

# **Energy Efficiency policies in EU Eastern Partnership countries**

## **Status quo, main achievements and challenges**

**EU-Eastern Partnership STI Cooperation in Addressing Energy Research and Innovation**

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# Energy Charter Treaty - Protocol for Energy Efficiency and Related Environmental Aspects - PEEREA

**Scope:**

**Policy principles  
for Energy  
Efficiency**

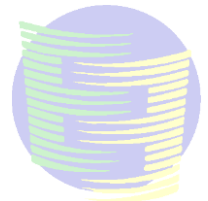
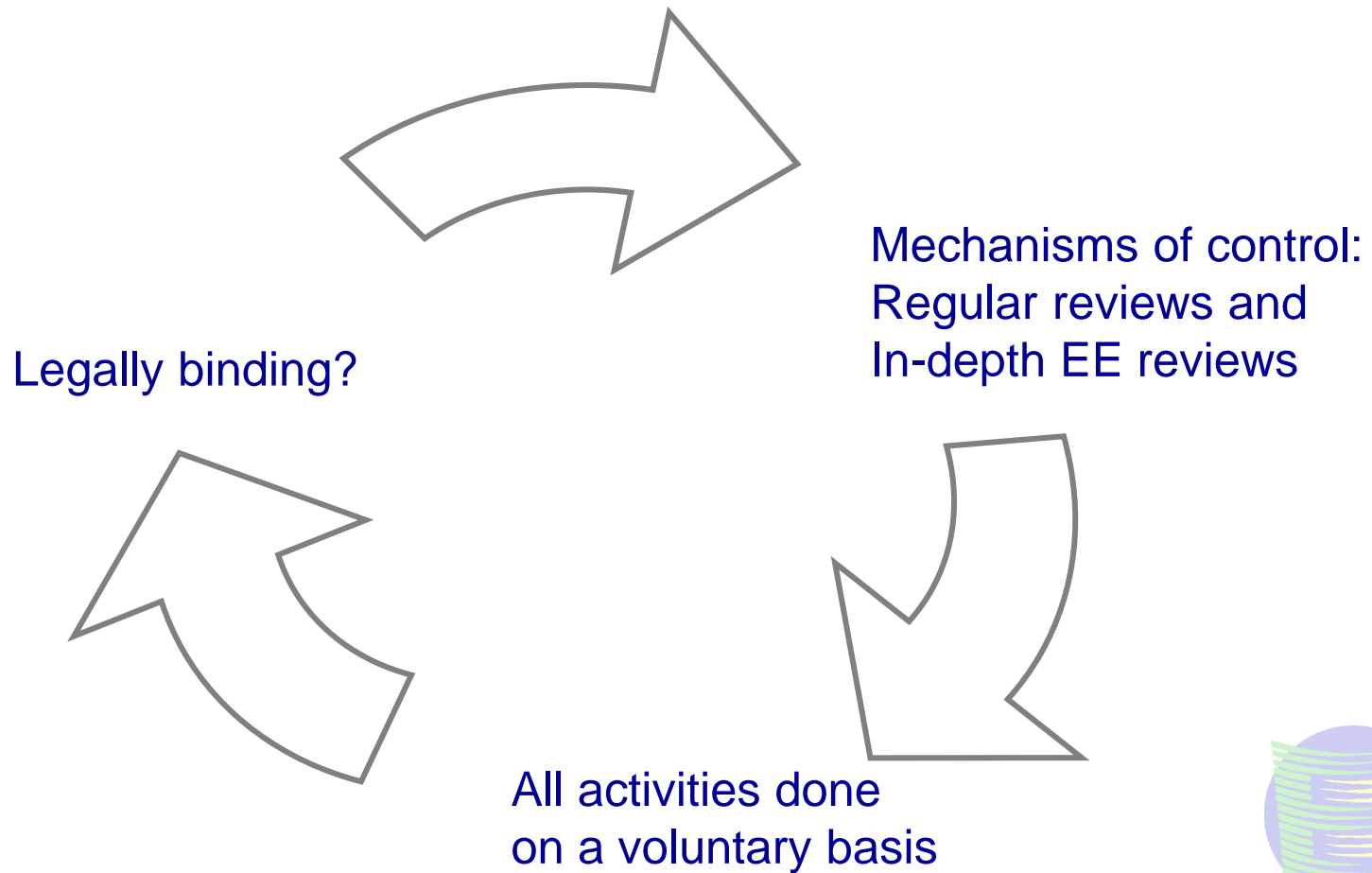
**Promotion of  
energy efficiency  
policies**

