

GREEN ECONOMIC DEVELOPMENT PROGRAMME

Energy Efficiency Revolving Fund

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Ministarstvo vanjske trgovine i
ekonomskih odnosa
Republike Bosne i Hercegovine



CORELATION OVERVIEW OF PAST AND PRESENT ACTIVITIES

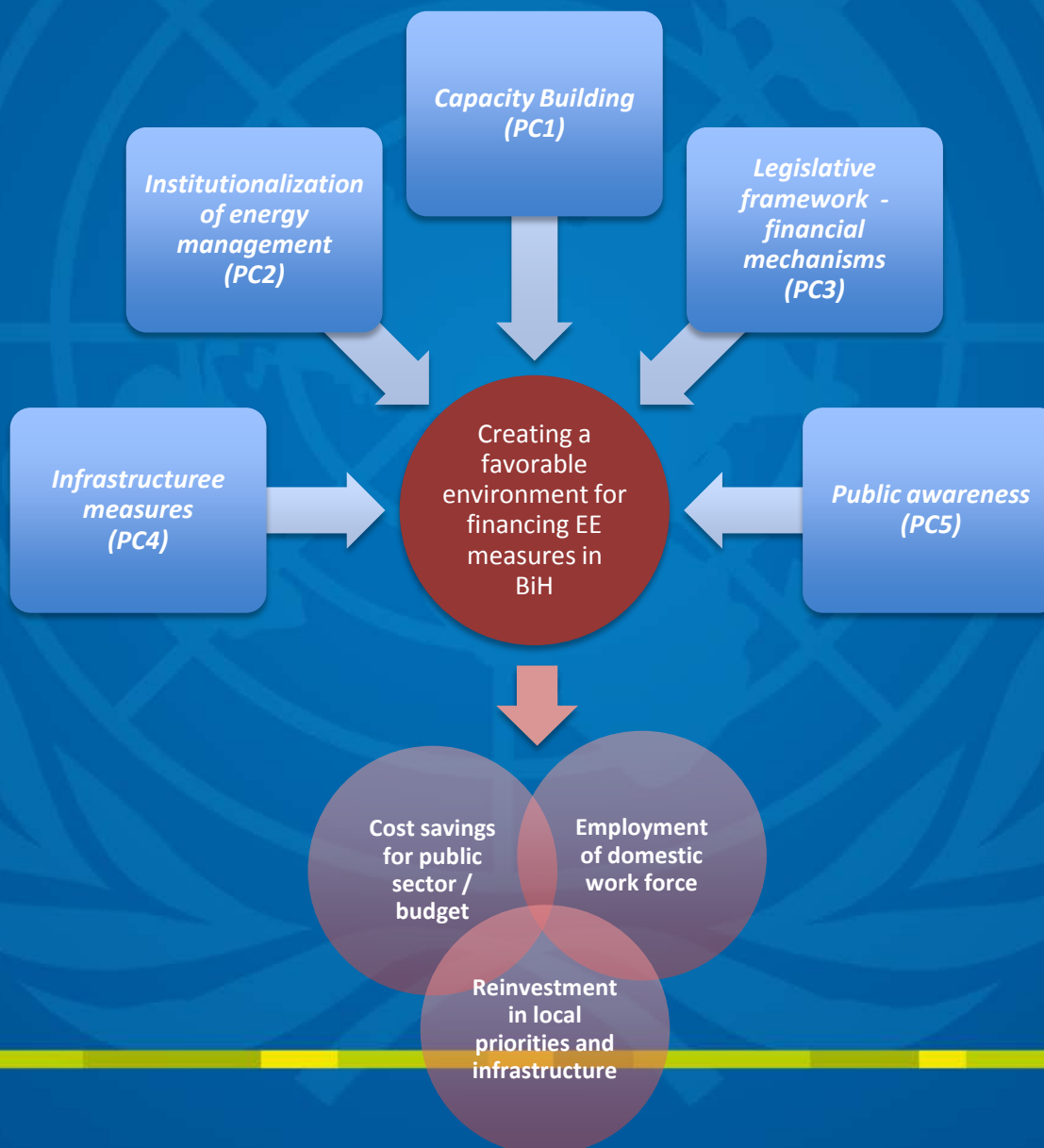
Pilot projects
(initial raising
awareness on EE)
2010 - 2013

