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meetMED

Mitigation Enabling Energy Transition in the MEDiterranean region

Together We Switch to Clean Energy

meetMED GUIDEBOOK ON GREEN FINANCING

Capabilities with Specific Focus on Energy Efficient Buildings and Appliances

Algeria, Egypt, Jordan, Lebanon, Libya, Morocco, Palestine, and Tunisia

MED ENER

RCREEE

Regional Center for Renewable Energy and Energy Efficiency

المركز الإقليمي للطاقة المتجددة وكفاءة الطاقة

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MEDENER is an international non-profit organization gathering governmental energy agencies from North and South of the Mediterranean region in charge of implementing public policies on energy efficiency and the promotion of renewable energy sources, by implementing regional projects facilitating the sharing of know-how and best practices among its members and international partners, as well as accelerating the transfer of skills, methods and technologies in the field of energy efficiency and renewable energy.

RCREEE is an intergovernmental organization aiming at enabling the adoption of renewable energy and energy efficiency practices in the Arab region.

RCREEE teams with regional governments and global organizations to initiate and lead clean energy policy dialogues, strategies, technologies and capacity development in order to increase Arab states' share of tomorrow's energy. Its key work areas are capacity development and learning, policies and regulations, research and statistics, and technical assistance.

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ACRONYMS

AAIB	Arab African International Bank	HIPCA	High Impact Partnership on Climate Action
ADB	Asian Development Bank	ICDF	International Cooperation and Development Fund
AFD	The French Development Agency	IEEHA	The Italian Energy-Efficient HomeAppliances Program
AfDB	African Development Bank	IMELS	Italian Ministry for the Environment,Land and Sea
APRUE	The National Agency for the Promotion and Rationalization of Energy Use	IsDB	Islamic Development Bank
BAU	Business-as-Usual	JWPC	Jordan Wind Project Company (JWPC)
BDL	Banque du Liban	KfW	German Development Bank
BM	Banque Misr	LBP	Lebanese Pounds
BoP	Bank of Palestine	LCEC	Lebanese Center for Energy Conservation
BP	Banque Populaire	LEs	Large Enterprises
CAB	Cairo Amman Bank	LGIF	Lebanon Green Investment Facility
CIF	Climate Investment Fund	MEMR	Ministry of Energy and Mineral Resources
CTF	Clean Technology Fund	MFW	Micro-fund for Women
EBRD	European Bank for Reconstruction and Development	NBE	National Bank of Egypt
EEPB	Energy Efficiency in Public Buildings Program	NEEREA	National Energy Efficiency and Renewable Energy Action
EIB	European Investment Bank	NRC	Norwegian Refugee Council
EU	European Union	PENRA	Palestinian Energy and Natural Resources Authority
FEI	Federation of Egyptian Industries	PIF	Palestinian Investment Fund
FNMEERC	National Fund for the Management of Energy and Renewable Energies and Cogeneration	QNB	Qatar National Bank
FRA	Financial Regulatory Authority	SF	Sustainable Finance
GBP	Green Bond Principles	SMEs	Small and Medium Enterprises
GCF	Green Climate Fund	TIA	Tunisia Investment Authority
GEF	Global Environment Facility	TN	Tunisian Dinar
GEFF	Green Economy Financing Facility	UNEP FI	United Nations Environment Finance Initiative
GF	Green Finance	UNIDO	United Nations Industrial Development Organization
GHG	Greenhouse Gases	USAID	U.S. Agency for International Development
GLP	Green Loan Principles	WBG	World Bank Group
GRI	Global Reporting Initiative	ADB	Asian Development Bank

CONTENTS

EXECUTIVE SUMMARY

Streamlined financing mechanisms and programs play a significant role in facilitating access for individuals, companies, institutions, and local communities to innovative banking finance aimed at stimulating investments and financial flows directed towards small and medium sustainable energy projects. Such mechanisms are referred to as green financing.

Mechanisms and programs typically target :

Economic growth creation of new business opportunities, and enhancing competitiveness to access markets with green products.

greenhouse gas emissions reduction objectives, improve the efficiency of natural resource utilization, and minimize waste and pollutants.

Generally, due to the novelty of these mechanisms, there is a knowledge gap not only in their existence but also in how to apply and benefit from them. Although they are often available from multiple sources nationally and even at the municipal and local levels, as they are not solely international mechanisms with complex procedures.

The green finance market has evolved significantly in recent years with the development of various financial instruments such as green loans, bonds, and classified sukuk, as well as insurance, stocks, and capital investment funds, incorporating innovative structures, classifications, and frameworks by the finance sector. Streamlining green financing mechanisms require approaches that adapt to the local context, whether at the national level or within the targeted sectors and communities. These would enable each party to understand the needs of the other, such as financial institutions understanding the nature and risks of the decentralized sustainable energy projects, and investors and project beneficiaries understanding the requirements and conditions of funding entities, especially the financial system represented by banks and financial institutions.

Accordingly, this guidebook aims to enrich the knowledge of different stakeholders by presenting the main features of these streamlined green financing mechanisms directed towards sustainable energy, including concepts, methodologies, and characteristics, as well as by providing examples of implemented mechanisms in several Southern Mediterranean countries.

1. INTRODUCTION

This guidebook is a product of the **second phase** of the project **"Mitigation Enabling Energy Transition in the Mediterranean Region (meetMED II);** an European-funded project carried out by **the Mediterranean Association of the National Agencies for Energy Management (MEDENER)** and **the Regional Centre for Renewable Energy and Energy Efficiency (RCREEE)**.

meetMED II is a **four-year project** that aims to enhance the energy security in **Algeria, Egypt, Jordan, Lebanon, Libya, Morocco, Palestine, and Tunisia** while fostering their transition to low carbon economy through strengthening the implementation of energy efficiency measures and improving countries' energy mix focusing on building and appliances' sectors through a multiscale, multi-partner and inclusive approach at local and regional levels, thereby fostering regional cooperation.

One of the main components during this project phase is **the access to finance** because of its critical role that still needs a special attention in the southern and eastern Mediterranean countries (SEMCs). Therefore, several the project activities aim at enriching the knowledge, facilitating the dialogue between banks, financial partners, institutions, public and private operators, and improving the visibility of existing green finance instruments targeting decentralized sustainable energy solutions with a special focus on **energy efficiency in buildings and appliances.**

2. METHODOLOGY AND SCOPE

To prepare this guidebook interviews and surveys were conducted with the relevant experts of each of the national energy agencies of the meetMED partner countries, namely: **APRUE (Algeria), MOERE** and **NREA (Egypt), RSS/NERC (Jordan), ALMEE** and **LCEC (Lebanon), REAOL (Libya), AMEE (Morocco), PEC/PENRA (Palestine), ANME (Tunisia)** and **RCREEE (Regional Organization)**. These interviews allowed to identify and characterize the tools and mechanisms put in place at national or local level to promote sustainable energy solutions and particularly for energy efficiency in buildings and appliances at national level. The authors carried out desk research to fill the gaps and ensure a better coverage. The guidebook was proofread by experts from the meetMED partner agencies.

3. WHY GREEN FINANCE?

A question may come to mind about the motives of the financial institutions in general and the banking sector in particular for developing mechanisms and programs to facilitate access for individuals, companies, institutions, and local communities to instruments and facilities aimed at stimulating investments and financial flows directed towards sustainable energy projects. These motives are many, but the most important of them at the global level is **the financial system's awareness that global climate change directly and indirectly affects finance clients,** especially small and medium–sized finance, and also the finance institutions that deal with them. Because the change in the ecosystem and natural resources, including the cases of extreme climate phenomena as a result of global warming, **such as :**

- Heat
- Floods and hurricanes
- Increasing salinity of neighboring agricultural lands
- Long-term drought
- Rising sea levels
- Decreased agricultural crop productivity
- Severe heavy rains, floods
- Increasing erosion
- Increase in the incidence of agricultural pests and diseases

and other effects of climate change … all these will make it difficult for financing clients to pay their financial obligations to institutions lending to them. Asset losses related to climate and health issues also cause high default rates. There is a significant delay in repayment that directly and indirectly affects the financial performance of financial institutions.

Therefore, moving towards green financing will achieve many economic benefits in terms of mitigating and avoiding the damage resulting from climate change by reducing the causes leading to it in terms of emissions in various productive sectors, of which the energy component is a major cause. Such green finance mechanisms and programs typically target

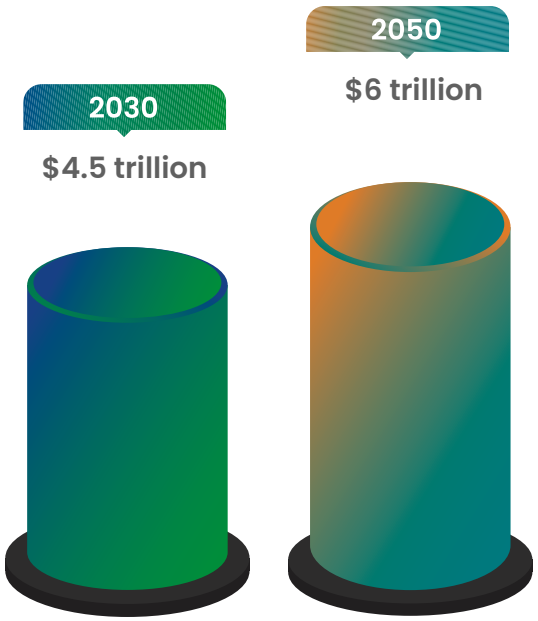
- economic growth
- new business opportunities
- enhancing competitiveness

to access markets with green products.

