



Instituția Publică  
Centrul Național pentru  
Energie Durabilă

# Energy efficiency reforms in Moldova

CHIȘINĂU, 2024

# Legal framework - progress in 2023



## ● Amendments to the Law on EE

[https://www.legis.md/cautare/getResults?doc\\_id=139945&lang=ro](https://www.legis.md/cautare/getResults?doc_id=139945&lang=ro)

## ● A new Law on Energy Performance of the buildings

[https://www.legis.md/cautare/getResults?doc\\_id=139619&lang=ro](https://www.legis.md/cautare/getResults?doc_id=139619&lang=ro)

## ● Government Decision EEOS for the period 2024-2026

[https://www.legis.md/cautare/getResults?doc\\_id=140905&lang=ro](https://www.legis.md/cautare/getResults?doc_id=140905&lang=ro)

## ● Government Decision on creation of the National Center for Sustainable Energy

[https://www.legis.md/cautare/getResults?doc\\_id=141020&lang=ro](https://www.legis.md/cautare/getResults?doc_id=141020&lang=ro)



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# **National Center for Sustainable Energy: The center of efficient energy solutions for a sustainable future**

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**Mission**

**Efficient energy solutions for a sustainable future**

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**Vision**

**To lead the energy transition in the Republic of Moldova**

# The field of activity

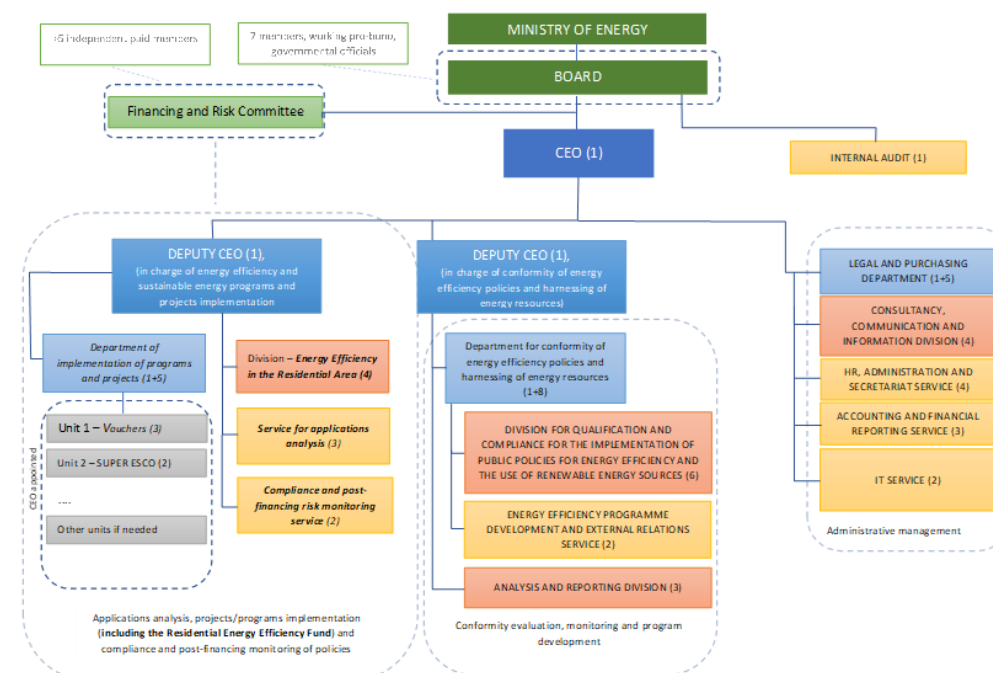


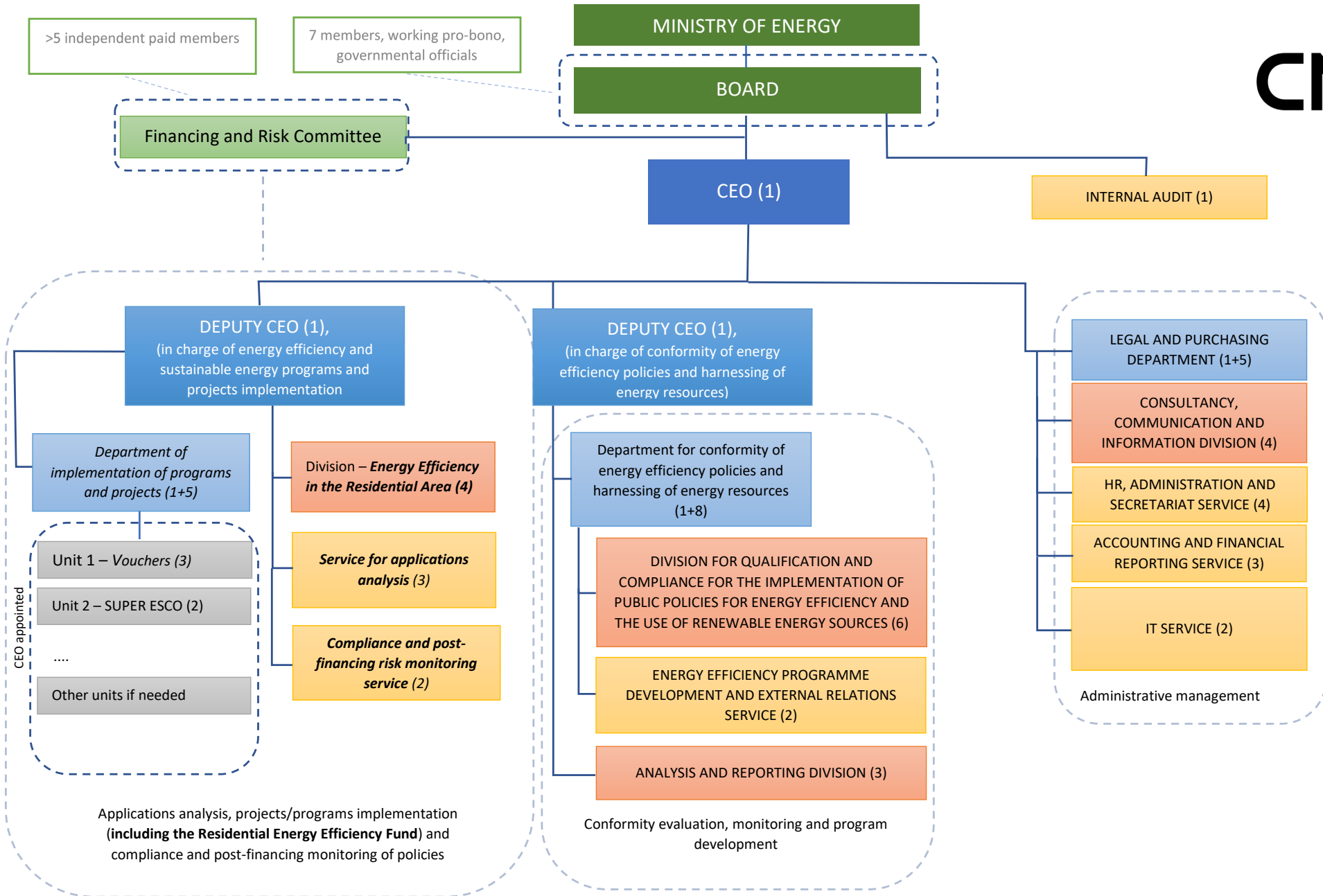
The National Centre for Sustainable Energy is a public institution under the Ministry of Energy with the function of **coordinating and organizing the activities** aimed to ensure the **implementation of state policy in the fields of attribution.**

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- Energy efficiency
  - Renewable energy sources
  - Financial assistance for the implementation of the projects/programmes

# New type of governance

- Legal entity under public law to self-management
- The Council – supervisory body that ensures the continuity of Center’s activity
- Funding and risk committee responsible for funding decisions with escalation rights
- Key performance indicators etc.





# More flexibility



- Setting up the Projects/Programmes Implementation Units as needed
- The possibility of managing commercial accounts
- The possibility of financing the activity through implemented projects/programs
- Prompt allocation of resources for contributions to possible international projects, etc.

