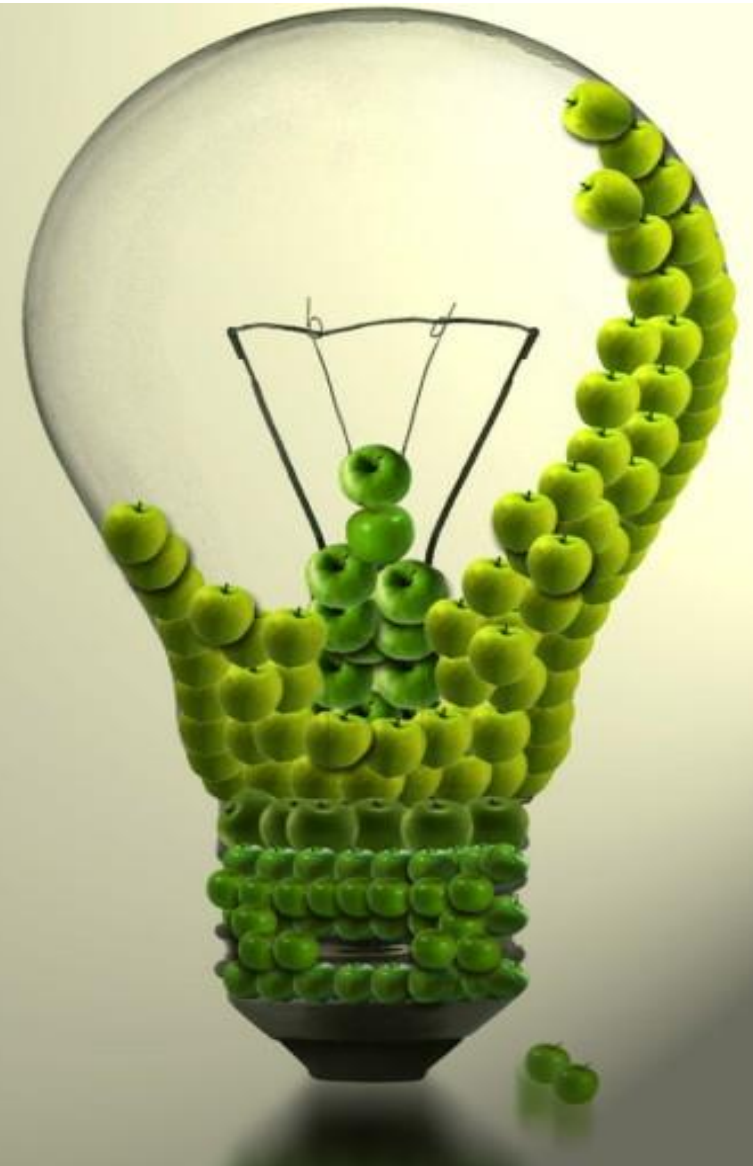


# FINANCIAL MECHANISMS AS SUPPORT TO THE PUBLIC SECTOR IN RENOVATION AND ENERGY MANAGEMENT

Samra Prasovic, Senior adviser  
Environmental Fund of the Federation of B&H

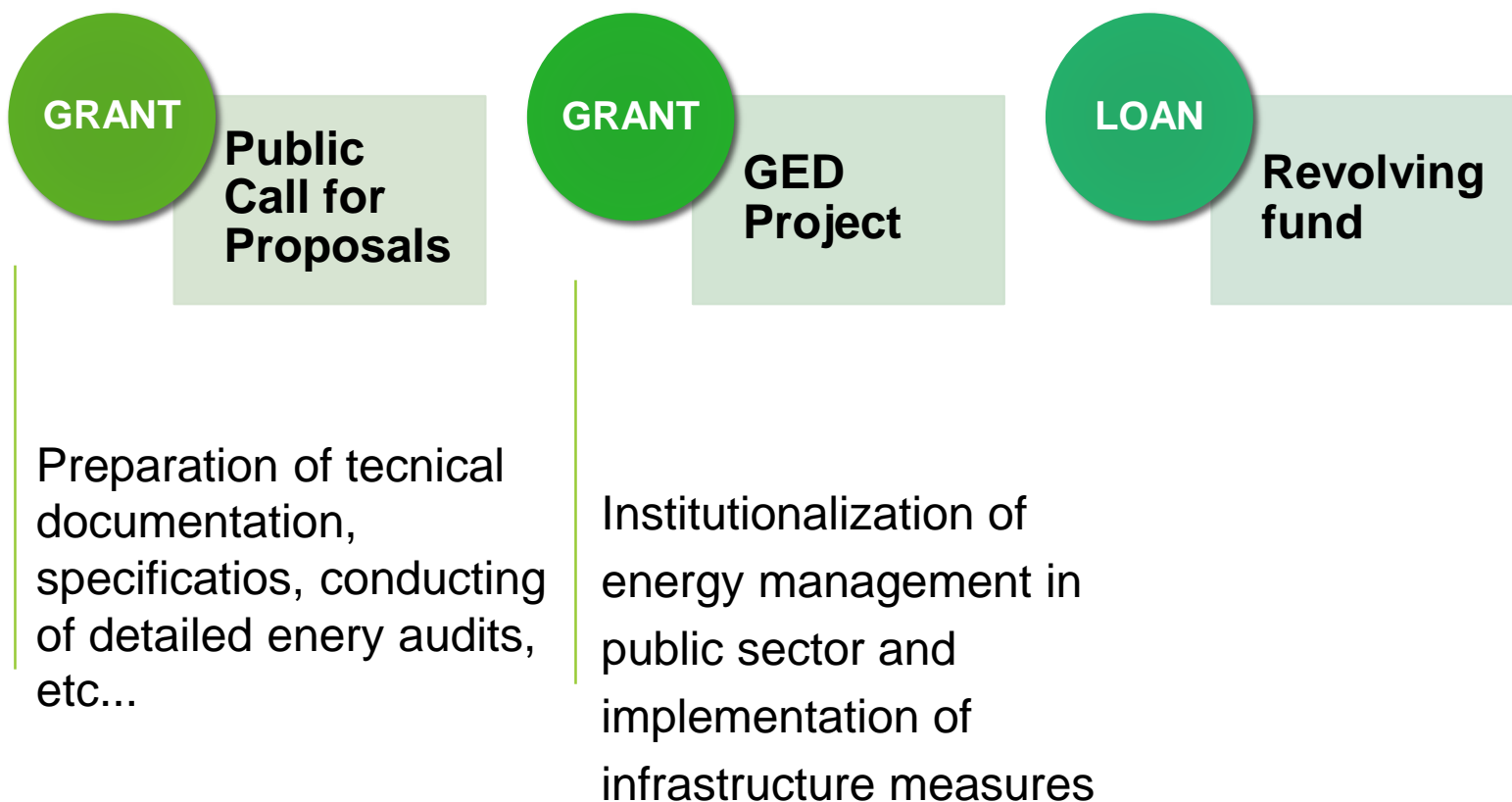


## STATUS OF EE IN THE FEDERATION OF B&H

- 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;
