



TWIN
TRANSITION
STENCIL ↘

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UNDP Istanbul Regional Hub, Türkiye Regional Bureau for Europe and the CIS (RBEC)

ABOUT UNDP

UNDP is the leading United Nations organization fighting to end the injustice of poverty, inequality and climate change. Working with our broad network of experts and partners in 170 countries and territories, we help nations to build integrated, lasting solutions for people and planet.

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^[1]References to Kosovo shall be understood to be in the context of Security Council Resolution 1244 (1999).

GLOSSARY OF KEY TERMS

AREAS OF INTEREST (AOI)

Strategic domains within an urban system where green and digital transitions intersect (e.g., circular economy, energy resilience). Aols serve as "attractors" or framing devices that help cities identify where to focus their efforts and spot systemic relationships between different sectors.

DYNAMIC MANAGEMENT

An adaptive style of governance where decision-making is continuous rather than fixed. Unlike traditional project management that follows a rigid plan, dynamic management involves regularly reviewing evidence from experiments to adapt, scale, or stop activities based on what is actually working in reality.

OPTION

A concrete, time-bound intervention or experiment designed to test a hypothesis. Unlike a standard "project" focused solely on delivery, an Option is a learning vehicle designed to generate evidence about what works in the local context. Multiple options are usually deployed to tackle a single challenge from different angles.

PORTFOLIO

A collection of connected strategic options (interventions) managed as a single system. A portfolio is designed to generate intelligence and accelerate transformation by spreading risk across multiple experiments, rather than betting on a single solution.

PORTFOLIO INTENT

The strategic "North Star" of the portfolio. It defines the city's transformation ambition, articulating what change is sought, why it matters locally, and the role the city will play (e.g., steward, innovator) in achieving it.

POSITION

A strategic entry point for learning within an Area of Interest. A Position represents a specific territory or leverage point where the city wants to deepen understanding (e.g., "Understanding barriers to household recycling"). It acts as the bridge between high-level intent and concrete action.

SENSEMAKING

The collaborative process of extracting meaning from data, community listening, and portfolio experiences. It is the "social brain" mechanism where cities move beyond raw information to generate the intelligence needed to make better decisions and design effective policy.

STENCIL

A structured yet flexible framework—like a DNA or genome—that helps cities design coherent portfolios. It provides a replicable architecture (templates and logic) that ensures consistency across different cities while allowing for deep customization to fit local contexts.

SYSTEMIC EFFECTS

The long-term shifts in culture, behavior, relationships, or institutions that signal deep transformation. Unlike short-term project outputs (e.g., "100 solar panels installed"), systemic effects describe the new normal the city aims to achieve (e.g., "Energy resilience becomes a community-led norm").

TWIN TRANSITION

The simultaneous advancement of green and digital transformations. In the CEF context, this is not just doing "green things and digital things"; it is the deliberate use of digital technologies (like IoT or data analytics) as an enabler to accelerate and scale sustainable, climate-resilient urban development.

EXECUTIVE SUMMARY

The Twin Transition Stencil is a framework that helps municipal teams and development partners integrate green¹ and digital strategies in urban transformation projects. It guides users in designing portfolios, identifying synergies between initiatives, and building adaptive learning processes. The purpose of this document is to explain how City Experiment Fund (CEF) defined the Twin Transition Framework, what is included in the Twin Transition Stencil, how it was used to develop urban transformation portfolios and share key lessons learned from the process. This report is not to be used as a toolkit to apply Twin Transition Stencil rather it is a summary of the work and its key lessons. The document is for urban development practitioners, policymakers and system thinkers who are keen to learn more on how the cities are applying systems thinking to develop solutions for green and digital transitions.

CONTEXT

Policy frameworks across Europe and Central Asia - including the European Green Deal, Digital Europe Programme, and national development plans - increasingly emphasize the twin transition as a strategic priority. At the municipal level, however, cities often inherit high-level objectives without practical guidance on methodologies, implementation roadmaps, or financing pathways. Traditional sectoral planning struggles to address the interconnected nature of climate, digital, and demographic challenges.

The Stencil addresses this gap. It provides a structured yet adaptable method to navigate complexity, clarify intent, and design learning-oriented portfolios grounded in local context but also aligns with national commitments.

CORE APPROACH

The stencil operationalizes CEF's exploratory development logic: cities advance by prototyping multiple activities, extracting timely learning to learn and adapt on the realities while implementing, strengthening institutional capacity for adaptive governance, and converting what works into scale-ups and sustainable services. It treats transformation as a portfolio of linked experiments rather than isolated projects, helping cities test assumptions, manage uncertainty, and build the technical, social, and financial evidence required to commit resources with confidence.

WHAT'S INSIDE

Four Core templates: Portfolio Intent (transformation ambition, focus areas, identity, systemic effects); Areas of Interest (thematic and capability domains with digital as enabler); Position (strategic learning frontiers with hypotheses); Option Brief (concrete interventions with learning goals, partners, budget, timeline).

Summary of Process Journey on the Stencil:

Six-month phased approach from onboarding through community listening, sensemaking, portfolio design, validation, and dynamic management setup.

INTENDED AUDIENCE

This document is a knowledge product designed to share the conceptual framework, design journey, and lessons learned from the City Experiment Fund's application of the Twin Transition Stencil. It is intended for:

- **Municipal Leaders and Policymakers:** Who are seeking **strategic inspiration** on how to move beyond traditional, siloed planning. This document offers a conceptual roadmap for addressing complex, interconnected challenges like the green and digital transition.
- **Development Practitioners and Innovation Specialists:** Who are looking for **evidence and insights** on how systems thinking and portfolio approaches can be applied in development contexts. It serves as a case study on designing

¹ Referred to also as Just Transition

and managing adaptive portfolios in diverse urban settings.

- **System Thinkers and Urban Designers:** Who are interested in the **methodological logic** behind the Stencil. It provides a detailed look at how abstract concepts—like intent, positions, and systemic effects—were translated into a structured design framework.

Note on Scope: This report is not a toolkit or a step-by-step manual. While it describes the methods used, its primary purpose is to document the portfolio journey, share the logic behind the framework, and offer honest reflections on the challenges and successes encountered by the cohort.

WHAT THE STENCIL AIMS TO CONTRIBUTE

The stencil process is designed to produce five interconnected outcomes.

- * First, it enables cities to **develop a coherent portfolio logic**, articulated through a clear intent statement, defined identity and role, specified systemic effects, and a structured architecture of positions and options that align with transformation ambition.
- * Second, it **strengthens cross-department collaboration as well as multi-level governance** by creating shared purpose between municipal departments, local actors and community actors to drive urban transformation, while fostering structured conversation and dialogues across regional and national governments to ensure alignment and coordination.
- * Third, the process **grounds portfolio design in community realities** by ensuring that options reflect lived experiences and engage underrepresented groups, evidenced through the diversity of community listening participants and documented integration of community input into option design.
- * Fourth, it **builds a learning orientation** within municipal teams, normalizing practices of testing, adaptation, and working with uncertainty, tracked through learning hypotheses articulated for each position and documented iterations made in response to evidence.

- * Fifth, it **expands partnership ecosystems** by helping cities identify and activate both traditional and non-traditional actors across institutions, private sectors, CSOs and academias beyond established networks, measured through the number and type of new partners engaged and formalized through partnership agreements

This stencil builds directly on four years of UNDP's urban flagship initiatives including City Experiment Fund and Mayors for Economic Growth (M4EG) practice with 15+ municipalities across Eastern Europe and Central Asia (2021–2025), synthesizing lessons from adaptive portfolio work in cities including Stepanavan, Mykolaiv, Batumi, and Pljevlja. It was tested and refined through application across ten cities in Armenia, Kosovo, North Macedonia, Montenegro, and Ukraine between January and June 2025.

The Stencil is a portfolio design method and hence it works best in cities with political support for experimentation, dedicated teams willing to work across departments, and institutional readiness for adaptive governance grounded in community engagement. It requires facilitation support, adequate time for participatory processes (4–6 months for design), and tolerance for learning through iteration. Cities seeking immediate standardized delivery or operating in environments resistant to testing and adaptation should consider whether portfolio-based approaches align with their institutional context and constraints.

INTRODUCTION

For decades, cities across Europe and Central Asia have navigated economic transitions, infrastructure renewal, and governance reforms one challenge at a time. Today's urban challenges look different, more complicated and fast changing. Climate disruption, energy insecurity, digital divides, and demographic shifts arrive one at a time, compound and tangle together. As we argued in our recent [Stanford Social Innovation Review article](#), "traditional city planning, which tackles problems in isolation, is struggling to keep up."

Cities across the region recognise the need to transform; the key question is **how** to progress in a manner that is coherent across sectors, equitable for residents - ensuring all residents have fair access to the resources and opportunities needed to thrive, regardless of their background, income or where they live, and fast enough to matter. National frameworks increasingly emphasise the **Twin Transition** (the deliberate coupling of green and digital capabilities to advance sustainable development) with the European Green Deal, the Digital Europe Programme, Nationally Determined Contributions (NDCs) under the Paris Agreement and country recovery plans setting the overall direction. When designed intentionally, digital tools can accelerate environmental goals and widen access to quality services. However, these frameworks largely operate at the policy level, and at the municipal level Twin Transition remains under-specified: cities inherit objectives without a clear methodology, practical roadmaps, or financing pathways that translate ambition into delivery.

The Twin Transition Stencil builds directly on four years of practice with the CEF and M4EG. Since 2021, we have worked with 15+ municipalities across Eastern Europe and Central Asia to move beyond single-issue planning toward system-aware, adaptive portfolios - an emerging UNDP practice recently [presented](#) at the Executive Board.

This work consistently surfaced four anchors that

now shape the stencil:

1. Addressing underlying challenges through continuous community engagement, as symptoms rarely reveal how challenges connect in people's lives;
2. Structuring adaptive portfolios of linked initiatives so that cities can test multiple pathways, learn quickly, and scale what generates value;
3. Enabling adaptive municipal governance that convenes partners, opens spaces for collaboration, and sustains cross-department problem-solving;
4. Treating finance and partnerships as part of design, spreading risk across complementary initiatives and using evidence to mobilise follow-on investment.

The experiences of Stepanavan (youth retention through combined skills, jobs, and civic spaces), Mykolaiv (a portfolio hub for recovery under conditions of uncertainty), Batumi (ecosystem building for entrepreneurship), and Pljevlja (energy efficiency linked to diversification) demonstrate how these anchors translate into practice.

CEF's operating method is **exploratory development**. Cities advance by prototyping multiple options, extracting timely learning, strengthening institutional capacity for adaptive governance, and converting what works into scale-ups, operating models, and services and solutions that can be financed and sustained. **This is a disciplined approach to decision-making under uncertainty**, designed to generate the technical, social, and financial evidence that leaders require to commit resources with confidence.

The **Stencil** translates this into a usable framework

and toolset for municipal teams and UNDP Country Offices. It enables cities to:

1. Clarify intent and role by defining outcomes, beneficiaries, and the city's position within the wider system of actors, mandates, and assets.
2. Locate green–digital intersections that are material in the local context, identifying where complementarities can raise impact and reduce costs.
3. Set strategic positions for learning by formulating explicit hypotheses and placing a series of linked, bounded bets that address the highest-value uncertainties.
4. Design evidence-producing options that surface technical feasibility, public value, institutional fit, and financeability, with clear decision points.
5. Govern a living portfolio through routines that retire weaker options early, consolidate successful ones into standards and tenders, and align resources over time.

Between January and June 2025, ten cities across

Armenia, Kosovo, North Macedonia, Montenegro, and Ukraine applied the Stencil to portfolios spanning circular economy, energy resilience, and urban regeneration. Based on this experience, this document introduces the **early methodology** and illustrates the CEF Twin Transition approach.

We invite municipal teams and development partners to adapt the templates and process presented here to their own context, and to share back results, data, and reflections so the Stencil keeps evolving as a common good grounded in CEF values of iterative development, community partnership, and learning.

HOW WE DEFINE TWIN TRANSITION

KEY TAKEAWAY: IT'S NOT TWO SEPARATE LISTS

Don't treat "Green" and "Digital" as separate agendas running in parallel. In this framework, digital tools (like data, IoT, or sensors) are the strategic enablers used to accelerate and scale your environmental goals .

Instead of addressing green and digital separately "We need a recycling project AND an app," Twin Transition Approach aims on "We will use data tracking (Digital) to optimize our circular waste streams (Green)".

In CEF, the Twin Transition is not seen as two separate agendas—green and digital—but as mutually reinforcing levers for just and systemic urban transformation that places people at the center. While each dimension has its own logic and value, our approach emphasizes that digital transition is not an end in itself. Instead, it is a strategic enabler—a means to accelerate, scale, and deepen sustainability outcomes.

Digital tools can be powerful accelerators. When used thoughtfully, they amplify the impact of green initiatives, improve resource efficiency, promote inclusion, and enable adaptive, system-wide resilience. The goal is not to digitalize city operations for efficiency alone, but to use digital capabilities to build more inclusive, sustainable, and future-ready urban systems.

At the municipal level, the Twin Transition becomes a practical and place-based strategy for improving how cities work and what they offer their communities. It's not just about deploying more digital tools or building greener infrastructure—it's about connecting the two in ways that make sense for the local context.

BUILDING TWIN TRANSITION STENCIL

To support cities in translating the Twin Transition into actionable strategies, the CEF team developed the Twin Transition Stencil—a structured yet flexible tool to design, test, and manage portfolios of transformation. The stencil was not adapted from an existing tool - inspired from [Agora](#), an urban transformation framework that was developed previously; it was intentionally created from the ground up through a dedicated six-month internal design process.

This process included:

- Desk research and literature reviews on urban systems change, digital and green transitions,

and integrated planning approaches—focused on Europe and Central Asia, including sub-regional and national priorities;

- Cross-mapping of thematic priorities from strategic frameworks (e.g., EU Green Deal, UNDP Strategic Offer, national transition plans including digital and green);
- Synthesis of lessons learned from CEF's first cohort of urban transformation portfolios (2019–2024);
- Mapping of recurring municipal needs and constraints, such as capacity, data infrastructure, and governance systems;
- Review and adaptation of tools from foresight, systems mapping, co-design, and innovation portfolio methodologies to suit local government realities.

Throughout, the team ensured the stencil was methodologically sound yet highly usable for diverse city stakeholders—from planners and technical officers to municipal leadership. Importantly, the stencil was designed not as a checklist of “best practices,” but as a thinking framework—a tool cities could tailor to their own contexts, while still aligning with a shared logic for transformation.

AREAS OF INTEREST

Natural Resources

This category encompasses aspects that relate directly to the environment and ecosystems within urban areas.

Urban Nature and Biodiversity

Description: This area aims to preserve and enhance urban ecosystems and biodiversity through sustainable practices.
Examples: Creating urban parks, planting native species, and establishing wildlife corridors to support local fauna.

Water Resilience

Description: This area focuses on sustainable water management practices that protect urban water resources and adapt to climate variability.
Examples: Creating rainwater harvesting systems, implementing green infrastructure to manage stormwater, and promoting water conservation programs.

Climate Change and Resilience

Description: This area aims to enhance urban resilience to climate change impacts through adaptive and mitigation strategies.
Examples: Developing climate action plans, implementing green infrastructure to combat urban heat islands, and retrofitting buildings for energy efficiency.

Capabilities

This category focuses on the skills, governance, and partnerships needed to effectively manage natural and built resources.

