Workshop on energy efficiency implementation practices and financing

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The Energy Efficiency Fund - EEF - is an independent and financially autonomous legal entity.

**Legislation**

*Law no. 160 of 12.07.2007 on renewable energy*

*Government Decision no. 401 of 12.06.2012 on Energy Efficiency Fund*

**Other legal acts**

**Mission**

EEF manages and finances projects in the area of Energy Efficiency and Renewable Energy Sources, aiming:

- Efficient use of energy
- Reduction of greenhouse gas emissions
EEF mainly employs the following financial resources for funding projects in the area of energy efficiency and renewable energy sources:

Financial allocations from the state budget (at least 10% of EEF budget)

Donations from individuals and legal entities from the Republic of Moldova and from abroad, including donations from international financial institutions and funds.
EEF is entitled to apply the following financial tools for funding projects in the area of energy efficiency and renewable energy sources:

- **Grant** (currently applied)
- **Financial security** (currently applied)
- **Loan** (planned to be applied)
- **Leasing** (planned to be applied)
The financial aid of the EEF is aimed at institutions and enterprises from sectors of national economy as well as at the public:

- Energy
- Transport
- Industry
- Construction
- The public
EEF Eligible Measures

- Thermal insulation of external walls
- Replacement of external windows and doors
- Thermal insulation of roofs and ceilings
- Energy management systems
EEF Eligible Measures

- Installation of solar panels
- Installation of biomass boilers
- Installation of natural gas boilers
- Improvement of heating systems efficiency
EEF finances projects that meet the minimal eligibility criteria:

**Measurable energy savings:**
*at least $1/3$ of project’s benefits*

**Beneficiary’s own contribution:**
*at least $20\%$ of the total project cost*

**Payback period:**
*7 years for energy efficiency projects*
*15 years for projects in the area of renewable energy sources*
Calls for Project Proposals (CPP) launched by EEF:

- CPP 1 *(public area)*
- CPP 3 *(public area)*
- CPP 4 *(private area)*
- CPP 5 *(public area)*
- CPP 6 *(private area)*
- Pilot-projects
### Total CPPs launched by EEF in 2012 - 2015:

<table>
<thead>
<tr>
<th></th>
<th>CPP no. 1 (public buildings)</th>
<th>CPP no. 3 (public buildings)</th>
<th>CPP no. 5 (street lighting)</th>
<th>CPP no. 6 (private sector)</th>
<th>PP &amp; ESCO (public &amp; private sectors)</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Allocated budget, mil. EUR</strong></td>
<td>7</td>
<td>11.5</td>
<td>2.3</td>
<td>4.5</td>
<td>4.3</td>
<td>29.6</td>
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<tr>
<td><strong>Projects approved for financing (planned)</strong></td>
<td>86</td>
<td>162</td>
<td>5 (15)</td>
<td>-</td>
<td>3 (20)</td>
<td>256 (36)</td>
</tr>
<tr>
<td><strong>Committed (planned) EEF contribution, mil. EUR</strong></td>
<td>7</td>
<td>11.5</td>
<td>0.5 (1.8)</td>
<td>-</td>
<td>0.3 (4.0)</td>
<td>19.3 (10.3)</td>
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<tr>
<td><strong>Expected energy savings and emissions reduction</strong></td>
<td>≈11 toe &amp; 24 tCO₂</td>
<td></td>
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or ≈2.5% of the 1st NEEAP total ES target

or ≈29% of the 1st NEEAP public sector ES target
Successfully implemented EEF projects
Lessons learned:

- EEA shall be involved in EEF decision-making process
- EEF legal framework shall be flexible enough to allow for adjustment of the internal procedures, if necessary
- Transparency in projects evaluation and approval process is crucial for the trustworthiness of the institution
- Appropriate project evaluation and MRV tools shall be put in place before launching a Call for Proposals
- Continuous capacity building of EEF staff is very important for matching the pace of technological development
- Poor capacity of the beneficiaries leads to bad implementation results
Plans regarding future EEF development:

- EEF reforming
- Strengthening institutional capacity
- Development of cooperation with other donor’s programs in the area of energy efficiency
- Use of other financial tools (e.g. low-interest loans)
- Expanding EEF activities in other economic sectors
- Extension of the list of measures eligible for financing
Thank you!

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