- Building Renovation Strategy not adopted – in preparation;
- EE Action Plans on cantonal and municipal levels not developed yet – in preparation;
- Energy price still based more on social criteria rather than market



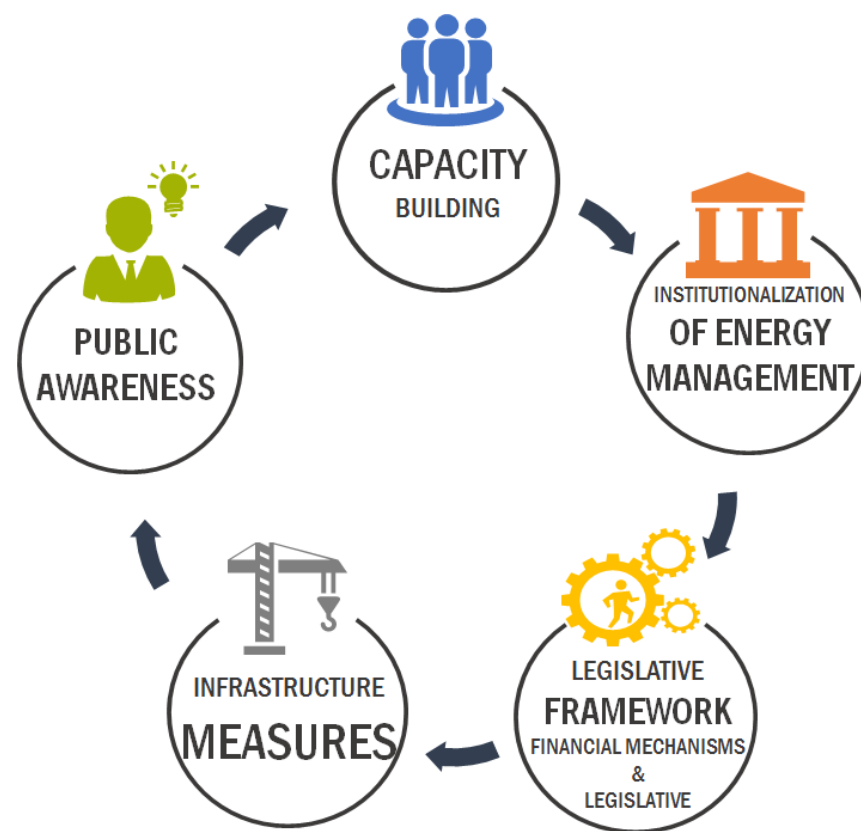
## SUPPORT PROVIDED BY FUND IN FINANCING EE PROJECTS



