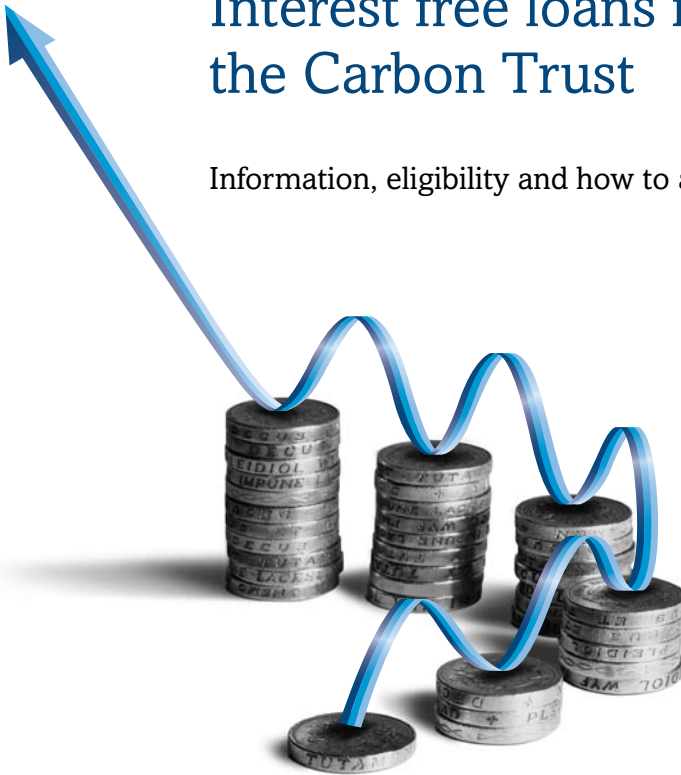


Interest free loans from the Carbon Trust

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 CO₂ into the atmosphere as they are consumed (this is called the CO₂ intensity). The CO₂ 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 CO₂ that will be saved as a result of investing in the energy saving equipment. Based on the calculated CO₂ 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.