ENFORCEMENT BRANCH OF THE COMPLIANCE COMMITTEE



DER BOTSCHAFTER DER UKRAINE IN DER BUNDESREPUBLIK DEUTSCHLAND

> Berlin, 30 March 2017 61212/36-190-355

Ms. Marianna Bolshakova

Secretary to the Compliance Committee UNFCCC Secretariat

Dear Ms. Bolshakova,

With the reference to the paragraph 8 of the Decision of the review and assessment of the Plan submitted under paragraph 2 of the section XV (CC-2016-1-8/Ukraine/EB) adopted by the Enforcement Branch concerning Ukraine on 20 December 2016 and in accordance with paragraph 3 of section XV of the rules of procedure of the Compliance Committee of the Kyoto Protocol, please find enclosed the First Progress Report of Ukraine under section XV, paragraph 3, of the annex to the decision 27/CMP.1.

Taking this opportunity, I would like express appreciation for your cooperation and support of Ukraine.

Sincerely yours,

Andriy Melnyk

FIRST PROGRESS REPORT

Submitted in accordance with paragraph 8 of Decision of the review and assessment of the Plan submitted under paragraph 2 of the section XV (CC-2016-1-8/Ukraine/EB) adopted by the Enforcement Branch concerning Ukraine and in accordance with paragraph 3 of section XV of the rules of procedure of the Compliance Committee of the Kyoto Protocol

> March 30, 2017 Kyiv, Ukraine

INTRODUCTION

1. On 7 September 2016, the Enforcement Branch of the Compliance Committee adopted the final decision (CC-2016-1-6/Ukraine/EB) with respect to non-compliance of Ukraine with Article 7, paragraph 1, in conjunction with paragraph 4, of the Kyoto Protocol and the mandatory requirements set out in the "Modalities for the accounting of assigned amounts under Article 7, paragraph 4, of the Kyoto Protocol" (annex to decision 13/CMP.1) and the "Guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol" (annex to decision 13/CMP.1).

2. On 5 December 2016, pursuant to final decision Ukraine submitted a Plan (CC-2016-1-7/Ukraine/EB) in accordance with paragraph 32 (b) of preliminary finding (CC-2016-1-4/Ukraine/EB) and as referred to in paragraph 1 of section XV, in accordance with the substantive requirements of paragraph 2 of section XV and paragraph 1 of rule 25 bis of the rules of procedure of the Compliance Committee of the Kyoto Protocol. In its plan, Ukraine provided an overview of the analysis of the causes of non-compliance, the measures Ukraine intends to implement or has implemented in order to remedy the non-compliance and a timetable for implementing such measures

3. On 21 December 2016, the Enforcement Branch in accordance with paragraph 2 of section XV and paragraph 3 of the rule 25 bis of the rules of procedure adopted a decision on the review and assessment of the Plan submitted under paragraph 2 of section XV by Ukraine, where the Enforcement Branch assessed that if the Plan implemented, it is expected to remedy the non-compliance.

4. Ukraine is pleased to present its First Progress Report to the Enforcement Branch of the Compliance Committee submitted in accordance with paragraph 8 of Decision of the review and assessment of the Plan submitted under paragraph 2 of the section XV adopted by the Enforcement Branch concerning Ukraine and in accordance with paragraph 3 of section XV of the rules of procedure of the Compliance Committee of the Kyoto Protocol.

MEASURES THAT UKRAINE INTENDS TO IMPLEMENT AND/OR HAS IMPLEMENTED IN ORDER TO REMEDY NON-COMPLIANCE

5. To perform pending actions as described in paragraph 37 of the Plan submitted by Ukraine (CC-2016-1-7/Ukraine/EB) and to comply with national budgetary and procurement legislation and other relevant legislation requirements Ukraine has completed and must perform the following actions:

| No | ACTIONS TO BE IMPLEMENTED | SCHEDULED TIMEFRAME | STATUS OF IMPLEMEN TATION |
|------|--|---|---------------------------------|
| 1. | Performance of all transactions, listed in the written submission of Ukraine (CC-2016-1-5/Ukraine/EB), requires the following actions: | within 120 days after all necessary arrangements are made by the UNFCCC Secretariat and Registry technically enabled by the ITL the to do so (21 December 2016, decision CC- 2016-1-8/Ukraine/EB) | Pending |
| 1.1. | On 12 December 2016 the meeting of the Interagency Working Group on Consideration of Green Investment Scheme Projects and Proposals on Measures Related to its Implementation and Fulfilment of Obligations under the Kyoto Protocol to the UNFCCC (IWG) took place. During this meeting members of the IWG considered and unanimously adopted the measure aimed at "Ensuring maintenance of the Registry functioning in 2017" to be financed through the Special State Fund under State Budget for 2017, adopted on 21 December 2016 by the Law of Ukraine No. 1801-VIII "On State Budget of Ukraine for 2017". | By end December 2016 | Completed |
| 1.2. | Performance of necessary technical steps: completing and replacing the SSL certificate on the VPN tunnel; performing relevant operations with database servers – the servers run out of free disk space due to active logs' generation, that leads to database service stop; replacing the application server key; activating backup site. | By end January 2017 | Completed |
| 1.2. | In accordance with national budgetary legislation Ministry of Ecology and Natural Resources of Ukraine (MENR) has developed a Plan of measures on implementation and fulfillment of obligations under the Kyoto Protocol to the UNFCCC (Plan of Measures), including the measure on "Ensuring maintenance of the Registry functioning in | By end January 2017 | Completed |

| | 2017". | | |
|------|--|---|-------------|
| 1.3. | On 1 February 2017 the Plan of Measures was submitted for approval to the Ministry of Finance of Ukraine by MENR letter from No. 5/26-10/671-17. | By 10 February 2017 | Completed |
| 1.4. | On 13 February 2017 the Ministry of Finance sent a letter requesting additional information related to other than "Ensuring maintenance of the Registry functioning in 2017" projects listed in the Plan of Measures for their consideration (letter No.31-06130-03-5/3922), which was provided by MENR in its response letter No.5/26-10/1081-17 dated 14 February 2017. | During February 2017 | Completed |
| 1.4. | The Plan of Measures has been approved by the Ministry of Finance of Ukraine letter No.31-06130-08-5/7641 dated 23 March 2017 and its attachment. | 23 March 2017 | Completed |
| 1.5. | MENR initiates procurement procedure on Purchase of the Registry Technical Administrator Services according to state procurement legislation. | Within 15 days upon completion of item 1.4 | In progress |
| 1.6. | MENR conducts tender on Purchase of the Registry Technical Administrator Services according to state procurement legislation. | Within 45 days from announcement date of the tender | Pending |
| 1.7. | MENR concludes annual contract on the Registry Technical Administrator Services. | Within 15 days upon completion of item 1.6 | Pending |
| 1.8. | Coordination of all technical preparatory actions with the ITL | Within 15 days upon completion of item 1.7 | Pending |
| 1.9. | Completion of all required transactions, listed in paragraph 20 of the written submission of Ukraine (CC-2016-1-5/Ukraine/EB). | Within 5 days upon completion of item 1.8 | Pending |
| 2. | Re-submission of the Report upon expiration of the additional period for fulfilling commitments under the first commitment period (True-up period report) | Within 15 days after completion of all transactions | Pending |

6. In performing all actions, listed paragraph 5 above, Ukraine will strive to meet the requirements with UNFCCC reporting guidelines on annual inventories for Parties included in Annex I to the Convention.

7. Completion of all actions, listed paragraph 5 above, will enable Ukraine to comply with Article 7, paragraph 1, in conjunction with paragraph 4, and the mandatory requirements set out in the "Modalities for the accounting of assigned amounts under Article 7, paragraph 4, of the Kyoto Protocol" (annex to decision 13/CMP.1) and the "Guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol" (annex to decision 15/CMP.1), as well as enable Ukraine to formally demonstrate its compliance with its commitment under Article 3, paragraph 1, of the Kyoto Protocol in accordance with the relevant procedures set out in decision 13/CMP.1.