

Slovak Energy Efficiency and Renewable Energy Finance Facility (SLOVSEFF)

financial instrument for energy efficiency



Objectives

Slovak Energy Efficiency and Renewable Energy Finance Facility

EBRD

Ministry of Economy

4 (+2) banks operating on the Slovak financial market

financial investment instrument designed to

improve energy efficiency,

decrease electricity consumption and

generate more electricity and heat from RES

leading to better environmental conditions and rational energy utilisation.

EBRD funding complemented by grant funding from the Bohunice International Decommissioning Support Fund (BIDSF).



Main characteristics

SLOVSEFF I and II all together

EBRD provision of loans to commercial banks

- 60 million EUR – SLOVSEFF I
- 90 million EUR – SLOVSEFF II

BIDSF - 30 million EUR - grant for incentive payments and technical assistance.

SLOVSEFF I - first phase in 2007

SLOVSEFF II - extension launched in 2010

Energy Efficiency (EE) improvements in the industrial sector

Comprehensive EE refurbishments in the residential sector

Investments in new Renewable Energy capacity



Main goal and financing characteristics

increase financial intermediation and financing for rational energy utilization and provide benefits in terms of energy resource utilization and assist in mitigating increasing energy prices and high energy intensity in the region”

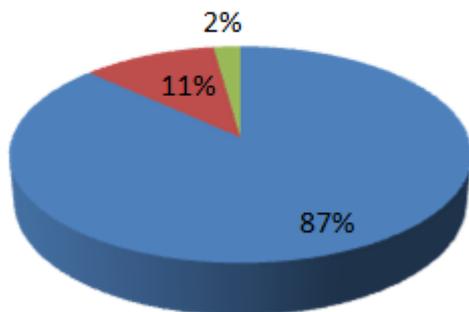
Loans between EUR 20 000 and EUR 2 500 000
grants between 7.5% and 15% of the loan amounts
free technical assistance (including free energy audits)
available through local banks to private companies and
housing associations for implementation of energy
efficiency and renewable energy projects



Results

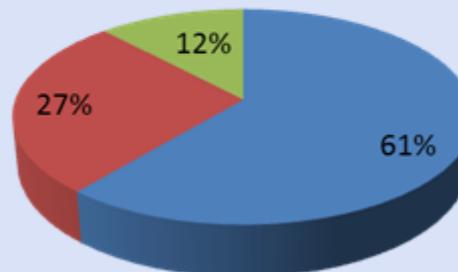
- 688 projects in both phases
- total primary energy savings of 582 GWh/yr
- emission reductions of 110 kilotonnes of CO2 per year
- Strong uptake supported by marketing and incentives
- Funds fully disbursed (€149.86 m)
- Strong demand in housing sector

Allocation by # of projects



■ Housing
■ Industry
■ Renewables

Allocation by loan amount



Results

		SlovSEFF I	SlovSEFF II	TOTAL
Residential projects	Nr	251	348	599
	Investment	32.6 mil. €	58.9 mil. €	91.5 mil. €
Industry projects	Nr	34	42	76
	Investment	19.3 mil. €	21.2 mil. €	40.5 mil. €
Renewable projects	Nr	8	7	15
	Investment	8.1 milióna €	9.8 miliónov €	17.9 milióna €
Annual Emission reduction		63,564 tCO _{2e}	50,948 tCO _{2e}	114,512 tCO _{2e}
Annual primary energy savings		283 GWh	300 GWh	583 GWh
Average savings in residential projects		32%	35 %	33%



Why success

Advantage

- provision of incentive payments upon verification of implementation of all projected energy savings measures.
- simplified energy audit has to be performed for each project to identify main energy savings or renewable energy potential and recommended key measures.
- implementation of the measures is checked against the project plan

SLOVSEFF III

- EBRD's first credit line that is funded by a market-based mechanism
- Ministry of Environment of the Slovak Republic
- Ministry of Agriculture, Food and Environment of Spain,
- provides a credit line of up to €40 million to Slovak commercial banks
- www.slovseff.eu

Basic principle

- help Spain to meet its emission reduction target under the Kyoto Protocol
- Slovak Republic will reinvest these funds to further decarbonise its economy.
- It is the first time that donor funding for a sustainable energy financing facility is sourced from a market-based mechanism.
- transaction structured under the Green Carbon Fund of the Multilateral Carbon Credit Fund (MCCF), established and managed jointly by the EBRD and the European Investment Bank (EIB).

SlovSEFF III BENEFITS

- One-stop-shop: integrated package of loans, incentive payments and free technical assistance
- Straightforward, easy-to-access and fast process
- Incentive payments of 5-20% of the disbursed loan amount, subject to project characteristics
- Independent and free technical assistance in the form of Energy Audits and Project Assessment Reports provided by expert consultants, who will assist project developers to identify the most appropriate sustainable energy investments

Beneficiaries

- Supported areas
 - Renewable energy
 - Industrial energy efficiency
 - Residential energy efficiency
- Eligible for projects
 - Private enterprises
 - Energy Service Companies (ESCOs)
 - Housing associations or cooperatives

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