



“State of affairs in Energy Efficiencies Policies and Measures and Energy Efficiency Indicators”

Azerbaijan

Nurangiz Farajullayeva – Principal Adviser – Ministry of Energy
INOGATE Regional Workshop on Energy Efficiency Indicators
Minsk, Belarus, 22-24 September 2015

Agenda



1. Legal or institutional framework for energy efficiency
2. Overview of the main Energy Efficiency Policies and Measures in place or under development
3. Stakeholders involvement
4. Use of energy statistics for energy efficiency monitoring
5. Main issues / challenges faced

www.inogate.org



1. Legal or institutional framework for energy efficiency



1. **The Law on the Use of Energy Resources, 30 May 1996**

Regulates legal, economical and social frameworks of the national policy in the field of the use of energy resources (UER), together with basic mechanisms of its realisation, regulates relations in this field between the state and legal and physical persons. The Law provides:

- Creation of the Fund for Rational Energy Consumption
- Development of the national programmes in the field of the efficient UER
- Creation of the State Energy Expertise
- Standardisation, certification and normalisation in the field of the UER
- Charges for unsustainable (irrational) UER
- State energy supervision of the UER
- The procedure for statistical reporting on the UER

2. **Urban Development and Building Code, September 2012**

In accordance with Article 57. «Requirements for the construction facility, point 57.2.6» : Construction facility shall be designed and erected in accordance with the requirements of energy saving and energy efficiency

2. Overview of the main Energy Efficiency Policies and Measures in place or under development



1. In accordance with «State Program on development of fuel and energy complex for the period from 2005-2015 гг» the whole family of new, efficient power plants, created based on the advanced technologies, meeting the requirements of the latest achievements of science and technology, was put into the use.
2. The use of high-performance technologies has reduced fuel consumption in the recent years to 295 gr of the agreed fuel/kWh, as of today, which led to fuel savings and reduced emissions. It is planned to lower fuel consumption of the agreed fuel to 260 gr/kWh by the year 2020.
3. Providing modern electricity metering devices to 95% of the Republic
4. **Resolutions of the Cabinet of Ministers of Azerbaijan: № 112 from 25 April 2014** approved the list of equipment and materials, which are free from the custom fees while imported on the territory of the Republic of Azerbaijan. **№ 113 from 25 April 2014** approved the list of equipment and materials, which are free from the VAT tax while imported.
5. **Draft State Program on energy saving and energy efficiency of the final consumer**
6. **Draft Regulation on the non-budgetary State fund for the rational use of energy**

3. Stakeholders involvement



1. **Ministry of Energy** (ensures the development and implementation of activities connected with rational use of the energy resources and protection of the national interests in this field).
2. **State Committee on Urban Development and Architecture** (development and adoption of building codes and standards)
3. **State Agency on Alternative and Renewable Sources of Energy** (coordination of activities and state supervision in the field of alternative and renewable energy sources, regulation in the field of alternative and renewable energy and its efficient use)
4. **State Agency on Standardisation, Metrology and Patents** (development and adoption of technical norms, rules and standards)
5. **State Oil Corporation of the Republic of Azerbaijan (GNKAR), Stock Company «Azerenergy», SC «Azerishyg», independent electricity producers and others**

4. Use of energy statistics for energy efficiency monitoring

Some energy statistics indicators of Azerbaijan:

Primary energy production

- Total primary energy production in Azerbaijan equals **61132 ktoe** in **2014**
- **43 296 ktoe** or **73%** - is accounted for crude oil;
- **17 565 ktoe** or **27%** - is accounted for natural gas.

Primary energy export and import

- Azerbaijan exported **46 169 ktoe** of primary energy in **2014**:
- - crude oil - **36 248.9 ktoe**
- - natural gas - **7 551 ktoe**

Energy consumption

- Total final energy consumption of Azerbaijan in 2014 equals **8 241,7 ktoe**, of which:
- Natural gas – **3 616,3 ktoe**;
- Petroleum products - **2 961,2 ktoe**;
- Electricity – **1 454 ktoe**;
- Heat – **121,2 ktoe**;
- Electricity from hydro power plants – **86,7 ktoe**;
- Consumption of other energy types – **2,3 ktoe**.

Structure of the energy consumption can be presented as follows:

- Industry and construction – **1 329,2 ktoe** or **16%**;
- Transport - **2 559,4 ktoe** or **31%**;
- Agriculture - **461,8 ktoe** or **6%**;
- Commercial and public services - **665,0 ktoe** or **8%**;
- Households - **3 226,3 ktoe** or **39%**



5. Main issues / challenges faced



1. Undeveloped secondary legislation on energy efficiency, especially the part regulating creation of the standards for final energy consumption
2. Lack of a national system of energy efficiency indicators at the level of final consumption
3. Lack of the data on final energy consumption split by the ways of the use in the national statistical system (for example: there is no information in the households on what part of the energy is used for heating, hot water, what for lighting or cooking).
4. Insufficient measures to raise the awareness of energy conservation among the citizens
5. Shortage of qualified personnel in the field of energy efficiency



Спасибо!
Thank you!

Nurangiz Farajullayeva
Principal Adviser
Ministry of Energy
Azerbaijan

fnurengiz@mail.ru

INOGATE Technical Secretariat and Integrated Programme in support of the Baku Initiative and the Eastern Partnership energy objectives



www.inogate.org