They aim to achieve **greenhouse gas emissions reduction objectives, improve the efficiency of natural resource utilization, and minimize waste and pollutants.** Generally, due to the novelty of these mechanisms, there is a knowledge gap not only in their existence but also in how to apply and benefit from them. Although they are often available from multiple sources nationally and even at the municipal and local levels, as they are not solely international mechanisms with complex procedures. **Investing in green products, e.g. by enabling the transition towards renewable energies, enhancing energy efficiency and improving the quality of its services while enabling customers, whether individuals, companies, institutions or local communities, to withstand, adapt and grow are among the most important areas of green finance, and are considered key pillars for developing a flexible system for a sustainable green economy.**

CURRENTLY 632 BILLION DOLLARS ARE SPENT ANNUALLY

as investments in green financing to combat climate change, which is frequently referred to as "climate finance". This number is modest if we know that the climate investments necessary to prevent catastrophic deterioration of the environment are estimated at up to $4.5 trillion dollars annually by the year 2030. By 2050, the need will rise to $6 trillion annually.



The Paris Agreement, which was signed by **195 parties** in 2015 and entered into force in late 2016, clearly addressed the issue of climate finance through Article 2, which stipulates to make financial flows consistent with a path leading to development that is low in greenhouse gas emissions and capable of adapting to climate change. It stressed the need to mobilize an **annual commitment of US$100 billion,** which was previously agreed upon in 2009 at the 15th session of **the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP15)** in Copenhagen. Article 9 clearly underlines that the provision of financial resources is mandatory and must be provided by developed countries to developing countries in the context of meaningful global warming gas emissions mitigation measures, and that governments should strive to make use of all mechanisms. The Agreement also requires that the provision of an expanded financial support should take into account country strategies, priorities and needs of developing country Parties, particularly those that are particularly vulnerable to the adverse impacts of climate change and have significant capacity constraints, and to promote effective access to financial resources through simplified approval procedures and support the readiness and capacity of developing countries to benefit from financing.

4. FINANCING MECHANISMS FOR DECENTRALIZED ENERGY SOLUTIONS

There are many financing mechanisms and incentives that can promote decentralized sustainable energy investments in the SEMCs region. Various financiers can play complementary and differentiated roles and responsibilities, such as

Five comprehensive forms of financing mechanisms can be identified, as described in the following sections.

1-GRANTS AND CAPITAL SUPPORT:

Governments, development partners and financing institutions usually provide grants and capital subsidies for projects that are not considered technologically or commercially viable, allowing developers and entrepreneurs to opt out after meeting pre-specified conditions. They help reduce costs for producers and beneficiaries alike while de-risking investments and expanding markets. The ultimate goal is usually to **enhance the fairness of the distribution of income or wealth** by addressing capital market inefficiencies that exclude access or discriminate against some groups. Such grants should be designed to ensure fair competition and overcome market entry barriers while leveraging private financing mobilization in a sustainable way beyond their term.

2. GREEN LOANS, BONDS, AND SUKUKS:

Green loans, bonds, and Sukuks are typically used to finance new sustainable energy projects, or expand an existing project or programs in the form of loans and bonds. Financial institutions and government agencies provide loans while bonds and sukuks are issued to the capital market.

LOANS CAN BE IN THE FORM OF

01 Senior debt

02 Lines of credit

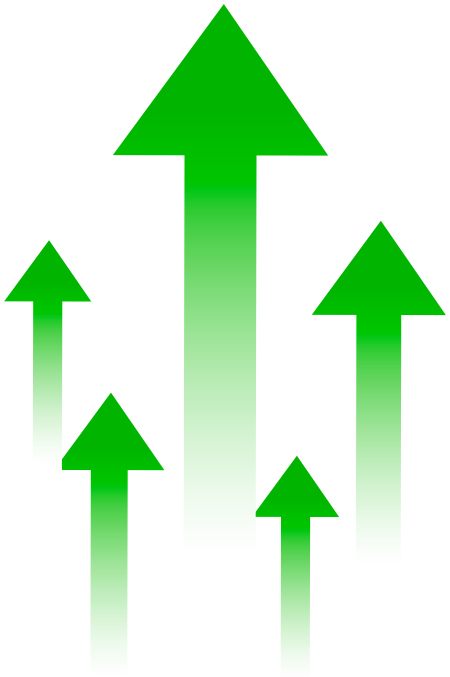
03 Soft loans

04 Subordinated debt

Senior debt and lines of credit obtained from both the public sector and local banks give low returns, expose low risks to investors, are repaid first before all other obligations and are secured with guarantees which is a major concern for many beneficiary groups in different countries. This is why soft loans at low interest rates with long grace and repayment periods are of particular interest to consumer groups seeking decentralized sustainable energy solutions. Subordinated debt is debt in which investors are offered a fixed interest rate that is paid before repayment to equity holders but after the senior debt is settled. Subordinated debt is less common in financing sustainable energy projects and is mostly used as a form of mezzanine financing. **There is a noteworthy global trend, which is financing the project with cooperation from more than one party,** where a group of banks provides loans to the project as a non-recourse loan. Here, the project assets and power purchase agreements are considered collateral for the loan and are repaid from the project's cash flows only and not from the company's income. Banks currently prefer project financing over corporate lending due to increased oversight of projects as well as the possibility of sharing credit risk among banks involved in project financing.

Lease or right-of-use financing is provided by the equipment manufacturer, third-party lessor, and vendors to allow beneficiaries of sustainable energy projects to use energy production equipment without purchasing it through an off-balance sheet operating lease or an on-balance sheet capital lease. This financing structure is fast, simple, and accessible with low contractual complexity.

A common example is leasing or renting a solar electricity system, where the owner of the system provides the energy produced to a different consumer (or group of consumers) and may also benefit from tax breaks. Depending on the type of lease, at the end of the lease term the consumer may have the option to buy the asset, return it again, or extend the lease term.



Green bonds are debt securities issued by governments, banks, or companies in the capital market to acquire an existing sustainable energy project or develop a new project as well as to build related infrastructure, implement efficiency measures or implement adaptation measures in industries and cities facing climate change risks. Bonds are repaid from the projects cash flows, usually through a fixed or variable coupon. Bonds are increasingly gaining interest as a cheaper source of financing compared to commercial loans because bond interest is tax deductible. There are many different forms of green bonds and they are all rated as AAA securities by many financing institutions to speed up the process of raising capital for green projects from socially and environmentally responsible investors who require fixed income securities.

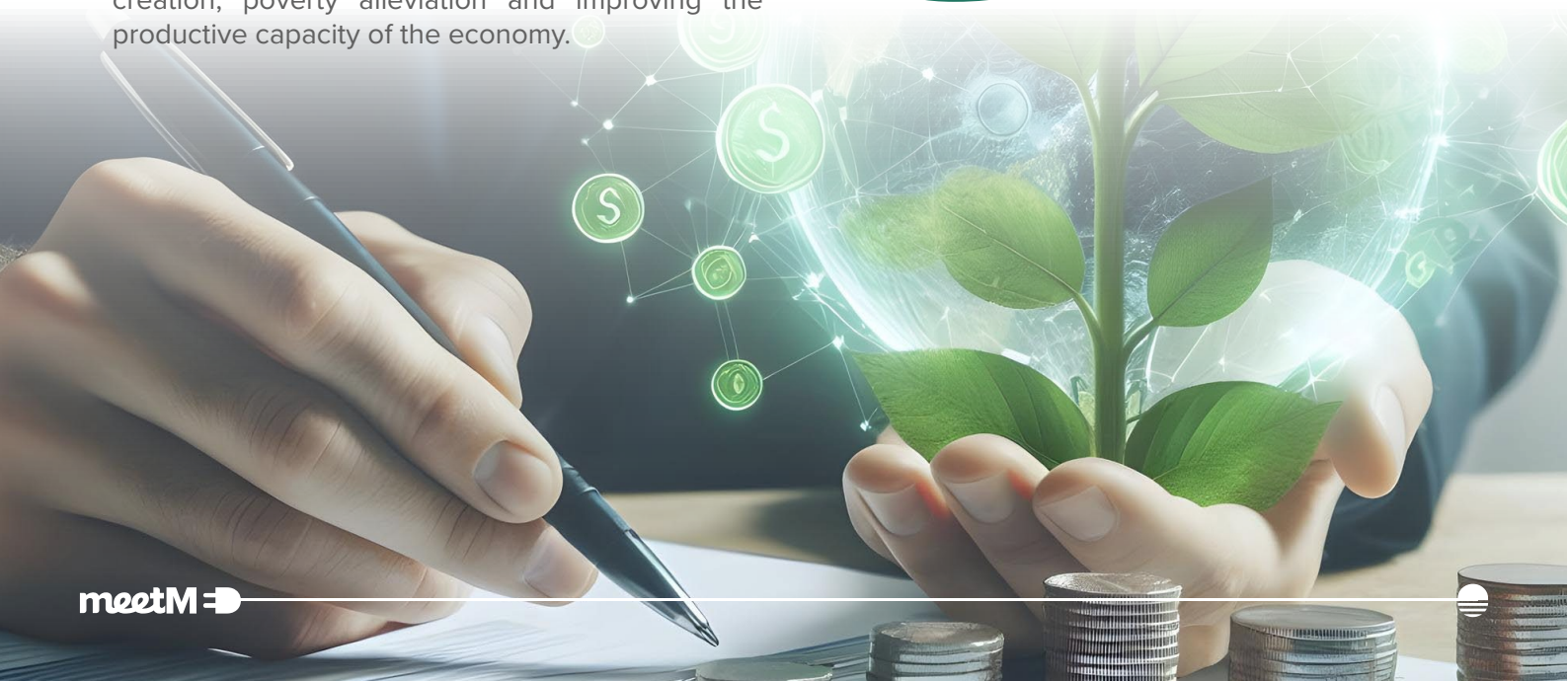
Sukuk are Islamic bonds, that are securities that provide their holders with ownership rights and reveal the risks related to the underlying asset or project. They provide the owner of the sukuk with fixed returns (in the case of Murabaha or Ijara sukuks) or variable returns (in the case of Musharaka or Mudaraba sukuks. Sustainable energy businesses can likewise issue green sukuks to raise funds for their projects. Sukuks are used by the issuer to borrow money from sukuk holders to purchase assets, start a project or implement a project. The concept of sukuks is in accordance with Islamic rules (Sharia), as transactions must be free of interest, speculation, and activities harmful (such as alcohol, tobacco, etc.) and must be linked to physical assets that represent the center of ownership. The growth of the sukuk market was not limited only to Islamic countries, but it began to expand globally.

