



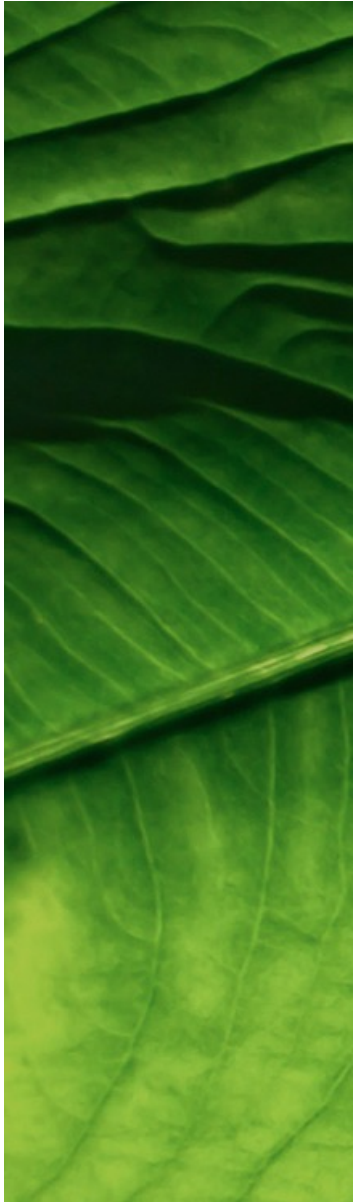
Nordic solutions & financing in a nutshell

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Managing Director

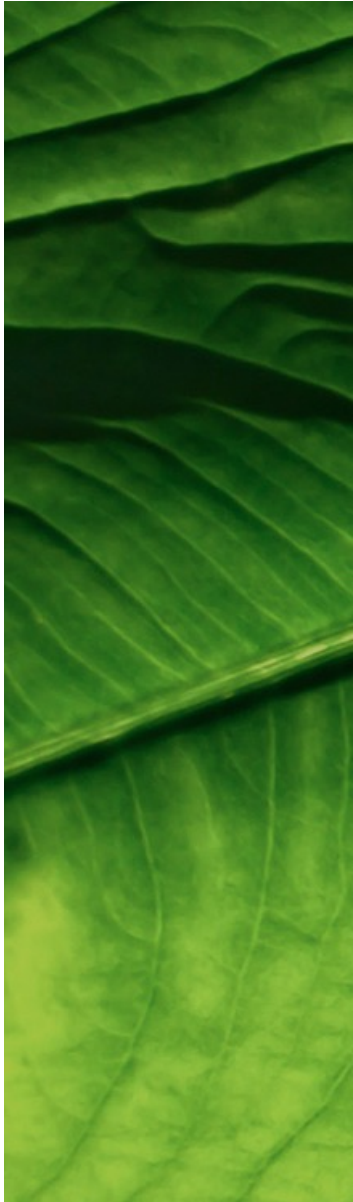
NEFCO – financing green projects

- International Financial Institution (IFI), established by the Nordic sovereign states in 1990
- NEFCO was established to support the Nordic countries' efforts to **increase environmental awareness in Eastern and Central Europe**
- NEFCO provides **results-based green financing** by focusing on projects that reduce emissions harmful to the environment
- Investments and fund administration with a total value of EUR 500 million
- Headquarters in Helsinki, Finland, and office in Kyiv, Ukraine



NEFCO's presence in Ukraine

- Since 2010 our owners – the Nordic countries – has supported us within our municipal activities in Ukraine
- NEFCO's project portfolio in Ukraine:
 - 200 projects in total
 - 50% implemented projects
 - 133 municipal projects of which 107 are approved
- Importance of Swedish instruments:
 - Technical Assistance for project preparation and implementation, guarantee, grants for leverage of NEFCO loans, shift to market mechanisms



NEFCO's projects in the municipal sector

Total number of municipal projects is 133 including 107 approved

133

Number of projects Based on Facilities:
ESC – 63
DemoUkraineDH – 20
NIU – 35
IF – 12
CPF – 3

Number of potential projects - 26

26



Municipal energy-efficiency in Ukraine

Co-operation
with SE, FI,
NO, USAID,
E5P, Ukrainian
authorities

211

schools have
benefited from
the investments

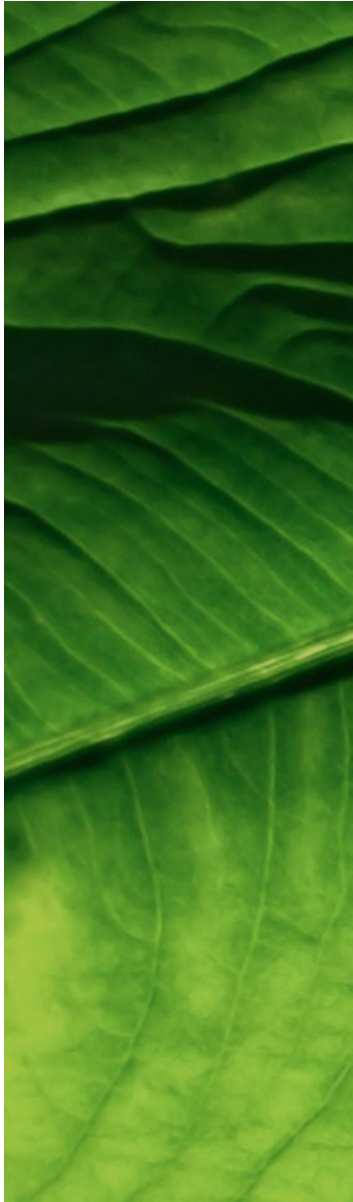
137 000

tonnes of CO₂
emissions reduced
per year

NEFCO has invested in 133 energy-efficiency projects in 79 municipalities in all parts of the country. These investments have benefited 170,000 children in day-care centres and schools.