Growth and Innovation

Description: This area focuses on fostering economic growth and innovation that supports sustainable development in urban areas.
Examples: Supporting local startups in green technology, creating innovation hubs, and investing in research and development for sustainable urban solutions.

Well-Being, including Air and Noise

Description: This area focuses on improving the health and quality of life of urban residents by addressing factors such as air quality and noise pollution.
Examples: Implementing air quality monitoring systems, creating noise reduction zones in high-traffic areas, and promoting green spaces that enhance urban well-being.

Circular Economy

Description: This area promotes the transition from traditional linear economic models to circular approaches that minimize waste and maximize resource use.
Examples: Implementing recycling programs, promoting the use of biodegradable materials, and supporting businesses that adopt circular practices.

Financing and Partnership

Description: This area emphasizes the importance of securing funding and forming partnerships to support twin transition projects.
Examples: Developing public-private partnerships for infrastructure projects, applying for grants from international organizations, and engaging with local businesses and community groups.

Built Resources

This category includes the physical infrastructure and systems that facilitate urban living

Mobility

Description: This area emphasizes the development of sustainable and efficient transportation systems that enhance connectivity and reduce environmental impact.
Examples: Expanding public transport options, developing cycling infrastructure, and integrating smart traffic management systems to improve traffic flow and reduce emissions.

Energy Resilience

Description: This area aims to ensure a reliable and sustainable energy supply for urban areas while promoting energy efficiency.
Examples: Implementing renewable energy projects, installing energy-efficient systems in municipal buildings, and developing smart grids to optimize energy distribution.

Land Use

Description: This area focuses on sustainable land use planning that balances development, conservation, and community needs.
Examples: Implementing zoning regulations that promote mixed-use developments, preserving green spaces, and ensuring equitable access to land resources for all community members.

Governance

Description: This area focuses on enhancing urban governance through transparency, inclusiveness, and effective decision-making processes.
Examples: Utilizing digital platforms for citizen engagement, implementing participatory budgeting, and enhancing data-driven decision-making in urban planning.

FRAMING THE TWIN TRANSITION THROUGH AREAS OF INTEREST

To help cities focus on their portfolio design, we created a set of Areas of Interest (Aols). These are used to guide the portfolio design and identify where green and digital opportunities intersect and where transformation can begin.

Rather than promoting silos, Aols help cities spot systemic relationships—for example, how energy links to mobility, which affects air quality and public health. This allows cities to design interventions that reinforce each other, rather than working at cross-purposes. Cities can focus on a single area or combine multiple ones—what matters is that the chosen focus offers a compelling narrative for transformation.

There are two types of Aols in the stencil where the thematic areas help cities to zoom in on which green transition areas seems most relevant, and the cross-cutting capability areas that is mandatory for all the cities to work with:

- Eight thematic areas (e.g. circular economy, land use, air quality)
- Three cross-cutting capability areas:
 - ✓ Growth & Innovation
 - ✓ Financing & Partnerships
 - ✓ Governance

By design, the Twin Transition Stencil avoids treating digital transition as a standalone Area of Interest. Instead, digital is woven throughout all areas as a cross-cutting enabler—supporting smarter infrastructure, more inclusive services, and more adaptive institutions.

The resulting stencil was tested and refined through coaching clinics, pilot sessions, and portfolio bootcamps, with continuous input from UNDP country offices and participating cities. In the following chapter, we will explain further on what Twin Transition Stencil is, how it has been developed and applied.

THEMATIC AREAS

This category encompasses environmental aspects and physical infrastructures within urban areas that present opportunities for digital solutions to amplify impact. The primary transformation logic remains rooted in environmental, social and governance shifts.

CAPABILITIES

This category focuses on the skills, governance, and partnerships needed to effectively manage natural and built resources.

URBAN NATURE AND BIODIVERSITY

Description: This area aims to preserve and enhance urban ecosystems and biodiversity through sustainable practices.

Examples: Creating urban parks, planting native species, and establishing wildlife corridors to support local fauna.

WELL-BEING, INCLUDING AIR AND NOISE

Description: This area focuses on improving the health and quality of life of urban residents by addressing factors such as air quality and noise pollution.

Examples: Implementing air quality monitoring systems, creating noise reduction zones in high-traffic areas, and promoting green spaces that enhance urban well-being.

MOBILITY

Description: This area emphasizes the development of sustainable and efficient transportation systems that enhance connectivity and reduce environmental impact.

Examples: Expanding public transport options, developing cycling infrastructure, and integrating smart traffic management systems to improve traffic flow and reduce emissions.

GROWTH AND INNOVATION

Description: This area focuses on fostering economic growth and innovation that supports sustainable development in urban areas.

Examples: Supporting local startups in green technology, creating innovation hubs, and investing in research and development for sustainable urban solutions.

WATER RESILIENCE

Description: This area focuses on sustainable water management practices that protect urban water resources and adapt to climate variability.

Examples: Creating rainwater harvesting systems, implementing green infrastructure to manage stormwater, and promoting water conservation programs.

CIRCULAR ECONOMY

Description: This area promotes the transition from traditional linear economic models to circular approaches that minimize waste and maximize resource use.

Examples: Implementing recycling programs, promoting the use of biodegradable materials, and supporting businesses that adopt circular practices.

ENERGY RESILIENCE

Description: This area aims to ensure a reliable and sustainable energy supply for urban areas while promoting energy efficiency.

Examples: Implementing renewable energy projects, installing energy-efficient systems in municipal buildings, and developing smart grids to optimize energy distribution.

FINANCING & PARTNERSHIP

Description: This area emphasizes the importance of securing funding and forming partnerships to support twin transition projects.

Examples: Developing public-private partnerships for infrastructure projects, applying for grants from international organizations, and engaging with local businesses and community groups.

CLIMATE CHANGE AND RESILIENCE

Description: This area aims to enhance urban resilience to climate change impacts through adaptive and mitigation strategies.

Examples: Developing climate action plans, implementing green infrastructure to combat urban heat islands, and retrofitting buildings for energy efficiency.

LAND USE

Description: This area focuses on sustainable land use planning that balances development, conservation, and community needs.

Examples: Implementing zoning regulations that promote mixed-use developments, preserving green spaces, and ensuring equitable access to land resources for all community members.

GOVERNANCE

Description: This area focuses on enhancing urban governance through transparency, inclusiveness, and effective decisionmaking processes.

Examples: Utilizing digital platforms for citizen engagement, implementing participatory budgeting, and enhancing data-driven decision-making in urban planning.

THE TWIN TRANSITION STENCIL

KEY TAKEAWAY: A DNA FOR COHERENCE

Think of the Stencil as a "genome" or DNA for your city's strategy. It provides a consistent, replicable structure that ensures your portfolio is robust and coherent, but it allows for infinite local variation. It is not a rigid plan; it is a logic for organizing complex work.

WHAT IS A STENCIL?

A stencil is not a fixed plan—it's a flexible tool that helps cities think clearly, design strategically, and act systemically. It offers a repeatable format that guides cities to define their goals, understand complexity, and organize experiments.

WHY USE A STENCIL?

- **Coherence:** It ensures that diverse activities (from waste management in Armenia to energy in Ukraine) share a common logic.
- **Speed:** Cities don't have to invent a methodology from scratch; they start with a proven structure.
- **Flexibility:** It is an "open form" that requires local context to be effective. The Stencil provides the questions; the city provides the answers .

Just as a stencil in art or design allows for the replication of a pattern while still allowing room for variation, the Twin Transition Stencil offers a common structure that can be applied flexibly across different cities and contexts. It helps local actors move beyond fragmented planning by offering a way to map out interconnected challenges, identify strategic entry points, and co-develop a portfolio of interventions that evolve over time.

At its core, the stencil helps to:

- **Start with purpose** – It helps cities clarify what they're really trying to achieve, grounded in who they are and what they aspire to become (Intent and Identity);

- **Connect the dots** – Instead of treating urban spaces, mobility, energy and digital as separate fields, it helps to reveal how they all influence each other and see the connections (Areas of Interests);
- **Build a web of actions** – facilitates creating a collection of learning-based interventions that work together toward systemic effects (e.g., Positions);
- **Embrace learning** – It sets up ways to test ideas, see what works, and adjust course based on real experience, not based on speculations;
- **Change mindsets** – Builds internal capabilities and coherence, supporting cities in shifting from project-based thinking to portfolio stewardship.

COMPONENTS OF THE STENCIL

The Twin Transition Stencil has four interconnected components that guide cities from broad intent to a portfolio of actionable, learning-driven interventions. Each component plays a specific role in helping cities to navigate complexity, work across green and digital dimensions, and support to induce systemic changes. All of the templates and processes are developed by the CEF team.

Key components of the Twin Transition Stencil include:

PORTFOLIO INTENT

The Portfolio Intent is the strategic foundation of the portfolio. It defines the city's transformation ambition—what change it seeks, why it matters locally, and what systemic effects it hopes to generate. It also reflects the city's identity and role within the system (e.g., steward, convener, innovator). The intent aligns all positions and options under a shared direction toward a long-term change.

AREAS OF INTEREST (AOI)

Areas of Interest are thematic domains within the urban system where green and digital transitions intersect. They serve as framing devices to help cities identify where to focus their efforts—whether in mobility, circular economy, energy resilience, governance, or other domains. The Aois are entry points for exploring complexity, grounded in local priorities and system dynamics. Digital capabilities are embedded across all Aois as enablers—not standalone categories.

POSITION

A Position is a strategic entry point for learning and experimentation within a specific Area of Interest. It represents a focused topic, challenge, or leverage point where the city wants to intervene or gain deeper insight. Each position is framed by a learning hypothesis and awareness level, guiding the design of options that test assumptions and contribute to systemic effects.

OPTION

An Option is a concrete intervention—such as a pilot, policy shift, or experiment—that responds to a Position. Options are designed not only to deliver outcomes, but to generate learning and help cities understand how change happens. Multiple options can be designed for one position, allowing cities to explore different pathways and compare what works. Together, options form the active layer of the portfolio and drive the transformation process forward.

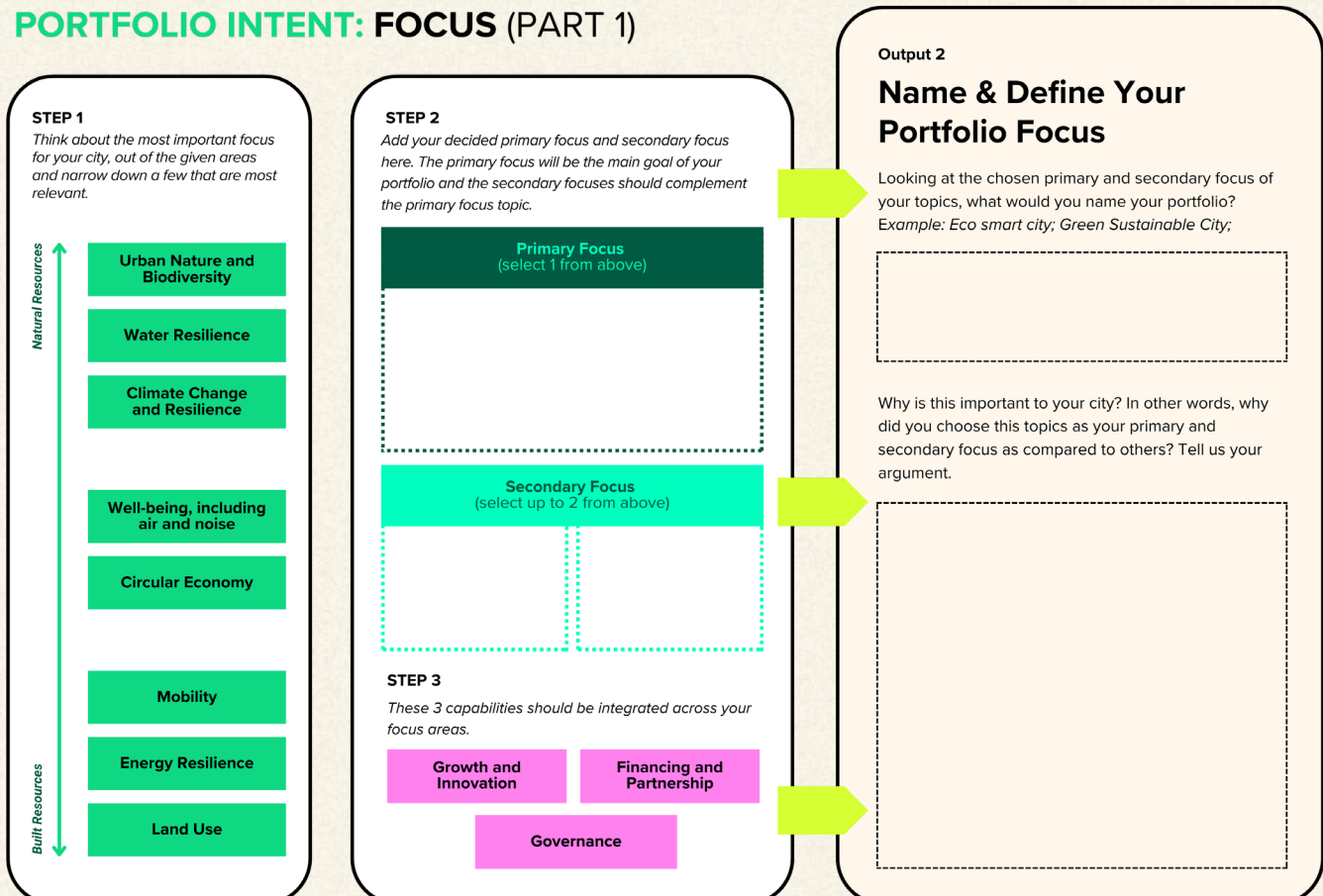
INTENT

The first part of the stencil asks what the portfolio is trying to achieve. The Portfolio Intent is where cities get clear on their purpose and direction. It articulates where the city seeks to generate value and transformation, guiding how Portfolio Positions and Options are selected and developed. The intent-making process helps cities move from broad ambition to focused action, answering the fundamental questions:

- *What is the complex urban challenge that we care about in bringing a sustainable and resilient future?*
- *Why does it matter, and how is it relevant?*
- *What kind of future are we trying to shape through this portfolio?*

We have created some practical tools to help with this - think of them as conversation starters that help you figure out what you're really good at, what role you want to play in creating change, and how all your efforts can add up to something meaningful. It's about setting the direction from "we want to be sustainable" to "here's how we're going to transform our food systems to cut emissions and create local jobs."

PORTFOLIO INTENT: FOCUS (PART 1)



KEY TAKEAWAY: THE "NORTH STAR"

Before designing projects, you must define your purpose. Intent isn't just a goal; it defines the role the city will play (e.g., Steward, Connector, Innovator) and the shift you want to see .

Ask: "If this portfolio succeeds, how will the daily life of the city look different in 10 years?"

PORTFOLIO INTENT: FOCUS

The first step in developing a Portfolio Intent is determining where to concentrate the city's efforts—in other words, defining the core focus areas of transformation. Each city selects one primary Area of Interest (Aoi) and up to two secondary areas, based on local challenges, opportunities, and institutional readiness. These are places in the urban system where the city wants to learn, experiment, and make a tangible difference.

Focus areas could include, for example:

- Transforming the city's waste system through circular economy principles (e.g., Circular Transition in Stepanavan);
- Rethinking how land use can support greener and more inclusive neighborhoods (e.g., Greener Pristina);
- Reshaping how urban governance and spatial development through climate resilience and citizen-centered planning (e.g., Urban Resilience Podgorica).

