



*Enhancing knowledge of EU green finance
policies in insurance and business valuation*

- Green FIB-

Intensive Course
Green Finance & Sustainability



**Co-funded by
the European Union**





Enhancing knowledge of EU green
finance policies in insurance and
business valuation
-Green FIB-

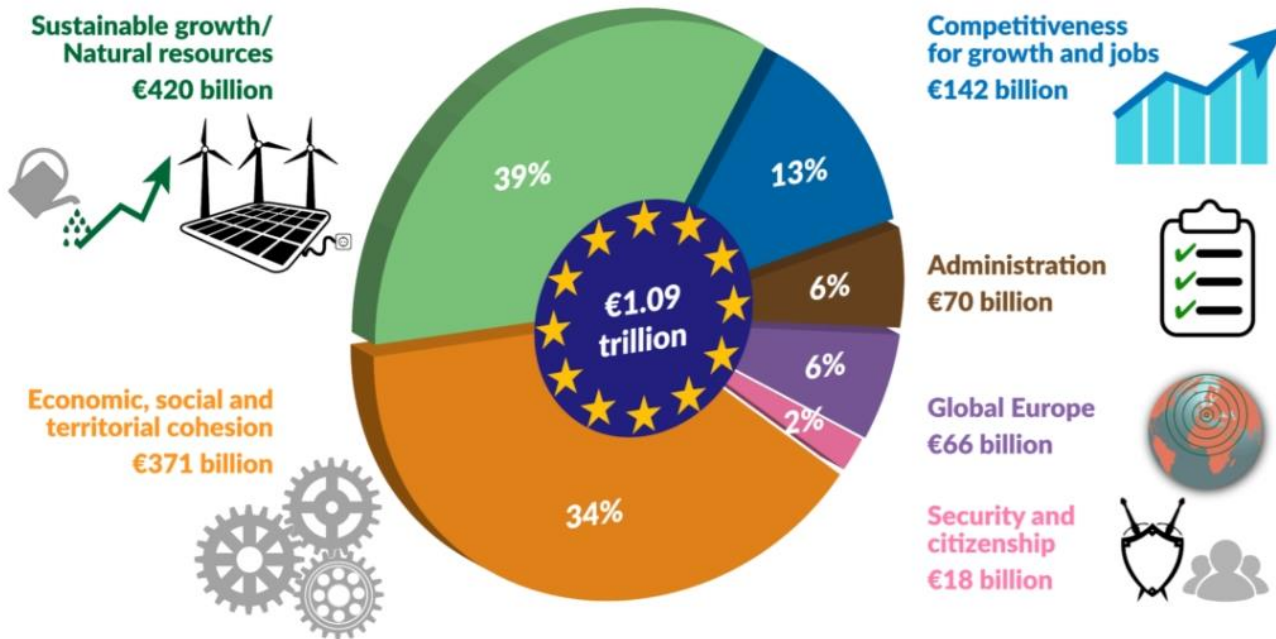
Presented by Dorian Pashaj

Head of Sustainability Department, Procredit Bank Albania

Content

- i. EU Green Deal & its implications
- ii. Importance of diversification of Electricity Generation by source
- iii. Procredit Bank Albania and its sustainability approach
- iv. Green Finance
- v. Real case studies of green finance:
 - Investments in Renewable Energies (RE)
 - Investments in Electric Vehicles (EE)
 - Investments in Buildings' Envelope (thermal insulation) (EE)
 - Environmentally Friendly Investments (GR)
- vi. Questions

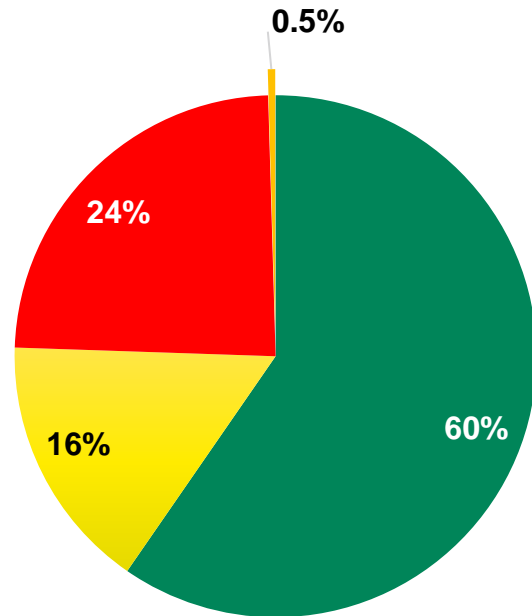
EU Green Deal – “The Road to Net Zero”



- i. The European Green Deal (2019) represents the EU’s strategy for reaching climate neutrality by 2050, delivering on the commitments under the Paris Agreement.
- ii. The European Green Deal is a package of policy initiatives, which aims to set the EU on the path to a green transition.
- iii. The package includes initiatives covering the climate, the environment, energy, transport, industry, agriculture and sustainable finance – all of which are strongly interlinked.
- iv. To achieve the goals set by EU Green Deal, the European Commission has pledged to mobilize 1 trillion Euro in sustainable investments over the decade.

