

EBRD's Green Economy Financing Facilities

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European Bank
for Reconstruction and Development

Energy Efficiency at the EBRD

1991 1992 1993 1994 1995 1996 1997 1998 1999 2000

- Established in 1991, the EBRD was the first multilateral development bank with the mandate to promote environmentally sound and sustainable development.
- In 1994, the EBRD was the first to establish a dedicated energy efficiency project origination unit, with a pool of technical experts in-house.

2001 2002 2003 2004 2005 2006 2007 2008 2009 2010

- In 2006, EBRD shareholders endorsed the Sustainable Energy Initiative – a strategy to address the challenges of energy efficiency and climate change.
- In 2009, the EBRD became the first MDB to set itself a carbon emissions target.

2011 2012 2013 2014 2015 2016

- By mid-2014, the EBRD exceeded the three-year target under the UN's Sustainable Energy For All initiative.

- Dedicated in-house team with both technical and financial capability:
 - Identify project opportunities
 - Define investment programmes
 - Select and manage outsourced expertise.
- Combine local knowledge, international best practice and sound judgement to overcome barriers and turn each project opportunity into a solid business proposition.
- Use a range of tools to add value to technical opportunities and translate them into bankable investment packages.
- Obey robust principles and procedures that deliver results and withstand verification.

25% target for EBRD sustainable energy investments exceeded.

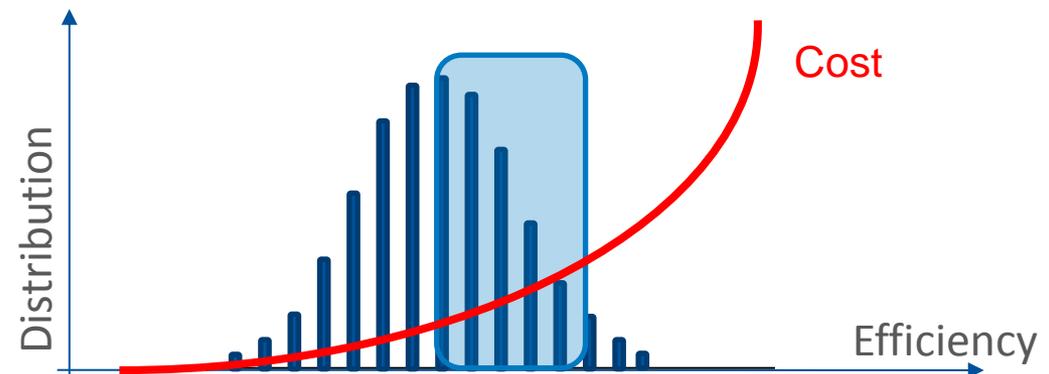
New 40% target for green economy financing by 2020.

€18 billion cumulative target for EBRD green business 2016-2020.

