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# HIGH-LEVEL CONFERENCE EU ENERGY COOPERATION WITH THE EASTERN NEIGHBOURHOOD AND CENTRAL ASIA

Celebrating the 20 years of the INOGATE Programme  
and preparing for the new stage



## Market transformation towards efficient lighting in Georgia: reducing consumers' electricity bills and protecting the environment

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Empowering consumers through awareness raising on energy efficiency

# Agenda

- A Presentation of the organisations
- The Issues
- INOGATE's intervention
- Results / Impact
- Lessons Learned

# About the organisations

*The Ministry of Energy of Georgia represents the governmental agency within the cabinet of Georgia defining main policy in the country's energy sector*

*INOGATE has been cooperating with Georgia Since 1996 and accounts over 36 projects. In 2005 the INOGATE regional coordination office for Caucuses region has been established*

*INOGATE has been supporting in different activities specifically for Georgia's energy sector including*

- *Energy Markets*
- *Energy Security*
- *Sustainable Energy*
- *Energy Statistics*

# The Main issues

*Georgia has expressed its intention to be a part of European Union*

- *In 2013 Georgia submitted the application for membership of European Energy Community*
- *In 2014 Georgia signed the EU Association Agreement – DCFTA*

*Aforementioned agreements provide the opportunities for country's various sectors in terms of increasing the energy efficiency based on different EU directives Such as:*

- *Energy Efficiency Directive 2012/27/EU*
- *Energy Labelling Directive 2010/30/EU*
- *Energy Performance of Buildings 2010/31/EU*

*The main challenges*

- *No Legal Framework for Energy Efficiency*
- *Lack of reliable initial data and statistics*
- *Lack of organisational capacity for surveys and data analysis*

# INOGATE's Intervention

## ***Introduction of Georgia's National Energy Balance***

- *In 2013 the MoU the memorandum of understanding was signed between INOGATE, Ministry of Energy and National Statistics Office.*
- *With the methodological approach, Georgia has established  
the first National Energy Balance for 2013  
the Second National Energy Balance for 2014*

## ***The Application of National Energy Balances***

- *The ministry of Energy uses the National Energy Balances in MARKAL modelling system for scenario planning and projection purposes in order to identify potential opportunities and threats for designing better policy options.*
- *Different energy efficiency scenario runs has been identified the potential energy saving areas, specifically the lighting technologies could provide the net energy savings of 10 TW/h for next 20 years*

# INOGATE's Intervention

*Ministry of Energy of Georgia with INOGATE has set up policy evaluation Project for Lighting Products in Georgia, divided into 2 parts.*

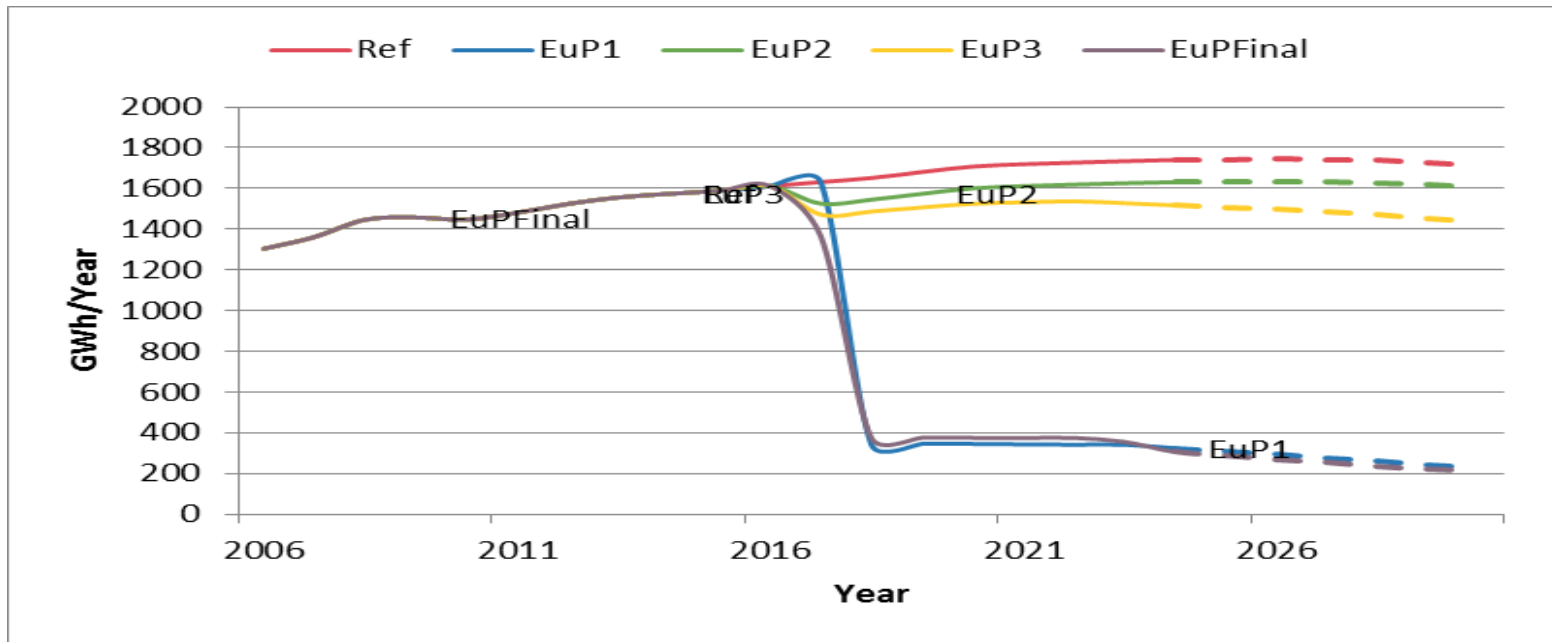
## *1st mission*

*Market Transformation Strategy for Lighting Products in Georgia  
Workshop with Site Visit, 15-16 December 2015.*

## *2<sup>nd</sup> mission*

*Market Transformation Strategy for Lighting Products in Georgia  
Policy options including cost benefit analysis, 24-25 December 2015.*

# Results/Impacts



- **EuP1 = Adoption of Minimum Energy Performance Standards**
- **EuP2 = Fiscal Measures: 1 GEL tax on incandescent bulbs**
- **EuP3 = Green Public Procurement**
- **EuP4 = Combined Effect**

- Benefits : Costs ratio – 8:1**
- Benefits : Costs ratio – 1:1**
- Benefits : Costs ratio – 9:1**
- Benefits : Costs ratio – 7:1**

# Lessons Learned

***Economic analysis by INOGATE has shown that improving the efficiency of lighting in the residential, commercial and industrial sectors in Georgia can potentially save about 1200 GWh/year from the country's annual electricity consumption. This means a savings of over 15% of total national electricity consumption***



**Спасибо!**  
**Thank you!**

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