



ANNEX C1: Twinning Fiche

Project title: Strengthening capacity of the State Agency on Energy Efficiency and Energy Saving of Ukraine (SAEE) on the development of energy production from renewable energy sources, production and use of alternative fuels

Beneficiary administration: State Agency on Energy Efficiency and Energy Saving of Ukraine

Twinning Reference: UA 17 ENI EY 01 18

Publication notice reference: EuropeAid/160598/DD/ACT/UA

EU funded project

TWINNING INSTRUMENT

List of abbreviations

AA - Association Agreement

DCFTA - Deep and Comprehensive Free Trade Agreement

EnCT – Energy Community Treaty

ENI - European Neighbourhood Instrument

MECI – Ministry of Energy and Coal Industry

MRD – Ministry of Regional Development, Building and Housing of Ukraine

NREAP - National Renewable Energy Action Plan

RES - Renewable Energy Sources

RTA – Resident Twinning Adviser

SAEE - State Agency on Energy Efficiency and Energy Saving of Ukraine

1. BASIC INFORMATION

1.1 Programme:

ENI Special Measure 2017 – II for Ukraine - Energy Efficiency Programme for Ukraine – EE4U, ENI/2017/039-641, direct management.

For British applicants: Please be aware that eligibility criteria must be complied with for the entire duration of the grant. If the United Kingdom withdraws from the EU during the grant period without concluding an agreement with the EU ensuring in particular that British applicants continue to be eligible, you will cease to receive EU funding (while continuing, where possible to participate) or be required to leave the project on the basis of Article 12.2 of the General Conditions 1 to the grant agreement.

1.2 Twinning Sector: Energy (EY)

1.3 EU funded budget: EUR 1 Million

2. OBJECTIVES

2.1 Overall objective

Increase of the overall share of energy from renewable energy sources in gross final energy consumption in an economically and environmentally sound manner while contributing to strengthening the Ukrainian national energy security.

2.2 Specific Objective

Strengthening capacity of the State Agency on Energy Efficiency and Energy Saving of Ukraine and, potentially, other relevant stakeholders in implementing the national policy and legislation in the area of renewable energy in an economically and environmentally sound manner and in line with Ukraine's commitments under the Association Agreement and the Energy Community Treaty.

2.3 Contribution to National development Plan/Cooperation agreement/Association agreement/Action plan

This action is specifically meant to assist Ukraine in the implementation of its commitments in the area of renewable energy taken in the framework of the Association Agreement and the Energy Community Treaty, with due account of the provisions of the Deep and Comprehensive Free Trade Agreement on the state aid, as also reflected in the EU-Ukraine Memorandum of Understanding on a Strategic Energy Partnership, Ukraine's National Renewable Energy Action Plan (NREAP) until 2020, including Action Plan on the implementation of the NREAP, Government's Action Plan on the implementation of the EU Renewable Energy Directive 2009/28/EC and the Energy Strategy of Ukraine until 2035.

3. DESCRIPTION

3.1 Background and justification

The Association Agreement, including Deep and Comprehensive Free Trade Agreement (DCFTA), is the main tool for bringing Ukraine and the EU closer: it promotes deeper political ties, stronger economic links and the respect for common values. The DCFTA provides a framework for modernising Ukraine's trade relations and economic development by opening up markets and harmonising laws, standards and regulations with EU and international norms. In this context, facilitation and promotion of trade and direct investment in environmental goods, sustainable renewable energy, energy-efficient products/services, eco-labelled goods are among the priorities laid down in the DCFTA.

By signing the Association Agreement, the Parties also committed to enhancing energy security, increasing market integration and regulatory approximation towards key elements of the EU acquis, promoting energy efficiency and the use of RES. In this context, development and support for RES in an economic and environmentally sound manner, as well as alternative fuels, including sustainable biofuel production, is one

of the areas of mutual cooperation covered by the Association Agreement, which fully entered into force on 1 September 2017 (substantial parts of the Association Agreement have been applied provisionally since 1 November 2014 and 1 January 2016 for the DCFTA).

On 24 November 2016, a new EU-Ukraine Memorandum of Understanding on a Strategic Energy Partnership was signed aiming to invigorate energy cooperation. The Sides, in particular, agreed to support the environmentally sound production of indigenous energy, including renewables, in a sustainable manner and to promote the use and development of renewable energy sources by exploring appropriate regulatory and favourable economic conditions. In this context, close cooperation on the promotion of the use of energy from renewable sources in line with Ukraine`s commitments under the Energy Community Treaty is one of the provisions of the Memorandum of Understanding.

In the framework of the Energy Community Treaty, Ukraine has taken an obligation to implement the EU Renewable Energy Directive (2009/28/EC) concerning the promotion of the use of renewable energy sources further to relevant decision of the Energy Community Ministerial Council in 2012. By 2020 Ukraine has to reach a binding 11% target of energy from renewable sources in gross final energy consumption.

