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**LEGISLATIVE AND REGULATORY FRAMEWORK
FOR THE BIOENERGY DEVELOPMENT IN UKRAINE**

LEGISLATION DRAFTED

Draft Law
«On Amendments to the Law
of Ukraine «On Alternative
Fuels» regarding the
biomethane production
development»



«parliamentary» – registered in the Verkhovna Rada, № 5464 dated 05.05.2021 (the first author is p.d. Zhupanin A.V.). The Draft Law envisages:

- the term of «biomethane»;
- the biomethane Register creation;
- the procedure of biomethane GoOs formation and carrying out further operations with them.

«governmental» – under the procedure of approval by the responsible ministries.

- + procedural provisions regarding the biomethane Register functioning.



Draft Resolution of the
Cabinet of Ministers of Ukraine
«On approval of the Procedure
of the biomethane
register functioning»

2

Under the approval by SAEE, the Ministry of Energy of Ukraine and other stakeholders.

The procedure envisages:

- requirements for the biomethane Register functioning;
- the procedure of biomethane GoOs formation, their transfer, distribution and cancellation;
- the procedure for biomethane certificates of origin issuance;
- the procedure for including business entities in the list of independent auditors and requirements for the independent audit.



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**Draft Law on Amendments
to Certain Legislative Acts
of Ukraine to Promote the
Development of
Energy Plants Growing**

3

Registered in the Verkhovna Rada, №5227
dated 12.03.2021 (p. d. Shinkarenko I. A.)

Envisages:

- definition of the term «energy plants»;
- increasing the term of the land lease agreement for growing energy crops up to 20 years;
- Lease of unproductive lands for growing energy plants – without land auctions.



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Draft Law on Amendments to the Article 288 of the Tax Code of Ukraine regarding rent payments for land plots on which energy crops are grown

4

Registered in the Verkhovna Rada, №5228 dated 12.03.2021

- Rent payments for unproductive and degraded land on which energy crops are grown are limited to 5% of normative monetary valuation.

Draft Law on Amendments to the Law of Ukraine «On Pesticides and Agrochemicals» regarding state registration of the digestate from biogas plants.

5

Registered in the Verkhovna Rada, №5039 dated 05.02.2021 (The first author is p.d. Yurchyshyn P. V.)

- The main goal is to cancel the state registration of the digestate from biogas plants as an agrochemical.
- Implementation of the European experience.

**Draft Law of Ukraine
«On Amendments to the Tax
Code of Ukraine regarding the
establishment of a zero carbon
dioxide emissions tax rate for
installations carrying out such
emissions from
biofuel combustion»**

6

Submitted to the Ministry of Energy,
under the approval by the responsible ministries.

- It provides an exemption from CO₂ tax paying for installations that are included in the **register** of installations that use biofuels as the only type of fuel.
- **Maintenance of the Register of Installations is entrusted to the State Agency for Energy Efficiency and Energy Savings.**
- The procedure for Register maintaining shall be adopted by the Cabinet of Ministers of Ukraine.



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**Draft Law of Ukraine
«On Amendments to Certain
Laws of Ukraine on granting
the right to RES Electricity
Producers to sell electricity
on the Electricity Market»**

7

Submitted to the Ministry of Energy of Ukraine
(letter dated 19.08.2020)

- Provides for the conclusion of «contracts for difference».
- RES electricity producers have the right to leave the balancing group of the guaranteed buyer and freely sell electricity on the market.



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Proposals to support agricultural producers and farmers in case they carry out activity in the field of bioenergy

8

Submitted to the Ministry of Economy, Ministry of Energy, SAAE (letter dated 02.12.2020)

- **Expansion of existing programs of state support** by development of a new program of state support to biomass-to-energy producers in agro-industrial complex.
- Introduction of a system of state support in the form of reimbursement of expenses incurred **for the establishment of plantations of energy plants.**
- Changes to the **Updated list of domestic machinery and equipment for agro-industrial complex**, the cost of which is partially offset by budget funds and the inclusion of specialized domestic boilers for burning agrobiomass in it.



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**Draft Law of Ukraine
«On Amendments to the Law
of Ukraine «On Heat Supply»
to improve the mechanism
of formation and establishment
of tariffs for thermal energy,
including produced from
alternative energy sources»**

9

Submitted to the Ministry of Energy, the Ministry of Regional Development, the SAEE (letter dated 23.10.2020)

Provides the improvement of the procedure for calculating tariffs for thermal energy from RES:

- Sale of thermal energy from RES to heat supply organizations;
- Extension of the procedure for setting the tariffs for thermal energy from RES to the category of «other consumers»;
- Providing for RES producers the opportunity to choose the procedure for forming tariffs for thermal energy from RES - according to the «0.9 principle» or according to the Procedures in force.



Draft Law of Ukraine
«On Amendments to Certain
Laws of Ukraine
on Introduction of Competition
in District Heating
Systems»

10

Submitted to the Ministry of Energy, the Ministry of Regional Development, the SAEE (letter dated November 5, 2020)

The Draft Law provides for:

- Establishment of competitive DH systems, the heat load of consumers of which exceeds 50 Gcal/h and the mandatory holding of annual tenders for the purchase of thermal energy in such systems.
- Ensuring non-discriminatory access to heat networks.
- Establishment of separate tariffs for production, transmission and distribution, prohibition of cross-subsidization.



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**Draft Law «On Amendments to
Certain Legislative Acts
of Ukraine regarding
the mandatory use of Liquid
Biofuels (Biocomponents)
in the Field
of Transport»**



Adopted at first reading, №3356-д dated 05.11.2020 (the first author is p.d. Seminsky O.V.). – proposals for revision were submitted (letter dated November 27, 2020)

- The Draft Law provides for the introduction of sustainability criteria for liquid biofuels.
- Mandatory share of liquid biofuel content (biocomponents) in the volumes of motor gasolines is introduced.



**Draft Law of Ukraine
«On Amendments to the Code
of Ukraine on Administrative
Offenses on Liability for
Offenses in the Sphere of
Electronic Trade with Solid
Biofuels»**

12

Submitted to the Cabinet of Ministers of Ukraine.

The Draft Law envisages:

- Creation of the system for electronic trading with solid biofuels;
- Quality assurance of solid biofuels;
- Providing guarantees for the supply of solid biofuels.



OTHER PROPOSALS

- Repeal paragraph 3 of the Final and Transitional Provisions of Law No 810-IX as restricting the rights of biomass / biogas producers compared to other RES producers, in particular the right to receive a «green» tariff after January 1, 2023 (letter dated 17.09.2020).
- Provide a support quota for «other» RES at auctions up to 100 MW annually for 2021 and 2022 (letter dated 04.12.2020).
- Provide a percentage of permissible deviations for biomass and biogas-to-electricity producers, equal as for entities using solar energy (5%) (letter dated 12.01.2021).

