



MINISTRY OF ENERGY OF THE REPUBLIC OF AZERBAIJAN



UNITED NATIONS  
INDUSTRIAL DEVELOPMENT ORGANIZATION



THE MINISTRY OF ENERGY OF  
THE REPUBLIC OF AZERBAIJAN



# 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

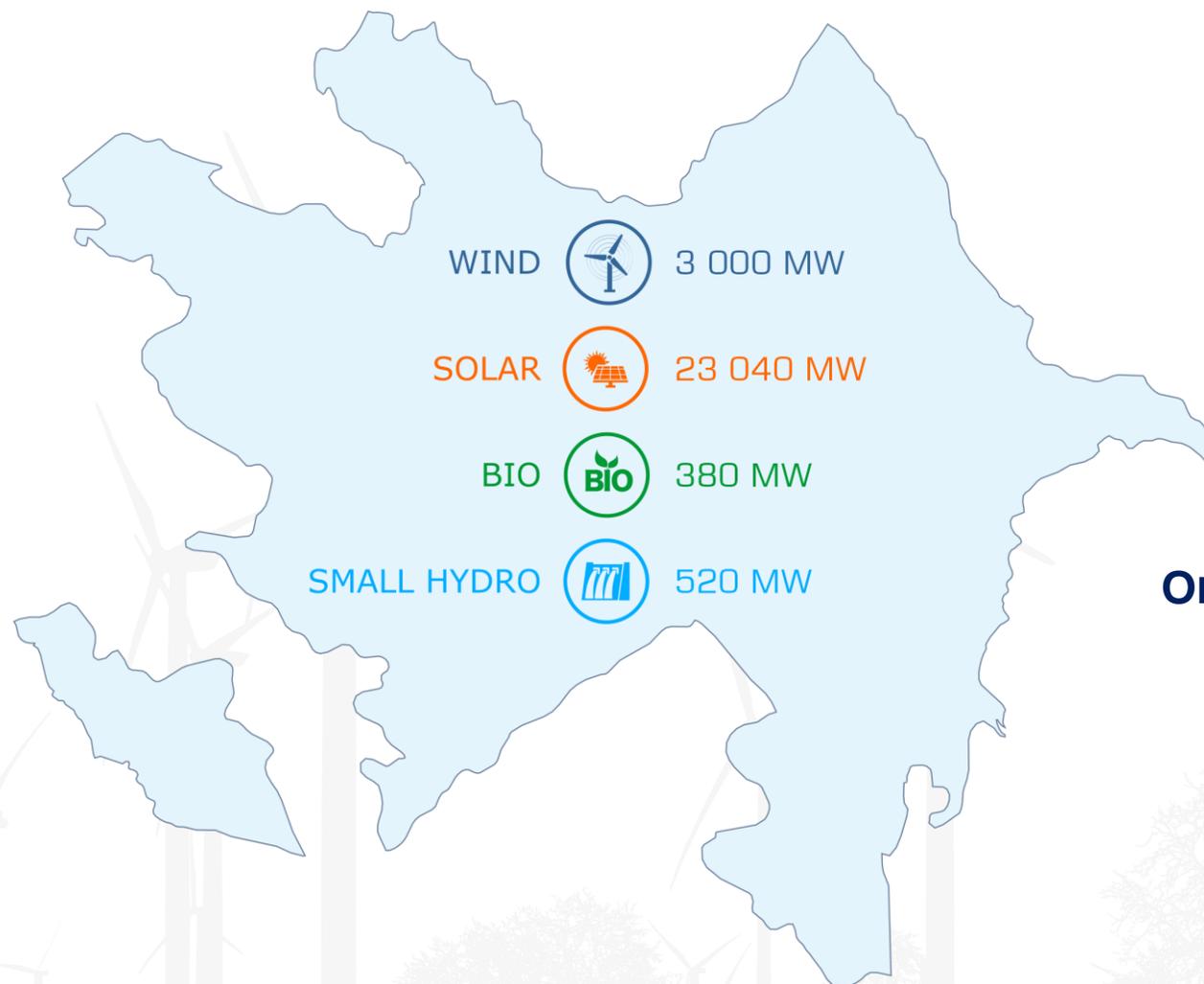
- 40% reduction in GHG emissions by 2050
- Net-Zero goal for the liberated territories by 2050

## 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

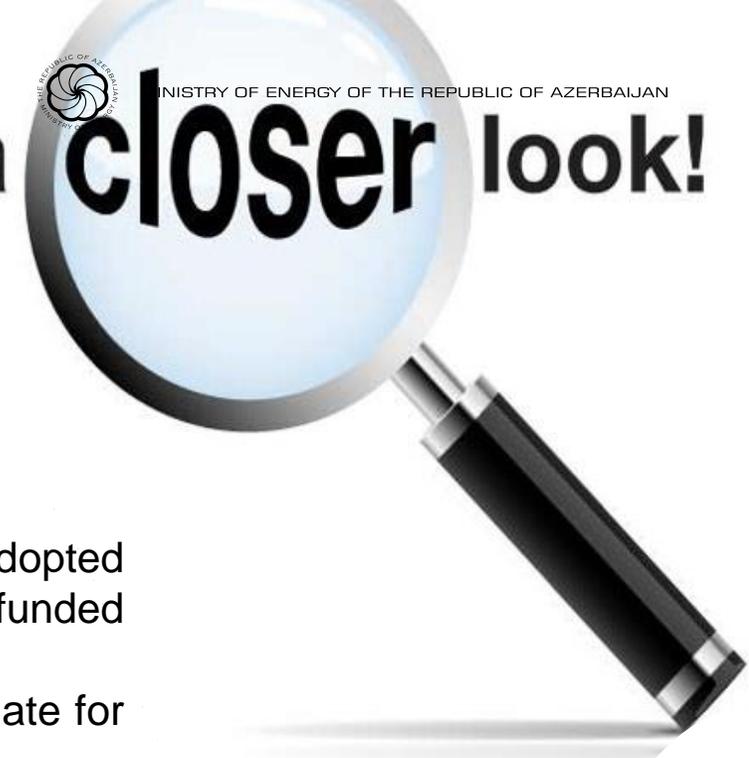




Take a **closer** look!

## 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**

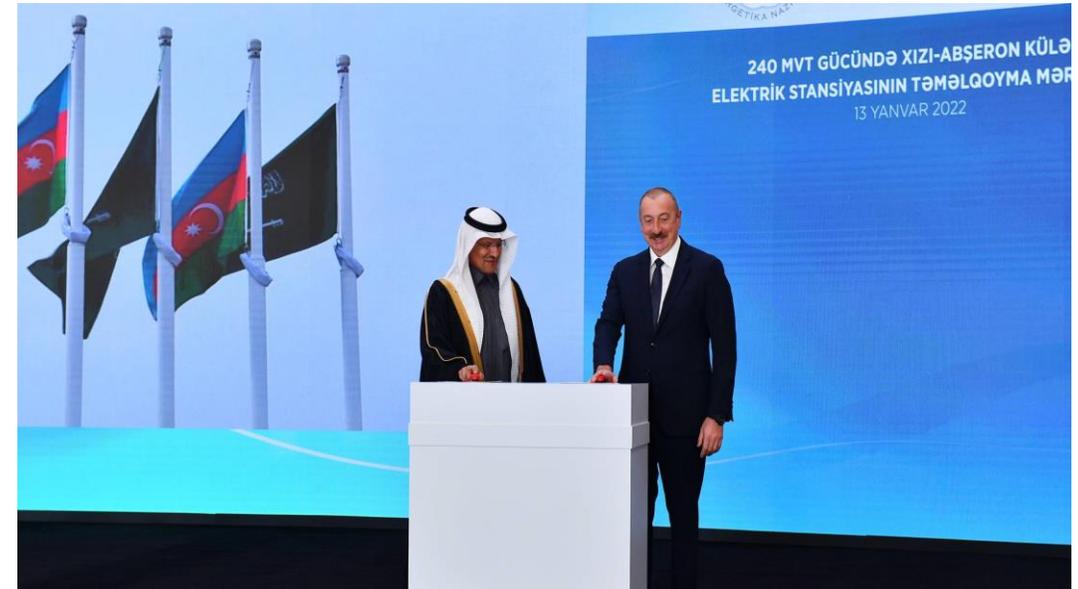
**Main project agreements (Investment Agreement, Power Purchase Agreement and Transmission Connection Agreement) signed in December 2020**

