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# Background note and agenda for Roundtable 7

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## Deliverable 3.6 of the BeSMART project

Responsible partner: EcoEnergy

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## Contents

Summary .....	2
VISION .....	4
AGENDA .....	6
1 <sup>st</sup> THEMATIC TECHNICAL SESSION: The present and future of the financial instruments supporting the clean energy transition .....	8
2 <sup>nd</sup> THEMATIC TECHNICAL SESSION: Solutions to support sustainable energy investments at the local level .....	8



## Summary

The background notes and agendas of the national roundtables for financing energy efficiency investments in Bulgaria conducted under the BeSMART project are prepared with the goal to present the concept, specific targets and organizational details regarding the events, including detailed description of the content and expected outcomes of each of the sessions. They include analysis on the expected synergies with external policy developments, legislative actions, strategic planning activities and/or major events, and identify potential impacts on specific policy processes, also considering the regional and local dimensions of the political process in the context of strengthening the multi-level governance approached and financial decentralisation of the Bulgarian municipalities. When applicable, the concept notes also outline the initiation of specific working groups and the expected outputs of their work, whereas optimal utilization of the capacity of the team members and supporting stakeholders and integration of the results in the ongoing policy dialogue is constantly pursued.

The agenda and organization of the roundtables for financing energy efficiency investments in Bulgaria follow the established models of the Sustainable Energy Investment Forum (SEIF), including opening plenary with keynote speakers (appr. 1 hour), small group discussions on specific issues facilitated by renowned and experienced experts (2 or 3 rounds of 1.5 hours) and closing plenaries featuring open discussions (appr. 1.5 hours), presenting the conclusions and recommendations of the small groups and targeting the establishment of common positions and policy action. Considering the COVID-19 pandemic, additional options for organization of hybrid events are considered, taking all precautionary measures to limit health risks to the maximum possible extent.



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**THE LIFE AFTER THE NATIONAL RECOVERY AND  
RESILIENCE PLAN: A STRATEGIC VISION WITH  
PRACTICAL IMPLICATIONS AT THE LOCAL LEVEL**

**National roundtable for financing energy efficiency  
investments in Bulgaria**

**5 October 2023**

**Sofia, BIA SKY Office building and online**

**BACKGROUND PAPER AND AGENDA**



## VISION

For the first time in the last few years, the new political season in Bulgaria begins with a regular government and a working parliament, but despite this, the election topic is again on the agenda. This time the focus is on local elections, namely local authorities are a leading factor in the implementation of climate and energy policies. Public activity and specific project initiatives related to the implementation of investments within the framework of the National Recovery and Resilience Plan (NRRP) and the EU's structural and cohesion policy programs are expected from them. Along with this, they will play a leading role in the implementation of the financial mechanisms and instruments discussed in the series of round tables on the topic of energy efficiency financing held in Bulgaria in the last two years.

Unfortunately, however, there is still a lack of consensus and strategic vision at the national level regarding these policies. The Integrated National Energy and Climate Plan (NECP), which was supposed to be submitted to the EC in a preliminary version in June 2023, not only has not even been presented a working version, but the results of the analysis of the previous one. In addition, the progress on the implementation of the planned reforms is seriously lagging, and the territorial plans for a just transition not presented by the Bulgarian side, the lack of initiatives for the utilization of available resources under instruments such as the Modernization Fund, and the delayed update of the NPVU under the RePowerEU initiative pose a huge financial resource at serious risk.

At the same time, the strategic and regulatory framework at the European level continues to develop towards increased ambitions within the framework of common climate and energy policies. A concrete example of this is the recently adopted Energy Efficiency Directive, in which new, higher and binding national-level goals were set, which will inevitably have an impact on the development of Bulgarian strategic and planning documents. The final stage is the work on the new version of the directive on the energy performance of buildings, for which it is already clear that it will set extremely ambitious minimum goals for the energy performance of both new buildings and in the implementation of building renovation projects in Bulgaria, the rapid change of the Law on energy put on the agenda the long-delayed reform for the liberalization of the energy market and introduced comparative clarity regarding concepts and topics that are increasingly entering the agenda of society, such as the protection of energy-poor consumers and the organization of energy communities.

