

FUND - ACTIVITIES IN EE SECTOR *(financial support; energy management)*

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STATUS OF EE IN THE F B&H

Financial/
market

gap

- *Energy price still based more on social criteria rather than market*

- Law on EE in FB&H adopted (in force since April 1, 2017);
- Bylaws and implementing acts are not prepared and adopted in timely manner....however, we have:
 - NEEAP (2016-2018) - a new plan for the planning period 2019-2021 has begun 😊
 - ❖ NEEAP FB&H 2016-2018
 - ❖ EE Action Plans on cantonal and municipal levels 2016-2018
 - Rulebook on Information System of EE in FB&H (Off. Gazzete No. 02/19);
 - Bylaw on the conducting of energy audits and issuance of energy certificate (Official Gazzete No. 87/18);
 - Bylaw on Conditions and Authorization to Apply Energy Audits and Energy Certification of Buildings (Official Gazzete No. 87/18);
 - Building Renovation Strategy – in preparation;
 - Other by-laws from the competence of the Ministry of Energy and the Ministry of Physical Planning – in preparation;



ABOUT FUND

- **Founded by the Government of FB&H, operational since 2010.;**
- **Non-profit financial institution;**
- **Fundraising through environmental fees;**
- **Financing of projects and activities - improvement of the environment**

The EE Law in FB&H recognized the Fund:

- ❖ **Financing EE projects**
 - **Non-refundable**
 - **Budget loans - revolving fund**
- ❖ **Establishment of the EE Information System in FB&H**
Rulebook on ISEE – Official Gazete 02/19 - mandatory application



SUPPORT PROVIDED BY FUND IN FINANCING EE PROJECTS

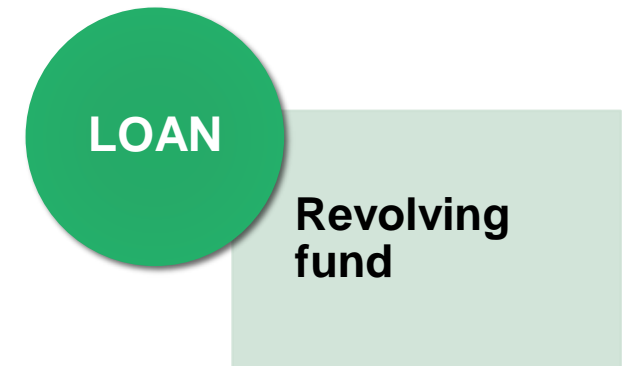
2013...*ongoing*



2014.-2018...*GED 2..ongoing*



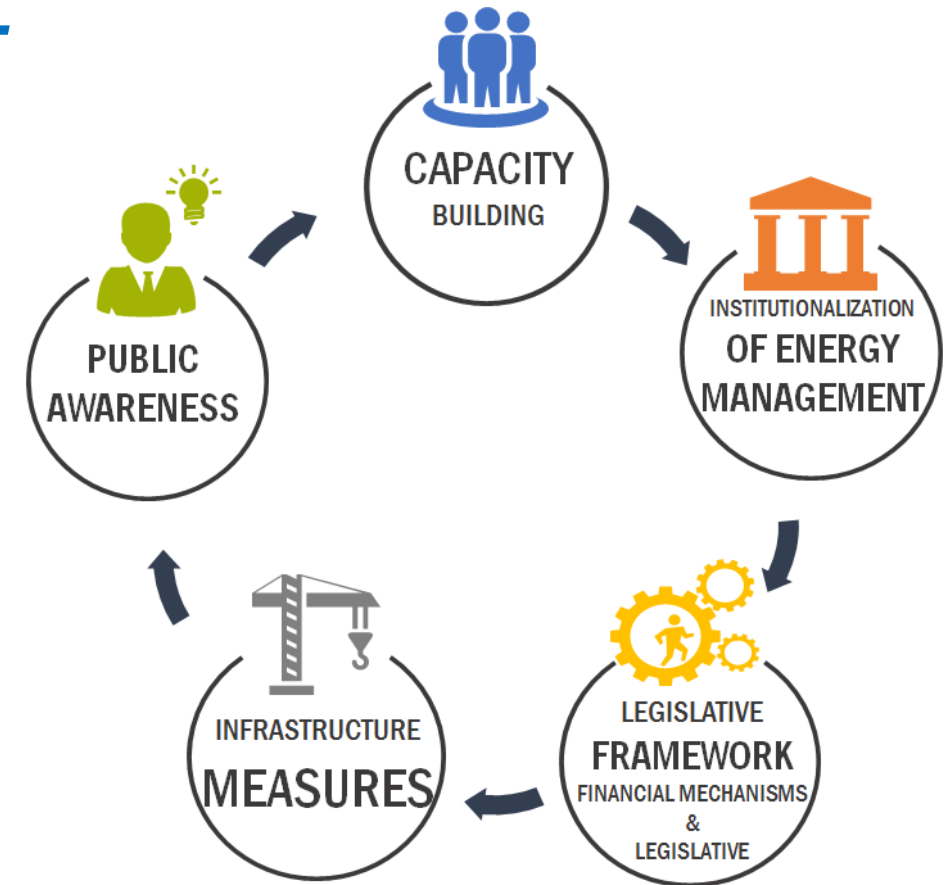
2016.



