

# GREEN ECONOMY TRANSITION AT THE EBRD

## Introducing FINTECC

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**European Bank**  
for Reconstruction and Development

# Who we are & what we do

- Multilateral financing institution established in 1991 to support transition to market economies
- Owned by 65 countries, the EU and the EIB

- €30 billion capital base
- €41 billion portfolio
- €8.9 billion average annual business in the past 3 years

- 3 key operational principles
- Sound banking
  - Transition impact
  - Environmental sustainability



# The EBRD's Green Economy Transition initiative

- In 2006 the Bank adopted the SEI (complemented later by SRI and GET) as a key strategy:
  - to mainstream** across the Bank's operations, and
  - to increase** the share of Bank business represented by measures which enhance the efficient use of energy and resources (water, materials) and contribute to the mitigation of, and adaptation to, climate change.
- The GET aims to further scale up green business volume, and to expand to new areas of activity, such as environmental protection and technology transfer.

1994	2006	2013	2015
Energy Efficiency banking team	Sustainable Energy Initiative (SEI) <ul style="list-style-type: none"> <li>Energy efficiency</li> <li>Renewable energy</li> </ul>	Sustainable Resources Initiative (SRI) <ul style="list-style-type: none"> <li>Water efficiency</li> <li>Material efficiency</li> <li>Adaptation to climate change</li> </ul>	Green Economy Transition (GET) <ul style="list-style-type: none"> <li>Environmental protection</li> <li>Technology transfer</li> </ul>

# Green financing results in 2006 - 2016



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FINANCED

**1,200+**

projects and credit lines

>900 directly financed projects with green components, and  
>280 credit lines to local financial institutions for on-lending to smaller projects

SIGNED

**€22.2 billion**

of green financing

For projects with a total value of €122 billion  
In 2014-2016 green financing represented 36% of EBRD's total business, up from only 15% in 2006.

REDUCED

**84 million**

tonnes of CO<sub>2</sub>/year

Emission reductions equal to twice the annual energy emissions of Sweden  
Plus annual water savings of 62 km<sup>3</sup> since 2013 equal to 2/3 Prague's water needs



## FINTECC

It supports companies to implement **advanced climate technologies** that reduce greenhouse gas emissions and/or increase climate resilience by providing **grants** and **technical assistance** in the context of an EBRD investment.

## EXAMPLES OF ELIGIBLE TECHNOLOGIES

- High-grade thermal insulation of buildings
- By-pass dust recycling
- Energy efficient ventilation and air conditioning systems
- Heat recovery systems
- LED lighting
- Energy management systems

## SECTORS & CLIENTS

All **private sector**, **non multinational clients** are eligible.

The programme targets primarily the **Corporate sector**.

## COUNTRIES

- Kazakhstan, Ukraine, Armenia, Azerbaijan, Belarus, Georgia, Kyrgyz Republic, Moldova, Mongolia, Tajikistan, Turkmenistan and Uzbekistan
- Egypt, Jordan, Morocco and Tunisia



FINTECC is funded by the GEF, the EBRD and the EU



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# Addressing key barriers to climate technology deployment

Low market penetration



FINTECC provides information on climate technologies through its technical assistance

Knowledge gaps & capacity



FINTECC offers project preparation support to develop bankable projects

Inadequate regulatory framework



FINTECC is working with governments to support frameworks that incentivise technology transfer

Availability of financial instruments



FINTECC offers grants in support of EBRD lending or investment in eligible climate technologies

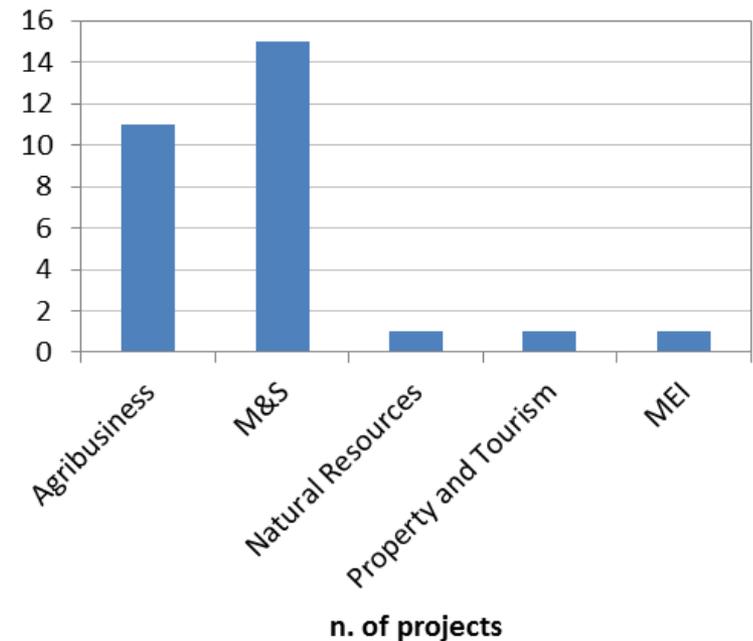
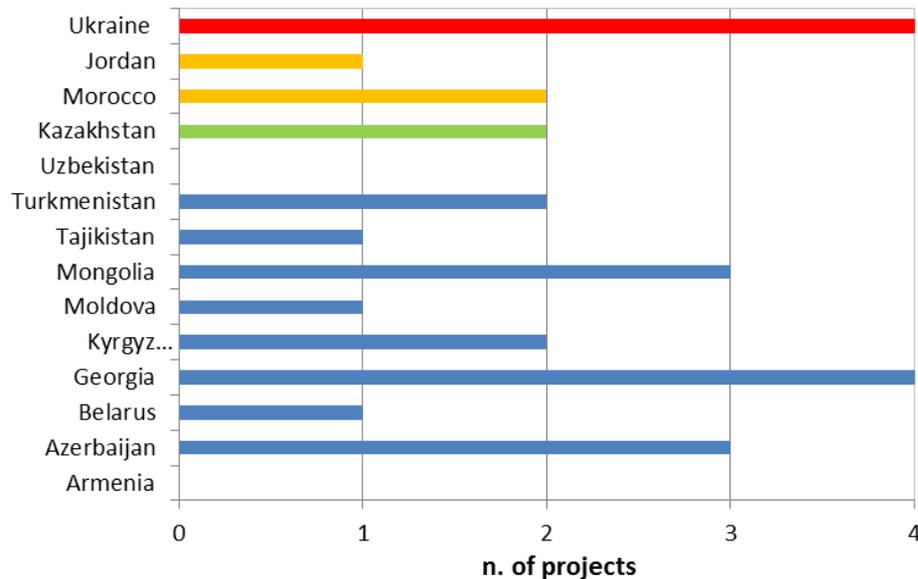
Underdeveloped supply chains



