

SURVEY FINDINGS:

Local Entrepreneurs' Uncertainties on Energy Diversification

Secretariat of Albania Investment Council,
January 2023

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OBJECTIVE AND METHODOLOGY



OBJECTIVE

EXPLORING BUSINESS
OPPORTUNITIES IN
INVESTING IN ENERGY
EFFICIENCY AND
ALTERNATIVE SOURCES OF
ENERGY PRODUCTION

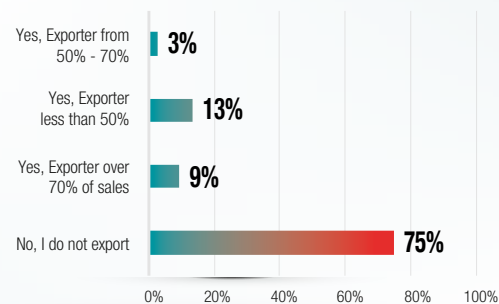


METHODOLOGY

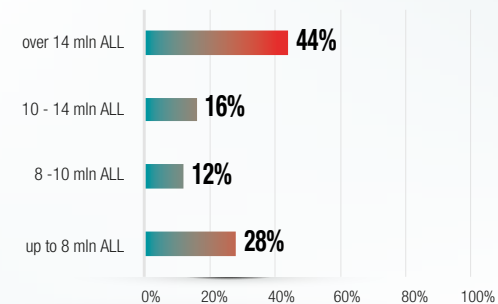
- Structured questionnaire
- 75 anonymous responses
- Reporting period: November 2022 – January 2023

**SAMPLE
PROFILE**
– 75 COMPANIES

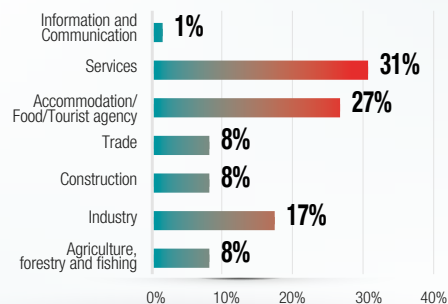
Are you an Exporter?



Size of your business according to last year's turnover

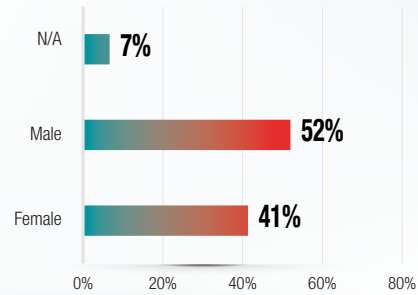


Main activity

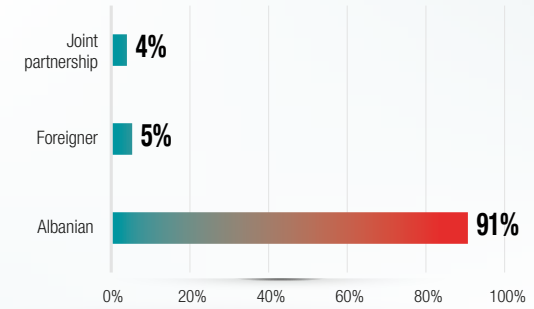


**SAMPLE
PROFILE**
– 75 COMPANIES

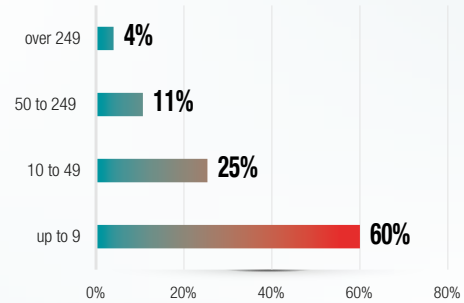
The largest shareholder/Partner/Owner
of your business is:



The largest shareholders/Partners
(with over 50% of shares) of your business are:

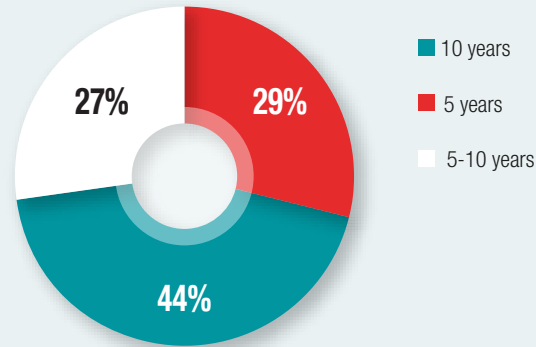


What is the average number of employees in your business?

