

Draft Concept of the International Conference and Training Seminar

“Business Planning of Energy Efficiency and Renewable Energy Projects”

29-30 June 2011, Skopje

Summary

The United Nations Economic Commission for Europe (UNECE), the Norwegian Association of Energy Suppliers and Users (Norsk Energi) and their partners in the former Yugoslav Republic of Macedonia - Energy Agency of the Republic of Macedonia and Centre for Climate Change are organizing the International Conference and Training Seminar on Business Planning of Energy Efficiency and Renewable Energy Projects for the countries of South Eastern Europe.

The event is organized for participants from Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Serbia and the former Yugoslav Republic of Macedonia.

The venue for the conference and training seminar is Skopje. The dates are 29-30 June 2011.

The training seminar on 29 June is organized for project developers and owners from participating countries. It is focused on business planning training and presentation on measurement and verification of energy savings and followed by the individual consultations for project developers and owners.

The conference on 30 June intends to gather Government officials, representatives of municipalities, international financial institutions, organizations active in the region (EBRD, the World Bank, KfW, UNDP, etc) and banking community, project developers and owners.

This paper outlines main concept of the event, provisional budget and preparations to be done.

Background

UNECE is implementing the Financing Energy Efficiency and Renewable Energy Investments for Climate Change Mitigation (FEEI) Project in 12 countries of South-Eastern and Eastern Europe and Central Asia¹. Development of a pipeline of energy efficiency and renewable energy projects that are commercially viable and have a potential to be financed is among the goals of the FEEI Project. Another objective of the Project is establishing a public-private partnership investment fund, which will provide market-based equity and mezzanine financing for such projects. To achieve these objectives, UNECE has begun a training programme for project developers and owners from the participating countries in business planning tools and methods.

Norsk Energi in cooperation with Centre for Climate Change (CCC) carries out a programme «Cleaner and more cost effective industry in Macedonia», financed by grant from the Norwegian Ministry of Foreign Affairs. The programme contains covers training and technical assistance in energy efficiency project development and environmental management, as well as student exchange for practical training in solving tasks related to energy and environment. For energy efficiency projects qualifying for participation, the programme co-finances development of project documentations. The documentation will be prepared by project teams consisting of company representatives, local junior consultants involved for building local capacity in project development and senior consultants from Macedonia and Norway. All projects developed have an ambition to be realized. The technical assistance to the companies includes methodological assistance and follow-up of specific projects, transfer of modern Scandinavian knowledge on energy efficiency and renewable energy, assistance in CO₂ calculations, preparation of project documentation and assistance in arranging financing.

¹ Albania, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, the former Yugoslav Republic of Macedonia, Kazakhstan, Republic of Moldova, Romania, Russian Federation, Serbia, and Ukraine

Introduction

Various types of energy efficiency, renewable energy and environmental projects are leading to significant reduction of greenhouse gases (GHG) emissions. Due to improved institutional conditions such projects now often provide reasonable return to investments, but high upfront capital costs often represent a barrier to these projects. For the project developers, implementation of the projects often represents a possibility of obtaining soft loans from international organizations and additional carbon revenue, thus improving project's economic feasibility.

However, the solutions are often complex, and the substantial investments should be carefully planned taking into account technical, economic and institutional aspects. Banks and other financial organizations have been selective in their investment strategies, due to lack of the required quality assurance of their investments. Given these challenges, a good quality business plan is one of the most critical elements for obtaining access to financing. In addition, PIN is often required if carbon financing is desired.

Objectives

The training seminar is organized for project developers and owners from Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Serbia and the former Yugoslav Republic of Macedonia. The training will be focused on preparation of bankable project proposals, including information on types of investment, development of business plans and determination of financial risks. The training will also include presentation on measurement and verification of energy savings and will be followed by the individual consultations for project developers and owners.

The international conference intends to gather project developers and financiers and to establish dialogue among various stakeholders interested in energy efficiency and renewable energy projects.

