

**UNECE PPP Evaluation Methodology for the SDGs**

**Official launch event for Governments**

**Tuesday, 27 September 2022  
10:00 - 13:00 CET**

Practical experience with the Evaluation Methodology –  
Implementing eMobility under the EPC approach in Slovenia

Associate Prof. Petra Ferk, Ph.D.

September 26, 2022



**UNECE**

**75 YEARS  
OF ECONOMIC INTEGRATION  
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IN THE REGION**

# Case Studies for evidence-based policies



<b>Project:</b>	<b>Implementing eMobility in the City of Kranj under the Energy Performance Contracting (EPC) PPP approach</b>
<b>Project Proponent:</b>	The Institute for Public-Private Partnership, Slovenia – Petra Ferk, Ph.D.
<b>Project Organization:</b>	The City of Kranj, Slovenia
<b>Email address:</b>	<a href="mailto:petra.ferk@pppforum.si">petra.ferk@pppforum.si</a>



**Country / Region / City:** The City of Kranj, Slovenia (3rd biggest City in Slovenia)

**Public Organization:** The City of Kranj – Office of Development, Smart Community and Projects

**Private Organization:** Vizije mobilnosti, Porsche Slovenia

**Capital Providers:** No public sources for *capex*, no grants; for *capex* only equity and debt of the private partner:  
*capex*: 5,1 mio EUR excl. VAT; *opex*: 13,4 mio EUR excl. VAT in 15 years

**Civil Society:**  
– Included through public consultation prior to adopting the decision by the City Council  
– Regular open-doors days are organised for the civil society – info & test

**Why a Case Study:** Electrification of the entire fleet of the City of Kranj, as well as public institutions (schools, kindergartens, utilities...). Significant contribution of the projects to lower the CO<sub>2</sub> emissions, significant decrease of the maintenance cost of the vehicles. Combination of public & private represented a 'win-win' solution.