In this context, the current roundtable on financing energy efficiency projects will put on the agenda the topic of adopting a shared vision for national priorities in the field of sustainable energy use. Discussions regarding the national strategic framework will be tied to specific sectoral policies that would make it possible to implement projects in the field of energy efficiency on a market basis in the expected exhaustion of funds under available investment programs and a reduction in the intensity of public support. The focus of the event will also be on issues of building local capacity and introducing solutions for integrated management of energy policies at the local level, which will allow effective cooperation with various stakeholders and facilitate access to alternative resources to replace typical ways of funding used up to this point by Bulgarian local authorities and business.

Traditionally, the event will be organized in the framework of a plenary session and thematic seminars, which will be followed by a summarizing panel discussion with representatives of public institutions, business associations, local authorities, and energy experts. The event will provide a



basis for public discussions on the eve of the local elections and is expected to attract strong public and media interest in view of the topicality of the topics and the need for clear institutional positions. It is these positions, supported by immediate action for strategic planning and the development of financing and technical assistance tools, that would give a real opportunity for informed decision-making by local authorities, businesses, and civil society, who are expected to lead the energy transition in the situation of recovery from the economic and energy crisis.

#### FORMAT:

- Opening plenary session (90 min.) with the participation of keynote speakers from the national government, representatives of executive agencies and business association in hybrid format
- Two in-depth technical discussion sessions (90 min.) with 3 introductory lectures (ca. 10-15 min. each) and open discussion (ca. 45-60 min)
- Plenary session (90 min.) with presentation of the results of the thematic sessions and panel discussion

The event will take place in Bulgarian with parallel English translation for the external presentations.

#### LEADING TOPICS:

- The transition towards a new and sustainable system for financing of energy efficiency and renewable energy investment
- Financing instruments complementary to the ongoing national support programmes
- Opportunities for financing of municipal energy efficiency and renewable energy investments

#### PARTICIPANTS:

- Representatives of the national government and the Green Deal council
- Financing institutions
- Branch chambers, industrial, commercial and professional associations and unions
- Local authorities
- Universities and research centers
- NGOs, energy agencies, local government networks
- Energy consultants
- Energy service suppliers



## AGENDA

### 5 OCTOBER, THURSDAY

Sofia, BIA SKY Office building and online

Zoom: <https://us02web.zoom.us/j/81086866697>

09:00 – 09:30	<i>R e g i s t r a t i o n</i>
	<b>THE LIFE AFTER THE NATIONAL RECOVERY AND RESILIENCE PLAN: A STRATEGIC VISION WITH PRACTICAL IMPLICATIONS AT THE LOCAL LEVEL</b> Moderator: Dragomir Tzanev, EnEffect
09:30 – 09:45	<b>ON THE CROSSROADS ONCE AGAIN: SECTOR SCENARIOS FOR CLIMATE NEUTRALITY OF THE BULGARIAN ECONOMY UNTIL 2050</b> <i>Martin Vladimirov, Center for the Study of Democracy</i>
09:45 – 10:00	<b>THE NATIONAL GREEN DEAL COUNCIL: NEW CONCEPT, PRIORITIES AND DECISION-MAKING TARGETS</b> <i>Julian Popov, Minister of Environment and Waters</i>
10:00 – 10:15	<b>THE INTEGRATED ENERGY AND CLIMATE PLAN AS A TOOL TO GUIDE INVESTMENT DECISIONS</b> <i>Angelina Boneva, Deputy Minister of Energy</i>
10:15 – 10:30	<b>OPPORTUNITIES FOR THE OPTIMAL USE OF THE ENERGY FROM RENEWABLE SOURCES</b> <i>Ivaylo Alexiev, Executive Director of SEDA</i>
10:30 – 10:45	<b>THE BULGARIAN BUSINESS AS THE DRIVING FORCE OF THE CLIMATE AND ENERGY POLICY IMPLEMENTATION</b> <i>Dobri Mitrev, Chair of the Governing Council of the Bulgarian Industrial Association</i>
10:45 – 11:00	<b>DISCUSSION</b>
11:00 – 11:30	<i>C o f f e e b r e a k</i>
	<b>Discussion session 1: The present and future of the financial instruments supporting the clean energy transition</b>
11:30 - 13:00	<u>Presentations (10 minutes each) from:</u> Dochka Vassileva, Fund of Funds Sophia Kassidova, BDB Vesela Gladnikova, Fibank Kiril Velichkov, UBB Facilitator: Marko Markov, Econoler Bulgaria <u>Discussion (1 hour)</u> ➤ What are the operational financing instruments supporting the clean energy transition of the Bulgarian economy within the current financial frameworks and is in the pipeline for the biggest public funds? ➤ What are the expectations of the financing institutions for the market demand for financing of clean energy solutions?



