



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

Energy Agency of Podravje - Energap

Name of the institution	Location	Date of meeting
Delavska hranilnica d.d. Office Maribor	Glavni trg 25, Maribor, Slovenia	10.4.2015 at 9.00 am

What kind of funding is given
<p><i>(target groups, type of financial scheme, financing rate, minimum requirements (technical or financial), etc.)</i></p> <p>The bank's target groups are individuals, businesses and municipalities. Until now, this bank was not involved in that kind of financing - Energy Performance Contracting.</p> <p>The system of funding is almost the same as in all other banks in Slovenia. Individuals and businesses can get the financial credit on the same conditions. The most important for the bank is that the customer (credit taker) is creditworthy.</p> <p>The bank can approve a different kind of credits, the most common for the companies are:</p> <ul style="list-style-type: none"> • Long-term investment credits are intended mainly for the financing of fixed assets (machinery, production lines, etc.) and for the expanding the scope of business and finance with new business ideas. • Short-term financing is mainly intended to finance current operations, current assets and it is favorable to bridge short-term liquidity problems, and planning or managing the cash flow. • In cooperation with the Slovenian Enterprise Fund this bank also prepared an offer of special long-term credits for SME companies with lower interest rates and lower costs of approval. • Eco credit for the construction of your solar power plant, which is meant for small and micro enterprises and private persons. <p>This bank also supports projects in the field of environmental protection, energy saving and renewable energy sources. For the realization of such investments they offer customers eco credits, with which they intended to finance electrical car, heat pump and small wastewater treatment plants.</p> <p>With this kind of credit they are trying to help to the development of ecological awareness and environmental protection.</p>

Main issues discussed/inputs & information received regarding financing ESCOs

The bank has no experiences with EPC, but they understand the potential of savings within energy related projects. They already fund the investments in multi-apartment buildings and repayment is done through the savings. The guarantees are given through the special owner's funds that are obligatory by the law for all owners in such buildings. The bank is interested to know more about the EPC project that they can help ESCOs on one side and also in the EPC process that financial calculation is correct. They would also like to have knowledge about the EPC to be informed about procedures. But ESCO should fulfil the basic funding criteria any way.

Name of the institution	Location	Date of meeting
Deželna banka Slovenije d. d., Office in the area of Pomurje	Staneta Rozmana 11a, Murska Sobota, Slovenia	28.4.2015 at 10.00 am

What kind of funding is given
<p><i>(target groups, type of financial scheme, financing rate, minimum requirements (technical or financial), etc.)</i></p> <p>The bank target groups are individuals, businesses and municipalities. Until now, this bank was not involved in that kind of financing - Energy Performance Contracting.</p> <p>This bank funding is almost the same as in all other banks in Slovenia. Individuals, businesses and municipalities can get the financial credit on the same conditions. The most important for the bank is that the customer (credit taker) is creditworthy.</p> <p>Bank can approve a different kind of credits, the most common for the companies are:</p> <ul style="list-style-type: none"> • Long-term investment credits are intended mainly for the financing of fixed assets (machinery, production lines, etc.) and for the expanding the scope of business and finance with new business ideas. • Short-term financing is mainly intended to finance current operations, current assets and it is favorable to bridge short-term liquidity problems, and planning or managing the cash flow. <p>This bank also supports projects in the field of environmental protection, energy saving and renewable energy sources. For the realization of such investments they offer customers eco credits, with which they intended to finance:</p> <ul style="list-style-type: none"> • installation of heating systems with biomass boiler or condensing boiler, • connection to district heating, • installation of effective systems of ventilation, • installation of the solar system, biomass boiler or heat pump efficiency, • generation of electricity using renewable energy sources or micro-cogeneration of electricity and heat, • measures to reduce heat losses residential buildings (replacement of external joinery, insulation of facades and roofs or ceiling or floor), • construction of low-energy and passive residential buildings, • the purchase of large energy-efficient household appliances, • the purchase of electric or hybrid vehicles, • replacement of roofing, • investments for the extraction and purification of waste water, for example small sewage treatment plants, • investments for drinking water or use water resources efficiently, such as installation of a device for collecting rainwater and • covering buildings with green roofs.

