



Energy Sector Coordinating Committee Work Program 2023-2025

Rationale for a new ESCC work program

Navigating the Post-Pandemic Landscape: Challenges, Opportunities, and the CAREC Energy Strategy 2030 Vision. As we enter the post-pandemic world, the global energy sector is confronted with a new set of challenges, both geopolitical and economic. Rising international fuel-costs have put pressure on domestic energy prices, while inflation and increasing interest rates globally add additional economic uncertainty. The imminent threats posed by climate change demand urgent attention, while simultaneously, the importance of energy security, reliable heating, and consistent power supply cannot be overlooked. The CAREC Energy Strategy 2030 inspired the vision of achieving a reliable, sustainable, resilient, and reformed energy market in the CAREC region by 2030. Following the completion of the 2020-2022 Work Program, it is now essential to look forward and plan the next three years of initiatives for CAREC Energy. These efforts will be guided by the aspiration to create "a vibrant energy future—a future in which electricity supply is reliable and affordable, energy markets thrive, and cleaner energy sources are integrated into the energy mix."

The 2020-2022 CAREC Energy Work Program focused on achieving the initial objectives outlined in the CAREC Energy 2030 Strategy. This included the completion of several key initiatives, which are as follows:

1. Development of the Central Asia Transmission Cooperation Association (CATCA) concept
2. Establishment of a concept for the CAREC Green Energy Alliance
3. Publication of the CAREC Energy Outlook 2030
4. Launching of the CAREC Energy Reform Atlas
5. Realization of the CAREC Women in Energy Program

Tangible Results and the 2023-2025 Work Program for CAREC Energy. With a substantial amount of in-depth research and knowledge already gathered through the initiatives listed above, it is now time to leverage this information by developing impactful projects that creates tangible results. By "tangible results" we mean the development of investment-ready projects within renewable energy, transmission, or energy efficiency. "Tangible results" may also include regional agreements and collaboration relating to electricity- and energy trade, as well as reforms and liberalization in the energy sector that enhance efficiency, optimize tariffs, and makes energy projects more bankable.

With almost three years of travel restrictions due to the COVID pandemic, we suggest that the main activities for CAREC Energy in the 2023-2025 Work Program involve organizing a series of forums and workshops, which will facilitate in-person meetings and interactions. These events will not only enhance regional knowledge sharing and cooperation, but also provide a platform for member countries to connect with stakeholders from development partners, industry experts, and private developers and companies. In the following section, we outline the specific deliverables planned for the next years, reflecting our commitment to fostering collaboration and driving tangible progress in the energy sector in the CAREC region.

Deliverable 1: Arrange an Energy Investment Forum during Q4-2023

The Energy Investment Forum (EIF) was pre-Pandemic considered as one of Central Asia's flagship events to enable private investments in the energy sector. About \$400 billion worth of energy sector investment is estimated needed in the region up to 2030, and the EIF is a key vehicle to attract investors to the region. CAREC Energy plan to re-launch the event again as an in-person event, for the first time since 2019. This will be an excellent venue for CAREC Member countries to connect energy projects with private companies and development partners. The proposed theme for the 2023 event is "renewable energy, energy security and heating". The event is planned held in Georgia, ideally just ahead of the CAREC Ministerial Meeting which is scheduled for November 30, 2023. We will encourage all CAREC Member countries to use this forum as a platform to present 1-2 investment-ready projects, showcasing to developers and development partners project opportunities in the CAREC region.

Deliverable 2: Arrange a workshop on regional transmission and grid infrastructure.

The proposed workshop on regional transmission and grid infrastructure, aims to gather technical experts from the CAREC member countries, mainly to identify concrete areas where regional grid-infrastructure can be improved, including the development of new interstate grid connections. The workshop will primarily focus on the technical aspects for regional interconnectivity, but the aim is also to foster strengthened cooperation, and potentially lay the foundation for an improved and more transparent regional electricity market. This event will feature presentations, panel discussions, and practical training sessions, providing participants with a good platform to jointly improve the regional transmission networks and grid infrastructure.

Deliverable 3: Arrange a workshop on energy efficiency in the CAREC Region.

The proposed workshop on energy efficiency in the CAREC region aims to bring together energy experts, policymakers, and stakeholders from member countries to discuss and share best practices, innovative technologies, and successful strategies for improving energy efficiency. The event will include presentations, panel discussions, and hands-on training sessions, enabling participants to gain a comprehensive understanding of energy efficiency measures and their potential benefits. The workshop will also facilitate the development of regional action plans and foster partnerships among member countries, encouraging the implementation of effective energy efficiency projects tailored to the unique challenges and opportunities within the CAREC region.

Deliverable 4: Coordinating other energy-related events, determined in collaboration with the ESCC.

Until 2025, CAREC Energy will be capable of organizing events that address a variety of relevant topics or continuing in-depth discussions on previously covered subjects. As a result, this Work Program is both adaptable and dynamic, allowing for the inclusion of other meeting initiatives.

Proposal: Arrange a study tour to explore sustainable energy solutions in other regions.

A study tour exploring sustainable energy solutions in a developed market presents a valuable opportunity for CAREC member countries to learn from various regions' successful approaches and innovative solutions. Participants will gain insights into well-established infrastructure and legislation, observe liberalized and fully automated power markets, and learn about robust public-private partnerships from diverse locations. Additionally, participants will observe how different countries manage cross-border energy trade, providing lessons on regional energy integration and collaboration. The tour will also offer a chance to learn about energy efficiency initiatives, such as district heating systems, smart grid technology, and sustainable building practices. The proposed destination will be the Nordic Region, possibly arranged during spring of 2024.