



Verkhovna Rada of Ukraine

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*Christ is risen from the dead, trampling down death by death,
and on those in the tombs bestowing life!*

DEMONOPOLIZATION OF ELECTRICITY MARKET

The law on the market of electric energy was adopted in the second reading. Once the law enters into force, the electricity in Ukraine will no longer be sold by the electric power market monopolist. The bill suggests reorganization of the electricity market adding several components (the market of bilateral contracts, the day ahead market etc.).

The law separates the entities of the energy producers and suppliers and adds a new market player - a trader. The role of the trader is to maintain the liquidity and price balance in the market buying electricity from producers but is limited to selling it to consumers. The National Regulatory Commission of Ukraine for Energy and Utilities loses the function of price regulation as it will be shaped by the market itself.

This law complies with the rules of the Third Energy Package of EU. The adoption of the law will not only allow the reform of the energy market but will also bring EUR 600 mln of macroeconomic assistance from the EU to Ukraine.

FEE FOR GAS METERS CANCELED

On April 12, the Head of the National Regulatory Commission of Ukraine for Energy and Utilities, Dmytro Vovk, reported to the Verkhovna Rada. His report focused on the Commission's decision to introduce a fee for the use of gas meters. The fee caused negative responses in the Ukrainian society and among the MPs because of its "vague economic grounds". This led to the cancellation of the Commission's decision. Following the cancellation, the MPs demanded an immediate explanatory report from Dmytro Vovk, the Head of the Commission.

PUBLIC TRANSPORTATION IN UKRAINE GETS SUPPORT

The corresponding agreement between Ukraine and the European Investment Bank (EIB) has been ratified by the Verkhovna Rada last week. The agreement is aimed at renovating the transportation fleet and rebuilding the thruways. The sum amounts to EUR 200 mln. The funds of EBRD and local budgets will be also involved in renovation.

IMPROVED SOCIAL PROTECTION FOR RESCUERS OF CHERNOBYL DISASTER

The package of laws improving the social protection schemes for the victims of the Chernobyl disaster (1986) who were involved in tackling the disaster was passed the first and second reading last week. The pensions for the survivors were revised proposing additional social benefits in parallel to ensuring health protection. The latter was adopted in the first reading, amendments could be expected.

GONE WITH THE WIND

Several high profile politicians are on the verge of leaving their posts. Among them is the Head of the State Property Fund of Ukraine, Igor Bilous, whose resignation was confirmed by the Verkhovna Rada. The Chairman of the National Regulatory Commission of Ukraine for Energy and Utilities, Dmytro Vovk, has few months left of his temporary appointment. The resignation of the Head of the National Bank of Ukraine, Valeryia Hontareva, who has announced her decision two weeks ago, is supposed to be voted by the Verkhovna Rada on the next plenary session in May.