

Technical workshop: Practical aspects of sustainable energy development in Kyrgyzstan

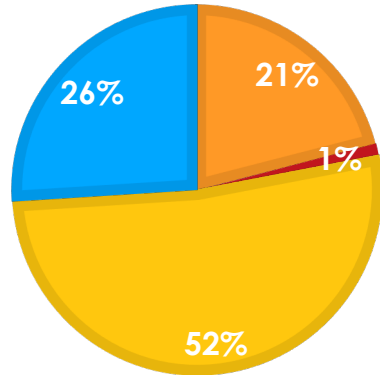
Promoting small hydropower development in Kyrgyzstan
Bishkek, October 5, 2023

Experience of Georgian Energy Development Fund in promoting small hydropower development

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Georgian Energy Development Fund (GEDF)

Energy Sector Overview

INSTALLED GENERATION MIX



■ HPP (RoR) ■ WPP ■ HPP (Reservoir) ■ TPP

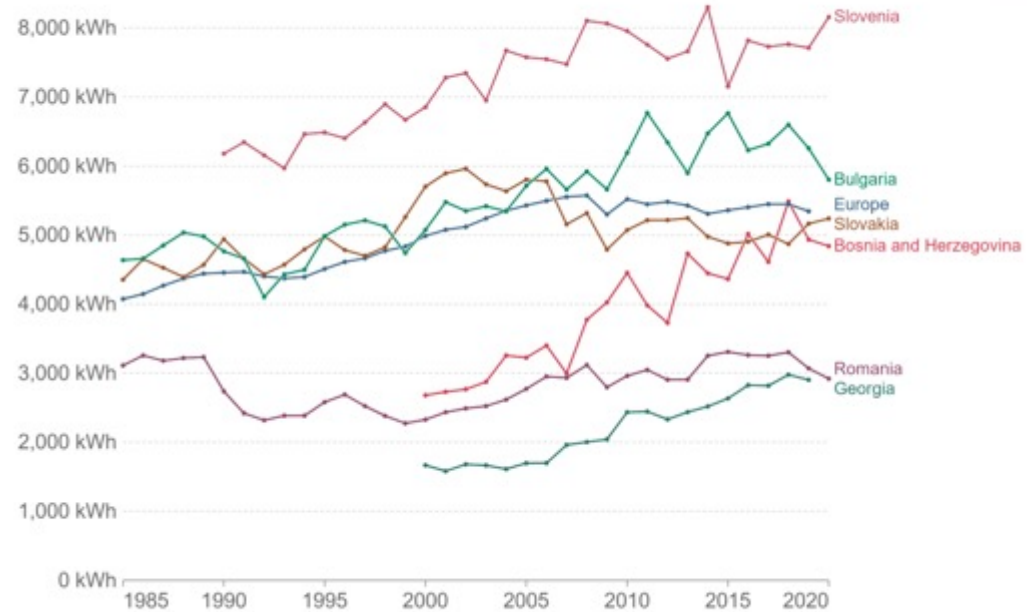
Total installed capacity - 4 577 MW

- Hydro Power- 3 367 MW
- Wind Power -20,7 MW
- Thermal Power - 1 189 MW

Per capita electricity consumption

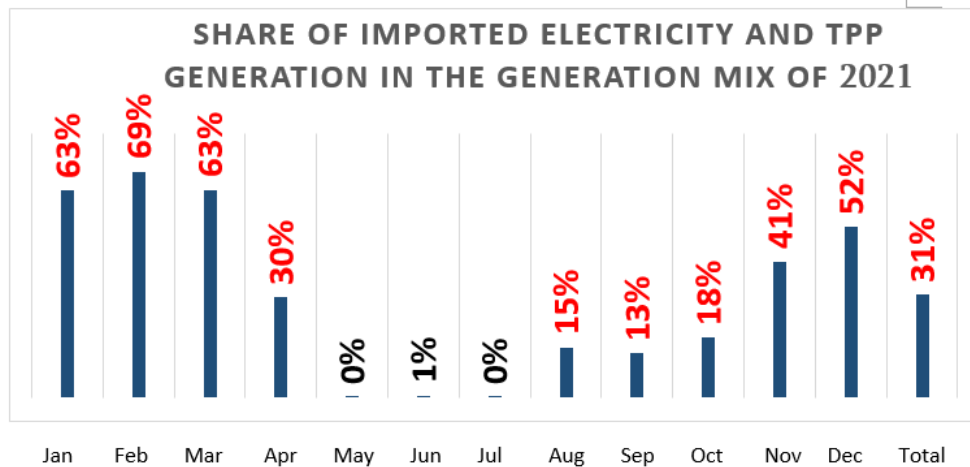
Average annual electricity consumption per capita, measured in kilowatt-hours (kWh) per year.

