

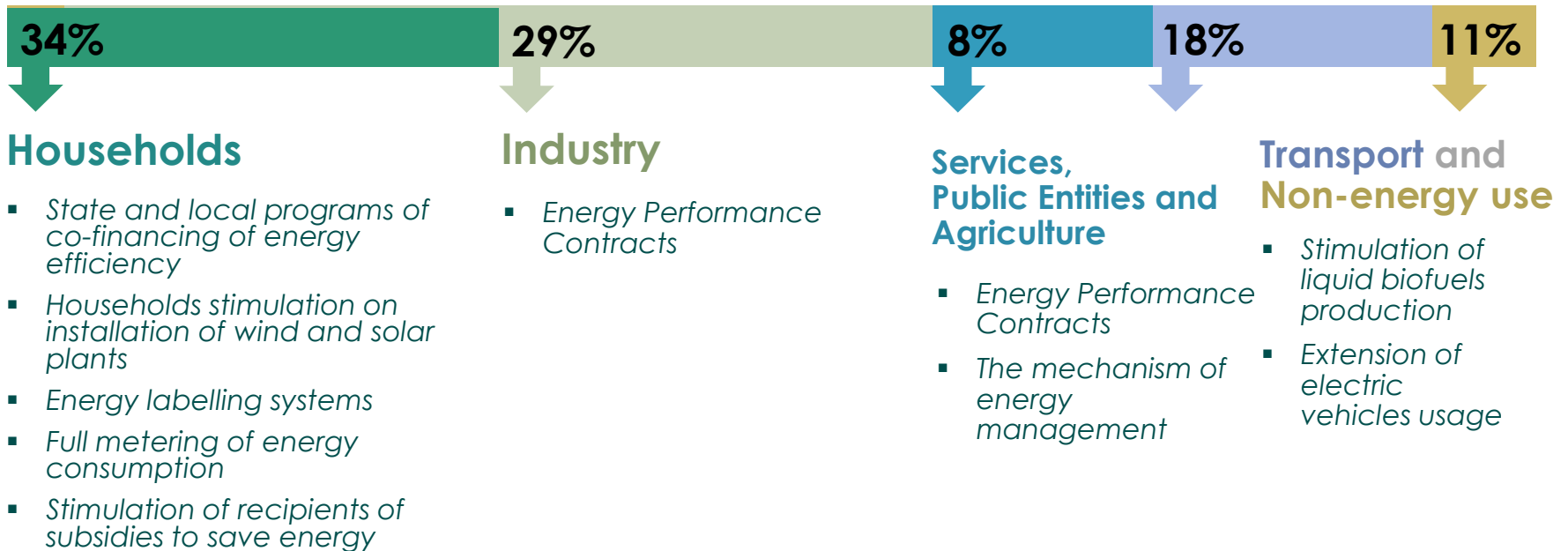
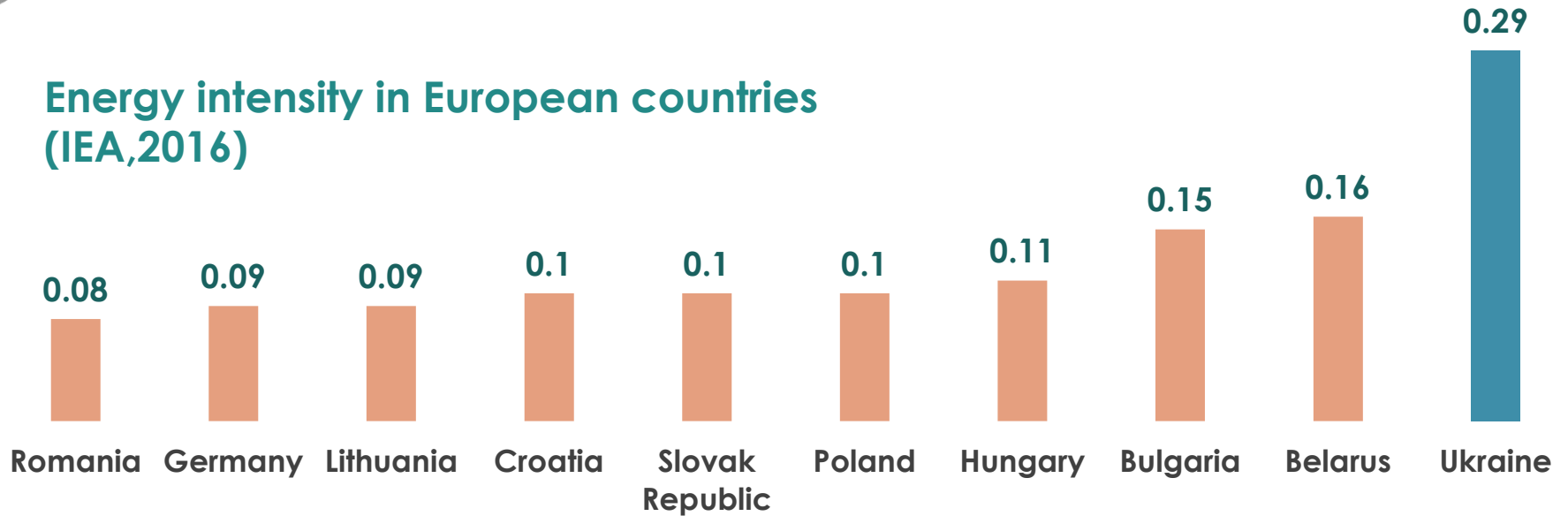


