



Energy Performance Contracting Plus

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# FINANCIAL INSTRUMENTS IN THE CZECH REPUBLIC AND ABROAD

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# AGENDA

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- ➔ Types of Financial Instruments
- ➔ Recommendations for the countries within ESIB project
- ➔ Energy performance contracting procedures
- ➔ Challenges for the future



# SUPPORTING SCHEMES

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## Financial Mechanisms

- ➔ Direct subsidies
  - ➔ Non-commercial loans
  - ➔ Interest rate subsidies
  - ➔ Tax Mechanisms (reductions, rebates, ... )
  - ➔ Reduced VAT rates
  - ➔ Risk guarantees
  - ➔ White certificates
  - ➔ Energy efficiency obligations (art .7 EED)
  - ➔ Energy Performance Contracting (EPC)
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# ESIB (ENERGY SAVING INITIATIVE IN BUILDINGS SECTOR) – PROJECT FOR EUROPE AID IN INOGATE COUNTRIES

## Target

- ➔ Financial instruments to increase market uptake of energy savings and RES.

## Map of INOGATE regions



## EXAMPLES OF RECOMMENDATIONS – ESIB PROJECT

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### Belarus

- ➔ Slow **deregulation of subsidized energy** and using of saved financial sources for providing of energy efficiency increasing measures would open the EE market. Leading role of state is crucial in EE improvement.
  - ➔ **Subsidy of energy audits** and energy performance certificates is recommended, the energy audits need **exact technical methodology** and procedure to be comparable.
  - ➔ There is an experience with ESCO's in the Republic of Belarus. ESCO's experience will lead to possible **establishment of guarantees for energy savings** for provided EE measures and opening the Energy performance contracting market. The EPC market needs a strong support in the law (compare to EED)
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## RECOMMENDATIONS – ESIB PROJECT

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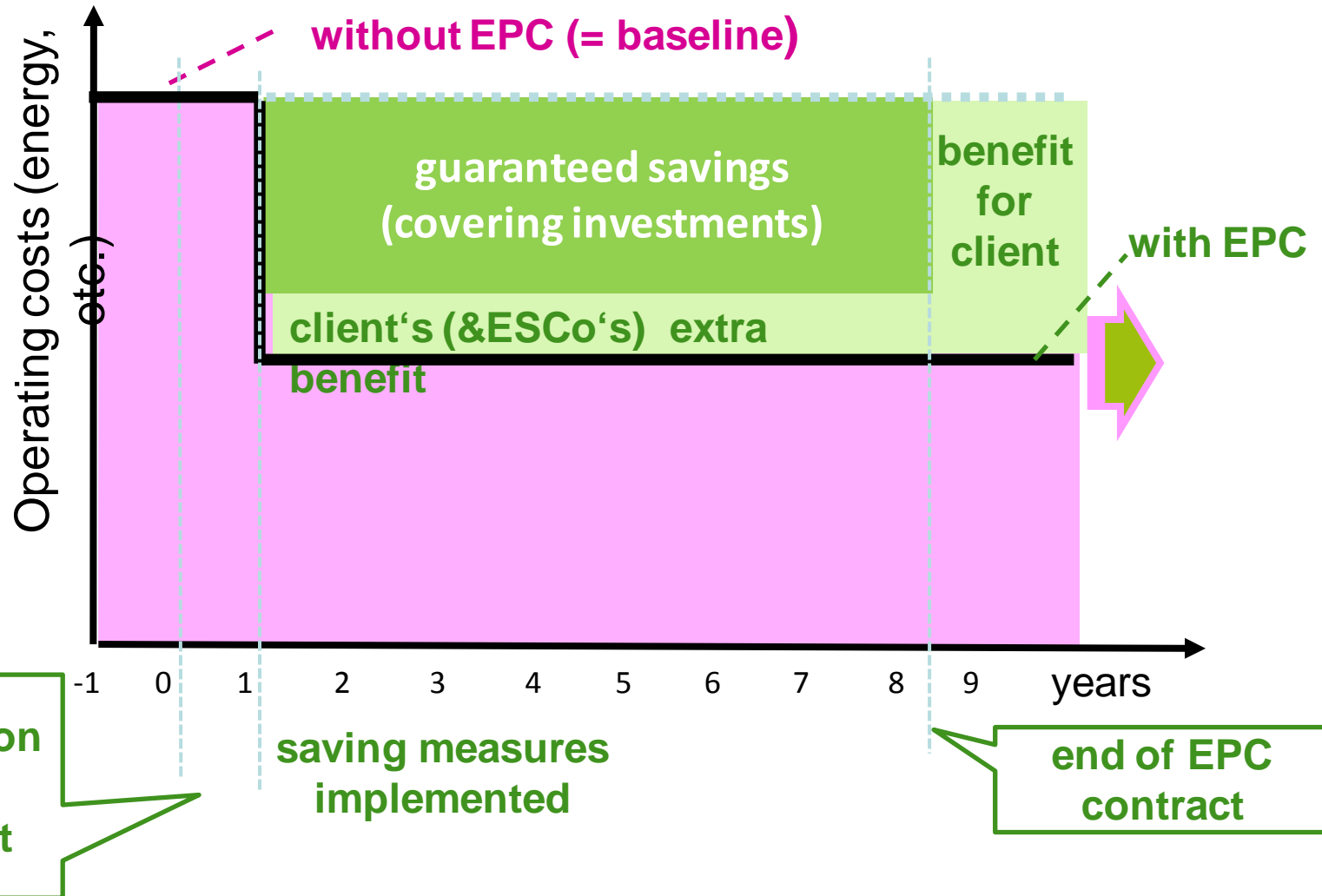
### Georgia

