



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION



THE MINISTRY OF ENERGY OF
THE REPUBLIC OF AZERBAIJAN



MINISTRY OF ENERGY OF THE REPUBLIC OF AZERBAIJAN



Economic Cooperation Organization
(ECO)



Partners` Roundtable on start-up of UNIDO-ECO Clean Energy Center

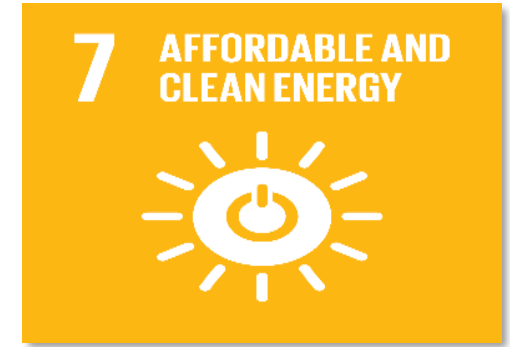
Host Country Perspective

March 16, 2022



ACTIVE ROLE IN GLOBAL CLEAN ENERGY AGENDA

- ✓ A signatory of the Paris Agreement under the UNFCCC and ambitious NDC;
- ✓ Promotes and encourages deployment of sustainable and clean energy solutions in line with the SDG 7 and UN Secretary General's initiative – Sustainable Energy For All (SE4ALL);
- ✓ An active participant of the EU-backed initiative – “Covenant of Mayors for Climate & Energy”
- ✓ Full member of International Renewable Energy Agency (IRENA) since 2014.





INDC

- 35% reduction in GHG emissions by 2030
- Mitigation efforts in the energy sector – energy efficiency and renewables

