Development of Renewable Energy in the Russian Federation and CIS Countries: Prospects for Interregional Cooperation

Presentation of the UNECE 2010/2011 project results

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The Russian Federation and other CIS countries are endowed with very significant renewable energy resources. Even though their current contribution is less than 5 per cent of total primary energy consumption, the countries benefit from a large, diverse and unrealized potential that could have important impacts for environmental protection, energy security and the economy.

Interregional cooperation could greatly contribute to overcoming the existing barriers since many opportunities and constraints for the future development of RES are shared among the CIS Member States.

The overall objective of the Project is to promote and support interregional cooperation in order to overcome energy policy, regulatory, institutional and financial barriers to the development of RES in the Russian Federation and the other CIS countries.
Project Outcomes

- ISEDC’s experts undertook an analytical review resulted in a Consolidated Report on the state-of-the-art in the renewable energy sector in CIS countries. The Report was presented at 1st International Workshop held under the Project in July 2010 in Minsk.

- Strategy of Promoting CIS Interregional Cooperation in Renewable Energy, including policy recommendations on this matter was drafted and officially presented at 2nd International Workshop held under the Project in November 2010 in Geneva.

- UNECE experts’ comments to the Report summed up at 2nd Workshop under the Project were fully regarded in the final version of Strategy of Promoting CIS Interregional Cooperation in Renewable Energy.

- Finalized Strategy with due regard of experts’ comments was finally approved by the UNECE Secretariat.
The Report summarizes the results of the work conducted in the CIS countries on the development of renewable energy sector.

The Report considers a summary of national assessments on actual status on renewable energy production and use in the CIS countries. The barriers are considered in respect of measures to be undertaken to overcome them.

Renewable energy profiles for each of the CIS Member States were provided.

The Report reflects main directions of activities to be undertaken for wider renewable energy development and cooperation in this field.
Renewable Energy Strategy to promote investment climate for renewable energy technologies for submission to national and regional authorities in the CIS states (hereinafter—Strategy) is a complex of opinions agreed by the CIS states concerning the common aims, priorities and prospects for widening use of renewable energy sources to intensify interstate economic relations and transformation of the Commonwealth of Independent States into a full member of the system of international relations in the sphere of global energy.

Aim of the Strategy

- to give the additional impetus to interregional cooperation of the CIS states in the sphere of sustainable energy development, further expansion of economic cooperation;
- to provide sustainable energy development, energy security;
- to increase wellbeing and life quality of people, national economy competitiveness of the CIS states and to strengthen their positions in the world economic system.
Strategy on RES Development in CIS: aims and the main tasks of developing RE in CIS

Strategy aims of interregional cooperation to develop renewable energy sources common for the CIS states are:

- Sustainable national economy growth based on effective use of energy resources;

- Decreasing growth rates of anthropogenic load on the environment and opposition to climatic changes when necessary to meet growing needs in energy consumption;

- Reduction of energy poverty scale especially for distant and difficult for access regions in some participating CIS states, including assistance to their socio-economic development;

- Keeping health of population and life quality by way of retarding growth rates of environment contamination when using fossil fuel and decreasing state costs for health protection as well;

- Increasing energy security level and reliability of energy supply at the expense of increasing its decentralization level;

- Involving of additional fuel and energy resources into fuel and energy balance.
Strategy on RES Development in CIS: main aspects of interregional cooperation

Realization of top priority measures on main directions of interregional cooperation CIS member states in the framework of the present Strategy is supposed to concentrate around the following **complex of main aspects to develop the sector of renewable energy:**

1. **Legislative aspect**

2. **Economic and financial aspect**

3. **Scientific and technological aspect**

4. **Information aspect**
Strategy on RES Development in CIS: policy recommendations

Practical recommendations for developing interregional cooperation in the framework of legislative aspect:

- Adoption of appropriate comprehensively reasonable complex special purpose program
- **Organizational base** for the problem solution of RES development in CIS countries in the frame of legislative aspect consists of defining **supra-national authority (body)** responsible in general for given direction (hereinafter – authority)
- **Functions** of authority proposed to be created must be:
  - to compose working out state RES development programs including Research and Development (R&D),
  - carrying out market investigations at the internal and external markets,
  - promotion and popularization of wide RES use,
  - developing legislative initiatives in this sphere (including possible initiative to conclude the special Agreement on cooperation of CIS member states in the sphere of RES development) as well as coordinating cooperation in the sector of renewable energy at the regional and international levels (including cooperation with UNECE, EU and IRENA).
Practical recommendations for developing interregional cooperation in the framework of economic and financial aspect:

Concrete support schemes and mechanisms of stimulation may be:

- to implement special programs and demonstration projects;
- to implement accelerated amortization for renewable energy equipment;
- to exempt from taxation and to decrease tax rates; to fix fossil fuel tax including CO2 emissions, or tax for electricity produced by using fossil fuel;
- to introduce special guaranteed rates for buying energy produced from renewable energy sources and obligations to buy this type of energy for power grids;
- to subsidize the investments into renewable energy;
- to finance R&D leading to decreasing renewable energy costs;
- to create state institutions and to support public organizations which activity is directed to using renewable energy sources.
Practical recommendations for developing interregional cooperation in the framework of **scientific and technological aspect:**

Successful implementation of the Strategy in the frame of scientific and technological aspect of renewable energy development in the CIS countries must be concentrated on the following **main directions:**

- Carrying out scientific research and commercializing the investigations;

- Development of educational activity and personnel training

- Development of modern technologies and equipment for producing renewable energy
Practical recommendations for developing interregional cooperation in the framework of information aspect:

As a concrete mechanism of realization of this direction in interregional cooperation it is necessary to consider an issue of creating a single system of experience and information exchange on the questions of developing renewable energy in the CIS countries.

The indicated system can be created on the base of united Internet portal having data base on:
- implementation of specific projects and technical solutions;
- policy and measures applied in the countries-participants of the project aimed at stimulating the use of renewable energy sources;
- legislation in the sphere of renewable energy development, elaboration of corresponding standards and norms;
- assessments of environmental effect of the renewable energy sites;
- realization of corresponding tariff policy;
- cooperation with corresponding international organizations.
Thank you for attention

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