

EUROPEAN UNION WATER INITIATIVE PLUS FOR THE EASTERN PARTNERSHIP



EaP | Eastern
Partnership 

UKRAINE
ZAKORCHEVNA NATALIIA



Action funded by the
EUROPEAN UNION

MAP OF UKRAINE

EUWI+
EU WATER INITIATIVE
FOR EASTERN PARTNERSHIP



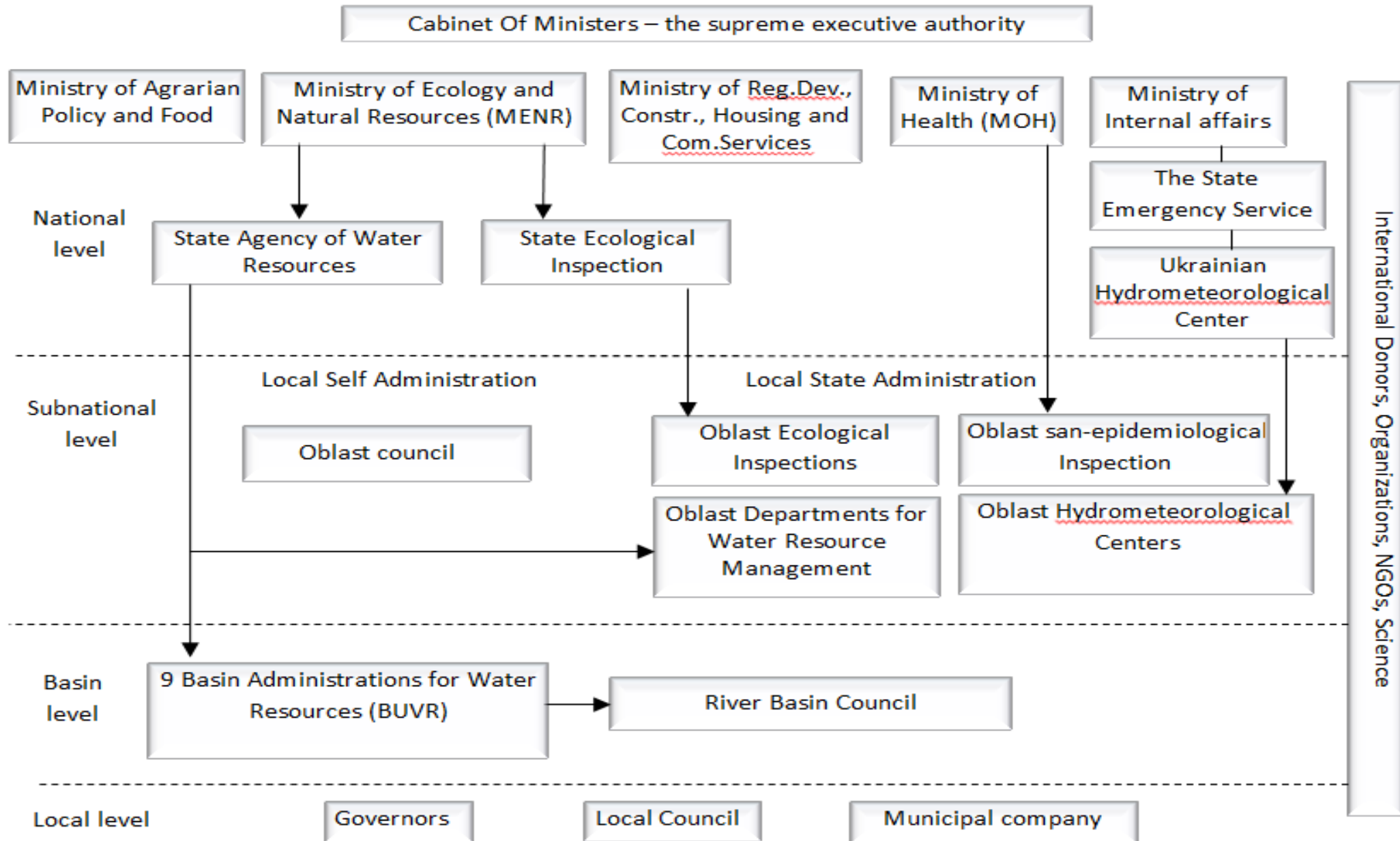
MAIN WATER PROBLEMS IN UKRAINE:

