

EBRD GREEN CITIES ENERGY COMPACT: CLEAN AND AFFORDABLE ENERGY IN CITIES

EBRD Green Cities supports transition to a green, low-carbon and resilient future for cities and their residents, through targeted investment, policy actions, and capacity building. With nearly 60% of the global population currently living in cities, EBRD's Energy Compact focuses on cities as the key to combat climate change by taking relevant actions (investments and policies) that, among others, will enable the energy transition envisaged in SDG7 on clean and affordable energy.

Sustainable infrastructure is a crucial part of accomplishing Agenda 2030 for Sustainable Development. Cities are a central force for change in the battle against climate change, as the source of nearly three quarters of global greenhouse gas emissions and given the enormous environmental challenges they face. The actions detailed in EBRD's Energy Compact represent an opportunity, cemented by the larger EBRD Green Cities programme, to address the pressing need for infrastructure investment while focusing on cities.

EBRD Green Cities offers a systematic approach to identifying and investing in sustainable infrastructure that address climate change and environmental challenges in cities. The key innovation of this programme is linking strategic urban planning to investments. The programme offers more than EUR 5 billion of EBRD and donor support to cities in the regions that the European Bank for Reconstruction and Development (EBRD) operates in. EBRD Green Cities is a 'one stop shop', providing cities with support for development of tailored Green City Action Plans (GCAP), finance for Green Cities infrastructure investments,

alongside capacity building, technical assistance and knowledge sharing.

ACCOMPLISHED IMPACT IN CITIES THROUGH THE ENERGY COMPACT:

- 9 new cities have joined EBRD Green Cities since the launch of the Compact. These cities are embarking on a journey to build better and more sustainable futures for their residents. This includes investments that benefit SDG7: Clean and Affordable Energy, SDG11: Sustainable Cities and Communities and more.
- Between August 2021 to May 2023, 16 cities launched their GCAP development, 11 cities completed their GCAPs and, of these, 7 have been officially adopted by the relevant municipalities. EBRD has also continued to finance sustainable infrastructure in new and existing Green Cities, with EUR 1.59 billion in EBRD funds committed in 39 projects. These projects will result in energy savings of 3,789,326.42 GJ/year or mitigation of 3,730,206 tonnes of CO₂-equivalent/year, and expected installation of 31.1 MW of renewable energy capacity. The total population expected to benefit is approximately 41 million people.

ENERGY COMPACT COMMITMENT	CURRENT STATE	PROGRESS SINCE THE COMPACT LAUNCH (AUG 2021 – SEP 2023)
Complete the development of 50 Green City Action Plans (GCAPs).	29 cities completed their GCAPs.	+11 cities completed their GCAPs. +16 cities launched their GCAPs. +9 cities joined the Green Cities programme.
Invest approximately EUR 1.9 billion in Green Cities investments.	EUR 2.6 billion committed in 85 Green Cities investments.	+EUR 1.59 billion EBRD funds committed in 39 projects.
Each Green City to make an average of at least three investments (with or without EBRD financing).	9 investments per city on average. This includes both projects with EBRD under EBRD Green Cities, other projects resulting from GCAPs with financing from other financial institutions, and self-funded projects.	

TABLE 1: Progress against UN Energy Compact goals.

The Compact goals are to complete the development of 50 Green City Action Plans (GCAPs), invest circa EUR 1.9 billion in Green Cities investments (across various sectors, including district energy, renewables integration, urban transport, water, solid waste and more). In addition, EBRD aims for each Green City to make an average of at least three investments (with or without EBRD financing) that address priority environmental challenges identified by the GCAP.

HOW DOES THE CITYWIDE PROGRAMME IMPLEMENTATION WORK?

All participating cities undertake a trigger project to improve their local environment and then, with EBRD's help, develop a Green City Action Plan ('GCAP') to create a tailor-made list of further sustainable infrastructure investments and policy actions most suitable for addressing their identified environmental challenges.

The GCAP includes emphasis on gender and economic inclusion, climate resilience, renewable energy and the private sector. The GCAP is highly participatory based on a stakeholder-driven planning process, involving local citizens, the private sector, civil-society organizations, and the public sector. Following the GCAP completion, EBRD continues to support cities to implement their GCAP by financing identified sustainable infrastructure investments ('follow-on' projects).

ULAANBAATAR

Extending the reach of Ulaanbaatar's district heating contributes to ensuring universal access to affordable, reliable and modern energy services.

GAZIANTEP

Construction of a solar plant in Gaziantep, which will result in energy savings and the supply of clean energy to the grid. The electricity produced by this plant will be consumed by the city's facilities such as public transport and water assets, increasing the city's capacity to provide better services to its residents.

WALBRZYCH

Energy efficiency projects being pursued include retrofitting and thermo-modernizing city buildings in Walbrzych, Poland, converting the heat source to either heat pumps or gas heating in order to provide better living conditions for residents.

SAMARKAND

Introducing electric buses in Samarkand improves energy efficiency by decarbonizing urban transport.



When it comes to addressing the climate emergency, cities must be front and centre: they account for over 70 per cent of global emissions and energy use. This is why we established our flagship EBRD Green Cities programme in 2016, designed to introduce bottom-up planning processes through Green Cities Action Plans around green priority investments for cities. We now have 60 partner cities and we are set for a strong growth of our community through this critical decade to 2030. Through this programme we have financed 85 green and sustainable infrastructure projects.

Renewable energy is also the greatest opportunity to accelerate the energy transition while also helping to solve the energy access issue. We are now actively incorporating renewables into our Green Cities programme: installing solar panels to supply energy for green trolley buses, operate water and waste services, and even a pioneering solar thermal district heating project in Pristina, Kosovo, a country entirely dependent on lignite coal. We are very pleased that with this Energy Compact for EBRD Green Cities, we continue to reinforce our SDG7 commitments to deliver clean, accessible and resilient energy as a core priority for our Green Cities.



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VIDEO: EBRD Green Cities UN compact announcement by Nandita Parshad, 2021.