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Energy projects in the Baltic Sea Region Strategy – PA Energy

Dr.oec. Olga BOGDANOVA, PA Energy Coordinator

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EU Energy Policy

Tagrets in Energy field:

2020:

- 20% cut of GGE;
- Renewable energy sources at least 20%;
- Energy efficiency at least 20% improvement;

2030:

- 40% cut of GGE;
- Renewable energy sources at least 27%;
- Energy efficiency at least 27% improvement;

2050:

- Reduce green gas emissions (GGE) by 80-95% by 2050 compared to 1990.



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BEMIP/ EUSBSR: Policy Area Energy

Reform of optimising regional cooperation formats in Energy:

June 2015

- Memorandum of Understanding on the Reinforced Baltic Energy Market Interconnection Plan 'BEMIP'
- Joint Action Plan for BEMIP and EU Strategy for the Baltic Sea Region (EUSBSR)

EUSBSR documents: [Action Plan and Flagship Annex](#)



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BEMIP & EUSBSR PA Energy

Baltic Sea Region/BEMIP Action Plan

Infrastructure
(TEN-E)

Internal market

Security of
Supply

Synchronization
(Task Force)

Renewable
energy

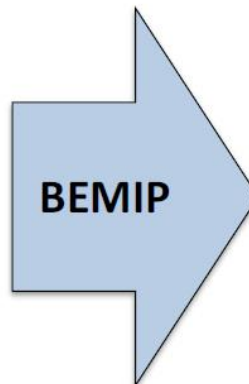
Energy
Efficiency



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Integration in the energysystem

2006



2016





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EUSBSR PA Energy objectives in the action plan

- Better interconnected electricity market;
- Level playingfield for market participants;
- Baltic States integrated to the EU internal electricity market;
- Interconnected gas grid;
- Fuel switching in heating/ Increased use of Renewable Energy Sources (RES) in heating;
- Promotion of the development of sustainable energy;
- Promotion of energy efficiency (EE).



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Clean Energy Package

New rules will ensure reaching the renewable energy target of at least 27 % by 2030

Opportunities

- Creating jobs & growth,
- Bringing down greenhouse gas emissions,
- Securing energy supply

Challenges

- Putting energy efficiency first
- Demonstrating global leadership in renewables
- Delivering a fair deal for consumers



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How to get there?

- Putting the investment framework right
 - Progressive cross-border opening
 - An end to retroactive changes in support
- Cost-effective deployment
- Increase their share of renewable energy in heating and cooling supply, by 1 percentage point per year until 2030
- 50% share of renewables in electricity mix



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Flagship criteria

1. Has a high macro-regional impact;
2. Contributes to meeting the objectives, indicators and targets of the EUSBSR;
3. Contributes to the **BEMIP/ EUSBSR PA Energy Action Plan**;
4. Is related to the implementation of one or more actions of the policy area/horizontal action concerned;
5. Has a clear macro-regional dimension (at least 3 BSR countries involved)



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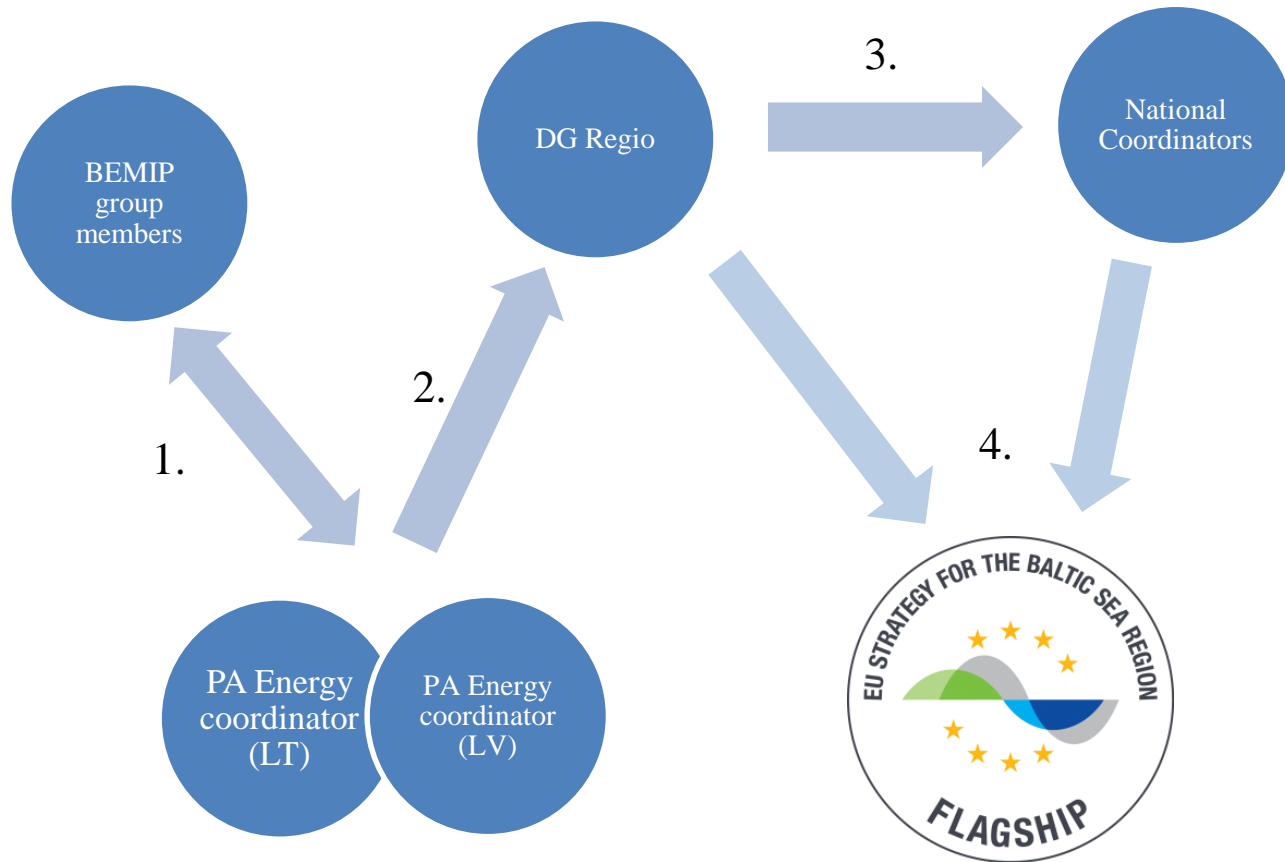
Flagship criteria