**State Agency on Energy Efficiency  
and Energy Saving of Ukraine**

# Stimulating Ukrainian Enterprises to Increase Energy Efficiency and Reduce Greenhouse Gas Emissions



## Energy intensity in European countries (IEA, 2016)

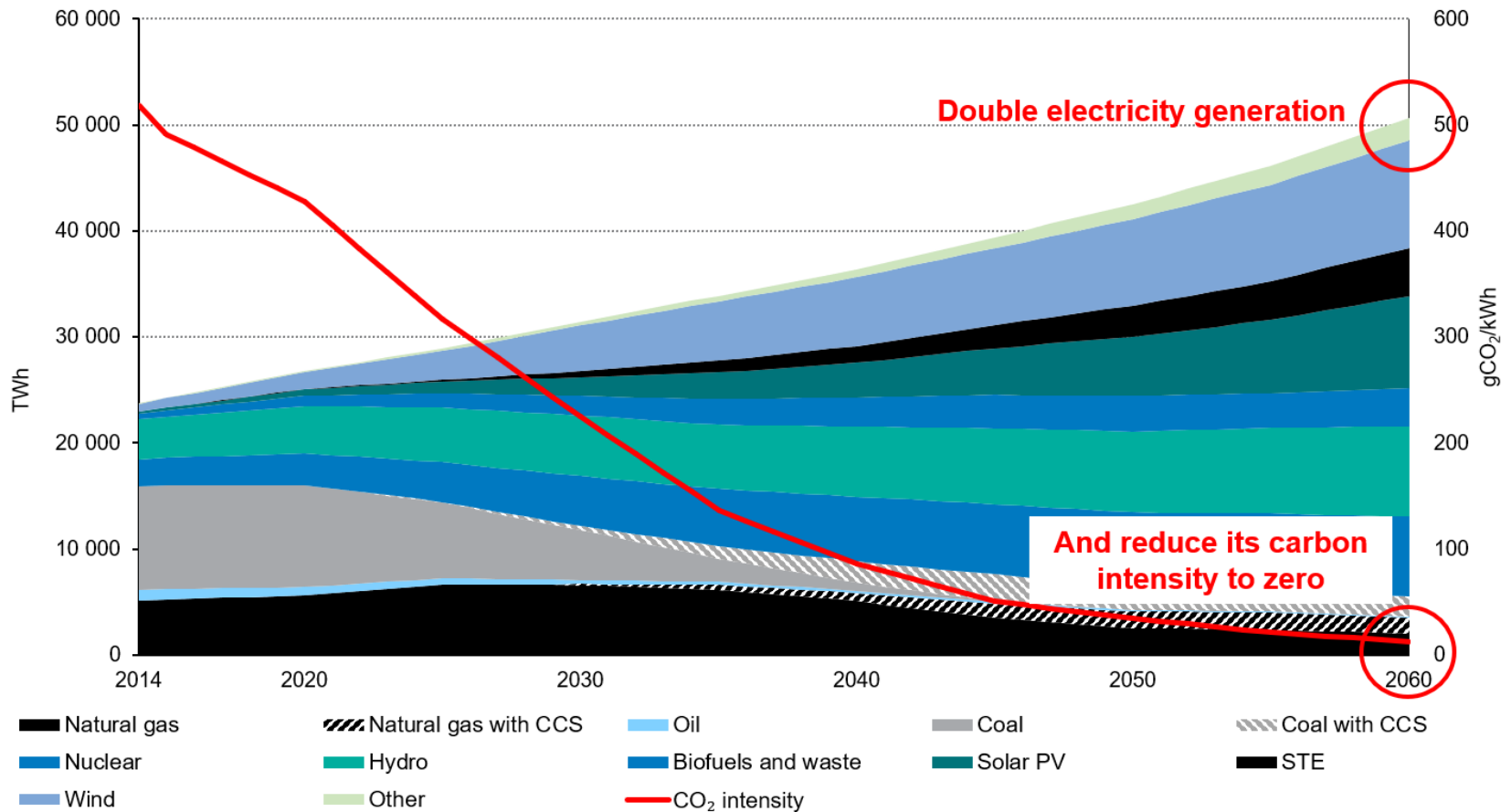




## Electricity in a low carbon world



European Bank for Reconstruction and Development



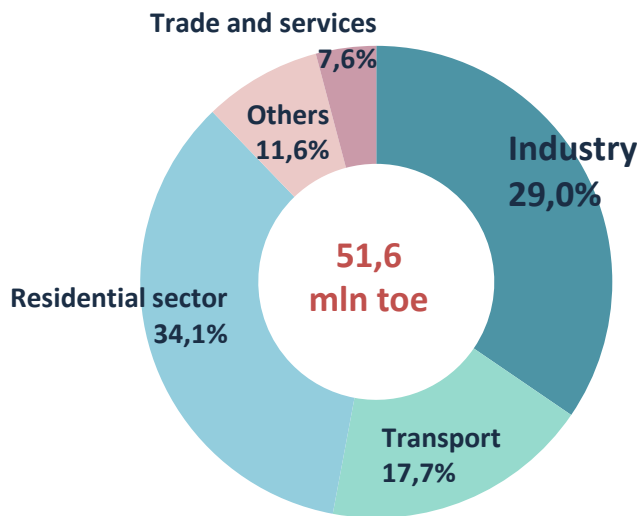
