“ESCO Moldova – Transforming the market for Urban Energy Efficiency by introducing Energy Service Companies” (ESCO Moldova)
ESCO PROJECT – GENERAL INFORMATION

**Duration:** 4 years (2015-2018)

**GEF Budget:** 1,3 mln. USD

**Total budget:** 1,450,000 mln. USD (150,000 USD UNDP contribution)

**Project partners:** Ministry of Environment, Ministry of Economy, Chisinau City Hall, Energy Efficiency Fund, Energy Efficiency Agency, Private sector
Reducing the greenhouse gases emission in Moldova by accelerating the development of a sustainable market and a business model that will provide financial and technical solutions for the investments in Energy efficiency sector.

**Purpose**
Development of a functional, sustainable and efficient market of the Energy Service Companies (ESCO) in Chisinau, through the elimination of legal, institutional and financial barriers, as a bases for the implementation of the ESCO business model at a larger scale and for the Energy Performance Contracts in Moldova
PROJECT COMPONENTS

The Green Urban Development Plan developed/updated and approved, as a result the projects on the reduction of greenhouse gases emissions receive financing and are implemented in Chisinau municipality;

Functional ESCO business model Energy Service Companies invest in energy saving projects applying Energy Performance Contracts;

Financial mechanisms are defined and functional and are facilitating the financing of Energy Service Companies;

Replication: Energy Service Companies implement successfully energy efficiency projects outside Chisinau municipality, at least in one city;
CHALLENGES/PRE-REQUISITES

- Legal framework (Fiscal and budgeting)
- The buildings stock
- Capacity and expertise
- Financial/capital market
## EE & RES PROMOTION LEGAL FRAMEWORK(1)

<table>
<thead>
<tr>
<th>Law on Adherence of the RM to the Treaty establishing the Energy Community</th>
<th>Law No. 117 of 23.12.2009</th>
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<td>- Energy Strategy 2030</td>
<td>Gov. D No. 102 of 05.02.2013</td>
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<td>- Law on the energy performance of buildings</td>
<td>No. 128 of 10.10.2014 – EU 2010/31/EC</td>
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<td>- Law on heat and cogeneration promotion</td>
<td>No. 92 of 29.05.2014 – 2012/27/UE</td>
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<td>- Law on eco design</td>
<td>No. 151 of 17.07.2014 – 2009/125/EC</td>
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<tr>
<td>- Law on energy labelling</td>
<td>No. 44 of 02.07.2014 – 2010/30/EU</td>
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ESCO Moldova
Transforming the market for Urban Energy Efficiency in Moldova by introducing Energy Service Companies
EE & RES PROMOTION LEGAL FRAMEWORK(2)

• Regulation on energy services
  GD No. 833 on 10.11.2010

• National Energy Efficiency Program 2012-2020
  GD No. 113 on 07.02.2013


• National Renewable Energy Action Plan until 2020
## EE & RES Promotion Institutional Framework

- **Ministry of Economy** – public central authority in the energy sector  
  - Government Decision No. 690 of 13.11.2009

- **Ministry of Regional Development and Construction** – public central authority in the construction and regional development sector  
  - Government Decision No. 662 of 10.11.2009

- **Energy Efficiency Agency** – administrative authority in the field of EE & RES  
  - Government Decision No 1173 of 21.12.2010

- **Energy Efficiency Fund** – institution focused on identification and financing of EE & RES projects  
  - Law No. 160 of 12.07.2007

- **National Agency for Energy Regulation** – institution focused on energy sector regulation  
  - Government Decision No. 767 of 11.08.1997
ACHIEVEMENTS:

1. ESCO companies, energy managers, financial institutions and specialized institutions are trained in the field of EPC (Energy Performance Contracts);
2. A guaranteed savings Energy Performance Contract model (buildings, street lightning) was elaborated as well as a model of the Energy Supply Contract;
3. First 20 projects on energy efficiency were pre-selected and are screened for relevance to be implemented using the EPC financing modality;
ACHIEVEMENTS:

1. A Loan Guarantee Fund is established and is fine-tuning its operations to start the provision of guarantees for the first pilot projects;

2. The Energy Efficiency Fund committed to invest 3 million USD into ESCO projects. The financial support envisages concessional loans with a grant component and financial guarantees;

3. An inter-ministerial WG has been created under the roof of Ministry of Economy to facilitate the implementation of ESCO projects in Moldova
Thank you!