Georgia - First National Energy Efficiency Action Plan

Division of Energy Efficiency and Alternative Energy Resources

Ministry of Energy of Georgia

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10th EECG Meeting, Vienna, 10 March 2016
Development of Georgia’s first NEEAP

- **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)

- the Working group of key stakeholders – main decisions

- Ministry of Energy expressed a preference for the EED-based NEEAP both in term of the format and measures with adjustments specific to Georgia’s characteristics.
## Current status of NEEAP

<table>
<thead>
<tr>
<th>Key stage/Deliverable</th>
<th>Description</th>
<th>Date of delivery by the Consultants</th>
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<tbody>
<tr>
<td><strong>Draft NEEAP measures</strong></td>
<td>Full draft of measures currently in discussion with various stakeholders</td>
<td>March 2016 – bilateral discussions with stakeholders to discuss measures and assumptions</td>
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<td>Late March 2016 – Stakeholder workshop to finalize proposed measures</td>
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<td><strong>Final NEEAP Report</strong></td>
<td>To be discussed with the Government, Energy Community Secretariat, Broader stakeholders</td>
<td>May/June 2016</td>
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The main energy consumers are the residential, transport and industry sectors.

Georgia’s 1st NEEAP – Highlights #1

- 1st Period of implementation from 2017 – 2019, with indicative targets set for 2020, 2025 and 2030

- Georgia will need assistance with:
  - Access to finance and targeted investment to unlock sector potential
  - Technical assistance in capacity building (in particular industry and building sector)
  - Technical assistance in legislative and programme development
  - Grants

- Consultancy team are working with the Ministry of Energy and various stakeholders to calculate investment needs and energy savings per sector according to government priorities
  - Significant opportunities for investment – potentially up to EUR 260 million from 2017 to 2019 alone for measures in various sectors (not including major infrastructure projects)
  - Investments are to be described including information on size of investment, cost per MWh saved, and IRR
Georgia’s 1st NEEAP – Measures

Horizontal Measures – highlights

- Financing schemes for setting up an Energy Efficiency Fund (the Ministry is looking at best practices on efficient and sector-focused energy efficiency funds in EU countries)
- Gradual introduction of energy audits and management systems (large enterprises first), boiler inspections in the industry sector
- EPBD Transposition and Enforcement: Standards and norms and certification schemes in buildings
- Mandatory labeling for electrical home-appliances from [2017] and ban on import of low efficient home appliances
- Amendment in the law on procurement procedures – considering the “Green Procurements” component
Georgia’s 1st NEEAP – Measures

Sector Measures

- Energy transformation, transmission, distribution, and demand response
  - Natural gas savings through replacement of old Thermal Power Plants with efficient Combined Cycle Gas Turbine technology
  - Energy efficiency savings potential (36% of all measures for 2020)
- Reduction of losses in hydropower production
  - Investments in renovating hydropower stations and investigating changes to the dispatch system to improve efficiency/costs
  - Energy efficiency savings potential (8% of all measures for 2020)
- Regulations on the Rules of calculation of normative electricity losses & Reduction of losses in gas pipelines
- Efficient wood-burning stoves
Georgia’s 1\textsuperscript{st} NEEAP – Measures

Sector measures

- **Lighting:** Potential savings examined for each sub-sector: street-lighting, industry, commercial/residential buildings, public buildings – total of 7\% of all savings for 2020

- Recommended savings programmes in industry covering various sectors (cement, metal industries, cross-cutting related to boilers/steam production and distribution and cross-cutting related to fans, pumps, compressors and refrigeration system)

- **Buildings:**
  - Construction Permits for design and construction shall be issued according to the EE measures – from 2016
  - Reconstruction and retrofitting of Public Buildings considering the EE measures – from 2016

- **Transport** improvements in cities which are signatories of the Covenant of Mayors (Est. 7 – 10\% of savings of all measures)

- Measures linked with technical assistance, energy audits, and awareness raising
Thank you for your attention!

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