Institutionalization
(Systematic approach
to energy
management)
2013 - 2018

**Self-sustainable EnM
mechanisms**
(favorable EE
investing
environment)
2016 - onwards



GREEN ECONOMIC DEVELOPMENT „GED“ - Five Programme Components



GREEN ECONOMIC DEVELOPMENT – Partners on the project

- SIDA/Swedish Embassy (partner on the GED project from 2015)
- Ministry of Foreign Trade and Economic Relations of BiH

FBIH

- Environmental Fund of the FBIH
- Tuzla Canton
- Una-Sana Canton
- Central Bosnia Canton
- Canton 10
- West Herzegovina Canton
- Canton Sarajevo
- Bosnian-Podrinje Canton

RS

- Environmental Protection and Energy Efficiency Fund of the Republic of Srpska
- Ministry of Education and Culture
- Ministry of Health and Social Welfare
- Ministry of physical planning, civil engineering and ecology of RS (WB PIU)

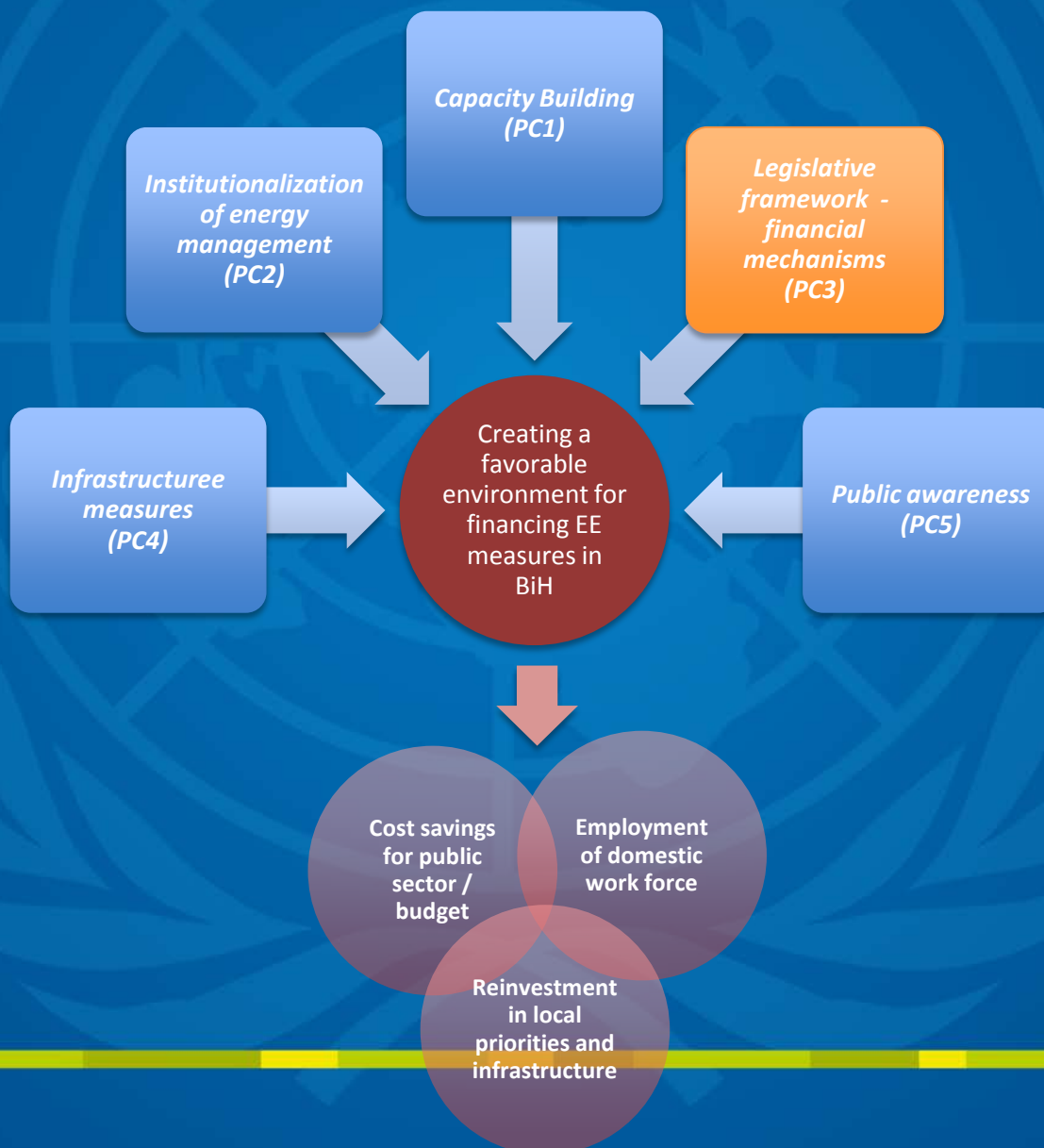


Update on GREEN ECONOMIC DEVELOPMENT project

- Energy Efficiency Revolving Fund within Environmental Fund in FBiH update
- 27 EE infrastructure projects of public sector buildings in 2015
- 45 EE infrastructure projects of public sector buildings planned in 2016
- Energy, costs, emission monitoring via EMIS software - decision adopted by five Cantons in FBiH; training for end-users under the Ministry of Health and Ministry of Education of RS currently being delivered
- Building typology for public sector buildings (administration, education and healthcare) for FBiH and RS in QR1 2017 (methodology aligned to EPBD and GiZ's residential sector typology)
- MoU to be signed with PIU of WB's EE loan in Federation of BiH (for 2017)
- Seven public sector building retrofitted with PIU of WB's EE loan in Republika Srpska

