



## Proceedings of Final FINA-RET Workshop in Cyprus

JOURNALISTS' HOUSE, NICOSIA

2 CyBC Avenue, 2120 Aglanzia

18 NOVEMBER, 16:00-19:00,

### 1. Participating Organisations

- cdbbank (Cyprus)
- CBA (Cyprus)
- BPM (Greece)
- Ademe (France)
- KfW (Germany)

### 2. Background Information of Participating Organisations

**cdbbank (Cyprus)** A private niche bank focusing on the corporate sector with interest in the financing of green technologies and a partner in the FINA-RET consortium. cdbbank is the modern version of its predecessor, the Cyprus Development Bank which was privatised in 2008. As a government-owned bank in the period 1963–2008, it has been instrumental in the development and modernisation of the Cyprus economy.

**CBA (Cyprus)** CBA was founded in 1989 and it is one of the pioneers in the consultancy field in the Cyprus market with a wide spectrum of expertise in a number of fields including the fields of energy and waste management. CBA is the second consortium member domiciled in Cyprus.

**BPM (Greece)** Business and Project Management S.A. (BPM S.A.) is a Greek independent consulting and research firm established in 1988. The company's research activities are focused on applications of Management Science methods and techniques. BPM is the project leader of FINA-RET.

**Ademe (France)** The French Environment and Energy Management Agency (ADEME) is a state-funded public industrial and commercial establishment whose activity is supervised by the French government ministries in charge of research, environment and energy. ADEME came into existence on January 1992, under legislation adopted 19 December 1990 and a government decree dated 28 July 1991. ADEME is actively involved in the implementation of national policies linked to environment and energy issues.

**KfW (Germany)** Founded in 1948 as the Promotional bank of the Federal Republic of Germany, KfW is one of the leading environmental and climate protection banks world-wide. Only in 2008, KfW made EUR 19.5

billion in commitments for environmental and climate protection and it is widely considered as the No. 1 Environmental Bank in Germany.

### **3. Persons Involved in Organising the Event**

- Lida Mardapitta Hadjipandeli & Doros Loizides, cdbbank
- Louis Loizou and Filio Kyriakou, CBA
- Ioanna Giannouli and Sofia Blathra (BPM)

### **4. Target Audience**

The Cyprus workshop had the following target audience:

- RET & EET suppliers
- Energy Consultants
- The construction industry: developers, technical consultants (architects, engineers)
- Policy makers

The workshop was well attended with 31 participants from organizations outside the organizers/Fina-Ret Partners and guest speakers. The RET/EET suppliers, Energy consultants and government/policy makers were well represented. The construction industry was mainly represented by technical consultants, while from the developers only one company representative attended, reinforcing the lack of interest they expressed during the interviews in any specialized financing instruments for RET & EET investments for the construction industry. The full attendance list is presented in Annex I while pictures from the event are shown in Annex II.

### **5. Objectives of Workshop**

The objectives of the workshop were the following:

- i. To brief the audience about the FINARET project
- ii. To present best practices from European countries such as France and Germany with great experience and success in promoting investments in RET and EET technologies and to provide insights as to how best to design financing products that would be conducive in the promotion of such technologies.
- iii. To present the methodology followed by the FINA-RET consortium in designing financing products for the RET and EET technologies.
- iv. To present the specific results of the work done by the two Cyprus partners for the Cyprus market and especially:
  - a. the key findings of the Cyprus market surveys conducted under the project
  - b. the prototype financing products developed by cdbbank for small-scale RET & EET investments in the Cyprus market
- v. To invite discussion and receive feedback from the audience on the proposed financing products as part of the validation process. Such feedback can be used to further elaborate the prototypes into working financing schemes.

