

# Estimate for the use of funds of the Climate Change Programme in 2020: business opportunities in the context of COVID-19



On 12 March 2020, the Minister of Environment of the Republic of Lithuania adopted an order approving **the estimate for the use of funds of the Climate Change Programme in 2020**. The main aspects of this program are defined in the **Law on Financial Instruments for Climate Change Management of the Republic of Lithuania**, which indicates that the Climate Change Program is intended to raise additional funding for climate change management measures and its sources of financing shall be the funds received from the transfer of assigned amount units, allowances sold at auctions and so on. The measures provided for in the estimate not only promote the use of renewable resources but also the development of the economy and some particular industries, which is exceptionally relevant in the context of COVID-19 and related economic difficulties. The specific allocations of the funds and financing methods are discussed below.



Increase of efficiency in energy consumption and production

EUR 50M



Promotion of the use of renewable energy sources, introduction of environmentally friendly technologies

EUR 109,6M



Other measures that do not result in quantifiable greenhouse gas emission reductions

EUR 11,1M

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Particular attention should be given to certain specific measures in the category of promotion of the use of renewable energy sources and introduction of environmentally friendly technologies, which respectively create positive opportunities for business:



Use of renewable energy sources in public and residential buildings owned by the state, municipalities, traditional religious communities, religious communities or centres – subsidy of up to **80%**

**EUR 15M**



Use of renewable energy sources in industrial and public buildings, other types of engineering structures, owned by private legal entities, replacing the use of fossil fuels - subsidy of up to **30%**

**EUR 14M**



Application of financial measures increasing the social availability of renewable energy sources for producing customers - subsidy of up to **30%**

**EUR 5M**

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Investment support for the production of biomethane gas and / or installation of biogas treatment plants - subsidy of up to **65%**

EUR 8M



Promotion of the purchase of electric vehicles by natural persons - **compensation**

EUR 5M

The abovementioned incentives will, in our view, have the greatest impact on legal entities in general or operating in specific sectors (such as electric vehicles) within the scope of the promotion of the use of renewable energy sources

Currently, the Ministry of Environment of the Republic of Lithuania is preparing descriptions of various measures, which detail the procedure for granting respecting subsidies or other support. On 03 April, the Ministry of Environment of the Republic of Lithuania adopted a detailed plan regarding the implementation of the estimate indicating the assignments for 2020, categories of applicants and selection methods.



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