International Energy Agency (2017), Energy Technology Perspectives 2017, OECD/IEA, Paris



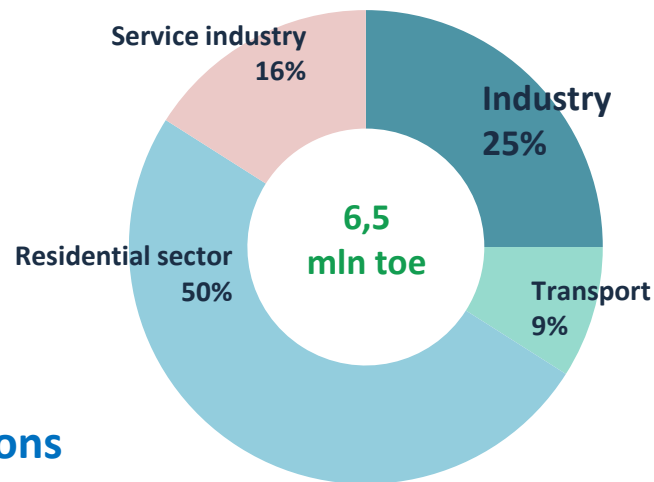
# Industry is a significant consumer of energy and environmental pollutant

**9%** reduction of final energy consumption in accordance with the National Energy Efficiency Action Plan until 2020 (CMU Decree No. 1228-p dated November 25, 2015)

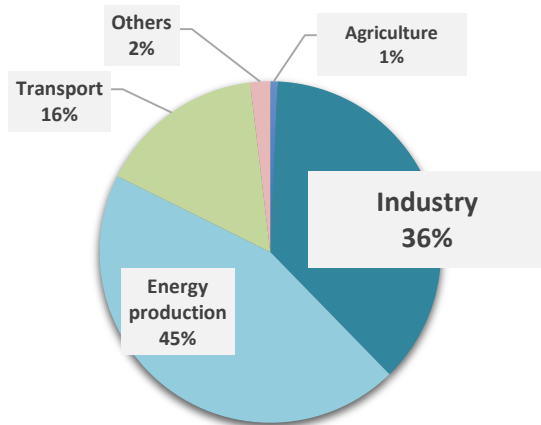
### Structure of final energy consumption



