



BAITEREK



DAMU
КӘСІПКЕРЛІКТІ ДАМУ ҚОРЫ

SMEs support in implementing green projects

November 2021

About us



BAITEREK



Established in 1997

Based on the Resolution of the Government of the Republic of Kazakhstan



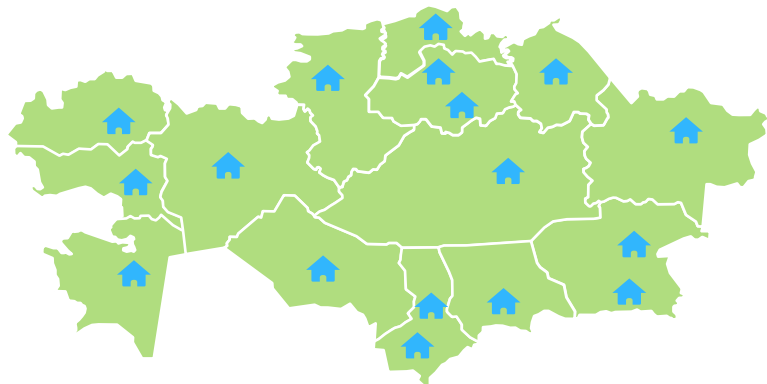
Sole Shareholder:

“Baiterek” National Managing Holding



MISSION:

An active role in the sustainable development of micro, small and medium enterprises in Kazakhstan, through the implementation of comprehensive and effective tools of support



Present in all regions of Kazakhstan



17 Branches

(In the regions and the largest cities of Nur-Sultan, Almaty, Shymkent)

RAITINGS:

**STANDARD
& POOR'S**

: **BBB-/A-3 (Stable)**

MOODY'S

: **Baa3 (Stable)**

Measures of SMEs state support through “Damu” Fund



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ҚАЗАҚСТАН РЕСПУБЛИКАСЫ
ДАМУ ҚОРЫ

I

Subsidizing of interest rate
(«Business Road map 2025», «Economy os simple things», UNDP)

Results: **51,3 thousand** projects
for the amount of loans **\$12,0 bn**

II

Guaranteeing of loans
(«Business Road map 2025», «Economy os simple things», «Enbek», «Damu-Optima»)

Results: **28,3 thousand** projects
for the amount **\$2,0 bn**

III

**Concessional loans through
STBs/MFO/LC**

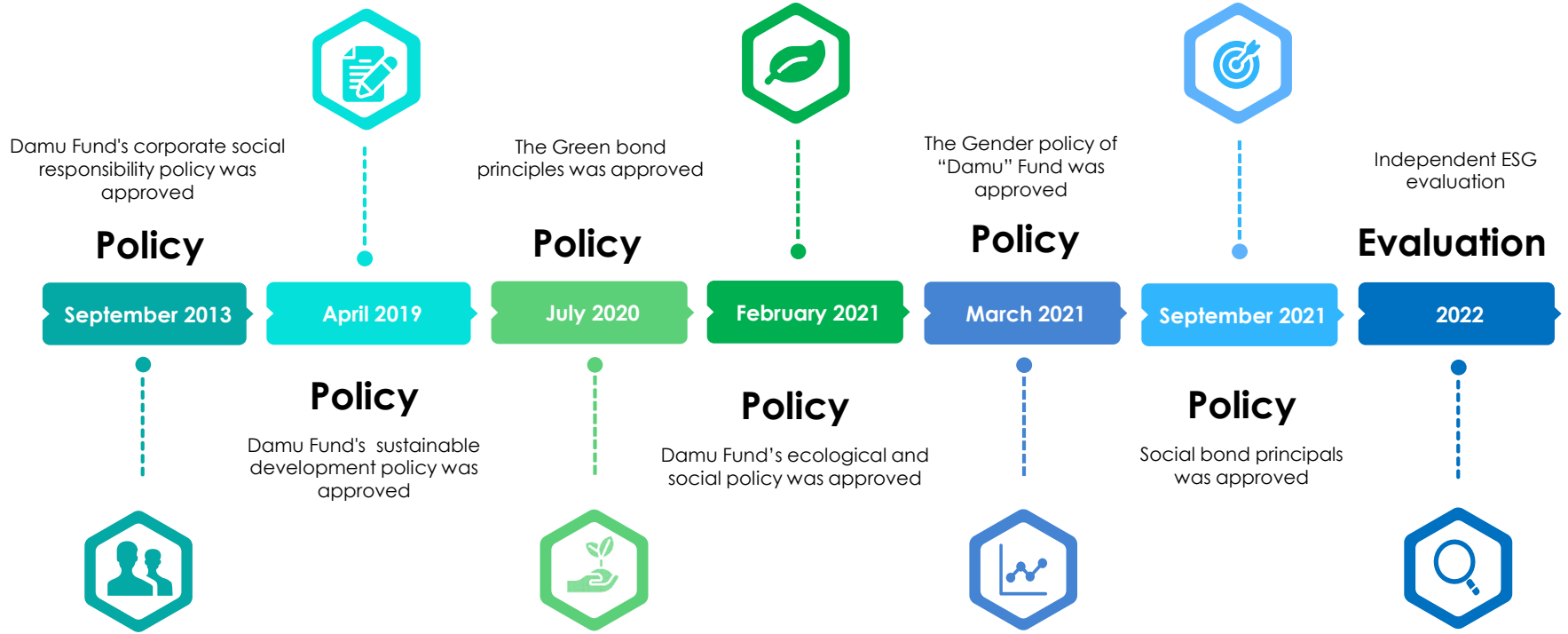
Results: **73,9 thousand borrowers** for the amount of
loans **\$6,0 bn**

