



Financing & Economical Aspects of Projects Related to the Internal Load in the Baltic Sea

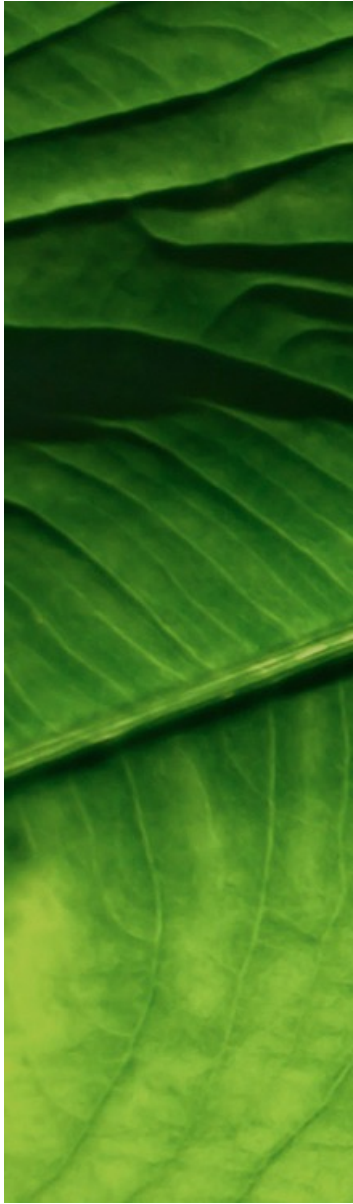
NEFCO

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Type of projects



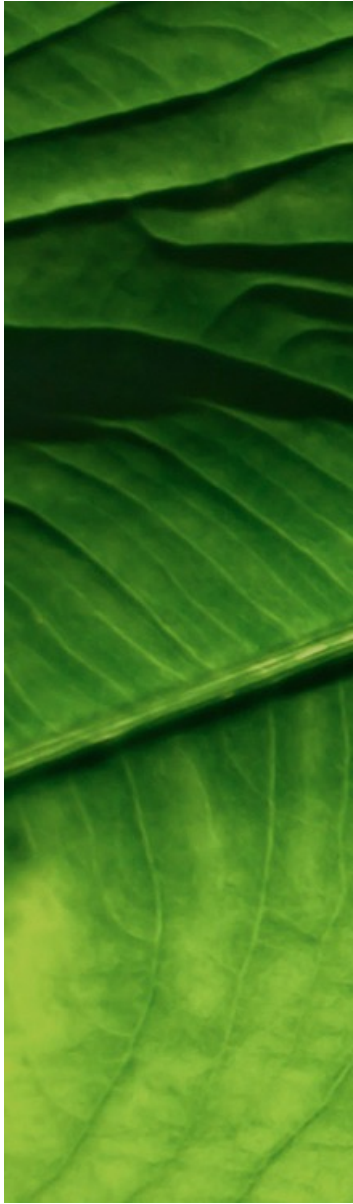


Type of projects

- Academic research
- Small scale pilots
- Larger scale pilots & demonstration projects
- "Bankable" / commercial scale projects
- Projects addressing the large scale problems

Financing Partners & Instruments





Financing Partners

- NGO's
- State (district, state, or EU level)
- Banks
- Companies
- Other

Financing Instruments

- Research grants
- Project grants
- Projects that are jointly financed and/or subsidized
- Loans
- Company financing & private equity
- Other (challenge funds etc.)