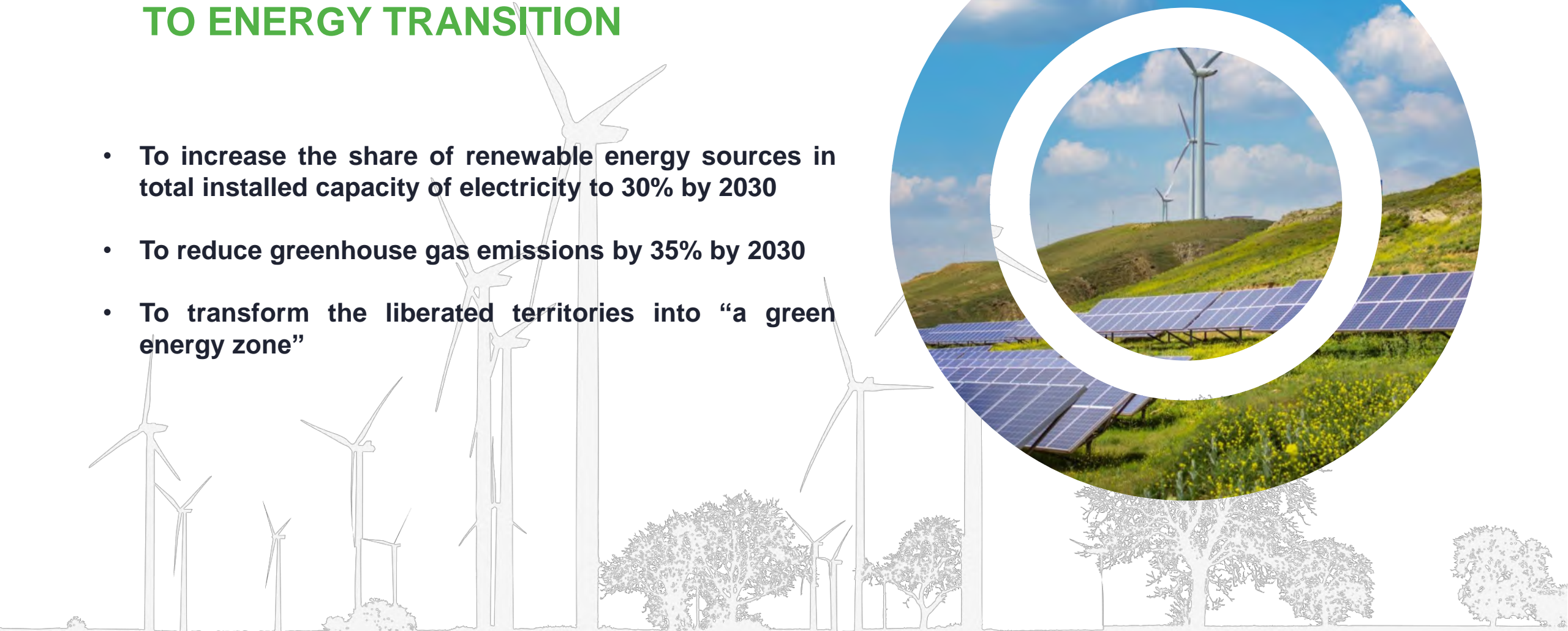


ENHANCED AMBITION IN GLASGOW

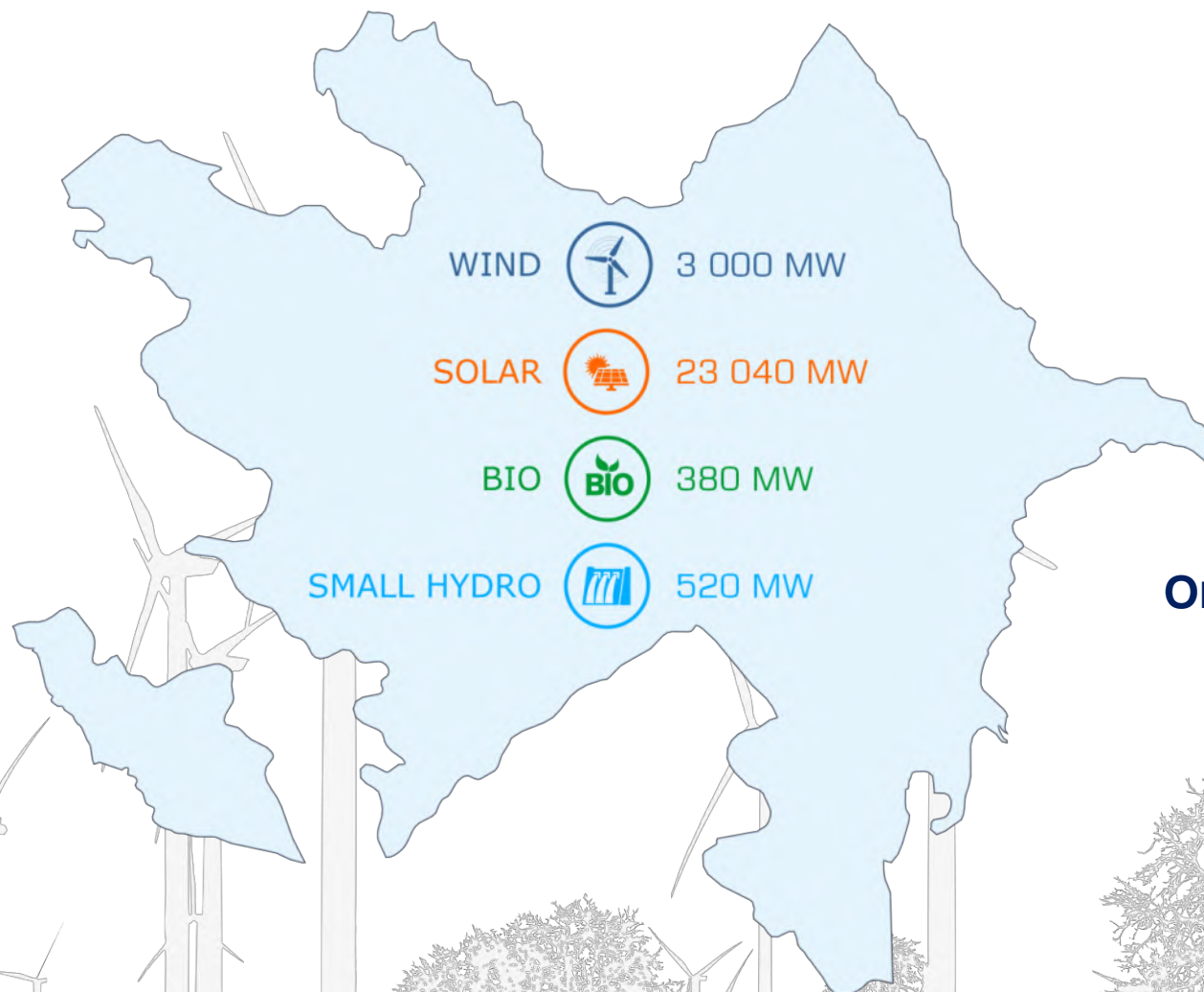
- 40% reduction in GHG emissions by 2050
- Net-Zero goal for the liberated territories by 2050

GOALS AND COMMITMENT TO ENERGY TRANSITION

- To increase the share of renewable energy sources in total installed capacity of electricity to 30% by 2030
- To reduce greenhouse gas emissions by 35% by 2030
- To transform the liberated territories into “a green energy zone”



POTENTIAL FOR RENEWABLES



OFFSHORE WIND 157 GW

RENEWABLE ENERGY POTENTIAL IN THE LIBERATED TERRITORIES

Solar : 7200 MW

- Gubadli
- Zangilan
- Jabrayil
- Fizuli

An Implementation Agreement has been signed with bp on the 240 MW solar energy project in Jabrayil

Wind: 2000 MW

- Kalbajar
- Lachin

Hydro

25% of Azerbaijan's local water resources of Azerbaijan are generated in the liberated territories.




