Public buildings in Moldova to be modernized to reduce energy consumption and maintenance costs



Public buildings in the Republic of Moldova will receive $52 million in investments for renovation and energy efficiency improvements. The works will help reduce energy consumption and heating and electricity costs, while improving conditions in public institutions. In this regard, the Government approved the initiation of negotiations with the International Bank for Reconstruction and Development (IBRD), part of the World Bank Group, to finance Moldova Energy Efficiency Revolving Mechanism (MEERM) project.

According to estimates, the project is expected to generate energy savings of at least 20% in each renovated building and contribute to reducing CO_2 emissions by approximately 6,500 tonnes annually. Around 60,000 people are expected to benefit from improved conditions in the modernized buildings.

The planned financing includes a $50 million loan and a $2 million grant. Most of the funding will be allocated to the energy renovation of public buildings, including the integration of renewable energy sources.

“We spend up to three times more than other countries to heat one square metre of space, not because energy resource prices are higher, but because we have not paid sufficient attention to energy efficiency. The experience of other countries that have implemented similar programmes shows that investments can be recovered within a few years through energy savings, while the funds can be reinvested in the renovation of other buildings,” said Energy Minister Dorin Junghietu.

A central element of the project is the revolving mechanism: the savings generated by beneficiary institutions on their energy bills will enable the recovery of investments and the allocation of resources to other energy-efficiency projects. Thus, the money saved on energy resource bills will be directed to a special fund established by CNED and reinvested in the modernization of other buildings, allowing the project’s benefits to gradually expand.

