

Delegation of the European Union to Ukraine

Energy Efficiency and Energy Efficiency Fund

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Overview



- 1. Importance of Energy Efficiency
 - ► Energy Efficiency 1st principles
- 2. Reflected in relevant legislations
- 3. Supported programs with a focus on EE & housing sector
- 4. Approaches for implementing EE



I. Importance of Energy Efficiency



- ▶ 1) Increase resilient under the current circumstances
 - The energy sector affected
 - Need to restore generation capabilities
 - Reduce energy use (EE can reduce heating consumption by ~ 30-40% & gas by ~ 25-30% [1 Word Bank]; Restore of damaged buildings
 - Energy system more efficient (e.g. DHC, management of buildings energy system, regulation/metering)
- 2) Align with EU goals for Energy Efficiency and Energy savings
 - Different sectors (Housing, DHC, EE Industry, EE production)
 - The EU acquis on energy
- ▶ 3) Reforms in EE to increase investments, public and private, and increase international investors' confidence in the energy sector.



Impacts of Energy efficient measures in housing sector:



Residential Buildings account ~40 % total final energy consumption, mainly by fossil fuel.

Building heating systems use natural gas [~ 70%]. EE can reduce ~40% -50% of energy consumption [Ukraine plan [1]

1. National Impact:

- Reduce country overall energy & gas consumption
- Easing pressure on the energy system & Improving energy security (reduce dependence on imported fuels)

2. Building-Level Impact:

- Citizens: i) improves the quality of living in buildings; ii) reduced utility costs
- Increase local resilience: i) Reduces energy required for heating in winter indiv. builds
 - ii)EE/Thermal modernisation enables local renewable energy generation integrated in buildings & can increase resilience during blackouts

 $[1] \ http://www.ukrainefacility.me.gov.ua/wp-content/uploads/2024/03/ukraine-facility-plan.pdf \\$

EU Targets







- ► Targets 2050 EU to become the <u>climate-neutral continent</u> by 2050 (The EU Green Deal)
- ► Targets 2030: EU's target of reducing net greenhouse gas emissions by at least 55% by 2030
 - ► EU's climate, energy, transport and taxation policies fit for reducing net greenhouse gas emissions by at least 55% by 2030 (compared to 1990 levels) adopted in 2023 "Fit for 55" bring EU legislation in line with the 2030 goal.
 - Revised Energy Efficiency Directive (targets for buildings, industry, transport)
 - e.g. 38% of final energy consumption 2030 (2020); renovating public buildings (3% a year, floor space) [1]
 - Energy Performance for Buildings Directive: Targets for public and residential buildings
 - e.g., 55% of energy reduction of resid. builds should be achieved via EE renovation (2035 [2])

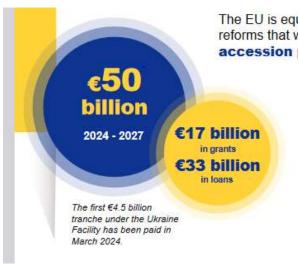


Ukraine Plan









- Energy efficiency of the building stock
- Strengthen energy security and sustainability, increasing the share of green energy, reducing environmental impact, and increasing international investors' confidence in the energy sector.
- Reform
- Improve energy efficiency in public buildings and improve public procurement procedures taking into account energy efficiency requirements
- Requirements for energy-efficient procurement in accordance with the principles of 'energy efficiency first' and 'build back greener'.

http://www.ukrainefacility.me.gov.ua/wp-content/uploads/2024/03/ukraine-facility-plan.pdf



III. EU supported programs with a focus on recovery and reconstruction of housing sector



In particular the EU actions are focused on:

- repair and rehabilitation of critical municipal infrastructure facilities (district heating, water supply and discharge systems, waste management, electricity generation facilities etc.) in local communities badly damaged during the hostilities and now again under the control of the Ukrainian government;
- provisions of satisfactory municipal services and sustainable living conditions for the population of local communities who experienced hostilities and returning back to their homes as well as IDPs fleeing from areas affected by the war;
- to increase energy sustainability and strengthen energy security of the local communities in Ukraine in war times;
- adaptation of various municipal buildings (e.g. student dormitories, hotels, vacant buildings) for living conditions to provide temporary housing for IDPs.
- Specific attention is paid to energy efficiency requirements in the renovated buildings.



Support to residential sector: Flagship programme Energy Efficiency Fund in Ukraine (EEF)





ОСББ «Лазурна 50А» з Миколаєва під час війни завершило реалізацію проєкту: економія енергії — на рівні 31%

20 Вересня 2023

У Миколаєві, одному з найбільш обстрілюваних ворогом міст України, ОСББ «Лазурна 50А»

- ► The EEFund's mission is to raise Ukraine to the European level of energy efficiency by reducing the level of energy consumption and CO2 in the residential sector.
- the EEFund takes into account the National Action Plan for Energy Efficiency, Reduction of Carbon Dioxide Emissions in order to enforce the Paris agreement, implement the acquis communautaire of the European Union and Agreement on the Establishment of the Energy Community, compliance by Ukraine with international obligations in the field of energy efficiency.
- ► EE set up with EU financial and technical assistance (118 million to date, 04/2024) and the EEFund's activities are co-financed by the State Budget of Ukraine.



