

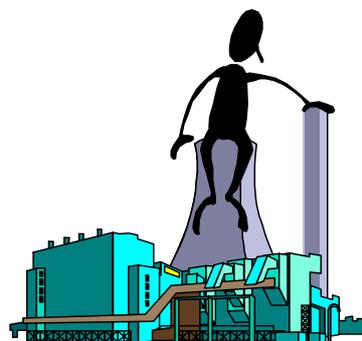
'Business Planning of Climate Projects' - 2010

Introduction of Combined Training and Project Development Programme, a part of climate co-operation between Norway and Ukraine

The Norwegian – Ukrainian Co-operation on Climate projects:

The climate change issues been highly focused in Norway for several decades and a lot of experience has been gained. These issues are now high on the political agenda of the Ukraine creating strong demand for renewable energy and energy efficiency projects.

To initiate, speed up and facilitate market development, Norsk Energi, the Norwegian Association of Energy Suppliers and Users has initiated a combined training and project development programme "Business Planning for Climate Projects".



Business Plans and PINs for Climate Projects:

Various types of energy efficiency, renewable energy and environmental projects are leading to significant reduction of greenhouse gases (GHG) emissions. Such projects are often referred to as climate projects. Due to increasing tariffs and environmental concerns; the climate projects now often provide reasonable return to investments, but high upfront capital costs often represent a barrier to these projects. For the Ukrainian project developers, implementing climate change projects often represents a possibility of obtaining soft loans from international organisation and additional revenue to their projects, thus improving its economic feasibility.

However, climate projects often represent complex solutions, where the substantial investments should be carefully planned and emission reductions calculated. They often related to implementation of innovative solutions and the technologies not defined as standard. Therefore, industries would need to evaluate and complete various project components. Business Plan is one of the most essential documents in order to obtain financing. PIN is often desired if carbon financing is desired.

The Concept of the Norwegian Assistance:

In order to achieve long-term improvements, an increasing number of energy efficiency, renewable energy and environment projects should be continually developed, financed and implemented. Ukrainian companies and project developers have good technical competence, but they often have little experience and knowledge of specific banking and carbon credits procedures to deal with real climate projects. Supporting local insights and capacities on these issues is one important mean for ensuring sufficient supply and good quality of climate change projects in Ukraine. Therefore, the Norwegian Programme specifically aims to build capacities of local specialists to prepare their projects in a structured and efficient way and in compliance with the demands from the Financial Institutions.

The Programme will deal with "Business Planning for Climate Projects". The participants will prepare real Business Plans and PINs for climate projects as homework of the training programme and will receive the required capacity to carry out similar work for new projects in the future.

Various types of climate projects should be developed, i.e., the energy efficiency and renewable energy projects with significant potential for GHG emissions. Most of all it is important to work projects where there are good chances of having the project realised (serious interest from project owner, availability of initial technical and economic feasibility calculations, co-financing, etc.).

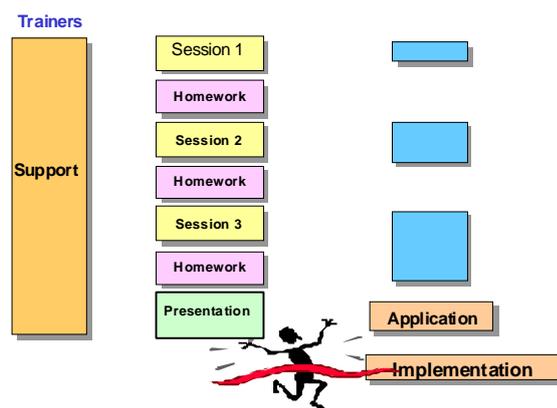
The Programme is implemented in co-operation with the Ukrainian National Agency for Ecological Investments and Ukrainian National Agency Rational Energy Use.

Programme overview:

An interactive Programme, as illustrated, is planned for combining training with the development of Business Plans and PINs. Through the homework between the classroom sessions, our participants will develop their business plans, tailored to the terms Ukrainian facilities for financing environmental and energy projects. The main topics of the Programmes are:

- Seminar 1: Main Energy Efficiency and Renewable Energy Technologies
- Seminar 2: Business Planning
- Seminar 3: Specific documentation for the JI and Green Investment Scheme Projects

Tailored and supported Business Plan development



The results of their work will be presented at the Dissemination Seminar to the National Agencies and international financiers.

Norsk Energi and its Ukrainian partners will help and guide the participants in preparing their documentation, including site visits. The participants who have successfully passed through the Programme will be awarded by a Professional Certificate.

Outcome:

- Various technical, economical and institutional aspects clarified;
- First version of Business Plans and PINs;
- Access to modern Scandinavian methods and tools;

Collaboration with Potential Financiers:

Participants of the Programme will get assistance to collaborate with the Financial Institutions. The Norwegian Programme has established good contact with potential financiers and it intends to involve them in the process of Business Plan and PIN preparation.

During the Dissemination Seminar the representatives of potential financiers will be given a possibility to listen to the project presentation and take part in the discussions. For those interested, there will be possibilities to get assistance in tailoring the first version of the Business Plan and/or PIN to the specific conditions and demands of financiers.

Who will attend the programme?

The Programme is designed primarily for the engineers from large industries, consultants and representatives of local and regional Authorities. It will start first week of February and continue till Autumn 2010.

The participants at the training program will work in project teams on developing each project, with 2-3 participants in each team. The project teams will come from different regions and sectors. The expected total number of participants is 25-30.

Participants will have to cover their travelling and accommodation costs to Seminars participation.

For further information on the Programme and application forms, you can contact one of the following:

Sergei Faschevsky, Norsk Energi
 Office: (+47) 22061841
 Fax: (+47) 22061890
 Mobile: (+47) 93060482
 Email: sf@energi.no
 Internet: www.energi.no

Irina Suproun, Cleaner Technology Centre Kiev
 Office: (+380) 44 2342869
 Email: irs@ctc-ua.org
www.ctc-ua.org

Dmitriy Laznenko, Sumy State University
 Office: (+380)0504070473
 Email: laznenko@ukr.net