Session SBI59 (2023)

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A compilation of questions to - and answers by - Lithuania [exported on 02-12-2023] by the UNFCCC secretariat Question by New Zealand at Saturday, 30 September 2023 Category: Progress towards the achievement of its quantified economy-wide emission reduction target Type: Before 30 September Title: Waste quantity in landfills objective

New Zealand notes Lithuania's objective to reduce the waste quantity in landfills. Part of this objective included to increase municipal waste recycling by at least 65% of the total waste by 2020. Could Lithuania provide an update on the success of this objective?

Answer by Lithuania, Wednesday, 29 November 2023

Thank you for the question. In Lithuania's 8th National Communication (Chapter 4.3.6, p. 148) it is stated that one of National Waste Management Plan's for 2014-2020 objective was to reach that "not less than 65% of municipal waste (based on total amount) is recycled or recovered". According to classification of waste management practices "recovery" includes waste incineration with energy recovery, composting of waste etc. This objective was overachieved, as 71% of municipal waste was recycled or recovered in 2020. Recycling (24.5%) and incineration with energy recovery (25.9%) have become dominant treatment methods, followed by composting (20.1%). This has been a result of separate waste collection, construction of sorting facilities, improved labelling requirements, education and awareness campaigns, and expanded deposit-refund schemes for beverage containers (collection rate - more than 90%). Substantial financing from the European Union has enabled improvements to waste management. Lithuania has also achieved near-total coverage of the population by municipal waste management services. Other national priorities on waste include reducing biodegradable (food) waste through public awareness campaigns to promote behaviour change. The government plans to install food waste sorting and collection infrastructure for households.

Question by Canada at Friday, 29 September 2023

Category: All emissions and removals related to its quantified economy-wide emission reduction target

Type: Before 30 September

Title: How is atmospheric measurement data considered in your GHG inventory?

Improved measurement technologies in recent years have resulted in the advancement of emissions data derived from atmospheric measurements which can be compared to emissions/removals data reported to the UNFCCC. Could you please share information about how atmospheric measurement data are considered in the development of your GHG inventory, including any plans to incorporate such measurements into inventory methodologies?

Thank you for the question. As currently there are no atmospheric measurements of GHG in Lithuania, this kind of data is not considered in the development of our GHG inventory. Atmospheric GHG data measurements are planned to be started in a few years under project "FOREST 4.0" (project coordinator - Vytautas Magnus University) planned activities.

Question by United States of America at Friday, 29 September 2023 Category: All emissions and removals related to its quantified economy-wide emission reduction target Type: Before 30 September Title: Energy Sector Trends

While GHG emissions decreased by 57.8 percent and total primary energy consumption decreased by 53 percent between 1990 and 2020, the energy sector continues to be the country's main emissions source with natural gas remaining as the most important fuel in Lithuania. Could you discuss what, if there are any, initiatives to further diversify your country's energy mix?

Answer by Lithuania, Wednesday, 29 November 2023

Thank you for the question. Currently, the most important fuel in Lithuania is oil and it's products, with transport sector being the biggest energy consumer. In Lithuania, natural gas is primarily used in heating, industry (including feedstock) and power sectors.

Regarding the heating sector, our aim is to increase the supply of biomass for centralised heating. In addition, the two major Vilnius and Kaunas power plants are co-generational. Lithuania's long-term goals are continued use of biomass and electrification. For 2030 Lithuania is aiming to have 90% of renewables in heating sector, with some limited use of natural gas in transitional period until 2050 for peak generation needs. From 2050 our heating sector will be 100% renewable. We provide funding for heat pumps in individual housing and have multiple other measures to increase energy efficiency (such as modernisation of multi-apartment buildings or heat points).

In addition, our aim is to generate 90% of Lithuania's electricity needs from renewable energy resources by 2030, with small amount of natural gas remaining in the system for flexible needs.

Furthermore, Lithuania has great ambitions for green hydrogen production, which could replace some use of natural gas.

Regarding the industry sector, nearly half of Lithuania's natural gas consumption is used by our chemical plant "Achema" – the largest fertilizer producer in the Baltic States – for feedstock. Due to high gas prices and Russia's energy war on Europe the plant scaled down its operations significantly and even suspended its operations. In October of 2023 the Ministry of Economy and Innovation proposed a 122,65 million EUR subsidy from EU to chemical company, aimed to build a green hydrogen production infrastructure in order to lower its GHG emissions and to substitute natural gas consumption by green hydrogen gas (https://eimin.lrv.lt/lt/naujienos/a-armonaite-jonavoje-aptars-bendroves-achema-modernizavima).