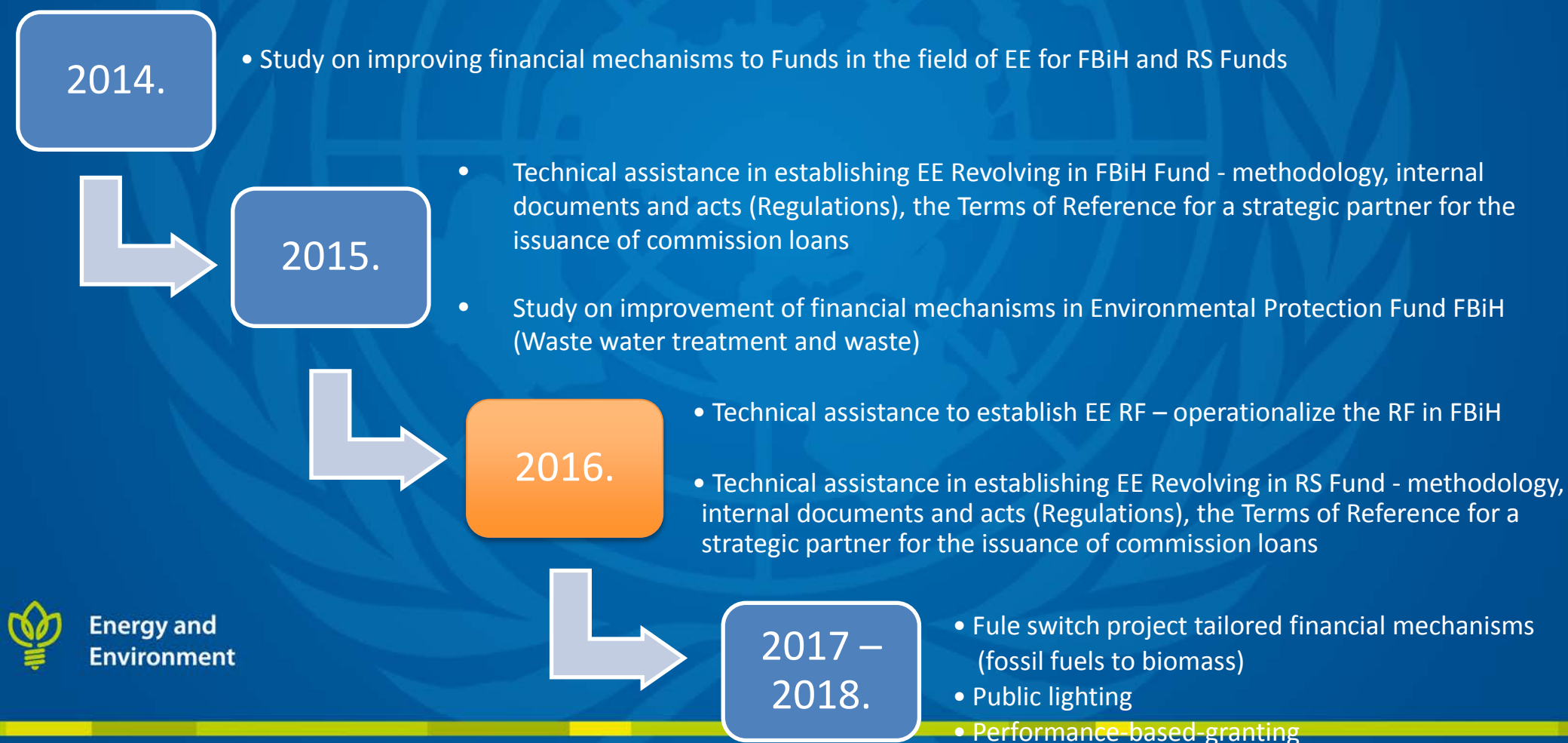


GREEN ECONOMIC DEVELOPMENT „GED“ - Five Programme Components



Energy Efficiency Revolving Fund

- Support Environmental Protection Funds for improving EE&Env financial mechanisms



Energy Efficiency Revolving Fund in FBiH

- Development took 2,5 years – from idea in late 2013 to operationalization in mid 2016
- TA for establishing EE Revolving Fund at FBiH Environmental Fund:
 - Methodology on project evaluation,
 - Internal documents and acts,
 - Rulebook on criteria for evaluation of applications for financing EE projects through EE RF,
 - Guideline for users of Revolving Fund for EE projects ,
 - Terms of Reference for a strategic partner for the issuance of commission loans,
 - Financial model for evaluating cash flow/initial funding of projects.



Energy Efficiency Revolving Fund in FBiH

- Key challenges
 - Legal basis for EE RF
 - Procurement of strategic partnership for issuing commission loans
 - Identifying strategic partner for commission loans
 - Motivate end-users to go from grant to loan financing



Energy Efficiency Revolving Fund in FBiH

- **EE RF enabled to finance following EE projects:**
 - **EE in public and residential sector**
 - **EE in industrial processes**
 - **EE within existing energy generating units and primary distribution systems, and**
 - **Renewable energy sources as EE measures**