In this context, the Cabinet of Ministers of Ukraine adopted the Action Plan on the implementation of the EU Renewable Energy Directive (*Resolution No. 791-p*) on 3 September 2014 and the National Renewable Energy Action Plan until 2020 - NREAP (*Resolution No 902-p*) on 1 October 2014. The NREAP was developed by the State Agency for Energy Efficiency and Energy Saving of Ukraine (SAEE). Later, in 2017, the Cabinet of Ministers of Ukraine adopted the Energy Strategy of Ukraine until 2035 (*Resolution № 605-p¹ of the Cabinet of Ministers of Ukraine dated 18 August 2017*). The document sets 25% target for energy from renewable sources in gross energy production for 2035. It should be noted that the Strategy requires additional work in the area of energy data and forecasting which can result in a change of the provisions of the document. The Government (i.e. *the Ministry of Energy and Coal Industry of Ukraine with contributions from other central executive authorities*) foresees relevant work at stage of development of the action plan on the implementation of the Strategy that will start in 2018.

The SAEE, the beneficiary institution of this Twinning project, is a central executive authority in charge of the implementation of state policy on efficient use of fuel and energy resources, energy saving, renewable energy sources and alternative fuels. The operation of SAEE is directed and coordinated by the Cabinet of Ministers through Vice-Prime-Minister of Ukraine – Minister of regional development, construction and communal services. In accordance with the Statute approved by the Cabinet of Ministers (*Resolution N 676² dated 26 November 2014 with amendments*), the key tasks of SAEE cover:

- implementation of the state policy in the area of efficient use of fuel and energy resources, energy saving, RES and alternative types of fuel;
- ensuring increase of RES share in the energy balance of Ukraine;
- provision of administrative services in the relevant area;
- submission of proposals regarding RES state policy formulation for consideration of the Vice-Prime-Minister of Ukraine – Minister of regional development, construction and communal services.

In accordance with the Resolution of 3 September 2014 No. 791-p on the Action Plan on the implementation of the EU Renewable Energy Directive³, the SAEE is responsible for reporting to the Energy Community Secretariat about the status of implementation of the Directive and plays a coordination role in general in the process of implementation of the provisions of the Directive 2009/28/EC in Ukraine. On 1 October 2014 the Cabinet of Ministers of Ukraine approved NREAP until 2020. The Action Plan on the implementation of the NREAP is an integral part of the Cabinet of Minister`s Resolution 902-p⁴. In accordance with this action plan the SAEE is in charge of introduction of the system of monitoring of RES and alternative fuels development in Ukraine as well as for awareness raising in this area. These two action

¹ <https://www.kmu.gov.ua/ua/npas/250250456>

² <http://zakon3.rada.gov.ua/laws/show/676-2014-%D0%BF>

³ <http://zakon5.rada.gov.ua/laws/show/791-2014-%D1%80>

⁴ <http://zakon2.rada.gov.ua/laws/show/902-2014-%D1%80>

plans also assign the roles and the responsibilities to other central state executive authorities in the area of implementation of the Directive.

The experience of the EU Member States in supporting the development of the RES and in identifying the best ways for integration of RES in energy market in Ukraine is very important and relevant for Ukraine. Therefore, the EU has positively responded to the request of the SAEE related to the Twinning project in the area of RES development in Ukraine. It is foreseen that the project will be composed of three components:

- Component 1 "Legislative harmonisation and streamlining in the RES sector" ;
- Component 2 "Implementation of Government's Action Plan on the implementation of RES Directive and of the Action Plan on the implementation of NREAP";
- Component 3 " Information, awareness raising, training programmes".

The list of mandatory results which correspond to the number of components is given in article 3.5 of the Twinning Fiche below.

3.2 Ongoing reforms

The Ukrainian legislation has not been fully aligned yet with the provisions of the Directive 2009/28/EC. To move in this direction, the Government of Ukraine adopted the Action Plan on the implementation of the EU Renewable Energy Directive and the NREAP 2020 in 2014. In 2017, the Government adopted the Energy Strategy of Ukraine until 2035 which sets 25% target for energy from renewable sources in gross energy production for 2035. Implementation plan for the Energy Strategy is under preparation by the Ministry of Energy and Coal Industry of Ukraine.

Since June 2017, the law "About Electricity Market"⁵ is in force in Ukraine. It amended the provisions of the law "About Alternative Energy Sources" in its part related to support scheme for renewables as well as gradual introduction of balancing responsibilities. In 2018, the Energy Committee of Verkhovna Rada of Ukraine has launched the preparation of the amendments into Ukrainian legislation to improve the existing support scheme as it is not sustainable and may overtime create a large burden on Ukrainian consumers. This preparatory process involves different stakeholders, including international partners; SAEE takes active part in this work. It is important that the new design of the support scheme respects State Aid rules and is suitable to Ukraine's market conditions.

In 2017, the law on Energy Performance in Buildings was adopted which includes measures for promotion of energy from RES in the building sector, but in accordance with the assessment of the Energy Community Secretariat⁶ further effort is required to comply with the provisions of the RES Directive in this area.

