

# Investment Grade Energy Efficiency Policy

Dr Nigel Jollands  
Associate Director  
Energy Efficiency and Climate Change  
European Bank for Reconstruction and Development (EBRD)

IEA Energy Efficiency in Emerging Economies  
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**European Bank**  
for Reconstruction and Development

# It's all about impact



**WeBSEFF** Tome Nikolovski


Postar Menadzer  
Senior Manager



European Bank  
for Reconstruction and Development

# Here's what I'll cover

- Why is energy efficiency **investment & policy important?**
- What is the difference between “energy efficiency policy” and “**investment-grade** energy efficiency” policy?
  - What does IGEE policy **look like?**
  - When is it **needed?**
  - How to **target** it?
  - **Example** from the EBRD
  - Introduction to the **EBRD**

A construction site at sunset. The sky is a deep orange with scattered clouds. In the foreground, the dark silhouettes of two large tower cranes and a multi-story building under construction are visible. The building's windows are dark, but some interior lights are visible. The overall scene is dramatic and industrial.

**We need to make our  
infrastructure more  
energy efficient**

**For this  
we need investment**



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# \$1.3 trillion

Average annual investment between  
2026 and 2040 to meet Efficient  
World Scenario

## But what's the bill?

IEA, 2018. Energy Efficiency  
Market Report, 2018



## What is **energy efficiency** policy?

A set of strategies, legislation, regulations, measures, programmes that together stimulate energy efficiency improvement

## What is **investment-grade** energy efficiency policy?

A set of strategies, legislation, regulations, measures and programmes that together **enable investments** that stimulate energy efficiency improvement

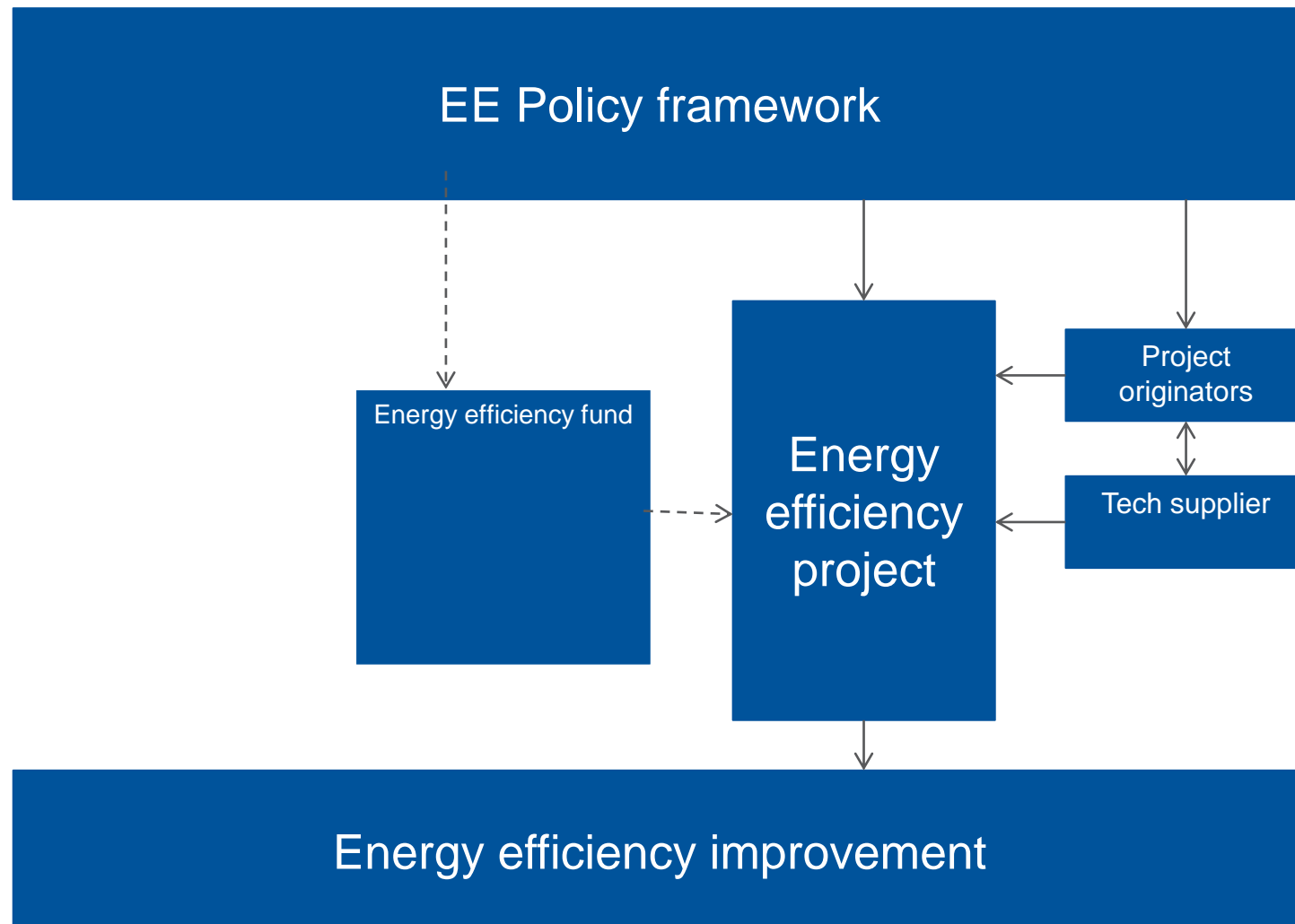
# How is IGEE policy different to ordinary energy efficiency policy?



