



## Where finance and green technologies meet

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### National Bank of Georgia hosts the fifth Sustainable Finance Forum

On Wednesday, 6 March 2024, the National Bank of Georgia welcomed over 200 participants from 15 countries worldwide to the fifth Sustainable Finance Forum. In collaboration with the International Finance Corporation (IFC), the Swiss State Secretariat for Economic Affairs, and the IFC-facilitated Sustainable Finance and Banking Network, the event aimed to foster dialogue and action towards sustainable finance practices.

Representatives from the European Union, Sustainable Finance and Banking Network (SBFN) member countries, central banks, local financial institutions, international organisations, the private and public sectors, universities, and various stakeholders converged at the forum. Ekaterine Mikabadze, Vice Governor of the National Bank, kicked

off the event, emphasising the institution's unwavering dedication to sustainable finance and its commendable strides in this arena.

Mikabadze remarked, "Our journey in sustainable finance has been marked by progress and collaboration. The imperative to address sustainability issues and the pivotal role of the financial sector in supporting sustainable development cannot be overstated. The NBG remains steadfast in advancing the sustainable finance framework."

The forum provided a platform for discussion on sustainable finance frameworks, particularly focusing on emerging economies. Key themes included regulatory and market strategies in mitigating environmental, social, and governance (ESG) and climate-related risks, the utility of taxonomies in bolstering sustainable finance, and the significance of disclosure and transparency in this process.

Mr. Konstantine Kintsurashvili, Regional Lead for Climate Strategy and Delivery at the European Bank for Reconstruction and Development (EBRD), joined the panel on "Shaping Sustainable Finance Markets and Products: The Crucial Role of Taxonomy and Regulatory Frameworks." He emphasized the necessity of common definitions and regulations to foster credibility and consistency in sustainable finance markets. Mr. Kintsurashvili highlighted the collaborative efforts required from regulators, policymakers, international finance institutions, and the private sector to advance sustainable finance practices globally.

Ivana Fernandes Duarte, IFC's Regional Manager for the South Caucasus, underscored the substantial investment required for sustainable solutions, stating, "Sustainable solutions necessitate investments worth billions of dollars, with the financial sector playing a pivotal role in attracting them." She stressed the need for concerted efforts among central banks, finance ministries, capital market regulators, and banking associations. While acknowledging remarkable progress to date, Duarte urged continued momentum, noting the forum as a significant step forward in this pursuit.

Established in 2018, the NBG-IFC-SBFN Sustainable Finance Forum convenes annually to facilitate dialogue and collaboration towards advancing sustainable finance practices globally.

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## GEFF in Georgia's first green badge of energy efficiency

Namai Vake, an innovative residential complex in Tbilisi developed by the BI Group, has recently been [awarded the esteemed EBRD GEFF A Class recognition](#), marking a significant milestone in energy efficiency and sustainability. Sheltered from the city's hustle and bustle, Namai Vake stands as a beacon of eco-conscious living and proudly symbolises Georgia's first developments to attain this prestigious rating. The assessment, introduced by GEFF in Georgia, serves as a testament to the project's dedication to sustainability, attracting environmentally conscious tenants, investors, and partners.

Since 2019, GEFF has played a pivotal role in Georgia's construction landscape by financing projects with a minimum 20% energy efficiency focus. In a new initiative, GEFF is providing building assessment documents for qualifying projects, underlining their sustainability commitments. Conducted by GEFF's international experts at no cost, these assessments offer a host of benefits, including reduced utility expenses, enhanced indoor air quality, and increased property values. For developers, participation in this initiative bolsters their public image and competitiveness in an era where eco-friendly practices are highly prized.