In 2022, in the district heating (DH) sector, the RES share (biomass and renewable share of municipal waste) in the total fuel balance for heat production was 73.1%. According to this indicator, Lithuania ranks second among European countries, followed only by Sweden (82%). The main objectives of the DH sector are decarbonisation and an enabling environment for investments in technologies that promote energy efficiency and the deployment of new RES technologies. The national strategic energy documents (National Energy Independence Strategy, National Energy and Climate Plan) set the share of RES in DH at 90% in 2030 and 100% in 2050.

In order to achieve the objectives set, financial support is foreseen for the development of RES technologies in heat production and energy efficiency in the DH sector for the period 2021-2027 and financial support is foreseen for the following measures:

•installation of solar collectors in DH systems

•installation of high-efficiency biofuel boilers in DH systems

- •construction of low-power biofuel CHP plants in DH systems
- •installation of heat storage tanks in DH systems
- •installation of heat pumps in DH systems
- •deployment of waste heat recovery solutions in DH systems
- •adaptation of the DH network to IV generation heating system
- •installation of heat/cooling metering devices with remote reading capability

EU financial support of EUR 75 million is foreseen for this purpose. Unfortunately, such support is not sufficient and ways are being sought to attract more funds.

According to Amendment to the Excise Duty Law (2023), from 2024 fossil fuel concessions and subsidies for gas oils, coal, coke, lignite, diesel, liquefied petroleum gas will be phased out. Excise duty rates for these fuels will be gradually increased over the period 2024-2026. Peat for heating purposes (to prevent this fuel to become alternative to coal) will be subject to excise duty as of 2024. In case of natural gas it is planned to introduce excise rate of 0,50 eur/MWh for domestic users from 2025. Existing excise duties of natural gas for heating will increase from 1,08 eur/MWh to 1,50 eur/MWh in 2025 and for commercial use - from 0,54 eur/MWh to 1 eur/MWh in 2025. The amendments to the Excise Duty Law impose, that excise duty rates as of 2025 will include a CO2 component for petrol, kerosene, diesel, heating gas, oil and gas hydrocarbons, coal, coke, lignite, proportional to fuel type's CO2 emission, taking into account its's calorific value and will increase on a pro rata basis from 2025 to 2030.

Question by Australia at Thursday, 28 September 2023 Category: Progress towards the achievement of its quantified economy-wide emission reduction target Type: Before 30 September Title: Submitted Question #2

Lithuania's *Long-term Renovation Strategy* will lower emissions and improve efficiency by supporting the renovation of the national building stock. Is Lithuania able to elaborate on actions planned under the strategy to support these renovations?

Answer by Lithuania, Wednesday, 29 November 2023

Thank you for the question. In 2022 the Plan for implementation of the Long-Term Building Renovation Strategy was approved, which sets out the measures and actions to improve energy efficiency of the buildings and achieve Lithuania's GHG reduction targets. The main actions and measures Lithuania is currently implementing are:

- 1. Increase the effectiveness of the processes (integrated planning and monitoring, comprehensive support measures package), aiming to ensure the digitalisation of processes and services related to the renovation of buildings:
- to prepare a digital solution for the preparation of an investment plan, ensuring the use of technologies that are optimal in terms of costs/benefits;
- to change the legal acts in order to improve the procurement of contracts for the renovation of multi-apartment residential buildings and the quality of their performance, the quality of technical maintenance by applying structural information modelling;
- impose a requirement on municipalities to prepare for complex district renovation programmes by providing municipalities with the means to implement this objective.

