



Report on bi-lateral meetings with regional/national funding institutions

REGEA

Name of the institution	Location	Date of meeting
Zagrebačka banka (ZABA)	Savska 60, Zagreb	14. April 2015.

What kind of funding is given
<p>1. <i>Zagrebačka Banka is active in carrying out transactions in all aspects of investment banking with a particular focus on the following: obtaining equity and other placements of equity securities; obtaining debt capital (syndicated loans, project financing, structured financing, bonds, commercial papers). In that regard flexible financing conditions are offered with interest rates of 5-7% depending on the provided loan guarantees and borrower’s credit rating.</i></p> <p>2. <i>WeBSEFF subordinated loan</i> <i>Financial loans up to 2,5 mil EUR per project;</i> <i>Minimal energy savings to be achieved is 20% for infrastructure and 30% for buildings;</i> <i>Grant up to 10-15% of capital;</i> <i>Eligible costs are energy efficiency and renewable energy sources investments which achieve minimum 30% of energy savings in case of building renovation or minimum 20% for other projects.</i> <i>Technical assistance free of charge</i></p> <p>3. <i>Green for Growth Fund South Easth Europe subordinated loan</i> <i>Loans from 0,5 mil EUR up to 10 mil EUR</i> <i>Minimal energy savings (or CO₂ emission reduction) to be achieved is 20%</i> <i>Technical assistance free of charge</i></p> <p>4. <i>Indirect soft loan from Croatian Bank for Reconstruction and Development (HBOR) designed specifically for supporting projects of renewable energy sources and energy efficiency (Loan Programme for the Financing of Projects of Environmental Protection, Energy Efficiency and Renewable Energy Resources) was the first credit line in Croatia of such kind, enabling investors from public and private sector to acquire loans under favourable financial conditions. The loan is intended for the financing of fixed assets within the framework of investments which contribute to the saving of energy and/or the reduction of CO₂ emissions, i.e. which increase energy efficiency of facilities in the building and industry sector. Interest rates vary between 3-4% with no upper limit for loan size.</i></p>

Main issues discussed/inputs & information received regarding financing ESCOs
<p>ESCOs with business track record and financial stability is hard to find due to young EPC market. Banks are sceptical to give loans to young companies. Unwilling to give loans in local currency (HRK).</p>



Name of the institution	Location	Date of meeting
Erste bank	Ivana Lučića 2, Zagreb	16. April 2015.

What kind of funding is given
<i>WeBSEFF and HBOR credit lines, same as Zagrebačka banka and PBZ</i>

Main issues discussed/inputs & information received regarding financing ESCOs
<i>Bank has Project Finance Department which operates for the last 6 years. 90% of the projects of that department financed are based on energy. In the last couple of months they have a lot of inquiries for public lighting projects.</i>
<i>In order to repurchase EPC contract bank demands guarantees from ESCO.</i>

Name of the institution	Location	Date of meeting
Hrvatska poštanska banka (HPB)	Jurišićeva 4, Zagreb	17. April 2015.

What kind of funding is given
<i>HPB doesn't have specific financial scheme for EPC projects. They are interested in financing this type of projects.</i>

Main issues discussed/inputs & information received regarding financing ESCOs
<i>EPC model of financing street lighting refurbishment has been presented. So far the bank does not have experience with implementation of such projects</i>

Name of the institution	Location	Date of meeting
Privredna banka Zagreb (PBZ)	Radnička cesta 50	17. April 2015.

What kind of funding is given
<i>WeBSEFF and HBOR credit lines, same as in Zagrebačka banka and ERSTE bank.</i>



Name of the institution	Location	Date of meeting
Fond za zaštitu okoliša i energetske učinkovitost	Radnička cesta 50	17. April 2015.

What kind of funding is given
<p><i>Environmental Protection and Energy Efficiency Fund (FZOEU) through tender provides financial assistance for energy efficiency projects and implementation of renewable sources for the cities and municipalities. In case of street lighting projects eligible costs are energy audits, project designs, material and works on reconstruction of street lighting.</i></p> <p><i>FZOEU gives grants if pre-defined conditions are met. Conditions are based on European Standards for road lighting, light pollution protection and energy efficient. Grants covers 40%, 60% or 80% of investment, depends of the location of the city or municipality, but no more than 200.000 EUR. Interest free loans are also available up to 700.000 EUR.</i></p>

Main issues discussed/inputs & information received regarding financing ESCOs
<p>Technical conditions of FZOEU are very strict, often hard to achieve in refurbishment projects, where you replace the lamps by the system 1 for 1.</p>

