

## Institutional support of gas market in Ukraine

**Yelisieieva L.V.**

PhD, Associate Professor,  
Associate Professor of Environmental Economics and Economic Theory  
Lesia Ukrainka Eastern European National University

The article analyzes the features of institutional support, the directions of reforming the gas market in Ukraine in 2014-2016 years and its impact on the national economy. It was established that by 2014 the main document regulating the development of the national gas market was the Law of Ukraine "On the foundations of the natural gas market." However, it was not relevant to Third Energy Package, which the international community adopted. As the result the international institutions, which are the main creditors of Ukraine, started to demand reforms of this sector of the energy market and change of functions national company "Naftogaz of Ukraine". Main directions of reforming the gas market in Ukraine in 2014 listed in the Coalition Agreement, Strategy Development "Ukraine-2020". In these documents one among the priorities of the strategic and tactical development of national energy is the diversification of energy sources, reduction of dependence on gas, which the Russian Federation supplied. Found that in 2014 the Government pledged to "carry out structural reforms in the energy sector", which included

the liberalization of the gas market, effective restructuring of "Naftogaz of Ukraine", the transition to uniform principles for all consumers market pricing for gas, reducing government spending and support sustainable economic development. Some of the problems have started to partially realized, such as reform of structure of "Naftogaz of Ukraine", price increase to consumers, reducing subsidies for producers from the State budget and more.

An important step in the development of the market of natural gas was the adoption of the Law of Ukraine "On the natural gas market". It determined the change of distribution functions in the gas market. But that reforms are slow and unsystematic. Currently, its main task - to create a competitive environment for private companies in the gas - was not achieved. It was established that the reform of regional gas distribution companies was not effective, which continue to be a monopolies in the gas market in Ukraine. It was found that the efficiency of this sector of the energy market depends on political will, speed and sequence reforms.