**Development of  
Energy Efficient  
markets**

**Cooperation in  
Energy Efficiency  
field**



# The limit of PEEREA



# PEEREA Activities

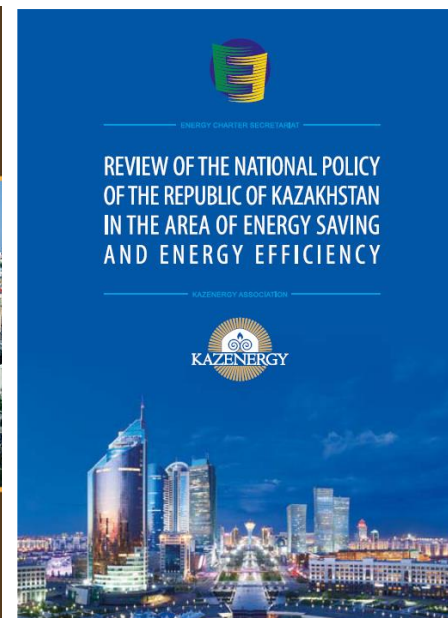
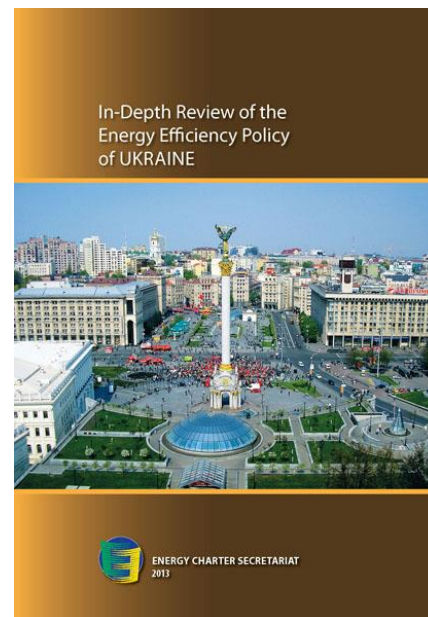
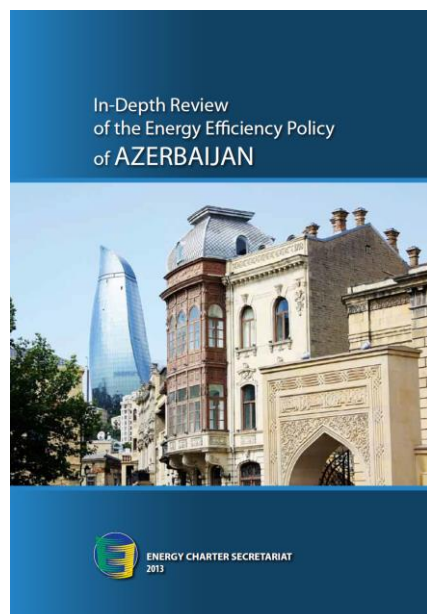
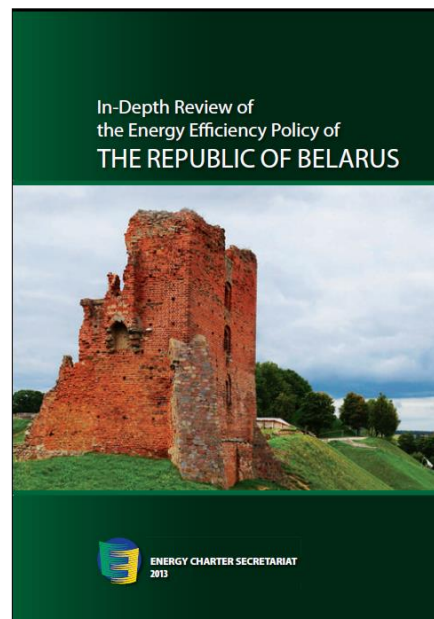
Process oriented – monitoring and supporting achievement of commitments