### Expected reduction of energy consumption according to National Energy Efficiency Action Plan until 2020



### CO2 emissions

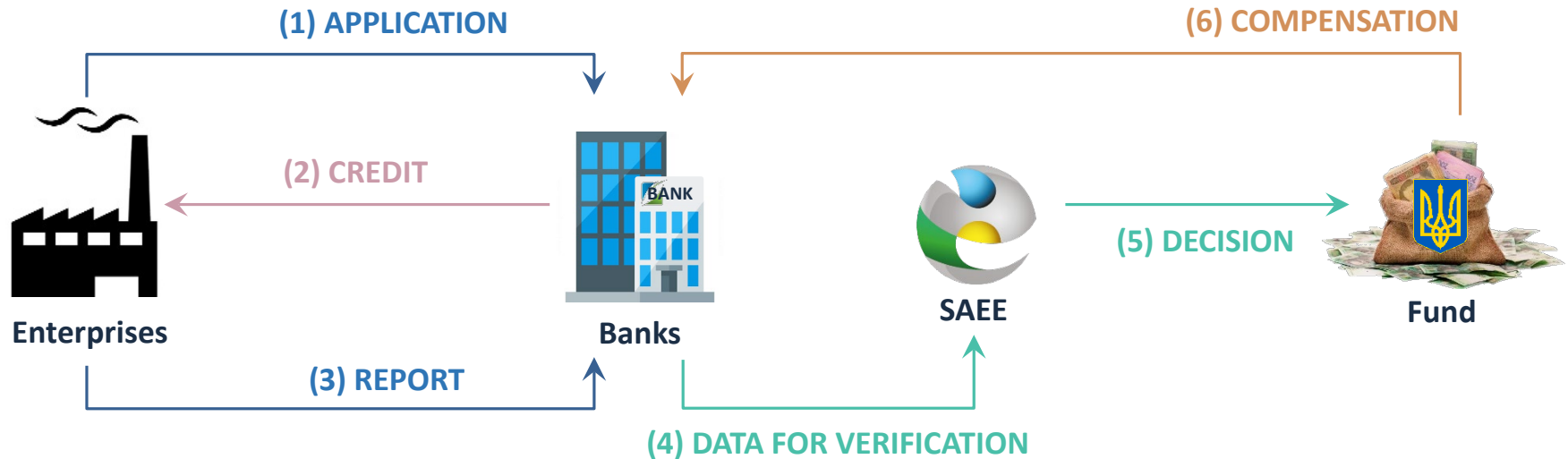


Energy-efficient measures- guarantee of CO2 emissions



## State support mechanism:

Enterprises receive **compensation** for the implemented projects with EE and RES



## Types of measures for EE and RES :

- production and use of electric vehicles;
- substitution of fossil fuels with renewable energy sources and alternative fuels;
- installation of energy efficient equipment;
- implementation of measures of the energy management system;
- introduction of highly effective engineering systems, metering systems and resource management;
- thermal sanitation of buildings, bringing them to the minimum requirements of the class of energy efficiency.

## Funds to support enterprises:

Funds are accumulated in a separate **State Budget Target Fund** (without separate administration)

More information:  
<http://eee.org.ua/>



# Terms of use of the State Budget Target Fund

Enterprise size	from 2020 to 2022 year (rate 0,1 €/tCO <sub>2</sub> )		from 2023 to 2025 year (rate 0,5 €/tCO <sub>2</sub> )		from 2026 year (rate 1 €/tCO <sub>2</sub> )	
	percentage of reimbursement	Limit amount of refund	percentage of reimbursement	Limit amount of refund	percentage of reimbursement	Limit amount of refund
small	50	EUR 32 000	50	EUR 32 000	50	EUR 32 000
middle	40	EUR 80 000	40	EUR 80 000	40	EUR 80 000
big	30	EUR 160 000	30	EUR 160 000	30	EUR 160 000
Number of participating companies per year	400		2000		4000	
Number of participating companies for 3 years	1200		6000		24000*	
TOTAL tax in a year	EUR 14,6 M		EUR 77,2 M		EUR 146,2 M	
TOTAL tax for 3 years	EUR 43,8 M		EUR 231,6 M		EUR 731 M*	

## Features of the fund:

- By 2030 the fund will be able to **attract loans totaling more than EUR 2,32 billion** and **compensate** from the state budget **over EUR 1,2 billion**
- Allows to **stimulate the energy efficiency of ALL breakeven industrial enterprises** in Ukraine
- That will **reduce the final consumption of energy by industrial enterprises**, that conduct energy efficiency measures, **by 1.6 M toe** or 15% and **reduce CO<sub>2</sub> emissions by 17.1 M ton** (22% scenario of “the energy efficiency, modernization, innovation” of the Low Carbon Strategy).

### Requirements for enterprises:

- Break-even activity
- Presence or preparation for certification of the energy management system (ISO 50001) or environmental management system (ISO 14000)

### Requirements for EE events:

- Payback is more than 1 year
- Decrease in specific energy use (from 15%)

\*is calculated for 5 years - by 2030