

# Alona Lebedieva: The Increase in Electricity Tariffs Poses New Risks to Ukraine's Economy

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[/EINPresswire.com/](https://EINPresswire.com/) -- The proposed 48% increase in tariffs for electricity transmission by Ukrenergo and the increase in prices for industrial consumers, announced by the National Commission for State Regulation of Energy and Utilities (NCREPU), may become a serious challenge for the economy of Ukraine. This is especially true of energy-intensive industries, which are already facing high production costs due to the war.



Alona Lebedieva

"These businesses risk losing their competitiveness, especially those that do not have long-term contracts for the supply of electricity and are dependent on the volatility of prices on the spot markets," says Alona Lebedieva, owner of the Ukrainian multidisciplinary industrial and investment group of companies "Aurum Group".

The increase in electricity prices will have a negative impact not only on the domestic market, but also on Ukraine's export potential. Industrial producers may become less competitive in international markets, leading to reduced production and exports, which may slow economic growth. "It's worth noting that the European Bank for Reconstruction and Development's (EBRD) revised forecast for GDP growth of 4.7% in 2025 is largely driven by energy-related challenges, particularly rising energy prices," she notes.

There is also the risk of increased lobbying efforts by large electricity consumers, who are likely to seek special rates or favorable terms. This can create an uneven playing field for other market participants and exacerbate economic imbalances. Therefore, it is extremely important that such initiatives remain balanced and take into account the interests of the entire business community.

On the other hand, an increase in "green" tariffs aimed at supporting the development of renewable energy is a positive step. This will improve the financial performance of the sector and

help solve the debt problems faced by green energy producers. “However, without significant investments in the modernization of the energy infrastructure, this step will not solve the main tasks. Ukraine needs systemic changes, in particular the development of renewable energy sources and reducing dependence on traditional energy sources,” Lebedieva adds.

The increase in tariffs will also accelerate inflation, which, according to forecasts, will be 6.6% in 2025, according to the estimates of the National Bank of Ukraine (NBU), and 7%, according to the estimates of the International Monetary Fund (IMF). This will be due not only to higher electricity prices, but also to increased fuel excises and high logistics costs, which will further complicate business conditions and economic recovery in the country.

In response to rising electricity tariffs, Ukrainian businesses should invest in energy-efficient technologies and modernize production processes, which will help reduce energy costs and increase competitiveness.

“In addition, businesses should consider switching to renewable energy sources, which will reduce dependence on market price fluctuations, and enter into long-term electricity supply contracts to stabilize costs. In addition, companies should seek state support in the form of subsidies or favorable conditions for those investing in green energy,” concludes Alona Lebedieva.

At the same time, it is important to diversify export markets and introduce innovations that will help businesses adapt to new economic realities and maintain stable growth.

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