

REPORT OF THE CONNECTIVE CITIES PLANNING WORKSHOP ON SUSTAINABLE URBAN ENERGY PLANNING IN SOUTHEAST EUROPE

> 2-4 November 2021

Partners of Connective Cities





SUSTAINABLE VRBAN

ENERGY PLANNING

LANNING WORKSHOP





Commissioned by



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INTRODUCTION AND OVERVIEW

The Connective Cities Planning Workshop, held on 2-4 November 2021, represented a follow-up <u>learning process</u> for those 10 municipalities that were keen to engage after the Dialogue Event held in May 2021. The workshop aimed at supporting the municipalities in fine-tuning their project ideas and developing them further towards bankable project proposals. Due to COVID-19 pandemic it was decided to conduct the event virtually.



Sustainable Urban Energy Planning was a continuation theme for this year's event gathering representatives of municipalities from Belarus, Ukraine, Kosovo and Georgia along with other interested practitioners in the field. These countries are the parties to international climate agreements and aim to harmonize their legislation with the energy acquis. Belarus, Ukraine, and Georgia have submitted their NDCs to the UNFCCC, demonstrating that the energy sector is the largest GHG emitter with the highest mitigation potential. Kosovo has also adopted several documents as the legal basis for the preparation and adoption of its National Energy and Climate Plan (NECP) to reduce its emissions from the energy sector. As the urbanization rate grows and cities consume more energy, they need to become smarter, digitized, and sustainable. Hence, interventions and investments in cities will become a major tool for contributing to GHG emission reduction at a local level contributing to the overall national targets.

The concept and content of the Planning Workshop were elaborated based on the Connective Cities' methodology and the findings of the pre-workshop interviews that were conducted with the respective municipalities. A three-day workshop was structured in the manner that allowed participants to fully grasp specific aspects and themes in focus for each day.



The workshop was moderated by Ms. Ekaterine Mikadze to guide the process, encourage broader participation and engagement. The Event also featured Keynote Speakers with relevant regional and professional expertise. The assessment and the analysis of the interviews led to designing of the workshop with the topics on energy efficiency, renewable energy, climate finance and project proposal writing. To ensure the most effective outcome, the participants were encouraged to engage in a pre-workshop exercise, to which they already gave consent during the interview stage. The workshop participants received a link to a virtual whiteboard. The virtual whiteboard provided project proposal templates for each city and served as a sharing and learning space for the participants.



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Ms. Ekaterine Mikadze

Ms. Irina Mezurnishvili Facilitato

Day 1

ORIENTATION AND CONTEXT SETTING/CLIMATE FINANCE

Planning Workshop Event was opened by the welcoming notes from representatives of GIZ South Caucasus regional office - Mr. Carl F. Taestensen, Country Director the Connective Cities project, Ms. Ricarda Meissner - GIZ Senior Project Manager and Dr. Irakli Samkharadze, GIZ Regional Network Coordinator Southeast Europe.



Picture 1. Opening of the Workshop - Day 1

The welcoming notes were followed by the presentation of the project ideas of those municipalities that were selected to participate in the Planning Workshop. After the welcoming notes, the moderator of the event, Ms. Ekaterine Mikadze provided the introductory presentation of the project ideas. The presentation provided the following information:

1. Energy Efficient Concept of Rustavi Municipality – Rustavi, Georgia

Aim: Promoting the rapid and sustainable development of Rustavi energy-efficient infrastructure through employee qualification raising, peer-learning from local and international colleagues, piloting several projects, and fundraising activities.

2. Installation of the 5GDHC (5 Generation District Heating and Cooling system) – Kamenica, Kosovo

Aim: To increase the energy efficiency for space heating in residential and business sector buildings by using innovative technologies. Activities foreseen for this change consist of feasibility and financial studies, engineering design of the 5GDHC system, its installation, and functional monitoring.

3. Ensuring energy-efficient performance of the PTWM-50 boiler – Brovary, Ukraine Aim: Modernization of the boiler to increase efficiency from 20% to 100% through technical re-equipment of an automation system and convective replacement parts.

4. Construction of a boiler house operating on pre-RDF fuel – Slonim, Belarus

Aim: Modernization of the existing boiler house to use pre-RDF fuel produced at the municipal waste sorting station to reduce the amount of waste buried in the landfills and minimize the negative impact on the environment.

5. Supporting usage of the electrical vehicle and reducing emissions – Kutaisi, Georgia

Aim: Promoting usage of electric cars in the city and emission-free means of transportation by placing 5 electrical fast chargers in the city and using the electric shuttle bus to connect the city with the international airport.

