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GESRP Quarterly Newsletter

Empowering Change in Georgia's Energy Landscape



GOPA Tech

ΚΑΠΕ CRES

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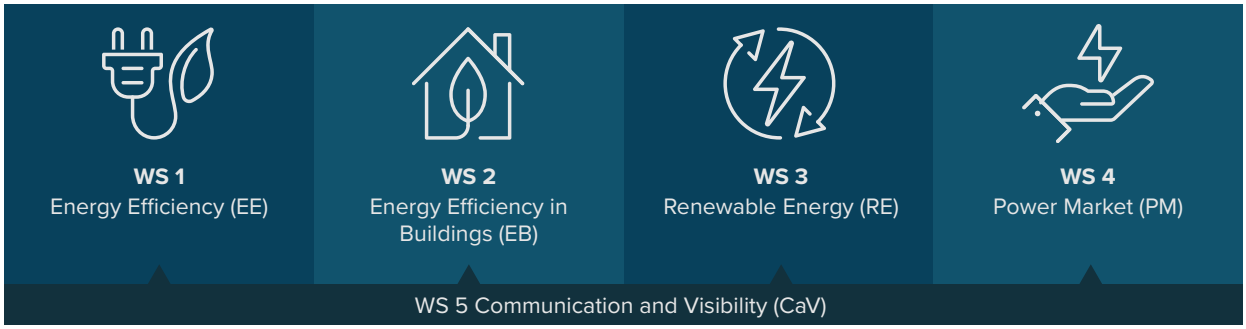
Welcome to the third edition of the Georgian Energy Sector Re-form Program (GESRP) Quarterly Update! In this newsletter, we are thrilled to share the latest developments, achievements, and in-sights driven by the transposition of and alignment with EU energy directives and legislation.

This newsletter serves as a dedicated space to keep our stake-holders, partners, and the community at large informed about the impactful strides being made through GESRP. It's more than just updates; it's a platform for collaboration, knowledge-sharing, and collective celebration of our progress.



About *the* Project

GESRP (known as the Georgian Energy Sector Reform Program) is dedicated to assisting Georgia in aligning with the EU's trajectory toward a more liberalized, secure, and climate-friendly energy sector. With a comprehensive vision, the project encompasses 5 key workstreams (WS), including:



Dedicated to cross-cutting activities, the WS 5 emphasizes communications and visibility, which extends its reach across the other four workstreams, ensuring cohesive and effective project coverage. These workstreams collectively shape a strategic, institutional, and financial framework designed to propel Georgia towards a more sustainable and efficient energy landscape.

As a member of the Energy Community since 2017, Georgia is harmonizing its energy legislation with EU directives. Spanning over four years with a budget exceeding Euro 8 million, the project aims to:

✓ **establish the legal, institutional, and financial vision and framework for energy efficiency in Georgia, especially in the Building Sector;**

✓ **and promote energy efficiency through supporting the establishment of a competitive price formation in Georgia which establishes a true economic valuation of scarce resource, electricity, and thus encourages energy conservation.**

GESRP is financed and supported by the EU and German Government through KfW, being implemented by an international consortium led by GOPA Tech.

Embark on a journey through our newsletter as we spotlight one project workstream in each edition. This upcoming issue shines a light on WS 3 - Renewable Energy. Your support, engagement, and feedback remain crucial to the success of GESRP.

→ EU Spotlight on Renewable Energy



In this edition, we delve into the profound implications of the European Union's robust policy framework for renewable energy, shedding light on the project team's collaboration with the Government of Georgia to support and implement initiatives aligned with Georgia's vision for establishing a renewable energy strategic framework.

The EU is at the forefront of promoting renewable energy as a cornerstone of its strategy to combat climate change and strengthen energy security. With ambitious goals set by the European Green Deal, the EU aims to achieve a carbon-neutral economy by 2050, and renewable energy plays a pivotal role in this transition. Key policies, such as the Renewable Energy Directive and the Governance Regulation, provide a robust

framework for member states to increase the share of renewables in their energy mix. These initiatives are designed to accelerate the deployment of solar, wind, and other renewable energy sources, not only across power generation but also in sectors such as heating, cooling, and transportation. By investing in renewables, the EU is paving the way for a sustainable and resilient energy future.

