



Green
Economy
Financing
Facility

Supported by:



 Federal Ministry
Republic of Austria
Finance



Green Economy Financing Facility: Delivering Green Finance for Armenian Businesses

Energy Week Armenia 2018, Yerevan



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GEFF at a Glance



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Green Economy Financing Facility (GEFF)

- Financing of **green economy investments** of a large number of eligible beneficiaries through EBRD credit lines to local PFIs
- Ensuring consistent **quality and innovation** in the GEFF product and service delivery through an experienced EBRD team
- Provision of additional **advisory services** to support PFIs and their clients to enhance their market practices

Countries of operation:	24
Local financial institutions:	130
EBRD finance support:	EUR 4 billion
Sub-projects:	120,000
CO2 emission savings:	7 million tonnes p.a.



Through GEFFs, PFIs gain the ability to:

- Access a **knowledge-base of high performance solutions** that result in clear environmental benefits beyond business-as-usual
- Enhance **client competitiveness** by focusing on improving the quality and capacity of their activities
- Originate **new investment opportunities** that are a business priority for clients
- Attract / **retain clients** that want to increase their competitive advantage
- **Reduce project risk** via technical due diligence and verification services
- Use EBRD GEFF programmatic know-how to **reduce upfront costs** of investment in developing of green finance activity

GEFF at a Glance



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GEFF in Armenia

- Building on **successful components** of EBRD's "Energocredit" project
- **Extended range** of green finance opportunities
- Technical support to banks by engineering, **green finance** and marketing specialists
- **Lean procedures** and clearly-defined processes
- **Fast decision-making** regarding project eligibility
- **Short processing time** for technical assessments
- **Interactive knowledge sharing** (web-based platform: banks + clients + vendors) → "Technology Selector"

"Where finance and green technologies meet"

Green Loans



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Target groups

- **Commercial businesses:**
 - Manufacturers, producers
 - Vendors/suppliers
 - Service providers
 - Construction companies and developers
 - ...



- **Individuals** owning or residing in a house or an apartment in which they intend to implement an eligible investment
- **Groups of individuals, housing associations, condominium associations** of apartment owners in multi-level buildings or other equivalent body which represents the interests of residents

at second project stage

Green Loans



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Loan purpose

- **Fixed asset** investments
- **Working capital** investments for
 - **vendors** who supply and/or sell eligible technologies
 - **manufacturers** who produce eligible technologies and are planning to sustain or expand this part of their production
- **Green economy investments**
 - **Energy efficiency** investments (at least 20% reduction in energy consumption or CO₂ emissions)
 - **Renewable energy** investments (projects with renewable energies)

- **Ressource efficiency** (water, material, etc.)

at second project stage



Green Loans



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Examples of green economy investments (selection)

Primary agriculture:

- Tractors, working trailers
- Greenhouses
- Harvesters
- Dryers
- Irrigation system
- Controllable ventilators
- Etc.

Food processing:

- Ovens
- Cooling units
- Ice storage
- Package units
- Air compressors
- Conveyors
- Etc.

Buildings:

- Improvement of buildings
- Construction of buildings
- Building components:
 - Windows, insulation, heating systems, rooftop PV technologies, HVAC, elevators, etc.

Trade:

- **Green working capital**
- Building envelope
- Air conditioners
- Lighting
- Cooling/freezing chambers
- Cooling appliances
- Etc.

Logistics & transportation:

- Trucks
- Conveyors
- Forklifts
- Tractors
- Busses
- Loaders
- Etc.

Printing house:

- Plotters
- Printers
- Air conditioners
- Controllable ventilators
- Compressors
- Folding machine
- Etc.

Textiles and garments:

- Washing machines
- Cutting machines
- Knitting machines
- Tufting machines
- Dryers
- Controllable ventilators
- Etc.

Hospitality:

- Building automation system
- Solar hot water system
- Elevators
- Tap controls
- Air conditioners
- Combined heat and power
- Etc.

