

Coal Sector Policy Support Programme



Project Budget:
€8.9 million

Duration:
August 2008 – December 2010

Funded by:
European Union

Country of Implementation:
Ukraine

Project is implemented by:
Consortium led by Hulla & Co. Human Dynamics KG

Key Project Partner and Beneficiary:
Ministry of Coal Industry of Ukraine

Project's Objectives and Tasks:

Overall objectives:

- Support Ukraine's stakeholders to advance substantially the development and restructuring of the coal-mining industry in a socially responsible and cost-effective manner. A socially responsible approach comprises, among other aspects, careful handling of environmental issues, gradual elimination of ecological damage caused by mining, and closure of unprofitable mines;
- Support the Ministry of Coal Industry and other stakeholders in improving safety standards by developing a pilot scheme functioning as a model for further development of occupational safety standards and providing a grant scheme to finance innovative proposals in the field of mine safety.

Project's activities:

- Provide assistance to the Ministry of Coal Industry to build up adequate structures and qualified personnel to optimise management of the coal mining sector and, in particular, fulfil the obligations arising out of the Restructuring Plan;
- Provide training to various stakeholders to prepare them for the challenges of the Restructuring Plan;
- Support the Ministry of Coal Industry to develop an integrated Master Plan for the Restructuring of the coal mining industry taking into account the role of the coal sector in the energy strategy of Ukraine;
- Provide assistance to the Ministry of Coal Industry to conceive adequate tools, measures and policies to fulfil social obligations arising out of the coal restructuring process including the setting up of a Social Development Fund and the training of qualified personnel in managing this fund;
- Provide assistance to the Ministry of Coal Industry in the form of a comprehensive overview of contaminated sites (catalogue of contaminated sites), adequate proposals on how to rehabilitate them, training of remediation specialists.

Expected Project's outputs:

- Structures of the coal mining sector management system and of the Ministry are adapted to the challenges of the restructuring plan.
- Ministry staff, management of mining companies and key officials of the local administration trained to participate actively in activities of the restructuring plan's conception and implementation.
- Evaluation mechanism based on geological, technical, economic and environmental criteria and indicators for coal industry assets including an analysis of the status of the coal sector defined; the role of the coal sector in the Energy Strategy of Ukraine and the review of the Ukrainian Coal Industry Development Concept analyzed.
- Evaluation of mine assets based on the above mechanism performed and categories of profitability for mine assets as a basis for the coal sector restructuring programme meeting the requirements of the energy strategy of Ukraine and the "Coal Industry Development Concept 2005" developed.
- Proposals for a comprehensive coal sector restructuring programme for the period to 2012 and a forecast to 2017 including relevant plans for modernisation, investment needs, subsidy policy, mine closure and related social costs devised.
- Assessment of social and economic consequences of the coal mining restructuring process performed; recommendations of social and economic measures and policies to tackle those issues and cost estimates of proposed measures developed.
- In-depth regional labour market analysis and overview of the labour market in Ukraine developed.
- Feasibility study for Social Development Fund conducted; grant scheme designed – as a first stage of the Social Development Fund – and launched subject to adequate financing; Ukrainian staff to administer Social Development Fund trained.
- Analysis of existing safety management standards and practices in Ukrainian coal mines performed.
- Recommendations for modified safety standards in line with European standards of occupational safety developed.
- Pilot projects at selected Ukrainian coal mines to verify effectiveness of the recommendations made and reviewed recommendations for improved safety standards as per methodology of working of technical assistance designed.
- Pilot projects on occupational safety in coal mines to be possibly financed by international financial institutions or donors designed.
- Catalogue of 100 major sites of contamination including a brief description of their location, specific characteristics of each site and a ranking by degree of risk to the population and the environment completed.
- The Ministry of Coal Industry disposes adequate methods and tools to rectify the 10 most hazardous contaminated sites (risk assessment).
- The Ministry of Coal Industry and other Ukrainian stakeholders can deploy local remediation specialists to resolve short and medium term environmental issues arising from the restructuring process (approx. 15 specialists in this area trained).

Project's Objectives and Tasks:

Overall objective:

To support the countries' adoption of international standards, rules and practices for design, construction, manufacturing, testing, certification, accreditation, operation and maintenance applicable to all main components of gas and oil production / transmission / storage.

Specific objectives:

- To achieve a common understanding on the rationale and need to shift to international standards in both oil and gas sectors;
- To develop a strategy for the harmonisation of technical standards and practices in the gas and oil sectors;
- To identify a medium-term action plan for achieving harmonised technical standards and practices;
- To propose a set of legal measures to be initiated by national authorities for the adoption of harmonised technical standards;
- To create awareness of EU standards, rules, certification and accreditation procedures in the gas and oil sectors.

Project's activities:

- Identification of contacts in Partner Countries, establishment of co-operation with all relevant stakeholders;
- Identification of relevant international standards;
- Establishment of working procedures;
- Technical work on standards (analysis, training, translation, preparation for adoption);
- Analysis of legislative and institutional framework in Partner Countries, identification of necessary reforms and modifications;
- Development of harmonisation strategies and action plans in Partner Countries;
- Organisation of inter-regional meetings, national meetings, inter-regional training seminars, study tours.

Expected results:

- Creation of an inter-regional forum (organisation of inter-regional meetings) for harmonisation of technical standards and practices in the gas and oil sectors;
- Supporting the process of creating a common understanding on the rationale and need to jointly shift to international standards;
- Coordination of national efforts to adapt and improve technical standards and practices;
- Supporting the process of developing a strategy aiming at harmonising technical standards and practices;
- Supporting the preparation of medium-term national action plans;
- Supporting the process of developing legal measures for the adoption of harmonized technical standards;
- Supporting the process of increasing awareness of EU standards, rules, certification and accreditation procedures.

Project's achievements to date:

- Stakeholders in Partner Countries identified and co-operation established;
- Selection of relevant international gas and oil sector standards and directives completed for further processing with Project Partners;
- Standardisation, certification and accreditation and related legal framework in Partner Countries reviewed and variations from common international counterparts identified;
- Procedures for standards adoption analysed;
- Intellectual property rights related to obtaining, translation and distribution of international standards analysed and associated procedures for the project established;
- Extensive review of gas and oil industry (both state-owned and private, also international) interests performed;
- Contacts with European and international standards organisations, several technical committees, and other relevant international organisations established;
- Participation of Partner Countries in international standardisation, metrology and accreditation co-operation analysed;
- Memorandum of Understanding signed with EASC;
- Work on terminology and definitions to support later translation work started;
- Two inter-regional meetings organised.

Harmonisation of Gas and Oil Technical Standards and Practices (Eastern Europe and Caucasus)



Project Budget:
€2.9 million

Duration:
December 2007 – December 2009

Funded by:
European Union

Countries of Implementation:
Armenia, Azerbaijan, Belarus, Moldova, Georgia, Ukraine

Project is implemented by:
Consortium led by Fichtner GMBH & Co

Key Project Partners and Beneficiaries:

- Ministry of Fuel and Energy of Ukraine
- Naftogaz of Ukraine, NJSC