3. CAPITAL AND EQUITY:

Equity is the capital raised from individuals or shareholders in a company or project to obtain a return through net profits that are distributed or from the sale of shares. It increases financial solvency by freeing up cash flows, but it involves the highest risk and cost among all financing sources as shareholders have a residual claim to the company in cases of dividends and liquidation and expect higher returns. Capital can be raised through multiple channels, such as a venture capital fund, a private equity fund, or by issuing an initial public offering on the capital markets. Venture capitalists are typically found more in the early stages of venture investing anticipating high risks but also high returns. On the other hand, private equity investors prefer to invest in mature stages of projects with the hope of obtaining a safe exit within 3 to 5 years after returning their investments. A noteworthy trend in the SEMECs region is the involvement of pension funds and sovereign funds as equity investors. They offer a significant amount of money as they look for stable profits and strong growth over the long term that could extend to 25 years or even more if technology allows.

4. TAX INCENTIVES:

Tax incentives are government incentives typically used to encourage private investment, production, and consumption of sustainable energy. A prominent feature of tax incentives is the increased availability of cash for investors and their liquidity position. Investment tax credits, property tax reduction, indirect tax reduction, production tax credit, value-added tax reduction, import duty reduction, accelerated asset depreciation, tax exemption, tax incentives for research and development, domestic equipment manufacturing, fossil fuel tax, and carbon taxes are all examples of possible policy measures to promote sustainable energy projects. These incentives also provide many social and economic co-benefits such as job creation, poverty alleviation and improving the productive capacity of the economy.



5. DECENTRALIZED GREEN ENERGY FINANCING COMMON APPROACH

Green financing mechanisms and programs in each country play an essential role in raising the level of investments in small and medium distributed renewable energy and energy efficiency projects. Some SEMCs countries; compared to the rest of the countries, have a larger number of available financing mechanisms, mostly supported by international financing institutions through a group of national banks, including, for example, Egypt and Morocco. Most credit lines in green finance mechanisms have a common financing approach, including:

- Submitting a project financing application form
- Examining eligibility criteria to determine the creditworthiness of the project.
- Classifying the project in terms of level of complexity to determine the type of evaluation required to approve funding.
- A typical project that can be quickly evaluated through a fast- track or simplified process using pre-established models, or it may require more in-depth detailed assessments for medium or high complexity projects.
- Examining and evaluating the feasibility, and the extent to which the requirements for energy savings and emissions reductions are achieved.
- Approval of financing.
- Implementation and operation.
- Verifying implementation, operation, and achieving the required indicators (Ex-post verification as these credit lines are usually equipped with either a financial grants or a technical assistance component)

Decentralized green energy financing typical steps

- Application for project financing
- Eligibility check
- Project categorization
- Selection of the energy assessment type
- Feasibility study
- Credit approval
- Implementation
- Verifiction
- Ex-post verifiction

Figure 2 Examples of key International Finance Intuitions active in the southern Mediterranean region :

Mor
- WB
- (IBRD/CTF/IFC)
- AFD
- AFDB EBRD
- EIB
- GIZ/kfw
- IsDB
- JICA
- USAID

Alg
- WB
- (IBRD/CTF/IFC)
- AFD
- AFDB
- GIZ/kfw
- IsDB
- JICA

Tun
- WB
- (IBRD/CTF/IFC)
- AFD
- AFDB
- EBRD
- EIB
- GIZ/kfw
- IsDB
- JICA
- UNDP

Lib
- WB
- (IBRD/CTF/IFC)
- CIF
- Xylem

Egy
- WB
- (IBRD/CTF/IFC)
- AFD
- AFDB
- EBRD
- EIB
- GIZ/kfw
- IsDB
- JICA
- GCF
- UNDP

Pal
- WB
- (IBRD/CTF/IFC)
- AFD
- EU
- BOP
- Proparco
- EIB

Jor
- WB
- (IBRD/CTF/IFC)
- AFD
- EBRD
- EIB
- GIZ/kfw
- IsDB
- JICA
- UNDP Adaptation Fund

Leb
- WB
- (IBRD/CTF/IFC)
- AFD
- EBRD
- EIB
- GIZ/kfw
- IsDB
- USAID

6. CHARACTERISTICS OF GREEN FINANCING MECHANISMS

In view of global and regional experiences, there are many characteristics of green financing mechanisms for small and medium-sized sustainable energy projects, which can be summarized as follows:

Reducing administrative burdens

Complex and cumbersome administrative procedures can prevent potential beneficiaries from accessing green financing credit lines. Simplification efforts should focus on reducing unnecessary paperwork, redundant requirements, and lengthy approval processes. This can be achieved by developing standardized application forms, adopting digital platforms for submitting applications, and implementing effective internal review processes to speed up the decision-making process.

1

Easy to use application processes

Creating user-friendly application processes is essential to ensure stakeholders can easily navigate through requirements and procedures. This includes providing clear instructions, guidance documents and templates to assist applicants in preparing their proposals.

2

Clear guidance on eligibility criteria

Clearly defining eligibility criteria for accessing credit lines, programs and funds is crucial.
The guidelines should identify the specific sectors, project types and geographic areas eligible for funding. In addition, the criteria for evaluating the project's feasibility, sustainability, and impact on the environment and climate should be transparently clarified.

3

Financing disbursement procedures

Transparency in financing disbursement procedures is essential to instill confidence among various parties, and clear guidelines should be established regarding the disbursement process, including the most important requirements and stages of financing disbursement payments, as well as the reports and documents required for disbursement for each batch.

4

Monitoring and evaluation

Incorporating strong follow-up (monitoring, control) and evaluation mechanisms into financial processes is vital. Regular monitoring of funded projects allows assessing progress, identifying challenges and providing necessary support. The evaluation helps determine the effectiveness and impact of green financing credit lines, enabling continuous improvement.

5

Capacity building and support

Providing capacity building to support funding applicants and other stakeholders is essential to ensure they are equipped to deal with funding mechanisms. This can include organizing training programs, workshops or seminars to enhance their understanding of the application process, financial requirements and reporting obligations.

6

ALGERIA

7. EXAMPLES FROM THE SOUTHERN AND EASTERN MEDITERRANEAN REGION

7.1 ALGERIA

National Fund for the Management of Energy and Renewable Energies and Cogeneration (FNMEERC)
This fund was firstly established by the Law No. 14-10 of 30 December 2014 wearing the Finance law for 2015, the start date was officially in 2016 and the project Was closed on December 2022 while a new financing system is in the preparation phase under the budget of the Ministry of Energy and Mines. FNMEERC was a cooperation between the ministry of energy and mines and L'Agence Nationale pour la Promotion et la Rationalisation de l'Utilisation de l'Energie (APRUE). FNMEERC provides financing to manufacturers with a view to improving the energy efficiency of equipment and devices of national manufacture, aimed at the introduction and distribution of high-performance lamps and high-performance equipment and household appliances, the distribution of individual and collective solar water heaters, as well as the conversion of light, industrial vehicles and buses to LPG/c, NG/c and dual fuel.