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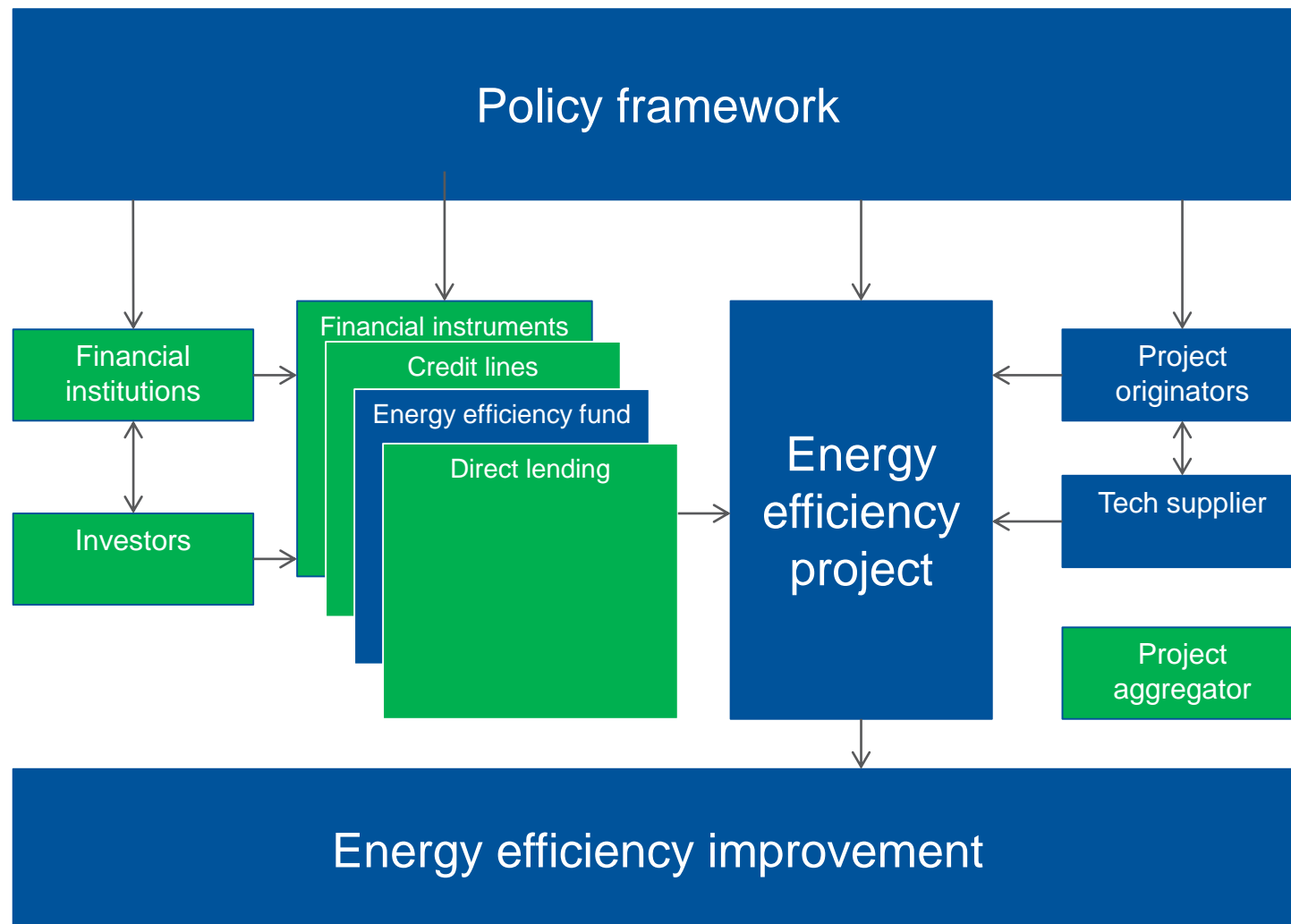
1. Focused **goal**
2. Focus on specific set of **barriers**
3. Focused group of **stakeholders**
4. Specific **criteria**
  - for evaluating appropriateness
  - for evaluating success of measures
5. Specific types of **measures**
  - include measures not traditionally associated with energy efficiency

