

PEEB

Program for Energy Efficiency in Buildings

Scaling Investment



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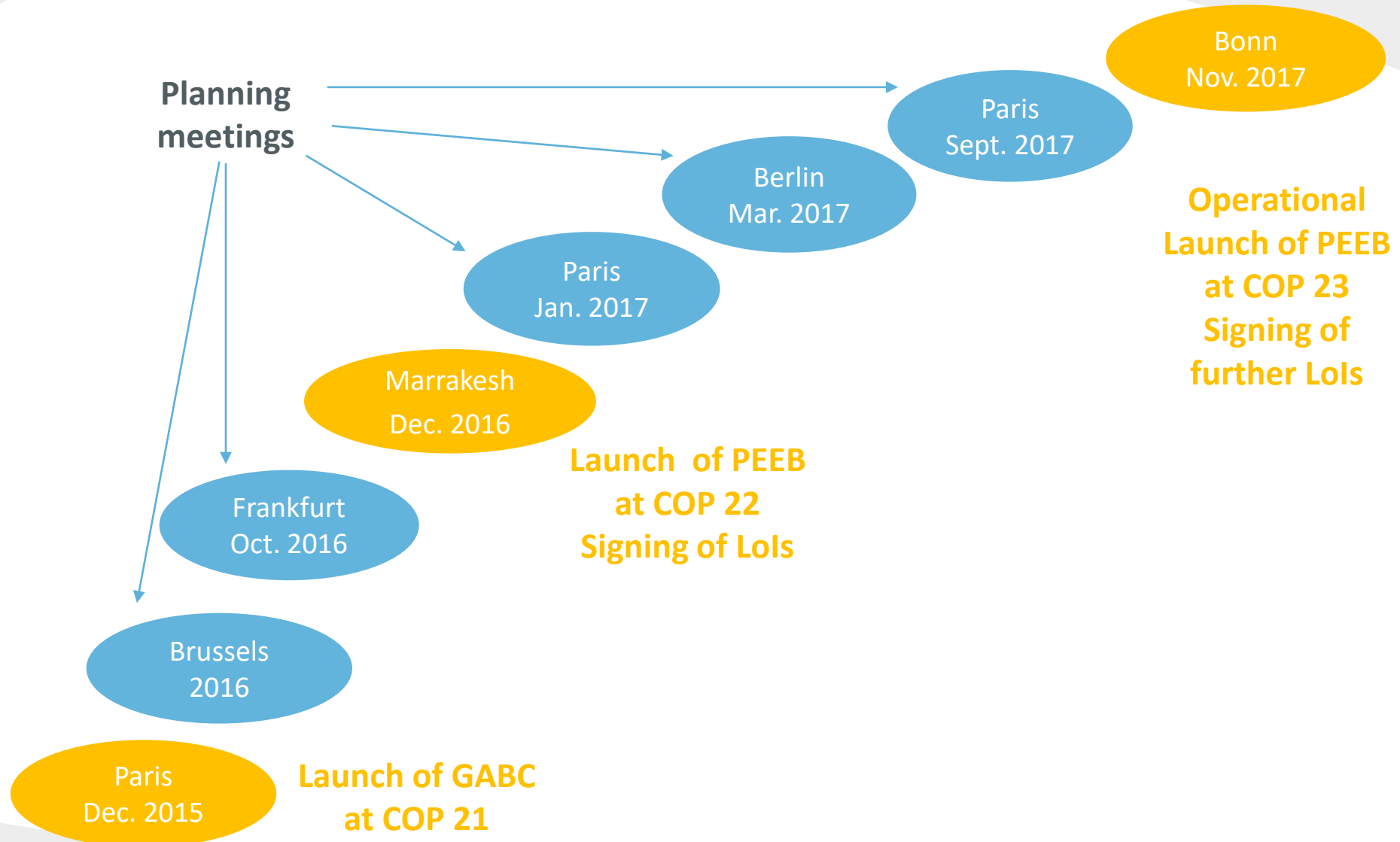
Context