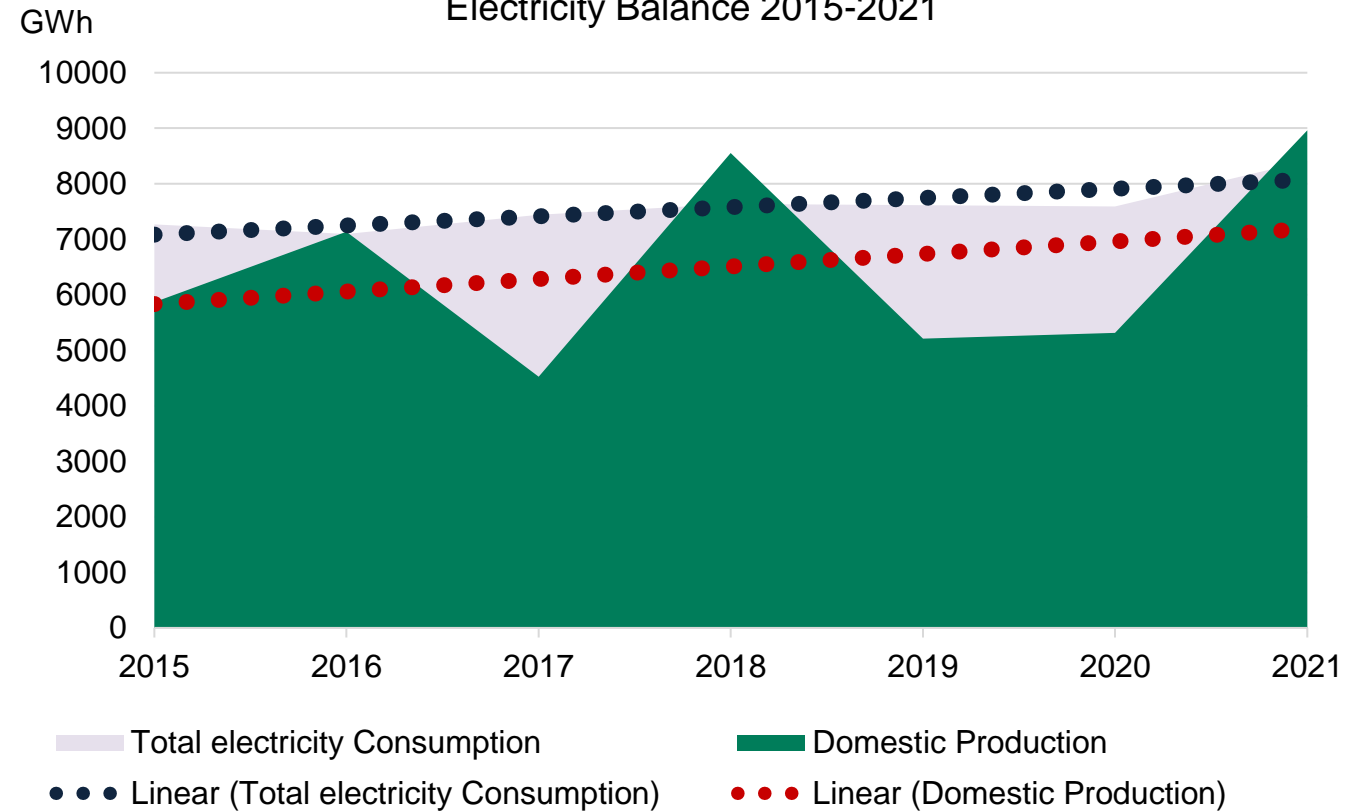
Electricity Generation in Albania

Electricity generation by Source 2021 (GWh)



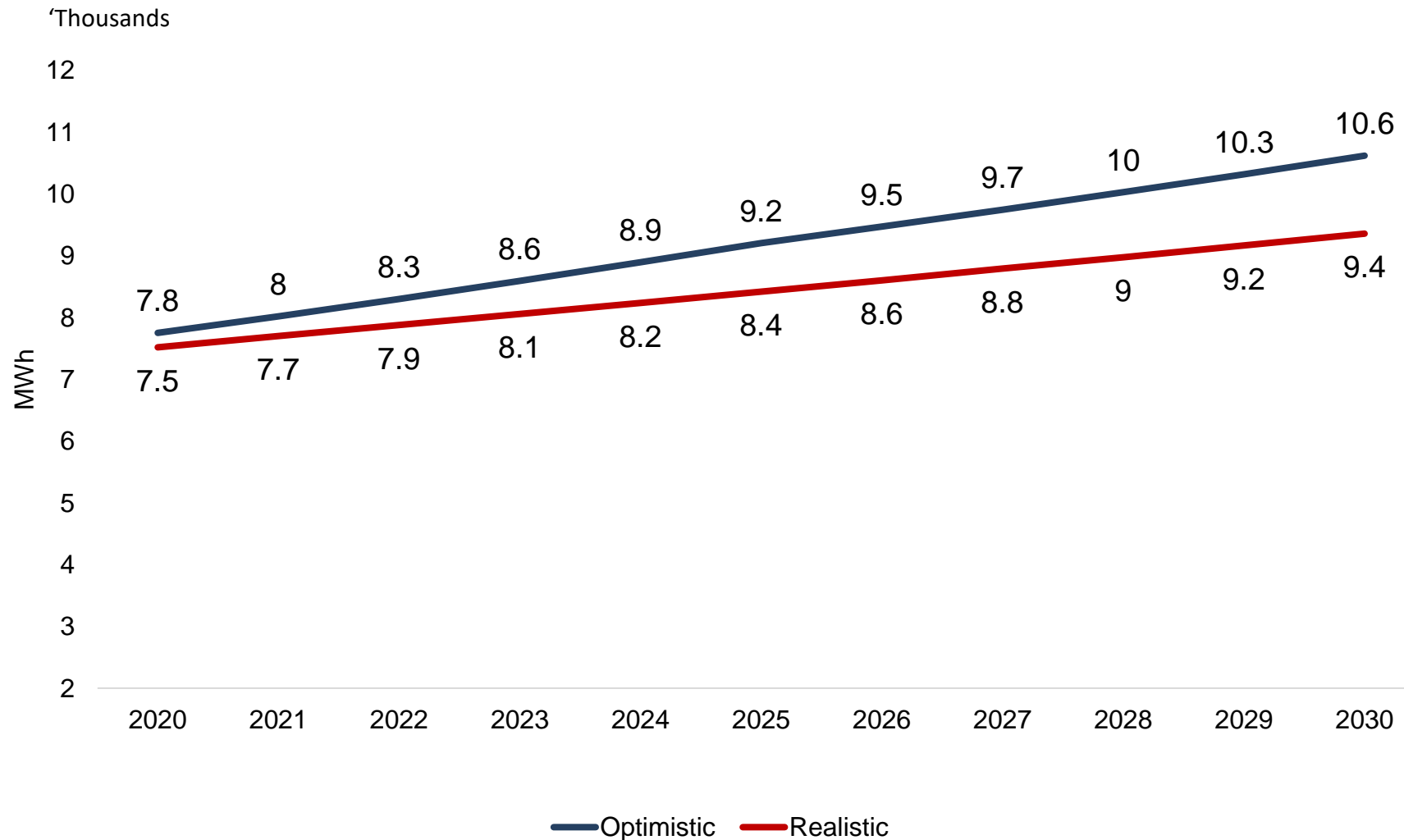
- Large HPPS
- Small HPPs < 15MW
- Large & Medium HPPs > 15MW
- Small PVPPs < 2MW