6. Transformation of municipal (public) building(s) into; green buildings – Gori, Georgia

Aim: To equip public buildings with "green" features, such as installing energy-efficient lighting and appliances, water-saving plumbing, solar panels, and modernizing ventilation systems with energy-efficient heating and cooling functions.

7. Boratyn - modernization of the street lighting.

Aim: The city started cooperation with GIZ and is developing a project to change the outdated 30 km street light with led lighting. The city is also keen on increasing the energy efficiency of public buildings.

8. Development of alternative economic activities through energy crops cultivation - Vozdvyzhevskaya, Ukraine

Aim: To grow energy plants, such as - paulownia, energy willow, poplar, and others to provide fuel for heating systems of public buildings and to obtain commercial benefits, replace fossil fuels, and achieve emission reduction.

The first day additionally featured two keynote speakers. First keynote speaker was Mr. Seth Landau, Principal Consultant at E Co. Ltd.

Mr. Seth Landau is a Principal Consultant at E Co., with more than 15 years of professional experience in fields of project development and design, climate change analysis, market assessment, climate finance, with working experience in Croatia, Georgia and Kosovo.

Mr. Landau provided a presentation on the various financial resources and schemes available for the municipalities of the Southeast Europe (SEE) region, highlighted the climate finance landscape and climate mitigation and adaptation finance portfolio as well as importance of partnerships when seeking financial support and need for more readiness to receive support through loans rather than grants. The second keynote speaker of the day was Dr. Olha Krasovska, project proposal writing expert.



Picture 2. Keynote speaker Mr. Seth Landau

Dr. Olha Krasovska is SME policy expert, EU4Business Facility and SME Performance Review independent consultant, Reviewer of the Science Fund of the Republic of Serbia and Associate Expert of the Blomeyer & Sanz. Dr. Krasovska's professional record includes her experience of conducting financial project proposal writing trainings for a number of municipalities. Dr. Krasovska is a Member of European Evaluation Society Since 2018 and head of Ukrainian Evaluation Association since 2020

Dr. Krasovska introduced participants to the project proposal writing. She highlighted the importance of various elements of a project proposal, including: the process of stating the problem, goal setting, proposing the solution, defining project activities, results, setting measurable indicators, assessing risks (and providing potential solutions), understanding donor expectations. The presentation was followed by two breakout rooms, where the representatives from the municipalities had an opportunity to work on their project idea template that was communicated with them before the workshop. The participants had an opportunity to directly discuss additional topics with Dr. Krasovska on how to elaborate their proposal ideas. The day was finalized by a closing plenary session summarizing outcomes of the first day.



Picture 3. Keynote speaker Dr. Olha Krasovska

Detailed information of Day I, including presentations and the recording can be found under <u>Virtual Event's</u> dedicated <u>session</u> on Connective Cities Platform.



ENERGY EFFICIENCY AND RENEWABLE ENERGY ON A MUNICIPAL LEVEL

Mr. Giorgi Abulashvili is a Director of Energy Efficiency Centre Georgia and researcher of Scientific Research Institute of Mining Mechanics of Georgian Academy of Sciences. Mr. Abulashvili's professional background covers fields of energy efficiency and environmental protection. He also prepares recommendations on energy efficiency and renewable energy policies and regulations.

The day was opened by the presentation from Ms. Irina Mezurnishvili on the challenges and needs of the 10 participating municipalities to give new and old participants a quick recap as well as the main barriers in the region.



Picture 4. Workshop Day 2

The session was followed by the third Keynote Speaker, Mr. Giorgi Abulashvili, Director the Energy Efficiency Center Georgia.

The keynote speech focused on the steps that are important during the Energy Efficiency (EE) project implementation phase. The themes of identifying baseline and having proper monitoring, reporting and verification schemes were also highlighted by the speaker. The two presentations were followed by a peer-to-peer exchange session with the municipalities from the Connective Cities Network. The participant municipalities were divided into two groups with a facilitator and a guest speaker. First group of participants had an opportunity to listen to the practices of the municipality of Würzburg, Germany represented by Dr. Christian Göpfert. The other group shared experiences with Ms. Nour

Nabil Alkhatib representing the City of Amman, Jordan. Peer exchange facilitated exchange



of experiences on setting climate targets on a municipal level, institutionalization of mitigation and adaptation measures, improved waste management practices and focus on utilization of renewable energy sources.

