EU/EBRD Western Balkans Sustainable Energy Financing Facility
Introduction

What is WeBSEFF?

€60m credit line provided by EBRD
Supported by EU with cash back payments and free expert advice

For firms in:
- Bosnia & Herzegovina
- 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!
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 (41.6%)
- Metals (15.1%)
- Plaster (11.2%)
- Paper (10.5%)
- Petroleum (5%)
- Tourism (4.2%)
- Wood (4.1%)
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**WeBSEFF investments to date by sector**

**Total** €19.98 million

**Breakdown by sector**

- Food & Beverage (41.61%)
- Paper (10.54%)
- Retail (0.16%)
- Wood (4.14%)
- Plastic (2.56%)
- Tourism (4.24%)
- Other services (2.58%)
- Petroleum (5.02%)
- Automotive (0.44%)
- Chemical (0.35%)
- Pharmaceutical (0.16%)
- Metal (15.14%)
- Plaster (11.16%)
And it’s not just Energy efficiency

WeBSEFF finances renewable energy projects too

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