The GEFf assessment serves as an important document in showcasing the sustainability of buildings, particularly in regions like Georgia with lacking a national Energy Performance Certificate (EPC). Developed as an alternative, this assessment offers a comprehensive evaluation of a building's energy efficiency and environmental impact. Utilizing a robust methodology, it meticulously considers various criteria, including U-values, climate conditions, and types of materials used in construction. In essence, the GEFf assessment mirrors the methodology of well-known building certifications, ensuring credibility and consistency in evaluating sustainable practices. By providing a standardized metric for measuring energy efficiency and environmental sustainability, the GEFf assessment plays a crucial role in promoting green building initiatives and fostering a more sustainable built environment.

Namai Vake's sustainability efforts are striking, with projections indicating annual energy savings of 1,541 MWh and a potential reduction of up to 294 tonnes of CO<sub>2</sub> emissions. Notably, the installation of a solar power station, a prominent feature of Namai Vake, is expected to fulfil approximately 70% of the building's energy requirements.

Looking to the future, Namai Vake remains steadfast in its commitment to sustainability and innovation. The GEFf assessment serves as a springboard for further advancements, with the complex setting its sights on achieving EDGE certification and thus further solidifying its position as a leader in green building practices.

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## **ProCredit Bank leverages financial support from GEFf to drive Georgia's green transition**

ProCredit Bank has taken the next step towards promoting sustainable transportation and environmental initiatives in Georgia with the introduction of [Electric Vehicle \(EV\) loans](#). These specialised financial packages aim to incentivise the adoption of electric vehicles, thus making eco-friendly transportation more accessible throughout the country.

However, despite the numerous advantages of electric vehicles, the initial cost of purchasing one can often act as a barrier for many consumers. Recognising this challenge, ProCredit Bank's EV loans are designed to address this issue head-on by providing competitive financial solutions, thereby making it easier for Georgians to embrace sustainable transportation options.

In a collaborative effort with industry-leading vendors, ProCredit Bank ensures a diverse range of electric vehicle models to cater to various consumer preferences. Additionally, the

bank has crafted a [useful tool](#) for individuals interested in calculating and comparing the monthly expenses associated with driving an EV versus a traditional fuel-powered vehicle.

Integral to ProCredit Bank's initiative is its utilisation of financial support from GEF in Georgia. By leveraging the expertise and resources of GEF, ProCredit Bank can provide competitive financial solutions specifically tailored to encourage the adoption of electric vehicles among Georgians. With GEF's backing, ProCredit Bank aims to make sustainable transportation more accessible and affordable, thereby contributing significantly to Georgia's efforts to mitigate air pollution and combat climate change.

The partnership between ProCredit Bank and GEF marks a significant milestone in advancing sustainable transportation initiatives in Georgia. In just the first few months since its launch, GEF in Georgia has already financed up to US\$ 350,000 in individual EV loans, indicating a promising start towards a greener future for the country.

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### Featured technology

#### Energy efficient machinery for various industries (forklifts, loaders, excavators etc.)


Energy-efficient machinery plays a crucial role in various industries, offering numerous benefits such as reduced energy consumption, cost savings, and environmental sustainability. These advanced technologies utilise innovative designs and engineering principles to optimise performance while minimising energy waste. Energy-efficient machinery plays a vital role in driving sustainability across various sectors, offering economic, environmental, and social benefits.

See which energy efficient technology suppliers are available on the Georgian market through [Green Technology Selector](#).

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## Success story





Krikina LTD is a company specialising in the production of construction materials based in Kakheti. Recently, the management decided to invest in a solar power station that will enable Krikina to produce its own energy and thus reduce costs, in addition to enjoying the benefits of generating sustainable energy resources.

View more success stories on our [website](#).

### Investor

Krikina LTD

### Location

Kakheti, Georgia

### Investment

Solar PV station

### Investment size

US\$ 75,000

### Energy savings

185 MWh per year

### Cost savings

US\$ 13,000/year

### CO<sub>2</sub> savings

67 tonnes per year

### Payback period

6 years

### Impact

Energy independence, lower operational costs

### Donor

GCF, BMF

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