



REPUBLIC OF DJIBOUTI
UNITY – EQUALITY – PEACE

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Law No. 90 /AN/15/7th L,

Establishing the legislative framework relating to energy efficiency.

THE NATIONAL ASSEMBLY HAS ADOPTED
THE PRESIDENT OF THE REPUBLIC PROMULGATES
THE LAW WHOSE CONTENT FOLLOWS:

HAVING REGARD TO the Constitution of September 15th, 1992;

HAVING REGARD TO Constitutional Law No. 92/AN/10/6th L, revising the Constitution;

HAVING REGARD TO Law No. 51/AN/09 of 1st August 2012 adopting the Commercial Code of Djibouti;

HAVING REGARD TO Law No. 97/00 of 10 August 2000 on the reorganization of the Ministry of Energy and Natural Resources;

SEEN Law No. 167/AN/2012 establishing the Djiboutian agency for energy management;

HAVING REGARD TO Law No. 12/AN/98 of March 11th, 1998, on the reform of state-owned and mixed economy companies and public industrial and commercial establishments;

HAVING REGARD TO Decree No. 2013-0044/PRE of March 31st, 2013 appointing the Prime Minister;

SEEN Laws No. 53/AN/04/5th and 150/AN/97/3rd relating respectively to the code of free zones and those subject to customs formalities of November 20th, 1997;

HAVING REGARD TO Decree No. 2013-0045/PRE of March 31st, 2013 appointing members of the government;

HAVING REGARD TO Decree No. 2013/0058/PRE of 14th April 2013 establishing the responsibilities of ministries;

HAVING REGARD TO Circular No. 320/PAN of 14/06/2015, convening the 1st Ordinary Session of the 7th Legislature of the Year 2015;

The Council of Ministers heard at its meeting of March 3, 2015.



TITLE I: Terminological Clarifications

Article 1: Purpose

The purpose of this law is to define a legal framework in the field of energy efficiency in the Republic of Djibouti.

Article 2: National priority

Energy management is recognized by the State of Djibouti as a national priority insofar as it is part of a perspective of national independence and sustainable economic and social development that respects the environment.

Article 3: Definitions

3.1 Energy management : Energy management is based on the promotion of energy efficiency (or rational use of energy) and the development of renewable energies.

- Energy efficiency : Refers to any action that reduces energy consumption for the production of a good or service while maintaining its quality.
- Renewable energies : Refers to any action that allows the transformation of local renewable natural resources for energy production. They include wind energy, solar energy, geothermal energy, hydraulic energy, and solid and liquid biomass.

3.2 Energy audit : an energy audit means the diagnosis and monitoring of the energy performance of energy-consuming installations within a given establishment, with a view to proposing corrective savings measures.

The term energy performance refers to the quantity of energy consumed by equipment or an installation under standard conditions of use.

3.3 Energy service companies:

Any legal or natural person who undertakes with respect to an energy-consuming establishment to:

- Carry out studies aimed at achieving energy savings;
- Prepare a project that achieves energy savings and ensure its execution, monitoring and possibly financing;
- Guarantee the energy savings expected by the project;



- Design and implement solutions to achieve energy savings.

Article 4: Fields covered by energy control.

The scope of energy management covers all measures, projects or programs that contribute to achieving energy savings at the national level, whether through improving the energy efficiency of socio-economic activities or through the use of renewable energies, within the framework of the national policy on sustainable development. These include the following categories of measures:

- Periodic energy audit of existing establishments, in all economic sectors;
- The intervention of energy service companies in energy management projects;
- Energy audit and monitoring of new high energy consuming projects;
- Improving the energy performance of household appliances used in the country, including by displaying their performance and requiring a minimum level of performance;
- Improving the energy performance of buildings, including through thermal regulation of the envelope of new buildings;
- The efficient use of lighting, whether in buildings or for public lighting;
- Improving the energy performance of economic and social establishments;
- Efficient self-production of electricity including co-generation
- The development of efficient travel plans for large cities;
- The promotion of renewable energies including wind, geothermal, solar, biomass, particularly for self-consumption in the residential and tertiary building sector.

Article 5: Role of the Djiboutian Energy Management Agency

In accordance with Law No. 167 /AN/12/6th L, the Djiboutian Agency for Energy Management (ADME) has the mission of implementing the State's policy on energy management by promoting energy efficiency and renewable energies in all sectors of activity on Djiboutian territory.