Green Economic Development - GED Project – cofinancing with UNDP and other donors – SIDA, local governments.

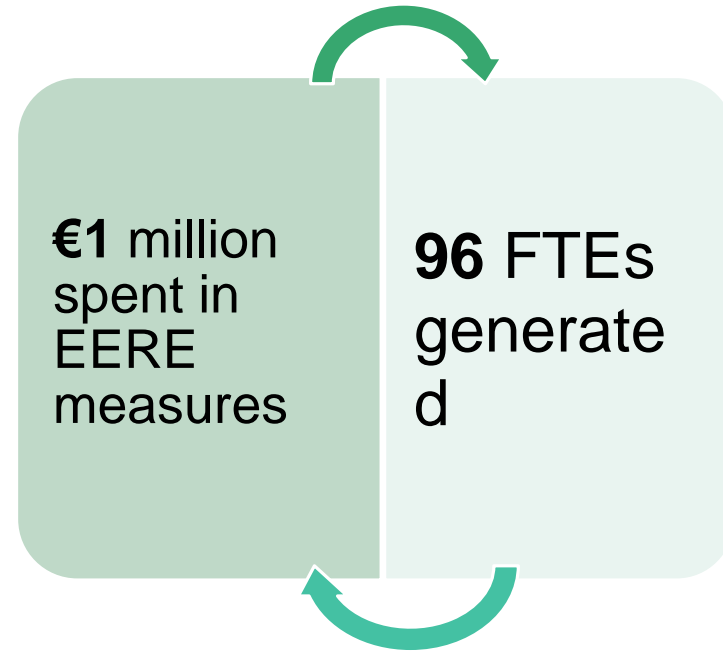
2013. - 2018.

- EMIS - in app. **2.782** public buildings
 - Training on EMIS/EE/EM for app. **2.116** end users
 - EE baseline Study for **2.450** public buildings
 - Implementation of **165** DEAs
 - Energy renovation of **105** public buildings
-
- Total project investment: app. **15,5 mill. Euro**
 - EERE measures investment: app. **7,6 mill. Euro**