6. is mature for implementation:

- can be implemented within a realistic timeframe;
- has a clear financial and activity plan which e.g. encompass setting aside resources for attending relevant activities of the policy area/horizontal action and the EUSBSR;
- partnership is established and a flagship leader is identified.



Process of receiving Flagship status

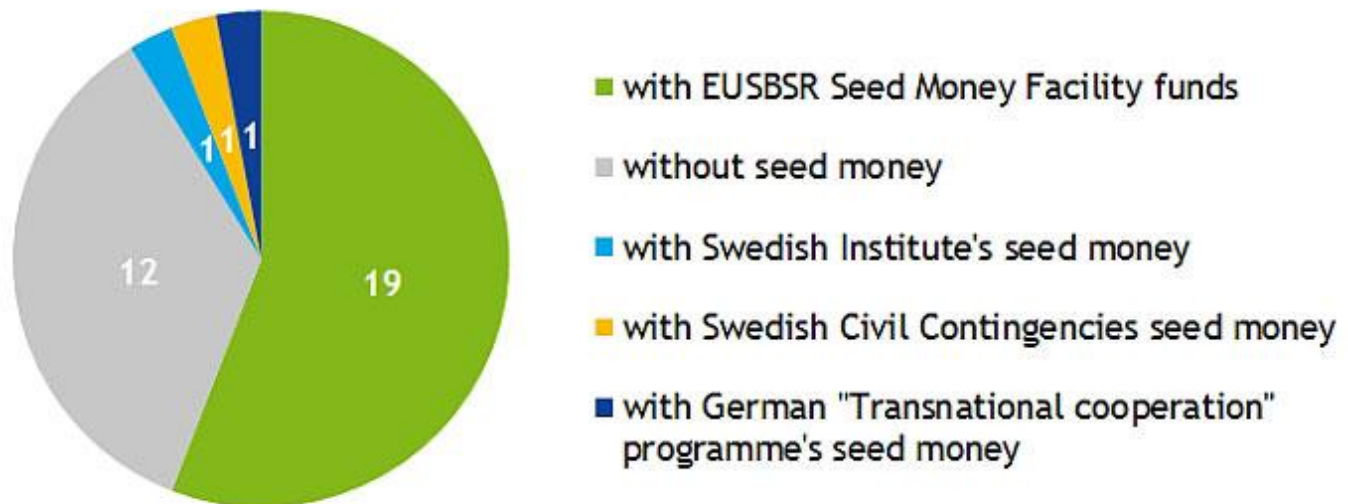




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From seed to flagship

Selected Interreg Baltic Sea Region concept notes* with EUSBSR flagship status



*as of June 2015, 1st call, 1st step, source: Interreg Baltic Sea Region MA/JS



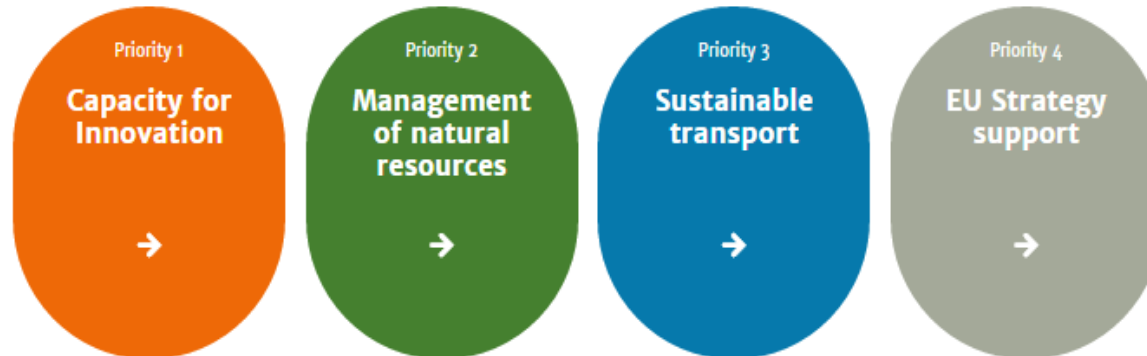
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Funding options

✓ The INTERREG Baltic Sea Region Programme

The Programme supports integrated territorial development and cooperation for a more innovative, better accessible and sustainable Baltic Sea region.

PRIORITIES



✓ **APPLYING FOR PROJECT FUNDING:**

✓ **Regular project calls**

✓ **Seed Money calls**

✓ funding provided to support the preparation of projects in line with the Action Plan of the EU Strategy for the Baltic Sea Region.



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Seed Money projects submitted to the PA Energy to receive the support

- 3 projects financed by Seed Money facility financial instrument in 2013;
- 7 project applications for Seed Money facility financial instrument were evaluated in September 2015,
- 2 of them supported by BEMIP / PA Energy and 1 financed;
- In 2016, 5 Seed Money project applications were evaluated;
- 3 recommended to the Interreg BSR Managing Authority/Joint Secretariat (MA/JS);
- Currently these 3 projects are being evaluated by the Interreg BSR MA/JS.



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Regular projects applying for Interreg BSR funding

Mature project ideas applying for funding of Interreg, submitted to the PA Energy to receive the support:

- 10 projects' concept notes for applying to Interreg financing were received in May 2016;
- 2 projects applied for support in the 2nd evaluation step of Interreg BSR;
- 6 projects all together were supported by PA Energy to get the funding.



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CURRENT FLAGSHIPS

1. **BALTFLEX** - Development of flexibility services for energy market
 2. **BALTIC INTEGRID** - Integrated Baltic offshore wind electricity grid development