These choices set the strategic direction of the portfolio and determine where most of the city's effort and learning will take place.

THE TOOL WE DEVELOPED

To guide this process, we developed a structured selection method within the Portfolio Intent Template. It allows cities to:

- Identify and prioritize primary and secondary Aois from the green transition categories¹ based on system mapping, foresight, and stakeholder engagement;

- Ensure local ownership by aligning selected focus areas with real community narratives and institutional capabilities;
- Embed coherence by requiring all cities to include three cross-cutting Aois—which are considered essential for enabling transformation across any topic.

These three mandatory Aois are:

- **Growth and Innovation** – How to spark new ideas and build long-term capabilities;
- **Financing and Partnerships** – How to mobilize resources and expand collaboration;
- **Governance** – How decisions are made, who's involved, and how institutions adapt.

These foundational areas form the backbone of every portfolio, regardless of which thematic focus is chosen. They address the operational "how" behind transformation — ensuring that cities not only define what they want to change, but also how they will organize to do it.

HOW TO FORMULATE

City teams begin formulating their focus areas through a combination of:

- Systems mapping and stakeholder sensing, to identify pain points, leverage opportunities, and emergent themes;
- Prioritization exercises, to weigh feasibility, urgency, and political momentum;
- Reflection on identity, to align selected areas with the city's transformation ambition.

Once focus areas are chosen, they are clearly stated in the Portfolio Intent. For example, in Stepanavan: "We will focus on circular economy as our primary area, supported by urban nature and biodiversity and climate change as secondary areas. These will be enabled by innovation, financing, and governance shifts that allow us to experiment, learn, and scale."

This focus structure ensures that portfolios are both grounded in place and equipped to evolve—anchored in specific domains, yet flexible enough to integrate systemic enablers and adaptive strategies.

¹For the description of Areas of Interests, please refer to the chapter on How We Define Twin Transition.

PORTFOLIO INTENT: IDENTITY (PART 2)

STEP 1
What do we bring to the table as a local municipality for?

Strengths & Unique Value
Add capabilities, resources, values, experiences that you can leverage for working on twin transition in your city.

Areas of Improvement
Add capabilities, resources, values, experiences that you cannot lead and need support with.

STEP 2
Based on your strengths, unique values and weaknesses, tick on which of the following roles suit you the most as the twin transition portfolio holder for your city? If none, add new ones at the bottom.
Please only select upto 3 roles and not more.

Integrator
Someone who combines multiple perspectives, resources, or solutions into a cohesive whole.

Steward
Someone who steers the work in various sectors through influence and information.

Innovator
Someone who creates & implements new ideas, and approaches to drive progress and address challenges.

Catalyst
Someone who accelerates processes by initiating actions or bringing new perspectives to drive change.

Convener
Someone who brings together stakeholders to facilitate collaboration & decision-making to achieve goals.

Output 3
Define Your Identity as a Portfolio Holder

Add your selected roles below

What capabilities & resources do you have to play these roles well?

What challenges do you foresee that you need support from other stakeholders?

What are some stakeholders that can be partnered with to overcome the challenges?

PORTFOLIO INTENT: IDENTITY

The second component of the Portfolio Intent is about defining the city’s identity—its distinct role in the transformation process. Every city brings unique strengths, mindsets, and ways of working. Framing identity means understanding how the city contributes to change, where it naturally excels, and how it influences the broader system around it.

A city’s identity helps sharpen the portfolio’s narrative, giving clarity on how it will activate its intent and where it might need to grow, adapt, or collaborate.

THE TOOL WE DEVELOPED

To support cities in defining their identity, we developed a two-step reflection tool to guide structured team dialogue and strategic framing:

- **Step 1: Self-Assessment of Strengths and Gaps City** - Portfolio Teams were first asked to reflect on their current institutional strengths, roles, and unique value—as well as areas where improvement is needed. This included exploring their past experience, relational assets, governance culture, and internal capacities.
- **Step 2: Role Identification and Strategic Positioning** - Based on the self-assessment, cities then explored which roles they could play as portfolio holders in the twin transition. The tool included short descriptions of each potential role and prompted teams to select up to three roles that best represent how they lead, influence, and contribute to transformation. The provided list is not exhaustive and the teams could also add additional roles to reflect their self-awareness and role.

INTEGRATOR

Someone who combines multiple perspectives, resources, or solutions into a cohesive whole.

STEWARD

Someone who steers the work in various sectors through influence and information.

INNOVATOR

Someone who creates & implements new ideas, and approaches to drive progress and address challenges.

CATALYST

Someone who accelerates processes by initiating actions or bringing new perspectives to drive change.

CONVENER

Someone who brings together stakeholders to facilitate collaboration & decision-making to achieve goals.

Each city was then asked to define for each selected role:

- What capabilities they already possess to perform this role;
- What challenges or capacity gaps may limit their ability to play it effectively;
- Which stakeholders or partners could help overcome those challenges.

This process enabled cities to formulate a clear and context-specific identity statement—grounded in evidence, aligned with their twin transition intent, and tailored to their evolving role in the local ecosystem.

HOW TO FORMULATE

Formulating a Portfolio Identity begins with team dialogue and institutional reflection. City teams are encouraged to ask:

- What do we do consistently well?
- Where do we have credibility and trust?
- What do stakeholders rely on us for?
- Where do we need support or new partnerships?

From there, the city selects one or more roles that best represent its current and potential contribution to transformation. These roles are then incorporated into the Portfolio Intent Statement, providing strategic grounding for the design of positions and options.

For example:

“As a steward of natural assets and a convener of youth networks, our city will lead circular transformation efforts that build on trust, shared responsibility, and local creativity.”

Acknowledging identity helps cities play to their strengths while being realistic about capacity gaps. It also clarifies where to focus capability-building or seek external partnerships—ensuring the portfolio is not only visionary but viable.

PORTFOLIO INTENT: EFFECTS (PART 3)

CEF Twin Transition Portfolio

STEP 1

Title of the Portfolio

Areas of Interests for the Portfolio

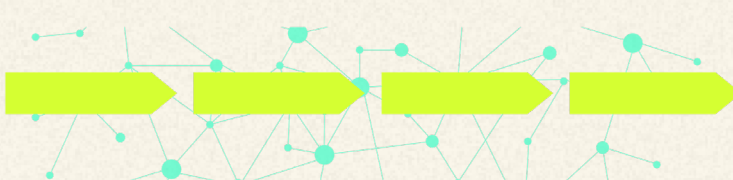
Primary Focus

Secondary Focus

Growth and Innovation

Financing and Partnership

Governance



SHIFTS

STEP 2

Add the decided 'SHIFTS' from the speculative futures exercise

Output 4

Systemic Effects

Systemic effects refer to the broader and interconnected impacts that a set of initiatives or projects can have on a community or urban system as a whole. Instead of just looking at the outcomes of individual projects, systemic effects consider how these projects work together to create meaningful change.

Reviewing the scope of portfolio and areas of interests, what systemic effects (i.e., interconnected impacts of the whole portfolio) should be created to build an ideal future of the city?

Effect 1

Effect 2

Effect 3

PORTFOLIO INTENT: EFFECTS

The third and final part of building a Portfolio Intent is defining the systemic effects the city aims to create. These are not short-term outputs or project-level KPIs—they are the deeper shifts in culture, behavior, relationships, and institutional patterns that signal real transformation is taking place.

Systemic effects help cities move beyond "what we do" to "what it changes." They reflect a long-term view of how the city could evolve if its portfolio interventions succeed. Rather than setting technical targets like "reduce emissions by 30%" or "install 100 sensors," systemic effects capture how the system itself behaves differently, what people value, and how everyday life improves.

For example:

- In Kavadarci, one systemic effect is “*Circular creativity becomes part of youth culture*”—a shift where young people not only recycle, but also reimagine waste as a source of social, cultural, and economic innovation.
- In Stepanavan, an effect reads “*A thriving green and agro-economy powered by circular practices, local entrepreneurship, and climate-resilient jobs*”—highlighting a vision where sustainability becomes a core economic strategy.

Systemic effects provide direction, inspiration, and a way to measure transformational progress, not just project completion.

THE TOOL WE DEVELOPED

To help cities define their systemic effects, we integrated a Systemic Effects Canvas into the stencil design process. This tool prompted cities to explore:

- How behaviors, norms, and relationships might shift as a result of their portfolio;
- What new patterns or narratives could emerge in daily life;
- Which effects would signal that the system is moving in the desired direction;
- How these effects connect back to the city's identity and focus areas.

Cities were encouraged to think long-term, be people-centered, and avoid framing effects in overly technical or output-based terms. The tool includes examples and guiding questions to stretch beyond sectoral outcomes and imagine what a new normal could look like.

HOW TO FORMULATE

City teams formulated their systemic effects through a combination of creative foresight and grounded analysis. The process included:

- Looking at the root causes of persistent challenges in their selected Areas of Interest;
- Imagining what success would feel like in people's lives, not just in infrastructure;
- Asking "What would be different if this worked?" at the level of values, habits, and systems;
- Drafting short narrative statements that describe future states—not outputs, but effects.

For example:

- From Tashir, Armenia: Instead of "We increase green jobs by 25%," a systemic effect is set to "*A local economy where circular practices generate dignified green work, resilient income streams, and long-term commitment from.*"
- From Podgorica, Montenegro: Instead of "start 5 new green projects for urban space," a systemic effect is set to "*A city where every new project whether housing, mobility, or industry—must generate ecological value, not just economic return, transforming land development.*"

These effects are then woven into the Portfolio Intent, shaping how the city frames its learning, prioritizes options, and tracks progress over time. They also help communicate ambition to partners and signal what kind of change the city is truly working toward.

This step also anchors the portfolio in the city's transformation logic—not just what it wants to do, but what kind of city it wants to become, and how that future connects to ongoing challenges and opportunities

CASE STUDY ▶ ▶ ▶

Intent in City: Stepanavan, Armenia

The Challenge: A static community facing job shortages and a lack of green investment.

The Intent: To build a clean, agro-economically vibrant, and waste-free community. The city aims to shift from a "static community" to a "regenerative urban ecosystem" where waste becomes a resource and nature thrives alongside human activity.

AREAS OF INTEREST

KEY TAKEAWAY: FINDING THE INTERSECTIONS

Urban challenges don't happen in silos. Use Areas of Interest to identify where different sectors overlap—for example, how Energy connects to Mobility, which impacts Air Quality. Focusing on these intersections allows you to design interventions that solve multiple problems at once.

HOW IT HELPS (THE TOOL WE DEVELOPED)

This tool is activated during the portfolio identity-building process, where cities reflect on their role in the system and select one primary and up to two secondary Areas of Interest as their **focus areas**. This step is designed to surface not only priorities, but the interconnections between domains—prompting cities to see how changes in one area affect others.

For example, a city might identify energy as its primary focus area, but through the stencil process realize how deeply it's linked to mobility, which impacts air quality, and ultimately shapes public health and equity. The Aols provide a lens for exploring these relationships, encouraging cities to frame interventions that reinforce rather than contradict each other.

By working through the stencil's Aol selection tool:

- Cities anchor their portfolio in place-based challenges,
- Uncover leverage points across systems, and
- Set up the conditions for coherent experimentation and adaptive learning.

This structured yet flexible framing is what enables cities to move from isolated projects to a portfolio approach that reflects the reality of how urban systems work.

HOW TO USE IT

Cities use Aols to define the focus areas of their portfolio. Typically, they select:

- One primary Area of Interest as the strategic core of the portfolio;
- Up to two secondary areas, depending on local relevance and ambition.

What matters most is not how many Aols are chosen, but how well they align with the city's identity, ambition, and system logic. The three capability Aols are integrated by default, as they support the enabling conditions for any transformation to take root. Aols also help frame Positions and Options later in the process—guiding cities to where learning and experimentation should be focused.

Overall, Areas of Interest help cities anchor their portfolios in real challenges while offering a structured way to navigate complexity, identify leverage points, and connect local actions to broader systems change. They bridge the gap between big ambitions and everyday realities. To help cities activate this systemic shift, we developed and operationalized the portfolio approach through the Twin Transition Stencil. In the next chapter, we introduce its core components and show how it turns strategic ambition into actionable pathways.

CASE STUDY ▶ ▶ ▶

Connecting the Dots

City: Podgorica, Montenegro

Focus Areas: Land Use (Primary) + Urban Nature & Climate Resilience (Secondary) .

The Logic: Podgorica realized that uncontrolled construction and urban heat were linked. By focusing on "Land Use," they could deploy nature-based solutions (Green) enabled by digital mapping (Digital) to solve both issues simultaneously .

POSITIONS

KEY TAKEAWAY: WHERE TO LEARN

A "Position" is a strategic bet. Instead of rushing to "fix" everything, identify specific territories where you need to learn more.

The Logic: "We will go here (specific challenge) ... so that we can understand X and unlock Y". It forces you to slow down and check your assumptions before spending money.

After the city has set its intent and identity with the chosen areas of interests (e.g, Focus Areas), Portfolio Positions are where strategy meets reality. Think of them as specific territories within the topic where the city is going to dig deeper and experiment. These are the key building blocks that help cities strategically structure their experimentation and learning. Each position represents a specific topic or leverage point within the chosen Areas of Interest where cities want to deepen their understanding, test new approaches, or scale impactful practices.

Here's what makes positions powerful: it forces to slow down before rushing into action. Instead of immediately launching that new bike-sharing program, the city first map out what we actually knows versus what we assume. Maybe the city think people don't bike because there aren't enough bike lanes, but the real barrier might be safe storage at home or cultural perceptions about cycling.

This approach transforms how cities work. Rather than committing a big action upfront, we are building a practice of strategic learning. Each position becomes a space where we can test ideas, fail safely, and actually understand what moves the needle in the city's unique context. It's the difference between throwing solutions at problems and developing real insight about how change happens in the community.

PORTFOLIO POSITIONS

1 What is the key building block or topic for this position?

Which Areas of Interests does this building block addressing to? *At least 1 of the below has to be selected*

Primary Focus Secondary Focus Growth and Innovation Financing and Partnership Governance

2 Based on the awareness scale on the right, which stage is this key building block currently in?

Unaware of the problem
Need to understand more and create awareness (research, analysis, consultations)

Aware of the problem
Explore and learn what needs to happen (experiment, prototyping)

Aware of the solution
Motivate to start implementation, share stories of success

Act & expand
Build partnerships, wider engagement for expansion and scale

3 What are we trying to learn, discover or do with this building block based on the awareness level?

How is your learning goal contributing to our systemic effects? Which effects is this contributing to? (from your portfolio intent).
Select at least one effect

Effect 1 Effect 2 Effect 3

4 What is our learning hypothesis for this position?
(Use the structure "if we do...then...")

What beliefs and assumptions sit in this hypothesis? Any risks or challenges to consider?

5 Who should we work with for this position?

6 What could be our activities? Brainstorm some initial ideas and use this in the ideation stage.

THE TOOL WE DEVELOPED

To support this process, we developed a Position Template, which helps cities articulate each position through a structured lens. For every position, the template guides teams to define:

- A focus area alignment from the Areas of Interests (e.g, Circular Economy, Urban Nature, Governance) to ensure it links back to the overall portfolio intent.
- An awareness scale, which helps teams situate the current level of knowledge and readiness (ranging from “unaware of the problem - we need to discover and unpack this complexity” to “act & expand - we have identified working solutions, let’s try to scale and expand”).
- A learning objective, articulates what the team seeks to understand or influence within this specific topic.
- A learning hypothesis, using “if we do...then...” structure to clarify assumptions
- Suggested partners and initial ideas, paving the way for actionable Option design.
- Possible ideas for actions as a brainstorming space to make note of potential activities relevant to the position

This tool encourages cities to think like portfolio holders, not just project implementers—designing each position as a space for exploration, iteration, and insight generation.

