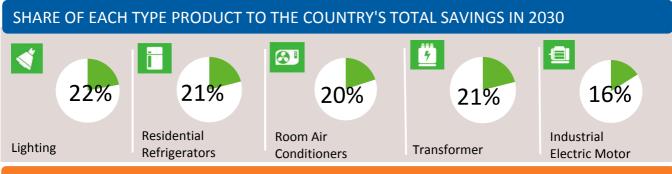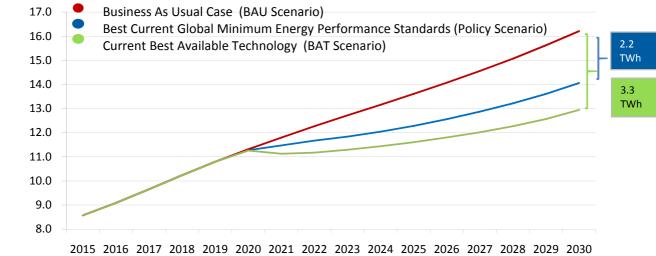# Azerbaijan

en.lighten

U4E United for Efficiency UNEP

Energy efficiency benefits from lighting, residential refrigerators, room air conditioners, power and distribution transformers and industrial electric motors with the implementation of globally benchmarked minimum energy performance standards.

ANNUAL SAVINGS IN 2030

Reduce electricity use

→ by over **2 TWh**

→ **8.5%** of future national electricity use

Save electricity worth **110 Million USD**

equivalent to **5 Power Plants [100MW]**

Reduce CO_2 emissions by **1 Million Tonnes**

equivalent to **610 Thousand Passenger Cars**

SHARE OF EACH TYPE PRODUCT TO THE COUNTRY'S TOTAL SAVINGS IN 2030

22%	21%	20%	21%	16%
Lighting	Residential Refrigerators	Room Air Conditioners	Transformer	Industrial Electric Motor

EVEN GREATER SAVINGS POSSIBLE WITH BEST AVAILABLE TECHNOLOGY

Energy Consumption (TWh)

- ● Business As Usual Case (BAU Scenario)
- ● Best Current Global Minimum Energy Performance Standards (Policy Scenario)
- ● Current Best Available Technology (BAT Scenario)

2.2 TWh

3.3 TWh

THE PATHWAY
TO ENERGY EFFICIENCY

ANNUAL SAVINGS IN 2025 AND 2030

		Lighting		Residential Refrigerators		Room Air Conditioners		Transformers		Industrial Electric Motors	
		2025	2030	2025	2030	2025	2030	2025	2030	2025	2030
	Electricity (GWh)	479.9	468.3	225.4	441.9	246.4	441.4	240.0	450.4	135.1	348.4
	Electricity Bills (million US$)	23.5	22.9	11.0	21.7	12.1	21.6	11.8	22.1	6.6	17.1
	CO2 Emissions (thousand tonnes)	252.7	246.6	118.7	232.7	129.8	232.4	109.4	205.4	71.2	183.5

CUMULATIVE SAVINGS (2020 - 2030)

		Lighting	Residential Refrigerators	Room Air Conditioners	Transformers	Industrial Electric Motors
	Electricity (TWh)	4.1	2.5	2.6	2.7	1.7
	Electricity Bills (million US$)	201.5	120.6	128.0	130.3	81.2
	CO2 Emissions (million tonnes)	2.2	1.3	1.4	1.2	0.9

OTHER BENEFITS IN 2030

❄	Direct GHG emissions reduced by	→ **855 Thousand Tonnes**
💰	Reduced electricity subsidies by	→ **83 Million USD**

ENERGY EFFICIENCY STRATEGY AND NATIONALLY DETERMINED CONTRIBUTION

Azerbaijan has drafted the 'State Programme of Development, Technical Regulation & Standardization of Energy Efficiency'.The government is currently working on an energy strategy to elaborate the country's 2020 declared goals: reduce greenhouse gas emissions by 20% (from 1990 levels); achieve a 20% share of renewable energy in electricity; and increase energy efficiency by 20%.
Country Nationally Determined Contribution (NDC): A 35% emissions cut by 2030, compared to 1990 levels. Includes all sectors of the economy. Emissions are currently around 40% below 1990 levels.

Country Specific Data and Input Assumptions

For Azerbaijan

GENERAL INFORMATION

Population	9.7 million
GDP per capita	16,715 US$
Electrification level	100%
CO2 Emission Factor	0.456 kg / kWh

ELECTRICITY MARKET

Residential Electricity tariff	0.049 US$ / kWh
Industrial Electricity tariff	0.049 US$ / kWh
Transmission and distribution loss factor	13.41%

ASSUMPTIONS

Product	Unit Energy Consumption (kWh/year) or Efficiency Level			Type of Product
	BAU	Policy Scenario	BAT	
Lighting	65.7	15.3	8.8	Low incandescent Lamp,3h/day; 14W CFL; 8W LED
Residential Refrigerators	450	212	139	2-door top-mount Average size 300 liters
Room Air Conditioners	1,225	884	579	Split unit with 3.5 kW cooling capacity
Transformers	N/A	SEAD Tier3	SEAD Tier5	three-phase and single-phase liquid-filled and three-phase dry-type power and distribution transformer
Industrial Electric Motors	IE1/IE0	IE3	IE4	3-phase induction motors Ranging from: 0.75 - 7.5 kW; 7.5 - 75 kW;75 - 375 kW

METHODOLOGY

The analysis uses CLASP's and Lawrence Berkeley National Laboratory's Policy Analysis Modeling System (PAMS) to forecast the impacts from implementing policies that improve the energy efficiency of new household air conditioners and refrigerators. For lighting, electric motors, power and distribution transformers individual - models were developed, taking into account country level data, expected GDP growth, and industrialization levels. The savings potential assumes minimum energy performance standards (MEPS) are implemented in 2020 at level equivalent to the present day (2015) best global MEPS that are currently implemented. The graph on page two also shows the savings potential that is possible with the implementation of MEPS in 2020 at level equivalent to the present day best available technology (BAT).

ASSUMPTIONS AND DATA SOURCES

■ Population and GDP per capita data (2014) comes from the World Bank.
■ Electrification levels come from the International Energy Agency (IEA).
■ Market size was determined by data provided by industry partners; UN Comtrade database; household penetration forecasts generated by PAMS from population, climate, and macroeconomic indicators.
■ Future electricity consumption was calculated using current consumption figures provided by the IEA and the U.S. Energy Information Administration (EIA).
■ Baseline price, unit energy consumption (UEC), appliance lifetime were provided by country representatives (when available); industry partners; and Lawrence Berkeley National Laboratory. The business-as-usual scenario assumes a 1 per cent annual improvement in UEC.
■ Electricity tariffs were provided by the IEA; and Internet research.
■ Transmission and distribution loss factor is a regional average calculated from electricity production and consumption data published by the IEA.
■ CO2 emission factor came from the IEA and extrapolations were made for countries lacking data.
■ Consumer discount rate was derived from the Human Development Index, United Nations Development Programme (2012).
■ The approach of calculating the potential direct emission saving of refrigerators and air conditioners: the typical current mix of refrigerants fillings, leakage rates and end of life emissions in the BAU compared to the best alternative with natural refrigerants (mostly R290 for splits and R600a for domestic refrigerators).
■ Additional to the above sources, a questionnaire was used to gather data from country officials.