

THE IMPACT OF COVID-19 PANDEMIC ON THE RENEWABLE ENERGY SECTOR IN UKRAINE

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Over the past year, the COVID-19 pandemic has a groundbreaking impact on almost all areas of human activity. The energy sector is no exception. Due to the estimations, the global electricity demand shortened up to 10% in some regions in 2020. The adverse effect of the pandemic on the energy industry this year is seven times larger than in 2008 during the global financial crisis. Despite that, the renewable energy sector has grown by 2% worldwide and this tendency remains stable [1].

In Ukraine, the decline in electricity consumption reached the level of 8% comparing with the year 2019, which is mainly caused by the COVID-19. Having faced the essential issues with the implementation of so-called “feed-in tariffs” (or “green” tariffs), inability to forecast the electricity production schedule (creates the surplus of electricity), non-payment of the consumers for the services, the RES industry deals with even more challenges now [2]. Pandemic and quarantine measures lead to a sharp decline in capital investment as a lot of renewable energy projects require the participation of foreign companies and specialists. In a result, it causes the postponing of the implementation of renewable energy initiatives to the years [3]. Moreover, the COVID-19 accelerated and even ended the renewable energy boom in Ukraine as more companies just stop their investment and came to the “wait and watch” position. The pandemic also affects the banking sector as well as the government and political decisions that make more complicated the integration of RES into the current energy system.

To sum up it could be said, that the demand for renewable energy in Ukraine is going to increase along with the European integration as the transition to the RES is a necessity now, not our choice. It's almost 8% of the usage the renewable sources of energy for now and it's going to rise up to 25% in 2035 due to the strategic government plan [4]. The comfort conditions for the investors are key to the development of the RES sector, so Ukrainian authorities should ensure it to provide further growth.

References:

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