**Title of the measure:**  
LV19 Energy Efficiency National Fund

**General description**

The new "Energy Efficiency Law" [1] which contains legal norms arising from the Directive 2012/27/EU was adopted 03 March 2016. The Law includes the Section 7 stating the general procedures of energy efficiency funds (both national and municipal).

National Energy Efficiency Fund (NEEF) sources are stated:

1. payments done by the participants of Energy Efficiency Obligation Scheme (if the participants choose this alternative instead of implementation energy efficiency measures)
2. at least 90% of Energy Efficiency Duties paid by non-compliant with the Law large electricity consumer and large enterprise (see below),
3. other sources.

NEEF is established by the Development Financing Institution “Altum” [3]. The sources of the NEEF shall be spent for:

1. support programmes to achieve end-use energy savings mandatory target,
2. public information and education programmes on energy efficiency.

Municipality Energy Efficiency Fund (MEEF) sources are stated:

1. municipal budget
2. payments done by the participants of Energy Efficiency Obligation Scheme (if the participants choose this alternative instead of implementation energy efficiency measures)
3. other sources

The sources of the MEEF shall be spent for:

1. support to achieve end-use energy savings mandatory target,
2. implementation of energy efficiency measures foreseen by municipal development planning documents
3. implementation and maintenance of energy management system in municipality.

The large enterprise and large electricity consumer, which is non-compliant with the mandatory duties stated by the Energy Efficiency Law – implementation of energy auditing and/or energy management system (see the measures GEN-LV24 and GEN-LV25) - shall pay Energy Efficiency Duty (Section 13 of the Energy Efficiency Law).

The amount and procedure of this duty are prescribed by the Cabinet of Ministers Regulations, adopted April 2017 [5]. According the Regulations [5], the Duty is 7% of the electricity cost in the previous year. The Duty is calculated by multiplying the amount of consumed electricity (in MWh) with the Eurostat’s published average electricity price in Latvia industry sector in the previous year.

It is anticipated by [5, Annotation] the following total payments of the Energy Efficiency Duty for the next 3 years – 0.553 MEUR (in 2018), 2.520 MEU (in 2019) and 1.449 MEUR (in 2020).

**Historical data**


The purpose of the Energy Efficiency National Fund (hereinafter – the EENF) is to support national energy efficiency initiatives across the whole end-use sector. The EENF could provide financing in the form of both soft loans and grants. The EENF must discharge the functions to comply with the

---

1 The EEOS participant shall be registered in the administrative territory of the municipality and cannot be the administrator of the municipal energy efficiency fund.
requirements of Directive 2012/27/EU, including the promotion of energy services. The EENF should facilitate the establishment of financing facilities, or the use of existing ones, for energy efficiency improvement measures to maximise the benefits of multiple streams of financing.

Moreover, a financing facility as a funding solution to improve the energy performance of public buildings and housing is also suggested in “Latvian Energy Long Term Strategy 2030-Competitive Energy for Society” [4], which is a policy paper drawn up by the Ministry of Economics.

References