THE ESTABLISHMENT OF GREEN ENERGY ZONE IN THE LIBERATED TERRITORIES

- DEVELOPMENT OF CONCEPT AND MASTER PLAN FOR GREEN ENERGY ZONE
- THE AGREEMENT WAS SIGNED WITH JAPANESE TEPCO IN MAY 2021
- FIRST DRAFT OF GREEN ENERGY ZONE CONCEPT HAS BEEN PREPARED BY THE MINISTRY OF ENERGY/TEPCO



Take a **closer** look!



LEGAL AND REGULATORY FRAMEWORK

- The Law on the use of renewable energy for electricity production adopted
- The Law on the rational use of energy resources and energy efficiency adopted (jointly developed with Energy Charter Secretariat within the EU funded EU4Energy project)
- A Decree signed by the President for setting up a favorable investment climate for renewables
- A clean environment and a country of “Green Growth” identified as one of five priorities in “Azerbaijan 2030: National Priorities for socio-economic development” – country’s strategic development roadmap
- Fundamental principles of active consumer support mechanism (net metering application) being developed with the support of EBRD
- Auction rules being developed in parallel to the main fundamental law with the support of EBRD
- Development of secondary legislation and regulation in energy efficiency envisaged by the Action Plan as a 2nd phase of the EU4Energy project

GUARANTEES FOR INVESTORS

- **Protection of the investment (existing in the legislation)**
- **Tax rebates within seven years (investment promotion mechanisms)**
 - 50% reduction of income tax for individual entrepreneurs
 - 50% reduction of profit tax for legal persons
 - no VAT and no customs duties on imports of machinery, technological equipment and installations
 - no property tax
 - no land tax
- **Guaranteed off-take (Take or pay)**
- **Guaranteed connection**
- **Priority in dispatching**
- **Possibility of indexation of payments to foreign currency**
- **Long-term land lease**



CLEAN ENERGY PROJECTS

- Wind power plant project with a capacity of 240 MW with “ACWA Power” of Saudi Arabia
- 230 MW solar photovoltaic project with “Masdar” of the United Arab Emirates
- Implementation Agreement with BP to build a 240MW solar power plant in the Jabrayil region
- MOU with IFC to cooperate on offshore wind development in the Caspian Sea
- A pilot project to install floating solar panels being implemented with the support of ADB
- MOU with BP to cooperate in assessing the potential and conditions required for large-scale decarbonized and integrated energy and mobility systems, including renewable energy projects in the regions and cities of Azerbaijan



240MW KHIZI-ABSHERON WIND POWER PLANT

240 MW Wind Farm is a greenfield Independent Power Project IPP developed by ACWA Power

Main project agreements (Investment Agreement, Power Purchase Agreement and Transmission Connection Agreement) signed in December 2020

Groundbreaking ceremony held in January 2022

Offtake contract for 20 years

Commercial operations date Q3 2023

Project cost 300 million USD



230MW GARADAGH SOLAR POWER PLANT

First utility-scale 240 MW solar energy project in Azerbaijan developed by Masdar

Main project agreements (Investment Agreement, Power Purchase Agreement and Transmission Connection Agreement) signed in April 2021

Groundbreaking ceremony held on March 15 2022

Offtake contract for 20 years

Commercial operations expected in 2023

Will power 110 000 homes and will reduce 200 000 tonnes of CO2 annually



POTENTIAL PROJECTS FOR IMPLEMENTATION

- 100 MW Wind Power Plant project in Lachin/Kalbajar
- Scale up floating solar PV project (over 50 MW)
- Restoration of small HPPs
- Support to the solar rooftop PV installations
- Usage of solar thermal power in households (solar collectors)
- Support to the establishment of EV charging units
- Support to solar PV installations in public buildings
- Support to the implementation of active consumer support mechanism (e.g. net metering)
- Energy efficient and green energy based street and road lighting
- Green bus stops and parking
- Pilot project for green hydrogen production



