

Annual Report

2019



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This report can be downloaded at DiXi Group website (<http://dixigroup.org/eng>)



Dear friends,

The year 2019 was a year of changes and ‘turbo regime’ for Ukraine. Presidential and parliamentary elections, a new government, resonant international stories, the return of many of Kremlin’s captives. Our country lived by daily news, emotional statements, fast political decisions and radical changes in certain areas.

This year was not an exception for DiXi Group, either. Our think tank was honored to receive a new grant from the USAID, launching several large dimensions at once: the mobile app for consumers, the Kyiv School of Energy Policy, more ambitious plans as regards the application of the Energy Transparency Index. The work on numerous projects and with ambitious plans became a ‘turbo regime’ for our entire team.

In 2019, we gained new partners and new areas of activity. Work has begun, jointly with the OECD, on assessment of indicators for the Energy Strategy of Ukraine. For the first time, our team monitored, together with European colleagues, information space of Germany, France and other countries as regards various aspects of Ukraine’s energy security, and jointly worked out ideas of how to enhance it. Our partnership with international legal consultants from the ISLP helped us develop model production sharing agreements. DiXi Group experts started a detailed work on integration of Ukraine’s power system into ENTSO-E and on Ukraine’s accession to the European climate initiatives. DiXi Group worked with the German civil society organizations, exchanging best practice in implementing the Extractive Industries Transparency Initiative.

In 2019, we held 26 events in Ukraine and abroad. Members of the DiXi Group team organized and participated in discussions in Austria, Germany, Belgium, France, Canada, United States, Senegal, Lebanon and other countries. Joining efforts with the Reform Office of the Cabinet of Ministers of Ukraine, DiXi Group held an educational campaign, the Alphabet of Energy Reform, explaining main events and terms in the energy sector.

We have grown again as new people joined DiXi Group. Our financial, expert and communication teams became stronger. There are more of us now, and therefore, we have more new ideas, initiatives, ambitious goals and dreams. We believe that as a united team, together with you, we will be able to achieve them.