- What are the possible avenues for involvement of the commercial financing sector in the deployment of the public support mechanisms?

Participants (invited): SEDA, Bulgarian Energy Efficiency and Renewable Sources Fund, Fund of Funds, Bulgarian Development Bank, National Trust EcoFund, FLAG Fund, BIA, Econoler, AEE, BCC, commercial banks, energy and financial consultants, NGOs, etc.

13:00 – 14:00 L U N C H

#### Discussion session 2:

#### Solutions to support sustainable energy investments at the local level

14:00 - 15:30

#### Presentations (10 minutes each) from:

Mariana Hanamova, Cleantech Bulgaria

Tsveta Naniova, BACC

Eleonora Ivanova, Bulgarian-Romanian Chamber of Commerce and Industry

Todor Popov, Gabrovo Municipality, Stanislav Andreev, EnEffect

Facilitator: Dragomir Tzanev, EnEffect

#### Discussion (1 hour)

- What are the experiences from the implementation of the support programmes under the NRRP and how they can be supported?
- What is the status of the development of the reform of the establishment of one-stop shops at local/regional level?
- What are the implications of the recent changes of the Energy Act for utilization and of renewable energy and initiation of energy communities?
- Do we already have a stable basis to mitigate energy poverty through a broad portfolio of political and financial instruments, targeting local level implementation?

Participants (invited): SEDA, Bulgarian Energy Efficiency and Renewable Sources Fund, BIA, AEE, BCC, energy and financial consultants, National Trust EcoFund, FLAG Fund, etc.

14:30 - 15:30

#### **DO WE HAVE A BETTER VISION FOR THE DEVELOPMENT OF THE SUSTAINABLE ENERGY FINANCING SYSTEM AFTER THE DEPLETION OF THE PUBLIC FINANCING RESOURCES?**

***Panel discussion with representatives of National Trust EcoFund, Alliance for Energy Efficiency, public authorities, professional and industry associations, energy experts***

16:30

#### **SUMMARY AND CLOSING OF THE ROUNDTABLE**





## **1<sup>st</sup> THEMATIC TECHNICAL SESSION:**

### **The present and future of the financial instruments supporting the clean energy transition**

In the absence of a shared vision and clear concept for the practical realisation of the National Decarbonisation Fund, the discussion forum will take a look on the available financing mechanisms and the opportunities for their utilisation to support the intensifying investment activities incentivised by the ongoing programmes under the National Recovery and Resilience Plan and the programmes operating with the ESIFs. In addition to the market developments stimulated by public funding, specific attention would be placed on the developing market requiring innovative green financing solutions, due to both the taxonomy requirements and end-user demand.

. The discussion will be based on the following questions:

- What are the operational financing instruments supporting the clean energy transition of the Bulgarian economy within the current financial frameworks and is in the pipeline for the biggest public funds?
- What are the expectations of the financing institutions for the market demand for financing of clean energy solutions?
- What are the possible avenues for involvement of the commercial financing sector in the deployment of the public support mechanisms?

## **2<sup>nd</sup> THEMATIC TECHNICAL SESSION:**

### **Solutions to support sustainable energy investments at the local level**

The second thematic session will provide an in-depth overview of the financing opportunities for local authorities, placing an accent on the ongoing support programmes and the new state fund in support of municipal investments, which is currently in preparatory phase. Besides the functioning of the existing and new mechanisms, several other key topics will be raised based on the BeSMART policy recommendations, including the facilities to provide technical support for development of municipal investment concepts and individual projects, the establishment of one-stop services with sufficient territorial coverage, and provision of on-the-ground support for initiatives involving the local stakeholders, most notably energy communities as promoted by the recent changes in the Energy Act.

Following brief presentations by key organizations and actors in the field, the discussion part will focus on the following issues:

- What are the experiences from the implementation of the support programmes under the NRRP and how they can be supported?
- What is the status of the development of the reform of the establishment of one-stop shops at local/regional level?
- What are the implications of the recent changes of the Energy Act for utilization and of renewable energy and initiation of energy communities?
- Do we already have a stable basis to mitigate energy poverty through a broad portfolio of political and financial instruments, targeting local level implementation?