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UKRAINE ENVIRONMENTAL MANAGEMENT PROGRAM
STAGE 2 REPORT

USE OF ENVIRONMENTAL INSTRUMENTS TO IMPLEMENT ENVIRONMENTAL POLICY IN UKRAINE

Prepared by:

Hagler Bailly, Inc.
1530 Wilson Boulevard, Suite 900
Arlington, VA 22209-2406
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GUIDE TO DEFINITIONS, ABBREVIATIONS, ACRONYMS AND EXCHANGE RATES

Definitions

One billion equals 1,000 million.
One (metric) ton equals 1,000 kilograms.

Abbreviations and Acronyms

ARC	Autonomous Republic of Crimea
CFL	Compensation for Losses
EBRD	European Bank of Reconstruction and Development
EIU	Economist Intelligence Unit
HIID	Harvard Institute for International Development
MAC	Maximum Allowable Concentration
MAE	Maximum Allowable Emissions
MEPNS	Ministry of Environmental Protection and Nuclear Safety
MHP	Ministry of Health Protection
OECD	Organisation for Economic Co-operation and Development
R & D	research and development
TAE	Temporary Allowable Emissions
USAID	United States Agency for International Development
VAT	Value Added Tax
VR	Verkhovna Rada
UAH	Ukrainian Hrivna
USD	United States Dollar
ECU	European Currency Unit
Krb	Karbovanets
DM	Deutsch Mark
kg	kilogram
g	gram
mg	milligram
m	meter

Currency exchange rates and conversion rates

For 1997, the currency exchange rates used were the official exchange rates of the National Bank of Ukraine, as of 25 February 1997:

1997:	1 USD = 1.7910 UAH
1997:	1 ECU = 2.0868 UAH

For 1994, 1995 and 1996, annual average exchange rates where these are available:

1994:	1 USD = 104,200 Karbovanets (source: EIU Country Profile Ukraine 1997 - 1998, given as 1.0420 UAH)
1995:	1 USD = 179,400 Karbovanets (source: EIU Country Profile Ukraine 1997 - 1998, given as 1.7940 UAH)
1996:	1 USD = 1.89 (source: EIU Country Profile Ukraine 1997 - 1998)

The Ukrainian Hrivna was introduced in September 1996, to replace the Karbovanets. All revenue figures for 1996 in this report are quoted in Hrivna. All charge rates set in Karbovanets are quoted in Hrivna. A conversion rate of 1 UAH = 100,000 Krb is used, as this was the official exchange rate when the Hrivna was introduced.

The 1996 annual average exchange rate has been calculated as being the mean average of the four quarterly exchange rates quoted in the Economist Intelligence Unit, Country Report: Ukraine 1st Quarter 1997.

The 1997 exchange rates quoted above are used when quoting rates of charges, fines and taxes.

CHAPTER 1
INTRODUCTION

1.1 Purpose of Report

This report has been produced as a result of research conducted under Stage 2 of the USAID Ukraine Environmental Management Program. The purpose of this report is to provide background information on the use of economic instruments to implement environmental policy in Ukraine. This information has been collected in order to help the consulting team working on the Program and members of the Work Groups of the Program to Promote Sustainable Development in Ukraine identify where existing instruments could be improved, or new instruments developed to increase the effectiveness of environmental management in Ukraine.

1.2 Environmental Charges and Non-Compliance Incentives

Chapter 2 of this report therefore provides an overview of the economic instruments that have already been established under Ukrainian legislation on environmental protection and natural resource management. In general, these economic instruments form part of a regulatory system through which norms and annual limits are set for each enterprise, to control their production of emissions or consumption of natural resources. The annual limits on emissions and use of resources form the basis of emissions charges and payments for use of natural resources. There are two rates of emissions charge or natural resource payment: a normal rate of charge or payment for emissions or use of resources that fall within annual limits; and a higher rate of charge or payment for emissions or use of resources that exceeds annual limits. Violation of the norms that are set in pollution permits or violation of environmental legislation regarding the use of natural resources can be penalized through imposition of a 'compensation for losses' non-compliance charge. In addition, fines can be imposed for specific violations under the Code on Administrative Violations.

The revenue from these charges, non-compliance charges and fines is used to fund state environmental protection and natural resource management activities, through extra-budgetary environmental funds established at national, regional and local levels of government (see Chapter 3). Charges for emissions or use of resources that fall within annual limits can be declared as a production cost of that enterprise. Charges for emissions or use of resources that exceed annual limits cannot be declared as a production cost; they must be paid out of the enterprises' after-tax profit.

The norms for emissions are set permits that are issued to each enterprise which are designed to control the manner in which an enterprise produces emissions. For example, the norms on emissions are set to control the rate at which an enterprise emits each pollutant (whereas the annual limits relate to the total amount of a pollutant emitted by an enterprise). The norms on emissions are necessary to control the flow of pollutants into the environment, so that the absorptive capacity of the environment is not exceeded. If an enterprise exceeds its norms on

emissions, the absorptive capacity of the environment it is likely to be exceeded, causing damage to the environment. The non-compliance charges are therefore imposed for exceeding norms, as they are designed to obtain compensation for losses incurred as a result of damage to the environment. This non-compliance charge is designed to obtain compensation for losses incurred by the state, which represents society as a whole. The state then uses the revenue to support environmental protection activities, and to reward employees of state environmental bodies and public inspectors for reporting environmental violations or imposing non-compliance charges and fines. Such non-compliance charges are also levied for violation of environmental legislation on the use of natural resources and other violations of environmental protection legislation, such as killing or injuring protected animal species. These 'compensation for losses' non-compliance charges must be paid from the profit of enterprises or the personal income of citizens.

In a few cases, the revenue from the 'compensation for losses' non-compliance charges imposed for violation of environmental legislation on the use of natural resources is received by enterprises who have suffered losses as a result of the violation. However, there is also a separate mechanism for enterprises to prove liability for losses they have incurred as a result of damage to the environment, and to claim compensation for those losses from the enterprise that has been proved liable. These mechanisms are described briefly in Section 2.13.

The fines established under the Administrative Code of Ukraine are imposed on officials of enterprises and citizens who are responsible for environmental violations. Revenue from the fines is used to provide extra resources for state environmental bodies and to reward employees of state environmental bodies and public inspectors for reporting environmental violations or imposing non-compliance charges and fines. These fines must be paid from the personal income of officials and citizens. Information on these fines is given in Appendix I.

These economic instruments - charges for pollution and use of natural resources, 'compensation for losses' non-compliance charges and fines for non-compliance - are therefore intimately connected with the system of environmental regulation in Ukraine. They are not 'stand-alone' economic instruments, such as a pollution tax that is charged per unit of pollutants emitted, regardless of what quantity of pollutants are emitted. Their main purposes are to provide enterprises with economic incentives to comply with regulatory instruments, and to provide revenue for environmental protection and natural resource management activities.

1.3 Direct and Indirect Taxes

Chapter 4 of this report also identifies which direct and indirect taxes are used for environmental purposes, or are relevant to environmental issues. For example, there is a tax on salaries designed to raise revenue for the 'Chernobyl Fund'; an excise is charged on imports of road fuels; a tax is charged on ownership of motor vehicles. Most of these taxes are not currently being used to implement environmental policy. However, they may already provide a small 'incentive effect' - providing people with an economic incentive to behave in a way that is beneficial to the environment. There may be scope to develop these instruments in a way that will enhance this 'incentive effect' whilst maintaining or even increasing their revenue-raising potential.

1.4 Sources of Information

The main sources of information for this report have been the texts of the relevant legislative acts, Presidential Decrees, Resolutions of the Cabinet of Ministers, Orders of the Ministry of Environmental Protection and Nuclear Safety , etc. Where necessary and possible, clarification of certain issues has been sought from employees of the relevant state organizations or local government bodies. However some issues, particularly concerning the practical aspects of the implementation of economic instruments, are still unclear.

CHAPTER 2
ENVIRONMENTAL CHARGES AND NON-COMPLIANCE INCENTIVES

2.1 Introduction

Sections 2.2 to 2.11 of this chapter provide an overview of the emissions charges, payments for natural resources and non-compliance charges established under Ukrainian environmental law. As was explained in Section 1.2, these instruments form part of a regulatory system. Annual limits on emissions or use of natural resources form the basis of emissions charges and payments for use of natural resources. Norms for emissions are set in permits. Violation of those norms can be penalized through imposition of the appropriate 'compensation for losses' non-compliance charge. 'Compensation for losses' non-compliance charges can also be imposed for violations of environmental protection legislation on use of natural resources. Section 2.2 describes emissions charges and non-compliance charges that relate to controlling emissions to air from stationary sources. In this section, the process of issuing permits, setting limits and norms, calculating emissions charges and 'compensation for losses' non-compliance charges is described in detail. The processes described in Section 2.2 are similar to the processes used to control other forms of emissions.

In addition to 'compensation for losses' non-compliance charges, there are also fines for violation of environmental legislation, established under the Code on Administrative Violations. These fines can be imposed on the manager or other official of the enterprise, or on the citizen(s) found responsible for the violation. In order to avoid having to frequently reset fines to take account of inflation, the amount of fine payable is based on the monthly tax-free allowance on personal income (17 UAH). The monthly tax-free allowance on personal income is periodically revised to take account of inflation. For example, the fine that can be imposed on the manager of an enterprise if the enterprise does not use its air pollution abatement equipment can be set equal to from 5 to 8 times the monthly tax-free allowance on personal income. The fine payable is therefore 85 to 136 UAH (approximately 47 to 75 USD). There are generally two levels of fine set for each violation: one for officials of enterprises and one for citizens. Information on these fines is provided in Appendix I.

Section 2.12 briefly describes the mechanisms available under the Law on Environmental Protection and the Civil Code for proving liability and obtaining compensation for losses incurred as a result of damage to the environment.

2.2 Emissions to Air from Stationary Sources

Enterprises are only allowed to emit pollutants for which they have a permit. Their permit for emissions to air should set emissions standards called 'norms' for all pollutants they emit, and for each piece of equipment that produces emissions. The norms are set in grams per second and

are designed to control the flow of pollutants into the atmosphere. If the enterprise is found to be exceeding one or more of the norms set in their permit, or if they are found to be emitting a pollutant for which they do not have a permit, they are required to pay a 'compensation for losses' non-compliance charge, as described in Section 2.2.3. Officials responsible for violation of the permit can also be required to pay a fine set under the Code on Administrative Violations (see Appendix I).

Annual 'limits' on emissions are also set for certain pollutants (i.e. not all pollutants the enterprise emits), in tons per year. These annual limits form the basis of calculations of emissions charges, as described in Section 2.2.4. The enterprise pays a charge for all emissions for which an annual limit is set. The charge for emissions that exceed the annual limit is higher than the charge for emissions within the annual limit.

2.2.1 Setting norms and limits

The first step towards an enterprise receiving their permit is that with the help of an institute authorized by the Ministry of Environmental Protection and Nuclear Safety (MEPNS), the enterprise must produce a document called the 'Draft Maximum Allowable Emissions' ('draft MAE'). This document includes the following information:

(i) a list of the pollutants emitted by the enterprise;
(ii) the ambient standard for those pollutants, the Maximum Allowable Concentration (MAC). MACs are set in milligrams per cubic meter by the Ministry of Health Protection (MHP) and MEPNS. There are about 1,960 air pollutants that are subject to MACs (as of 1 September 1997);
(iii) the estimated potential total emission of each pollutant, in tons per year (based on the enterprise working at full capacity);
(iv) the technical characteristics of the various sources of emissions within the enterprise;
(v) the technical characteristics of the enterprise's current air pollution abatement facilities; and
(vi) the meteorological characteristics of the area around the enterprise.

An emissions standard called the Maximum Allowable Emissions (MAE) is proposed for each pollutant and each source of pollution within the enterprise. The MAE should be designed taking into account the meteorological characteristics of the area around the enterprise, such that emissions from the enterprise would not cause an exceedence of the MAC for the pollutant. If there is no MAC for a particular pollutant, a standard called Temporary Allowable Emissions (TAE) is proposed. The MAE and TAE are set in grams per second. Based on the MAE or TAE, the 'norm' for emissions of each pollutant is proposed, also set in grams per second. Five norms are proposed for each pollutant and each source of pollution within the enterprise; one for each year for which the enterprise's pollution permit will be valid. The Draft MAE also contains proposals for what air pollution abatement equipment could be installed so that the enterprise can achieve MAE for each pollutant, i.e. how they can ensure that their emissions do not exceed the MAE.

The information contained in the 'draft MAE' must be confirmed by the local administration and approved by MEPNS and MHP. Once an enterprise has an approved 'draft MAE', and has implemented the pollution abatement measures proposed in its 'draft MAE', it can receive a permit for emissions to air from the appropriate regional branch of MEPNS. The permit quotes the MAE for each pollutant and each piece of pollution-producing equipment that was set in the

'draft MAE'. The permit is valid for up to five years and sets norms for emissions for each of the five years within that period. These norms are set by MEPNS, taking into account the norms proposed in the 'draft MAE'. The norms cannot exceed the MAE, so that the MAEs are the maximum allowable emissions and the norms are the actual permitted emissions. The norms become the emissions standards for the enterprise, and violation of the norms can be penalized through imposition of the appropriate 'compensation for losses' non-compliance charge.

The norm is therefore designed to control the rate of flow of a pollutant into the atmosphere, so that the ambient standard (MAC) for that pollutant and the absorptive capacity of the environment is not exceeded. If an enterprise's emissions of a pollutant exceed the norm for that pollutant, it is likely that, at least for a short time, the ambient standard (MAC) for that pollutant and the absorptive capacity of the environment will be exceeded. Compliance with the norm is important to prevent pollution episodes that could give rise to acute or chronic health effects, and damage to the environment. Exceedence of the norm is therefore penalized through imposition of the 'compensation for losses' non-compliance charge. This non-compliance charge is designed to obtain compensation for losses incurred by the state as a result of damage to the environment. The state is deemed to have incurred the losses because it represents society as a whole.

The enterprise also produces a document in which they propose draft limits on emissions, in tons per year. The enterprise bases their draft annual limits on their emissions per unit of production. The draft annual limits must be consistent with the norms set in the enterprises' permit (the annual limit cannot allow a greater quantity of emissions than is allowed by the norm for that pollutant). The draft annual limits are submitted to the regional branch of MEPNS, which develops draft annual limits for the oblast. In this way, the aggregate contribution of all local sources of pollution are considered when setting annual limits on pollution.

Regional branches of MEPNS set annual limits for what are considered to be the 25 main air pollutants, as listed below:

(i) Nitrogen oxides
(ii) Ammonia
(iii) Anhydride
(iv) Acetone
(v) Benzo-a-pyrene
(vi) Butyl acetate
(vii) Vanadium pentoxide
(xv) Hydrogen chloride
(xvi) Carbon monoxide
(xvii) Hydrocarbons
(xviii) Gaseous fluorine compounds
(xix) Suspended substances
(xx) Cadmium and its compounds
(viii) Manganese and its compounds
(ix) Nickel and its compounds
(x) Ozone
(xi) Mercury and its compounds
(xii) Lead and its compounds
(xiii) Hydrogen sulfide
(xiv) Carbon disulfide
(xxi) Butanol
(xxii) 'Stirol'
(xxiiii) Phenol
(xxiv) Formaldehyde
(xxv) Chromium and its compounds

Local Councils can add to the list of pollutants for which annual limits are set, if they feel local environmental conditions require annual limits to be set for additional pollutants. The number of pollutants that are subject to annual limits is therefore less than the number of pollutants which are subject to norms, as norms can be set for all air pollutants. Enterprises only pay emissions charges on pollutants that are subject to annual limits. Once the draft annual limits for the oblast have been approved by the central branch of MEPNS, the regional branch of MEPNS issues documents to enterprises, setting their annual limits on emissions to air. These documents are

valid for the period of one year. The annual limits form the basis for calculating emissions charges, as described in Section 2.2.4.

2.2.2 Monitoring and enforcement

Enterprises are responsible for monitoring their emissions, and keeping records of their emissions in their emissions register. In order to check compliance with the norms for emissions set in their permit, enterprises must measure their own emissions (at the point of discharge, i.e. the chimney stack). 'Actual emissions' are taken as being the flow in grams per second. Enterprises must record their emissions in their emissions register. Environmental inspectors periodically visit an enterprise to measure emissions (at the point of discharge, i.e. the chimney stack) and examine the enterprise's emissions register. The inspectors are generally employed by the State Environmental Inspectorate based in the regional branch of MEPNS, although in some cities and raions environmental inspectors are also employed by the local administration.

If the inspector finds that on the day of their visit, the norm for one or more pollutants is exceeded, they can impose the 'compensation for losses' non-compliance charge. In addition, the inspector can require the manager or other official of the enterprise to pay a fine, set under the Code on Administrative Violations (see Appendix I). If an enterprise is found to be emitting a pollutant for which they do not have a permit, and for which therefore there is no set norm, all of the emissions of that pollutant are treated as if they were emissions exceeding the norm. In this way, the inspector is able to check that the enterprise is complying with the norms set in their pollution permit, and check that they are accurately recording their emissions in their emissions register.

Ideally, inspectors should also have access to data on the ambient concentration of each pollutant. Ambient monitoring data would be useful to environmental inspectors in two ways:

(i) to check that compliance with norms does not lead to exceedences of MAC. The norms are set using air dispersion models, which estimate the concentration of a pollutant in air within the 'sanitary protection zone' of an enterprise. If compliance with a norm leads to an exceedence of MAC, the air dispersion model may need to be modified and the norm may need to be lowered; and

(ii) to alert inspectors to potential violations. If the ambient concentration of a pollutant is found to exceed MAC, it is likely that one or more enterprises in the locality have exceeded the norms set in their permits. If inspectors had access to ambient environmental data, they would therefore be able to identify which enterprises to visit in order to check their emissions.

However, MEPNS does not operate its own ambient monitoring stations. Ambient monitoring is actually conducted by several government bodies: the State Committee on Hydrometeorology; the Ministry of Health; the State Committee on Water Resources and the Ministry of Agriculture. The majority of published environmental data is actually based on self-reporting. Enterprises must submit records of their emissions to the regional branch of the Ministry of Statistics, which provides aggregate figures to the central branch of the Ministry of Statistics.

2.2.3 Calculating the 'compensation for losses' non-compliance charge

The 'compensation for losses' non-compliance charge is collected by the State Environmental Inspectorate of MEPNS. The methodology for calculating the 'compensation for losses' non-

compliance charge is set by MEPNS. In order to calculate the 'compensation for losses' non-compliance charge, an inspector must first determine how long they think the emissions have exceeded the norm. If the inspector finds that the enterprise has recorded several violations of the norm for that pollutant, they based their calculation of the 'compensation for losses' non-compliance charge on the assumption that the norm has been exceeded since it came into force. The maximum period for which an inspector can assume an exceedence has occurred is one year.

If the enterprise has been recording their emissions, and all entries in the register shows that their emissions were within the norm for that pollutant, the inspector bases their calculation of the 'compensation for losses' non-compliance charge on an assumption that the day of their visit is the first day on which the norm has been exceeded. If the enterprise has not registered its emissions, the inspector bases their calculation on an assumption that the norm has been exceeded for the previous three months.

In each of the cases, calculation of the 'compensation for losses' non-compliance charge is based on an assumption that the norm is exceeded either until the enterprise can prove that it has taken action to reduce emissions within the norm, or until the enterprise has been given permission for its existing level of emissions.

The total quantity of emissions exceeding the norm (Q, in tons) is then calculated as follows:

$$Q = 0.0036 \times [\text{actual emissions (g/s)} - \text{norm (g/s)}] \times T$$

where:
T = Number hours for which the norm has been exceeded

Table 2.1 Adjustment coefficients for emissions to air

Economic function of populated locality	Economic coefficient, K2	Population in thousands	Population coefficient, K1	Combined effect of coefficients
Predominantly agricultural and industrial (raion centers, small cities, towns, villages)	1.00	<100	1.00	1.00
		100.1 - 250	1.20	1.20
		250.1 - 500	1.35	1.35
		500.1 - 1000	1.55	1.55
		>1000	1.80	1.80
Predominantly industrial and transport (oblast centers, cities)	1.25	<100	1.00	1.25
		100.1 - 250	1.20	1.5
		250.1 - 500	1.35	1.6875
		500.1 - 1000	1.55	1.9375
		>1000	1.80	2.25
Predominantly recreational	1.65	<100	1.00	1.65
		100.1 - 250	1.20	1.98
		250.1 - 500	1.35	2.2275
		500.1 - 1000	1.55	2.5575
		>1000	1.80	2.97

The non-compliance charge is then calculated using the following formula:

'CFL' non-compliance charge = Q x 1.1 x W x D x K1 x K2 x K3

where:

W =	Minimum monthly wage, UAH 15.00 (8.39 USD; 7.19 ECU))
D =	Coefficient that varies according to the amount of damage caused by the pollutant
K1 =	Coefficient that varies according to the size of population in the locality
K2 =	Coefficient that varies according to the economic importance of the locality
K3 =	Coefficient that varies according to the ambient levels of air pollution in the locality

The minimum monthly wage is used as the basic rate for the non-compliance charge in order to avoid having to reset charge rates to take account of inflation. The coefficient D is based on the MAC for the pollutant. If the 24-hour MAC for the pollutant (the ambient concentration of a pollutant in milligrams per cubic meter, averaged over a 24 hour period) is less than one, D is equal to the inverse of MAC. If the 24-hour MAC is greater than one, D is set equal to the inverse of MAC, multiplied by ten. If there is no established 24-hour MAC, the twenty-minute MAC is used. If there is no MAC established for a pollutant, D is set equal to 500. The coefficient D can therefore have a very significant effect on the amount of non-compliance charge payable, as there is huge variation in the MACs for different pollutants. The adjustment coefficients K1 and K2 are set by MEPNS, and are shown in Table 2.1.

The adjustment coefficient K3 is calculated by the inspector. If there is ambient monitoring of air quality in the locality, K3 is set equal to the annual average ambient concentration of the pollutant in the locality for the previous year, divided by the MAC for that pollutant. If there is no ambient monitoring in the locality, K3 is set equal to one.

2.2.4 Calculating charges for emissions to air from stationary sources

An enterprise does not necessarily pay charges for all pollutants for which it has a permit and for which a norm has been set. As was explained above, MEPNS sets limits for the main 25 air pollutants, and the local administration can add to the list of pollutants for which limits are set. The limits are set in tons per year and must be consistent with the norms set in an enterprises' permit for emissions to air.

The emissions charges are calculated by MEPNS or by the local administration, depending on how the responsibilities for enforcement are allocated in the particular city or region. They are calculated according to the following formula:

Charge = [(BR x Qwithin) + (BR x Qexceed x M)] x K1 x K2

where:

BR =	Basic rate of charge for the pollutant, UAH per ton
Qwithin =	Total quantity of emissions of the pollutant that are within the limit set for that pollutant, in tons
Qexceed =	Total quantity of emissions of the pollutant that exceed the limit set for that pollutant, in tons

M = Multiplier set by the local administration in order to increase the charge rate for exceedences of the limit (ranges from 1.0 to 5.0)
K1 = Coefficient that varies according to the size of population in the locality
K2 = Coefficient that varies according to the economic importance of the locality

Coefficients K1 and K2 are set by MEPNS, and are listed in Table 2.1. The quantity of emissions in tons is calculated from the measurements of actual emissions. The measurements of actual emissions (in grams per second) are used to estimate total annual emissions (in tons). It is not clear whether the calculation of total annual emissions is based on information entered in the enterprise's emissions register. The basic rate of charge for each pollutant varies significantly.