Olena Pavlenko

DiXi Group President

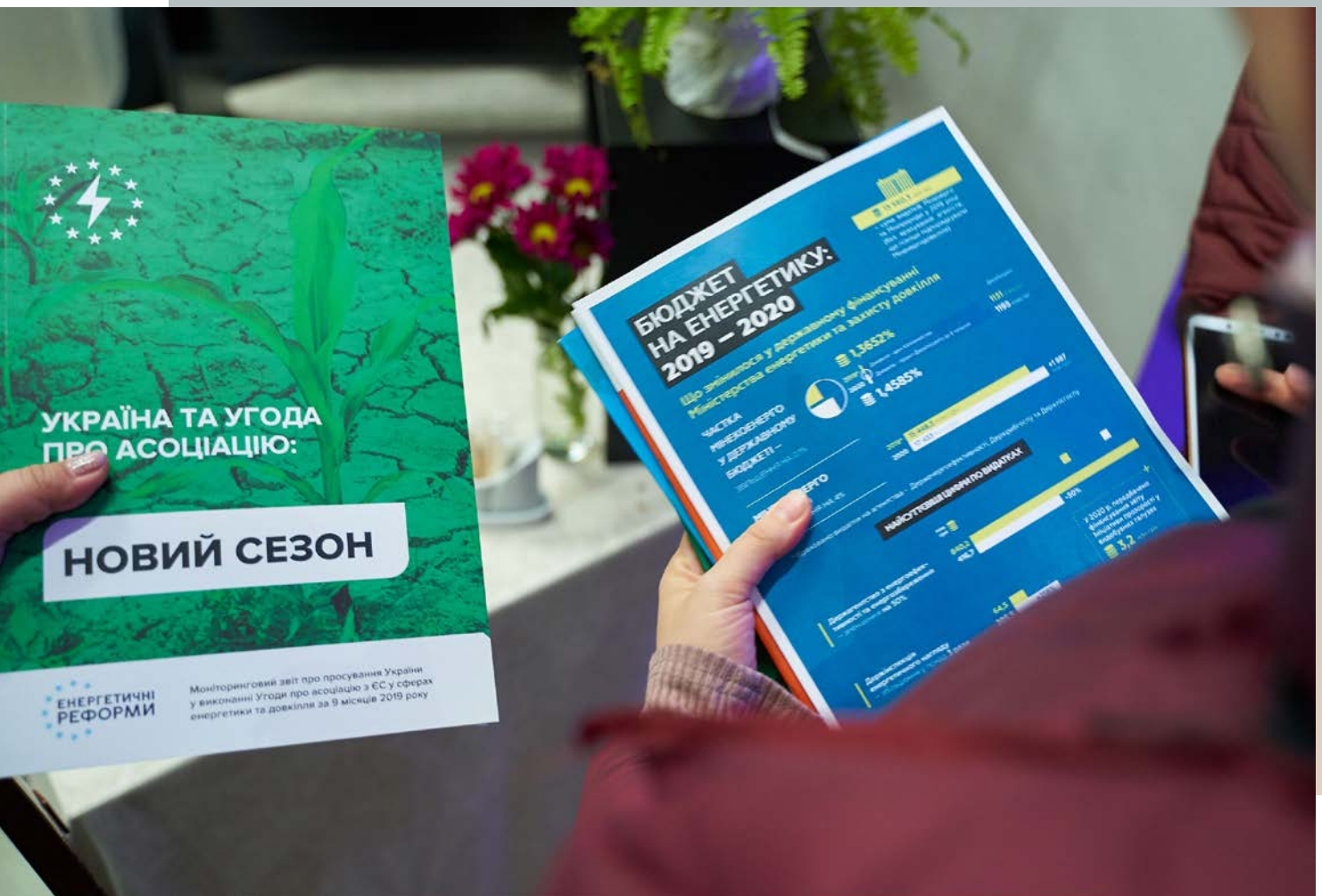
Who we are



DiXi Group is a leading Ukrainian think tank founded in 2008. For over 12 years, we have been active in the field of energy policy and related sectors.

Our mission is to implement innovative solutions and fair rules for affordable, clean, high-quality energy. For this purpose, we conduct sectoral research and analyze data thus enabling rational decision-making, help promote new standards of governance, disseminate knowledge and best practices in emerging markets, increase transparency and openness of information.

DiXi Group is a driver of positive changes in Ukraine's energy market.



Areas of our activity



TRANSPARENCY AND ACCOUNTABILITY

creating conditions for implementation of the best standards and practices of information transparency and disclosure, creating opportunities to empower consumers, focusing on sustainable consumption, and engaging the public in policymaking process



KYIV SCHOOL OF ENERGY POLICY

creating a community of professional managers, which are in the permanent process of improving their competencies and are focused on the high-level standards in their work



EUROPEAN REFORMS

promoting implementation of European market rules in Ukraine under the Ukraine-EU Association Agreement and the Energy Community Treaty



ENERGY SECURITY

countering threats to information security and infrastructure in Ukraine's energy sector

Achievements



SHARING EITI EXPERIENCE WITH DOZENS OF COUNTRIES

We helped organize a meeting of the Extractive Industries Transparency Initiative (EITI) Board in Kyiv, where we shared Ukraine's experience with representatives of a whole number of countries



MAKING UKRAINE'S COURSE TOWARDS TRANSPARENCY SUSTAINABLE

Our efforts ensured the inclusion to the 2020 State Budget of Ukraine of 3.2 million UAH in expenditure on preparation of EITI reports, and helped develop bylaws required by the Ensuring Transparency in Extractive Industries Law No. 2545-VIII



HELPING EVALUATE BIDS FOR EXPLORATION

We participated as external experts in evaluation of bids for production sharing agreement (PSA) tenders, and reminded the applicants about the importance of disclosing essential provisions of the future PSAs



LAUNCHING A MOBILE APP

Our Energy Online app will contribute to the creation of efficient markets with consumer at the center of attention



ASSESSING THE SECTOR'S TRANSPARENCY

In the 2019 Energy Transparency Index, we analyzed the actual availability of information in the energy sector and provided specific recommendations



LAUNCHING AN ONLINE COURSE

The Transparent Energy course, located on the EdEra platform, helps to understand the principles of the energy sector performance



PLACING SECTORAL EDUCATION ON THE AGENDA

We held an open discussion of the present status, goals and approaches of education in the energy sector, and held several lectures on energy policy at various universities



SUPPORTING DATA DISCLOSURES

We helped update the Resolution No. 835 of the Cabinet of Ministers of Ukraine on open data, and assisted with correct collection and publication of this data by the Ministry of Energy and Environmental Protection and the NEURC. We also assisted with creating online instruments based on open data



PROMOTING DIALOGUE AMONG STAKEHOLDERS

We organized and participated in public discussions concerning on tariffs and subsidies, energy security, oil reserves, energy efficiency, etc.



MONITORING ENERGY AND ENVIRONMENTAL REFORMS

We continued our monthly monitoring of reforms in the energy and environmental sectors, and to regularly inform the public about the progress



DISSEMINATING THE *ALPHABET* OF THE ENERGY SECTOR

A joint project with the Cabinet of Ministers, short ironic texts have told what is what in the Ukrainian energy sector



IMPROVING THE LAW ON “GREEN” AUCTIONS

The majority of recommendations which we developed jointly with the experts of AURES II and Low Carbon Ukraine projects were accommodated in the enacted Law No. 2712-VIII amending certain laws of Ukraine on ensuring competitive conditions for generation of electricity from alternative energy sources



CREATING A NUMBER OF SUCCESSFUL PARTNERSHIPS

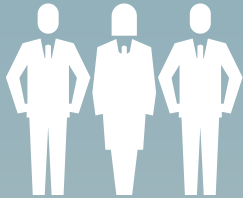
We made several advocacy visits to the United States, Belgium, France, Austria, Italy and other countries, telling about Ukraine's energy sector and the products and materials we developed, and establishing cooperation with leading think tanks



CONTRIBUTING TO PUTTING A HALT TO NORD STREAM 2

We took part in numerous discussions and meetings aimed to increase competition in the European market and stressing upon the unacceptability of monopolizing this market and using natural gas as a political weapon

