



# EBRD Green Economy Financing Facility for the Western Balkans

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# “Building blocks” of residential EE



European Bank  
for Reconstruction and Development

- **Policies** which drive/stimulate demand for EE
- **Residents** aware of EE benefits and technologies
- **Banks** capable to promote/assess EE projects
- **Developed market** for EE technologies and services

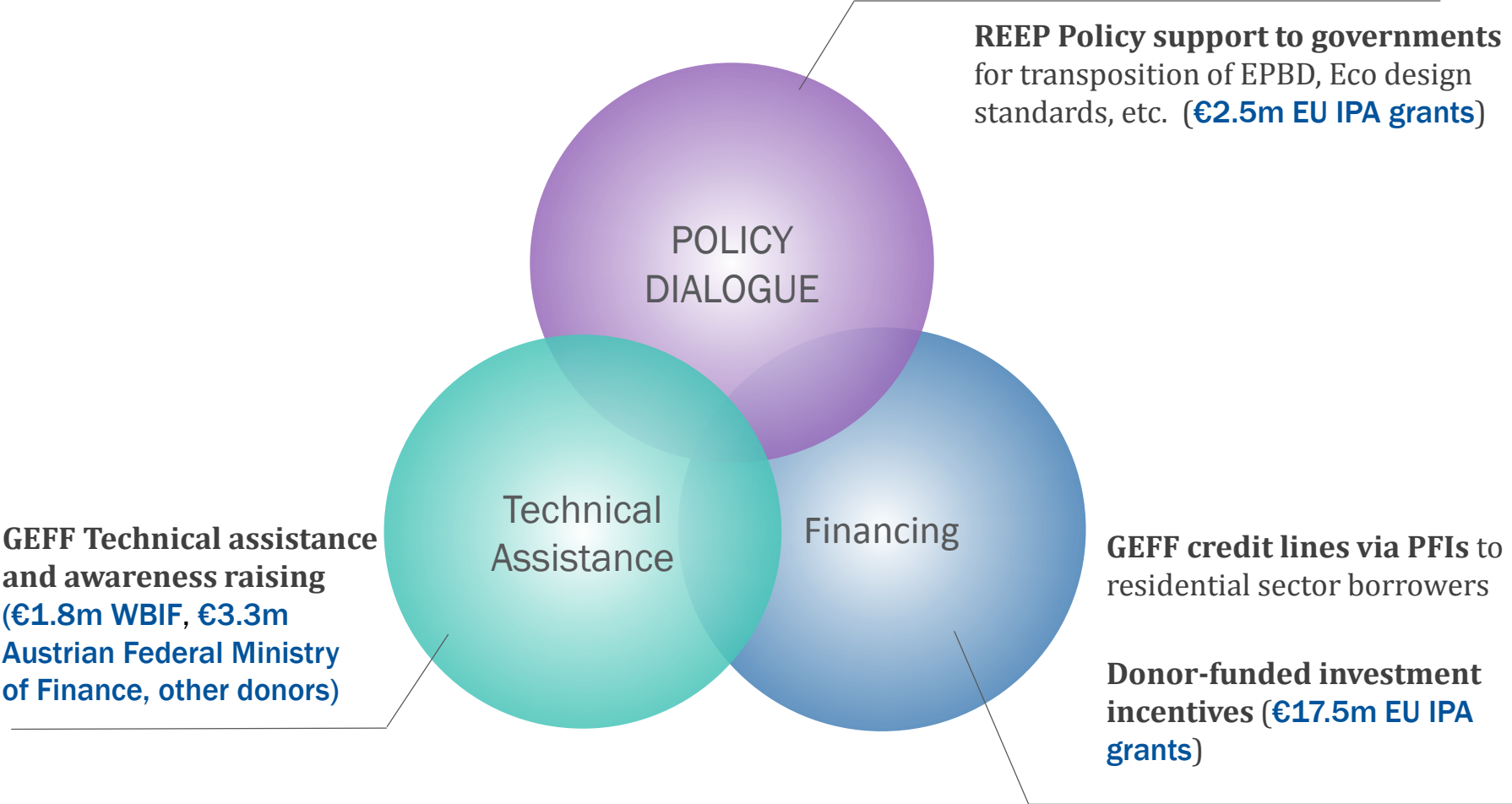
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# Regional Energy Efficiency Programme (REEP+) designed to catalyse residential EE market



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# EBRD Green Economy Financing Facilities