For some pollutants, the basic rate of charge depends on their MAC, see Table 2.2. An individual basic rate of charge is specified for 92 pollutants, ranging from UAH 4.00 to UAH 67,871.00 per ton (2.20 to 37,895.60 USD, ECU 1.90 to 32,524.00). Other pollutants that do not have an established MAC and for which an individual basic charge rate is not specified, are allocated basic charge rates that depend on their classification according to toxicity (Class I being more harmful than Class II, etc.), see Table 2.3. The basic rate of charge for the 25 main air pollutants, for which annual limits are normally set by MEPNS, are shown in Table 2.5. The basic rates of charge are established by MEPNS; the methodology used for establishing the charge rates was not available at the time of writing this report.

The basic rate of emissions charges have been increased significantly since the system of charging for pollution was introduced in 1992. High inflation rates meant that it was necessary to increase the charge rates by a factor of 91.4 in 1993 and by a factor of 50.2 at the end of 1995 (effective from 1 January 1996). The basic rates of charge have not been adjusted for inflation since 1 January 1996. Estimated, projected and actual inflation rates for consumer prices are shown in Table 2.4.

Table 2.2 Basic charge rates for air pollutants for which an MAC is established, but for which an individual basic charge rate is not established

	Basic rate of charge		
MAC of pollutant (mg/cubic meter)	UAH/ton	Equivalent to USD/ton	Equivalent to ECU/ton
less than 0.0001	16052.00	8962.60	7692.20
0.0001 to 0.001	1375.00	767.80	658.90
0.001 to 0.01	190.00	106.10	91.00
0.01 to 0.1	53.00	29.60	25.40
more than 0.1	2.00	1.10	1.00

Table 2.3 Basic charge rates for air pollutants for which neither an MAC nor an individual basic charge rate are established

	Basic rate of charge		
Class of pollutant	UAH/ton	Equivalent to USD/ton	Equivalent to ECU/ton
Class I	381.00	212.70	182.60
Class II	87.00	48.60	41.70
Class III	13.00	7.20	6.20
Class IV	3.00	1.70	1.40

Table 2.4 Inflation rates for Ukraine

Source	1995	1996	1997
EIU Country Report for Ukraine, (1st Quarter 1997) 'Consumer spending'	377% (actual)	80% (estimate)	
EBRD Transition Report 1996			
Mean average of forecasts of change in annual average consumer price level		95%	43%
Mean average of forecasts of change in end-year consumer price level		55%	
Actual change in annual average consumer price level	375%		
Actual change in end-year consumer price level	182%		

Table 2.5 Basic rates of charge for the 25 main air pollutants

	Basic rate of charge		
	UAH/ton	Equivalent to USD/ton	Equivalent to ECU/ton
Nitrogen oxides	n/a	n/a	n/a
Ammonia	10.00	5.58	4.79
Anhydride	n/a	n/a	n/a
Acetone	n/a	n/a	n/a
Benzo-a-pyrene	67,871.00	37,895.59	32,523.96
Butyl acetate	10.00	5.58	4.79
Vanadium pentoxide	n/a	n/a	n/a
Hydrogen chloride	n/a	n/a	n/a
Carbon monoxide	n/a	n/a	n/a
Hydrocarbons	n/a	n/a	n/a
Gaseous fluorine compounds	132.00	73.70	63.26
Suspended substances	n/a	n/a	n/a
Cadmium and its compounds	422.00	235.62	202.22
Manganese and its compounds	422.00	235.62	202.22

	Basic rate of charge		
	UAH/ton	Equivalent to USD/ton	Equivalent to ECU/ton
Nickel and its compounds	2,150.00	1,200.45	1,030.29
Ozone	n/a	n/a	n/a
Mercury and its compounds	2,260.00	1,261.86	1,083.00
Lead and its compounds	2,260.00	1,261.86	1,083.00
Hydrogen sulfide	171.00	95.48	81.94
Carbon disulfide	111.00	61.98	53.19
Butanol	16.00	8.93	7.67
'Stirol'	389.00	217.20	186.41
Phenol	242.00	135.12	115.97
Formaldehyde	132.00	73.70	63.26
Chromium	768.00	428.81	368.03
Chromium compounds	1,431.00	799.00	685.74

2.2.5 Payment and enforcement of emissions charges

The enterprise pays its emissions charges quarterly in advance; the quarterly payment is 25% of the enterprise's estimated annual emissions. The 'higher rate' charges for exceedences of limits are calculated at the end of the year, when the enterprise submits its record of emissions to MEPNS. Paying these 'higher rate' charges does not exempt enterprises from paying the 'compensation for losses' non-compliance charges for exceedence of norms. In theory, at the same time as calculating the 'compensation for losses' non-compliance charge, the inspector should calculate the appropriate 'higher rate' emissions charge for the period of violation of the norm. The amount of 'compensation for losses' non-compliance charge actually payable by the enterprise should be equal to:

Amount payable = 'CFL' non-compliance charge - 'higher rate' emissions charge

This is to avoid the possibility that the enterprise will pay 'twice' for the violation: once when paying the 'compensation for losses' non-compliance charge and once when paying the 'higher rate' emissions charge - based on the assumption that exceeding the norm will lead to an exceedence of the annual limit for that pollutant. However, this is not necessarily the case: the period of violation could be quite short, and need not lead to an exceedence of the annual limit. So in practice, inspectors may not perform this calculation - the amount payable may simply be equal to the calculated 'compensation for losses' non-compliance charge.

It is not clear whether emissions charges are paid directly into the appropriate bank accounts of the local, regional and national administrations, or to bank accounts of extra-budgetary environmental funds. The quarterly payments must be made by the 15th day of the first month of the next quarter. Late payment of charges is penalized by imposing a fine of 0.1% of the amount due, per day of late payment. If the enterprise has not paid its charges within ten days of the end of year due date, the amount payable can be transferred directly from its bank account without the enterprise's express permission.

2.2.6 Discounts and exemptions on emissions charges

Until January 1, 1998, heat supply enterprises which use organic fuel pay lower emissions charges. A factor of 0.1 is applied to the basic rate of charge. In 1992 and 1993, the amount of charges payable were 'capped', so that the total amount of emissions charges (for emissions within annual limits) paid by an enterprise could not exceed 5% of its taxable annual profit. Taking into account local environmental conditions, oblast administrations have the power to exempt enterprises from charges for emissions that are within the norms set in the enterprises permit. Local councils have the power to exempt enterprises that are unprofitable or in debt from all their emissions charges. In theory, only enterprises with total potential emissions of at least 25 tons per year (or at least 5 tons per year of any one pollutant for which a limit is set) need pay emissions charges. In practice, some enterprises may pay charges if they emit small amounts of dangerous pollutants.

2.3 Emissions to Air from Mobile Sources

2.3.1 Charges for Emissions to Air from Mobile Sources

The charge for emissions to air from vehicles and mobile equipment is based on the amount and type of fuel used. There are no annual limits set for emissions to air from mobile sources, so the formula for calculating the charge is simply:

$$\text{Charge} = BR \times Q \times K1 \times K2$$

where:

BR =	Basic rate of charge for the type of fuel used, UAH per ton
Q =	Quantity of fuel used, in tons
K1 =	Coefficient that varies according to the size of population in the locality (ranges from 1.0 to 1.8)
K2 =	Coefficient that varies according to the economic importance of the locality (ranges from 1.0 to 1.65)

The basic rates of charge are as shown in Table 2.6. It is unclear whether charges for emissions to air from mobile sources can be declared as production costs, as there is no defined annual limit on emissions. It is unclear how many vehicles an enterprise must own, or how much fuel is must consume before it becomes liable for charges for emissions to air from mobile sources.

2.4 Emissions to Water

2.4.1 Charges for emissions to water

This charge is part of a permit system and is payable for discharges to ground and surface waters, territorial and internal sea waters. It is also payable for discharges to the wastewater system. It is not clear how many water pollutants (or parameters) are normally subject to annual limits, and therefore subject to emissions charges. The amount of charge payable for each pollutant that is subject to an annual limit is calculated using the following formula:

$$Charge = [(BR \times Qwithin) + (BR \times Qexceed \times M) \times K1$$

where:

BR = Basic rate of charge for the pollutant, UAH per ton

Qwithin = Quantity of annual discharges within the annual limit, tons

Qexceed = Quantity of discharges exceeding the annual limit, tons

M = Multiplier set by the local administration in order to increase the charge rate for exceedences of the limit (ranges from 1.0 to 5.0)

K1 = Coefficient that depends on the water body receiving discharges (varies according to the river basin, ranges from 1.8 to 3.0, see Table 2.7)

The basic rate of charge for some pollutants depends on their MACs, which are set for certain types of surface waters (waters used for fishing, abstractions for drinking water, other economic and communal uses), see Table 2.8. Individual basic rates of charge have been set for 27 pollutants, ranging from 0.70 to 2,752.00 UAH per ton (USD 0.40 to 1,536.60, ECU 0.30 to 1,318.80), see Table 2.9.

Table 2.6 Basic charge rates for road fuels

	Basic rate of charge		
Type of fuel	UAH/ton	Equivalent to USD/ton	Equivalent to ECU/ton
Diesel	0.30	0.17	0.14
Gasoline with ethyl	0.40	0.22	0.19
Gasoline without ethyl	0.20	0.11	0.10

Table 2.7 Coefficient K1 for river basins and water bodies

River basin/water body	Coefficient
The Azov Sea	2.0
The Black Sea	2.0
The Dunai	2.2
The Tysa	3.0
The Prut	3.0
The Dniester	2.8
The Dnieper (from the border of Ukraine to Kyiv)	2.5
The Dnieper (from Kyiv to the Kakhov'sky reservoir)	2.2
The Dnieper (from the Kakhov'sky reservoir to the Black Sea)	1.8
The Pryp'yat	2.5
The western Bug and rivers of the Visla basin	2.5
The Desna	2.5
The southern Bug and Ingul	2.2
Rivers of the Crimean Peninsula	2.8
The Sivers'ky Donets	2.2
The Mius	2.2
The Kal'mius	2.2

Table 2.8 Basic charge rates for water pollutants for which MACs are established, but for which individual basic rates of charge are not established

MAC (milligrams per liter)	UAH/ton	Equivalent to USD/ton	Equivalent to ECU/ton
less than 0.001	2752.00	1536.60	1330.80
0.001 to 0.09	1995.00	113.90	264.70
0.1 to 1.0	344.00	192.10	166.30
1.0 to 10.0	35.00	19.50	16.90
more than 10.0	7.00	3.90	3.40

Table 2.9 Basic charge rates for water pollutants for which individual basic rates of charge are established

Pollutant/parameter	UAH/ton	Equivalent to USD/ton	Equivalent to ECU/ton
N^{3+}	35.00	19.54	16.77
BOD	14.00	7.82	6.71
Fats	183.00	102.18	87.69
Ferric ion, ordinary	35.00	19.54	16.77
Suspended substances	1.00	0.56	0.48
Ca^{2+}	0.70	0.39	0.34
Mg^{2+}	0.70	0.39	0.33
Mn^{2+}	35.00	19.54	16.77
Diesel oil	1,995.00	1113.90	956.01
As	1,995.00	1113.90	956.01
Oil and oil products in solution or emulsion	206.00	115.02	98.72
Nickel and nickel compounds (per unit of nickel)	344.00	192.07	164.85
HNO^{3-}	3.00	1.67	1.44
HNO^{2-}	172.00	96.04	82.42
Pb^{2+}	1,995.00	1113.90	956.01
CS_2	35.00	19.54	16.77
Synthetic surface and active substances	69.00	38.53	33.07
SO^{4-}	0.70	0.39	0.33
Phenols	2,752.00	1536.57	1318.77
Formaldehyde	1,101.00	614.74	527.60
Phosphates	28.00	15.64	13.42
PCl_3, PCl_5	28.00	15.64	13.42
F^-	172.00	96.04	82.42
Cl^-	0.70	0.39	0.33
Cr^{3-}	35.00	19.54	16.77
KCN	344.00	192.07	164.85
Zn^{2+}	344.00	192.07	164.85

2.4.2 'Compensation for losses' incurred as a result of violation of legislation on protection and use of water resources

This non-compliance charge must be paid for unauthorized discharges to surface, ground and marine waters from enterprises (see Section 2.4.3 for discharges from ships, boats, etc.). Unauthorized discharges include discharges for which an enterprise does not hold a permit, and for discharges exceeding norms set in their permit. It is also payable for unauthorized abstractions of water, see Section 2.7.2.

For pollution of surface and marine waters, there are two types of violation, for which the amount of charge payable in UAH per ton of each type of pollutant is as follows:

(i) for discharges exceeding allowable limits, unauthorized discharges, and authorized emergency discharges: 0.3% of the monthly non-taxable allowance on personal income (i.e. UAH 0.051, USD 0.028, ECU 0.024); and

(ii) for pollution of water with solid wastes: 17% of the monthly non-taxable allowance on personal income (i.e. UAH 2.89, USD 1.61, ECU 1.38).

If an enterprise has made unauthorized discharges of more than one pollutant, the non-compliance charge is calculated for the pollutant that would result in the highest charge, and it is then increased by an amount equal to 15% of the sum of non-compliance charges for the other pollutants. If an enterprise has made a bulk discharge which has caused the ambient concentration of a pollutant to be 50 times greater than its MAC, the non-compliance charge is increased by a factor of ten.

The non-compliance charge for discharges of wastewater (that exceed norms) from wastewater treatment facilities cannot exceed 50% of the profits earned from wastewater treatment during the period of the violation. The non-compliance charge for emergency discharges from wastewater treatment facilities cannot exceed 50% of the annual profits earned from wastewater treatment. Any enterprise can reduce the amount of non-compliance charge it has to pay if it collects and safely disposes of the pollutants discharged.

For pollution of groundwater with oil, the non-compliance charge is set as a multiple of the monthly non-taxable allowance on personal income. The multiple varies for each oblast, and ranges from 6.69 to 142.46, so that the non-compliance charge per ton of oil is 113.73 to 2,421.82 UAH (USD 63.50 to 1,352.20; ECU 54.50 to 1,160.54). For other substances polluting groundwater, the non-compliance charge per ton of pollutant discharged is calculated using the following formula:

$$\text{Charge rate} = (0.05/\text{MAC for pollutant}) \times \text{NTA}$$

where

NTA = Monthly non-taxable allowance on personal income

2.4.3 'Compensation for losses' incurred due to discharges of pollutants into territorial waters and inland seas of Ukraine by ships, boats and other floating facilities

This non-compliance charge is paid by enterprises or individuals that own ships found to have discharged pollutants into territorial waters and inland seas. The charge rates are set in US dollars. If the ship is sailing under the flag of Ukraine, the charge is paid in UAH, according to

the exchange rate quoted by the National Bank of Ukraine on the date of payment. If the ship is sailing under a foreign flag the charge is paid in US dollars or other hard currency, even if the owner is Ukrainian. The charge rates are shown in Table 2.10.

Table 2.10 Charge rates for discharges from vessels into territorial waters and inland seas

Pollutants	Unit of measurement	Non-compliance charge rate per unit	
		USD	Equivalent in ECU
Salts of heavy metals	kg equivalent	12,936	11,102
Oil and oil products	kg	329	282
Organic substances	kg	270	232
Suspended solids	kg	132	113
Pesticides	kg	430	369
Detergents	kg	381	327
Substances categorized according to toxicity in the International Convention on Prevention of Marine Pollution (1973, amended in 1978: 'MARPOL 73-78'):			
A	kg	1,522	1,306
B	kg	286	245
C and D	kg	54	46
Domestic and fecal wastewater	cubic meter	140	120
Solid waste	kg	100	86

2.5 Solid Waste

2.5.1 Emissions charges for solid waste

In theory, enterprises can be issued permits for hazardous waste emissions which includes directions on sites that can be used for disposal for certain categories of waste. However it is not clear whether any permits for hazardous waste are actually issued, due to lack of facilities for treatment and safe disposal of hazardous wastes. It is not clear whether enterprises also receive permits for non-hazardous wastes as there are no official guidelines on issuing permits for non-hazardous solid waste.

Annual limits are set for different categories of solid waste in tons per year. Charges for emissions of solid waste are based on these annual limits. The rationale for an emissions charge for solid waste is that depositing solid waste on land gives rise to pollution. The emissions charge is not payable for solid waste stored on the premises of the enterprise, or for waste that the enterprise recycles or uses for other purposes.

The charges for emissions of solid waste are calculated using the following formula:

$$\text{Charge} = [(BR \times Qwithin) + (BR \times Qexceed \times M)] \times K1 \times K2$$

where:

BR = Basic rate of charge for the category of waste, UAH/ton

Qwithin = Quantity of waste produced within annual limits, tons

Qexceed = Quantity of waste produced that exceeds annual limits, tons

M = Multiplier set by the local administration to increase the charge rate for exceedences of the limit (ranges from 1.0 to 5.0)

K1 = Coefficient that depends on the location of the waste disposal site (set at 1.0 for sites more than 3 kilometers from a city; 3.0 for sites within 3 kilometers of a city)

K2 = Coefficient that depends on the extent to which the waste disposal site is equipped to prevent pollution (set at 1.0 for sites with full pollution prevention measures; 3.0 for sites with partial pollution prevention; 10.0 for sites not designed or designated as a waste disposal site)

The K2 coefficient of 10.0 is therefore applied for wastes that are dumped illegally. Waste that has been dumped on sites not designated for waste disposal are also charged as if they were exceedences of the annual limit, because they have been deposited on a site not specified in the permit. The basic rates of charge are as shown in Table 2.11.

Table 2.11 Basic charges rates for solid waste

	Basic rate of charge		
Class of waste	UAH	Equivalent to USD	Equivalent to ECU
I class of toxicity: extreme (per ton)	55.00	30.80	26.40
- equipment and devices containing mercury (per piece)	55.00	30.80	26.40
- luminescent lamps (per piece)	0.60	3.40	2.90
II class of toxicity: high (per ton)	2.00	1.10	1.00
III class of toxicity: moderate (per ton)	0.50	0.30	0.20
IV class of toxicity: low (per ton)	0.20	0.10	0.01
- inert (per ton)	0.10	0.06	0.05
- non-toxic wastes of the mining industry (per ton)	0.02	0.011	0.01

2.6 Payments for Use of Natural Resources

The use of natural resources is regulated in a manner that is similar to the system of regulating emissions. Enterprises are set annual limits for extraction or consumption of natural resources, which form the basis of the payments system. Use of natural resources that exceeds annual limits is subject to a higher rate of payment than use of natural resources that is within annual limits. Violations of environmental legislation on the use of natural resources can be penalized by imposing a 'compensation for losses' non-compliance charge. There are also fines for non-compliance established under the Code on Administrative Violations (see Appendix I).

Natural resources are categorized as being of local or national importance. For example, water resources that are located and used within only one oblast are designated as being of

local importance, whereas water resources that span or are used by more than one oblast are designated as being of national importance.

In general, annual limits and basic rates of payment for using natural resources of national importance are set by the Cabinet of Ministers of Ukraine. Annual limits and basic rates of payment for using resources of local importance are set by the relevant local council.

2.7 Use of Water

2.7.1 Payments for use of water resources

This payment is made for abstractions of water by enterprises (including water and wastewater utilities) and for the use of water bodies for hydro-electric power stations and for transport purposes. The payment is part of a permit system.

For abstractions of water, the total amount of payment is calculated using the following formula:

$$\text{Payment} = [(BR \times Vwithin) + (BR \times Vexceed \times M)] \times K$$

where:

BR =	Basic rate of charge in UAH per 1000 cubic meters
Vwithin =	Volume of water abstracted within annual limits, cubic meters
Vexceed =	Volume of water abstracted that exceeds annual limits, cubic meters
M =	Coefficient set by the Cabinet of Ministers to increase the rate of payment for water abstractions that exceed allowable limits (set at 5.0);
K =	Coefficient (<1) that varies according to the permit-holder; many water users are eligible for a reduced rate of payment.

The basic rate of payment for surface water abstractions varies for each river basin, ranging from UAH 14.40 to UAH 86.40 per 1,000 cubic meters (USD 8.04 to 48.24, ECU 6.90 to 41.40) of water abstracted. The basic rate of payment for groundwater abstractions varies for different regions, ranging from UAH 28.80 to UAH 90.00 per 1,000 cubic meters (USD 16.08 to 50.25, ECU 13.8 to 43.13) of water abstracted.

The basic rate of payment for water used by hydro-electric power stations is UAH 0.07 per 1,000 cubic meters of water let through the turbines. The payment for use of water bodies for transport purposes is not based on the formula above. Rates of payment for boats used by water transport enterprises (except for pilot boats, life boats and tugboats) on all rivers (except the Danube) are UAH 12.50 per 1,000 tonnage-days of river use (USD 6.98, ECU 5.99) for cargo boats; and UAH 1.40 per 1,000 passenger-days of river use (USD 0.78, ECU 0.67) for passenger boats.

There are a large number of water users that are exempt from the payment. Payment is not made for:

(i) water abstracted to satisfy the demand for drinking water and water supply to households;
(ii) groundwater which forms a part of the process by which minerals are extracted;
(iii) groundwater that is abstracted together with minerals;
(iv) groundwater that is abstracted to avoid damage to the environment due to pollution, flooding, salting, etc.;
(v) water let into water storage facilities in hydro-electric power stations;
(vi) water used by enterprises and organizations to facilitate the release of fish and other aquatic life into water reservoirs;
(vii) water that is used for fire-prevention measures;
(viii) water that is transferred within a river basin or between river basins to supply regions suffering from water shortages; and
(ix) sea water.

Enterprises that only abstract water to satisfy their own sanitary and drinking requirements are exempt from the payment for abstractions of water. Naval vessels using a river estuary to access a port are exempt from the payment for using water bodies for transport purposes.

Revenue from this payment is used to finance protection, replenishment and maintenance of water resources and works to mitigate and counter effects on the environment caused by water abstractions.

2.7.2 'Compensation for losses' incurred as a result of violation of legislation on protection and use of water resources

This non-compliance charge is paid for unauthorized abstractions of water. The amount of non-compliance charge due is calculated according to the volume of water abstracted and the tariffs for water supply in the region.

2.7.3 'Compensation for losses' incurred by water users due to cessation or restriction of their user rights

Compensation must be paid by enterprises, organizations or citizens whose actions result in cessation of other water users' rights to use water, or unfavorable changes to the conditions under which they are allowed to use water. The compensation is paid to the water users whose rights to use water have been affected. The amount of compensation payable is determined in accordance with methodology developed by MEPNS.

Actions that result in payment of compensation are as follows:
(i) infringement of rules on use and protection of water;
(ii) infringement of rules on protection and use of water to meet the needs of hydro-electric power facilities, water and air transport;
(iii) transfer of water facilities to other water users;
(iv) designation of a water body as one of special national significance (possessing scientific, cultural, and medical value);

(v) actions required to meet demands for drinking water and water supply to households; and
(vi) other actions resulting in cessation of users' rights and alteration of the conditions under which they are allowed to use water.

2.8 Fisheries

2.8.1 Payment for use of fish and other aquatic life

This payment, which is part of a permit system, is made for extraction of fish and other aquatic life forms from the natural environment. It is not payable for amateur or sports fishing. A separate non-compliance charge is paid for extraction of protected species. See Section 2.12.3.

The basic rate of payment depends on the species of fish or other aquatic species extracted, ranging from 2.00 to 394.50 USD per ton (ECU 1.70 to 330.00). The amount payable depends on the basic rate of payment for the species, the quantity extracted, and annual limits that have been set on extraction. The amount payable is calculated in USD, and then converted into UAH according to the exchange rate quoted by the National Bank of Ukraine on the day of payment.

Enterprises and activities that are exempt from the payment are:
(i) fish farms and other enterprises that breed fish and other aquatic life;
(ii) surveys to locate fish for extraction; and
(iii) research connected to environmental protection.

