

DESIGNING AN ENERGY SECURITY MANAGEMENT SCHEME FOR GEORGIA

POLICY PAPER SUMMARY



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Authors: Nugzar Uplisashvili, Anzor Dundua



Eastern Partnership Civil Society Forum Georgian National Platform is an association of local and international non-commercial legal entities registered in Georgia, aiming to promote and implement the goals set by the Joint Declarations of the Prague, Warsaw and Vilnius Eastern Partnership Summits and the EU-Georgia Association Agreement of European Neighborhood Policy and other joint events.

Authors: Nugzar Uplisashvili, Anzor Dundua

Editing by: Inge Snip

Summary

An important indicator of a country's development is a notion of energy security, a situation in which a country and its population are protected from all kinds of threats of energy deficiency. Threats usually entail negative natural, technogenic, social-economic, internal and external political factors. Due to the economic and social-political status, energy security is perceived differently in different countries and it is based on different criteria.

Despite Georgia's limited initial energy resources, given its geopolitical location, it is an important transit country and acts as a guarantor of regional energy security. Hence, being an energy corridor is vitally important for Georgia.

Based on the above-mentioned, Georgia, as sovereign country, should establish its own independent energy policy. Realistically, a long-term vision of energy independence, as energy security may become the cornerstones of domestic and foreign policy.

To develop the Georgian economy and establish itself economically and politically on the international arena, it needs to solve its energy security issues on both the national and international level. Furthermore, it needs to determine the minimal amount of energy resources which are vitally important in times of crisis times. Moreover, mechanisms must be put in place to ensure that they are provided in such times. Currently, this mechanism does not exist and needs to be established, which requires an in-depth study and analysis of the current situation.

How the development of the Georgian economy can be fostered requires a complex research and analysis of how problems are formed. To achieve this goal, new tasks must be set which have determined the structure of this document:

- Discussing and analyzing the role and place of energy security in Georgia's sustainable development;
- Analyzing how international energy security is formed and how it impacts Georgia;
- Demonstrating the function and the role of energy security system in the national security structure;
- Analyzing theoretical grounds of energy security at various levels of management and how they function;
- Identifying particularities of the formation and management of the Georgian energy security system;
- Adopting recommendations and mechanisms to constantly control the Country's energy security.

In General, the multi-angle issue of energy security is an issue hard to solve. Given this, to ensure Georgia's energy security, there are more or less accessible first line issues that need to be addressed:

- Studying the current situation with a SWOT analysis. For that the following is needed:
 - a complex (financial and technical) audit must be conducted, analyzed and short term action plan for the field must be elaborated (e.g. for 1 year). For this purpose, an Energy Audit institute must be introduced;
 - "The organic connection of energy, within various economic fields, is established by the energy balance, which characterizes these connections in a qualitative and quantitative manner. It includes all heat-energy resources." Given this, delaying the balance is impermissible, but sadly the official balance of 2015 has yet to be published, which is required to plan necessary resources for heat and energy generation in 2016/2017 and in future years.
- Work must be completed on energy efficiency and renewable energy resources draft laws and these laws must be adopted.
- A regulatory commission must start working to introduce "green" and differentiated tariffs. Also, existing tariffs must be refined. The Commission must study the core funds of licensees and study their expenditures, for which it will have to use a third (independent) expert (to conduct technical audits).
- Georgia must implement energy passports for its regions.
- Given the well-known deficit of qualified human resources in the energy sector, special attention must be paid to educating qualified personnel under the slogan "HR is everything!".
- The country's energy security should be one of the key priorities for the activities of the Government, which must include a refinement of Security and Crisis Management councils, namely their Economics Department where it concerns energy sector and its schemes.

In order to improve the environmental impact, automobile park (especially those that are on the balance sheets of the Government) must be moved from petrol to natural gas.

EaP Civil Society Forum Georgian National Platform

Tbilisi, Georgia 0108
50, Rustaveli ave. II entrance, 4 fl.
Tel/Fax: +995 322 931128
Cell.: +995 599 551128
E-mail: np_events@ei-lat.ge
URL: <http://eap-csf.ge>