

Daiva Matoniene's Opening Address

Vice-Minister of the Environment
Republic of Lithuania
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"Dear Ladies and Gentleman,

It is a great honor for me to address this conference on behalf of the Lithuanian Presidency.

So what does Lithuania represents to Europe and the whole world?

The name of Lithuania is known from 1009. Lithuania is situated in the geographical center of Europe, our population - 3 million (2012). Lithuanian is the official state language of Lithuania. We are proud to have the oldest university (1579) in the Baltic States and one of the oldest in Northern and Eastern Europe.

Lithuanians are highly educated people - 93% of the population has secondary or higher education, at least 2 foreign languages are spoken by over half of population.

The Presidency places a great responsibility on Lithuania and its public service, but it is also an opportunity to present the country, strengthen links to Europe, and contribute to the well-being of all European citizens.

The objectives of the Lithuanian Presidency are as follows:

- **Credible Europe** with a stable financial sector and public finance and effective growth oriented EU economic governance and stronger social dimension,
- **Growing Europe** through greater investment into research and technological development, deeper integration of the internal market, as well as better employment opportunities and sustainable social security,
- **Open Europe** able to tackle global challenges effectively, promoting democratic values, contributing to safe neighbourhoods, and actively protecting the rights of EU citizens.

Lithuania can be a gateway to the whole EU market, which is really attractive for non-EU investors.

Political stability and economic freedom are other advantages, while NATO membership provides even more security. Lithuania is a small country and it is quite easy to access the decision makers, run a transparent dialogue, make quick decisions and solve problems ad hoc. Lithuania is a Baltic tiger again - prior to the global financial crisis of 2007–2010 and now in its aftermath, Lithuania has one of the fastest growing economies in the European Union. The United Nations Human Development Index lists Lithuania as "a very high human development" country.

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Structurally, there is a gradual but consistent shift in Lithuania towards a knowledge-based economy.

During our Presidency Lithuania is focusing her efforts on enhancing the EU's abilities to provide adequate response to several challenges, energy and energy efficiency is one of them. We believe, that strengthening of the Single Market, including energy, will bring new opportunities for making the European economic and social model more solid.



Directive 2012/27/EU on energy efficiency establishes a common framework of measures for the promotion of energy efficiency within the Union in order to ensure the achievement of the Union's 2020 20 % headline target on energy efficiency and to pave the way for further energy efficiency improvements beyond that date.

The Directive brings forward legally binding measures to step up Member States' efforts to use energy more efficiently at all stages of the energy chain – from the transformation of energy and its distribution to its final consumption.

Buildings are one of the largest consumers of energy worldwide, with the share of 24,6 % in energy consumption after transport and industry sectors, and will continue to be a source of increasing energy demand in the future. Globally, the sector's final energy consumption doubled between 1971 and 2010 to reach 2 794 million tons of oil equivalent (Mtoe), driven primarily by population increase and economic growth.

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It means that there is a great need to analyze current policies and practices in funding and in the design and implementation of national requirements for energy efficiency. The aim of Lithuania as Presidency is to consolidate existing efforts and to encourage more attention to the role of the built environment in a low-carbon and climate-resilient world. It is true, that historically the scope of requirements of building energy codes is only focused on new residential buildings. In our days, building energy codes have expanded to cover existing buildings when they undergo renovation or alterations.

In Lithuania almost 70% of the population is faced with the problems of huge energy losses. It means that most buildings of our existing housing stock are in poor condition and lack proper management. Even more - most of Lithuanian households are not satisfied with their homes. The main political goal of promotion of energy efficiency in Lithuania is through the housing modernization.

National Government took the decision – the main task is to make conditions for ensuring effective use of existing housing, maintenance, upgrading and modernization, including the rational use of energy resources. First Program for modernization of multifamily buildings in Lithuania was approved in 2004. After analyzing a lesson learned by the small progress of the Program, with the result of renovation of only 8 multifamily buildings, in February of 2013 a New Model, based on Municipalities programs, was created. We expect that renovation of half a thousand buildings will start in 2013.

Even more - in the end of September we launched the second stage for renovation of 1700 buildings. You can ask how to make this process attractive to households?

- *Loan charge on the project administrator, the resident does not feel the financial burden of debt.*
- *Households are deprived of compensation for heating for 3 years, if they intentionally refuse to participate in the program.*
- *We created very good team work involving politicians, technical supporters, banks, municipalities, and residents, as they are strongly interested and involved in the process in Lithuania - one of the*



first countries in the European Union that used the initiative of JESSICA (Joint European Support for Sustainable Investment in City Areas) for the improvement of energy efficiency in multifamily buildings, by supported implementation of energy efficiency measures.

We think that the increase of the capacity of sectorial specialists by providing training, and conducting awareness-raising campaigns is crucial for trust in quality of upgrading.

Our practice shows, that after modernization there is the possibility to reduce energy consumption by up to 70 %. And by implementing the Program also environmental protection issues (reduction CO² emission, urban environment, cities regeneration plans, etc.) are solved.

The challenges of the increase of energy consumption based on the built environment vary country by country.

Energy use in buildings accounts for around 40 % of total energy consumption and 36 % of CO₂ emissions in Europe. Buildings consume energy to provide human well-being and comfort. It means that in most of EU member countries the main challenge is to renovate the existing building stock.

We all have a lot of space to take measures that are most effective and attractive for our countries. I strongly believe that cooperation is the main condition of success. I believe that is the main idea of the Europe Union itself. I know that some countries have solved their problem in modernization area, some are still struggling. By cooperating we can help each other; we have opportunity to learn common lessons on support for energy efficiency in buildings if we want to meet EU 2020 and 2050 targets. This is an extremely important value in a competitive world. I sincerely wish this meeting to be as fruitful as possible for every one of us.”

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