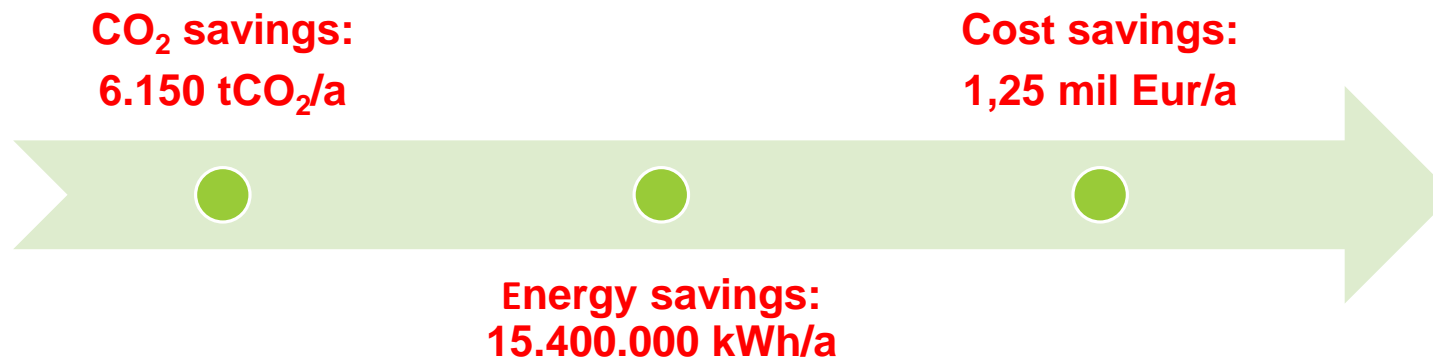
EMIS – energy management information system
EM – energy management
DEA – detailed energy audits

Green Economic Development - GED Project



EERE - Energy efficiency and renewable energy
FTEs - Full-time Equivalent

Results after EE renovation on 105 public buildings



REVOLVING FUND (loan) FOR FINANCING EE PROJECTS

RF can be used to finance EE measures on:

- Residential buildings;
- Non-residential buildings;
- Industrial processes;
- Public lighting;
- Activities and processes in utility services
(district heating systems, water supply system,
sewage system, etc.).

CONDITIONS:

- Annual interest rate **0%**;
- Grace period: up to **12 months**;
- Repayment period: up to **7 years**;

REVOLVING FUND FOR FINANCING EE PROJECTS

+ RF

- Stable source of financial means for EE projects financing - continually replenished by repayment installments – new loans approved – new projects;
- Possibility of financing greater number of projects;
- Possibility to finance more of capital intensive projects compared to grant financing scheme;
- Based on EE principles – financing from savings
- Favorable market – loan conditions!!!
- Environmental Fund bears risk – 100% !!!

- RF

- Based on experience so far – Fund is generally not recognized as institution that gives loans
- Demanding Application procedure for public sector
- Project based financing concept not recognized

PLANS TO IMPROVE RF

- Introduction of subsidy scheme (PBG)
- Combination of financing models: RF + grant + PBG
- Simplification procedures
- Marketing / promotive activities through public and social media;
- Provision of TA to applicants;
- Enhance cooperation with partner bank.