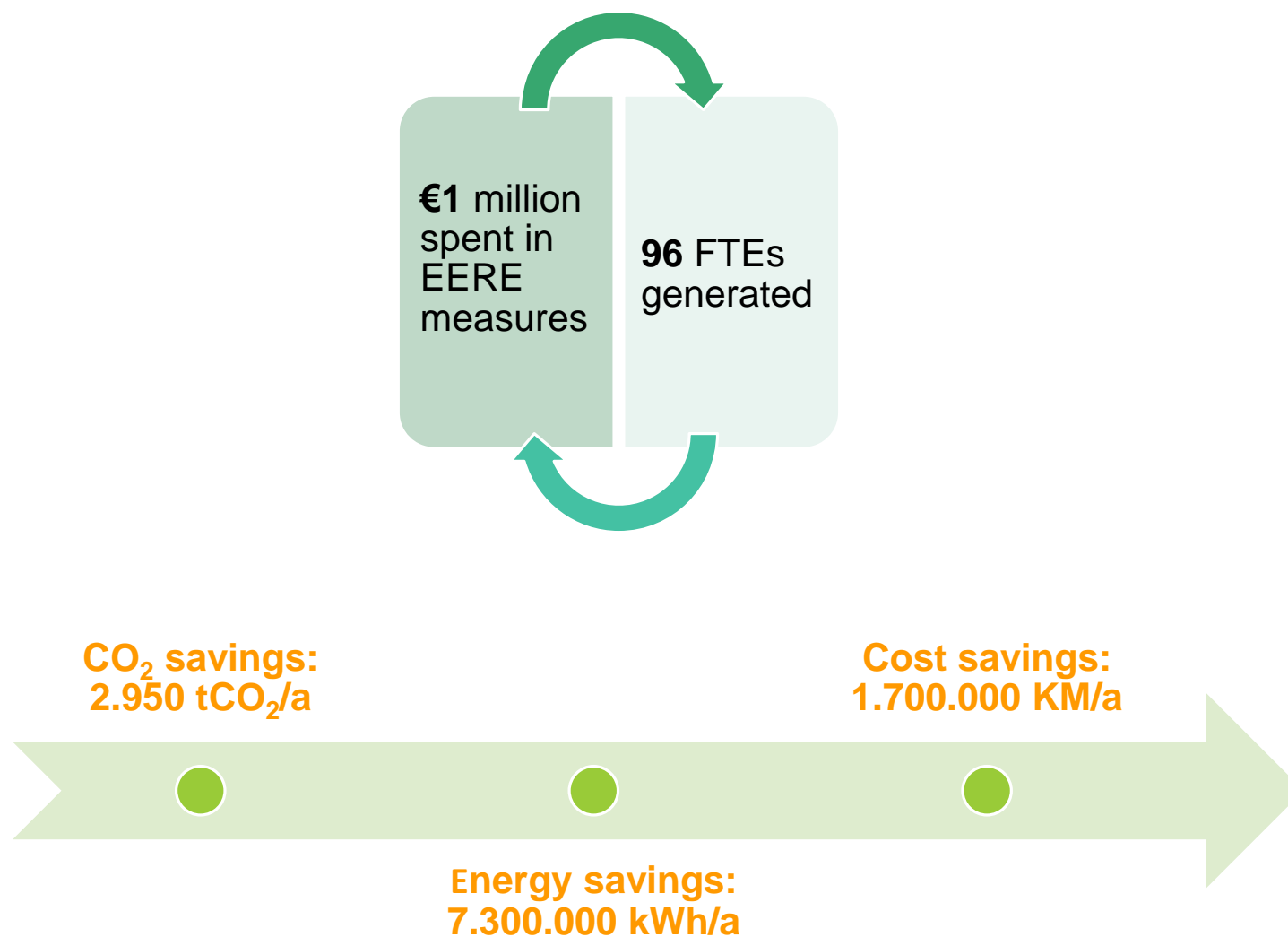
## Green Economic Development - GED Project

**2013. - 2018.**

- EMIS - in app. **2.300** public buildings
  - Training on EMIS/EE/EM for app. **2.000** end users
  - EE baseline Study for **1.600** public buildings
  - Implementation of **150** DEAs
  - Energy renovation of **80** public buildings
- 
- Total project investment: **26.883.903,29** KM
  - EERE measures investment: **13.137.709,33** KM



