



Міністерство
захисту довкілля
та природних ресурсів
України

UKRAINE: Post-war strategic planning for green reconstruction

FINANCING THE GREEN AND NET-ZERO TRANSITION
IN THE EU EASTERN PARTNER COUNTRIES AND
CENTRAL ASIA

September 19, 2023



UKRAINE'S LOSSES FROM THE RUSSIA'S WAR OF AGGRESSION

As a result of the largest military invasion since the Second World War, Ukraine has suffered and continues to suffer large - scale destruction of infrastructure and enormous environmental damage.

DAMAGED, DAMAGED AND DESTROYED INFRASTRUCTURE FACILITIES

For a total of more than **USD 143,8** bn

153,900 residential buildings
207,000 private cars
16,000 vehicles of public transport

1,216 healthcare facilities
3,170 educational institutions
1,800 cultural institutions

DAMAGE TO THE ENVIRONMENT

For a total of more than **USD 54** bn

33 mln t of direct CO₂-eq emissions worth more than **USD 27.1 bn** as a result of hostilities

64 thousand hectares of land contaminated and littered

744 destroyed water infrastructure facilities worth over **USD 8.1 bn**

600 unique species of animals and **750** species of flora and fauna may disappear

THE IMPACT OF THE WAR ON CLIMATE CHANGE

POST-WAR GREEN RECOVERY & CLIMATE CHANGE ADAPTATION



FORESTS AND PROTECTED AREAS **

fires of **60,279 ha**

63,447 ha flooded

violation of protected areas
1 240 113 ha

Emerald network
2.9 mln ha

cutting/felling
281,223 ha



REDUCING THE ABSORPTION OF GREENHOUSE GASES BY FORESTS



WATER RESOURCES **

water infrastructure facilities
destroyed/damaged - **744**

explosion of the Kakhovka hydroelectric power station
water volume reduced
14.775 bn km³

wetlands
3,000 ha



REDUCED PRECIPITATION, DUST STORMS, RISING TEMPERATURES, INCREASED RISK OF DROUGHT IN THE FIELDS, INCREASED GREENHOUSE GAS EMISSIONS



SOILS **

waste pollution
1 594 840 m²

mined territory
30 %



DEGRADATION OF SOIL QUALITY, DISTURBANCE OF SOIL COVER, REDUCTION OF FERTILITY, SPREAD OF EROSION PROCESSES

EMISSIONS OF MLN T CO₂EQ: *

Ukraine = 50

Europe = 27

(increase in the length of air routes, Nord Stream 1, 2, other)

Emissions of mln t CO₂eq:

Fires = 17,7

Military actions = 21,9

A conservative estimate of GHG emissions for the reconstruction of the country is **~50 mln t of CO₂**

GREEN RECOVERY, REGIONAL ADAPTATION ACTION PLAN, PROGRAMMES FOR REFORESTATION, RESTORATION OF WATER INFRASTRUCTURE

Source: - * data for the year of the war from the report "The impact of the Russian war in Ukraine on climate"
- ** data from the EcoZagroza website <https://ecozagroza.gov.ua/>

DAMAGE TO THE ENVIRONMENT

AS A RESULT OF RUSSIA'S FULL - SCALE INVASION OF UKRAINE

> **2507** CASES OF ENVIRONMENTAL
DAMAGE RECORDED

56 bn USD
ACCOUNTED LOSSES, OF:

bn UAH

947

land contamination
with waste

bn UAH

13

soil
contamination

bn UAH

1075

damage from air pollution

bn UAH

60

pollution, contamination of water
bodies and marine waters

ON THE WAY TO GREEN RECOVERY OF UKRAINE:



DEVELOPMENT AND ADOPTION OF A CLIMATE LAW – will include the introduction of key principles of climate neutrality for green recovery in all sectors of the economy.



DEVELOPMENT AND ADOPTION OF A NATIONAL ENERGY AND CLIMATE PLAN – along with the National Energy Strategy adopted by the Government of Ukraine, it will form the basis for a green recovery of the energy sector based on a significant increase in the share of renewable energy.



IMPLEMENTATION OF UKRAINE'S AMBITIOUS NATIONAL DETERMINED CONTRIBUTION TO THE PARIS AGREEMENT – adaptation of the NDC implementation action plan to the green recovery and reconstruction plan, adoption of an action plan to reduce anthropogenic methane emissions under the Global Methane Pledge.



PARTICIPATION IN THE UN CONFERENCE ON CLIMATE CHANGE (COP28) – promotion of the initiative to create a Global Platform for just assessment of environmental damage caused by hostilities, the "aggressor pays" initiative and the recognition of ecocide as an international crime.