HOW TO FORMULATE

City teams identify positions by:

- Zooming into their chosen Areas of Interest and asking: Where do we feel stuck? What could unlock progress?
- Surfacing assumptions: What are we taking for granted? What might we be missing?
- Engaging stakeholders to uncover lived experience, blind spots, and overlooked insights;
- Framing each position as a learning opportunity, not just a task.

Each position should be tightly scoped, actionable, and tied to the portfolio's intent and identity. A well-framed position helps the city focus its efforts, select appropriate interventions, and generate useful learning. By defining clear positions, cities shift from reacting to problems to proactively shaping pathways of change—with each position acting as a learning engine inside the broader portfolio.

CASE STUDY ▶ ▶ ▶

Strategic Learning Frontiers

City: Nizhyn, Ukraine

Position: "Secure and Sustainable Energy"

Learning Hypothesis: The city moved from a general desire for "better energy" to a specific strategic position - "establishing decentralized, community-managed energy generation". This position allows them to test if local autonomy can actually increase resilience during crises.

OPTIONS

Options are the concrete experiments and interventions that bring each Position to life. They are time-bound, practical activities designed to test hypotheses, generate learning, and produce visible change in the city's system. Unlike traditional projects focused only on delivery, Options are designed as learning vehicles— interventions (often small-scale) that help cities understand what actually drives transformation in their specific context.

Cities are encouraged to build a portfolio of diverse Options across Positions to:

- Test multiple ideas under conditions of uncertainty,
- Compare varied approaches to similar problems,
- Engage different actors and communities,
- Adapt strategies based on evidence—not assumptions

KEY TAKEAWAY: EXPERIMENTS, NOT JUST PROJECTS

Options are small, concrete actions designed to generate evidence, not just deliver outputs.

Mindset Shift: If a traditional project fails, it's a disaster. If an Option fails, it is still a space to learn and adapt for the next action —because you learned what doesn't work before scaling it up. Design multiple Options to attack one Position from different angles.

OPTIONS

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- Adapt strategies based on evidence—not assumptions

THE TOOL WE DEVELOPED

An option typically includes:

- A clear designed activity, outlining the proposed actions, key stakeholders, and expected outputs.
- A targeted contribution to learning, explaining how the Option supports the Position's learning objective and helps move from awareness to action.
- Partners that could contribute expertise, resources, or implementation support.
- Considerations for risks or external factors that might influence the outcome.
- A proposed budget and a timeline that guides delivery and learning cycles.

PORTFOLIO OPTION BRIEF

1 Name your option, and indicate which position this option is addressing it to on the right

2 Please describe your option activity in detail with key anticipated activities and outputs

3 Based on the key activities and outputs, how will this option contribute to the learning hypothesis of selected position? In other words, how would the proposed option help in finding solutions for our position (topic)?

4 Who are your potential partners?

5 Are there any risks or external factors that we need to consider?

6 What is the proposed budget?

7 Key timeline for this option

Position 1 Position 2 Position 3 Position 4 Position 5

PORTFOLIO OPTION BRIEF

Name your option, and indicate which position this option is addressing it to on the right

1 Waste source Separation together with Tashir



Please describe your option activity in detail with key anticipated activities and outputs

Objective: Stepanavan and Tashir want to pilot with waste source separation initiative to reduce the landfill burden, educate the citizens about sustainable waste management to change their behavior towards more sustainable practices and increase awareness that waste can be reused.

2 Activities

- Sector experts develop Waste Source Separation plan for Stepanavan and Tashir (with capital and operational costs, the latter to be funded by the municipalities)
- The plan is being refined and finalized based on the discussions with the citizens
- Municipalities sign an agreement of collaboration and provide a space for secondary sorting
- Equipment needed for secondary sorting is provided by CEF
- Agreements are made with the private sector for later usage of the recycled waste
- Communication/awareness raising campaign is conducted to engage, educate the citizens on WSS
- Launch of the WSS initiative

Outputs

- WSS plans
- Agreement between municipalities
- Establishment of secondary sorting place
- Awareness raising/communication campaign for citizens
- Equipment bought and installed in the secondary sorting place
- Agreements with the private sector
- Launch of the initiative

3 Based on the key activities and outputs, how will this option contribute to the learning hypothesis of selected position? In other words, how would the proposed option help in finding solutions for our position (topic)?

- By doing actual WSS Stepanavan will collect learnings and adjust its plan accordingly moving towards development of the effective waste sorting and disposal mechanisms
- By doing WSS Stepanavan will reduce the burden of its landfill moving towards the next step of addressing more complex problems of landfill closure, construction of a new landfill and waste reuse and recycling.
- Citizens will have a shift in behavior towards more sustainable practices and they will re-evaluate how they approach the waste

4 Who are your potential partners?

- American University of Armenia (AUA) Acopian Center for the Environment Waste Policy Armenia program
- Innovative solutions for sustainable development NGO
- Kotayk & Gegharkunik first sanitary landfill joint stock company
- Union of recyclers of Armenia

6 What is the proposed budget?

Roughly 20k

Agreed/Secured co-financing from Municipality
5k + operational costs
~12k annually

7 Key timeline for this option

June-December 2025

5 Are there any risks or external factors that we need to consider?

- The plans are being developed by Waste Policy Armenia team experts, but the formalization of the institutional cooperation agreement (memo between UNDP and AUA) takes too long. So agreement is still informal.
- This is a first project of a kind for city-to-city cooperation and some regulation, management, financial challenges may appear for secondary sorting facility management. Mitigation measures will be applied.

Rather than assuming what works, Options allow cities to experiment purposefully—to test ideas, compare outcomes, and iterate based on real-world insight.

HOW TO FORMULATE

Formulating Options begins once the Position is defined. City teams use the following steps:

- Clarify the learning question: What does the city want to understand, test, or challenge through this Option?
- Scope the intervention: Design a small, feasible action that can be implemented quickly and safely.
- Identify stakeholders and assets: Who needs to be involved, and what local capacities can be activated?
- Build in feedback loops: How will insights be captured, and how will they inform future work?

Options should reflect the design principles embedded in the stencil:

- Prioritize learning over certainty;
- Engage local actors and lived experience;
- Tap into underused assets;
- Bridge digital and green transitions;
- Remain flexible and adaptive.

Above all, Options are not endpoints—they are vehicles for deeper understanding. Each one becomes a small-scale test of change, enabling cities to treat their urban systems as living laboratories for innovation, inclusion, and resilience.

CASE STUDY ▶▶▶

Experiments on the Ground

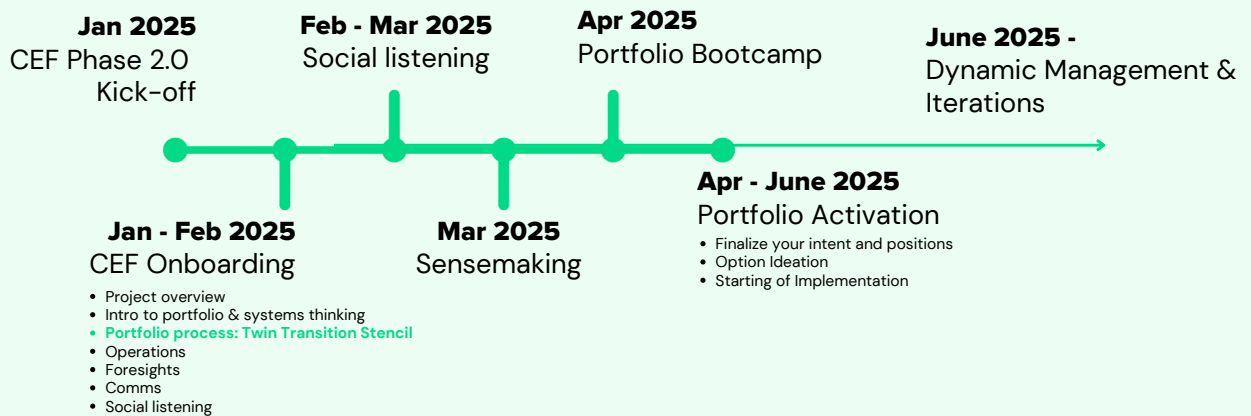
City: Kavadarci, North Macedonia

The Option: "Community Co-Design for Circular Solutions"

The Experiment: Moving from manual, siloed operations to a engage wineries, rural communities, youth, and women entrepreneurs in co-designing circular solutions for grape and winery waste reuse—integrating local knowledge, innovation, and eco-tourism strategy development.

FROM STENCIL TO STRATEGY: HOW CITIES DESIGNED THEIR PORTFOLIOS

TIMELINE



The Twin Transition Stencil was introduced through a carefully sequenced, six-month process that combined strategic framing, participatory methods, and systemic learning across multiple touchpoints from January to June 2025.

The process began with the launch of CEF Twin Transition Cohort, which brought ten cities across five countries—Armenia, Kosovo, North Macedonia, Montenegro, and Ukraine—to embark on a new phase of portfolio-based urban transformation. The process was designed to empower each city to build its own learning and experimentation system, rooted in local realities and guided by future-oriented ambitions.

In this section we cover how CEF City teams applied the tool to structure their thinking, make sense of complex urban challenges, and co-develop portfolios that are now being activated to drive systemic, inclusive, and sustainable transformation.

PHASED ONBOARDING AND CAPACITY BUILDING

In the first two months (January - February), cities participated in onboarding sessions that introduced the portfolio approach and Twin Transition Stencil. These sessions covered core methodologies—including systems thinking, foresight, dynamic management, and communications—as well as operational tools to support implementation.

This initial phase also included community listening activities, helping cities tune into the lived experiences, perceptions, and priorities of their residents. This created the foundation for bottom-up portfolio design that is responsive to community needs.

COMMUNITY LISTENING

In March 2025, city teams conducted 25-40 interviews in their communities across a diverse set of stakeholders ranging from municipality staff to residents from the private sector, vulnerable communities, civil society organizations, among others. By engaging in short qualitative interviews with these stakeholders, the city team set out to understand the needs, challenges, opportunities, the future vision for the city, their perspectives on twin transition as well as their experience based on their gender identity.

Across the 10 cities, over 300 individuals were interviewed where over 50% of them were women and over 25% of them belonged to vulnerable communities, giving city teams an opportunity to speak with new stakeholder groups that they might not have previously interacted with.

The community listening process broadened the city teams' perspectives and understanding of the lived realities of different communities. The stakeholders' common and varied needs, challenges and perspectives provided the necessary inspiration and argumentation to steer their portfolio design.

You can read our report: [Key findings from community listening | CEF 2025](#).

MAKING SENSE OF COMPLEXITY

In March, each city entered a pivotal phase of the Twin Transition journey: sensemaking. This wasn't just a data collection step—it was a structured process of making sense of complex realities, using insights from community listening, city strategies, institutional knowledge, and local trends. Through facilitated workshops, cross-sector dialogues, and systems mapping, city teams began to connect dots across fragmented initiatives, surfacing both hidden opportunities and systemic blind spots. The goal was not to define solutions—but to understand the system well enough to ask better questions.

Cities used this phase to:

- Identify key patterns of needs and opportunity emerging across sectors and communities
- Examine where existing strategies were falling short or operating in silos
- Pinpoint entry points for transformation—places where change could take hold and ripple outward

This collective sensemaking laid the groundwork for each team to frame its portfolio intent—not as a static target or isolated project, but as a strategic response to dynamic, interlinked urban challenges.





PRISTINA, KOSOVO

Case Example

In Pristina, the sensemaking session revealed a city full of civic energy and experimentation, but struggling to turn that momentum into institutional change. Youth groups, green initiatives, and digital pilots were active—but disconnected.

Three key insights emerged:

- ◆ Air quality emerged as a unifying concern, with deep links to green spaces, mobility, public health, and equity
- ◆ Innovation ecosystems lacked institutional pathways—civic actors were creating ideas that never entered city planning
- ◆ Digital capacity was spread thin across departments, with poor interoperability limiting impact

These insights became the foundation for Pristina’s work in the Bratislava Bootcamp, where the city defined its portfolio topics in looking at urban biodiversity and well-being issues related to air pollution, and further enhanced through the community listening insights. Pristina’s experience illustrates the purpose of this stage: to move beyond symptoms and into systems, helping cities navigate complexity with clarity, coherence, and adaptive intent.



TURNING FRAMEWORK INTO PRACTICE: PORTFOLIO BOOTCAMP IN BRATISLAVA

A key milestone in the journey from concept to implementation was the CEF Portfolio Bootcamp, held in April 2025 in Bratislava, Slovakia. This two-day intensive workshop brought together over 40 participants—including country office focal points, city representatives, and peers from the Bratislava municipality—to collectively deepen their understanding of the Twin Transition Stencil and activate it within their local contexts.

The Bootcamp was designed as an experiential space for shared learning, peer exchange, and rapid prototyping. It marked a transition point in the portfolio journey—from diagnosis and sensemaking to the strategic design of portfolios, grounded in identity, intent, and systemic ambition.

The Twin Transition Stencil was organized into a comprehensive Portfolio Workbook for use during the Bootcamp. This workbook became the central reference guide for cities throughout the design journey - serving as a strategic playbook, template repository, and sensemaking companion.

The Workbook offers:

- Clear explanations of each component of the stencil - Intent, Identity, Areas of Interest, Positions, and Options.
- Structured templates to capture and evolve city thinking.
- Step-by-step guidance on how to move from reflection to activation

Additionally, this workbook acted as an important bridge, enabling city teams to translate the insights and thinking from the bootcamp to their broader municipal teams and decision-makers.

BUILDING INTENT THROUGH FORESIGHT AND IDENTITY WORK

The bootcamp began with a shared orientation to the CEF portfolio process and the purpose of the Twin Transition Stencil. This was followed by a speculative futures session, where cities explored plausible future scenarios and strategic risks. This exercise helped city teams stretch their thinking beyond immediate challenges and consider how current decisions could shape long-term transformation.

The afternoon focused on framing identity and intent. Cities were invited to reflect on:

- Who they are as system actors.
- What change they want to lead.
- What shifts they want to enable.

Through guided exercises, teams built out their portfolio identity, clarified their primary and secondary focus areas, and crafted intent statements that captured the essence of their transformation ambitions.

STRUCTURING ACTION: FROM AREAS OF INTEREST TO POSITIONS

Next participants moved the conversation from “why” to “where and how.” Teams explored and selected Areas of Interest—from energy, mobility, and circular economy to food systems, digital inclusion, and youth innovation—as lenses through which to organize their portfolios.

They then developed portfolio positions: strategic learning frontiers where experimentation would be most valuable. Using the stencil logic (“go where... so that...”), each city began crafting its unique structure of positions, aligned with their intent and systemic effects. These positions became the scaffolding for option ideation, to be taken forward in the next phase of portfolio design.

SHARPENING THE STRATEGY: VALIDATING PORTFOLIO INTENT AND POSITIONS

Following the Bootcamp, city teams returned to their local contexts with a clear draft of their portfolio architecture - defined intents, emerging positions, and initial pathways for option development. But the work didn’t stop there. The next critical step was to validate these elements with a broader set of stakeholders - within city administrations, partner institutions, and local communities.