Picture 5. Keynote speaker Mr. Giorgi Abulashvili and moderator Ms. Ekaterine Mikadze

The session was followed by an exchange on Gender and Energy, led by Ms. Anna Samwel, Head of Branch Office, Women Engage for a Common Future International. Ms. Samwel spoke about the importance of raising awareness about gender consideration in energy management and the introduction of challenges faced by women in the sector. As women are still underrepresented in leadership positions and the field, several specific interventions were offered by Ms. Samwel to make project ideas more gender-inclusive. Such interventions presented were related to setting quotas for women, adoption of the specific indicators and monitoring processes within the project, leadership training, awareness-raising, and gender sensitivity training.



Picture 6. Ms. Anna Samwel, head of WECF and moderator Ms. Ekaterine Mikadze

Detailed information of Day II, including presentations and the recording can be found under <u>Virtual Event's</u> dedicated <u>session</u> on Connective Cities Platform.



HANDS ON LEARNING EXPERIENCE DAY

Third day was opened by a panel discussion which unfolded climate finance opportunities for the SEE municipalities from the perspective of development and commercial banks. The panel discussion was attended by the representatives from EBRD, ADB and TBC bank.



Picture 7. Workshop Day 3 - Panel Discussion

Ms. Tea Papuashvili, Project Analyst at ADB, GRM, CWRD

Ms. Sopho Chikhradze, Principal Banker at EBRD, Sustainable Infrastructure Group

Ms. Maia Kacharava, Financial Manager, JSC TBC Bank

The EBRD is the most active development bank in the region to support implementation of the EE projects. ADB has a long-term experience in working with cities and municipalities, while TBC is the first commercial bank in the region to receive the accreditation from the Green Climate Fund. The panel discussed the challenges and difficulties associated with the creditworthiness and the legal environment needed to increase the access to finance by the municipalities. Importance of capacity building in this direction was also highlighted during the session.

The second part of the day was dedicated to the more practical exercise, which aimed at offering virtual space and time to the representatives of the municipalities to use gained knowledge and fill in the template. Each municipality was guided independently through the process. After the exercise, the representatives of the municipalities had an opportunity to present their work and receive feedback from Dr. Krasovska, who rejoined the workshop on the third day.



Picture 8. Workshop Day 3 – Report Back and Feedback Session

The main recommendations to the representatives of the municipalities from keynote speakers may be summarized as follows:

Thematic Topics	Recommendations
Climate Change	As the global momentum is growing, tagging the projects as
	climate projects is very important
Budgeting	Diversification of municipality budget sources are crucial,
	especially work needs to be enhanced in turning municipalities into
	creditworthy, long-term borrowers
Greener procurement	Reforms in public procurement and inclusion of externalities in
	procurement costs
Data availability	Project proposals need to include as much quantified
	information/statistics as possible
Project Design	Project outcomes need to be specific, project aims should be
	realistic
	The projects should have measurable outcomes and indicators
Partnerships	Building partnerships is important at every stage of project
	development cycle
Gender	Gender aspect needs to be considered in every project idea, this
	can be achieved through setting specific gender quotas, ensuring
	women participation in decision-making process, setting relevant
	gender indicators, etc.
Social Inclusion	A successful project proposal should include social inclusion
	component
MRV	Proper monitoring, reporting and verification system is necessary
	especially for energy efficiency projects

The workshop was concluded with a presentation from Ms. Elene Samukashvili about the importance of using the Connective Cities network as a platform for sharing the experience and networking.

Detailed information of Day III, including presentations and recording can be found under <u>Virtual Event's</u> dedicated <u>session</u> on Connective Cities Platform

OUTCOMES OF THE WORKSHOP

The participants of the Workshop are advised to work on their project ideas and build networks, they also have envisioned necessary next steps for the progress of their projects, identified further needs for specific technical or financial expertise. All the participants have better ideas on climate finance, mitigation potential of municipalities, and project proposal writing skills. A set of recommendations for the experts are prepared to follow up on the peer-to-peer exchange, especially to provide financial advisory.

FURTHER STEPS

The three-day workshop allowed for the exchange between the municipalities and the Connective Cities team that will continue to the next stage, involving peer-to-peer exchange with the representatives from German municipalities and other relevant experts, needed for project development.

The Connective Cities methodology at this stage emphasizes on sharing experience and peer-to-peer exchange. Therefore, it is recommended that expert missions tailored to the project idea of the specific municipality will be conducted. The experts will hold meetings with the respective municipalities to provide knowhow on financial matters and elaborate financial components of the project ideas. Additionally, the expert missions will deliver guidance and recommendations to the representatives of the municipalities and support building networks among them. The network and the future activities will be supported by the CC team via <u>Connective Cities platform</u>.

The outcome of this stage will be to have a number of project proposal ideas transformed into project proposals ready to be submitted for further assessment and elaboration by experts and potential donors.