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More than

**120**

financial institutions  
participated

Around

**€4 billion**

of EBRD finance

Over

**112,000**

clients of partner banks  
benefited from loans and  
technical assistance

Know-how in

**25**

countries across Central and  
eastern Europe, Central Asia  
and the Caucasus

Over

**10 years**

Of experience and know-  
hows in green banking

REDUCED

**6 million**

tonnes of CO2 emissions per  
year

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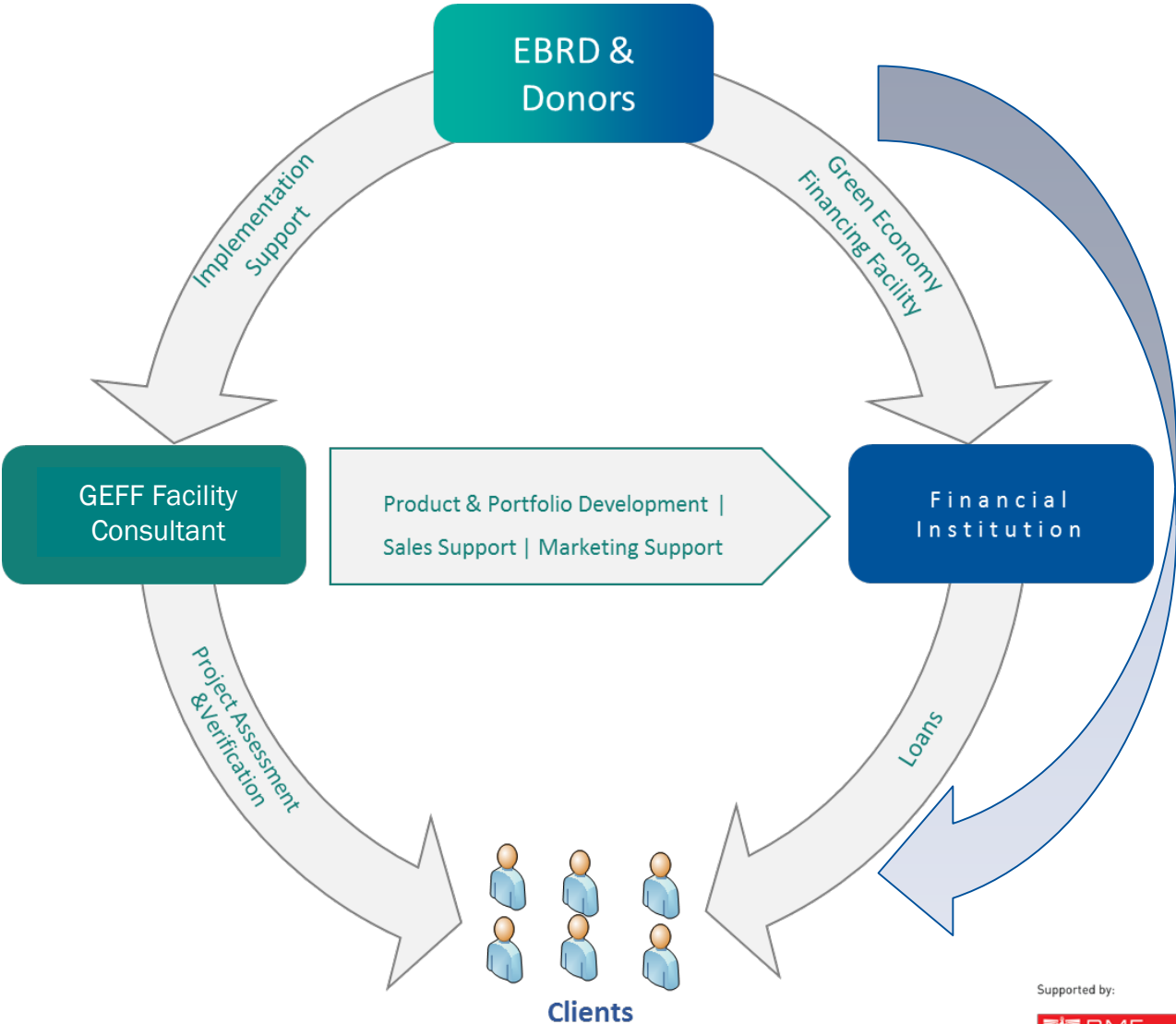


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# GEFF structure



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## EUR 85m EBRD financing for Residential EE investments:

- Albania, Bosnia and Herzegovina, FYROM, Kosovo, Montenegro and Serbia

## Investment Incentives:

- Up to 20% for individual Sub-borrowers (Dwelling level projects)
- Up to 35% for Building-level projects
- Zero for Vendors, Producers, white goods



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# Eligible Sub-borrowers implementing “dwelling-level” or “building-level” EE projects

