

Implemented by:



On behalf of:



of the Federal Republic of Germany

Energy Efficiency Fund reduces costs and emissions

A national fund is financing measures to cut energy consumption

The challenge: Inefficient use of energy is detrimental to homeowners, the state and the environment

Energy consumption in Ukraine is extremely high, particularly compared with countries in the European Union (EU). Energy prices are rising, partly due to the country's dependence on expensive energy imports from abroad. Moreover, the Ukrainian Government reduced its subsidies for gas prices for private households in 2018. This led to an extraordinary increase in gas prices: compared with 2014, consumers now pay more than 600 per cent more. This is putting a particular strain on low-income population groups and is leading to increasing social subsidies, which in turn have to be paid for out of the national budget. It is not only the population that is suffering; the environment is affected too. Measured in terms of the country's economic output, Ukraine emits three times more CO₂ than the EU average.



Project title:	Support of the Ukraine Energy Efficiency Fund and the climate-friendly Reform Agenda (S2I)
Commissioned by:	German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety
Implemented by:	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
Lead executing agency:	Ministry of Regional Development, Construction, Housing and Communal Services of Ukraine (MinRegion)
Overall term:	05/2018 to 10/2021
Project area:	Ukraine
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Our approach: Higher energy efficiency, lower greenhouse gas emissions

At the end of 2015, the Ukrainian Government adopted new climate and energy goals in its *National Energy Efficiency Action Plan*. The plan provides for a reduction in energy consumption of 9 per cent by 2020, primarily by making more efficient use of energy. A national Energy Efficiency Fund (EEF) is being set up to promote modernisation of residential buildings, which offers considerable potential for saving energy: As a result of better insulation and modern heating systems, residential buildings use less energy after energy efficiency improvements, thus reducing energy costs for private households. As homeowners cannot usually afford to pay for the construction work, the fund provides grants to help them. This benefits the state, because fewer energy-related social subsidies are required. At the same time, greenhouse gas emissions decline. The fund is helping people in Ukraine and supporting the country in reaching its climate goals.



Recording heat loss using an infrared thermal camera

The EEF is financed using Ukrainian, German and European funds. Germany is contributing 20 million euros. On behalf of the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU), GIZ is supporting the Ukrainian Government in setting up the fund. By pooling their efforts, the partners are creating the necessary structures to handle investments and are developing strategies, human resources concepts and work programmes. A technical office specifically set up for the fund accepts the project applications and decides whether they are eligible for funding. Following approval, the office supports and monitors project implementation and evaluation. The results and experience are made available for follow-on projects.



Drawing up plans for a heating system with thermostats to save energy



Training energy consultants



Yuliia Holovatiuk-Ungureanu: **“A national success story”**

Yuliia Holovatiuk-Ungureanu, CEO of the Energy Efficiency Fund, knows the challenges in the Ukrainian energy sector very well and makes fast progress towards launching the EEF:

Our results: **Knowledge creates solutions**

Around 50 EEF experts and managers are being trained to perform their new tasks effectively. GIZ is providing particularly intensive training courses for staff responsible for the technical assessment of the projects to be selected.

By the end of 2019, 70 energy consultants will have learned how to provide the best possible support for homeowner associations applying for subsidies for intelligent modernisation projects. After completing training, they in turn will train more than 350 energy consultants.

In addition, GIZ is organising training courses for surveyors to teach them technical requirements for energy efficiency improvements in residential buildings.

“Currently, we are getting prepared to efficiently process applications from Homeowner Associations who are willing to implement energy efficiency projects in their homes. On behalf of the German Federal Ministry for the Environment, GIZ is a great help to us here. We hope that the financing programme will be a national success story. Energy efficiency improvements in the residential sector will save energy, cut costs and increase comfort for private households, and will help us reach our climate goals.”

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GIZ is responsible for the content of this publication.

On behalf of the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU)