

CONFÉRENCE BIOGAZ SUR LA VENTE DIRECTE ET LE FINANCEMENT EN FRANCE ET EN ALLEMAGNE

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Analyse des différentes formes de financement des installations de méthanisation

Analyse der verschiedenen Formen der Biogasanlagenfinanzierung

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C.A.R.M.E.N.

WHO IS C.A.R.M.E.N. e. V.?



Central Agricultural Raw materials Marketing and Energy Network ,
registered *non profit* association

- ▶ Coordination office for renewable energies, energy saving and renewable resources – especially in Bavaria
- ▶ Founded in 1992, 70 members, 35 employees
- ▶ Consulting, public relations and project management, ~ 70 bank reports, reports on base on the Renewable Sources Act
- ▶ Project assessment and project evaluation for the Bavarian State Ministry of Economic Affairs and Media, Energy and Technology + for the Bavarian State Ministry of Food, Agriculture and Forestry
- ▶ Further information: www.carmen-ev.de



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BASIS FOR THIS PRESENTATION

- ▶ We **didn't** create a systematic study
- ▶ This presentation bases on:
 - our general experience
 - bank reports (economic + technological aspects)
 - release “financing of agricultural biogas plants – a support”
 - feed back from:
 - biogas plant operators
 - bank adviser
 - consultant for bankruptcy



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LEGAL FORMS OF COMPANIES

legal form of companies	localization	kind of investor
civil law association (GbR)	south of Germany	farmers
private limited company (GmbH)	all over Germany	farmers
private limited company and limited partnership (GmbH & Co. KG)	north and east of Germany upgrading plants	funds
incorporated company (AG)	sometimes	
cooperative (Genossenschaft)		



DIFFERENT KINDS OF FINANCING IN GERMANY

- bank credit
- credit of banks of the public sector
- leasing
- hire-purchase
- „Betreibermodell“



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BANK CREDIT

	business financing	project financing
focus on	agricultural business - biogas plant is part of it	biogas plant
used for	„normal“ credits	credits for bigger plants or funds
credit rating / guaranty	of the hole agricultural business - especially farm land	of the project itself cash cow must be built up
revenue (feed-in- tariff)	bank can dispose of	
contracts for substrates	bank can get in	

BANK CREDIT

	business financing	project financing
advantage	+ simple project assessment	+ farm land couldn't be lost
disadvantage	<ul style="list-style-type: none">– When credit rating of the farm land is very low – credit is not given– farm land and biogas plant could be lost	<ul style="list-style-type: none">– project assessment more complex– interest loan is higher– higher rate of own capital
bankruptcy	I know 3 cases	I've heard from much more cases



CREDIT OF BANKS OF THE PUBLIC SECTOR

- Kreditanstalt für Wiederaufbau KfW
- Landwirtschaftliche Rentenbank

- interest loan could be lower
- interest loan can't be negotiated
- available at the local bank



LEASING AND HIRE-PURCHASE

	leasing	hire-purchase
use	<ul style="list-style-type: none"> • only for mobile parts of the biogas plant • agitators, CHP and feeder 	
guaranty for credit	<ul style="list-style-type: none"> • not intended • in the case of bankruptcy – mobile elements could be reconstructed (never heard of that) 	
annual rate	<ul style="list-style-type: none"> • is higher than in a normal bank credit 	
ownership	<ul style="list-style-type: none"> • leasing company 	<ul style="list-style-type: none"> • biogas plant
final payment	<ul style="list-style-type: none"> • often a contentious point 	<ul style="list-style-type: none"> • not intended
period	<ul style="list-style-type: none"> • around 7 to 10 years • for estimated life period 	



TYPICAL FINANCING - CIVIL LAW ASSOCIATION (GBR) + PRIVATE LIMITED COMPANY (GMBH)

- 10 % own capital
- 50 % bank credit, 15 to 20 years
- 40 % leasing or hire-purchase, 7 to 10 years
- additional more than 100,000 € per year working credit: substrates (energy crops)



„BETREIBERMODELL“

- farmer wants to have a biogas plant
- financing is not possible
- producer finances the biogas plant
- sometimes: farmer can buy the plant after some years
- duties of the framer:
 - running the plant
 - produce energy crops
 - bring back digestate to farm land
 - rent real estate to the owner



ACTUAL PROBLEMS

- some biogas plants won't get feed-in-tariff after 2020
- additional financing of:
 - now additional necessary storage for digestate and retaining wall
 - central heat pipe system
 - new components for running the plant flexible (CHP, biogas pipes, biogas storages ...)



CONCLUSION



- Most banks in rural areas have been interested in financing biogas plants
- The financing system has worked in almost every case:
 - „normal“ plants - business financing
 - bigger plants – project financing
- The rate of bankruptcy is low
 - business financing: 3 cases of 2,400 plants in Bavaria
 - project financing: higher rate
- Leasing / hire-purchase is useful for mobile parts
- „Betreibermodell“ was seldom used

Thank You

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