

## Where finance and green technologies meet

GEFF in Georgia Newsletter N2: 06.2020



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## Georgian parliament adopts two energy efficiency laws

The Parliament of Georgia has adopted a set of key energy efficiency legal acts, the Law on Energy Efficiency and the Law on Energy Performance of Buildings, bringing the country closer to EU standards. These regulations are aimed at reducing energy consumption, improving the energy performance of buildings and enhancing energy efficiency across different sectors of the economy.

The legislation will enable Georgia to lessen the environmental impact of pollution and GHG emissions, improve the energy efficiency of buildings, and reduce energy imports.

Adopting new energy efficiency laws amplifies the importance of green financing. Construction companies and developers in Georgia that wish to develop energy efficient buildings can benefit from the various green financing tools currently available on the financial market. The ERBD's GEFF offers financing for a variety of energy efficient technologies and materials that are essential for the construction of "green" buildings.

Read more, [here](#).

## Key results as of June, 2020

- Despite the ongoing coronavirus pandemic, GEFF in Georgia continued to perform at full capacity, financing green technologies through three PFIs as well as conducting an online training session on green finance and technically assessing green projects.
- Approximately 800 EE/RE technologies from more than 20 vendors around Georgia are now available through the Green Technology Selector at <https://ts.ebrdgeff.com/gtc-ge/>

## GEFF in Georgia

### Energy efficient consumer cars added to the Green Technology Selector

The Green Technology Selector, GEFF's online tool and database of pre-approved high-performance technologies under US\$ 300,000, has a new addition: energy-efficient consumer cars.

Businesses wishing to reduce their fuel costs and carbon footprint can now apply for GEFF

financing and modernise their vehicle fleet.

This addition also means that vendors of efficient, light duty vehicles can now [register](#) on the platform and make their products available throughout Georgia and in 36 other countries.

Browse our new technologies [here](#).

### GEFF in Georgia partner bank recognised with an EBRD TFP Award



The EBRD Trade Facilitation Programme (TFP) announced the winners of its prestigious annual TFP Awards. The banks in 27 countries that have been the most successful in delivering EBRD financing were honoured and recognised as the Most Active Issuing Banks in the regions. TBC Bank in Georgia was named the winner in this award category.

Over the last two decades, the EBRD Trade Facilitation Programme has gained widespread recognition and appreciation from partner banks, exporters and importers and has created a thriving professional network to enable

industry collaboration and exchange. Businesses that offer green technologies can benefit from TFP and GEFF programmes combined, where funds can be used to finance the import of high-performing, energy and resource efficient equipment from foreign manufacturers and suppliers.

In 2020, the Programme has stepped up its support, providing amplified financing for trade with a record €1.5 billion in the first five months of the year.

Read more, [here](#).

## Success Story

### Lagodekhautogza

A Georgian construction company, Lagodekhautogza, upgraded its production machines to new energy efficient ones and doubled its production capacity.



<b>Location</b>	Tbilisi, Georgia
<b>Investment</b>	Asphalt production plant
<b>Investment size</b>	€ 254,000
<b>Financial results</b>	Payback of 25 years
<b>Energy savings</b>	156.67 MWh per year
<b>CO<sub>2</sub> savings</b>	62 tonnes per year
<b>Impact</b>	Increased production output, lower cost of production
<b>Donor</b>	GCF, BMF

### MaxComfort

A supplier of heating and cooling systems diversifies its energy-efficient portfolio with GEFF financing.



Read more [Success Stories](#).

<b>Location</b>	Tbilisi, Georgia
<b>Investment</b>	Import of heating and cooling devices
<b>Investment size</b>	€ 84,000
<b>Financial results</b>	Payback of 7 years
<b>Energy savings</b>	941.68 MWh per year
<b>Natural gas savings</b>	856.07 MWh/y
<b>CO<sub>2</sub> savings</b>	17 tonnes per year
<b>Impact</b>	Cost saving and reduced impact on the environment
<b>Donor</b>	GCF, BMF

## WORLD

### EBRD launches online learning resource for small businesses



The EBRD is launching a [free-to-use online learning](#) and advice programme to support micro, small and medium-sized enterprises (MS-MEs) confronted with the economic impact of the coronavirus pandemic. These private small businesses are vital for the economies where the EBRD invests.

The EBRD “Know How to...in a Crisis” programme, hosted on the Bank’s platform, [The Know How Academy](#), is a central learning hub where entrepreneurs can access practical assistance, including training materials and crisis management advice from industry experts and can join peer discussion forums.

Launched by the EBRD as part of its enhanced support for firms during the current crisis, the programme will focus on five key business pillars:

1. Crisis Management: **Your customers and suppliers**
2. Crisis Management: **Financial management essentials**
3. Crisis Management: **Financing your firm**
4. Crisis Management: **Your staff your key asset**
5. Crisis Management: **Management and leadership challenges.**

The first module, “Crisis management: Your customers and suppliers” will provide advice on how to keep your business supply chain moving and the cash coming in. All resources will be offered in Arabic, English, Russian, Ukrainian and Turkish.

Read more, [here](#).

## Global Energy Review 2020

### The impacts of the Covid-19 crisis on global energy demand and CO<sub>2</sub> emissions

The current Covid-19 pandemic is above all a global health crisis. As of the 28th of April, there were 3 million confirmed cases and over 200 000 deaths due to the illness. As a consequence of the efforts to slow the spread of the virus, the share of energy use that was exposed to containment measures jumped from 5% in mid-March to 50% in mid-April.

Beyond the immediate impact on health, the current crisis has major implications for global economies, energy use and CO<sub>2</sub> emissions.

Global energy demand declined by 3.8% in the first quarter of 2020, with most of the impact felt in March as confinement measures were enforced in Europe, North America and elsewhere.

The impact of Covid-19 on energy demand in 2020 would be more than seven times larger than the impact of the 2008 financial crisis on global energy demand.

All fuels will be affected:

- **Oil** demand could drop by 9%, or 9 mb/d on average across the year, returning oil consumption to 2012 levels.
- **Coal** demand could decline by 8%, in large part because electricity demand will be nearly 5% lower over the course

of the year. The recovery of coal demand for industry and electricity generation in China could offset larger declines elsewhere.

- **Gas** demand could fall much further across the full year than in the first quarter, with reduced demand in power and industry applications.
- **Nuclear** power demand would also fall in response to lower electricity demand.
- **Renewables** demand is expected to increase because of low operating costs and preferential access to many power systems. Recent growth in capacity, some new projects coming online in 2020, would also boost output.

Global CO<sub>2</sub> emissions are expected to decline by 8%, or almost 2.6 gigatonnes (Gt), to levels of 10 years ago. Such a year-on-year reduction would be the largest ever, six times larger than the previous record reduction of 0.4 Gt in 2009 – caused by the global financial crisis – and twice as large as the combined total of all previous reductions since the end of World War II. As after previous crises, however, the rebound in emissions may be larger than the decline, unless the wave of investment to restart the economy is dedicated to cleaner and more resilient energy infrastructure.

Read the full report, [here](#).



Click the link below to find out how each one of us can contribute to a better environment.

[52 Green Tips for 52 Green Weeks](#)

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