



ESIF Financial instruments implemented by HBOR

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ESIF financial instruments by HBOR

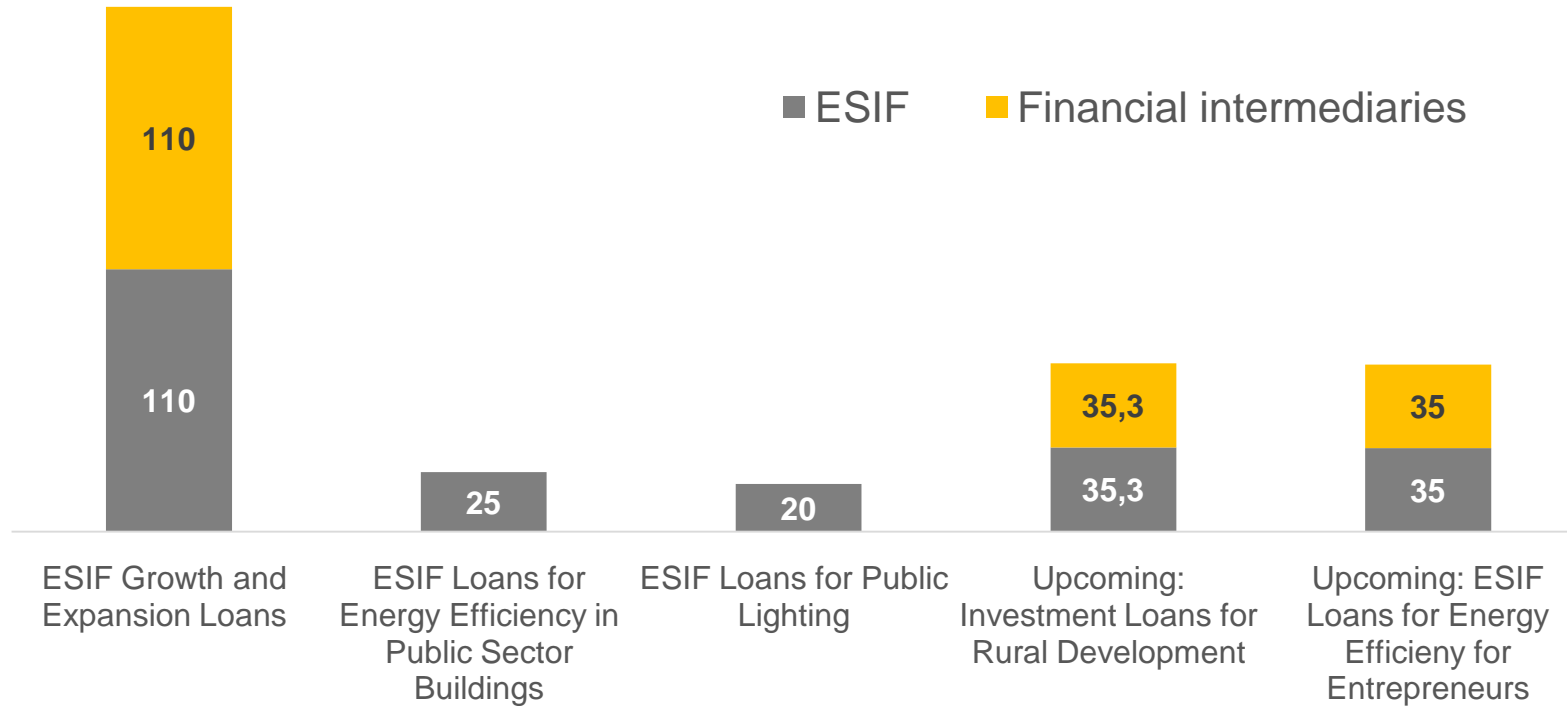


| Financial instrument | ESIF Growth and Expansion Loans | ESIF Loans for Energy Efficiency in Public Sector Buildings | ESIF Loans for Public Lighting | Upcoming: Investment Loans for Rural Development | Upcoming: ESIF Loans for Energy Efficiency for Entrepreneurs |
|--------------------------------|---|---|--|---|---|
| Fund | European fund for regional development | European fund for regional development | European fund for regional development | European fund for rural development | European fund for regional development |
| Operational programme | Competitiveness and Cohesion 2014.-2020 | Competitiveness and Cohesion 2014.-2020 | Competitiveness and Cohesion 2014.-2020 | Rural development programme of the Republic of Croatia for the period 2014.– 2020 | Competitiveness and Cohesion 2014.-2020 |
| Thematic objective | Business competitiveness Specific objective „Better access to finance for small and medium-sized enterprises” | Promoting Energy Efficiency and Renewable Energy Sources Specific objective „Reducing Energy Consumption in Public Sector Buildings” | Promoting Energy Efficiency and Renewable Energy Sources Specific objective "Increasing the efficiency of public lighting systems" | Measure 4. Investments in physical assets Measure 6. Investments in the development of non-agricultural activities in rural areas Measure 8 Investments in Forestry Areas Development and Improvement of Forest Sustainability | Promoting