

ENVIRONMENTAL PERFORMANCE REVIEW OF UKRAINE

INTERIM REPORT

(by the Ministry of Environmental Protection of Ukraine)

1. On the request of the Government of Ukraine the Environmental Performance Review (EPR) of Ukraine has been accomplished by the group of international experts of the UNECE during 1999 and was published in 2000. In 2001 the EPR of Ukraine was translated into Ukrainian, published and spread among central and local bodies of the executive power, other governmental, scientific and educational institutions, non-governmental organizations. The EPR of Ukraine consisted of 98 recommendations on the improvement of the environmental policy and management in environmental sector and other domains of economy.

2. The process of preparation of the Ukrainian EPR had a positive impact on the development of inter-sector cooperation and consideration of environmental priorities in the key domains of the Ukrainian economy. Unfortunately, the complex political processes in the country caused the frequent governmental changes. As a result, the key body of the executive power responsible for the environmental domain – the Ministry of Environmental Protection of Ukraine survived the multiple reorganizations. These conditions did not promote the consistency for implementation of the environmental policy in the country. Therefore, the purposeful coordination and monitoring of the implementation of recommendations reflected in the EPR of Ukraine have not been always accomplished on sufficient level. However, under the complex conditions of the young state formation, Ukraine greatly strengthened its environmental legislation, regulations and management. The fleeting analysis reveals that dominating majority of recommendations practically are being carried out and only few of them are still topical at this moment.

3. Normative legal base is a fundament of environmental activity. For today, the environmental legislation of Ukraine includes over 200 laws and by-laws. Almost all of them have been adopted or adjusted after adoption of the Constitution of Ukraine (1996). The Agreement on partnership and cooperation between European Union and Ukraine (1994) commits the parties to resolve a number of environmental problems (Article 63), and Article 51 of the Agreement concerns harmonization of the laws and regulative by-laws of Ukraine with the European legislation. The most trusted to the European requirements is the Law of Ukraine “On Ecological Expertise” and the new edition of the Law of Ukraine “On the Protection of Atmospheric Air”. In 2004 the Parliament of Ukraine adopted the Law on environmental network that is unique in Europe. At the same time, there are still legally unsettled the issues of distribution of the authorities and responsibilities in the domain of environmental protection between the bodies of executive power and the bodies of local self-governments. The topical issue is the issue of ensuring the acting law observance.

4. Ukraine definitely strengthened its legislation using integration into international legal area. Ukraine ratified 27 key environmental conventions and, at present time, is the Party of 26 environmental conventions. Practically all important international agreements in the domain of conservation and non-exhaustive use of biodiversity became the property of the Ukrainian national legislation. Besides, 70 multilateral and bilateral agreements in the domain of environmental protection and nuclear safety were signed and came into force. During 2004 the Parliament of Ukraine has adopted the laws “On Ratification of the Kyoto Protocol to the United Nations Framework Convention on Climate Change” and “On the Carpathian Convention”. To maintain effective implementation of the international conventions in Ukraine there are legal (elaboration of the laws and by-laws aimed at the implementation of the conventions) and administrative steps as well. The administrative and scientific bodies of the conventions are emerging; data materials are publishing and spreading; an interaction between scientific and administrative bodies of the conventions, educational and civil organizations is establishing. In 2004 the normative base for fulfilment of financial engagements of the state under the international agreements finally has been created.

5. Ukraine is an active participant of the “Environment for Europe” process. In 2003 Ukraine hosted the 5th Pan-European Conference of Ministers of Environment “Environment for Europe”, in which delegations from 51 countries of UNECE region, 29 international organizations, representatives of non-government civil ecological organizations and world mass media took part. The Conference succeeded in signing of the Framework Convention on Protection and Sustainable Development of the Carpathians, the Protocol on Strategic Ecological Assessment, the Protocol on registers of emission and pollutants transfer, and the Protocol on civil responsibility and compensation for the damages caused by the trans-boundary influence of the industrial accidents on the trans-boundary waters. Along with other countries, Ukraine also supported the Strategy of ecological partnership and the Water initiative for Eastern European countries, the Caucasus and Central Asia, the Declaration on energy sufficiency, the Kyiv Resolution on biodiversity, the declaration on elaboration of the UNECE Strategy on education and sustainable development, other important documents.

