



Options for Financing Energy Efficiency in Public Sector

Division of Energy Efficiency and Alternative Energy Resources

Department of Energy

Ministry of Energy of Georgia

Margalita Arabidze

*Vienna, Austria
2 June, 2016*



საქართველოს ენერჯეტიკის სამინისტრო

Strategic Directions of Energy Policy Promotion of Energy Efficiency

- ❖ New Energy Policy with implications on Energy Efficiency and Renewable Energy development (2015);
- ❖ Energy Strategy – currently being developed;



Ongoing projects

Energy Efficiency in the Public Sector

❖ **Covenant of Mayors**

- ❖ Projects for improving EE in public buildings (kindergartens, hospitals, etc.), municipal street lighting, establishment of Tbilisi's Sustainable Energy Information Center

❖ **Enhanced Capacity – Low Emission Development Strategy**

- ❖ Municipal Energy Efficiency programs for 10 municipalities

❖ **NAMA proposal for Public Buildings Efficiency**

- ❖ Prepared by Ecofys and Sustainable center Remissia

❖ **Energy Efficiency Action Plan**

- ❖ In preparation with assistance from the European Bank for Reconstruction and Development



Ongoing projects

Energy Efficiency in the Public Sector

- ❖ EE renovation and reconstruction of 25 state schools in Tbilisi
 - ❖ Council of Europe Development Bank loan & E5P grant
- ❖ Batumi – Pre-Feasibility Study for introduction of an Energy Efficiency Framework and Short-Listing for Municipal Buildings
 - ❖ Being prepared with assistance from KfW



Future Steps Energy Efficiency in Public Sector

- ❖ Support to Energy Efficiency and Sustainable Energy in Georgia
 - ❖ Danish Government (DANIDA) & NEFCO program of technical assistance linked to financial support for energy-efficiency demonstration projects (public buildings) in Georgia

- ❖ Tbilisi Bus Project
 - ❖ Investments to purchase CNG buses for Tbilisi municipality – EBRD & E5P

- ❖ Options for financing Energy Efficiency in public Buildings
 - ❖ World Bank proposal for financial framework



Strategic Directions of Energy Policy Promotion of Energy Efficiency

Development of Georgia's first National Energy Efficiency Action Plan

- **External background:** signed EU Association Agreement (2014); Aspiring for full membership in the Energy Community
- **Internal conditions:** commitment to reduce dependence on energy imports and enhance energy security
- **Georgia's first NEEAP launched in June 2015** → technical assistance received by EBRD and financial support by Swedish International Development Agency (SIDA)



საქართველოს ენერჯეტიკის სამინისტრო

Plans for Energy Efficiency Development in Public Sector according to the Draft NEEAP



Recommendations for Energy Efficiency in Public Sector according to draft NEEAP

The NEEAP will reflect the above projects and additional ambitions

❖ **Establish an Energy Efficiency Fund**

which could focus on:

Project/investment identification, Donor coordination, Facilitation of grant-making, and Facilitation of technical assistance

Perhaps eventually lending-type investments (in conjunction with private capital) but not within the first few years

❖ **Develop a national energy efficiency information system for publicly owned buildings and street-lighting**

❖ Improvement of the data on the public building stock, lighting, and energy consumption

❖ **Pilot project for low energy public sector buildings**

❖ Pilot project of renovation of administrative building to demonstrate the potential costs and benefits



Recommendations for Energy Efficiency in Public Sector according to draft NEEAP

- ❖ **Efficient lighting systems in public buildings**
- ❖ **Improvement of the energy efficiency in central government-owned public buildings (schools, kindergartens , other type of buildings)**
- ❖ **Green Procurement on Energy Efficiency**

This measure involves adopting procurement regulations that would include operation and maintenance costs during the operational life-time of the energy consuming products, goods and services including buildings and transport means.
- ❖ **Improvement of efficiency in street-lighting/outdoor lighting**



Thank you for your attention!

Margalita Arabidze

*Division of Energy Efficiency and
Alternative Energy Resources
Department of Energy
Ministry of Energy of Georgia*

M.Arabidze@energy.gov.ge