

UNECE Renewable Energy Uptake – Concept Note

Building Support for Renewable Energy Investments in Georgia

12-13 October 2021 @ 11:30-14:45 GET (09:30-12:45 CET)

UNECE Renewable Energy Uptake: 2021 HardTalks

The “HardTalk” is a discussion format on current topics of renewable energy held with relevant stakeholders of the participating member States of the United Nations Economic Commission for Europe (UNECE) and organised by the UNECE secretariat and partner organizations.

The goal of the HardTalk is to identify the best methods for realizing the potential of renewable energy (RE) by identifying key barriers that block private sector investment, as well as creating a well-functioning and stable system for the development of renewable energy. The multi-stakeholder dialogues are organized by the UNECE in collaboration with host countries, local partners and international organizations such as REN21 (Renewable Energy Policy Network for the 21st Century), and dena (German Energy Agency).

HardTalks involve all interested government agencies, parliament, private investors, energy producers and consumers, financial and research institutions, NGOs, and international organizations. Key players in the field of energy discuss key issues, determine priorities and offer concrete policy recommendations to overcome political, legal, regulatory, and technical barriers and to tap the untapped potential of RE.

A series of four upcoming RE HardTalks with selected UNECE member States: Albania (concluded), Georgia, Kazakhstan, and Serbia, are to be held in the framework of the UNECE Re-Uptake Project in 2021, which is jointly undertaken by dena, REN21, and the UNECE, and in close cooperation with the German Federal Ministry for Economic Affairs and Energy (BMWi).

HardTalk Format:

- Each HardTalk will be held over two days, 3.5 hours (incl. breaks) each day. The events will be held via Zoom, the video-conferencing platform
- The main UNECE Re-Uptake Project organisations (REN21, UNECE, dena), together with country representatives where appropriate, will host and moderate
- Simultaneous interpretation services will be provided where necessary, from the host language to English and vice versa. The documentation language will be English, for: correspondence, agenda, presentations, recommendations, and reports, etc.
- Interaction is the cornerstone of the events - there will be several Q&A sessions and breakout rooms to facilitate open discussion amongst participants
- After the HardTalk, a report with key issues and recommendations will be produced and distributed to all participants and relevant stakeholders. The results of the HardTalk will also be incorporated into further reports and studies.

Georgia HardTalk: 12-13 October 2021

Introduction

Georgia's energy mix is based on hydropower, biofuels and waste as well as fossil fuel imports (natural gas, oil, and coal). The energy sector is heavily dependent on imported natural gas, which is the dominant energy source used in Georgia, followed by oil. The country has significant hydro potential and is among the top countries in the world by water resource per capita, while currently only 20-22% of this potential is utilised. There is also a lot of untapped potential from wind, solar, geothermal and biomass resources.

Georgia has made substantial progress towards the liberalisation of the electricity and gas markets, improvements in cross-border infrastructure and regional trade, as well as the transition to a low carbon energy future in the past decade. Although the country's energy security has been improving with the domestic hydro generation, the supply-demand gap keeps growing due to increasing electricity demand and relatively limited local RE production. In 2019, high imports were needed to meet domestic demand for electricity generation even in the summer. Attracting more investments is needed to reduce dependency on imports by creating an enabling environment for RE.

Although considerable private investments in hydropower plants have been realised, the investment climate needs further improvement by creating a stable regulatory regime and establishing clear RE targets by technology. Streamlining secondary legislation would enable the energy market to function efficiently, gradually moving out of a state-heavy energy sector. Clear price signals, along with transparent and competitive market rules would further encourage investments in renewable energy. Strong local opposition has also been a barrier against the completion of ongoing RE projects in the country. Enhancing investments in RE will, therefore, require improvements in policy mechanisms, market structures, along with the public attitudes towards and support of RE.

The HardTalk will focus on ways to increase support and attractiveness for investments in RE in Georgia, by looking into the policy landscape, market structure and public support for the sector. The aim is to (1) mobilise stakeholders (local and external) to discuss concrete actions and increase their individual and collective impact, and (2) provide recommendations to actors in and outside Georgia, which could help bolster investment in RE.

Focus Area:

- Building support for investments in renewable energy in Georgia: Increasing bankability of projects and promoting sustainable financing.

Identified Challenges / Discussion Topics:

- **Policy landscape:** What kind of legislation is required to ensure investment decisions are made according to market principles? How can incentive-based policy schemes be improved to support investments (e.g., feed-in premium and net-metering)?
- **Market structures:** What needs to change in secondary legislation to further enable a liberalised and competitive energy market? How can access to finance be improved for private energy investments?
- **Societal support:** What actions are needed to increase commitment to, and acceptance of a renewables-based energy system? How might these actions translate to greater investments in renewable energy in the country?

General Proceedings:

- An **introductory presentation of the challenge / discussion topic** will be given by experts from a donor/financier to introduce and provide context of the discussion topic, followed by a Q&A session and an open discussion.
- **Presentations of different perspectives** from multiple national and international stakeholders will be given to provide further context and aspects (from a policy, market and social perspective), which are to be considered and discussed, followed by a Q&A session and an open discussion.
- **Discussion with all participants in break-out rooms** to enable the wider participation of the audience. This is not a webinar but is rather constructed as a virtual invite-only workshop involving key stakeholders in the Georgian energy sector.
 - On the first day, an initial break-out session to identify key challenges for supporting investments in renewable energy, followed by a second break-out session to determine drivers for change.
 - On the second day, the first break-out session will focus on reflections on the key challenges from Day 1. The second break-out session will discuss potential solutions, recommendations & next steps.
- **Formulation of solutions and recommendations** will be carried out, agreed upon and documented.
- A **summary** of possible solutions, recommendations and next steps will conclude the HardTalk. These recommendations will be distributed to participants and the global energy community in the weeks following.

This publication and associated works of the UNECE RE-Uptake Project was commissioned by the Federal Ministry for Economic Affairs and Energy.



In cooperation with

UNECE: The United Nations Economic Commission for Europe is one of the five regional commissions under the jurisdiction of the United Nations Economic and Social Council. All activities relating to the HardTalks are implemented in close cooperation with the UNECE Secretariat.



Dena: dena is Germany's centre of expertise for energy efficiency, renewable energy sources and intelligent energy systems. As the "Agency for the Applied Energy Transition" it contributes to the attainment of energy and climate policy objectives. DENA develops solutions and put them into practice, both nationally and internationally.



REN21: REN21 is the global community of renewable energy stakeholders from Science, academia, governments, NGOs and industry. They provide up-to-date facts, figures and peer-reviewed analysis on global developments in technology, policy and markets, to inform decision makers.



MoESD: The Ministry of Economy and Sustainable Development of Georgia (MoESD) is a ministry of the government of Georgia responsible for the state policy in the energy sector and is a close country partner for the UNECE RE-Uptake Hard Talk in Georgia.