 3. **CO-ENERGY** - Establishment and operation of cooperatives to generate energy
 4. **COPREMM** - Conceiving and Piloting Resources Efficiency Management Measures for carbonfree heating in rural BSR communities
 5. **EFFECT4buildings** - Effective Financing Tools for implementing Energy Efficiency in Buildings
 6. **USE-LBM-BioPro** - Use of liquefied biogas from waste (LBM) as gasoline substitute including side product utilization for Biopolymer production
 7. **URBAN BIOGAS HUBS** - Enhancing the use of biogas for urban transport
- ACT NOW** - Action for Energy Efficiency in Baltic Cities



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CURRENT FLAGSHIPS

1. **BALTFLEX** - Development of flexibility services for energy market

- ✓ The project's **goal** is to tackle the electricity flexibility market development issues regionally and to create an effectively operating energy market with flexibility services.
- ✓ Through creating a report with description of regional market design for flexibility services and implementing 1-3 ICT pilot projects on flexibility services project partners seek:
 1. to **build up institutionalized knowledge and competence** of stakeholders and thus creating a basis for development of appropriate regulatory framework for flexibility services;
 2. to **create a technical (IT) solution for flexibility services** in Baltic-Nordic region and thus enable more efficient use of human and technical resources.

Lead Partner: Estonia.

Project partners: Latvia, Lithuania, Finland.

Estimated duration: 36 months.



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CURRENT FLAGSHIPS

2. **BALTIC INTEGRID** - Integrated Baltic offshore wind electricity grid development

- ✓ The **aim** of the project is to contribute to sustainable local electricity generation, further integration of the regional electricity market and enhancing security of supply around the Baltic Sea.
- ✓ The Baltic InteGrid will provide a professional network for expertise exchange and interdisciplinary research on the optimization potential of offshore wind energy in the Baltic Sea region.
- ✓ The project is a step towards the creation of a fully interconnected and integrated regional energy market.

Lead Partner: Germany.

Project partners: Poland, Germany, Denmark, Sweden, Latvia, Finland, Estonia, Lithuania.

Estimated duration and deadline: 2016-2019.