Beneficiaries and Focal Areas:

- Thermal Isolation
- Solar Water Heaters
- Lighting
- R&D in energy management
- Energy audits and feasibility studies
- LPG/C, NG/C, and CNG/C vehicles
- High-performance equipment in all sectors
- Local manufacture of equipment and appliances

National Energy Efficiency Program (PNME)

This program is a multi-annual government program implemented by the National Agency for the Promotion & the Rationalization of Energy Use (APRUE). PNME is based on the allocation of financial support for the implementation of energy efficiency projects. It's providing for measures that favor the most suitable forms of energy for different uses, improved equipment, and behavioral change. Alongside financial support, the program provides carrying out support actions, information, awareness, and capacity building, also, the development and consolidation of legal framework and the normative aspects that contribute to the improvement of energy efficiency (financial and taxes advantages, customs benefits and notably means of control). The program by 2030 aims 10% of energy savings and focuses on energy-intensive sectors, which are respectively, building, which represents 46% of final consumption in Algeria, then transport and industry with 29% and 24%.

Beneficiaries:

- Households
- Tertiary sector and public establishments
- Municipalities
- Industrial establishments (public and private)
- Transport (Captive fleets, private)

Focal Areas		Financial support rate:
Thermal insulation of buildings	:	60% – 80%
Solar water heating development to produce domestic hot water.	:	50%
Introducing energy performance in street lighting	:	50%
Introduction of energy management systems (by sensor)	:	50%
Promotion of high-performance household appliances	:	50%
Promotion of clean fuels	:	25% to 40%
investments and feasibility studies	:	30% and 70%

TAKA NADIFA

Taka Nadefa provides support to mainly electrical renewable energy sector and energy efficiency in Algeria through: support to national authorities in the review and development of institutional, political and regulatory mechanisms conducive to the implementation of sustainable energy policies through the deployment of renewable energies and energy efficiency; contribution to the facilitation of medium and long-term private investments (local and foreign) in renewable energy and energy efficiency projects; and strengthening the technical and managerial capacities of institutions in these areas. With a budget of 11 million euros, including 10 million euros from the contribution of the European Union and 1 million euros from the Algerian contribution, Taka Nadefa takes place as a cooperation between the European Union and the ministry energy and mines over a period of 4 years (April 2019 april 2023). for the energy efficiency part of which the APRUE is the focal point, the program consists of the following activities.

Beneficiaries and Focal Areas:

- Diagnosis of existing regulations and their application
- Review of Building Thermal Regulations, methods, and tools
- Dissemination and application of the Thermal Regulations for Buildings (RTB); pilot operations
- Certification and energy labeling of household appliances.
- Measures in favor of the energy improvement of existing buildings
- Support for manufacturers of high-performance products and equipment; certification of products and companies
- Strengthening of institutions and technical centers concerned.

Egypt

7.2 EGYPT

SME Green Value Chain (GVC) – Egypt

The Green Value Chain (GVC) credit line provides finance and advice for private sector SMEs to support their competitiveness and growth by strengthening product quality and adding value, improving standards, and creating an enabling environment for exports. The facility supports CapEx investments in general and gives a special emphasis to green technologies. The facility supports Egyptian SMEs with EUR 70 million of financing for improved competitiveness through the main partners of EBRD, EU, GCF. The Programme provides eligible companies with access to finance, investment grants, and advisory services on the best available technologies in a range of industries.

Eligibility

- Private Egyptian SME with turnover < EUR 50 million or balance sheet < EUR 43 million and < 250 employees.
- Operating in a value chain (i.e., at least one local supplier and/or one local or international buyer)

Beneficiaries and Focal Areas

- Agribusiness
- Manufacturing and services
- Logistics and distribution
- Information and communication technologies

Financing

- Up to 100% of investment cost (excluding VAT) with ceiling
- EUR 300,000 for pre-approved equipment from the Green Technology Selector
- EUR 1,000,000 for assisted projects.

Banque Misr - Green SME Loan I

The EBRD Green SME Loan program is supporting Egypt's green economy transition with USD 100 million facility in the form of a credit line to Banque Misr for on-lending to SME private sector borrowers for sustainable energy and resource efficiency investments with total finance of 100 Million USD through the development partners of the EBRD and HIPCA. The aim is to finance and advise private sector businesses to improve competitiveness and increase profitability, through high performance technologies and practices.

Beneficiaries and Focal Areas

- Renewable energy
- Efficient energy use
- Efficient energy management in buildings
- Water and wastewater rationalization and reuse
- Sustainable land management
- Efficient use of natural resources and operation input of raw materials
- Circular economy

Eligibility

- Private Egyptian SME with turnover < EUR 50 million or balance sheet < EUR 43 million and < 250 employees.

GREEN FOR GROWTH FUND

The Green for Growth Fund (GGF)

GGF is an impact investment fund that mitigates climate change and promotes sustainable economic growth, primarily by investing in measures that reduce energy consumption, resource use and CO2 emissions through GCF, EIB and KFW with total 146 6000 000 USD. The fund, a blended finance structure, is a public-private partnership that leverages risk-capital provided by public institutions with additional private capital to substantially increase investment volumes to regions and sectors that do not normally attract such flows and is an early and successful example of blended finance in action.

The fund channels this dedicated financing to businesses and households through local financial institutions, and through direct investments to eligible projects and companies. A dedicated Technical Assistance Facility provides know-how and technical expertise to ensure that these investments are successfully implemented and to a high international standard.

Beneficiaries and Focal Areas

- Building improvements.
- Heat supply & cooling systems.
- Modern lighting.
- Small-scale renewable energy equipment.
- Agricultural equipment.
- Industrial process improvements.
- Waste and water treatment.
- Waste management infrastructure.
- Renewable energy projects.

Eligibility

- Households/individuals.
- Businesses.
- Municipalities and Public Sector Entities.
- Renewable Energy.
- Industrial energy efficiency

Solar Heat in Industrial Processes (SHIP)

This project is part of a national initiative launched by the Egyptian Ministry of Trade & Industry in collaboration with the United Nations Industrial Development Organization (UNIDO) to support the Egyptian industrial companies to utilize solar heating in their industrial process applications through the National Bank of Egypt (NBE) as a local partner with 2 million USD. The general objective of the project is to develop the market environment for the diffusion and local manufacturing of solar energy systems for industrial process heat in key industrial sectors through 4 main components:

Component 1: Develop policy instruments to promote the use of solar energy for industrial process heat.
Component 2: Mobilize financing for the deployment of solar energy for industrial heat.
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Component 3: Improve the manufacture, supply and distribution of solar energy components and systems.
Component 4: Build the capacity of technical STA designing, developing, and servicing solar systems.

Beneficiaries and Focal Areas

- Industrial sector.
- Solar systems.
- Feed-In industries.
- Local consultants and service providers.

Egyptian Pollution Abatement Program (EPAP III)

The main objective of EPAP III is to set a framework for encouraging cleaner production uptake in Egypt by promoting technologies achieving significant pollution abatement in the industry, i.e., control, reduce or prevent anthropogenic emissions, including the greenhouse gas emissions (GHG). It will also improve the living and workplace conditions. The project will also strengthen the enforcement capacity of the Egyptian Environmental Affairs Agency making it more efficient and help the banks to become more proactive in the financing of environmental projects thanks to capacity building to insure the sustainability of the project.

Eligibility

Environmental Compliance

- Wastewater treatment.
- Air pollution control equipment.
- Equipment to improve the manufacturing process.
- In-process improvements.
- Management of solid waste generated by the facility.
- Work environment.

EE

- Machinery, compressors, and process equipment.
- Energy efficient boilers.
- Energy efficient chillers.
- In-process modifications.
- Reduced heat losses and/or waste heat recovery systems.
- Combined heat and power (CHP).
- Alternative fuels (less carbon intense).

Resource Efficiency/Circular Economy

- Industrial waste recycling (e.g., plastics, acrylics).
- Waste reuse (e.g., vinasse recovery, alternative fuels).
- Wastewater recycling and reuse (e.g., recycle treated wastewater, treat/reuse municipal sewage for industrial process).
- Recovery and reuse of raw materials (e.g., paper fibre, solvents, ammonia).
- Process optimization to reduce resource usage.
- Technical innovation to use less resources or extend product shelf life.

Beneficiaries and Focal Areas

- Environmental improvement
- EE
- Resource efficiency
- Circular economy
- Environmental and social governance

Financing

- 140 million USD with up to 90% of CAPEX:
- For environmental compliance projects: 10% - 22% of eligible costs (10% - 30% for SMEs).
- For EE projects: 10% - 14.5% of eligible costs (10% for SMEs)
-
- For resource efficiency and circular economy projects: 10% - 22% of eligible costs (10% - 30% for SMEs)
- Interest rates for EGP loans are 1-3% above mid corridor.
- Interest rates for USD loans 2-3% above 6 months LIBOR

FEDERATION OF EGYPTIAN INDUSTRIES
Environmental Compliance Office and Sustainable Development

Environmental Compliance Office (ECO)

The project provides access to soft loans for funding new industrial equipment serving Environmental Compliance and energy saving in cooperation with Federation of Egyptian Industries (FEI) as a development partner. This facility of total fund 120 million EGP mainly targeting and provides support to SMEs.

