



# EU Enlargement

**“Sustainable Energy Management in Public Buildings”**

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## Energy Efficiency & the Enlargement Process

### IPA (Instrument of Pre-Accession)

- One single integrated instrument for programming and delivering assistance to beneficiary countries
- Target area: candidates and potential candidate countries; Albania, Bosnia, Croatia, former Yugoslav Republic of Macedonia, Montenegro, Serbia, Kosovo under UNSCR 1244/99 and Turkey
- Different stages of accession and association process but similar challenges in the Energy and Infrastructure sector

### Multi-Beneficiary Support Programme

- IPA Multi-Beneficiary Assistance programmed through regional and horizontal programmes to complement the National IPA Programmes
- Multi-Beneficiary Programme 2009, designed to address priority axes in the energy sector, with a central focus on the implementation of the “EU acquis”

**Improving the balance between energy supply and energy demand and secure energy supply is a key element in the Programme as this is critical to boost economic growth in the region and support enlargement**

## Scope of our Assistance

### **Scope of our assistance**

1. Help beneficiary countries promote investments in energy efficiency and renewable energy sources in the building and industry sector, offering opportunities for higher energy savings and reduction of Co2 emissions
2. Support the preparation of projects that may be financed by grants and/or loans provided by the beneficiaries, IFIs, IPA resources and other donors
3. Alleviate the impact of the Crisis and pave the way to sound recovery: rising energy consumption and increasing dependence on energy supplies makes investments in energy costs savings particularly important in times of crisis
4. Enable financial institutions to re-enforce their supply of financial products to both private and public sector

### **Beneficiaries as key players**

- Energy efficiency investments is a win-win priority for IPA beneficiary countries
- Great potential in the region: energy-savings potential ranges between 20% and 40% of consumed electricity while significantly reducing the emission of greenhouse gas
- No results without strong commitment by Beneficiary countries towards reforms

## Cooperation with IFIs

1. Partnerships with EIB, EBRD and KfW-CEB to mobilise major investments projects is a key part of our assistance
2. Main feature: IPA resources extensively combined with loans and credit lines from major IFIs and/or pulled together into energy facilities to support EE and RE investments
3. Longstanding cooperation with IFIs blending grants with loans with a major focus on technical assistance:
  - Participation in the Green for Growth Fund (20 M EUR)
  - Private Sector Support Facility including an Energy Window (31.5 M EUR)
  - EEFF2007 (34.7 M EUR)
  - Western Balkans Investment Framework: one single entry point for projects to improve coherence, synergy, efficiency and visibility (total 120 M EUR grants + 6 b EUR loans)
4. High needs for tailored technical assistance to support beneficiaries in setting up their lending operations

# Energy Efficiency Finance Facility

## **EEFF (IPA 2007)**

**Total Community contribution:** EUR 34.7M

**Duration of Agreement:** November 2008 to December 2016

**Objectives/scope:** to provide financial support and technical assistance in the field of renewable energies and energy efficiency projects

**Beneficiaries:** Participating Banks (PB) in the WB, private enterprises, firms, businesses

**IFIs:** EBRD, EIB, KfW-CEB, total credit lines at least 138.8 M EUR

**Types of investments:** investments incentives to end-borrowers + administration fees to PBs for risks/burden compensation + consultancy costs (feasibility studies, preparation of projects, energy audits, etc.)

**Eligible projects:** PB Projects in EE and RE/investments on the demand side contributing to the improvement of energy performance of buildings and industries (Energy Saving Rate should be equal or greater than 30% in the building sector, 20% in the industry sector)

**Best practice:** 10,000,000 M EC resources approved for PBs projects in WB countries over the last two months

## Next challenges

- Cooperation with the Energy Community Secretariat is a major tool for achieving our objectives and support countries on the implementation of the forthcoming NEEAPs
- Cooperation with IFIs as a key pillar to promote coherence and synergies in donors' support as well as supporting regional initiative as the ECT.
- Transfer of knowledge from EU Member States on the preparation of energy efficiency projects will be crucial
- Fundamental role played by the technical assistance both to financial intermediaries and to the final user to prepare beneficiaries
- Monitoring and evaluation: focus on the impact generated by ongoing investments
- Priorities, Strategic Choices and Challenges for IPA Programming in the forthcoming years (MIPD 2011-2013 to be adopted in 2010) and the Infrastructure Sector Plan (working group held in Brussels October 2009), including energy

# CONTACTS

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