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CURRENT FLAGSHIPS

3. CO-ENERGY - Establishment and operation of cooperatives to generate energy

- ✓ Main project goals:
 - implementation of best practices for energy co-operatives;
 - setup of 12-15 power generating co-operatives by 90 SMEs;
 - completion of at least one pilot co-operative;
 - setup of regional power innovation clusters and development of regional strategies;
 - tested trainings and concepts of counselling.
- ✓ The project will contribute to bridging the gap between regional pioneers, t.i., Denmark, Finland and to some extent in Germany, and other BSR countries.

Lead Partner: Germany

Project partners: Poland, Lithuania, Latvia, Finland, Denmark, Germany.

Estimated duration: 36 months.





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CURRENT FLAGSHIPS

4. **COPREMM** - Conceiving and Piloting Resources Efficiency Management Measures for carbonfree heating in rural BSR communities

- ✓ The project **promotes** a more efficient use of climate-friendly resources by sharing best practices and testing adequate heating technologies.
- ✓ It **focuses** on administrative bodies of small rural municipalities which intend to develop emission neutral regions.
- ✓ Experienced municipalities will form a **group of coaches** which will be established as Baltic Sea Region competence center and train also future local coaches.

Lead Partner: Germany

Project partners: Germany, Denmark, Finland, Latvia, Poland.

Estimated duration: 36 months.





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CURRENT FLAGSHIPS

5. **EFFECT4buildings** - Effective Financing Tools for implementing Energy Efficiency in Buildings

- ✓ The **aims** are:
 - ✓ developing and improving institutional and financial measures,
 - ✓ promoting energy efficient technological solutions to increase energy efficiency in buildings,
 - ✓ developing and implementing training schemes for professionals and anchoring them in the daily practice of the target group.

Lead Partner: Sweden.

Project partners: Finland, Norway, Latvia, Denmark, Estonia, Poland.

Estimated duration: 36 months.





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CURRENT FLAGSHIPS

6. USE-LBM-BioPro - Use of liquefied biogas from waste (LBM) as gasoline substitute including side product utilization for Biopolymer production.

- ✓ **The project aim** is to use various types of bio-waste liquid (LBM) as fuel in private, public and professional transportation that would decrease the greenhouse gas emissions and increase the use of renewable energy.
- ✓ The project is **focused** at improving the circular economy through reusing bio-waste as a basis for new products.

Lead Partner: Estonia.

Project partners: Germany, Finland.

Estimated duration and deadline:

February 2016 – September 2016.



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POTENTIAL FLAGSHIPS

- 1. URBAN BIOGAS HUBS** - Enhancing the use of biogas for urban transport
 - ✓ The project **aims** to demonstrate for politicians and private sector directors that biogas is a competitive alternative from the financial, environment, climate and health aspects with the benefit of local/regional fuel supply and production.
 - ✓ The project **focuses** on developing the security of fuel supply and regional substrates collection capacity; researching the relative economic and environmental performance of modern biogas buses as compared to traditional diesel and other fuel buses; as well as elaborating and implementing solution-wide 'holistic' business models, that include an innovative approach to green public procurement and financial setup.
 - ✓ The project will **address** a technology that reduces external costs, including mitigation and adaptation to climate change, in the areas of freight and/or passenger transport.

Lead Partner: Sweden

Project partners: Sweden, Poland, Estonia, Denmark, Finland

Estimated duration: 36 months.



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POTENTIAL FLAGSHIPS

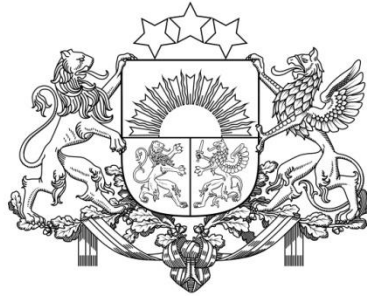
2. **ACT NOW** - Action for Energy Efficiency in Baltic Cities

- ✓ The **objective** is to increase energy efficiency based on enhanced capacity of public and private actors involved in energy planning.
- ✓ The project will show how local “Sustainable Energy Action Plans (SEAPs)” can be turned to concrete measures reducing energy consumption in buildings. .
- ✓ The project **focusses** on strengthening the capacities of municipalities in the field of energy management, definition and funding of investment projects and addressing private investors like housing companies or landlords to stimulate their investments in energy efficiency.

Lead Partner: Germany

Project partners: Germany, Sweden, Poland, Finland, Denmark, Lithuania, Latvia, Estonia

Estimated duration: 36 months.



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Thank you!

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Address: Brīvības iela 55, Rīga, LV-1519, Latvia

Phone: +371 67013100

Fax: +371 67280882

E-mail: pasts@em.gov.lv

Home page: www.em.gov.lv

Twitter: @EM_gov_lv, @siltinam

Youtube: <http://www.youtube.com/ekonomikasministrija>

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