## 6. Methodology of the Workshop

The workshop was divided in four parts. In the first part, in addition to the welcoming speeches by the chief executive officers of the two organising partners, cdbbank and CBA, welcoming speeches were also given by high level government officials who also conveyed the political will as well as the planned measures towards environment protection and energy efficiency. During the second part, representatives from ADEME and KfW presented the experience of their institutions in relation to the provision of financing schemes in their respective countries, France & Germany, for the promotion of Renewable Energy and Energy Efficiency Technologies and pin-pointed to the potential pitfalls in the design and the promotion of such schemes. In the third part of the workshop which was dedicated to the work performed under FINA-RET, the representative of BPM presented an overview of the project's methodology and findings especially as regards the surveys conducted in the countries participating in the FINA-RET project. The representatives of the two participating partners from Cyprus, CBA and cdbbank, continued with the presentation of the outcomes of their particular work. In particular, CBA presented the results of the various stakeholder surveys conducted in Cyprus, while cdbbank presented four prototype financing schemes for Cyprus that were based on outcomes of the methodology adopted in FINA-RET. Finally, in the fourth part a lively discussion took place between members of the audience and the cdbbank presenters as to the ideal constituents of effective financing products geared towards the financing of small-scale investments in RET and EET technologies in Cyprus.

## 7. Workshop Agenda

**15.45**            **Registration-Coffee**

**16.00 – 16.30**   **Welcoming Speeches**

**Takis Taoushanis** – CEO, CDB Bank

**Louis Loizou** – Managing Director, CBA

**Kyriacos Hadjiyiannis, BP** – Environment Parliamentary Committee Member

**Charalambos Theopemptou** – Commissioner for the Environment

**Solon Kassinis** – Chairman, The Cyprus Energy Institute

**16.30 – 17.15**   **French & German Initiatives**

**Grenelle de l'environnement: Public measures for energy efficiency and green buildings**

*Mathieu Wellhoff, Economist*

*ADEME (French Environment & Energy Management Agency)*

**RET & EET for households and SMEs - the KfW experience**

*Michael Götze, Senior Environmental and Social Advisor,*

*KfW Entwicklungsbank*

**17.15 – 18.30**   **FINA-RET: Presentation of the Results**

**Project Outline, Key objectives & Results**

*Ioanna Giannouli, BPM, Fina-Ret Project Coordinator*

**Results of the Cyprus Surveys**

*Filio Kyriacou, CBA*

**Green Financing Products for the Cyprus Market**

*Lida Mardapitta-Hadjipandeli & Doros Loizides, CDB Bank*

**18.30 – 19.00 Discussion & Conclusions**

*Moderator: Louis Loizou, CBA*

**19.00 Cocktail**

**8. Discussion and Feedback Received**

The cdbbank team presented four prototype financing products for small-scale RET & EET investments in the Cyprus market, addressing the following investment categories:

	Households	SMEs
Systems	Product 1: Energy Saving Systems Loans for Households	Product 3: Energy Saving Systems Loans for SMEs
Renovation	Product 2: Energy Saving Renovation Loans for Households	Product 4: Energy Saving Renovation Loans for SMEs

The presentation of these “green” financing products stirred an extensive discussion amongst the audience and the presenters. The feedback received from the audience proved very valuable and should be taken into consideration by cdbbank in further developing its products, with the objective of introducing into the market attractive, specialized, “green” financing products that can act as a true catalyst in encouraging small-scale RET & EET investments.

Key comments from the audience are outlined below:

- There is a need for truly specialized financing products that are differentiated from general-purpose loans offered by banks and which can be used to encourage SME’s/Households ,that are contemplating investing in RET& EET but are not yet fully convinced, to proceed with such investments. As such, a lower interest rate and/or a rate that is linked to the savings achieved from the RET /EET investment should be considered.
- The financing of 100% of the RET/EET investment is well received. The Bank should seriously consider to make the assignment of the grants for eligible RET/EET investments to the Bank mandatory (condition precedent).
- Instead of granting specific RET/EET system loans or EE renovation loans, cdbbank could have followed a more holistic approach towards improving the Energy Efficiency of buildings, financing those investments that are identified as necessary for the specific building by energy audit consultants.

- There is a need to enhance awareness in the target market. Therefore the introduction into the market of “green” financing products should be accompanied by an extensive and concerted promotional campaign on the benefits that RET/EET investments can bring to the investors.
- Regarding the Energy Efficiency System loans for investments in specific RET or EET systems (products 1 & 3):
  - The collateral type should be broadened to include, perhaps, guarantees from RET/EET suppliers;
  - Guarantees from the RET/EET suppliers regarding the minimum performance of their systems should also be sought.
- Regarding the EE renovation loans:
  - An energy audit by accredited consultants should be a pre-condition to the granting of the loan.
  - An Energy Efficiency Certificate should be required on completion of the investment
  - A ceiling should be set on the maximum loan amount to be granted.

