

 Early Warning System

EBRD-19737

Support for the Implementation of Wind Auctions in Kyrgyz Republic



Quick Facts

Countries	Kyrgyzstan
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	U
Borrower	Government of Kyrgyzstan - Ministry of Energy
Sectors	Energy, Technical Cooperation
Investment Type(s)	Grant

Project Description

According to the Bank's website, the Kyrgyz Republic has set out the priorities for the development of its energy sector in its Sustainable Development Strategy (SDS) for 2018-2040, which is accompanied by the medium-term National Development Program (NDP) until 2026, and the Concept for the Development of the Fuel and Energy Complex of the Kyrgyz Republic until 2030. Key goals set out in these policy documents include reducing the country's dependence on hydrocarbon energy sources through further large-scale up of hydropower and increasing the share of other renewables such as solar, wind and biogas to 10% of the country's total energy mix. Renewable energy development is crucial for achieving energy sector goals, namely: diversifying the sources of domestic power generation, reducing the country's dependence on energy imports, and increasing the energy security, and seeking to increase the share of intermittent renewable energy sources in the country's total power generation.

In February 2024 the Kyrgyz Ministry of Energy ("MoE") and the European Bank for Reconstruction and Development ("EBRD") signed a Memorandum of Understanding that lays the foundation for cooperation in the field of competitive bidding for renewable energy, and specifically the development of wind power projects with a total capacity of up to 300 MW of generation capacity, with an emphasis on attracting private sector investment.

Currently, domestic energy production in the Kyrgyz Republic mainly stems from hydro power plants (90%). There are also significant coal deposits. Oil and natural gas resources are marginal. The country is dependent on the import of natural gas, oil, and oil products. Energy security is a significant challenge because of outdated infrastructure and hydro-based electricity production susceptible to seasonal and weather-related fluctuations, i.e., high demand during the winter months due to heating needs and lower water inflows.

Long-term sustainability and stability of the sector is a key concern. Electricity demand continues to grow, and the country depends on electricity imports. There is one of the lowest residential electricity tariffs in the world and universal electricity access, and the residential sector is the largest electricity consumer. A gradual increase in tariffs is envisaged coupled with social protection measures.

In this context, the EBRD has been tasked by the Kyrgyz Authorities with providing support towards the development of the first wind auction for the country and is looking to engage an expert team for this purpose. This Assignment involves selecting a suitable and conducting a resource and environmental and social suitability assessment, providing support in revising the existing legislative framework as needed to allow for the implementation of a competitive bidding process, designing a competitive bidding process for supporting renewable energy, preparing the documentation needed for the first wind tender in Kyrgyz Republic, and providing implementation support to Authorities to administer the tender.



Investment Description

- European Bank for Reconstruction and Development (EBRD)



Contact Information

No contacts available at the time of disclosure.

ACCESS TO INFORMATION

You can request information by emailing: accessinfo@ebrd.com or by using this electronic form:

<https://www.ebrd.com/eform/information-request>

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