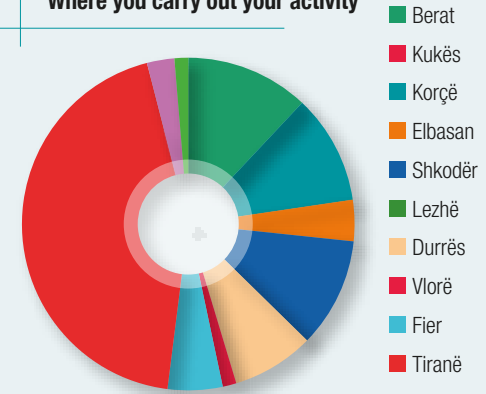


**SAMPLE
PROFILE**
– 75 COMPANIES

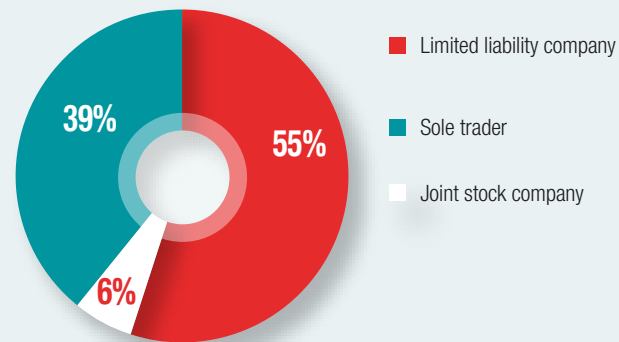
Company age



Where you carry out your activity



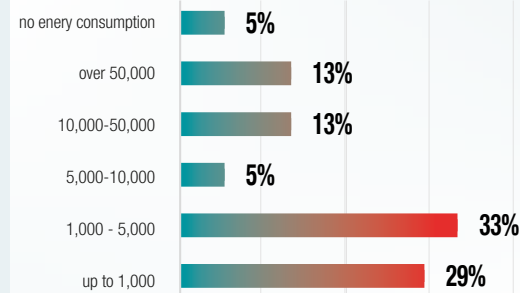
Business Type



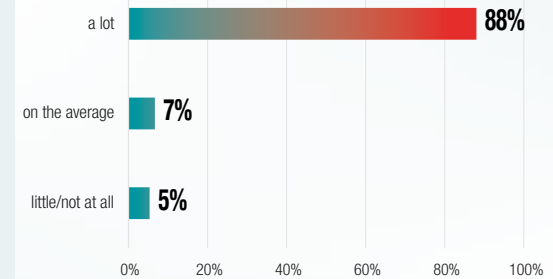
GETTING ENERGY AND CONSUMPTION

“ **88% of respondents** perceive a maximum impact of the power outage on their normal activity, underlining the importance of securing continuous sources of energy

Average energy consumption per month in kW:



How much does the power outage affect your business?



“ **Only 16%** of the respondents state that they **have not had** any power outage during a month

While 64% of them declare that they have had **up to 5 power outage during a month**

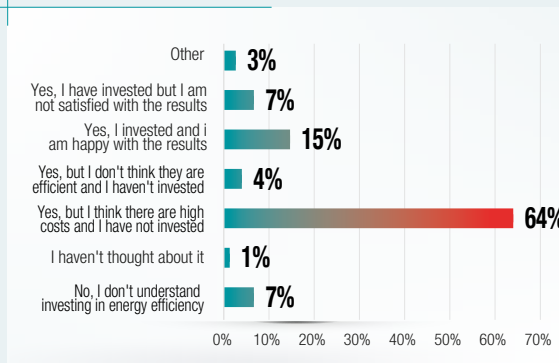
Have you had power outages, on average per month?



INVESTMENT

ENERGY EFFICIENCY

Have you considered the possibility of investing in energy efficiency?



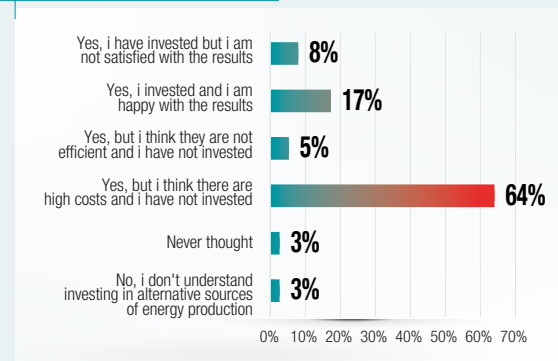
Business is informed and aware of cost reduction option from investing in energy efficiency (9 out of 10 companies), **but the perceived high investment costs have prevented them from investing.**

1 in 5 companies declare that they have invested (50% have a female owner), **but only 15% are happy with the result.**

Mainly **hotels and processing industry.**

ALTERNATIVE ENERGY SOURCES

Have you considered the option of investing in alternative sources of energy production?



