

Mainstreaming climate change in the energy sector in Moldova

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FUNDAMENTAL ISSUES



The energy sector remains the largest GHG emitter in Moldova, with 67.9% of total emissions in 2019;



The GHG intensity of Moldova's GDP is still among the highest among transition economies in Central and Eastern Europe, even though it decreased by 29.3% to 1,180 kg CO₂/2015 USD in 2020;



The high dependence of the energy sector on the consumption of natural gas and the insufficient diversification of the fuel mix have accumulated the key challenges for the energy sector of the Republic of Moldova in the last 20 years.

2030 GENERAL OBJECTIVES IN ENERGY AND CLIMATE POLICIES



➤ 2030 renewable target



2030 energy efficiency target



2030 CO₂ reduction target

- Ensuring primary energy consumption at the level of 3,000 ktoe and final energy consumption at the level of 2,800 ktoe;
- Ensuring a share of at least 27% of renewable energy in the energy balance;
- Reducing greenhouse gas emissions by 70% below 1990 levels by 2030;
- Achieving climate neutrality earlier than 2050.

TRANSPOSITION OF THE CLEAN ENERGY PACKAGE IN RM

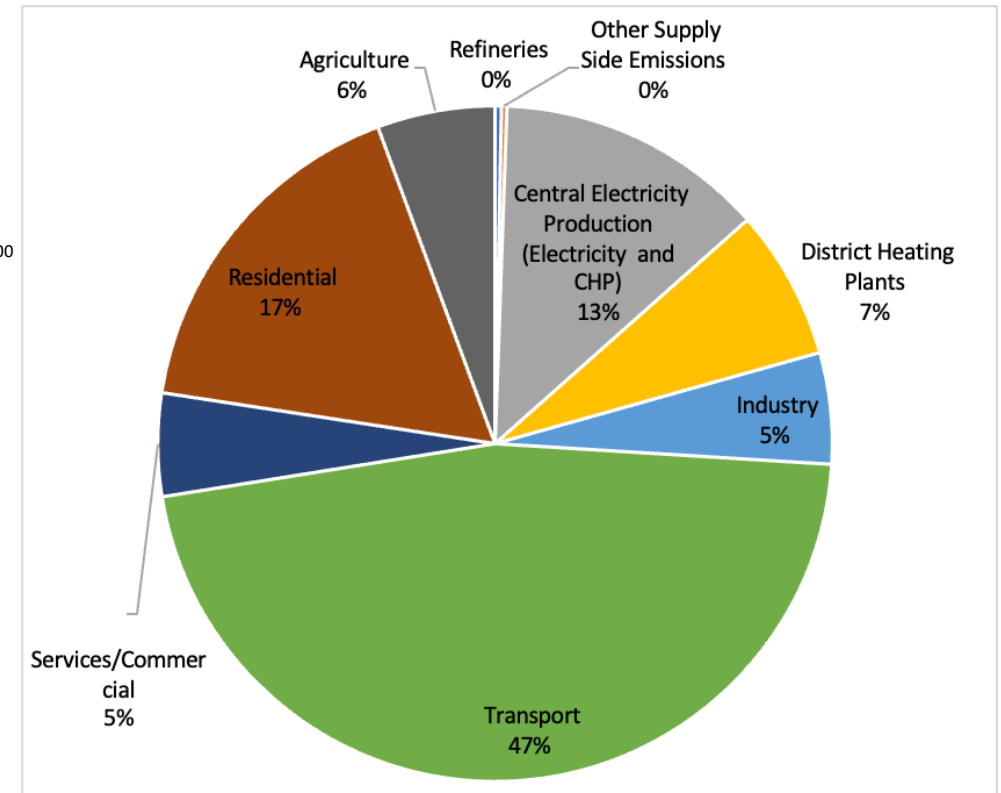
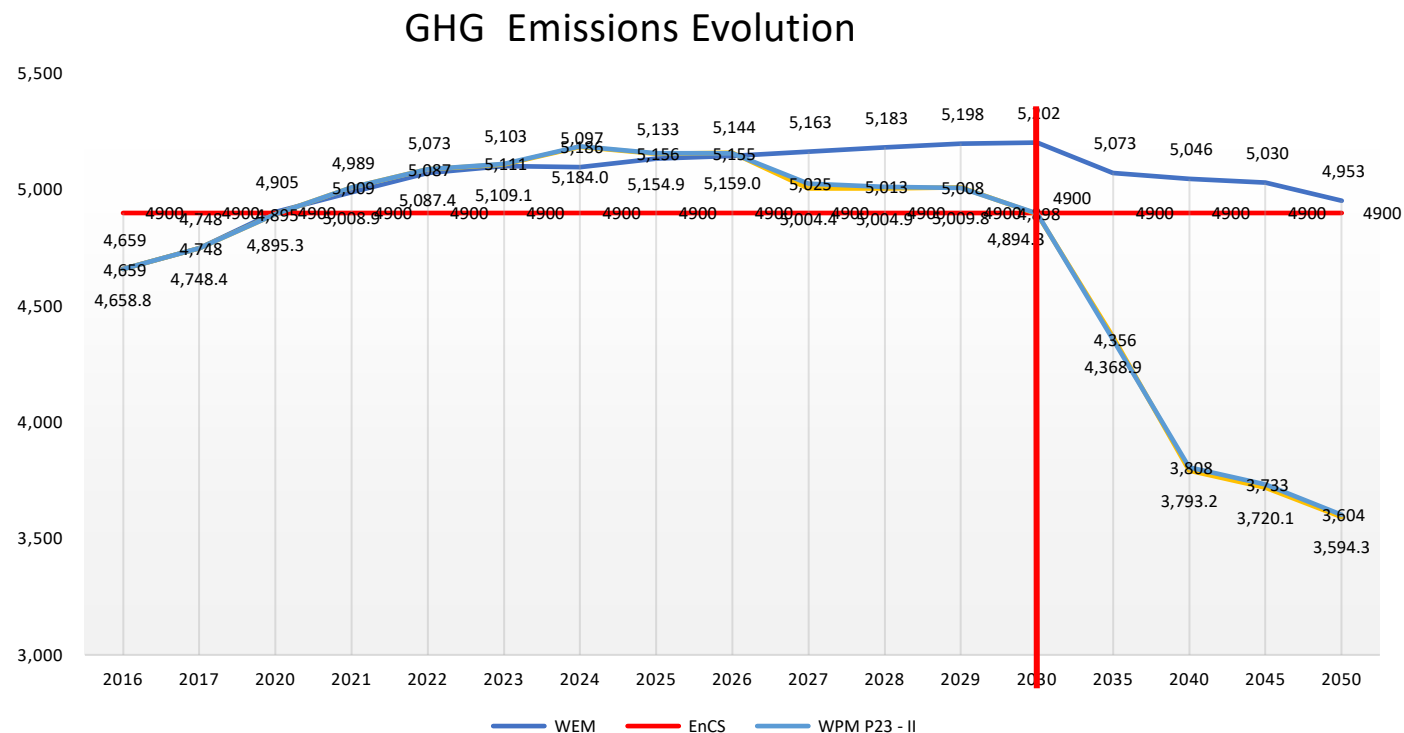
EU Acts	The normative act	Aprovall timing
Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the governance of the Energy Union and climate action	Law no. 174/2017 on energy	II-nd quarter 2023
Directive (EU) 2018/2002 of the European Parliament and of the Council of 11 December 2018 amending Directive 2012/27/EU on energy efficiency	Law no. 139/2018 regarding energy efficiency	The bill to amend the law was drafted and voted on in the first reading in parliament.
Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (reform)	Law no. 10/2016 regarding the promotion of the use of energy from renewable sources	Beginning of III-rd quarter
Regulation (EU) 2019/941 for risks in the electricity sector	Government decision	III-rd quarter 2023
Directive (EU) 2019/944 on common rules for the internal electricity market	Law no. 107/2016 regarding electricity	IV-th quarter 2023