# The Board – main competencies

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- ✓ Supervises the activity of the Center;
- ✓ Approves strategic objectives, policies, projects, bylaws etc.;
- ✓ Approves yearly activity reports after these reports were consulted by the Committee;
- ✓ Approves high-risk transactions after the Committee consulted these transactions;
- ✓ Approves the headcount of the Authority and their remuneration;
- ✓ Approves the Authority's financial reports after consulting the Committee;
- ✓ Approves the Authority's yearly budget after consulting the Committee etc.



# The Board – structure

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- ✓ 2 representatives of the Ministry of Energy;
- ✓ 1 representative of the Ministry of Finance;
- ✓ 1 representative of the Ministry of Infrastructure and Development;
- ✓ 1 representative of the Ministry of Labour and Social Protection;
- ✓ 1 representatives of the Specialized Council for External Assistance in the Energy Sector;
- ✓ 1 representative of the non-governmental sector involved in relevant areas to the Center.

# The Committee – main competences

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A collective authority subordinated to the Board, but which must be consulted by the Board and the Manager in all decisions given to the Committee

- ✓ Reviews all Institution's strategic development objectives, all financing programs, and all internal acts used for the management of the financial resources of the Institution;
- ✓ Reviews all financial reports, budgets, etc.;
- ✓ Monitors and evaluates the progress in the implementation of the programs and assistance projects;
- ✓ Reviews the evaluation report of applications for financing in the residential sector and decides on their acceptance or rejection;

# The Committee – main competences

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- ✓ Reviews transactions with a value of more than 10% of the total assets of the Authority and submits them for approval to the Board, and the same provision applies to transactions between 1% and 10%, which must be submitted to the Manager;
- ✓ Evaluates the risks involved in the activities conducted by the Institution and gives recommendations to the Manager and the Board for adjustments of strategies, policies etc.;
- ✓ Informs the Board of the audit findings;
- ✓ Supervises the financial reporting process and proposes to the Board changes (if any) to ensure its integrity etc.

# The Committee – requirements

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- ✓ Non-affiliated politically;
- ✓ At least 3 out of 5 members must be able to communicate in Romanian;
- ✓ At least 2 out of 5 members must represent foreign partners;
- ✓ At least 3 out of 5 members must be independent of the Authority or its Founder;
- ✓ At least an undergraduate university degree (law, energy or economic or financial);
- ✓ Have a minimum of 3 years experience in one of the following areas: energy, economic and financial area, business law and/or financial regulation in the previous 10 years.

The Board elects committee members for a period of 4 years. Committee members can be reelected for more than one mandate.

# The Committee – independence



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- ✓ Have not served on the Authority managing bodies, as well as for the financing entities, in the previous 2 years;
  - ✓ Have not been employed by Authority, the Founder or the financing entities in the previous 2 years;
  - ✓ Had no economic relationships in any role within the previous year with the Authority, and the transactions conducted were significant (more than 1% of the total assets) and could affect the objectivity of such a member;
  - ✓ Have not been involved in any role (owner or employee) in an auditing entity for the Authority in the previous 2 years;
  - ✓ Have occupied the position in the Committee for 2 previous mandates;
  - ✓ Is not affiliated with the Authority's management.

# Programs for 2024



32000+

Vouchers redeemed

25

Multi-storey residential blocks at the General Assembly stage

15

Funded startups

2

Pilot buildings for 2024

**ECO**   
VOUCHER

CNED

## The pilot stage

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- The ECO VOUCHER Program, aims to reduce the population's energy vulnerability;
- Total budget of 5.8 mln USD;
- Funded by European Union and implemented by UNDP Moldova, with the support of the National Center of Sustainable Energy;
- Implementation deadline– May 2024.



## Innovative approach - The voucher is looking for the beneficiary!

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- ✓ Informational system to identify energy vulnerable households;
- ✓ All relevant data about households are centralized in a single platform;
- ✓ The human factor excluded from the decision-making process (approves only criteria);
- ✓ Notification the beneficiaries by SMS;
- ✓ No need to apply for getting a voucher;
- ✓ ID card and the old appliance + contribution is enough to go to the authorized shops.

