

Potential funding mechanisms for implementing technological process and equipment investments to start bio waste processing in Russia

**ANO Energy Efficiency Centre,
Projects Coordinator, Alexander Berdino**



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The purpose of this presentation is to describe the potential funding sources for individual business projects and international cross-border projects between Russian and Finnish organizations.



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The target groups are:

- small and medium companies (SMEs), such as fish farms and fish processing companies, bioenergy focused companies,
- public administration and NGOs that works with fish farming either from the business development or environmental perspective,
- universities and institutes who carry out research activities that benefit the companies and public administration.

The target regions are:

in Finland - Oulu region, Kainuu and North Karelia,
in Russia - the Republic of Karelia.

Funding sources for companies, public organizations and NGOs in Russia

State support for small and medium enterprises in the **Regional Programme of the Republic of Karelia.**

- Support provided in the form of subsidies, reimbursement of credit costs and grants (up to 0,5 MRUB) for innovative SMEs;
- The main curator of the programme is the Ministry of Economic Development of RK - namely, the Department of development entrepreneurship, innovation and support for investors;
- No deadlines for applications
- Additional information could be found on the following sites:

msb.karelia.ru, smb10.ru, www.binrk.ru



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What is SME in Russia:

There are three types of SMEs defined in Russian legislation:

- Medium-sized enterprises (average number of employees - 101-250 people, Revenue - limit to 1 billion roubles);
- Small businesses (average number of employees - 100 people. , Revenue - limit to 400 million roubles);
- Micro (average number of employees - up to 15 people, Revenue - limit to 60 million roubles)

Funding sources for companies, public organizations and NGOs in Russia

Cleaner Production Credits (NEFCO). Loans are provided both to private and municipal enterprises in Russia. The cleaner production investments aim at conserving raw materials and energy, eliminating toxic raw materials and reducing the quantity and toxicity of all emissions and wastes.

- NEFCO is capable of financing up to 90% of total project cost, other 10% should be provided by a borrower
- Maximum loan amount is 500,000 EUR
- Interest rate: Fixed at 6% per annum (in EUR) and 9% per annum (in RUB) and tied to the duration of the loan. No commission or other fees.

www.nefco.org/financing/cleaner_production_credits



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Funding sources for companies, public organizations and NGOs in Russia

NEFCO loan under discussion now:

- Borrowers – JSC Raiguba, member of Russian holding “Agrarnyi Sojuz” (Tver)
- Amount – about 5 MRUB (100 000 EUR)
- Supplier - complete line of the fish oil melting out “Lion”
- Financial guarantee (warranter) – Kondopoga district administration and or Karelian government.

Funding sources for companies, public organizations and NGOs in Russia

Baltic Sea Region Programme 2014-2020

- The Programme will support cooperation projects working for a more innovative, more accessible and sustainable Baltic Sea region, where partners look for joint solutions to common issues, such as energy and ecology.
- Priority 2**, “Efficient management of natural resources”, highlights the need to manage natural resources more efficiently. Resource efficient blue growth, renewable energy sources, energy efficiency and clear waters are examples of the areas that will receive support.
- At least three partners from three countries in the region can form a project.
- The start of the new Programme will be announced at the Programme Conference on 26-27 November 2014.

eu.baltic.net



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Funding sources for companies, public organizations and NGOs in Russia

By the end of 2014 the new **ENI CBC Programme** should be signed by EC, Finland and Russia

- The grants will be available for any private or public organization in Russian and Finland.
- Deadlines for applications twice a year
- Co-financing from partners - not less than 20%
- Grant amount - up to 1 MEUR

www.kareliaenpi.eu/en/programme/eni-cbc



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Thank you!



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