2019 in facts and figures



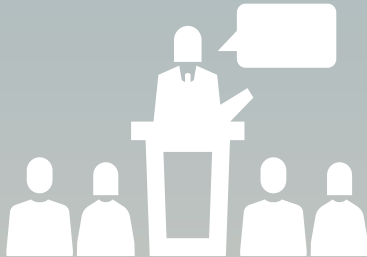
19
EMPLOYEES

100+

ANALYTICAL PRODUCTS

including 75 regular

(weekly and monthly) analytical reports



1380+

**VISITORS ATTENDED
OUR EVENTS**

26

**EVENTS ORGANIZED
BY DIXI GROUP**



330

**EVENTS AND MEETINGS ATTENDED
BY DIXI GROUP EXPERTS**



76 000

USERS OF THE ENERGY ONLINE
MOBILE APP

1500+

PARTICIPANTS SIGNED UP FOR THE
TRANSPARENT ENERGY ONLINE COURSE



4 TIMES

INCREASE OF THE *UKRAINIAN*
ENERGY READERS

6300+

VIEWS OF INFOGRAPHICS
ISSUED BY DIXI GROUP



23 600+

SUBSCRIBERS TO FACEBOOK
AND TWITTER PAGES OF DIXI
GROUP PROJECTS



500+

MENTIONS OF OUR EXPERTS
IN MASS MEDIA



286 600+

VIEWS OF MATERIALS ON DIXI GROUP AND
UKRAINIAN ENERGY WEBSITES



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**MARC-ANTOINE
EYL-MAZZEGA**



TRANSPARENCY AND ACCOUNTABILITY



This year, we were able to continue our activity in this area. Under the USAID Energy Sector Transparency project, DiXi Group continued and expanded its activities aimed to improve the knowledge about this sector, public awareness, clear and comprehensible market operation rules, good governance and better communication in the energy sector. A number of partners, including the International Renaissance Foundation, the EU Delegation to Ukraine and others, promoted our efforts in pursuit of these priorities.

DiXi Group continued to advocate transparent and responsible upstream operations. Our efforts helped resume meetings of the Multi-Stakeholder Group for implementation of the Extractive Industries Transparency Initiative (EITI) Standard, accelerate preparation of EITI reports, and initiate projects with partner CSOs aimed to promote sustainable development of communities in extractive regions. We support and assist the Energy Transparency Association in promoting ideas and values of transparency in the energy sector and in disseminating them among other CSOs, particularly in various regions of Ukraine.

We believe that integration of IT and energy sectors would further increase transparency. That is why we continued to promote the Online Energy Sector Map and work on data disclosures,

providing assistance to public authorities in this regard. According to information by TAPAS project, the Ministry of Energy and Environmental Protection has not only become the leader among “heavyweights” (agencies required to publish 14+ unique datasets) but also received the highest score for the quality of open data. We both advocate data disclosures and aim to demonstrate benefits which the society would receive. That is why we started working on development of visual instruments based on open data.

Joining efforts with the NEURC, we were able to launch Energy Online, a mobile app to become a platform for consumers to communicate with electricity and gas suppliers, as well as with the regulatory authority. The app provides information about prices and tariffs, and allows users to evaluate suppliers or complain about their unlawful actions. Presently, over 76,000 users have already downloaded the mobile app.

As usual, we assessed the sector’s transparency and tested the instrument we developed: Energy Transparency Index. We aim to continue developing this assessment, improving it and expanding the Index to other countries. It is important that the assessment does not remain the only result, and therefore, DiXi Group experts offered recommendations on improving the situation.





ONLINE ENERGY SECTOR MAP



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Dixi Group

In 2019, the DiXi Group team continued work on developing the Online Energy Sector Map (map.ua-energy.org). This instrument allows consumers to easily find out how various markets operate and find the relevant information in one place.

At the same time, we are trying to present hard-to-understand topics or data in the format of infographics with explanations. Perhaps, everyone heard that Ukraine's power grids are depreciated, but how many of them are or how bad the saturation is, was unclear. The answers to these and other questions can be found in the materials posted on our information resource, *Ukrainian Energy*.

Digital transformation was a motto of 2019, and therefore, we are also trying to keep up with the times. DiXi Group experts completed a huge preparatory work, and in 2020 we will launch

an updated version of the Online Map featuring even more structured data and becoming even easier to use, making the difficult subject of energy more comprehensible.



Довжина та терміни експлуатації магістральних ліній електропередачі (ЛЕП)

На графіку зображено довжину ЛЕП в залежності від терміну їх експлуатації в розрізі енергосистем за період 2016-2018 років



джерело: НЕК "Укренерго"





OPEN DATA

The DiXi Group team is actively supporting the Ministry of Energy and Environmental Protection in disclosing information about the energy sector. For over two years of our cooperation, the Ministry began to regularly publish over 30 different datasets on data.gov.ua portal. The entire information is available in a correct table form, and all updates are accumulated in the same file, thus significantly simplifying data analysis. Therefore, users do not have to look for countless files and additionally analyze them.