## The pilot stage

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NUME ↕	PERIOADĂ	TOTAL	FOLOSITE	RETRAS	STARE ↕
Electrocasnice (20240224FPI19)	24.02.2024 - 15.03.2024	2968	170	0	Activă
Lămpi LED (20240221FPI18)	21.02.2024 - 06.03.2024	9426	680	0	Activă
Lămpi LED (20240220FPI17)	20.02.2024 - 05.03.2024	4030	436	0	Activă
Lămpi LED (20240214FPI16)	14.02.2024 - 28.02.2024	13905	2533	0	Activă

## Vouchers offered at the pilot stage:

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### For LED lamps:

- Voucher worth 500 MDL;
- F (A+) Minimum class, CE mark;
- No contribution from beneficiaries.

### For household appliances:

- Eligible equipment: washing machine, refrigerator, electric stove;
- Voucher value: maximum 12, 000 MDL;
- Contribution from the beneficiary: 20% of the new good's cost;
- Old appliance instead;
- F (A+) Minimum class, CE mark.

## Target beneficiaries

Households registered in the “Energy Vulnerability” Informational System, with the extreme and very high degree of energy vulnerability;

## Eligibility criteria for beneficiaries

- ✓ Degree of energy vulnerability;
- ✓ Energy consumption;
- ✓ Family situation (family structure);
- ✓ Distribution in territorial profile.

## The pilot stage

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The partner stores were selected according to the following criteria:

- ✓ Minimum of two years of appliance sales experience ;
- ✓ The territorial network, with a presence at least in Chişinău, Bălţi, Comrat and Cahul;
- ✓ Online presence with product catalog and prices;
- ✓ Home delivery of products and collection of old equipment;
- ✓ The ability to recycle old household appliances by participating in extended producer responsibility mechanisms;
- ✓ Minimum turnover 2 mln., USD annually etc.

## The pilot stage

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Beneficiary identification criteria:

- ✓ Degree of energy vulnerability;
- ✓ Families with many children;
- ✓ Distribution in territorial profile;
- ✓ Minor children and/or the elderly family members (prioritization);
- ✓ Energy consumption (prioritization).



**National Program stage**

The beneficiary has the right to use the voucher under the following conditions:

- Is obliged to hand over for recycling, an old electrical appliance, of the same type of the newly chosen one;
- Pays, from own financial sources, the difference between the price of the new electrical appliance and voucher's size;
- Agrees with the Program terms by signing the Beneficiary Declaration.



## Criteria for selecting commercial partners:

### Eligibility criteria







- ✓ To prove the fulfillment of the condition REP;
- ✓ It has at least one subdivision in each region of the country(North, Center or South);
- ✓ Sell household appliances in accordance with LP284/2004 on electronic commerce;
- ✓ Are registered in the REP list, according to LP209/2016 on waste, if it is a distributor;
- ✓ Are registered in SIA "Waste Management", according to LP209/2016 on waste, if it is a producer of electrical and electronic equipment;
- ✓ Ensures the collection of used electrical appliances;
- ✓ Provides equipment delivery services.



## Funding sources:

- Energy Vulnerability Reduction Fund;
- The state budget, within the limits of the annually approved allocations, by the state budget law;
- European funds or other sources of external assistance;
- Other sources that do not contravene the law.

## Program capabilities

2024 – 10 M EUR		40 k beneficiaries
2025 – 20 M EUR		80 k beneficiaries
2026 – 30 M EUR		120 k beneficiaries
2027 – 40 M EUR		160 k beneficiaries

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4 years – 100 M EUR

>30% of the households

CNEB





## General provisions

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- Creation of financial instruments in the form of grants and allowances;
- The capitalization of financial resources within FEERM is organized based on financing products;
- Implementation period: January 1, 2024 – December 31, 2027.



## Specific objectives:


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- Achieving a minimum of 5.76 thousand tons of oil equivalent (ktoe) of new energy savings for domestic consumers;
- Ensuring the renovation of a heated surface of at least 507 thousand m<sup>2</sup> in residential buildings.



