



**WESTERN
BALKANS
FUND**



EU/EBRD Western Balkans Sustainable Energy Financing Facility

*MSM ISWA Workshop – Novi Sad
September 7, 2011*

E³ International



Introduction

What is WeBSEFF?

€60m credit line provided by EBRD through 8 participating banks

In Serbia, there are 3 banks (Banca Intesa, Societe Generale Bank and UniCredit Bank)

Supported by EU with cash back payments and free expert advice

For firms in:

- Bosnia & Herzegovina
- FYR Macedonia
- Serbia

For projects in:

- Energy efficiency
- Renewable energy

The basic idea

- **Energy costs money**
- **Waste energy and your costs are high**
 - which means:
 - Products are uncompetitive
 - Profits are squeezed
- **And the scope for saving energy is huge**

Enough to pay off the entire investment quickly and make companies much more competitive in future

- **Industrial companies in the Western Balkans are significantly more energy-intensive than EU competitors**
 - e.g. to process one kg of sugar beet:
 - Serbia 1.54 MJ
 - EU less than 1 MJ

- **That's why energy is a big cost item for them**
 - Energy accounts for 20-35% of their overall costs.

- **So saving energy could reduce costs big time**

- **And *not* saving energy now means trouble in future:**
 - because energy is cheap now
 - ca. 50 eurocents/kwh, among cheapest in Europe
 - but it will get more expensive soon
 - 15% in 2011
 - 40% by 2012
- **That will push up costs—and squeeze profits—still further....**
- **....unless firms do something about it now!**

The good news is...

■ WeBSEFF can help

- The WeBSEFF team can help identify investments that pay back quickly through energy savings.
- And to make it even more attractive, the EU is offering up to 20% of the loan amount back

The WeBSEFF case studies speak for themselves:

- **All projects pay for themselves in energy savings in less than five years**
 - that's one of their requirements: and the EBRD have done a lot of projects!
- **Some projects of €2m or more have paid for themselves in less than one year**
 - yes, that's here in the Western Balkans!

By the way...

And of course the investments involved in energy efficiency will also help:

- **But also, improve your production process, by:**
 - Enhancing product quality
 - Reducing breakdowns
 - Allowing automation—and thus staff reductions
 - Reducing bottlenecks

What WeBSEFF offers?

- **Loans:** Up to 2m;
- **Free-of-charge expert help:**
 - Team of engineers and finance experts to assess and fine tune the project—to ensure:
 - ✓ Best possible project
 - ✓ Fastest return
 - It's scarce expertise and it's free—thanks to EU money!
- **Cash-back incentive scheme:**
 - 15% - 20% percentage of loan back on successful project completion

What sort of firms can benefit?

Almost any sort!
(as long as they are privately owned!)

—Because:

- all firms use energy;
- all firms can improve how they use it;
- investment has been low in Serbia

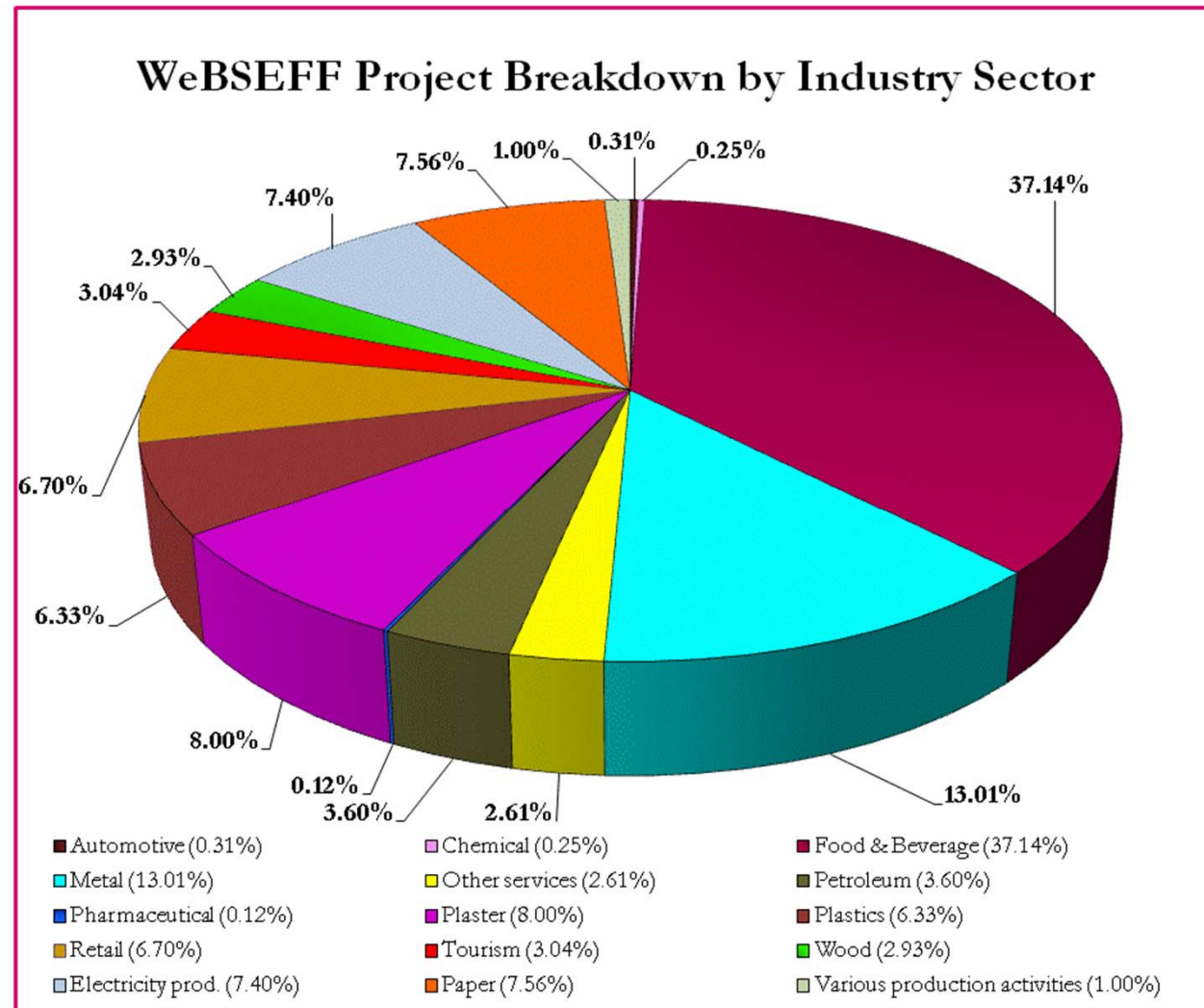
But we've done especially well in:

- Food and beverages (37.14%)
- Metals (13.01%)
- Plaster (8.00%)
- Paper (7.56%)
- Electricity production (7.40%)
- Retail (6.70%)
- Plastics (6.33%)

WeBSEFF investments to date by sector

Total €27.9 million

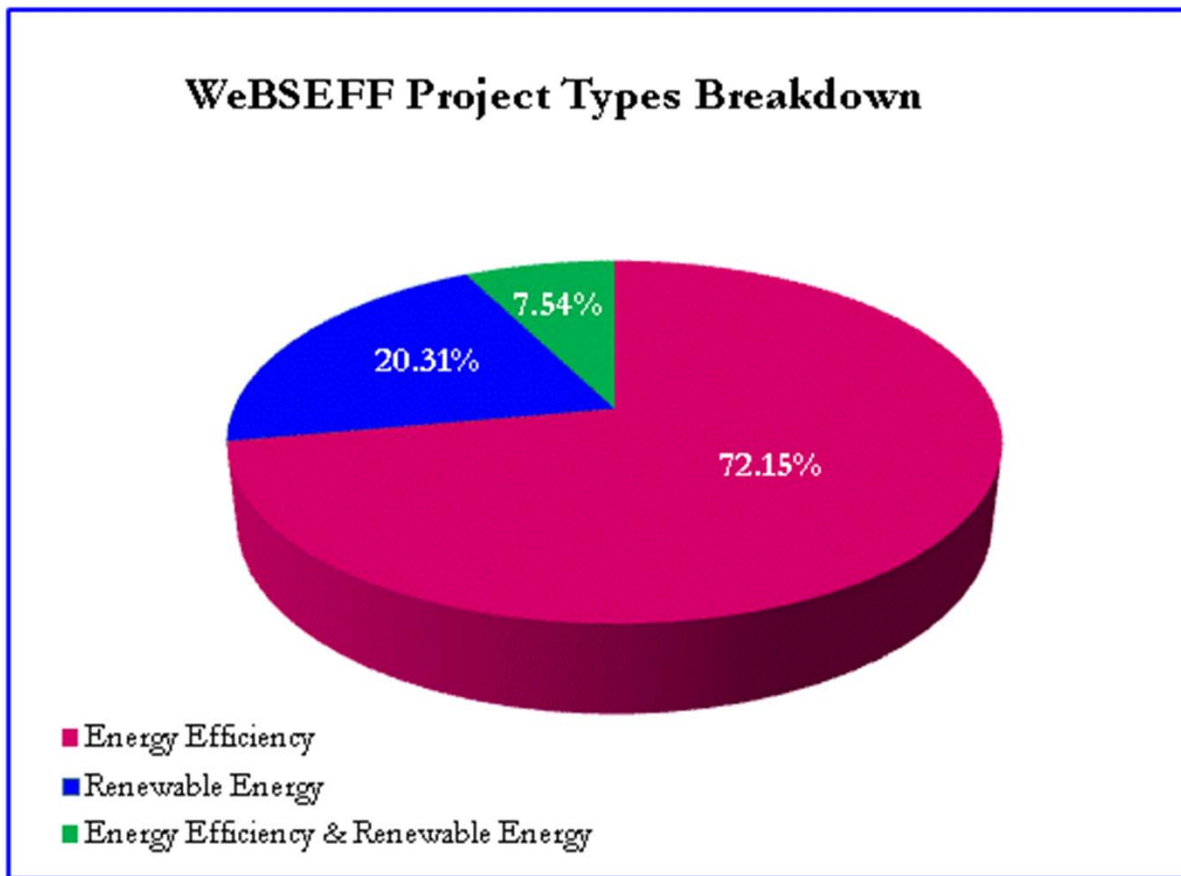
Breakdown by sector



And it's not just
Energy efficiency

➔ WeBSEFF
finances
renewable
energy
projects too

WeBSEFF Project Types Breakdown



And that includes landfill gas projects
— *as long as the investor is private*

WeBSEFF

A great way to go ahead!



**Western Balkans
Sustainable Energy Financing Facility**

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