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GESRP Quarterly Newsletter

Empowering Change in Georgia's Energy Landscape



GOPA Tech

ΚΑΠΕ CRES

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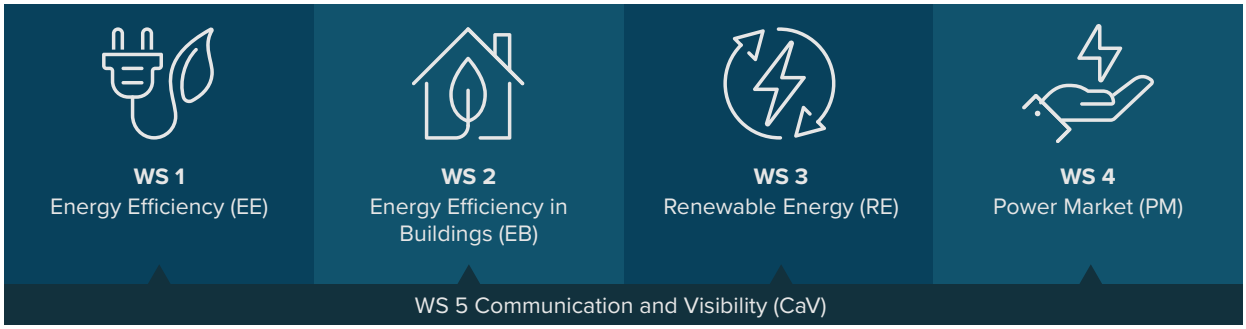
Welcome to the fourth edition of the Georgian Energy Sector Re-form Program (GESRP) Quarterly Update! In this newsletter, we are thrilled to share the latest developments, achievements, and in-sights driven by the transposition of and alignment with EU energy directives and legislation.

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 4 – Power Market. Your support, engagement, and feedback remain crucial to the success of GESRP.

→ EU Spotlight on Power Market



In this edition, we explore the evolving dynamics of the European Union's power market, highlighting key regulatory developments and the project's engagement with the Government of Georgia to align market reforms with European best practices.

The EU power market is undergoing a significant transformation, driven by the twin objectives of enhancing energy security and integrating renewable energy. The European Electricity Market Reform seeks to create a more flexible, transparent, and consumer-centric market, ensuring affordability while reducing reliance on fossil fuels. Central to this effort are the Electricity Directive and the Electricity Regulation, which establish the framework for cross-border electricity trade, demand response mechanisms, and enhanced grid interconnectivity.

Through initiatives such as the Clean Energy Package and the push for market coupling, the EU is fostering a competitive and integrated power market that balances supply and demand more efficiently. The shift toward long-term contracts, capacity mechanisms, and real-time pricing further supports a resilient energy system. By modernizing its power market, the EU is not only strengthening regional cooperation but also paving the way for a more secure, sustainable, and consumer-driven energy future.

→ EU directives, regulations and strategies include:

Electricity Directive (EU) 2019/944 Part of the Clean Energy for All Europeans package, this directive sets rules for electricity market functioning, consumer rights, smart metering, and demand response mechanisms.

Electricity Regulation (EU) 2019/943 Establishes guidelines for cross-border electricity trading, market integration, and capacity mechanisms to ensure security of supply.

Regulation (EU) No 1227/2011 on Wholesale Energy Market Integrity and Transparency (REMIT) Prevents market manipulation and ensures transparency in electricity and gas markets.

Regulation (EU) 2022/2577 on Accelerating Renewable Energy Deployment Introduces temporary emergency measures to simplify permitting procedures for renewable energy projects, impacting market integration.

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 power market 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 WS4 - Power Market

→ Advancing Georgia's Power Market for a Competitive and Transparent Energy Future



The Power Market workstream continues to play a critical role in supporting Georgia's transition toward a competitive and transparent electricity market. Through strategic capacity-building initiatives and regulatory support, the project enhances market readiness and fosters efficient participation among key stakeholders.

Strengthening Market Operations & Participation

- A series of training programs have equipped market participants with essential skills in market operations, trading strategies, and hydropower optimization, ensuring effective engagement in Georgia's evolving power market.

- Regulatory enhancements have introduced greater price transparency, creating a level playing field for electricity producers and attracting new investors.
- The market opening strategy has been thoroughly reviewed, with recommendations provided to refine the regulatory framework and improve market efficiency.