2. New technologies - the task is to increase the speed of renovation of buildings using standardized modular structures made of organic materials, implementing these actions:

• implementation of pilot buildings renovation projects using standardised modular structures from organic materials and, on the basis of them, to formulate

recommendations for the mass application of these solutions (contracts are now being signed);

- ensuring support measures to encourage the deployment in Lithuania of standardised modular structures of organic material production capacities needed to meet the objectives set out in the strategy (currently calls for this measure have been published);
- amendments to legal acts determining the technical requirements for modernization of buildings taking into account the use of standardized modular constructions from organic materials, other technological solutions and the industrialization of the construction process;
- digitalisation (use of BIM (building information modelling) design and construction, production) when renovating and modernising buildings;
- preparation and adoption of standard for ensuring the modernisation quality, accessibility and transparency of the procedures for renovation works.
- 3. Strengthen capacities and competences of the renovation process participants
 - strengthening of the competence centre operating at Environmental Project Management Agency (hereinafter - EPMA), which coordinates the implementation of renovation of buildings on a 'single window' basis, and provides methodological and consulting assistance;
 - strengthen capacities of municipalities and appointed renovation projects administrators, ensuring continuous cooperation between these entities and providing methodological advisory assistance from the EPMA;
 - to increase the qualification of buildings renovation projects administrators to create and constantly update qualification education system for these entities, ensuring that the administrators are provided with knowledge reflecting innovations and technological progress, changes in legal regulation etc.;
 - to promote organization of architectural ideas competitions aimed to choose the best architectural ideas.
- 4. Financial/ Incentive measures
 - preparation of new financing models for buildings renovation and/or instruments attracting funds from private investors;
 - ensure that support intensity for residential and non-residential buildings renovation is not lower than provided to other prosumers;
 - to prepare financial and regulatory measures to encourage to install a solar power plant on the roof or facade of the building;
 - to determine in the legal acts that the purchase and installation of electric vehicle charging stations and the development of the electricity network infrastructure required for this should be considered as eligible renovation costs;
 - enable to finance integrated district renovation measures on a 'one-stop shop' basis;
 - enable cost-effective partial renovation and prepare legislation amendments on the modalities and the level of state support provided for partial renovation.

- 5. Energy sector transition towards decarbonization
 - by amending the Law on energy from renewable sources and other legal acts, to ensure the use of the roof and/or facade of a residential and non-residential building by installing a solar power plant, where this is technologically, economically and legally possible during the renovation of the building;
 - when renovating multi-apartment and non-residential buildings not connected to centralized heating supply, to assess in the building renovation project the appropriateness of their connection to the central heating supply networks and/or to ensure the installation of electricity, heating and/or cooling generating installations producing energy from renewable sources;
 - draft an amendment to the Law on heat sector promoting long-term planning of district heating systems and motivational measures for investments related to the decarbonisation, efficiency improvement, reduction of heat consumption demand and heat consumption of central heating networks systems;
 - implement the transition of district heating networks to generation IV heating systems by developing integrated district heating and cooling systems, making efficient use of residual and energy saving measures and deploying lower temperature regimes and technologies;
 - modernise central heating networks management and monitoring systems, heat and hot water metering devices;
 - encourage owners of one- and two-family dwellings to replace old and inefficient heat production facilities into efficient and zero-emission heat production technologies, using renewable energy sources for heat production;
 - perform an inventory of heat production equipment in residential individual buildings and heat demand, and to prepare assessment of economically justified technological solutions for heat supply.

6. Effective communication – to implement communication campaigns, conduct clear, smooth, coordinated and timely communication about buildings renovation.

The biggest challenge is to increase allocation of funding to implement these measures and actions. According to preliminary estimates until 2030 it is needed to allocate 7 billion EUR (2,5 billion EUR – from public funds). Currently, for the implementation of energy efficiency increasing measures outlined in the National Energy and Climate Plan are allocated 2,8 billion EUR (1,1 billion EUR – from public funds). New financing models for buildings renovation and instruments attracting funds from private investors are being planned as well.

Question by Australia at Thursday, 28 September 2023 Category: Assumptions, conditions and methodologies related to the attainment of its quantified economy-wide emission reduction target Type: Before 30 September Title: Submitted Question.

Australia commends Lithuania for improving the process through which they evaluate the effectiveness of climate policies and measures since the 7th National communication. The 8th National Communication refers to an ex-post analysis of the total effect of policies and measures in the 2020 year. **Can Lithuania provide an update on the status of this analysis, and indicate how it may be used to inform future policy and decision-making?**

Answer by Lithuania, Wednesday, 29 November 2023

Thank you for the question. In 2019, Lithuania prepared a National Energy and Climate Plan (NECP) for 2021-2030 in line with the requirements of the EU Energy Union Governance Regulation. The NECPs are based on and integrate the provisions, objectives, targets and measures implemented and planned in Lithuania's national legislation, international commitments, strategies and other planning documents. According to the Energy Union Governance Regulation, each Member State is required to update its NECPs by 30 June 2024.

