

Why boosting investments in renewable energy is good for Ukraine

On April 21 the EU-funded programme INOGATE summarized its **Energy Policy Talks** with the fifth and final meeting in Kyiv. Major players in the energy field discussed the **latest key recommendations for policy changes needed to overcome political, legal, regulatory, technical barriers and take advantage of Ukraine's renewable energy potential**. This policy talk aimed at discussing **the way to attract private sector investments in renewable energy in Ukraine**. As a result of this policy talk it is foreseen that renewed commitments will be taken by the relevant national authorities to ensure a clear roadmap and policy framework for renewables to reach 11% share in the total energy consumption by 2020.

Ukraine has a significant renewable energy potential which can be exploited to create jobs, improve the trade balance and drive economic activity. It is a critical time for the country now as dependence on energy imports is increasing and energy infrastructure is aging. Attracting investments to renewable energy projects will make a real contribution to the existing policy goals of reducing the dependency on imported natural gas and diversifying the energy supply.

According to the recent study prepared by INOGATE, in 2015, the world saw the largest ever investments in the renewable energy sector at over 280 billion USD – mostly from developing countries. But in Ukraine renewable investments have almost come to a stand-still. It is time to realise the important contribution that renewable energy can bring to Ukraine's economy and energy security. It is time to put the right policy mix in place to stimulate these investments.

The Ukrainian Government has adopted the National Renewable Energy Action which has a goal to increase the share of renewables in the total energy consumption to at least 11% by 2020. In 2015, this share was approximately 4% for renewables. It is estimated that this 11% target will require EUR 16 billion in renewable energy investments: EUR 8.9 billion for power generation, EUR 6.7 billion for heating and cooling and EUR 0.56 billion for transport.

The Policy Talk provided a set of **insights and prioritized recommendations** for increasing private sector investment in Ukraine's RES sector. These recommendations are addressing project developers, investors, project initiators in Ukraine and European Commission. The key recommendations can be found at the following link http://www.inogate.org/documents/INOGATE_Ukraine_RES_Recommendations_21April2016_ENG.pdf