FINTECC connects clients with suppliers of climate technologies

# Status of grant commitments

The EBRD has signed **29 transactions** which include a FINTECC grant component. The incentives are worth USD 7.3m, supporting USD 100m of green investments.



# Belarus – Lower carbon footprint for plastic toys

## CLIENT AND PROJECT

Polesie is a leading integrated producer of children’s plastic toys and games in Belarus. It is one of the major exporters of toys to Russia and is also actively expanding in the EU member-states including Germany, Italy and Spain. The EBRD supported energy efficiency upgrades at its main manufacturing site at Kobryn, and helped the company to strengthen its balance sheet.

An energy efficiency audit funded by the Central European Initiative (CEI) was performed.

## INVESTMENT PLAN

EBRD finance	EUR 10 million
FINTECC grant	USD 0.3 million
<b>TPV</b>	<b>EUR 10.3 million</b>

## PHYSICAL SAVINGS

- Annual natural gas consumption savings of 24,100 MWh
- Annual electricity savings of around 3,000 MWh
- Overall emission reductions of 7,500 tCO<sub>2</sub>/year.



Photo credit: <http://www.polesie-toys.com/>

## PROJECT DETAILS

**Client:** PP Polesie LLC  
**Sector:** Manufacturing & Services, Plastics and Rubber Products  
**Country:** Belarus

**Technology:** combined cooling heat and power plant (CCHP plant) allowing to efficiently self-generate the heat, electricity and cooling power needed in the production plant

# Georgia – Energy efficient building management systems in hospitals

## CLIENT AND PROJECT

Aversi Pharma is one of the leading companies in the Georgian pharma and healthcare market. EBRD provided two loans with a total amount of USD 16.4m (CAPEX 12.3m and WC 4.1m) to finance the construction of a new clinic, the reconstruction of an infectious diseases hospital and working capital for the company's pharmaceuticals business.

## INVESTMENT PLAN

EBRD finance (CAPEX)	USD 12.3 million
FINTECC grant	USD 0.238 million
Other finance	USD 15 million
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TPV	USD 27.6 million

## PHYSICAL SAVINGS

The investment programme is expected to result in energy reduction of minimum 25% of the total energy consumption.

- CO<sub>2e</sub> reduced (ton): 600
- Primary energy saved (GJ): 9,000



## PROJECT DETAILS

**Client:** Aversi Pharma LLC

**Sector:** Health Care and Social Assistance

**Country:** Georgia

### Technology:

- variable speed drives (VSDs) on fans & pumps
- double glazing windows
- high efficiency chillers and boilers
- LED lighting and lighting control and a building management system (BMS)

## CLIENT AND PROJECT

The Glass Container Company is the largest glass bottle producer in the Republic of Moldova. The EBRD is supporting the modernisation of GCC's existing factory, comprising an investment into a new melting furnace and two new production lines.

## PROCESS & INVOLVEMENT

- Client approached the RO with a financing request for plant refurbishment
- EBRD: initial screening of EE and Recycling options. Consulting services were provided to identify the best investment programme for the client

## BENEFITS

- Introduce new technologies to the client
- Put the client in touch with a range of suppliers of technologies

## INVESTMENT PLAN

EBRD finance	EUR	5.3 million
FINTECC grant	EUR	0.3 million
Other finance	EUR	8.3 million
<b>TPV</b>	<b>EUR</b>	<b>13.9 million</b>



## PROJECT DETAILS

**Client:** Glass Container Company

**Sector:** Glass Manufacturing

**Country:** Moldova

### Technology:

Installation of Narrow Neck Press and Blow (NNBP) process in production line to produce lightweight glass containers, resulting in reduced energy and material consumption per unit produced.

### Physical Savings:

Installation results in electricity savings of 1,350 MWh per year. This accounts for 2,950 tonnes of CO<sub>2</sub> emissions savings

# Contacts



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# THANK YOU

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