With this kind of credit they are trying to help to the development of ecological awareness and environmental protection.

Main issues discussed/inputs & information received regarding financing ESCOs

The bank has no experiences in EPC and they do not have any info about how it works and how the procedures look like. They are interested to get more knowledge about energy related subjects (energy saving in street lighting, in buildings, in heating systems – cogenerations) because they have quite a lot of customers that are asking for funding.

They are also interested in EPC procedures since their funding can also be in difficulties if the EPC agreement is not working. Therefore they have asked to put some insurances or guaranties related to banks in the EPC agreement (for examples – direct transfer of repayments from municipality to bank in the case of problems in ESCO). They will use the possibilities to ask ENER GAP for help or advice in the case of the ESCO customer.

Name of the institution	Location	Date of meeting
Nlb d.d. Ljubljana, poslovni sektor za mala podjetja, podjetniški center severovzhod	Rudarska cesta 3, Velenje, Slovenia	25.3.2015 at 11.00 am

What kind of funding is given
<p data-bbox="150 499 1350 573"><i>(target groups, type of financial scheme, financing rate, minimum requirements (technical or financial), etc.)</i></p> <p data-bbox="150 622 1445 739">The bank target groups are individuals and businesses. Until now, this bank was not involved in that kind of financing - Energy Performance Contracting. But they are preparing some new areas and ways of credit financing, which would include sustainable and environmental requirements.</p> <p data-bbox="150 788 1445 904">This bank funding is almost the same as in all other banks in Slovenia. Individuals and businesses can get the financial credit on the same conditions. The most important for the bank is that the customer (credit taker) is creditworthy.</p> <p data-bbox="150 954 1270 987">Bank can approve a different kind of credits, the most common for the companies are:</p> <ul data-bbox="197 996 1445 1352" style="list-style-type: none"> <li data-bbox="197 996 1445 1113">• Long-term investment credits are intended mainly for the financing of fixed assets (machinery, production lines, etc.) and for the expanding the scope of business and finance with new business ideas. <li data-bbox="197 1122 1445 1238">• Short-term financing is mainly intended to finance current operations, current assets and it is favorable to bridge short-term liquidity problems, and planning or managing the cash flow. <li data-bbox="197 1247 1445 1352">• In cooperation with the Slovenian Enterprise Fund this bank also prepared an offer of special long-term credits for SME companies with lower interest rates and lower costs of approval but they do not include sustainable and environmental issues.

Main issues discussed/inputs & information received regarding financing ESCOs
<p data-bbox="150 1451 1445 1653">NLB is Slovene the biggest bank and they have no experiences with EPC. Some bigger companies that are sometimes acting as an ESCO are asking for the funding but because they are big, they do not have to explain how they will use the money. The bank is also doing a lot on capacity building also in the field of energy and they are interested to get more info about EPC. Because of the size of the bank the changes are proceeding slowly.</p>

Name of the institution	Location	Date of meeting
Deželna banka Slovenije d. d., Office in the area of Podravje	Ulica Eve Lovše 15, Maribor, Slovenia	3.4.2015 at 9.00 am

What kind of funding is given

The bank target groups are individuals, businesses and municipalities. Until now, this bank was not involved in that kind of financing - Energy Performance Contracting.

This bank funding is almost the same as in all other banks in Slovenia. Individuals, businesses and municipalities can get the financial credit on the same conditions. The most important for the bank is that the customer (credit taker) is creditworthy.

Bank can approve a different kind of credits, the most common for the companies are:

- Long-term investment credits are intended mainly for the financing of fixed assets (machinery, production lines, etc.) and for the expanding the scope of business and finance with new business ideas.
- Short-term financing is mainly intended to finance current operations, current assets and it is favorable to bridge short-term liquidity problems, and planning or managing the cash flow.

This bank also supports projects in the field of environmental protection, energy saving and renewable energy sources. For the realization of such investments they offer customers eco credits, with which they intended to finance:

- installation of heating systems with biomass boiler or condensing boiler,
- connection to district heating,
- installation of effective systems of ventilation,
- installation of the solar system, biomass boiler or heat pump efficiency,
- generation of electricity using renewable energy sources or micro-cogeneration of electricity and heat,
- measures to reduce heat losses residential buildings (replacement of external joinery, insulation of facades and roofs or ceiling or floor),
- construction of low-energy and passive residential buildings,
- the purchase of large energy-efficient household appliances,
- the purchase of electric or hybrid vehicles,
- replacement of roofing,
- investments for the extraction and purification of waste water, for example small sewage treatment plants,
- investments for drinking water or use water resources efficiently, such as installation of a device for collecting rainwater and
- covering buildings with green roofs.

