



# Boosting renewable energy investment in East Europe, Caucasus & Central Asia

**Seventh International Forum On  
Energy For Sustainable Development,  
Baku, Azerbaijan, 21 October 2016**

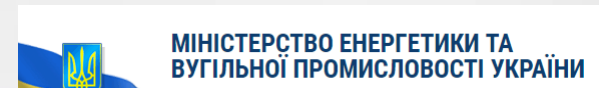
**KATARINA UHEROVA HASBANI**

# *“We connect the dots between public and private sectors on sustainable energy”*

## OUR CLIENTS



## BENEFICIARIES OF OUR WORK



# Outline

1. Global & regional overview of RE investment
2. Conditions required by private investors
3. Case study: Ukraine
4. Conclusion

# Globally, RE investment was booming in 2015

Source



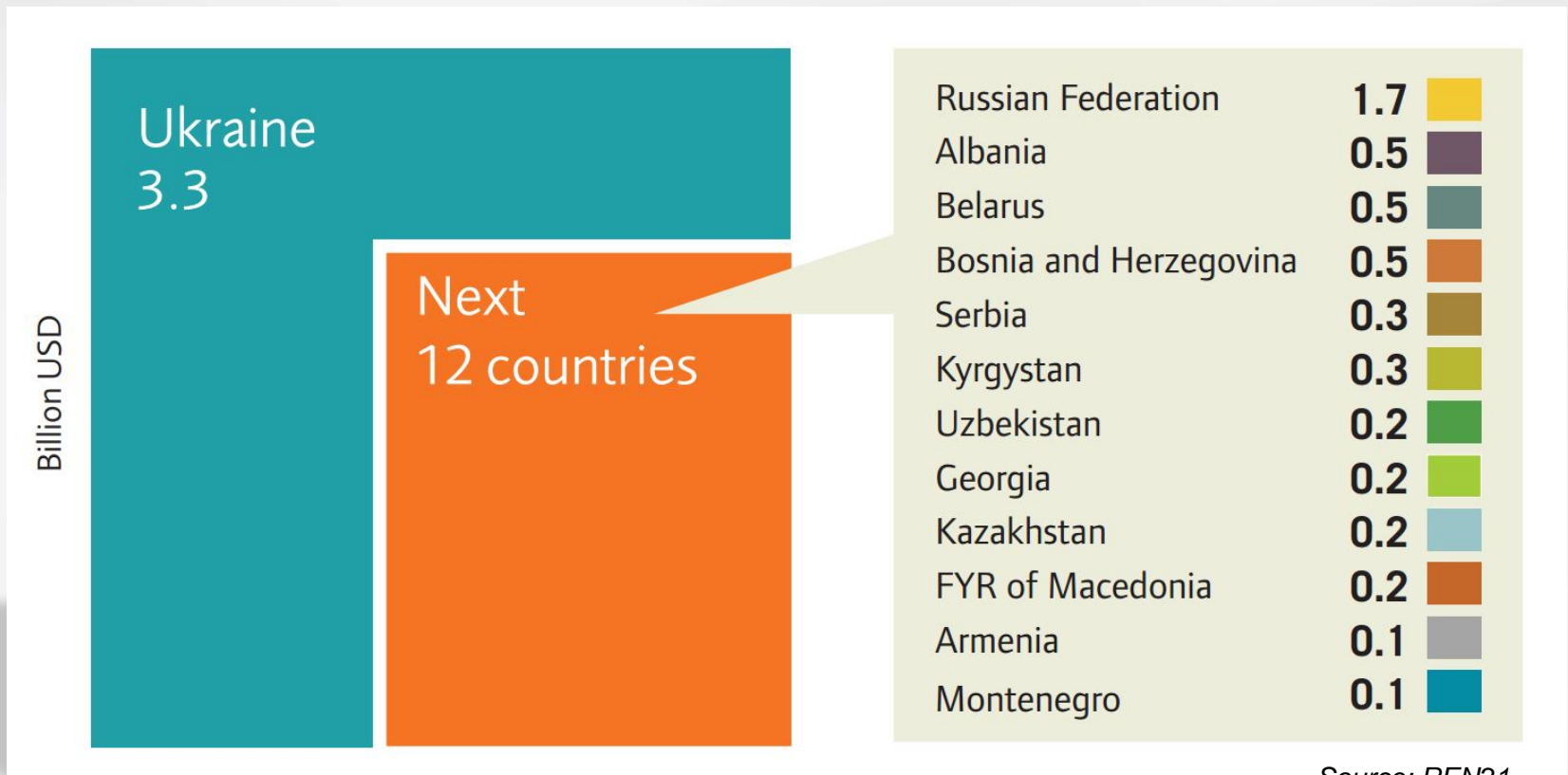
○ New record for global RE investment in renewable energy  
**\$285.9 billion**

○ Global RE power investment (\$265.8 billion) was **more than double of new coal and gas generation**

○ First year when RE investment in developing countries **outweighed that in developed economies.**

# Regional RE investment remains underdeveloped: 0.5% of global USD

## Renewable Energy Investment Overview, 2004 – 2014 – selected countries





# Developments in 2015/2016 are modest

2016: 14 new RE facilities w/39 MW built in 2016. Investment of €42 million. Plans to complete 34 solar of 120 MW.