IV

Training
(in cooperation with EBRD)
and
Entrepreneurs assistance

Results for all finance programs: 153,6 thousand projects
For the amount of loans **\$20,0 bn**

Applying SDGs



Damu Fund's policies are developed in accordance with the United Nations Sustainable Development Goals

Damu Fund's support of green projects



«BRM 2020»

Launching of Unified/State support and business development program (subsidizing and guaranteeing)

2010

2017

UNDP RES

Agreement with UNDP on subsidizing projects within program "Derisking Renewable Energy Investment"

2020

«BRM 2025»

Subsidizing of coupon rate on green bonds

2020

2021

UNDP GEF

Agreement with UNDP on subsidizing projects within program "Sustainable Cities for Low-carbon Development in Kazakhstan"

Issue of green bonds

The funds are used on financing of RES projects



Total amount of supported green projects are **118** for the amount of loans **\$321,4 mln**

Damu Fund's support of green projects



SP «BRM 2025»

Aims:

- Ensuring sustainable and balanced growth of regional entrepreneurship, including green projects
- Support of ongoing projects and creating new jobs

Support instruments:

- Subsidizing of interest rate
- Loans Guaranteeing

Results: 88 projects for amount of **\$315,7 mln**



Support to green projects

UNDP-GEF

(Sustainable Cities for Low-carbon Development in Kazakhstan)

Aim: support for energy efficiency of urban infrastructure

Support instruments: Subsidizing of interest rate and part of principal debt

Results: 38 projects for amount of **\$4,8 mln**

UNDP-RES

(Derisking Renewable Energy Investment)

Aim: reducing the investment risks in renewable energy sources

Support instruments : Subsidizing of interest rate and part of principal debt

Results: 1 project for the amount of **\$423,5 thousand.**

Green bonds issuance



In August of 2020, Damu Fund with the support of UNDP made its debut placement of green bonds on the AIFC stock exchange for further lending to SME projects implementing with the aim of introducing renewable energy technologies (RES)



 **Loan amount:** \$471 thousand.

 **Maturity :** 3 years

 **Interest rate:** 11,75%



The Damu Fund received the **"Green Market Pioneer"** award at the 6th annual Climate Bonds Awards 2021 from the Climate Bonds Initiative for its **green bond issue**

The funds raised through the issuance of green bonds were used to finance the construction of a solar power plant in the Turkestan region.

