EBRD
Who we are

An international financial institution supporting the development of sustainable well-functioning market economies

**Highest credit rating**
(AAA/Aaa)

**Owned by 66 countries and 2 inter-governmental institutions**
(the EU and EIB)

**€30 billion authorised capital**

1. Established
2. Russia and 11 other members of the former Soviet Union join
3. The Czech Republic becomes the first country to “graduate” from the EBRD
4. Starts investing in Egypt, Jordan, Morocco and Tunisia
5. 25th anniversary; China becomes 67th member
6. Lebanon became a country of operation and the Bank also commenced operations in West Bank and Gaza

**Shareholding structure**

<table>
<thead>
<tr>
<th>Country</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU 28 Countries</td>
<td>63%</td>
</tr>
<tr>
<td>USA</td>
<td>10%</td>
</tr>
<tr>
<td>Japan</td>
<td>9%</td>
</tr>
<tr>
<td>Others</td>
<td>11%</td>
</tr>
<tr>
<td>EBRD region excluding EU</td>
<td>8%</td>
</tr>
</tbody>
</table>

1. Includes European Community and European Investment Bank (EIB) each at 3%. Among other EU countries: France, Germany, Italy, and the UK each holds 8.6%
Where we invest
Increasing footprint
District energy operators in ‘Economies in Transition’ require investment to upgrade aging infrastructure and improve efficiency. They face different challenges than those seen in Western Europe and may have contrasting investment needs or policy priorities.
DE in EBRD Countries of Operation

- 60 plus projects implemented in 17 different countries spanning:
  - Central Asia
  - Western Balkans
  - Central and Eastern Europe
  - Middle East

EBRD provides financing and works with operators and policymakers to improve the operational, environmental and financial performance of the DE sector.
DE Challenges in Economies in Transition

Infrastructure

• Urgent investment needs to reduce heat losses, maintain service levels and avoid breakdowns
• Heat demand and primary energy consumption is considerably higher than in Western EU or Scandinavia
• Lack of metering

Institutional and Policy

• Tariff policies which limit profitability or prevent investment
• Inconsistent subsidy payments
• Flat-rate or normative billing systems persist
• Competition from alternative forms of heating (often subsidised)
EBRD DE Activities

DE Company Level

• Sub-Sovereign loans often co-funded by donor grants
• PPPs, private loans and equity investments
• Heat generation, network and demand side improvements
• Public service contracts

Country or Sector Level

• Policy dialogue on sector specific issues such as tariff reform
• Policy paper series “Making District Heating Happen”
• Technical cooperation projects with Government agencies
Banja Luka District Heating Project
Bosnia and Herzegovina

EBRD Finance € 8.35 million
GHG Reduced 45,750 tonnes of CO₂ eq / yr

Supporting the City of Banja Luka for the purchase of an equity stake in a new district heating Company.

- New 49 MW biomass boiler plant replacing heavy fuel oil based capacity
- Majority private-owned joint venture with the City
- First non-sovereign municipal project in the country
- City to adopt a new tariff structure
- DH company to adhere to EBRD’s environmental and social requirements
Aim to enable renewable DE investment in:

- Albania
- Bosnia and Herzegovina
- Kosovo
- Montenegro
- North Macedonia
- Serbia

Funding is available for:

- Policy support for renewable DE
- Project preparation and feasibility
- Capacity building and networking

Special focus on solar DH

ReDEWeB@EBRD.com
In Conclusion...

- In economies in transition, the DE sector requires infrastructure financing alongside:
  - Capex grants
  - Tariff reform in combination with investment and improved service levels
  - Consumption based billing at household level
  - Increased private sector participation or public service contracts
- By combining sustainable financing with the measures above we will...

Make district heating great again!
(in economies in transition)
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