The draft updated NECPs has been prepared with the involvement of ministries, and authorities, in close consultation with socio-economic partners, associations and the public in July 2023. The refurbishment process was initiated by the Ministry of Energy and the Ministry of Environment in autumn 2021, with the aim of making it as inclusive as possible. To this end, 5 working groups on decarbonization (industry, transport, waste and circular economy, energy and agriculture and forestry) and 3 energy (energy efficiency, internal market and research, innovation and competitiveness) working groups have been set up. The working groups included representatives of different ministries and institutions (designated according to their competencies) and socio-economic partners. Members of the Decarbonisation Working Groups were made aware of the status of existing and planned NECPs measures (information collected by our external consultants), OECD Experts' Guidance on Climate Neutrality by 2050: options for reform for Lithuania' (report prepared in 2023), took part in the discussions, and put forward proposals for additional measures to achieve the climate change mitigation targets by 2030.

NECP progress report for European Commission had been prepared in spring 2023, so we have progress of first year of NECP implementation. Also, currently we implement EU LIFE integrated project "Improving energy efficiency in Lithuania". One of this project's planned activity is to create NECP policy and measures monitoring system, which will help to prepare

ex-post analysis to evaluate actual effects of implemented climate policies and to gather data needed for this analysis on annual basis.

Also on 12 February 2020, by the Prime Minister's ordinance was established a working group to coordinate the implementation of the NECPs and address the Green Deal agenda. The Working group brings together representatives from 9 ministries – Environment, Energy, Economy and Innovation, Finance, Social Security and Labour, Transport, Education, Science and Sport, Interior and Agriculture. At least twice per year we need to present to the members of this working group data about the policy and measures planned, status of its implementation and progress to reach Lithuania's national and sectoral GHG reduction targets.

Question by United Kingdom of Great Britain and Northern Ireland at Friday, 22 September 2023 Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Type: Before 30 September

Title: Question to Lithuania on its electric vehicle roll out

Thank you, Lithuania, for the opportunity to comment on your 5th Biennial Report and 8th National Communication. Could you please provide information on how you have worked with suppliers and consumers to promote electric vehicle use and accelerate the roll out of electric vehicle charging infrastructure?

Answer by Lithuania, Wednesday, 29 November 2023

Thank you for the question. As the main measures to promote electric vehicles (EVs) use, we would indicate:

- (e.g. compensation for the purchase of electric cars and charging infrastructure). For the promotion of the purchase of EVs for individuals, legal entities and the public sector 88 million EUR from EU investment funds is allocated. The support is up to a third of the vehicle price difference between battery electric vehicles (BEV) and plug-in hybrid electric vehicles (PHEV). Until 2030 it is planned to install 60 thousand charging accesses, of which 6,000 would be public and semi-public. About 90 million EUR from EU investment funds is allocated to promote the development of public charging infrastructure (the target indicator is no less than 6,000 charging accesses) near national roads, in municipalities, gas stations, airports, seaports, bus and railway stations, etc. **financial incentives**
- (e.g. free EVs parking, free charging for a certain time). EVs benefit from parking privileges in cities and access to a specially marked public transport (A+) lane. **soft**

measures

- (e.g. green procurement requirements, the possibility of VAT deduction, road tax concessions). BEVs are exempt from vehicle registration tax. Commercial EVs are exempt from road tax (from 2026 75 percent discount for road tax will be applied for commercial EVs). For the purchase of an EV, natural and legal persons who are VAT payers have an opportunity to purchase EVs up to 50,000 EUR (including VAT) and to apply for VAT deduction. According to stricter green public procurement requirements, from 2021 August until 2025, 60 percent of all purchased passenger cars must be up to 50 gCO2/km, and from 2026 100 percent only 0 gCO2/km. EVs are also planned to have benefits in low pollution zones in cities to be established from 2025. regulatory measures
- (e.g. publicizing existing and development data, communication campaigns etc.), etc. In order to properly inform the public and business, a national and municipal-level EVs charging infrastructure map has been created, which depicts the existing and planned development of charging infrastructure near national roads and in municipalities (excluding private initiatives). Also, an Information System, which collects the most important data on all charging accesses registered in the country (including private initiatives) was created. **public education**

Session SBI59 (2023) Session closes at 30-11-2023 UNFCCC - LAST PAGE OF EXPORT