

EU4ENERGY IN AZERBAIJAN

The EU-supported project “Promoting the Clean Energy Transition in the Eastern Partnership countries: EU4Energy Phase II” aims to assist Azerbaijan in further developing strategic thinking, planning, and adoption of EU best practices. Activities conducted in Azerbaijan throughout the EU4Energy Phase II focused on the electricity sector, energy efficiency, the heating sector, development of the energy market, incentives for network development, quality of supply, sharing experience in the application of “green” technologies, and the promotion of renewable energies.

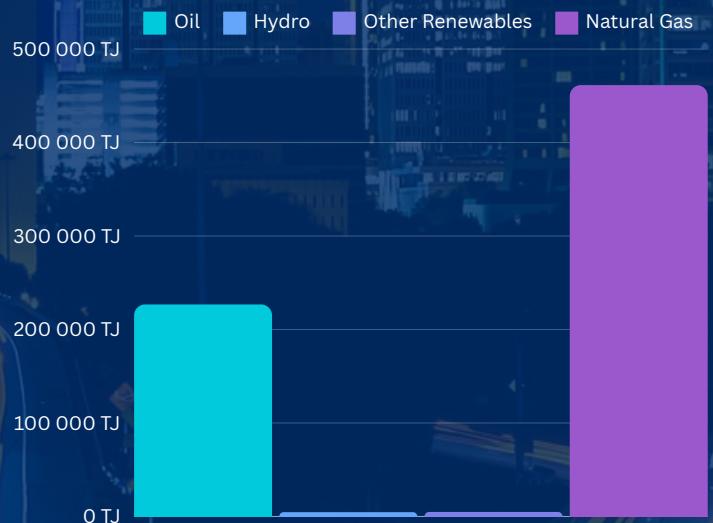
The main goal was to strengthen the energy legislative and regulatory frameworks as well as evidence-based energy policy design capabilities of the Ministry of Energy of the Republic of Azerbaijan (MoE), the Azerbaijan Energy Regulatory Agency (AERA), and the Azerbaijan Renewable Energy Agency (AREA). All the activities aim to enhance the beneficiary administrations’ capacities towards a developed energy market and the clean energy transition.

KEY DATA 2022

Population	10.1 million
Gross Domestic Product	78.7 billion USD
Total Energy Supply (TES)/GDP	121.9 kg oil equivalent/thousand USD
Share of Renewable in Energy Generation	6.70%

Source: State Statistical Committee of the Republic of Azerbaijan

TOTAL ENERGY SUPPLY - 2021



Source: iea.org



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ENERGY SECURITY

Azerbaijan has one of the highest energy self-sufficiency rates in the world as a major crude oil and natural gas producer. The country is also striving to increase the share of renewable energy sources in the overall installed capacity to 30% by 2030. The current and planned green energy projects with international partners aim to overfulfil this target. To improve the legislative framework, the Law "On the Use of Renewable Energy Sources in Electricity Production" was adopted in 2021. The "Socio-economic Development Strategy of the Republic of Azerbaijan for 2022-2026", approved by Presidential Decree on July 22, 2022, includes measures such as the improvement of the regulatory framework in the energy sector, liberalisation of the energy market, increasing the efficiency of the gas and heat supply systems, ensuring energy efficiency, and expanding the use of renewable energy sources. The EU4Energy program, particularly its second phase, dedicated to promoting the clean energy transition, with its Action Plan designed for Azerbaijan, is actively assisting the country to achieve the above-mentioned targets. In this regard, within the framework of the programme, regular meetings and capacity-building activities are organised and assistance is provided to the authorities of Azerbaijan in developing secondary legislation and regulations in relevant fields.

ENERGY EFFICIENCY

Within the EU4Energy programme, the Law of the Republic of Azerbaijan, "On Efficient Use of Energy Resources and Energy Efficiency", was developed with the support of the Energy Charter. A draft Roadmap on Ecodesign and Labelling Rules was prepared in December 2020 to develop a normative legal framework stipulated by the Law. Furthermore, the First National Action Plan on Energy Efficiency for 2021-2025 was elaborated and submitted to the Ministry of Energy of the Republic of Azerbaijan within the framework of the programme.

EU4Energy is also developing a roadmap for Azerbaijan on Energy Efficiency, focusing on how Azerbaijan can capture the substantial opportunities that improving energy efficiency across sectors such as buildings, industry, and transport can bring to its larger goal of decarbonisation.

EU4Energy also assists the State Statistical Committee in further improving national energy information, including the development of energy efficiency indicators.

CARBON FOOTPRINT REDUCTION MEASURES

As part of its Nationally Determined Contribution, Azerbaijan is committed to reducing greenhouse gas emissions by 35% by 2030 compared to the base year/1990. During COP26 in Glasgow, Azerbaijan announced a voluntary commitment to reduce greenhouse gas emissions by 40% by 2050 and to establish a net-zero emission zone in Western Azerbaijan.

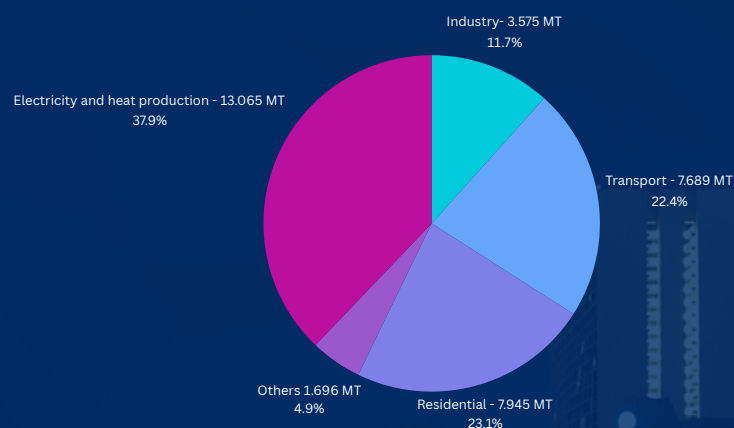


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In the “Azerbaijan 2030: National Priorities for Socio-Economic Development”, approved by Order of the President of the Republic of Azerbaijan No. 2469 dated 2 February 2021, the “clean environment and green growth country” was identified as one of the five national priorities for the country in the next decade. To fully meet the needs of present and future generations, the application of environmentally friendly “green” technologies will be expanded, the share of renewable energy sources in primary consumption will be increased in all sectors of the economy based on scientific and technological potential, and energy efficiency will be ensured in various sectors of the economy, in public and private buildings, as well as in the production and supply of energy.

CO2 EMISSIONS FROM FUEL COMBUSTION BY SECTOR IN 2021



Source: [iea.org](https://www.iea.org)



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