2.8.2 'Compensation for losses' incurred as a result of unlawful catching or killing of fish and other aquatic species

This non-compliance charge is payable for unauthorized extraction of fish and other aquatic species of importance to the fishing industry. The rates of non-compliance charge payable are as follows:
(i) for valuable species of fish and aquatic invertebrates in reservoirs used for breeding fish: from 10% to 5,500% of the monthly non-taxable allowance on personal income, that is UAH 1.70 to 935.00 (USD 0.95 to 522.05, ECU 0.81 to 488.05) per specimen;
(ii) for aquatic plants in reservoirs used for breeding fish: 5% of the monthly non-taxable allowance on personal income, that is UAH 0.85 (USD 0.47, ECU 0.41) per kilogram;
(iii) for particular species (crabs, mollusks) which are important natural resources of the continental shelf of Ukraine: from 10% to 100% of the monthly non-taxable allowance on personal income, that is UAH 1.70 to 17.00 (USD 0.95 to 9.50, ECU 0.81 to 8.10) per specimen;
(iv) for aquatic plants which are important natural resources of the continental shelf of Ukraine: from 5% of the monthly non-taxable allowance on personal income, that is UAH 0.85 (USD 0.47, ECU 0.41) per kilogram;

(v) for species of fish and aquatic invertebrates which have their habitat in the exclusive marine economic zone of Ukraine and species that migrate from the rivers of Ukraine into the zone: from 10% to 5,500% of the monthly non-taxable allowance on personal income, that is UAH 1.70 to 935.00 (USD 0.95 to 522.05, ECU 0.81 to 488.05) per specimen; and

(vi) for unlawful extraction of roe of salmon or sturgeon: 30,000% of the monthly minimum wage, that is UAH 4,500 (USD 2,513 or ECU 2,156) per kilogram.

2.8.3 'Compensation for losses' incurred by fisheries as a result of violations of legislation on environmental protection

A 'compensation for losses' non-compliance charge is payable for losses incurred as a result of water pollution caused by discharges of wastewater or harmful substances and other activities which cause fish deaths, reduced productivity of spawning grounds and reduced productivity of the fishery.

The amount of non-compliance charge payable is based on expected losses of the fishery, taking into account the number of fish, fry or larvae killed; the number of potential offspring lost; loss of organisms used by fish as food; loss of productivity of spawning grounds and reservoirs. The estimated losses are based on the value of fish in the region at the time of calculation.

2.9 Forestry

2.9.1 Payments for timber and pine resin

This payment is made by a forestry enterprise harvesting timber and pine resin under license. The license is issued by the Ministry of Forestry; it stipulates the quantity of timber that may be harvested. The payment is due whether the timber is being harvested as a result of the final cut of an area of forest, or as a result of tree-felling necessary for forestry management or clearing land for the construction of roads, pipe-lines, etc. Revenue from this payment is used for replanting, forests and forestry management.

The rate of payment for the right to harvest timber depends on the species if tree being harvested and the size of the logs removed. The size of logs being removed affect their commercial value, for example logs with a wide cross-section that come from the base of the tree trunk and medium sized logs that come from the middle section of the trunk can be used for timber, but thin logs that come from the top section of the trunk and branches of the tree can only be used for firewood. The distance over which the timber must be transported to the timber processing plant is also taken into consideration (the greater the distance the lower the rate of payment), as is the topography of the area. The rate of payment ranges from UAH 0.20 to 156.60 (USD 0.11 to 88.00, ECU 0.10 to 75.52) per cubic meter of timber harvested. The payment for extraction of pine resin is UAH 7.10 (USD 3.96, ECU 3.40) per ton.

If a forestry enterprise chooses to employ selective cutting methods for the final cut of an area of forest, rather than clear-fell the area, they are eligible for a reduction of 20% on the normal rate of payment for harvesting the timber. A reduction of 30% is due if the timber is harvested as a result of tree felling necessary for forestry management, and where methods of cutting are employed such as forest improvement cutting, regeneration and secondary forest cutting, accretion cutting, cutting to make fire protection gaps, and cutting to restore environmental functions of the forest.

2.9.2 'Compensation for losses' incurred due to violation of rules on harvesting timber

This non-compliance charge is paid when an enterprises that has a license for timber and pine resin extraction violates the conditions of its license. The non-compliance charge is payable for unauthorized cutting of trees; damaging trees, saplings and areas of forest cultivation; leaving areas with unfinished cutting; unsatisfactory cleaning of wood-cutting areas; violation of rules on cutting; incomplete use of trees for juice and resin extraction; cutting tree trunks into logs that are of an unsuitable length for efficient use of the timber; and non-compliance with rules on use of technology causing soil erosion.

The amount of non-compliance charge payable is set according to the value of timber, based on the normative costs for cultivation of forests or the purchase price of forest resources.

2.9.3 'Compensation for losses' incurred as a result of damage to forests and unlawful harvesting of timber

This non-compliance charge is paid by enterprises or citizens that do not have a license for extraction of timber, for:

(i) damaging trees and bushes;
(ii) damaging or destroying newly planted areas of forest, or saplings on land intended for afforestation;
(iii) damaging or destroying seedlings in forest plantations and forests;
(iv) unlawful hay-making and use of land for grazing cattle;
(v) damaging and destroying forest demarcation signs;
(vi) damaging or destroying ant-hills;
(vii) damaging hayfields and pastures;
(viii) damaging or destroying forest drainage channels; and
(ix) unlawful gathering of non-timber resources.

The non-compliance charge payable is set equal to a specific multiple of the monthly non-taxable allowance on personal income. The multiple used for different kinds of damaging activity varies greatly. The compensation payment is charged per damaged tree, hectare, 1,000 seedlings, sign, ant-hill, meter of drainage channel; per unit of cattle grazing, or per kilogram of non-timber resources harvested.

2.10 Use of Sub-Soil Resources

2.10.1 Payments for extraction of sub-soil resources

Enterprises must pay an amount per ton of resources they extract. Where the extraction process leaves resources underground and those resources are rendered unextractable, the payment is made for the quantity by which they reduce reserves of resources (including resources left in the ground that are no longer extractable). The payment is charged for extracting minerals, oil, gas, peat, thermal and mineral water.

The basic rate of payment equals 1% of the value of the extracted resources. The total payment due is calculated using the following formula:

$$\text{Payment} = 0.01 \times \text{Price} \times \text{Quantity}$$

where:

Price = the sale price of the extracted resources (before VAT), UAH/ton.

Quantity = the quantity by which reserves would be reduced or the quantity of extracted resources, tons

If an enterprise processes the minerals as well as extracting them (and a sale price for the extracted minerals is not available), it is assumed that 'Price' is equal to the costs of extraction (as declared in the company accounts) plus 10%. Coal mining enterprises only pay 50% of the normal rate.

2.11 Land Use

2.11.1 Payments for use of land

A payment for land is raised in the form of the land tax, which is charged per unit area of the land owned, used or leased. The rate of the tax varies according to the type of land use, quality and location of the land:

(i) for agricultural lands: the rate of the land tax per hectare is a percentage of the monetary value of the land. The tax on arable lands, hay fields, and meadows is 10% of the monetary value; the tax on lands used for perennial planting is 3% of the monetary value. The monetary value of the land is not the 'market price' of the land. It is calculated using formulae that take into account the past productivity of the land;

(ii) for lands in populated areas: the rate of tax for lands with a defined monetary value is equal to 1% of their monetary value. For lands without a defined monetary value, the average rate of the tax depends on the number of residents in the area. Further differentiation of the rate of the tax is calculated by local councils, based on the function and location of the land. The rates of tax (USD 0.80 to 11.70 per square meter; 0.70 to ECU 10.10 per square meter) were increased in the 1997 Law of Ukraine 'On the State Budget of Ukraine' by a factor of 1.81. However it is unclear whether this factor is used in practice as it is uncertain whether the rates of payment for land can be varied in this way; and

(iii) for other lands: the rates of the tax on land used by industrial, transport, communication, defense and other enterprises; on lands designated for nature conservation, protection of health, recreation, historical and cultural use; on forestry lands and lands taken by water bodies outside populated areas are a percentage of the monetary value of arable land.

A wide range of landowners and land users are exempt from the land tax. The payment is not applicable for contaminated agricultural lands and other bad lands. Rates of the tax are decreased for land taken by housing stock, garages and summer cottages of citizens; and lands used by military units.

The payment can not be declared as a production cost of the land owner, user or lessee. However it is deductible from an enterprise's income before profit tax, so it decreases the amount of profit that is subject to profit tax. Land owners may pass the tax on to their lessees. Most enterprises pay the tax on a monthly basis; citizens and enterprises that produce agricultural and fish products pay twice a year.

2.11.2 'Compensation for losses' incurred as a result of using land designated for agriculture and forestry for other purposes

The revenue from this charge is used by regional government on improvement of land, protection of land and increasing land productivity. It is a one-off charge paid by:

(i) enterprises, organizations and citizens which have been granted use of forest and agricultural lands for activities other than forestry and agriculture; and

(ii) enterprises and organizations whose premises are surrounded by lands designated for use in forestry or agriculture, which cannot be used for agriculture or forestry because the premises must have a 'buffer' or exclusion zone of restricted use around them. The compensation is payable either because the exclusion zone cannot be used for forestry or agriculture, or because the land in the exclusion zone is likely to be degraded as a result of the enterprise's activities.

The basic rate of payment for taking land out of agriculture differs according to the type of agricultural land and the region. It ranges from UAH 1.09 to 5.87 per hectare. The rates are indexed using the agricultural price index. The charge payable is calculated using the following formula:

$$\text{Charge} = (\text{Grade} \times \text{Area} \times \text{BR}) / \text{Av. grade}$$

where:

Grade =	the grade of agricultural land (a coefficient)
Area =	area of agricultural land lost, hectare
Av. grade =	average grade of land in the region (a coefficient)
BR =	basic rate of compensation payment, UAH/hectare

The basic rate of payment for taking land out of forestry depends on the type of forest and the region. It ranges from UAH 17.90 to 250.90. The rates are indexed using the agricultural

price index. The charge payable is calculated using the following formula:

$$\text{Charge} = \text{BR} \times \text{Productivity} \times \text{Area}$$

where:
BR = basic rate of compensation payment, UAH/hectare
Productivity = coefficient of forest land productivity;
Area = area of land, hectares

The charge payable for deterioration of the condition of land caused by the activities of an enterprise, or for restrictions on land use in the area around an enterprise, or is calculated as follows:

$$\text{Charge} = (1 - \text{DP}) \times \text{BR} \times \text{Area}$$

where:
DP = decrease in the coefficient of land productivity
BR = average basic rate of compensation payment (as above for forestry or agriculture), UAH per hectare
Area = area of land, hectares

The following coefficients of land productivity are used:
(i) for agricultural lands in suburban zones of Kyiv: 2.5;
(ii) for agricultural lands in suburban zones of Sevastopol, Simpheropol, Dniepropetrovsk, Donetsk, Lviv, Odessa, Kharkiv: 2.0;
(iii) for agricultural lands in suburban zones of other regional centers: 1.5; and
(iv) for the use of agricultural lands for construction of reclamation systems: 0.2.

The following enterprises or types of land use are exempt from the charge:
(i) enterprises, institutions and organizations which are granted use of forest and agricultural lands for temporary uses other than forestry or agriculture;
(ii) enterprises, institutions and organizations which are granted use of forest and agricultural lands for the construction of schools;
(iii) children's institutions;
(iv) premises of medical, cultural, and social security organizations; and
(v) local roads, airports, cemeteries and nature reserves.

2.11.3 'Compensation for losses' incurred by landowners and land users

Compensation is payable for activities that give rise to confiscation or temporary occupation of land areas, and restriction of rights of landowners and land users (including lessees); deterioration of the quality of lands or making them inapplicable for designated purposes. The compensation is paid to the landowners and land users which have incurred losses.

The amount of compensation payable depends on estimated losses incurred by landowners and land users, according to the actual value of the assets at the moment the losses are

incurred, and costs of improvement of the quality of lands (based on market prices and replacement costs). The amount payable is defined by commissions of Kyiv and Sevastopol City, raion administrations and executive committees of city councils.

Lost assets that can be taken into account are:
(i) buildings and facilities;
(ii) perennial plantations;
(iii) forest plantations and areas planted with trees and bushes;
(iv) water sources, irrigation and drainage systems, anti-erosion facilities;
(v) investments in improvement of the quality of lands; and
(vi) other losses incurred by land owners and land users.

2.12 Biodiversity

2.12.1 Payment for catching or killing wild animals

This payment is charged for catching or killing wild animals except hunting animals and fish and animals entered into the Red Book of Ukraine. The Red Book of Ukraine is the list of plant and animal species that are considered rare or endangered. 'Red list' is an term used internationally for official lists of rare and endangered species.

The payment is part of a permit system. It is not payable for amateur and sports fishing in public water reservoirs. The rate of payment varies according to the type and species of animal, and is made per individual animal or per kilogram of animals collected or killed. Payment is made in UAH, but is set in USD. The total payment due is calculated according to the exchange rate between UAH and USD quoted by the National Bank of Ukraine. The rates of payment are as follows:
(i) for mammals: from USD 0.20 to 15.00 (ECU 0.17 to 12.87) per specimen;
(ii) for birds: from USD 0.50 to 300.00 (ECU 0.43 to 257.48) per specimen;
(iii) for amphibia: from USD 0.10 to 1.00 (ECU 0.09 to 0.86) per specimen;
(iv) for reptiles: from USD 1.00 to 30.00 (ECU 0.86 to 25.75) per specimen;
(v) for terrestrial mollusks: USD 50.00 (ECU 42.91) per ton;
(vi) for aquatic invertebrates: from USD 0.05 to 0.30 (ECU 0.04 to 0.26) per kilogram;
(vii) for butterflies: from USD 0.03 to 1.50 (ECU 0.03 to 1.29) per specimen;
(viii) for beetles and other insects: from USD 0.01 to 0.40 (ECU 0.01 to 0.34) per specimen; and
(ix) for birds' eggs: 50% of the payment for the adult bird.

The rate of payment increased by a factor of 5 if annual limits are exceeded, or for unauthorized collection or killing of animals.

Following users are exempt from the payment:
(i) research institutions, organizations, researchers (including foreign) using wild animals for the purpose of legal research;

(ii) state zoological gardens and other institutions and organizations that keep and breed animals; and

(iii) enterprises, institutions, organizations and citizens that regulate the size of animal populations with the aim of protection of human health and prevention of damage to the environment and economy.

2.12.2 'Compensation for losses' incurred as a result of the catching and killing of wild animals and birds (except for species entered into the Red Book of Ukraine) and damage to their natural or man-made habitat

The monthly non-taxable allowance on personal incomes is used as a proxy for estimated damage costs in order to calculate the payment due. This is to avoid having to recalculate damage costs to take account of inflation. The payment due is calculated as follows:

(i) or unauthorized catching and killing of animals and birds: 5 to 110 times the monthly non-taxable allowance on personal incomes; that is UAH 85.00 to 1870.00 (USD 47.00 to 1044.00, ECU 48.00 to 896.00) per animal or bird. The multiple of the monthly non-taxable allowance depends on the species of animal or bird;

(ii) for killing embryos of hunting animals: 50% of the compensation that would be due for an adult of the same species;

(iii) for stealing eggs from nests: 20% of the compensation that would be due for an adult of the same species; and

(iv) for destroying or damaging man-made habitats such as man-made nests, feeding racks, etc.: three times the actual cost of construction of the habitat.

2.12.3 'Compensation for losses' incurred as a result of damage to plants and animals which are entered into the Red Book of Ukraine

The amount of payment due is assessed as follows:

(i) for hunting, collecting, killing or damaging animals entered into the Red Book of Ukraine and which live on the territory of Ukraine, within its territorial waters, continental shelf and the exclusive marine economic zone: from 0.3 to 200 times the monthly tax-free allowance on personal income (UAH 5.10 to 3400.00, USD 2.80 to 1898.00, ECU 2.40 to 1629.00); per individual animal depending on its species and their population;

(ii) for each destroyed or damaged nest, hole, and other habitations: three times the rate of payment for the particular animal species;

(iii) for each extracted egg, or for each embryo in an unlawfully killed vertebrate species: 50% of the rate of payment for the particular animal species;

(iv) for harm incurred through unlawful gathering of roe of sturgeon, salmon and fish species which are entered into the Red Book of Ukraine: twenty times of the value of the gathered fish eggs in accordance with retail prices for caviar;

(v) reducing the population of animal species entered into the Red Book of Ukraine through deterioration of the environment; in cases when it is difficult to determine the absolute number of animals killed: 50 to 160 times the monthly tax free allowance on personal income (UAH 850.00 to 2710.00, USD 480.00 to 1519.00, ECU 407.00 to

1303.00) per hectare of the damaged area, depending on the animal species and their population.

(vi) gathering or destroying plants from among species entered into the Red Book of Ukraine or the European Red List, and destroying areas in which they are planted: 0.5 to 10 times the monthly tax-free allowance on personal income (UAH 8.50 to 170.00, USD 4.70 to 94.90, ECU 4.10 to 81.50) per individual tree, bush, plant, etc. Compensation is not made for plants which are grown in nurseries, gardens, etc.; and

(vii) hunting or collecting animals and plants entered into the Red Book of Ukraine, their nests, eggs, fruits, seeds, parts or products of these animals and plants, on the basis of permits, with the purpose of carrying out scientific research: 50% of the rate of payment for the given animal species.

If enterprises or organizations guarantee protection and repopulation of protected species of animals and plants, the payment for hunting or collecting those species is only 10% of the rate of payment for the given species.

2.12.4 'Compensation for losses' incurred due to violations of legislation on protection nature reserves

This non-compliance charge is payable for the following violations:

(i) unlawful cutting or damaging of trees and bushes;
(ii) destroying or damaging saplings or planting on lands intended for afforestation;
(iii) destroying or damaging grass;
(iv) destroying or damaging ant-hills;
(v) gathering of wild fruits, berries, nuts, mushrooms, medical herbs without permission;
(vi) driving a car in places where it is prohibited;
(vii) making places for rest and recreation without permission;
(viii) unlawful hunting or killing of animals, damaging or destroying their dwellings;
(ix) damaging of speleological, geological and hydrological features; and
(x) unlawful use of land.

Rates of payment for different violations vary greatly. They are set equal to a specific multiple of the monthly non-taxable allowance on personal income.

2.12.5 'Compensation for losses' incurred due through damage to public parks and gardens

The non-compliance charge is payable for the following activities:

(i) cutting or damaging trees and bushes: 0.1 to 38 times the monthly tax-free allowance on personal income (UAH 1.70 to 646.00, USD 0.90 to 360.70, ECU 0.80 to 309.60) for each tree depending on its diameter, or bush;
(ii) cutting or damaging decorative and valuable species of trees and bushes: the rates of payment are increased by a factor of two;
(iii) cutting or damaging coniferous and evergreen plants during December and January: the rate of payment is increased by a factor of four;

(iv) removal of felled trees or trees overturned due to thunderstorm or wind: the rate of payment is decreased by a factor of two;

(v) destroying or damaging lawns or flower-beds: 0.1 to 1.1 times the monthly tax-free allowance on personal income (UAH 1.70 to 18.70, USD 0.90 to 10.40, ECU 0.80 to 9.00) per square meter of a lawn or flower-bed;

(vi) unauthorized cutting of flowers: charge is calculated as being ten times the market price for cut flowers; and

(vii) damaging parks, hydro-parks, other areas planted with trees and gardens located in inhabited areas by dumping rubbish, burning plants, pasturing cattle, and polluting water bodies: 0.3 to 1 times the monthly tax-free allowance on personal income (UAH 5.10 to 17.00, USD 2.80 to 9.50, ECU 2.40 to 8.10) depending on the type of violation.

2.12.6 Payment for hunting licenses

Payment is made for licenses to hunt bear and ungulate animals (animals with cloven hooves). The payment is made within the hunting area. Payments by foreign citizens are higher than payments by Ukrainian citizens. The cost of the license depends on the animal to be hunted, see Table 2.12. Hunting area managers can buy hunting licenses for 50% of the normal price. Revenues from selling hunting licenses are kept by the hunting area managers.

Table 2.12 Prices for hunting licenses

	Price of hunting license							
	Ukrainian citizens				Foreign citizens			
Species	NTA	UAH	USD	ECU	NTA	UAH	USD	ECU
Elk	2.5	42.50	23.70	20.40	16.0	272.00	151.90	130.30
Red deer	2.0	34.00	19.70	16.30	14.0	238.00	132.90	114.10
Spotted deer	1.5	25.50	14.20	12.20	10.0	170.00	94.90	81.50
Fallow deer	1.0	17.00	9.50	8.10	7.0	119.00	66.40	57.00
Wild goat	0.6	10.20	5.70	4.90	6.0	102.00	57.00	48.90
Moufflon	0.6	10.20	5.70	4.90	6.0	102.00	57.00	48.90
Wild boar	1.2	20.40	11.40	9.80	8.0	136.00	75.90	65.20

where:
NTA = multiple of the monthly non-taxable allowance on personal income.

2.13 Environmental Liability

Sections 2.2.3, 2.4.2, 2.4.3, 2.7.2, 2.8.2, 2.8.3, 2.9.2, 2.9.3, 2.11.2, 2.12.2, 2.12.3, 2.12.4 and 2.12.5 describe non-compliance charges designed to obtain 'compensation for losses' incurred by the state as a result of violations of legislation on environmental protection or use of natural resources. Violation of legislation on environmental protection and use of natural resources leads to damage to the environment; and the state is deemed to have suffered

damages as it represents society as a whole. The state uses revenue from these non-compliance charges for environmental purposes.

Sections 2.7.3 and 2.11.3 describe instruments by which citizens, organizations or enterprises with user rights for water and land can receive 'compensation for losses' incurred as result of cessation or limitation of their user rights. As the revenue from these instruments is received by citizens, enterprises or organizations that have suffered losses, these instruments are closer to the concept of environmental liability than the non-compliance charges listed in the paragraph above. However there is also a mechanism whereby plaintiffs can bring a law suit against those liable for environmental damage, in order to obtain compensation for that damage.

The Law of Ukraine on Environmental Protection determines that citizens and enterprises have the right to bring an action against enterprises, organizations and citizens to receive compensation for damage to their health or property caused by damage to the environment. Non-governmental organizations can also sue for compensation for damages caused by violations of environmental legislation, including damages to human health and property. According to the Civil Code of Ukraine a citizen can also sue for compensation for 'moral damages' (pain and suffering). However, in practice the determination of damages is more narrow - losses are typically material, such as loss of property or damage to property, or concrete damage to health.

A citizen or organization accused of being responsible for the damage must pay compensation to the plaintiff (the person or organization that has brought the suit against them) unless they can prove that they were not responsible for the damage.

Any interested person has a right to sue in order to defend a right or legal interest that has been violated. However, they must meet requirements listed in the Civil Procedure Code. If a suit is submitted to the court and does not meet these requirements, or if court charges have not been paid, the court issues a 'decree on postponement'. This is to provide the plaintiff with time to fulfill all the necessary requirements. If the requirements are not met, the court rejects the application.

The court may close the case without reaching a decision if:

(i) the case should not be subject to a court hearing because it does not fall within the sphere of the court's jurisdiction and it can be solved at an administrative level without the court's interference;
(ii) the pre-trial investigations and negotiation procedures were not and could not be completed;
(iii) there is already a valid court decision or court approval on a case concerning the same parties, under the same circumstances and about the same subject;
(iv) the plaintiff withdraws its own suit; or
(v) the parties reach a settlement.

If the court closes the case, a court hearing on the case concerning the same parties, under the same circumstances and about the same subject cannot take place again.

An organization is liable to pay compensation for damages caused by the actions of its employees, if violations responsible for damages occur while employees are performing their duties. Organizations or individuals whose activities are considered as dangerous (such as industrial facilities, constructions, etc.) are obliged to compensate for damages caused by those

activities unless they can prove that the damage was caused as the result of 'force majeure' or the victim's own intentions. If the damage was caused by several citizens or organizations they each have separate liability.

