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

Jasmina Kafedzic, Head of Energy Efficiency Department
Environmental Fund of the Federation of B&H
- 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 FBiH

Rulebook on ISEE – Official Gazette 02/19 - mandatory application
SUPPORT PROVIDED BY FUND IN FINANCING EE PROJECTS

2013...ongoing

GRANT
Public Call for Proposals
Preparation of technical documentation, specifications, conducting of detailed energy audits, etc...

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

GRANT
Green economic development (GED) Project
Institutionalization of energy management in public sector and implementation of infrastructure measures

2016.

LOAN
Revolving fund
Green Economic Development - GED Project – co-financing with UNDP and other donors - **SIDA, local governments**.


- 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

€1 million spent in EERE measures

96 FTEs generated

Results after EE renovation on 105 public buildings

CO₂ savings: 6.150 tCO₂/a

Cost savings: 1,25 mil Eur/a

Energy savings: 15.400.000 kWh/a

EERE - Energy efficiency and renewable energy

FTEs - Full-time Equivalent
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
Environmental Fund of the Federation of B&H

**ENERGY EFFICIENCY INFORMATION SYSTEM**

**Component 1**
Legislation, strategic docs & APs

**Component 2**
Energy Savings

**Component 3**
Energy Consumption

**Component 4**
Energy Performance Certificates

**Component 5**
HVAC Systems

**STRUCTURE OF ISEE**

Data collection:
- Municipalities
- Cantons
- Public Utility Companies
- F B&H
- Licensed companies/persons
- Large consumers
- Distributors/suppliers

Data collection process:

- Municipalities
- Cantons
- Licensed companies/persons
- Large consumers
- Distributors/suppliers
Energy Efficiency Information System in Federation of B&H - ISEE
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.
- 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!

Jasmina Kafedzic
jasmina.kafedzic@fzofbih.org
.ba