Energy Efficiency and Renewable Energy Sources Specific objective "Increasing Energy Efficiency and Using Renewable Energy Sources in Manufacturing Industries” and Specific objective „Increasing Energy Efficiency and Using Renewable Energy Sources in the Service Sector (Tourism and Trade)” |
| Roles in implementation | Managing Authority: Ministry of Regional Development and EU Funds | Managing Authority: Ministry of Regional Development and EU Funds | Managing Authority: Ministry of Regional Development and EU Funds | Managing Authority: Ministry of Agriculture | Managing Authority: Ministry of Regional Development and EU Funds |
| | Intermediary body: Ministry of Economy, Entrepreneurship and Crafts | Intermediary bodies level 1 and level 2: The Ministry of Construction and Physical Planning and the Environmental Protection and Energy Efficiency Fund | Intermediary body: Ministry of Environment and Energy | Accredited paying agency: Paying Agency for Agriculture, Fisheries and Rural Development | Intermediary body: Ministry of Environment and Energy |
| | Fund of Funds: HBOR | | The body that implements financial instrument directly: HBOR | Fund of Funds: HBOR | Fund of Funds: HBOR |
| | Financial intermediaries/Commercial banks: 1. Privredna banka Zagreb d.d. 2. Zagrebačka banka d.d. 3. Erste & Steiermärkische Bank d.d. | The body that implements financial instrument directly: HBOR | | Financial intermediaries/Commercial banks: 1. OTP d.d. 2. Privredna banka Zagreb d.d. 3. Zagrebačka banka d.d. | Financial intermediaries/Commercial banks: <i>To be selected via Public procurement process...</i> |