Our World in Data



Source: Our World in Data based on BP Statistical Review of World Energy & Ember (2021)

OurWorldInData.org/energy • CC BY

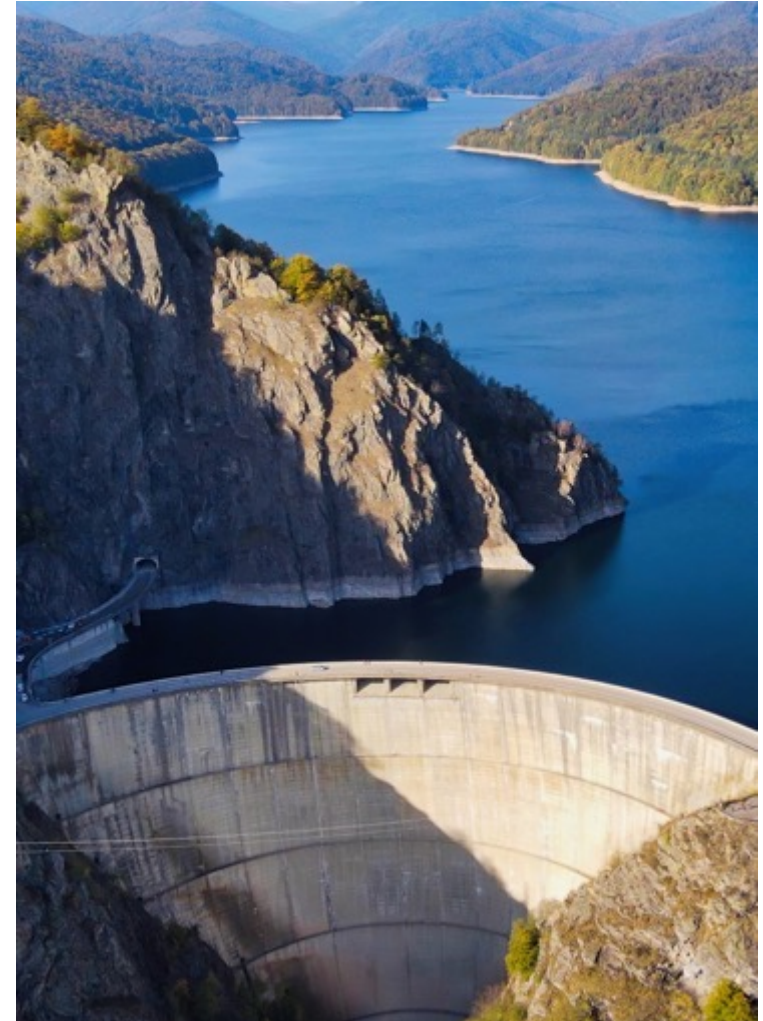


HPPs In Georgia

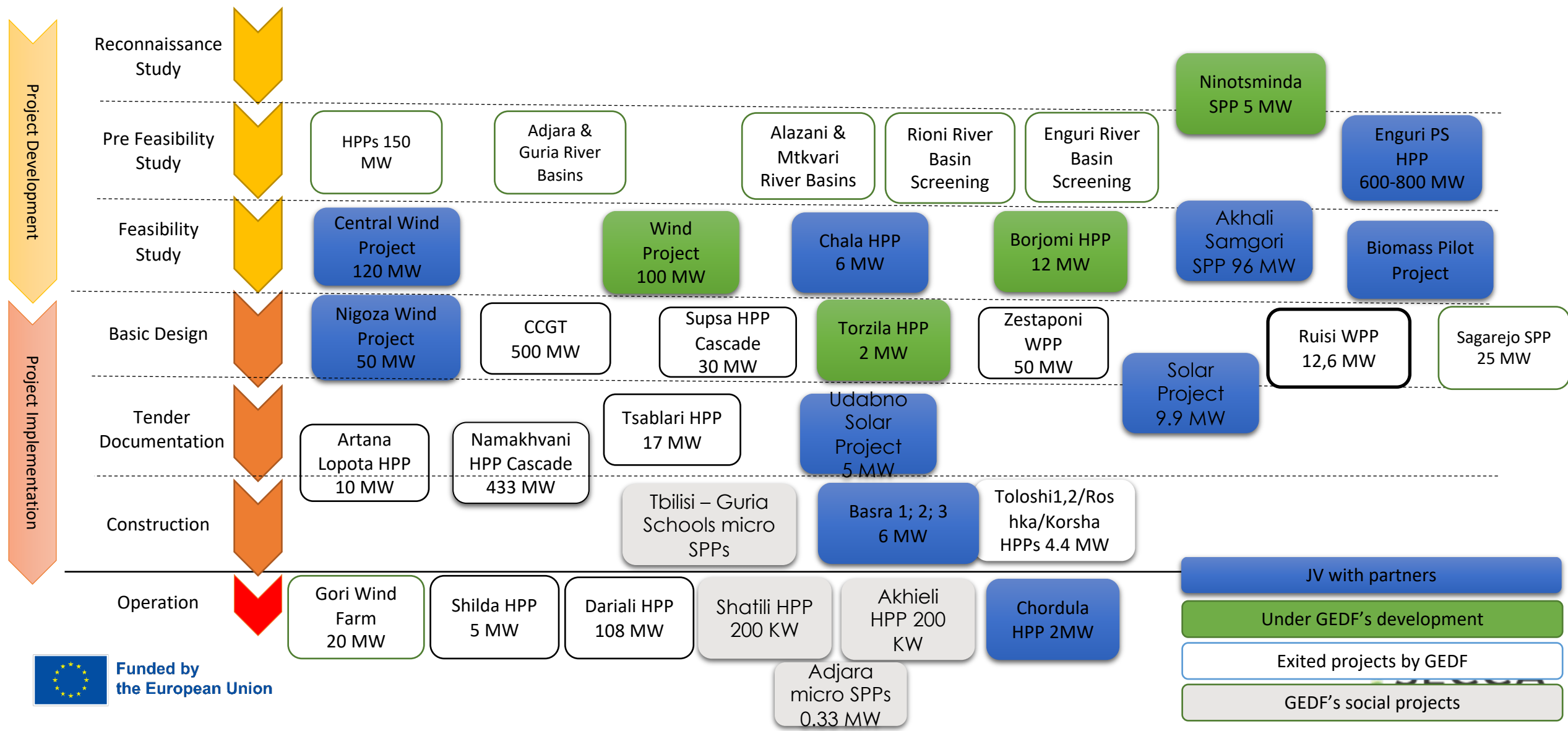
109 HPPs in the operational stage
Total installed capacity - 3 367 MW

176 memorandum/agreement
Total installed capacity - 1935 MW
Total annual electricity production - 9.3 billion kWh
Total investment - 3.83 billion USD

Initiated - 180 projects
Total installed capacity - 1640 MW,
Total annual electricity production - 7.145 billion. kWh

