in the EU. NGOs and think tanks have also repeatedly raised the need to invest in RES as an important element of Ukraine's energy security.<sup>105</sup>

Cases of mentioning the topic in scientific publications in Ukraine have increased significantly. Thus, in the period from 2020 to 2024, the terms "renewable energy" and "energy efficiency" are mentioned in scientific papers (7,860 times and 13,300 times, respectively) almost twice as often as in the previous five years (4,380 and 9,270 times). At the same time, the decarbonization of energy was written about almost 10 times more (129 references in academic papers of 2014-2019 against 1,020 mentions in 2020-2024).

The increase in the number of relevant academic publications is also associated with an active discussion of new legislative initiatives, in particular those involving the stimulation of energy-efficient measures, the introduction of renewable energy sources, and the decarbonization of a particular sector/region/enterprise.

Also, considerable attention in the scientific field is paid to the production and consumption of renewable hydrogen. The Institute of Renewable Energy of the National Academy of Sciences of Ukraine has calculated the potential volume of hydrogen production using electricity produced by wind and photovoltaic power plants, as well as their combination (hybrid power plants). A promising area for the production of green hydrogen is also the use of biomethane as a substitute for natural gas during the production of hydrogen by steam conversion.

Thus, it can be concluded that attention to the EGD provisions and the relevant Ukrainian legislation in the field of energy has had a significant impact on scientific and public discourse in Ukraine.

<sup>100</sup> Prime Minister: Among the priorities of the Government's Action Plan for this year are a sustainable economy, an efficient digital state, and energy independence. // <https://cutt.ly/DeFvw44M>

<sup>101</sup> Ukraine is committed to an energy-efficient and green transformation, even despite the challenges of war. // <https://cutt.ly/OeFvet5K>

<sup>102</sup> <https://cutt.ly/BeFveaqS>

<sup>103</sup> <https://interfax.com.ua/news/greendeal.html>

<sup>104</sup> [https://ua-energy.org/uk/green\\_deal](https://ua-energy.org/uk/green_deal)

<sup>105</sup> Prospects for foreign investment in the "green" recovery of Ukraine: the results of the DiXi Group and EBRD round table. // <https://cutt.ly/feFvega6>



**CONCLUSIONS  
AND LESSONS  
LEARNT**

## I. The strategic objectives and the outcomes achieved within the framework of the EGD will determine the development of the EU in the medium and long term.

The goals of the EGD are long-term strategic goals for the development of the EU and its future. They are not limited to the five-year period of activity of the previous composition of the European Commission. The measures that were introduced to implement the EGD in 2019-2024 give reason to believe that the course towards achieving climate neutrality of the EU is irreversible.

Incentives created in the areas of renewable energy, hydrogen, steel production, electrification of transport, production of batteries (accumulators), etc. have given sufficient impetus to the long-term development of the industries necessary for a twin (green and digital) transition to the EU. Certain policies and initiatives within the framework of the EGD (European Climate Pact, New European Bauhaus) had a soft impact, i.e. contributed to shifts in public awareness, engineering traditions, etc.

Unfortunately, during this time, no strategic planning has been done in Ukraine to become part of this process: we record only some efforts scattered in certain areas. Ukraine should strive to become part of the EU green transition, new industries, and value chains (industries).

## II. Security dimension – the EGD philosophy is the solution to ensure economic, food, environmental, and climate security.

The implementation of the EGD has much broader implications and objectives, in particular on security. Diversification of energy sources, transition to renewable energy sources, reduction of demand for fossil fuels, and food security are not only a matter of achieving climate neutrality and decarbonization of the economy, or creating new economic incentives for development. EGD elements have become key areas of ensuring the security of the EU in all its non-military dimensions.

The invasion of the Russian Federation in Ukraine and the outbreak of a full-scale war re-instated the relevance of the EU priorities, strengthened the focus on energy autonomy, and also reinforced the security component of the green transition in the EU.

For Ukraine, this means that the EU's climate, energy and industrial priorities established during the period of the EGD are consonant with the security priorities of our country: refusal to import coal, oil and gas products from the Russian Federation and its satellites, freedom from dependence in production chains, and changing markets for our own products. Russian aggression against Ukraine has completely changed the geopolitical situation on the continent, which Ukraine can use to ensure economic, food, environmental and climate security.

## III. Political dimension – Ukraine must show willingness to counter the manipulations and populism that may accompany reforms on the path to EU membership (in particular, those related to the EGD).

The elections to the European Parliament, as well as the elections to the national parliaments of the EU member states, re-instated that the use of manipulation, disinformation, and populism threaten the implementation of reforms, including those defined in the EGD. For instance, the EU Law on Nature Restoration was under threat of adoption until the last minute. Some promises (tasks) stayed on paper.

Ukraine needs to be prepared to counter manipulations and disinformation that mislead the population and other stakeholders. There is a question of effective communication to inform about the challenges and benefits that will bring the changes required in connection with the EU membership process.

At the same time, the reforms that will be implemented by Ukraine should be measurable and pragmatic (both quantitative and qualitative). The abstract nature of reforms will only strengthen the ground for populism, manipulation of citizens' attitudes and their expectations, fears, dissatisfactions, and, eventually, build resistance to reforms.

#### IV. The impact of the EGD on Ukraine will continue and is of a long-term nature in view of the EU accession process and post-war reconstruction.

Currently, we can confirm that the influence of the EGD on the policy and law of Ukraine was patchy. Some national processes (in particular, in the energy sector) have been significantly affected. Some local impacts had a critical character for their magnitude. For example, this was manifested at the community level (Green Deal of Vinnytsia) and the approaches of the New European Bauhaus, which the Government of Ukraine is trying to integrate into the process of reconstruction from the consequences of the aggression of the rf.

The EGD has had an undeniable impact on energy, climate and environment policy and EU law by changing and updating the EU acquis. Ukraine will face the need for approximation of legislation to the acquis, which has been significantly updated thanks to the EGD, in the context of EU accession negotiations. From this point of view, the impact of the EGD on Ukraine will continue in the future in the form of more complex tasks for the implementation of the acquis in the fields of energy, climate change, the functioning of the internal market, industrial pollution, environmental protection, and other aspects.

The EGD, its tools, and mechanisms can and should be integrated into the reconstruction of Ukraine, especially given the "build back better" principle and the "do no significant harm" approach recognized by Ukraine and the EU. The EU is one of the key actors supporting Ukraine in its recovery. The involvement of European contractors, provided that the principles of green reconstruction are integrated, can be a direct opportunity for the EU to create additional incentives for the development of their own green industries through temporary but high demand for their green goods and services in Ukraine. On the other hand, the (new) strategic industrial development priorities of Ukraine should be chosen taking into account the green transition to the EU in order to provide a totally practical dimension of Ukraine's integration into the new EU industrial chains and access to its markets.

In addition, the EU experience – where the implementation of the EGD has become a solution (rather than a problem) against the background of the needs and challenges associated with the economic recovery from COVID-19 and russian aggression – confirms that the green transition, decarbonization and other priorities of the EGD can be solutions to the problem, a way to turn challenges into new opportunities for security and growth.

**European Green Deal: Impact on Ukraine's Energy,  
Climate and Environment Policies and Legislation**

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