6. The National Action Plan on environmental protection consists of the framework document “Principle Directions of State policy of Ukraine in environmental protection, use of natural resources and ensuring ecological safety” (1998) and the state purposeful programs that contain actions aimed at the priorities determination. According to a new paradigm, during 2003-2004 have been prepared and proposed for consideration of the Government a draft of the Strategy on the sustainable development of Ukraine where relevant goals and tasks were emphasized.

7. The working groups of representatives from the interested Ministries and departments, leading scientific and educational institutions take an active part in preparation and elaboration of the bills and other legal documents in the domain of environmental protection. For the purpose of informing and promotion of society participation in law-making process and formation of ecological policy, the Law of Ukraine “On the state purposeful programs” (2004) provides public discussions of the state conceptions and programs. It has become a routine to distribute the drafts of legal documents at the website of the Ministry of Environmental Protection of Ukraine. During 5 years the Public Council has been working at the Ministry of environmental protection. The Council includes 17 All-Ukrainian public organizations.

8. Since the date of Independence Declaration (1991), the state formation and transition to the market economy have been marked by the decrease of the country’s industrial potential. The real level of GDP in 2001 was only 46% of the real level of GDP in 1989. The economic decline was accompanied by increase of specific volume of nonproductive sphere in GDP, by increase of export and social inequality. On the other hand, those processes caused a decrease of man-made burden on the environment. But as a result of capital flow-out from the country and minor volumes of foreign investments (about 84 USD per capita during 1989-2001), the general capital investments decreased, deterioration of machinery and production facilities increased, including environmental sphere over 50%.

9. Since 1999, recovery of the Ukrainian economy has started. The total increase of GDP exceeded 20.2% during the last 4 years and had a positive impact on the socio-economic activities of the Ukrainian economy but made more pointed the problems connected with the growth of burden on the environmental infrastructure. There, finally, appeared the real sources of environmental financing in the country (the state budget, ecological funds and own financial resources of enterprises that equal around 70%). The national ecological outlays are covered thanks to economic instruments (taxation on mining and use of natural resources, dues and fees for environmental pollution, fees for municipal benefits, and penalties for violations of the environmental legislation).

10. Dues and fees for pollution and majority of penalties are directed to the ecological funds (at present time about 9900). For the purpose of their function improvement, the bill “On National Environmental Fund” was prepared and now is elaborating by the Parliament of Ukraine.

11. For the purpose of economic instruments improvement in the environmental protection activity the Government elaborates the Conception on accomplishment of economic mechanism for nature management and environmental protection activity. In 2003, the mechanism of normative dues and fees indexation for pollution, according to the index level of consumer prices was introduced. It is expected that the new Law of Ukraine “On

Ecological Audit” (2004) will have a positive impact on the implementation and transition to the international system of standardization process, in particular, the standards ISO 1400. At this time, 173 standards that represent European and international standards are introduced in Ukraine.

12. The modern environmental legislation, in the part of ecological safety balancing, is under dynamic development and accomplishment. The Law of Ukraine “On Principles of National Safety of Ukraine” (2003) makes environmental safety a priority in transition to the balanced development. Nowadays, the work on preparation of the bills of Ukraine “On National Conception for Cleaner Manufacture Implementation”, “On Chemical Safety” and “On Domestic Wastes” is lasting.

13. As a result of insufficient level of the investment activity, the process of cleaner technologies implementation is very slow. For the purpose of waste reduction some of the organizational measures have been taken in the state. In particular, the State program on toxic waste management (2000), amendments to the Law of Ukraine “On Wastes” (2002), provisions that represent the Basel Convention “On the Trans-boundary Control over Hazardous Waste Transport and Disposal” were approved by the laws of Ukraine. In 2001 the Government of Ukraine determined the basic principles of state system for waste management as for the secondary raw materials.