Expected outputs of the Conference and Training

- Knowledge on international standards for market-standard project documentation
- Improvement of investment project development skills
- Direct feedback and individual consultations received from experts
- Interaction with broad range of financial institutions and organizations
- General lessons learnt, experiences and best practices outlined
- General discussion on speeding up market development and improving investment potential for EE and RES projects

Target participants

- Project developers and project owners
- Representatives of industry and engineers
- Representatives of the National Participating Institutions of UNECE
- Government officials
- Representatives of municipalities
- Consulting companies
- Representatives of international organizations active in the region
- Representatives of financial institutions (banks, investors, credit buyers, IFIs)

Outline of the Training

1. Introduction to the training (by UNECE and Norsk Energi)
2. Brief introduction by the project developers and owners
3. Types of investments into EE and RE projects
4. Preparation of Business Plans, including
 - Executive Summary
 - Project Information
 - Viability of Technology
 - Baseline Scenario
 - Environmental Benefits
 - Financial risks
 - Financing Plan and projections
 - Project Implementation
5. International Performance Measurement and Verification Protocol (IPMVP)
6. Individual consultations for the project developers and owners (continued on the second day)

Outline of the Regional Conference

1. Welcome addresses (by the Government of FYR Macedonia, Norwegian Embassy, UNECE and Norsk Energi)
2. Policies and Strategies for Promotion of EE and RES in the countries of SEE
3. Promoting Investments in EE and RE projects: opportunities and examples
4. Experience of Financing Facilities for EE and RE projects
5. Determination of energy savings (on example of the IPMVP)

Number of participants

- Training seminar: up to 50.
- Regional Conference: up to 100.

Venue

The venue for the conference and training seminar is Skopje (TBD)

Logistics and planning of tasks

Travel (including per diem) of the selected participants for training seminar is under the responsibility of the NPIs from 6 participating countries. Funding of travel arrangements is envisaged in the Memoranda of Understanding between the UNECE and NPIs.

Travel of participants provided by the Centre for Climate Change (if applicable) will be financed directly from a Programme «Business Planning of Climate Projects» supported by Norsk Energi.

Costs for organization of the training and conference in Skopje will be shared between Energy Agency of the Republic of Macedonia (NPI for FEEI project, in the framework of the MOU) and Centre for Climate Change (local partner of Norsk Energi). These costs will include:

- Arrangement of accommodation for participants
- Conference room, including equipment
- Simultaneous interpretation from/to English to/from Albanian, Macedonian and Serbo-Croatian languages
- Coffee-breaks and lunches
- Reception

For the training:

- hand-outs
- presentations
- video recording

For the conference:

- presentations
- media coverage

Main actions to be done:

No	Work	Deadline	Responsibility
1	Comments on the concept paper	27.05.2011	UNECE, Norsk Energi, EARM ² , CCC ³
2	Clarification on preliminary budget and agreement on cost-sharing	05.06.2011	EARM, CCC
3	Arrangement of venue and hotel	07.06.2011	EARM, CCC
4	Selection of participants for the training	07.06.2011	UNECE, Norsk Energi, EARM, CCC, other NPIs
5	Preliminary list of participants for the conference	07.06.2011	UNECE, Norsk Energi, EARM, CCC
6	Drafting invitation letters	31.05.2011	Norsk Energi, UNECE
7	Sending of invitations to potential participants	10.06.2011	EARM, CCC (Norsk Energi and UNECE, if necessary)
8	Arrangement of travel of participants to Skopje	23.06.2011	Other NPIs, EARM, CCC (if applicable)
9	Arrangement of transportation to/from airport	24.06.2011	EARM, CCC, other NPIs (if applicable)
10	Hand-outs for participants/ badges/nameplates	27.06.2011	EARM, CCC
11	Arrangement of video recording of the training	24.06.2011	EARM, EnEffect
12	Media coverage of the conference	24.06.2011	EARM, CCC
13	Preparation of the report	15.07.2011	UNECE, Norsk Energi
14		

Draft Budget

No	Purpose	Costs	Responsibility
1	Rent of premises, including equipment		
2	Provision of simultaneous interpretation into 3 languages		
3	Coffee-break		
4	Reception		
5	Printing materials/hand-outs, badges, nameplates		
6	Hotel accommodation		
7	Transportation costs		
8	Lunch and reception		
	TOTAL		

² Energy Agency of the Republic of Macedonia

³ Centre for Climate Change