Background for Ukraine

- Ukraine has one of the most energy-intensive economies in the world.
- A strong dependency on oil, coal and gas imports and inefficient energy production, transportation and supply sectors means that reducing energy demand is a greater priority for the country



Green to Scale: what is it and why it matters

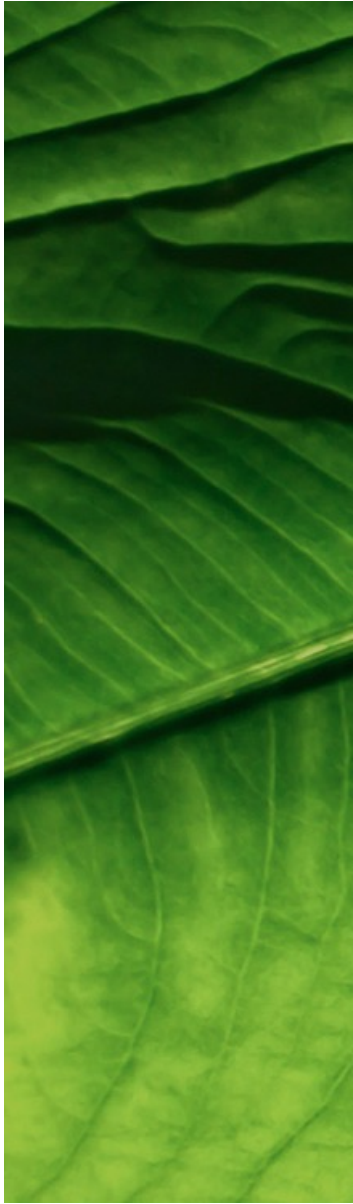
- International project analysing the potential of **scaling up existing climate solutions**
- Uncovered a vast potential to cut emissions at low cost – or **even saving money**
- Helps countries to **identify solutions** particularly relevant for them – and success stories to study
- Highlights barriers to implementation and ways to remove them – and **policies to get there**



#GreentoScale

**#nordicsolutions
to global
challenges**

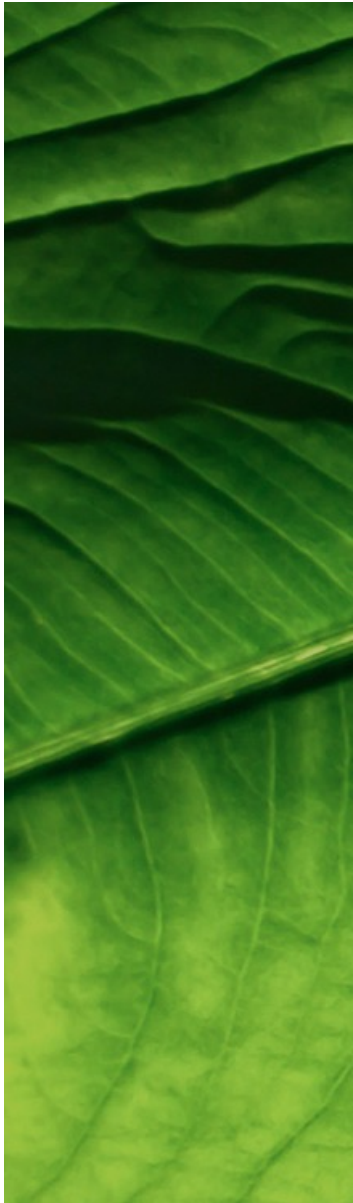




Finland-Ukraine Trust Fund

Support for development of innovative clean energy

- Aims to achieve affordable, reliable and environmentally sustainable energy services for the people in Ukraine
- Programme open to small and medium-sized companies
- For consultancy services and investments
- Renewable energy in particular
- Financing scheme
 - Fund with EUR 6 million
 - By Ministry of Foreign Affairs of Finland
 - NEFCO as Fund Manager
- Implementation
 - Main coordinator in Ukraine is SAAE
 - Finnish Consulting Group (FCG) manages and coordinates origination, evaluation and implementation



Sweden-Ukraine District Heating Fund

Long-term sustainable customer oriented DH systems

- District heating (DH) systems large enough to enable effective use of renewable and waste heat sources
- Improved district heating services
- Introduction of renewable and waste heat sources with low environmental and climate impact
- Savings in production, distribution and use of energy and water

- Financing scheme

| | | |
|-------------|-------------------------------|----------------------------|
| Sweden | EUR 6 million | Investment Grant |
| Sweden | Up to EUR 4 million | Technical Assistance Grant |
| NEFCO | Up to EUR 5 million / project | Loan |
| Beneficiary | 10% of project costs | Own funds |

- Implementation

- Minimum four demonstration projects
- Selection of projects based on partner and project criteria
- Technical assistance for pre-studies, feasibility studies and project implementation support
- Policy dialogue, awareness raising, training, corporate development

Replicable and environmentally sustainable Green to Scale

Medium-size projects

Investment Fund & E5P
12 projects
102 MEUR

Sweden-Ukraine District Heating Fund/
Investment Fund/E5P
25 MEUR

Investment Fund

Municipal sector

Private sector

Finland-Ukraine Trust Fund
6 MEUR

Small-size projects

Nordic Humanitarian Support Initiative (NIU)
35 projects
19 MEUR

Energy Saving Credits (ESC)
63 projects
21 MEUR

NEFCO Ukraine Water Modernisation Program

DemoUkraina DH
20 projects
16 MEUR

Cleaner Production Facility (CPF)

Energy-efficiency

Water

District heating & renewable energy