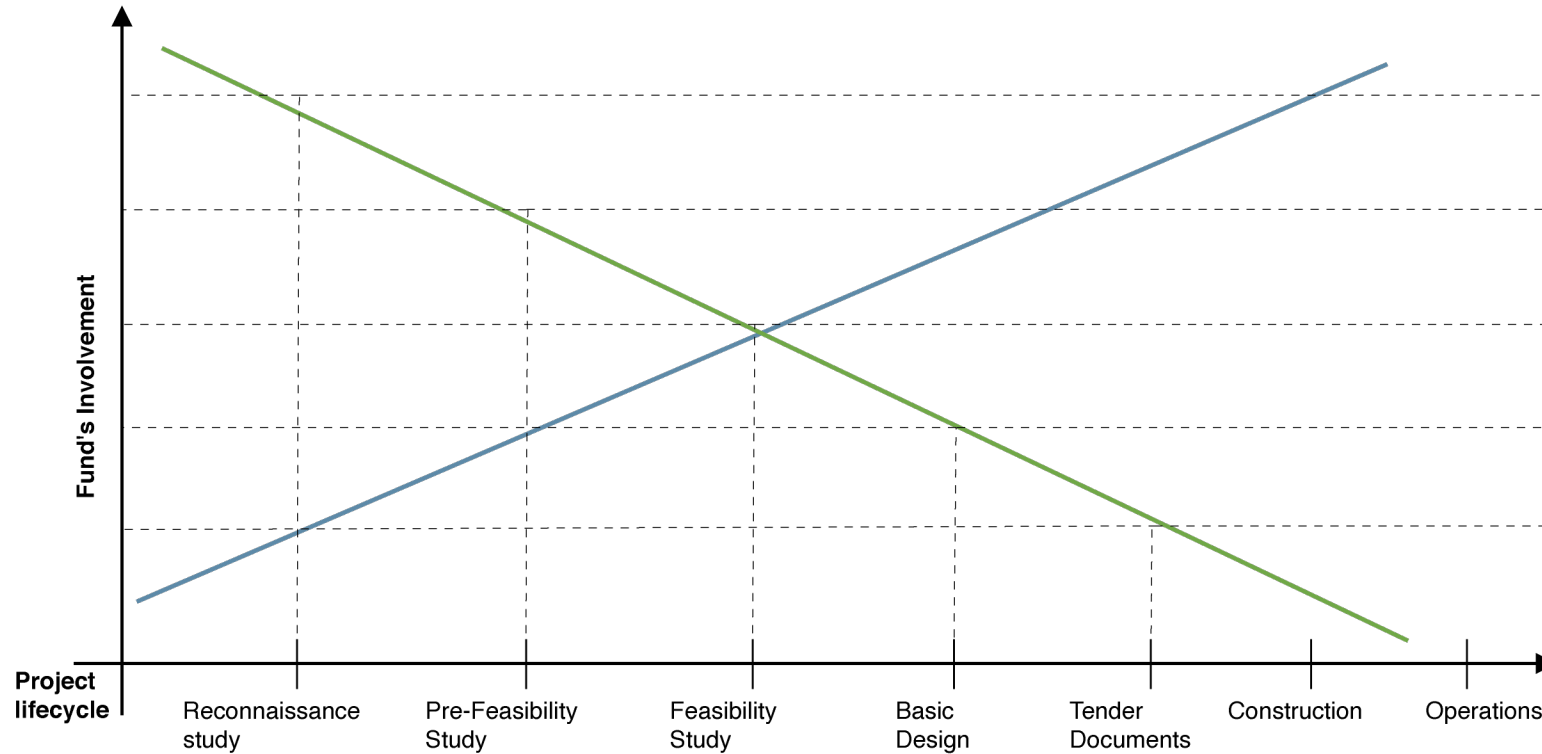


GEDF's Portfolio



Parties involvement

Parties involvement in project development & management processes



Core activities of Georgian Energy Development Fund

Identification and analysis of potential “greenfield” sites including river-basin planning – and investigation of other renewable energy projects

Finance initial costs related to the development of identified energy projects

- Jointly – with a private investors – develop projects with an exit option for the Fund at various stages of development;
- Support developing energy projects;
- Facilitate project investment promotion;
- Support potential financing arrangements with international financial institutions and/or private financial entities

■ GEDF's involvement ■ Investor's involvement

Project initiation process

Project Initiation by GEDF

Tender Opening and Investor Selection – The tender for the investor selection will be governed based on the rules and criteria's published by GEDF on the official Web Page (The investor proposing the most favorable exit Terms for the Fund will be awarded)

Call for investor

MoU with GoG

Investor selection

Investor's commitment

Shareholder Agreement

JVC

MOU / PPA - Ensured Continuity of the project – The Investor will be obliged to Obtain the Construction MoU and the PPA during the previously agreed time period

Shareholder Agreement - The Basic terms and Conditions of the Shareholder Agreement will be also published on the official Web Page of the Fund along with the requirements; The Details will be agreed with the selected investor.

Bank Guarantee - The Selected Investor will be obliged to submit the Bank guarantee in amount of the necessary (agreed in the shareholders agreement) equity contribution within 5 (five) working days from the MoU /PPA signature Date.

JVC – The Joint Venture Company will be governed based on the rules and principles and equity contribution issues previously agreed in the shareholder agreement.

