



# United Nations Economic Commission for Europe

**Energy Efficiency 21 Programme**

**Financing Energy Efficiency and Renewable Energy  
Investments for Climate Change Mitigation**

**Outcome of the Regional Analysis of Policy  
Reforms to Promote Energy Efficiency and  
Renewable Energy Investments**

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Investments for Climate Change Mitigation  
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## Regional Analysis of Policy Reforms



- Contract awarded to Pöyry Energy Consulting AG in November 2008
- Implementation started in January 2009
- Missions to project countries in May-July 2009
- Information exchange with NPIs, National Coordinators, Regional Policy Adviser, Monitoring and Evaluation Adviser, other contractors (Conning and EnEffect), supporting institutions and PMU
- Presentations by Pöyry at AHGE sessions (March and October 2009), EE21 SC session (June 2009), Policy Seminar (October 2009, Geneva) and Workshop on Case Studies (November 2009, Kiev)



## Regional Analysis of Policy Reforms



- Intermediate reports delivered to PMU in accordance with Implementation Plan
- Complete Final Report (preliminary draft) delivered to PMU in early December 2009
- Finalization of Report based on comments from all stakeholders by mid-March 2010
- Final Report (hard copies and electronic version) delivered to PMU and approved in April 2010



## Regional Analysis of Policy Reforms



- Full electronic version is available at UNECE and project websites:  
[http://unece.org/energy/se/pdfs/eneff/eneff\\_pub/E21\\_FEEI\\_RegAnl\\_Final\\_Report.pdf](http://unece.org/energy/se/pdfs/eneff/eneff_pub/E21_FEEI_RegAnl_Final_Report.pdf)  
  
[http://feei.info/assets/cms/File/Regional%20Analysis\\_Final%20Report.pdf](http://feei.info/assets/cms/File/Regional%20Analysis_Final%20Report.pdf)
- Executive Summary published in English and Russian (design and printing by EnEffect)
- To be issued:
  - CD-ROM with full Report
  - UNECE publication (in two languages) based on the Report
  - Publication on case studies (including **national** case studies)



## Structure of Regional Analysis



- Executive Summary
- Introduction
- Methodology
- Analysis of Policy Framework and Existing Barriers (with country analysis)
- Case Studies
- Conclusions and Recommendations (country-specific and at regional and sub-regional level)



# Barriers for investments in energy efficiency and renewable energy sources



## Main legal, institutional and administrative barriers

- Complexity of the regulatory framework
- Lack of secondary legislation and operational instructions, tools and procedures
- Complex and cumbersome authorization procedures
- Inefficiency and limited use of public tendering processes



# Barriers for investments in energy efficiency and renewable energy sources



## Main economic and financial barriers

- State intervention in price formation
- Energy tariffs not covering full costs
- Limited availability of public funds for financing initiatives and projects
- Relatively small size of EE and RES projects



# Barriers for investments in energy efficiency and renewable energy sources

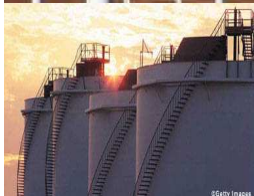


## Main barriers in the level of awareness, human capacity and professional skills

- Overall low level of awareness of the need in energy efficiency improvements
- Commercial banks lack experience in financing schemes
- Lack of training and education possibilities for improving professional skills



## Recommendations for Policy Reforms at the Regional Level



- **Further development of policy frameworks**
- **Monitoring of policy implementation**
- **Transparent procedures for tendering, authorizations, grid connections**
- **Spatial planning for renewable energy projects**
- **Metering and consumption-based billing**
- **Establishment or strengthening of institutional structures**



## Recommendations for Policy Reforms at the Regional Level



- **Energy tariff reforms**
- **Provision of financial incentives for energy efficiency and renewable energy sources**
- **Advanced feed-in tariffs**
- **Increasing public awareness and dissemination of information**
- **Capacity building**



# Priorities in Implementation of Reforms



## Three clusters of measures:

- “Quick Wins”
- “Essentials”
- “High Cost, High Return”



**Thank you for your attention !**



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