

Uzbekistan Taking Further Steps for Increasing Energy Efficiency

3.3 billion kW/h of power is planned to be saved in Uzbekistan's economy over 2 years in virtue of energy efficiency measures of electricity. Such parameters are provided in new **Presidential Decree No.-4779 “On additional measures to reduce the dependence of economic sectors on fuel and energy products by increasing the energy efficiency of the economy and using available resources”**, adopted on July 10, 2020.

Energy efficiency or, in other words, rational use of energy resources in the economy and social sphere is an important factor in increasing the profitability and competitiveness of the production sector and saving energy resources, which in turn has a serious impact on energy security, increasing jobs, increasing the welfare of the population and overall development of the country.

- Starting from August 1st, the tariff for the guaranteed purchase of energy from newly commissioned solar, wind and biogas power plants, micro and small hydroelectric power plants with an installed capacity of up to 1 MW, including surplus electrical energy produced for their own needs, is set at level II of the tariff group of consumers, after deducting all costs associated with transportation, distribution and marketing.
- It is stipulated that the identification of investors for the construction and operation of industrial power plants based on renewable energy sources (1 MW and more), other than HPPs, will be carried out only through transparent auction mechanism.
- For the period from July 15 to December 31, 2020 the document establishes benefits for producers that organized the third (night) shift in the form of applying a reduction coefficient in the amount of 1.5 times the established rate during the night period when calculating the electricity used.
- Companies that have at least 50% of the state's share are restricted from the possibility of reducing the mandatory prepayment requirement (up to 30%) for natural gas and electricity.
- The Decree approved the target parameters for saving fuel and energy resources in the economy for 2020-2022, which provide for saving electricity by 3.3 billion kWh, and natural gas by 2.6 billion kWh. cubic meters, oil products - 16.3 thousand tons.
- The document also approved a **Road Map** for improving energy efficiency at large enterprises and a **Schedule for Energy Audits**.
- The Decree approved the structure and identified sources of funding for the previously established off-budget Intersectoral Fund for Energy Conservation, which is a part of the Ministry of Energy of the



Republic of Uzbekistan.

The Decree gives a number of instructions to responsible state divisions, including the Ministry of Energy. In particular, it is required to attract leading companies (domestic and international) to conduct energy audits at 285 large industrial enterprises within a 2-month period, as well as to make a proposal to expand their list.

The document provides for the creation of a Unified Information System of the Ministry of energy, the commissioning of which is scheduled for the end of 2021. Based on analytical data obtained from the Unified information system, a mechanism for mandatory energy audit of enterprises with high energy consumption will be introduced.

The Cabinet of Ministers was assigned to approve within two months:

- **Regulations for conducting auctions in the field of renewable energy.**

The Ministry of Energy was assigned to approve within two months:

- Regulations for accounting for electricity produced from renewable energy sources and its installations;
- Standard form of the Power Purchase Agreement from small objects of renewable energy sources;
- Regulations for certification of renewable energy sources and their installations;
- Placement of industrial-scale photovoltaic solar stations;
- **Creation of a secure trading platform for online reverse auction trading in the renewable energy sector**

The Ministry of Economic Development together with the other state bodies was assigned to submit to the Cabinet of Ministers by November 1, 2020:

- **the draft Law "On Energy Saving and Energy Efficiency"**

These introductions and changes in legislation in the field of renewable energy will help to achieve the target of 30% of the total volume of electricity generated in Uzbekistan by 2030.

Hopefully, the number of legislative "blind" areas will be significantly reduced in the nearest future, which encourages investors to pay more attention to the Uzbek market.

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