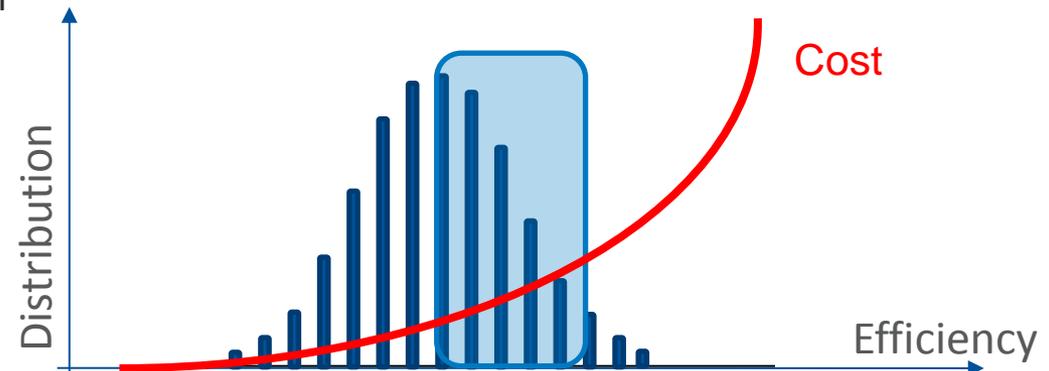
Market demand research



- Catalogue of high performance technologies, eligible for EBRD intermediated financing
- Enhanced environmental performance beyond a pre-determined reference baseline
- Replicable on commercial terms, under local market conditions
- Clearly recognisable environmental improvements
- Performance benchmarks are adjusted periodically to reflect market development
- Technology performance beyond the baseline differs for each market according to:
 - Technological progress
 - Maturity of market supply
 - Market penetration rates
 - Technology costs



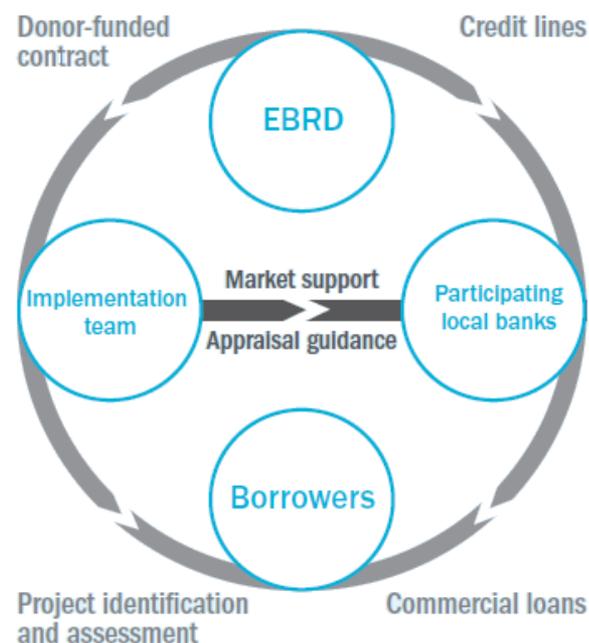
- Enabling market transformation through the promotion of higher performance technologies is driven forward by communicating to the market, ‘best performance’ at reasonable cost.
- Higher performing technologies are often prohibitively expensive. To avoid promoting an economically unattractive niche, minimum performance benchmarks may be adjusted to promote a sufficient segment of the local market, but without compromising performance beyond the baseline.
- The ‘catalogue’ evolves and new equipment can be added.
- Local financial institutions and their clients find this approach useful and easy to understand.



Green Economy Financing Facilities

- Through Green Economy Financing Facilities (GEFFs) the EBRD extends credit lines to local financial institutions.
- Local financial institutions on-lend funds to small and medium-sized businesses, corporate and residential borrowers.
- Finance is provided for energy efficiency and small-scale renewable energy projects, sustainable water use and waste minimisation.
- GEFFs establish project implementation teams who support local financial institutions and their clients.

GEFFs are effective in reaching a wide range of small and medium-sized business and residential clients



Results of EBRD GEFFs

- 35 integrated programmes developed in 24 countries
- More than 100 financial institutions participating in the green economy financing business
- Over 100,000 investments implemented
- Worth almost €4 billion
- Saving over 14 million MWh equivalent each year
- Avoiding over 5 million tonnes of annual CO₂ emissions



Examples



European Bank
for Reconstruction and Development

CASE STUDY



23 Dec 2013

Sustainable greenhouse business in Kyrgyz Republic

CASE STUDY



15 Mar 2016

Wood-processing company uses own wastes to generate energy

CASE STUDY



12 Jun 2015

First biogas plant in Moldova

NEWS



20 Dec 2015

First tranche in Tajikistan within the climate resilience credit line

CASE STUDY



24 Sep 2014

First bioethanol plant in South-Eastern Europe benefits from biomass boiler

CASE STUDY



22 Oct 2010

Rehabilitation of Georgian small hydro power plant with Energocredit

CASE STUDY



23 Oct 2013

Tokmok in Kyrgyz Republic got its first energy efficient housing

CASE STUDY



14 Sep 2015

Helping the laundry business to become more competitive