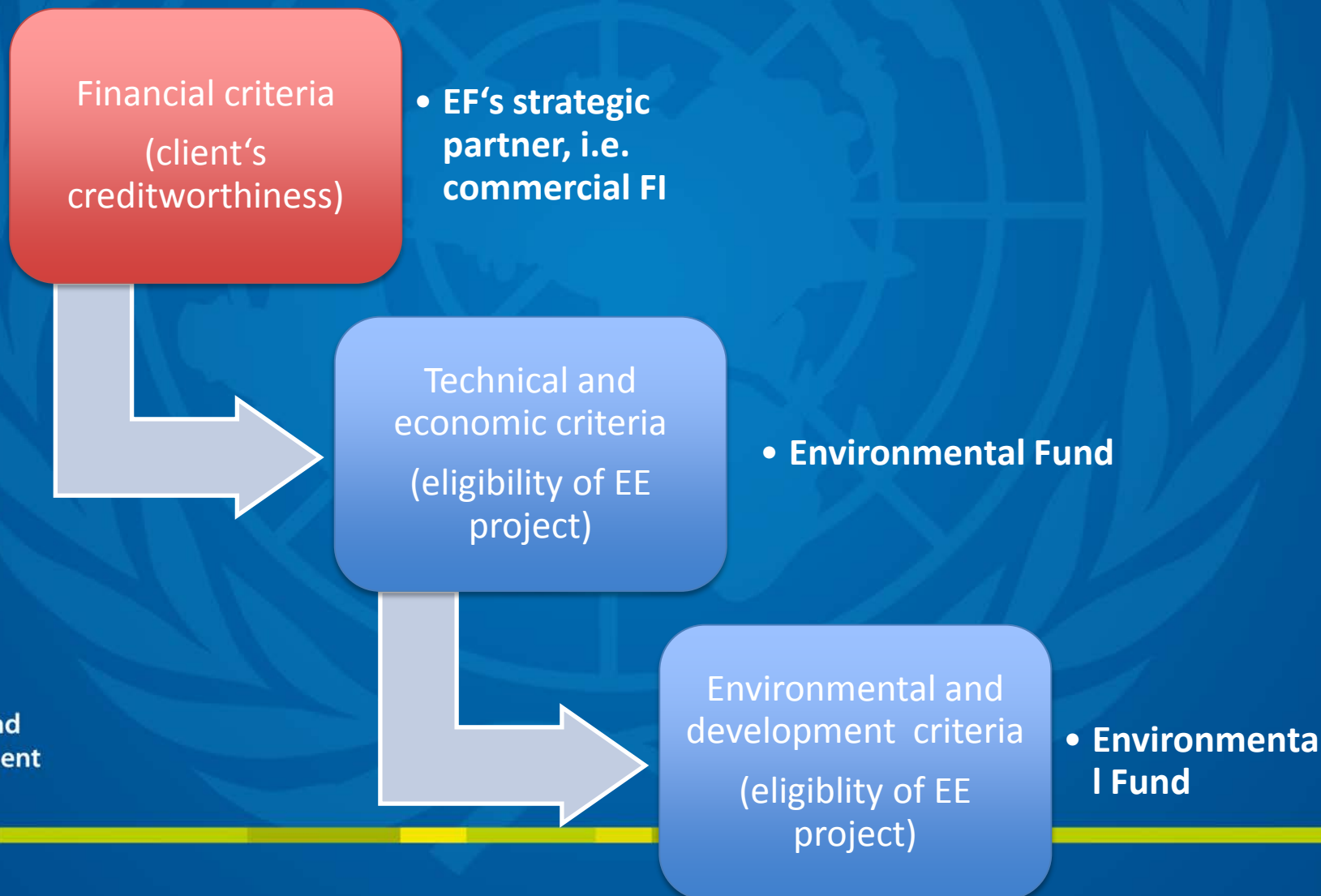
Energy Efficiency Revolving Fund in FBiH

- EE RF general conditions (modalities vary from call for proposals to call for proposals):
 - Max loan amount per project – 250.000 BAM
 - Max loan amount per client – 1.000.000 BAM
 - Grace period – 6 to 12 months
 - Maturity – up to 7 seven years (incl grace period)
 - Collateral – defined per contract for each project separately
 - Interest rate – from 0 to 4%
 - Troškovi obrade – from 0 to 1%
 - Min co-financing – 10%



