

Speech

**by Mr. A. Nimatullaev, the Head of the State Inspectorate "Uzgosenergonadzor",
on "The current status of the regulatory framework in the field of energy saving
and efficiency in Uzbekistan" at the information event "Path to Sustainable Energy
through Enhancement of Energy Saving-Efficiency and Development of Renewable
Sources" (29 January of this year)**

Dear ladies and gentlemen, participants of this Information Event!

My brief report will highlight the current state of the regulatory framework in the field of energy saving and efficiency in Uzbekistan, in particular as regards the activities of the Inspectorate "Uzgosenergonadzor" (The State Inspection on Supervision for Power Industry).

First I would like to give an overview of the current regulatory framework in the field of energy saving and efficiency.

In 1997, the Republic of Uzbekistan adopted the Law "On the Rational Use of Energy".

Pursuant to this Law, main directions of the government policy in the field of rational use of energy are:

- implementation of national, sectoral and regional targeted programmes and projects;
- stabilisation of production and consumption of energy required for intensive development of the national economy;
- optimisation of supply and demand side management, organisation of metering and billing;
- promotion of production of energy saving equipment and products with minimal energy intensity;
- introduction of energy efficiency indicators into regulatory documents for energy producing and energy consuming equipment and products;
- organisation of state control and supervision of energy quality, energy efficiency of production and energy intensity of products;
- organisation of inspections of energy efficiency at enterprises, institutions and organisations;
- energy examination of products, operating and renovated facilities, technology and equipment;
- establishment of energy efficiency demonstration zones for implementation of high energy efficiency projects;
- stimulating the development of energy efficient and environmentally friendly technologies and production;
- organisation of statistical observations of energy production and consumption.

In connection with the adoption of the Law, the following subordinate regulations have been adopted in due order:

1. "Rules for conducting energy audits and examinations of consumers of fuel and energy resources", approved by the Resolution № 164 of Cabinet of Ministers of the Republic of Uzbekistan of 07.08.2006. These Rules establish the procedure and terms for conducting energy audits and examinations.

2. "Rules of use of electricity" and "Rules of use of thermal energy", approved by the Resolution of Cabinet of Ministers of the Republic of Uzbekistan of 22 August 2009, whereby consumers are required to develop and implement organisational and technical measures on energy saving, and comply with approved standards of energy consumption per unit of production (work) ensuring the implementation of measures to reduce them.

Subsequently, in order to further increase efficiency of electricity use, the following Resolutions have been adopted:

- Resolution № 161 of the Cabinet of Ministers of Republic Uzbekistan of 02.06.2011 "On measures on organisation of production and phased transition to using energy-saving lamps". This Government decision provides for a programme to organise the production of modern energy saving lamps and to replace lamp bulbs with energy efficient lamps during 2011 - 2015;

- Resolution № 266 of the Cabinet of Ministers of Republic Uzbekistan of 21.09.2011 "On approval of Regulation on arranging collection and disposal of spent mercury-containing lamps". This document was adopted in order to organise collection and disposal of spent mercury-containing lamps, protect the environment from mercury pollution.

To boost the development of alternative energy sources and create necessary regulatory framework, the President of the Republic of Uzbekistan issued the Decree № UP-4512 of 1 March 2013 "On measures for further development of alternative energy sources".

In addition to the above-mentioned regulations, the Republic has the Regulation on the application of economic sanctions for violations in the use of energy resources, approved by the Resolution № 124 of the Cabinet of Ministers of 09.03.1994. This Regulation provides for application of economic sanctions to legal entities for wasteful, unsustainable use of energy resources. In this regard, based on the changes and additions to the Law of the Republic of Uzbekistan "On the rational use of energy", which provides for administrative responsibility instead of applying economic sanctions, the Ministry of Justice has recently drafted a Government decision envisaging invalidation of the Resolution № 124 of the Cabinet of Ministers 09.03.1994.

Regarding regulatory acts that are being developed in the field of energy saving and energy efficiency, it is worth noting that in pursuance of the above-mentioned Decree of the President of Uzbekistan the Ministry of Economy of the Republic of Uzbekistan, in cooperation with other ministries and agencies, drafted the Law "On alternative energy sources" and submitted it to the Cabinet of Ministers for its further adoption in due order. **This law aims to regulate relations within the increased use of renewable energy sources.** This draft law envisages state support and encouragement of producers and consumers of renewable energy, as well as manufacturers of equipment (installations) of renewable energy sources. Adoption of this law will offer additional impetus to the development of renewable energy sources.

"Uzgosneftegazinspektsiya" (the Uzbek State Oil and Gas Inspection), with the participation of Inspectorate "Uzgosenergonadzor" and other ministries and departments, has developed and is preparing for introduction to the Cabinet of Ministers for adoption a draft Government decision "On approving main regulations on rationing the fuel and energy resources in economic sectors". Regulations aim to develop and approve justified, energy-efficient and progressive norms of spending fuel and energy resources per unit of production in economic sectors.

In connection with changes and additions to the Law of the Republic of Uzbekistan "On the rational use of energy", and considering that from the time of adoption of the Code of the Republic of Uzbekistan "On administrative responsibility" the Republic has implemented a series of reforms in the power industry and adopted new legislation, this determined the need to introduce appropriate changes and additions to the Code towards increased responsibility of consumers for rational and efficient use of energy. Therefore the Inspectorate's work plan for 2014 envisages to develop together with other relevant ministries and agencies for further adoption in due order the draft Law of the Republic of Uzbekistan "On amendments and additions to Articles 100, 101 and 102 of the Code of the Republic of Uzbekistan "On administrative responsibility", stipulating stricter measures of administrative responsibility for failure to ensure established energy efficiency of production, allowing direct energy losses and output of energy inefficient products.