



Creating Value with Joint Implementation Projects in Ukraine

Ukraine has a huge potential for Joint Implementation (JI) projects. With the entry into force of the Order n. 206 on 22 February 2006 of the Ukrainian Cabinet of Ministers, Ukraine has now laid out the key procedural steps for evaluation, approval, and realisation of JI projects under Track 2.

ICF International estimates that the risk-weighted potential of Emission Reduction Units (ERUs) likely to be generated in Ukraine in 2008–2012 is around 50 MtCO_{2e} per year. The most interesting sectors for JI in Ukraine remain: energy efficiency improvements in the electricity and district heating sector; coal mine methane; recovery of methane from landfills for energy production; and reduction of methane leakages in the gas transportation sector. The most promising Ukrainian industry sectors are petrochemical, iron and steel, construction, and glass.

Together with a local partner, ARENA-EKO, ICF is engaged by the European Commission's TACIS programme to advise the Government of Ukraine on how to implement its Kyoto Protocol commitments. We are therefore well acquainted with JI procedures.

The Ukrainian JI order for Track 2 projects

- The order lays out the main steps of the procedure for evaluation, approval and realisation of JI projects in Ukraine.
- To obtain a Letter of Endorsement, the project proponent (owner of the project site) must submit a written application together with the related documents to the Ministry of Environment and Natural Resources.
- The Ministry examines the application and issues a Letter of Endorsement in a month period from the day of application.
- After reception of the Letter of Endorsement, the project proponent develops the necessary project documentation including the most probable baseline emissions, a calculation of emission reduction units, monitoring plan, environmental impact assessment, and the financial plan of the project.
- The project proponent also submits the determination report of an independent entity, accredited by the Ministry and the JI Supervisory Committee.
- The Ministry issues a Letter of Approval after a month period from the date of submission of the above-mentioned documents.
- The approved project is registered by the Ministry.
- The project proponent submits to the Ministry the monitoring report, verified by the accredited independent entity.
- The transfer of ERUs from the national registry to the registry of the partner country is carried out after the registration by the Ministry of the corresponding monitoring report.

About ICF International

ICF International (Nasdaq: ICFI) partners with government and commercial clients to deliver consulting services and technology solutions in the energy, environment, transportation, social programs, defense, and homeland security markets. The firm combines passion for its work with industry expertise and innovative analytics to produce compelling results throughout the entire program life cycle, from analysis and design through implementation and improvement. Since 1969, ICF has been serving government at all levels, major corporations, and multilateral institutions. More than 3,000 employees serve these clients worldwide. ICF's Web site is <http://www.icfi.com>.



Ukraine has a large potential for generation of carbon credits through a mechanism called Joint Implementation (JI).



In February 2006, Ukraine passed an order establishing procedures for evaluating, approving, and realising JI projects.



Ukraine is now ready to realise its JI potential.



Western investors and carbon buyers can now confidently invest in the Ukrainian JI market.



ICF International offers a suite of services designed to help Ukrainian and foreign companies along a pathway that creates maximum financial value from JI.



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