## Green Economic Development - GED Project

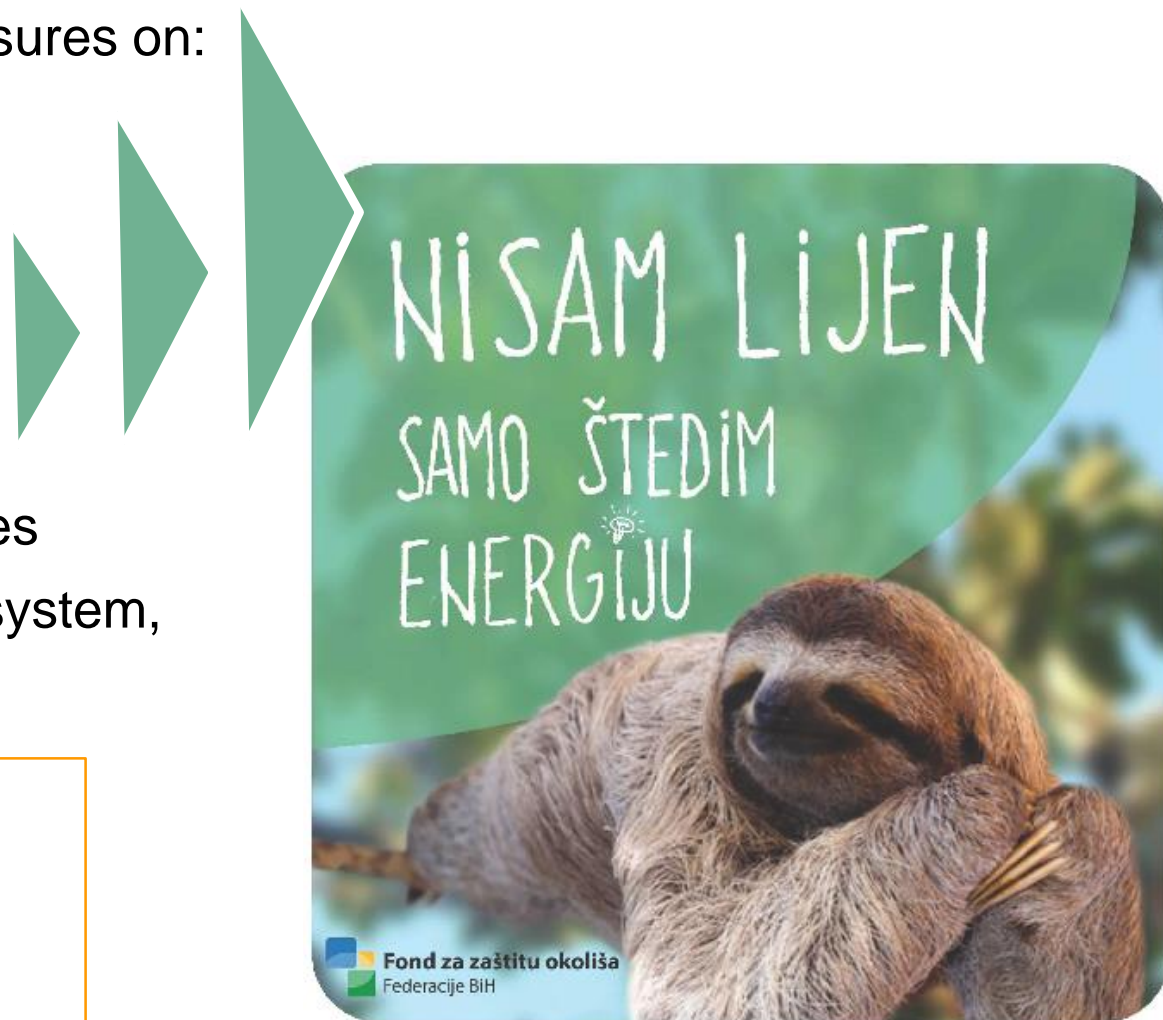


## REVOLVING FUND FOR FINANCING EE PROJECTS

RF funds 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.).

- **OPEN PUBLIC CALL FOR PROPOSALS;**
- 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 recognised as institution that gives loans
- Demanding Application procedure for public sector
- Project based financing concept not recognised

### PLANS TO IMPROVE RF

- Introduction of subsidy scheme (PBG)
- Combination of financing models: RF+grant+PBG
- Olakšavanje konkursne procedure
- Marketing / promotive activities through public and social media;
- Provision of TA to applicants;
- Enhance cooperation with partner bank.



## 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 **mobilisation 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.



# Thank you for your attention!

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