Moving to Auctions in Europe’s Neighbouring Countries

Brussels, 20 November 2017
Overview of EBRD

Key Facts

Established in 1991.

The EBRD is owned by 65 countries from five continents, as well as the European Union and the European Investment Bank.

Capital base of €30 billion

The EBRD has a triple-A rating from all three main rating agencies (S&P, Moody’s and Fitch)

Invested €117 billion in 4,740 projects, since inception

In 2016 invested €9.4 billion in 378 projects (88% debt, 8% equity, 5% guarantees)

Energy and Natural Resources Business Group

• Number of projects at Dec 2016: 429

• Net cumulative Bank Investment: €19.4 billion

• In 2016, ENRBG signed 48 projects in the amount of €2.2 billion
EBRD is the leading financier of renewable energy in its region

- 127 projects in 23 countries
- 6,500 MW of renewable capacity
- More than EUR 4bn of EBRD investment
- Approximate project value of EUR 12bn

*MW total is greater than totals shown on map due to regional projects not included and other minor adjustments.*
Why competitive procurement and the current status in EBRD countries

- Competitive procurement has (in part) facilitated sharp falls in the cost of renewables
- But only one EBRD country of operation features among the lowest price tenders
- EBRD is responding by:
  - An initiative to provide a toolkit to countries to help with design choices of competitive procurement schemes
  - Providing country-specific implementation assistance (e.g. work in Poland already ongoing, others starting (e.g. Albania))
What are some of the challenges in the EBRD region?

- **Ongoing reform of electricity markets** (including legal obligations under treaties (e.g. Energy Community Treaty) and agreements (e.g. Ukraine-EU Accession Agreement))
  - Implications for design choices – in particular market integration (e.g. structure of feed-in premium, balancing responsibility)

- **Institutional capacity and prior experience of competitive procurement**
  - Implications for selection method (e.g. complexity, administrative burden)

- **Limited penetration of key technologies (wind and solar PV)**
  - Implications for scope of competitions (e.g. technology neutrality, choice of land)
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