



**АЛИАНС ЗА ЕНЕРГИЙНА ЕФЕКТИВНОСТ**

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**ALLIANCE FOR ENERGY EFFICIENCY**



Financing energy efficiency in Bulgaria and other countries from  
Central and South-Eastern Europe

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# The Bulgarian

## ESCO Market

### Perspectives

*Kiril Raytchev*  
*Chairman,*  
*Alliance for Energy Efficiency in Bulgaria*



Sofia, 28 June 2018



# Members



Energy Effect JSC

[www.energyeffect.bg](http://www.energyeffect.bg)

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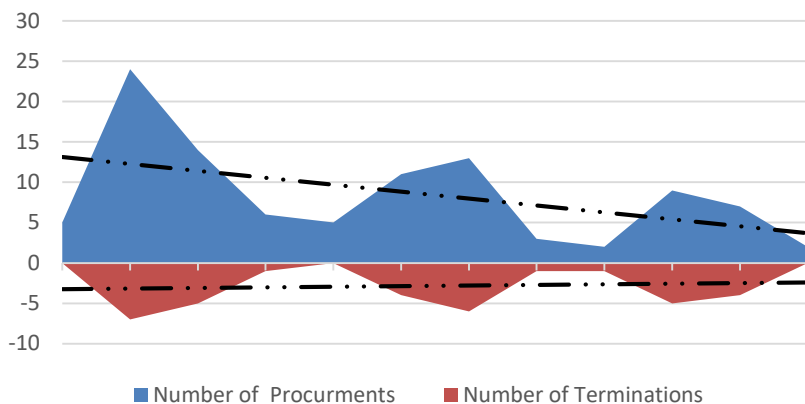


**Алмина  
Консулт оод**



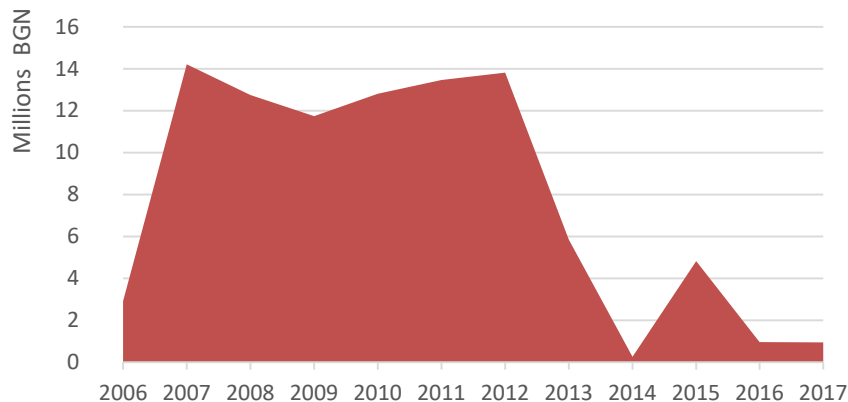
# ESCO Activity (Passivity) in BG

2006 - 2017



- ✓ Decreasing ESCO notices
- ✓ Increasing share of terminations (of ESCO notices)
- ✓ Trending towards zero net activity

ESCO Investments in EE



- ✓ Decreasing ESCO investments
- ✓ Increasing contracts' value and duration
- ✓ Only 100 Million BGN (51 Million EUR) in 130 Entities for 10 yrs.



# *ESCO Minor Obstacles in Bulgaria*

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## Project Structuring (CAs\*)

Feasibility study | Multi-solutions analyses | Development of viable proposal

## Tender Procedure (CAs)

Requirements definition | Complex regulation and law | Methods for estimation

## Regulation and Law (Government)

ESCO is forbidden to conduct feasibility study | Just energy savings | Just third party and ESCO financing