→ EU directives, regulations and strategies include:

Renewable Energy Directive is the legal framework for the development of clean energy across all sectors of the EU economy, supporting cooperation between EU countries towards this goal.

European Green Deal is a comprehensive strategy aiming for a climate-neutral Europe by 2050, with renewable energy as a core pillar.

EU Hydrogen Strategy (2020) Focuses on the development of renewable hydrogen as a key component in decarbonizing energy-intensive sectors.

RePowerEU Plan (2022) Accelerates the shift to renewable energy and reduces dependence on fossil fuel imports in response to the energy crisis triggered by geopolitical tensions.

Governance Regulation establishes the legislative foundation for effective and transparent governance of the Energy Union and Climate Action, aiming to achieve the 2030 and long-term objectives in line with the 2015 Paris Agreement.

Energy Communities enable collective and citizen-driven energy actions to support the clean energy transition. Under EU law, energy communities can take the form of any legal entity including an association, a cooperative, a partnership, a non-profit organisation or a limited liability company.

As an integral component of GESRP, efforts are intrinsically aligned with and directed towards fulfilling the EU's renewable energy objectives. The core essence of the technical assistance project is purposefully designed to directly support Georgia in achieving these overarching goals outlined by EU directives and regulations.

Spotlight on WS3 - Renewable Energy

→ The Key Drivers Behind Georgia's Energy Efficiency and Renewable Energy Reforms



Georgia's commitment to combating climate change and improving renewable energy is driven by six key factors:

1. **EU-Georgia Association Agreement:** Signed in 2014 and in force since 2016, this agreement committed Georgia to align its energy policies with the EU, focusing on market liberalization, renewable energy promotion, and energy security.
2. **Energy Community Membership:** Since joining in 2017, Georgia has benefited from the Energy Community's expertise in creating a unified regulatory framework for the energy sector.

3. **Paris Agreement:** Ratified in 2017, Georgia pledged to reduce its greenhouse gas emissions by 35% by 2030 (compared to 1990 levels), with ambitions to increase this reduction with international support.
4. **European Green Deal:** Georgia has embraced the principles of the 2019 European Green Deal, aiming for net-zero emissions by 2050 and promoting energy efficiency, sustainability, and renewable energy.
5. **UN Sustainable Development Goals (SDG 7):** Georgia is committed to ensuring access to modern, reliable, and sustainable energy for all, recognizing its importance for economic growth, human well-being, and climate action.
6. **Georgia's Low Emissions Development Strategy (LEDS 2023):** has undertaken an obligation to become climate neutral by 2050. Hydrogen should play an important role in this undertaking. In addition, with its vast renewable energy potential and strategic geographical position, **Georgia can become an important contributor to global and regional decarbonization efforts through production and transit of green hydrogen, while increasing its own energy security and economic activity.**

GESRP has been instrumental in supporting the establishment of a strategic framework for renewable energy in Georgia, fostering long-term sustainability.

→ Green Hydrogen Strategy Georgia in Focus



GESRP leading the charge in advancing the renewable energy sector in Georgia. Collaborating closely with a wide range of stakeholders, notably the MoESD, the program supported the development of the first Green Hydrogen Strategy. This Green Hydrogen Strategy outlines fundamental principles, priorities, assumptions, and recommended steps, which will define Georgia's policy and guide the strategic deployment of green hydrogen technology. A concise short-term roadmap is also provided to direct state actions, offering confidence to potential donors and investors interested in supporting Hydrogen projects and utilization in Georgia. The Green Hydrogen Strategy is aligned with the current policies and strategies of the Georgian Energy Policy (2023) and the Climate Change Strategy and Action Plan to 2030(2021), the National Integrated Energy and Climate Plan (NECP 2023), and Low Emissions Development Strategy to 2050 (LEDS 2023), the Nationally Determined contribution (NDC 2021) for the period to 2030 and with the vision of carbon neutrality by 2050. The strategy defines the pathway for building an economically sustainable hydrogen industry, for domestic use and export-oriented, that will help Georgia strengthen its economic and energy security and contribute to its climate goals. In a volatile international environment and in view of rapidly developing technologies, the strategy should be forward-looking and provide sufficient flexibility in policies and measures to prepare Georgia for a more mature state of hydrogen technology development and deployment.