HOSTING CECECO IN AZERBAIJAN

- ✓ Strong **political commitment** on hosting decision
- ✓ Readiness to provide state-of-the-art **office space and facilities**
- ✓ Commitment to provide **diplomatic level exemptions and concessions** for the Center and the staff
- ✓ Readiness to move forward with **statutory documents** – Charter, Host Country Agreement, etc.
- ✓ Willingness by GoA to **contribute to the Center's projected activities and projects** for enhancing regional synergy for energy transition

REGIONAL ADDED VALUE OF CECECO

- In line with **ECO vision 2025** and its energy strategic objective - ...to enhance energy security and sustainability through wider energy access and trade within the ECO region and beyond - through transformation to cleaner and sustainable energy sources...
- In line with the objectives of **ECO Strategy for Energy Cooperation 2030**
- **Regional node** to complement ECO Member States clean energy transition efforts
- Support and **added value to existing ECO projects**, such as ECO Regional Electricity Market
- Connecting ECO region with **UNIDO's Global Network of Sustainable Energy Centres (GN-SEC)**
www.gn-sec.net

PROJECTED PROGRAMMES OF CECECO

1. START-UP AND BEGINNING OF OPERATIONS

- ☐ Signing and ratifying the Charter (at least 3 ECO Member States are needed)
- ☐ Signing Host Country Agreements
- ☐ Recruitment of Executive Director, local and international staff
- ☐ Establishment of the Secretariat



PROJECTED PROGRAMMES OF CECECO

2. ENABLING RENEWABLES AND ENERGY EFFICIENCY POLICY AND REGULATORY FRAMEWORKS

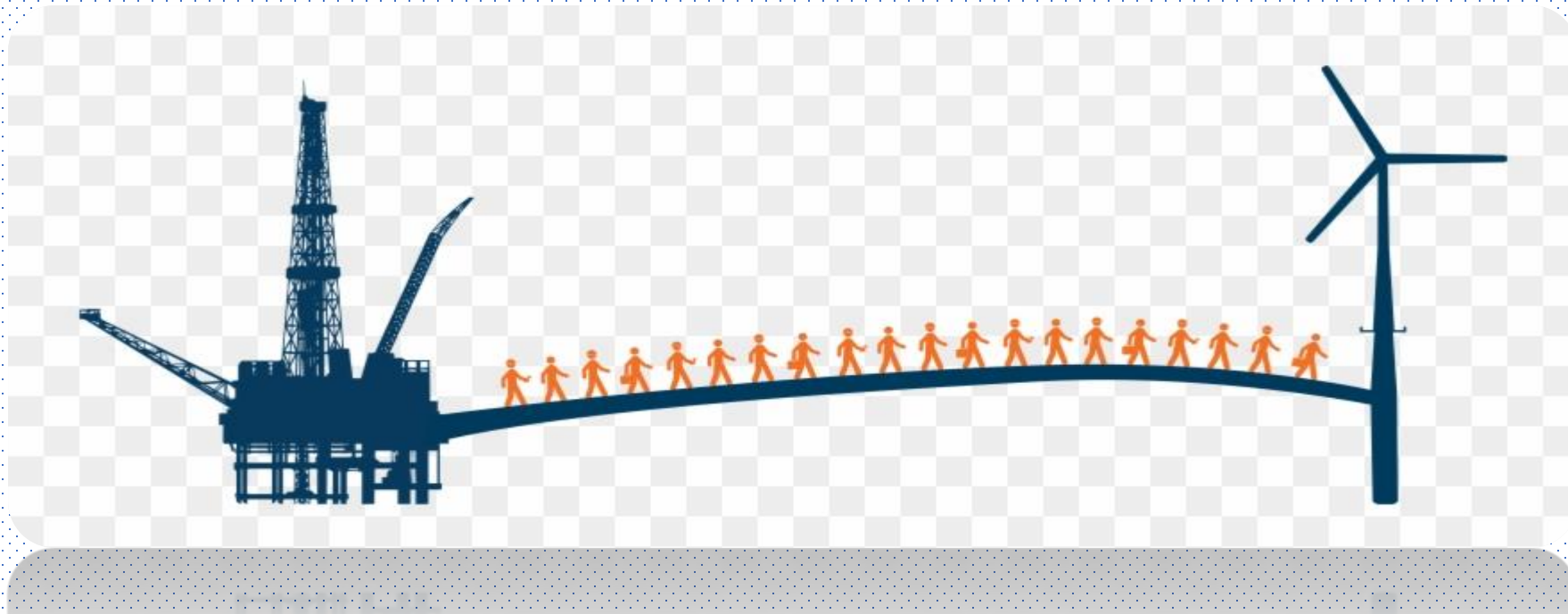
- ☐ Raising awareness in the region on RE and EE policy and legal incentives
- ☐ Upgrading policy frameworks in line with the needs of the Member States and global agenda
- ☐ Regional center for monitoring RE and EE policies and standards