## GOALS


CNED



The renovation of more than 370 thousand square meters of heated surface in multi-storey apartment buildings

50%


funding for vulnerable consumers



The renovation of more than 130 thousand square meters of heated surface in individual houses

75%

projects in multi-storey apartment buildings



Reduction of CO2 emissions by 5.7 thousand tons

50%

projects in buildings connected to district heating systems



## Contributions to the REEF budget



**12 mil. €**

EEOS

**12 mil. €**

*External donors (estimated)*

**3.5 mil. €**

Energy Vulnerability  
Reduction Fund

2024

**12 mil. €**

EEOS

**12 mil. €**

*External donors (estimated)*

**5 mil. €**

Energy Vulnerability  
Reduction Fund

2025

**12 mil. €**

EEOS

**12 mil. €**

*External donors (estimated)*

**5 mil. €**

Energy Vulnerability  
Reduction Fund

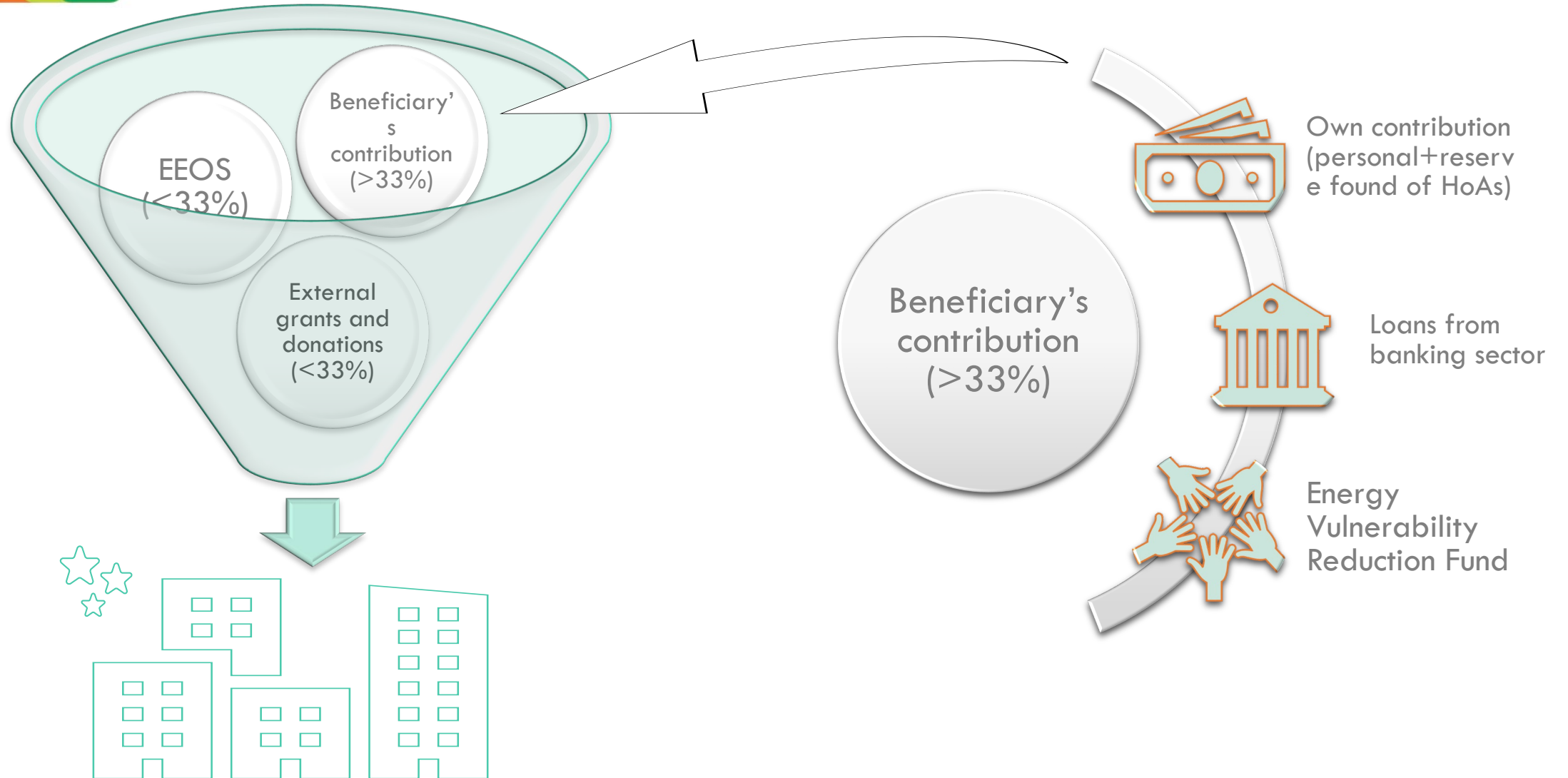
2026





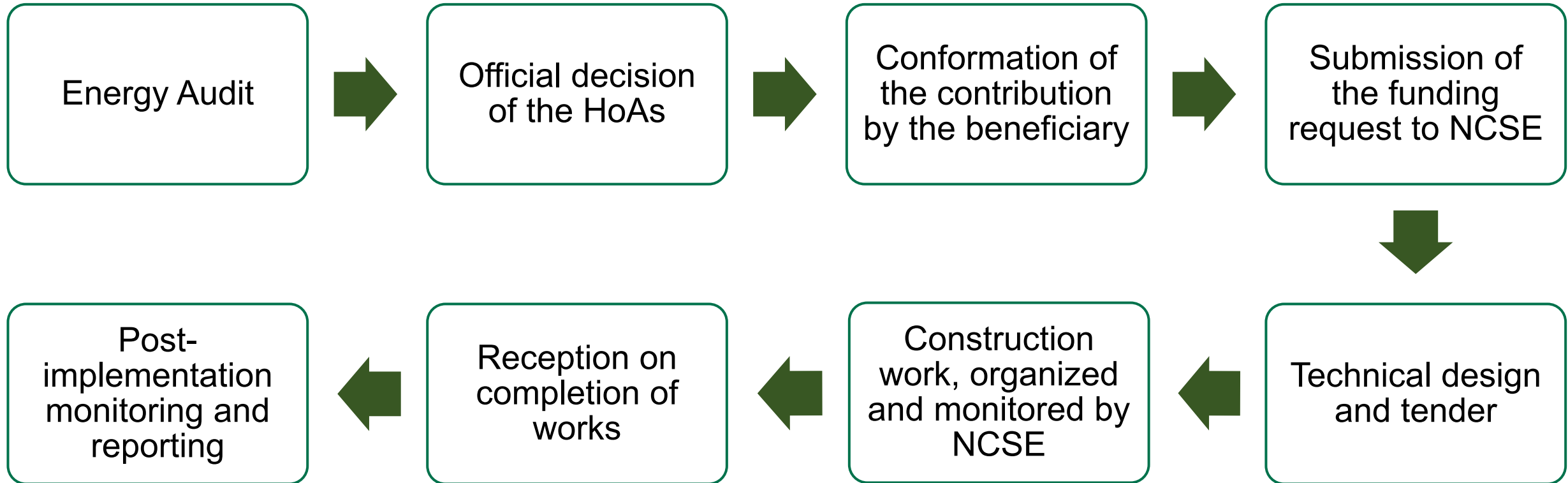
# Financing mechanism

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## Beneficiaries' route map REEF (Household Associations)





# Eligibility criteria



## Owners of individual houses:

- owns the ownership of the property;
- has no arrears with the national public budget;
- no legal proceedings have been initiated that would jeopardize the progress of the project;
- confirms the availability of coverage of the beneficiary's contribution;
- has no arrears on utility services;

## Household Associations:

- It has an organizational and legal form of APC;
- Decision of the general assembly: (i) implementation of the project (ii) payment of contribution (iii) contracting a loan (if applicable);
- It has no arrears with the national public budget;
- No legal proceedings have been initiated that would jeopardize the progress of the project;
- It has no arrears with intermediary service providers;
- It is not in insolvency proceedings or in liquidation.



## Eligible measures (project)



### Group A (Roof):

- ✓ A1. Thermal insulation of the roof (all types)
- ✓ A2. Thermal insulation of the floor of the technical floor

### Group D (Distribution of thermal energy):

- ✓ D1. Installation of the heating system with the distribution of the thermal agent horizontally
- ✓ D2. Installation or modernization of the Individual Thermal Point(ITP)
- ✓ D3. Modernization of the domestic hot water system, including distribution



## Eligible measures (project)



Group E (Electric car charging station):

- ✓ E1. Installation of electric car charging stations.

