PEEB
Program for Energy Efficiency in Buildings
Scaling Investment

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Context

- Importance of the building sector for achieving international climate change objectives: The building sector accounts for a third of global energy consumption, over 50% of electricity consumption, and 15% of global greenhouse gas emissions.

- 80% of the buildings existing in 2050 are not yet built: opportunity to build energy efficient and low emission building in developing countries.

- Particularities and complexity of the building sector for implementing energy efficiency component: lack of involvement of IFIs and private sector.

- Origin of the PEEB: from the Paris COP21 to the Global Alliance for Building and Construction.
PEEB in a nutshell

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

Planning meetings

Paris Dec. 2015

Launch of GABC at COP 21

Brussels 2016


Paris Jan. 2017

Berlin Mar. 2017

Paris Sept. 2017

Bonn Nov. 2017

Operational Launch of PEEB at COP 23 Signing of further LoIs

Launch of PEEB at COP 22 Signing of LoIs
PEEB Services

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

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

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

➢ PEEB is operational, currently starts work in five initial countries with required funding having been secured.

➢ 10 projects under preparation in Africa, Asia, Latin America and MENA regions. Growing demand from various stakeholders (governments, municipalities and other public and private sponsors).

➢ Availability of investments grants to stimulate pioneering approaches and partially cover over costs (<10% compared to BAU construction standards) remains a key issue. Other donors should join PEEB.

➢ New countries are invited to join and work with PEEB targeting both mitigation, adaptation / resilience and post-crisis reconstruction.