Eligibility

Environmental Compliance

- FEI Member
- Private sector SMEs
- More than 15 full-time workers
- Environmental

Beneficiaries and Focal Areas

- Engineering
- Metallurgy
- Food
- Textiles
- Readymade garments
- Chemicals
- Leather products and/or tanning.
- Wood products
- Furniture
- Building materials
- Printing and packaging
- Pharmaceuticals
- Seeds and their products

Financing

- EGP 7 million per enterprise
- 3.5% annual interest rate
- Tenor period up to 5 years
- Grace period 1 year

GCF GEFF Egypt NBE SME Loan

The EBRD Green Economy Financing Facility programme is supporting Egypt's green economy transition with USD 200 million facility in the form of a credit line to the National Bank of Egypt for on-lending to SME private sector borrowers for sustainable energy and resource efficiency investments. The aim is to finance and advise private sector businesses to improve competitiveness and increase profitability, through high performance technologies and practices.

Beneficiaries and Focal Areas

- Renewable energy.
- Efficient energy use.
- Efficient energy management in buildings.
- Water and wastewater rationalization and reuse.
- Sustainable land management.
- Efficient use of natural resources and operation input of raw materials.
- Circular economy.

Financing

- Private Egyptian SME with turnover < EUR 50 million or balance sheet < EUR 43 million and < 250 employees.

Green Economy Financing Facility (GEFF I)

The EBRD Green Economy Financing Facility (GEFF Egypt I) provides finance and advice for private sector LEs through the four local banks QNB AAIB, AlexBank and NBK to improve its competitiveness, through high performance technologies and sustainable practices. The facility supports Egypt's green economy transition with a EUR 160 million fund combined with technical support to develop projects and incentives for the successful completion of investments. The project offers a grant component of 10 or 15% to eligible projects.

Beneficiaries and Focal Areas

- Industrial energy efficiency.
- Small-scale renewable energy investments.

Financing

- Private Egyptian LEs with turnover > EUR 50 million or balance sheet > EUR 43 million and > 250 employees.
- A service provider providing maintenance, operation, installation, construction, refurbishment, or similar services.
- A "green" technology or equipment listed on the EBRD Green Technology Selector website.

Green Economy Financing Facility (GEFF II)

The EBRD Green Economy Financing Facility (GEFF Egypt II) provides finance and advice for private sector SMEs to improve competitiveness, through high performance technologies and sustainable practices. GEFF Egypt II is also available for households looking to in-vest in energy efficiency or renewable energy. The facility supports Egypt's green economy transition with a EUR 150 million fund combined with technical support meetMED Guidebook on Green Financing Capability for Sustainable Energy in Budlings and Appliances 17 to develop projects and incentives for the successful completion of investments. The project offers a grant component of 10 or 15% to eligible projects.

Beneficiaries and Focal Areas

- Industrial energy efficiency.
- Buildings.
- Small-scale renewable energy investments.
- Resource efficiency.
- Circular economy.
- Water efficiency and re-use.
- Desalination.
- Sustainable land management.

Financing

- Private Egyptian SME with turnover < EUR 50 million or balance sheet < EUR 43 million and < 250 employees.
- A service provider providing maintenance, operation, installation, construction, refurbishment, or similar services.
- A "green" technology or equipment listed on the EBRD Green Technology Selector website.
- Individuals owning or residing in a house or an apartment in which they intend to implement an eligible investment.

Jordan

7.3 JORDAN

Jordanian Renewable Energy & Energy Efficiency Fund (JREEEF)

JREEEF Fund supports several programs and financial mechanism allowing RE and EE users to access financing from banks, local and international financial institutions as a support from EU, Canada, Italy, NRC, USAID, AFD, The Princess Alia Foundation, JWPC, Municipalities, Mercy Crops, IKEA, Jordan Bautak Company as development partners and in cooperation with MEMR. This includes loan interest rate subsidies, revolving funds, financial risk mitigation, credit guarantees, equity participation, subsidy to investment in innovation projects and soft investment.

Jordanian Renewable Energy & Energy Efficiency Fund (JREEEF) - residential sector programs.

Indicators

1
35,800 MWh\Y
Energy saving
Total reduction in energy consumption in the final bill.

2
2.7 MJD\Y
Total cost
Total cost reduction in the final bill

3
22,810 Ton CO2
Total Emision
Total emission reduction in the final bill.

4
200,900
Number of people
Number of people benefiting from installed EE &RE.

Beneficiaries and Focal Areas:

- Energy saving lighting program: Demand side management project for LED.
- Solar Water Heaters Program
- Photovoltaic (PV) program
- Energy conservation and efficiency programs in tourism sectors
- EE and RE heating and cooling schools' program
- Energy audits
- RE and EE projects in municipalities buildings
- RE projects in community-based organizations (CBOs)

Energy Efficiency in Public Buildings Program (EEPB)

The KFW bank-funded Energy Efficiency in Public Buildings program (EEPB) in cooperation with Ministry of Public Works & Housing, Ministry of Energy and Mineral Resources, Jordan Valley Authority to improve the energy efficiency in public buildings in Jordan through 15 million Euro development loan to the Kingdom of Jordan.

GEFF Jordan

Green Economy Financing Facility (GEFF) is a new credit line in Jordan Launched by EBRD with co-financing from green climate fund and European Union. EBRD signed agreements with some local banks in Jordan such as CAB, MFW and Bank Al Etihad to promote green investments in different sectors.

GEFF Jordan aims to help finance investments in climate change mitigation and adaptation technologies, high performance technologies and services that support green economy transition, best practices, and to provide eligible sub-borrowers with access to dedicated green finance tools, machinery, equipment, and solutions, as well as to raise awareness and capacity.

Beneficiaries and Focal Areas

- Energy saving lighting program: Demand side management.
- Industrial energy efficiency.
- Buildings.
- Small-scale renewable energy investments.
- Resource efficiency.
- Circular economy.
- Water efficiency and re-use.
- Desalination.
- Sustainable land management.

Central Bank of Jordan (CBJ's) Green Finance Strategy
Recently, The Central Bank of Jordan ﷺCBJﷺ launched the development of the CBJ's Green Finance Strategy. The Green Finance Strategy will be developed in collaboration with the World Bank Group.
The strategy will serve as a practical roadmap to guide the CBJ and the financial sector participants in 'greening' Jordan's financial sector' and will cover both the risk perspective and opportunity perspective. An effective implementation of the strategy can enable more green investment and enhance the financial sector's resilience to climate‐related and other environmental risks.

Lebanon

7.4 LEBANON

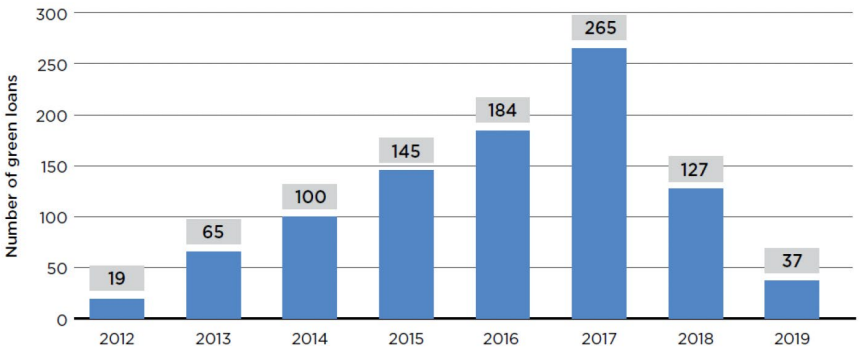
The National Energy Efficiency and Renewable Energy Action (NEEREA)
A national financing mechanism that allows private sector entities to get subsidized loans for any type of energy efficiency and renewable energy projects. NEEREA was active through all Lebanese commercial banks under the leadership and management of BDL. Because of the Economic Collapse, all loans — including loans under NEEREA — have been halted.

Beneficiaries and Focal Areas

- Building Envelope Improvement: Double Wall, Thermal Insulation (Roof, Walls, Ground), Double Glazing
- Efficient HVAC systems (Efficient chillers, VRF technologies etc.).
- LED lighting systems, Motions sensors.
- BMS systems.
- Solar PV systems.
- Solar Water Heating Systems.

Financing

- The loan is eligible to private, existing, and newly built facilities. It has a ceiling of 10 million USD and is offered at a low interest rate for a maximum of 14 years including a grace period of up to 6 months to 4 years



Source: LCEC, 2019b

The Lebanese Environmental Action (LEA)

A different financing mechanism platform that complements NEEREA by providing the private sector in Lebanon with long-term loans at equivalent low-interest rates in order to implement other non-energy-related environmental solutions. LEA finances and covers the cost of environmental measures of new projects or to enhance the conditions of an existing project to become environmentally sound. It allows private sector entities (individuals, SME's, or corporate bodies) to apply for subsidized loans for any type of qualified environmental projects. Because of the Economic Collapse, all loans – including loans under LEA – have been halted.