With this kind of credit they are trying to help to the development of ecological awareness and environmental protection.

Main issues discussed/inputs & information received regarding financing ESCOs

The bank already has experiences with the contracting models in private households. They deal with the sort of credits for refurbishments of facades. They have no experiences with energy contracting for public sector. They are very open to know more about it and to go together with their clients through the whole process. They have asked for the possibility to include in the procurement procedures some sort of Letter of cooperation between bank and potential ESCO. In such way ESCO would come to bank earlier and would have better info about the cost of the money. On the other hand the public partner would be confident that the bank as a financial expert is also involved. It is very important in Slovenia since our ESCOs do not know their business very well and we already know for some bad experiences that are slowing down the energy performance contracting implementation processes.

Name of the institution	Location	Date of meeting
Hranilnica LON d.d., Office in Ljubljana	Breg 22, Ljubljana, Slovenia	2.4.2015 at 1.00 pm

What kind of funding is given
<p>The bank target groups are individuals, businesses and municipalities. Until now, this bank was not involved in that kind of financing - Energy Performance Contracting.</p> <p>This bank funding is almost the same as in all other banks in Slovenia. Individuals, businesses and municipalities can get the financial credit on the same conditions. The most important for the bank is that the customer (credit taker) is creditworthy.</p> <p>Bank can approve a different kind of credits, the most common are:</p> <ul style="list-style-type: none"> • Short-term credit for companies. In order to overcome the current financial difficulties this kind of credit can help the company to achieve their business goals. Short-term credit for companies is planned for the current business. • Long-term credit for companies. For larger investments, and investments in development, they offer a long-term credit to the company. The principal sum of the credit is refundable in equal monthly installments, they offer the option of deferring the payment of interest which could be payable monthly based on the return. • LON credit is a quick credit when the credit taker goes to merchant banking credit broker (dealer). The purpose of this credit is exclusively the purchase of products or services provided by individuals in the context of the activities of credit intermediaries. <p>This bank also supports and respects the concern for the nature and environment. Therefore, they have prepared an offer of EKO credits for individuals with lower interest rates and lower costs of approval. With this kind of credit they are trying to help to the development of ecological awareness and environmental protection. The customers can choose between Eko consumer credit and Eko housing credit.</p>

Main issues discussed/inputs & information received regarding financing ESCOs
<p>The bank is not familiar with the contracting and has no experiences with the financing of ESCOs. They do not see any possibility to treat the ESCO different as any other customer. The potential EPC business with public partner is not of great value for them. They already have some bad experiences with municipalities. But they are interested to know more about EPC and how the procedure starts. They have some customers with good ideas and they will use the knowledge about EPC gathered from ENER GAP as a potential new service offered to their good clients. They also promised to give Energap's contact to any potential ESCO or municipality.</p>

Name of the institution	Location	Date of meeting
Banka Koper d.d., Office in Maribor	Vita Kraigherja 5, Maribor, Slovenia	24.4.2015 at 9.00 am

What kind of funding is given
<p>The bank target groups are individuals, businesses and municipalities. Until now, this bank was not involved in that kind of financing - Energy Performance Contracting.</p> <p>This bank funding is almost the same as in all other banks in Slovenia. Individuals, businesses and municipalities can get the financial credit on the same conditions. The most important for the bank is that the customer (credit taker) is creditworthy.</p> <p>Bank can approve a different kind of credits, the most common are:</p> <ul style="list-style-type: none"> • Long-term investment credits are intended mainly for the financing of fixed assets (machinery, production lines, etc.) and for the expanding the scope of business and finance with new business ideas. • Short-term financing is mainly intended to finance current operations, current assets and it is favorable to bridge short-term liquidity problems, and planning or managing the cash flow. <p>In this bank the individuals can also get a credit for greener future. They can get a Green housing credit for Energy Saving Houses, green consumer credit for the installation of energy-efficient devices, systems, and household appliances or green car credit for buying an electric car or electric motorcycle or hybrid vehicles. So this bank is taking care for the sustainable and environmental issues. But not for the companies. The employers are energy-educated.</p>

