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**Draft Law «On amendments to certain laws due to unbundling of natural gas transmission activity»**

Excellency,

upon your initiative and following the adoption of CMU Resolution No 840 of 18 September 2019, we have been reviewing the draft Law «On amendments to certain laws due to unbundling of natural gas transmission activity» in a version attached to the present letter.

The draft is a necessary precondition for actually implementing the “Independent System Operator” (ISO) unbundling model as envisaged by the Gas Market Law and chosen by CMU Resolution No 840. Effective unbundling of Naftogaz and the creation of an ISO in line with Directive 2009/73/EC will make Ukraine comply with a key obligation of Ukraine under the Energy Community Treaty, which so far has not been complied with. The draft Law also creates the possibility, provided that the Electricity Market Law will be amended accordingly, to unbundle also Ukrenergo under the same model.

We therefore consider it as an utmost priority to submit to Parliament and adopt the draft swiftly and in line with European legislation. We will be at the disposal of all relevant institutions to support this process.

Kind regards



Dirk Buschle  
Deputy Director