

Online Training Workshop

Guidelines and best practices for micro- small and medium enterprises (MSMEs) in the Republic of Moldova in delivering energy-efficient products and in providing renewable energy equipment

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Overview

- The Study on impact of COVID-19 on MSME
- Best practices that show how MSMEs can respond to current challenges;
- Measures that MSMEs in Moldova can take to restore confidence in the business;
- Recommendations.

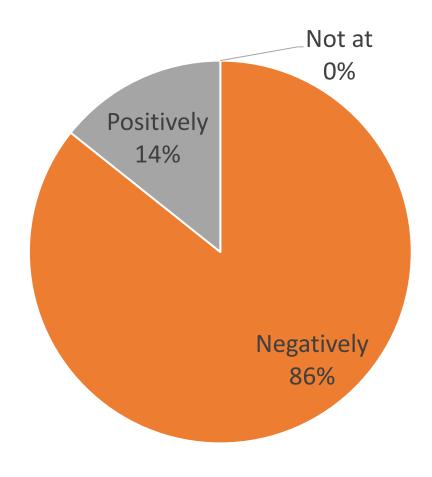
The Study on impact of COVID-19 on MSME

• The overall objective of the study is to develop a rapid assessment of the situation of the MSMEs in the Republic of Moldova as result of Covid-19 crisis, as well as to provide recommendations on improvement of the investment environment for energy efficiency (EE) and renewable energy (RE) technologies during the crisis and the recovery periods.

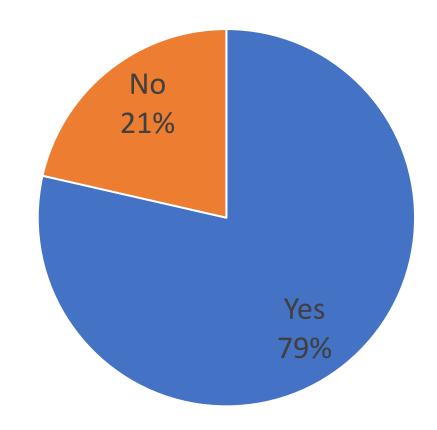
The Study on impact of COVID-19 on MSME

- The Questionnaire was sent to 369 companies and MSME (ie: 269 companies; 100 energy auditors and energy managers).
- The respondents represents 320 companies administrated by men; and 49 companies administrated by women.

How did COVID-19 impact day-to-day work?



Did you have difficulties in repaying loans or microloans?



Measures taken by the enterprises in response to the COVID-19

Have you developed additional products or services, including the time when working remotely during pandemic in 2019 - 2020?

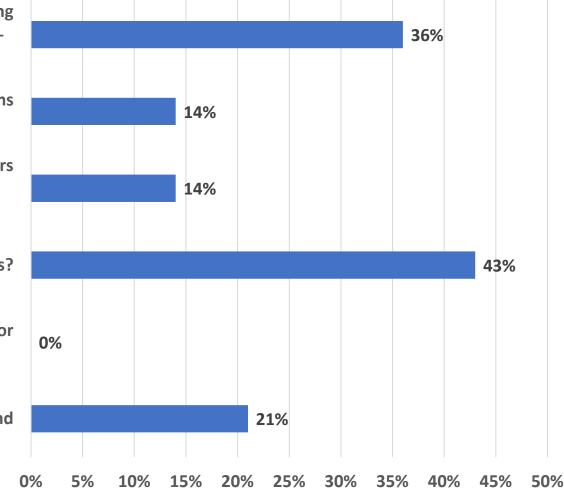
Have you reduced paid working hours of due to the problems created by the COVID-19 crisis in 2019 - 2020?

Have you expanded communication with investors, customers and partners through social media, providing technical information about products and services?

Did you provide paid online trainings?

Did you attract funds from donor agencies or other sources for R&D on innovative and in-demand technical solutions?

Have you tried to find new suppliers and customers using business or industry associations, Chamber of Commerce and Industry?



Best practices (1 of 2)

Energy efficiency in energy generation

- Company: "CET-Nord" JSC
- Size of the company: Large
- "CET-Nord" JSC is a Combined Heat and Power (CHP) Plant providing district heating to the Balti city of the Republic of Moldova.
- As a result of the implementation of Phase I of the Investment Project "The thermal energy system of Bălți municipality ("CET-Nord" JSC)", the amount of electricity delivered in 2020 increased comparing to the similar period of 2019 by 72.2% or by 42,137.8 thousand kWh.
- Mobilization of human and capital resources generated the Phase II of the Investment Project.

Best practices (2 of 2)

Energy efficient equipment in the industry sector

- Company: SINCOS-PLUS Ltd.
- Size of the company: small
- The «Sincos-Plus» Ltd ia a leading company in the national market in the area of products related to power electronics, including:
- In the area of development of the new power electronics «Sincos-Plus» Ltd has shown itself as a good developper of projects on renewable energy sun power, wind, and stirling engine.
- The research activity on development stirling engines is completed. They
 are expected to be implemented on the market in the period of postCOVID19.

Measures for MSMEs in Moldova (1 of 2)

- The auction of implementation of about 400 MW of renewable electricity is under preparation. This creates a demand for MSME activities in the area of renewable energy.
- Other support shemes (additional to auctions) are available in the Republic of Moldova: net-metering and fixed tariff. In the post COVID-19 period the companies should be ready to act and benefit from Governmental support in producing electricity from renewables.
- The process of **liberalization of energy market** creates a great opportunity to sell electricity on future liberalized market. In the post COVID-19 period renewable energy will be competitive comparing to traditional energy sources due to high cost of gas.

Measures for MSMEs in Moldova (2 of 2)

- Establishment of **partnerships** or associations facilitates access to supplies, resources and markets, and provides opportunity to influence legislative initiatives.
- The Internet is a powerful tool for market penetration of products and services, and MSME should consider to increase the online presence (e-commerce, online tech support, social media presence).
- The increased price for gas and energy created a demand for new energy efficient products and services, and MSME should consider to increase the activity in research and development of new products (electronics, heat pumps, renewable energy and high energy efficicient products).

Recommendations (1 of 2)

Legal framework:

- Continue to support MSMEs via national financial programmes through loans, credit guarantees on loans, and regulatory relief related to loan repayment;
- Introduce temporary tax breaks for MSMEs;
- Integrate the energy certificate of the building in business model on the market;
- Involve the National Bank in creating financial instruments for commercial banks for energyefficiency and renewable energy projects.

Capacity development:

- Provide specific incentives for improving compliance with new demand imposed by markets;
- Raise awareness on the benefits of introducing energy efficiency measures and use of renewables both at individual and community level;
- Proide dedicated Training for MSME to promote the Research and Development of new products.

Recommendations (2 of 2)

Technology:

- Offer development programmes for MSME employees (e.g., in the area of digitalization);
- Secure future innovations through mid- or long-term policy measures linked to larger policy objectives (e.g., sustainability goals, digitalization, etc.).
- Promote the development of new technologies by start-up of new MSME.

Investments and financial incentives:

- Continue ESCO market development and financial instruments;
- Provide funding support through grants and low- or no-interest loans to MSMEs working in the clean energy sector to facilitate green economic recovery.
- Develop dedicated financial instruments for energy related companies for commercial banks, including for MSMEs in the area of renewable energy and energy efficiency.

References

• The study in English and Romanian: https://unece.org/sed/documents/2022/05/reports/guidelines-and-best-practices-micro-small-and-medium-enterprises

- Conference "Unveiling Market Opportunities for Boosting Residential Energy Efficiency and Alleviating Energy Poverty" | UNECE
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Thank You!

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