An Innovative Financial Solution as Success Story for Sustainable Investments in Hungary

Nóra Salya
project manager

Energy and Managing Authorities (EMA) Network - Meeting
16 May 2017
Contents

- General information about LENERG Energy Agency Nonprofit Llc.
- The available financial tools in Hungary to support energy and climate projects and the related problems and challenges.
- Our good practices.

LENERG Energy Agency Nonprofit Llc.
1 Egyetem ter, Debrecen H-4032, Hungary  info@lenergia.hu  www.lenergia.hu
LENERG Energy Agency Nonprofit Llc.

Owners:
- University of Debrecen
- Foundation for Development of University of Debrecen

Main activities:
- Increasing use of renewable energy sources,
- Promotes energy efficiency
  - Preparing Energy strategies, action plans, SECAPs,
  - Consulting activity, project management and generation
- Cooperation with public and private actors, promoting sustainable energy use

LENERG Energy Agency Nonprofit Llc.
1 Egyetem ter, Debrecen H-4032, Hungary  info@lenergia.hu  www.lenergia.hu
Financial tools in Hungary to support energy and climate projects

- **Operational Programmes**
  - Environmental and Energy Efficiency OP
  - Economic Development and Innovation OP
  - Territorial and Settlement Development OP

- **SMEs, local governments own sources**

- **International projects**
  - HORIZON2020
  - INTERREG Programmes
Operational programmes - non repayable grants
- After 2020?

Own sources
- Limited, lack of capital

Direct EU Funds
- Hardly available for local governments, SMEs

Loan
- Hardly available for local governments
Available solution: Non-profit ESCO

ESCO: Energy Service or Saving Company
- Providing a broad range of energy solutions.
- Combined technical and financial service, Energy Performance Contracts (EPC) – guaranteed savings

Savings in energy costs are used to pay back the capital investments
- Optimal return period (5-15 years)

Energy efficiency investments is covered directly from the saved energy costs
- Education institutions, Healthcare organisations, Libraries, Cultural centres, Sport facilities, SPAs, Social institutions, Public lighting/ heating system

LENnerg Energy Agency Nonprofit Llc.
1 Egyetem ter, Debrecen H-4032, Hungary 💌 info@lenergia.hu 🌐 www.lenergia.hu
LENERG’s Non-profit ESCO activity

- **Non-profit ESCO company**
  - LENERG Energy Agency Nonprofit Llc. – higher market trust

- **New pillar of LENERG: provide management task + investment support**
  - extensive network of contacts, good connections with local governments of Hajdú-Bihar County
  - successfully started pilot project: Hajdúszoboszló Nursery
    - completed building insulation and solar panel installation

LENERG Energy Agency Nonprofit Llc.
1 Egyetem ter, Debrecen H-4032, Hungary  info@lenergia.hu  www.lenergia.hu
Additional benefits

- **Transferring good practices, experiences**
  - increasing energy efficiency
  - promotion of the use of renewable energy sources

- **Cooperation**
  - energy experts, universities, knowledge centers, ESCO experts

- **Bottom-up approach - Identifying local needs**

- **Social responsibility**
  - increase energy awareness
  - promote the benefits of energy efficiency
  - personal consultation

LENERG Energy Agency Nonprofit Llc.

1 Egyetem ter, Debrecen H-4032, Hungary  
info@lenergia.hu www.lenergia.hu
Connection with the National Smart Specialisation Strategy

- **Buildings are responsible** -
  - 42% of EU’s energy consumption
  - 35% of the greenhouse gas emissions

- **National Priorities**
  - represent directions for specialization formulated by counties

- **Sectoral Priorities**
  - **Clean and renewable energies**: green energy – renewables and bio-energy, energy efficiency, designed to reduce the energy dependency by means of clean and environmentally friendly energy, promoting the related R&D&I activities
  - **Sustainable environment**: natural resource management, modern technologies, implementation of the environmental industry and sectoral innovation

LENERG Energy Agency Nonprofit Ltd.
1 Egyetem ter, Debrecen H-4032, Hungary  info@lenergia.hu  www.lenergia.hu
Thank you for your attention!

Nóra Salya  
*project manager*

LENERG Energy Agency Nonprofit Llc.  
Address: 1 Egyetem ter, Debrecen H-4032, Hungary  
Mobile: +36 30 510 5236  
E-mail: salya.nora@innoregio.eu  
Web: [http://www.lenergia.hu](http://www.lenergia.hu)