FUND IN OTHER EE ACTIVITIES

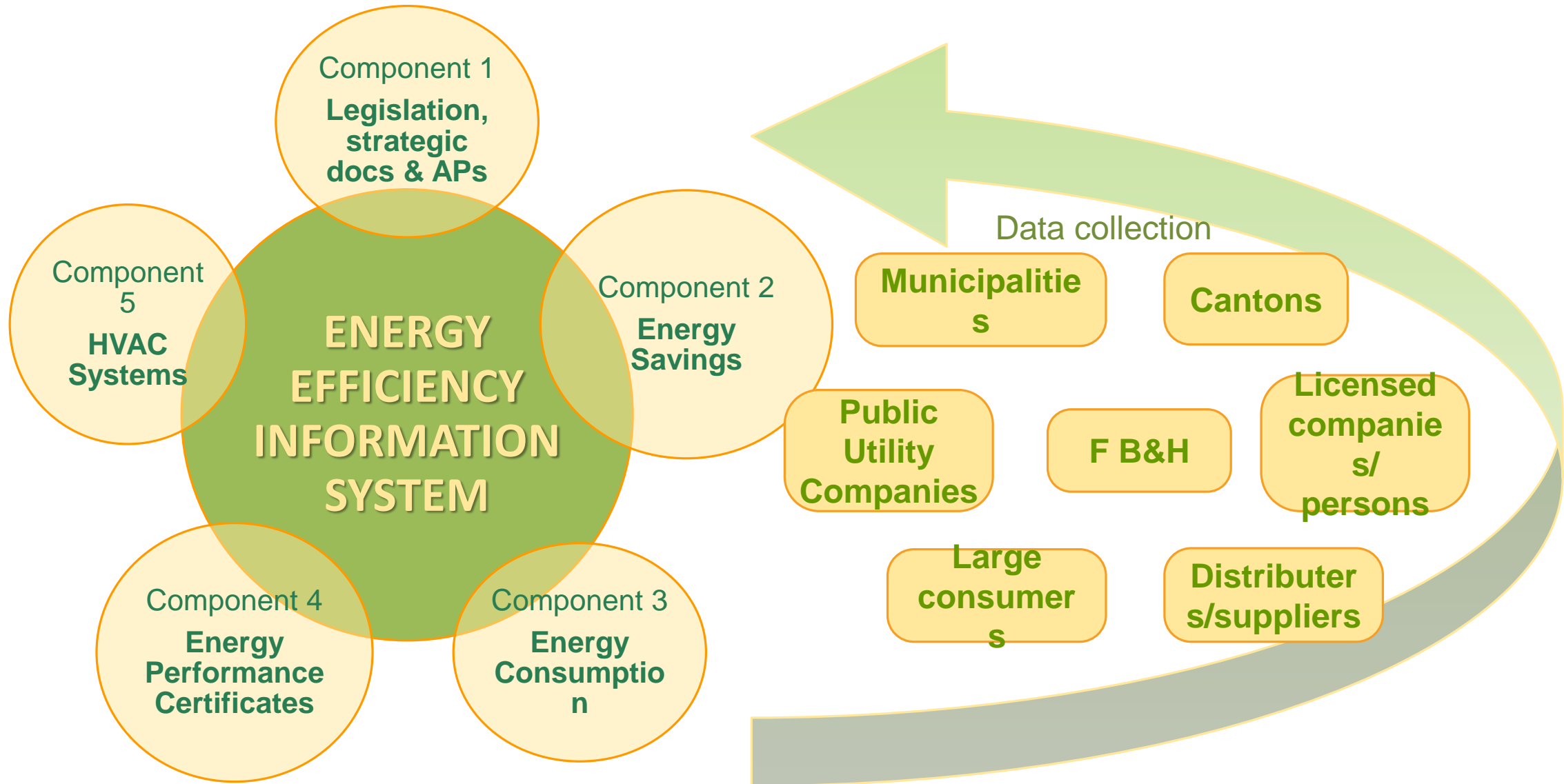
Energy Efficiency Information System in Federation of B&H

ISEE – on force – Official Gazzete 02/19

**Implementation of Article 7 of the EED Directive in
cooperation with the obligated parties - Fund is the key
partie to implementing the EEO - subject to changes of
the EE law...to be!**