EBRD has financed the construction of the Gori 20 MW wind farm project

Yeni Yashma wind power plan, 50 MW, under development.

Navahrudek wind farm, 11 MW started operating in spring 2016

Enesol completed a large mobile solar power plant of 1.2 MW

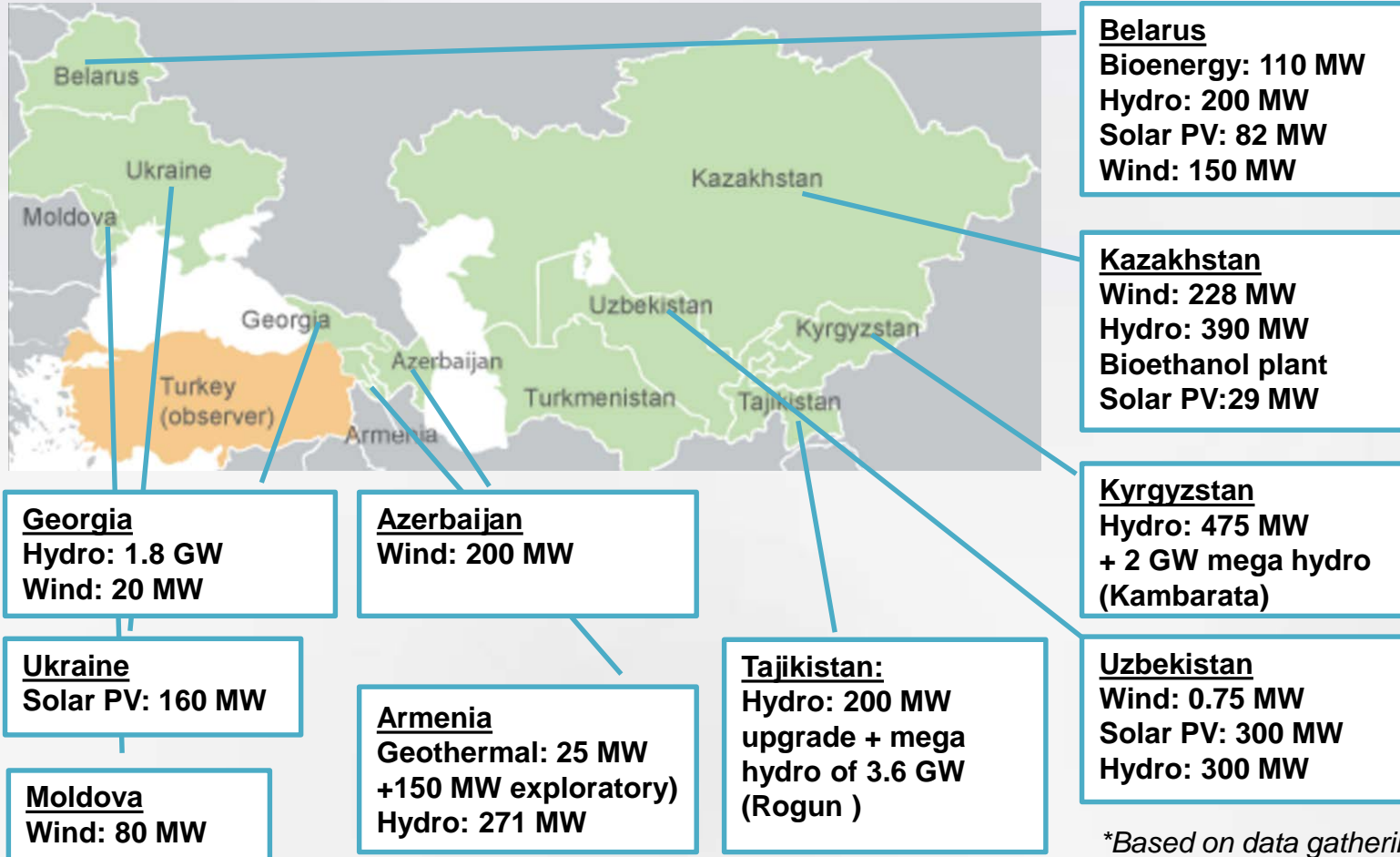
Considers RE auctions & prepares for EXPO 2017



Source: Inogate

# Planned renewable energy projects\*:

680 MW wind, 4.6 GW hydro (excl. mega projects),  
570 MW solar PV



\*Based on data gathering from public sources as of 15 August 2016.