Our activity was focused specifically on the quality of the Ministry's data and its maximum possible itemization. In September, the Open Data Forum held annually by TAPAS project named the Ministry of Energy and Environmental Protection as the leader in data publication among the government agencies required to publish more than 14 datasets. At the same time, the Ministry received a high score (14 of 15 points) in the data quality component (frequency of updates and completeness of publishing datasets, machine-readability, data types).

Пілотна версія переліку електропостачальників, які здійснюють діяльність на території операторів систем розподілу (ОСР) (інформація станом на першу половину 2019 року)



In 2019, a new model of the electricity market became fully operational, creating many new opportunities for consumers. One of these opportunities is the choice of electricity suppliers. In this context, DiXi Group experts collected and analyzed, jointly with the NEURC, information about electricity suppliers which signed agreements with distribution

network operators (oblenergos). Based on this information, we created a simple visualization and structured it by regions and DSOs (nerc.gov.ua/electricity_suppliers). Our interactive visualization raised attention of many consumers, and using the feedback they provided, we started to improve this tool.

Оцінка стану оприлюднення та оновлення відкритих даних розпорядниками, центральними органами влади, що мають 14+ унікальних наборів даних

Таблиця

ЦОВ	Критерій оцінки					Загальний бал
	Поступає відкритих даних	Поміжні таблиці та дані в форматі CSV	Листів відкритих даних	Загальний переклад даних до системи оприлюднення	Власні відкриті дані	
Міністерство енергетики та захисту промисловості України	7	7	14	7	3	38
Державна фіскальна служба України	8	7	7	10	5	37
Міністерство юстиції України	5	6	8	9	6	34
Державна служба пенітенсiarної та надзвичайної України	2	6	5	8	5	26



ENERGY TRANSPARENCY INDEX



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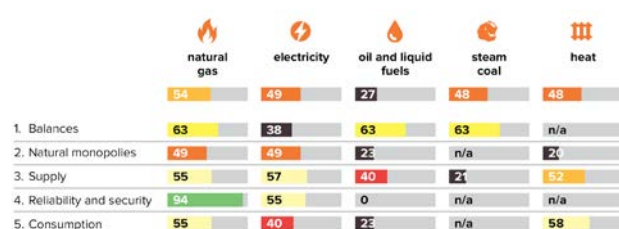
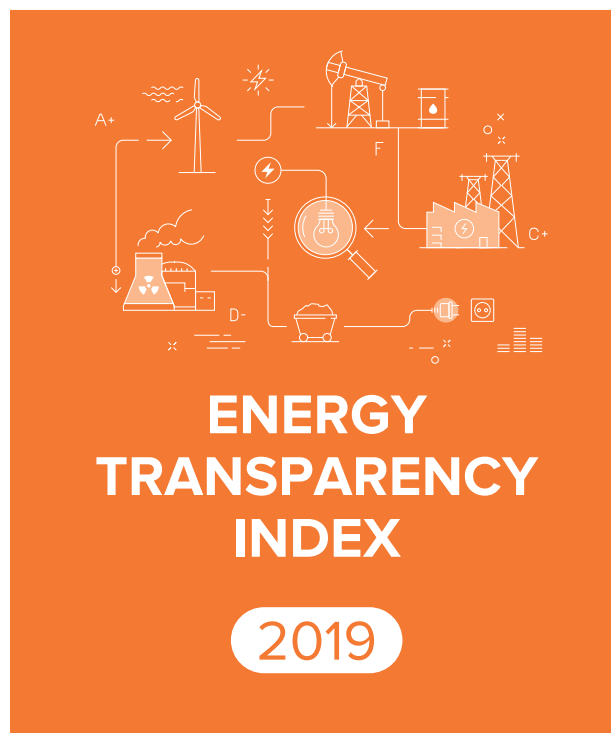
Dixi Group

The more high-quality information and data is available to all participants of energy markets to help them make decisions, the better conditions will be for increasing competition, empowering consumers, developing and implementing public policies, and ensuring efficient operation and regulation of the markets. Also, a higher degree of transparency reduces the use of discriminatory practices, market abuse and corruption risks in the energy sector.

The Energy Transparency Index developed under the USAID Energy Sector Transparency project represents an tool for detailed assessment of information openness of Ukraine's energy sector and for diagnosing gaps. It enables a multi-dimensional analysis of transparency and allows to track the progress in dynamics and in comparison with other countries.

The 2019 Index methodology was updated based on recommendations provided by external and internal stakeholders following a broad presentation of the 2018 assessment results. The 2019 Index includes 233 indicators grouped into 8 categories and based on regulatory requirements and best global practices of information disclosure. All indicators were assessed on the basis of six transparency

criteria: availability, accessibility, relevance, frequency, completeness, and usability of information.



