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**US-Ukraine Energy  
Dialogue IV**

**discussion panel**

**“Evaluating Ukraine’s Role as a  
Major Energy Transmitter”**

*Oleksandr Chalyi*

**Kyiv, 2012**

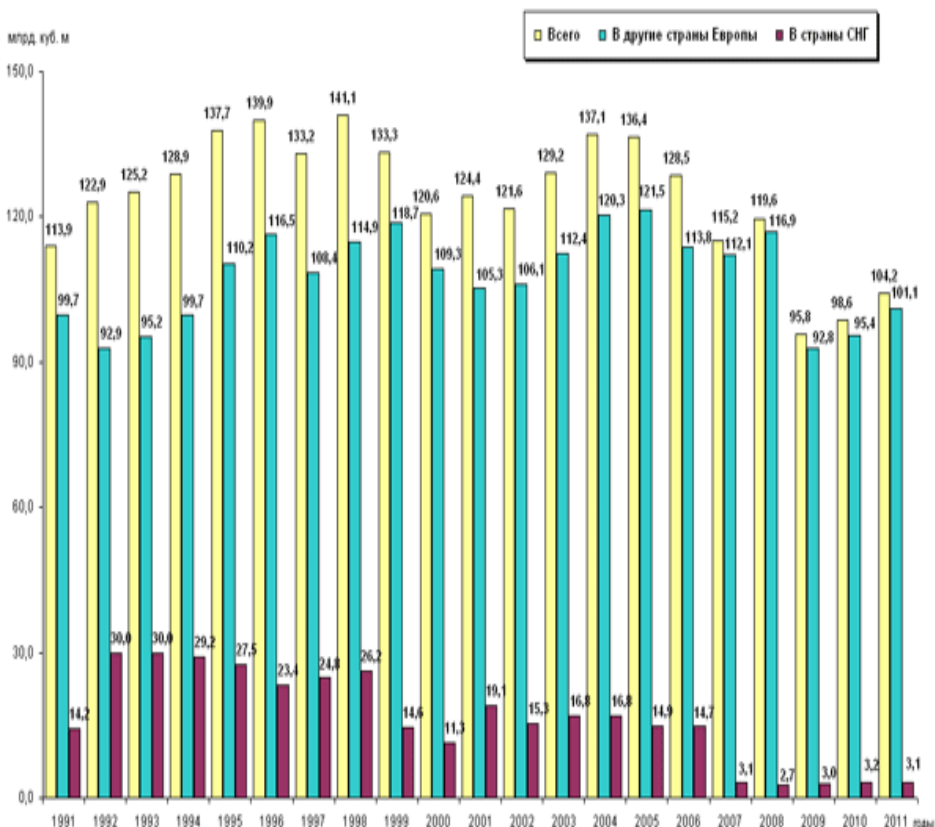


# Ukraine as a key energy transmitter – challenges as of today

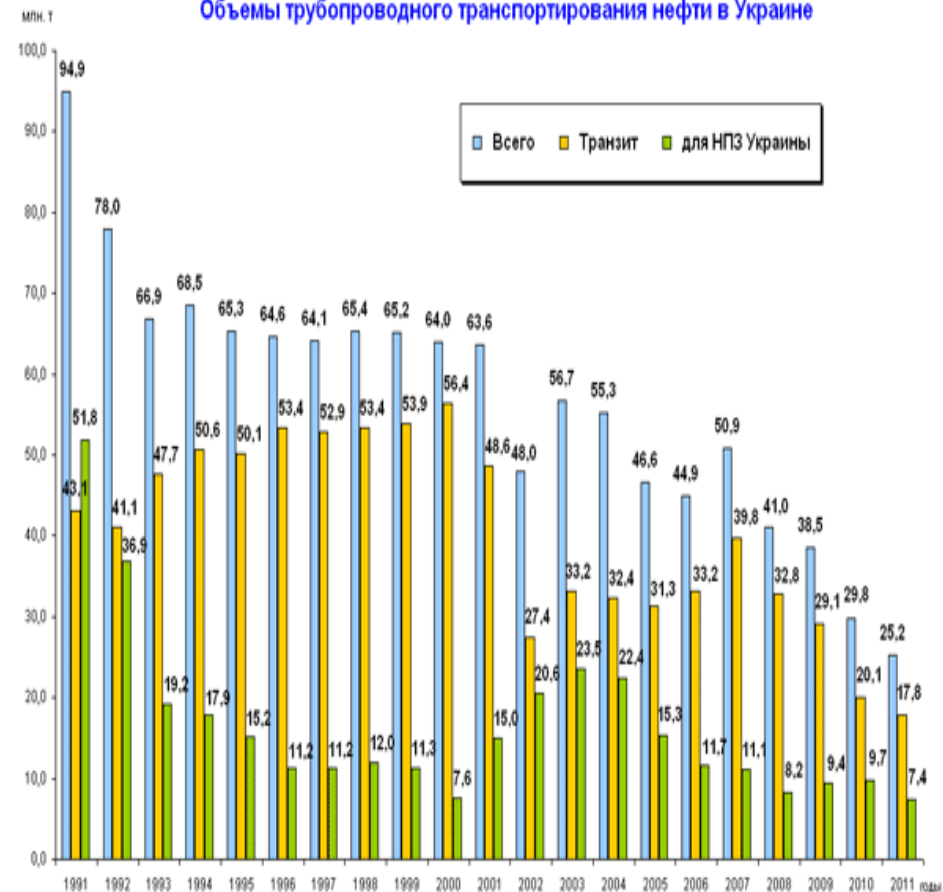
- I. Energy transmitter's role of Ukraine before 2012 – natural gas, oil and electricity as three different “stories”
- II. Possibilities and challenges for Ukraine
- III. Perspectives for future and (pre)conditions for regaining its role of crucial energy transmitter in Europe

# Transit of natural gas and oil via Ukraine in 1991-2011

Объемы транзита природного газа через территорию Украины



Объемы трубопроводного транспортирования нефти в Украине



# Transit of natural gas, oil and export of electricity in 1991-2012

- Transit of natural gas **in 1991** – 113,9 bcm, **in 2011** – 104,2 bcm.  
**In 2012** is expected up to 90 bcm (69,2 bcm in January-October).
- Transit of oil **in 1991** – 43,1 mio. t, **in 2011** – 17,8 mio. t  
**In 2012** is expected 13,5 mio. t (11,97 mio. t in January-October)
- Electricity export **in 2000** – 2381 mio. kW/hour, **in 2011** - 6433 mio. kW/hour .  
**In 2012** is expected 10 000 mio. kW/hour (the highest level reached in 2006 – 10437 mio. kW/hour)

# Major challenges for Ukraine

- - implementation of 3<sup>rd</sup> Energy package (the 2<sup>nd</sup> package as well) and fulfilling membership criteria of Energy Community
- - commissioning of Nord Stream and start of South Stream
- - meeting benchmarks of energy efficiency necessary for Ukraine's sustainable development
- - insufficient institutions capacity and corruption

# Key (pre) conditions for regaining Ukraine's crucial energy transmitter role in Europe.

- Transparency and effective institution capacity;
- Modernization of Ukrainian gas transit system;
- Full implementation of the EU second Energy package and CIS energy transit standards and rules;
- New Energy Diplomacy:
  - ✓ Postpone the implementation of the EU third Energy package;
  - ✓ Renovation of the European energy charter (Russia, Transit Protocol);
  - ✓ Renegotiate the Ukrainian-Russian Gas/Oil transit contract (transit or pay, tariff, point of gas transfer)