## Review implementation in Member Countries

- ✓ In-depth reviews : most recent Mongolia (2010); Georgia (2010); Bosnia and Herzegovina (2011); Albania (2011); Republic of Belarus (2012); Azerbaijan Republic (2012); Tajikistan (2013); Ukraine (2013); Turkey (2014); Kazakhstan (2014); Moldova (2015)



# PEEREA In-depth reviews

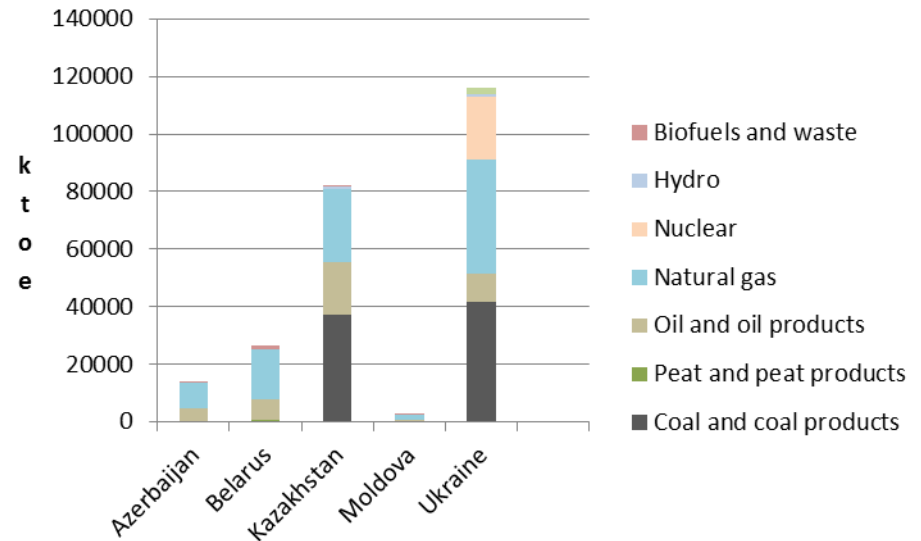


- Commitments by Parties as review hosts and review experts
- Involvement of a wide variety of institutions, businesses and non-governmental actors in the country
- Discussion and approval in the PEEREA Working Group
- Endorsement by the Energy Charter Conference