EU Funds & Financial Instruments



ESIF financial instruments in million EUR



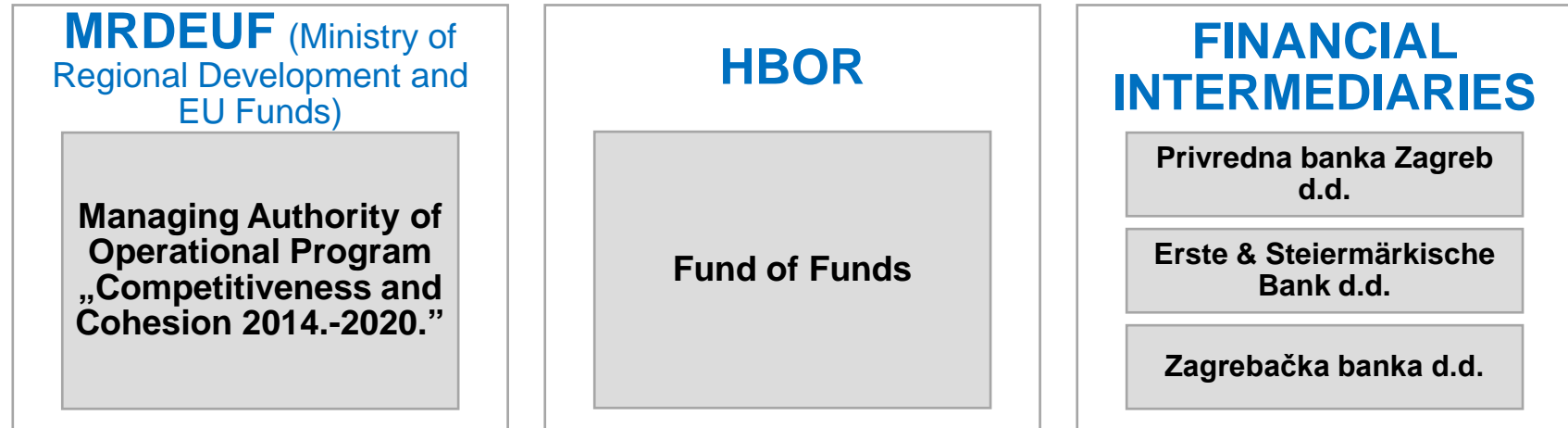
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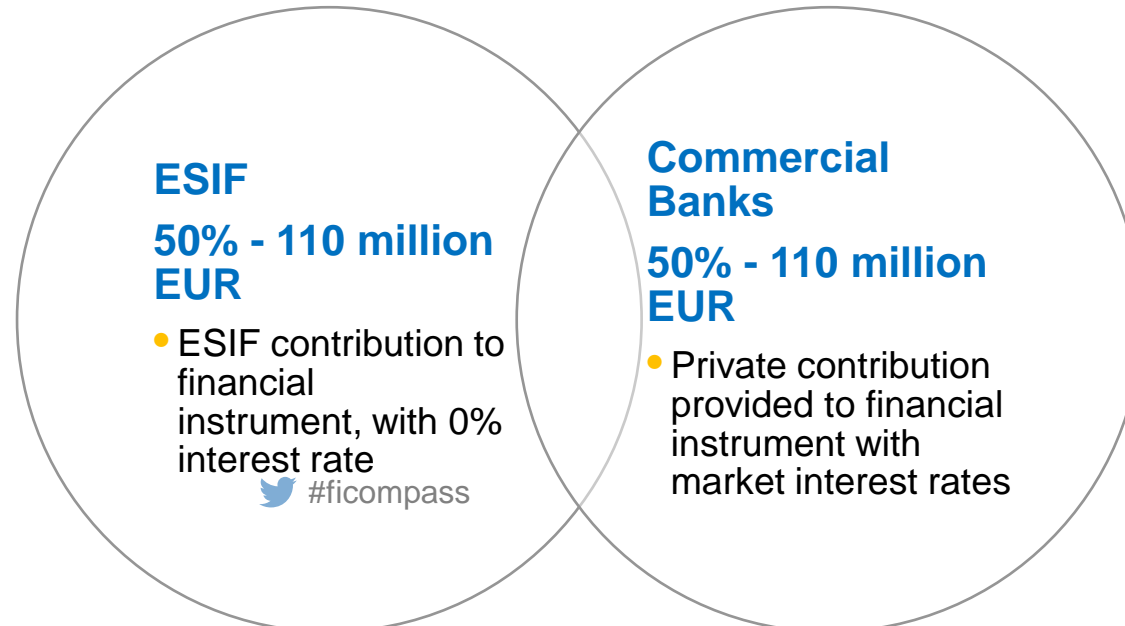
1. ESIF Growth and Expansion Loans