- ➔ Potential incentive is development of the [state guarantee](#) for the EE projects in the building sector
- ➔ [EE fund](#) - Establishing of the small EE fund funding small scale EE measures through the short term loans could finance the most effective EE measures (e.g. Efect programme in the Czech Republic)

### Tajikistan

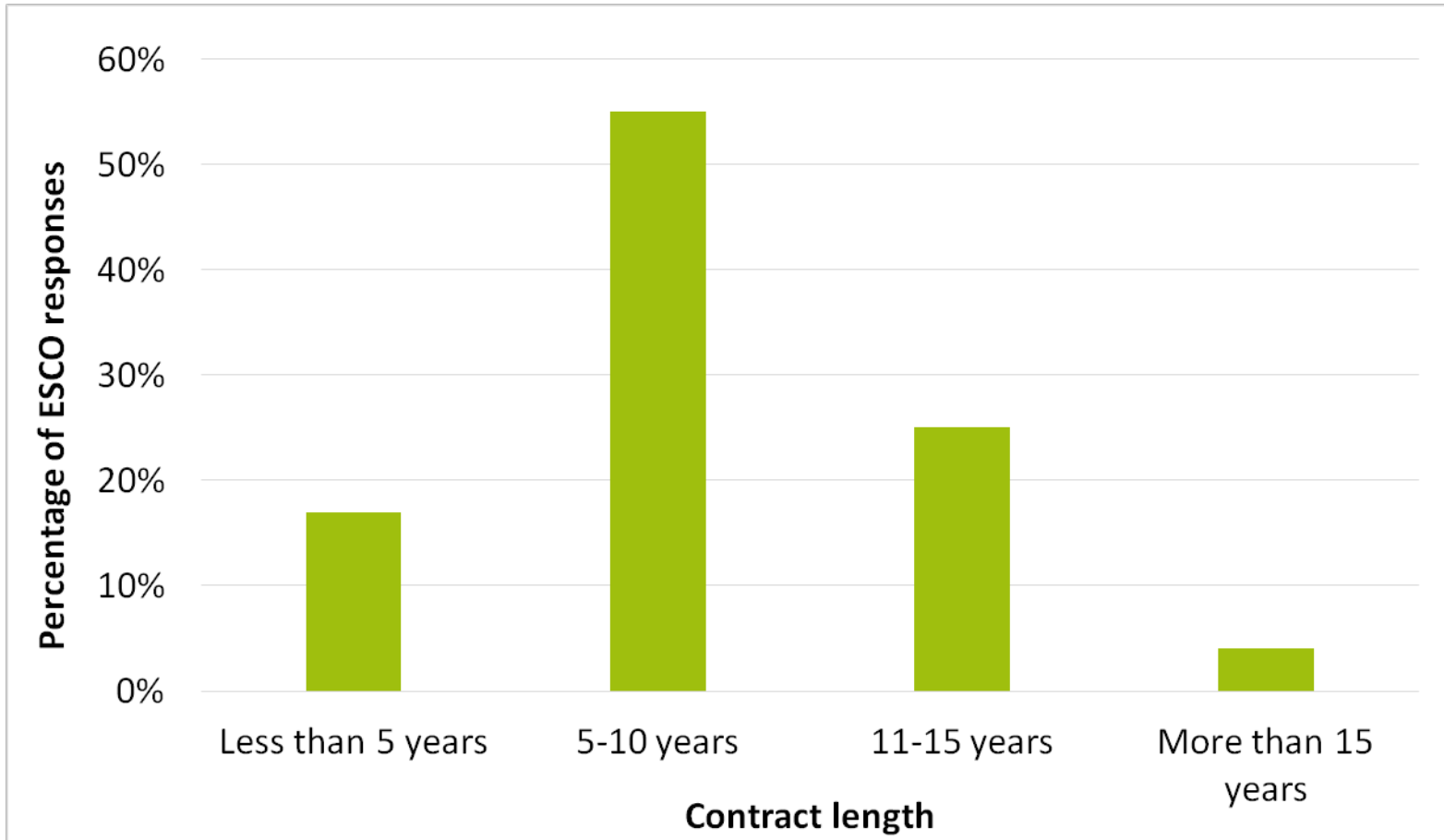
- ➔ Focus on [low cost](#) but effective EE [measures](#). E.g. short term loans for reparation works before heating season. The sector HVAC mainly cooling systems should be considered as priority in the future
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# EPC Basics