The SAEE is working on the proposals to the legislation related to biofuels. It is important that this legislation supports alignment of the provisions of the EU RES Directive in the area of sustainability criteria for biofuels and bioliquids while taking into account best practises of the EU Member States.

Other legislation, including the law on Gas Market, the law on the Regulator, State Aid law are also of high relevance for the development of the regulatory and market framework for promotion of renewable energy and its integration in the energy market. Implementation of this legislation is now on-going.

3.3 Linked activities

1. Title: EU4Energy Programme (*regional project*)

Project objective: support the sound elaboration and implementation of evidence-based, medium to long term energy policies in partner countries based on improved use of statistics and sharing of best practice and EU experience. The programme covers 5 components. Components 1-2 are focused on energy data management and energy policy analysis. Component 3 covers energy legislative and regulatory framework.

Duration: 2017 - 2020

⁵ <http://zakon5.rada.gov.ua/laws/show/2019-19>

⁶ <https://www.energy-community.org/implementation/IR2017.html>

Donor / Contractor: EU / IEA for Components 1 &2 and Energy Community Secretariat for Component 3.

2. Title: "Improving energy efficiency and promoting renewable energy in the agro-food and other Small and Medium Enterprises (SME) in Ukraine".

Project objective: To develop a market environment conducive towards increased energy efficiency and an enhanced use of renewable energy technologies in energy-intensive sectors, including in manufacturing SMEs. This is also done with a view to promote Ukrainian companies' competitiveness, while promoting a low carbon intensity economy and improve local environmental conditions.

Duration: 2013 – 2016

Donor/Contractor: GEF/UNIDO

3. Title: "INOGATE Technical Secretariat and Comprehensive Programme to Support Energy Goals of Balkan's Initiative and Eastern Partnership".

Project objective: Incentivise cooperation with the community of donors and relevant International Financial Institutions (IFIs) to: i) attract investments; ii) leverage EU Member States experience in developing and using indicators of renewable energy sources and alternative fuels; iii) create a comprehensive electronic interactive map of potential investments in renewable energy sources to improve the deployment/localization of renewable energy generation capacity.

Duration: 2012 –2015

Donor/Contractor: Consortium led by Ramboll Denmark A/S

4. Title: USAID "Municipal energy reforms"

Project objective: To help Ukraine to strengthen and advance reforms in the district heating (DH) sector and introduce critical improvements to the municipal DH infrastructure. The program supports practical implementation of legislation and facilitates private sector investment in the rehabilitation and modernization of municipal DH networks in cities where the need is most critical, it aims at increasing the efficiency of heating service delivery to end users and promoting the substitution of fossil fuels with RES.

Duration: 2013 – 2019

Donor/Contractor: USAID / Research Triangle International (RTI)

5. Title: EU "Capacity Building of SAE of Ukraine"

Project objective: enhance the institutional capacity of the SAE to implement state policies in the areas of energy efficiency and renewable energy, particularly through the improvement of SEEA employees' skills and the promotion of the Agency's cooperation opportunities with relevant European institutions.

Duration: 2011 –2014

Donor / Contractor: EU / Consortium, led by Human Dynamics

6. Title: EU Twinning Project "Improvement of the Policy Framework in the Sphere of Energy Efficiency and its Approximation to the Requirements of the EU Legislation"

Project objective: The project focused harmonization of selected national legislation in the field of energy efficiency with the relevant EU Acquis.

Duration: 2012 - 2013

Donor / Contractor: EU / Consortium led by Germany.

7. Title: USAID "Energy Market Development"

Project Objective: to support Ukraine in strengthening its energy security through support to the implementation of electricity market law and municipal district heating utility services.

Duration: February 8, 2018 – February 8, 2019

Donor / Contractor: USAID/ UNOPS

8. Title: Ukraine-Denmark Energy Centre

Project Objective: The Ministry of Foreign Affairs of the Kingdom of Denmark and the Ministry of Energy and Coal Industry of Ukraine concluded the Agreement on Development and Co-operation of the Ukraine-Denmark Energy Center (UDEC). The Agreement defines this Project as a technical assistance provided under the Danish Ministry of Foreign Affairs' Renewable Energy and Energy Efficiency Programme. The

cooperation is based on a “peer-to-peer twinning” approach. Integration of RES into power grid and assistance in revision of NREAP are covered by this cooperation.

Duration: 2014-on-going

3.4 List of applicable *Union acquis*/standards/norms

- EU Renewable Energy Directive (2009/28/EC)
- Electricity Directive (2009/72/EC)
- Gas Directive (2009/73/EC)
- Energy Efficiency Directive (2012/27/EU)
- EU State Aid rules (*as defined in the AA/DCFTA*)

3.5 Results per component

Component 1: Legislative harmonisation and streamlining in the RES sector

This Component shall be focused on the development of legislative proposals which are still necessary for ensuring full alignment of Ukrainian legislation with the provisions of the EU Renewable Energy Directive.

