



ECONOLER

BEA Cities EE Financing Options / Bulgarian EE & RE Fund (BEERESF)

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ECONOLER` S BEA PROJECT SCOPE

- TA to four BEA partner cities:
 - Mexico City (Mexico)
 - Rajkot (India)
 - Belgrade (Serbia)
 - Da Nang (Vietnam)
- Support the participating cities to understand finance options available in their specific markets
- Level of effort: 40 expert-hours
- Common implementation approach:
 - Interview with BEA city representatives
 - Develop and coordinate concept proposal
 - Carry out approved activities

BELGRADE (SERBIA)

- Scoping of the intervention
- Existing City owned EE Fund
- Review and analysis of Belgrade EE Fund program documents
- Identification of potential bottlenecks and drawbacks
- Concept for structural improvement

BELGRADE (SERBIA) – ROADMAP TO IMPLEMENTING THE BEA OBJECTIVE

- Major Objective – support City of Belgrade in transforming the EE Fund into a successfully operating financial mechanism
- Bottlenecks and flaws in Belgrade`s EE Fund current structure identified
- Legal and operational structure modifications in sight
- Development of a new Operations Manual concept paper

BELGRADE (SERBIA) – THE NEW EE FUND CONCEPT PAPER

- Guidelines on how to best structure EE Fund`s operations – at the core of the document
- Focus on several aspects:
 - Fund`s objectives and operating principles
 - Investment policy and eligibility criteria
 - Monitoring and reporting
 - Project cycle
- Final discussions and remarks

RAJKOT (INDIA)

- Scope of Econoler intervention – development of a limited EESAP
- EESAP targeting two audited buildings:
 - Municipal Corporation Central Zone Building – RMC Central Zone
 - Multi Activity Center – MAC
- How to define Rajkot`s EESAP objectives –five steps process approach
- EESAP Preparation – Phase I : Initiation

RAJKOT (INDIA), EESAP DEVELOPMENT

- Multi-step approach to developing EESAP:
 - Develop an inventory of buildings
 - Data collection
 - Data Analysis
 - Data aggregation, normalization and benchmarking
 - Ranking of projects in each sector
- Tracking and monitoring EESAP implementation

RAJKOT (INDIA), MAPPING OF POTENTIAL FINANCING SOURCES

- Internal sources
 - Budget Optimization and Reallocation for EE/RE Investments
 - Sustainable Budget Funding from Tapping into Existing Taxes
- Third party financing
 - Local banks
 - IFIs, Donor agencies, Other support programs
- Design of a tailored financial mechanism

MEXICO CITY (MEXICO)

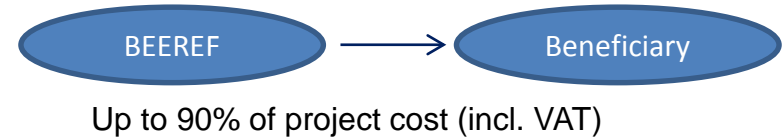
- Mexico City`s interest in applying ESCO model for financing building efficiency
- Deloitte assigned to carry out an ESCO market survey for public buildings
- Econoler tasked to study application of ESCO model in private sector buildings (focus on commercial and services)
- Deliverables:
 - ESCO market for private sector buildings survey (regulatory framework, active companies, EPC approach, etc.)
 - Workshop to present the findings to Mexico City`s Environmental Fund staff

BEEREF – REVOLVING FINANCING MECHANISM FOR EE/RE PROJECTS IN BULGARIA

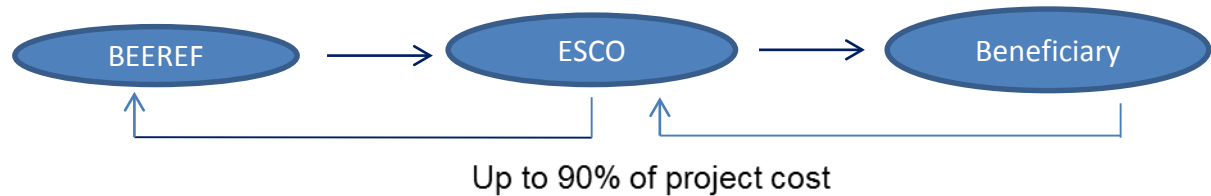
- Revolving mechanism for financing commercially viable EE and RE projects
- Established in 2005 pursuant to Energy Efficiency Act from 2004
- Initial capitalization – approx. BGN 22 million (\$15 m)
- Capitalization through donations from
 - International: World Bank (for GEF), Government of Austria, Eurobank EFG,
 - National donors: Bulgarian Government, “Lukoil” AD, Brunata, Enemona.
- BEEREF Structure:
 - Donors assembly
 - Management board
 - Independent fund manager