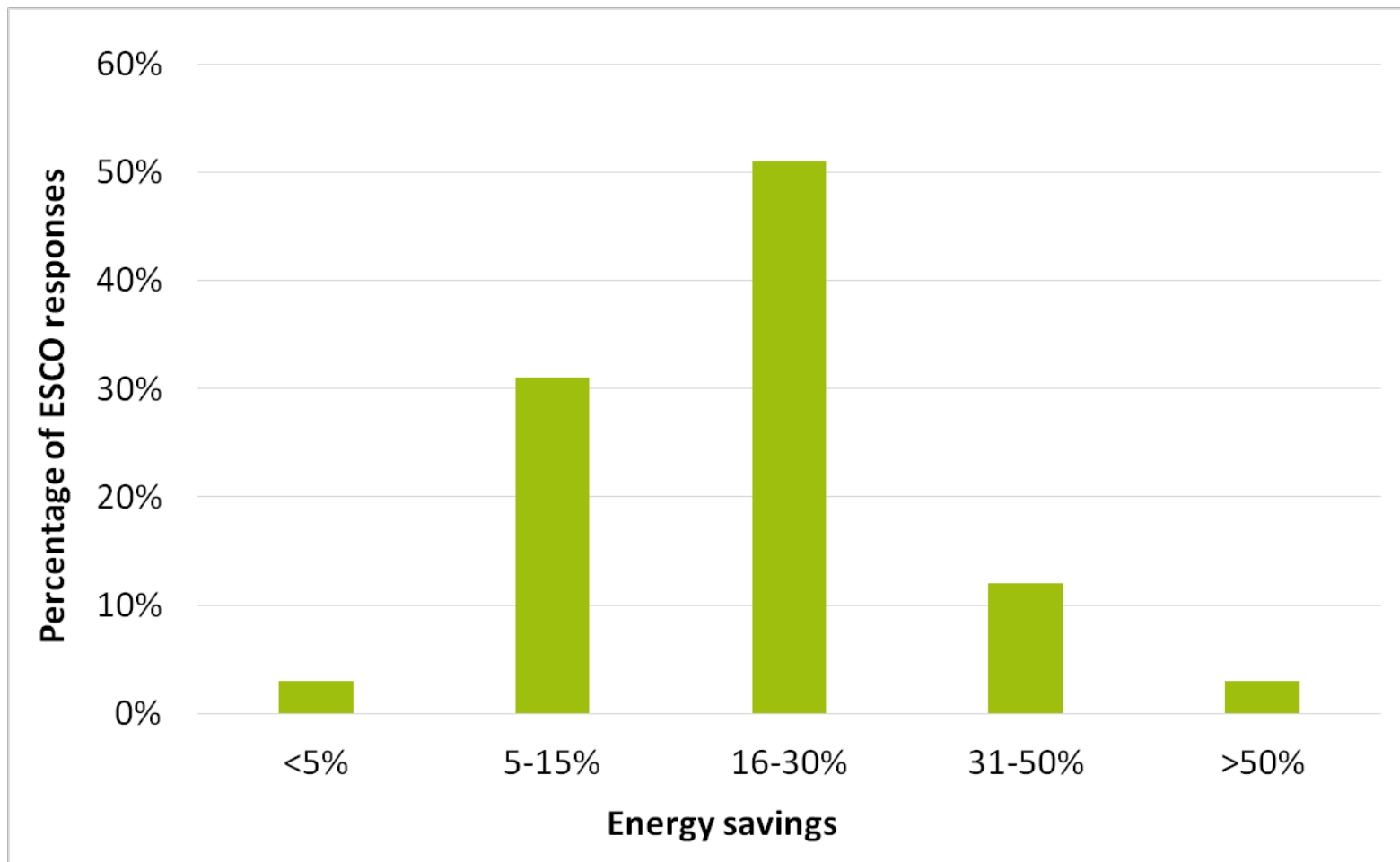




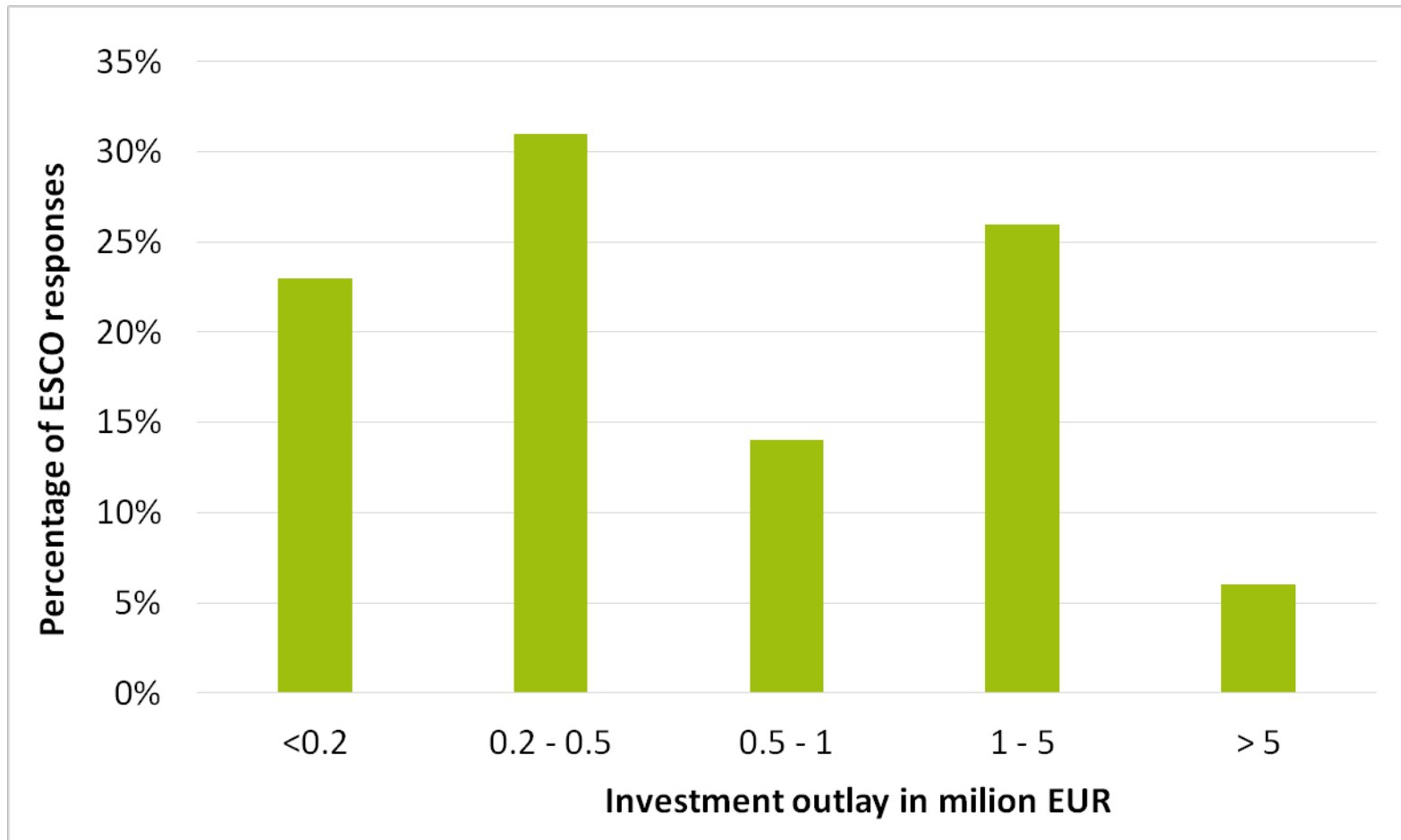
# Transparent EPC survey in Europe



## Transparent EPC survey in Europe

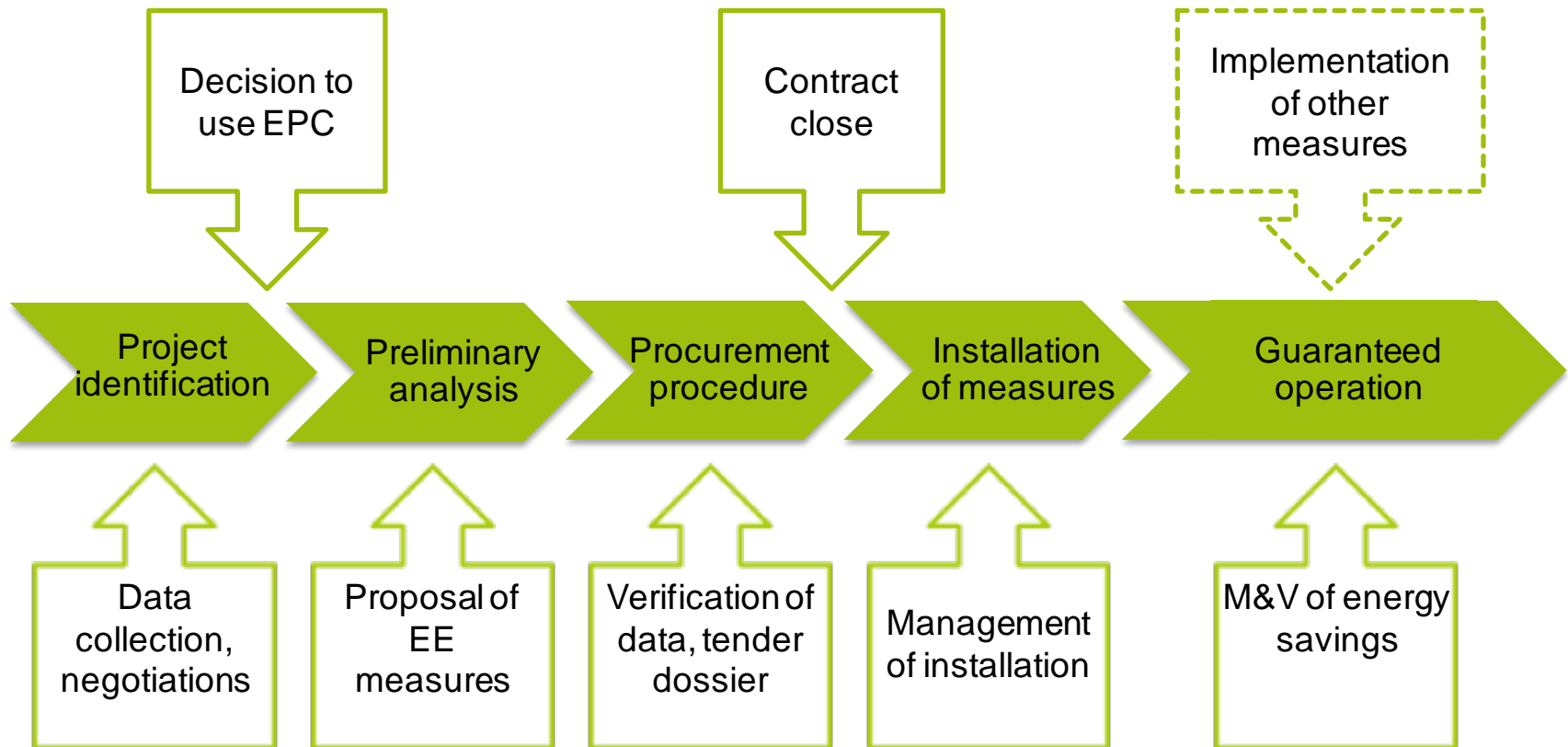


# Transparent EPC survey in Europe



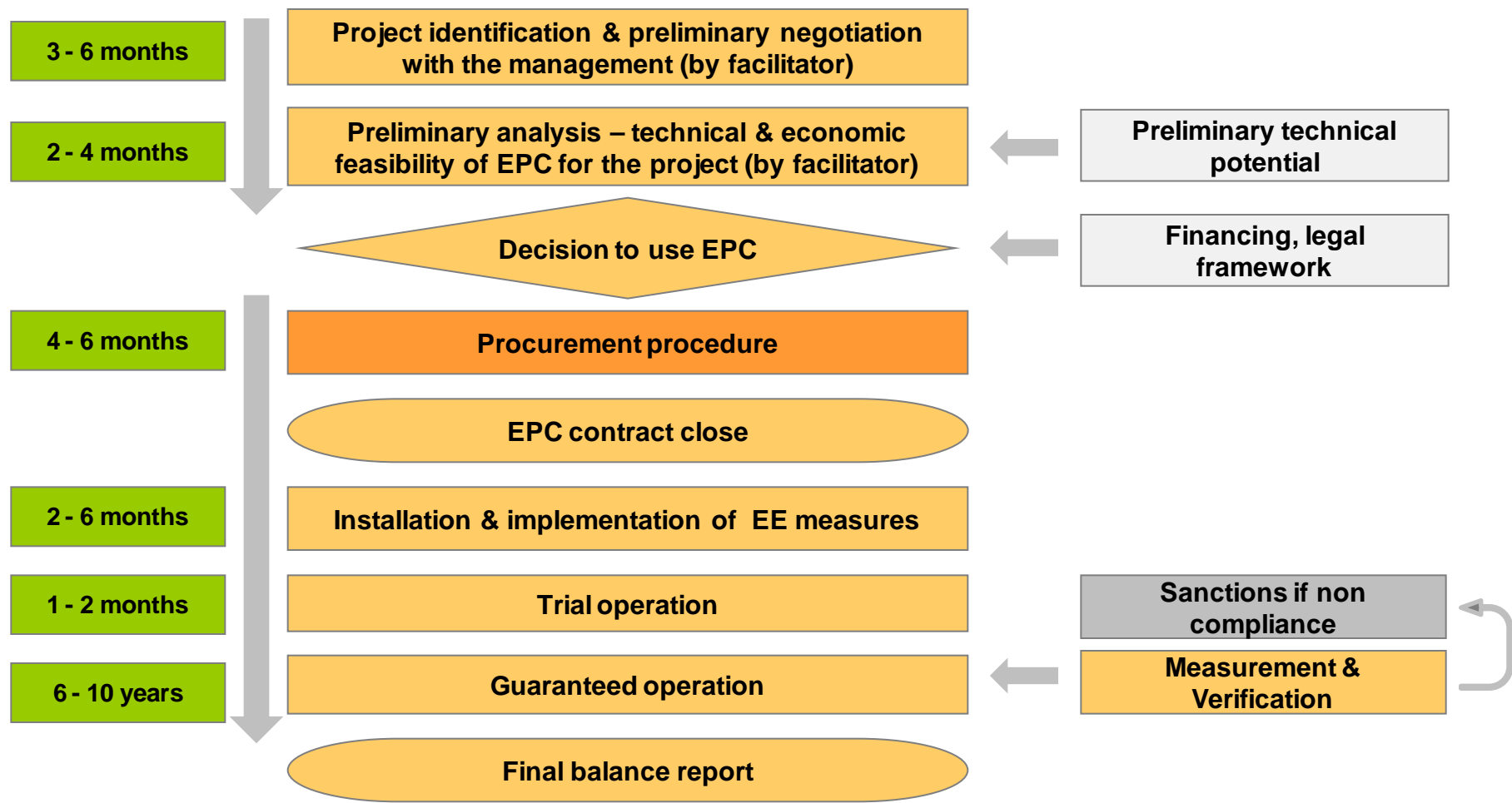
## EPC process

### Main stages of EPC process



# EPC process

## Timing of EPC process



## PROJECT EPC+

- ➔ The Energy Performance Contracting Plus project (**EPC+**) fosters cooperation between SMEs to offer high quality energy services. Furthermore the project aims at a standardisation of technical and contractual issues:
- ➔ Creation of SME Partnerships for Innovative Energy Services (SPINS).
- ➔ Each SPIN will consist of a network of, at least, three SMEs offering jointly tailored EPC services.
- ➔ The development of commercial, standardised energy service packages which will target SMEs interested in improving their energy performance.
- ➔ Implementation of pilot projects in each of 11 partner countries.
- ➔ Development of an international platform to support collaborative networks and innovation
- ➔ Project provides training courses and materials for SPINs. See our website: <http://czech.epcplus.org/>



# CHALLENGES FOR THE FUTURE

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## **Find solutions for each target group**

- ➔ Public/Private
- ➔ Municipalities
- ➔ Industry
- ➔ Vulnerable consumers/energy poverty

## **Suitable range and market uptake of measures**

- ➔ Payback period of the projects?
- ➔ Deep renovations?

## **Increase impact of the financial sources**

- ➔ Guarantees?
- ➔ EE Fund or combined approaches?



**Thank you for your attention!**

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