

# Clean energy for EU islands

STATE-OF-PLAY INVENTORY OF LEGISLATION AND REGULATION  
FOR CLEAN ENERGY ON EUROPEAN ISLANDS

## Factsheet: Estonia

Estonia has 2,222 islands, of which 22 are permanently inhabited. The largest islands are Saaremaa (2,673 km<sup>2</sup>) and Hiiumaa (989 km<sup>2</sup>). Most of Estonian islands are however below 100 km<sup>2</sup>. Of the total population of Estonia, 3% lives on the islands. This corresponds to 44,100 people.

Whereas Estonia is a unitary state, some islands are separate municipalities and will as such have the same municipal autonomy as mainland municipalities. Saaremaa and Hiiumaa are regional authorities (counties).

### Clean energy national targets

The Integrated National Energy and Climate Plan for Estonia for the period 2021-2030 aims to increase its RES-E consumption from 19% in 2020 to 40% in 2030. In the heating sector, the target is to increase the share of RES-H from 55% in 2020 to 63% out of total consumption by 2030. The Estonian target for 2030 is to reach a 14% share of renewable in the final share of transport sector consumption.

### Supported RES technologies

Estonia supports PV, wind, biogas/biomass for electricity production and heat pumps and biomass energy for heating. When it comes to transport, Estonia supports the electrification of public transport (busses) and the use of biofuels. Support schemes:

- In RES-E, Estonia focuses on technology neutral auctions limiting capacity to 50 kW to 1 MW.
- For the heating sector, the support schemes focus for installation of heat pumps for the building sector or for small residences.
- Subsidy for acquisition of electric buses and creation of charging infrastructure is aimed to contribute to the development of electric public transport.
- There are schemes aimed at facilitating deployment of RES-T technologies, such as further use of biofuels (biomethane) and schemes supporting consumers and municipalities at switching from fossil fuels to RES in the transport sector.

### Electricity and heating grids

- In the electricity and heating networks, the RES plants are not given priority (non-discriminatory criteria). Local authorities determine the heat producers' development requirements and grid expansion obligations.
- There are 34 electricity distribution system operators. The country has a smart meter penetration rate of 98.9%. The electricity supplier switching by customers is not possible.

### RES projects authorization process

RES projects are dependent on the municipality's approval; it is impossible to enter into the spatial planning stage without this permit. To date, there have been tenders for smaller RES projects less than 1 MW, but in 2021 auctions for large projects are planned.

### Supported energy efficiency measures

Energy efficiency measures (buildings, industry, public buildings) are both voluntary as well as mandatory (official obligations are used as instruments). For improving energy efficiency, financial support is offered both for apartment buildings as well as private residences. For the buildings owned by the public sector and central government, yearly renovation target is set.

### Supporting policies

The Estonian RES policies largely rely on the exemplary role of public entities and on voluntary schemes, either by the business sector or municipalities. There are no legally binding, compulsory instruments for e.g., mandatory training for the installers of RES. Various vocation certification programmes related to RES exist, the body responsible for organising the allocation of qualifications and naming the bodies responsible for setting the standards is the Estonian Qualifications Authority.

### Self-consumption and community energy

The current legal system in Estonia enables the creation of renewable energy communities (under the general Commercial Code of the country) and the production of renewable energy for own consumption.

However, specific regulations related to energy sharing, energy communities or prosumers have not been adopted yet.

### Island specific policy

In Estonia there are no island specific support systems for renewable energy or energy efficiency, nor are there island specific permitting procedures. However, national marine spatial planning is in progress with ongoing discussions on how to improve West Estonian islands energy supply.

Clean energy development on Estonian islands is supported in the framework of cross-sectoral programmes. For example, from 18 January to 11 March 2021, the Ministry of Finance of Estonia ran the Small Islands Programme, which aimed to contribute to the availability and quality of essential services for the inhabitants of the small islands that are included in the list of small islands under the Small Islands Act. Hiiumaa, Muhumaa and Saaremaa were not included in the program area. The programme supported improvement of electricity connections and installation of electric vehicles loading stations to islands. The maximum grant was EUR 130 000 per project. The self-financing or co-financing rate was 15% of the total cost of the project.



## Sources

- Number of islands: Statistics Estonia, Estonian government agency ([Link](#))
- Island population: Statistics Estonia, Estonian government agency ([Link](#))
- National Population: Eurostat 2019 ([Link](#))