Mandatory result 1: Proposals for amendments in the existing legislative framework in Ukraine necessary to ensure its full alignment with the provisions of the EU Renewable Energy Directive 2009/28/EC, in particular Articles 6 – 13, Article 15, Article 17, Article 19 and Article 22 of the Directive, based on the best EU practices in line with Ukraine`s commitments in the Association Agreement and the Energy Community Treaty are developed, and subsequently submitted to the responsible state entities for approval/adoption.

Component 2: Implementation of Government`s Action Plan on the implementation of RES Directive and of the Action Plan on the implementation of NREAP

This Component shall be focused on the implementation of the activities identified in the Government`s Action plan on the implementation of the Directive 2009/28/EC (*Cabinet of Ministers` Resolution No. 791-p dated 3.09.2014*) and the Action Plan on the implementation of the NREAP (*Cabinet of Ministers` Resolution 902-p dated 1.10.2014*) while taking due account of the significant changes in the Ukraine's legislative framework that took place since the adoption of the above-mentioned documents, including but not limited to the Alternative Energy law, Electricity Market law, the law on Regulator, the Gas Market law, the State Aid law.

Mandatory result 2: Assistance in the implementation of the Action plan on the implementation of the Directive 2009/28/EC, including those related to obligations on administrative procedures set out in Article 13 (Administrative Procedures) and reporting Article 22 (Reporting of Member States) of the Directive is provided. This may also include assistance to the government for the implementation of the Energy Strategy of Ukraine until 2035 in area of renewable energy. Support might in particular include activities related to improvement of professional skills of public employees in SAEE and other relevant central authorities in accordance with their competences, including the Ministry for Regional Development, Building and Housing of Ukraine, the Ministry of Energy and Coal industries and the National Energy Regulator.

Component 3: Information, awareness raising, training programmes

This Component shall be focused on increasing the availability of the information and guidance in the public space for the support to the development of the renewable energy market and its integration in energy sector in Ukraine

Mandatory result 3: Assistance on implementation of the provisions of the RES Directive related to provision of information, awareness raising and training as set out in Article 13 (Administrative procedures) and Article 14 (Information and training) is provided with specific focus on the following:

(I) availability in public space and free of charge of comprehensive information on the processing of authorization, certification and licensing applications for renewable energy installations and on available assistance to applicants;

(II) awareness of the benefits of the renewable energy, including small-size distributed RES generation,

(III) availability of information in public space on the following:

- a) RES potential and RES projects,
- b) technical standards, including eco-labels, energy labels and other technical reference systems established by the European and international standardization bodies (ESO's and ISO) – in accordance with Article 13 (2) of the Directive 2009/28/EC;
- c) opportunities to participate in the EU programs available under the Association Agreement and MoU on Strategic Energy Partnership (incl. Horizon 2020 calls etc.);
- d) high-efficiency conversion technologies, in particularly in case of biomass (as required in Article 13 (6) of the Directive 2009/28/EC;
- e) available support instruments and programmes in Ukraine at regional and national level, procedures and contact points for applications, research and technological development (R&D) support, obligations put on supplier.

The list of activities for each mandatory result shall be developed by the MS and BC administrations at stage of preparation of the Twinning work plan.

3.6 Means/Input from the EU Member State Partner Administration(s):

Proposals shall include the CV of the proposed PL, of the RTA and of the Component Leaders

3.6.1. Profile and tasks of the Project Leader

The successful implementation of a Twinning project requires the commitment of two Project Leaders, appointed in the MS and the BC administrations respectively. In case of a consortium, the Junior partner(s) will designate their Junior MS project leader(s) who shall report to the lead MS PL according to the provisions of the consortium mandate.

The Project Leader (PL) from the EU Member State (MS) will be responsible for high level collaboration with the beneficiary country (BC) and for the overall steering and coordination of the project, ensuring good cooperation and information exchange between the MS he/she represents, and Ukrainian side. Primary responsibility of the MS Project Leader shall be to ensure that the project produces the required outputs, to the required standards of quality and within the specified constraints of time and cost. PL and other project staff will also address cross-cutting issues. A detailed description of the works and duties of RTAs and other experts will be elaborated in the twinning contract (work plan), in line with this twinning project fiche. The relevant reports will be issued by the MS Project Leader and BC Project Leader on a quarterly basis.

The PL will be expected to devote a minimum of 3 days per month to the project in his/ her home administration. In addition, he/she will come to Ukraine at least every three months (e.g. at Project Steering Committee (PSC)) to supervise and coordinate the overall flow of the project, from the Member State side.

The PL shall:

- Be a high ranking civil servant from the public authority responsible for renewable energy and with necessary experience in the respective area;
- Have university degree or equivalent professional experience of at least 7 years in the field of energy and/or renewable energy , support to institutional and regulatory framework development /implementation, in particular in the areas listed in article 3.5 of this Twinning Fiche;
- Be fully conversant with the relevant EU legislation and best practices in the area of energy, RES, EE and related state aid provisions;
- Have experience in international co-operation issues which would be an asset;
- Have a good command of written and spoken English.