- Importance of the building sector for achieving international climate change objectives : The building sector accounts for a third of global energy consumption, over 50% of electricity consumption, and 15% of global greenhouse gas emissions
- 80 % of the buildings existing in 2050 are not yet built: opportunity to build energy efficient and low emission building in developing countries
- Particularities and complexity of the building sector for implementing energy efficiency component: lack of involvement of IFIs and private sector
- Origin of the PEEB : from the Paris COP21 to the Global Alliance for Building and Construction

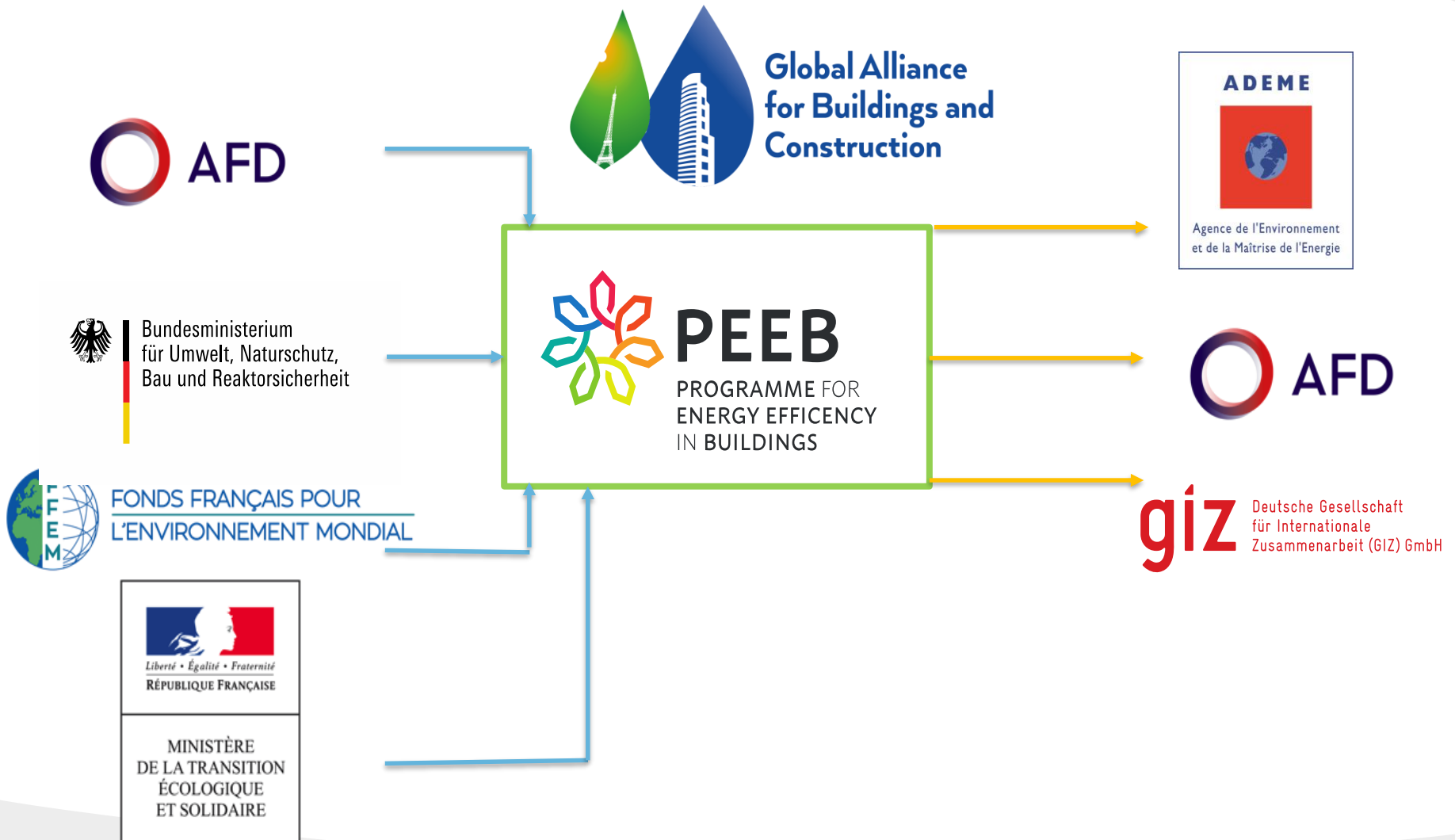
PEEB in a nutshell

- PEEB is a French-German joint-initiative and forms the first implementation programme of the **Global Alliance for Buildings and Construction (GABC)**
- PEEB changes **the long-term pathways** of the building sector by working with governments together with other actors for transformational change
- PEEB aims to **facilitate financing of large-scale programmes** in the **building sector** (focus on new buildings) in developing and emerging countries
- PEEB provides **technical assistance** at country level, advances **sustainable building design and construction** and works towards **zero emission buildings**
- Initial grants have been allocated by **BMUB, AFD, FFEM** and **MTES**
- PEEB first partner countries: **Mexico, Morocco, Senegal, Tunisia, Vietnam**

The Launching and progress of PEEB



PEEB Donors and Implementing Organizations



PEEB Services

- Assistance in applying for international climate financing, such as the Green Climate Fund (GCF) or the NAMA Facility, or for national sources (public and private)
- Technical advice in building design to integrate energy efficiency already in an early planning phase
- Support for the implementation of MRV systems in the building sector to meet the requirements of the Paris Agreement
- Upgrading technical design and construction skills



PEEB - Developing Financial Tools

- Type of finance resources channelled to public and private project sponsors :
 - Investment grant to stimulate the use of more energy efficient technical solutions
