



# UNDP / GEF / UNECE Project

## Removing barriers to energy efficiency improvements in the state sector in Belarus

Programme period : 2006-2010

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## Removing barriers to energy efficiency improvements in the state sector in Belarus

ECE in kind contribution

Total commitment USD 100.000

(USD 75.000 in PDF phase since 2002)

Technical assistance, presentation of project opportunities to foreign business, staff travel, communications, conference services

## Removing barriers to energy efficiency improvements in the state sector in Belarus

Main project drivers:

- 2007- energy imports prices rising dramatically
- Two compelling reasons for the national and local governments to invest to EE:
  - economic saving
  - energy security

## Removing barriers to energy efficiency Improvements in the state sector in Belarus

### Fuel and energy consumption structure

- State sector - 68 %
- Population - 30 %
- Private sector - 2 %

## Removing barriers to energy efficiency improvements in the state sector in Belarus

### The State Sector

- State self-financed organizations  
largest fuel and energy consumer – 15.2Mtoe  
entitled to access innovation funds
- State budgetary organizations – 2,8 Mtoe

## Removing barriers to energy efficiency improvements in the state sector in Belarus

### Barriers to Energy Efficiency

- Demand side - lack of capacity to develop the business plan, poor quality audits, lack of incentives to invest in EE
- Supply side – investment funding dominated by government grants , limits to supply of funding (credit underutilized, funding not leveraged effectively)

## Removing barriers to energy efficiency improvements in the state sector in Belarus

### Project Rationale and Policy Conformity

- Government proven support for EE – unusually strong compared other CIS countries
- Government directly controls 80 % economy, limited market-based approaches
- Project proposed activities reflect mixed situation
- Range of mechanisms to increase investment

## **Removing barriers to energy efficiency improvements in the state sector in Belarus**

### **Project goal**

Reduction of GHG emission by removing the major barriers to the development of a market for energy efficient products and services to reduce and offset fossil fuel use in Belarus

## Removing barriers to energy efficiency improvements in the state sector in Belarus

### Outcome 1.

Increased incentives for the state organizations to invest in EE:

- Budget organizations use energy norms
- Budget organizations deposit their energy savings
- Budget organizations issue incentives to staff responsible for investment in EE

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## Outcome 2.

Financial resources for EE investment used more efficiently:

- Build the capacity to audit and identify cost effective EE investments
- Increase the portion of loans offered for EE
- Build the capacity to secure credit for EE
- USD 8 million in new cost effective EE investment secured

## Removing barriers to energy efficiency improvements in the state sector in Belarus

### Outcome 3

Project successes sustained and replicated

- create an Energy Centre
- create a pipeline of EE investments
- expand the number of budget organizations using energy norms, settlement accounts for energy savings and incentives to staff

## Removing barriers to energy efficiency improvements in the state sector in Belarus

# Thank you !

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