## Contracts

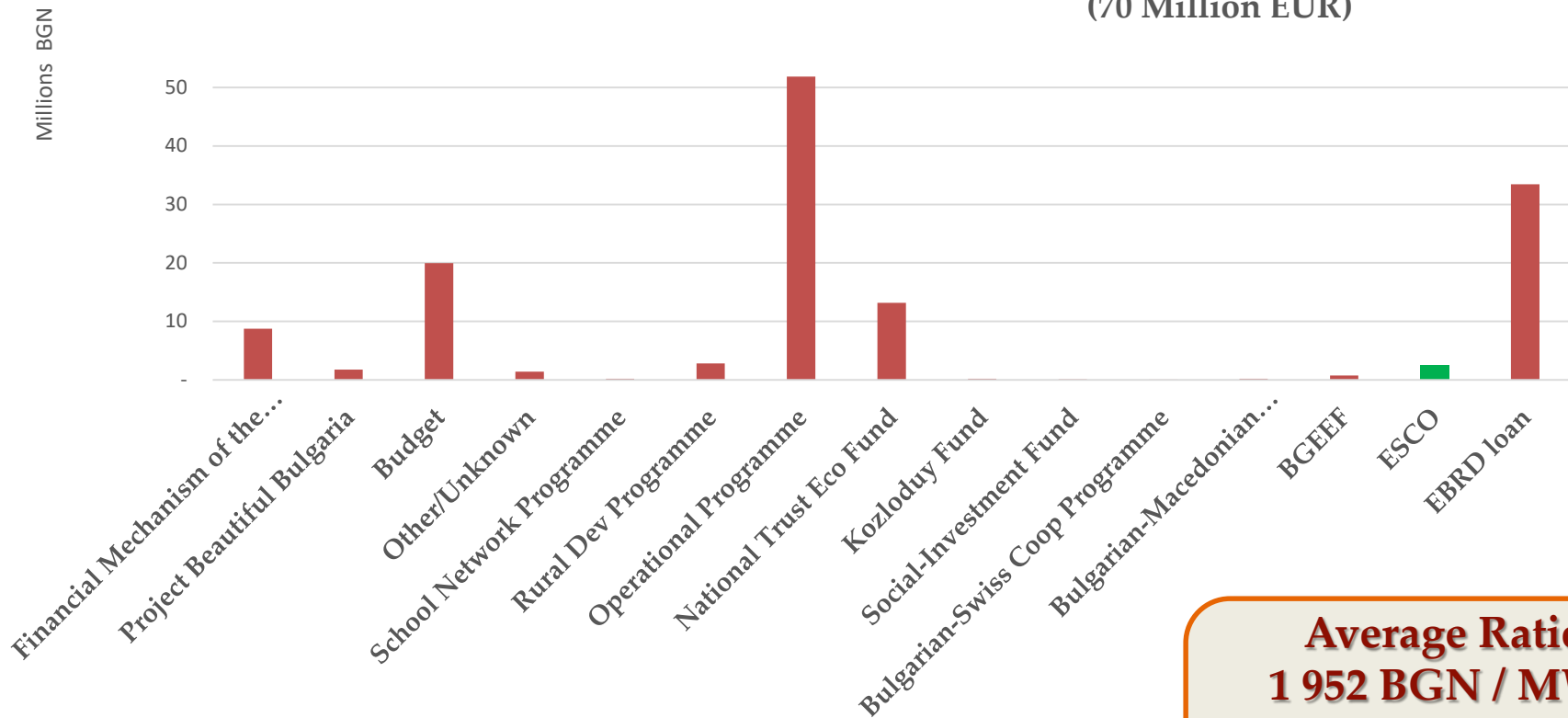
Still not standardized | Construction vs. Service

\* CAs - Contracting Authorities



# ESCO Major Obstacles in Bulgaria

Sources of EE Financing in the Public sector for 2016: 137 Million BGN  
(70 Million EUR)