PROJECTED PROGRAMMES OF CECECO

3. CAPACITY BUILDING OF KEY STAKEHOLDERS IN THE REGION

- ❑ Capacity building and vocational programmes on RE and EE
- ❑ Establishment of regional platform with well-established training and accreditation institutions



PROJECTED PROGRAMMES OF CECECO

4. REGIONAL KNOWLEDGE HUB ON RENEWABLES AND ENERGY EFFICIENCY TECHNOLOGIES

- ❑ Establishing regional RE and EE information and data management system
- ❑ Gather and analyse data from the ECO Member States on annual basis



PROJECTED PROGRAMMES OF CECECO

5. PROMOTION OF INVESTMENTS IN RENEWABLE ENERGY AND ENERGY EFFICIENCY

- ☐ Enhanced partnerships with private sectors for additional RE and EE investments
- ☐ Feasibility studies for innovative RE and EE projects, with particular focus on long-term national and regional value
- ☐ Benchmark study for ECO Regional Electricity Market



OFFERS FOR OFFICE SPACES

CHINAR PLAZA



MINISTRY OF ENERGY OF THE REPUBLIC OF AZERBAIJAN

BAYIL PLAZA





MINISTRY OF ENERGY OF THE REPUBLIC OF AZERBAIJAN

CHINAR PLAZA

152, Heydar Aliyev avenue





General information

Built in 2017

**33 story
building**

Renovated

**Indoor/ Outdoor
parking**

Restaurant

Canteen

Café

**Conference hall
for 240 people**



Included services

Reception service

24 hour security CCTV

surveillance

Fire alarm system

Maintenance services

Daily indoor and outdoor cleaning

Central air conditioning



CHINAR PLAZA



MINISTRY OF ENERGY OF THE REPUBLIC OF AZERBAIJAN





BAYIL PLAZA

29, Neftchi Gurban Abbasov street



General information

Built in 2017	9 story building	Renovated
Indoor parking	Panoramic sea view	Opening windows



Included services

Reception service

24 hour security

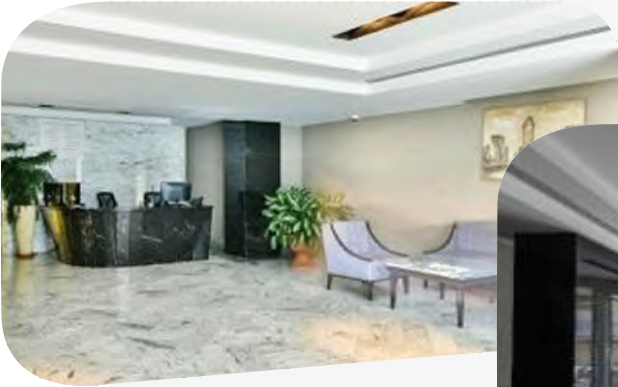
CCTV surveillance

Fire alarm system

Maintenance services

Daily indoor and outdoor cleaning

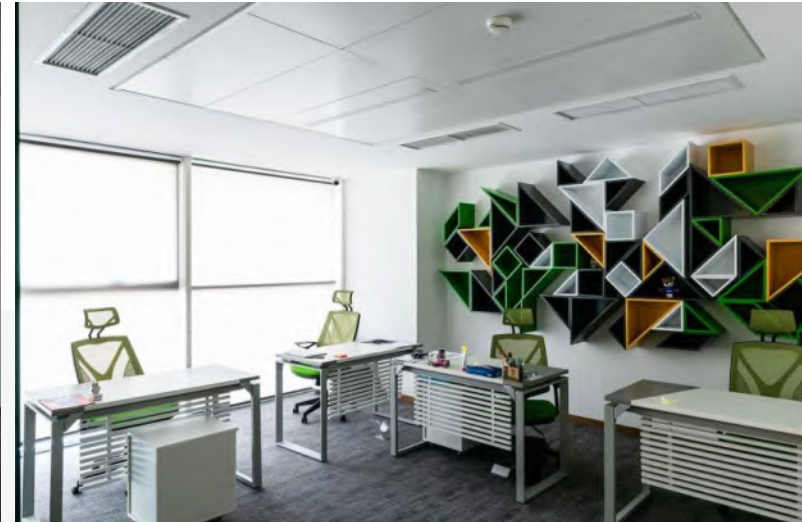
Air conditioning





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BAYIL PLAZA



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Thank you

