

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

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## **Session 2: SUCCESSFUL ENERGY EFFICIENCY POLICY**

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- Thank you for the opportunity to discuss issues on increase of energy efficiency in the international context and share our experience in this field.
- By aiming to increase energy security in Lithuania (since the share of import makes up 90 %), cut down energy prices and reduce a negative impact on the environment, the increase of energy efficiency is becoming a vital factor.
- Effective energy use is one of the strategic objectives in the development of **the Lithuanian energy sector**.
- Key strategic document – **National Energy Strategy** – sets tasks related to the increase of energy efficiency in the production, supply, final consumption sectors. One of these tasks is **in a 10-year period to save 9 % of the final energy compared with the average in 2005**. We are currently in the process of preparing the National Action Plan for Energy Efficiency.
- Since 1992 our country has been a witness to the implementation of the interinstitutional National Energy Efficiency Programme, which sets the objective to increase energy resources and energy efficiency, renewable energy usage in all national economy fields. **The intensity of energy consumption in the period of 1995-2005 in our country declined about 45 %**.
- The main reserves of increasing efficiency lie in **modernization of the existing buildings** in Lithuania. Energy saving potential in the buildings in Lithuania might be assessed about **40 %**. Hospitals, kindergartens, buildings of educational institutions, state buildings undergo renovation.
- Particular attention is paid to **modernization of multi-apartment buildings**. We should tackle the problem of limited financial resources, which is a challenge for our population. Since 2004, Lithuania has been witnessing the implementation of **the Modernisation Programme of Multi-apartment Buildings. An appropriate system for granting loans has been established**. The state provides a 50 percent financial support. The share of renovated and modernized multi-apartment buildings will equal to 70 % until 2020 and the consumption of heat energy and fuel in the housing sector will decrease by 30 % in comparison with 2004.
- Other financial measures, such as tax deductions, have also been applied.
- In 2005, requirements for heat transmission coefficients through envelopes in new buildings were tightened. Certification system of energy performance in buildings has been legalized.
- At present, **co-generation** (CHP) is highly promoted, especially bio co-generation. 70 percent of Lithuanian citizens are connected to centralized heat supply systems. More than 50 percent of heating energy is produced in co-generation power plants. We are striving to increase the share of renewable energy sources in the heating sector by 2-3 percent each year, and aim to achieve 40 percent in 2020.
- Minimal energy **efficiency** and periodical inspection requirements have been established.
- **Labeling** requirements of consumption of energy and other resources by household appliances have been established. Energy efficiency labeling programme for office equipment is being implemented.
- Finally, I would like to note that a successful energy efficiency increasing policy should be based on the integrated approach, covering all energy supply system

levels – energy producers, distributors, suppliers and consumers. It is necessary to coordinate initiatives of the energy and environmental sectors, to secure cooperation of the financial sector and contribution of the education sector.

- By aiming to increase energy efficiency, **additional efforts** are still needed.
- Based on our experience and choosing appropriate funding instruments, energy saving potential **in buildings** should necessarily be used.
- In pursuance of effective usage of energy saving potential in buildings as well as in industrial enterprises, an efficient system for **energy audits** is created.
- It is necessary to use energy efficiency increasing potential **in the transport field**.
- The field of applying minimal **energy performance in buildings requirements** needs to be improved. It would be expedient to develop cooperation on the international scale.
- And finally, I would like to highlight the importance of investments **into scientific researches**, as well as indirect measures.

Thank you for your kind attention and anticipated cooperation.