

Combination of EBRD loans with EU Structural Funds grants for energy efficiency of Bulgarian SMEs

Angel Nikolaev

expert

Black Sea Energy Research Centre, Bulgaria

Summary of the scheme



CONCERTED ACTION
ENERGY SERVICES
DIRECTIVE



Bulgarian Energy Efficiency for Competitive Industry Financing Facility (BEECIFF)

- Combines EBRD's credit lines and grant financing from SCF for energy efficiency and renewable energy investments in Bulgarian SMEs
- Established by the EBRD and the Managing Authority of OP Competitiveness (Ministry of Economy, Energy, and Tourism).
- SCF Grants: 30–50% of costs, max. €1 million/project, total up to €150 million
- EBRD credit lines: total up to € 150 million, provided through 6 Participating Banks for on-lending to eligible SMEs

History: BEERECL (1)



Bulgarian Energy Efficiency and Renewable Energy Credit Line (BEERECL)

- Active from 04/2004 to 06/2013
- EBRD provides loans to 6 participating banks, which on-lend to private companies for industrial EE/RES projects, up to € 2.5 million per project
- Upon the successful completion of a project, the company receives from the KIDSF up to 15% grant
- Free consulting services on: project eligibility and creditworthiness, energy audit and cash flow analysis, business plan, and monitoring
- 217 sustainable energy projects financed by July 2012
- € 138 million total amount of loans and € 23 million grants

Source: <http://beerecl.com>

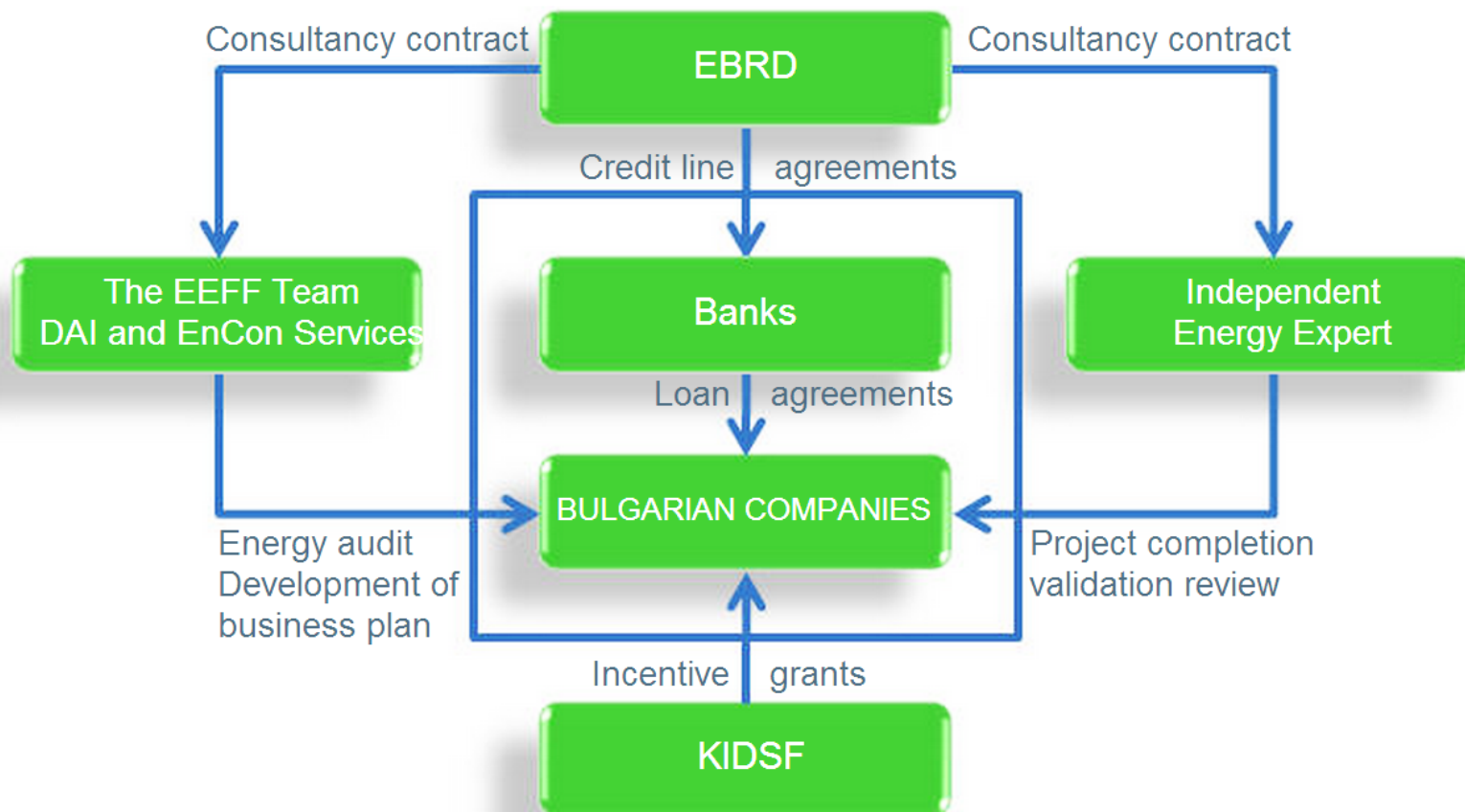
History: BEERECL (2)