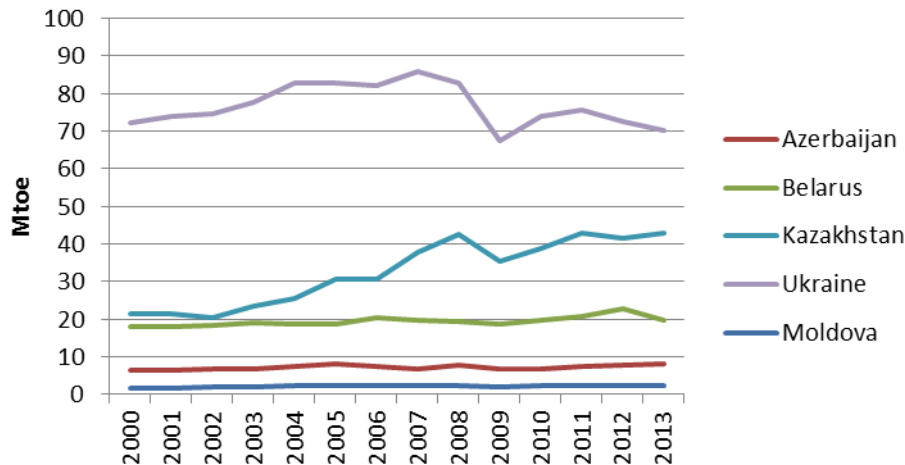


# Energy supply and demand

## Total primary supply in 2013



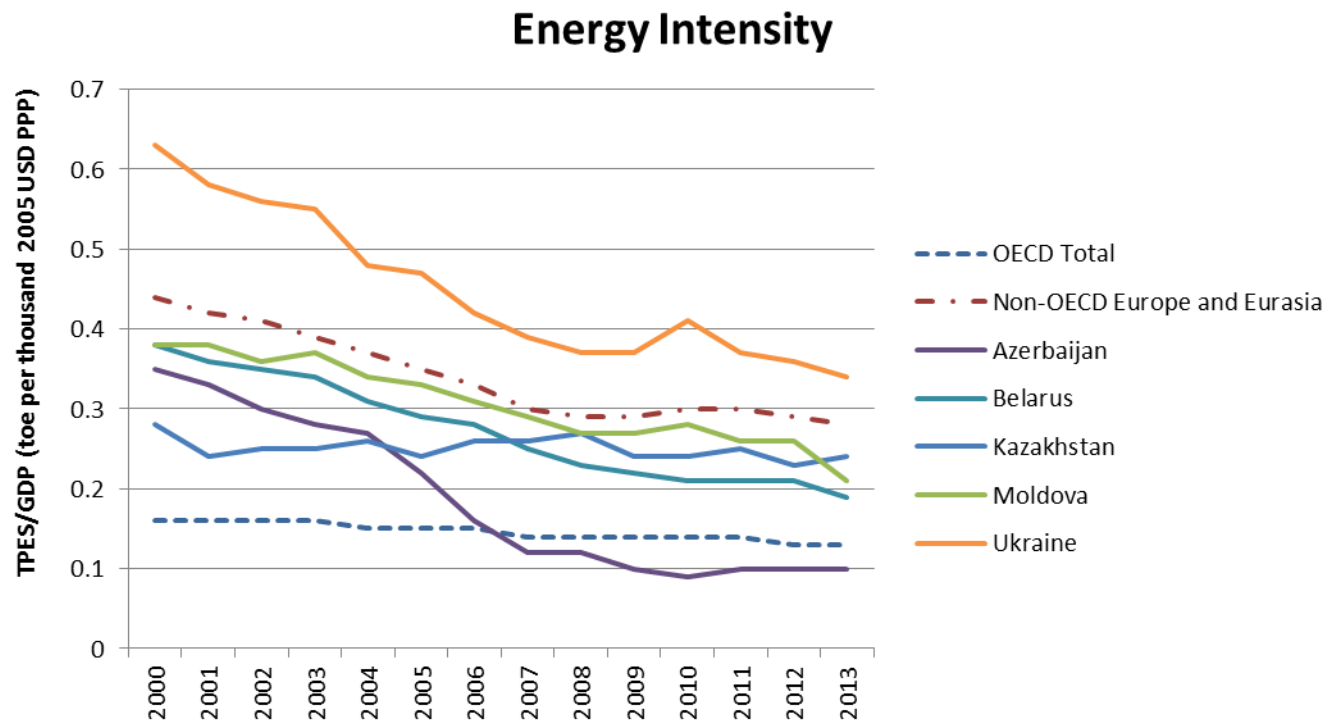
## Total final consumption trend



## Final energy consumption

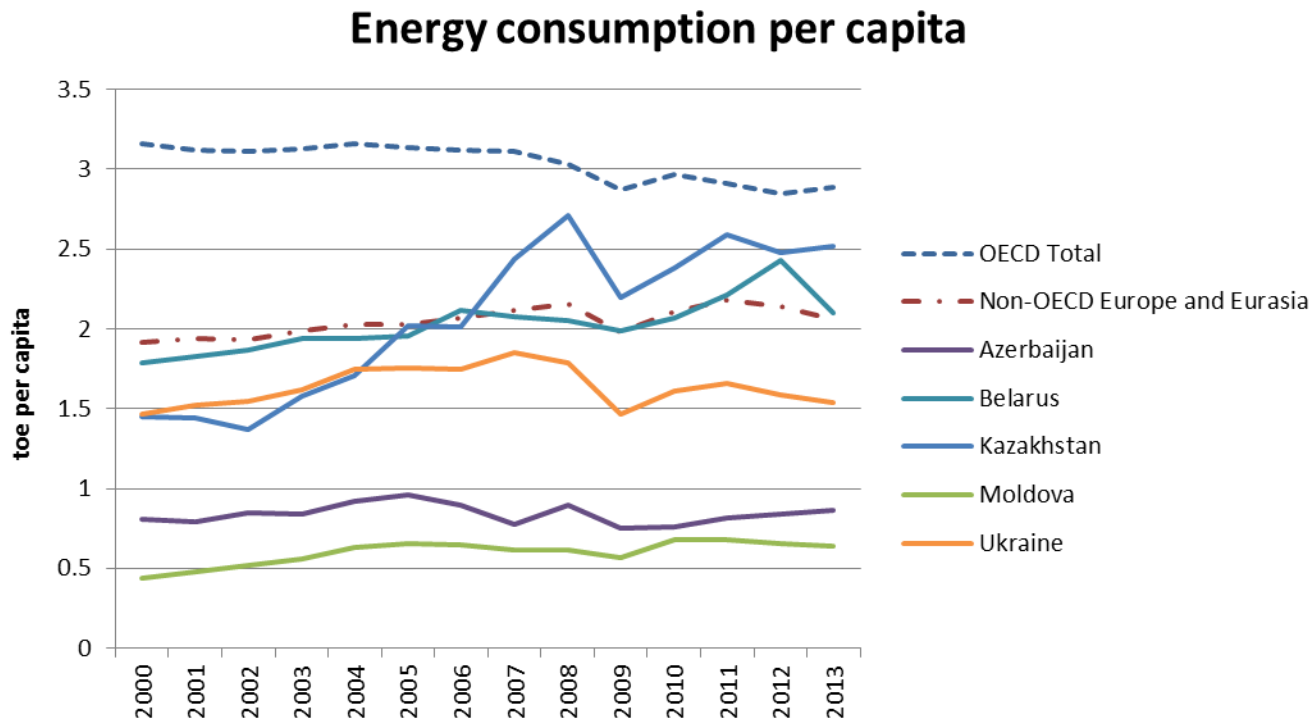


# Energy Indicators



Source: IEA online energy statistics

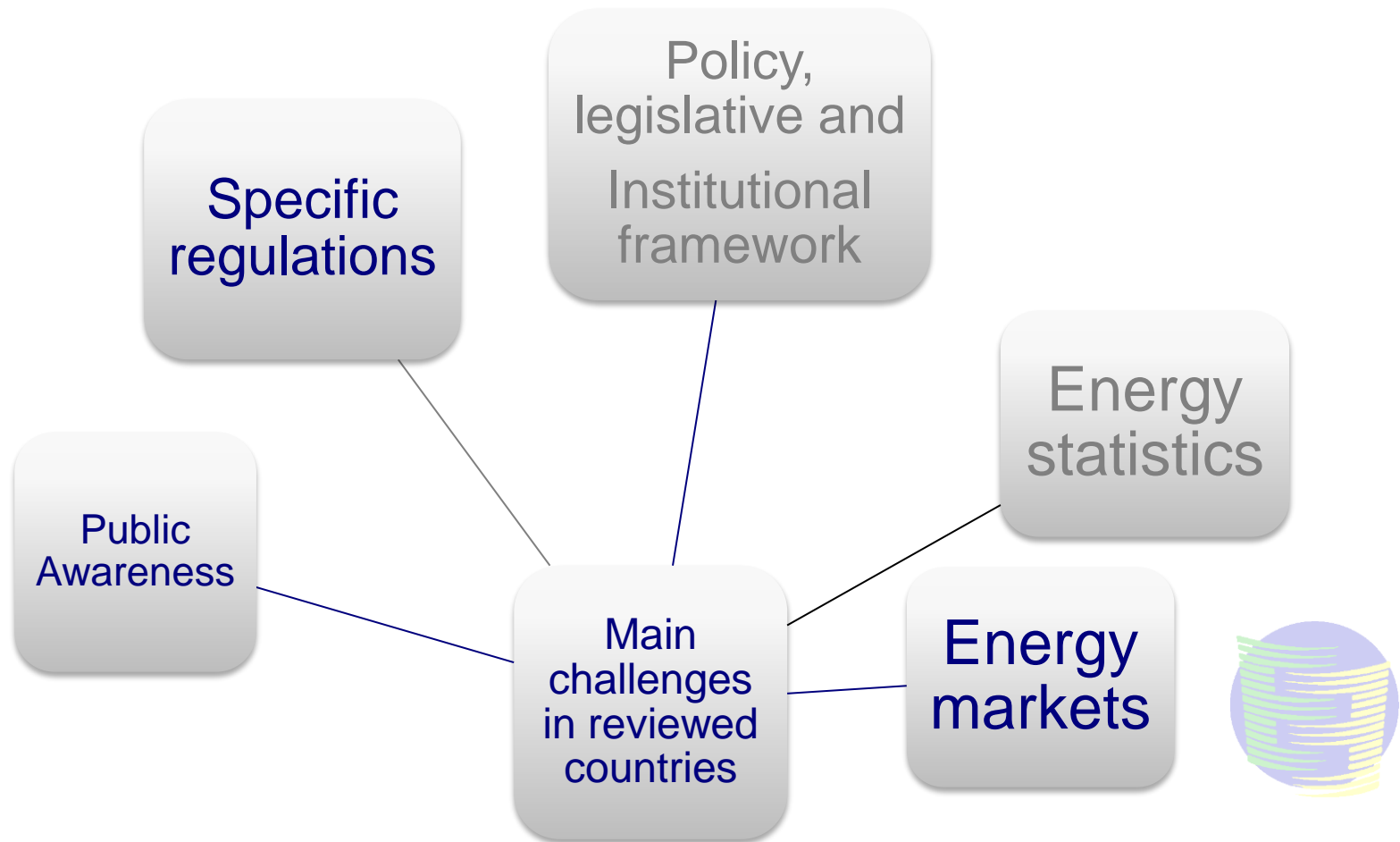
# Energy Indicators



Source: IEA online energy statistics



# Assessment of country performances & level of Energy Efficiency implementation



# Main challenges to energy efficiency

- Energy efficiency – energy or economic, social and quality of life matter?
- Policy, legislative and Institutional framework?
  - National policy goals and objectives do not reflect the potential for energy efficiency
  - Legal framework is underdeveloped
  - Lack of/Under resourced national institutions for energy efficiency