Beneficiaries and Focal Areas

- Stone cladding for exterior applications
- Stone cladding for exterior applications
- Landscaping
- Water reduction measures (efficient irrigation, rainwater harvesting, wastewater treatment plants, efficient water fixtures and appliances
- Waste management measures
- Air pollution control measures.

Financing

- The loan is eligible to private, existing, and newly built facilities. It has a ceiling of 10 million USD and is offered at a low interest rate for a maximum of 14 years including a grace period of up to 6 months to 4 years

Lebanon Green Investment Facility (LGIF)

This facility will provide climate and green finance through accessible and affordable finance instruments for both the public and private sectors, as well as provide needed technical assistance to various entities to create bankable projects in cooperation between the ministry of environment and the WB, the ISDB and the UNDP. This is the initiative of the UNDP, the request for proposal closed 2 months ago and covers the development and the deployment of this facility. It will take time until it's actual deployment.

Beneficiaries and Focal Areas

- The LGIF will diversify access to finance and technical assistance through the investment modalities (grants, soft loans, interest rate subsidies, loan guarantees, etc.). The facility focuses on sectoral measures contributing to lowering greenhouse gas emissions (energy, transport, waste, forestry, agriculture, industry etc.) and increasing resilience (energy, water, forestry, agriculture, health, tourism, coastal cities.

Financing

- The LGIF primarily target non-state actors, such as the private sector. Earmarked funds for NGOs, Universities, and other groups may be part of the LGIF's architecture to ensure a whole-of-society approach.

KAFALAT Energy Programme

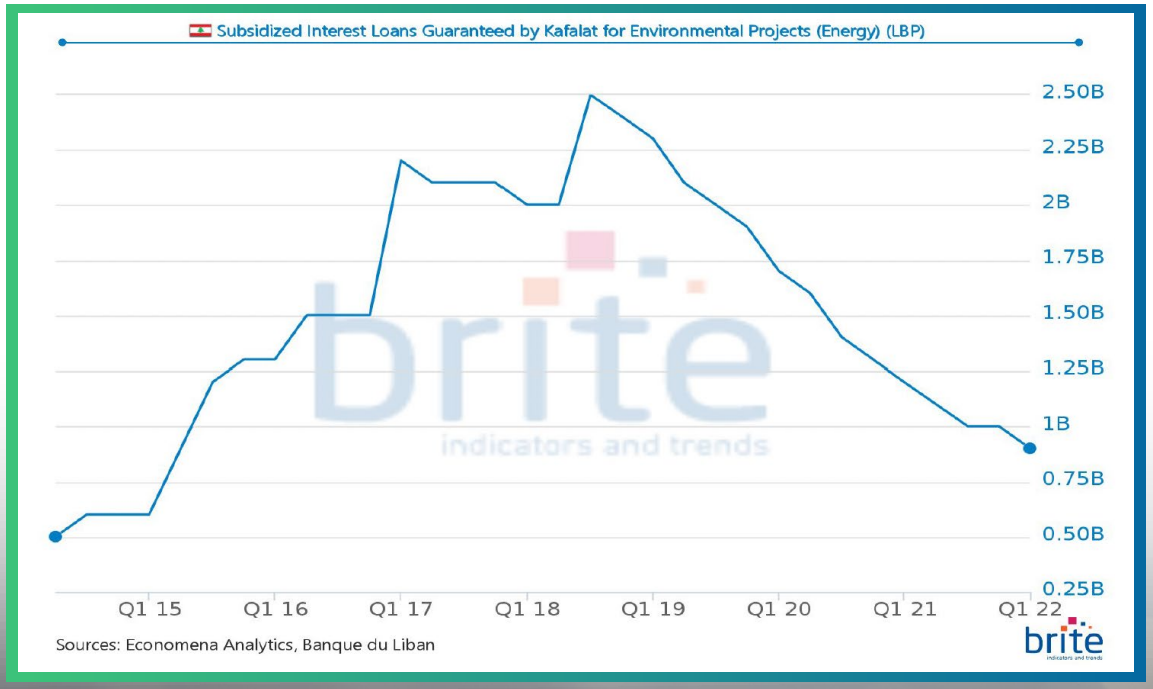
This program provides eligible SMEs with loan guarantees for investments in Energy Efficiency and Renewable Energy ranging from 600 to 1320 million from 15 years and the grace period up to 3 years to be funded from the EU in cooperation with the local bank BDL through three types of programs. Because of the Economic Collapse, all loans – including loans under KAFALAT – have been halted.

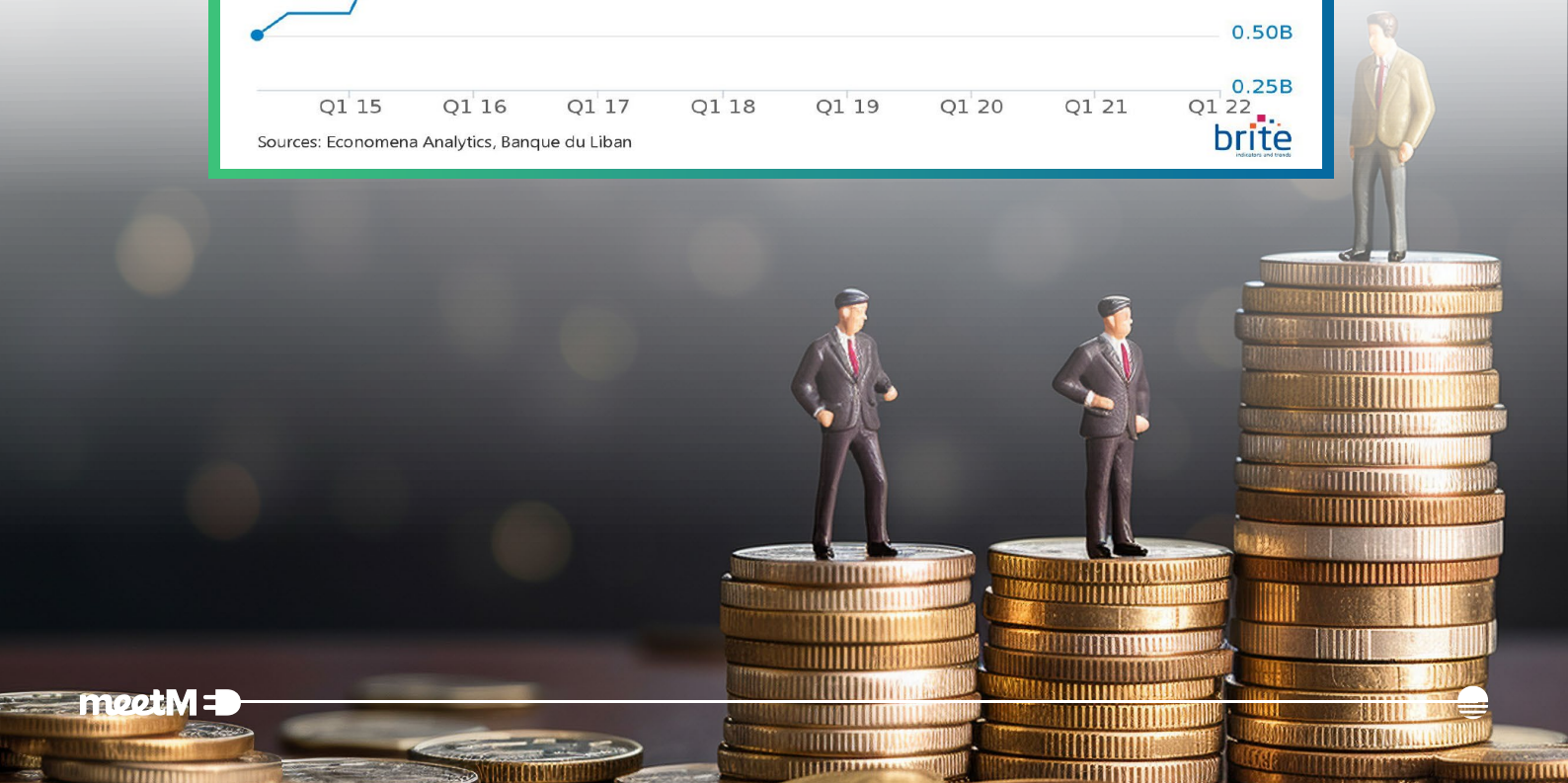
Beneficiaries and Focal Areas

- Industry
- Agriculture
- Tourism
- Crafts
- High technologies

Eligibility

- Individuals
- Sole proprietorships
- Simple partnerships
- Limited Liability Company (SARL)
- Joint Stock Company (SAL)
- Cooperatives
- NGOs





The Global Environment Facility (GEF)

Lebanon became a member country in the GEF in 1994. The GEF provides funding to support government projects and programs through the executing agency (governmental institutions, civil society organizations, private sector companies, research institutions) in cooperation with the ministry of environment as a local partner and lots of donors including the ADB, AfDB, EBRD, FAO, IDB, IFAD, UNDP, UNEP, UNIDO and WBG with loans up to USD 20 million. The project must be driven by the country (rather than by an external partner) and be consistent with national priorities that support sustainable development that are ultimately aimed at tackling the drivers of environmental degradation for :

Energy efficiency

Water efficiency

Full-sized Project (FSP)

- Financing > USD20 million

Medium-sized Project (MSP)

- Financing ≤ USD2 million

Enabling Activity (EA)

- A project for the preparation of a plan, strategy, or report to fulfill commitments under a convention.