14. The longstanding improper level of technical facilities and infrastructure renewal in the water sector, including water supply and drainage system sector, have a negative impact on the drinking water quality and water-bodies pollution. To resolve the mentioned above problems, 8 state purposeful programs were elaborated. The State Environmental Fund is financing the State program on waste-water treatment which consists of investment projects.

15. The implementation of basin principle in water resources management is restraining by acting legal base in the domain of budget financing that was created on the administrative principle. At this time, only one solution on the pilot-project realization in the separate water basin of the Southern Bug River was made. The scientific examinations are carried out to balance the water quality standards according to the demands of the Water framework directive of EU.

16. For the purpose of resolving the problems connected with the protection and restoration of the environment of the Black Sea and the Sea of Azov, the Law of Ukraine proved the National program for the Protection and Rehabilitation of the Black Sea and the Sea of Azov Environment (2001). The inter-departmental commission on the Black Sea and the Sea of Azov and special unit at the Ministry of environmental protection of Ukraine were created to coordinate the work in this direction. The draft of the Law of Ukraine “On Integrated Costal Zone Management” is developing and aimed at the integration of the costal zone management.

17. Some changes took place in the exploitation of natural resources. The Government of Ukraine is developing a draft of the Strategy on development and reforming of the exploitation of natural resources in Ukraine for 2004-2010. The Strategy is directed to accomplish the natural resources exploitation process and minimize the man-caused burden on the environment. The approved Order of issuing the special permits (licenses) for natural resources exploitation makes possible cancellation of the mentioned permits in case of violation of the environmental legislation.

18. The Government of Ukraine approved the program on the Ukrainian coal (2001), which is aimed to raise efficiency of the coal industry. That program regulates the closure of the unprofitable coal mining and processing companies. The new coalmine constructions must pass ecological monitoring.

19. For the purpose of environmental monitoring accomplishment, the Government of Ukraine established the Inter-departmental commission on environmental monitoring (2001) which is responsible for integration of the monitoring agents, and the development of joint normative legal base and standards harmonized with European demands. The commission implemented 3 inter-departmental standards and 7 guiding documents in the mentioned domain. The commission also develops the State Program on Environmental Monitoring of

Ukraine aimed at the technical re-equipment of the state environment monitoring system, creation of the data banks for collective use by the monitoring agents and integration of the existing programs, of all agents of state environment monitoring in one state program.

20. The State Hydrometeorologic Service organizations are realizing the branch program on quality improvement of environment basic pollution monitoring. The program regulates the principles of sampling, measuring amounts, periodicity and list of pollutants indicated in the air, surface and seawaters. During 2000-2002 the laboratory base for air pollutants monitoring had been essentially improved.

21. According to recommendations of the Pan-European Strategy on Conservation of Biological and Landscape Diversity, the State Program of Forming of National Ecological Network in Ukraine for 2000-2015 (2000) was developed and carried out into effect, the Law of Ukraine "On Ecological Network of Ukraine" (2004) was adopted, the Concept of the State Program on Biodiversity Conservation was developed. For sufficient management and preservation of biodiversity and landscapes of the Black Sea and the Sea of Azov, the preparation to ratification of the Protocol on Biodiversity and Landscapes Conservation to the Convention on the Protection of the Black Sea against Pollution has been completed.

22. The reserved territories are being established. At present time, the Fund of Natural Reserves (FNR) of Ukraine comprises 7120 territories and objects totaling 2738,100 hectares in area; it makes 4,5% of the whole area of Ukraine. Thus, during 2002-2003, the area of FNR increased on 180,300 hectares, and the quantity of objects on 110 units. Last years, widening of the total area of FNR became possible due to creation of the multifunctional objects, first of all, regional landscape and National nature parks. In 2001, the work on their inventory was launched, as well as inventory of the plant kingdom and the wild life.