Main issues discussed/inputs & information received regarding financing ESCOs
<p>Banka Koper is the first Slovene bank that has started with so called green credits. They have financed many big energy related projects already (biogas plants). They are not familiar with EPC and they do not know the procedures. They are interested to know more about it because they are searching for new ways to get more customers and to finance the projects that have good energy saving potential (and money). Banka Koper is owned but Italian bank and all bigger investments should be discussed with their owner in Italy and there they have a group of specialist in all fields also in EPC.</p>

Name of the institution	Location	Date of meeting
UniCredit Banka Slovenija d.d., Office in Maribor	Ulica Maksimiljana Držečnika 6, Maribor, Slovenia	24.4.2015 at 10.30 am

What kind of funding is given
<p>The bank target groups are individuals, businesses and municipalities. Until now, this bank was not involved in that kind of financing - Energy Performance Contracting. But they have some kind of project funding, which is intended for financing a projects involved in renovating energy matters, infrastructure or industry.</p> <p>This bank funding is almost the same as in all other banks in Slovenia. Individuals, businesses and municipalities can get the financial credit on the same conditions. The most important for the bank is that the customer (credit taker) is creditworthy.</p> <p>Bank can approve a different kind of credits, the most common are:</p> <ul style="list-style-type: none"> • Housing credit for those who decided to purchase, build or renovate real estate, • Long-term investment credits are intended mainly for the financing of fixed assets (machinery, production lines, etc.) and for the expanding the scope of business and finance with new business ideas. • Short-term financing is mainly intended to finance current operations, current assets and it is favorable to bridge short-term liquidity problems, and planning or managing the cash flow.

Main issues discussed/inputs & information received regarding financing ESCOs
<p>The bank is not familiar with the ESCO model and legal procedures to be implemented. They are interested to cooperate. They are also interested to have a checklist with the steps through the whole procedure. They were quite afraid about the legal consequences if the procedure is not followed. If this happened by Slovene law the agreement is not valid anymore and it can happened through the whole agreement period. Therefore the bank is interested to be as a “third party” in the agreement to have direct guaranties from municipal budget and at the same time to have possibilities to follow and check the EPC procedures. They are interested in good energy related projects since they have some internal goals that as much as possible good energy related project should be financed and it is related to the possible cooperation of their bank with EIB. They are interested to join some workshops on EPC.</p>

Name of the institution	Location	Date of meeting
BKS bank AG	Dunajska cesta 161 Ljubljana, Slovenia	2.4.2015 at 11.00 am

What kind of funding is given
<p>It is a small private bank. The bank target groups are individuals, businesses and municipalities. Until now, this bank was not involved in that kind of financing - Energy Performance Contracting. But they are preparing some new areas and ways of credit financing, which would include sustainable and environmental requirements.</p> <p>At that moment their funding is the same as in all other banks in Slovenia. Individuals, businesses and municipalities can get the financial credit on the same conditions. The most important for the bank is that the customer (credit taker) is creditworthy.</p> <p>Bank can approve a different kind of credits, the most common are:</p> <ul style="list-style-type: none"> • Long-term financing is intended mainly for the financing of the increased business, new business ideas, and new business developments and to increase company's competitive advantage in the market. • Short-term financing is mainly intended to finance current operations, current assets and it is favorable to bridge short-term liquidity problems, and planning or managing the cash flow.

Main issues discussed/inputs & information received regarding financing ESCOs
<p>The bank does not know the EPC model and they do not have experiences. They are establishing the expert group inside the bank to be specialized on energy related projects and therefore they are very interested to know more about EPC. The model was understandable to them but they have a problem with energy related calculation and they need some help on how to evaluate the content of the projects (when it is a good one or bad one, are the values the right one or not, for example for cogenerations, about the size.</p> <p>They are also interested to know more about the steps in the EPC procedure and they would ask for some words in the agreement about the assignment of claims.</p>