The sum of compensation is calculated in monetary form or 'in kind' according to the court decision. The sum of compensation includes compensation for loss of property or damage to property; loss of profits during the time necessary for restoration of the environment; loss of salary while the victim is unable to work, or has a limited ability to work; and the costs incurred as a result of damage to health, such as costs of nursing, medicine and special diets. The amount of compensation payable is considered completely separately from the amount of any 'compensation for losses' non-compliance charge that is also being imposed to penalize the defendant for the same damage or violation.

If the court decides that the organization found liable must pay compensation, the money can be taken directly from the organization's bank account. If the court decides that the organization found liable must take certain action, such as environmental clean-up, the plaintiff can decide to take the action itself and ask for the cost of the action to be withdrawn from the defendant's bank account.

If an enterprise that is liable for damage to the environment is restructured, the compensation for damage caused to health must be paid by the enterprises formed from it. If there is no 'successor' to the organization that is liable for the damage, the sum of compensation must be capitalized and referred to state insurance bodies which become responsible for compensation payments on a regular basis. If the enterprise responsible for the damage no longer exists, the action can be taken against the state organization to which the enterprise was subordinated.

In general, a suit can only be initiated up to three years after the victim discovers or should have discovered that their rights have been violated. The period of 'limitations' can only be extended if the suit could not be initiated either because the plaintiff or the defendant were in military service or because of 'force majeure' in the last six months of the period of 'limitations'.

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Instructions on the Order of Calculation and Paying of payment for the Special Use of Fresh Water Resources.

2.14.3 Fisheries

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Resolution of Cabinet of Ministers 'On Approval of Statutory Prices for Calculation of Amount of Reimbursement of Harm Caused Due to Unlawful Extraction (Collection) or Killing of Valuable Species of Fish and Other Objects of Water Craft' No.41, (January 28,1994). Changes made by the resolution of Cabinet of Ministers No.621 (June 8,1996).

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2.14.5 Sub-soil resources

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CHAPTER 3
REVENUE AND USE OF REVENUE FROM ENVIRONMENTAL CHARGES AND COMPLIANCE INCENTIVES

3.1 Introduction

This chapter provides an overview of the use of revenue from emissions charges, payments for use of natural resources, 'compensation for losses' non-compliance charges and fines. Section 3.2 outlines the instructions that have been established for disbursement of revenues. Section 3.3 focuses on revenues received in and expenditures from extra-budgetary funds for environmental protection. Section 3.4 provides information on total revenues collected and Section 3.5 provides estimates of collection rates.

3.2 Use of Revenue

The revenue from emissions charges, natural resource payments, 'compensation for losses' non-compliance charges and fines imposed under the Code on Administrative Violations is generally earmarked for three purposes:

(i) to fund environmental protection activities of local, regional and national administrations;
(ii) to fund natural resource management activities of local, regional and national administrative bodies; and
(iii) to fund purchases of materials and equipment by state environmental bodies and reward employees of state environmental bodies and public inspectors for reporting violations of environmental protection legislation and taking steps to impose non-compliance charges or fines on violators. The state environmental bodies that receive this revenue are the central and local divisions of the Ministry of Environmental Protection and Nuclear Safety, the Ministry of Forestry, the Ministry of Fisheries, the State Committee for Water Economy and the State Committee for Geology and Use of Underground Resources.

There are 'extra-budgetary' funds for environmental protection established within local (village, small town and city), regional (ARC, oblast, Kyiv city and Sevastopol city) and national councils. These extra-budgetary funds are managed by the local, regional and national administrative bodies. The reason that these funds were originally designated as extra-budgetary is that it is not possible to predict the amount revenue from emissions charges, non-compliance charges and fines that will be received during a given financial year. It is not therefore possible to put an estimate of this revenue into the annual state, regional and local budget. The designation of these extra-budgetary funds has changed since they were introduced; making them 'budget-funds' and thus allowing the normal sanctions for non-payment of taxes to be applied for non-payment of emissions charges and payments for natural resources. The current status of the funds is unclear.

Local branches of MEPNS can make proposals to the local and regional administrations as to how the money in these extra-budgetary funds should be spent. There are no extra-budgetary funds for natural resource management. However the revenue from natural resource charges is in theory earmarked to fund the natural resource management activities of local, regional and national administrative bodies. Unless otherwise stated in this report, the allocation of revenue is as described below. A summary is presented in Table 1 of Appendix II.

3.2.1 Emissions charges

All revenue from charges for emissions to air, water and land (solid waste disposal) is allocated to extra-budgetary funds for environmental protection. 70% goes to funds managed by local administrations; 20% to the relevant oblast fund, and 10% to the fund managed at the national level.

3.2.2 Natural resource charges

In general, revenue from natural resource charges goes to local (city or raion), oblast or national budgets, to be used to fund natural resource management activities. Allocation of revenue between local, oblast and national budgets depends on the type of resource and whether resource is designated as being of local or national importance.

3.2.3 'Compensation for losses' non-compliance charges

If the non-compliance charge is paid by enterprises or organizations, 80% of the revenue goes to the relevant local extra-budgetary environmental fund and 20% goes to state environmental bodies. The state environmental bodies are allowed to use their 20% of the revenue from non-compliance charges paid by enterprises or organizations as follows:

(i) 15% of the revenue: to increase their technical resources through purchase of computers, software, telecommunications equipment, chemicals and to provide means of transport, fuels and oils, travel tickets; and to purchase arms, protective gear and uniforms;

(ii) 4% of the revenue: to reward their employees and public inspectors for reporting environmental violations; and

(iii) 1% of the revenue: to reward their employees and public inspectors for taking steps to impose non-compliance charges or fines on violators.

If the non-compliance charge is paid by citizens, 50% of the revenue goes to the relevant local extra-budgetary environmental fund and 50% goes to the state environmental bodies. The state environmental bodies are allowed to use their 50% of the revenue from non-compliance charges paid by citizens as follows:

(i) 40% of the revenue: to increase their technical resources through purchase of computers, software, telecommunications equipment, chemicals; to provide means of transport, fuels and oils, travel tickets; and to purchase arms, protective gear and uniforms;

(ii) 7% of the revenue: to reward their employees and public inspectors for reporting environmental violations; and

(iii) 3% of the revenue: to reward their employees and public inspectors for taking steps to impose non-compliance charges or fines on violators.

3.2.4 Revenue from the sale of unlawfully harvested natural resources

Revenue from the sale of unlawfully harvested natural resources (e.g. carcasses of animals or birds that have been hunted illegally) or products derived from those resources is used as follows:

(i) 80% of the revenue goes to the relevant local extra-budgetary environmental fund;

(ii) 20% of the revenue goes to the relevant state environmental body, of which

(iii) 15% of the revenue is allocated to increase their technical resources through purchase of computers, software, telecommunications equipment, chemicals; to provide means of transport, fuels and oils, travel tickets; and to purchase arms, protective gear and uniforms;

(iv) 3% of the revenue is allocated to reward their employees and public inspectors for reporting environmental violations; and

(v) 2% of the revenue is allocated to reward their employees and public inspectors for taking steps to impose non-compliance charges or fines on violators.

3.2.5 Revenue from the sale of confiscated property

Equipment used for unlawful harvesting of natural resources can be confiscated from violators and sold. All of the revenue goes to the appropriate environmental body and 10% of it is used to increase their technical resources through purchase of computers, software, telecommunications equipment, chemicals; to provide means of transport, fuels and oils, travel tickets; and to purchase arms, protective gear and uniforms. It is not clear what happens to the remaining 90% of this revenue.

3.2.6 Revenue from fines imposed under the Code on Administrative Violations

If the fine is paid by officials of enterprises or organizations, 50% of the revenue goes to the relevant local extra-budgetary fund; 50 % goes to the state environmental bodies, to be used as follows:

(i) 30% of the revenue: to increase their technical resources through purchase of computers, software, telecommunications equipment, chemicals; to provide means of transport, fuels and oils, travel tickets; and to purchase arms, protective gear and uniforms;

(ii) 25% of the revenue: to reward their employees and public inspectors for reporting environmental violations; and

(iii) 5% of the revenue: to reward their employees and public inspectors for taking steps to impose non-compliance charges or fines on violators.

If the fine is paid by citizens, 100% of the revenue goes to state environmental bodies, to be used as follows:

(i) 60% of the revenue: to increase their technical resources through purchase of computers, software, telecommunications equipment, chemicals; to provide means of transport, fuels and oils, travel tickets; and to purchase arms, protective gear and uniforms;

(ii) 10% of the revenue: to reward their employees and public inspectors for reporting environmental violations; and

(iii) 30% of the revenue: to reward their employees and public inspectors for taking steps to impose non-compliance charges or fines on violators.

3.2.7 Rewards paid to employees of state environmental bodies and public inspectors

The managers of state environmental bodies decide how to use the revenue that is allocated to state environmental bodies for purpose of rewarding their employees and public inspectors for reporting environmental violations and taking steps to impose non-compliance charges and fines on violators. However there is a limit to the total amount of money that can be given to individual employees and public inspectors in per year. Public inspectors (i.e. public environmental inspectors, public fishery inspectors and public hunting inspectors) can receive up to 12 times the minimum monthly salary of a 'regular' inspector. Employees reporting environmental violations can receive up to 12 times their monthly salary. Employees taking steps to impose non-compliance charges and fines can receive up to 6 times their monthly salary. If the same employee both reports violations and takes steps to impose non-compliance charges and fines the employee can only receive up to 12 times their monthly salary. The rewards can be paid to public inspectors and employees on a monthly or quarterly basis.

3.3 Revenues and Expenditures of Extra-Budgetary Funds for Environmental Protection

The total amount of revenue received in extra-budgetary funds for environmental protection in 1996 was 26,499,227 UAH (approximately 14,020,755 USD). This figure does not represent the total revenue received from payments of emissions charges, 'compensation for losses' non-compliance charges and fines, as large proportions of the revenue from 'compensation for losses' non-compliance charges and fines go to state environmental bodies. A breakdown of the revenue received in the national, regional and local funds through collection of emissions charges, non-compliance charges and fines in 1996 is given in Table 2 of Appendix II. Table 10 of Appendix II gives the same information for 1995 (see Section 3.4. for a comparison of revenue received in environmental funds to total revenue received).

Table 3 of Appendix II shows the revenue received during 1996 in the regional and local funds, broken down by region. Table 4 of Appendix II shows the revenue received during 1996 in the regional funds, broken down by region. Table 5 of Appendix II shows the total revenue received during 1996 in local funds, broken down by region.

The total amount of expenditure from environmental funds in 1996 was 23,351,270 UAH (approximately 12,355,169 USD). Total expenditure in 1996 from national, regional and local funds, broken down by purpose of expenditure is given in Table 6 of Appendix II. Table 11 of Appendix II gives the same information for 1995. Table 7 of Appendix II shows the total expenditure in 1996 from regional and local funds, broken down by region. Table 8 of Appendix II shows the expenditure in 1996 from regional funds, broken down by region. Table 9 of Appendix II shows the total expenditure in 1996 from local funds, broken down by region.

Summaries of the comparison between revenue and expenditure for 1995 and 1996 are given in Tables 3.1 and 3.2. The proportion of the revenue in environmental funds that was left unspent in 1996 was 16.55%. The proportion of revenue left unspent in 1995 was 26.82%.

Table 3.1 Revenues and Expenditures of Extra-Budgetary Environmental Funds (1995, million Krb)

	Total	National	Regional	Local
Balance at start of 1995:	127,700.60	6,123.00	32,935.90	88,641.70
Total revenue collected during the year:	699,482.80	32,768.00	104,709.10	562,005.70
Total funds available:	827,183.40	38,891.00	137,645.00	650,647.40
Total expenditure:	605,321.10	12,180.00	108,184.60	484,956.50
Balance unspent at end of year:	221,862.30	26,711.00	29,460.40	165,690.90
Balance unspent as a percentage of total available funds:	26.82 %	68.68 %	21.40 %	25.47 %

Table 3.2 Revenues and Expenditures of Extra-Budgetary Environmental Funds (1996, UAH)

	Total	National	Regional	Local
Balance at the end of 1995:	2,218,623	267,110	294,604	1,656,909
Balance at start of 1996:	1,484,319	267,000	302,362	914,957
Total revenue collected during the year:	26,499,227	2,497,000	4,287,930	19,714,297
Total funds available:	27,983,546	2,764,000	4,590,292	20,629,254
Total expenditure:	23,351,270	2,735,000	4,158,295	16,457,975
Balance unspent at end of year:	4,632,276	29,000	431,997	4,171,279
Balance unspent as a percentage of total available funds:	16.55 %	1.05 %	9.41 %	20.22 %

Note:
Figures for 1995 were reported in million Karbovanets. Here a simple conversion rate is used: 1 UAH = 100,000 Karbovanets. It is not clear why the balance at the end of 1995 is so much higher than the balance at the start of 1996. The largest discrepancy is for local funds, whose total balance at the end of 1995 was 741,952 UAH (approximately 413,574 USD) higher than at the start of 1996.

3.4 Total Revenues from Environmental Charges and Non-Compliance Charges

Appendix II also includes Tables 12 to 15, abstracted from the Ministry of Statistics review of environmental expenditures for 1995, which provide regional summaries for revenues received from payment of charges for emissions to air, water and land (solid waste) within and exceeding annual limits; payments made for use of water and land (land tax), extraction of minerals, use of forest and recreational resources; 'compensation for losses' non-compliance charges and rebates of pollution charges to enterprises that have reduced their emissions. According to these tables, the total revenue from emissions charges, payments for natural resources (water, land, minerals, forestry) and 'compensation for losses' non-compliance charges in 1995 was 172,926 billion

Karbovanets (around 963.9 million USD). The information in Tables 12 to 15 in summarized in Table 3.3.

Table 3.3 Total revenues from emissions charges, payments for natural resources and 'compensation for losses' non-compliance charges, 1995

Total revenue from payments for:	million Karbovanets	Equivalent in USD
Emissions to air		
- within limits	1,127,105.7	6,282,640.47
- exceeding limits	73,802.9	411,387.40
Emissions to water		
- within limits	777,893.5	4,336,084.17
- exceeding limits	114,318.1	637,224.64
Solid waste		
- within limits	364,932.7	2,034,184.50
- exceeding limits	50,093.2	279,226.31
Subtotal: emissions charges	2,508,146.1	13,980,747.49
Use of water	46,270,230.4	257,916,557.41
Use of forest resources	200,038.8	1,115,043.48
Use of mineral resources	25,863,562.7	144,167,016.16
Use of land	97,724,133.1	544,727,609.25
Subtotal: natural resource payments	170,057,965.0	947,926,226.31
'Compensation for losses' non-compliance charge	360,382.2	2,008,819.40
Total	172,926,493.3	963,915,793.20

By comparing the data in Tables 12 to 15 with the data in Table 10 (which shows the revenues received in the national, regional and local extra-budgetary environmental funds) it becomes clear that the revenue received in 1995 from payment of emissions charges, payments for natural resources and 'compensation for losses' non-compliance charges greatly exceeded the revenues allocated to the extra-budgetary environmental funds in 1995.

For example, the total revenue received from payment of charges for emissions to air (it is assumed that this includes payment of charges for emissions to air from mobile sources), water and land as shown in Tables 12 and 13 of Appendix II was 2,508,146.1 million Karbovanets (13,980,747.49 USD). All of this revenue should have been allocated between the national, regional and local extra-budgetary environmental funds. However, the total revenue allocated to extra-budgeatry environmental funds from charges for emissions to air (including emissions to air from mobile sources), water and land, as shown in Table 10 of Appendix II was only 432,020.1 million Karbovanets (2,408,138.80 USD).

This means that only 17.2% of the revenue received from these charges was actually allocated to the national, regional and local environmental funds. However, as was explained in Section 3.2.1, 100% of this revenue should be allocated to the extra-budgetary environmental funds. Furthermore, it should be the case that 50 % or 80% of the revenue from 'compensation for losses' non-compliance charges is allocated to the extra-budgetary environmental funds,

depending on whether the charge is paid by an enterprise or a citizen. In fact, only 17.8% of this revenue was allocated to the environmental funds. This information is summarized in Table 3.4.

Table 3.4 Comparison of data on revenues from emissions charges and non-compliance charges with data on revenues received in environmental funds (1995)

	Total revenue received, mn Krbs	Revenue allocated to environmental	% of total revenue allocated to
Charges for emissions within limits	2,269,931.9	413,534.0	18.21
Charges for emissions exceeding	238,214.2	18,486.1	7.76
Subtotal: emissions charges	2,508,146.1	432,020.1	17.22
Compensation for losses	360,382.2	64,273.7	17.83

Note:
It is assumed that the revenue from payment of charges for emissions to air from mobile sources is included in the 'emission to air' columns of Tables 12 and 13. Allocations of this revenue (58,917.9 million Krb or 328,416.39 USD) to extra-budgetary environmental funds is itemised separately in Table 10, and is included in the line for charges for emissions within limits in Table 3.4.

It is not clear how the revenue that is not allocated to the extra-budgetary environmental funds is used. It cannot be accounted for in the 'Other revenues' or 'Revenues accrued due to late payment of charges from the previous year' lines of Table 2, which summarises the revenues allocated to extra-budgetary environmental funds in 1996. It is possible that this discrepancy is due to errors made in collecting statistics on revenues due and revenues received from emissions charges, payments for natural resources and non-compliance charges, and in collecting statistics on revenues received in extra-budgetary environmental funds.

3.5 Collection Rates

Tables 12 to 15 of Appendix II present data for 1995 on 'amounts calculated' and 'amounts paid' for emissions charges, payments for natural resources and non-compliance charges. This data could indicate the collection rates for these charges, defined as:

$$\text{Collection rate (\%)} = (\text{Amount paid} / \text{Amount due}) \times 100$$

Such collection rates are shown in Table 16 of Appendix II. The national collection rates and the range of collection rates for different regions are shown in Tables 3.5 and 3.6. In cases where the collection rates exceed 100% it is assumed that this is due revenue received for payments that were due in the previous financial year. Although there is variation between the collection rates for different regions, and for different insrtuments, 81.52 % of collection rates are greater than 70%. A list of instances for each region where the collection rate is lower than 50 % is given in Table 3.7.

Table 3.5 Collection rates for emissions charges, percent (%, 1995)

	Charges for Emissions Within				Charges for Emissions Exceeding			
	Total	Water	Air	Waste	Total	Water	Air	Waste
Ukraine (total)	31.32	82.61	24.38	21.68	40.54	34.54	49.94	46.05
Mean average	83.55	88.50	84.09	79.16	80.79	96.13	87.57	138.76
Maximum	184.76	194.82	267.58	278.49	110.52	629.73	332.14	1,321.5
Minimum	0.48	1.96	0.24	0.78	23.75	0.44	0.70	0.00

Table 3.6 Collection rates for natural resource payments and non-compliance charges, percent (%, 1995)

	Payments for natural resources					Compensation
	Total	Water	Land	Minerals	Forest	Total
Ukraine (total)	76.45	91.97	89.65	41.12	86.59	97.54
Mean average	88.55	88.01	17.54	85.37	84.17	91.91
Maximum collection	103.48	107.62	909.84	112.32	100.01	162.78
Minimum collection	71.64	42.23	9.35	39.43	33.33	14.14

Table 3.7 Collection rates below 50 percent, 1995

	Instruments for which the collection rate is:		
Oblasts/Regions	50% to 40%	40% to30%	Less than 30%
ARC	CFL 45.83%	Sw 36.80%	
Vinnits'ka			
Volyns'ka			
Dnipropetrovs'ka	Mr 47.24%		Sw 25.63%; We 27.34%;
Donets'ka	Se 41.34%	We 31.14%;	Aw 14.97%; Sw 2.92%; Ae 4.43%
Zhytomyrs'ka			
Zakarpat'ska		Aw 36.44%	Sw 7.93%
Zaporiz'ka			
Ivan Frankivs'ka			Ae 12.11%
Kyivs'ka	Sw 44.95%		
Kirovograds'ka	We 42.32%		
Lugans'ka		Sw 38.32%	Aw 27.86%; Ae 9.30%;
L'vivs'ka			We 24.16%; Ae 16.24%
Mykolayvs'ka			
Odes'ka			
Poltavs'ka			
Rivnens'ka			
Sums'ka			
Ternopils'ka			We 4.37%; Se 29.23%; CFL 14.14%
Kharkivs'ka			Se 6.38%
Khersons'ka			
Khmel'nyts'ka			
Cherkas'ka	Aw 43.92%	Sw 30.32%;	We 0.44%
Chernivets'ka	Wr 42.23%		
Chernigivs'ka			
Kyiv			
Sevastopol'			Ww 1.96%; Aw 0.24%; Sw 0.78%

Note:
Wr = Payments for use of water resources
Mr = Payments for use of mineral resources
CFL = 'Compensation for losses' non-compliance charges
Ww = Charges for emissions to water within annual limits
We = Charges for emissions to water exceeding annual limits
Aw = Charges for emissions to air within annual limits
Ae = Charges for emissions to air exceeding annual limits
Sw = Charges for solid waste within annual limits
Se = Charges for solid waste exceeding annual limits
Lr = Payments for use of land
Fr = Payments for use of forest resources

3.6 Sources of Information

Further to the sources of information listed in Chapter 2:

Resolution of the Cabinet of Ministers of Ukraine 'On Approval of the Manner of Providing Incentives to Employees, and Developing and Strengthening the Material and Technical Resources of Specially Authorized State Bodies; Providing Incentives to Public Inspectors in

the Area of Environmental Protection and Efficient Use of Natural Resources', No. 701 (June 28, 1997).

Ministry of Statistics of Ukraine 'Current Expenditures for Environmental Protection, Environmental Charges and Payments for Natural Resources in Ukraine: 1995'

Ministry of Statistics of Ukraine, extract from a draft of 'Current Expenditures for Environmental Protection, Environmental Charges and Payments for Natural Resources in Ukraine: 1996'

CHAPTER 4
DIRECT AND INDIRECT TAXES

4.1 Introduction

This Chapter identifies which direct and indirect taxes are used for environmental purposes, or are relevant to environmental issues. Although these taxes are not explicitly used to implement environmental policy, they may already provide a small "incentive effect". In particular, Sections 4.2 to 4.4 list the rates of Value Added Tax (VAT), customs duty and excise for road fuels and motor vehicles. Section 4.5 describes the manner of raising revenue for the Chernobyl Fund. Section 4.6 provides information on several taxes or duties connected with transport, and section 4.7 provides information on taxes or duties connected with extraction of sub-soil resources. Some of these taxes or duties are designed to raise revenue, others to cover administrative or other costs.

4.2 Valued Added Tax

VAT is an ad valorem tax. It is charged at every stage of production of goods and services. Enterprises can claim a credit for VAT paid on their inputs. There are two basic rates of charge:

(i) 20% of the value before tax. (Fuels, natural resources such as forestry products or minerals, energy, water and solid waste services are assigned this rate.)

(ii) 0% of the value before tax. (Coal, coal products and supply of electricity to residential consumers are assigned this rate until January 1, 1999.)

There are also a wide range of activities that are exempt from VAT payments, for example, importing fish and other unprocessed marine products. Most of the revenue from VAT goes to the state budget. The proportion of revenues that must be transferred to the state budget are set each year in Law of Ukraine "On the State Budget of Ukraine". The proportions set for 1996 are shown in Table 4.2. Planned and actual revenue to the state budget for 1995 and 1996 is shown in Table 4.1.