CONCERTED ACTION
ENERGY SERVICES
DIRECTIVE



BEERECL scheme

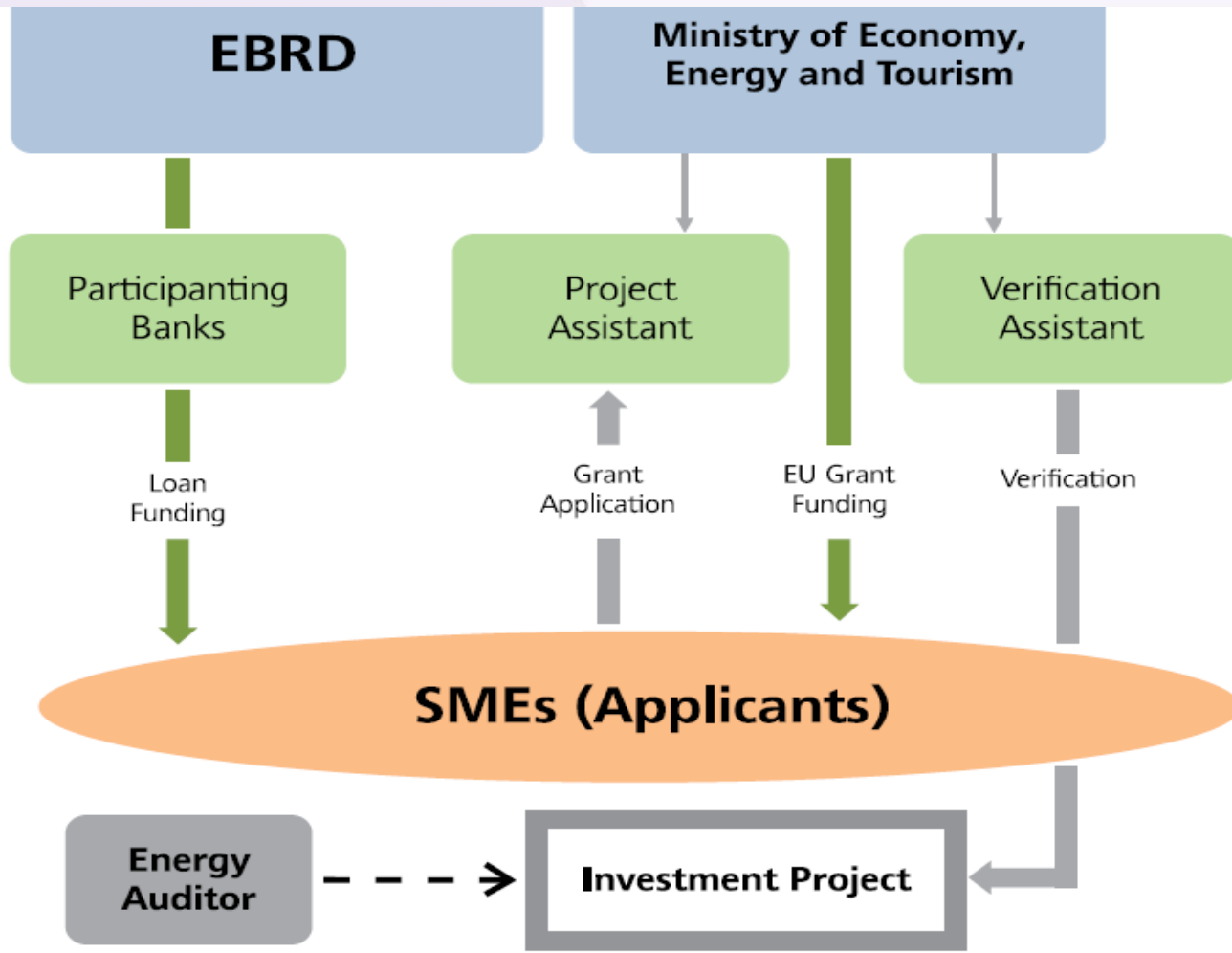


Source: <http://beerecl.com>

The new scheme: BEECIFF



CONCERTED ACTION
ENERGY SERVICES
DIRECTIVE



Source: <http://www.beeciff.org/cms/en>

Project cycle (1)