Sector	Natural gas	Electricity	Oil and liquid fuels	Steam coal	Heat	Cross-sectoral
Number of indicators	58	58	22	6	14	75

Assessment by category:

Category	Score	vs 2018 Index	Rating	Characteristic
1. Balances	58	+8	C-	average transparency
2. Natural monopolies	46	+3	D	insufficient transparency
3. Supply	49	+11	D	insufficient transparency
4. Reliability and security	50	+3	D+	insufficient transparency
5. Consumption	53	+6	D+	insufficient transparency
6. Reporting	27	+5	F	unacceptable transparency
7. Policy	56	+3	C-	average transparency
8. Public authorities	50	+14	D+	insufficient transparency
Integral index	48	+5	D	insufficient transparency

The final score which Ukraine received in the 2019 Index was 48 out of 100 possible, which indicates insufficient transparency of the energy sector. At the same time, transparency in terms of all categories has increased by 3 to 14 points, and the Index total score increased by 5 points compared to the assessment made in 2018. This progress shows that further efforts must be taken in reforming and increasing openness of the energy sector. Gaps in data disclosures and “black boxes” (indicators for which information is completely unavailable), discovered by DiXi Group experts, allowed to develop practical recommendations for public authorities, aimed to improve the sector's openness.

Next year, DiXi Group plans to expand the Index to two Eastern Partnership countries, Georgia and Moldova, for the purpose of international analysis and ratings.



TRANSPARENCY IN UPSTREAM SECTOR

DiXi Group continued to contribute to the openness of energy sector, in particular, via implementation of the Extractive Industries Transparency Initiative (EITI) Standard. Namely, we helped organize a meeting of the EITI International Board on February 27-28, 2019, which was held in Ukraine for the first time, and participated in the meetings of Publish What You Pay initiative.

To unblock the process of preparing the next Ukraine EITI Report, our team actively participated in the meetings of the Multi-Stakeholder Group (MSG), half of which were chaired by DiXi Group President Olena Pavlenko.

DiXi Group experts took part in developing bylaws required by the Ensuring Transparency in Extractive Industries Law No. 2545-VIII (in particular, reporting forms for companies and payment recipients) and the MSG Procedure.

Due to our advocacy efforts, the government has included, for the first time, the 3.2 million UAH expenditure on preparation of EITI reports to the 2020 State Budget of Ukraine, and established the EITI unit at the Ministry of Energy and Environmental Protection. Joining efforts with GIZ, we continue to develop and test an online platform for reporting pursuant to the EITI process and to the Ensuring Transparency in Extractive Industries Law implementation.

In 2019, we also held four regional EITI promotion events in Lutsk, Uzhhorod, Dnipro and Zhytomyr. Inter alia, these meetings aimed to support and help expand the Energy Transparency Association, which brings together civil society organizations to promote ideas and values of transparency and sustainable development of the communities in extractive regions. Our most important objective was to provide support to

the Association's institutional development and raise the capacity of its members. Development of the Association will allow to ensure high professional level of civil society representatives in the MSG and proper monitoring in the dialogue with public authorities and companies.

DiXi Group was also able to contribute to the transparency of production sharing agreement (PSA) tenders. Our specialists were included to the expert group at the Interagency Commission for Production Sharing Agreements, and they conducted an integrity check of all investors who submitted bids for 10 oil&gas fields (9 tenders were completed and one has been canceled), thus promoting transparent and impartial selection of best offers.



We provided support to the Ukrainian government by studying best global practices concerning PSAs. In particular, we provided translations of several successful PSAs to members of the Interagency Commission, and participated, together with the USAID Energy Security project, in developing a model PSA as the relevant instrument. E.g., the Ukrainian government can use this instrument to evaluate draft contracts submitted by the companies.

To discuss best practices of engaging investors in the development of oil&gas fields under PSAs, the DiXi Group team held a round table with the support from the Verkhovna Rada Committee for Energy and Utilities. Inter alia, MPs were informed about the necessary legislative changes to make the use of a model PSA mandatory.










ENERGY ONLINE MOBILE APP

In terms of functionality, this mobile app is a unique and efficient instrument of protecting gas and electricity consumers in Ukraine. This product was developed with the support from the NEURC under the USAID Transparent Energy project.

THE ENERGY ONLINE APP HELPS:

-  receive up-to-date information about applicable tariffs and price offers
-  check utility bills and apply for their recalculation
-  evaluate the service of an energy company service and find a better offer
-  apply for a compensation if the quality of service standards are violated
-  submit to a system operator proposals to improve investment program
-  learn about important events in the energy sector and sign up for participation



PUBLIC SPENDING IN ENERGY: 2019-2020



UAH 13 560.3 million

- amount of expenditures of the Ministry of Energy and the Ministry of Environment in 2019 (excluding agencies later subordinated the Ministry of Energy and Environment)

What has changed in the budget financing of the Ministry of Energy and Environmental Protection

THE ENERGY MINISTRY SHARE IN THE STATE BUDGET

0.01% INCREASE



1.3652%

2019*

Source: data by the Treasury

2020

Source: State Budget 2020

1.3753%

State Budget

UAH 1131 billion

UAH 1182 billion

THE ENERGY MINISTRY

5.25% INCREASE

2019* UAH 15 446 million

2020 UAH 16 257 million

+810
UAH million

* Includes financing of the State Agency for Energy Efficiency and Energy Saving, State Agency for Fisheries, and State Forestry Agency

KEY EXPENDITURE FIGURES

millions
UAH

2019**

2020

State Agency for Energy Efficiency
and Energy Saving:
45% reduction

840.2
463

-45%

State Inspectorate for Energy
Supervision:
more than threefold increase

64.6
205.5 +218%

UAH 3.2 million
in financing of the
Extractive Industries
Transparency Initiative
Report allocated in 2020

Senior management of the State Service
for Geology and Mineral Resources:
more than twofold increase

55.8
117.4 +111%

UAH 694 million
in financing of certain
programs not extended
for 2020

**Data from the Treasury report for 1H 2019

This infographic is made possible by the support of the American People through the United States Agency for International Development (USAID) within the framework of the USAID Energy Sector Transparency Project, which is implemented by NGO DiXi Group. The contents are the sole responsibility of DiXi Group and do not necessarily reflect the views of USAID or the United States Government.