**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](http://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

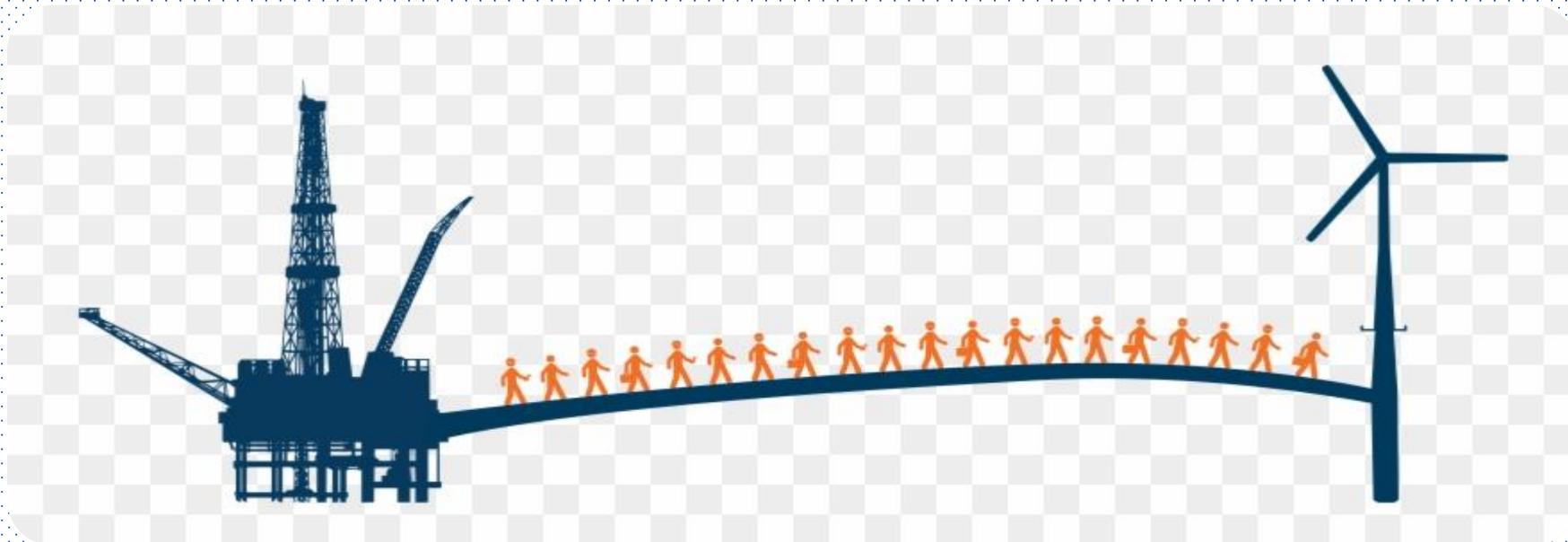
- ❑ Raising awareness in the region on RE and EE policy and legal incentives
- ❑ Upgrading policy frameworks in line with the needs of the Member States and global agenda
- ❑ Regional center for monitoring RE and EE policies and standards