28.12.2020

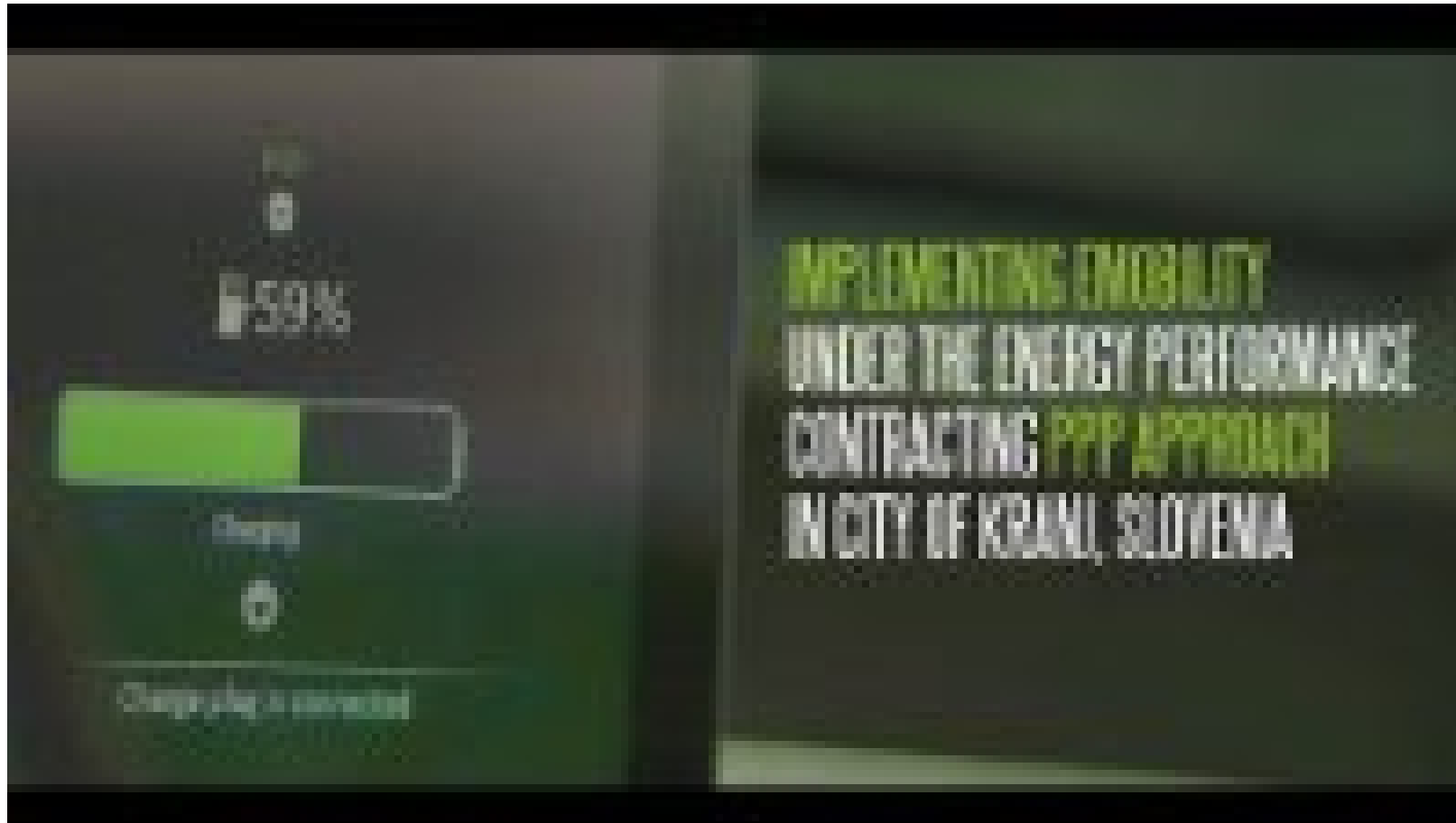
E-mobilnost v polnem zamahu



75



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<https://www.youtube.com/watch?v=8kj7xLpSjHI&t=65s>

Project:

# Implementing eMobility in the City of Kranj under the Energy Performance Contracting (EPC) PPP approach

2019



2022 **Self-Assessment Tool**



LESSON LEARNED

ALL PPPs

**CAN BE**

PPPs for SDGs.



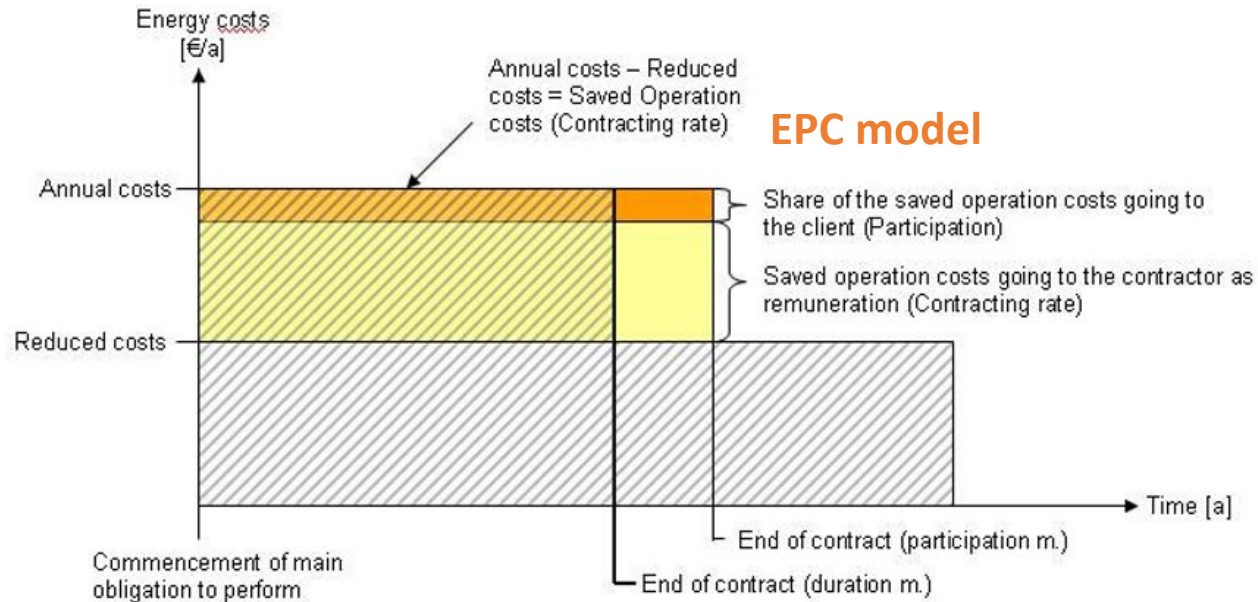
## Economic Effectiveness and Fiscal Sustainability