Energy Efficiency Fund in Ukraine (EEF)





- It provides support to homeowners' associations (HOAs) to implement energy-efficient measures by providing grants and implementing complex technical solutions taking into account the best European practices for thermal modernization of buildings.
- ENERGODIM' Program: energy modernization of residential buildings



EEF: Feconstruction of Damaged houses





Відновлення будинків за програмою «ВідновиДІМ»: досвід ОСББ «Тургенівська, 66-Б» з міста Ірпінь

05 Квітня 2024

Будинок ОСББ «Тургенівська, 66-Б» — один із понад півтисячі багатоповерхівок міста Ірпінь, які були пошкоджені [...]

- ► EEF also finances construction works for the restoration of residential buildings damaged as a result of the war that the russian federation waged against Ukraine.
- ► The Fund provides participants homeowners' associations with a grant amount of 100% of the cost of work/materials.
- VidnovyDIM' Program: reconstruction of damaged houses



EEF: Support for local renewable production



Наглядова рада Фонду енергоефективності затвердила нову Програму «ГрінДІМ»

06 Травня 2024



Наглядова рада Фонду енергоефективності на позачерговому засіданні, яке відбулось 04 травня 2024 року, затвердила нову Програму **«ГрінДІМ»** (далі — Програма), спрямовану на стимулювання використання альтернативних джерел енергії.



- Support the local enable productions integrated in buildings (Heat pumps and PV panels)
- GreenDym programme



Energy Efficiency Fund in Ukraine (EEF) – funding opportunities



- How to apply to receive support for housing? -> https://eefund.org.ua/pro-fond/
- ► Who can apply to receive support? -> Homeowners' Associations in EE (OC55 in Ukrainian)
- ► ENERGODIM Programme:
 - 62 890 households benefited
 - Total cost of submitted projects: UAH 6,6 billion & The amount of grants: UAH 3,7 billion
 - ► Energy savings: 308,3 million kWh/year & Avoided CO2 emissions: 83,2 thousand tons/year
- VidnovyDIM Programme:
 - 40 466 households benefited
 - 306 projects fully or partially competed



IV: Local actors: Homeowners' Associations in EE (OC55 in Ukrainian)



- Based on the EEF, HOAs play key role in facilitating competitiveness, cost-effectiveness, and quality in project implementation:
 - increase transparency in allocating financial resources. With full authority over project execution, they can design reconstruction processes and select service providers and project implementers.
 - advance financial accountability and effective use of resources by overseeing the quality of goods, works, and services in projects. Bring benefits to homeowners with quality solutions
 - Ensure proper maintenance of the buildings;

In addition:

- ► HOAs can drive housing sector reforms and represent homeowners' interests to local authorities and service providers.
- This may strengthen local governance, support timely investment decisions in housing modernization, and further align with Ukraine's national energy efficiency policies. This further aligns Ukraine with the European trajectory.



Inclusion of New European Bauhaus (NEB) principles into urban & local energy planning





Main principles

- 1. Sustainability, from climate goals to circularity, zero pollution, and biodiversity
- 2. Aesthetics, quality of experience and style beyond functionality
- Inclusion, from valuing diversity to securing accessibility and affordability

2023 New European Bauhaus: Horizon Europe EU Mission

- Funding to support pilot projects & initiatives
- Support of tools that can be used while planning and designing New European Bauhaus projects. <u>Use the Toolbox</u>
- Browse through projects & ideas that inspire positive change



NEB Festival 2024 (April 2024)



Special Recognition to Ukraine's Reconstruction and Recovery Effort prize









Exchange idea and showcase innovative & project







Objective:

- 1. Showcase Ukrainian reform progress in the context of its economic resilience and the EU accession process.
- 2. Mobilise continued international support for recovery, reconstruction, reform, and modernization.
 - ► This includes providing emergency assistance for immediate needs,
 - implementing rapid recovery projects
 - creating attractive conditions for businesses to unlock the private sector investments in Ukraine
 - civil society to actively engage in the reconstruction process.







Business Dimension – Mobilising the Private Sector for Reconstruction and Economic Growth

Human Dimension - Social Recovery and Human Capital for the Future of Ukraine

Local and Regional Dimension – Recovery of Municipalities and Regions

EU Dimension - EU Accession and Related Reforms

- It will highlight the role of local communities with respect to recovery, the distribution of financial resources and capacity building, as the local & regional actors play a central part in reconstruction.
- It will address a need of creating resilient communities through sustainable urban development, housing and local economic activity
- ► There is a need to address transparency and accountability as they are key to building citizens' trust in Ukraine's resilience.



Many thanks for your attention!