NATIONAL ENERGY AND CLIMATE PLAN (NECP) 2030

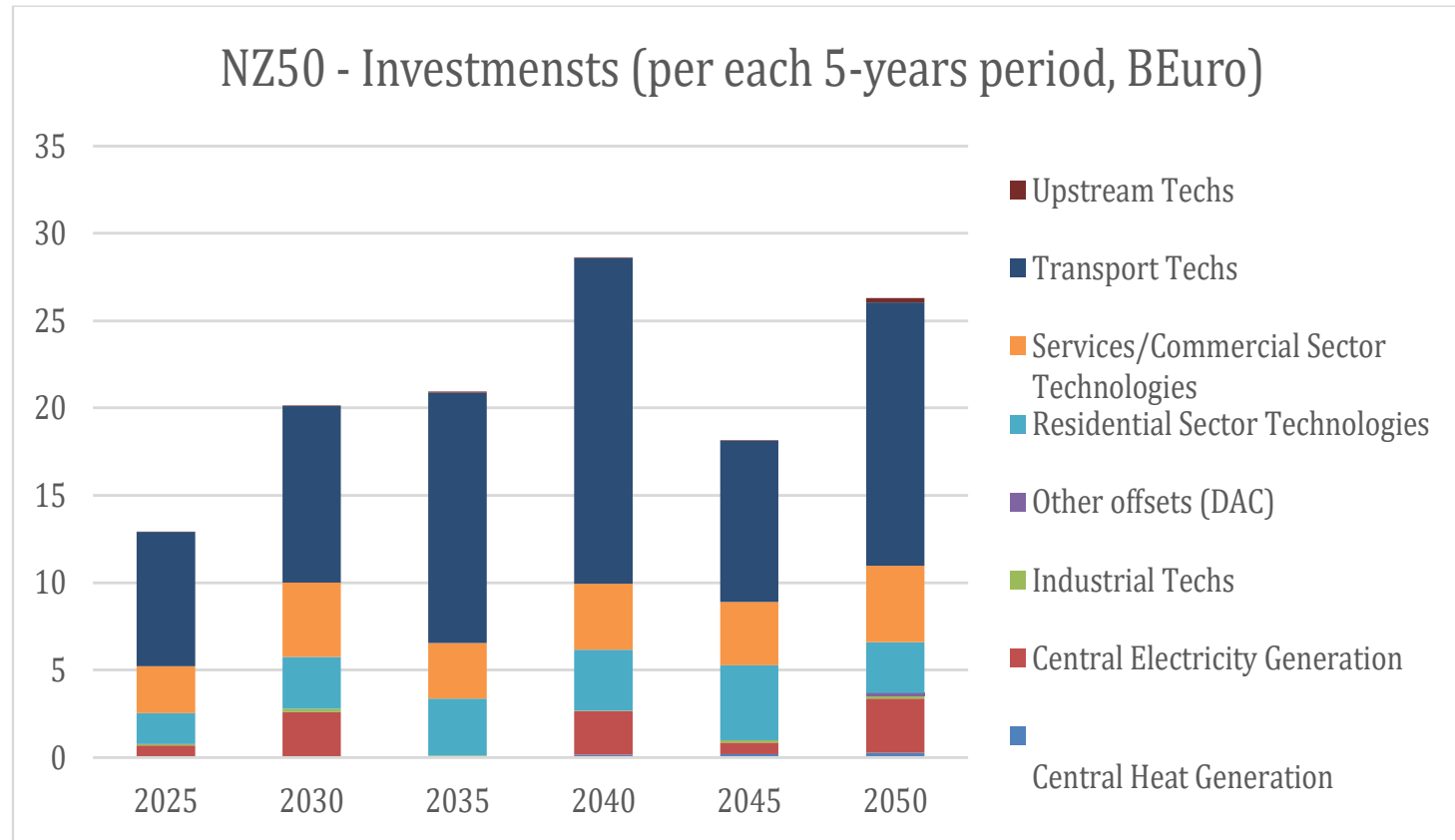
The NECP includes the narrative part and the analytical part, the analytical part is finalized based on lots of simulations and studies on the lowest cost for energy sector development (up to 2030 and 2050).

In the case of the Republic of Moldova, the Energy sector modeling tool – TIMES was used.

First draft ready at the end of May 2023.



FINANCIAL IMPLICATION OF THE ANALYZED DECARBONIZATION SCENARIOS



Cumulative investment costs from 2023 to 2050 are estimated at almost 127 billion euros.

Most investment costs are linked to the transport, residential and industry sectors.

NECP 2030 MEASURES TO IMPROVE CLIMATE CHANGE RESILIENCE

- Reduce the incidence of energy poverty;
- Stimulate the interest for "green" energy production and consumption by capitalizing on renewable energy sources, including the use of efficient and clean biomass production technologies;
- Promote climate technologies that create jobs in the energy sector for both women and men, youth people;
- Promote energy efficiency in Industry sector;
- Restore electrical stations equipment of energy distribution networks designed for defrosting/de-icing or introduce new defrosting technologies;
- Improve the robustness of electricity transmission and distribution infrastructure;
- Optimization of heat supply by establish free economic zones close to CHPs;
- Promote climate-proofing buildings and infrastructure and increase their energy efficiency performance.



MAIN CHALLENGES TO BE ADDRESSED

Large number of EU acts to be transposed, including secondary framework, in a short time

The urgent need for investments in the energy efficiency and promoting the use of renewable energy sources



Newly created Ministry of Energy with limited capabilities

Lack of a consolidated financing instrument for EE and RES projects

THANK YOU!!!