### Avoid corruption and encourage transparent procurement

Public tender was published in OJ EU (TED). Entire tender procedure was done paperless & following digital-by-default approach in fully certified procurement platform (S-Procurement & Vortal): e.g. time stamping, encryption, advanced & qualified electronic signatures from the EU Trusted list supported, ISO 27001...

### Enhance employment and economic opportunities

Not only optimising employment in public institutions but also creating new employment opportunities and assuring scientific employment → 2 senior PhD consultants and 1 PhD candidate working on the model **Connecting PPPs & PhDs.**



eMobility in City of Kranj



Transferring Value for money PPPs to Value for people PPPs.

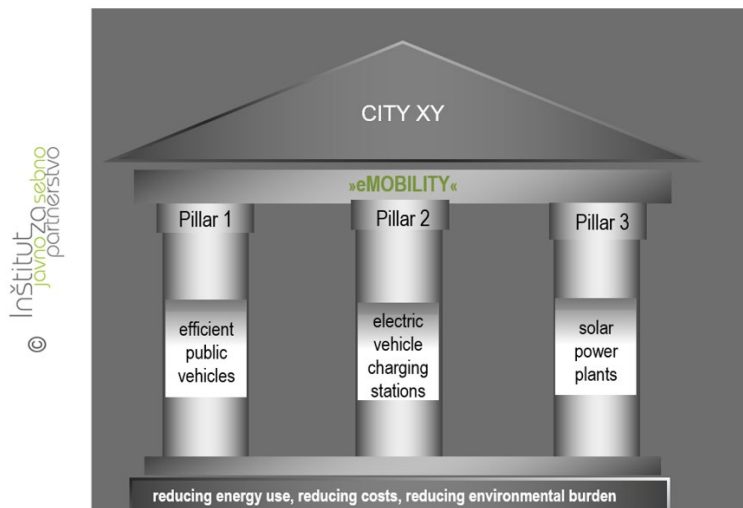
### Maximise economic viability and fiscal sustainability

Capex is financed by future savings – private partner equity and debt. From opex optimisation, one can invest in capex. Vehicles are replaced every 5 years.

### Maximise long-term financial viability

During the LC of the project, it is assured that the City of Kranj and public institutions are paying less for the mobility, as they were before the project.

## Environmental Sustainability and Resilience → Integrated solution for environmental sustainability



**I. First pillar** – fleet replacement: replacement of the City’s existing fossil fuels fleet for electric vehicles or other more environmentally-friendly vehicles with domestic charging stations. Under the first pillar, the City requires the supply of new electric vehicles;

**II. Second pillar** – establishment of electric charging centres: the creation of a public network of charging centres for charging electric vehicles. Under the second pillar, the City requires the establishment of a network of charging centres for charging electric vehicles;

**III. Third pillar** – the establishment of a sustainable renewable electricity generation source and local electricity storage facilities: the establishment of a sustainable renewable electricity generation source in the form of solar power plants on the roofs of public buildings. Under the third pillar, the City requires the installation of solar power plants installed on the roofs of public buildings for the production of electricity used for vehicles in Pillar 1.

### Reduce greenhouse gas emissions and improve energy efficiency

The City of Kranj will achieve savings of at least 452 MWh of energy or 150 tonnes of CO<sub>2</sub>. That is as much CO<sub>2</sub> as about 7,700 trees absorb. Improvement of energy efficiency by implementing optimisation of the vehicles use. Electric energy used by the vehicles shall be entirely green, produced by solar power plants (3rd pillar of the project).

Includes institutional innovation & reorganisation → value chain.