Electricity Balance 2015-2021



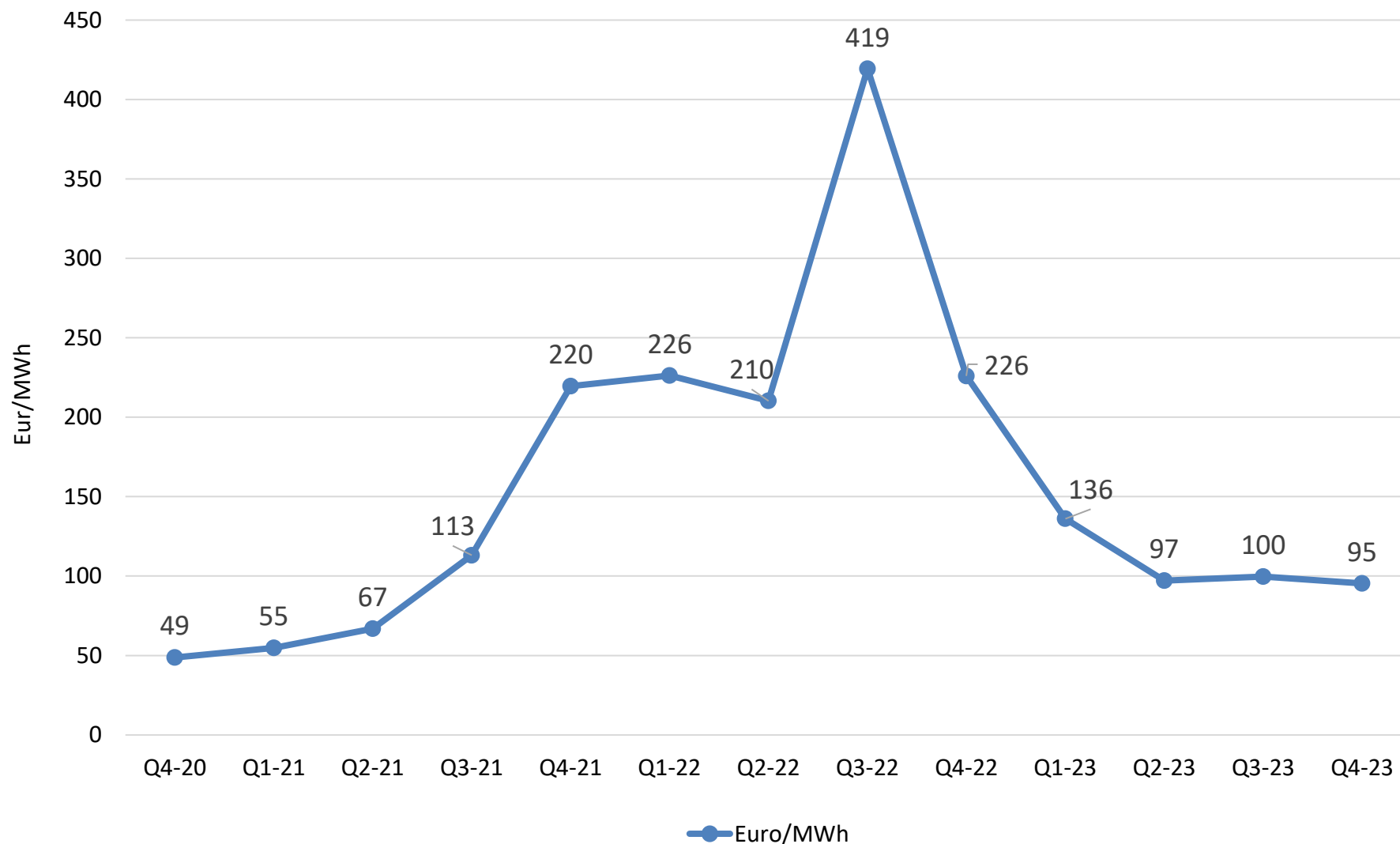
Source: Instat.gov.al

Energy demand scenarios



Source: ERE

Market Price Trend (HUPX)



Market Environment for Investments in PVs

Distributed PVs

- ~ 160 MW total market installed capacities
- Still demand on the market, even though with a decreasing trend

On Ground PVPP up to 2 MW with PPA supporting scheme

- No expectations for additional licenses

On Ground PVPP 5-15 MW (Open Market)

- 9 projects have taken the preliminary approval

On Ground PVPP 20-50 MW (Open Market)