In this capacity, and within the framework of this law, the ADME is responsible in particular for the following activities:

- Prepare and monitor the implementation of national energy management programs in the various sectors of activity;



- Inform and raise awareness among energy users about the benefits of energy management;
- Assist energy-consuming establishments and households to choose and implement the most appropriate solutions to better control their energy demand;
- Train and accredit expert auditors and energy service establishments in different sectors of activity;
- Manage mandatory and periodic energy audit actions as well as the mandatory prior audit for energy-consuming projects under Articles 6 and 7 of this law;
- Implement technical standards and norms for energy management equipment and carry out their certification;
- Develop, implement and monitor thermal regulations for buildings;
- Develop, implement and monitor regulations relating to the display of energy performance of household appliances placed on the Djiboutian market as well as their minimum required performance;
- Propose, implement and monitor public incentives and encouragement granted to energy management actions by the Djiboutian State and its national and international partners;
- Monitor energy consumption in the main sectors of activity, develop the national energy balance sheet as well as the energy control and greenhouse gas indicators, necessary for monitoring and evaluating energy control programs.

TITLE II: Energy efficiency actions

Article 6: Mandatory and periodic audit.

Public and private establishments whose total primary energy consumption exceeds a threshold set by decree are subject to mandatory periodic energy audits carried out, under the authority of ADME, by an accredited expert auditor.

The conditions and methods of applying the energy audit, in particular its content, its methods of carrying out and presenting the results and its frequency, are set by decree.

Article 7: Prior consultation of new energy-consuming projects.

New energy-consuming projects as well as expansion projects of energy-consuming establishments having a significant energy impact at the national level must be submitted,



prior to their implementation, to the consultation of the Djiboutian Energy Management Agency with a view to improving their energy efficiency.

The agency must give its opinion within a maximum of forty-five days from the date of receipt of all the documents required to carry out the impact study. After this period, the agency's opinion is deemed favorable.

The conditions for subjecting projects and the methods of applying prior consultation are set by decree.

Article 8: Contract with energy service company.

Energy-consuming establishments can enter into contracts with energy service establishments in order to achieve savings in energy consumption.

Energy service establishments must carry out their activities in accordance with standard specifications approved by decree on the proposal of the Minister of Energy responsible for Natural Resources.

Article 9: Reporting of energy data.

Public administrations, establishments subject to mandatory and periodic energy audits, as well as organizations in the energy sector, are required to facilitate ADME's access to and collection of energy data necessary to feed the energy information system.

In particular, public administrations and establishments subject to mandatory and periodic energy audits are required to report their energy consumption annually to ADME.

The data to be provided by public administrations, establishments subject to mandatory and periodic energy audits and organizations in the energy sector, as well as the methods of their transmission, will be defined by decree on the proposal of the Minister responsible for energy.

Article 10: Designation of energy managers.

Public administrations and establishments subject to mandatory and periodic energy audits are required to appoint an energy manager, whose main missions are as follows:

- Monitor and analyze energy consumption in the establishment;
- Promote energy management in the establishment through employee awareness raising and the integration of energy efficiency into its management system;
- Ensure the monitoring of the energy audit and the implementation of the actions it recommends;



- To be the ADME focal point for the annual reporting of energy data in accordance with Article 8 of this law.

Article 11: Display of energy performance of household appliances.

Any manufacturer, importer, seller or lessee of household appliances sold in Djibouti must display on these appliances information relating to the actual level of their energy consumption.

Agents of the Djiboutian Energy Management Agency reserve the right to carry out verification operations of the information displayed on household appliances put on sale on the national market, by sampling.

The conditions and methods of application of the provisions of this article as well as the information relating to energy consumption and the methods of their display and control will be set by decree.

Article 12: Minimum energy performance of household appliances.

The sale/putting into circulation on the local market of household appliances whose energy consumption is deemed downstream to be energy-intensive by the Djibouti Energy Management Agency by decree on the joint proposal of the Minister of Energy, the Minister responsible for Trade and the Minister of Housing, Urban Planning and the Environment is prohibited.

The conditions and methods of application of the provisions of this article as well as the minimum performance threshold required will be set by the aforementioned decree.

Article 13: Thermal specifications of new buildings.

New buildings are subject to thermal specifications aimed at saving their energy consumption. These specifications will be set by decree on a joint proposal from the Minister of Energy responsible for Natural Resources and the Minister of Housing, Urban Planning and the Environment.

Article 14: Energy efficiency provisions in new public buildings.

New public or local authority buildings and extensions to existing buildings must incorporate minimum energy efficiency provisions in terms of the envelope, lighting and air conditioning.



These provisions will be set by decree on a joint proposal from the Minister of Energy responsible for Natural Resources and the Minister of Housing, Urban Planning and the Environment.

Article 15: Energy efficiency of public lighting.

When installing public lighting networks, municipalities are required to comply with technical specifications relating to energy saving, which will be set by decree on the joint proposal of the Minister of Energy, responsible for Natural Resources and the Minister of the Interior.

TITLE III: Encouragement and advantages granted to energy management titles.

Article 16: Tax benefits granted to ADME.