The validation process served multiple purposes:

- It ensured that the portfolio reflected collective priorities, not just the ideas of the design team
- It helped align internal actors around a shared intent
- It created early buy-in and momentum for the transition from design to implementation

During this phase, each city:

- Refined its focus areas, selecting the most relevant intersections between green and digital transition (e.g., energy resilience, urban spatial planning, circular economy)
- Finalized its systemic effects, identifying the long-term changes the portfolio aims to induce - such as improved environmental governance, youth economic empowerment, or decentralized energy systems
- Recalibrated its positions, confirming where learning and experimentation would be most strategic, and ensuring they aligned with both local ambition and institutional capacity

Some cities hosted dedicated workshops; others embedded these discussions into existing working groups or partner meetings. In all cases, the process reinforced one of the core principles of the Twin Transition Stencil: that portfolios should be authored by the city, for the city, with a clear sense of ownership and adaptability.

By the end of this stage, each of the ten cities had translated high-level ambition into a coherent and context-specific portfolio structure, ready for option ideation, testing and activation.

FROM STRATEGY TO ACTION: OPTION IDEATION AND EARLY EXPERIMENTS

With portfolio intents and positions validated, cities moved into the next phase of the stencil process: Option Ideation. This marked a shift from strategic framing to tangible action design where cities began translating hypotheses into concrete interventions that could test assumptions, generate learning, and spark change on the ground. Each option was anchored in a learning hypothesis, rooted in the city's evolving understanding of its challenges and opportunities.

For example:

“If we implement targeted greenery and nature-based solutions in urban hotspot zones, then we will reduce local air pollution levels and enhance urban liveability.”

Cities were guided to design them in ways that:

- Responded directly to their strategic positions and systemic effects;
- Reflected their stage of awareness (e.g., exploring an issue, testing a prototype, or expanding a promising model);
- Activated local assets, partnerships, and institutional capabilities;
- Generated evidence and insights that could inform the evolution of the wider portfolio.

A COLLABORATIVE AND ITERATIVE DESIGN PROCESS

Option ideation was an iterative and participatory process. Each city engaged in a range of activities—including in-person and virtual workshops, brainstorming sessions, and consultations with academia, civil society organizations, private sector actors, and public institutions. These multi-stakeholder dialogues not only enriched the design of the options but also ensured that they were locally grounded and collectively owned.

Through repeated validation and refinement, the portfolio team documented each option using the Option Brief Template—a shared format that detailed the intended activities, outputs, key stakeholders, risks, budget, and implementation timeline. This structure helped establish a common language for experimentation across the cohort and laid the groundwork for future tracking, learning, and portfolio evolution.

SEEDING PORTFOLIOS

The intent was to seed a dynamic portfolio—a collection of interconnected, strategic experiments that together could build momentum for systemic transformation. This was understood as a “seed phase”—where early options would generate data, insights, and stories that could guide future iterations, attract investment, and scale what works.

Cities were encouraged to treat these options as testbeds for learning, not fixed investments. This allowed space for iteration, adaptation, and real-time course correction—based on what emerged in practice.

This shift in mindset—from delivering isolated projects to cultivating a portfolio of learning experiences—was one of the most meaningful outcomes of the stencil process. It enabled cities to operate effectively under conditions of uncertainty, build institutional confidence, and lay the foundation for more resilient, inclusive, and future-fit urban development.

LOOKING AHEAD: DYNAMIC MANAGEMENT AND LEARNING INTEGRATION

As cities prepare to move from design into implementation, the next critical step in the stencil process is the introduction of dynamic management and learning integration. This phase will enable city teams to shift from managing individual projects to navigating a living portfolio—where learning, adaptation, and real-time decision-making become central to how change is stewarded.

While focus on focuses on delivery: milestones, outputs, timelines remain important, portfolios call for a more adaptive mindset—one that prioritizes discovery alongside delivery. As cities begin to implement their options, the goal is not just to execute, but to observe, reflect, and respond to what is emerging.

To support this shift, cities will be introduced to a set of lightweight learning and management tools, including:

- Portfolio Intelligence Assistance (PIA), a generative-AI chatbot, to capture real-time insights, challenges, and adjustments that we have developed in-house;
- Regular reflection checkpoints across teams to assess progress on positions and systemic effects;
- Sensemaking workshops to identify emerging patterns and surface strategic opportunities;
- Feedback loops to help determine which options to adapt, scale, pause, or retire.

These tools will help cities stay responsive to change, connect the dots between different activities, and generate evidence that can guide future investment and collaboration. As portfolios move into implementation, dynamic management will create the conditions for ongoing alignment between intent, positions, and options, while enabling course correction based on real-time learning rather than static assumptions. It will also help uncover cross-option synergies, where lessons from one intervention can inform and strengthen others, and foster strategic agility, allowing cities to make timely, informed decisions amid uncertainty and evolving local contexts.

The CEF team will work closely with city teams to integrate these practices into their existing rhythms and capacities—ensuring that dynamic management is not an added burden, but a value-generating process that reinforces the city’s ownership of its transformation journey.

LEARNING AS STRATEGY

The most important shift enabled by dynamic management is cultural: learning is no longer an afterthought—it becomes a core strategy. It allows cities to embrace uncertainty, work with complexity, and stay open to emergent opportunities. This turns portfolios from static plans into adaptive platforms for urban transformation.

In sum, the Twin Transition Stencil is not just about getting cities to design better interventions—it helps them become better learners, stewards, and systems thinkers. This capability is what ultimately enables sustainable, inclusive, and resilient futures.



The Twin Transition Stencil has now been applied across ten cities in five countries over nine months. This chapter has traced the stencil's logic and components: how Intent grounds purpose, Areas of Interest frame focus, Positions define strategic learning frontiers, and Options generate evidence through bounded experiments. It has also described the process through which cities applied this method—from community listening and sensemaking through bootcamp design, validation, option ideation, and preparation for dynamic management.

The ten cities that applied the stencil worked under different political conditions, with varying levels of institutional capacity, technical expertise, and stakeholder engagement. Some had prior experience with systems approaches and adaptive programming; others were encountering these methods for the first time. All faced resource constraints, competing priorities, and the challenge of introducing portfolio thinking into governance cultures built around project delivery.

The next section presents reflections on application of the Stencil. It draws from country office reflections, municipal team feedback, and direct experience running the process at speed and scale. These insights address both what the stencil enabled and where it fell short, what conditions supported stronger results, and what would need to change for regional scaling.



REFLECTIONS ON CEF TWIN TRANSITION PRACTICE

Applying the Twin Transition Stencil across ten cities between January and June 2025 generated insights about both the method itself and the conditions that enable portfolio-based transformation. The stencil worked as a coherent design method: it provided structure for organizing complexity, helped teams clarify municipal identity and intent, and supported the shift from siloed projects to learning-oriented portfolios.

For UNDP, the process served multiple purposes. It positioned the City Experiment Fund as a relevant partner capable of helping cities navigate spaces they had not previously considered. It generated development intelligence for country offices, offering grounded understanding of community realities and the scale of local needs. These insights enabled more realistic planning and created opportunities to design supportive partnerships across programmes and actors

For municipal teams, the process normalized working with uncertainty, including learning from what does not succeed. The stencil's combination of clear structure with room for adaptation enabled teams to begin early experiments while still refining overall portfolio logic. This also influenced team dynamics: shared work on defining intent, mapping systems, and formulating positions built trust between UNDP and municipal staff.

"By listening to different community perspectives, we gained a broader range of opinions, a better sense of on-the-ground realities and insights into local needs and challenges."

*Ljubica Teofilovska
UNDP North Macedonia*

"Our teams have a better understanding of what it means to test solutions, fail, adjust, try again. Sharing a common vision with the municipal team, understanding their side of the story and better explaining UNDP's goals, methodology and approach built easier communication, trust and mutual respect."

*Bozana Masanovic
UNDP Montenegro*

OUR LESSONS SO FAR:

Nine months of application surfaced practical lessons about process design, capacity needs, and conditions for stronger results:



Broader engagement builds resilience. Process design that includes more municipal staff and partners - even as observers—creates institutional depth that outlasts individual turnover and political change. Wider participation during formative phases builds shared understanding and distributed ownership.



Process phases need intentional linking. Working with ten cities simultaneously compressed timelines and made it difficult to sequence sensemaking, community listening, and portfolio formulation as integrated stages. Deliberate synthesis between phases would strengthen how insights flow from one stage to inform the next.



Capability building requires adequate time. Extended bootcamp sessions, follow-up training, and dedicated in-person collaboration would allow teams to develop deeper skills and stronger working relationships. Compressed schedules limit how much capacity can develop and how well collaborative norms can establish.



Digital scanning needs structured attention. The twin transition framing emphasizes green-digital complementarity, but teams struggled to systematically identify digital possibilities and integrate them into option design. A dedicated scanning phase with clear frameworks would help teams recognize opportunities and build them into interventions from the start.



Partnership development requires explicit support. Municipal decision-makers operate within established networks and familiar actors. Building capacity to identify non-traditional partners, research innovative models, and initiate new relationships requires dedicated guidance and tools.



Cross-city exchange accelerates learning. Structured information sharing between portfolios during option initiation and early experimentation helps cities adopt what works and avoid repeating what fails. Learning happens faster when cities can see what peers are testing in real time.

CONSIDERATIONS FOR SCALING

The stencil has demonstrated value as a practical method for municipal teams and UNDP country offices. The question now is how to enable wider adoption across the Europe and Central Asia region in ways that maintain quality while adapting to diverse contexts. Several considerations can guide regional scaling efforts:



Treat the stencil as a design method, the portfolio approach as practice. The stencil offers a coherent way to structure transformation work, but it operates within CEF's broader exploratory development logic. Scaling requires supporting both: the method (templates, facilitation guidance, examples) and the practice (institutional routines for adaptive governance, learning culture, evidence-based resource allocation). Different cities will need different levels of support for each.



Invest in local facilitation capacity.

The stencil provides structure, but cities need skilled facilitation to activate systems thinking, convene stakeholders, and sustain dynamic learning. Building regional or national facilitation pools—through train-the-trainer models or partnerships with universities and civil society—can help institutionalize this capability beyond UNDP project cycles.



Anchor portfolios in governance and finance cycles.

Portfolios gain traction when integrated into formal municipal planning, budgeting, and investment strategies. Connecting portfolio logic to national recovery frameworks, climate action plans, or digital transformation roadmaps increases the likelihood of sustained financing and implementation. This requires working not only with municipal departments but with ministries, development finance institutions, and donors who shape resource flows.



Enable structured peer learning.

Cities learn fastest from other cities. Creating regular opportunities for cross-portfolio exchange - through regional cohorts, digital platforms, or thematic working groups - can accelerate adoption of successful approaches and surface common challenges early. This should happen during active experimentation, not only after results are documented.

The Twin Transition Stencil emerged from a need to help cities organize complexity and manage transformation. Its application across ten diverse municipalities has shown that the Stencil effectively supported design and set the foundations for dynamic management of twin transition portfolios. In long term, it supports the shift toward portfolio-based governance that CEF has been developing since 2021.

This document has traced the stencil from design rationale through practical application. What it offers is not a solution, but a tested approach: a way for cities to ask better questions, place strategic bets, learn from what happens, and build institutional capacity for ongoing adaptation. As more cities face compounding pressures and interconnected challenges, methods like this will become increasingly necessary.

The stencil now exists as an open resource: for municipal teams, UNDP country offices, and development partners. We invite you to apply, adapt, and evolve it based on your own contexts and learning. For CEF the future and value of the Stencil will be determined by the cities that choose to use it, refine it, and make it work in their own circumstances.

ANNEX 1.

CEF PORTFOLIOS OVERVIEW

TEN CITIES, TEN PATHWAYS TO THE TWIN TRANSITION - The Twin Transition Stencil was designed to provide coherence without uniformity. Each of the ten cohort cities applied the stencil to its context—defining local ambitions, mapping systemic challenges, and building portfolios that reflect their specific aspirations and capacities.

OVERVIEW OF CITY PORTFOLIOS

Here is a snapshot of the ten portfolios:



STEPANAVAN (ARMENIA)

Portfolio: Circular Transition in Stepnavan

Focus: Circular economy, Urban Nature and Biodiversity, and Climate Change

Systemic Effects: A regenerative urban ecosystem where waste becomes a resource and nature thrives alongside human activity; A circular community where every household and business contribute to local resource renewal and biodiversity restoration; A thriving green and agro-economy powered by circular practices, local entrepreneurs



TASHIR (ARMENIA)

Portfolio: HAC Tashir (Healthy, Active, Clean)

Focus: Circular Economy, Urban Nature and Biodiversity, and Well-being

Systemic Effects: A future-ready Tashir where circular habits today create a clean, green, and healthy environment that empowers future generations to thrive; A local economy where circular practices generate dignified green work, resilient income streams, and long-term commitment from citizens and institutions alike; An enabling city where every actor—citizen, entrepreneur, or public official—is equipped and motivated to make choices that regenerate the environment and economy



PRISTINA (KOSOVO)

Portfolio: Greener Pristina

Focus: Urban Nature and Biodiversity, and Well-being including Air Pollution

Systemic Effects: Greening Pristina catalyzes urban system regeneration by improving public health, enhancing climate resilience, and reweaving social connectivity; Integrating nature-based and digital infrastructure strengthens Pristina's adaptive capacity to climate extremes while regenerating its urban ecosystems; Vibrant green public spaces anchor social cohesion, activate low-carbon lifestyles, and unlock



OBILIQ (KOSOVO)

Portfolio: ECO Obiliq

Focus: Urban Nature and Biodiversity, and Well-being including Air Pollution

Systemic Effects: Cleaner air, more green spaces, and reduced pollution improve public health, comfort, and quality of life for all residents, especially the most vulnerable; Nature-based solutions combined with digital tools create smarter, more adaptive urban systems that respond to environmental and social needs; By involving citizens in co-design, the city builds trust, equity, and long-term resilience—ensuring solutions are rooted in local realities and supported by the people.



PODGORICA (MONTENEGRO)

Portfolio: Urban Resilience

Focus: Land Use, Urban Nature and Biodiversity, and Climate Change and Resilience

Systemic Effects: A city governance ecosystem that continuously learns, evolves, and regenerates—where feedback from pilots, civic participation, and environmental data loops into planning and decision-making across all levels; A city where every new project—whether housing, mobility, or industry—must generate ecological value, not just economic return, transforming land development into a tool for resilience; A resilient financing architecture where local green pilots are designed with pathways to scale—through traditional and innovative financial forms, and regional transition platforms



PLJEVLJA (MONTENEGRO)

Portfolio: Green Horizon Pljevlja

Focus: Energy Resilience, and Climate Change

Systemic Effects: Reducing air pollution and health risks by eliminating open burning through integrated waste services, community-led recycling, and public awareness in vulnerable neighborhoods; Building a resilient local circular economy through repair workshops, school reuse projects, green startups, and partnerships that create jobs, circulate resources, and strengthen local capacities; Bundling infrastructure upgrades and environmental recovery into neighborhood-scale regeneration initiatives that align energy efficiency, waste systems, and clean mobility with public health and equity.



GOSTIVAR (NORTH MACEDONIA)

Portfolio: Regenerate Gostivar

Focus: Circular Economy, Well-being and Land Use

Systemic Effects: Reducing air pollution and health risks by eliminating open burning through integrated waste services, community-led recycling, and public awareness in vulnerable neighborhoods; Building a resilient local circular economy through repair workshops, school reuse projects, green startups, and partnerships that create jobs, circulate resources, and strengthen local capacities; Reclaiming and transforming neglected urban land into green, public, and entrepreneurial spaces that improve livability, attract investment, and shift public perception of the city.