The main tasks of the PL are to ensure:

- overall coordination of the project;
- the leading of activities of the project;
- the achievement of the mandatory results.

MS PL will co-chair Project Steering Committee meetings together with BC PL. The PL signs the project progress reports prepared with support of the RTA and provides legal and technical guidance and analytical support in course of the project implementation.

3.6.2. Profile and tasks of the Resident Twinning Adviser (RTA)

The relevant institution of MS will appoint a long-term Resident Twinning Adviser (RTA). The BC institution appoints RTA counterpart.

The RTA should have the following profile:

- Education at least up to University degree (where university degree has been awarded on completion after three/ four years study in an internationally recognized university or equivalent institution) in law, economics, management, energy engineering, or other related areas relevant to this assignment;
- Between 5 and 10 years of general professional experience in public administration, project management, monitoring or coordination in public institutions context. Years above will be accepted but will not be considered as an advantage;
- At least 3 years of specific professional experience in energy sector and/or RES;
- Experience in training and mentoring in the fields relevant to the project;
- Have good organisational, communication and information submission/ presentation skills;
- Be fully conversant with the relevant EU legislation and best practices in the area of energy, RES, EE and related state aid provisions;
- Have strong written, verbal and inter-personal communication skills in English.

The RTA will be based at the premises of the State Agency for Energy Efficiency and Energy Saving of Ukraine (SAEE) in Kyiv and will direct the project in coordination with the Ukrainian counterpart from the SAEE, as a key partner of the project, and the EU Delegation, as Contracting Authority.

The RTA will be responsible for the daily management of the project in Ukraine. The RTA shall:

- coordinate and supervise the activities of all experts and ensure overall co-ordination of works within the project in particular through steering the assignments of the experts, training measures, conferences, internships, etc.;
- ensure timely and effective implementation of the project in accordance with the time schedule including the timely mobilization of short-term experts;
- convene Steering Committee meetings, prepare minutes of the Steering Committee meetings, update project work plan, prepare quarterly and final reports for approval by the Project Leaders and the SC meetings;
- establish and maintain links with all the beneficiaries, and all the players involved in the implementation of the project, and with other related projects (ensuring the avoidance of overlapping), in close co-ordination with the Project Leader;
- follow up developments in the on-going reform process in the area of RES in Ukraine.

In addition to the above, an assistant and a full time translator-interpreter shall be appointed to assist the RTA. Allowance for this must be made within the project budget. Furthermore, the assistant and translator will facilitate the training activities. Where necessary (for example during training activities, translation of

project documents/reports and materials, organizational activities) the project will hire an additional translator with costs covered by the project.

3.6.3. Profile and tasks of Component Leaders

The relevant institution of MS will appoint Component Leaders who will be responsible for delivering the mandatory results/outputs for specific components. The Beneficiary organisation will also identify the Component Leader counterparts. The Component leaders, coming from MS administrations or mandated bodies, will have the following profile:

- Education at least up to University degree (where university degree has been awarded on completion of three / four years study in an internationally recognized university) in law, economics, management, energy engineering, or other related areas relevant to this assignment;
- Between 5 and 10 years of professional experience in the fields of energy and RES and/or energy efficiency management or drafting of legislation, harmonization and/ or implementation of external legislation with EU acquis in energy, RES and EE in a public and institutional context. Years above will be accepted but will not be considered as an advantage;
- Experience in training and mentoring in the fields relevant to the project;
- Knowledge of other Member States` systems in the area of promotion of the use of RES would be an asset;
- Strong written, verbal and inter-personal communication skills in English.

3.6.4. Profile and tasks of other short-term experts

To achieve the mandatory results the assistance of short-term experts of the following profiles would be needed. The STEs, coming from MS administrations or mandated bodies, will have the following profile:

- Education at least up to University degree (where university degree has been awarded on completion of three / four years study in an internationally recognized university) in law, economics, management, energy engineering, or other related areas relevant to this assignment;
- Preferably 6 years of professional experience in the fields of energy and RES and/or energy efficiency management or drafting of legislation, harmonization and/ or implementation of external legislation with EU acquis in energy, RES and EE in a public and institutional context;
- Knowledge of other Member States` systems in the area of promotion of the use of RES would be an asset;
- Strong written, verbal and inter-personal communication skills in English.

STEs will provide specialized know-how for the individual tasks in this project; therefore, the team of experts should have expertise in their specific renewable energy areas. As a general approach, the STEs will take the responsibility for the implementation of the project and the achievement of the results, each for his/her individual mission tasks. They will also prepare the required reports and the output described. They can provide long-standing experience in all relevant fields.

The MS should consider their possibilities to mobilize short-term experts from different EU Member States with relevant experience.

4. BUDGET

The maximum project budget is estimated at EUR 1 Million.