- Private individuals
- Groups of individuals



Loans up to €50,000

- Housing Associations;
- Service Providers
- ✓ Housing Management Companies
- ✓ ESCOs
- ✓ Construction companies



Loans up to €300,000

Vendors and Producers



Loans up to €2.5 million

Loans to Vendors and Producers will have to finance either:

- Expansion of sales of eligible technologies
- Production of eligible technologies

# Concept of GEF for the residential sector

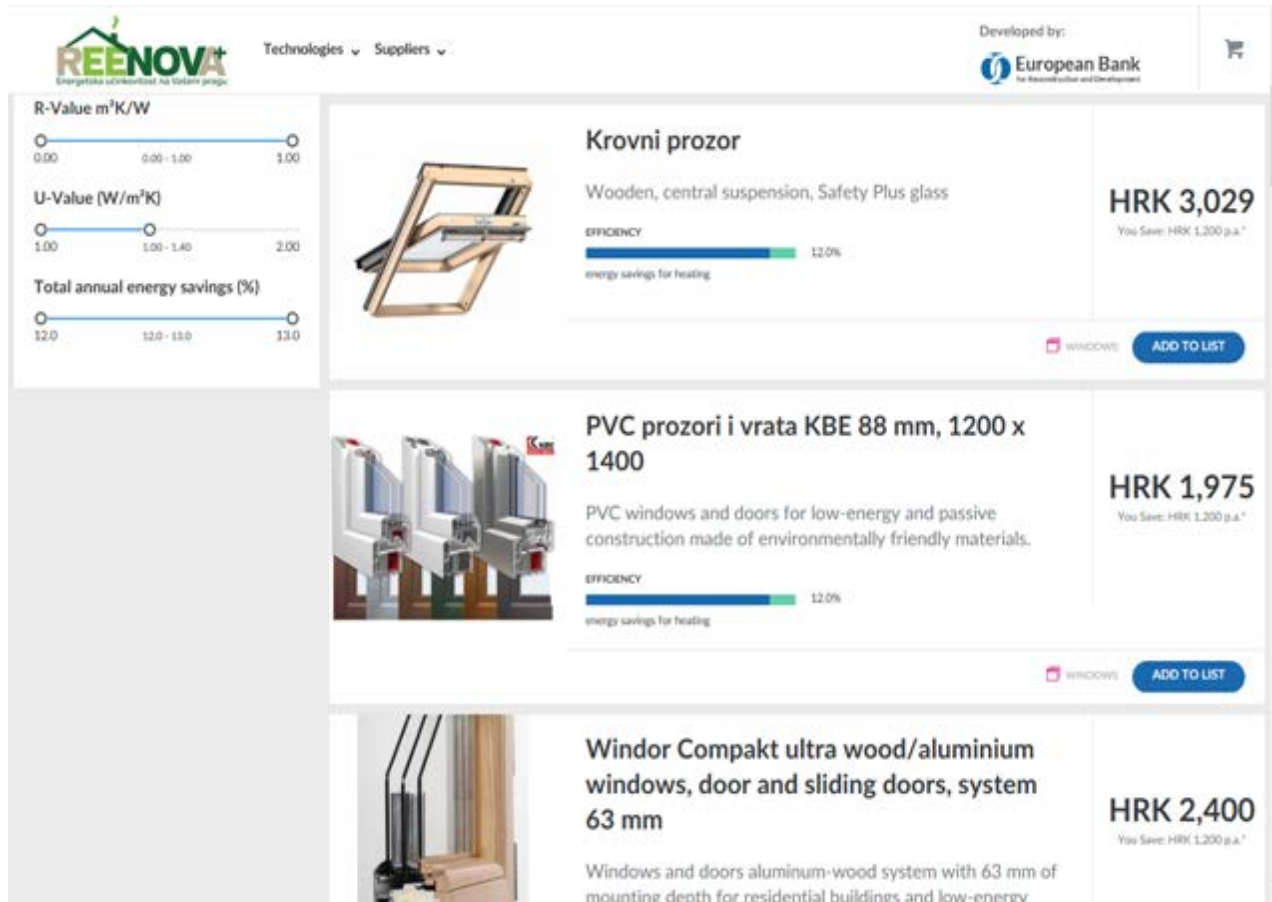
- Streamlined **technology-driven lending approach** based on a list of eligible standardised equipment, appliances, materials, and/or engineering systems (the “**Technology Selector**”)
- Technology Selector is a **tool used to communicate to the market** a set of available technologies and solutions that have been identified as the ‘**best performing**’ at **reasonable cost**, under local market conditions
- The use of technologies results in **clear-cut improvements in energy efficiency** (cost savings, improved comfort)
- Bank loans are combined with **targeted investment incentives** and wide-reaching **awareness campaign** to stimulate the demand for solutions in the Technology Selector
- GEF contributes to **improving energy efficiency** in the residential sector on the **national level**



