



Statement
of the Working Groups #3
“Environment, energy security and climate change”
of Ukrainian and Moldovan National Platforms
of the Eastern Partnership Civil Society Forum
(endorsed in Kyiv, July 3, 2018)

No to new dams! Yes to free rivers!

Over the recent years, mass construction of hydropower plants has ceased to be a problem only for the Carpathian region. The last free-flowing rivers throughout the country are under the threat of destruction due to the plans to construct small hydropower plants all over Ukraine and the cascade of large hydropower plants on the Dniester River. Therefore, we, the organizations that have been focusing on the problem of construction of hydropower plants over the last 7 years and our colleagues, express our joint position on the development of hydropower generation in Ukraine and Moldova.

1. Despite the mass construction of small hydropower plants in recent years, nowadays they provide for only 0.15% of all electricity generation. Therefore, small hydropower plants do not play any significant role in the energy balance of Ukraine and cannot in any way contribute to Ukraine's energy independence.
2. The level of the green tariff for energy produced by small hydropower plants in Ukraine is one of the highest and the terms of its provision are the most favorable for investors among the countries of Central, Southern and Eastern Europe, including the EU countries. Therefore, the share of electricity cost of small hydropower plants in the total cost of electricity in Ukraine is 4 times higher than the share of generation and is equal to 0.55%.
3. Majority of small hydropower plants in Ukraine are owned by persons affiliated to the former and current authorities.
4. Over the recent years, we have recorded numerous facts of violations of environmental and construction legislation, negligence of interests of local communities on the part of owners of small hydropower plants.
5. There is an international tendency to decrease the amount of energy produced by hydropower plants, including small ones as an alternative source of energy. In the United States and many other European countries, dams are massively dismantled in order to restore rivers to their natural state. These measures of correcting mistakes of the past are funded by taxpayers.

Therefore, we can state that small hydropower plants do not benefit Ukraine economically but have a significant negative impact on the environment and lead to social conflicts. In fact, this is a large-scale scheme of "pumping out" money from pockets of Ukrainian citizens – consumers of electricity – into pockets of a few individuals, which destroy natural rivers – one of the most endangered ecosystems in Ukraine.

We strongly believe that:

1. No construction of new small hydropower plants involving construction of new dams shall be allowed.
2. Allocation of certain sectors of free-flowing rivers for construction of small hydropower plants is absolutely unacceptable.
3. The green tariff for small hydroelectric power stations should be abolished.
4. The Strategic Environmental Assessment of the construction of small hydropower plants in the Carpathian region shall be conducted.
5. Small hydropower plants can be constructed exclusively on already existing artificial hydrological facilities (dams, canals, water pipe-lines and aqueducts, sewage water facilities) under condition of compliance with all environmental standards and consideration of interests of local communities. If existing artificial hydrologic facility does not cut the river bed entirely the construction of small hydropower plant cannot lead to entire cutting of the river bed either.
6. It is vital to review the current norms of operation of small hydropower plants and make relevant amendments aimed to ensure sufficient amount of constant water flow sufficient for support of health of river ecosystems, construction of efficient fish passages etc.
7. An objective assessment of the impact of existing small hydropower plants on the environment should be carried out, and plans for minimizing, mitigating and compensating for such impact should be developed and implemented.

Another important issue is the plan to construct a cascade of hydropower plants on the Dniester. In view of the natural, cultural, and historical value of the Dniester on all its sections above the existing Dniester reservoir, construction of any hydropower plants on it is unacceptable. The river should be preserved in its natural state in the interests of present and future generations. Environmental legislation and the conclusions of scientists - biologists, geographers, environmentalists, historians, etc. - clearly indicate to the fact that the construction of hydropower plants cannot be permitted under any conditions. Strong opponents of the new dams on the Dniester are local communities. At the same time, PJSC "Ukrhydroenergo" continues to actively lobby for the construction of hydropower plants on the Dniester. In fact, this is a preparation for the destruction of the unique natural river for the sake of satisfying commercial interests of a narrow circle of people.

Therefore, we strongly deny any compromises that can allow to build at least one hydropower plant on the Dniester in any variant, and spend public funds on planning the actions that are deliberately illegal and harmful for people and the environment.

Finally, we attract the attention to another very important issue. The Lower Dniester ecosystems health currently depends on functioning of the Dniester Hydro energetic complex (DHEC) composed from HPP-1, HPP-2, its reservoirs and of the Pump-Storage Hydropower Plant, functioning. It is very acute issue for the Dniester. In present due to plans of Ukraine of enlargement of the DHEC, the negotiations on the agreement on functioning of the DHEC are initiated with Republic of Moldova. Due to multiple impacts of the DHEC on the whole Lower Dniester ecosystem (its deterioration due to change of water temperature, hydrological regime, self-purification capacities, etc.) its ecosystem degrades as the results of periodic water deficit for potable purposes and irrigation, adverse impact on fish populations, deterioration of wetlands of international importance (Ramsar sites) and impact on birds populations etc. In general such developments both

have deep environmental and social-economic consequences for the population of the Republic of Moldova and Odessa oblast of Ukraine.

In this respect we insist on complete revision of the draft agreement to take into account the related EU legislation, noted in the Association Agreements MD-EU and UA-EU, including the European Energetic Agreement and environmental directives, as well as the measures, which match ecosystem necessities, minimization of the HPP negative impacts on the river (simulation of natural water discharges, establishing of minimal discharge during the year, etc.) and the results of the Environmental and Social Impact Assessment's study, which is being conducted by the UNDP with the financial support of the Swedish Government. We insist on respect of basic internationally recognized principles of cooperation on transboundary waters, including the "polluter pays principle", the equal access of different water users to water resources, as well as the use of transboundary waters in a sustainable, reasonable and equitable way.

Correspondently we stress the necessity of avoiding of any secrecy in MD-UA negotiations on the above agreement, making the process fully transparent, and invite the EU and the UNECE to be actively involved into improvement of this bilateral treaty. Moreover, we invite the Dniester River Commission, which will soon start the activity, to play a leading role in protection of environmental interests in frames of the preparation of the DHEC agreement and to actively involve interested actors into work of Dniester River Commission.

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