5. IMPLEMENTATION ARRANGEMENTS

5.1 Implementing Agency responsible for tendering, contracting and accounting

The Delegation of the European Union to Ukraine will manage the procurement, tendering, quality control, reporting and coordination with other donors, the financial and technical cooperation related to the actions described in this Twinning fiche, taking remedial actions if and when needed.

The Delegation of the European Union to Ukraine together with the Twinning Programme Administration Office (PAO) will control the quality of all twinning documentation, check that the good financial management of the twinning project is in compliance with EU rules and the objective of the EU support, receive and examine all twinning project reports, support all twinning stakeholders, including beneficiary administration and Member States.

Monitoring will be performed by the EU Delegation to Ukraine. The project may be subject to the audit according to the standard EU procedures.

The official language of the project will be English. All formal communication regarding the project, including all reports will be produced in English.

The person in charge at the EU Delegation to Ukraine:

Mrs Olga Simak
Sector manager
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The person in charge at the PAO in Ukraine:

Ms Yuliia Fedyna
Chief specialist of the Twinning Coordination Division
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15, Prorizna Street., Kiev, 01601, Ukraine
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5.2 Institutional framework

The main beneficiary of this project will be the State Agency on Energy Efficiency and Energy Saving of Ukraine (SAEE). The Renewable Energy and Alternative Fuel Department will be in charge of the project within the SAEE. The Ministry for Regional Development, Building and Housing of Ukraine, the Ministry of Energy and Coal industries and the National Energy Regulator will be associated. Where necessary for reaching the objectives of the Project (e.g. for improving the professional skills of public employees) also other relevant central executive authorities, listed in the action plans of the Cabinet of Ministers on the implementation of the EU Renewable Energy Directive and NREAP, can benefit from the Project.

A Project Steering Committee (PSC) will be established for the control and supervision of production of the mandatory results and implementation of the activities. It will be responsible for the overall direction of the project and will comprise of the representatives from the EUD, the Member State PL, the junior Member State PL(s) (in case of consortium) and the Beneficiary PL, as well as the RTA and the RTA counterpart. Member State Component Leaders and Beneficiary Component Leader counterparts should participate in the debates on topics related to their competences. If not present in the Beneficiary country for the implementation of project activities at the moment of the meeting, Member State Component Leaders could contribute via video- or tele-conferencing. Member State NCPs and the Beneficiary PAO are free to attend any meeting of the Project Steering Committee on their own costs. In agreement with the chairpersons, Member State Component Leaders if present in the country and Beneficiary experts involved

in the project should be invited if considered appropriate. Other relevant entities should be invited to the meetings, taking into consideration the broader reform picture in the Beneficiary country, aiming at ensuring coherence and coordination between the project and other actions, especially ongoing horizontal public administration reform efforts and sectorial activities that could have an impact on the project.

The Project Steering Committee convened by the RTA meets at quarterly intervals and is jointly chaired by the Member State PL and the Beneficiary PL. If a holiday period causes a postponement of a quarterly meeting by more than two weeks, the meeting should be organised before the holiday. The main duties of the Project Steering Committee include verification of the progress and achievements vis-à-vis the result ensuring good coordination among the actors, finalising the quarterly interim reports and discuss the updated work plan and any new CVs of experts implementing up-coming activities. The draft update of the work plan is prepared by the RTA, who circulates it to all members of the Project Steering Committee at least two weeks in advance of a meeting. The Steering Committee will submit by the end of each meeting (as recorded in the minutes of meeting) an acceptance/non acceptance of the Project reports. Official minutes of the PSC meetings prepared by the RTA will be kept in English and Ukrainian and distributed to all parties within 15 days after the PSC meeting. The first Project report should be issued at month 4 and the following ones should follow at the same months as Steering Committee meetings.

5.3 Counterpart in the beneficiary administration

The PL and RTA counterparts will be staff of the Beneficiary administration and will be actively involved in the management and coordination of the project.

5.3.1. Contract person:

Ms Bogdana Leshchyshyn,
Chief specialist, International Cooperation and EU integration office,
State Agency on Energy Efficiency and Energy Saving of Ukraine (SAEE)
Muzeinyi lane,12
Kyiv, Ukraine, 01001

5.3.2. PL counterpart:

Mr Sergiy Savchuk
Head, State Agency on Energy Efficiency and Energy Saving of Ukraine (SAEE)
Muzeinyi lane,12
Kyiv, Ukraine, 01001

5.3.3. RTA counterpart:

Olena Lenska
Deputy Director, Department of Renewable Energy and Alternative Fuels
Head of Renewable Energy Division
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Kyiv, Ukraine, 01001

6. DURATION OF THE PROJECT

The envisaged execution period is 18 months

7. SUSTAINABILITY

The assistance required by SAEE is meant to complement a policy and legislative process that Ukraine has autonomously initiated and that is meant to help Ukraine to fulfil its commitments in the area of renewable energy taken in the framework of the Association Agreement, Energy Community Treaty as also reflected in the EU-Ukraine MoU on Strategic Energy Partnership.

