

ENERGY EFFICIENCY FINANCIAL INSTRUMENTS

January 29, 2025



OVERVIEW OF FINANCIAL INSTRUMENTS 2021-2027

FINANCIAL INSTRUMENT	ENERGY EFFICIENCY LOANS FOR ENTREPRENEURS	URBAN DEVELOPMENT FUND	SUSTAINABLE TOURISM LOANS	MANUFACTURING MODERNIZATION LOANS
Operational programme	Competitiveness and Cohesion 2021-2027	Integrated Territorial Programme 2021 – 2027	Competitiveness and Cohesion 2021-2027	Competitiveness and Cohesion 2021-2027
Implementing structure	PUBLIC PROCUREMENT Managing Authority: Ministry of Regional Development and EU Funds Implementing body: HBOR Financial intermediaries: selected commercial banks	IN-HOUSE Managing Authority: Ministry of Regional Development and EU Funds Implementing body: HBOR	IN-HOUSE Managing Authority: Ministry of Regional Development and EU Funds Implementing body: HBOR	IN-HOUSE Managing Authority: Ministry of Regional Development and EU Funds Implementing body: HBOR
Type of financial instrument	combination of risk-sharing loan and grant in one operation	combination of risk-sharing loan and grant in one operation	combination of risk-sharing loan and grant in one operation	combination of risk-sharing loan and grant in one operation
Total amount of programme contribution	275 mio EUR	172 mio EUR	159 mio EUR	74,5 mio EUR

COMBINATION OF FI AND GRANT IN TWO OPERATIONS

ESIF Loans for Energy Efficiency in Public Sector Buildings

Final recipients	Public entities who received a grant from the Ministry of Construction and Physical Planning, prior to submitting a loan request for an „ ESIF loan for energy efficiency ”.
Loan purpose	Investments in energy efficiency of public sector buildings approved by the Environmental Protection and Energy Efficiency Fund.
Minimum loan amount	13 ths EUR
Maximum loan amount	8 mio EUR
Repayment period	Up to 14 years , including 1 year grace period.
Benefits	Low interest rates (from 0,1% to 0,5%). No processing fees and no commitment fees.

Roles in implementation

MRDEUF

(Ministry of Regional Development and EU Funds)

Managing Authority for the „Operational Programme Competitiveness and Cohesion 2014 – 2020”

MCPPEP and EEF (The Ministry of Construction and Physical Planning and the Environmental Protection and Energy Efficiency Fund)

Intermediary bodies level 1 and level 2

HBOR

The body that implements financial instrument directly

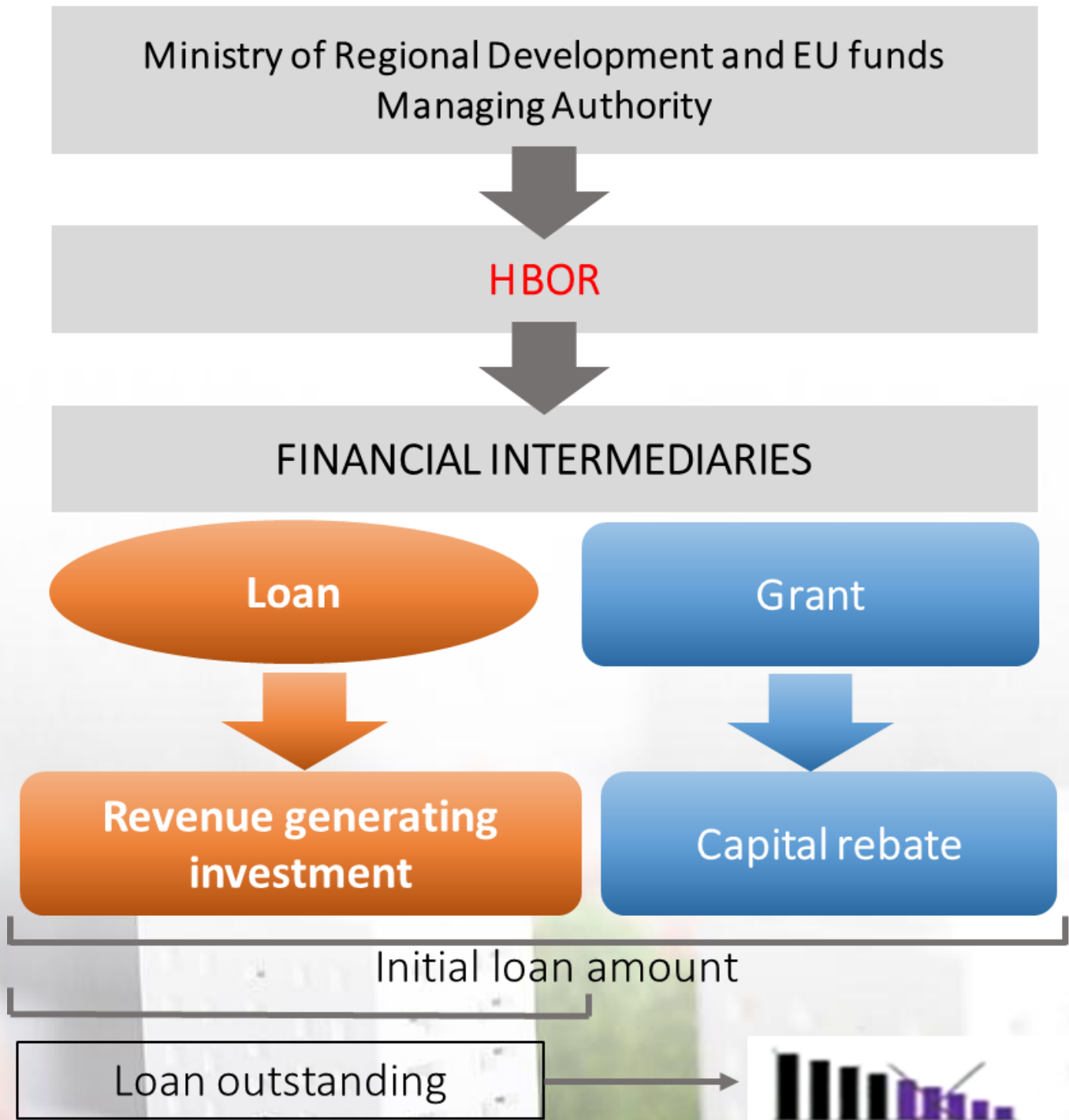
COMBINATION OF FI AND GRANT IN ONE OPERATION