- the water scarcity and uneven distribution over the territory and in time;
- depletion of water resources and ecosystems due to climate change and a large volume of water abstraction for the economic needs;
- significant pollution of waters due to waste water discharges and flat flushing;
- excessive regulation of the river flow, which causes additional losses of water for evaporation, slowing of water exchange and, as a result, deterioration of water quality and degradation of beds.

ROOT CAUSES

- To a large extent, the current water problems are linked with:
- imperfection of the existing system of public administration in the sphere of use, protection and restoration of water resources, lack of clear dividing of water protection and water management functions;
 - slow harmonization with EU Water legislation;
 - the lack of adequate financing of the water sector, effective, modern economic mechanisms to promote rational water use;
 - Insufficient awareness and low level of ecological culture of the population.

WATER MANAGEMENT IN UKRAINE



REFORM NEEDS

Ukraine needs to reform the water sector policy and improve the existing regulatory and institutional framework according EU directives and IWRM principles.

Another task is to solve the economic aspects of water resources management by introducing or modernizing economic instruments for water resources management. In this cause is necessary:

- ❖ to assess the available water resources, including their economic component,
- ❖ to develop water allocation rules, manage flood protection,
- ❖ to introduce incentives for effective water use.



STRATEGIC PLANNING FOR WATER SECTOR IN UKRAINE: CONTEXT



A number of strategic documents encompassing water sector reform developed in recent years and address water as environmental resource:

- Decree of President of Ukraine in 2013 on the decision of the National Security and Defense Council “On the status of protection of the water resources and provision of the population with quality drinking water in the settlements of Ukraine”.
- “Medium-term Plans of priority actions of Ukraine government till 2020”,
- “Environmental Strategy till 2030”
- Association Agreement among EU and Ukraine 2014 require to develop strategies in all main economic sectors



APPROXIMATION TO EU LEGISLATION



According to the Association agreement, Ukraine makes approximation of the Ukrainian "water" legislation to six EU Directives:

1. Water Framework Directive 2000/60/EC
2. Marine Directive 2008/56/EC
3. Nitrates Directive 91/676/EC
4. Drinking Water Directive 98/83/EC
5. Urban Waste Water Directive 91/271/EC
6. Flood Directive 2007/60/EC



NEW LEGISLATION OF UKRAINE FOR RIVER BASIN MANAGEMENT PLANNING



Resolutions of the CMU of Ukraine:

“On the Procedure for the Development and Approval of River Basin Management Plans”;

“Program of State Water Monitoring”.

Orders of the Ministry of Environmental Protection:

“On the allocation of sub-basins within certain areas of river basins and the approval of their boundaries”;

“On approval of the boundaries of river basin districts”;

“Regulations on Basin Councils”;

“Procedure for the Development of Water Balances”;

“Methodology for the identification of Surface and Ground water bodies”;

“The method of ecological and chemical status classification”;

“List of Pollutants for the identification of the Chemical Condition of Surface and Groundwater Bodies”.

“On the Procedure for the Development and Approval of Environmental Quality Standards for Surface and Groundwater Bodies”.



RIVER BASIN MANAGEMENT PLANNING



By August 2024, Ministry of Natural Resources of Ukraine and State Water Agency must prepare **9 River Basin Management Plans**.

The Plans must have strategic environmental assessment and appropriate public discussion before submitting to the Cabinet of Ministers of Ukraine.

THE RIVER BASIN DISTRICTS OF UKRAINE



INSTITUTIONAL CHANGES

The “Concept on water sector reforming” was prepared and passed through discussion with main stakeholders.

Concept proposed to establish:

the National Water Council as the main advising body for water sector subordinated to the Cabinet of the Ministers of Ukraine and joining efforts of main Central and Regional executive bodies in the field of IWRM;

Basin Water Resources Management Departments (BWRMDs) and Basin Councils (BCs) for every river basin district, as defined in Article 13 of Water Code.