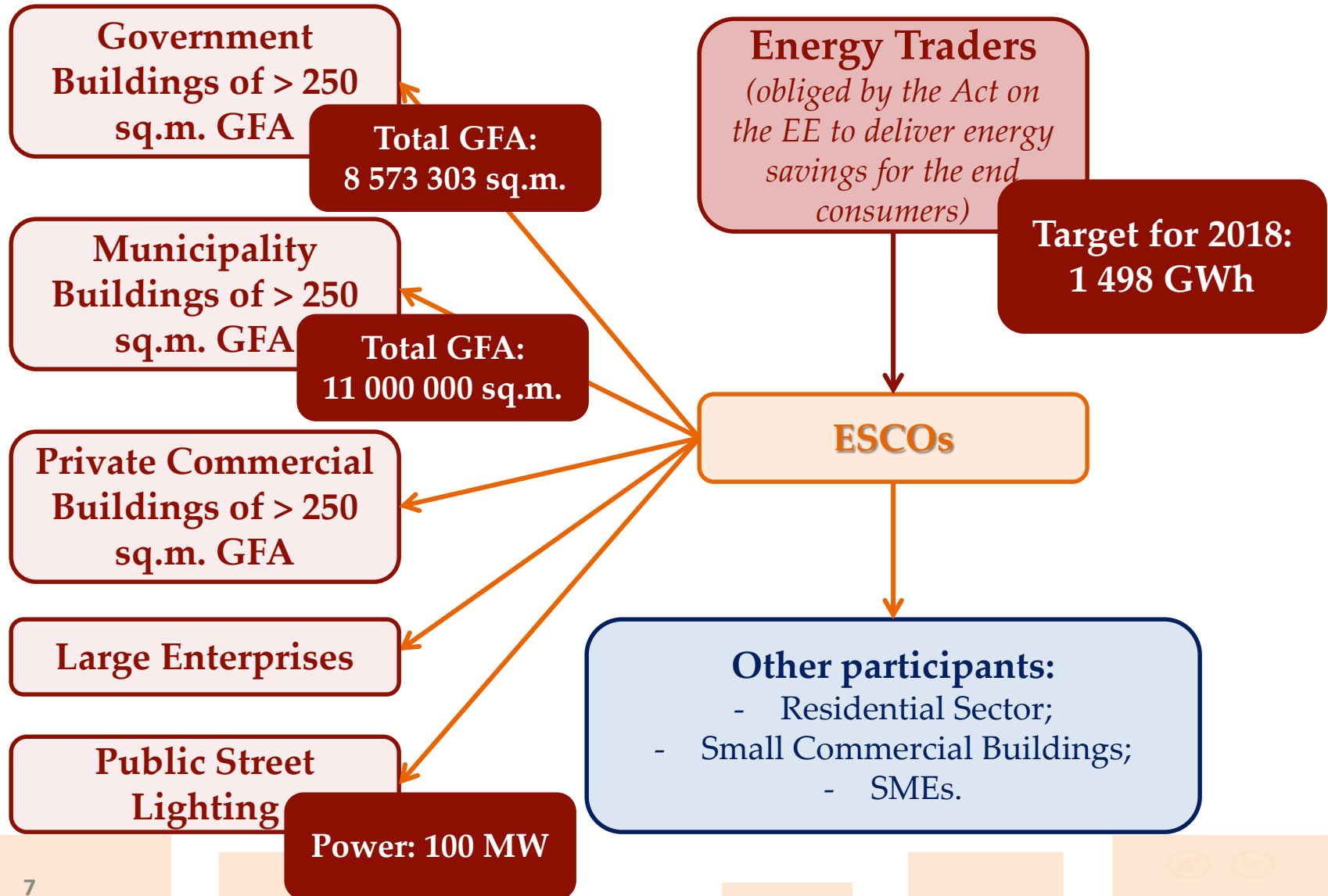
**How efficient is current energy efficiency financing in the public sector?**

**Average Ratio:  
1 952 BGN / MWh**

**ESCO Ratio:  
925 BGN / MWh**



# ESCO Perspectives





## Billions BGN size of the EE market in Bulgaria

Steady and irreversible increase expected by 2030

## Grants will not be sufficient

Private investment to be unlocked | Multiplicative effects

## Special ESCO Facility needed

Higher number of well-structured and viable projects | Pooling | Super ESCO

## New products, services and models required

Industry 4.0 | DR + ESCO | EE + Add-ons | Alliance for Energy Efficiency  
competence concentration





## ALLIANCE FOR ENERGY EFFICIENCY

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