



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION



**FIRST REGIONAL CONFERENCE ON
SUSTAINABLE INDUSTRIAL DEVELOPMENT**
PROMOTING SUSTAINABLE ENERGY SOLUTIONS
AND CLEAN TECHNOLOGIES IN CIS COUNTRIES

Financing opportunities for clean technologies and energy efficient industries

Views from Russian Federation

Sergey Korotkov
Director
UNIDO CIIC in Russia





Legislative basis for financing clean technologies and energy efficiency projects

Federal Laws:

- №7-FZ “On Environmental Protection”
- №261-FZ “On energy saving and energy efficiency”
- №488-FZ "On Industrial Policy in the Russian Federation"
- Climate Doctrine of the Russian Federation
- Energy Strategy of Russia until 2030
- State programme of the Russian Federation "Environmental Protection"
- State programme of the Russian Federation "Energy efficiency and energy development"



Previously listed laws and documents lay the foundation for state support and financing of industry's transition to clean technologies and increase energy and resource efficiency.

The topic does not go away from the state's economic agenda:

- priority for promotion of energy efficiency,
- decentralization at the federal level, transfer of initiatives to regions and industrial enterprises,
- strengthening the role of the informal professional community,
- energy efficiency is increasingly becoming a business.



Industrial Development Fund

With the adoption of the Law №488-FZ "On Industrial Policy in the Russian Federation", new instruments of financial support for industrial enterprises were created, in particular, the Industrial Development Fund.

Fund provides targeted loans for the implementation of projects aimed at the introduction of advanced technologies, creation of new products or establishment of import-substituting companies

- at a rate of 5% per annum,
- for a period of 5-7 years,
- in the amount of 50 to 500 million rubles

Information center of the Fund provide consultations for industrial enterprises on granting subsidies and financing.



Tools of support and financing

Special Investment Contract (SPIC)

- SPIC is an agreement between an industrial investor and the state which sets forth stable tax and regulatory business conditions and special federal and regional incentives for the SPIC parties
- SPIC could be used for creation or modernization of industrial production facilities and implementation of the best available techniques

Subsidizing the interest rate on the implementation of new investment projects

- subsidies from the federal budget to compensate part of the cost of interest on loans



Tools of support and financing

Support of manufacturers of equipment for the food and processing industries

- Subsidies for manufacturers of equipment for the food and processing industry in the amount of 15% of the price of equipment provided that discounts are given to end users

Subsidizing part of interest on loans to replenish working capital

- subsidizing part of the cost of interest on loans for the replenishment of working capital and / or financing of current activities by light industry enterprises.

