

Renewable energy in Kazakhstan – what to expect?



KAZAKHSTAN

By Shaimerden Chikanayev

Kazakhstan, at least on the surface, seems to have a strong political will to attract investments in renewable energy projects as demonstrated by its official general policy. The government of Kazakhstan, for instance, made an official commitment to increase the share of renewable energy in domestic electricity generation from the current 2% in 2019 to 3% by the end 2020, 6% by 2025, 10% by 2030 and 50% by 2050.

One may get an impression, however, that the Kazakh government pulled these targets for the development of renewable energy out of its hat as such targets are neither justified nor consistently stated in different pieces of legislation and state programs.

“ Coal is dirty, but it is too early for Kazakhstan to jump all the way to renewable energy ”

For instance, Kazakhstan’s Strategic Development Plan 2025, the Green Economy Concept dated the 30th May 2013 and the Order of the Minister of Energy of Kazakhstan No 478 dated the 7th November 2016 (Order 478) set the same target of 3%.

However, the Strategic Development Plan 2025 provides the same 3% target but for all types of renewable energy sources. Order 478 effectively limits the 3% target only for wind, solar, hydro and biogas power plants, whereas the Green Economy Concept stipulates the 3% target only for wind and solar power plants.

What is more confusing is that under the Strategic Development Plan 2025, the 3% target shall be met by 2021, whereas Order 478 and the Green Economy



Concept provide 2020 as the deadline. Other targets also have the same problem.

It seems that the current renewable energy policy documents of Kazakhstan fail to give clear targets for renewable energy development because the government itself does not clearly understand why and how it needs to support renewable energy, especially since Kazakhstan has in abundance of cheap coal and gas.

For instance, it is still not clear what the major goals are for the Kazakh government in terms of renewable energy development in the country: whether it is energy security as in the EU or local industry and technology development as in Russia or somewhere else.

The dilemma is that a case study on Spain showed that even developed and wealthy nations are not always able to instantly afford to turn their backs on coal and gas and have ambitious targets for renewable energy development.

That is why for Kazakhstan it is, evidently, reasonable to set renewable energy targets so as to have enough time to wait when every source of green energy can compete on the cost basis with coal and gas-fired power plants.

Coal is dirty, but it is too early for Kazakhstan to jump all the way to renewable energy. To get from the present fossil fuel to the renewable future, Kazakhstan needs to first move at least from coal to natural gas to reduce emissions from coal and provide the population and the industry the energy it needs in the most cost-effective way. (2)

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