The Djiboutian Energy Management Agency benefits from the following tax advantages:

- Exemption from any form of tax due in respect of work carried out and services provided by or for it;
- Exemption from all forms of tax on equipment, devices and materials imported as part of donations in the field of international cooperation.

Article 17: Tax benefits granted to energy management equipment.

Equipment used in the field of energy efficiency and renewable energy in Djibouti may benefit from exemption from the Domestic Consumption Tax and surcharges. The nominal list of equipment will be established by decree on the joint proposal of the Minister of Energy, in charge of Natural Resources, and the Minister of the Budget. This list will be updated regularly on the proposal of the ADME.

Article 18: Energy management program contracts.

Establishments that propose to carry out projects aimed at energy management following energy audits can conclude program contracts with the Djibouti Energy Management Agency, setting out all the technical, economic and financial aspects of the investments to be made. In this context, establishments will benefit from the advice and support of ADME in technical design, fundraising, staff training and monitoring the implementation of planned actions.



Article 19: Promotion of renewable energies.

State services, in particular EDD and ADME, are required to facilitate the production of electricity from renewable energy sources for households, businesses and private investors within the framework of the provisions set out in the law regulating the activities of independent electricity producers.

Article 20: Right to produce electricity using renewable energy sources connected to the network.

Any producer of electricity from renewable energy sources for its own consumption, connected to the national low-voltage electricity grid, has the right to sell its surpluses exclusively to the company “Electricité de Djibouti” which undertakes to purchase them under a standard contract approved by decree on the proposal of the Minister responsible for energy.

The installed electrical power of the electricity production equipment must not exceed the electrical power subscribed by the producer to the company “Electricité de Djibouti”.

The latter invoices the difference between the electrical energy supplied and that received, by applying the general low-voltage electricity tariff. If the balance is negative, the surplus is carried over to the next invoice.

TITLE IV: OFFENCES AND SANCTIONS

Article 21: Reporting of offenses

Violations of the provisions of Articles 6, 7, 11, 12 and 13 of this law are noted by sworn agents of the Djibouti Energy Management Agency.

The officers responsible for observing offences are authorized, in the performance of their duties, to access the premises concerned during office opening hours. They are also authorized to carry out their duties during the transport of materials and household appliances as provided for in Articles 11 and 12 of this law.

Article 22: Seizure of equipment

Sworn agents of ADME may seize materials, devices and equipment which have been the subject of a finding of infringement of the provisions of Articles 5 and 6 of this law.



Article 23: Summons of offenders.

The reports of seizure of devices and equipment are sent within 48 hours to the Minister responsible for Trade, who is responsible for summoning the offenders by registered letter with acknowledgment of receipt for the purpose of hearing them and ordering them to comply with the provisions of this law within a period not exceeding ninety days.

In the event of persistence in the infringement, the Minister responsible for Trade will, within 48 hours of the end of the temporary closure period, forward the reports to the Public Prosecutor.

Article 24: Preparation of minutes.

The reports of findings and seizures provided for are drawn up in accordance with the conditions and procedures provided for by this law and by the Code of Criminal Procedure.

Article 25: Sanctions

Failure to comply with provisions 7, 11, 12 and 13 of this law shall be punished with a fine of 30,000 to 300,000 Djibouti francs.

The fine must be expressed as a percentage either of the value of the non-compliant equipment installed or of the value of equipment that meets the standards. It must be based on the degree of the violations committed.

The same penalty applies in the event of intentional affixing of erroneous information which does not comply with the actual energy consumption of materials, appliances and equipment.

If the offender is a legal entity, the sanctions apply personally, as the case may be, to the legal or de facto manager whose responsibility in the commission of the offense has been proven.

The offender remains subject to the mandatory and periodic energy audit within a period not exceeding six months from the date of formal notice by the Djibouti Energy Management Agency by registered letter with acknowledgment of receipt or by any means leaving a written record.

After this period without results, the Agency appoints an expert auditor to carry out the audit at the expense of the defaulting establishment.

The establishment concerned must allow the expert auditor access to all documentation which will be useful for the accomplishment of his mission in the best conditions and make available to him all the equipment, materials and devices subject to the audit.



Expert auditors are prohibited from disclosing any information of which they may have become aware or have become aware in the course of carrying out their duties.

Article 26:

The proceeds from all penalties will be paid into the public treasury account, ADME will receive 40%.

TITLE V: Transitional and Final Provisions

Article 27:

The Minister of Energy; the Minister responsible for Trade; the Minister of Housing, Urban Planning and the Environment; the Minister of the Interior and the Minister of the Budget are responsible for the implementation of this law.

Article 28 :

The establishments and entities concerned by this law have a period of twelve months to comply with the provisions of this law.

Article 29 :

This Law is published in the official journal from the date of promulgation.

Done in Djibouti, 01/07/2015

The President of the Republic,

Head of Government

ISMAÏL OMAR GUELLEH