

Successful energy management in Ukrainian municipalities

Smaller towns are reducing energy consumption in public buildings with the help of local energy service providers



The challenge: Small towns with big problems

Energy consumption in Ukraine is extremely high compared with countries in the European Union. Smaller communities in particular suffer from the high energy costs that make up the second largest item of expenditure in the municipal budget after staffing. The high costs are due to antiquated supply systems and the dependence on expensive energy imports from other countries.

Around 1,000 hospitals are among the most energy-intensive public institutions in Ukraine, sometimes spending up to 20 percent of their budget on energy. The quality of their care also suffers as a result, as there is often not enough money for energy and the procurement of essential medical goods. Renovation measures could bring about changes, but smaller towns and hospitals often lack the financial and human resources for this. With no municipal energy managers, they lack the specialist knowledge to develop convincing project proposals that are eligible for funding or to produce sound databases for energy

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Contact:	Ricardo Kuelheim / ricardo.kuelheim@giz.de

use in individual public buildings. Tailored advice can help local authorities make the most of their potential for efficient energy use in public buildings.

Our approach: Lower energy consumption and strong service providers

GIZ has been commissioned by the German Government to help Ukrainian communities to save energy systematically and on a large scale. In a clear and transparent manner, GIZ demonstrates energy savings potential in the municipalities and, using comprehensible cost-benefit considerations, conveys the practical measures that can be implemented. In this, the project places a special focus on hospitals. Municipal and hospital staff discover more about the benefits of, options for and instruments of energy management through further training and advisory services. For example, they learn where excessive energy occurs and which technologies they can employ to reduce consumption. In addition to this technical know-how, GIZ also raises awareness of efficient energy use and teaches project management skills.



In trainings, experts learn more about new methods of energy management

Besides town councils, external service providers such as auditors and building engineers are also involved in the project. Training courses teach them how to carry out energy audits and retrofit projects to international standards – including planning, preparing and implementing the activities. With their improved services they can help municipalities to save energy and money. The project also promotes better cooperation between municipalities, hospitals and service providers and thus ensures that the measures are planned and implemented correctly. As a result, local people benefit from upgraded public buildings, such as properly heated classrooms and hospitals. At the same time, owing to the savings in energy costs, municipalities can invest in alternative services – to the advantage of all residents.



Ukrainian experts learn about new heating technologies in a public building



In trainings, participants discuss energy management in small cities



Svyatoslav Pavlyuk: “Small communities learn to use services properly”

Svyatoslav Pavlyuk, Managing Director of the association *Energy Efficient Cities of Ukraine*, is very familiar with the activities of the *Energy Efficiency in Municipalities II* project and reports:

“This project is very important for Ukraine and the small municipalities, which so far have received insufficient attention from international donors.

Our results: 20 communities are just the beginning

With the support of the project, the first 20 cities have set up a municipal energy management system and have reduced their energy consumption by up to ten percent each year. By early 2020, more than 300 energy officers from municipalities and hospitals had taken part in training courses and study trips to familiarise themselves with improved energy management. Partner cities and more than 100 hospitals are provided with professional equipment and measuring devices, which can, for example, be used to monitor energy efficiency. In addition, more than 100 external service providers – such as engineers, energy auditors and energy managers – received further training: they learned more about the energy-efficient renovation of buildings and are now in turn ensuring that local authorities and hospitals can save energy. Furthermore, authorities and hospitals can obtain grants for external services such as energy audits and the development of retrofit plans.

As part of the project, GIZ supports the *Association of Ukrainian Cities*, which has established regional networks of energy managers in three regions. Through the networks, representatives from 46 local authorities meet regularly to exchange experiences and learn from each other and from experts. In addition, the specially developed online platform *Misto EM* collects information on municipal energy management and the practical experiences of various municipalities. Communities and service providers benefit from materials, webinars and online courses. By the start of 2020, 57 municipalities and 55 companies were active members of the platform.

The project not only supports the energy sector, but goes one step further and strengthens the local market: providers of energy efficiency services are trained, jobs are created, public buildings gain in comfort and local authorities can reduce their energy costs. Small towns with professional energy management systems learn how to properly use the services of local companies.”

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GIZ Ukraine
Energy Efficiency in Municipalities II
16b Antonovycha Str.
01004 Kiev, Ukraine
T +380 44 594 07 63
F +380 44 594 07 64
I www.giz.de/ukraine

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