Promoting Industrial Energy Efficiency in Ukraine and Neighbouring Countries

Workshop jointly organized by UNIDO and UNECE in partnership with the State Agency on Energy Efficiency and Energy Saving of Ukraine

Kyiv (Kiev), Ukraine, 27-28 May 2019

Background and rationale

A common challenge facing the development of any policy is how to design it with a good understanding of the policy end-user in mind. In the case of industrial energy efficiency policies, the policy end-user can be, amongst many others, a large or small enterprise, publicly or privately owned, and in an energy intensive or not energy intensive sector. However, policy makers must not only consider these many different types of policy end-user, but also the fact that general understanding and economic appreciation of energy efficiency is often simply lacking within industry.

In order to understand the industrial energy efficiency policy end-users to an extent that policy developments can be adequately adapted to their business needs, while still aiming to achieve national energy efficiency targets, early and comprehensive engagement between both parties is a must. In addition, and very importantly, this type of policy maker and end-user engagement helps build up a level of trust and confidence that is key to the overall uptake and success of subsequently developed policies. Finally, when considering the merits of energy efficiency and the argument for its implementation, efficiency should be considered as much for its business case as its impact on reducing climate change. Communication of the business benefits of energy efficiency to the policy end-user and a policy structure that maximises these benefits will only strengthen industry’s confidence in the policy approach and incentivise uptake.

Taking into consideration the status of industrial energy efficiency developments in Ukraine and neighbouring countries, this workshop will specifically focus on progressing engagement between energy intensive enterprises (the policy end-user) and policy makers. The ambition of the workshop is to demonstrate through peer-learning and exchange of experience how taking into consideration the perspectives of the policy end-user concerning technical, business and confidence challenges can help provide valuable input into effective policy developments. Importantly, the workshop will not just focus on the challenges that need to be overcome but will also enable a sharing of experience with proven solutions and mechanisms that could be adapted to the needs of this region.

Objective
On the basis of building a foundation of trust and confidence, the workshop will bring policy makers and industry together in pragmatic and informed discussion in peer-learning environment to develop a common understanding of the challenges facing widespread energy efficiency implementation within industry, and, in turn, identify and agree on potential voluntary and/or mandatory mechanisms and solutions that can be viably further investigated on a national level.

**Workshop outcomes**

1. Improved understanding of and agreement on the main challenges industrial companies and policy makers face when considering energy efficiency implementation

2. Capacity building and improved understanding by policy makers and industry representatives on the application of policy best practices and mechanisms to support and improve industrial energy efficiency

3. Identification and agreement on an outline of potential voluntary and/or regulatory solutions to be investigated further on a national level