Group I ( Lighting):

- ✓ I1. Modernization/renovation of the interior lighting system in common areas

Group L (Lifts):

- ✓ L1. Modernization of elevators to make energy consumption more efficient.



## Eligible measures (project)



### Group P (Walls):

- ✓ P1. Thermal insulation of external walls
- ✓ P2. Insulation of the foundation walls and the plinth of the building above ground level

### Group S (Basement):

- ✓ S1. Thermal insulation of the basement (on the soffit)

### Group T (Carpentry):

- ✓ T1. Replacement of exterior doors and/or windows (common areas or the entire building)

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## General phases

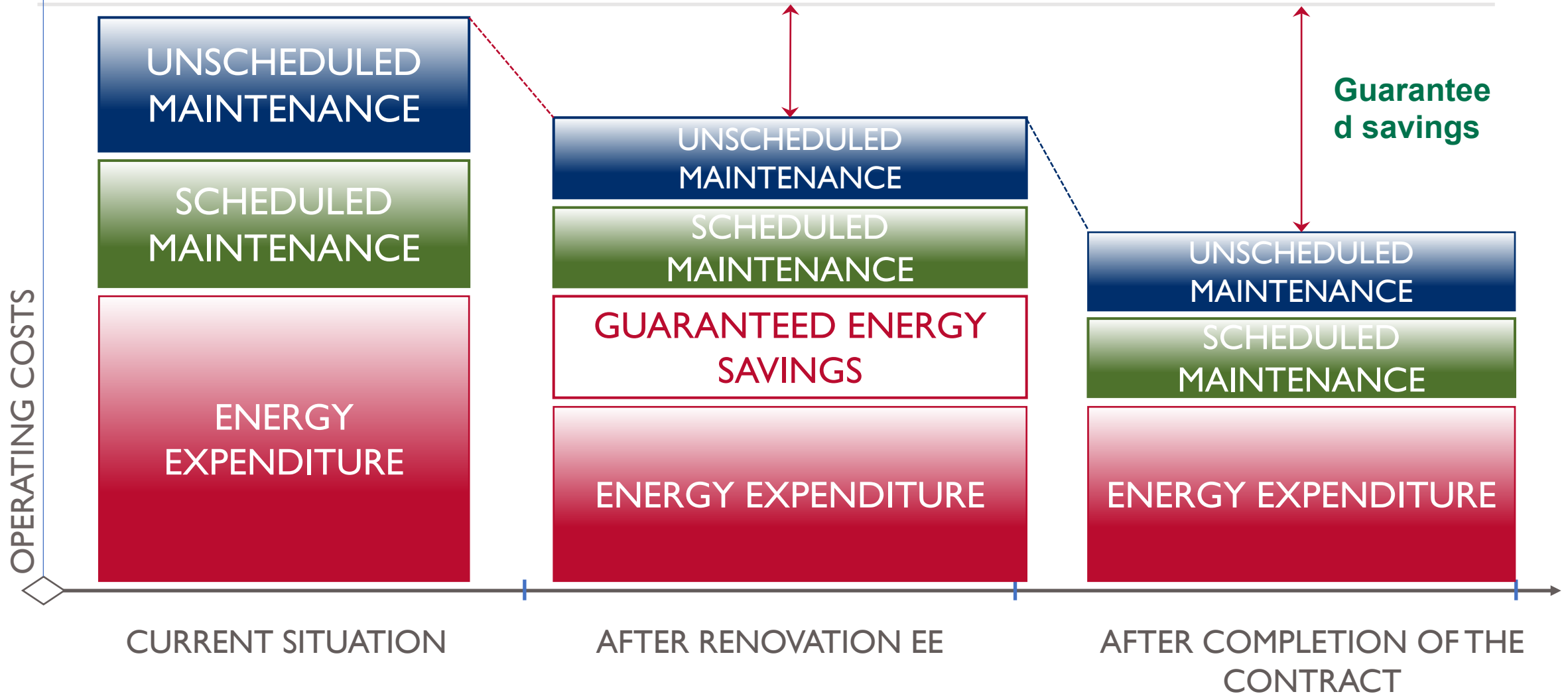
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- "Public to Public" pilot program;
- Investments must recover from energy savings;
- New financing mechanism for beneficiaries of public institutions;
- Piloting with development partners on 2 buildings.