Regulatory & Policy Support

- **Advisory support** includes assessing an Alternative Market Concept, ensuring compatibility with EU market principles while aligning with Georgia's local regulatory landscape.
- A **comprehensive review of the market** concept has been conducted, covering wholesale and retail market dynamics, market transparency, and confidential information regulations.
- The team has delivered key **notes and presentations** to the stakeholders, including GNERC, GSE, GNEX and ESCO, outlining the **Go-Live Assessment Report and Implementation Roadmap** with policy reform measures essential for successful market liberalization.

Strategic Engagement

- A dedicated inception meeting launched the review of the power market opening, fostering stakeholder engagement.
- Field missions and consultations have gathered crucial feedback from market participants, refining the implementation approach.
- The **Final Report,** detailing insights and recommendations, has been submitted to KfW and MoESD, ensuring alignment with broader energy sector reforms.

By driving regulatory improvements, enhancing market knowledge, and promoting transparent trading mechanisms, the Power Market workstream is laying the groundwork for a **more resilient, competitive, and investor-friendly energy market in Georgia.**



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 Launches Regional Energy Efficiency Campaign

As part of the **EU-funded Georgian Energy Sector Reform Program (GESRP),** a regional information campaign on **energy efficiency** has been launched to raise public awareness and promote **energy-saving practices** across Georgia. Following a competitive selection process, **nine applicants** were chosen to develop and implement initiatives that align with **EU values,** support **sustainable energy consumption,** and contribute to **economic and environmental benefits.** The campaigns will roll out in the coming months, featuring diverse activities aimed at engaging communities and fostering a culture of **energy efficiency and sustainability.**

→ Strengthening Energy Efficiency Standards in Georgia



GESRP hosted a key training session in Batumi, bringing together **municipal representatives, architects, and energy sector stakeholders** to discuss energy efficiency reforms and renewable energy initiatives. During the event updates were provided on the latest energy efficiency reforms and the introduction of **minimum energy efficiency standards for buildings** in Georgia. Local authorities shared experiences, challenges, and opportunities in advancing energy efficiency at the **municipal level.** A dedicated training session introduced the **Georgian Energy Efficiency Certification of Buildings (GEECB) software tool,** equipping architects with the skills to assess and declare buildings' compliance with energy efficiency standards. With a strong commitment from municipalities and stakeholders, the event reinforced Georgia's alignment with **EU energy efficiency standards,** paving the way for **more sustainable and energy-resilient communities.**

→ Building Climate Resilience in Georgia's Energy Sector



GESRP hosted a training session in Tbilisi for **Georgian Oil and Gas Corporation (GOGC)** representatives. The session focused on equipping participants with the knowledge and tools to address climate-related risks and explore new opportunities within the energy sector. Experts guided participants from GOGC, and SAOG through key climate risk categories, following the **Task Force on Climate-related Financial Disclosures (TCFD) framework.** A strong emphasis was placed on pathways for **diversifying into renewable energy** and adopting emerging low-carbon technologies to meet market demands while reducing emissions. The training also introduced best practices from industry leaders such as **Shell (UK) and Snam (Italy), showcasing** successful strategies for enhancing energy efficiency and resilience. Through interactive sessions, participants explored ways to integrate sustainability into GOGC's operational and strategic planning, identifying tailored approaches to align with Georgia's climate goals.

→ Influencer's Campaign in Review

The social media influencer-led energy efficiency (EE) awareness campaign has been successfully completed. By leveraging the reach of a popular TikTok, Instagram, and Facebook influencer, the campaign produced engaging and informative content showcasing the benefits and practical steps of energy efficiency. A total of five videos were created and published across TikTok, Facebook, and Instagram, reaching **743,234 people** and generating **more than 17,789 likes.** Additionally, the influencer developed and published two extra videos focusing on EE and home renovation, which reached **474,000 people** and received **over 15,661 likes.** Video 1 / Video 2

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.
Green Hydrogen – New Opportunities for Georgia

Upcoming Events *and* Initiatives

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

- The **Regional Campaign** will expand energy efficiency awareness across **nine regions and municipalities,** fostering a **nationwide culture of energy-saving.** Through a **bottom-up approach,** the campaign will engage local communities and organizations to implement targeted initiatives that reduce **energy consumption,** benefiting both the **economy and the environment.**
- At **EU Day 2025 in Tbilisi,** GESRP will host **interactive activities and competitions,** offering participants a hands-on experience with **energy efficiency solutions and sustainable practices.**

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

Interactive Section



→ **Electricity Market Design**

The EU electricity market aims at incentivising the clean energy transition and delivering energy security. It helps ensure affordability by boosting competition, improving the long-term markets and allowing consumers to choose energy suppliers. Explore more.



→ **Electricity markets in the EU**

What are the electricity markets? How many are there? And how are they organised in Europe? Learn the basics and dig deeper with this article.

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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