Table 4.1 Revenue to the state budget from VAT

	1995	1996
Planned State budget revenue from VAT (Equivalent in USD)	475,407,872 mn Krb (2,649,988,138)	6,602,635,000 UAH (3,493,457,672)
Actual State budget revenue from VAT (Equivalent in USD)	455,196,527 mn Krb (2,537,327,352)	5,868,048,000 UAH (3,104,787,302)
% of planned revenue	95.7	88.9

Table 4.2 Proportion of VAT revenues transferred to the state budget, percent (1996)

Oblast	Proportion, %
ARC	100
Vinnytsa	100
Volyn	100
Dnipropetrovsk	24.2
Donetsk	23.4
Zhytomyr	100
Zakarpatska	100
Zaporizhzha	20
Ivano-Frankivsk	89
Kyiv	91.6
Kirovograd	100
Lugansk	72.8
Lviv	59.6
Mykolaiv	100

Oblast	Proportion, %
Odessa	45.3
Poltava	20
Rivne	100
Sumy	53.1
Ternopil	100
Kharkiv	44.7
Kherson	100
Khmelnytsk	100
Cherkasy	78.8
Chernivtsi	100
Chernigiv	86.3
Kyiv City	20
Sevastopol City	100

4.3 Customs Duty on Imports

Customs duty is levied on specific imported products, in order to protect Ukrainian goods. It is paid by importers of goods, who are assigned the uniform customs duty rate unless they have legal privileges. The level of customs duty for different products are defined by the Law of Ukraine "On uniform custom duty" and by international agreements. Customs duty is charged per unit quantity of product or as a percentage of its value. The value of customs duty is defined in ECU for each specific product and is converted into UAH using the exchange rate quoted by the National Bank of Ukraine.

Table 4.4 lists the rate of customs duty for road fuels and road vehicles. All revenue from customs duty goes to the state budget. Table 4.3 shows the planned and actual revenue from customs duty for 1995 and 1996.

Table 4.3 Revenue from customs duty

	1995	1996
Planned State budget revenue from customs duty	55,205,750 mn Krb	384,800,000 UAH
Planned budget revenue from customs duty (Equivalent in USD)	307,724,359	203,597,884
Actual State budget revenue from customs duty	19,709,244 mn Krb	22,538,000 UAH
Actual budget revenue from customs duty (Equivalent in USD)	109,862,007	11,924,868
% of planned revenue	35.7	5.9

Table 4.4 Rates of customs duty for road fuels and road vehicles

Product and unit on which duty is charged	Customs duty per unit (ECU)
Road fuels: Gasoline (all types), per ton Diesel, per ton	 15 1.5
New and used vehicles with internal combustion engines, per cubic centimeter of engine capacity, depending on the total engine capacity: - not more than 1000 cubic centimeters. - from 1000 to 1500 cubic centimeters - from 1500 to 2200 cubic centimeters - from 2200 to 3000 cubic centimeters - more than 3000 cubic centimeters	 0.05 0.1 0.1 0.6 0.8
Other new and used vehicles that use diesel fuel, per cubic centimeter of engine capacity, depending on the total engine capacity: - not more than 1500 cubic centimeters - from 1500 to 2500 cubic centimeters - more then 2500 cubic centimeters	 0.1 0.15 0.8
Vehicles with electric engines, per vehicle	300
Tires, per tire	15
Motorcycles and bicycles with engine capacity not more then 800 cubic centimeter, per cubic centimeter of engine capacity	0.4
Trailers weighing not more than 3500 kg, per trailer	100

4.4 Excise Tax on Imports

Excises are levied on specific imported products, in order to transfer to the state part of revenues for highly profitable products. It is paid by importers of goods. Excises are charged per unit quantity of a product. The rate of excise is defined in ECU for each specific product and is converted into UAH using the exchange rate quoted by the National Bank of Ukraine.

Table 4.5 list the rates of excises on road fuels and road vehicles. Most of the revenue from excises goes to the state budget revenue. In 1995 and 1996, 20% of excise revenue collected in each oblast was transferred to local budgets. Only the Autonomous Republic of Crimean transferred all revenue from excises to its own budget.

Table 4.6 shows the planned and actual revenue contributed to the state budget from excises in 1995 and 1996. In 1996, the revenue to the state budget from excises on vehicles was 1,102,000 UAH (583,069 USD); on tires 14,210,000 UAH (7,518,518 USD) and on petrol and diesel 11,391,000 UAH (6,026,984 USD).

Table 4.5 Rates of excise tax

Product and unit on which excise is charged	Excise tax per unit (ECU)
Road fuels: Gasoline (depending on the grade), per ton Diesel, per ton	 8, 20 or 40 6
New and used vehicles with internal combustion engines, per cubic centimeter of engine capacity, depending on the total engine capacity: - not more than 1000 cubic centimeters. - from 1000 to 1500 cubic centimeters - from 1500 to 2200 cubic centimeters - from 2200 to 3000 cubic centimeters - more than 3000 cubic centimeters	 0.20 0.20 0.30 0.6 1.00
Other new and used vehicles that use diesel fuel, per cubic centimeter of engine capacity, depending on the total engine capacity: - not more than 1500 cubic centimeters - from 1500 to 2500 cubic centimeters - more then 2500 cubic centimeters	 0.20 0.30 0.80
Vehicles with electric engines, per vehicle	100
Tires, per tire	5
Motorcycles and bicycles with engine capacity not more then 800 cubic centimeter, per cubic centimeter of engine capacity	1.0
Trailers weighing not more than 3500 kg, per trailer	100

Table 4.6 Revenue from excise taxes

	1995	1996
Planned state budget revenue from excises	45,662,947 mn Krb	720,977,000 UAH
Planned budget revenue from excises (Equivalent in USD)	254,531,477	381,469,312
Actual state budget revenue from excises	40,338,753 mn Krb	452,756,000 UAH
Actual budget revenue from excises (Equivalent in USD)	224,853,696	239,553,439
% of planned revenue	88.3	62.9

4.5 Revenues to the Chernobyl Fund

Enterprises and organizations pay a levy of 12% on their total labor costs. The revenue from this levy goes to the state budget but is earmarked to provide compensation, legal privileges and social security for Chernobyl victims and to finance investments and works necessary to clean up the area contaminated by the Chernobyl accident. Victims of the Chernobyl accident and certain types of mining enterprises (coal industry, mining of iron and manganese ores,

construction of mines) are exempt from the Chernobyl levy. Table 4.7 shows the planned and actual revenues to the Chernobyl Fund for 1995 and 1996.

Table 4.7 Revenues to the Chernobyl Fund

	1995	1996
Planned state budget revenue from Chernobyl levy	117,481,921 mn Krb	1,794,559,000 UAH
Planned budget revenue from Chernobyl levy (Equivalent in USD)	654,860,206	949,502,116
Actual state budget revenue from Chernobyl levy	102,603,877 mn Krb	1,492,008,000 UAH
Actual budget revenue from Chernobyl levy (Equivalent in USD)	571,927,965	789,422,222
% of planned revenue	83.7	83.1

4.6 Transport

4.6.1 Tax on ownership of vehicles

A tax is paid by enterprises and individuals (Ukrainian or foreign) that own motor vehicles, motor driven boats and large motor driven equipment (cranes, shovels). The tax must be paid before registration, re-registration, or technical examination of vehicles. The purpose of the tax is to provide finance for construction, reconstruction, repair and maintenance of public roads, and to provide finance for environmental protection measures in waterways. The rate of tax per year varies according to the category of vehicle or vessel, as listed in Table 4.8. The rate of tax is set in ECU and paid in Ukrainian currency (UAH) according to the exchange rate quoted by the National Bank of Ukraine on the first day of each quarter. Enterprises cannot declare the tax as a production cost.

Table 4.8 Annual tax rates on vehicle ownership

Type of vehicle	Rate of tax
Road vehicles with internal combustion engines (including cars; trucks; motorcycles; mopeds with engine capacity greater than 50 cubic centimeters; tractors)	ECU 0.32 to 4.55 per 100 cubic centimeters of engine capacity
Cars with electric motors	ECU 0.22 per kilowatt hour of electricity output
Motor-driven yachts, sailboats and cutters	ECU 0.01 to 0.03 per centimeter length of the boat

There are several types of vehicle or vessel that are exempt from the tax, including: motorcycles and mopeds with an engine capacity of less than 50 cubic centimeters; ambulances and fire engines; fork-lift trucks; caterpillar tractors; agricultural vehicles; sports yachts, sailboats, and boats; and boats with outboard engines. Agricultural enterprises get a rebate of 50% of the tax on tractors, and on buses and vans they use for transportation of not less than 10 persons including the driver. In addition, the following types of organizations and individuals are exempt from the tax:

(i) public or passenger transport enterprises (the tax is not paid on means of transportation used for passenger services);

(ii) institutions and organizations which are financed from the national budget, for example institutions and organizations of the Ministry of Defense, the National Guards, the border guards, the Civil Defense, the Security Service, the Ministry of Internal Affairs and the Public Prosecution Service of Ukraine; and

(iii) Chernobyl victims, invalids, war and labor veterans (state-employed workers with a long service history).

Revenue from the tax goes to local authority budgets. 90% of the revenue is used to recover the costs of road maintenance and environmental protection measures in waterways. 10% of the revenue contributes to the resources of bodies in charge of registration, re-registration and technical examination of motor vehicles and vessels.

4.6.2 Road duty charged to foreign owners of vehicles

This duty is paid by foreign owners of motor vehicles, on entry to Ukraine. Its purpose is to charge foreign owners of motor vehicles for driving on Ukraine's roads. Revenues go to the state budget and are used for road maintenance and provision of road services. The rate of duty of depends on the type, size, and engine capacity of the vehicle. It is set in DM and ranges from DM 25 to 175. A duty is also charged per kilometer: DM 0.1 to 0.35. The rate of duty for heavy goods vehicles is calculated according to the vehicle's weight, axle load, and the distance to be traveled. The rate of duty for heavy goods vehicles per kilometer is DM 0.03 to 0.40. It is assumed that the duty can be paid in UAH, at the exchange rate quoted by the National Bank of Ukraine.

4.6.3 Duty charged to drivers of vehicles at border crossings

This duty must be paid by drivers traveling through oblasts on the border of Ukraine to foreign countries. It is set and collected by oblasts: Vinnytska, Volynska, Zhytomyrska, Zakarpatska, Luhanska, L'vivska, Odeska, Rivnenska, Sumska, Khersonska, Chernivetska and Chernihivska. The revenue goes to local government budgets. The rate of duty is higher for foreign enterprises and citizens (USD 5.00 to 50.00) than for Ukrainian enterprises and citizens (0.5 times the tax-free allowance on personal income, 8.50 UAH or 4.70 USD). The duty must be paid from the profit of enterprises, but it is capped at 10% of taxable profits.

The duty is not collected from drivers of vehicles which are used to:

(i) transport goods in accordance with a state order or state contract;

(ii) transport citizens of Ukraine who are on a business trip;

(iii) transport sportsmen leaving for international competitions; or

(iv) transport citizens who are going abroad under cultural exchange programs, to receive medical treatment, to attend a relative's funeral.

4.6.4 Parking duty

A duty for car parking is paid by enterprises, organizations and citizens that park their cars in designated parking areas. The duty is set within fixed rates; however exemptions and rebates are defined by local government. The rate of duty per hour may not exceed 3% of the monthly non-taxable allowance on personal income (UAH 0.51, USD 0.28, ECU 0.24). Enterprises can declare this duty as a production cost. All the revenue goes to local government budgets.

4.7 Sub-Soil Resources

4.7.1 Rent payment for extraction of oil and natural gas

The purpose of this fee is to allow the state to obtain the 'resource rent' for fossil fuels extracted in Ukraine. The fee is payable per ton of oil extracted or per 1,000 cubic meters of natural gas (except natural gas from sub-marine sources). The temporary rates of fee are: USD 19.00 (ECU 16.31) per ton of oil extracted and USD 23.00 (ECU 19.74) per 1,000 cubic meters of natural gas extracted. The fee is included into the sale price of oil and natural gas (before VAT is added). The fee must be paid every ten days. All the revenue goes to the state budget.

4.7.2 Duty on licenses for the use of sub-soil resources

A duty is charged on licenses permitting the following activities:

(i) geological surveys;
(ii) extraction of minerals;
(iii) construction and use of underground structures with a purpose other than the extraction of minerals (including structures for underground storage of oil, gas, waste, wastewater, etc.); and
(iv) construction in geological features which of scientific, cultural and recreational importance (for example construction for the use of underground caves for recreation).

The rate of duty for Ukrainian enterprises and organizations is 20 to 100 times the monthly non-taxable allowance on personal income, that is UAH 34.00 to 1,700.00 (USD 19.00 to 949.00, ECU 16.00 to 815.00) depending on the activity. The rate of duty for Ukrainian citizens is half the rate for Ukrainian enterprises and organizations. The rate of duty for foreign organizations and citizens is twice that of Ukrainian organizations and citizens. Enterprises can declare the duty as a production cost.

50% of the revenue is transferred to the state budget. The remainder is at the disposal of the State Committee on Geology and Use of Underground Resources, to cover the costs of issuing licenses.

4.7.3 Payment for geological exploration works conducted by the state

This payment is made by mining enterprises extracting minerals from underground sources which were identified by geological surveys and exploration work funded by the state. It is paid to the state, to reimburse the state for the cost of conducting geological surveys and exploration work in order to identify the underground resources. Revenue from the payment is used by the state to fund underground resource management activities.

The rate of the payment ranges from 0.4 to 11.6% of the value of the extracted minerals (before payment of the natural resource fee for extraction of minerals, resource rent payment and addition of VAT). The rate of payment is UAH 1.16 per 1,000 cubic meters of groundwater, UAH 0.21 per cubic meter of mineral and thermal water extracted. Enterprises can declare the payment as a cost of production.

Minerals extracted that are only of local importance, and that are used only to meet the needs of the enterprise extracting the minerals (the minerals or products from them are not sold) are exempt from the payment. Minerals that are extracted by land owners or lessees as a result of their normal land management activities, or that are only extracted to meet their own needs are also exempt.

4.8 Sources of Information

4.8.1 VAT

Law of Ukraine 'On Tax System', No.1251-12 (June 25,1991).
Law of Ukraine 'On Value Added Tax', No.168/97 (April 3,1997).
Law of Ukraine 'On State Budget of Ukraine of 1995'
Law of Ukraine 'On State Budget of Ukraine of 1996'

4.8.2 Custom duty on imports

Law of Ukraine 'On Tax System', No.1251-12 (June 25,1991).
Law of Ukraine 'On Rates of Excise and Custom Duty on Some Means of Transportation and their Tires', No.216/96 (May 24,1996).
Law of Ukraine 'On Rates of Excise and Custom Duty on Some Products', No.313/96 (July 11,1996).
Law of Ukraine 'On State Budget of Ukraine of 1995',
Law of Ukraine 'On State Budget of Ukraine of 1996',
Law of Ukraine 'On Uniform Custom Tariff', No.2097-XII (February 5,1992).

4.8.3 Excise taxes on imports

Law of Ukraine 'On Tax System', No.1251-12 (June 25,1991).
Law of Ukraine 'On Rates of Excise and Custom Duty on Some Means of Transportation and their Tires', No.216/96 (May 24,1996).
Law of Ukraine 'On Rates of Excise and Custom Duty on Some Products', No.313/96 (July 11,1996).
Law of Ukraine 'On State Budget of Ukraine of 1995'.
Law of Ukraine 'On State Budget of Ukraine of 1996'.

4.8.4 Revenues to the Chernobyl Fund

Law of Ukraine 'On Tax System', No.1251-12 (June 25,1991).
Law of Ukraine 'On State Budget of Ukraine of 1995'
Law of Ukraine 'On State Budget of Ukraine of 1996'

Order of MinChornobyl and Ministry of Finances 'On the order of collection and use of the revenues to the Fund to liquidate consequences of the Chernobyl accident and to provide social security', No.184/121 (December 2,1994).

4.8.5 Transport

Decree of the Cabinet of Ministers of Ukraine 'On local taxes and duties', No. 56-93 (May 20, 1993).

Law of Ukraine 'On introduction of changes to the Law of Ukraine 'On the tax on owners of means of transportation and other self-propelled machines and mechanisms' (February 18, 1997).

Law of Ukraine 'On Taxation of Profits of Enterprises', No. 334-94-BP (December 28, 1994).

Law of Ukraine 'On sources of financing the road sector of Ukraine', No. 1562-12 (September 18, 1991).

Law of Ukraine 'On introduction of changes into the Law of Ukraine 'On the taxation system', No. 221/97-BP (April 19, 1997).

Law of Ukraine 'On introduction of changes into the Law of Ukraine 'On the taxation system', No. 77/97-BP (February 18, 1997).

Resolution of the Cabinet of Ministers of Ukraine 'On the manner of collecting and using funds for financing expenditures connected with construction, reconstruction, repair, and maintenance of common use automobile roads', No. 83 (February 2, 1993)

Resolution of the Cabinet of Ministers 'On financing road sector in 1997', No. 466 (May 20, 1997).

Magazine 'Galytski Contracty', No. 21, 1997

4.8.6 Sub-soil resources

Code of Ukraine on Depths. No.132/94-BP (June 27,1994).

Decree of the President of Ukraine 'On Establishment of Rent Fee For Oil and Natural Gas Being Extracted in Ukraine', No.785/95 (December 21,1994).

Law of Ukraine 'On Taxation of Enterprises' Profits', No. 334/94-BP (December 28,1994).

Law of Ukraine 'On State Budget of Ukraine for 1996', No.97/96-BP (March22,1996).

Order on Giving Special Permission (Licenses) for Use of Underground Resources. Approved by resolution of Cabinet of Ministers No.709 (August 31,1995).

Instruction on Calculation and Raising the Allocations for the Geological Prospecting Works Financed by the State Budget. Approved by the order of Chief State Tax Inspection Board of Ukraine and State Committee on Geology and Depths Use, No.25/31 (March 22,1996).

Rates of Allocations for the Geological Prospecting Works Financed by the State Budget. Approved by the Order of Ministry of Economy No.187 (December 20,1995). Changes approved by the Order of Ministry of Economy No.53 (April 25,1996).

APPENDIX I
CODE OF UKRAINE ON ADMINISTRATIVE VIOLATIONS

Section 7
Administrative violations in the area of environmental protection, utilization of natural resources, and protection of historical monuments

Clause 52. Damage and pollution of agricultural and other lands.

Damage to agricultural and other lands, pollution of these lands with chemical and radioactive substances, untreated wastewater, industrial and other wastes; not taking measures to control weeds,-

involves imposing a fine on citizens in the amount of 6 to 12 tax-free minimum incomes of citizens; and on officials - in the amount of 8 to 15 tax-free minimum incomes of citizens (Clause 52 with changes introduced in accordance with the Law # 2977-12 of February 3, 1993).

Clause 53. Non-compliance with rules of land use.

Using lands for non-designated purposes; non-complying with environmental conditions of land use; locating, designing, constructing, and putting into operation facilities which influence negatively condition of lands, their improper operation; destroying or damaging anti-erosion hydrotechnical facilities and protective forest plantations,-

involves imposing a fine on citizens in the amount of 3 to 20 tax-free minimum incomes of citizens; and on officials - in the amount of 10 to 25 tax-free minimum incomes of citizens (Clause 53 with changes introduced in accordance with the Law # 2977-12 of February 3, 1993).

Clause 53-1. Unauthorized occupation of land areas.

Unauthorized occupation of a land area,-

involves imposing a fine on citizens in the amount of 1 to 10 tax-free minimum incomes of citizens; and on officials - in the amount of 8 to 15 tax-free minimum incomes of citizens (Clause 53-1 with changes introduced in accordance with the Law # 2977-12 of February 3, 1993).

Clause 53-2. Concealing or changing data of the land cadastre.

Changing data of the state land cadastre, and concealing information about available land reserves,-

involves imposing a fine on officials in the amount of 3 to 10 tax-free minimum incomes of citizens (Clause 53-2 with changes introduced in accordance with the Law # 2977-12 of February 3, 1993).

Clause 54. Untimely return of lands which are temporarily occupied, or not fitting them with conditions suitable for using these lands for their proper purposes.

Untimely return of lands which are temporarily occupied, or not fitting them with conditions suitable for using these lands for their proper purposes; or non-complying with requirements with respect to taking off, keeping, and putting the fertile layer of the soil on,-

involves imposing a fine on citizens in the amount of 5 to 9 tax-free minimum incomes of citizens; and on officials - in the amount of 9 to 18 tax-free minimum incomes of citizens (Clause 54 with changes introduced in accordance with the Law # 2977-12 of February 3, 1993).

Clause 55. Unauthorized deviation from 'intra-enterprise' land-tenure regulation projects.

Unauthorized deviation from 'intra-enterprise' land-tenure regulation projects approved according to the established procedure,- involves imposing a fine on citizens in the amount of 1 to 8 tax-free minimum incomes of citizens; and on officials - in the amount of 3 to 18 tax-free minimum incomes of citizens (Clause 55 with changes introduced in accordance with the Law # 2977-12 of February 3, 1993).

Clause 56. Elimination of boundary signs.

Elimination of boundary signs between land areas,-

involves imposing a fine in the amount of 2 to 4 tax-free minimum incomes of citizens (Clause 56 with changes introduced in accordance with the Law # 2977-12 of February 3, 1993).

Clause 57. Non-compliance with requirements for protection of underground resources

Carrying out unauthorized works in areas rich with mineral resources; non-compliance with rules of protection of underground resources and requirements for protection of the environment, buildings, and facilities from the harmful impact of works connected with extraction of mineral resources,-

involves imposing a fine on citizens in the amount of 4 to 6 tax-free minimum incomes of citizens; and on officials - in the amount of 10 to 14 tax-free minimum incomes of citizens.

Selective development of rich areas of mineral deposits which cause losses of reserves of minerals, overlimited losses, and overlimited extraction of minerals; deterioration of mineral deposits; and other violations of rules of efficient utilization of minerals,-

involves imposing a fine on officials in the amount of 10 to 14 tax-free minimum incomes of citizens.

Loss of documentation; non-compliance with requirements concerning bringing liquidated mines and boring wells into condition safe for human health, and requirements concerning maintenance of deposits, mines, and boring wells over the time of conservation,-

involves imposing a fine on officials in the amount of 10 to 14 tax-free minimum incomes of citizens (Clause 57 with changes introduced in accordance with the Law # 8/95-VR of January 19, 1995).

Clause 58. Non-compliance with rules and requirements for carrying out works connected with geological exploration.

Non-compliance with rules and requirements for carrying out works connected with geological exploration, which could cause, or have caused not authentic evaluation of reserves of minerals, or conditions of constructing and operating mining enterprises; loss of geological documentation, duplicates of samples of minerals necessary for further exploration of underground resources and exploitation of deposits,-

involves imposing a fine on officials in the amount of 10 to 14 tax-free minimum incomes of citizens (Clause 58 with changes introduced in accordance with the Law # 8/95-VR of January 1, 1995).

Clause 59. Violation of rules of protection of water resources.

Pollution of waters, non-compliance with water protection conditions at water abstraction facilities which causes their pollution, water erosion of soils, other harmful phenomena,-

involves imposing a fine on citizens in the amount of 3 to 7 tax-free minimum incomes of citizens; and on officials - in the amount of 5 to 8 tax-free minimum incomes of citizens.

Putting into operation enterprises, communal and other sites and facilities which prevent pollution of waters,-

involves imposing a fine on officials in the amount of 5 to 8 tax-free minimum incomes of citizens (Clause 59 with changes introduced in accordance with the Law # 81/96-VR of March 6, 1996).

Clause 59 - 1. Violation of requirements for protection of territorial and internal marine waters from pollution.

Pollution of territorial and internal marine waters due to discharges from ships made without permits issued by specially authorized bodies, or with violation of established rules,-

involves imposing a fine on officials in the amount of 35 to 70 tax-free minimum incomes of citizens.

Carrying out loading and unloading work which may cause pollution of territorial and internal marine waters, without permits issued by state environmental control bodies if these permits are required according to Ukrainian legislation,-involves imposing a fine on officials in the amount of 20 to 40 tax-free minimum incomes of citizens.

Not informing the administration of the nearest port of Ukraine about emergency discharge of pollutants from a ship, floating facilities, sailboats, platforms, or other facility constructed in the sea; in case of disposal - the relevant body in charge of the issuance of appropriate permits,-

involves imposing a fine on managers of ships or other floating facilities in the amount of 40 to 70 tax-free minimum incomes of citizens (The code was amended with Clause 59-1 in accordance with the Law # 81/96-VR of March 6, 1996).

