EU Energy Sector Regional cooperation through the INOGATE Programme

www.inogate.org
What is INOGATE?

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

12 INOGATE Partner Countries:
Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Tajikistan, Turkey (O), Turkmenistan, Ukraine and Uzbekistan.

Note: this map is without prejudice to the status of sovereignty over any territory, to the delimitation of international frontiers and boundaries, and to the name of any territory, city or area.
INOGATE Development 1996-2014

Launch 1996
INO Gate Launch
The Interstate Oil & Gas Transport to Europe (INO Gate) Programme as first-ever regional energy cooperation of this scale

Phase 1: 1996-1999
Technical audits phase reveals the need for over 5 billion EUR in investments for rehabilitating energy infrastructures

Phase 2: 2000-2004
Demonstration Phase
Proves the impact of small-scale demonstration projects such as cross-border gas metering stations helping to improve transparency of gas trade

Phase 3: Nov 2004 - present
Expansion Phase
Launch of Baku Initiative, Energy Road Map adopted by Ministers at 2nd Ministerial Conference in Astana providing long-term strategy
INOGATE Policy Framework

Baku Initiative
- Astana Declaration & Energy Road Map

For ENP Region
- Eastern Partnership
- Energy Community Treaty

Bilateral
- MoU Azerbaijan
- MoU Kazakhstan
- MoU Turkmenistan
- MoU Ukraine
- MoU Uzbekistan
INOGATE in numbers 1996-2013

Projects & Supplies
- Over 60 projects implemented
- Over 4 million EUR in small-scale emergency equipment and supplies

Aid
- 135 million EUR in technical assistance

People
- Over 7,000 persons trained
• Project title: INOGATE Technical Secretariat (ITS)
• Budget: € 16.5 + 3 = 19.5 million
• Duration: 36 months (02.2012 – 01.2015)
• Extension: up to 30/4/2016
• Partner Countries:
  — **Eastern Europe** - Belarus, Moldova, Ukraine,
  — **Caucasus** - Armenia, Azerbaijan, Georgia
  — **Central Asia** - Kyrgyzstan, Turkmenistan, Kazakhstan, Uzbekistan, Tajikistan
• Four Project Components (A,B,C,D)
# New ITS - Project Components

## A - Coordination
- ITS operation
- Communication Strategy
- Investments policy
- Monitoring
- 18%

## B – Electricity & Gas
- Regulation & Markets
- Standards
- Cross-border trading
- Gas streams efficiency
- 34%

## C- Sustainable Energy
- RES
- EE
- 24%

## D – Energy Statistics
- Energy Statistics
- Energy balances
- 24%
Regional and Country Ownership of ITS Activities and Results

Regional and Country ownership could be achieved and strengthened through development and signing of:

- Regional Work Plan;
- Country Work Plans;
- Memorandum of Intent for specific activities not covered by a work plan.

Types of assistance provided

- Technical advisory
- Capacity building
- Institution building
- Awareness raising
- Networking

Regional cooperation
Multi-country approach
Southern Caucasus – Basic Info

Russia
- Nuclear
- Coal
- Gas
- Large Hydro
- RES
- Cap: 3.3 GW
- Peak: 1.7 GW @ Dec

Georgiia
- Nuclear
- Coal
- Gas
- Large Hydro
- RES
- Cap: 4.0 GW
- Peak: 1.3 GW @ Dec

Azerbaijan
- Nuclear
- Coal
- Gas
- Large Hydro
- RES
- Cap: 6.3 GW
- Peak: 3.6 GW

Iran
- Nuclear
- Coal
- Gas
- Large Hydro
- RES

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Caucasus – SO & MO Functions

Azerbaijan
- AZERENERGY (Vertically Integrated)

Georgia
- GSE
- ESCO

Armenia
- CJSC "Power System Operator"
- Settlement Center CJSC
Cross border trading work in Caucasus: AGT AHEF (on-going)

Azerbaijan (Azerenerji)
- An assessment of export potential
- Legal, Regulatory & Commercial modalities for CBT

Georgia (GSE)
- Review and compare current GSE transmission planning procedures and tools with those exercised in the EU

Turkey (TEIAS) - Observer
- Participate and follow the discussions between GSE and Azerenerji in a view of strengthening electricity trading
- Propose the milestones in a sequence of steps (sort of a Roadmap) aiming to an increased cooperation of the AGT systems
Cross border trading work in Caucasus: Georgia and Armenia (future activities)

- GE-AM New Interconnection (soon to be commenced)
  - Organization of Access
  - Regulatory treatment (relevant to investment recovery)

- Further assistance to GSE (TBD)
  - Not Defined yet
  - Can be a follow-up on the results of on-going project
Thank You!

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