KAVADARCI (NORTH MACEDONIA)

Portfolio: ReWine Kavadarci

Focus: Circular economy, Well-Being and Land Use

Systemic Effects: Environmental transparency and accountability becomes a norm across public and private sectors; Circular creativity becomes part of everyday youth culture; Eco-practices shape how Kavadarci produces, consumes, and welcomes through sustainable practice and tourism



NIZHYN (UKRAINE)

Portfolio: Secure and Sustainable Energy

Focus: Energy Resilience

Systemic Effects: A thriving green economic ecosystem that nurtures sustainable enterprises, energy resilience, innovation, and inclusive local growth; A community learning center on sustainable energy, equipping residents with skills and insights for the green transition and resilient energy systems; An inclusive, participatory community championing green living and sustainable energy practices.



KOVEL (UKRAINE)

Portfolio: Energy for Resilience and Growth

Focus: Energy Resilience and Urban Nature Biodiversity

Systemic Effects: A locally rooted green economy that generates income, jobs, and innovations and provides energy resilience and inclusive growth for the community; A knowledge hub of sustainable energy practices that develops human capital and raises awareness on green transition and energy resilience in the community; An inclusive and people-centered community that embraces sustainable lifestyles and fosters community well-being.

CROSS-CUTTING THEMES

While each portfolio was rooted in place, several recurring themes emerged:

- Circular economy as a systems lever, particularly through waste valorization and youth involvement;
- Energy resilience as both a technical and civic agenda, especially in crisis-affected contexts;
- Nature-based solutions linked to land regeneration, climate adaptation, and new investment narratives;
- Digital transparency as a tool for rebuilding trust and shifting behaviors;
- Community ownership as a necessary condition for sustained transformation.

ANNEX 2. PORTFOLIO SNAPSHOTS



STEPANAVAN, ARMENIA

PORTFOLIO OVERVIEW

Circular Transition in Stepanavan

To build a clean, agro-economically vibrant, and waste-free community by activating local capacities for reuse, recycling, and regenerative production—while fostering civic pride, sustainable livelihoods, and ecological harmony.

KEY SHIFTS

- From shortage of jobs and and static community to green, developed with digital innovative technologies and economy
- From lacking investable cases and investors to attract and involve diverse investors and increased qualified professionals
- From lacking digital technologies in administrations to green and smart technologies to ensure safety, accessibility and affordability

STEPANAVAN, ARMENIA

ROLES OF THE PORTFOLIO HOLDER

Innovator

Convener

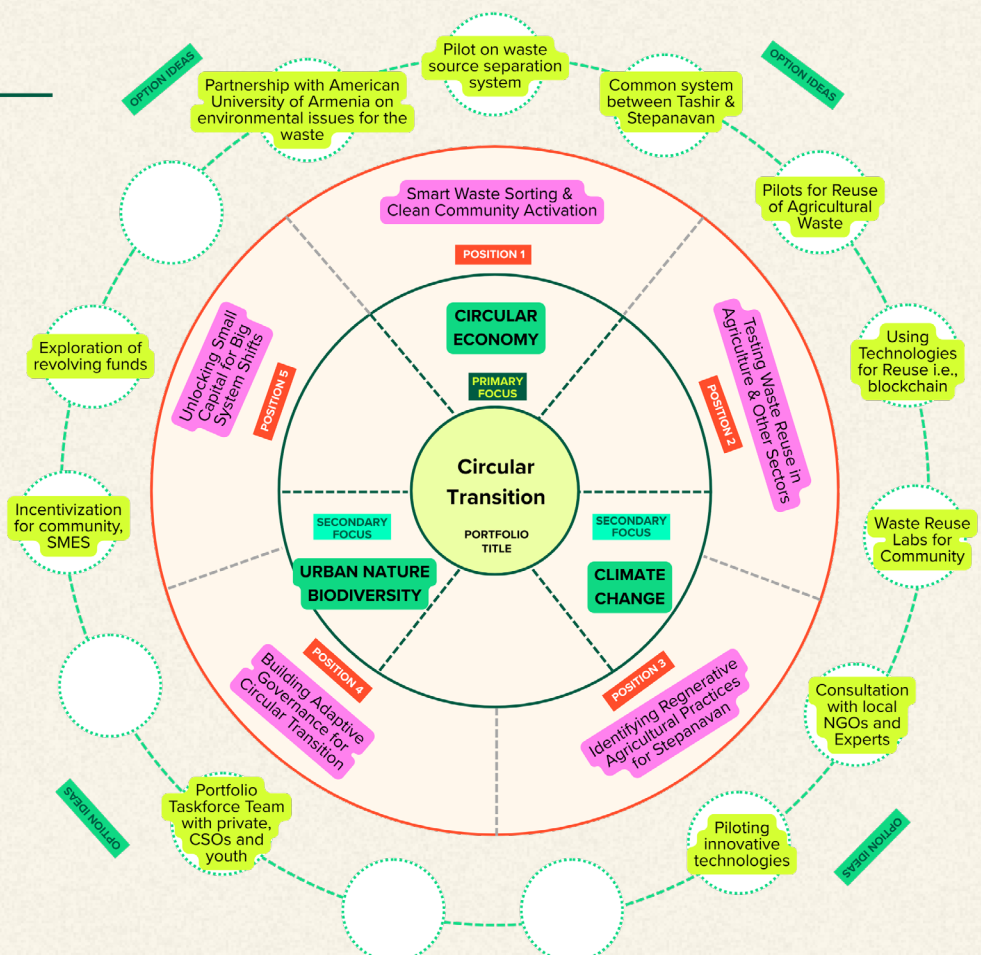
Steward

SYSTEMIC EFFECTS ENVISIONED FOR THE PORTFOLIO

A regenerative urban ecosystem where waste becomes a resource and nature thrives alongside human activity.

A circular community where every household and business contribute to local resource renewal and biodiversity restoration.

A thriving green and agro-economy powered by circular practices, local entrepreneurship, and climate-resilient jobs.



PORTFOLIO OVERVIEW

HAC Tashir (Healthy, Active, Clean)

The primary issues raised as a result of the community hearing are those that also stem from the five-year community development and garbage collection and sanitation programs.

We want to have a clean community, for which we must improve waste management through waste reduction, sorting, recycling and reuse, and ensure the cleanliness and safety of the river flowing through the city.

KEY SHIFTS

- From traditional waste management system into circular cycle to reduce waste through sorting, recycling and reuse
- From inconsistency of existing services into sustainable, responsive and regenerative services
- From same tax model for all businesses into incentivized tax system for SMEs, especially for green economy

TASHIR, ARMENIA

TASHIR, ARMENIA

ROLES OF THE PORTFOLIO HOLDER

Catalyst

Convener

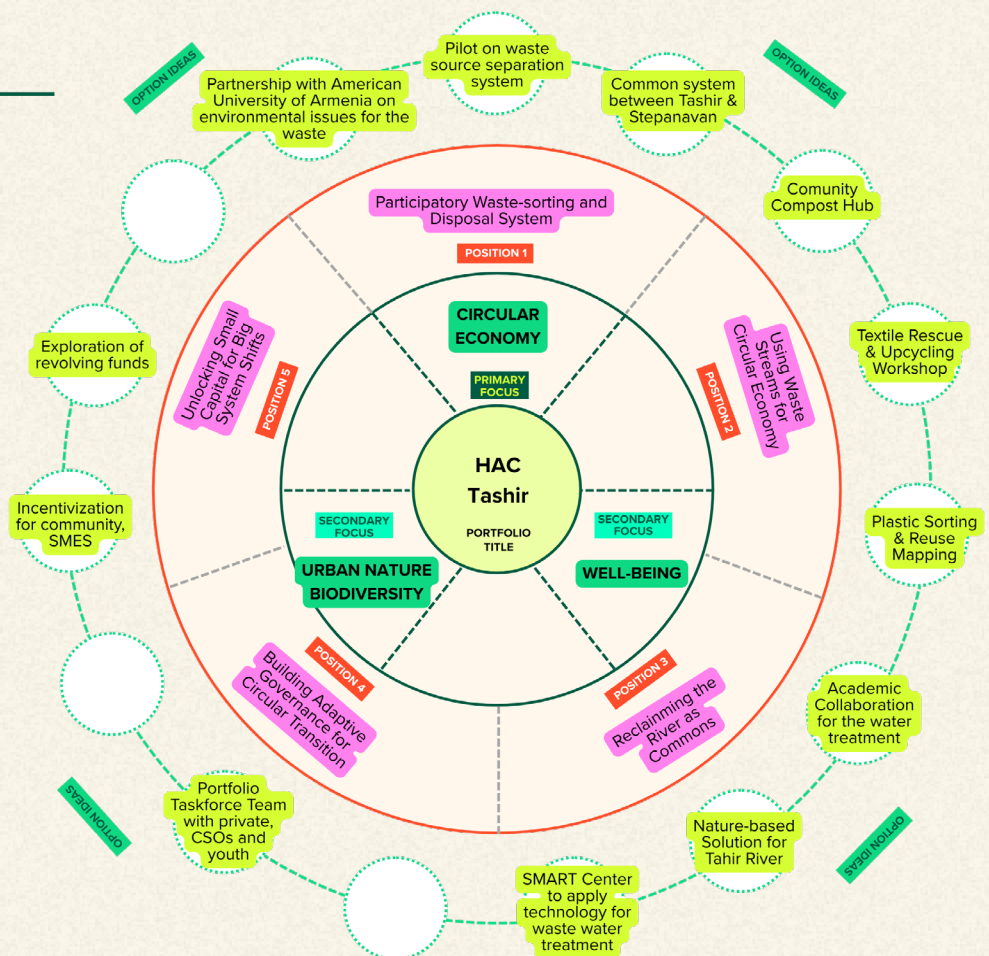
Steward

SYSTEMIC EFFECTS ENVISIONED FOR THE PORTFOLIO

A future-ready Tashir where circular habits today create a clean, green, and healthy environment that empowers future generations to thrive.

A local economy where circular practices generate dignified green work, resilient income streams, and long-term commitment from citizens and institutions alike.

An enabling city where every actor—citizen, entrepreneur, or public official—is equipped and motivated to make choices that regenerate the environment and economy.





PRISTINA, KOSOVO

PORTFOLIO OVERVIEW

Greener Pristina

To improve well being, address environmental challenges, and promote sustainable urban development. A greener Pristina to reduce these heat islands, improve air quality, support biodiversity and reduce flooding risks, and create a more resilient and livable city for current and future generations.

KEY SHIFTS

- From traditional maintenance model to sustainable innovative maintenance model
- From undispersed and unequal green spaces to integrated and socially distributed green spaces

PRISTINA, KOSOVO

ROLES OF THE PORTFOLIO HOLDER

Integrator

Innovator

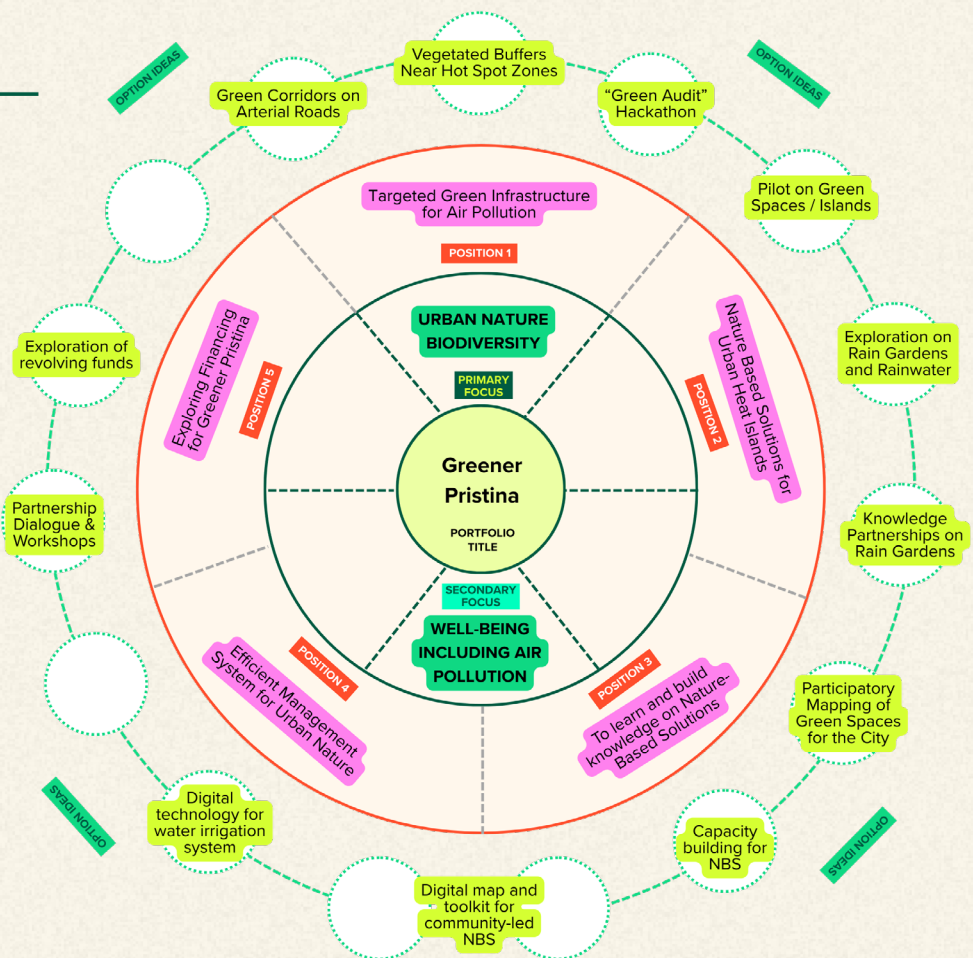
Catalyst

SYSTEMIC EFFECTS ENVISIONED FOR THE PORTFOLIO

Greening Pristina catalyzes urban system regeneration by improving public health, enhancing climate resilience, and reweaving social connectivity.

Integrating nature-based and digital infrastructure strengthens Pristina's adaptive capacity to climate extremes while regenerating its urban ecosystems.

Vibrant green public spaces anchor social cohesion, activate low-carbon lifestyles, and unlock inclusive urban value creation.





OBILIQ, KOSOVO

PORTFOLIO OVERVIEW

ECO Obiliq

We're focusing on Obiliq's air pollution from two nearby power plants because it directly impacts people's health- especially children, the elderly, and vulnerable groups.

Through ECO Obiliq, we aim to reduce pollution using nature-based solutions like planting greenery, creating green spaces, and applying innovative tools and technologies.

Our goal is to turn pollution into opportunity—for a greener, cleaner, and more resilient Obiliq.

KEY SHIFTS

- From pollution-heavy infrastructure to nature-integrated urban design
- From reactive governance to proactive, data-informed action.

