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meetMED

Mitigation Enabling Energy Transition in the MEDiterranean region

Together We Switch to Clean Energy

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الوكالة الوطنية لتطوير
استخدام الطاقة وترشيده



RCREEE

Regional Center for Renewable Energy and Energy Efficiency
المركز الإقليمي للطاقة المتجددة وكفاءة الطاقة

Algeria

National Roundtable within the Mediterranean Sustainable Energy Investment Forum

Concept Note

**MED-SEI
Forums**

Financing Energy Efficiency
In Buildings and Appliances

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▪ Introduction

The second phase of meetMED project during the period (2021-2024) aims at strengthening the implementation of energy efficiency measures and improving countries' energy mix focusing on building and appliances' sectors through, multi-actor and inclusive approach at local and regional levels.

Using the successful experience of Sustainable Energy Investment Forums in Europe as reference, meetMED aims at establishing a series of national roundtables bringing together banks, financial partners, public authorities, and all stakeholders involved in delivering investments in sustainable energy in order to:

- ✓ Map and engage all 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.

▪ Background

Algeria, like others in the southern Mediterranean, is particularly vulnerable to the multifaceted effects of climate change, which risks undermining its economic and social development. Also, and in compliance with its international commitments, notably through the ratification of the Paris Agreement, Algeria continues to work together with the Parties to achieve the objectives of the United Nations Framework Convention on Climate Change. (UNFCCC).

Algeria's "national determined contribution" CDN, which covers the period 2021-2030, is mainly based on a national mitigation strategy which mainly affects the sectors of energy, forests, housing, transport, industry and waste. This is based in particular on the national renewable energy and energy efficiency programs, which reflect Algeria's desire to continue its efforts to combat the negative effects of climate change while ensuring its socio-economic development. These programs will be accelerated and strengthened as long as Algeria benefits from international support in terms of new and external financial resources, and transfer of technologies and know-how.

The national energy transition strategy adopted by the Algerian government is intended to be progressive and balanced. This is based on the diversification of its energy mix, by focusing heavily on the development of its renewable resources, mainly solar, and on controlling its energy consumption through energy efficiency solutions and changing consumer behavior. consumers.

Thus, thanks to the combination of initiatives and intelligence, Algeria is embarking on a new sustainable energy era.

The updated renewable energy program consists of creating 15,000 MW of renewable electricity production installations, mainly photovoltaic, by 2035. This capacity is intended for the national market, with maintaining the export option as a strategic objective, if market conditions permit.

The updated energy efficiency program aims to achieve energy savings of at least 63 million Toe by 2030, targeting the most energy-intensive sectors such as buildings and public lighting, transport and industry. This program focuses, among other things, on the massive introduction of efficient lighting, the generalization of thermal insulation of buildings, the promotion of solar water heaters, the promotion of clean fuels (LPGc and NGc) and modes of transport. durable, and efficient industrial equipment. This energy efficiency program would reduce CO2 emissions by around 193 million tones.



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However, apart from the contributions of the state which remain the majority or even sole, there still remain, in Algeria, obstacles and real constraints regarding access to other mechanisms for financing the investments necessary for these programs, which they are already established elsewhere or innovative.

The bankability of projects, the involvement of investors and the taking into account of the risk factor are subjects to be addressed, contextualized and started to be put into practice within the framework of a pragmatic and sustainable national strategic approach, which would involve and would mobilize, around the issues and challenges raised, all national and international financial institutions, as well as the various players in this sustainable market.

▪ **Main Goal**

The national workshop will address, from a strategic point of view focused on national needs and challenges, the different tools and avenues for establishing and improving access to sustainable financing. It will serve as a space for exchanging experiences of different project financing practices and means to increase their “bankability” and reduce the risks perceived by financial institutions.

This workshop will subsequently become a permanent exchange forum to establish and facilitate dialogue between the different stakeholders with the aim of identifying and implementing best practices and operational solutions in the field of financing sustainable energy projects.

▪ **Participants**

The National workshop in Algiers - MED SEI Forums is part of a series of presentations organized within the MED SEI Forums, setting up an example to be replicated by the other countries. The participants nominated by their institutions and firms will become members of the National SEI Network to be facilitated by APRUE.