# Eligibility check based on Technology Selector

Registered items are:

- ✓ Automatically eligible for financing
- ✓ Can be browsed on-line, constantly updated
- ✓ Allow for swift loan processing



The screenshot displays the REENOVA Technology Selector interface. On the left, there are three sliders for filtering: R-Value (m<sup>2</sup>K/W) from 0.00 to 1.00, U-Value (W/m<sup>2</sup>K) from 1.00 to 2.00, and Total annual energy savings (%) from 12.0 to 13.0. The main area shows three product cards:

- Krovni prozor**: Wooden, central suspension, Safety Plus glass. Price: HRK 3,029. Efficiency: 12.0% energy savings for heating.
- PVC prozori i vrata KBE 88 mm, 1200 x 1400**: PVC windows and doors for low-energy and passive construction made of environmentally friendly materials. Price: HRK 1,975. Efficiency: 12.0% energy savings for heating.
- Windor Kompakt ultra wood/aluminium windows, door and sliding doors, system 63 mm**: Windows and doors aluminum-wood system with 63 mm of mounting depth for residential buildings and low-energy. Price: HRK 2,400. Efficiency: 12.0% energy savings for heating.

Web-based database of energy efficient equipment, materials and solutions (example of Croatia)

# Eligible Investments

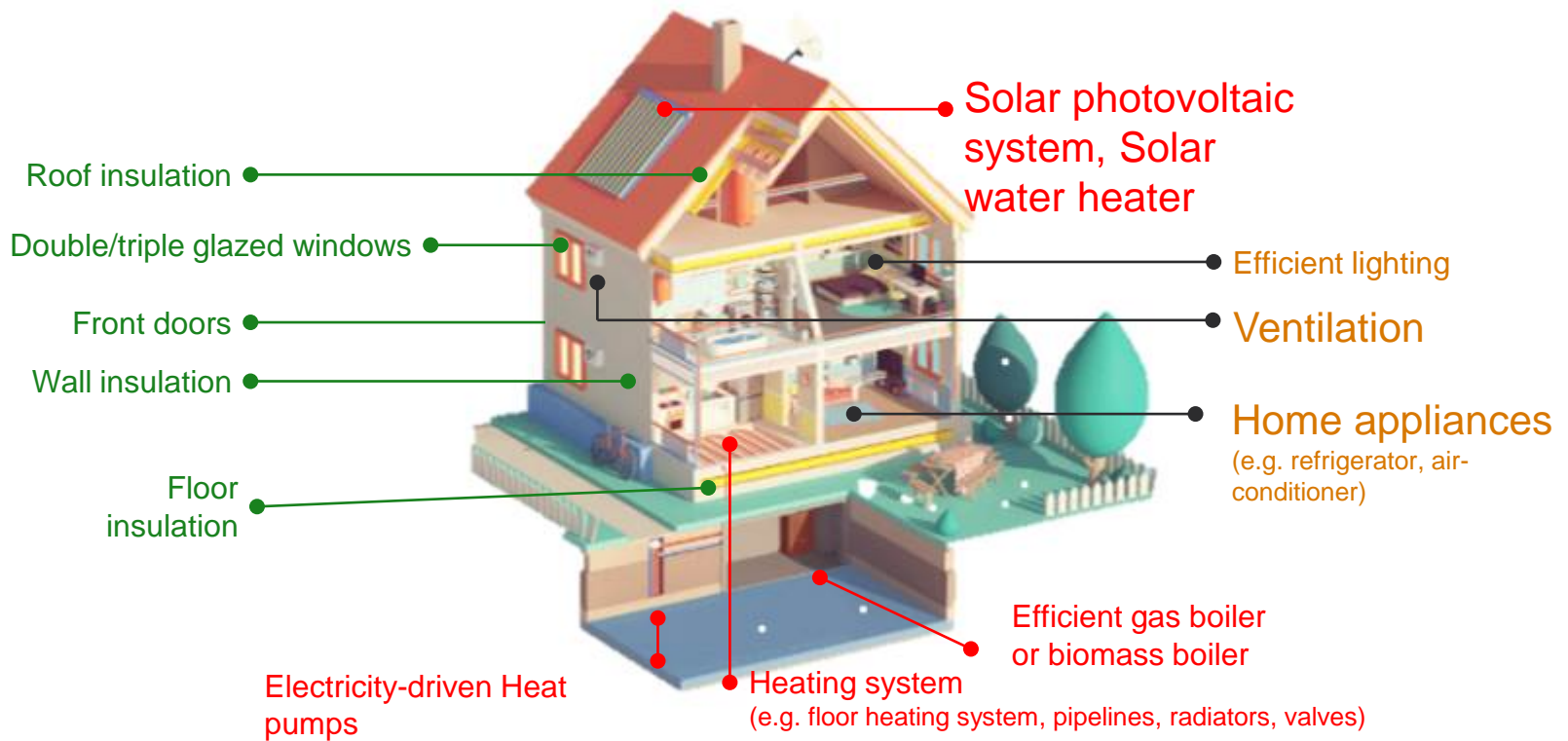


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Insulation and windows

Boilers & heating system, solar energy solutions

Lighting, air-conditioning and home appliances



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# Benefits of the Technology Selector

## For customers:

- Browse on-line catalogue of available products, find vendors
- Featured solutions help reduce utility bills and are eligible for investment grants
- Easy loan application

## For producers/Vendors/Service Providers:

- Register to promote products to a wide range of potential customers
- Refer interested clients to a bank for financing /investment grant
- Develop partnerships with banks (working capital financing, consumer loan products, etc.)

## For banks:

- Streamlined loan eligibility check based on Technology Selector “certificate”

# Incentives structure promoting comprehensive EE retrofit: example of dwelling-level projects \*

1	Energy efficient windows, doors and glazing	15%							
2	Thermal insulation of ceilings	20%	15%						
	Thermal insulation of outside walls	20%	15%	15%					
	Thermal insulation of ground floor	20%	15%	15%	15%				
3	Biomass boilers (including relating heating system upgrades)	20%	20%	20%	20%	15%			
	High efficiency gas boilers (including relating heating system upgrades)	20%	20%	20%	20%	15%	15%		