Roles in Implementation



Fund allocation



1. ESIF Growth and Expansion Loans



Key Loan Characteristics

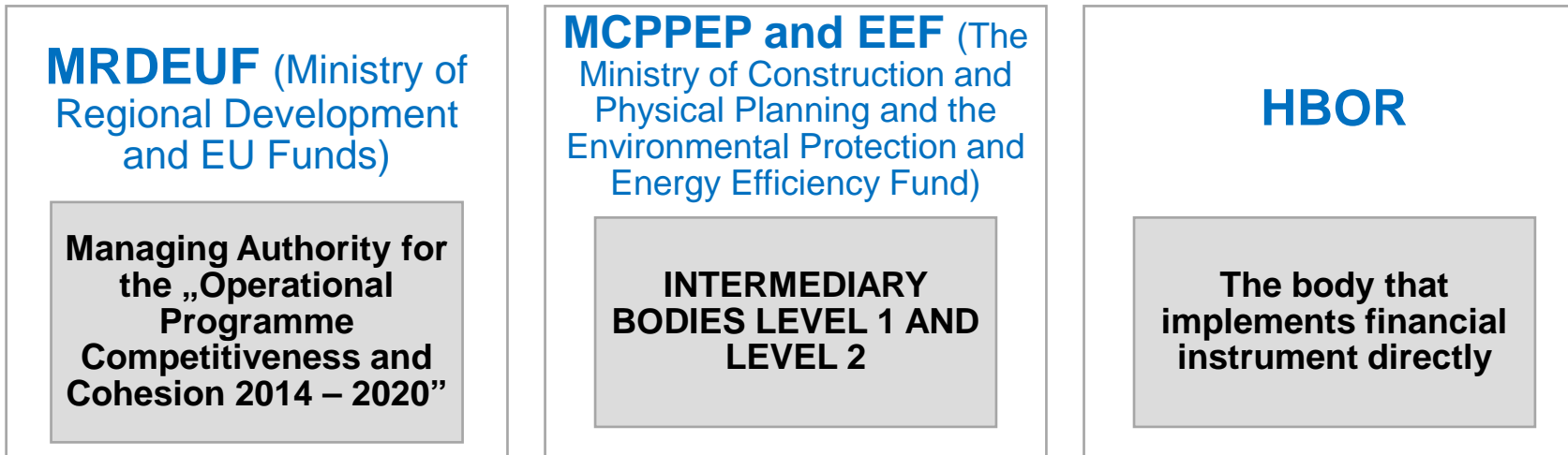
| | |
|-------------------------------|--|
| Final Recipients | SME's operating at least two years |
| Loan Purpose | Investments in tangible and intangible assets and working capital up to 30% of the loan amount |
| Minimum Loan Amount | 100.000 EUR in HRK equivalent |
| Maximum Loan Amount | 3 million EUR in HRK equivalent, and for investments in tourism sector up to 10 million EUR in HRK equivalent |
| Sectors of Investments | <ol style="list-style-type: none"> 1. Processing Industry 2. Tourism (accommodation services) 3. Information and communication: professional, scientific and technical activities; administrative activities, human health and social work activities, arts, entertainment and recreation, other service activities |
| Loan Repayment Period | Up to 12 years, including grace period up to 2 years; for investments in tourism: repayment up to 17 years including grace period up to 4 years. |
| Interest Rates | 0% per annum on the part of loan from ESIF; market interest rate on the part of loan from commercial bank's funds, average interest rates between 1% and 2% |
| Collaterals | In line with internal procedures and practice of each financial intermediary. HBOR (ESIF) and financial intermediary hold <i>pari passu</i> position. |
| Fees | No processing fees and no commitment fees. |



2. ESIF Loans for Energy Efficiency in Public Sector Buildings



Roles in Implementation



Fund allocation: **25 million EUR from ESIF**



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2. ESIF Loans for Energy Efficiency in Public Sector Buildings