- 3 projects under construction

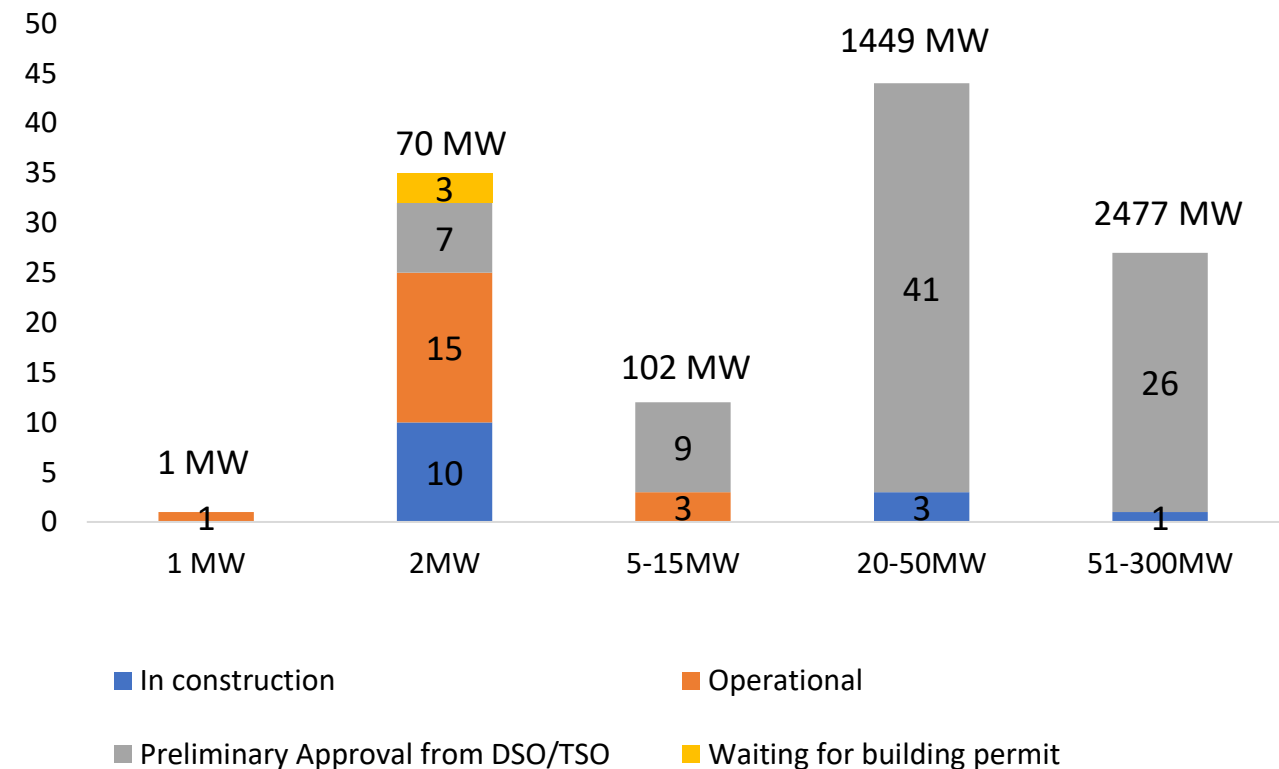
On Ground PVPP more than 50 MW

- One project (Voltaia) of 140 MW

In total ~ 4 GW in different stages of licensing process

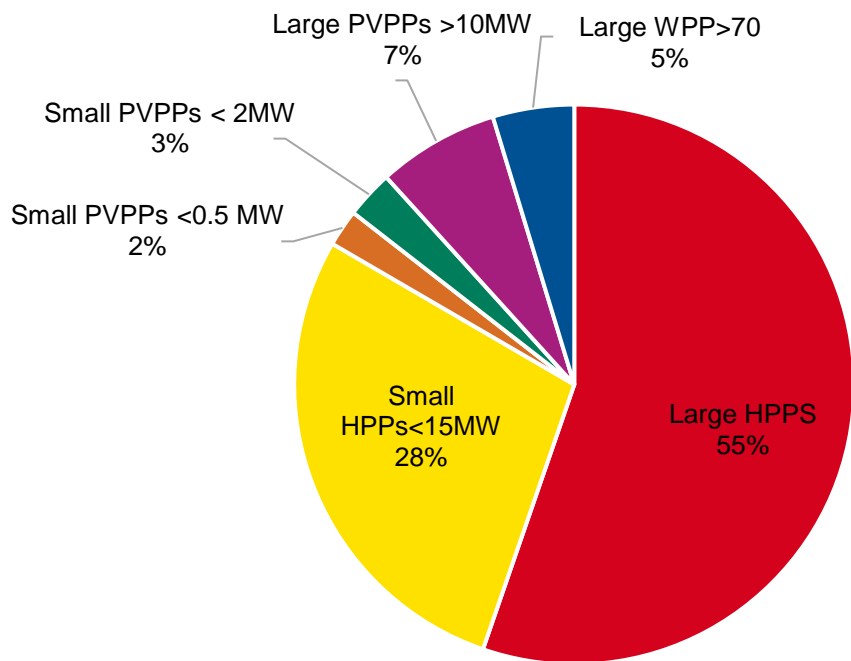
- The current infrastructure can sustain max up to 25% additional capacities (Based on EMU PCB ALB assessment)
- Further investments needed from the Transmission System Operator

On Ground PVPPs by status, number and total capacity



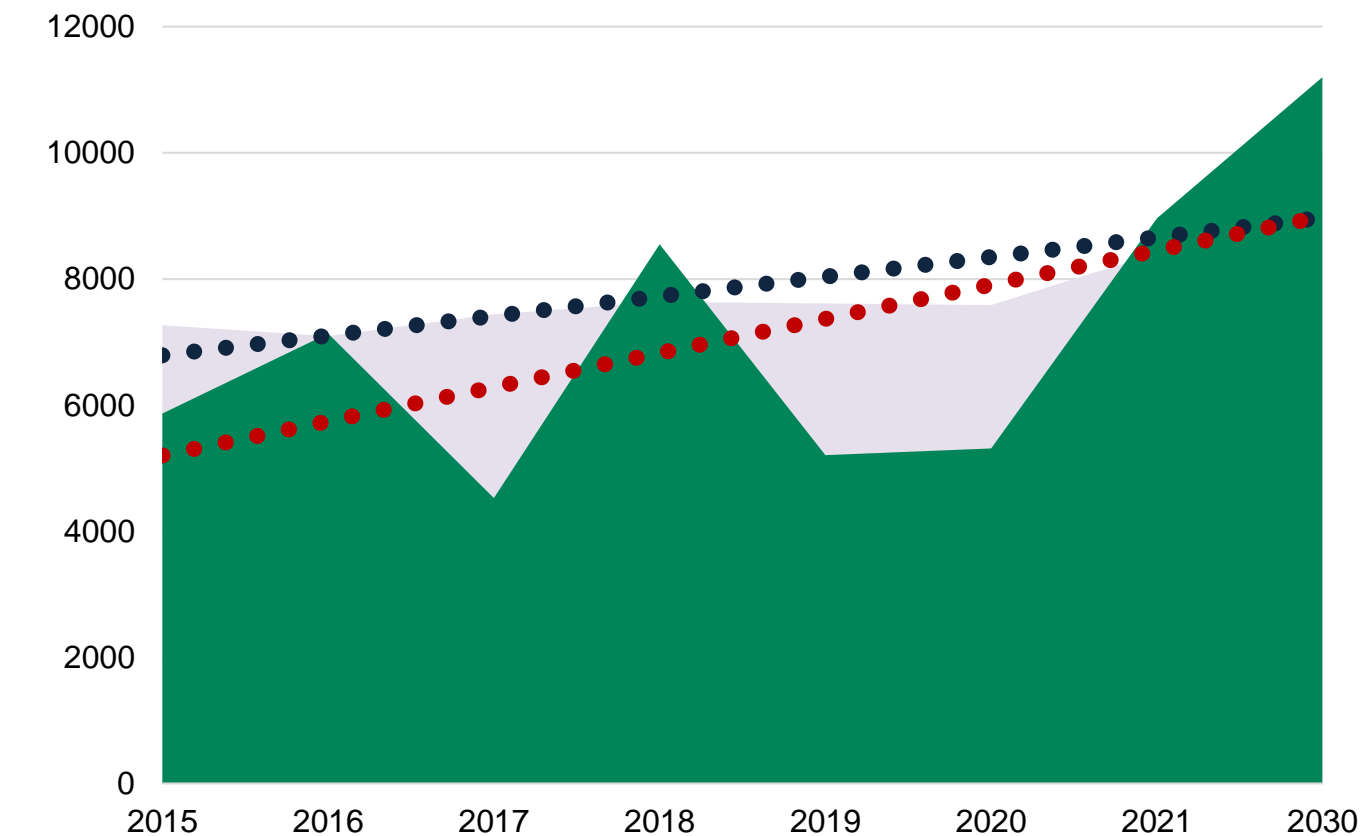
Electricity Generation in Albania 2030

Energy generation by Source 2030 (GWh)