→ Launch of the "Open Program Energy Efficiency in Public Buildings in Georgia"



A new milestone in sustainable development for Georgia was reached with the signing of funding agreements between KfW, on behalf of the German government, and Georgia's Ministry of Finance and Ministry of Regional Development and Infrastructure in 2022. These agreements unlock a total of EUR 55.35 million, dedicated to the energy-efficient rehabilitation of public buildings across the country, with a primary focus on school buildings.

This program aims at the sustainable and comprehensive renovation of multiple schools in Georgia—to improve energy efficiency and user satisfaction. By implementing modern energy efficiency standards, the project supports Georgia's alignment with EU Directives on energy efficiency, fostering a framework that reduces energy consumption and CO2 emissions in public buildings. The renovations will not only lead to optimized energy use and reduced emissions but will also improve the overall comfort, health, and safety of learning environments.

The financial structure of the project includes EUR 43.2 million provided by Germany, comprising a EUR 40 million concessional loan from KfW and an additional EUR 3.2 million grant for supporting measures. A further EUR 12.15 million is funded by the European Union. This initiative is part of the broader Team Europe strategy, with contributions from the EBRD and the EU, including a recent EBRD loan of up to EUR 40 million and an initial EU grant of EUR 12.5 million, totaling to 107,85 million EUR for Georgian schools throughout the country.

The Municipal Development Fund of Georgia (MDF) will oversee the program's implementation, working towards an annual target for refurbishing public buildings to meet Georgia's energy efficiency commitments.

Progress *and* **Achievements**

In this section, we unveil the latest insights into our project's impactful campaigns. Dive into the details to explore the milestones achieved, campaigns initiated, and the remarkable progress made in shaping a sustainable energy landscape.

→ GESRP provides capacity building for a Sustainable Energy Future



On September 24, 2024, GESRP started a training program for the Georgian Oil and Gas Corporation (GOGC) focused on climate change risks and opportunities. The training is on the impacts of climate change, the role of businesses in mitigation, and how specific r isks in the oil and gas s ector, including physical and reputational challenges can be mitigated. The first training session included theattendanceof 20 participants andinencouraged discussions and activities to identify and mitigate climate risks in the oil and gas sector. This initiative underscores GESRP's commitment to transforming Georgia's energy sector and promoting sustainability in line with EU standards.

→ A Spotlight on Visual Art Contest "The Landscape Tells the Story"



As part of the GESRP, a visual arts contest was launched to raise public awareness of the importance of energy efficiency (EE) and renewable energy (RE) in combating climate change. Out of 15 applicants, 10 artists were selected to create artworks for an exhibition. After 1.5 months of preparation, the artists participated in a kick-off meeting on 23 May in Tbilisi, which featured a session on EE, RE, and climate change led by an energy expert.

Following the completion of the artworks, the exhibition ran from 25 to 30 June 2024. The opening event attracted over 150 attendees, including representatives from international and local organizations, curators, and art enthusiasts. Throughout the exhibition, nearly 300 visitors engaged with the artworks, gaining a deeper understanding of climate action through visual art. Read more | See the video

Media Mentorship Program Results in Review

GESRP successfully concluded its three-day Media Mentorship Program on Renewable Energy (RE) and Energy Efficiency (EE) in Kakheti, Georgia. 14 journalists and media professionals participated in workshops and group sessions, developing outlines for media products on topics such as renewable energy, energy efficiency and policies.. As a result, 16 media products were created, reaching over 300,000 people nationwide. The program culminated in the announcement of three winners.

