Estonia

Trilemma Rank
#30

Trilemma Score
73.8

Balance Grade
BAB

Estonia ranks 30th in the global index, showing particularly strong Equity performance, and sustained improvement in the Security and Sustainability indices, with a balance grade of BAB. The former is driven by a continued growth in diversity of generation and reduced import dependence over time. The Sustainability index represents managed GHG emissions and intensities due to an increasing low carbon proportion of the energy mix.

Population
1.3 (millions)

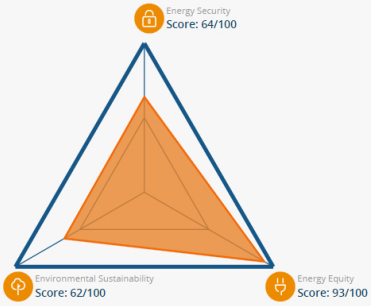
Land Area
43.5 (thousand sq. km)

GDP Per Capita
33,448 (PPP US$)

Industrial Sector
24.4 (% of GDP)

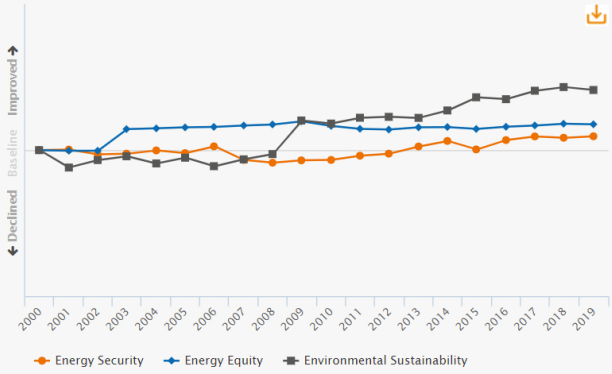
GDP Growth
4.9 (annual %)

Balance



Historical Trilemma Scores

Trend lines track the country's performance in each dimension, beginning with a baseline of 100 in the year of 2000



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Trends and Outlook

Estonia has steadily improved its energy security by diversifying its energy imports through greater interconnections with its neighbouring countries. It is an ongoing process with a third electricity transmission line from Estonia to Latvia and a gas transmission pipeline from Estonia to Finland - both expected to be commissioned by 2020. Energy security will further be affected by disconnecting the Baltic electricity system from the Russian synchronous area and synchronising with the continental Europe synchronous area by 2025. From the electricity production side, however, the price of European CO2 Emission Allowances which has increased five times within the last two years. This has resulted in a temporary shut down of some local power plants and transformed Estonia from a net exporter to a nett importer of electricity.

Discussions concerning the construction of a new oil production plant are ongoing. An outcome of these discussions is an agreement between the producers of oil (from oil shale) and the government. This agreement is for the construction of an oil refinery to increase the quality of oil.

Concerning energy equity, access to energy is assured throughout the country. New innovative off-grid options occasionally offering cheaper network connections in rural areas and are therefore less burdensome for the network tariffs. However, from a affordability aspect, there is room for improvement. Steps have been taken to approach the issue from an industry perspective. After a successful implementation and positive results of reducing the excise duty on natural gas for gas-intensive entrepreneurs, the government has enforced the right for electricity-intensive entrepreneurs to apply for a reduction of the excise duty on electricity. This has a positive effect on the competitiveness of entrepreneurs.

Environmental sustainability is a topic with a strong focus. The increasing capacity of renewable energy and decreasing electricity production from fossil fuels will strongly affect the environmental sustainability dimension in Estonia. Furthermore, the support scheme for the production of biomethane has been extended, and a new support scheme for EVs has been announced.

Key metrics

Metrics are determined relative to other countries, with the top performer receiving a full bar.

	2019 Performance	Trend 2010-19
Energy security		
Import dependence		▲
Diversity of electricity generation		▲
Energy storage		▲
Energy equity		
Access to electricity		▶
Electricity prices		▼
Gasoline and diesel prices		▶
Environmental sustainability		
Final energy intensity		▲
Low carbon electricity generation		▲
CO2 emissions per capita		▲
Country context		
Macroeconomic stability		▲
Effectiveness of government		▼
Innovation capability		▲