Program

- A longer-term and strategic arrangement of individual yet interlinked projects that aim at achieving large-scale impacts on the global environment.

GEFF Lebanon

GEFF Lebanon supports businesses and homeowners wishing to invest in green technologies. Bank Audi, Taiwan ICDF and the European Bank for Reconstruction and Development (EBRD) have partnered together under the Green Economy Financing Facility (GEFF) Lebanon with loans in USD up to 15 million to provide funding for Lebanon's sustainable development. Technical support is provided by a local GEFF team for various stages of project origination, investment appraisal and project implementation. This helps identify the best solutions and ensure quality green economy projects are successfully financed. It allows the financing of small and medium-scale eligible green projects undertaken by private sector contracting companies with the public sector. Because of the Economic Collapse, all loans – including loans under GEFF – have been halted. It is currently listed as cancelled on the website of the EBRD.

Beneficiaries and Focal Areas

- Building improvements.
- Renewable energy
- Energy efficiency
- Resource efficiency
- Emission reduction
- Green buildings

Eligibility

- A private company, enterprise, firm, sole proprietor, or other legal entity.
- A service provider providing maintenance,operation,installation, construction, refurbishment, or similar services.
- A vendor of equipment or materials listed on the Technology Selector
- A "green" technology manufacturer as listed on the Technology Selector.

Financing

- Up to USD 300,000 for individual pre-approved technologies under the Technology Selector.
- Up to USD 15,000,000 for projects assessed by the Facility Consultant.

The National Heat Pumps Project

The project is a cooperation between NEEREA, IMELS as donors and BDL with LCEC as local partners, it aims at introducing heat-pumps for space heating and cooling to produce hot water in the domestic and tertiary sectors. It will ensure the quality of products in the market and design by introducing standards, regulations, testing infrastructure, developing guidelines, and implementing capacity building activities. The project and its targeted technology offer a sustainable alternative for domestic hot water production in high-rise buildings, especially where solar water heaters could not be installed. It also offers space heating and cooling that has better efficiency and higher coefficient of performance. Because of the Economic Collapse, the projects have been halted.

NEEREA Soft Loans

Interest-free loans to residential, commercial, and industrial users for the installation of heat pumps in new and existing facilities. Soft loans are offered at an interest rate of 2.25% for periods that should not exceed 14 years.

IMELS Grants

Cover up to 30% of the investment costs of Italian-made heat pump systems preferably using technologies with low GWP refrigerants.

Beneficiaries and Focal Areas	Eligibility	Financing
• New residential buildings. • Refurbishment of existing buildings. • Commercial and tertiary. • Public buildings.	• Highly efficient domestic hot water, air conditioners and space heating appliances based on vapor compression technology.	• Loans (from NEEREA) at an interest rate of 2.25% for periods that should not exceed 14 years. • Grants that cover up to 30% of the investment costs of Italian-made heat pump.

The Italian Energy-Efficient Home Appliances Program (IEEHA)

The Program's general objective is to assist the Lebanese Government in achieving its environmental commitments through the promotion of Italian highly energy-efficient home appliances as a cooperation between BDL, LCEC and IMELS as a donor. It consists of the distribution of rebates to end-users directly or through local retailer shops to incentivize the purchase of highly energy-efficient equipment. The new financing mechanism targets directly end-users and increases the environmental awareness of the wider public. It is also an opportunity to attract new Italian companies to the Lebanese market.

The aim is to:

- bridge the financial gap for consumers between high efficiency appliances and standard appliances.
- Increase energy saving and reduce carbon emissions.
- Build capacity and raise awareness.
- Transfer Italian know-how to local manufacturer and retailers
- Building LCEC's capacity in energy labeling.

Eligibility

- Washing machines and driers (separate or combined)
- Refrigerators and freezers (separate or combined)
- Electric and gas ovens
- Dishwashers
- ACs

Financing

- Cashback through the project after the purchase of an eligible appliance from one of the participating retailers up to USD 100 and 150 in equivalent Lebanese Pounds (LBP) from the financial facilitator for the Program once an approval is granted by the LCEC.

Solar Energy Loan

A new short-term loan for RE electrification. The Bank also offers a long-term loan in Lebanese Pound to purchase or to renovate a housing unit.

Beneficiaries and Focal Areas

- Refrigerators and freezers (separate or combined).
- Electric and gas ovens.
- Dishwashers.
- Air conditioners.

Eligibility

- The Borrower must hold the Lebanese citizenship for at least 10 years. For Resident applicants: the household net monthly income must not be less than 6,000,000 LBP and should not exceed the amount of 20,000,000 LBP while for Expatriate applicants: the household net monthly income should not be less than the equivalent of 1,000 USD "Fresh" and should not exceed 2,000 USD "Fresh". On another note, the citizen must secure the written compulsory consent of 75٪ of the building co٪owners' committee while the Supplier must be among the list of companies accredited by the "Lebanese Center of Energy Conservation" related to the Ministry of Energy and Water.

Financing

- Between 75,000,000 LBP and 200,000,000 LBP
- Cannot exceed 80% of the project's cost.
- 5 years loan tenor (no early payoff)
- 3 months grace period

LIBYA

Green Finance Framework

With its Green Finance Framework, Xylem in 2018 starts planning to issue green financing instruments and use the proceeds to finance and refinance eligible green projects that contribute to the sustainable use and protection of water and marine resources, as well as efforts related to climate change mitigation and climate change adaptation. The Xylem Green Finance Framework follows the Green Bond Principles (GBP) 2018 and the Green Loan Principles (GLP) 2020.

Eligibility

1. Eco-efficient and/or circular economy adapted products, production technologies and processes.
2. Sustainable water and wastewater management

Beneficiaries and Focal Areas

1. Water productivity
2. Water quality
3. Water resilience

Clean Technology Fund (CTF)

CIF's investment in Libya in cooperation with the WB is through its Clean Technology Fund (CTF). Motivated by objectives of energy security, climate change mitigation, and regional integration in the Mediterranean, this investment is done through the $490-million Middle East and North Africa (MENA) region's concentrated solar power (CSP) initiative. It is supporting the development of 960 megawatts of new CSP capacity across Egypt, Tunisia, Morocco, Jordan, and Libya. Libya is also among the MENA countries and Algeria to be participating in a CTF-supported technical assistance program that aims to lay down the foundation for scaling up CSP technologies by addressing sector-wide weaknesses, such as the absence of a regulatory framework as well as a lack of capacity and knowledge.

MOROCCO

Tamwilcom

Tamwilcom (formerly Caisse Centrale de Garantie, CCG) is a co-financing venture of risk sharing bu venture capital companies as Dayam, MITC Capital and AFOULKI INVEST to facilitate access to financing. Through guarantee and co-financing mechanisms to companies and seed funding for start-ups in cooperation with local implemented partners Arab Bank, Attijawriwaffa Bank, Bank of Africa (BMCE Group), BMCI Groupe BNP PARIBAS, Banque Populaire, Groupe Credit Agricole Du Maroc, CFG Bank, CIH Bank, Crédit du Ma-roc, Societe Generale, in addition to Al Barid Bank, more than 400 MDH of credits have been mobilized for depollution and clean energy projects. This is with investment funds through PME Croissance and 3PFUND and leasing companies as

Beneficiaries and Focal Areas

- Agriculture
- Industry
- Tertiary (health, education, hospitality, commerce, ...)
- Supplies of green technologies
- ESCOs

Eligibility

- Private, public, and governmental sectors

Financing

- -EUR 45,000,000
- -Interest - 2.5% on local currency.
- -Tenor – up to 12 years

Steps

1. Preparation of file to be Presented via bank
2. Banks assessment (recourse to expertise)
3. Exam Tamwilcom etaccord
4. Preparation of the lone contract by the bank
5. Release of funds by the bank

SME Green Value Chain (GVC)

In Morocco, small, and medium size enterprises (SMEs) account for 95% of the companies, 40% of production, 46% of employment but only for 20% of added value and 30% of exports. The EBRD established GVC, a EUR 90 million credit line to local Participating Financial Institutions (PFIs), to on-lend to Moroccan SMEs operating in value chains for their investment in high-performing equipment. The aim is to support local SMEs to move from low value-added to high value-added production in terms of know-how and skills; and to link to more advanced aggregators for more competitive and increasingly export-oriented value chains.