The success of the project will be based on achieving practical results and the sustainability of the results will be an important measure of success. The twinning partners will undertake to provide the basic

infrastructure necessary for the sustainability of their joint twinning achievements. The sustainability of the results is likely to be achieved if the twinning partners commit themselves to the following:

1. Absorb efficiently the contents and understanding of the training materials by the Beneficiary personnel being measured and monitored after each training session that is provided by simple tests.
2. Make maximum use of the skills and abilities of the beneficiary country administration personnel previously trained by [other] Member States; apply “train the trainers approach” for sustainable capacity building of the beneficiary administration;
3. Allow for confirmation of the effect of the twinning project for the beneficiary administration by organising a final seminar that presents achieved results of the twinning activities at the end of the twinning project;
4. Provide assurance that manuals and procedures developed within the twinning project will be used by the beneficiary beyond the primary contract period.

SAEE shall ensure that the knowledge gained through this twinning project is embedded in the right offices and public officials by properly selecting the right candidates to pursue envisaged trainings. Newly learned skills, approaches and methodologies shall be adopted as the new working methodologies of the SAEE. This knowledge shall be transferred to other public administrations dealing with RES and energy efficiency. The reports, guidelines and manuals produced during the project will be delivered to SAEE and the Delegation.

8. CROSSCUTTING ISSUES

All activities under this project shall be designed and implemented in accordance with principles of good governance, human rights based approach, gender equality and environmental sustainability. Socially or economically deprived groups should be of consideration wherever these issues are of particular relevance to the institutions to be assisted. Gender equality will be embedded in the activities supporting the protection of human rights and fundamental freedoms. Support to mainstreaming gender issues into the legislative processes under the activities for the implementation of AA will also be provided when applicable. Particular attention will be given to mainstreaming environmental aspects and to compliance with EU environmental standards. All activities will also ensure the respect to key Principles of Public Administration, especially the commitment to inclusive and evidence-based policy and legislative development.

This action will be implemented following a rights-based approach, encompassing all human rights. The five working principles below will be applied at all stages of implementation: legality, universality and indivisibility of human rights; participation and access to the decision-making process; non-discrimination and equal access; accountability and access to the rule of law; transparency and access to information.

Environmental aspects are central to this twinning programme rather than a cross-cutting issue: an increment of energy production and consumption from RES shall be environmentally sustainable and resulting in reduction of the CO2 emissions.

By promoting an institutional culture of openness, accountability and transparency, the project will positively impact on the credibility and integrity of concerned Government Departments and Agencies. The project will strive to act as an example of positive administrative reform.

9. CONDITIONALITY AND SEQUENCING

The following contributions from the Government and SAEE are regarded as important preconditions for the successful implementation of the project:

- SAEE contributes in defining the areas tasks/activities in which assistance of the MS Partner is mostly needed with due account of the competences of the relevant institutions;
- The Twinning project receives high level political and professional support by SAEE hierarchy and staff at all level;
- SAEE contributes in defining the areas in which training is mostly needed;

- The Government and SAE ensure access to all necessary information and documents in accordance with legislation in force.

The sequencing of all Twinning activities will be prioritised in close coordination between the MS, BA and the EU Delegation and will work according to the Logical Framework, which form part of the Twinning project contract.

10. INDICATORS FOR PERFORMANCE MEASUREMENT

The RTA and RTA Counterparts will meet regularly to ensure the smooth implementation of project activities and assess performance measurement in line with the logical framework. The Quarterly Project Steering Committee meetings will provide opportunities to review project implementation against performance measurement and address any potential issue.

11. FACILITIES AVAILABLE

SAEE will provide Member State`s in-country staff and visiting experts with office accommodation and will equip this staff with computer, telephone, internet access, printer and scanner. In addition, Member State in-country staff will also be provided with suitable venues and equipment for training sessions and seminars.

Annex 1: Logical framework matrix	Programme name and number: ENI Special Measure 2017 – II for Ukraine - Energy Efficiency Programme for Ukraine – EE4U, ENI/2017/039-641 (Twinning reference UA 17 ENI EY 01 18)
Title of the twinning project Strengthening capacity of the State Agency on Energy Efficiency and Energy Saving of Ukraine (SAEE) on the development of energy production from renewable energy sources, production and use of alternative fuels.	
Beneficiary State Agency on Energy Efficiency and Energy Saving of Ukraine (SAEE)	Total budget: 1 Million

Overall objective	Objectively verifiable indicators	Sources of Verification	Assumptions
Increase of the overall share of energy from renewable energy sources in gross final energy consumption in an economically and environmentally sound manner while contributing to strengthening the Ukrainian national energy security.	<p>Increased share of energy from RES in gross final energy consumption</p> <p>Easy access to information in public space about RES at official web-site of Ukrainian administration, consistency and clarity of this information (as required by articles 13 & 14 of RES Directive)</p> <p>Legislative, normative, regulatory acts adopted and positively assessed by the European Commission and/or the Energy Community Secretariat</p>	<p>Annual reports of the Energy Community Secretariat</p> <p>Government`s reports about implementation of NREAP and the Energy Strategy</p> <p>Opinion of business associations and think tanks</p> <p>Official statistical information published by State statistics office</p>	<p>Ukraine stays committed to implement its obligations in the area of RES taken in the framework of the Association Agreement and the Energy Community Treaty;</p> <p>There is a strong leadership in the country on the on-going reform process in the energy sector, including RES and energy efficiency and clear distribution of roles and responsibilities</p>