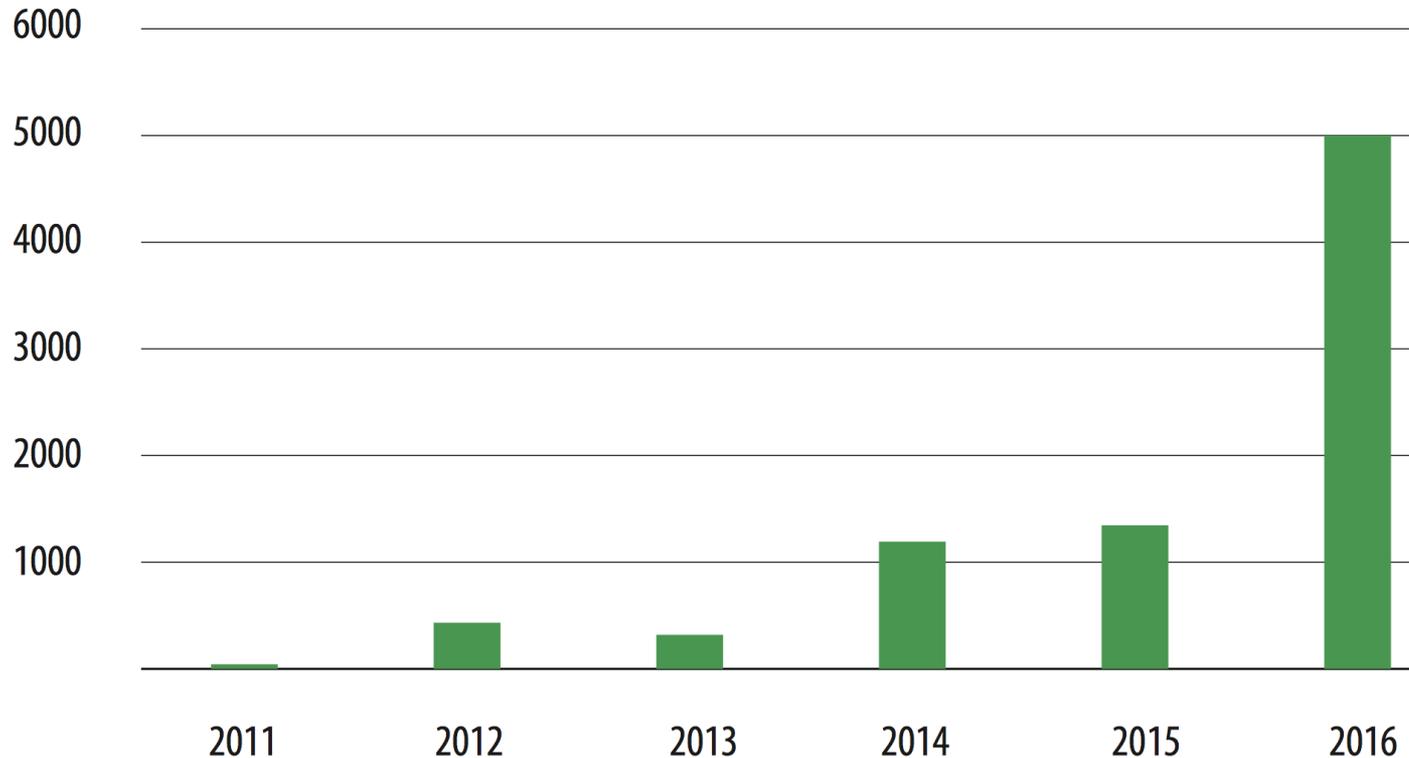


Extrabudgetary funding sources

- Leasing
- Bank products
- Public private partnership
- Energy service contracts
 - According to the Ministry of Energy of Russia, this is the main source of financing energy efficiency;
 - The volume of the energy services market amounted to 5 billion rubles in 2016



Volume of the energy services market, 2011-2016, million rubles.





UNIDO Project on Energy Efficiency in GHG-intensive industries in Russia

The Project is aimed at the development of energy efficiency in the Russian industry, through development of a systematic approach to efficiency and by assisting in the implementation of energy management systems (EnMS) in accordance with the ISO 50001.

More than half of efficiency increase could be achieved without significant capital investment.

Average savings achieved with no cost and low cost measures:

- Savings of 10-20% during first 2 years;
- Further savings 2-3% per year.





Formation of a new technological order based on nature-like technologies

“What we need is an essentially different approach, one that would involve introducing new, groundbreaking, nature-like technologies that would not damage the environment, but rather work in harmony with it, enabling us to restore the balance between the biosphere and technology upset by human activities. It is indeed a challenge of global proportions. And I am confident that humanity does have the necessary intellectual capacity to respond to it.”

President of Russian Federation
Vladimir Putin during the 70th session
of the UN General Assembly.

(September 28, 2015, New York)





Formation of a new technological order based on nature-friendly technologies

In accordance with the President's instruction, leading role in the implementation of this initiative will be undertaken by the **National Research Center “Kurchatov Institute”** and the **UNIDO Center for International Industrial Cooperation in Russia**, which will elaborate:

- Possibilities for conducting pilot and demonstration projects on transfer of modern industry to convergent solutions both in Russia and in other countries;
- Development of cooperation with ICIE, EAEU, BRICS and other associations;
- Opportunities for financing from the New Development Bank (NDB BRICS) and other financial institutions.



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Thank you!

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Director

UNIDO Centre for International Industrial Cooperation
in Russian Federation

S.Korotkov@unido.org

www.unido.ru