KYIV SCHOOL OF ENERGY POLICY



2019 was a landmark year for DiXi Group educational activity: thanks to systemic support from the USAID, energy education became one of the key areas of our activity. The team of the Kyiv School of Energy Policy (KSEP, the official name of this new platform) has developed a package of the necessary policies and regulations, visual and value-based identity, and the KSEP website (<http://ksep.energy>).

In Ukraine, the project team held over 20 meetings with key stakeholders in the energy and education sectors. This activity culminated in an open and fruitful discussion, *Energy and Education: in Search of Synergy*, which brought together over 60 representatives of these two fundamentally different sectors. In addition, DiXi Group experts held lectures for students of the Kyiv School of Economics, the Ukrainian Catholic University and other educational institutions, on the basics of energy policy and operation of energy markets.

The KSEP most important achievement was the development of several educational materials, in particular a 6-month *Public Administration in Energy* program and a 3-week *EU Energy Law and Regulation* course. Given all methodological and organizational assets gained in 2019, the Kyiv School of Energy Policy team looks forward with optimism to the end of March 2020, when the graduates of the pilot program on energy law and regulation in the EU will receive first certificates on successful completion.



In the preparatory period, the KSEP team established efficient interaction with the leading European educational institutions working on the energy sector issues: DiXi Group experts made study visits to the Florence School of Regulation, an independent center at the European University Institute, and to REKK, a think tank at the Corvinus University of Budapest.





EUROPEAN REFORMS



DiXi Group has been consistently supporting Ukraine's integration to the EU legal sphere, first as part of Treaty establishing the Energy Community and then the Ukraine-EU Association Agreement implementation. Facilitating the complete and high-quality fulfillment of their requirements in energy and environment sectors is one of the most important areas of our think tank's activity. As only the implementation of transparency and competition rules compliant with those existing in Europe can provide consumers with high quality of services and rid the country of adverse impact from monopolistic abuses.

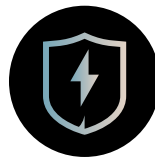
These efforts were taken with the support of the European Commission and the International Renaissance Foundation, and had the purpose of increasing the impact of civil society actors in monitoring and political dialogue concerning reforms in the energy and related sectors.

In 2019, the project team comprised of DiXi Group specialists and experts from partner organizations continued to release monthly reports. Every report contained information about the progress in implementing the Ukraine-EU Association Agreement in particular sectors: gas, electricity and nuclear safety, energy efficiency and social issues, environment and renewable energy sources, oil, and business climate. The final monitoring report for 2019 with an assessment of the progress and status of reforms was presented to European partners in Brussels.

Our representatives also regularly attend meetings of the EU-Ukraine Civil Society Platform and events organized by the Eastern Partnership Civil Society Forum.

In the area of European integration, DiXi Group initiates and supports activities aimed to improve the professionalism of Ukrainian media. As part of these efforts, on November 29, 2019, the project team – jointly with the UNDP experts and journalists from nationwide media focusing on economics – held a training on the basics of journalism in energy and environment sectors. The participants exchanged experience about how to cover events the right way and to make their reports interesting, how to understand and correctly use terminology, to have a grip on legislation and to find the necessary information.





ENERGY SECURITY

2019 became a key year for Ukraine in protecting its energy security, and the threat of Nord Stream 2 project realization was perhaps the biggest challenge.

DiXi Group continued to actively oppose this Russian project. Besides risk analysis, our team worked on enhancing communication among Ukrainian stakeholders and forming a 'one voice' policy on international stage.



In particular, we monitored Ukrainian, German, French, and English-speaking media and developed 17 weekly analytical reports with opinions and recommendations for Ukrainian government authorities, experts and public figures.

In order to strengthen and coordinate the position of Ukraine on energy security, we launched weekly and monthly newsletters analyzing the most important events concerning Nord Stream 2 and provided ad hoc responses with publications and statements. For the same purpose, we introduced a new format by organizing "energy breakfasts". These discussions were devoted to important aspects of energy security (e.g., implementation of the amended Gas Directive and its potential effect on Nord Stream 2), and therefore, they were interesting and right to-the-point for government officials, members of parliament and other stakeholders.



Working together with the consortium led by Expert Forum (Romania) under a project supported by the National Endowment for Democracy (NED), DiXi Group experts prepared a Ukraine case for the publication about Kremlin's energy policy.

DiXi Group experts also attended a number of conferences and events on energy security held in Berlin, Brussels, Washington, New York, Paris, The Hague, Munich and Bucharest. Their speeches and discussions had the purpose of conveying a message to political and expert circles about the need to stop the Nord Stream 2 project and the importance of keeping transit via Ukraine's gas transmission system for the energy security of Europe.