Source: Instat.gov.al

Electricity Balance 2015-2030

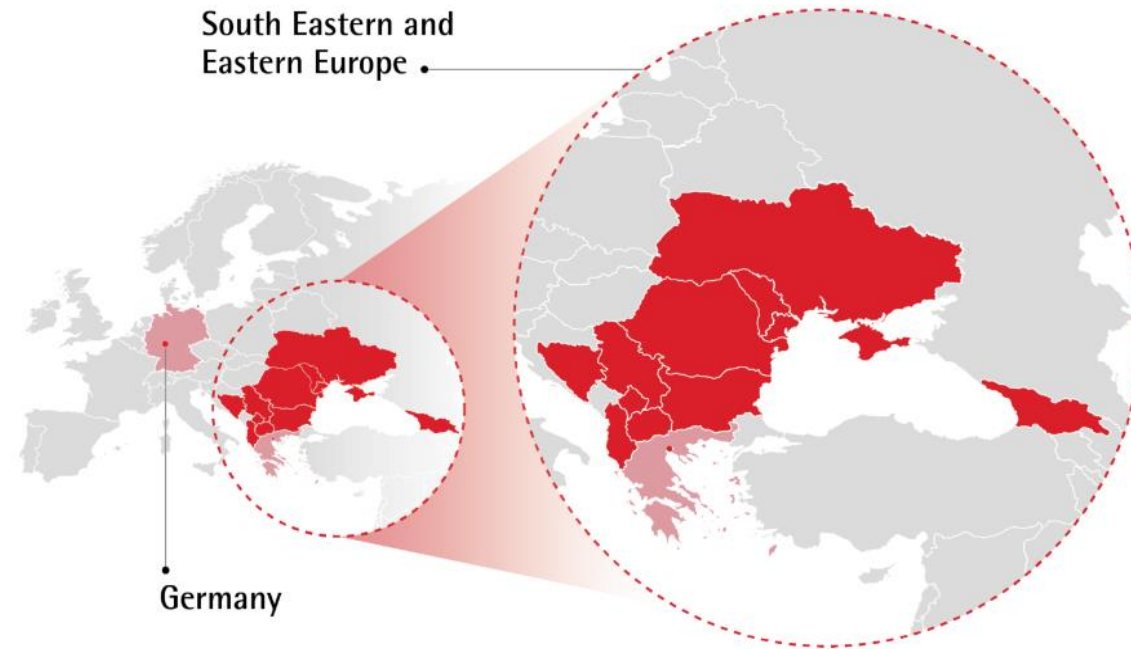


Total electricity Consumption
 Domestic Production
 Linear (Total electricity Consumption)
 Linear (Domestic Production)



ProCredit Bank Group

We are part of an international group of development-oriented banks, with a focus on supporting **SMEs**, as well as providing digital services to **private individual clients**.



