RENEWABLE ENERGY SNAPSHOT:

Lithuania

Empowered lives.
Resilient nations.

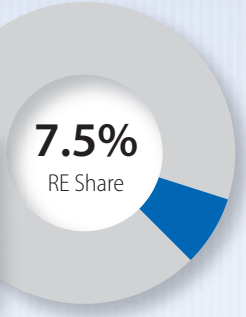
General Country Information

Population:	2,985,509
Surface Area:	65,300 km^2
Capital City:	Vilnius
GDP (2012):	$ 42.1 billion
GDP Per Capita (2012):	$ 14,097
WB Ease of Doing Business:	17

Electricity Generating Capacity 2012

3,816 MW
Total Installed Capacity

287 MW
Installed RE Capacity



	Biomass	Solar PV	Wind	Small Hydro
Installed Renewable Electricity Capacity 2012 in MW	29	6.1	225	27
Technical Potential for Installed Renewable Electricity Capacity in MW	1,400	60,000	2,200	70

Sources: Gaigalis et al. (2013); EurObserv'Er (2013); WWEA (2013); EBRD (2009); ESHA (2013); EC (2013); EIA (2013); Hoogwijk and Graus (2008); Hoogwijk (2004); JRC (2011); and UNDP calculations.

Key information about renewable energy in Lithuania

In Lithuania the technical potential for renewable energy is huge, especially for biomass and wind. Renewable energy plants that were acquired after 24 May 2011 receive support through a combination of feed-in tariffs and a tender based auction system. Renewable wind, biomass, hydro and solar energy not exceeding installed capacity of 10kW are eligible for the guaranteed tariff for 12 years. All other renewable energy plants exceeding this capacity have to compete through tenders in each region. Tenders take place quarterly and are organized by the National Control Commission for Prices and Energy, adjusting the maximum prices before every tender. The lowest preferred tariff wins the tender (ResLegal, 2013). The feed-in tariff caused massive investment in wind power plants, resulting in installed wind power capacity rising from 91 MW in 2009 to

Feed-in tariff in Lithuania

Eligible technologies	Installed capacity	Maximum price in €/MW-h	
Wind	<10 kW >10 kW and <350 kW >350 kW	**81.10** **75.30** **63.27**	
Biomass	<10 kW >10 kW and <5 MW >5 MW	new commissioned **107.16** **92.68** **81.10**	reconstructed **92.68** **78.20** **69.51**
Hydro	<10 kW >10 kW and <1 MW >1 MW	**78.20** **69.51** **63.72**	
Solar	<10 kW >10 kW and <100 KW > 100 KW	integrated in buildings **199.84** **179.56** **167.98**	not integrated in buildings **156.93** **141.91** **133.23**

Source: NCC (2014) – applicable from 1 April 2014 to 31 June2014 (LTL/€ exchange rate on 2 April 2014)

255 MW at the end of 2012 (WWEA, 2013). In 2014, Lithuania was ranked in 17th position in the World Bank's Ease of Doing Business index, an increase of eight positions over the 2013 level (IFC & World Bank, 2014).

Legislation and policy

EU Directive 2009/28/EC required Lithuania to develop a National Renewable Energy Action Plan. The country established a binding national target of 25 percent share of renewable energy in its gross final energy consumption by 2020 (Republic of Lithuania, 2010). Although the existing feed-in tariff seeks to support the achievement of this target, the government introduced caps for applicable renewable sources until 2020: a maximum installed capacity of 141 MW for hydro, 10 MW for solar and 500 MW for wind power plants (ResLegal, 2013). Other incentives schemes also exist. Priority grid access is available to renewable energy producers and grid operators are required to ensure such access. System operators should only bear 20 percent and 40 percent of the grid connection costs if the installed capacity is up to 350kW and above 350 kW respectively. Electricity generated from renewable sources is exempt from excise tax (ResLegal, 2013).

Institutions

Organization	Responsibility	Website
Ministry of Energy	- Responsible for implementing support mechanisms and monitoring the law's implementation - Responsible for administering the fund for the Special Programme for Climate Change Mitigation	www.enmin.lt/en/
National Control Commission for Prices and Energy	- Independent national regulatory authority approves the methodology for establishing state regulated prices and sets these prices quarterly - Manages the tender for renewable energy sources and selects winning tenders	www.regula.lt/en/
Lithuanian Energy Agency	- Drafts the National Energy Strategy and manages its implementation	www.ena.lt/en/
Litgrid	- Responsible for operation of the national electricity grid and provides grid access	www.laaif.lt/

Opportunities to finance renewable energy projects in Lithuania

Financing organization	Details	Website
Lithuanian Environmental Investment Fund	Supports renewable energy investment projects through interest subsidies and soft loans. There are two calls a year that are published in the media or on the Fund's website.	www.laaif.lt/
Fund for the Special Programme for Climate Change Mitigation	Offers loans for applicants not engaged in economic and commercial activities of €1,447,270, and €199,723 for those engaged in such activities. The Ministry of Environment and the applicant have to sign a finance agreement and applications have to be sent to Lithuanian Environmental Investment Funds.	www.laaif.lt/
European Bank for Reconstruction and Development (EBRD)	Provides renewable energy developers with equity, loans and loan guarantees for projects with good commercial prospects of up to 15 years' duration.	www.ebrd.com/pages/workingwithus/projects.shtml
European Investment Fund (EIF)	Gives (micro-) loans and guarantees to small and medium enterprises through 'Progress Microfinance' and JEREMIE initiative through intermediate banks.	www.eif.org/what_we_do/where/ltu/

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Recent projects

Company	Project	Status
Nelja Energia (Estonia)	Opened Lithuania's largest wind farm consisting of 17 wind turbines with a total capacity of 39.1MW.	**Commissioned**
Dalkia (France)	Investment of €145 million announced for a biomass heating plant, with 300 MW installed capacity planned. The World Bank and the European Bank for Reconstruction and Development are slated to invest in this project.	**Under development**

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