



Energy efficiency policy in Azerbaijan



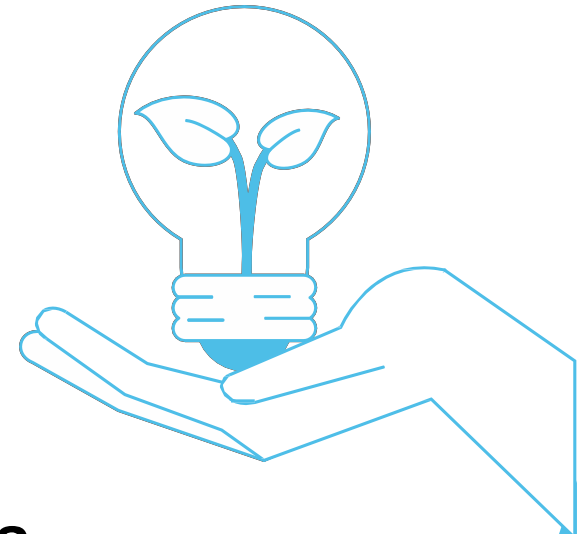
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Legislation on energy efficiency

Key Points



The Law "On Effective Use of Energy Resources and Energy Efficiency" (2021) stipulates the following:

- State policy in the field of efficient use of energy resources and energy efficiency
- Energy audit and certification of energy auditors
- Implementation of energy management system and appointment of energy managers
- Energy services and their promotion
- Consumption calculation (smart counters) and consumer awareness
- Efficiency of production, storage, transmission, transportation, distribution and supply of energy
- Promotion of energy efficiency measures and the Energy Efficiency Fund (EEF)
- Energy product labeling and eco-design
- Energy efficiency of buildings
- Energy efficiency of economic entities

14 normative - legal acts (13 approved)



Legislation on energy efficiency | Key points

Energy audit

Criteria for mandatory energy audit:

- Households with annual energy consumption ≥ 1000 NET.
- Non-residential buildings with annual energy consumption ≥ 250 NET and construction area $\geq 10,000$ square meters.

A mandatory energy audit must be conducted once every 3 years.

Organizations applying the ISO 50001 standard are exempt from mandatory energy audits.

Certification and registration of energy auditors is carried out by the Ministry of Energy.

Energy managers

Mandatory energy management system criteria:

- Households with annual energy consumption ≥ 1000 NET
- Non-residential buildings with an annual energy consumption of ≥ 250 NET and a construction area of $\geq 10,000$ square meters.
- The Ministry of Energy participates in the certification of energy managers.



Legislation on energy efficiency | Key points

Energy service contracts – ESCO/EPC

The Rule on "Sample form and terms of the energy efficiency contract, as well as implementation of energy efficiency services" has been approved by the decisions of the Cabinet of Ministers.

Labeling and eco-design of products related to energy consumption

Relevant by-laws were prepared on the basis of the EU directives and approved by the relevant Decisions of the Cabinet of Ministers.

Technical regulations are under development at the Ministry of Energy.

The Ministry of Economy is the main institution that will control the marketing of energy-related products.

Energy efficiency of buildings

Improvement of existing construction norms and rules is carried out by the State Urban Planning and Architecture Committee.

The preparation of the methodology for calculating energy consumption in buildings will be carried out at the next stage - by the Ministry of Energy.

The draft of the building registration rules is currently under discussion.



Promotion of energy efficiency measures

Energy Efficiency Fund

The Purpose of the Fund:

Promotion and encouragement of measures for the efficient use of energy resources and energy efficiency.

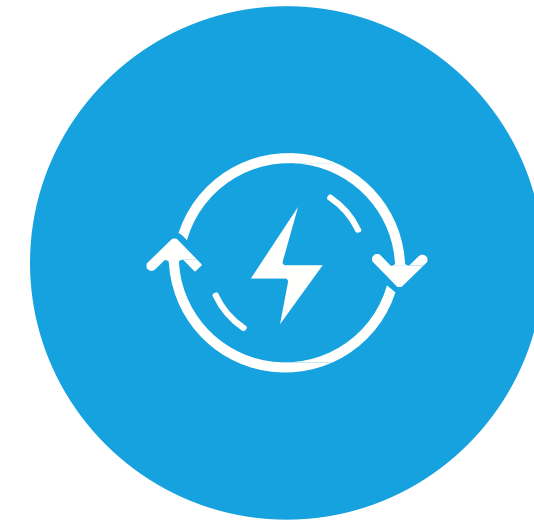
The fund will be financed from the following sources:

- means gained from the sale of energy resources;
- loans and grants;
- voluntary donations of legal and natural persons;
- income gained from the fund's management;
- allocations from international organizations and other donors;
- other sources not prohibited by law.