4	Solar thermal systems	20%	20%	20%	20%	20%	20%	15%	
5	Heat pumps	20%	20%	20%	20%	20%	20%	20%	15%
6	Domestic "white goods" not eligible for investment incentives	Energy efficient windows	Thermal insulation of ceilings	Thermal insulation of outside walls	Thermal insulation of ground floor	Biomass boilers	High efficiency gas boilers	Solar thermal systems	Heat pumps
		1	2			3		4	5

\* Similar structure for Building-level projects with incentives up to 35%

# Verification of project completion

All investments are verified by the Facility Consultant:

- ✓ Desk-based on the basis of documentation, or
- ✓ On-site (such as for building-level projects)

Investment incentives are payable following a successful verification!

# GEFF expected outcomes

- EUR 85m on-lent (PFI in each WB country)
- 29,000 households reached by the programme
- 225 loan officers trained
- 1,000 items in the Technology Selector
- Expected final annual energy savings: > 68,000 MWh p.a.
- Expected annual carbon reductions: > 21,250 t CO2 avoided p.a.

*REEP+ investments (including GEFF) expected to contribute ca. 4% towards regional cumulative annual NEEAP targets; additional contribution from REEP+ policy reform (e.g. policy contribution under REEP of ca. 9%)*

# Case study: Bulgarian homeowners reduce heating costs by over 40%

## The Client

<b>Sector</b>	Residential buildings
<b>Location</b>	Sofia, Bulgaria
<b>Description</b>	A Bulgarian homeowners' association

## Investments

<b>Investment cost</b>	€30,536
<b>Investment measures</b>	<ul style="list-style-type: none"><li>• Installation of energy efficient windows</li><li>• Roof and floor insulation</li><li>• External wall insulation</li></ul>
<b>Reasons for investment</b>	To reduce energy bills, to remove persistent mould across buildings
<b>GEFF team services</b>	Assistance in loan application, technical and financial analyses and investment prioritisation advice.



## Results

<b>Financial results</b>	<ul style="list-style-type: none"><li>• Reduced utility bills: €5,870 per year</li><li>• Payback: 5.2 years</li></ul>
<b>Operational results</b>	<ul style="list-style-type: none"><li>• Energy savings on heating and cooling</li><li>• Improved living comfort</li><li>• Enhanced appearance of the building</li></ul>



# Case study: First green residential lending product in BiH



## Mislimo zajedno na budućnost!

KEŠ  
BONUS

Jedinstveni kreditni proizvodi na tržištu uz  
bespovratnu keš uplatu na Vaš tekući račun kao  
poticaj za realizirani projekt!

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# Thank you for your attention!



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