

emc 模式 (EMC mode)

There is no one model that can save energy and save money. Does the contract energy management model (EMC) play a role in promoting the LED lighting industry? In this regard, this reporter found in the interview, the promotion process, financing difficulties, vicious competition and other issues gradually emerged. How should these problems be solved?

Energy management contract (EnergyManagementContracting, referred to as EMC) is a new energy conservation mechanism of last century 70s the rise in the developed countries, its essence is to reduce energy costs to pay for such investment cost of energy saving projects. This model allows users to use future energy savings for factory and equipment upgrades, reduce current operating costs, and improve energy efficiency.

Replacement of street lamps requires tens of millions of yuan of funds, the government is very weak

EMC LED mixed mode

The initial combination of LED lighting and contract energy management began with the country's ten city pilot project. At that time, a city replacing only part of the street lamp would cost tens of millions of dollars, and no government or municipal department would be willing and able to do so. In this case, the advantages of the EMC model are reflected. In this mode, the professional energy-saving technology services company to accept the customer (such business

owners) Commission, signed by the energy service contracts with customers, with funds to implement energy-saving projects, to provide customers with the necessary equipment, energy-saving technology and capital all in one service, and obtain the benefits to customers through the savings in energy costs. This approach solves the problem of high investment, high risk LED street lamp demonstration project, but also to protect the production, consumption and the financial interests of the three parties to maximize and minimize the risk, to achieve the "three party government, enterprises and the public" win-win.

Since then, in the LED lighting project using EMC model in the process, the state and local governments at all levels have taken active support and encouragement policy.

However, with the "ten city lights" in the development of the project, many problems are highlighted: some LED manufacturers in order to get the project, the implementation period of malicious compression of the EMC project, resulting in its ends, had to take measures to make up for the shoddy; due to the lack of an independent third party to evaluate the energy saving project, user and energy service companies on the energy saving effect is not a breach of the contract; the user or not according to the contract to the energy service companies pay money difficulties caused by energy service companies; energy service companies to provide services for the lack of fixed assets and other reasons it is difficult to apply for loans to banks and other financial institutions financing. The emergence of these problems has caused many energy

services companies to be in a difficult situation.

The market, the industry and the service have three problems

Some companies keep prices down and compress EMC execution cycles for projects

Since 2009, the Institute of global environment has begun to pay attention to the application and promotion of energy efficiency projects, and conducted in-depth research on the LED lighting industry. According to the investigation by the project officials of the Global Environment Research Institute, the factors that affect the development of LED lighting EMC projects are mainly in the 3 aspects of the market, industry and service.

From the market side, LED lighting project profits are not particularly high, this is not timely financing is the key. In the LED lighting project which uses EMC mode more successfully, the internal rate of return of the project is even less than 17%, and this rate of return is also in the EMC contract cycle for 5 years or even longer to reach. Now, some companies will advertise the contract cycle for 3 years, or even shorter, in order to get the project. Lower the price, the compressed EMC execution cycle way of malicious competition, caused the project to the user that the LED lighting project is a high return and profits, which will further depress the energy service company profits or even living space. Such an industrial environment is bound to cause irrational EMC project

failure, but also seriously affected the regular energy-saving services company's business, and even survival.

In terms of industry,

Domestic LED lighting projects now carry out energy-saving services, most of the companies are small and medium enterprises, most of the market is in a weak position. In the initial communication with the owners, the qualifications of these enterprises are suspected, the owners of their commitment to energy conservation can not fully believe. At the same time, during the implementation of the LED project, energy-saving companies will face new technology, new product challenges, energy efficiency decline, owners default, the government price adjustment and a series of issues.

From the service point of view, the market needs professional LED lighting projects in the energy-saving service company. At present, the energy service company engaged in LED lighting project is divided into two main categories: LED lighting products manufacturing enterprises is derived, because the EMC project in the LED products are produced by this company, it will give the outside world a energy service company is to sell products of another kind of understanding; the energy service company is to join the LED lighting part in the original energy service content, because of the particularity of LED lighting, if the company is not according to the specific circumstances of the project for light source design, a simple replacement of bulb, lamp, may seriously affect the project energy

saving effect, easy to cause the contradiction of EMC project and the user side. Even lead to the failure of the project. Thus, the establishment of professional, independent LED lighting engaged in energy-saving service company is imminent. Professional companies to LED lighting and EMC organic combination, in order to promote the healthy development of the industry.

Without mortgage assets, it is difficult to apply for a loan

The industry calls for the development of financial products suitable for LED lighting projects

Overall, the key issue facing the LED lighting industry is financing. Therefore, we need to find an effective financing way to break the bottleneck faced by LED lighting industry.

The LED industry, which is the most concentrated in Shenzhen, has set up an industry federation, which aims to play a bridge between the government and the enterprises. At the same time, LED Industry Association led the formation of the establishment of LED industry membership Guarantee Corporation, in order to facilitate enterprises to finance. In addition, there is a kind of financing mode is composed of more than 4 enterprises will form a consortium, the Consortium Agreement between the amount of borrowing, apply for loans to banks, joint guarantees for loans, loans for each member of the group shall bear joint liability guarantee loan joint guarantee mode. At present,

these financing models are under exploration.