Contact [kuhasbani@revellegroup.eu](mailto:kuhasbani@revellegroup.eu) if you wish to correct/complete any of the data



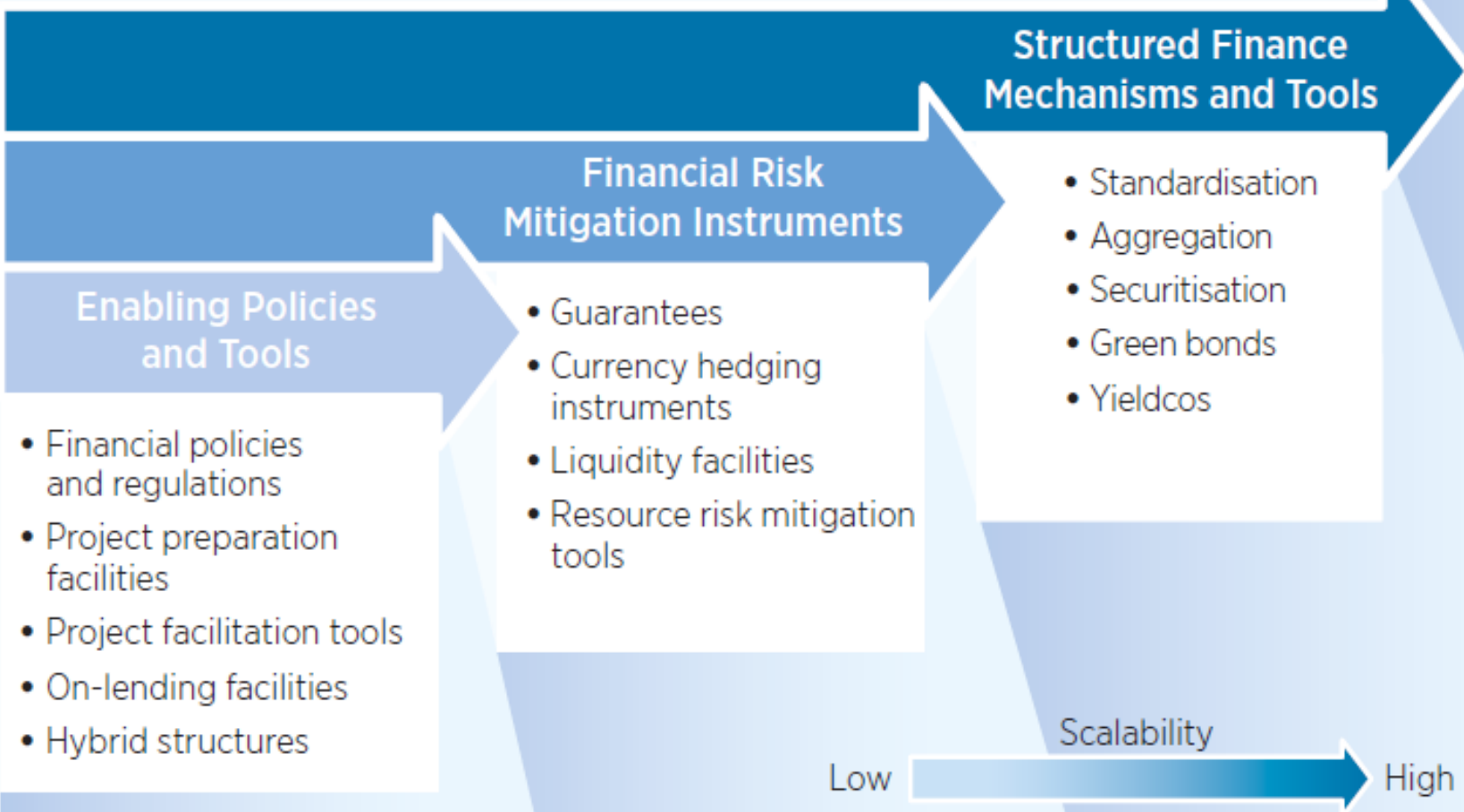
# Boosting RE investment: Private sector perspective

- Market barriers and a perception of high risk limit RE projects development & financing
- 
- Private investors require:
    - Transparent PPA
    - Bankability of projects
    - Interesting return on investment





## Policies, tools and instruments that reduce barriers and mitigate risks



IRENA

# Ukraine: Case study for overcoming barriers to RE projects

- Collected views from private international and domestic RE investors and developers
- Recommendations:
  - Bankability
  - Project development
  - Overarching issues



# Bankability:

What equity investors and debt financiers require to deploy financing in RE projects

- Credible counterparty for the offtake
  - Timing of Power Purchase Agreement (PPA) signing and green tariff
  - PPA template
  - PPA duration extension
  - Balancing costs
- 
- Dividend repatriation



Source: Pixabay

# Project development: Issues related to the ease of developing RE projects



Source: Pixabay

- Grid access
- Permitting
- Land zoning
- Develop capacity in regions for RE



# Conclusions: Essentials to remember



Source: Pixabay

## What investors want:

- PPA
- Easy project development
- Return on investment



# OUR COORDINATES

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# LET'S START THE DISCUSSION!