

# Lithuania

## Renewable Energy Fact Sheet

### ***Policy Background***

The EU is working to reduce the effects of climate change and establish a common energy policy. As part of this policy, European Heads of State or Government agreed in March 2007 on binding targets to increase the share of renewable energy. By 2020 renewable energy should account for 20% of the EU's final energy consumption (8,5% in 2005). To meet this common target, each Member State needs to increase its production and use of renewable energy in electricity, heating and cooling and transport.

Although renewable energies are an integral part of our fight against climate change, they also contribute to growth, job creation and increase our energy security.

### ***Country targets***

The renewables targets are calculated as the share of renewable consumption to gross final energy consumption. Renewables consumption comprises the direct use of renewables (e.g. biofuels) plus the part of electricity and heat that is produced from renewables (e.g. wind, hydro), while final energy consumption is the energy that households, industry, services, agriculture and the transport sector use. The denominator for the RES share includes also distribution losses for electricity and heat and the consumption of these fuels in the process of producing electricity and heat.

*Lithuanian target: 23% (2005 = 15%)*

### ***Key issues***

Lithuania depends to a large extent on the Ignalina nuclear power plant which currently generates up to 70% of total electricity. The National Energy Strategy includes plans related to the start of operation of a new nuclear power plant which will result in a major rise of electricity generation output in 2016. In order to provide alternative sources of energy and electricity in particular Lithuania has set a national target of 12% RES by 2010 (8% in 2003). The implementation of a green certificate scheme was however postponed for 11 years. The biggest renewables potential in Lithuania can be found in the field of biomass, with an expected nine fold rise in electricity generation between 2006 and 2017. Furthermore, electricity from wind is expected to rise by 54 times between 2006 and 2017.

### ***Main supporting policies***

The core mechanisms used in Lithuania to support RES-E are the following:

- Feed-in tariffs: in 2002, the National Control Commission for Prices and Energy approved the average purchase prices of green electricity. The tariff levels will remain unchanged until December 2020.
- In September 2006, the procedure for promoting generation and purchasing of RES-E was updated to include wind, biomass, solar and hydropower plants with a capacity of less than 10 MW.

The National Energy Strategy provides for the improvement of the procedures for the promotion and purchase of electricity from RES to encourage competition among the producers and to introduce the system of green certificates or other systems beyond 2020.

In order to promote biofuels, the Law on Excise Taxes (2001) provides for excise tax relief. Besides this, the Law on Pollution Tax (2002, 2005) further stimulates the uptake of biofuels.

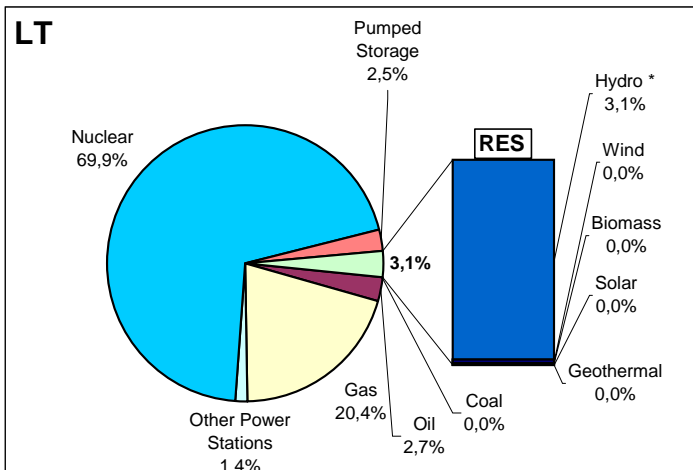
Through the Law on Heat (2003), municipalities encourage the purchase of heat fed into heat supply systems produced from RES. Investment subsidies and loans on favourable terms are also made available by the Lithuanian Environmental Investment Fund.

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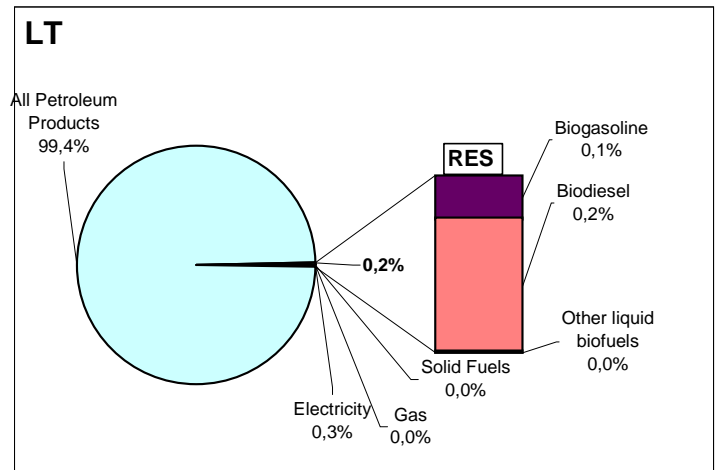
EU Structural Funds will be allocated for new boiler houses and CHP plants from 2007 to 2013 (approx. €36.8m). Through the Rural Development Programme, wind plants of less than 250 kW will be promoted if the electricity is to be used for agricultural production.

### Key figures<sup>1</sup>

Gross Electricity Generation by fuel (2005)



Final Energy Consumption by Fuel, Transport (2005)



Source: Eurostat

\* Not including generation from hydro pumped storage, but including electricity generation to pump water to storage. Municipal Solid Waste, Wood waste, Biogas included.

### For further information

To find out more about renewables, go to: [http://ec.europa.eu/energy/res/index\\_en.htm](http://ec.europa.eu/energy/res/index_en.htm)  
[http://ec.europa.eu/energy/intelligent/index\\_en.html](http://ec.europa.eu/energy/intelligent/index_en.html)

To find out more about the current situation of renewables in the Member States, go to [http://ec.europa.eu/energy/res/legislation/electricity\\_member\\_states\\_en.htm](http://ec.europa.eu/energy/res/legislation/electricity_member_states_en.htm)  
[http://ec.europa.eu/energy/res/legislation/share\\_res\\_eu\\_en.htm](http://ec.europa.eu/energy/res/legislation/share_res_eu_en.htm)

To find out more about support measures, go to [http://ec.europa.eu/energy/res/legislation/support\\_electricity\\_en.htm](http://ec.europa.eu/energy/res/legislation/support_electricity_en.htm)

To find out about a project or contact an energy agency in your region, go to <http://www.managenergy.net/emap/maphome.html>

<sup>1</sup> Reliable and complete data for heating and cooling is not yet available from Eurostat

## Lithuania - Renewable Energy Fact Sheet

### What is meant by.....?

*RES*: Renewable energy sources

*RES-E*: Electricity production from renewable energy sources

*RES-H*: Production of heat and cold from renewable energy sources

*Biofuels*: Mainly includes biodiesel and bioethanol

*Biomass*: Includes solid biomass, biowaste and biogas

*PV*: Photo-voltaic - technology for the production of electricity from solar energy

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