

KredEx improves the living environment

Credit and Export Guarantee Fund KredEx

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KredEx: Enterprises, Exports, Housing

- A self-sustaining guarantee fund that offers:
 - SME guarantees
 - Mezzanine Financing
 - Long term funding for Commercial Banks
 - Export guarantees
 - Housing financing and loan guarantees
 - Coordination of Estonian Housing energy efficiency activities





Our aim

- To raise competitiveness of Estonian companies by improving financing possibilities and mitigating credit risks
- To enhance living conditions in Estonia by widening financing possibilities and promoting energy efficient behaviour





General facts about KredEx

- Founded in 2001
- Under the jurisdiction of the Ministry of Economic Affairs and Communications
- State guarantee limit for:

SME guarantees
 EUR 96 million

Export guarantees
 EUR 64 million

Housing loan guarantees
 EUR 96 million

- Fully accredited for using ERDF and SF
- Number of staff: 29





Housing stock of Estonia

Total no of units for accommodation	629 200	urban	65.7%
incl private ownership	604 000	rural	34.3%
public sector	25 200	in country-cottages	9%
incl state ownership	6 300	detached, semidetached and row-houses	21%
municipal ownership	18 900	multiapartement houses	70%





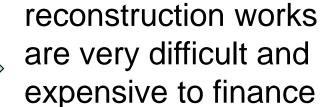




STATUS QUO Financing situation

- Interest rates are higher than before
- Loan conditions are tougher than before
- Banks are "short of cash" and reluctant to fund reconstruction works





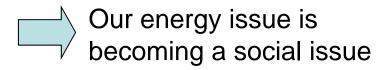




Economic conditions are less favorable

- Heating costs have risen dramatically (over 100% within the last year in some areas)
- All other livings costs have increased
- Residents in multiapartment buildings tend to have lower incomes
- Unemployment rate is increasing

Heating costs (being completely unavoidable for a household) are consuming a steadily growing proportion of the income of the poorer population in particular



Population is becoming more interested in energy saving and willing to spend money to save money







STATUS QUO

Problems:

- Awareness about possible energy saving with refurbishment is low
- People are afraid of taking loan for refurbishment
- Loan conditions in the market are not so good today
- Building prices are coming down
- New measure for financing





Project within Urb.Energy

- Campaigns about energy efficiency in buildings
- Campaigns about financing energy efficiency
- Consultations to the partners about financing











- Raising awareness about energy efficiency in Estonia
- Promoting innovative financial instruments in Estonia and among project partners





Activities in WP4

- Campaigns about energy efficient rehabilitation:
 - TV commercial
 - Radio
 - Outdoors
 - Direct mailing
 - Seminars
 - Internet





Activities in WP5

- Workshop in Tallinn-Rakvere 5-6.Nov.2009
- Consultations about financial instruments
- Campaigns about smart financial instruments:
 - TV commercial
 - Radio
 - Outdoors
 - Direct mailing
 - Seminars
 - Internet





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