ProCredit
HOLDING

100%

Parent company, Frankfurt am Main, Germany

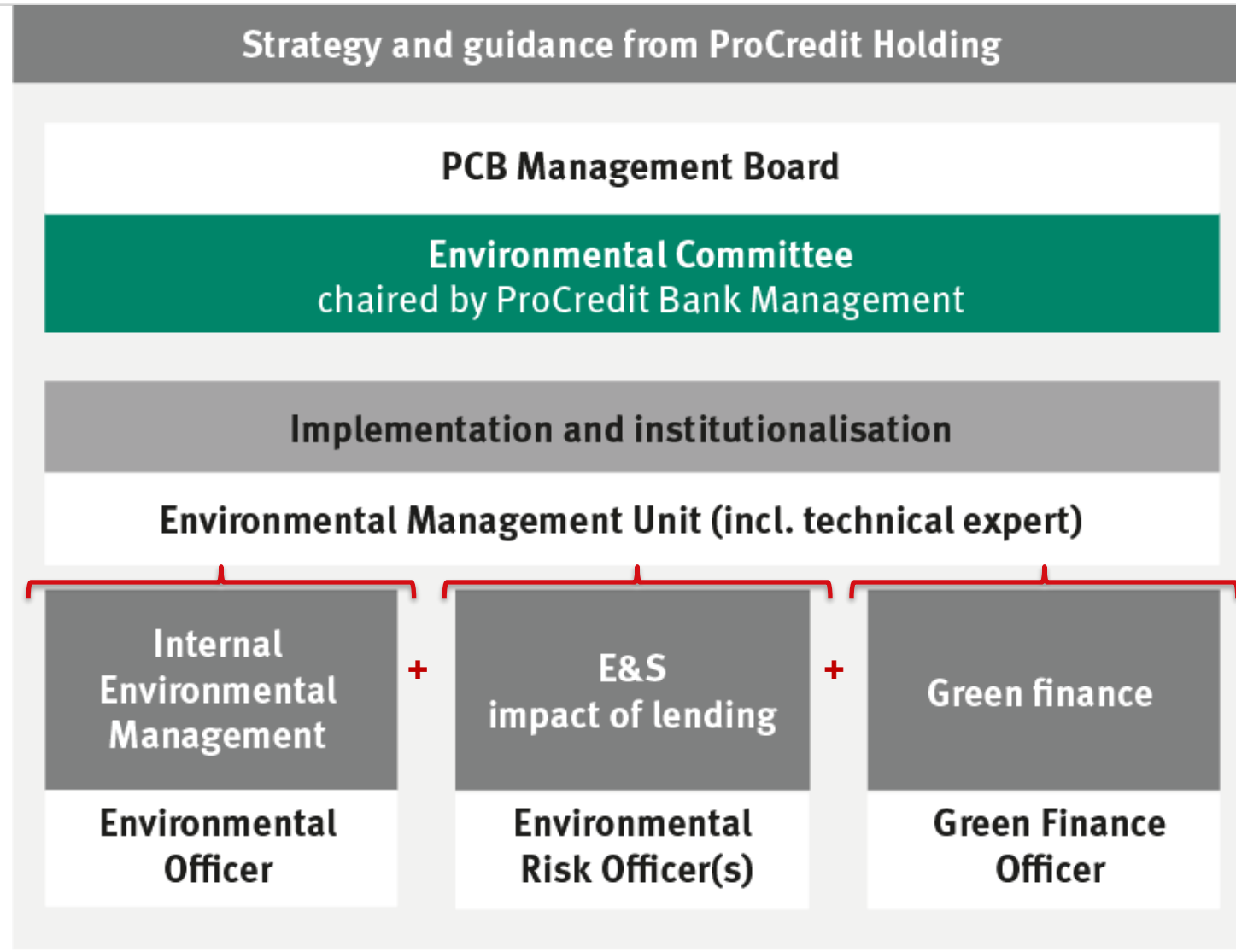
Our Sustainability Approach

- i. The ProCredit Holding AG is a member of the UN Environment Programme Finance Initiative (UNEP FI) and shares its Principles for Responsible Banking.
- ii. We joined the Net-Zero Banking Alliance (NZBA), to align our operations with net-zero emissions by 2050. In accordance with the targets set in the Paris Climate Agreement (2015).
- iii. Our accession to the United Nations Global Compact (UNGC), contributing to the implementation of the SDGs.
- iv. Promoting environmental awareness & protection, also helping to mitigate climate change.





EMS Organization





Building a Sustainable Future.

Certified according to the international standard ISO 14001:2015 for the Environmental Management System (EMS).

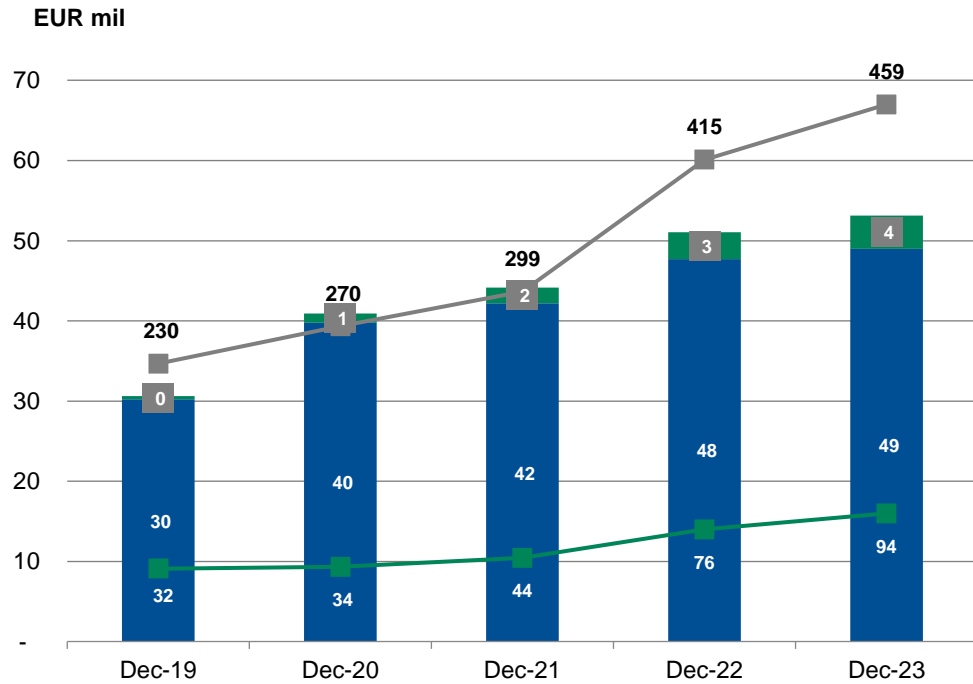
Certified by:
TÜV
AUSTRIA

TÜV AUSTRIA Albania has audited the Environmental Management System of ProCredit Bank.

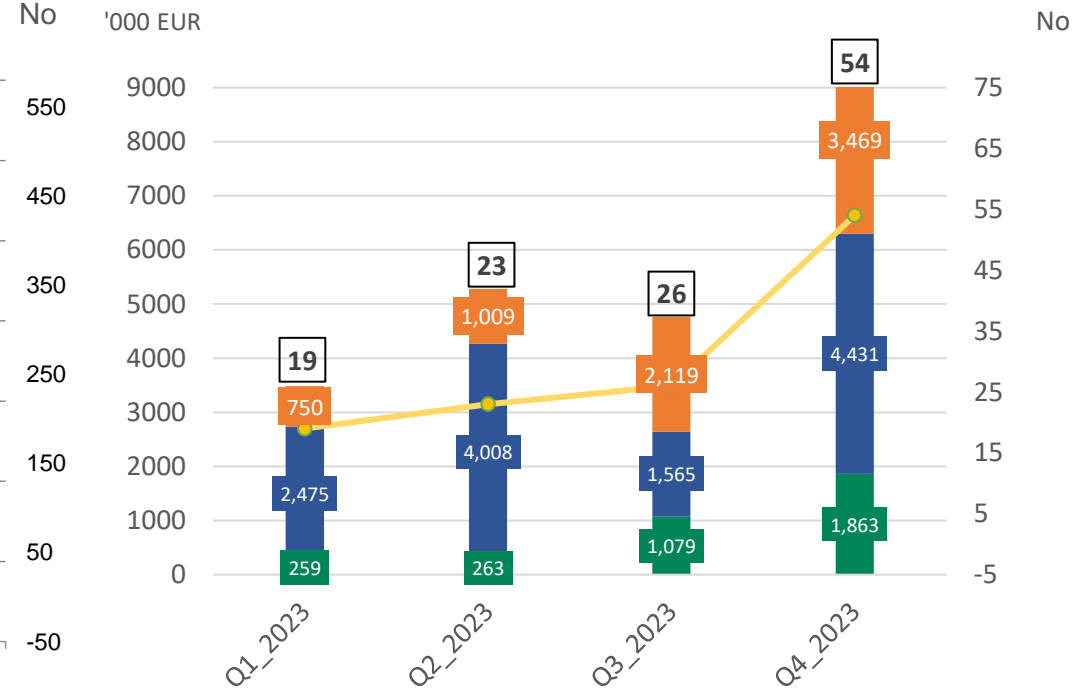
This certification confirms that ProCredit Bank implements an effective Environmental Management System in its structure and activity, with the aim of minimizing the environmental footprint of its activities and services.