REVENUES FOR POLLUTION AND WATER USE



In 2016, the revenues to the State Budget of Ukraine were in the form of:

- rent for special water use was UAH 1,5 bln UAH
- environmental tax (revenues from discharges of pollutants directly into water objects amounted to 144,8 mln UAH)

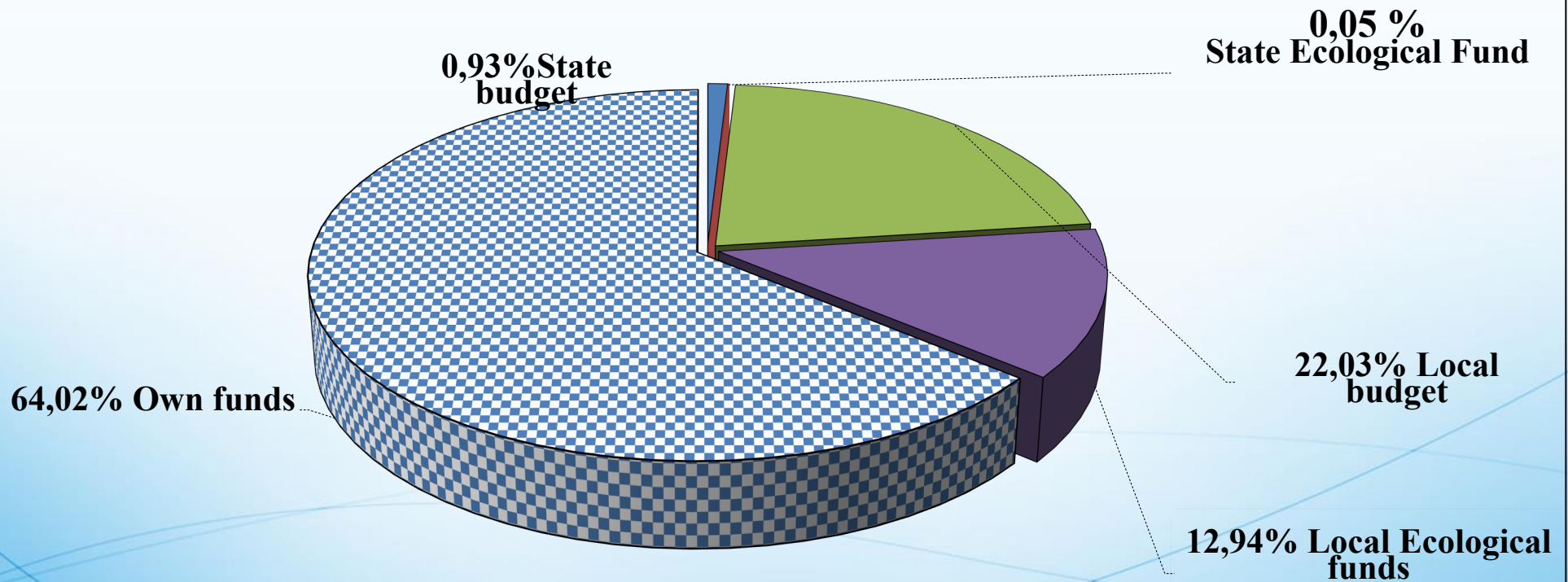
Total approximately 54,0 mln EURO

WATER RELATED PUBLIC EXPENDITURES

- ❖ In 2016 State Water Agency incurred 2,4 bln UAH (**78,0 mln EUR**) costs including expenditures to implement activities under the state water programmes.
- ❖ The Ministry of Ecology and the State Water Agency reported on 1,3 bln UAH (**42,3 mln EUR**) spent on the programmes for water resources use and protection in 2016
- ❖ For wastewater treatment was allocated 8960 bln UAH (**294,0 mln EURO**)

Total approximately 708,0 mln EUR

STRUCTURE OF CAPITAL INVESTMENTS IN WASTEWATER TREATMENT, 2016, %



CONCLUSIONS

Water use contains no more than 3% of total natural resources payment into State Budget of Ukraine. It is necessary to substantially revise the water use.