Green Loans



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Terms and conditions

Currency	USD, AMD	<i>Creditworthiness assessment and collateral requirements: according to PFI</i>
Loan amount	≤ USD 1 million for businesses (eqv. AMD)	
Interest rate	defined by PFI	
Financial incentives	20% for certain types of investments in renewable energy sources: <ul style="list-style-type: none">– Commercial rooftop or building integrated photovoltaic power generation– Solar thermal heating installations– Biogas installations– Geothermal heat pump installations	

Eligibility Assessment



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Assessment of loan purpose

Standardised investments

- “Technology Selector”

- Standardised solutions



Banks

Non-standardised investments

- Technical assessments:
 - “Preliminary” ($\leq 0.5 - 1$ day)
 - “Simple” (1 - 2 days)
 - “Full” (5 - 20 days)

- Technically more complex solutions



Project Consultant



Recommendations of targeted investment opportunities














Eligibility Assessment



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Technology Selector

 <p>Windows & doors</p>	 <p>Insulation materials</p>	 <p>Boilers</p>	 <p>CHP</p>	 <p>Heat pumps</p>	 <p>Chillers & Cooling</p>	 <p>Motors & pumps</p>
 <p>Domestic appliances</p>	 <p>Transport</p>	 <p>Process technologies</p>	 <p>Lighting</p>	<ul style="list-style-type: none">• 20% improvement of performance• Available in the market• Local vendors & suppliers		

Eligibility Assessment



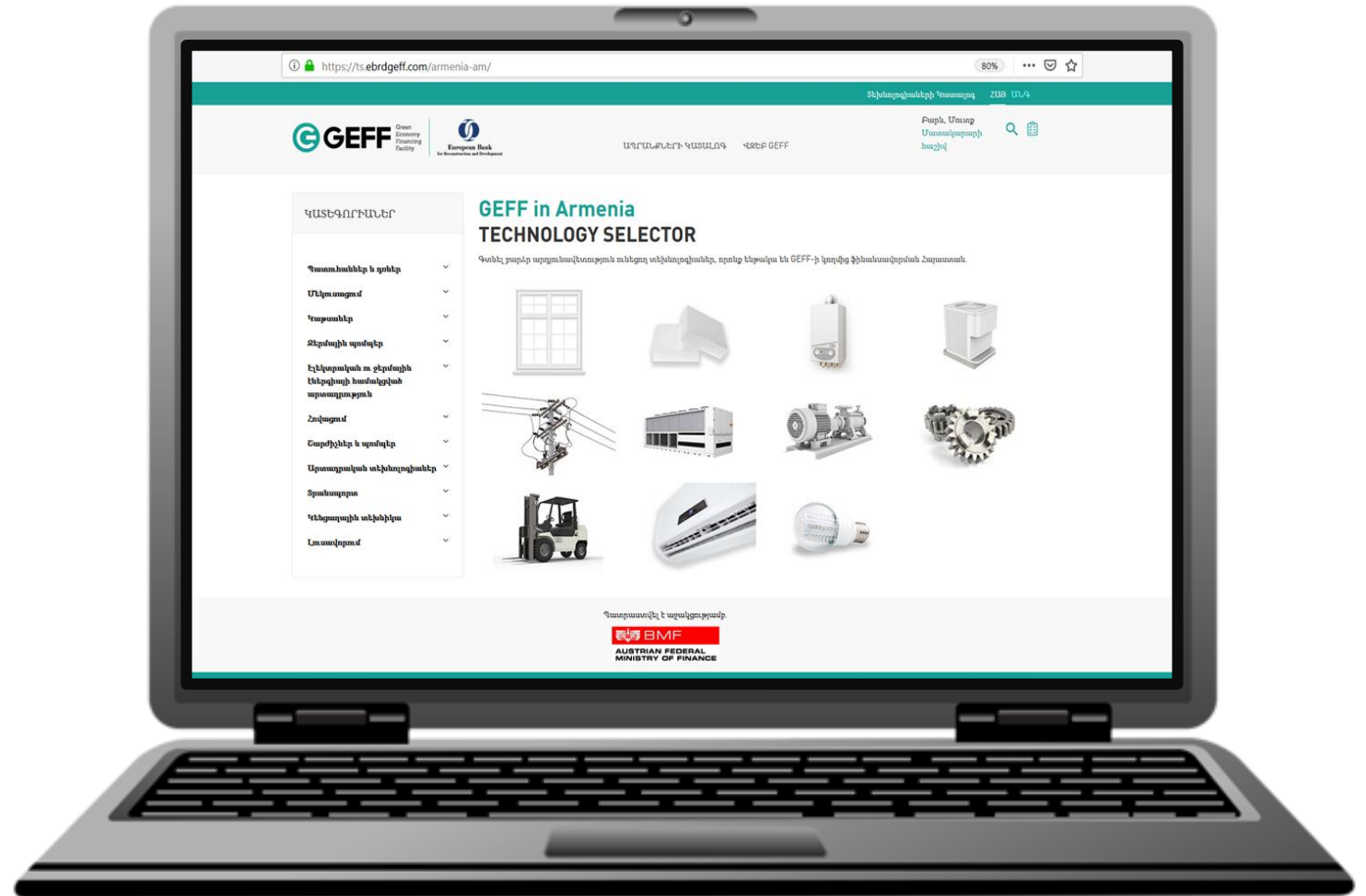
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Technology Selector