Promotion of energy efficiency measures

Energy Efficiency Fund



EEF will be supported by:

- Implementation of energy efficiency measures and state programs;
- Scientific and technical activity in the field of energy efficiency;
- Application of Energy Management System;
- Implementation of smart meters and systems;
- Application of cogeneration and highly efficient cogeneration units;
- Use of renewable energy sources.

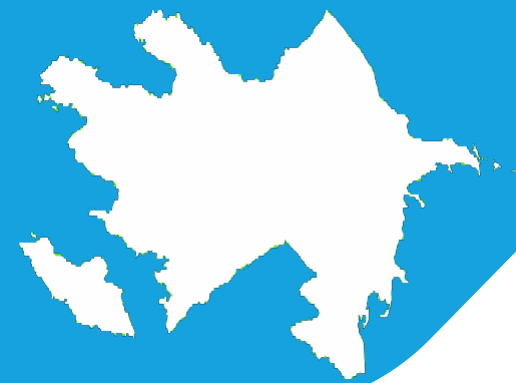
Financial instruments:

- Grants and subsidies
- Pilot projects
- Concessional loans



State policy in the field of energy efficiency

Strategies, Plans of Action



Azerbaijan 2030: National Priorities for socio-economic development

- Clean environment and "green growth" country

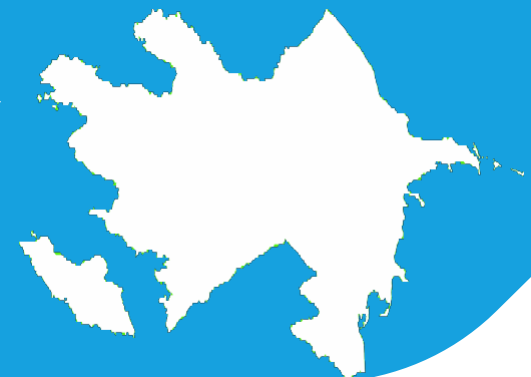
Strategy of socio-economic development in 2022-2026

- Ensuring energy efficiency in various sectors of the economy and construction;
- Ensuring energy efficiency in energy production and supply (transportation, transmission, distribution);
- Preparation and implementation of the National Program for the renovation of individual (residential, commercial, office) and public buildings;
- Preparation of technical acts on energy efficiency (technical regulations, etc.);
- Implementation of monitoring and accountability system.



State policy in the field of energy efficiency

Strategies, Action Plans



2022–2026 Action Plan for the development of the "Green Energy" zone in the liberated territories The State Program I on the Great Return to the territories liberated from occupation

- Preparation of proposals to ensure energy efficiency during settlement;
- Determination of energy efficiency requirements in construction;
- Preparation of proposals for ensuring energy efficiency when selecting energy-related devices, equipment and materials;
- Promotion of energy efficiency measures in various sectors of the economy.

Duties of the Ministry of Energy

- Approval of the list of economic entities and non-residential buildings that meet the mandatory energy audit criteria;
- Certification of energy auditors, control of activities of energy auditors and energy audit organizations;
- Keeping the register of energy auditors and energy audit organizations;
- Assessment of energy efficiency potential and determination of commitments in the power generation and natural gas processing sectors;
- Promotion of energy services;
- Implementation of state control in the field of efficient use of energy resources and energy efficiency:

- ✓ *Conduct a mandatory energy audit;*
- ✓ *Verify compliance of the energy management system with the requirements;*
- ✓ *Appoint energy managers;*
- ✓ *Calculate energy consumption and inform consumers.*



Duties of the Ministry of Energy

- Raising awareness;
- Determining EE potential in economic sectors and households;
- Monitoring and checking progress in the field of EE;
- Development of a methodology for calculating energy consumption in buildings;
- Preparation and implementation of the National Program for the renovation of buildings;
- Preparation of technical regulations on labeling and eco-design;
- Development and implementation of monitoring and accountability system.

Thank You For Your Attention!

ASEF RZAYEV

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