meetMED II - Access to Finance

Dr. Maged Mahmoud
Technical Director,
Regional Center for Renewable Energy and Energy Efficiency (RCREEE)
General overview

- Mitigation Enabling Energy Transition in the Mediterranean Region – phase II (MEETMED II Project)
- Date: 01/01/2021 – 30/06/2024
- Duration: 42 months

**MEDENER** is an international non-profit organization gathering agencies from North and South of the Mediterranean region in charge of implementing public policies on energy efficiency and promotion of renewable energy sources.

**RCREEE** is an intergovernmental organization aiming to enable and increase the adoption of renewable energy and energy efficiency practices in the Arab region.

www.meetmed.org
Building on previous outputs... accessible on https://meetmed.org/publications/
Contribute to **enhancing energy security** of beneficiary countries while fostering their **transition to low carbon economy**, thereby contributing to more stable, **efficient, competitive and climate-resilient socioeconomic contexts**.

- The massive deployment of renewable energy and energy efficiency measures in building and appliances’ sectors in the Southern Neighborhood region accelerates the clean energy transition.

- Public awareness on energy’s major stakes and challenges increases, thereby fostering public and private sectors’ involvement towards more energy efficient buildings and appliances sectors.
Rationale ...

**Energy Efficient and Resilient Buildings**
- Regulation / norms / standards
- Technical tools & training Expertise
- Market structuration
- Access to finance
- Awareness

**Energy Transition in MED**

**Efficient and Performant Appliances**

Identify and remove the bottlenecks

Intensify EE measures & increase investment in EE and RES

Output 1 – Enforcement & harmonization
Output 2 – Market structured & tools available
Output 3 – Financing instruments available
Output 4 – Mobilization and increase of investments

Regional level  National level  City & local level
“Before you speak, listen.
Before you write, think.
Before you spend, earn.
**Before you invest, investigate.**
Before you criticize, wait.
Before you pray, forgive.
Before you quit, try.
Before you retire, save.
Before you die, give. “

William Arthur Ward
1921 - 1974
Access to Finance

is the ability of individuals or enterprises to access and obtain financial services.

Sustainable energy solutions can be financed using a variety of schemes, from grants to concessional debt and equity to purely commercial debt and equity.

Various financing instruments can be distinguished by both:

- the level of risk assumed by the entity funding the instrument concerned,
- The level of leverage, i.e. the extent to which specific funding mobilizes other sources of finance involved.
Access to Finance

Different needs, different products, different providers

Source: TBSD Training, Access to Finance, EC.
Access to Finance

Different needs, different products, different providers

Valley of Death 1

The Valley of Death 2

Source: NVP, European Commission and external consultations Ministry of Economic Affairs.
Objectives

The objective of meeMED Work Package 5 is to facilitate access to finance for efficient buildings and equipment through

- facilitating dialogue between banks, financial partners, institutions, public and private operators,
- improving the visibility of existing funds,
- creating innovative mechanisms for funding projects in this field (buildings & appliances).
- assisting project holders to get access to finance with a focus on public buildings, tertiary, and industrial sectors.
Key Intervention Areas

- Finance
- Business Models
- MED-SEI Forums and Finance Round Tables
- Webtools for Project Owners
- Training Modules for Banks
Key Deliverables

Finance Business Models

1. Financing capabilities guidebook
2. Design of 3 effective business models for appliances and buildings
3. Report on climate innovative finance
4. 4 capacity development activities
5. 4 events with IFI’s and other actors on business models
Webtools for Project Owners

Key Deliverables

- Mapping existing tools and guidelines
- Stocktaking of ongoing initiatives, incentives, etc.
- National and regional consultations
- Webtools / Platform conceptual design
- Deployment and marketing of webtools
Key Deliverables

Modules for Banks

- Training module development on “EE Labels and MEPs”
- Training module development on “Green Buildings”
- Training module development on “New and Innovative Financing Schemes”
- 4 Capacity development programs in 4 countries
Key Deliverables

MED-SEI Forums and Finance Round Tables

National contact points and networks of experts

5 National Forums

3 Regional Forums with meetMED Weeks

First Regional Med. Sustainable Energy Investment Forum
March 2022

First National Roundtable in Jordan
June 2022
Key Messages from the meetMED Week

“Energy Efficiency First! as the main principle for the Mediterranean region”

Key take-away messages were defined during the event, and a “meetMED Letter of Intent” was endorsed during the Closing Session.

It provides strategic elements, in the form of key messages on the pathway to the COP27, for a meetMED II project’s common position for the decarbonization of the Mediterranean area.

They are defining a virtuous circle to plan and design new policy measures, find how to finance them in a cost-effective way, implement them and provide good practices for the building and appliances sector, and finally monitor them through quantitative indicators, thanks to the methodologies and guidelines able to assess their impacts, to better understand how to scale up, adapt and replicate them in different contexts.
Main takeaways from the first two events

- EE is possibly embedded in the DNA of national strategies in most of the Countries addressed in meetMED but we need more **change agents** and **enabling eco-systems** in terms of tools, incentives, contractual templates, qualification schemes, etc. to scale up energy efficiency investments.

- Engagement of **local banks and local financing institutions** is a key to success in reaching a wider segment of beneficiaries

- National **central banks** and **bank associations** should be part of the process, favouring green financing

- **Blended financing** is becoming mainstream but innovation is needed to localize the financial solutions

- **De-risking** investments is a **joint responsibility** among IFIs, National Authorities, Banks and other stakeholders
Get in touch

- www.meetmed.org
- meetMED Project
- @meetmed1
- communication@meetmed.org

Funded by the European Union
NATIONAL ROUNDTABLE OBJECTIVES

• Map and engage relevant public and private stakeholders in the reference country.

• Map relevant financial tools, measures, initiatives in the reference country.

• Improve the visibility of existing public funds.

• Discuss how to enhance the access to finance for energy efficiency projects and overcome current barriers.

• Present good practices and innovative funding mechanisms addressed to both buildings and appliances. Discuss ways to replicate and scale up them.

• Identify projects that could be funded thanks to the project technical assistance.

• Establish a permanent and high-level national platform of discussion and exchange of information, experiences and good practices.
National roundtables organized within both the MEETMED WEEKS and NATIONAL EVENTS

- 3 within the meetMED weeks
- 5 within other national events

Morocco ROUNDTABLE is the 2\(^{nd}\) in a series of 5 national roundtables organised within the MED SEI Forums, setting up an example to be replicated by the other countries.
Thank You

Dr. Maged K. Mahmoud
Technical Director, Lead Expert

Regional Center for Renewable Energy and Energy Efficiency (RCREEE)
Hydro Power Building (7th Floor)
Block 11 - Piece 15, Melsa District
Ard El Golf, Nasr City, Cairo, Egypt

maged.mahmoud@rcreee.org
www.rcreee.org