**Targeted audience**

- National, regional and international policy makers
- Energy intensive regional and national enterprises
- National and international organizations
- Industrial energy efficiency experts and practitioners
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<th>Topics</th>
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<tr>
<td>8:30 – 9:00</td>
<td>Registration / Welcome Coffee</td>
<td>Mr. Marco MATTEINI, Department of Energy, UNIDO</td>
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<td>Mr. Oleg DZIOUBINSKI, UNECE, Regional Adviser on Energy</td>
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<td>9:00 – 9:40</td>
<td>UNIDO-UNECE Welcome and introduction to agenda and event objective</td>
<td>Welcoming speeches by top officials</td>
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<td>Mr. Hennadiy ZUBKO, Vice Prime-Minister, Minister of Regional Development and Construction of Ukraine</td>
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<td>Mr. Oleksandr DOMBROVSKYY, Head of the Energy Committee of the Parliament of Ukraine</td>
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<td>Mr. Serhii SAVCHUK, Head of the State Agency for Energy Efficiency and Energy Savings, Ukraine</td>
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<td>9:40 – 9:50</td>
<td>Setting the scene for industrial energy efficiency, UNIDO’s experience, and UNECE Task Force on Industrial Energy Efficiency</td>
<td>Mr. Marco MATTEINI, Department of Energy, UNIDO</td>
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<td>Mr. Hannes MAC NULTY, Co-Chair, UNECE Task Force on Industrial EE</td>
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<td>Session 1 Exploring the challenges and opportunities facing energy efficiency implementation in industry</td>
<td>Moderators: Mr. Serhiy POROVSKYY and Ms. Alyona NEVIDOMA, Department of Energy, UNIDO</td>
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<td>9:50 – 11:00</td>
<td>1. How energy efficiency helps with modernization of industry, including state-owned</td>
<td>Mr. Oleksandr CHERNYKH, Ministry of Economic Development and Trade of Ukraine</td>
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<td>2. Can energy efficiency pay for itself in a competitive private sector?</td>
<td>Mr. Yuriy BONDARCHUK, DTEKESCO and Mr. Dmitry KUPTSOV, TEK (Trading Electric Company)</td>
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<td>3. Where to start when designing energy efficiency policies for industry</td>
<td>Mr. Zhaxylyk TOKAYEV, Head of EE and Energy Saving Department, Ministry of Industry and Infrastructural Development of Kazakhstan</td>
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<td>4. Implementing industrial energy efficiency policies for the first time – Pros and Cons</td>
<td>Mr. Serhii SAVCHUK, Head of the State Agency for Energy Efficiency and Energy Savings (SAEE), Ukraine</td>
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<td>Q&amp;A and open discussion</td>
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<td>11:00 – 11:30</td>
<td>Coffee break</td>
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| Session 2                                                                 | Sharing experiences with possible solutions and mechanisms to support national and regional energy efficiency implementation in industry  
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| **Moderator:** Mr. Erik GUDBJERG, Director, Yourenergy, Denmark  
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| 11:30 – 13:00 | **1.** Energy management system implementation in Iron and Steel industry  
| | **2.** Voluntary agreements as policy instrument for industrial energy efficiency  
| | **3.** Energy efficiency obligation schemes and regulatory measures  
| | **4.** Industry Energy Efficiency Network - The Irish experience  
| | Open floor discussion  
| | Ms. Katarina DIMOVSKI, Energy Manager, MAKSTIL AD Skopje, North Macedonia  
| | Ms. Jette ELLEGAARD, Special Adviser, Danish Energy Authority  
| | Ms. Tamara BURENKO, Deputy Director, Energy Monitoring, State Agency for Energy Efficiency and Energy Savings of Ukraine  
| | Mr. Marco MATTEINI, Department of Energy, UNIDO  
| | Mr. Ivan SPROULE, Large Business Programmes Manager, Sustainable Energy Authority of Ireland  
| 13:00 – 14:00 | Lunch  
| Break-out Session 1 | **Policy Makers meet the Engineers**  
| | **Moderator Group 1 (simultaneous interpretation):** Mr. Hannes MAC NULTY, Mac Nulty Consulting, France  
| | Resource persons: Mr. Aleksandar DUKOVSKI, Chair, Group of Experts on Energy Efficiency, Senior Energy Expert, North Macedonia; Mr. Artan LESKOVIKU, Director of Energy, National Agency of Natural Resources (AKBN), Albania  
| | **Moderators Group 2:** Mr. Oleg DZIOUBINSKI, UNECE, Regional Adviser on Energy; Ms. Alyona NEVIDOMA, International Consultant, Department of Energy, UNIDO  
| | Resource persons: Mr. Aliaksei SINIAUSKI, Head of the Section of the Energy Supervision and Norm Setting, Department for Energy Efficiency of the State Standardization Committee, Belarus; Mr. George BEJASHVILI, Energy Efficiency Policy Division of Energy Policy Department, Ministry of Economy and Sustainable Development, Georgia  
| | **Focus: Challenges and Political Tools**  
| | The first break-out session will be specifically targeted to collect input from industry stakeholders and to deliver the top 3 challenges to companies when considering implementing energy efficiency and taking into account:  
| | o Assets Optimization (low/no cost measures)  
| | o Technology investments  
| | o Performance monitoring and reporting  
| 15:30 – 16:00 | Coffee break  
| 16:00 – 17:00 | **Break-out Session 1 results:**  
| | Presentation of break-out session results by selected Group Rapporteur from each group. Open floor discussion  
| 17:00 – 17:30 | Wrap up and preparation for next day break-out session  
| 18:00 – 20:00 | Networking reception (by invitation) |
### Day 2 – Tuesday 28 May

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| **Break-out Session 2** 9:00 – 11:00 | **Policy Solutions**  
Moderator Group 1 (simultaneous interpretation):  *Mr. Hannes MAC NULTY, Mac Nulty Consulting, France*  
Resource persons:  *Mr. Kostiantyn GURA, Adviser to Head, State Agency on Energy Efficiency and Energy Saving of Ukraine*;  *Ms. Katarina DIMOVSKI, Energy Manager, MAKSTIL AD Skopje, North Macedonia*  
Moderator Group 2:  *Mr. Oleg DZIOUBINSKI, UNECE, Regional Adviser on Energy*;  *Ms. Alyona NEVIDOMA, International Consultant, Department of Energy, UNIDO*  
Resource persons:  *Mr. Tigran SEKOYAN, Energy Efficiency Expert, Armenia*;  *Mr. Zhaxylyk TOKAYEV, Head of EE and Energy Saving Department, Ministry of Industry and Infrastructural Development of Kazakhstan*  

The focus on viable policy-based solutions that can help overcome such typical challenges as identified during the Day 1 break-out session. As it is difficult to develop specific policy recommendations in a short time, the ambition of this break-out session will be to consider the different advantages of both voluntary and mandatory policy mechanisms and how they might be best able to address the challenges. Important during this break-out session will be the experience of other countries that have already such policies in place as well as the opinion of industry stakeholders on how such policies could impact their business positively and/or negatively. Specifically, the break-out session will aim to deliver:  
- The top 3 potential policy solutions that can prepare a strong foundation for a long-term EE implementation orientated approach, considering both voluntary and mandatory mechanisms  
- Basic suggestions on the feasible elements from the different policy-maker and industry perspectives  
- Basic suggestions on how these solutions can achieve impact on large, medium-size and small companies by being applied separately or in conjunction with each other  

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| **11:30 – 12:40** | Break-out session results  
Presentation of break-out session results by selected Group Rapporteur from each group. Open floor discussion  

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<th>Wrap up and next steps</th>
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<td>Lunch</td>
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