Green loan portfolio development



■ Outstanding volume Business clients
■ Outstanding volume Private clients
■ Outstanding Total Volume
■ Outstanding Total number
■ Outstanding number to private clients



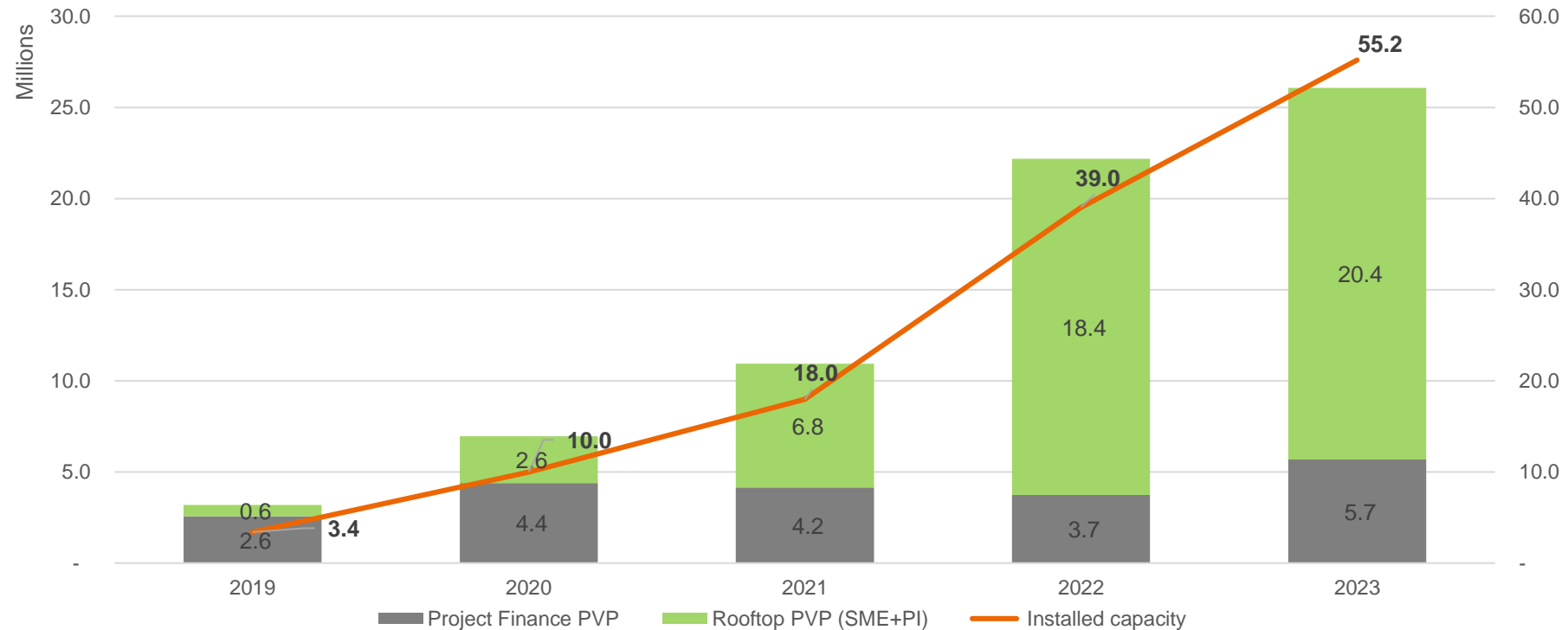
■ Green / Environmentally friendly
■ Renewable Energy
■ Energy Efficiency
● Total Disbursed Number

Indicator	Dec-20	Dec-21	Dec-22	Dec-23
Green share in total LP	19.0%	18.8%	20.3%	20.2%
EE in green LP	60.1%	49.1%	35.9%	32.7%
RE in green LP	20.3%	29.5%	47.5%	52%
Gr in green LP	19.6%	21.4%	16.6%	15.3%



Development of Photovoltaics

	2021	2022	2023
Total installed capacity:	18 MWp	39 MWp	55.2 MWp
PVP Portfolio:	10.9 m EUR	22.3 m EUR	26.1 m EUR
Number of projects:	55	138	183





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Exclusion List

Screening against the Exclusion List



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Protected Areas



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Plastic Strategy



Plastics Strategy

Whitelist

- Medical use: gloves, beverage containers etc.
- Birth control products
- Synthetic or mix textiles
- Electronics
- Automotive parts
- Industrial machinery

Grey list

- Food containers
- Cups for beverages
- Beverage containers/bottles with caps/lids but not glass or metal container
- Packets, wrappers and flexible packaging (food and non-food)
- Lightweight plastic bags
- Sanitary towels and wet wipes
- Other plastic bags (waste bags)
- Tobacco/cigarette filters
- Balloons
- Fishing gear
- Plastic foils (in agriculture)
- Cosmetics with added microplastics
- Cosmetics with added microbeads

Blacklist

- Cotton bud sticks
- Cutlery, plates, stirrers, straws
- Balloon sticks
- EPS food and beverages containers, cups
- Oxo-degradable plastic



Green Activities

- Positioning as a sustainable Bank
- Regional presence
- Promoting Green Investments for businesses & private clients
- Promoting cooperation with EBRD
- Focus on GEF program



5th Energy
Expo & Forum

PANELIST



Build & Live
Smart Fair

PANELIST



Energy &
Construction Fair

PANELIST



Energy Fair

STEND



Energy Fair

STEND



Conference
in Korca

SPEECH
PRESENTATION



Environment & Social Activities

Environment Initiatives



Cleaning activity in Soda Forest



Planting 50 trees in Tirana



Active participation

Social Activities



UN Women Albania- Albania
EXPO 2023
*Women entrepreneurship
Gender equality*



Tirana Green 2030 Academy
*Sharing the best practices
regarding
environmental/sustainability
issues*



Tirana Youth Climate Summit
*Youth participation in climate-
related initiatives*