- **Internet-based** – permanent access
- Clear process
- Simple, system integrated rules
- User-friendly & easy to use
- Daily updates



ts.ebrdgeff.com/armenia-am



Eligibility Assessment



1. GEFF

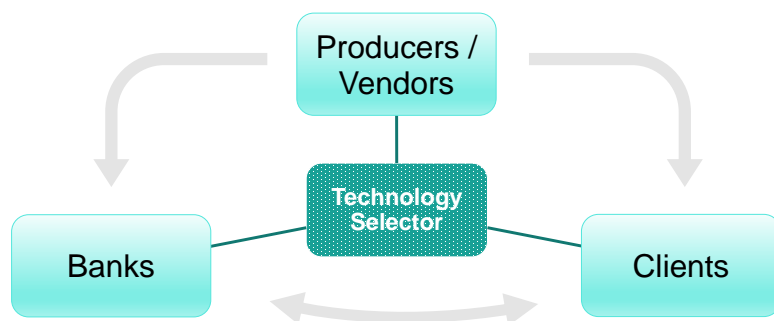
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Technology Selector



Producers, manufacturers

- Increased brand awareness
- Support in marketing
- Increased sales
- Clear and simple process:
 - I. Register
 - II. Enter products
 - III. Manage product data

Vendors

- Clear and simple process:
 - I. Register
 - II. Enter shops
 - III. Enter products
 - IV. Manage product data
- Compare to competition
- Expand offer through import

Banks

- Market information source
- Decision-making tool

Clients

- Only the best available and eligible products
- Clear and simple process:
 - I. Browse product
 - II. Find vendor next door
 - III. Get financing

