



# Financial tools for energy-efficiency in Ukraine

Prof. Maksym Karpash



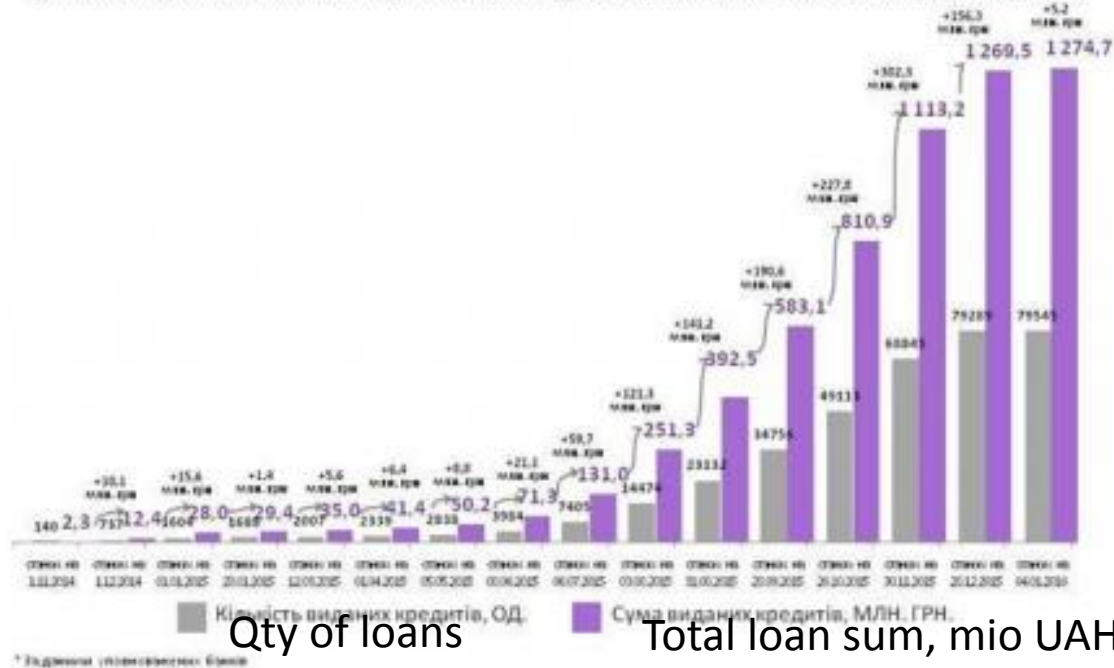
## Outline in Ukraine

- Negative investment image in 2015
- Only IT sector attracted serious investments in 2015
- Energy became a hot topic in government, business and society in terms of financing
- This push may trigger new market of EE services in Ukraine



# Month-by-month statistics of state support for individuals and OSBB (change of gas-fueled boilers and EE services/materials/equipment)

Помісячна динаміка попиту на державну підтримку з боку фізичних осіб та ОСББ\*  
(заміна газових котлів та придбання енергозберігаючого обладнання/матеріалів)



Since beginning of 2015 when the program started banks provided **79 545** "warm" loan totally for **1,3 billion UAH** (~50 mio EUR)

## Sources – NEFCO

### Credit programs

- Energy-saving
- Clean production
- ECO-effectiveness (DEMO Ukraine)
- Investment fund

### Basic conditions

- Bank interest 3-6%
- Max 400,000 euro
- ROI – 4-5 years
- Co-financing – 10%





# Sources – EBRD

## Credit programs

- Direct financing
- USELF (private companies)
- UKEEP (esco-companies)
- Via Ukreximbank



**European Bank**

for Reconstruction and Development

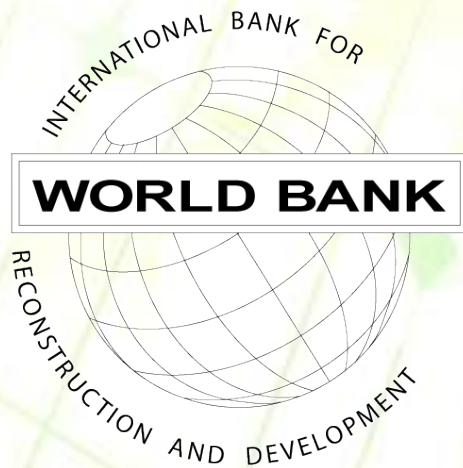
## Basic conditions

- Bank interest 7-10%
- Up to 10,000,000 euro
- ROI – 5 (12) years
- Co-financing – none

# Sources – IBRD

## Credit programs

- Via Ukreximbank
- Development of municipal infrastructure 2
- Raising effectiveness of centralized heating



## Basic conditions

- Bank interest - specific
- Up to 30,000,000 euro
- ROI – 10-15 years
- State guarantees needed

# Sources – EIB, IFC, KfW

## Credit programs

- Modernization of water-, heat-supply systems
- Crediting in UAH
- DE-UA fund programme

## Basic conditions

- Bank interest - ~10%
- Up to 400,000 euro
- ROI – up to 5 (25) years



# Sources – Ukrainian banks

## Credit programs

- Crediting OSBB (association of co-owners of multi-apartment building)



## Basic conditions

- Bank interest – 17-25%
- Up to 110,000 euro
- ROI – up to 5 years
- Co-financing – 20-30%



# Sources – Grants and technical assistance programs I

- 1 Eastern EU Partnership fund on energy-efficiency
- 2 Delegation of EU to Ukraine
- 3 Central European Initiative ([www.cei.int](http://www.cei.int))
- 4 USAID ([www.usaid.gov](http://www.usaid.gov)): Municipal energy reform and Local alternative energy sources
- 5 UNDP (bio-energy) – [www.ua.undp.org](http://www.ua.undp.org)
- 6 UNIDO (RES and Ecology)
- 7 SIDA ([www.sida.se](http://www.sida.se))
- 8 CIDA (Canada)
- 9 GIZ ([www.eeib.org.ua](http://www.eeib.org.ua))
- 10 Eastern Europe Fund ([www.eef.org.ua](http://www.eef.org.ua))

# Sources – Grants and technical assistance programs II

11 INOGATE (Support of Covenant of Mayors)

([www.inogate.org](http://www.inogate.org))

12 Global Climate Partnership Fund (GCPF)

13 Konrad Adenauer Fund

14 Representative of Fund n.a.G.Boell

([www.ua.boell.org](http://www.ua.boell.org))

## Sources – Multi-level technical assistance

- 1 German Embassy
- 2 US Embassy
- 3 Finland Embassy
- 4 MFA of Estonia
- 5 MFA of Netherlands
- 6 MFA of Norway
- 7 MFA of Japan
- 9 Swiss cooperation bureau
- 10 Black Sea trust of regional cooperation
- 11 Cross-border cooperation programs (EU-funded)

# Sources – National sources of funding

- 1 State fund on support of local authorities (up to 50,000 euro, 20% of co-financing)
- 2 Regional development fund (10% of co-financing)
- 3 International fund Renaissance
- 4 State agency for energy-efficiency and energy-saving of Ukraine (up to 40% reimbursement for OSBB)



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