# What does EE policy look like?



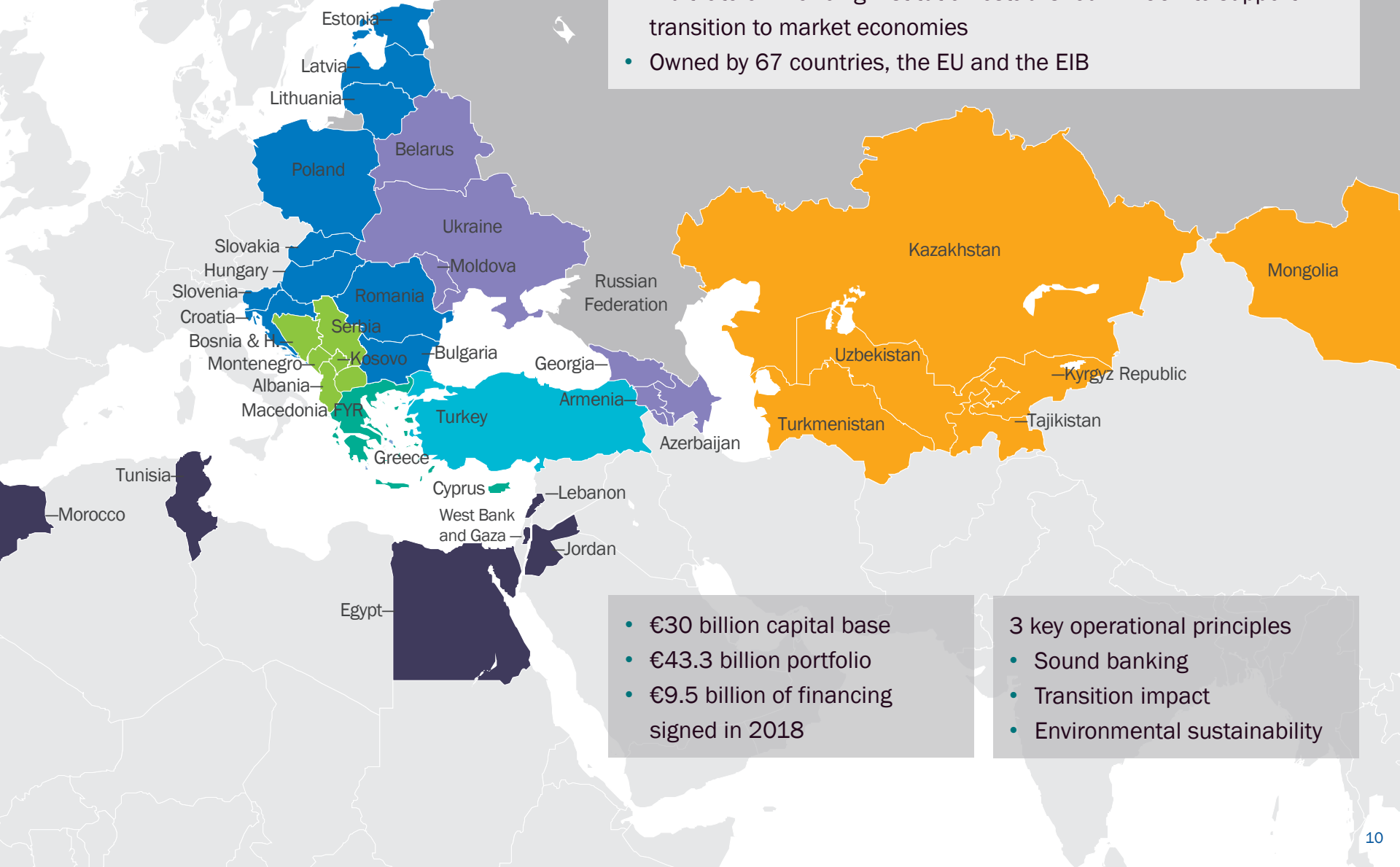


# What does EE policy look like?



# EBRD Country of Operations

- Multilateral financing institution established in 1991 to support transition to market economies
- Owned by 67 countries, the EU and the EIB