The environmental tax does not fulfill the main function in Ukraine, because it does not cover a number of pollutants. Environmental tax rates are insignificant.

- ❖ The legal and regulatory framework for the establishment and functioning of the State Water Fund is created in 2017. Its sources are determined by Decree of President of Ukraine.
- ❖ The beginning of the use of a certain share (first 10%) of the payment from the water rent to the State Water Fund for the needs of the restoration and improvement of water quality in Ukraine is an urgent need for further sustainable socio-economic development and a necessary condition for further implementation of the RBMP.



PARALLEL PROCESS OF DECENTRALIZATION



Decentralization is one of the key item of the Ukrainian reforms which aimed at ensuring of the good governance and effective use of the public finances.

One of the main result of this is the creation of new 725 joint territorial communities (in early 2018). The local self-government bodies received new powers, in particular, in the management of the financial resources. The process of decentralizing continues in some spheres of public life: education, health care, protection of public order, etc.

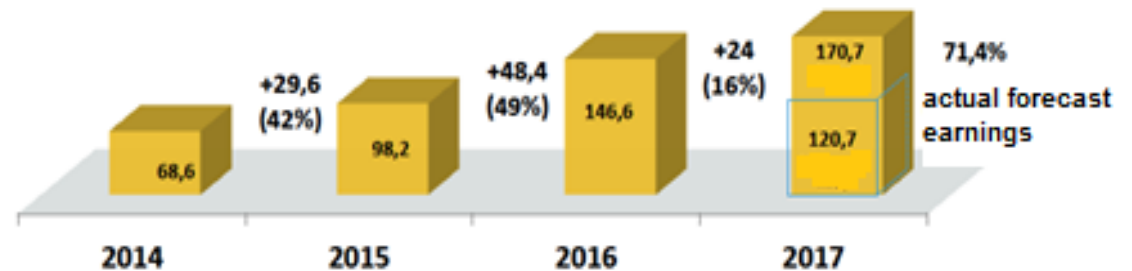
PARALLEL PROCESS OF DECENTRALISATION

One of the key direction of the reforms aimed to ensure an efficient and effective use of public finance is the decentralization process.

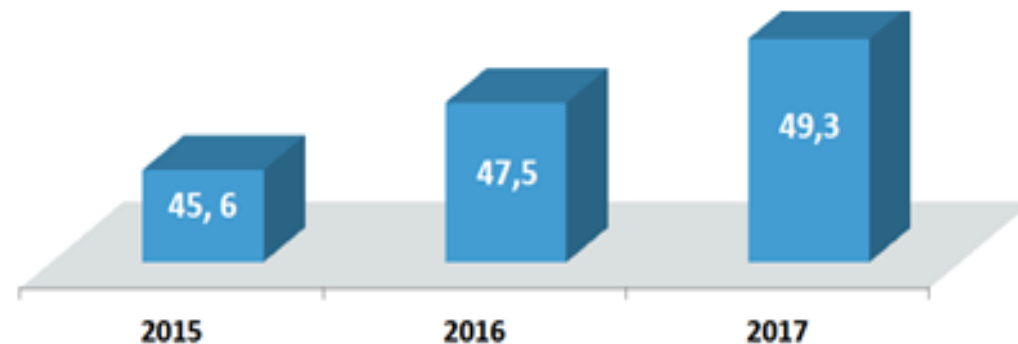
Local self-governance authorities were given new responsibilities in particular with regard to financial resources.