Project purpose	Objectively verifiable indicators	Sources of Verification	Assumptions
Strengthening capacity of the SAEE and other relevant stakeholders in implementing the national policy and legislation in the area of renewable	Number of legislative, normative, regulatory acts adopted and positively assessed by the European Commission	<p>Annual reports of the Energy Community Secretariat</p> <p>Government`s reports about</p>	SAEE contributes in defining the areas tasks/activities in which assistance of the MS

energy in an economically and environmentally sound manner and in line with Ukraine`s commitments under the AA and the EnCT	and/or the Energy Community Secretariat	implementation of NREAP and the Energy Strategy Opinion of business associations and think tanks Official statistical information published by State statistics office	Partner is mostly needed with due account of the competences of the relevant institutions; The project receives high level political and professional support by SAEE hierarchy and staff at all level; The Government and SAEE ensure access to all necessary information and documents in accordance with legislation in force.
Results	Objectively verifiable indicators	Sources of Verification	Assumptions
Result 1. Proposals for amendments in the existing legislative framework in Ukraine necessary to ensure full transposition of the EU Renewable Energy Directive 2009/28/EC, in particular Articles 6 – 13, Article 15, Article 17, Article 19 and Article 22 of the Directive, based on the best EU practices in line with Ukraine`s commitments in the Association Agreement and the Energy Community Treaty are developed, and subsequently submitted to the responsible state entities for approval/adoption.	Number of legislative acts adopted, normative and regulatory acts approved. Positive assessment on these acts by the European Commission/Energy Community Secretariat	Annual reports of the Energy Community Secretariat Officially published adopted legislation /approved normative, regulatory acts, etc. Twinning project quarterly reports	SAEE contributes in defining the areas tasks/activities in which assistance of the MS Partner is mostly needed with due account of the competences of the relevant institutions The project receives high level political and professional support by SAEE hierarchy and staff at all level;
Result 2. Assistance in the implementation of Action plan on the implementation of the Directive 2009/28/EC and the Action Plan on implementation	Number of drafted / approved methodologies/procedures Public presentation of the	Annual reports of the Energy Community Secretariat Government`s reports about	- SAEE contributes in defining the areas tasks/activities in which

<p>of NREAP, including those related to obligations on administrative procedures set out in Article 13 (Administrative Procedures) and reporting Article 22 (Reporting of Member States) of the Directive, is provided. This may also include assistance to the government for the implementation of the Energy Strategy of Ukraine until 2035 in area of renewable energy. Support might in particular include activities related to improvement of the professional skills of public employees in SAEE and other relevant central executive authorities in accordance with their competences.</p>	<p>recommendations on introduction of sustainability criteria for biofuels organised by SAEE in close cooperation with Ministry of Agrarian Policy</p> <p>Number of trainings/workshops organised in the course of the project on different topics in line with agreed work plan. It can include support to the responsible authorities for organisation of training/ workshops for RES equipment installers/ builders on optimal use of high technology equipment.</p>	<p>implementation of NREAP and the Energy Strategy</p> <p>Official statistical information published by State statistics office</p> <p>Twinning project quarterly reports</p>	<p>assistance of the MS Partner is mostly needed with due account of the competences of the relevant institutions</p> <ul style="list-style-type: none"> - The project receives high level political and professional support by SAEE hierarchy and staff at all level;
<p>Result 3. Assistance on implementation of the provisions of the RES Directive related to provision of information, awareness raising and training as set out in Article 13 (Administrative procedures) and Article 14 (Information and training) is provided</p>	<p>Availability of information on the processing of authorization, certification and licensing applications for renewable energy installations and on available assistance to applicants;</p> <p>Availability in a public access of information about:</p> <ul style="list-style-type: none"> - the benefits of the renewable energy, including small-size distributed RES generation, - RES potential and RES projects, - technical standards, including eco-labels, energy labels and other technical reference systems established by the European and international standardisation bodies (ESO's and ISO); - about opportunities to participate in the EU programs; - about high-efficiency conversion 	<p>Opinion of business associations and think tanks</p> <p>Twinning project quarterly reports</p>	<p>SAEE contributes in defining the areas tasks/activities in which assistance of the MS Partner is mostly needed with due account of the competences of the relevant institutions</p> <ul style="list-style-type: none"> - The project receives high level political and professional support by SAE hierarchy and staff at all level;

	technologies, in particularly in case of biomass.		
Activities	Means	Assumptions	
<i>/to be filled in at stage of drafting of the Twinning work programme/</i>			