DEVELOPMENT AND IMPLEMENTATION OF THE CLIMATE LAW

THE CLIMATE LAW IS AN INTEGRATED ELEMENT OF CLIMATE POLICY,
WHICH IS A COMPONENT OF:

POST - WAR RECOVERY OF UKRAINE

EUROPEAN INTEGRATION OF UKRAINE
(AS A EU GREEN DEAL PARTNER)

INTERNATIONAL COOPERATION OF UKRAINE
(CONFERENCE OF THE PARTIES TO THE
UNFCCC AND OTHERS)



Setting a
carbon
(climate)
neutrality goal



Creating a
climate
governance
framework in
Ukraine



Transposition of
European
legislation as a
party to the EU
and the
European
Green Deal



Preconditions
for the
integration of
climate change
issues into
other policies

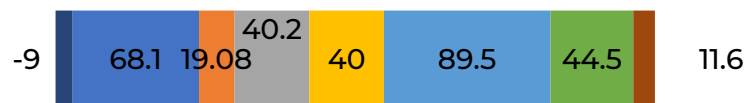


Introduction of
a policy
tracking and
climate change
forecasting
system

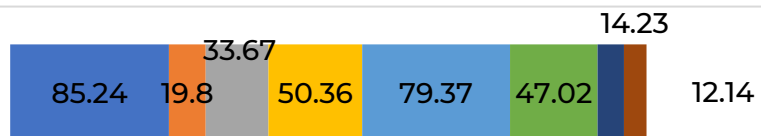
SUMMARY ANALYSIS OF IMPLEMENTATION RESULTS OF THE UPDATED NATIONAL DETERMINED CONTRIBUTION

- Виробництво енергії та тепла
- Будівлі
- Транспорт
- Видобуток та постачання енергоресурсів
- Промисловість
- Сільське господарство
- Землекористування та лісове господарство
- Відходи

Прогноз
2030



2021



2018



1990



ENVIRONMENTAL FINANCE REFORM provides for the establishment of independent financial institutions with the status of separate legal entities to effectively finance environmental protection measures:

- The National Environmental Fund - at the national level
- Independent regional environmental funds - in each region of Ukraine.

The Funds will be established on the basis of an updated legal framework and will be overseen by independent Supervisory Boards, which will include representatives from the State, and managed by executive bodies.

- The Supervisory Board is responsible for formulating the Fund's policy and finalising the list of programmes and projects to be financed.
- The Management Board (or Directorate) will perform the executive functions of the Fund.

THE GOAL OF THE ENVIRONMENTAL FINANCE REFORM is to create an effective mechanism for financing environmental protection measures and projects, including those within the framework of Ukraine's post war green recovery.

ON THE WAY TO GREEN RECOVERY OF UKRAINE

UKRAINE IS ALREADY ACTIVELY RESTORING THE DESTROYED INFRASTRUCTURE ON THE BASIS OF FINANCING THE GREEN AND NET -ZERO TRANSITION, however, to increase the efficiency and accelerate the recovery process, we need further financial and institutional support from our international partners to enable us to:



ensure that the aggressor fairly compensates for all damages and payments caused to Ukrainian infrastructure and the environment, and pays reparations



ensure the reconstruction of the destroyed infrastructure based on the principles of climate neutrality and energy efficiency, applying the best international practices



strengthen the institutional capacity of government agencies and organisations to implement and finance green recovery projects



make a significant contribution to the energy, food and environmental safety of Europe and the world

ECONOMIC GROWTH STRATEGY OF UKRAINE

Ukraine's economic growth in 2024 - 2027/2033 will be based on three strategic priorities: recovery, sustainability, and economic growth.



RECOVERY - the restoration of damage and losses of people, the private sector and public infrastructure .

- Physical restoration of destroyed and damaged infrastructure, restoration of supply chains.
- "Soft recovery" through the implementation of educational programmes, labour market integration programmes for the unemployed, veterans, return of refugees, rebuilding social and housing infrastructure, poverty reduction, and promotion of a green transition.



RESILIENCE – the people of Ukraine, the economy, defence and strong critical infrastructure .

- Resilience of critical infrastructure, improvement of energy efficiency, reduction of energy intensity of all sectors of the economy.
- Stimulating the economy through the growth of the defence sector (including exports), stimulating innovation.



ECONOMIC GROWTH – reforms, investment attraction, EU membership, and improved living standards .

- Reforms to attract additional investment, develop business, education, healthcare, and improve the quality of human capital.
- Integration into the EU, access to foreign capital markets, sustainable growth, launch of an international register of losses and determination of the legal basis for the creation of a commission and a compensation fund.