Clause 60. Violation of rules of water use.

Abstraction of water without complying with water use plans, unauthorized carrying out of hydrotechnical works, thriftless use of water (abstracted or transmitted from water objects), non-compliance with rules of primary accounting of waters abstracted from water objects and discharged into them, and ascertainment of the quality of waters discharged,-

involves imposing a fine on officials in the amount of 5 to 8 tax-free minimum incomes of citizens (Clause 60 with changes introduces in accordance with the Law # 81/96-VR of March 6, 1996).

Clause 61. Damage to water economic facilities and devices, violation of rules of their operation.

Damage to water economic facilities and devices,-

involves imposing a fine on citizens in the amount of 3 to 7 tax-free minimum incomes of citizens, on officials in the amount of 5 to 8 tax-free minimum incomes of citizens

Violation of rules of their operation,-

involves imposing a fine on officials in the amount of 5 to 8 tax-free minimum incomes of citizens (Clause 61 with changes introduces in accordance with the Law # 81/96-VR of March 6, 1996).

Clause 62. Non-fulfillment of obligations regarding the registration of operations with hazardous substances and mixtures in ship's documents.

Non-fulfillment by the captain or the officers of the ship or other floating facilities of obligations regarding the registration in ship's documents of operations with hazardous substances, or mixtures in which concentrations of hazardous substances exceed allowable norms; entering by the above-named persons wrong information about these operations into ship's documents; or refusal of showing these documents to officials,-

involves imposing a fine in the amount of 5 to 8 tax-free minimum incomes of citizens (The code was amended with Clause 62 in accordance with the Law # 81/96-VR of March 6, 1996).

Clause 63. Illegal use of lands of state forest stock.

Use of lands of the state forest stock in order to construct buildings, process wood, arrange timber-yards, etc. without having the permit to use these lands,-

involves imposing a fine on citizens in the amount of 5 to 10 tax-free minimum incomes of citizens; and on officials - in the amount of 9 to 18 tax-free minimum incomes of citizens (Clause 63 with changes introduced in accordance with the Law # 2977-12 of February 3, 1993).

Clause 64. Violation of the established manner of using forest stock, procurement and transportation of timber and pine resin.

Violation of the established manner of using forest stock, procurement and transportation of timber and pine resin,-

involves imposing a fine on citizens in the amount of 3 to 7 tax-free minimum incomes of citizens; and on officials - in the amount of 5 to 8 tax-free minimum incomes of citizens(Clause 64 with changes introduced in accordance with the Law # 81/96-VR of March 6, 1996).

Clause 65. Illegal cut, damage to and destruction of forest plantations and saplings.

Illegal cut, and damage to trees and bushes; destruction of damage to forest crops, saplings of natural origin, and self-seeding plants on areas intended for the afforestration,-

involves imposing a fine on citizens in the amount of 5 to 10 tax-free minimum incomes of citizens; and on officials - in the amount of 7 to 12 tax-free minimum incomes of citizens(Clause 65 with changes introduced in accordance with the Law # 81/96-VR of March 6, 1996).

Clause 65 - 1. Destruction of and damage to field protection forest strips (zones) and protective forest plantations.

Destruction of and damage to field protection forest strips (zones) and protective forest plantations along banks of rivers, canals, around water objects and hydrotechnical facilities, along automobile roads, railways; and other protective forest plantations,-involves imposing a fine on citizens in the amount of 5 to 10 tax-free minimum

incomes of citizens; and on officials - in the amount of 7 to 12 tax-free minimum incomes of citizens (Clause 65-1 with changes introduced in accordance with the Law # 81/96-VR of March 6, 1996).

Clause 66. Destruction of or damage to saplings in forests.

Destruction of or damage to saplings in forests,-

involves imposing a fine on citizens in the amount of 1 to 3 tax-free minimum incomes of citizens; and on officials - in the amount of 3 to 7 tax-free minimum incomes of citizens (Clause 66 with changes introduced in accordance with the Law # 81/96-VR of March 6, 1996).

Clause 67. Using forests without meeting the goal or requirements provided for in forest cutting permit (order) or in forest permit.

Using forests without meeting the goal or requirements provided for in forest cutting permit (order) or in forest permit,-

involves imposing a fine on citizens in the amount of 1 to 3 tax-free minimum incomes of citizens; and on officials - in the amount of 3 to 7 tax-free minimum incomes of citizens (Clause 67 with changes introduced in accordance with the Law # 81/96-VR of March 6, 1996).

Clause 68. Violation of rules of afforestration and improvement of forests, the use of timber resources.

Violation of rules and instructions on afforestration and improvement of forests; increasing their productivity; use of timber resources, -

involves imposing a fine on officials in the amount of 5 to 8 tax-free minimum incomes of citizens (Clause 68 with changes introduced in accordance with the Law # 81/96-VR of March 6, 1996).

Clause 69. Damage to hay-making areas and pastures on lands of state forest stock.

Damage to haymaking areas and pastures on lands of state forest stock,-

involves imposing a fine on citizens in the amount of 1 to 3 tax-free minimum incomes of citizens; and on officials - in the amount of 3 to 7 tax-free minimum incomes of citizens (Clause 69 with changes introduced in accordance with the Law # 81/96-VR of March 6, 1996).

Clause 70. Illegal haymaking and pasturing, illegal gathering wild fruits, nuts, mushrooms and berries.

Illegal haymaking and pasturing in forests and on lands of the state forest stock not covered with forest; unauthorized gathering wild fruits, nuts, mushrooms and berries, etc. on areas where it is not allowed, or allowed by special permits,-

involves imposing a fine on citizens in the amount of 1 to 3 tax-free minimum incomes of citizens; and on officials - in the amount of 3 to 7 tax-free minimum incomes of citizens.

Unauthorized gathering wild fruits, nuts, mushrooms, and berries beyond terms fixed for their gathering,-

involves imposing a fine on citizens in the amount of 1 to 3 tax-free minimum incomes of citizens; and on officials - in the amount of 3 to 7 tax-free minimum incomes of citizens (Clause 70 with changes introduced in accordance with the Law # 81/96-VR of March 6, 1996).

Clause 71. Putting into operation enterprises without equipment which prevents hazardous impact on forests.

Putting into operation new and reconstructed enterprises, shops, units, transport roads, communal and other projects without equipment which prevents hazardous impact on condition of forests,-

involves imposing a fine on officials in the amount of 3 to 7 tax-free minimum incomes of citizens (Clause 71 with changes introduced in accordance with the Law # 81/96-VR of March 6, 1996).

Clause 72. Damage to forests due to wastewater, chemicals, harmful discharges, wastes and litter.

Damage to forests due to wastewater, chemicals, harmful discharges, wastes and litters, due to which forests die out or become diseased,-

involves imposing a fine on officials in the amount of 5 to 8 tax-free minimum incomes of citizens (Clause 72 with changes introduced in accordance with the Law # 81/96-VR of March 6, 1996).

Clause 73. Littering forests with domestic wastes and garbage.

Littering forests with domestic wastes and garbage,-

involves imposing a fine on citizens in the amount of 1 to 3 tax-free minimum incomes of citizens; and on officials - in the amount of 3 to 7 tax-free minimum incomes of citizens (Clause 73 with changes introduced in accordance with the Law # 81/96-VR of March 6, 1996).

Clause 74. Destruction or damage to forest drying ditches, drainage systems and ways on lands of state forest stock.

Destruction or damage to forest drying ditches, drainage systems and ways on lands of state forest stock,-

involves imposing a fine on citizens in the amount of 1 to 3 tax-free minimum incomes of citizens; and on officials - in the amount of 3 to 7 tax-free minimum incomes of citizens (Clause 74 with changes introduced in accordance with the Law # 81/96-VR of March 6, 1996).

Clause 75. Destruction or damage to boundary signs in forests.

Destruction or damage to boundary signs in forests,-

involves imposing a fine on citizens in the amount of 1 to 3 tax-free minimum incomes of citizens; and on officials - in the amount of 3 to 7 tax-free minimum incomes of citizens (Clause 75 with changes introduced in accordance with the Law # 81/96-VR of March 6, 1996).

Clause 76. Destruction of useful fauna in forests.

Destruction of fauna in forests,-

involves imposing a fine on citizens in the amount of 1 to 3 tax-free minimum incomes of citizens; and on officials - in the amount of 3 to 7 tax-free minimum incomes of citizens (Clause 76 with changes introduced in accordance with the Law # 81/96-VR of March 6, 1996).

Clause 77. Non-compliance with fire protection requirements in forests.

Non-compliance with fire protection requirements in forests,-

involves imposing a fine on citizens in the amount of 1 to 3 tax-free minimum incomes of citizens; and on officials - in the amount of 3 to 10 tax-free minimum incomes of citizens.

Destruction or damage to forests as a result of careless use of fire; and non-compliance with fire protection requirements in forests, which was resulted in forest fires, and their spreading over large areas,-

involves imposing a fine on citizens in the amount of 3 to 10 tax-free minimum incomes of citizens; and on officials - in the amount of 7 to 12 tax-free minimum incomes of citizens (Clause 77 in the wording of the Law # 81/96-VR of March 6, 1996).

Clause 77-1. Unauthorized burning out dry plants or their remains.

Burning out stubble, meadows, pastures, areas covered with steppe, water-and-marsh, and other plants, plants or their remains along automobile ways and railways, fallen leaves in parks, other green plantations, and grass-plots in populated localities without permits issued by state environmental control bodies,-

involves imposing a fine on citizens in the amount of 3 to 7 tax-free minimum incomes of citizens; and on officials - in the amount of 3 to 10 tax-free minimum incomes of citizens.

The same actions carried out within territories and sites of the natural reserves,-

involves imposing a fine on citizens in the amount of 5 to 8 tax-free minimum incomes of citizens; and on officials - in the amount of 7 to 10 tax-free minimum incomes of citizens.

Clause 78. Violation of the manner of emitting pollutants into the atmosphere or harmful impact on it by physical and biological factors.

Emissions of pollutants into the atmospheric air without having permits issued by specially authorized state bodies, or non-compliance with requirements specified in the permit, other violations of the manner of emitting pollutants into the atmospheric air or exceeding allowable norms of producing pollutants while operating technological

installations, facilities, and sites,- involves imposing a fine on officials in the amount of 5 to 8 tax-free minimum incomes of citizens.

Exceeding allowable levels of harmful impact by physical and biological factors on the atmospheric air or harmful physical or biological impact on the atmospheric air without having permits issued by specially authorized state bodies,-

involves imposing a fine on officials in the amount of 5 to 8 tax-free minimum incomes of citizens.

(Clause 78 in the wording of the Law of Ukraine #81/96-VR of March 6, 1996)

Clause 78-1. Violation of the manner of carrying out activity aimed at artificial change of the atmosphere and atmospheric phenomena.

Violation of the manner of carrying out the activity aimed at artificial change of the atmosphere and atmospheric phenomena for economic purposes,-

involves imposing a fine on officials in the amount of 5 to 7 tax-free minimum incomes of citizens.

(The Code was amended with Clause 78-1 in accordance with the Law # 81/96-VR of March 6, 1996)

Clause 79. Non-compliance with air protection requirements when putting into operation and operating enterprises and facilities.

Putting into operation new and reconstructed enterprises, facilities, and other sites which do not meet air protection requirements,-

involves imposing a fine on officials in the amount of 5 to 8 tax-free minimum incomes of citizens.

Violation of operation rules, and not using installed air pollution control equipment,-

involves warning or imposing a fine on officials in the amount of 5 to 8 tax-free minimum incomes of citizens (Clause 79 with changes introduces in accordance with the Law # 81/96-VR of March 6, 1996).

Clause 79-1. Non-compliance with environmental requirements when designing, locating, constructing, reconstructing, and putting into operation sites and facilities.

Non-compliance with environmental requirements when designing, locating, constructing, reconstructing, and putting into operation sites and facilities, and non-compliance with terms for each stage of construction of environmental sites and facilities, or terms of putting them into operation,-

involves imposing a fine on citizens in the amount of 1 to 15 tax-free minimum incomes of citizens, on officials in the amount of 5 to 20 tax-free minimum incomes of citizens (The Code was amended with Clause 79-1 in accordance with the Law #209/94-VR of November 14, 1994)

Clause 80. Putting into operation transport and other means of transportation having exceeding norms of pollutants in their discharges.

Putting into operation cars, planes, boats, and other mobile means and facilities which have exceeding norms of pollutants in their discharges, and which produce noise that exceeds established norms,-

involves imposing a fine on officials in the amount of 3 to 5 tax-free minimum incomes of citizens.

(Clause 80 with changes introduced in accordance with the Decree of the Presidium of the Verkhovna Rada # 1369-12 of July 29, 1991; Laws #3785-12 of November 23, 1993, and #81/96-VR of March 6, 1996)

Clause 81. Operation of automototransport and other means of transportation having exceeding norms of pollutants in their discharges.

Operation of automototransport and other means of transportation which have exceeding norms of pollutants in their discharges, and which produce noise that exceeds established norms,-

involves imposing a fine on officials in the amount of 2 to 4 tax-free minimum incomes of citizens.

(Clause 81 with changes introduced in accordance with the Decree of the Presidium of the Verkhovna Rada # 1369-12 of July 29, 1991; Laws #3785-12 of November 23, 1993, and #81/96-VR of March 6, 1996)

Clause 82. Violation of rules of storage, placing, transportation, disposal, liquidation, and use of industrial and domestic wastes.

Violation of rules of storage, placing, transportation, disposal, liquidation, and use of industrial and domestic wastes,- involves imposing a fine on citizens in the amount of 1 to 5 tax-free minimum incomes of citizens, on officials in the amount of 5 to 8 tax-free minimum incomes of citizens (Clause 82 in the wording of the Law # 81/96-VR of March 6, 1996)

Clause 83. Violation of rules of use, placing, transportation, treatments, and final disposal of pesticides and agricultural chemicals, toxic chemical substances, and other preparations.

Violation of rules of use, placing, transportation, treatments, and final disposal of pesticides and agricultural chemicals, toxic chemical substances, and other preparations,-

involves imposing a fine on citizens in the amount of 3 to 7 tax-free minimum incomes of citizens, on officials in the amount of 7 to 10 tax-free minimum incomes of citizens (Clause 83 with changes introduced in accordance with the Decree of the Presidium of the Verkhovna Rada # 2010-11 of April 3, 1986, in the wording of the Law # 81/96-VR of March 6, 1996)

Clause 85. Violation of rules of the use of the fauna.

Non-compliance with rules of hunting, fishing, carrying out other types of special use of the fauna,-

involves imposing a fine on citizens in the amount of 1 to 5 tax-free minimum incomes of citizens with the confiscation of guns, other tools and means which are the personal property of a violator, and unlawfully caught (killed) animals, or without the confiscation; on officials - in the amount of 4 to 7 tax-free minimum incomes of citizens with the confiscation of guns, other tools and means which are the personal property of a violator, and unlawfully caught (killed) animals, or without the confiscation.

Gross violation of hunting rules (hunting without permit, in prohibited places, using prohibited tools or means),-

involves imposing a fine on citizens in the amount of 5 to 8 tax-free minimum incomes of citizens with the confiscation of guns, other tools and means which are the personal property of a violator, and unlawfully caught (killed) animals, or without the confiscation, or depriving of the hunting right for the period of three years with confiscation of guns, other tools and means which are the personal property of a violator, and unlawfully caught (killed) animals, or without the confiscation; on officials - in the amount of 7 to 10 tax-free minimum incomes of citizens with the confiscation of guns, other tools and means which are the personal property of a violator, and unlawfully caught (killed) animals, or without the confiscation.

(Clause 85 with changes introduced in accordance with the Decree of the Presidium of the Verkhovna Rada # 2010-11 of April 3, 1986, in the wording of the Law # 81/96-VR of March 6, 1996)

Clause 85-1. Production and sales of prohibited means of catching (killing) animals or collecting objects of the fauna.

Production and sale of prohibited means of catching (killing) animals or collecting objects of the fauna; or sale of caught (collected) products,-

involves imposing a fine on citizens in the amount of 3 to 7 tax-free minimum incomes of citizens with the confiscation of these means, and materials for their production.

(The Code is amended with the Clause 85-1 in accordance with the Law # 81/95-VR of march 6, 1996).

Clause 86 -1. Operation of water abstraction facilities without fish protection equipment.

Operation of water abstraction facilities without fish protection equipment if it is required according to norms; or with fish protection equipment which does not work properly,-

involves imposing a fine on citizens in the amount of 1 to 6 tax-free minimum incomes of citizens, on officials in the amount of 5 to 8 tax-free minimum incomes of citizens (The Code is amended with the Clause 86-1 in accordance with the Law # 81/95-VR of march 6, 1996).

Clause 87. Violation of requirements concerning protection of places of staying and routs of migration, acclimatization and interbreeding of wild animals.

Violation of requirements concerning protection of places of staying and routs of migration, acclimatization and interbreeding of wild animals,- involves imposing a fine on citizens in the amount of 3 to 5 tax-free minimum incomes of citizens, on officials in the amount of 5 to 7 tax-free minimum incomes of citizens.

Not taking measures to avoid death of wild animals, deterioration of places of their staying and conditions of migration, or catching wild animals which suffer from disasters,-

involves imposing a fine in the amount of 5 to 7 tax-free minimum incomes of citizens.

(Clause 87 with changes introduced in accordance with the Decree of the Presidium of the Verkhovna Rada # 2010-11 of April 3, 1986, in the wording of the Law # 81/96-VR of March 6, 1996).

Clause 88. Illegal exportation out of Ukraine and importation of objects of the fauna and flora.

Illegal exportation out of Ukraine and importation of objects of the fauna and flora, including zoological and botanical collections,-

involves imposing a fine on citizens in the amount of 3 to 5 tax-free minimum incomes of citizens with the confiscation of these objects or without it, on officials in the amount of 5 to 7 tax-free minimum incomes of citizens with the confiscation of these objects or without it.

The same action with respect to animals and plants entered into the red Book of Ukraine, or protected according to international agreements of Ukraine,-

involves imposing a fine on citizens in the amount of 5 to 10 tax-free minimum incomes of citizens with the confiscation of these objects or without it, on officials in the amount of 7 to 12 tax-free minimum incomes of citizens with the confiscation of these objects or without it.

(Clause 88 with changes introduced in accordance with the Decree of the Presidium of the Verkhovna Rada # 2010-11 of April 3, 1986, in the wording of the Law # 81/96-VR of March 6, 1996).

Clause 88 -1. Violation of the manner of purchasing or selling objects of the fauna or flora, rules of keeping wild animals in captivity or semi-forced conditions.

Violation of the manner of purchasing or selling objects of the fauna or flora,-

involves imposing a fine in the amount of 1 to 5 tax-free minimum incomes of citizens with the confiscation of objects of the fauna and flora or without it.

The same actions with respect to objects of the fauna or flora which were within territories and sites of natural reserves, entered into the Red Book of Ukraine, or protected according to the international agreements of Ukraine,-

involves imposing a fine in the amount of 3 to 8 tax-free minimum incomes of citizens with the confiscation of objects of the fauna and flora or without it.

Violation of rules of keeping wild animals in captivity or semi-forced conditions,-

involves imposing a fine in the amount of 3 to 7s tax-free minimum incomes of citizens with the confiscation of objects of the fauna and flora or without it (The Code is amended with the Clause 88-1 in accordance with the Law # 81/95-VR of March 6, 1996).

Clause 88 -2. Violation of rules of formation, replenishment, storage, use or state accounting of zoological, botanical collections, and trade in them.

Violation of rules of formation, replenishment, storage, use or state accounting of zoological, botanical collections, and trade in them,-

involves imposing a fine in the amount of 3 to 7 tax-free minimum incomes of citizens with the confiscation of objects of the fauna and flora or without it (The Code is amended with the Clause 88-1 in accordance with the Law # 81/95-VR of March 6, 1996).

Clause 89. Cruel treatment of animals.

Cruel treatment of animals (tormenting, and crippling them),-

involves imposing a fine in the amount of 3 to 7 tax-free minimum incomes of citizens (Clause 89 in the wording of the Law # 81/95-VR of March 6, 1996).

Clause 90. Violation of requirements regarding protection animals and plants entered into the Red Book of Ukraine.

Violation of conditions of colonization of animals and growth of plants entered into the Red Book of Ukraine, unlawful extraction from the environment of plants entered into the Red Book of Ukraine, non-compliance with requirements of permits for extracting from the environment and using plants and animals entered into the red Book of Ukraine, and non-compliance with conditions of keeping these animals and plants in botanical gardens, dendrological, and zoological parks, other conditions, which cause their death,-

involves imposing a fine on citizens in the amount of 3 to 7 tax-free minimum incomes of citizens with the confiscation of unlawfully caught (collected) or without it, on officials in the amount of 5 to 8 tax-free minimum incomes of citizens with the confiscation of the unlawfully caught (collected) or without it.

(Clause 90 in the wording of the Law # 81/95-VR of March 6, 1996).

Clause 90 - 1 Non-fulfillment of rules and norms in the process of formation, production, storage, transportation, use, neutralization, liquidation, burying of microorganisms, biologically active substances and other products of biotechnology.

Non-compliance with rules and norms in the process of creation of new cultures of microorganisms, biologically active substances, and other products of biotechnology,-

involves imposing a fine on citizens in the amount of 5 to 8 tax-free minimum incomes of citizens, on officials in the amount of 7 to 10 tax-free minimum incomes of citizens.

Non-compliance with rules and norms of environmental safety in the process of production, storage, transportation, use, neutralization, liquidation, burying of microorganisms, biologically active substances and other products of biotechnology,-

involves imposing a fine on citizens in the amount of 5 to 8 tax-free minimum incomes of citizens, on officials in the amount of 7 to 10 tax-free minimum incomes of citizens.

(The Code is amended with the Clause 90-1 in accordance with the Law # 81/95-VR of March 6, 1996).

Clause 91. Violation of rules of protection and use of territories and objects of natural heritage fund.

Carrying out prohibited economic and other activities within territories and sites of the Natural Heritage Fund, their protected zones; violation of other requirements concerning these territories and sites; unauthorized change of their boundaries; not-taking measures to avoid and provide remediation after environmental disasters or harmful impact on territories and sites of the Natural Heritage Fund,-

involve imposing a fine on citizens in the amount of 3 to 8 tax-free minimum incomes of citizens with the confiscation of tools and means of violation, and unlawfully extracted natural resources, or without it; on officials in the amount of 5 to 10 tax-free minimum incomes of citizens with the confiscation of tools and means of violation, and unlawfully extracted natural resources, or without it (Clause 91 with changes introduced in accordance with the Decree of the Presidium of the Verkhovna Rada # 2010-11 of April 3, 1986, in the wording of the Law #81/96-VR of March 6, 1996).

Clause 91 - 1. Non-fulfillment of requirements of environmental safety in the process of putting into practice inventions, useful models, industrial samples, rational proposals, new technologies and systems, substances and materials.

Implementation of inventions, useful models, industrial samples, rational proposals, new technologies and systems, substances and materials which do not meet environmental norms and requirements,-

involves imposing a fine on citizens in the amount of 3 to 5 tax-free minimum incomes of citizens, on officials in the amount of 4 to 7 tax-free minimum incomes of citizens (The Code is amended with the Clause 91-1 in accordance with the Law # 81/95-VR of march 6, 1996).

Clause 91-2. Exceeding limits and norms of utilization of natural resources.