See winning media products.
Energy Efficiency in Georgia – The Government's Promise
Energy Efficiency in Buildings by Teo Sirbiladze
Energy Efficiency standards and regulations in buildings

→ Spotlight on Renewable Energy at the EU Day



GESRP marked a resounding success in its participation in the EU Day celebrations. The project featured six engaging activities to promote renewable energy and energy efficiency among the attendees.

The event allowed participants to delve into energy efficiency and renewable energy topics, understanding EU standards and practical steps to save energy and protect the environment. Attendees could ask specific questions, learn about renewable energy practices, participate in masterclasses, and win thematic prizes. The GESRP stand was a focal point of the event, visited by more than 300 individuals, including project representatives and the EU ambassador in Georgia.

Upcoming Events *and* Initiatives

GESRP project is gearing up for a series of impactful initiatives in the coming months.

- **Taking Energy Campaigning to the Regions:** The purpose of this support is to expand energy efficiency awareness initiatives across 9 regions and municipalities. The goal is to cultivate a nationwide culture of improvements to energy efficiency by encouraging the adoption of energy-saving measures and supporting the reduction of energy consumption, that benefits both the economy and the environment. This will be accomplished through a bottom-up approach that engages local communities and organisations in municipalities, ensuring that interventions and outreach efforts are locally managed, and tailored to the local contexts of the regions.

- **Influencer's Campaign:** This campaign aims to raise awareness about energy efficiency and the importance of energy-efficient practices, to empower house and flat buyers to become informed consumers who ask the right questions about energy efficiency in buildings and actively monitor these aspects in their properties.

As these initiatives unfold soon, stay tuned for updates on upcoming events.

Interactive Section



→ **Renewable energy – powering a safer future**

Renewable energy is key to fighting climate change and building a sustainable future. By shifting away from fossil fuels, we can reduce emissions, improve air quality, and create millions of new jobs. Renewable sources like solar, wind, and water are abundant, affordable, and vital for energy security.

Learn more about the benefits of renewable energy and how you can contribute to a greener planet.



→ **Five ways to jump-start the renewable energy transition now**

As climate change indicators hit record highs, the urgency to shift from fossil fuels is undeniable. Renewable energy technologies like wind and solar are often cheaper than traditional fuels, making it essential to prioritize their adoption. To accelerate this transition, we must ensure global access to renewable energy technologies, improve supply chains for necessary components, and streamline domestic policies to attract private investments.



→ **Explore Renewable Energy and Energy-Efficient Technologies**

Discover how integrating renewable energy solutions and energy-efficient technologies can reduce environmental impact while boosting energy savings. From solar-powered water heaters to thermal insulation, these innovations offer practical ways to harness solar energy and improve efficiency:

- Solar factory water heater
- Homemade solar water heater
- Solar air heater
- Thermal insulation

Take a step toward sustainability by adopting these technologies and contributing to a cleaner, greener future!

Closing Remarks

As we conclude this edition of GESRP Quarterly Digest, we extend our heartfelt gratitude to the incredible network of stakeholders, partners, and the vibrant community that continues to stand alongside us in this transformative journey.

We express our sincere appreciation to each stakeholder whose commitment and collaboration have been instrumental in driving the success of GESRP. Your dedication is the driving force behind the positive changes we are witnessing in Georgia's energy landscape.

→ Stay Connected

Follow us on and subscribe to our updates for the latest news and developments. Your continued engagement is vital as we navigate the path towards a sustainable, efficient, and resilient energy future.

In closing, we look forward to the ongoing collaboration, innovations, and achievements that lie ahead. GESRP journey is a collective one, and with your unwavering support, we are confident in the positive impact we can achieve together.

Thank you for being an integral part of this transformative movement.



This newsletter has been produced with the assistance of the European Union and KFW, as part of the “Georgia Energy Sector Reform Program”. Its contents are the sole responsibility of GOPA Tech and do not necessarily reflect the views of the European Union and the project’s partner organisations.

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