Technology project

Energy Audit project

Step 1

Applicant

- Conditional Procurement
- Application Submission

Applicant

- Energy Audit
- Application Submission

Step 2

Project Assistant

- Technical Eligibility Check
- Procurement Check

Project Assistant

- Technical Eligibility Check

Step 3

Participating Bank

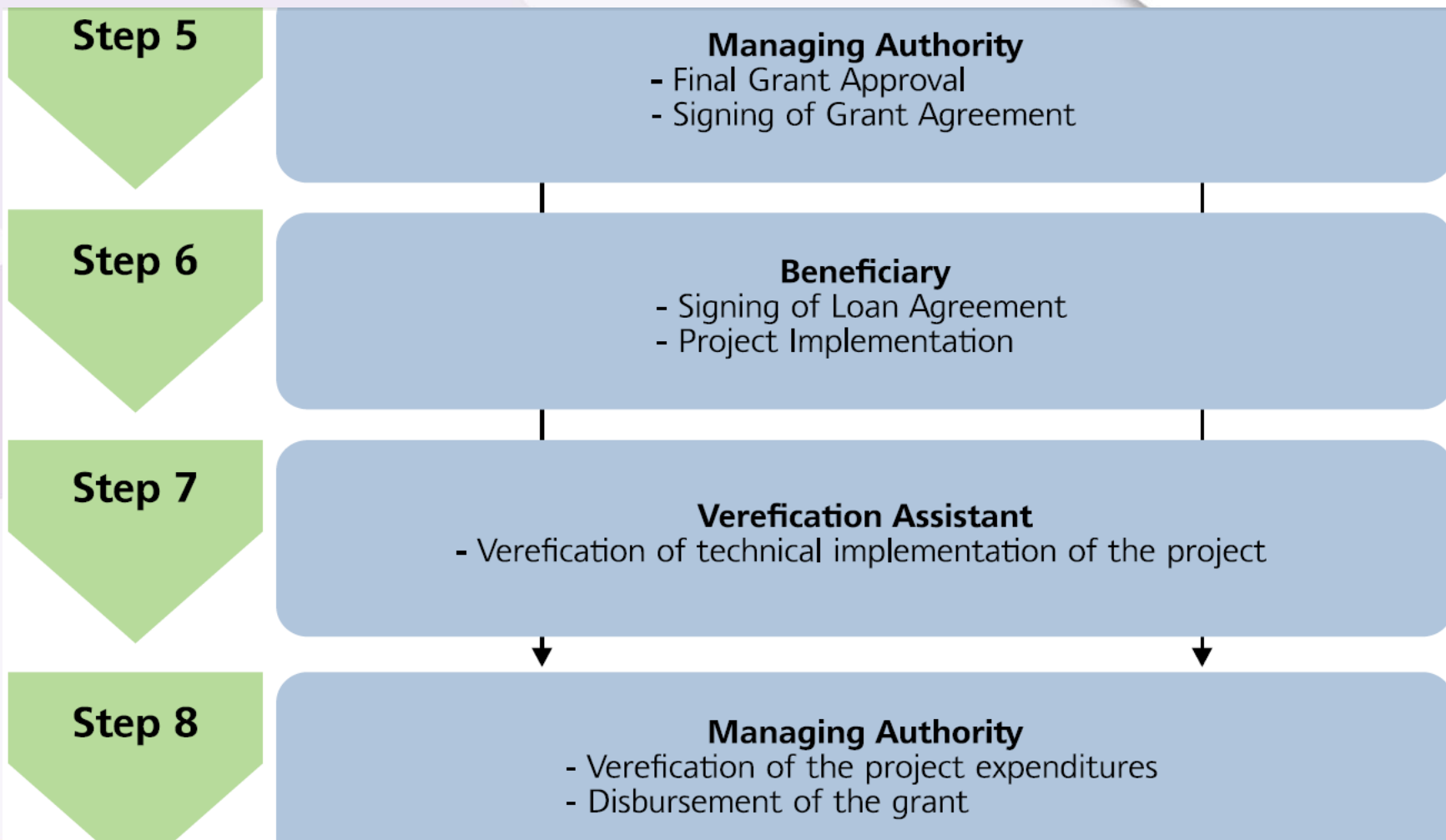
- Financial Eligibility Check

Step 4

Applicant

- Conditional Procurement
- ### Project Assistant
- Procurement Check

Project cycle (2)



Source: <http://www.beeciff.org/cms/en>

Development of the scheme



CONCERTED ACTION
ENERGY SERVICES
DIRECTIVE



Memorandum of Understanding between EBRD and the Government of Bulgaria

- signed in March 2011

Preparation support technical assistance

- financed and managed by the EBRD, via contracted external consultant
- programme design & structure, marketing, capacity building of participants

Call for proposals

- Published on 28.06.2012, no deadline for submitting applications
- Evaluation of submitted proposals is ongoing



Benefit for SMEs:

- Secured funding: this scheme facilitates loan financing and decreases the risk that projects cannot be implemented due to a lack of funding

Benefit for the Managing Authority:

- External technical assistance
- External confirmation of the financial eligibility of applicants
- Higher absorption rate of SCF

EBRD intends to apply the scheme in other MS, if it is successful.

<http://www.beeciff.org/cms/en>

Thank you for your attention



CONCERTED ACTION
ENERGY SERVICES
DIRECTIVE



Angel Nikolaev

expert

Black Sea Energy Research Centre

Sofia, Bulgaria

Tel: +359-2-9806854

Web: www.bserc.eu

Email: angel@bsrec.bg