# Annex I: Workshop Attendance List

FINA-RET  
Participants in the Cyprus Workshop  
Nicosia  
18/11/2009

A/A	TARGET GROUP	NAME	ORGANIZATION	EMAIL ADDRESS	SIGNATURE
1	Government	Ευγενής Ερριμανίδης	Planning Bureau	22-602882 errimanidou@planning.gov.cy	
2	Government	George Roditis	MCIT		
3	Chamber of Commerce	Andreas Andreou	CCCI	andandre@ccci.org.cy	
4	Government	Y. Chrisis	CIE		
5	NGO	Savvas Vlachos	Cyprus Energy Agency		
6	RET/EET Suppliers	Κωνσταντίνος Κωνσταντίνου	EMSC	22 423142	
7	RET/EET Suppliers	Παναγιώτης Δεσφύνης	Vesta Solar Heaters	994878	
8	RET/EET Suppliers	Harry Karayan	Fysair		
9	RET/EET Suppliers	Marios Alexandrou	Energy Intel		
10	Consultants RET/EET Suppliers	Aris Neophytou	Telemobilis	arvas@telemobilis.com	
11	RET/EET Suppliers	Costas Stavrínides	SW Solarwatt		
12	RET/EET Suppliers	Savas Costa	Savco Solar	+35722626500 199353336 27507192	
13	RET/EET Suppliers	Τοίνος Κίσιος Απόστολος Κατάνης	Gevo		
14	Lawyers		Ioannides & Demetriou		
15	ESCO	Πρόλ. Ρίζο	Green Growth	99317350 greenfruit.eu	
16	Services	Stephania A.	Gnora	spondyides@gnora.com	
17	Services	A. Hadjikyriakos	Gnora Cyprus Green Party		
18	Government Academic Institution	G. Perdiki		22462246	
19	Banking Sector	Michael Kammas	Association of Cyprus		
20	Research & Development	Christoforos Christoforou	RKI Leaders		
21	Academic Institution	Andreas Loizou			

→ Vetta Gerasimchuk CIIM

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	TARGET GROUP	NAME	ORGANIZATION	EMAIL ADDRESS	SIGNATURE
23	Policy Makers	Κωνσταντίνος Κωνσταντίνου	Απόστολος Κατάνης (YEB)		
24	Construction Industry	Νικόλαος Νικολάου	NICKOM	99381657	
25	Technical Consultant	Κωνσταντίνος Κωνσταντίνου	Τεχνική Εταιρεία Αρτέμις	99532481	
26	RET/EET Industry	Ar Rodier	Climate Wise	22250726	
27	RET/EET Industry	Κωνσταντίνος Κωνσταντίνου	Nature & Creation	25335010	
28	Policy Makers	Κ. Χ. Παπαδόπουλος	Πολιτική Ακρόαση	82609277	
29	Policy Makers	Μετάνοια Τσιφλίδης	Ακρόαση	82609273	
30	Consultant	Παναγιώτης Δεσφύνης	Μετάνοια	99409431	
31	Technical Consultant	Χαρίλαος Παπαδόπουλος	Μετάνοια	99673566	
32	Technical Consultant	Μιχαήλ Νικολάου	ΚΑΝ - Μικροεξέλιξη	chris@kan.com.cy	
33	Consultant	Κωνσταντίνος Κωνσταντίνου	CMS	99221017	
34	Technical	Κωνσταντίνος Κωνσταντίνου	Isaiah	96675273	
35	Financial Services	Παναγιώτης Δεσφύνης	Συνεργασία Συνεργασίας	25377710	
36	CBP Bank	Αποστολός Νικολάου	Global Capital	99484848	
37	RET/EET Suppliers	Παναγιώτης Δεσφύνης	Isaiah	99680229	
38	RET/EET Supplier	Κωνσταντίνος Κωνσταντίνου	PIV	22460428	

- 41. Technical Consultant Παναγιώτης Δεσφύνης 99517024
- 42. Policy Makers Αποστολός Νικολάου 99325532
- 43. Technical Consultant Κ.Ι. Παπαδόπουλος 77757311

## Annex II: Pictures from the Event



Figure 1 - The Workshop Audience



Figure 2 - cdbbank CEO delivers welcoming address



Figure 3 - The Workshop Panel



Figure 4 - The Commissioner for the Environment

## **Annex III: Presentations**