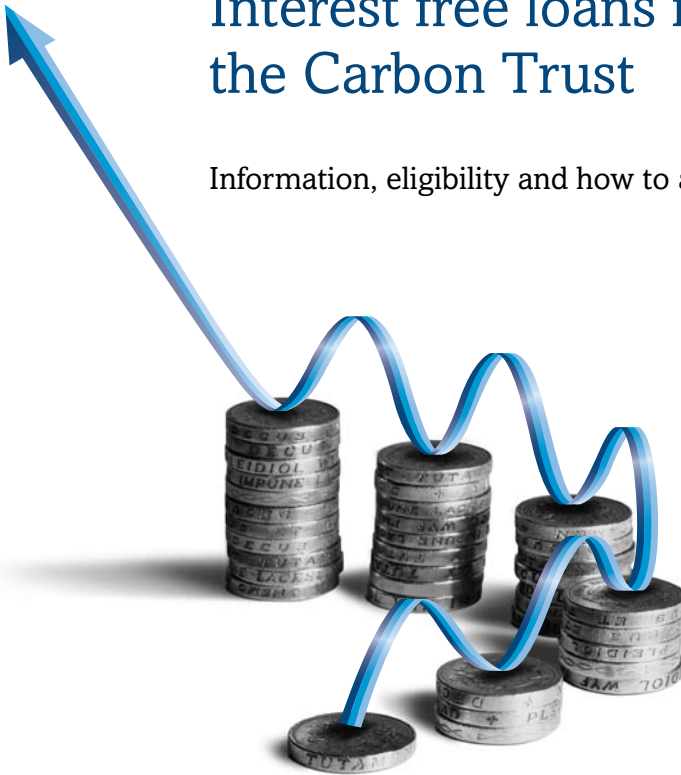


# Interest free loans from the Carbon Trust

Information, eligibility and how to apply.



## Unsecured interest free loans

The Carbon Trust's Energy-Efficiency Loans are designed to reduce carbon emissions by enabling businesses to overcome the capital barrier of purchasing energy saving equipment. Loans are interest free, provided on an unsecured basis and are typically for £5,000 to £100,000. Repayments are offered on a 12 to 48 month basis.

Examples of eligible energy saving equipment purchases include replacement lighting, warm air heaters, air compressors and boilers.

Loan applications and the amount of loan to be offered, are assessed on the expected energy savings.

- it has less than €50 million turnover (approx £35 million) or less than €43 million in assets (approx £30m)

### **And:**

- less than 25% is owned by another business.

## A loan that pays for itself

With increasing utility prices, the monthly energy cost saved from installing new equipment will often exceed the loan repayment. In most cases, therefore, projects can be funded from energy savings alone.

## A Government-backed scheme

The Carbon Trust is an independent, not for profit company set up by the Government to work with UK business and the public sector to cut carbon emissions through practical advice and support. The interest free loan scheme is one important way in which we are encouraging investment in energy efficiency to reduce carbon emissions.

## What companies are eligible?

### **England & Scotland**

Private sector small and medium-sized enterprises (SMEs) with a trading history of at least 12 months and an acceptable credit rating. The scheme recognises charities and societies to be SMEs.

### **A business is an SME if:**

- it has fewer than 250 full-time equivalent employees

### **Wales & Northern Ireland**

Private sector businesses of any size may apply, as long as they have a trading history of at least 12 months and an acceptable credit rating.

### **State Aid Restrictions**

Companies operating in primary agricultural, fisheries and aquacultural, transport, coal or export-related activities are not eligible.

### **How much can you borrow and for how long?**

The value of the loan offered will depend on the amount and type of energy saved. Different energy sources release different amounts of CO<sub>2</sub> into the atmosphere as they are consumed (this is called the CO<sub>2</sub> intensity). The CO<sub>2</sub> intensity affects the value of the loan that the Carbon Trust will offer.

To establish the loan value, the Carbon Trust will assess the amount of CO<sub>2</sub> that will be saved as a result of investing in the energy saving equipment. Based on the calculated CO<sub>2</sub> saving the Carbon Trust will quantify the size of loan it is able to offer and the payback period, which will be between 12 and 48 months.

In England, Scotland and Wales the maximum loan value is £100,000, while in Northern Ireland the maximum value is £400,000. The minimum loan value is £5,000.

### **What energy saving equipment is eligible?**

Because loans are offered on the basis of on-site CO<sub>2</sub> savings, any equipment that saves enough energy can be considered. Examples are the installation of replacement lighting, boilers, or larger-scale refurbishments of steam generating plant. Each application is individually assessed on the basis of its energy savings and the technology involved.

### **So what's the catch?**

There really isn't one. Energy-Efficiency Loans are simply designed to make it easier for you to invest in energy saving equipment.

### **Taking out a loan will help you:**

- Overcome the capital cost barrier
- Make your business more profitable
- Benefit the environment by reducing your business's CO<sub>2</sub> emissions.

### **Specify your equipment and supplier**

When you apply for an Energy-Efficiency Loan we will ask for details of your existing equipment, proposed replacement and supplier, including quotations from your supplier on headed paper.

### **Choosing your equipment:**

If you would like some free, impartial advice, call our Advice Line on **0800 085 2005**. We will arrange a free telephone consultation with a technical specialist who will talk through ideas with you. If your energy bills are over £50,000 a year, you may also qualify for an on-site survey from the Carbon Trust.

### **Choosing a supplier:**

For help finding a supplier,

visit **[www.carbontrust.co.uk/loans](http://www.carbontrust.co.uk/loans)** where you will find links to useful websites. The Energy Technology List at **[www.eca.gov.uk/etl](http://www.eca.gov.uk/etl)** lists suppliers whose equipment may qualify for the Enhanced Capital Allowance Scheme.

### **Apply online – it's simple and straightforward**

To apply for an interest free Energy-Efficiency Loan visit **[www.carbontrust.co.uk/loans](http://www.carbontrust.co.uk/loans)** where you'll find further information on the loans scheme and how to apply, and can then complete our online application form.

### **The following information is required to apply:**

- Company details confirming status
- Full details of your proposed energy saving equipment purchase(s)
- Estimated energy savings
- Quotation(s) from your chosen equipment supplier(s).

The online application process allows us to determine your company status, undertake a commercial credit check and establish your business' estimated energy savings. Based on the information you provide we will normally be able to make a conditional loan offer to you by return email.

Once we have made a conditional loan offer, a technical consultant will telephone you to verify the equipment details and then conduct an energy saving assessment. You should then receive an unconditional offer within seven days.

**Any questions?**  
**Call our Advice Line on**  
**0800 085 2005**

The Carbon Trust was set up by government in 2001 as an independent company. Our mission is to accelerate the move to a low carbon economy by working with business and the public sector to reduce carbon emissions and develop commercial low carbon technologies.

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Registered at 8th Floor, 3 Clement's Inn, London WC2A 2AZ. The Carbon Trust, June 2008.