23. Accomplishing the state control over the use and conservation of land the Laws of Ukraine "On State Control over Use and Conservation of Land" (2003), "On Land Conservation" (2003) were adopted; the State Ecological Inspectorate providing control over the use and conservation of land was established; a new edition of the Land Code of Ukraine (2001) was approved. The Government of Ukraine developed and proposed to the Parliament of Ukraine for adoption the drafts of the State program on use and conservation of land and State program on conservation of land fertility.

24. The reform of energy sector belongs to the state priority. In the framework of the reform, the sale of state share holdings of energy generating companies started. In November 2001 five such companies were sold. Tariffs for electric energy are putting in accordance to expenditures. The increase of tariffs is gradual and connected with the measures directed on the social protection of less-secured population of the country.

25. For the purpose of more thrifty use of energy resources, in new buildings corresponding meters are being installing. The inculcation of individual meters in old buildings is restrained by existing old heating system. The control over the temperature in such buildings takes considerable investments.

26. In the framework of fulfillment of the Program on State support to the development of non-traditional energy sources and small hydro- thermal energetic, the financing of projects on use of non-traditional energy sources is carried out, in particular, bio-mass, hydro-energy, wind and solar energy.

27. The situation in the domain of atomic energetic is improving. For now, 13 energy blocks at 4 Nuclear Power Plants are exploited in Ukraine. Total capacity equals 11, 88 millions kW. The defined term of their exploitation ends in 2010-2019. These terms underline the necessity to carry out the complex works on their possible conservation.

28. According to the National energy program of Ukraine till 2010 (1996), the most prospecting decision on the nuclear fuel waste problem is acknowledged as development of dry-type storage system for the term of exploitation over 50 years. In 2001 the dry storage at the industrial area of the Zaporizhia nuclear power plant started its experimentally industrial exploitation. In 2003 the "Integrated program on behavior with radioactive

waste on the stage of stopping the exploitation of the Chornobyl nuclear power plant” was introduced and included the optimized scheme of behavior with radioactive waste.

29. For the purpose of termination of the Chornobyl nuclear power plant exploitation and making the object “shelter” environmentally safe system, the Parliament of Ukraine elaborates a draft of the appropriate State Program. The central body of the executive power on overcoming the Chornobyl catastrophe aftermath was established by the Order of the President of Ukraine (2004).

30. The health condition of population and its dependence on quality of the environment, food products and water remains to be the subject of a serious concern. These issues are regulated by the Laws of Ukraine: “On Providing Sanitary and Epidemic Well-being for Population”, “On Processed Foodstuff and Raw Food Quality and Safety”, “On Fish, other Living Water Resources and Foodstuff”, “On Bee-keeping”, “On Milk and Milk Products”, and other legal documents. The State Sanitary Epidemiological Service of Ukraine and its territorial bodies according to their authorities accomplish control over fulfillment of the sanitary legislation.

31. In 2000, by the decision of the Government of Ukraine, the National Action Plan on Hygiene of the Environment for 2000-2005 was approved. The directions of resolving the main issues of the Plan are based on creation of the local plans on hygiene of the environment using the approach, formed under the aegis of the World Health Organization. However, the plan fulfillment is not to be considered as a successful one. The lack of financing by the responsible central and local bodies of the executive power negatively impacts on its efficiency.

32. Improvement of the environmental situation in Ukraine is impossible without renewal and modernization of technological infrastructure, aimed at approach of its characteristics to the EU standards and requiring financial sources from abroad and domestic as well. The need of capital investment for providing the fulfillment of all arrangements, mentioned in this report, due to approximate calculation is estimated up to 50-60 billion Euro that refers 100-1250 Euro per capita, at the existing GDP level per capita - about 800 Euro.

33. The mentioned organizational and normative legal arrangements provide the progress in the domain of the environmental protection but mental and financial limits are restraining factors of that process.

34. Ukraine expresses its gratitude to the Committee on Environmental Policy of the European Economic Commission and international experts for the EPR of Ukraine, accomplished in 1999, and proposed recommendations resulting this EPR report. We also hope to continue our further fruitful cooperation for the purpose of finding the effective solutions of regional and global problems.