Likewise, business is informed and aware of the cost reduction option of investing in alternative energy sources (95% of them), **but 64% state that the perceived high costs have prevented them from investing and benefiting.**

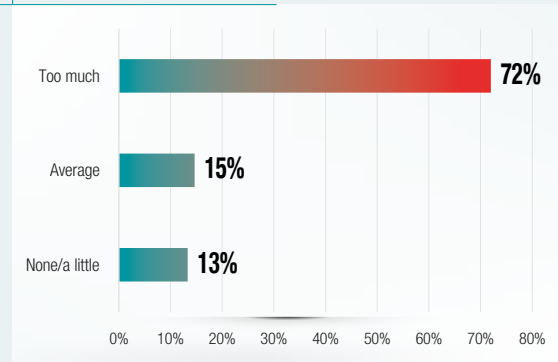
25% state that they have invested (37% are female investors), **but only 17% are satisfied with the results.**

Hotels and processing industry.

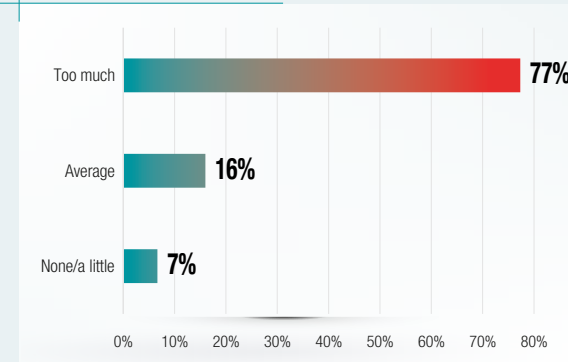
INVESTMENT

DETERMINING FACTORS

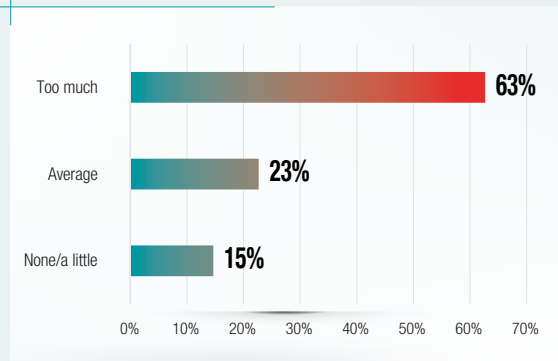
How much would **the initial investment value** influence your decision to invest in energy efficiency and/or alternative sources of energy production?



How much would **lower energy costs influence** your decision to invest in energy efficiency and/or alternative sources of energy production?



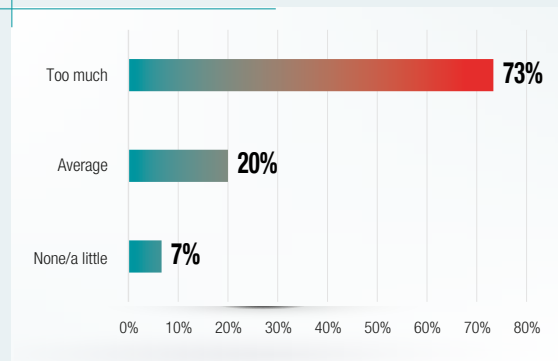
How much would **the payback period influence** your decision to invest in energy efficiency and/or alternative sources of energy production?



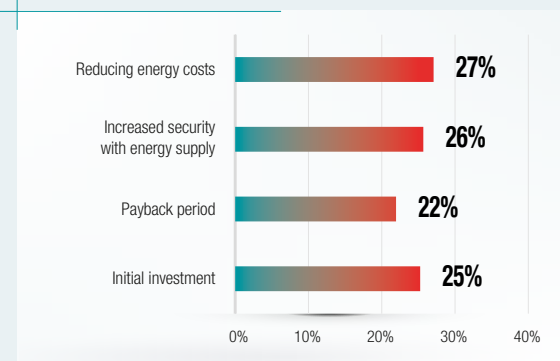
INVESTMENT

DETERMINING FACTORS

How much would **increased security of energy supply** influence your decision to invest in energy efficiency and/or alternative sources of energy production?



Which of the factors would most influence your decision **to invest in energy efficiency** and/or alternative sources of energy production?



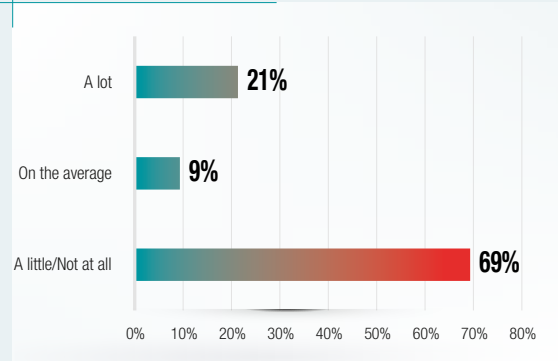
In the companies' decision to invest in energy efficiency/production, it seems that **cost reduction and increased security of energy supply** are the determining factors.

