

12-13 DECEMBER 2016 New Possibilities for Developing Renewable Energy in Georgia



HARD TALK CONCLUSIONS

The Renewable Energy Hard Talk on "New Possibilities for Developing Renewable Energy in Georgia", held in Tbilisi, Georgia on 12 and 13 December 2016, was concluded after a day-and-a-half of intense and fruitful debate.

The event, organised by the Renewable Energy Policy Network for the 21st Century (REN21) and United Nations Economic Commission for Europe (UNECE), was supported by the Ministry of Energy demonstrating the significance of achieving a sustainable energy future for the Georgian Government.

The Renewable Energy Hard Talks are two-day events that combine an expert-level workshop on the first day with a high-level policy talk building on the workshop's findings during the second day.

All participants recognized the timeliness of this event since 2017 is a crucial year for Georgia's renewable energy future. Since Georgia's signing of the Energy Community Treaty in 2016, next year will see the need for long-term planning, regulatory reform and rethinking of many aspects of electricity market and system operation.

The Tbilisi Hard Talk was opened on the first day by Deputy Minister of Energy Ms. Mariam Valishvili and was attended by all main stakeholders in the country's energy sector, including representatives of the Parliament of Georgia, Ministry of Energy, Georgian State Electrosystem (GSE), the Georgian National Energy and Water Supply Regulatory Commission (GNERC), Business and Trade Associations, Private Developers, Civil Society, IFIs and Donors as well as the EU Delegation in Georgia. **This event represented the first time that such a multi-stakeholder event on the topic of Georgia's renewable energy future was held.**

During the first day's discussions, many crucial issues of Georgia's renewable energy policy were identified and intensely debated. Through the frank and sometimes heated discussions, the main issues soon became apparent and possible lines for consensus started to become possible.

After the conclusion of the first day's deliberations the main issues discussed were summarized and formulated into a working document titled "10 ways to move forward" which was presented on the second day in a high-level policy discussion.

Georgia's "10 ways to move forward" on RES

- 1. Year 2017 is a critical year for Renewables in Georgia. It is necessary to **create a vision, set targets and plan concrete actions**. This is the chance for Georgia to get its Renewable Energy Strategy right from the start.
- 2. There is need to **adopt an integrated approach to planning**. Mainly this consists of the following steps:
 - Acknowledge the **need for modelling and analysis of multiple scenarios**
 - Undertake ongoing progress tracking (data issues / building capacity)
 - Understand the importance of improving efficiency of existing networks and infrastructure
- 3. There is need to carry out **more multi-stakeholder consultations** as part of a continuous dialogue.
- 4. Given Georgia's Energy Community obligations, it is crucial to **rethink the roles of key actors** (e.g. Ministry, Regulator, etc.) to streamline responsibilities and consider a dedicated energy agency.
- 5. The **grid capabilities for integrating RES should be re-examined** after taking into account latest international best practice of integrating renewables
- 6. A clear, long-term government **strategy for regional interconnections** should be put into place.
- 7. As part of renewable energy action plan, **public outreach and awareness raising activities** should be undertaken as well as programs to develop human capacity (e.g. formal education and professional training schemes).
- 8. The 'rules of the RES game' should be transparent and made public.
- 9. A structured, yet **'light' framework of administration processes** (permits, agreements, memorandums, etc.) should be put into place.
- 10. In line with the action plan priorities, transparent and fair methodologies for RES electricity purchase price (tariff) calculations should be adopted which will facilitate project bankability and subsequent financing.

The undeniable success of the Hard Talk resulted from the combination of expert-level, direct and pragmatic debate of stakeholders during the first day with high-level policy discussions during the second day. This brief, direct and actionable "working paper" is the result of this Hard Talk and should form a guide for the sustainable energy transformation in Georgia.