  - Monitoring and review of implementation
  - Energy statistics and energy efficiency indicators



# Main challenges to energy efficiency

- Energy market
  - Energy sector reform is still ongoing or not started
  - Non-cost reflective energy pricing policy
- Availability of specific regulations – buildings, district heating, energy using products, lighting, transport
- Local authorities self governance
- Availability of financing - financial mechanisms and incentives
- General awareness on energy efficiency



Level of EE implementation	Belarus 2012	Azerbaijan 2012	Ukraine 2013	Kazakhstan 2014	Moldova 2015
EE Policy and legislation	Advanced	Intermediate	Basic	Intermediate	Basic
Institutional setting	Intermediate	Low	Basic	Intermediate	Basic
Energy sector reform	Intermediate	Intermediate	Intermediate	Basic	Intermediate
Cost reflective energy prices	Basic	Basic	Basic	Basic	Advanced
Specific EE regulations	Basic	Low	Basic	Intermediate	Basic
Financial incentives	Low	Low	Low	Low	Low
ESCO	Intermediate	Low	Intermediate	Intermediate	Intermediate
General public awareness	Intermediate	Intermediate	Intermediate	Low	Intermediate

Low (L) – no existence and no intention to develop;

Intermediate (I) – intention to start developing;

Basic (B) – regulations exist in draft or just adopted;

Advanced – EE activities under implementation

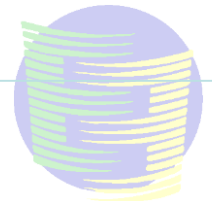


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Energy efficiency and renewable energy should continue to be given priority by the government. Future energy policies should be supported by detailed analysis of economic energy efficiency potentials in all sectors of the economy.