Project Initiation by Investor

Letter of Intent

- Investors write letter of Intent specifying:
- The projects they want to cooperate on and the intended way of cooperation.
- Information about the investor, their background and their view about project implementation plan

NDA and Information Sharing

- IGEDF and Investor/project developer sign Non-Disclosure Agreement and share all the available information on specific projects
- If needed site visits and discussions are made to evaluate projects

Due diligence

- GEDF conducts technical, financial, legal and any other (if required) investigations of the proposed case

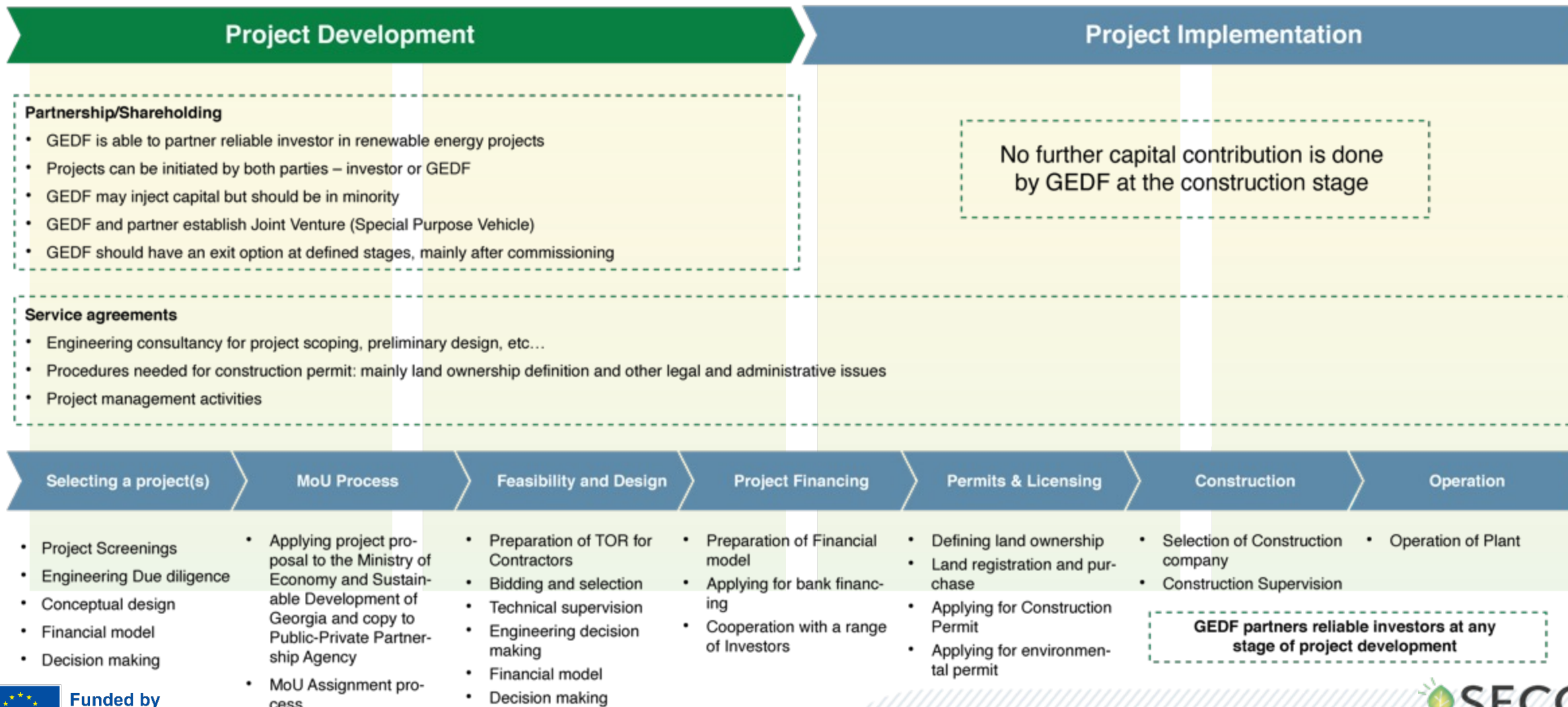
Agreement

- Investor and GEDF make decision on the way of cooperation and projects to cooperate with
- Investor and GEDF sign shareholding agreement/ service agreement. Terms of agreement are negotiable from project to projects.

SPV

- Special purpose vehicle is established for further activities to be taken under Shareholder Agreement considered

Cooperation schemes with GEDF





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