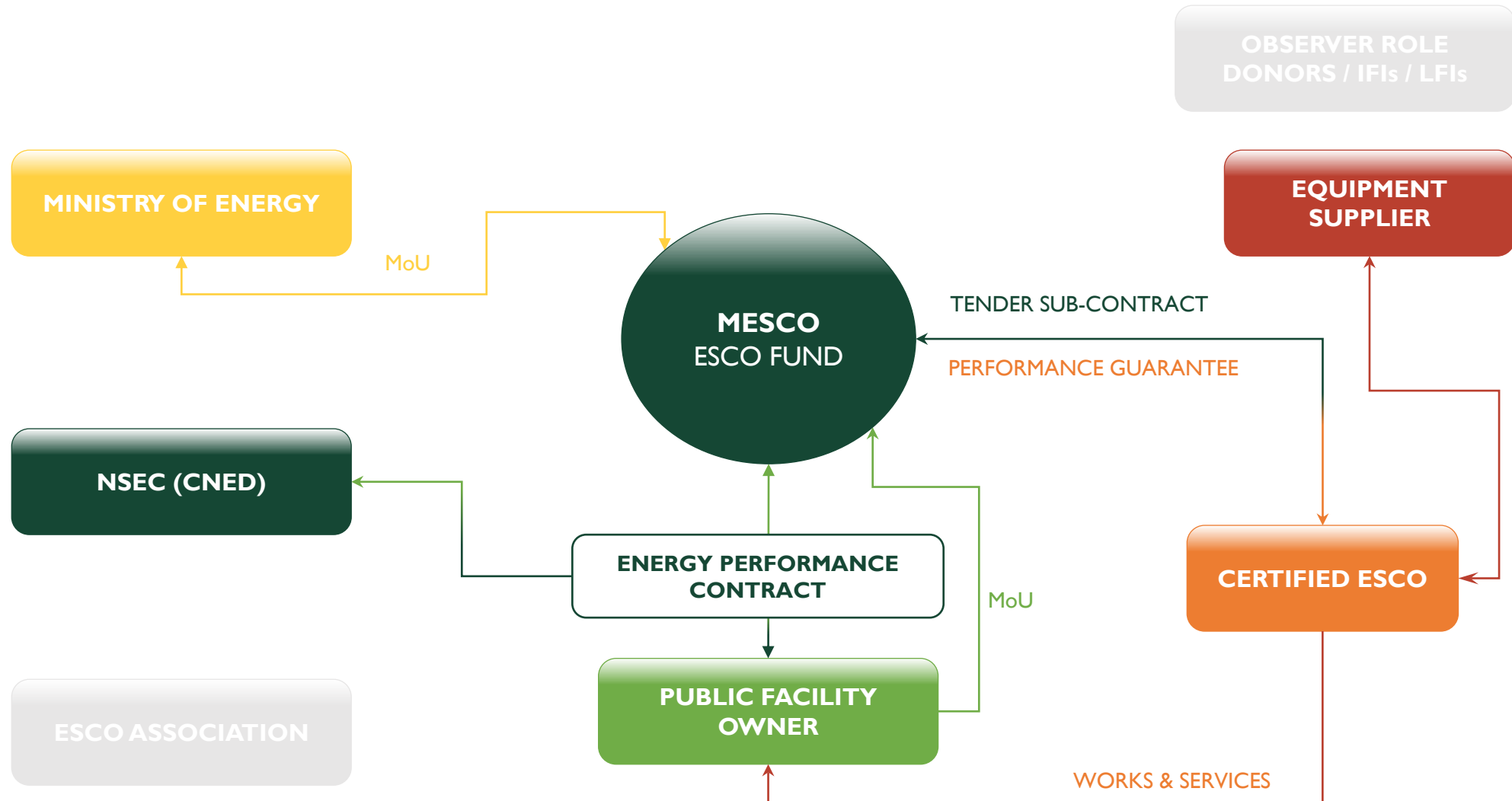
# The principle of operation





# The principle of operation

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**THE CENTER OF EFFICIENT ENERGY SOLUTIONS  
FOR A SUSTAINABLE FUTURE**

**Thank you!**