



GEF

PROJECT REVISION

Project Title: PIMS 2144 CC MSP Removing barriers to the reconstruction of the public lighting systems in Slovakia

Project Site: Slovak Republic

GEF Focal Area: Climate Change

GEF Operational Program: OP#5 - "Removal of Barriers to Energy Efficiency and Energy Conservation"

GEF Strategic Priority: Strategic Priority 2: Increased access to local sources of financing

Executing Agency: Slovak Energy Agency

Duration: 4 years

FUNDING:

Contribution of GEF: 970,000 USD

CO-FINANCING – original:

Tatra Banka: 1,001,000 USD

Municipalities: 239,000 USD

Austria East Ecofund: 230,000 USD

Structural Funds: 738,000 USD

TOTAL: 3,178,000 USD

CO-FINANCING – revised:

Financial Institutions: 1,001,000 USD

Municipalities: 239,000 USD

Grants: 968,000 USD

TOTAL: 3,178,000 USD

Starting date: 22/11/2005

Brief Description: The objective of the Amendment is to adapt Output 2 (Project fund) to changing conditions in the Slovak financial and municipal sector. The amendment replaces the concessional fund in output 2 with co-financed energy performance contracting (EPC). The project Investment Facilitation Department, will now undertake these energy performance contracts. The reason for choosing EPC as the right concept is the fact that EPC from its principle guarantees real energy and emissions savings through using quality technologies. Unlike Concessional funds municipalities are more likely to be attracted to an EPC as a complement to rather than a secondary alternative to available grants, since they bear no financial risk under the EPC. It means the project will not need to wait for grants to be allocated first, but can be programmed together or independently of any grant financing. Such an approach will ensure 1/ achievement of project targets in the area of GHG emissions reduction without any demand on additional UNDP-GEF resources or changes in project objectives, 2/ expand the initial target group of municipalities, 3/ expose municipalities to commercial business models, and 4/ enhance the quality of energy services offered on the public lighting market.

Agreed by:	Signature:	Date:
Roderik Klinda, GEF OFF:		13/11/2008
Kvetoslava Šoltésová, Slovak Energy Agency:		21/11/2008
Ben Slay, UNDP RC Bratislava:		28/11/2008