"In our current financial system, the most common means of financing is bank lending," said Tian Haizhen, a project officer at the global environment institute. Because the rate of return of LED lighting project is not high internal and special technology, it is difficult to obtain financing risk investment institutions favor according to individual projects, so bank loans become the main way in LED lighting project of energy saving service enterprise financing. However, many energy services companies own less fixed assets, product equipment in the EMC contract after the end of the transfer to the user, which makes it difficult to apply to the bank through asset collateral financing applications.

In this context, the world bank and the International Finance Corporation Chinese energy saving and emission reduction projects using technical assistance and risk sharing in the form of cooperation with the Industrial Bank, Beijing bank and Shanghai Pudong Development Bank, to add energy efficiency financing loans all loan portfolio, IFC will bear part of the loss. In addition, the international financial companies also help commercial banks and market main parties to establish energy efficiency financing projects, to help commercial banks to inspect and audit of energy efficiency loan projects, promote the long-term sustainable development of the project. "Under the drive of energy saving financing projects in China, the banking industry has gained new understanding and support for energy efficiency projects and EMC projects. More and more

and EMC projects. More and more banks are developing this business.” Tian Haizhen expresses.

However, in the existing financial products, many energy-saving service companies are also financing as SMEs rather than EMC projects, and loans are mostly short-term loans. Banks take into account their own risks, even with specialized EMC loans,

In the application, also requires the implementation of energy-saving emission reduction projects, the investment cycle should be less than 5 years (including), while the adoption of EMC model LED lighting project, the rational recovery cycle of investment in 6 years or more. Therefore, the bank and the LED industry associations, industry associations to jointly develop LED lighting products suitable for the characteristics of the financial products, is the industry hopes to see solutions.

Is there any other way to ease the pressure of financing?

The new model of public private joint venture needs to be explored, and the government can raise the enthusiasm of bank lending by taking funds to share the risk with banks

If bank loans are the traditional model to ease the pressure of financing, then the public and private joint mode of industrial finance is a solution to the transformation of administrative means to market means. At present, the government to provide incentives for energy service companies, although this method can mobilize the

enthusiasm and energy service companies to reduce the project financing risk, and increase the profit of enterprise energy-saving projects, but because the reward policy uncertainty, the enterprise cannot these incentive funds as a long-term income to compensate for the low return rate of project.

Tian Haizhen said: "the government can try to convert administrative means to market means a portion of energy reward, a public-private partnership mode, to attract private equity fund industry, fund the establishment of public-private partnerships, to provide financial products to the energy service company EMC project. The present reward funds can only be used once, while the public private joint venture industry fund can become a sustainable product that can be recycled, and the product audience will grow exponentially."

The practice of similar models has begun in Guangdong. In 2009, the Guangdong provincial government invested 50 million yuan to guide funds and 4 billion 950 million yuan of social funds to form the Guangdong green industry investment fund, which provides direct investment and financing services for energy conservation, emission reduction and new energy enterprises. Fund investment direction in the early future, to promote the Guangdong provincial science and Technology Department green lighting demonstration city project mainly, through linkage financial capital to increase investment in urban green lighting, and promote the development of green lighting industry.

There is a public-private cooperation way is the government incentive funds as collateral to bank loans, bank loans from private capital become here, for the development of energy service industry. Because of its own characteristics, energy saving service companies do not have enough fixed assets to apply for loans to banks as collateral. If the government can take out part of the funds as collateral for loans, and banks to share the risk of loans, bank lending to the Energy Service Company enthusiasm will be aroused, the financing problem of energy service companies can effectively solve.

In June 2010, Beijing Environmental Exchange and Chinese Energy Conservation Association Service Industry Committee jointly established a contract energy management platform for investment and financing transactions will be the energy service company service revenue in the future of the assignment, to obtain the flow of funds to carry out the new contract energy management projects. At the same time, the energy management contract investment have a complete evaluation system of financing trading platform, can be issued by the review comments on the project, and according to the evaluation opinions of project evaluation and pricing, to allow investors to fully grasp the project information. In addition, through this platform, the energy-saving service industry and the financial industry can be docked and integrated with relevant resources, providing the largest support for the energy-saving service companies in the project sources and sources of funds.

"In the study of the financing of the LED lighting industry, we also find that using carbon trading is a new way to solve the financing difficulties." Tian Haizhen said that in many industries and fields, carbon trading is used as an effective means of financing to alleviate the difficulties of project financing and low yield.

At present, the LED lighting industry has also seen the potential of the carbon trading market, and began to try to intervene in the carbon trading, carbon finance field. If in accordance with the current carbon market carbon prices to estimate, with the sale of carbon money to subsidize LED street light project management, equivalent to 10 yuan per lamp cumulative subsidy 350~560 yuan,

This number has great attraction for energy saving service companies engaged in LED lighting projects. With this potential carbon income, financing difficulties can also be eased. However, no successful LED lighting project with carbon financing has yet been developed. As a result, a collaborative platform for governments, industry associations, LED enterprises and carbon advisory bodies is to be established.