

**Statement of the G7+ Ukraine Energy Coordination Group and
the Government of Ukraine in the framework of the Clean Energy Partnership on
Promoting Sustainable Green Recovery of Ukraine's Energy System
at the COP29 in Baku
(November 15, 2024)**

We, the members of the G7+ Ukraine Energy Coordination Group, met on the margins of the COP29 to reaffirm our unwavering support for Ukraine in the face of Russia's illegal, unprovoked and unjustified war of aggression against Ukraine and its brutal and unjust attacks on Ukraine and its energy infrastructure.

We reaffirm our strong commitment to the territorial integrity, independence, and sovereignty of Ukraine within its internationally recognised borders and to focus on the key priorities needed to achieve a comprehensive, just, and lasting peace based on international law, notably the UN Charter and its principles.

Since October 2022, Ukraine's energy system has been one of the main targets of Russia's brutal military attacks. Russia has escalated its attacks since March 2024, causing significant damage to Ukraine's power generation capacity and further endangering the Ukrainian people's access to critical services. The resulting disruptions to power and heat supplies for residential consumers and industry throughout the country can lead to humanitarian disaster, especially in winter.

Given the extent of damage to Ukraine's power generation capacity and the need to build the energy system's resilience by decentralising generation, we commit to supporting the acceleration of new distributed power systems including renewables, to increase support for the urgent restoration of Ukraine's energy infrastructure and strengthen cross-border electricity interconnections with neighbouring EU Member States in compliance with the EU Clean Energy Package, common energy transition objectives and principles to achieve a climate neutral economy as enshrined in the National Energy and Climate Plan. We also recognize the crucial importance of increasing active and passive protection of existing and reconstructed Ukrainian energy infrastructure facilities, recognizing that the destruction of energy objects increases the risks of social and environmental disaster in Ukraine.

Building on the launch of the Clean Energy Partnership initiative at the Ukraine Recovery Conference in London in June 2023, and the confirmation of continued assistance at the Ukraine Recovery Conference in Berlin in June 2024 as well as the fifth G7+ Ministerial Meeting on the margins of the 79th United Nations General Assembly in New York in September 2024, we welcome Ukraine's progress in key energy sector reforms and the sustainable restoration of Ukraine's energy infrastructure facilities contributing to the world's safe and sustainable clean energy future.

The Group has so far been able to mobilize more than USD 5 billion in support of Ukraine's energy sector, including more than USD 1 billion committed since URC24 in June as a reaction to the intensified Russian attacks. We commit to upholding our efforts to increase ongoing assistance to Ukraine through collective institutional mechanisms which have already proved their instrumentality and efficiency in rapidly responding to the current and emergent needs of the Ukrainian energy system during the war. We urge countries to further contribute to Ukraine's energy system restoration and green transformation both independently and collectively via allocating necessary funds to the energy recovery projects and programs managed by international organisations, while coordinating their assistance plans and efforts to avoid overlap, ensure orderly project prioritization, and further uphold a coherent, transparent and inclusive assistance process.

We recognize the Ukraine Energy Support Fund, established under and operated by the Energy Community Secretariat, as an effective assistance mechanism, which has already secured EUR 768 million in grant contributions from over 16 international sponsors and the EU, including

EUR 240 million for winterisation projects, over EUR 180 million for about 220 MW of new distributed generation equipment and support for renewable energy deployment, including projects for critical Ukrainian healthcare facilities. While the Ukraine Energy Support Fund is currently restoring and installing 2 GW of domestic generation capacity ahead of winter, a significant gap to cover the restoration needs still remains. We therefore encourage the international community to continue contributions.

The European Union Civil Protection Mechanism (UCPM) is contributing to some of the most immediate needs in Ukraine's energy sector. Equipment and infrastructure being channelled are covering energy production, transformation and repairs. In-kind donations originate from offers of 31 UCPM Member and Participating States, the EU's rescEU reserves, and private and international donations. The estimated generation capacity of UCPM assistance is 960 MW, covering the needs of about 6.5 million people. Some significant ongoing donations, including an entire Thermal Power Plant, will provide additional 560 MW of production capacity.

The work of the G7+ Energy Coordination Group and the Clean Energy Partnership cooperation format will continue supporting efforts and coordinating activities of the Ukraine Donor Platform.

We welcome the progress on reforms implementation made by Ukraine in order to achieve its clean energy transition targets, reinforce its efforts under the enlargement track and ensure compliance with the obligations under the Energy Community Treaty, specifically:

- Adoption of the National Energy and Climate Plan (NECP) for the period until 2030 and approval of the National Renewable Energy Action Plan for the period up to 2030 as the NECP's component;
- Improving market-based support schemes for RES development, including guarantees of origin for RES electricity, setting up net billing model for self-customers;
- Launching the parliamentary legislative procedure to transpose the Electricity Integration Package (EIP) into national primary legislation; and
- Approval of a Strategy for the Development of Distributed Generation for the Period up to 2035 and the Operational Action Plan for its Implementation for 2024-2026.

We express our strong support for Ukraine's work on further key reforms under the EU enlargement track, the Energy Community, the Ukraine Plan, and the National Energy and Climate Plan (NECP).

This includes inter alia:

- Implementation of the EU Acquis in the energy sector, including Electricity Integration Package, RED II and its revised version- RED III, Hydrogen and Decarbonised Gas Market Package;
- Further electricity and natural gas market liberalisation, gradually phasing out of Public Service Obligations (PSOs) and strengthening protection of vulnerable customers;
- Strengthening and further ensuring the independence of the energy regulator - the National Energy and Utilities Regulatory Commission (NEURC); also critically important for NEURC to ensure compliance of TSOs with the approved unbundling requirements;
- Implementation of principles of sustainable OECD-compliant corporate governance in energy SOEs, including principles of sustainable reporting;
- Developing strategies, frameworks and legislation to improve energy efficiency and to enable the ramp-up of decentralised renewable energy solutions in line with EU Acquis, ESG criteria and climate-risk assessment, e.g. in the area of wind, solar, hydrogen and sustainable biomass;

- Designing and implementing a carbon pricing mechanism with the perspective of ultimately joining the European Union's ETS at latest upon accession; and
- Encouraging capital mobilisation and developing prospects for facilitating and de-risking investments in energy projects in Ukraine, in particular in renewables and distributed generation.

To support the transparent reporting and assessment of reforms in the energy sector, we acknowledge the efforts of the international institutions and civil society, e.a. EBRD, EIB, World Bank, IFC, UNDP, UN Global Compact, Ukraine Donor Platform's 'Business Advisory Council' and DiXi Group in monitoring progress on reforms. We recognise the meaningful contribution of the Energy Community Secretariat in providing emergency energy assistance to the Ukrainian energy sector, as well as other activities such as legal aid, energy market observation and support in energy market reforms, and assistance on green reconstruction and recovery of Ukraine's energy sector.