

FLAG – Financial instrument for clean  
energy transition

LIFE Programme of the European  
Union

Grant Agreement № 101076662 --  
LIFE21-CET-PDA-FLAG FICET -- LIFE-  
2021-CET



SUMMARY REPORT

# REPORT ON THE SUPPLY OF FUNDING FOR CLEAN ENERGY TRANSITION PROJECTS





## GENERAL OVERVIEW

The report has been prepared as a result of the implementation of Task T.2.4. Study on the needs and preparedness of municipalities to implement CET projects from Work Package 2 Analysis of the supply and demand of financing for CET projects of the LIFE Project "FLAG - Financial instrument for clean energy transition", 101076662 -- LIFE21-CET-PDA-FLAG FICET -- LIFE-2021-CET.

The main objective of the report is to assess the municipalities' demand for financing of clean energy transition projects.

## RESEARCH TASKS

The above objective has been achieved through the implementation of the following research tasks:

- Assessment of the demand in terms of the projects' scope, the indicative amount of funding sought, the willingness of the municipalities to apply for funding from the innovative financial instrument, etc.
- Determining the readiness level of the CET projects for which the municipalities are seeking funding under the financial instrument and the scope of the technical assistance that will be provided to the municipalities - potential candidates for funding under the new financial instrument.
- Defining a pipeline of projects for the financial instrument to be implemented under the LIFE Project "FLAG - Financial instrument for transition to clean energy", 101076662 -- LIFE21-CET-PDA-FLAG FICET -- LIFE-2021 -CET.

According to the Grant Agreement, the study of municipalities' demand for funding for CET projects is to be carried out based on a two-step methodological approach: (1) A survey of all 265 municipalities in Bulgaria; (2) An additional survey of a sample of municipalities.

In order to obtain detailed information from the country's municipalities during the initial stage of the project implementation, an extended questionnaire was developed, covering the widest possible range of studied parameters of the demand for financing for CET projects. The questionnaire was developed jointly by the Expert Centres of Club "Economika 2000", Fund FLAG and IER-BAS. The survey was conducted in the period 21.11.2022 – 23.12.2022, and the questionnaire was sent electronically to all 265 municipalities in Bulgaria.

## STRUCTURE OF THE REPORT

This report summarizes the results of that study, and is organized as follows:

- **SECTION ONE** briefly presents the European context of the demand municipal finance in the EU.
- **SECTION TWO** provides general information about the results of the study.
- **SECTIONS THREE TO SIX** present summary results for each of the four clean energy transition areas studied: energy efficiency projects for public buildings; renewable energy projects; projects to exploit the potential of thermal mineral waters; other projects.

For each group of projects, both summary results and "passports" with information about each project are presented. An assessment of the readiness level for implementation has been made for all projects.