OBILIQ, KOSOVO

ROLES OF THE PORTFOLIO HOLDER

Integrator

Innovator

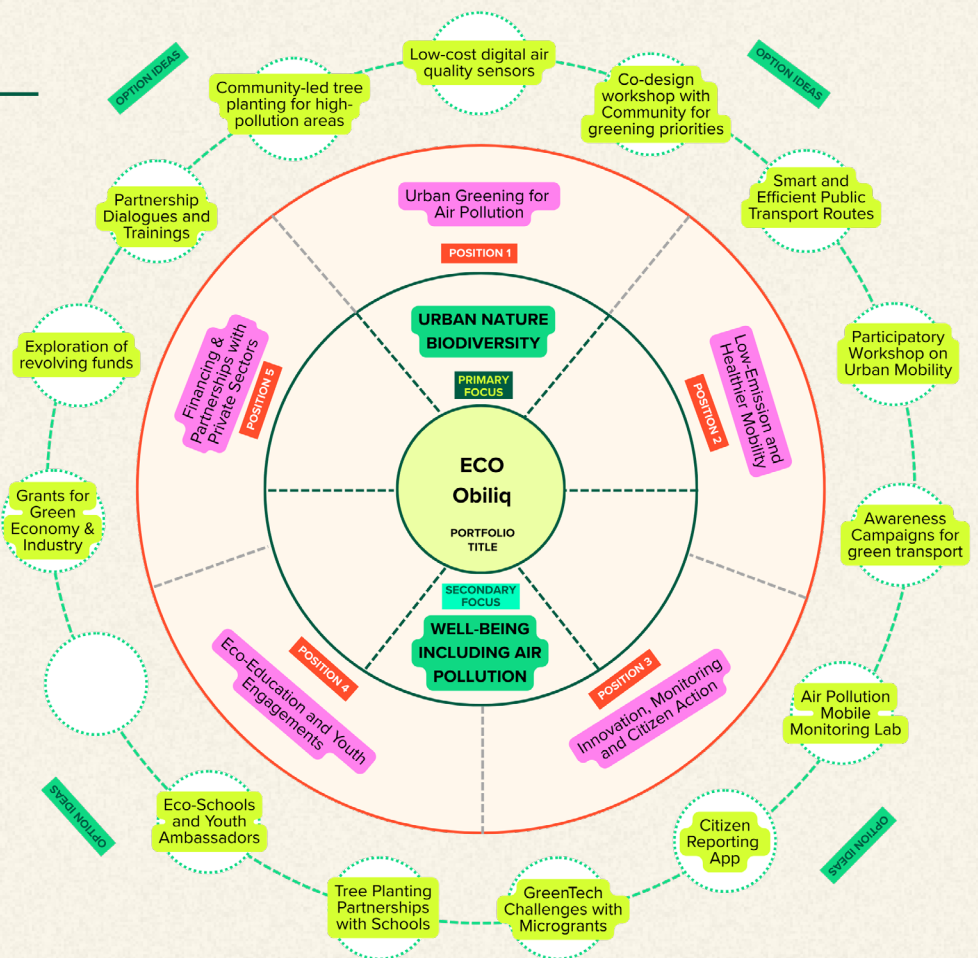
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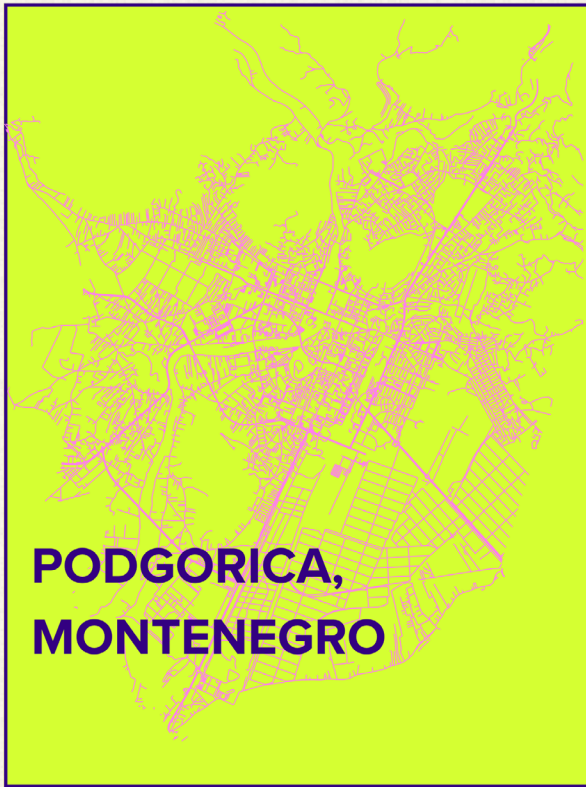
SYSTEMIC EFFECTS ENVISIONED FOR THE PORTFOLIO

Cleaner air, more green spaces, and reduced pollution improve public health, comfort, and quality of life for all residents, especially the most vulnerable.

Nature-based solutions combined with digital tools create smarter, more adaptive urban systems that respond to environmental and social needs.

By involving citizens in co-design, the city builds trust, equity, and long-term resilience- ensuring solutions are rooted in local realities and supported by the people.





PORTFOLIO OVERVIEW

Urban Resilience Podgorica

To reshape the city's urban governance and spatial development through climate resilience and citizen-centered planning. It addresses challenges such as uncontrolled construction, urban heat, and rising emissions by integrating nature-based solutions, digital tools, and adaptive land-use models. The portfolio aims to build a collaborative governance system where institutions, communities, and data interact to co-create more inclusive, green, and responsive urban environments. Through coordinated pilots, policy shifts, and civic engagement, Podgorica is charting a path toward a more sustainable and livable urban future.

KEY SHIFTS

- Transition to a more climate-resilient city with increased green spaces, efficient water resource management, strategies to mitigate urban heat island effects, and integrated climate adaptation measures
- Establishment of local enterprise and the integration of innovative mechanisms for defining spatial solutions and involving citizens

PODGORICA, MONTENEGRO

ROLES OF THE PORTFOLIO HOLDER

Innovator

Convener

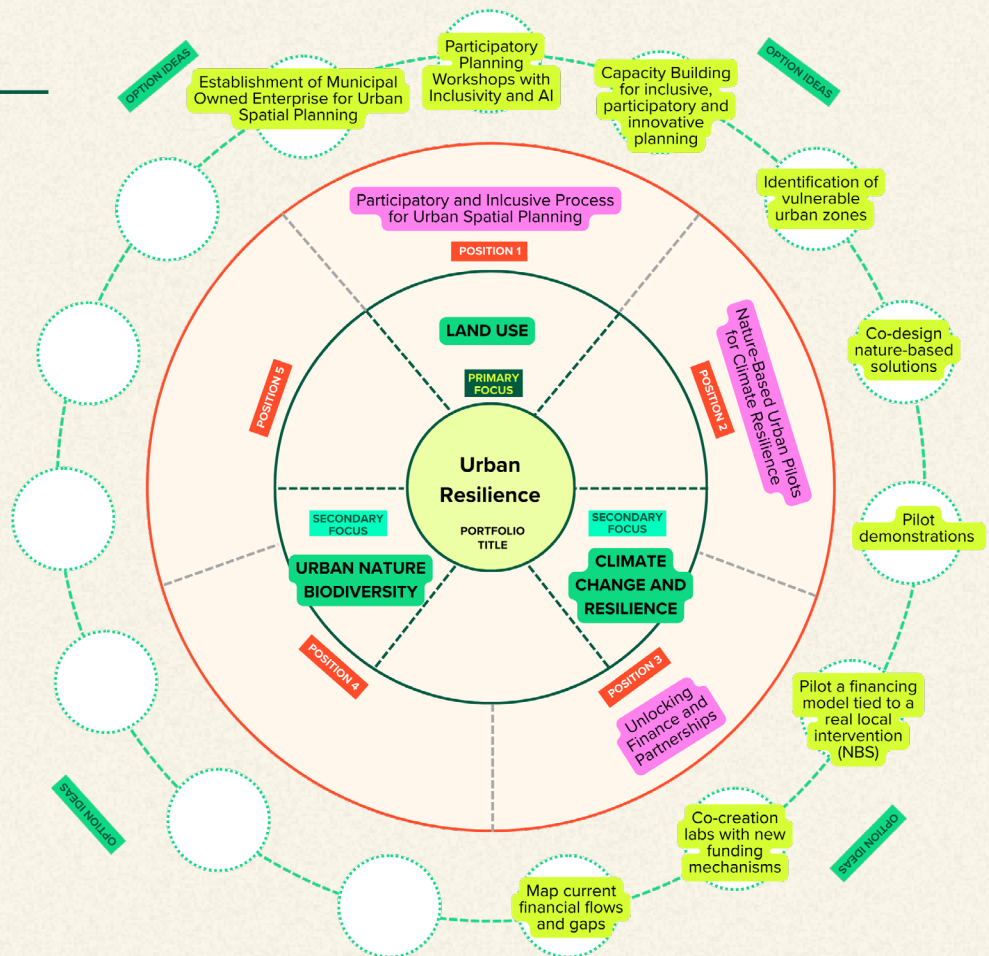
Steward

SYSTEMIC EFFECTS ENVISIONED FOR THE PORTFOLIO

A city governance ecosystem that continuously learns, evolves, and regenerates—where feedback from pilots, civic participation, and environmental data loops into planning and decision-making across all levels.

A city where every new project—whether housing, mobility, or industry—must generate ecological value, not just economic return, transforming land development into a tool for resilience.

A resilient financing architecture where local green pilots are designed with pathways to scale—through traditional and innovative financial forms, and regional transition platforms.





PLJEVLJA, MONTENEGRO

PORTFOLIO OVERVIEW

Green Horizon Pljevlja

On advancing a just and green transition by diversifying the local economy beyond coal through sustainable industry, entrepreneurship, and tourism. It seeks to regenerate urban infrastructure and improve public health while embedding innovation and resilience across municipal systems. By aligning environmental recovery with economic renewal, the portfolio aims to reposition Pljevlja as a forward-looking, inclusive, and dynamic regional center.

KEY SHIFTS

- A diversified economy with a developed private sector, entrepreneurship, industry and tourism
- A city and municipality where people return, youth stays, newcomers settle for opportunities and prospects for everyone
- A city with good air quality, where citizens implement energy-efficient measures, coal heating is being reduced, district heating is being introduced, public lighting is efficient and buildings are energy-efficient

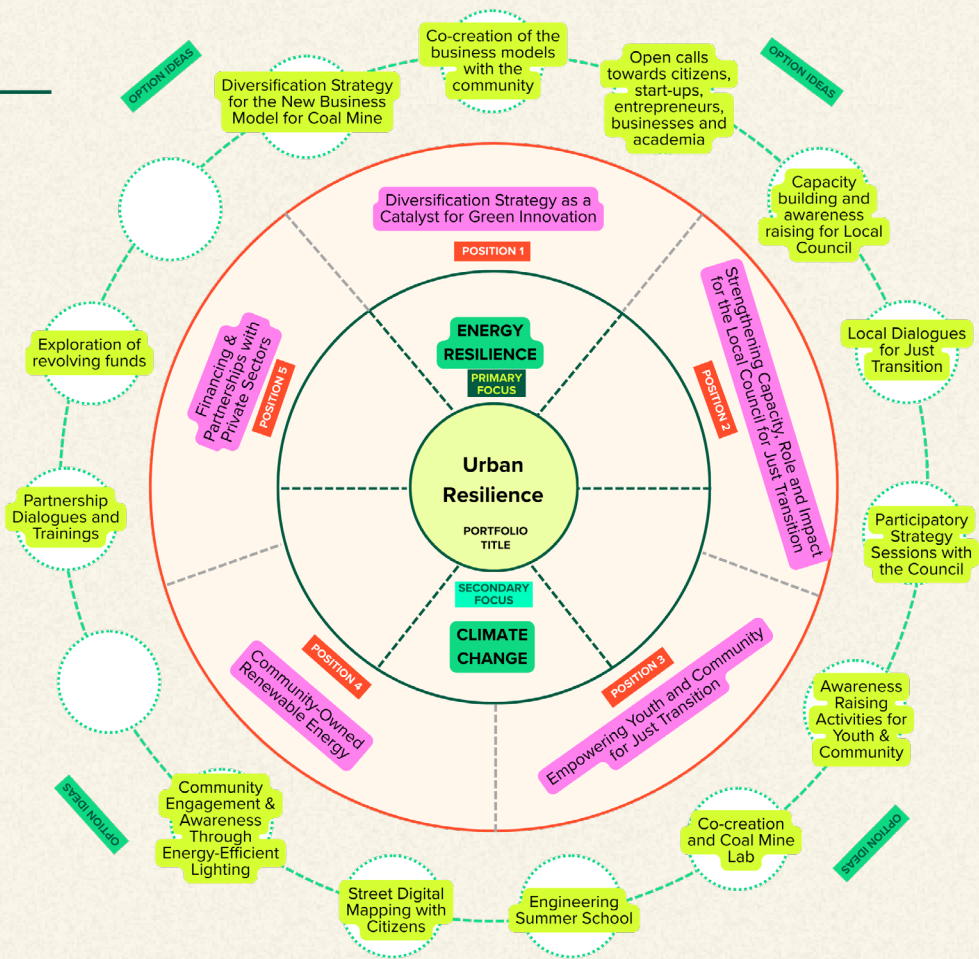
PLJEVLJA, MONTENEGRO

ROLES OF THE PORTFOLIO HOLDER

- Integrator
- Innovator
- Catalyst

SYSTEMIC EFFECTS ENVISIONED FOR THE PORTFOLIO

- Reducing air pollution and health risks by eliminating open burning through integrated waste services, community-led recycling, and public awareness in vulnerable neighborhoods.
- Building a resilient local circular economy through repair workshops, school reuse projects, green startups, and partnerships that create jobs, circulate resources, and strengthen local capacities.
- Bundling infrastructure upgrades and environmental recovery into neighborhood-scale regeneration initiatives that align energy efficiency, waste systems, and clean mobility with public health and equity.



PORTFOLIO OVERVIEW

Regenerate Gostivar

Gostivar faces a serious challenge with illegal landfills and unmanaged bulky waste scattered across the city. These dumps are often burned, causing air pollution and harming public health, while also occupying valuable urban land. The situation reflects a broader failure in waste governance and land use. A circular economy pilot can offer a solution by introducing waste segregation, community recycling points, and land recovery initiatives. This approach will reduce pollution, reclaim urban space for productive use, and promote sustainable waste management through local engagement, private sector partnership and innovation.