Key Loan Characteristics

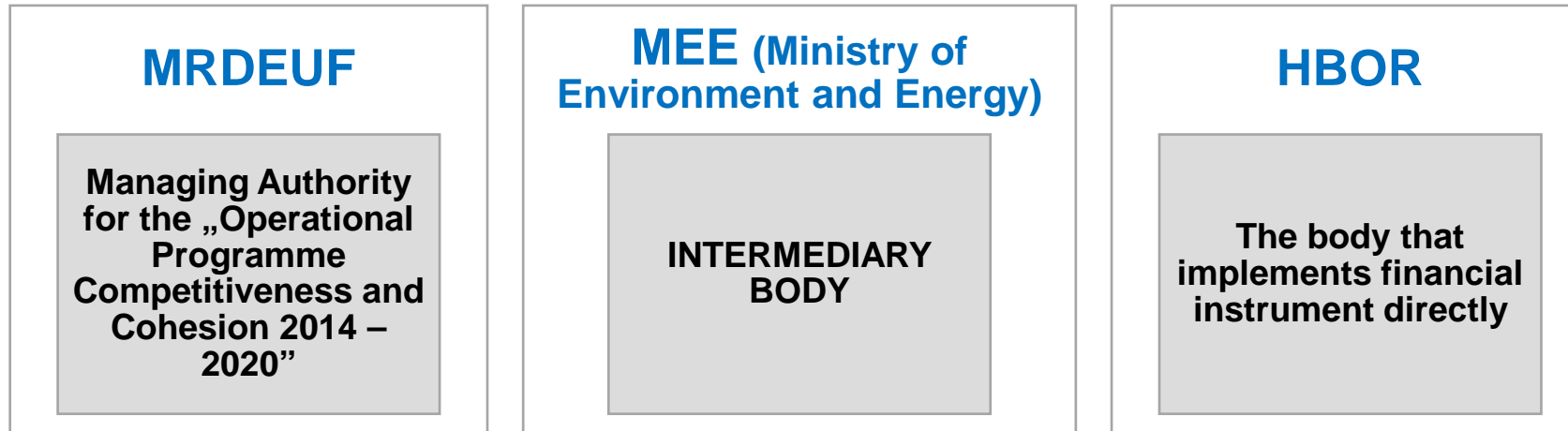
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|---------------------|--|
| Final recipients | All those that, prior to submitting a loan request for “ESIF loan for energy efficiency”, received a financing Decision for a grant from the Ministry of Construction and Physical Planning for a respective tender. |
| Loan purpose | Costs of investments in energy efficiency of public sector buildings approved by the Environmental Protection and Energy Efficiency Fund. |
| Minimum loan amount | 100 thousand HRK |
| Maximum loan amount | 60 million HRK |
| Repayment period | Up to 14 years, including 1 year of grace period. |
| Benefits | Low interest rates (from 0,1% to 0,5%). No processing fees and no commitment fees. |



3. ESIF Loans for public lighting



Roles in Implementation



Fund allocation: **20 million EUR from ESIF**



3. ESIF Loans for public lighting



Key Loan Characteristics

| | |
|----------------------------|---|
| Final recipients | Local government units (cities and municipalities) |
| Loan purpose | Costs of investments in energy efficiency of public lighting |
| Minimum loan amount | 500 thousand HRK |
| Maximum loan amount | 15 million HRK |
| Repayment period | Up to 10 years, including 6 months of grace period |
| Benefits | Low interest rates (from 0,1% to 0,5%) No processing fees and no commitment fees |



