

Estonia

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.

Estonian target: 25% (2005 = 18%)

Key issues

Estonia's potential lies mainly in biomass, biogas, wind and cogeneration from biofuels. Small-scale hydro-electric is being developed as only about half the potential is currently exploited. By end-2005, 36.2MW were produced from hydro-electric and wind; this figure was forecast to almost double in 2006.

The use of renewable fuels did not change significantly between 1999 and 2005, and in 2006 the percentage of biofuels in the transport fuel mix was just 0.12%.

Main supporting policies

For electricity, feed-in tariffs will be paid for 7-12 years, but not beyond 2015. There is a single feed-in tariff level for all RES-E technologies. Relatively low feed-in tariffs make new renewable investments very difficult. A voluntary mechanism involving green energy certificates was also created by the grid operator (the state-owned Eesti Energia Ltd) in 2001.

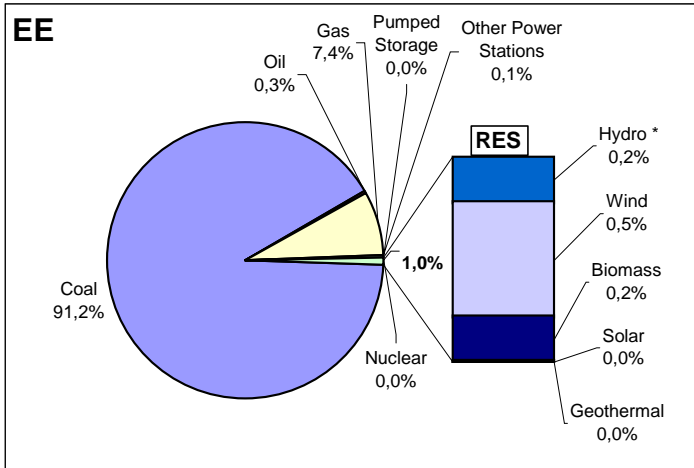
District heating law promotes the use of indigenous sources and RES for heat production.

Biofuels used for transport or heating have been exempt from excise tax since 2005, following issuance of six-year permits. In 2006 a development plan to promote the use of biomass and bio-energy for 2007-2013 was drawn up, and direct aid is available to expand the energy crop area.

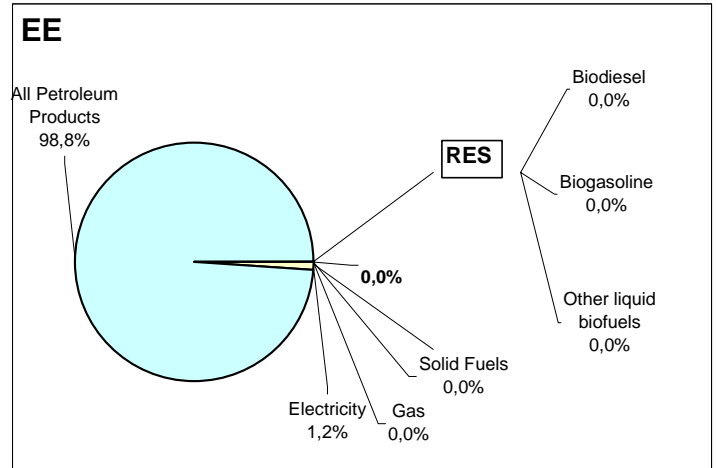
New RES-E regulation in force since 1/5/07 includes three support options (feed-in tariff, premium and certificate of origin) and is valid for RES-E production from facilities with capacity less than 100MW.

Key figures¹

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/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/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

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

¹ Reliable and complete data for heating and cooling is not yet available from Eurostat

Estonia - 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

Disclaimer

Views expressed in this document have not been adopted or in any way approved by the European Commission and should not be relied upon as a statement of the Commission's views.

The Commission does not guarantee the accuracy of the data included in this document, nor does it accept responsibility for any use made thereof.

Estonia - Renewable Energy Fact Sheet