KEY SHIFTS

- From illegal dumping and open burning practices to organized waste collection, segregation and reuse
- From weak governance structure to structured, accountable and inclusive waste management systems
- From neglected and polluted urban land to reclaimed, revitalized spaces for public use, green enterprise, and innovation
- From low public awareness and entrenched dumping habits to active citizen engagement, education and behavior change toward sustainability
- From waste as a problem and burden to waste as a resource and opportunity for circular economy, jobs and cleaner living

GOSTIVAR, NORTH MACEDONIA

GOSTIVAR, NORTH MACEDONIA

ROLES OF THE PORTFOLIO HOLDER

Steward

Catalyst

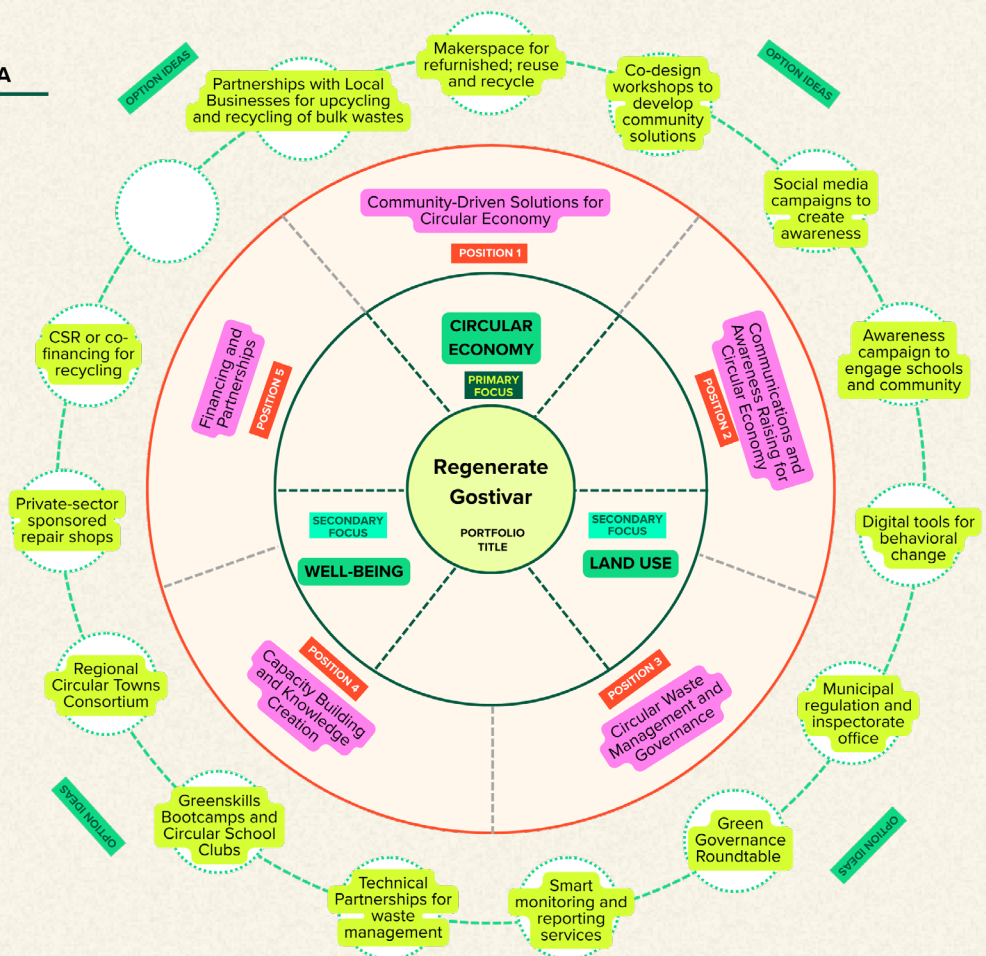
Convener

SYSTEMIC EFFECTS ENVISIONED FOR THE PORTFOLIO

Reducing air pollution and health risks by eliminating open burning through integrated waste services, community-led recycling, and public awareness in vulnerable neighborhoods.

Building a resilient local circular economy through repair workshops, school reuse projects, green startups, and partnerships that create jobs, circulate resources, and strengthen local capacities.

Reclaiming and transforming neglected urban land into green, public, and entrepreneurial spaces that improve livability, attract investment, and shift public perception of the city.





PORTFOLIO OVERVIEW

ReWine Kavadarci

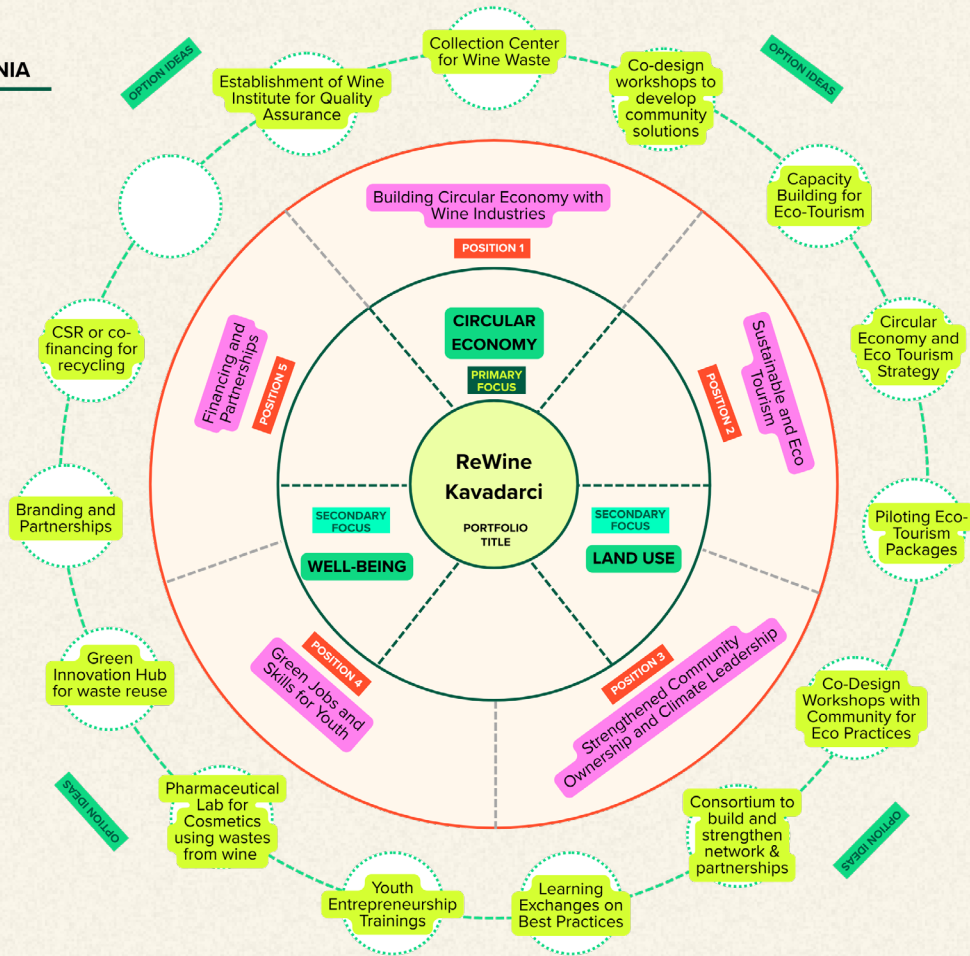
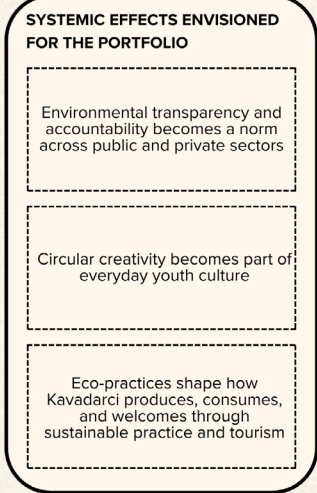
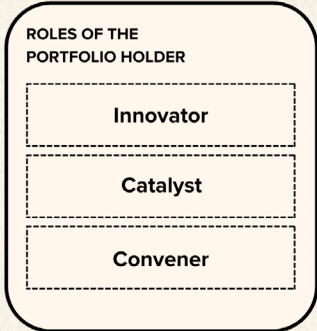
Kavadarci is one of the most important municipalities in North Macedonia for grape and wine production, situated in one of the country's largest and most renowned wine regions. The municipality also boasts a well-developed tourism sector closely linked to its wine industry, with significant potential for further expansion. Citizens have identified tourism—particularly ecotourism—as a key opportunity for local economic growth. However, the municipality also faces critical environmental challenges associated with wine production, particularly in the management of organic waste.

There is a growing need to develop innovative approaches to transform this grape waste into value-added products, such as cosmetics or bioproducts, which would not only reduce environmental pollution but also create new employment opportunities—particularly for youth—in the emerging green and circular economy sectors.

KEY SHIFTS

- From manual, siloed operations in wine productions to a digitalized and transparent wine production systems, enabling traceability, quality control and integration with sustainability standards
- From lack of agricultural and winery waste management to bio-waste valorization and circular product development
- From filed and vineyard burning to community-led bioenergy solutions, replacing burning and sustainable production and emission reduction
- From outdated, theory-heavy experimental programs to science-based green learning labs, integrating circular economy
- From fragmented, ad hoc wine tourism offerings to curated, zero-waste wine tourism routes

KAVADARCI, NORTH MACEDONIA



PORTFOLIO OVERVIEW

Secure and Sustainable Energy

To empower community energy resilience and growth by establishing a green economic ecosystem, equipping local actors for decentralized energy generation, and nurturing an inclusive, participatory community cultivating sustainable practices.

KOVEL, UKRAINE

KEY SHIFTS

KOVEL, UKRAINE

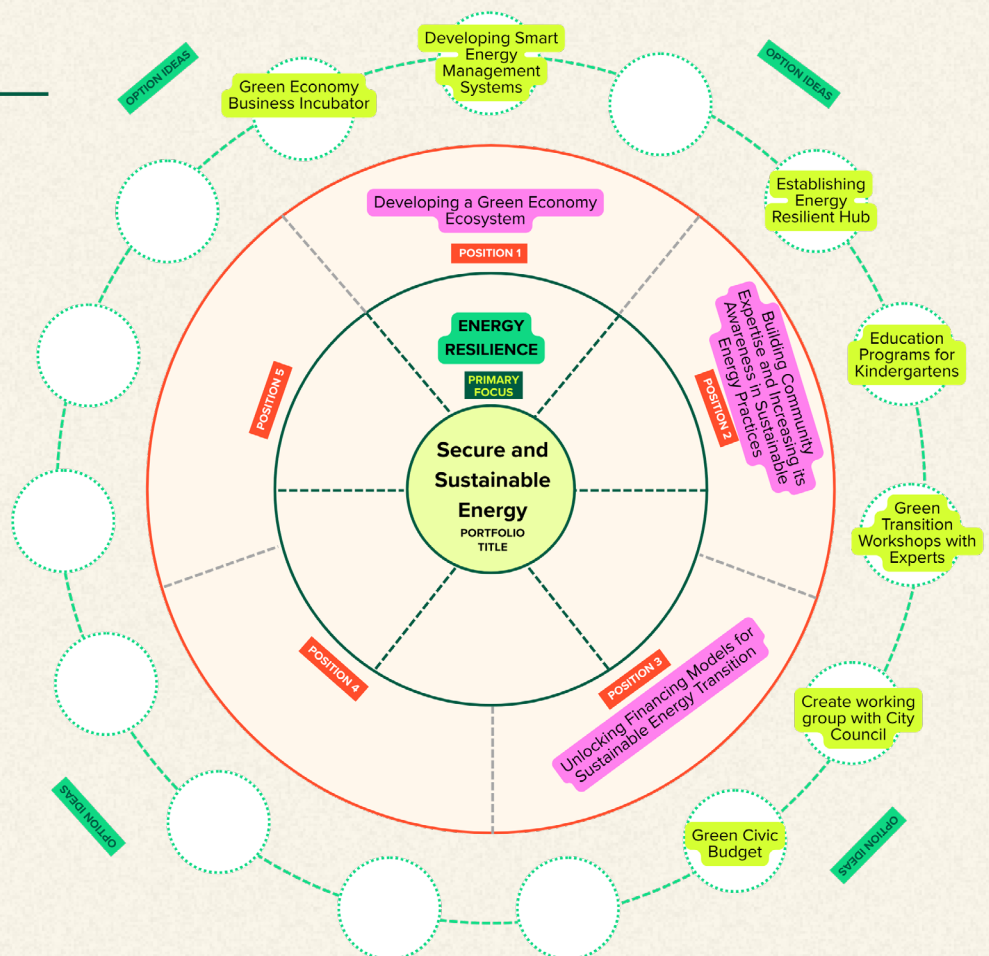
ROLES OF THE PORTFOLIO HOLDER

SYSTEMIC EFFECTS ENVISIONED FOR THE PORTFOLIO

A thriving green economic ecosystem that nurtures sustainable enterprises, energy resilience, innovation, and inclusive local growth

A community learning center on sustainable energy, equipping residents with skills and insights for the green transition and resilient energy systems.

An inclusive, participatory community championing green living and sustainable energy practices.



PORTFOLIO OVERVIEW

Energy for Resilience and Growth

To advance community-wide energy resilience and growth by developing sustainable economic system, building local capacities for decentralized energy generation, and fostering an inclusive and people-centered community.

NIZHYN, UKRAINE

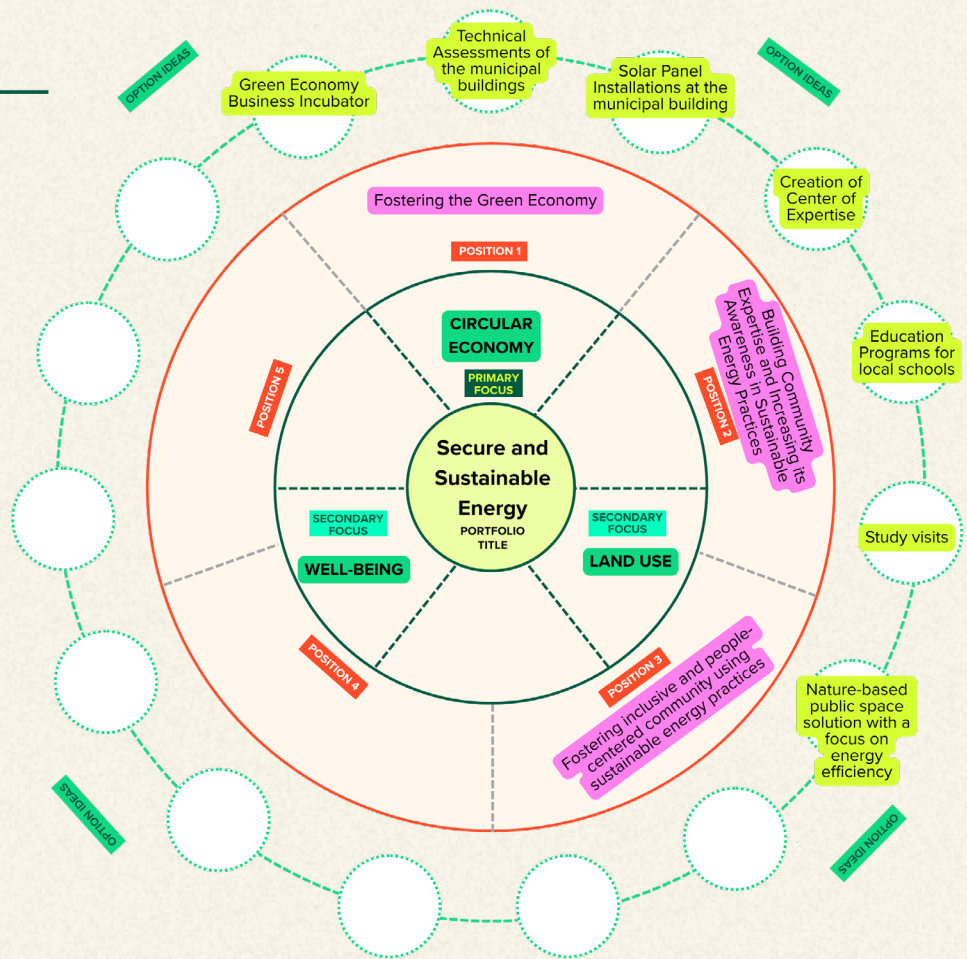
KEY SHIFTS

NIZHYN, UKRAINE

ROLES OF THE PORTFOLIO HOLDER

SYSTEMIC EFFECTS ENVISIONED FOR THE PORTFOLIO

- A locally rooted green economy that generates income, jobs, and innovations and provides energy resilience and inclusive growth for the community.
- A knowledge hub of sustainable energy practices that develops human capital and raises awareness on green transition and energy resilience in the community.
- An inclusive and people-centered community that embraces sustainable lifestyles and fosters community well-being.





TWIN TRANSITION STENCIL