 - Loans (senior, subordinated/ mezzanine, at different tenors) channeled through public sector, banks or building owners or promoters (public or private)
 - Development of innovative public private partnerships such as revolving funds, ESCO's and other performance contracting based schemes

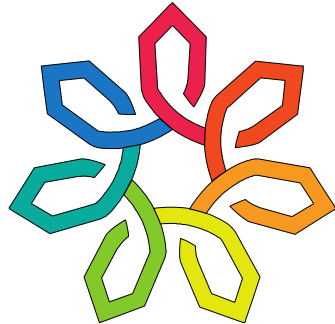


PEEB Project approach in Morocco (example)

- Technical assistance in the conception phase to real estate developers in order to design the optimal technical and economic as well as duplicable solution with over cost between 5 and 10% of the initial investment
- Technical assistance to key project stakeholders (construction companies., architect ..)
- Design of Energy Efficient equipment Kit to be offered to project sponsor customers
- Concessional corporate loan with Energy Efficiency requirements to help the real estate developer to compensate part of the over cost
- Investment grant to decrease the cost of Energy kit
- Sustainable payback period for customer
- Increase of the heritage value of the building
- Competitive advantage for the real estate developer
- Overcost and grant requirement decreasing with the learning curve

PEEB – Programme Development and next steps

- PEEB is operational, currently **starts work in five initial countries** with required funding having been secured
- 10 projects under preparation in Africa, Asia, Latin America and MENA regions. Growing demand from various stakeholders (governments, municipalities and other public and private sponsors)
- Availability of investments grants to stimulate pioneering approaches and partially cover over costs (<10% compared to BAU construction standards) remains a key issues. **Other donors should join PEEB.**
- **new countries are invited to join** and work with PEEB targeting both **mitigation, adaptation / resilience** and **post-crisis reconstruction**



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PROGRAMME FOR
ENERGY EFFICIENCY
IN BUILDINGS



Bundesministerium
für Umwelt, Naturschutz,
Bau und Reaktorsicherheit

giz Deutsche Gesellschaft
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FONDS FRANÇAIS POUR
L'ENVIRONNEMENT MONDIAL