Energy Efficiency Revolving Fund in FBiH

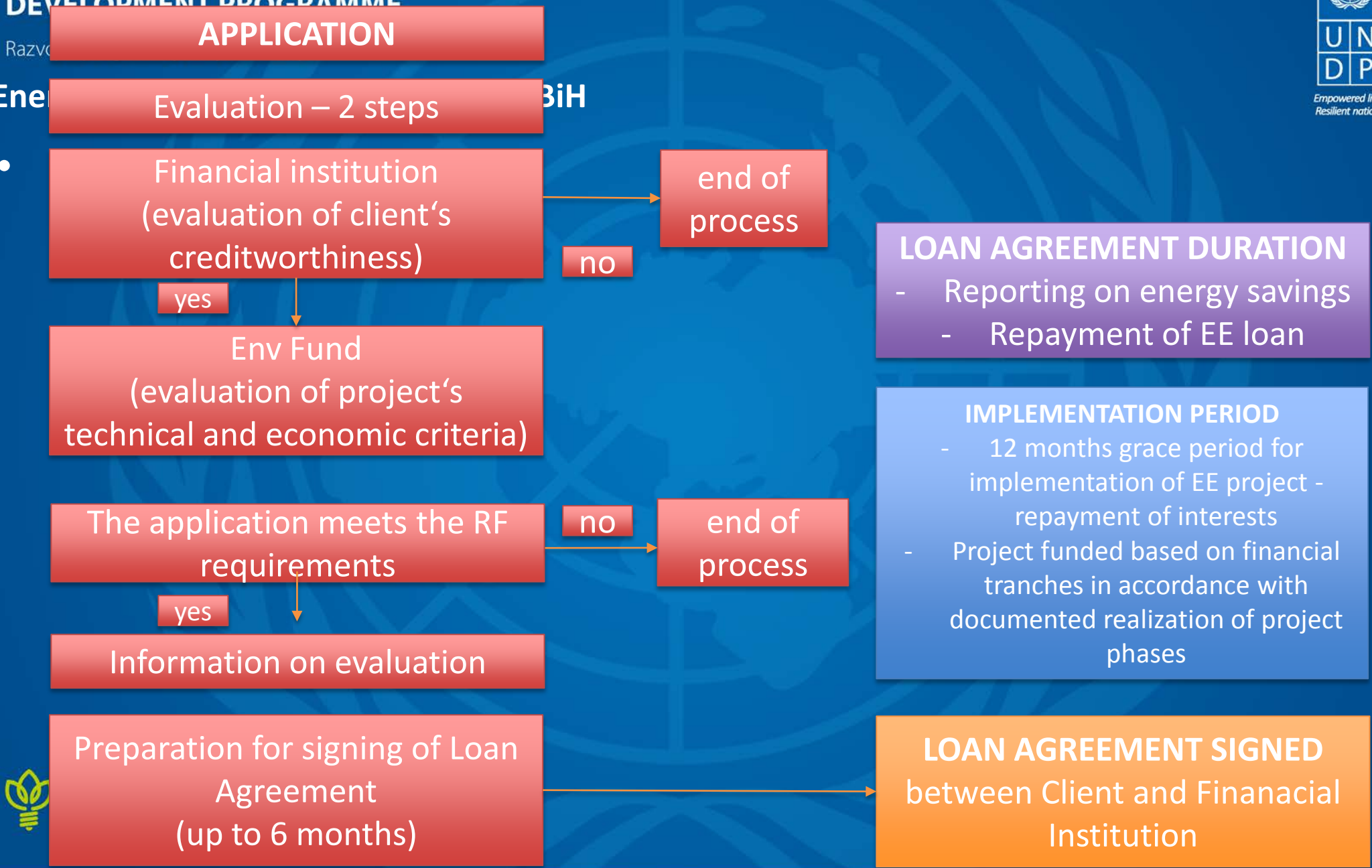
- EE RF evaluation process - four evaluations steps



Energy Efficiency Revolving Fund in FBiH

- 1st call for proposals in august 2016; open for applications for 60 days
- EE loans for:
 - EE in public and residential sector
 - EE in industrial processes
- Total budget – 2.000.000 BAM
- Loan modalities:
 - Max loan amount per project – 250.000 BAM
 - Grace period – 12 months
 - Maturity – up to 7 seven years (incl grace period)
 - Collateral – bank guarantee
 - Interest rate – 2%
 - Troškovi obrade– 1%, or minimum 250 BAM
 - Min co-financing – 10%





Energy Efficiency Revolving Fund in FBiH

- Currently evaluation procedure in on-going
- Four application received – two for EE in public and residential sector, two for EE in industrial processes



Energy Efficiency Revolving Fund in FBiH

The goals:

- Enable higher volume of EE financing in BiH by enabling a portfolio of different EE financing products within Env Funds in BiH
- Switch from grant financing to loan financing (with performance based granting)
- Enable BiH to meet its EE obligations
- Generate employment in BiH
- Study „Analyzing the employment impact of EE measures in Bosnia and Herzegovina“, i.e. 1m € invested in EE generates 98 green jobs annually



UNITED NATIONS DEVELOPMENT PROGRAM

Razvojni program Ujedinjenih nacija

Energy Efficiency Revolutio



Energy and
Environment



GREEN JOBS

*Analysing the Employment
Impact of Energy Efficiency Measures
in Bosnia and Herzegovina*



Empowered lives.
Resilient nations.

**UNITED NATIONS
DEVELOPMENT PROGRAMME**

Razvojni program Ujedinjenih nacija



*Empowered lives.
Resilient nations.*

Thank you!

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**Energy and
Environment**