Exceeding approved limits and norms of utilization of natural resources,-

involves imposing a fine on citizens in the amount of 1 to 6 tax-free minimum incomes of citizens, on officials in the amount of 3 to 10 tax-free minimum incomes of citizens (the Code was amended with Clause 91-2 in accordance with the Law # 81-96-VR of March 6, 1996)

APPENDIX II
DATA ON REVENUE RECEIVED AND USE OF REVENUE FROM ENVIRONMENTAL CHARGES, NON-COMPLIANCE CHARGES AND FINES

Table 1: Use of Revenue from Environmental Charges, Non-compliance Charges and Fines

		Percentage of revenue allocated to									
		Extra-budgetary Environmental Funds			General budget			Environmental bodies			
Issue	Instrument	State	Oblast	Local	State	Oblast	Local	Reward reporting	Reward fining	Resources	Other
Emissions to air	Emissions charge for emissions to air from stationery sources	10	20	70							
	Emissions charge for emissions to air from mobile sources	10	20	70							
	'CFL' non-compliance charge for exceeding norms set in permit for emissions to air and unauthorized emissions - Paid by enterprises and organizations - Paid by citizens			 80 50				 4 7	 1 3	 15 40	
Emissions to water bodies:	Emissions charge for discharges of pollutants into water bodies	10	20	70							
	'CFL' non-compliance charge for unauthorized discharges - Paid by enterprises and organizations - Paid by citizens			 80 50				 4 7	 1 3	 15 40	
	'CFL' non-compliance charges for discharges from boats and ships into territorial and internal marine waters - Paid by enterprises and organizations - Paid by citizens			 80 50				 4 7	 1 3	 15 40	
Solid waste	Emissions charge for solid waste	10	20	70							
Use of water	Charges for user rights to abstract and use water - Water resources of national importance (in or used by >1 Oblast, groundwater): - Water resources of local importance: - Water used by hydro-electric power stations:				 80 100	 20	 100				

Issue	Instrument	State	Oblast	Local	State	Oblast	Local	Reward reporting	Reward fining	Resources	Other
	'CFL' non-compliance charge for violation of user rights and unauthorized abstraction of water - Paid by enterprises and organizations - Paid by citizens			80 50				4 7	1 3	15 40	
	'CFL' incurred by authorized water users due to changes to or cessation of water rights										Water user
Fisheries	Charges for user rights to harvest fish and other aquatic life (not for amateur fishing or protected species)				100						
	'CFL' non-compliance charge for unlawful harvesting of fish and other aquatic life - Paid by enterprises and organizations - Paid by citizens - Revenue from sale of unlawfully harvested aquatic life and their products			80 50 80				4 7 3	1 3 2	15 40 15	
	'CFL' non-compliance charge for damages incurred by fisheries due to pollution: - Paid by enterprises and organizations - Paid by citizens			80 50				4 7	1 3	15 40	
Forestry	Charges for harvesting timber and pine resin - Timber and pine resin of national importance: - Timber and pine resin of local importance (harvested in cuttings necessary for forest management):				80	20	100				
	'CFL' non-compliance charge for violation of conditions set in permit to harvest timber and pine resin			80				4	1	15	
	'CFL' non-compliance charge for unlawful harvesting of forest resources and damage to forests - Paid by enterprises and organizations: - Paid by citizens: - Revenue from unlawfully harvested resources and their products			80 50 80				4 7 3	1 3 2	15 40 15	

Issue	Instrument	State	Oblast	Local	State	Oblast	Local	Reward reporting	Reward fining	Resources	Other
Sub-soil resources	Charges for user rights to extract minerals - Minerals of national importance (e.g. fossil fuels, scarce resources): - Minerals of local importance:				40	60	100				
Land	Land tax				10	60					30
	'CFL' incurred as a result of taking land out of forestry or agricultural use					100					
	'CFL' incurred due to cessation of land users' rights and degradation of land										User
Biodiversity	Charges for user rights to harvest unprotected animal species				100						
	'CFL' non-compliance charge for unauthorized harvesting of unprotected species - Paid by citizens - Revenue from the sale of unlawfully extracted species and products of those species			50 80				7 3	3 2	40 15	
	'CFL' non-compliance charge for causing damage to or harvesting animal and plant species entered into the Red Book of Ukraine - Paid by enterprise and organizations - Paid by citizens - Revenue from the sale of unlawfully extracted species and products of those species			80 50 80				4 7 3	1 3 2	15 40 15	
	'CFL' non-compliance charge for causing damage to protected nature reserves - Paid by enterprise and organizations - Paid by citizens - Revenue from the sale of unlawfully extracted species and products of those species			80 50 80				4 7 3	1 3 2	15 40 15	
	'CFL' non-compliance charge for causing damage to public parks and gardens - Paid by enterprise and organizations - Paid by citizens			80 50				4 7	1 3	15 40	

Issue	Instrument	State	Oblast	Local	State	Oblast	Local	Reward reporting	Reward fining	Resources	Other
	Charges for hunting licenses										Warden
All	Fines imposed under the Administrative Code: Paid by officials of enterprises and organizations: Paid by citizens:			50				25 60	5 10	20 30	

Table 2 Revenues to Extra-Budgetary Funds for Environmental Protection (1996, UAH)

Items	Total	Including extra budgetary funds of		
		Republic (National fund)	The Autonomous Republic of Crimea, Oblast, Kyiv and Sevastopol Councils (Regional funds)	Village, Small towns, and City Councils (Local funds)
Balance of resources at the start of the reporting year	1484319	267000	302362	914957
Revenues entered within the reporting period	26499227	2497000	4287930	19714297
Total payments for emissions to air and water from stationary sources and disposal of waste - including:	21354408	2065000	2755050	16720292
- emissions within allowed limits	21354408	2065000	2755050	16531358
- emissions exceeding allowed limits	307717		118785	188934
Payments for emissions to air from mobile sources	743409		40921	702488
Revenues from fines for violation of environmental protection legislation	1094785	7000	488391	599394
Revenues from "compensation of losses incurred due to violation of environmental protection legislation"	833555		365079	468476
Other revenues	1656217	422000	504865	729352
Revenues accrued due to late payment of charges from the previous year	509134		14839	494295
Balance of resources at the end of the reporting year	4632276	29000	431997	4171279

Table 3 Revenues to Extra-Budgetary Funds of Environmental Protection (Total revenues to funds managed at regional and local levels) (1996, UAH)

Oblasts	Balance at start of reporting period	Total revenues entered within the reporting period	Total payments for emissions by stationary sources and disposal of waste	- emissions within allowed limits	- emissions exceeding allowed limits	Payments for emissions to air from mobile sources	Revenues from fines for violation of environmental legislation	Revenues from "compensation of losses" non-compliance charges	Other revenues	Revenues from late payment of charges from the previous year
Ukraine	1217319	24002227	19594127	19286408	307719	743409	1097785	633555	1234217	503134
ARC	45890	634394	259068	241483	17585	33939	12862	200443	128082	
Vinnits'ka	29911	372177	252666	212795	39871	11305	12596	27903	65975	1727
Volyns'ka	18094	258119	63507	53000	10507	6882	9431	38968	132255	7076
Dnipropetrovs'ka	44214	1 138396	1044617	973372	71245	9359	28947	2992	28068	24413
Donets'ka	201915	3846139	3448422	3433075	14717	46619	112744	75773	38338	124243
Zhytomyrs'ka	25883	673958	594763	594763		6545	7934	3 0928	3 3535	253
Zakarpat'ska	11246	166096	77307	77307		64586	10362	676	13165	
Zaporiz'ka	115623	5693238	5496917	5495280	1637	13626	31875	77226	16320	57274
Ivan Frankivs'ka	32013	328250	211580	211580		29106	52603	12	31647	3300
Kyivs'ka	27650	959389	847699	836373	11326	7311	18978	78214	2219	3968
Kirovograds'ka	27670	315912	283744	283744		8923	5033	11913	3033	3266
Lugans'ka	71224	1985454	1563164	1518167	44997	130806	75432	76409	71870	66773
L'vivs'ka	42925	216773	131705	78830	52875	1897	16863	65364	80	864
Mykolayvs'ka	38183	372615	211894	199661	12233	7137	24636	12773	3616	112559
Odes'ka	59667	403681	159254	159212	42	9783	162225	3266	69153	
Poltavs'ka	77553	1625331	1505557	1503741	1816	29130	42721	11291	23200	13432
Rivnens'ka	27684	294607	274170	268340	5830	10763	4034	536	1380	3724
Sums'ka	23249	436158	316869	316869		27216	16282	17460	58196	155
Ternopils'ka	48085	227844	139276	135576	3700	10883	30313	32798	9574	5000
Kharkivs'ka	52165	417122	210001	206341	3660	142500	14636	12874	36651	460
Khersons'ka	40936	434821	380641	380571	76	556	41127	8114	4383	
Khmel'nyts'ka	29050	501287	459802	456620	3153	2869	13563	5082	15726	4245
Cherkas'ka	41915	919586	817752	808102	9650	15460	10422	7204	5533	63215
Chernivets'ka	2414	81377	78987	78987		683		423	1284	
Chernigivs'ka	42213	951538	754013	761237	2776	115523	8085	3396	47334	13187
Kyiv	31637	431265	752	752			6401	30512	393600	
Sevastopol'	8300	316700					316700			

Table 4 Revenues to Extra-Budgetary Funds for Environmental Protection of the ARC, Oblasts, Kyiv and Sevastopol' Councils (i.e. regional funds) (1996, UAH)

Oblasts	Balance at start of reporting period	Total revenues entered within the reporting period	Total payments for emissions by stationary sources and disposal of waste	- emissions within allowed limits	- emissions exceeding allowed limits	Payments for emissions to air from mobile sources	Revenues from fines for violation of environmental legislation	Revenues from "compensation of losses" non-compliance charges	Other revenues	Revenues from late payment of charges from the previous year
Ukraine	302362	4287930	2873835	2755050	118785	40921	488391	365079	504865	14839
ARC										
Vinnits'ka	2571	239193	189624	151700	37924	9980	9628	27052	2909	
Volyns'ka	440	28302	15815	13888	1927	52	1684	1609	9131	11
Dnipropetrovs'ka	3788	173109	173109	173109						
Donets'ka	47872	16012	16012	16012						
Zhytomyrs'ka	1928	98657	96927	96927			1730			
Zakarpats'ka	2521	4000				4000				
Zaporiz'ka	49940	833057	745512	744194	1318	25	17187	69963		290
Ivan Frankivs'ka	7758	44374	34102	34102		6583	3202	12	475	
Kyivs'ka	6090	202300	105600	105600		100	13800	79000		3800
Kirovograds'ka	3895	82459	72372	72372		457	861	8769		
Lugans'ka	4683	350524	291469	248444	43025	6345	7351	14675	26844	3840
L'vivs'ka	29318	117520	39935	14432	25503	70	16681	60834		
Mykolayvs'ka	6386	105119	81655	816640	15	28	18280	3190	70	1898
Odes'ka	27891	58391	28658	28658		1341	2486		25906	
Poltavs'ka	5613	135188	135188	135188						
Rivnens'ka	1440	113468	103675	98002	5673	7943	1850			
Sums'ka		197700	125900	125900			13500	17400	40900	
Ternopils'ka	13710	83691	27620	27620			17668	32798	605	5000
Kharkivs'ka	14774	85692	74783	74783		2859	2382	5668		
Khersons'ka	19900	83400	43400	43400			31900	8100		
Khmel'nyts'ka	10120	184880	177000	176000	1000		5000	2000	880	
Cherkas'ka	160	119600	112985	110563	2400	1140		1930	3545	
Chernivets'ka										
Chernigivs'ka	1627	183329	181742	181742				1587		
Kyiv	31637	431265	752	752			6401	30512	393600	
Sevastopol'	8300	316700					316700			

Table 5 Revenues to Extra-Budgetary Funds for Environmental Protection of Village, Small Town and City Councils (i.e. local funds) (1996, UAH)

Oblasts	Balance at start of reporting period	Total revenues entered within the reporting period	Total payments for emissions by stationary sources and disposal of waste	- emissions within allowed limits	- emissions exceeding allowed limits	Payments for emissions from mobile sources	Revenues from fines for violation of environmental legislation	Revenues from "compensation of losses" non-compliance charges	Other revenues	Revenues from late payment of charges from the previous year
Ukraine	914957	19714297	16720292	16531358	188934	702488	599394	468476	729352	494295
ARC	45890	634394	259068	241483	17585	33939	12862	200443	128082	
Vinnits'ka	27340	132984	63042	61095	1947	1325	2968	856	63066	1727
Volyns'ka	17654	229817	47692	39112	8580	6830	7747	37359	123124	7065
Dnipropetrovs'ka	40426	965287	871508	800263	71245	9359	28947	2992	28068	24413
Donets'ka	154043	3830127	3432410	3417693	14717	46619	112744	75773	38338	124243
Zhytomyrs'ka	23955	575301	497836	497836		6545	6204	30928	33535	253
Zakarpats'ka	8725	162096	77307	77307		60586	10362	676	13165	
Zaporiz'ka	65683	4860181	4751405	4751086	319	13601	14588	7283	16320	56984
Ivan Frankivs'ka	24255	283876	177478	177478		22525	49401		31172	3300
Kyivs'ka	21560	757089	742099	730773	11326	7211	5178	214	2219	168
Kirovograds'ka	23775	233453	211372	211372		8466	4172	3144	3033	3266
Lugans'ka	66541	1634930	1271695	1269723	1972	124461	69081	61734	45026	62933
L'vivs'ka	13607	99253	91770	64398	27372	1827	182	4530	80	864
Mykolayvs'ka	31797	267496	130239	118021	12218	7111	6356	9583	3546	110661
Odes'ka	31776	345290	130596	130554	42	8442	159739	3266	43247	
Poltavs'ka	71940	1490143	1370369	1368553	1816	29130	42721	11291	23200	13432
Rivnens'ka	26244	181139	170495	170338	157	2820	2184	536	1380	3724
Sums'ka	23249	238458	190969	190969		27216	2762	60	17296	155
Ternopils'ka	34375	144153	111656	107956	3700	10883	12645		8969	
Kharkivs'ka	37391	331430	135218	131558	3660	139641	12254	7206	36651	460
Khersons'ka	21036	351421	337241	337171	70	556	9227	14	4383	
Khmel'nyts'ka	18940	316407	282802	280620	2152	2869	8563	3082	14846	4245
Cherkas'ka	41755	799986	704767	697517	7250	14320	10422	5274	1988	63215
Chernivets'ka	3414	81377	78987	78987		683		423	1284	
Chernigivs'ka	40586	768209	582271	579495	2776	115523	8085	1809	47334	13187
Kyiv										
Sevastopol'										

Table 6 Use of Extra-Budgetary Environmental Funds (1996, UAH)

Items	Total	Including extra budgetary funds of		
		Republic (National fund)	The Autonomous Republic of Crimea, Oblast, Kyiv and Sevastopol Councils (Regional funds)	Village, Small towns, and City Councils (Local funds)
Funds spent - total including funds used to finance:	23351270	2735000	4158295	16457975
Development and implementation of national and regional comprehensive environmental programs	2586709		409738	2176971
Conduction of scientific conferences and seminars; holding of exhibitions; organization of advertising and other measures; promotion of environmental knowledge	326585	20000	73589	232996
Scientific, research, and design developments in the area of environmental protection	254259		193213	61046
Development of environmental norms and standards, economic and other documents in the area of environmental protection	48922		11000	37922
Remediation works in case of environmental disasters	901714	30000	71542	800172
Carrying out measures aimed at reduction of environmental pollution impact on human health	8764245	632000	1123366	70088679
Organization of environmental monitoring; formation of environmental information systems and data bank	414696		256367	158329
Carrying out environmental expertise	82030		21840	60190
Equipping environmental organizations with control devices	929079		449391	479688
Carrying out works aimed at protection of natural reserves	528346		245271	283075
Improvement of qualifications and experience exchange of employees of environmental bodies	23671		200	23471
Development of international cooperation in the area of environmental protection	4000	4000		
Other expenses connected with environmental activities	7294377	2049000	119661	4678766

Assigned to the budget in accordance with the Resolution of the Verkhovna Rada of Ukraine of December 13, 1995, #466/95-VR	562637		106167	456470

Table 7 Use of Extra-Budgetary Environmental Funds (Aggregate figures for regional and local funds) (UAH, 1996)

Oblasts	Funds spent - total, including funds to finance	Development and implementation of environmental programs	Conducting conferences, etc., promotion of environmental knowledge	Environmental R & D	Environmental policy development	Remediation of damage to the environment	Reduction of impacts of pollution on human health	Environmental monitoring; managing environmental data
Ukraine	20616270	2586709	306585	254259	48922	871714	8132245	414696
ARC	562661	207272	12097	500		42245	109270	37644
Vinnits'ka	345184	200	1119	10000			17668	9425
Volyns'ka	258366	2630	2214				20054	
Dnipropetrovs'ka	1025289	96658	62737	17000		4000	467224	11724
Donets'ka	2448189	90595	11848			174252	356507	
Zhytomyrs'ka	507982	10011	12669			18000	335494	6000
Zakarpat'ska	96365	7777	114				17901	
Zaporiz'ka	5620541	94845	42500	7710		390701	4271305	
Ivan Frankivs'ka	252398	215	10668	11956		28300	172694	
Kyivs'ka	405107	57731				1376	101905	
Kirovograds'ka	284005	10632	4746			2000	93611	
Lugans'ka	1869286	101895	34072	66510	37922	32857	776099	140685
L'vivs'ka	188371						65937	
Mykolayvs'ka	379758	14190	10017	400		1100	181514	902
Odes'ka	318655	14715				51	78748	
Poltavs'ka	1486898	668291	2130			102000	68258	
Rivnens'ka	277199	41761	3641		1000	2871	86687	1000
Sums'ka	354389	34829	18300			11778	51148	1000
Ternopils'ka	228132	5858	8705	1000			51891	
Kharkivs'ka	345258	47430	4000		10000	5000	36284	26800
Khersons'ka	409789	289700	300			6000	47669	
Khmel'nyts'ka	496663	86740	2754			4500	113896	
Cherkas'ka	807345	372694	23682	4000		5600	112095	3000
Chernivets'ka	37851	2580	70				6617	
Chernigivs'ka	837124	53460	15852			9541	477269	
Kyiv	448465		15350	135183		11542	14500	156516
Sevastopol'	325000	274000	7000					20000

Table 7 Continued (UAH, 1996)

Oblasts	Carrying out environmental expertise	Equipping environmental organizations with control devices	Carrying out works aimed at protection of natural reserves	Continuing education of employees of environmental bodies	Development of international cooperation	Other expenses connected with environmental activities	Amount of balance at the end of reporting period	Assigned to the budget in accordance with the Resolution of the VR
Ukraine	82030	929079	528346	23671		5875377	4603276	562637
ARC	612	20987	7000	904		124130	117623	
Vinnits'ka		20017	17765			268990	56904	
Volyns'ka	1000	8569	41900	490		18509	17847	
Dnipropetrovs'ka	10500	30371	34000	3920		265901	157321	21254
Donets'ka	1800	47508	2400	658		1741021	1599865	
Zhytomyrs'ka		23186	7100			95522	191859	
Zakarpat'ska		1407		180		68986	80977	
Zaporiz'ka	48625	225933	4215	711		533996	188320	
Ivan Frankivs'ka	1210	740	4000	450		22165	107865	
Kyivs'ka		365	500			238375	581932	4855
Kirovograds'ka	1100	32864	6383	605		114064	59577	
Lugans'ka	4400	71975	17784	8470		198380	187392	378237
L'vivs'ka			84			75710	71327	46640
Mykolayvs'ka	10000	22508	99641	1369		19309	31040	18808
Odes'ka		9266	4150	1091		161696	144693	48938
Poltavs'ka	640	4490	22739	490		317860	215986	
Rivnens'ka		57465	2000	588		80186	45092	
Sums'ka	200	119137	4548	200		113249	105018	
Ternopils'ka		39846	11250			103155	47797	6427
Kharkivs'ka		4689	119358			91697	124029	
Khersons'ka		39589				26531	65968	
Khmel'nyts'ka	1943	35158	400	277		240708	33684	10287
Cherkas'ka		57315	3894	700		199174	154156	25191
Chernivets'ka		620	1465			26499	45940	
Chernigivs'ka		55074	40670	2568		182690	156627	
Kyiv			31500			83874	14437	
Sevastopol'			22000					2000

Table 8 Use of Extra-Budgetary Environmental Funds of ARC, Oblasts, Kyiv and Sevastopol City Councils (UAH, 1996)

Oblasts	Funds spent - total, including funds to finance	Development and implementation of environmental programs	Conducting conferences, etc., promotion of environmental knowledge	Environmental R & D	Environmental policy development	Remediation of damage to the environment	Reduction of impacts of pollution on human health	Environmental monitoring; managing environmental data
Ukraine	4158295	409738	73589	193213	11000	71542	1123366	256367
ARC								
Vinnits'ka	231485		1119	10000				9425
Volyns'ka	17162	130	1612					
Dnipropetrovs'ka	128116		276	17000		4000	36000	11724
Donets'ka	63884							
Zhytomyrs'ka	88609		9611				38525	6000
Zakarpat'ska	5000	5000						
Zaporiz'ka	881326			7710			515990	
Ivan Frankivs'ka	36768		6068			28000		
Kyivs'ka	90300						88000	
Kirovograds'ka	741194		440				13000	
Lugans'ka	337231		8800	17920		1700	184000	2000
L'vivs'ka	90763						10000	
Mykolayvs'ka	110443	500	1000	400				902
Odes'ka	86282	5000						
Poltavs'ka	128440						44540	
Rivnens'ka	114211	18908	3540		1000		3162	1000
Sums'ka	197200	25700	800				13500	1000
Ternopils'ka	87222		7440	1000			4000	
Kharkivs'ka	94700	30500	1200		10000	5000	10000	26800
Khersons'ka	77600	50000				6000	4900	
Khmel'nyts'ka	194000						21000	
Cherkas'ka	67200			4000			47000	3000
Chernivets'ka								
Chernigivs'ka	182694		9333				75249	
Kyiv	448465		15350	135183		11542	14500	156516
Sevastopol'	325000	274000	7000					20000

Table 8 Continued (UAH, 1996)

Oblasts	Carrying out environmental expertise	Equipping environmental organizations with control devices	Carrying out works aimed at protection of natural reserves	Continuing education of employees of environmental bodies	Development of international cooperation	Other expenses connected with environmental activities	Amount of balance at the end of reporting period	Assigned to the budget in accordance with the Resolution of the VR
Ukraine	21840	449391	245271	200		1196611	431997	106167
ARC								
Vinnits'ka		10000	17265			183676	10279	
Volyns'ka	1000		500			13920	11580	
Dnipropetrovs'ka		20000	31000				48781	8116
Donets'ka						63884		
Zhytomyrs'ka		12618	5000			16855	11976	
Zakarpat'ska							1521	
Zaporiz'ka	20000	85490	3415			248752	1671	
Ivan Frankivs'ka						2700	15364	
Kyivs'ka						2300	118090	
Kirovograds'ka		13262				47492	12160	
Lugans'ka	42000	1000				7450	17976	39061
L'vivs'ka						59042	56075	21721
Mykolayvs'ka	8000	99641					1062	
Odes'ka			4150			41863		35269
Poltavs'ka	610					83260	12361	
Rivnens'ka		43605				42996	697	
Sums'ka	200	114200	1300	200		40300	500	
Ternopils'ka		29336	11000			34446	10179	
Kharkivs'ka			5000			6200	5766	
Khersons'ka						16700	25700	
Khmel'nyts'ka		2400				149000	1000	
Cherkas'ka	3200					10000	52560	
Chernivets'ka								
Chernigivs'ka		43680	12500			41932	2262	
Kyiv			31500			83874	14437	
Sevastopol'			22000					2000

Table 9. Use of Extra-Budgetary Environmental Funds of Town, Village and City Councils (Aggregate expenditure for each region) (UAH, 1996)