Partner Financial Institutions



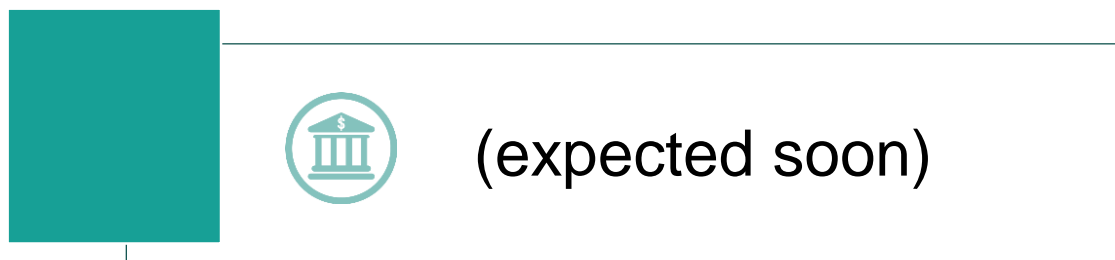
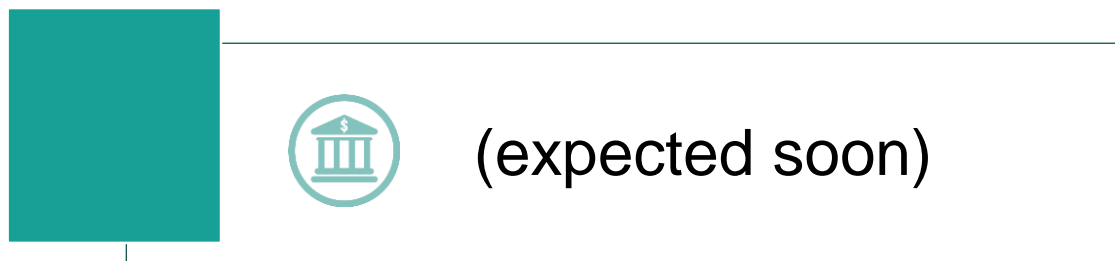
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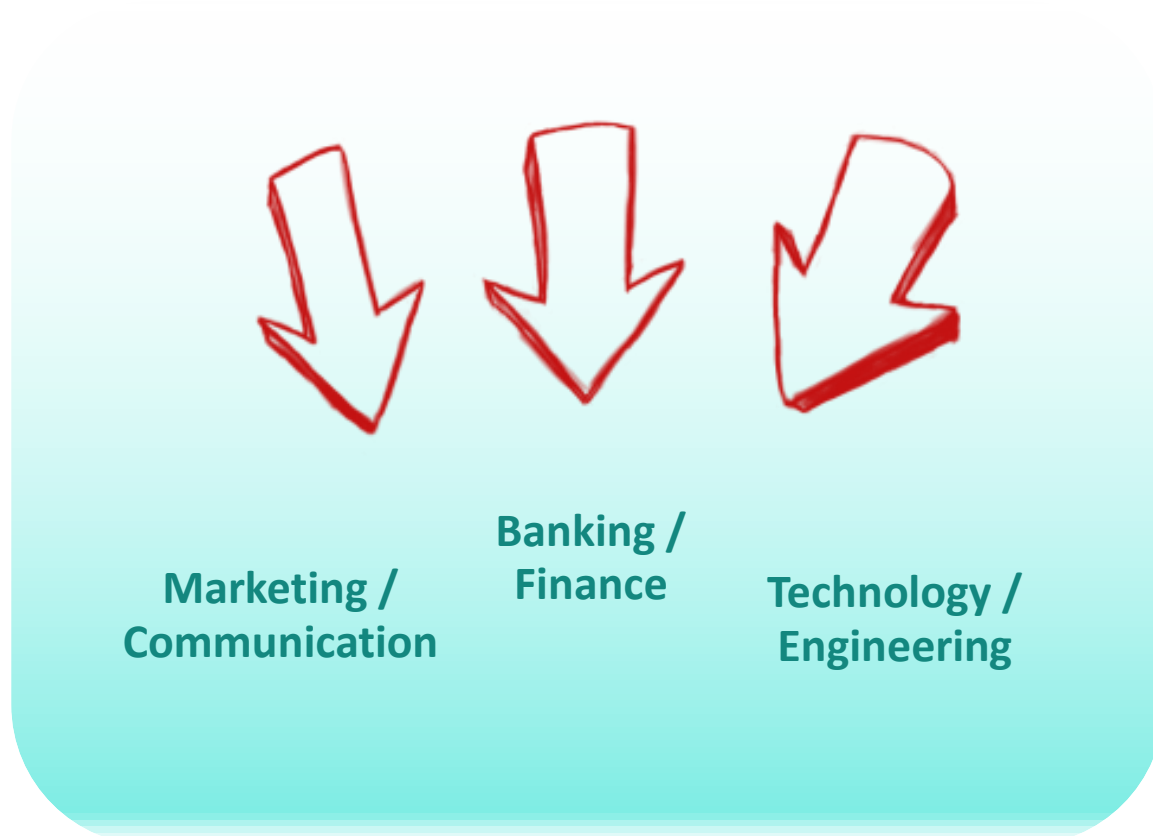
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Technical assistance package

