



Georgia –First National Energy Efficiency Action Plan

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Division of Energy Efficiency and Alternative Energy Resources

Ministry of Energy of Georgia

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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.



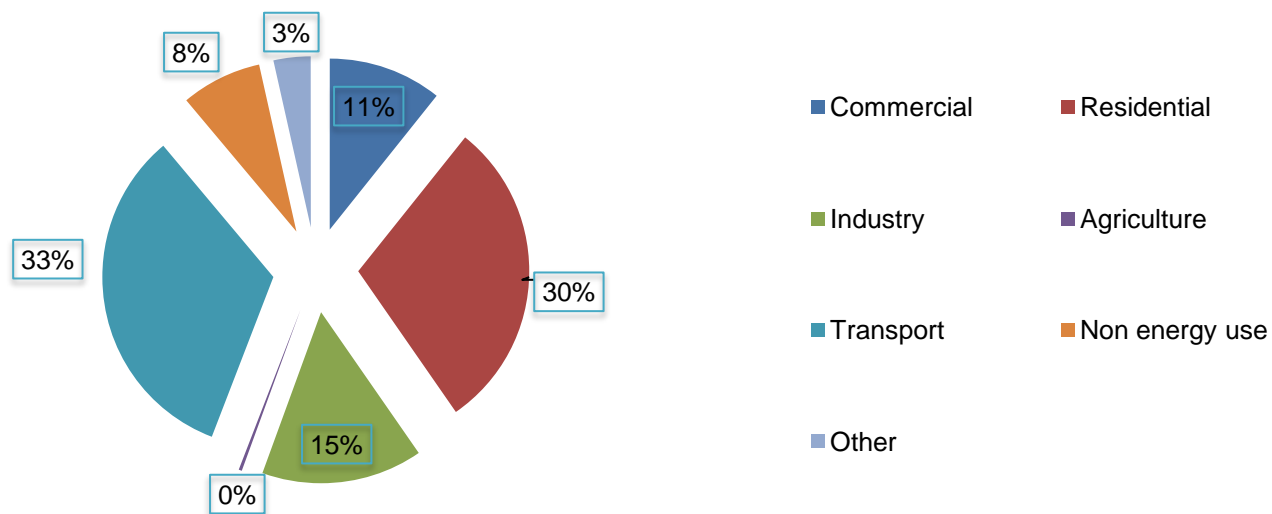
Current status of NEEAP

Key stage/ Deliverable	Description	Date of delivery by the Consultants
Draft NEEAP measures	Full draft of measures currently in discussion with various stakeholders	March 2016 – bilateral discussions with stakeholders to discuss measures and assumptions Late March 2016 – Stakeholder workshop to finalize proposed measures
Final NEEAP Report	To be discussed with the Government, Energy Community Secretariat, Broader stakeholders	May/June 2016



Energy Balance of Georgia

Shares of economic sectors in energy balance 2014



Source: Geostat (2015) Energy Balance of Georgia, 2014

- 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 1st 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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