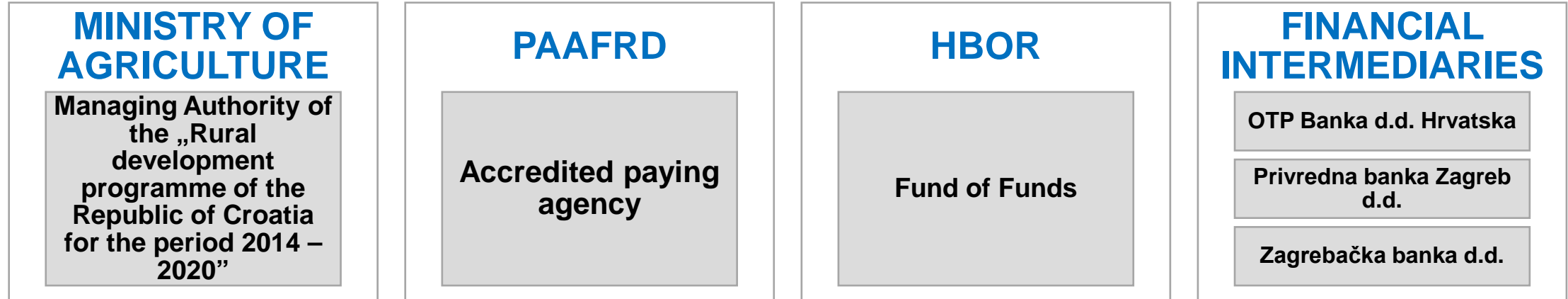
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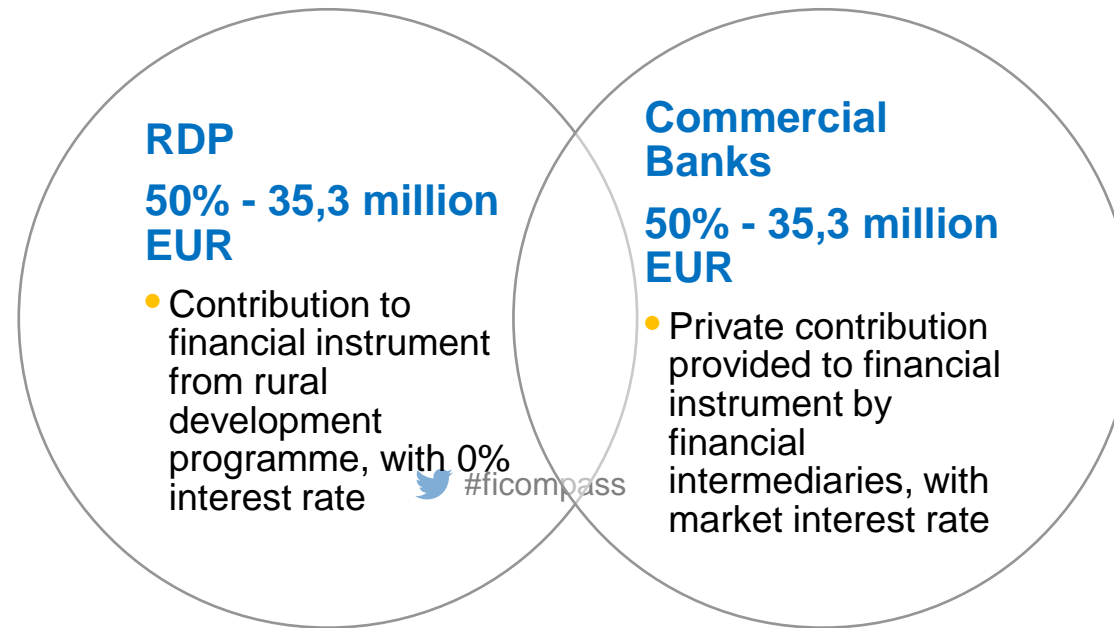
4. Investment Loans for rural development



Roles in Implementation



Fund allocation



4. Investment Loans for rural development



Key Loan Characteristics

| | |
|----------------------------|---|
| Final recipients | Primary agriculture entities, processors of agriculture products, and entities that operate in the forestry sector |
| Loan purpose | <p>a) Long-term tangible and intangible assets in line with acceptable purposes under specific sub measures of the Program of rural development of the Republic of Croatia for 2014 – 2020”:</p> <ul style="list-style-type: none"> • Restructuring, modernization and increasing the competitiveness of agricultural holdings • Increasing the added value of agricultural products • Investments in the development of non-agricultural activities in rural areas • Support for investments in forestry technologies and in processing, mobilizing and marketing of forest products. <p>b) Working capital related to the respective investment. Such eligible expenditure shall not exceed EUR 200.000 or 30% of the total amount of the eligible expenditure for the investment, whichever is the higher.</p> |
| Minimum loan amount | 50,001 EUR in HRK equivalent |
| Maximum loan amount | 1 million EUR in HRK equivalent. |
| Repayment period | Up to 15 years, including 3 years of grace period (for permanent crops up to 5 of grace period). |
| Benefits | <p>Low interest rates.</p> <p>No processing fees and no commitment fees.</p> |

Lessons learned



1. PUBLIC PROCUREMENT

2. STATE AID

3. CAPACITY BUILDING



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THANK YOU!

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