Cooperation with University of Tirana



**Cooperation Agreement
PCB – Tirana University**

An open gate for the future employment

Internship & job opportunities



Part of lectures Erasmus + Jean Monnet

Teaching at the Faculty of Economics

Share experience Sustainable finance



Open Lecture in the Faculty of Economics

Sustainability

Incentivize students in exercising sustainable development practices



One - day training in the Bank

Master's students

Get to know the bank and the Onboarding program



Procredit Albania Staff

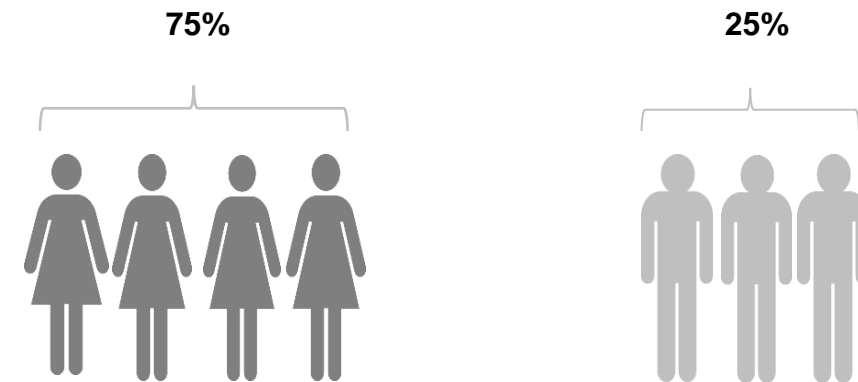
Long-standing and well-interconnected management teams at group and local level

Catalyst for shared vision and strategy: common set of values and rapid diffusion of best practices

Common operation standards and policy guidelines
Strong, standardized MIS reporting
Holding management and supervisory board seats at local banks involved in strategic business processes

Clear structures for decision making and implementation and control of defined policies

Procredit Staff



84.6% of Managers in Procredit Bank Albania are women (Dec 2023)



Corporate culture

Open door policy and open communication

On-time addressing and resolving operative challenges and issues

Salary based on quality of executed tasks, personal commitment and responsibility, teamwork instead of bonus system based only on target-oriented achievements

Transparent communication of our financial and nonfinancial achievements (Impact report published since 2018)





CRS strategy



Commitment for contribution to SDGs

Established direct link between our key material topics and the selected SDGs in order to measure and understand our areas of impact and their specific contribution to the SDGs (Impact report).

Joined the Partnership for Carbon Accounting Financials (PCAF), which enables us to disclose the GHG emissions associated with our loan portfolio.



Green Finance

- i. Energy Efficiency Loans – EE
- ii. Investments in renewable energy sources – RE
- iii. Environmentally Friendly Investments - GR

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Real case studies of Green Finance





Investments in Photovoltaics



August
2020

i. Photovoltaic system- Rooftop PV



Production of Furniture

Location: TIRANA

One of the leading companies of the market in furniture production, operating for more than 20 years. The company is certified with ISO 9001-2008-14001-2004. The company continuously invests in technology and eco-friendly materials

Installed Capacity: 305 kWp
Total Cost of the Project: 250K Euro
Production: 405 MWh/year
After Investment
Reduction of electricity bills: 72.9K Euro/year
ROI: 3.4 years

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PRO BIZNESIT, **PRO** PLANETIT



ProCredit Bank

4 VJET KTHIM NGA INVESTIMI



May
2019



ii. Photovoltaic system- On- Ground
PV

Photovoltaic Powerplant

Location: FIER

Operational year: May 2019

Type of supporting scheme: FiT (Feed in Tariff)

Installation Type: Ground, Single tracking

Installed capacity: 2'500 kWp

Total Investment Cost: 1.9m Euro

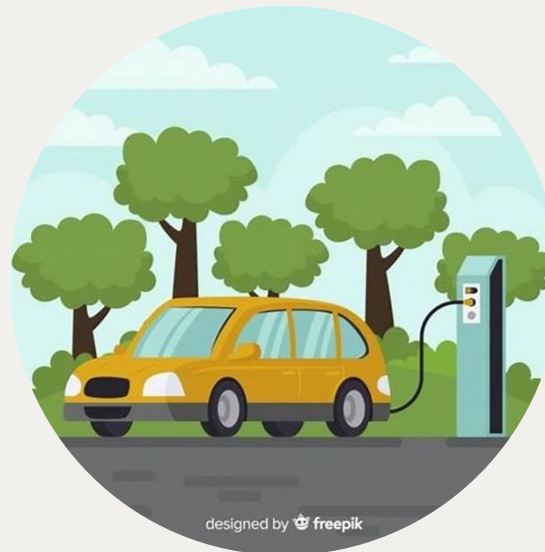
Estimated production: 4079 MWh/a

ROI: 7.5 years

Reduction of CO₂: 175 tCO₂/a



Investments in Electric Vehicles



April
2022

0%
Ndotje në
rrugët e Tiranës.



Taxi Company

Electric Vehicle Fleet- Greening transport

Total Investment Cost: 60K Euro

ROI: 5.5 years

Fuel saved: 7800 l/a

Reduction of CO2: 20.88 tCO2/a

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Investments in Energy Efficiency





Support for the Albanian victims of the earthquake |
Contribution from ProCredit Banks and their Staff

Renovation of Kindergarten no. 4. Tirana, Albania

Situation before renovation



Before >>

Damaged walls

No heating or cooling system

Humidity

No thermal insulation

Even after the earthquake this kindergarten continued to host children even though was providing for them worse conditions than before. Our intervention was vital for this place, as due to the damages of the earthquake, and lack of investments by the local government this kindergarten could not offer any more the minimum standards of service required.

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Situation before renovation

“Using all the collected funds, Kindergarten no.4 was completely reconstructed”



Total investment

 **EUR 40,000**

Investments made

**“It’s all done
now... and
Green!”**

It is estimated that
these investments
will bring energy
savings of 50%

ROI ~10 years



- Complete thermal insulation of the building
- Parquet flooring
- Inverter conditioning system
- Solar Panel for hot water
- Playground for children



After >>>




Environmentally Friendly Investments

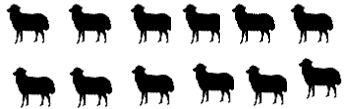


Bio Farm




EU Standard - BIO


1 ha 

1 ha 



Bio Farm

2 ha 

2 ha 



Feel free to ask questions ...



Thank You!