“Local Information Event for Kazakhstan”
New INOGATE Technical Secretariat
Albertus Zweering, Team Leader
Astana - 18th June 2014
BUILDING PARTNERSHIPS FOR ENERGY SECURITY
What is INOGATE?

An EU-funded program for regional energy cooperation between the European Union and its Partner Countries in Eastern Europe, Caucasus and Central Asia.

11 INOGATE Partner Countries:
Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.
Who’s Who in INOGATE

Policy
- Energy Ministers

Steering
- European Commission
- INOGATE Country Coordinators

Implementation
- INOGATE Project Experts
- Working Group Members

Beneficiaries & stakeholders
- Energy Regulators, Energy Agencies, ESCOs, Energy Companies / TSOs / DSOs / Utilities / associations (gas, electricity)
- Construction Authorities, Standardisation Bodies, Statistics Institutes, IFIs, Consumer Protection Groups, Civil Society, etc.
Targeted energy sectors

- Electricity & Gas
- Renewable Energy
- Energy Efficiency
- Infrastructure
- Climate Change
- Statistics
INOGATE’s areas of assistance

1. Development of energy markets on the basis of international ‘Best Practise’
2. Enhancing energy security
3. Supporting sustainable energy development
4. Improving business climate for energy investments
5. Improved energy economic planning
Energy Markets development

- Independent energy regulators
- Cost-reflective tariff structure
- Common technical rules and standards
- Unbundling
- Third party access
- Integrated regional markets
Energy Security & Infrastructure

- Rehabilitation & upgrading of infrastructure
- Development of new energy infrastructures
- Maintenance of existing infrastructure
- Metering and billing

Energy Security
Sustainable Energy

• The INOGATE Technical Secretariat includes sustainable energy but only in MD, UA, BY and the Caucasus
• For Central Asia, the EU developed a special programme on sustainable energy:
  
  Central Asian Sustainable Energy Programme (CASEP)

• The details of CASEP will be presented in a later presentation today
Improving Investment Climate

Improving the business climate (taxation, access to finance)

Planning of energy projects of common interest

Improving the legislative & regulatory framework

Advocating for transparency and good governance

Investment Attraction
Energy Statistics

- Development of tailor-made methodologies and user-friendly tools for energy data collection and energy balance compilation;
- Assistance in the implementation of surveys in the sectors of enterprises and households;
- Assistance in the compilation of annual energy balance for 2013 and of the joint EUROSTAT/IEA/UNECE annual energy questionnaires;
National and Regional assistance

National: based on country priorities

• Technical advice (energy infrastructure, tariffs etc.)
• Legal/regulatory framework
• Capacity and Institution building

Regional: based on common interests

• Seminars, workshops, study tours
• Networking (e.g. of regulators, statistical bodies), including relations with EU counterparts
The Republic of Kazakhstan has been an INOGATE Partner Country since 1996 and has benefited from 41 of INOGATE’s 69 projects.
‘On Demand’ assistance to the Republic of Kazakhstan

- **Electricity & Gas:**
  - International experience in power exchange trade (JSC “KOREM”);
  - International experience with differentiated electricity tariffs (Agency for Regulation of natural Monopolies);
  - Application of Benchmarking methodologies (Agency for Regulation of natural Monopolies);
  - Analysis existing international models of electricity markets (MINT);
  - International tariff methodologies for electricity production, transmission and supply (MINT)
Energy Statistics support

- Provision of various national and regional capacity building activities (trainings and workshops, international conferences, study visits, IEA training) for policy decision makers, energy statistics specialists, main stakeholders and energy companies involved in energy statistics system and other;

- Compilation of energy data and energy balances

- Support the participation of the representatives of the Republic of Kazakhstan in Energy Statistics Network.
Annual Status Reports Missions & Peer Reviews

✓ 11 Caspian and Black Sea country reviews funded by the EU and in cooperation with the International Energy Agency

Major objectives

• Review of progress on energy security, sustainable development, investment attraction, market convergence
• Status of general energy policy and energy balances
2013 Status Report

- 2013 Status Report is planned to be ready and published in Q4 2014
- 2011-12 Status Report is available for downloading from the INOGATE web portal
Identified Challenges

Common challenges for Partner Countries

• Robust energy demand
• Lack of long-term perspectives/planning
• Strategy on basis of sound data
• Aged infrastructure; investment requirements
• Lack of energy technology related research and development
• Weak regional cooperation
Identified Opportunities

Key opportunities for Partner Countries

• Medium and long term energy policy scenarios with different fuel mix options; use of energy data for policy planning
• Maximising energy efficiency gains and utilisation of renewable energy sources
• Phasing out import dependency; maximizing export potential (cross-border trade)
• Improving energy markets
• Improving efficiency of energy infrastructure
Some findings

- Streamline institutional framework for energy sector governance and develop further energy markets
- Maximize the use of comprehensive energy data
- Maximize energy efficiency gains by coordinating effective implementation of demand-side policies
- Ensure stable and transparent investment procedures
INOGATE Related Project in the Republic of Kazakhstan

The Covenant of Mayors is the mainstream European movement involving local and regional authorities, voluntarily committing to increasing energy efficiency and use of renewable energy sources on their territories. By their commitment, Covenant signatories aim to meet and exceed the European Union 20% CO2 reduction objective by 2020.
Covenant of Mayors signatories in the Republic of Kazakhstan

<table>
<thead>
<tr>
<th>Signatories</th>
<th>Population</th>
<th>Adhesion</th>
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<tbody>
<tr>
<td>Aksu, KZ</td>
<td>68,522</td>
<td>20 Mar 2013</td>
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<tr>
<td>Astana, KZ</td>
<td>781,000</td>
<td>28 May 2013</td>
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<tr>
<td>Karaganda, KZ</td>
<td>484,400</td>
<td>17 Apr 2014</td>
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<td>Lisakovsk, KZ</td>
<td>408,565</td>
<td>10 Jul 2013</td>
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<td>Petropavlovsk, KZ</td>
<td>203,400</td>
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<td>Satpaev, KZ</td>
<td>61,883</td>
<td>15 Aug 2013</td>
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<td>Taraz, KZ</td>
<td>347,486</td>
<td>13 Aug 2013</td>
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<tr>
<td>Temirtau, KZ</td>
<td>181,197</td>
<td>18 Apr 2014</td>
</tr>
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INOGATE information:

- News on activities
- Reports & Studies
- Training Materials
- Publications
- Event materials

Regional energy information:

- Regional Energy News
- Country profiles and information
- Energy links
INOGATE Technical Secretariat

More information: Secretariat.kiev@inogate.org

Visit web portal: www.inogate.org

Mr. Albertus Zweering, Team Leader
a.zweering@inogate.org
26/28 Kudriavska Str., Kiev 04053
Tel: +380 44 230 2754
Fax: +380 44 230 2753