BEEREF – LOAN PRODUCTS

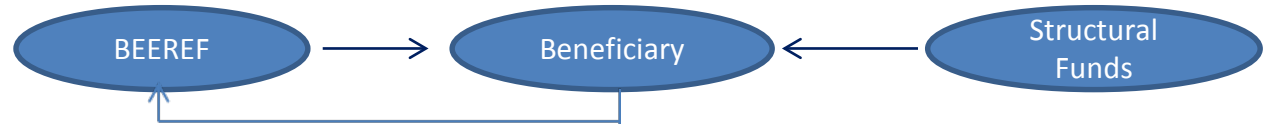
I. Direct loans to final beneficiaries



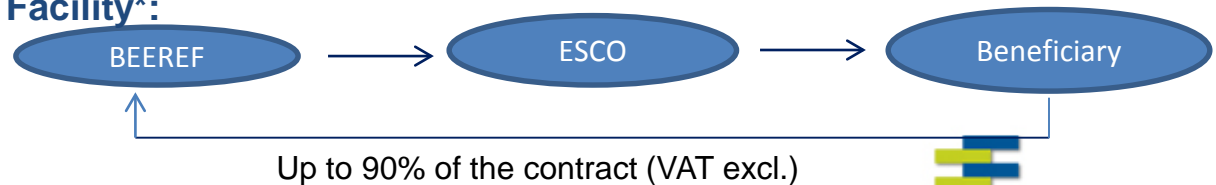
II. Loans for ESCO



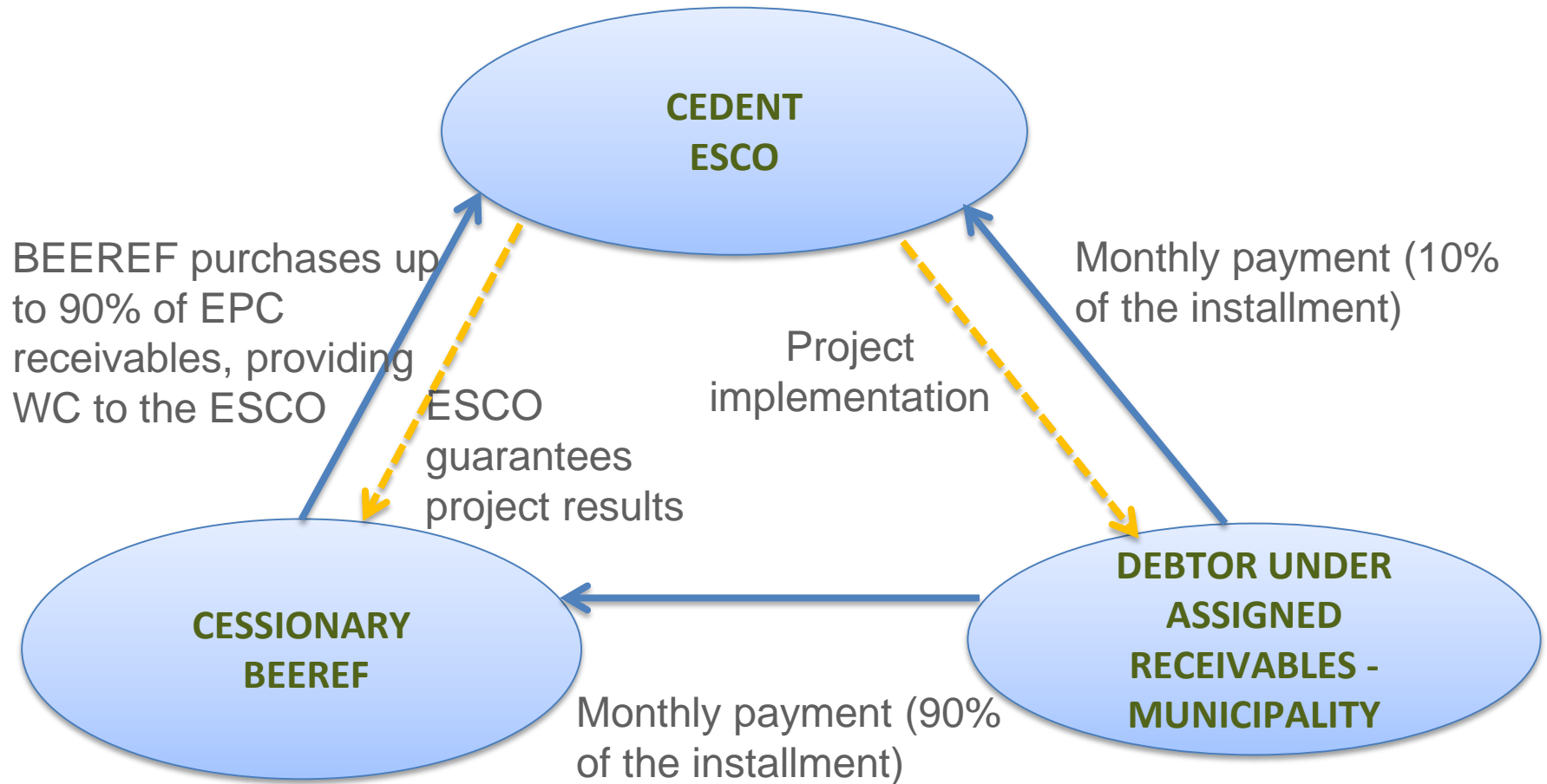
III. Bridge Financing:



IV. ESCO Receivables Purchase Facility*:



BEEREF – financing ESCO through purchase of receivables (cession)



EERSF Summary Results 2017

Credits	Number of projects	% projects	Value of projects (EUR million)	% value of projects	Size of financing (EUR million)	% size of financing
Municipalities	103	53,1%	20,6	50,4%	13,9	48,2%
Corporate clients	68	35,1%	12,7	31,3%	9,4	32,7%
Others (hospitals, universities, etc.)	23	11,9%	7,5	18,3%	5,5	19,1%
Total	194		40,8		28,8	

Guarantees	Number of projects	Value of projects (EUR million)	Size of financing (EUR million)
Partial credit guarantees (on credit contracts)	4	3,5	1,95
Portfolio guarantees on ESCO projects	29	8,9	0,31
Total Credit Guarantees	33	12,4	2,26



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