INOGATE Country Coordinators and Working Groups Meeting
Brussels, 19 May 2011

Project: SEMISE

Presenter: JOZEF HERZL, Team Leader
Fact box

Project Title
SEMISE - Support to Energy Market Integration and Sustainable Energy in the NIS

Completion date
► January 2009 - January 2012

Beneficiary countries
► 11 Partner Countries: Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.

Objectives
► Promote regional energy market convergence and market integration A

► Support investments in sustainable energy B

► Development and implementation of sustainable energy policies C
Keynotes

Achievements to date

- Cooperation with all PCs
- About 70 active applications/concepts for TA completed or being under implementation;
- SEMISE organised International Conference on Covenant of Mayors (Tbilisi October 2010);
- SEMISE organised several trainings, seminars, presentations, one study tour, one round table

Next steps

- Completion of all TA applications/concepts requested by PCs
- Conducting of 2 big trainings and 2 study tours
- Dissemination of TA results using various forms and media
Project Impact

How the project meets Road Map objectives

- **CONVERGENCE OF ENERGY MARKETS** [support to IRE and energy companies, EU best practices (tariff setting, energy companies’ performance, legislation)] – comp. A
- **INVESTMENT ATTRACTION** [Cooperation with LFIs, improvement of investment climate] – comp. B
- **SUSTAINABLE ENERGY** [Increased use of renewables, institutional framework promoting EE and RES] – comp. C

How the project has benefited its counterparts

- EU best practice for companies’ performance, tariff settings, legislation
- Capacity building, new financial instruments for EE & RES
- Capacity building of institutions, legal and technical aspects
Component B – investment attraction

- Capacity building of local financial institutions
- Development of financial schemes for EE and RES investment projects
- Promotion of CDM integration into bank’s business
- TA to international donors’ investments into EE and RES

However:

- Still limited interest of LFIs to these kind of investments
Component C – sustainable energy

• Following the Astana Road Map
• Technical Assistance & Capacity Building
• Examples of accomplishments to date:
  ▶ Organizing energy agencies (KZ, AZ)
  ▶ SHPP & boiler house energy audit methodology (UA, KG)
  ▶ Business plans for energy audit institutes (KZ)
  ▶ Energy audit analysis for bankable projects (AM, GE) *
  ▶ GHG emission projections (BY)
  ▶ Assistance to join the CoM (AM, GE, AZ) *

* Most demanded, most replicated
Covenant of Mayors in Tbilisi

Conference with 45 “Eastern” cities

- Success: Tbilisi submitted SEAP on time

SEMISE Team (l), Tbilisi City Hall Team (r.) at Project Presentation
Energy audit analysis for bankable projects

Graduating class, Tbilisi GE

Workshop activities, Yerevan, AM

Beneficiary: “...help to us... in most undeveloped branch of energy auditing in Georgia.”
## Typical INOGATE project vs. SEMISE (AHEF/PPF)

<table>
<thead>
<tr>
<th>Features</th>
<th>Typical project</th>
<th>SEMISE (AHEF/PPF)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development (preparation) time</td>
<td>3 years</td>
<td>3 months</td>
</tr>
<tr>
<td>Responsiveness to beneficiary’s needs</td>
<td>good</td>
<td>good</td>
</tr>
<tr>
<td>Adequacy to immediate needs</td>
<td>none</td>
<td>good</td>
</tr>
<tr>
<td>Ability to react on changing externalities</td>
<td>no</td>
<td>yes</td>
</tr>
<tr>
<td>Number of topics covered</td>
<td>few</td>
<td>many</td>
</tr>
<tr>
<td>Number of beneficiaries</td>
<td>few</td>
<td>many</td>
</tr>
<tr>
<td>Number of stakeholders</td>
<td>20-30</td>
<td>hundreds</td>
</tr>
</tbody>
</table>
## Typical INOGATE project vs. SEMISE (AHEF/PPF)

<table>
<thead>
<tr>
<th>Features</th>
<th>Typical project</th>
<th>SEMISE AHEF/PPF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Immediate applicability of results</td>
<td>rare</td>
<td>likely</td>
</tr>
<tr>
<td>Potential for replicability of results</td>
<td>low</td>
<td>good</td>
</tr>
<tr>
<td>Depth of analysis</td>
<td>yes</td>
<td>no</td>
</tr>
<tr>
<td>Cooperation with single beneficiary</td>
<td>tight</td>
<td>short term</td>
</tr>
</tbody>
</table>