# 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**



**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





# BAYIL PLAZA

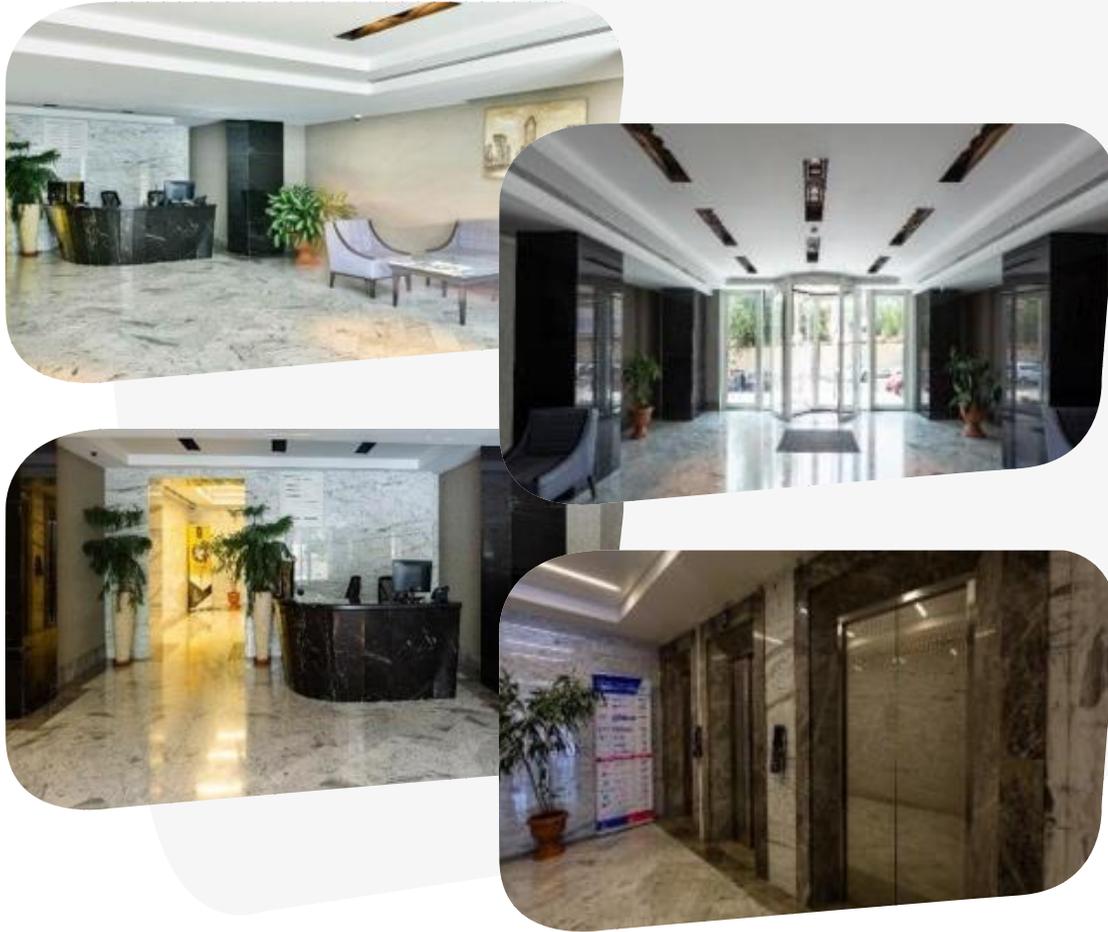
29, Neftchi Gurban Abbasov street



# General information



<b>Built in 2017</b>	<b>9 story building</b>	<b>Renovated</b>
<b>Indoor parking</b>	<b>Panoramic sea view</b>	<b>Opening windows</b>



## Included services

Reception service

24 hour security

CCTV surveillance

Fire alarm system

Maintenance services

Daily indoor and outdoor cleaning

Air conditioning



# BAYIL PLAZA







MINISTRY OF ENERGY OF THE REPUBLIC OF AZERBAIJAN

**Thank you**