Energy Efficiency Loans for Entrepreneurs

Implementing structure	Managing Authority: Ministry of Regional Development and EU Funds Intermediate Body (Level 1): Ministry of Economy Implementing body: HBOR Financial intermediaries: commercial banks selected through public procurement	
Programme contribution	Total amount of programme contribution: 275 mio EUR ▪ ERDF contribution: EUR 150 mio ▪ Financial intermediaries contribution: EUR 125 mio	
Main purpose	Energy efficiency investments in the manufacturing industry and commercial and service sectors (tourism and trade)	
Type of financial instrument	<u>Loan:</u> ▪ investment loan (≠ working capital) ▪ 50% EFRD at 0% interest rate → <i>to ensure the pass on of the financial advantage to the final recipient</i> ▪ 50% selected financial intermediaries (commercial banks) at a market interest rate	<u>Grant:</u> ▪ performance- based grant (capital rebate): ▪ a part of the loan is converted into a grant depending on the level of energy savings actually achieved and accounted as a loan write-off or pre-payment ▪ the capital rebate is applied to the EFRD part of the risk-sharing loan

Final recipients	SME's and large enterprises
Loan amount	Maximum loan amount: 3.000.000,00 EUR
Repayment period	Up to 15 years, including a grace period of up to 2 years
Fees and charges	The final recipient is exempt from processing and commitment fees as well as any redemption fees (early repayment or write-off fees)
Interest rate	The overall interest rate charged to the final recipient will be the average of the EFRD loan interest rate (0%) and the market interest rate charged by the financial intermediary / commercial bank
Management costs and fees (MCFs)	MCFs are calculated on the combined amount of grants and financial instruments MCFs are performance-based: Financial intermediaries: MCFs will reflect the result of the public tender
Aid Scheme	GBER Articles 38, 38a, and 41 Article 38: Investment aid for energy efficiency measures other than in buildings Article 38a: Investment aid for energy efficiency measures in buildings Article 41: Investment aid for the promotion of energy from renewable sources, of renewable hydrogen and of high-efficiency cogeneration

Loan FI combined with a capital rebate



Capital rebate	Capital rebate	Capital rebate	Capital rebate
15%	25%	35%	50%
min 30% energy saving and min 50.000 kWh	min 40% energy saving and min 100.000 kWh	min 50% energy saving and min 200.000 kW	min 67% energy saving and min 400.000 kWh and at least one measure/activity in RER

Loan FI combined with a capital rebate-process

Implementation phase:

- The Final recipients submit a single financing application to the financial intermediary.
- Financial intermediaries check the investments' eligibility and assess the financial viability of the project, sign a contract with final recipient and provide a loan covering the entire value of the investment.
- The amount and/or the percentage and conditions that trigger the capital rebates should be clearly set out in the loan agreement signed with the final recipient.
- Following ex-post verification, the capital rebate clause in the loan contract is triggered and a part of the loan is converted into a grant.
- **Capital rebate is treated as a write-off/an early repayment;** no early redemption fees for parts of the loan that benefit from the rebate.
- The final recipient benefits from a reduction of the loan and **will repay the loan outstanding following a revised repayment plan.**

Capital rebate:

- **The maximum allowed aid intensity is not exceeded**
(the amount of aid in the form of a grant + GGE calculated on loan)



Loan FI combined with a capital rebate

- Total loan amount: **1.000.000 EUR**
- Commercial bank interest rate: **3,00% fixed**
- EFRD interest rate: **0%**
- Repayment period: **15 years**

The capital rebate is applied to the EFRD part of the risk sharing-loan

CAPITAL
REBATE
35%

EFRD		COMMERCIAL BANK	
EFRD loan	500.000 EUR (50%)	Commercial bank loan	500.000 EUR (50%)
Capital rebate	350.000 EUR (35%)		
Total loan amount due after capital rebate	650.000 EUR		
EFRD loan outstanding	150.000 EUR	Commercial bank loan outstanding	500.000 EUR
Interest rate	0,00 EUR	Interest rate	121.523,51 EUR
Principal + interest rate	150.000 EUR	Principal + interest rate	621.523,51 EUR
Monthly annuity	833,33 EUR	Monthly annuity	3.452,91 EUR
Total monthly annuity	4.286,24 EUR		
Total interest rate	121.523,51 EUR		
Total loan repayment amount (principal + interest rate)	622.356,83 EUR		

**Thank you for your
attention!**

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