### Reduce waste and restore degraded land

Circularity approach is used in this project – principle „to use“ becomes more important than „to own“. Lower number of vehicles shall be needed altogether to fulfil the needs of the municipal administration and public institutions, therefore also less waste after LC of the vehicles.

### Water consumption and wastewater discharge

By lower number of vehicles also less water shall be used for their maintenance and cleaning. Before, many were washed manually. All vehicles are now being industrially cleaned and min. 85 % water is being recycled. Also water free cleaning is being considered.

### Protect biodiversity

By achieving energy savings and reducing CO<sub>2</sub> emissions, subsequently also biodiversity is protected.

eMobility in City of Kranj



### Assess risk and prepare for disaster management

With implementation of the project the City of Kranj increased resilience. The City is becoming less dependent from imported fossil fuels. Instead, the vehicles are powered by electricity produced by solar panels implemented locally.



## Stakeholder engagement

### Plan for the stakeholder engagement and public participation

- Prior to adopting the decision by the City Council for implementation of the project, a public consultation had been conducted, covering all stakeholders, including natural or legal persons who were interested or potentially interested in the project and its outcomes, non-governmental organisations (NGOs), local communities **women, vulnerable groups**, and end users.
- Fleet optimisation activities required systematic awareness-raising activities with public institutions and general public to demonstrate benefits of the project.
- Regular **open-doors days are organised** for the civil society.

### Maximise stakeholder engagement and public participation

During the open-door days, the project is presented and the vehicles can be tested.

Shared assets economy principles are implemented, first between public institutions, in second phase also with external users, in times when the vehicles are not used by public institutions.

### Provide transparent and quality project information

Written material as well as videos were produced by the City of Kranj to properly inform the public about this project as well as other projects being implemented to enhance sustainable mobility in Kranj.

### Manage public grievances and end-,user feedback

A special mechanism is foreseen in the contract to manage public grievances & user feedback.

eMobility in City of Kranj



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## Access and Equity

### Provide essential services

Sustainable transportation vehicles (personal vehicles, vans, professional vehicles) shall be used in the City of Kranj by the city administration and public institutions (schools, kindergartens, health care facilities, utilities services) to provide essential public services in Kranj.

### Advance affordability and universal access

By optimising the maintenance and operation costs of the vehicles fleets, and by establishing *internal fleet sharing system*, all public institutions were able to afford sustainable vehicles for providing public services at no additional costs as prior to the project an EPC model (Energy Performance Contracting) was used to implement the project – the *capex* was financed by the future savings.

### Improve equity and social justice

In future phases of the project, it is foreseen that external sharing system shall be established, i.e. sharing of the fleet with citizens and visitors in times when vehicles are not needed by public institutions (such as weekends, holidays).

### Plan for long-term access and equity

All citizens have permanent and continuous access to public services, and in the future phases of the project, also to the fleet itself.

### Avoid/minimise and mitigate physical and economic displacement

The project has positive effect of the community as a whole, preventing displacement.

eMobility in City of Kranj





## Replicability

### Encourage replicability and scalability

The project is operational in the **City of Kranj** and is replicable in other cities & municipalities in **Slovenia** as well as **globally**.

Technical assistance for this project was co-financed through ELENA Facility (EBRD). Larger project to implement eMobility in Slovenia was encouraged and is in progress, through ELENA Facility (EIB) → 9 municipalities and 2 state owned companies (ELES – operator of Slovenia’s electric power transmission system, Post of Slovenia) are joining forces to implement sustainable mobility in a similar manner.



### Standardise PPP preparation and tender

The project was implemented as pilot project. After replication, the projects PPP standard documentation could be prepared.



### Enhance government, industry and community capacity

Enhancement of the capacity of the city administration and public institutions (schools, kindergartens, health care services, utilities services) in the City of Kranj. Sharing economy is enhanced.

### Support innovation and technology transfer

Innovativeness was one of the award criteria:

- A. Total cost of the Grantor for the use of the vehicle fleet;
- B. The offered number of installed electric chargers;
- C. Own price of the service of management and maintenance of the electric charging stations;
- D. The offered amount of installed power for electricity production from RES;
- E. Innovativeness of the offered solution.**







**Thank you!**

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