Supported projects



«Led System Media» LLP – production of lighting units (Nur-Sultan city)



Project

Modernization and operation the building lighting system of the administrative and technological complex "Transport tower"



Loan amount

\$80 thousand

- Rate -14,5%
- Subsidized - 10%
- Period of subsidizing - 2 years



Outcome

Annual energy consumption – 1,1 mln. kW or 16,5 mln.tg. Per year).
Savings potential 52% or 8,6 mln. tg.
Annual procurement of broken lamps - 1,7 thousand units
Savings potential 1,3 mln.tg



Reducing CO₂ – 3 077 tons in 6 years

«Karned» LLP– production of heat energy (Karaganda city)



Project

New local boiler house construction with capacity of 7.5 MW instead of the old 1960 building in the urban heat supply sector



Loan amount

\$181 thousand

- Rate -14,5%
- Subsidized - 10%
- Period of subsidizing - 3 years



Outcome

Minimum of damage to the environment.
Amount of costs to fuel and electrical energy per season – 27,1 mln.tg. With new boiler house 14,4 mln.tg. Savinga potential 47%



Reducing CO₂ – 3 004 tons per year

Supported projects



«VetroEnergoTechnologii» LLP – construction and operation of wind power plant (Manash v.)



PROJECT

New power facility construction with capacity 52,8 MW in the Isatai district of the Atyrau region



Loan amount

\$16,5 mln.

- Rate -14%
- Subsidized - 8%
- Period of subsidizing - 5 years



Outcome

Using only wind power to convert to electricity, with reduced greenhouse gas emissions compared to traditional power facilities



Reducing CO₂ – 80 188 tons in 2020

«Adal-l» LLP – all-inclusive services of facilities (Fedorovka v.)



Project

Replacement and installation of energy-saving (LED) lamps and lighting fixtures in the amount of 755 units in the village of Fedorovka, Kostanay region



Loan amount

\$165 thousand.

- Rate -14%
- Subsidized - 10%
- Period of subsidizing - 3 years



Outcome

Refusal to use mercury-containing lamps.
Energy saving potential 60%

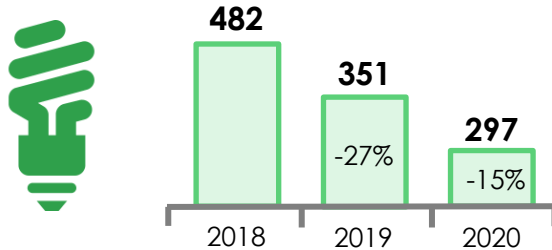


Reducing CO₂ – 254 tons per year

Realization of the green office concept



Reducing of electrical energy consumption, in mW



Waste segregation and recycling



- Installed special boxes for waste segregation
- Separate removal of waste and materials is carried out to recycling centers

Digitalization of business processes



- Own platform **Online-Damu.kz** for the processing all applications
- **100% automation** of business processes until the end of 2021
- Digitalization of business processes has led to a reducing of paperwork

Aims for the achieving «COP26» goals

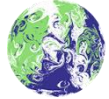


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ДАМУ ҚОҒАМЫ

Secure global net zero by mid-century and keep 1.5 degrees within reach



UN CLIMATE
CHANGE
CONFERENCE
UK 2021

IN PARTNERSHIP WITH ITALY

Aims for the reducing emissions to 2030 year:

Accelerate the **phase-out of coal**

Encourage **investment in renewables**

Speed up the switch **to electrical vehicles**

Damu Fund's contribution to achieve the goal:

Attracting funds from international financial institutions to support **green projects** and **issue of green bonds**

Ensuring of measures state support **through leasing companies** (concessional loans, subsidizing)

Future plans



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Achieve the rate of 15% RES in the energy balance of Kazakhstan by 2030

Achieve the carbon neutrality in the country by 2060

Realization of the National plan of measures in promotion partnership “green bridge” for 2021-2024.

Attracting funds from international financial institutions to financing sustainable development of SMEs in Kazakhstan

Integration of sustainable development principles into all areas of Damu Fund's activities

Obtaining the ESG rating by the International Rating Agency

Placement of the sustainable development bonds

Initiate the amendments to state programs in terms of strengthening the support measures for green projects



THANK YOU FOR YOUR ATTENTION!

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