Business Planning
of Energy Efficiency and Renewable Energy Projects
UNECE Experience in Training Project Developers and Owners

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ESCWA Training Workshop on Technical & Economic Aspects
for developing energy efficiency (EE) investment projects
24-25 September 2012, Tunis - Tunisia
Energy Efficiency 21 (EE21) Programme

Launched in 1991
2012-2015 – eighth 3-year phase

Long-Term Objective:
To enhance regional cooperation on energy efficiency market formation and investment project development to reduce greenhouse gas emissions in economies in transition

Projects:
- Eight sub-regional and interregional projects and interdivisional cooperation activities
- Synergies between projects of the EE21 Programme: FEEI, GEE21 and EE in Housing
- Cooperation with UN Regional Commissions and other UN agencies
Long-Term Objective:

*Promote an investment environment for self-sustaining energy efficiency and renewable energy projects to be developed and financed to reduce greenhouse gas emissions*

**Activities:**
- Source of financing with dedicated investment funds
- Institutional and policy reforms
- Trainings to help establish bankable project proposals
- Establishing network of energy efficiency managers

**12 participating countries:**

- **2 European Union countries:** Bulgaria, Romania
- **5 South-Eastern European countries:** Albania, Bosnia and Herzegovina, Croatia, the former Yugoslav Republic of Macedonia, Serbia
- **5 countries of Eastern Europe and Central Asia:** Belarus, Republic of Moldova, Kazakhstan, Russian Federation, Ukraine

**Website:** http://feei.info/eng/background
Financing Energy Efficiency Investments for Climate Change Mitigation (FEEI) Project

Project Milestones:


- Three International EE Forums, a number of Policy Seminars and Workshops

- **Case Studies**: 12 in the Regional Analysis; 11 developed by the participating countries

- *Capacity building activities: several business development courses*

- A candidate lead investor and investment fund manager for the future investment fund has been identified

- The countries and the Investment Fund Designer have collected information on over 400 potential projects for financing from the future fund.

- Network of local teams of energy efficiency managers in the participating countries; fully functional website for the project: [http://feei.info/eng/background](http://feei.info/eng/background)

- The Mid-term Evaluation of the FEEI Project gave an overall assessment of the project as moderately satisfactory and recommended the project supporting institutions to resume disbursement of funds for successful completion of the project.
Business development courses under FEEI Project

- **Business Development Training Workshop** (Tomsk, Russian Federation, 17-18 June 2010)

  - Skopje, FYR Macedonia (29-30 June 2011) – for Albania, Bulgaria, Bosnia and Herzegovina, Croatia, the former Yugoslav Republic of Macedonia, and Serbia ([http://www.unece.org/energy/se/docs/eneff_feei_skopje_june2011.html](http://www.unece.org/energy/se/docs/eneff_feei_skopje_june2011.html))

- **Seminar ‘Energy Efficiency in Public and Private Sectors: Practical Approaches and Methods’** (Astana, Kazakhstan, 14 March 2012)

- **Seminar ‘Sustainable Energy and Investments’** (Dnipropetrovsk, Ukraine, 11-12 April 2012)
Business development courses under FEEI Project

Business Development Course – Sample Programme

- Types of Investments in EE and RE
- Financial Plan (Cash Flow, Risk Analysis)
- Business Plan – Introduction
- Profit Projections
- Schemes and Sources of Financing
- Presentation of Project to Financial Institutions
- Business Plan – Sample
- Risks as Viewed by Financial Institutions
- Work in Groups. Review of Presentations
- Individual Consultations
Business development courses under FEEI Project

CONTENT of the Business Planning Course CD-ROM

- Bankable Energy Efficiency Projects
- Guide to Project Finance Business Plans
- Investor Requirements for Project Finance
- Market Research
- Presenting Project Business Plan to Financial Institutions
- Sample Project Identification Form
- Criteria for the Selection of Investment Project Proposals

http://www.unece.org/energy/se/docs/eneff_feei_skopje_june2011.html (tab Business Planning Course)
National Case Studies of Policy Reforms to Promote Energy Efficiency Investments

• Experience in practical implementation of policy reforms
• Thorough analysis of good practices and bottlenecks in the field of EE project financing and implementation
• Examples of direct social, environmental and financial benefits coming from a specific project or series of projects, which were a result of specific policy reforms
• Potential for promoting successful policies more widely on a national basis
• Recommendations for adoption of a similar approach in neighbouring countries
• Available at: http://www.feei.info/eng/Policies/Best_Practices
Global Energy Efficiency 21 (GEE21) Project

Launched in 2008 – support from Russian Federation


Publication Financing Global Climate Change Mitigation (http://www.unece.org/index.php?id=13167)


Two on-going projects:

A. Analysis of Advanced Technologies in Energy Efficiency and Renewable Energy in the Framework of Global Energy Efficiency 21 Project and Preparations of Recommendations on its Application with Special Emphasis on Central Asian Region (supported by Russian Federation)

B. Promoting Energy Efficiency Investments for Climate Change Mitigation and Sustainable Development (funding from UN Development Account)
GEE21 – UN Development Account Project

Promoting Energy Efficiency Investments for Climate Change Mitigation and Sustainable Development (2012-2014)

• Implemented by five UN Regional Commissions and DESA (UNECE – lead agency)

Objective

• Capacity building for development of EE investment projects. It will assist UN RCs to strengthen capacities of their member states to attract investments in EE projects in the context of climate change mitigation and sustainable development

Expected accomplishments

a) Improved capacity of national project developers, energy experts and middle-level managers in developing countries and countries with economies in transition to develop energy efficiency investment projects in private and public sectors

b) Improved regulatory and institutional framework for promotion of new financing mechanisms for energy efficiency projects

c) Increased financing for investments in energy efficiency projects, including through innovative financing mechanisms
GEE21 – UN Development Account Project

Promoting Energy Efficiency Investments for Climate Change Mitigation and Sustainable Development (2012-2014)

Main activities

• **Five regional trainings** in project development, finance and business planning
• **Development of an investment project pipeline** (inventory of energy efficiency project proposals)
• **Five regional workshops** to analyze investment project pipeline
• **Fifteen case studies** on the experience of policy reforms
• **Five policy seminars** focusing on policy reforms to promote financing of energy efficiency investments
• **End-of-the-project global workshop** to bring together officials from the regions along with major domestic and foreign investors to encourage greater investment flows into the EE projects
Thank you for your attention!

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http://www.unece.org/energyefficiency.html
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