Our communications



The DiXi Group team worked with journalists to tell them more about the energy sector. It is extremely important to understand a broader story behind daily news and to be able to tell, clearly and based on facts, the readers, viewers or listeners about what is actually going on.

In particular, we continue to develop public dialogue using the *Ukrainian Energy* online platform (ua-energy.org), DiXi Group website, social media and active cooperation with media and journalists.

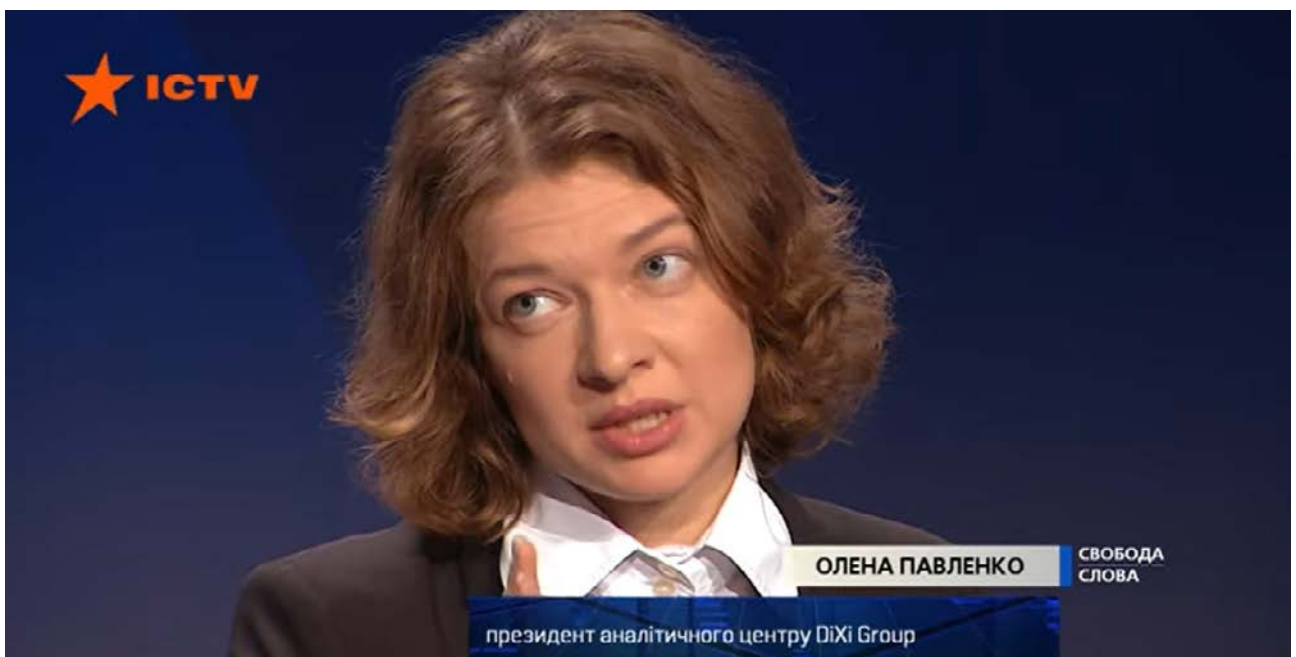
Inter alia, we increase our expert presence in mass media, placing special emphasis upon media with the most influential and target audience. In particular, DiXi Group experts

twice participated in *Svoboda Slova*, one of the highest-rated TV talk shows (ICTV), along with government officials and other experts of the energy sector. We also run two blogs on respected platforms LIGA.net and NV.UA.

DiXi Group experts speak on Hromadske Radio and Radio NV, on TV channels ICTV, Hromadske TV and UAITV, comment for Radio Liberty, BBC, RBC-Ukraine, Interfax-Ukraine and other media. We continue to work with VoxConnector, a project specializing in expert commentaries for regional mass media. In 2019, our think tank was mentioned in mass media over 500 times in total.

In 2019, the audience of *Ukrainian Energy* website has increased more than 4 times – the biggest growth for all years of its existence. The number of unique materials has increased, and the website is now offering interviews and analytical reviews. The number of comments by DiXi Group experts in materials posted on the website has tripled.

In the reporting year, we also became more active in social media, diversifying them to serve specific audiences: i.e., the Twitter page of *Ukrainian Energy* was relaunched as a media platform for English-speaking audience. The number of its subscribers has reached 1,500.



In order to expand the audience visiting our Facebook pages, we increased the content and improved its quality. As a result, the number of subscribers to *Ukrainian Energy* page went up by 23% and to DiXi Group page – by 18%. In addition, we doubled our presence in thematic groups which discuss the energy sector news.

Among the new forms of communication, we tried short videos, caption videos and graphic explainers to popularize analytical materials in social media. In particular, four infographics received more than 6,000 views in two months.

DiXi Group experts and the *Ukrainian Energy* team spoke at the training “How to get a grasp of energy and environment issues?”.

26 journalists from nationwide economic publications and regional media learned about how to better cover events in the energy sector and to make their reports interesting. They have also discussed where to look for information, how to check and use it in their materials, with *Ukrainian Energy* and the Online Energy Sector Map as examples.

