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Contact: Ana-Maria COPUZEANU  
Tel: 031 22 48 104  
Email: eeff@eeff.ro

### **Three Romanian banks launch loans using EU/EBRD Energy Efficiency Facility**

*Credits part of wider EU financing facility for Romania Industry*

Tractebel Project-Managers, Engineers and Consultants (TRAPEC) SA\*, on behalf of the European Bank for Reconstruction and Development (EBRD), today launched the operational phase of the EU/EBRD Energy Efficiency Finance Facility (EEFF) in Romania.

The role of the EEFF is to support private sector industrial companies by providing an integrated package of loans, technical assistance and grants for energy efficiency investments.

Bank-to-bank agreements between the EBRD and three participating banks - Banca Comerciala Romania (BCR), Banca Transilvania (BT) and Casa de Economii si Consemnatiuni (CEC), were signed on 24th January this year. Today's event marks the official launch of the EEFF and the practical introduction of associated loan products for banks' customers. The products are designed to encourage enterprises to make better use of energy resources and assist in mitigating the impact of increasing energy prices and reducing the high energy intensity of Romanian industry by introducing energy efficiency measures.

EEFF allows Romanian private sector industrial companies to borrow up to €2.5 million from a participating bank, receive free technical assistance for energy efficiency investments and receive a 15 percent grant (up to €375,000) when the investment is complete.

Free technical assistance is provided by TRAPEC, who is managing the EEFF in Romania having won an international tender to carry out this work for the EBRD. TRAPEC will help industrial borrowers to plan energy efficiency investments and apply for loans. Subject to a successful completion and implementation of the energy efficiency investments, which will be verified by an independent consulting company, MWH S.p.A, the EBRD will extend a 15 percent grant, funded by EU, direct to the industrial companies who borrow using the EEFF.

Most Romanian industrial companies are eligible to apply for a loan and 15 percent grant using the EEFF. To be eligible, the applicant must be creditworthy – meaning that the participating bank's normal lending rules must be satisfied, come from the



private sector, or - at least – more than 50% privately-owned and not be active in certain ineligible sectors.

The investment for which the loan is used must also be eligible from a technical and economic point of view, by being able to achieve energy savings in the order of at least 20 percent and an internal rate of return of at least 10 percent. Typical energy efficiency investments may include:

- Co-generation of heat and electricity (CHP)
- Boiler improvements (automation, economizers, burners, insulation)
- New boilers, heating, ventilation or cooling systems
- Process improvements (that save energy)
- Steam distribution improvements (steam traps, condensate recovery)
- Heat recovery from processes
- Automation and control systems
- New/better chillers
- Variable speed drives
- Compressed air systems improvements
- Internal electrical installations improvements
- Energy Management Systems or Building Management Systems
- Insulation of walls, roofs and floors; rolling doors; new windows
- Energy-efficient lighting systems

Certain types of investments are not eligible for EEFF financing, such as new buildings that are subject to national energy efficiency standards, real estate and land investments for short or medium term profit on sales and refinancing of existing debt. Renewable energy investments (hydroelectric, wind, solar, geothermal) are also normally not eligible to use the EEFF, except in cases where a more-efficient installation replaces a less-efficient installation. Beneficiaries of other EU grants – such as structural funds, are eligible to use the EEFF, but not for the same investment.

More than one EEFF loan/grant for a company is permitted, but the combined total for a single client may not exceed €2.5 million of loans and €375,000 of grants.

To apply for a loan, free technical assistance and a grant from the EEFF, private sector industrial companies should contact a participating bank or call the EEFF Help Line 031 224 8104, [eeff@eeff.ro](mailto:eeff@eeff.ro).

Further information is available at [www.eeff.ro](http://www.eeff.ro).

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*\* Tractebel Project-Managers, Engineers and Consultants (TRAPEC) SA is a Romanian engineering and consultancy company for the energy and infrastructure sectors that is part of the international industrial and services group, Suez.*

*The EBRD, owned by 61 countries and two intergovernmental institutions, aims to foster the transition from centrally planned to market economies from central Europe to central Asia. Visit the EBRD's website: [www.ebrd.com](http://www.ebrd.com)*