RESULTS OF FINANCIAL DECENTRALIZATION in UKRAINE increase of local budgets (2014-2017)

Own revenues of the local budgets, billions UAH



Part of local budgets (with transfers) in the consolidated budget of Ukraine, %



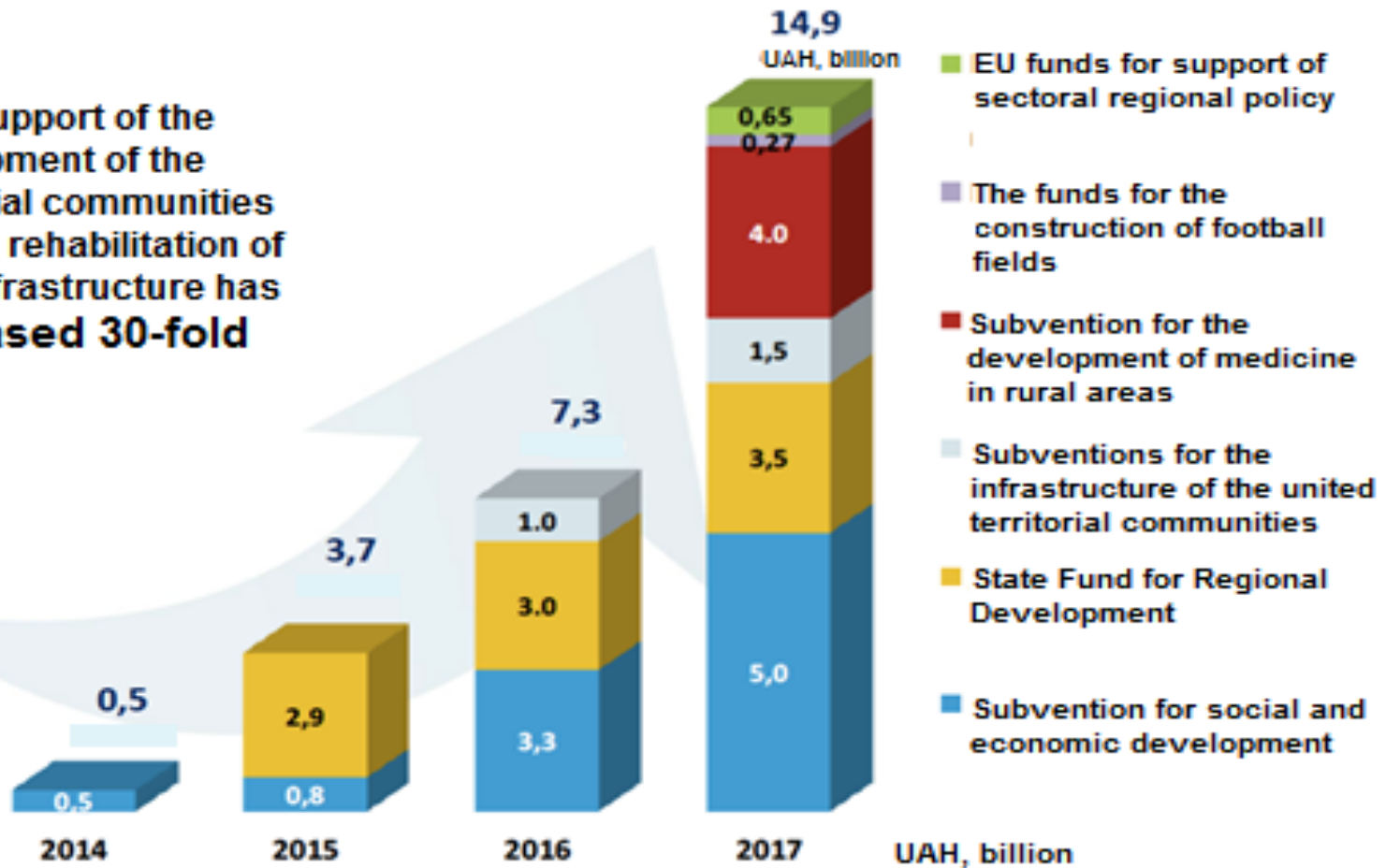
RESULTS OF FINANCIAL DECENTRALISATION

GROWTH OF LOCAL BUDGETS 2014-2017

FINANCIAL SUPPORT

dynamics of state support for community development and infrastructure repairs

state support of the development of the territorial communities and the rehabilitation of their infrastructure has increased 30-fold





**EUROPEAN UNION WATER INITIATIVE PLUS
FOR THE EASTERN PARTNERSHIP
2016–2020**



THANK YOU FOR YOUR ATTENTION

WWW.EUWIPLUSEAST.EU