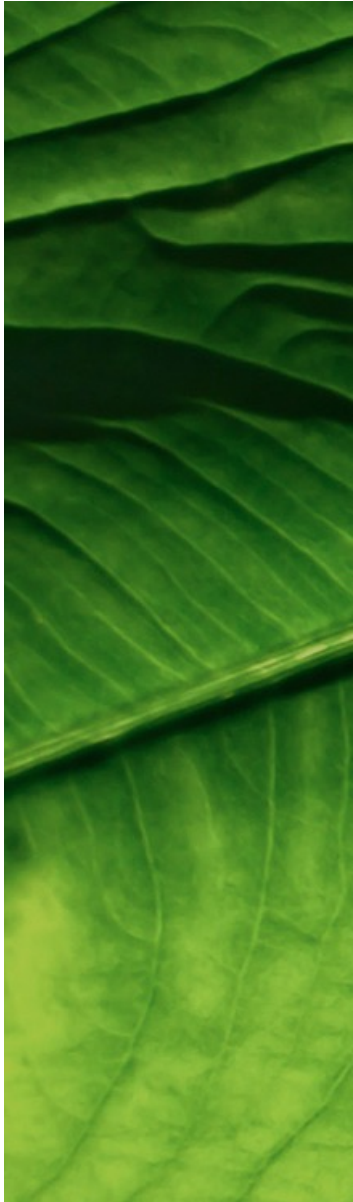
Case study



Case

- The Baltic Sea Action Plan (BSAP) Fund

- The Fund was set up in 2010 to speed up the implementation of the BSAP plan
- NIB and NEFCO are joint managers of the Fund. Sweden has committed SEK 102 million (EUR 10,2 million) and Finland EUR 2 million
- The Fund has approved about 40 projects per today
- The projects are spread across the Baltic Sea Region from Russia, Poland, Estonia to Sweden and Finland as well as the Baltic Sea catchment area in Belarus



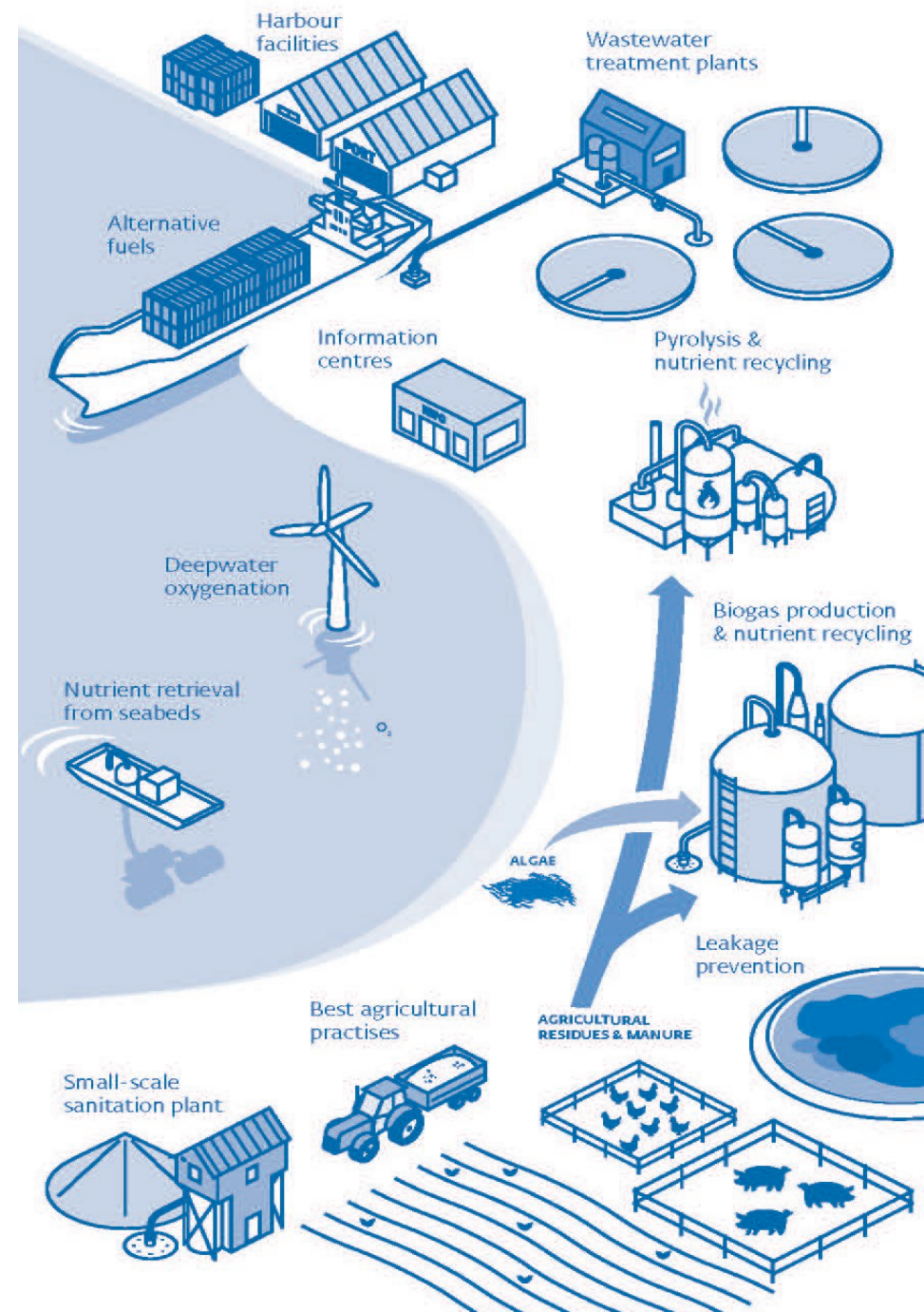
BSAP Fund financing

The fund provides grant financing for the following:

- Project preparation and development - feasibility studies, development of business ideas and cash-flow models
- Technical assistance for institutional support, i.e. training and support needed for project preparation, development and implementation
- Improving efficiency and quality in project implementation, e.g. equipment for demonstration

Projects

- Concrete actions
- Demonstration effects
- Addressing various challenges facing the Baltic Sea

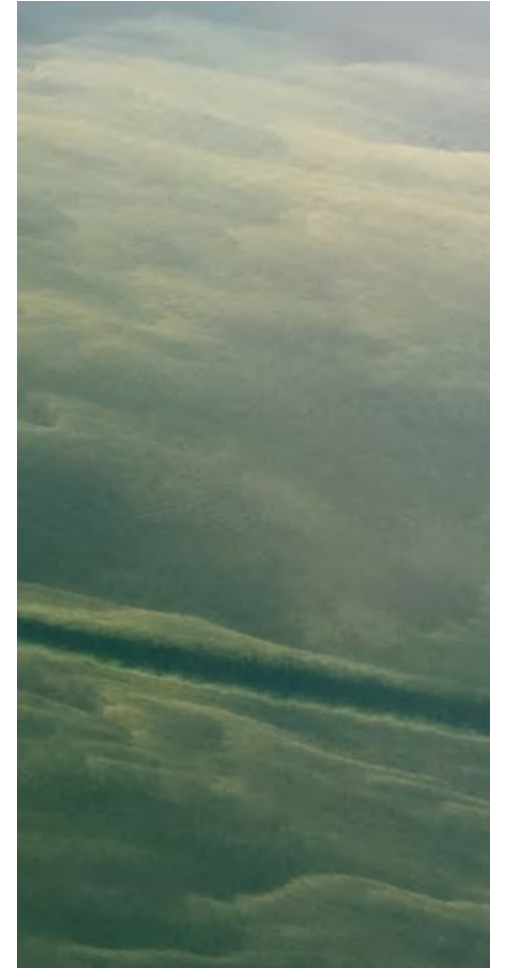
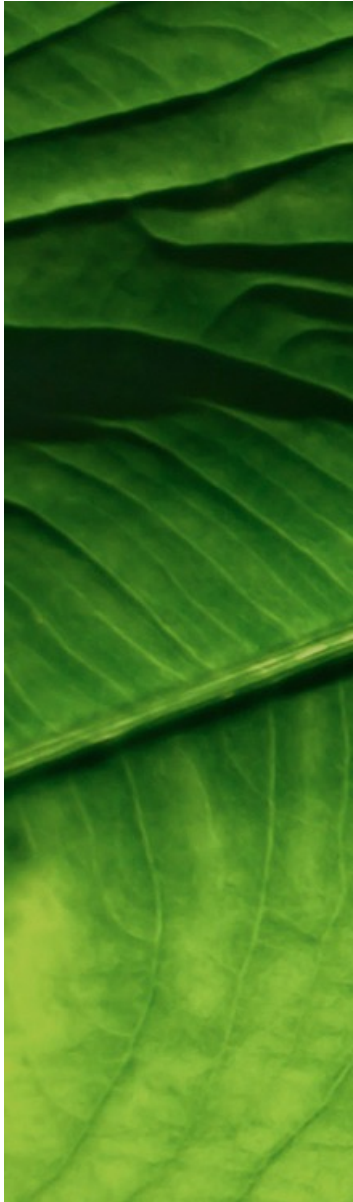


Challenges & Next steps



Challenges

- Up-scaling of promising projects (incl, finding the right partners)
 - Research -> pilots -> larger scale projects
- Need to involve the states surrounding the Baltic Sea to a greater extent & Increase political will
- How can projects addressing the internal load become "bankable" & commercially viable?
- Clear lack of relevant financing vehicles that could finance the various type of projects needed to move forward on addressing the internal load



Take-home messages

- ✓ Major issue that is gaining traction
- ✓ Very few financing options exist at the moment to finance projects addressing the internal load in the Baltic Sea
- ✓ A lot remains to be done = many unknown opportunities exist





Looking forward to hear from you

www.nefco.org

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