

## **EU environmental capital regulation: benchmarks for Ukraine**

Environmental capital is the resources of the ecosystem that are able to preserve and reproduce the appropriate ecological balance and related benefits, which are necessary for meeting ecological and resource needs.

The reproduction of environmental capital makes it possible to create additional value and satisfy needs without reducing the value of the asset itself.

To date, the main reforms in the field of environment in Ukraine mainly take place to implement the environmental component of the Association Agreement between Ukraine and the EU. The spectrum of issues that Ukraine should reform in the field of environment has expanded and will now include cooperation between Ukraine and the EU on specific environmental thematic areas.

In the context of the development of sustainable financing, the Regulation of the European Union 2020/852 on the creation of foundations for the promotion of sustainable investment established six environmental goals and four principles of sustainable economic activity.

The environmental goals that countries should aim for in order to achieve sustainable investment are as follows:

1. mitigating the consequences of climate change;
2. adaptation to climatic changes;
3. transition to a circular economy;
4. pollution prevention and control;
5. sustainable use and protection of water and marine resources;
6. protection and restoration of biodiversity and ecosystems.

In the European Union, environmental law and policy issues receive a lot of attention, as it is also a hot issue in EU member states. This is how new mechanisms and tools for improving law enforcement practice are being introduced, which is why such experience is extremely relevant for Ukraine.

In the EU, there are a number of tools aimed at improving both the legislation itself and its application by European institutions and member states, in particular, it should be highlighted:

1. Monitoring and reporting.
2. Infringement procedure.
3. Special directives aimed at compliance with environmental legislation, in particular Directive 2004/35/EC on environmental liability for the prevention and elimination of the consequences of environmental damage, etc.
4. Review of implementation in the environmental sphere.
5. Compliance check.

The need to improve the level of practical application of environmental legislation in Ukraine is quite acute. Many provisions of the current regulatory and legal acts of Ukraine do not work, and there are no mechanisms for improving the level of implementation. This is a consequence of the lack of practice and experience in the formation, implementation and evaluation of state policy in certain areas, including environmental protection.

The national mechanism for improving compliance with environmental legislation and the implementation of environmental policy is one of those tools for increasing the level of implementation, which could be used in Ukraine by analogy with the implementation review mechanism in the EU. Implementation of such a mechanism would give Ukraine:

- comprehensive information about the state of implementation of environmental policy and law in Ukraine;
- ability to involve all interested parties, including the public, in the process;
- the ability to identify system gaps and their causes, including the intersectoral level;
- the possibility to use the best experience of the EU and the best practices of the member states in solving certain problems;
- the ability to effectively use EU support and other mechanisms for the implementation of the Association Agreement between Ukraine and the EU to solve systemic problems.

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