Oblasts	Funds spent - total, including funds to finance	Development and implementation of environmental programs	Conducting conferences, etc., promotion of environmental knowledge	Environmental R & D	Environmental policy development	Remediation of damage to the environment	Reduction of impacts of pollution on human health	Environmental monitoring; managing environmental data
Ukraine	15623263	2176971	232996	61046	37922	800172	7008879	158329
ARC	562661	207272	12097	500		42245	109270	37644
Vinnits'ka	113699	200					17668	
Volyns'ka	241204	2500	602				20054	
Dnipropetrovs'ka	62461	96658	62461				431224	
Donets'ka	2384305	90595	11848			174252	356507	
Zhytomyrs'ka	419373	10011	3058			18000	296969	
Zakarpat'ska	91365	2777	114				17901	
Zaporiz'ka	4739215	94845	42500			390701	3755315	
Ivan Frankivs'ka	215630	215	4600	11956		300	172694	
Kyivs'ka	314807	57731				1376	13905	
Kirovograds'ka	209811	10632	4306			20000	80611	
Lugans'ka	1532055	101895	25272	48590	37922	15857	592099	120685
L'vivs'ka	97608						559937	
Mykolayvs'ka	269315	13690	9017			1100	181514	
Odes'ka	232373	9715				51	78748	
Poltavs'ka	1358458	668291	2130			102000	23718	
Rivnens'ka	162988	22853	101			2871	83525	
Sums'ka	157189	9129	17500			11778	37648	
Ternopils'ka	140910	5858	1265				47891	
Kharkivs'ka	250558	16930	2800				26284	
Khersons'ka	332189	239700	300				42769	
Khmel'nyts'ka	302663	86740	2754			4500	92896	
Cherkas'ka	740145	372694	23682			5600	65095	
Chernivets'ka	37851	2580	70				6617	
Chernigivs'ka	654430	53460	6519			9541	402020	
Kyiv								
Sevastopol'								

Table 9 Continued (UAH, 1996)

Oblasts	Carrying out environmental expertise	Equipping environmental organizations with control devices	Carrying out works aimed at protection of natural reserves	Continuing education of employees of environmental bodies	Development of international cooperation	Other expenses connected with environmental activities	Amount of balance at the end of reporting period	Assigned to the budget in accordance with the Resolution of the VR
Ukraine	60190	479688	283075	23471		4678766	4171279	456470
ARC	612	20987	7000	904		124130	117623	
Vinnits'ka		10017	500			85314	46625	
Volyns'ka		8569	41400	490		167589	6267	
Dnipropetrovs'ka	10500	10371	3000	3920		265901	108540	13138
Donets'ka	1800	47508	24000	658		1677137	1599865	
Zhytomyrs'ka		10568	2100			78667	179883	
Zakarpat'ska		1407		180		68986	79456	
Zaporiz'ka	28625	140443	800	711		285275	186649	
Ivan Frankivs'ka	1210	740	4000	450		19465	92501	
Kyivs'ka		365	500			236075	463842	4855
Kirovograds'ka	110	19602	6383	605		66572	47417	
Lugans'ka	4400	29975	16784	8470		190930	169416	339176
L'vivs'ka			84			16668	15252	24919
Mykolayvs'ka	10000	14508		1369		19309	29978	18808
Odes'ka		9266		1091		119833	144693	13669
Poltavs'ka		4490	22739	490		534600	203625	
Rivnens'ka		13860	2000	588		37190	44395	
Sums'ka		4937	3248			72949	104518	
Ternopils'ka		10510	250			68709	37618	6247
Kharkivs'ka		4689	114358			85497	118263	
Khersons'ka		39589				9831	40268	
Khmel'nyts'ka	1943	11158	400	277		91708	32684	10237
Cherkas'ka		54115	3894	700		189174	101596	25191
Chernivets'ka		620	1465			26499	45940	
Chernigivs'ka		11394	28170	2568		140758	154365	
Kyiv								
Sevastopol'								

Table 10 Revenues to Extra-Budgetary Funds for Environmental Protection (1995, million Krb)

Items	Total	Including extra-budgetary funds of		
		Republican	the Autonomous Republic of Crimea, Oblast, Kyiv and Sevastopol Local Councils	Village, Small towns, and City Councils
Balance at the beginning of the year	127700.6	6123	32935.9	88641.7
Total revenues entered within the reporting period	699482.8	32766	104709.1	562005.7
Total payments for emissions to air and water by stationary sources and disposal of waste - including:	373302.2	31731	59088.1	282483.1
- emissions within allowed limits	354616.1	31731	56320.1	266765.0
- emissions exceeding allowed limits	18486.1		2768	15718.1
Total payments for emissions to air from mobile sources	58917.9		2342.6	56575.3
Revenues from fines for violation of environmental protection legislation	56388.1	425	8329.6	47633.5
Revenues from "compensation of losses" incurred due to violation of environmental protection legislation	64273.7		19508.2	44765.5
Other revenues	95410.1	612	13586.4	81211.7
Revenues from late payment of charges from the previous financial year	51190.8		1854.2	49336.6
Balance at the end of the year	221862.3	26711	29460.4	165690.9

Table 11 Use of Extra-Budgetary Environmental Funds (1995, million Krb)

Items	Total	Including extra budgetary funds of		
		Republic (National fund)	The Autonomous Republic of Crimea, Oblast, Kyiv and Sevastopol Councils (Regional funds)	Village, Small towns, and City Councils (Local funds)
Funds spent - total including funds used to finance:	605321.1	12180	108184.6	484956.5
Development and implementation of national and regional comprehensive environmental programs	63931.4		17903.7	46027.7
Conduction of scientific conferences and seminars; holding of exhibitions; organization of advertising and other measures; promotion of environmental knowledge	13823.8	68	4369.2	9386.6
Scientific, research, and design developments in the area of environmental protection	21267.7	4053	14655	2559.7
Development of environmental norms and standards, economic and other documents in the area of environmental protection	541	460		81
Remediation works in case of environmental disasters	17637.7	1000	8984	7653.7
Carrying out measures aimed at reduction of environmental pollution impact on human health	193280.7		21090.3	172190.4
Organization of environmental monitoring; formation of environmental information systems and data bank	8601.4	66	7835	700.4
Carrying out environmental expertise	1841.1		1314	527.1
Equipping environmental organizations with control devices	39610.8		14854.3	24756.5
Carrying out works aimed at protection of natural reserves	43952.1		6732.9	37219.3
Improvement of qualifications and experience exchange of employees of environmental bodies	1385.5		69	1316.5
Development of international cooperation in the area of environmental protection	1963	1963	x	x
Other expenses connected with environmental activities	197484.9	4570	10377.2	182537.7

Table 12 Charges for Emissions Within Limits: ARC, Oblasts, Kyiv and Sevastopol (1995, million Karbovanets)

Oblasts	Total		Including:					
			Emissions to water		Emissions to air		Soild waste	
	Amount due	Amount paid	Amount due	Amount paid	Amount due	Amount paid	Amount due	Amount paid
Ukraine	7247750.3	2269931.9	941638.5	777893.5	4622562.7	1127105.7	1683549.1	364932.7
ARC	112001.4	79958	49773.3	46495	48980.3	28588.3	13248	4874.8
Vinnits'ka	12615.1	11785.3	7325.7	7269.7	3734	3042.6	1555.4	1473
Volyns'ka	30892.1	27060.9	25901.8	22430.9	2378	2121.3	2612.3	2508.8
Dnipropetrovs'k a	296986.3	138683.1	36503.9	18310.1	73836.4	42530.3	186656	47842.8
Donets'ka	5476395.7	820077.3	330435.4	190809.4	3976156.5	595081.8	1169753.8	34186.1
Zhytomyrs'ka	24912.3	21948.3	12607.9	11431.8	10526.7	9196.9	1777.7	1269.6
Zakarpat'ska	100513.8	90322.1	89325.1	84743.5	7687.4	2801	3501.3	277.6
Zaporiz'ka	247810.8	240413.8	125357.1	123596.6	84491.7	77555.4	37962	39261.8
Ivan Frankivs'ka	23998.6	23434.8	15193.8	15157.9	7125.6	6653.7	1679.2	1673.2
Kyivs'ka	28737.9	27907	15328.7	17971.3	7168.5	7130.3	6240.7	2805.4
Kirovograds'ka	5651.3	4731.5	879.6	705.7	3918.6	3191.4	853.1	834.4
Lugans'ka	62910.9	19816.6	4491.7	2303.1	46572.2	12973.5	11847	4540
L'vivs'ka	61896.4	57981.3	19263.3	17933.2	36577.2	34689.3	6055.9	5358.8
Mykolayvs'ka	14795.3	14455.7	3185.1	3163.1	9879	9715.4	1731.2	1577.2
Odes'ka	31810.3	58773.2	15849.1	15857.6	14064.5	37633.5	1896.7	5282.1
Poltavs'ka	52303.4	49008.2	16108	12473	27895.4	28080.1	8300	8455.1
Rivnens'ka	4374.8	3469	592.2	447.9	2319.2	1858.4	1963.4	1162.7
Sums'ka	44444.2	43559.4	24534.4	24404.7	16332.3	15048.1	3577.5	4106.6
Ternopils'ka	29571.4	22977.9	15631.2	11102.6	5955.7	4965.8	7984.5	6909.5
Kharkivs'ka	88246.2	94298	48866.2	46547.9	29522.9	39440.9	9857.1	8309.2
Khersons'ka	36197.6	31599.8	25870.5	21626.9	1740.8	1582.1	8586.3	8390.8
Khmel'nyts'ka	39798.4	38558.3	17693.5	16828.5	19857.8	19715	2247.1	2014.8
Cherkas'ka	64624.6	36292.3	20877.3	18530.2	33069.1	14524.6	10678.2	3237.5
Chernivets'ka	10441.5	10549.5	1852.9	2048.9	6764.3	6678.7	1824.3	1821.9
Chernigivs'ka	277897	268871.2	14961.5	12487.7	114775	111755.5	148160.5	144628
Kyiv	38331	33210	3165	6166	15003	10513	20163	19531
Sevastopol'	29092	139.4	15.3	.3	16240.7	39.1	12836	100

Table 13 Charges for Emissions Exceeding Limits: ARC, Oblasts, Kyiv and Sevastopol (1995, million Karbovanets)

Oblasts	Total		Including:					
			Emissions to water		Emissions to air		Soild waste	
	Amount due	Amount paid	Amount due	Amount paid	Amount due	Amount paid	Amount due	Amount paid
Ukraine	587544.1	238214.2	330971.9	114318.1	147788.4	73802.9	108783.8	50093.2
ARC	135.7	135.7	135.7	135.7				
Vinnits'ka	2423.4	2027.6	208.9	135.6	491.4	367.2	1723.1	1474.8
Volyns'ka	330.8	365.6	3.7	23.3	2.8	9.3	324.3	333
Dnipropetrovs'k a	20363.8	10858.2	3173.7	867.8	2135.665.4	15055.1	9325	
Donets'ka	518679.6	187101.3	304965.9	94981.1	1244200.2	55114.4	89513.5	37005.8
Zhytomyrs'ka	1311.2	1288	1101.9	1101.9	207.2	184	2.1	2.1
Zakarpat'ska	82.6	79.6	3.5	3.5	59.2	58.2	19.9	17.9
Zaporiz'ka	2410.5	2409.9	2361.8	2361.3	8	8	40.7	40.7
Ivan Frankivs'ka	1020.6	629.5	493.6	565.7	527	63.8		
Kyivs'ka	3025.7	2997.7	1404.3	1444.3	858.8	824.3	762.6	729.1
Kirovograds'ka	252.6	177.2	109.4	46.3	107.3	95	35.9	35.9
Lugans'ka	5701.6	3107.3	3400.4	2887.4	2080.8	193.5	220.4	26.4
L'vivs'ka	1353.9	339.7	371.3	89.7	874.6	142	108	108
Mykolayvs'ka	1060.2	1054.1	654.4	649	403.2	402.5	2.6	2.6
Odes'ka	7909.6	6729.2	6766.8	5412.6	1022.6	1072.8	120.2	243.8
Poltavs'ka	3188.2	3405.4	139.5	138.2	3030.1	3031.4	18.6	245.8
Rivnens'ka	141.9	141.4	37.5	37	103.1	103.1	1.3	1.3
Sums'ka	221.7	221.7	44.3	44.3	27.4	27.4	150	150
Ternopils'ka	2806.3	1883.1	491.9	21.5	1894.9	1739	419.5	122.6
Kharkivs'ka	1539.6	1517.4	1445.5	1441.1	75.3	75.1	18.8	1.2
Khersons'ka	1093.7	638.7	866.8	469.8	225.9	168.9		
Khmel'nyts'ka	110.4	85.4	93	69.5	8.4	6.9	9	9
Cherkas'ka	1698.4	403.3	1290.3	5.7	349.4	359.4	58.2	38.2
Chernivets'ka	16.4	13.3	12.4	9.3	4	4		
Chernigivs'ka	1040.8	1028	107.9	99.6	789.9	785.4	143	143
Kyiv	1502	1452	1217	1167	248	248	37	37
Sevastopol'	8123.9	8123.9	70	70	8053.9	8053.9		

Table 14 Payments for the Use of Natural Resources: ARC, Oblasts, Kyiv and Sevastopol (1995, million Karbovanets)

Oblasts	Total		Including:			
			Use of water resources		Use of land (land tax)	
	Amount due	Amount paid	Amount due	Amount paid	Amount due	Amount paid
Ukraine	222462219.8	170069892.8	50308426.7	46270230.4	109011712.2	97724133.1
ARC	988314.3	996448	253904.3	228808.6	722170.5	757899.5
Vinnits'ka	551128.7	437108.9	215636	162440.9	328704.7	268040.3
Volyns'ka	250719.2	229572.4	34120.3	32928.4	188475.7	17624.1
Dnipropetrovs'ka	11676209.1	8811107	643203.9	549398.7	10379129.1	7952495.2
Donets'ka	165546259.5	119316489	29216279.5	26124122.1	76492191.6	695953364.6
Zhytomyrs'ka	750264.6	705308.2	42186	38781.8	642885.7	608662
Zakarpat'ska	364633.6	294910.7	112485.5	80132.5	189651.7	165507.2
Zaporiz'ka	17587663.8	17316986.9	13950106.8	13897271.9	3518037.5	3352939.4
Ivan Frankivs'ka	762955	724353.5	165745.5	158344.3	503391.9	465105.9
Kyivs'ka	1510134.9	1562749.3	1217827.4	1265584.2	239614.7	244657.7
Kirovograds'ka	682331	600194.9	29024	27991.5	3667324.6	2909517.4
Lugans'ka	4529476	3538232	393017	275494.7	3667324.6	2909517.4
L'vivs'ka	973535.8	883124.2	272518.2	248285	615917.1	554465.7
Mykolayvs'ka	469946.7	436886.7	106924.9	102256.6	358880.5	332558.1
Odes'ka	2092044	2147325.4	592344	637481.8	1465099.3	1476007.6
Poltavs'ka	2000973.6	1803642	235153.4	232945.9	1429332	1314071.3
Rivnens'ka	569315.6	528305.5	163911.5	161869.6	338266.5	308315
Sums'ka	692643.6	549622.7	88319.6	84580.4	424605.5	348683.6
Ternopils'ka	1013589.3	916014.7	42925.7	30834.6	769309.7	684041.8
Kharkivs'ka	3441623.3	2660916.7	1749301.7	1295431.7	1046636.6	846145.2
Khersons'ka	315388.6	275787.6	46164.9	41824.3	268235	232974.6
Khmel'nyts'ka	383257.6	302699.3	137314.8	112147.8	230388.9	177295.2
Cherkas'ka	1407992.6	1369131	124712.4	109070.6	1280062.7	1256567.5
Chernivets'ka	348001.4	249296	146283.7	61780.3	165516.9	155571.8
Chernigivs'ka	871820.9	858047.5	105136.1	101256.7	699130.9	688376.6
Kyiv	2566963	2454290	175209	169301	2387301	2280538
Sevastopol'	115034.1	101342.7	48670.6	39834.6	65984.5	61129.1

Table 14 /continued (1995, million Karbovanets)

Oblasts	Including:					
	Extraction of minerals		Use of forest resources		Use of recreational resources	
	Amount due	Amount paid	Amount due	Amount paid	Amount due	Amount paid
Ukraine	62898746.6	25863562.7	231022.3	200038.8	12311.4	11927.8
ARC	12239.5	9739.9				
Vinnits'ka	6788	6627.7				
Volyns'ka	19303.3	17492.9	7717	5588	1203	939
Dnipropetrovs'k a	652903.4	308430.9	970.7	780.3	2	2
Donets'ka	59833393.9	23592680.8			4395.5	4321.5
Zhytomyrs'ka	24103.6	20881.1	39612.3	35506.3	1477	1477
Zakarpat'ska	13250	12405.8	49246.4	36865.3		
Zaporiz'ka	119519.5	66775.6				
Ivan Frankivs'ka	68323.9	76741.2	25493.7	24162.1		
Kyivs'ka	50892.8	50707.4			1800	1800
Kirovograds'ka	57089	56944.7			750	750
Lugans'ka	468491.4	352476.9	55	55	588	588
L'vivs'ka	85060.5	80336.5	2	2	38	35
Mykolayvs'ka	4141.3	2072				
Odes'ka	34509.7	33745			91	91
Poltavs'ka	336268	256428.6	220.2	196.2		
Rivnens'ka	9539.6	7333.9	57598	50787		
Sums'ka	179718.5	116358.7				
Ternopils'ka	187906.9	182689.3	18447	18449		
Kharkivs'ka	645685	519339.8				
Khersons'ka	988.7	988.7				
Khmel'nyts'ka	15211.9	12956.3			342	300
Cherkas'ka	3212.3	3487.6	3	1	4.9	4.3
Chernivets'ka	4541.1	4297.2	31659.7	27646.7		
Chernigivs'ka	66113.9	66974.2			1440	1440
Kyiv	4273	4271			180	180
Sevastopol'	379	379				

Table 15 'Compensation for Losses' Incurred by the State as a Result of Violations of Environmental Protection Legislation and Rebates of Pollution Charges to Enterprises that have Reduced their Emissions: ARC, Oblasts, Kyiv and Sevastopol (1995, million Karbovanets)

Oblasts	Reimbursement of losses		Rebates of pollution charges	
	Amount due	Amount paid	Amount due	Amount paid
Ukraine	369453.6	360382.2	17200.7	13261.5
ARC	525.2	240.7		
Vinnits'ka	1.6	1.6		
Volyns'ka	25.9	25.9		
Dnipropetrovs'ka	5711.4	4983.4	20.7	
Donets'ka	263759	269057	3451.1	2284.6
Zhytomyrs'ka	11113.4	11008.6		
Zakarpat'ska	184.1	184.1		
Zaporiz'ka	4883.2	4883.2		
Ivan Frankivs'ka	18.9	18.9		700
Kyivs'ka	237.4	237.9	3243	3192
Kirovograds'ka	317.2	317.2		
Lugans'ka	16172.2	4234.3	1721	578
L'vivs'ka	178.8	159.8	88.2	88.2
Mykolayvs'ka	322.3	322.3		
Odes'ka	3749.2	4022.5	6029.4	3016
Poltavs'ka	3347	3088.9		
Rivnens'ka	1103.5	1103.5		
Sums'ka	1049.2	1049.2		
Ternopils'ka	113.9	16.1		
Kharkivs'ka	12603.6	12603.6	176.2	176.2
Khersons'ka	3328.3	3328.3		
Khmel'nyts'ka	99	90		
Cherkas'ka	404.4	658.3	196.5	226.5
Chernivets'ka	1180	1180	6	
Chernigivs'ka	34939.7	34939.7	2268.6	
Kyiv	4078	2620		
Sevastopol'	7.2	7.2		

Table 16 Collection Rates for Environmental Charges and Non-Compliance Charges, percent (% 1995)

	Charges for Emissions Within Limits				Charges for Emissions Exceeding Limits				Payments for Natural Resources					Compensatn.
Oblasts	Total	Water	Air	Waste	Total	Water	Air	Waste	Total	Water	Land	Minerals	Forest	Total
Ukraine (Total)	31.32	82.61	24.38	21.68	40.54	34.54	49.94	46.05	76.45	91.97	89.65	41.12	86.59	97.54
ARC	71.39	93.41	58.37	36.80	100.00	100.00			100.82	90.12	104.95	79.58		45.83
Vinnits'ka	93.42	99.24	81.48	94.70	83.67	64.91	74.73	85.59	79.31	75.33	81.54	97.64		100.00
Volyns'ka	87.60	86.60	89.21	96.04	110.52	629.73	332.14	102.68	91.57	96.51	9.35	90.62	72.41	100.00
Dnipropetrovs'ka	46.70	50.16	57.60	25.63	53.32	27.34	0.70	0.00	75.46	85.42	76.62	47.24	80.39	87.25
Donets'ka	14.97	57.74	14.97	2.92	36.07	31.14	4.43	41.34	72.07	89.42	909.84	39.43		102.01
Zhytomyrs'ka	88.10	90.67	87.37	71.42	98.23	100.00	88.80	100.00	94.01	91.93	94.68	86.63	89.63	99.06
Zakarpat'ska	89.86	94.87	36.44	7.93	96.37	100.00	98.31	89.95	80.88	71.24	87.27	93.63	74.86	100.00
Zaporiz'ka	97.02	98.60	91.79	103.42	99.98	99.98	100.00	100.00	98.46	99.62	95.31	55.87		100.00
Ivan Frankivs'ka	97.65	99.76	93.38	99.64	61.68	114.61	12.11		94.94	95.53	92.39	112.32	94.78	100.00
Kyivs'ka	97.11	117.24	99.47	44.95	99.07	102.85	95.98	95.61	103.48	103.92	102.10	99.64		100.21
Kirovograds'ka	83.72	80.23	81.44	97.81	70.15	42.32	88.54	100.00	87.96	96.44	79.34	99.75		100.00
Lugans'ka	31.50	51.27	27.86	38.32	54.50	84.91	9.30	11.98	78.12	.70.10	79.34	75.24	100.00	26.18
L'vivs'ka	93.67	93.10	94.84	88.49	25.09	24.16	16.24	100.00	90.71	91.11	90.02	94.45	100.00	89.37
Mykolayvs'ka	97.70	99.31	98.34	91.10	99.42	99.17	99.83	100.00	92.97	95.63	92.67	50.03		100.00
Odes'ka	184.76	100.05	267.58	278.49	85.08	79.99	104.91	202.83	102.64	107.62	100.74	97.78		107.29
Poltavs'ka	93.70	77.43	100.66	101.87	106.81	99.07	100.04	1321.51	90.14	99.06	91.94	76.26	89.10	92.29
Rivnens'ka	79.30	75.63	80.13	59.22	99.65	98.67	100.00	100.00	92.80	98.75	91.15	76.88	88.17	100.00
Sums'ka	98.01	99.47	92.14	114.79	100.00	100.00	100.00	100.00	79.35	95.77	82.12	64.74		100.00
Ternopils'ka	77.70	71.03	83.38	86.54	67.10	4.37	91.77	29.23	90.37	71.83	88.92	97.22	100.01	14.14
Kharkivs'ka	106.86	95.26	133.59	84.30	98.56	99.70	99.73	6.38	77.32	74.05	80.84	80.43		100.00
Khersons'ka	87.30	83.60	90.88	97.72	58.40	54.20	74.77		87.44	90.60	86.85	100.00		100.00
Khmel'nyts'ka	96.88	95.11	99.28	89.66	77.36	74.73	82.14	100.00	78.98	81.67	76.95	85.17		90.91
Cherkas'ka	56.16	88.76	43.92	30.32	23.75	0.44	102.86	65.64	97.24	87.46	98.16	108.57	33.33	162.78
Chernivets'ka	101.03	110.58	98.73	99.87	81.10	75.00	100.00		71.64	42.23	93.99	94.63	87.32	100.00
Chernigivs'ka	96.75	83.47	97.37	97.62	98.77	92.31	99.43	100.00	98.42	96.31	98.46	101.30		100.00
Kyiv	86.64	194.82	70.07	96.87	96.67	95.89	100.00	100.00	95.61	96.63	95.53	99.95		64.25
Sevastopol'	0.48	1.96	0.24	0.78	100.00	100.00	100.00		88.10	81.85	92.64	100.00		100.00