

Renewable Energy and Energy Efficiency- Innovative policies and financing instruments for the EU's southern and eastern neighbours

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(Summary of the contribution of His Excellency Dr. Khaled Elshuraydeh Minister of Energy and Mineral Resources /Jordan)

The Government of Jordan has adopted a National Strategy for Improving Energy Efficiency in all sectors in the Kingdom , where several measures and actions are needed to be implemented throughout this strategy .

One of these measures is the establishment of the so-called “Renewable and Energy Efficiency Fund” with the main objective of financing studies and demonstration projects in the field of energy efficiency through providing some support and soft loans to these studies and projects .

Potential financing resources of this Fund are grants and support from International Donors and some support from the Government budget and other local concerned institutions .

The Jordanian Government engaged an International Consultant to develop the required institutional, financial and legal frameworks for the operation of this fund. This is expected to be completed shortly and the fund is going to be operational by the end of the year 2007 .

Recently energy audits for forty industrial and commercial enterprises has been conducted, it was found that over 20% of the total energy consumption of these enterprises could be saved through various demand-side efficiency measures and the average payback period of the investment would be some less than two years.

Other measures implemented in this field include :

- Exempting the Energy Saving Bulbs from custom duties.
- Providing some incentives to replace old vehicles in the transport sector .
- Developing a program to increase the use of domestic Solar Water Heaters .
- Initiating a program for energy saving in Street lighting .
- Establishing Energy Labeling System for Household Appliances.