For female entrepreneurs, the most determining factors are the reduction of costs and the value of the initial investment.

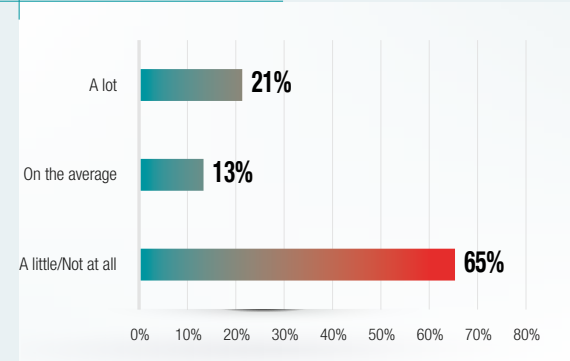
INVESTING

FINANCING FUNDS

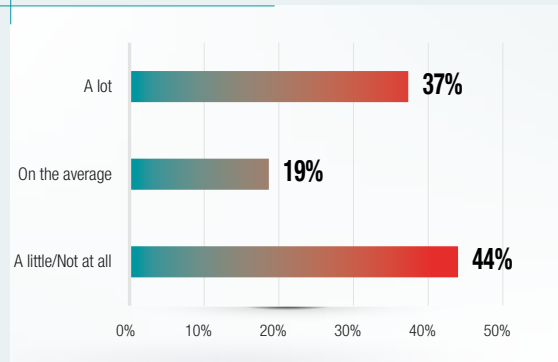
How familiar are you with the investment financing format in the field of multiple efficiency/or alternative sources of production **[Partners for developments]**



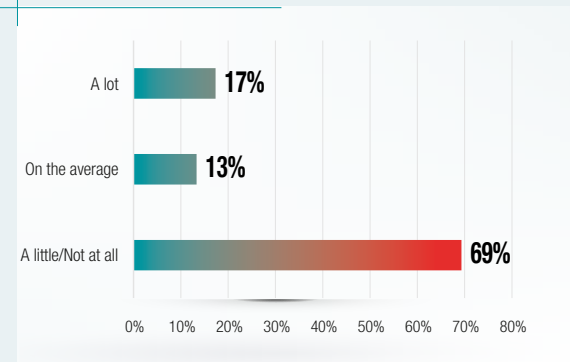
How familiar are you with the investment financing format in the field of multiple efficiency/or alternative sources of production **[Public Institutions]**



How familiar are you with the investment financing format in the field of multiple efficiency/or alternative sources of production **[Banks]**



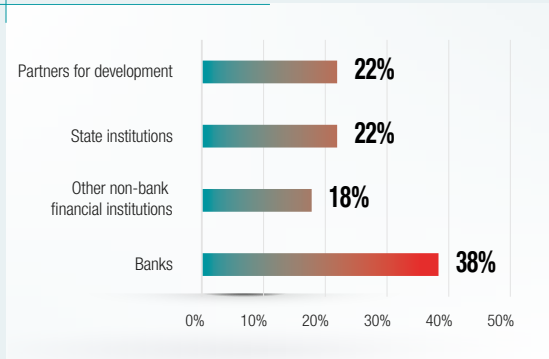
How familiar are you with the investment financing format in the field of multiple efficiency/or alternative sources of production **[Other financial institutions not banks]**



INVESTING

FINANCING FUNDS

With which are you most familiar with the forms of investment financing in the field of energy efficiency and/or alternative sources of energy production?



In terms of financing investments in energy, business is most familiar with banks; the same behaviour applies regardless of the gender of the entrepreneur.

CONCLUSIONS

In the conditions of the global energy crisis, as well as the government's plans for the liberalization of the energy market, **the business has knowledge** of the possibilities of investing in **energy efficiency** or **alternative sources of energy production** as sources of securing continuous energy sources and cost reduction.

The business **suffers from constant power outages**, which cause problems in the smooth running of their business activity.

In general, **high initial investment costs have "impeded"** businesses in finalizing the decision to invest in energy efficiency and alternative sources of energy production.

Mainly, hotels and the processing industry have invested, although some consider the investment to be inefficient.

Reduced energy costs and increased security in energy supply are the decisive factors that would influence the decision to invest in efficiency/alternative sources of energy production; whereas the payback period is the factor that would have the lowest impact on making this decision.

Banks are the most well-known institution for energy investment financing opportunities.