Beneficiaries and Focal Areas	Eligibility	Financing
• High-performing equipment that integrate energy, water, and resource efficiency in: • Agri-food • Manufacturing/processing • Logistics (transport and storage)	• Private Moroccan SMEs (+75% private capital) • Turnover < EUR 50 million or balance sheet < EUR 43 million and < 250 employees. • Operating in a value chain (i.e., at least one local supplier and/or one local or international buyer).	• Up to EUR 300,000 for pre-approved equipment from the Green Technology Selector • Up to EUR 1,000,000 for assisted projects. • Investment grant of 10% of the eligible credit amount after the successful completion and verification.

BP Green Invest

Funding for green economy investments from the EBRD, EU and GCF aimed at reducing the foot-print carbon and improve the competitiveness of companies both those operating on the local market and those whose production is export oriented. BP Green Invest credit line is Banque Populaire's financing facility for green projects.

Beneficiaries and Focal Areas	Eligibility	Financing
• Depollution • EE • Resource efficiency • Waste management • Manufacturing of green equipment	• Turnover of up to 500 million Dirhams	• Up to 90% financing for extension projects • Up to 80% financing for new projects • Tenor period up to 12 years • Deferral period up to 4 years

Plan Green

In 2019, Attijariwafa bank obtained accreditation from the Green Climate Fund (GCF), the EBRD and the EU to support the deployment of environmentally friendly projects. This accreditation makes it possible, through co-financing or investment guarantees, to support projects that can exceed 250 million USD per project. Plan Green aims to support investment programs linked to sustainable development aimed at improving the energy efficiency of companies, their decarbonization and the protection of the environment. Eligibility is studied based on the ability of projects to meet the objectives of limiting the impact of global warming and reducing greenhouse gas emissions.

Beneficiaries and Focal Areas

- Renewable energy
- Energy efficiency
- Depollution
- Waste Management

Eligibility

- Public and private sector.

Financing

- Up to 80% financing for extension or modernization projects
- Up to 70% financing for new projects
- Up to 100% financing for leasing projects

GEFF Morocco

In 2015, MorSEFF was launched with a EUR 110 million credit line facility developed by EBRD in partnership with EU, AFD, EIB and KfW. The Facility concluded in 2019 after financing more than 230 energy efficiency and renewable energy projects via the partner institutions Bank of Africa BMCE Group and Banque Populaire and their leasing subsidiaries. With the success of MorSEFF, GEFF II was launched in 2021 with a €163 million financing line to local participating financial institutions (PFIs) for on-lending to private enterprises in Morocco for financing green investments.

Beneficiaries and Focal Areas

- Sustainable energy (EE and RE).
- Water conservation.
- Waste reduction.
- Green buildings.
- Circular economy.
- Soil erosion protection.
- Buildings.

Eligibility

- A business or any other private legal entity.
- Service provider.
- Vendor selling eligible equipment listed in the Green Technology Selector.
- Producer or supplier of eligible equipment listed in the Green Technology Selector.
- Private individuals' resident in or property owners in Morocco intending to invest in a green residential project.

PALESTINE

SUNREF I

SUNREF is a customized product that finances companies' ecological transition projects through loans, investment grants and technical assistance from the AFD, EU and local banks, BOP and CAB, in cooperation with PENRA. The technical assistance is set up for 4 years by PENRA (acting as project owner) and an external consultant and aims at facilitating the identification and assessment of projects as well as strengthening the capacities of the different stakeholders with budget of 33 million EUR.

Goals of the programme

1. Develop and consolidate financing market for Green investments (energy efficiency, renewable energiesT environmental services)
2. **Improve** energy security
3. **Develop** a viable market in sustainable energy and environmental services
4. **Support** the development of eligible, innovative and profitable green projects
5. **Increase** competitiveness of businesses, especially SMEs, bv reducing their energy bill
6. **Facilitate** access to "green" finance for companies and individuals
7. **Support** the capacity of local stakeholders (companies, business associations, sustainable energy agencies, ministries, partner banks, etc.)

Beneficiaries and Focal Areas

- Solar PV.
- Wind Turbines.
- Waste-to-energy projects.
- Biogas heat/electricity generation.
- Solar Heaters.
- Hydro power plants.
- Geothermal power.
- EE equipment.
- Lighting.
- Insultation.
- ACs and ventilation.
- Energy management systems

Eligibility

- Eligibility
- Households.
- Hotels.
- Agriculture.
- Offices.
- Industry.
- Supermarkets.
- Private Hospitals

SUNREF II

Following the success of Sunref I, Proparco, the EU, Bank of Palestine and Cairo Amman Bank launched the second phase of the program in 2022 with EUR 66 500 000. Sunref II will allow the two banks to continue their expansion in the field of green finance andsupport their clients in implementing energy efficiency projects. SUNREF II Palestine comprises two new features: an increased focus on energy efficiency and the inclusion of an Islamic-lending offer for final beneficiaries.

Beneficiaries and Focal Areas

- Renewable energy.
- Energy efficiency in industry and buildings.

Eligibility

- Households.
- Hotels.
- Agriculture.
- Offices.
- Industry.
- Supermarkets.
- Private Hospitals.

PIF – Massader

The WB, EIB and IFC cooperated with PIF for an investment program in the energy sector, both traditional and renewable, to contribute toward achieving energy security and reducing the costs of imported electricity. Massader is leading a $2.4 billion investment program which combines the resources of the public sector with the capabilities of the private sector.

Beneficiaries and Focal Areas

- Renewable energy.
- Energy efficiency in industry and buildings.

Eligibility

- Massader is leading a USD 2.4 billion investment program which combines the resources of the public sector with the capabilities of the private sector.

TUNISIA

Fonds De Transition Énergétique (FTE)

Since 2014, the FNME has been converted to the Fonds De Transition Énergétique (FTE) with a strengthening of its resources through the application of new taxes on energy products and the diversification of its modes of intervention by granting loans and supporting energy management projects in the form of reimbursable grants or equity participation.

Beneficiaries and Focal Areas

- Renewable energy.
- Energy efficiency in industry and buildings

Eligibility

- Households.
- Citizens, cooperatives, and local small investors wishing to in-vest in small projects for independent production.
- National and international investors interested in medium and largescale projects for independent production.

Financing

- EE - Up to 70% subsidies with a ceiling of TND 30,000 to TND 200,000.
- EE - Between 20% and 50% loans with a ceiling between TND 3,000 to TND 200,000.
- RE - Up to 10% of equipment cost with a ceiling of TND 200,000.
- RE - Up to 35% loans with a
- meetMED Guidebook on Green Financing Capability for Sustainable Energy in Budlings and Appliances 29
- ceiling between TND 350,000 to TND 600,000

8. CONCLUSION

To ensure the successful implementation of green financing programs for distributed sustainable energy systems it is important to promote and disseminate them considering each country's local context. This involves simplifying and expanding financial mechanisms. One way to achieve this is to develop user-friendly financing options that meet the needs and capabilities of individuals, entrepreneurs, SMEs, municipalities and other stakeholders. This can include grants or loans that are accessible with clear application and approval processes. By simplifying and streamlining administrative procedures and providing transparent guidelines, stakeholders can navigate the financial system with ease and enhance confidence. Moreover, bridging the knowledge gap between various parties is necessary.

Streamlined financing mechanisms:
Simplifying and streamlining green climate financing mechanisms can facilitate access for stakeholders and may include reducing administrative burdens, creating user-friendly application processes, and providing clear guidelines on eligibility criteria and financing disbursement procedures. Ensuring transparency and efficiency in financial transactions is also important to instill confidence among stakeholders.

Customization to the local context
Each country has specific energy needs, environmental challenges, and social and economic factors. To ensure the success of financing lines, it is necessary to adapt them to the local context, and this involves designing eligibility criteria and requirements to align with specific circumstances, priorities, and capabilities.

International cooperation :
Cooperation with international organizations, development agencies, and financing institutions can bring additional resources and expertise to the table. Establishing partnerships and requesting financial assistance can help cover investment costs, attract expertise, and benefit from global experiences.

Building technical capacity for the banking sector :
This is essential to ensure the qualifications and expertise of those who will participate in lines of credit. Creating a reliable database of qualified service providers and developers can enhance the decision-making process within the banking sector. This database can help identify reliable and competent partners to implement climate projects and thus increase the overall effectiveness and success of the initiatives.

Promoting awareness:

It is important to raise awareness about the available financing mechanisms among relevant stakeholders and this can be done through targeted communication campaigns, workshops, conferences and training programs, enabling them to know the benefits, eligibility criteria and application processes.

Green finance programs, initiatives, and mechanisms with streamlined procedures are essential, but their success depends on their local context. Simplifying and expanding financial mechanisms can make them more accessible to stakeholders, while tailoring eligibility criteria and project requirements to suit circumstances and priorities. Collaboration with international organizations, development agencies and financing institutions can provide additional support and expertise. Creating a reliable database of qualified service providers and developers can enhance the decision-making process within the banking sector. Raising the level of awareness about green finance program, initiatives and financing mechanisms among stakeholders is crucial. By bridging the knowledge gap, especially among banks and civil society, implementation can be achieved. By focusing on these aspects, promoting, disseminating, and strengthening green finance can stimulate the transition to sustainable energy, support local development and contribute to efforts to mitigate global climate change.

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