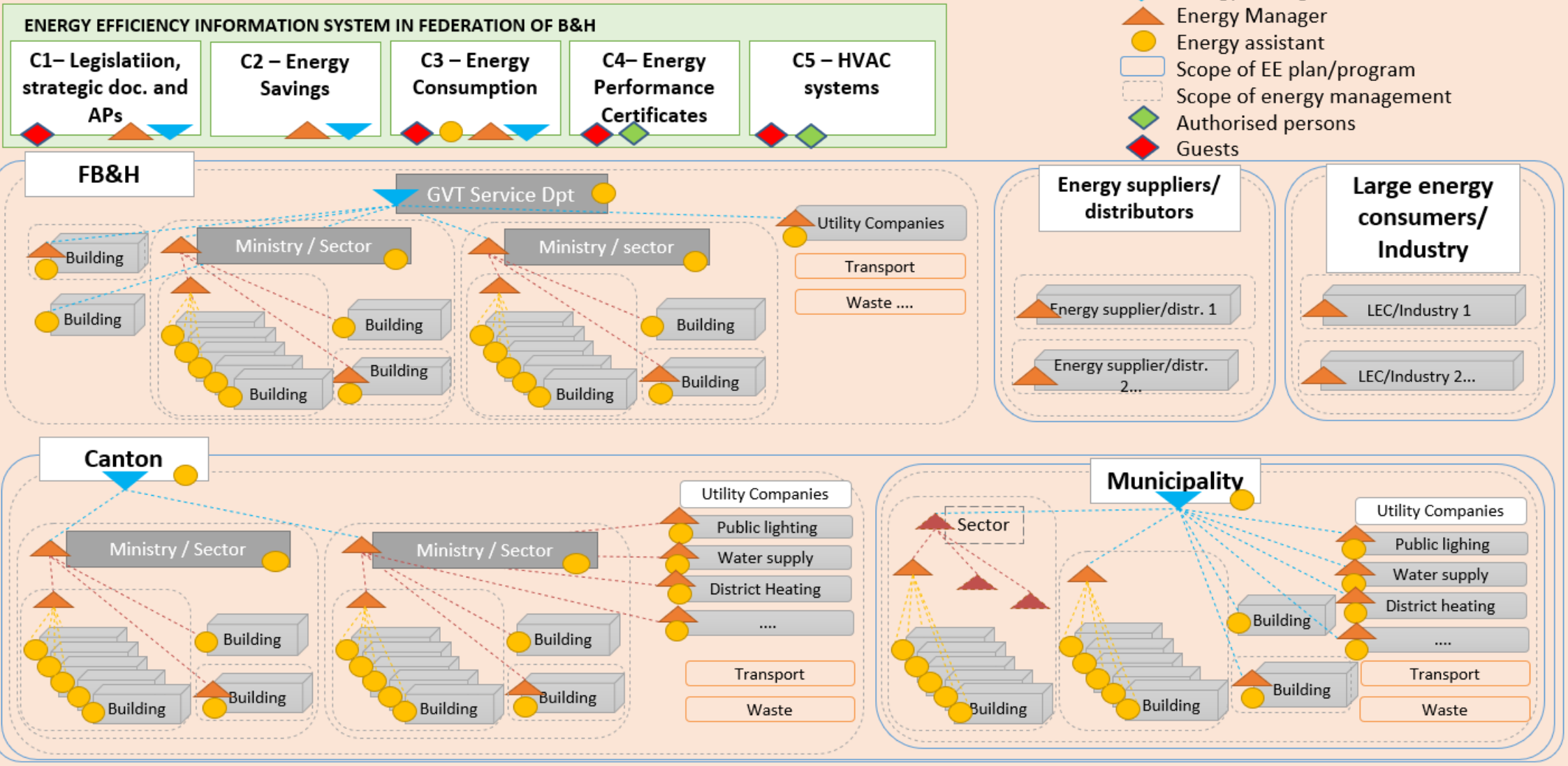
**Drafting a bylaw for the establishment of an ESCO
contracting model in the public sector in cooperation with
the UNDP**

STRUCTURE OF ISEE



Energy Efficiency Information System in Federation of B&H - ISEE

ENERGY MANAGEMENT ORGANISATION SCHEME IN FEDERATION OF BOSNIA AND HERZEGOVINA



FUND IN OTHER EE ACTIVITIES

Implementation of Article 7 of the EED Directive in cooperation with the obligated parties - Fund is the key partie to implementing the EEO - subject to changes to the law...to be!

☺ you will have to come tomorrow as well, when will our colleagues from USAID explain future model of EEO in B&H

yet ... just a hint.... Fund, as government financial institutions, will be a key role in the implementation of the scheme.

Focus - housing sector!

LESSONS LEARNED

- Systematic and sustainable solutions require **adequate legislative and strategic framework**;
- In order to achieve set goals, **several financing models need to be available**, alone or combined;
- All institutions need to continuously **improve and innovate** its activities/operations;
- Significant rate of building renovation requires **mobilization of EU / international funding** since sources of funding at national level are not enough to cover requirements;
- **Cooperation with international institutions** was very helpful;
- **Lack of awareness** significantly impedes intensity of implementation of EE projects;
- Lack of „**real**“ **savings** makes contracting and implementation difficult;
- Low intensity of private sector funding due to insecurity of the legal system.

NEXT.....

- **End user training for ISEE – long term activity.....**
- **ESCO MODEL contracting**
- **Regular activities of financing energy efficiency projects**
- **Open for any other suggestions.....**

Thank you for your attention!



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