



## **Policy Reforms and Market Transformation of the Energy Efficient Buildings Sector of the I.R. Iran**

Iran is one of the world's largest producers of energy. It is also among the most energy-intensive among developing countries. The Government spends approximately 20% of its GDP on energy subsidies. Therefore, improving energy efficiency is vital to the country's progress, and can contribute to both environmental and economic stability. Recognizing this, the Policy Reforms and Market Transformation of the Energy Efficient Buildings Sector of the I.R. Iran project (EEEEB project) was initiated in August 2016 with the aim of reducing GHG emissions in the buildings sector by improving the energy efficiency in residential, commercial, and office buildings.

The project is funded by the Global Environment Facility (GEF) and is being implemented by the Vice-Presidency for Science and Technology and UNDP.

The three main components of the project are:

- Reviewing the legislative, policy and regulatory frameworks that impact building efficiency in Iran, to come up with enhanced laws, policies and regulations on building energy efficiency and facilitating their enforcement.



- Developing and implementing demonstration building retrofit projects showcasing combined energy-efficient and renewable energy measures.
- Introducing mechanisms for a competitive energy efficiency and environment market; utilization of sectoral energy price differentials to provide the margins for trading of certified energy savings, i.e. white certificates; developing a policy framework for promoting the energy services and energy efficiency business.

### **Key Achievements to Date:**

- Development of new standards and energy efficiency codes for new buildings in Iran.
- 20% reduction in energy consumption and CO2 emissions for 400 pilot buildings including 36 government buildings (equivalent of 103,000 barrels of oil primary energy out of 400k per year).
- Annual CO2 emissions reduced by 5,800 tonnes.
- Launch of digital Energy Monitoring Information System (EMIS) which will be connected to national energy efficiency market through tradeable white certificate.
- Creation of over 4,000 direct and indirect jobs.
- 4,500 person-day capacity building, training and awareness raising on EEEB.