In addition, in early 2019, the DiXi Group team and the Reform Office of the Cabinet of Ministers of Ukraine launched a joint project, the *Alphabet of Energy Reform*. Our goal in this project was to tell in an informal and ironic form about the main notions and phenomena shaping agenda of the Ukrainian energy sector. For eight months, we posted 52 creative materials which were very popular and were actively disseminated.

How Ukraine's energy market is being shaped, which laws regulate this sector, where to get and how to use data – all that and even more is available in a comprehensive form



from the Transparent Energy online course (<https://bit.ly/2QISyK1>). The DiXi Group team launched it in February 2019. During the year, over 1,500 people enrolled into the course. This free educational course consists of four modules covering key areas of the energy sector. The speakers conducting video lectures include renowned experts from the Ukrainian and international companies and think tanks. EdEra online education studio and VoxUkraine are the partners of our online course.

Organizational development

Organizational development is one of the indispensable conditions for the continued production of high-quality analysis and the development of platforms for dialogue and support of energy reforms. In addition, in 2019, the DiXi Group team made a strategic decision to reach self-sufficiency in the nearest few years. For that purpose, we actively study audiences, have developed preliminary business plans for commercialization of our products, and mastered the basics of service design to develop prototypes (pilot versions) of new products.

DiXi Group completed the project supported by the Open Society Foundations under the Open Society Initiative for Europe (OSIFE). Key achievements of this project include development of competencies in new areas (in particular, data analysis and preparation of educational programs), active use of new forms and channels of communication, and improvement of strategic, operational and financial management. Today, we are able to achieve strategic goals and improve our knowledge and skills under the Think Tank Development Initiative for Ukraine, implemented by the International Renaissance Foundation with financial support from the Embassy of Sweden to Ukraine.

Internationally, an advocacy visit to the United States and advocacy trips to Austria, Belgium, Germany, France and Canada allowed DiXi Group to continue learning about the experience of leading Western think tanks and deliver our position as regards reforms in Ukraine. We took to a next level the successful cooperation with the Energy Community Secretariat, the Council of European Energy Regulators, the Austrian regulator E-Control, the Florence School of Regulation, REKK, the Columbia Center on Sustainable Investment (CCSI), the Natural Resource Governance Institute, the International Senior Lawyers Project (ISLP) and Expert Forum, resumed contacts with EPC, Atlantic Council and CEPA, learned about activities of the Woodrow Wilson Center, Deutsche Gesellschaft für Osteuropakunde (DGO), TetraTech, MSI, WEG and other organizations.

Certain DiXi Group experts were directly engaged as partners in projects of the World Bank, the Organization for Economic Cooperation and Development (OECD), the Energy Charter Secretariat, and think tanks Berlin Economics (with the support from the German government) and REKK (with the support from the European Commission). Other joint initiatives are currently at the preparatory or planning stages.

DiXi Group was able to enhance its expertise after analysts, who helped create new products and establish cooperation, joined the team.

In particular, DiXi Group experts have developed, jointly with the experts of Auctions for Renewable Energy Support (AURES II) and Low Carbon Ukraine projects, the recommendations concerning introduction of “green” auctions. The Verkhovna Rada took into consideration most of these recommendations, which contributed to the higher quality of the Law No. 2712-VIII adopted by the parliament.

Also, working with the German think tank Berlin Economics and experts of the Institute of Economics and Forecasting of the National Academy of Sciences of Ukraine under Low Carbon Ukraine project, DiXi Group experts





participated in the development of a draft 2050 “Green” Energy Transition Concept of Ukraine and scheduled a series of consultations with key stakeholder groups to discuss this document.

We continued to release policy alerts – express analysis providing insights into a certain matter or situation and respective recommendations. In 2019, we reported on transition of the gas market to daily balancing, restrictions on oil and petroleum products’ imports from Russia, regulation of the NEURC legal status, the trilateral protocol on gas transit, and changes in upstream. DiXi Group experts also began developing a number of new products devoted to various aspects of energy security and operation of the electricity and gas markets.

Our advocacy event, the DiXi Group Friends Reception, was traditionally held at the end of the year. At this meeting, with our partners and key stakeholders, we shared our achievements in 2019 and plans for 2020. Apart of informal communication, the event featured a charitable act raising funds for the Svoyi Charitable Foundation which supports patients receiving palliative care.



INCOME AND EXPENDITURE STATEMENT FOR 2019

INCOME

(thousand UAH)

13448.0	United States Agency for International Development (USAID)
5670.4	International Renaissance Foundation
1181.5	Open Knowledge Foundation Deutschland (OKFDE)
53.4	Private donations for statutory activities
2.4	European Commission
TOTAL:	
20 355.7	

EXPENDITURES

(thousand UAH)

13 918.6	Payroll, contracts and obligatory social payments
11 611.2	Project expenses, procurement of services and goods
2 186.3	Other expenditures (depreciation, vacation allowance, exchange rate differences)
1 305.5	Office rent and maintenance
TOTAL:	
29 021.6	

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IN 2019, WE WERE SUPPORTED BY:



MOVING FORWARD
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