The government's energy policy should reflect the potential contribution of EE to increasing fuel exports and supporting economic growth and the environment.

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# Institutional framework recommendations



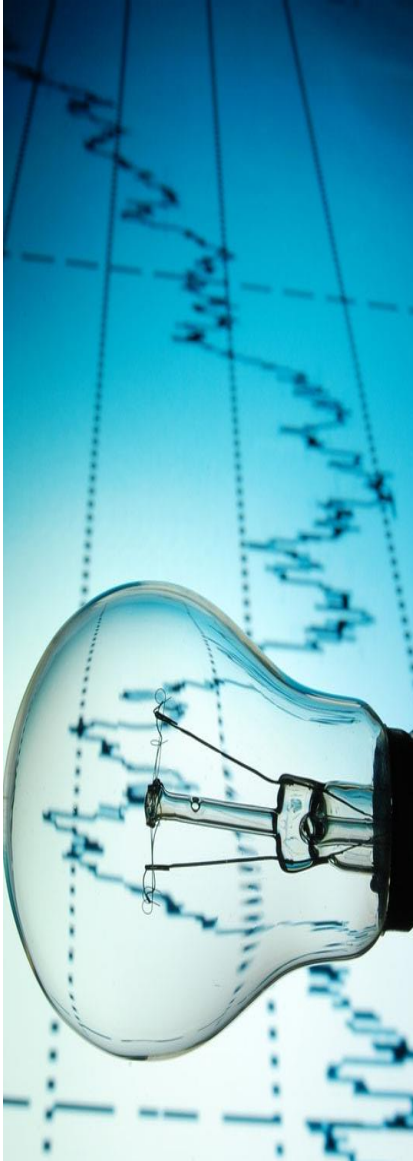
Inter-administration co-operation between energy and other public policy makers should be enhanced, in particular for those concerned with the environment, transport, housing and industry.

The Government should, as a matter of urgency, take steps to ensure that it has the institutional capacity appropriately structured to effectively formulate, monitor, analyse and review energy and energy efficiency policies and their implementation and enforcement.

The government should ensure that sufficient human and financial resources are allocated to the Department of Energy Efficiency as the leading agency, as well as to all units within ministries and regional administrations responsible for the development and implementation of energy efficiency programmes.



# Energy market and tariffs



It is recommended that the government considers the introduction of market-oriented principles in the energy sector and an appropriate regulatory framework, based on international experience

The Government should consistently peruse policies of restructuring energy prices to remove cross subsidies and achieve cost reflective levels.

The independence of the National regulator needs to be guaranteed. It is crucial for the stability and the proper functioning of the energy market



# Other recommendations

## Specific EE Measures

- ❖ Improve enforcement and compliance of building regulations;
- ❖ Regulations on electricity using products;
- ❖ Introduce energy audits and management in industry and buildings;
- ❖ District heating rehabilitation and individual metering;
- ❖ Consider measures for efficiency in transports;
- ❖ Etc.

## Availability of financing & incentives

- ❖ Ensure that international funding on EE is leveraged with domestic budget financing;
- ❖ Strengthen cooperation with commercial banks;
- ❖ Improve procedures for donor support approval;
- ❖ Introduce incentives for private and residential sector EE initiatives;
- ❖ Etc.

## Energy statistics

- ❖ Improve capacity to collect, analyse and assess energy supply and consumption data;
- ❖ Use energy and EE indicators as important basis for future policy developments;

## Monitoring EE implementation

- ❖ Compare existing monitoring system against international practices for the purpose of improvement.





*Thank you for your attention*

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