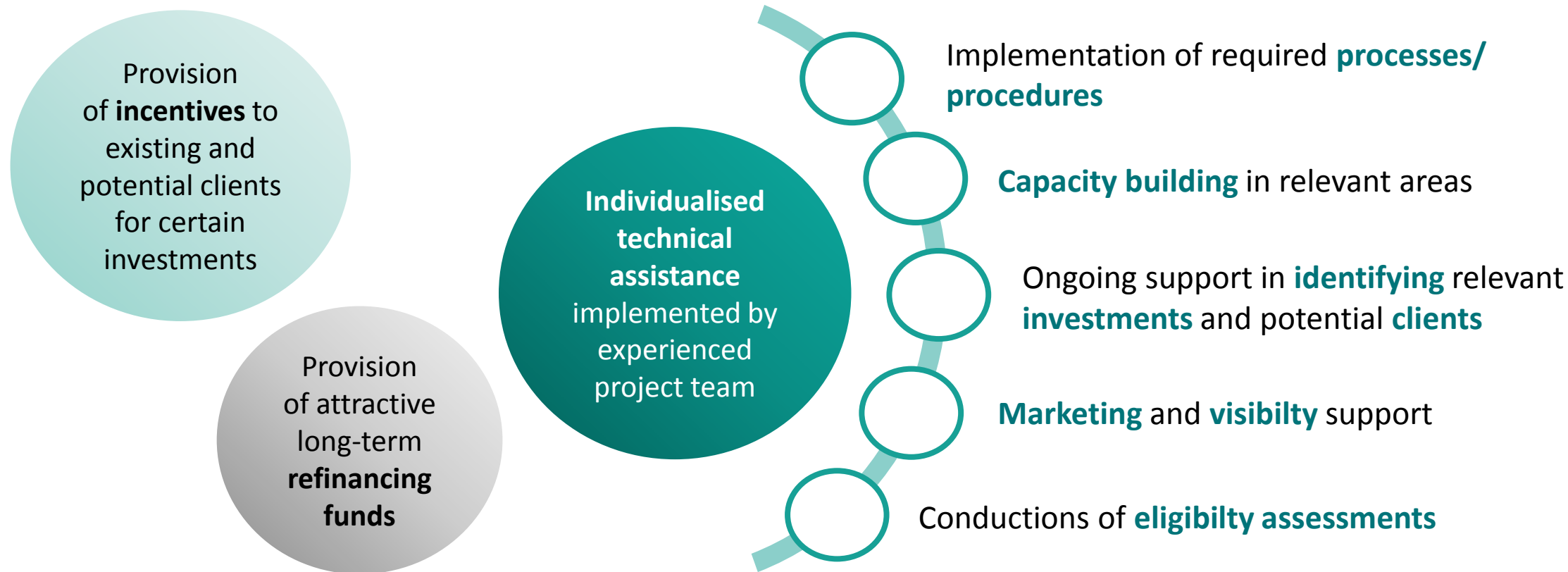


Partner Financial Institutions



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Benefits package



Provision of **incentives** to existing and potential clients for certain investments

Provision of attractive long-term **refinancing funds**

Individualised technical assistance implemented by experienced project team

Implementation of required **processes/procedures**

Capacity building in relevant areas

Ongoing support in **identifying** relevant **investments** and potential **clients**

Marketing and **visibility** support

Conductions of **eligibility assessments**

Contact



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European Bank
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GEFF in Armenia



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