- €30 billion capital base
- €43.3 billion portfolio
- €9.5 billion of financing signed in 2018

- 3 key operational principles
- Sound banking
  - Transition impact
  - Environmental sustainability

# Green Economy Transition (GET)

**40%**

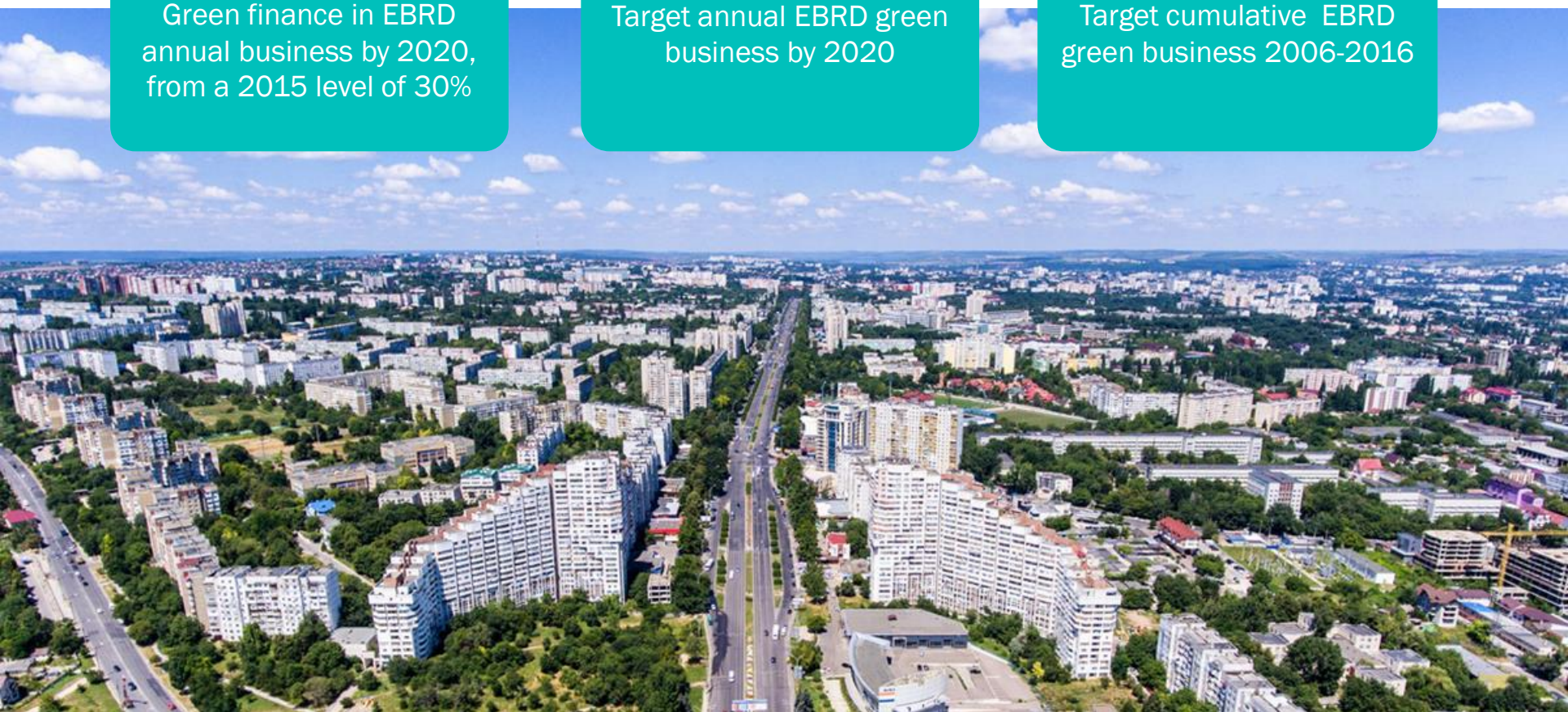
Green finance in EBRD annual business by 2020, from a 2015 level of 30%

**€ 4 billion**

Target annual EBRD green business by 2020

**€ 22 billion**

Target cumulative EBRD green business 2006-2016



# EBRD's green financing

**€30 billion**

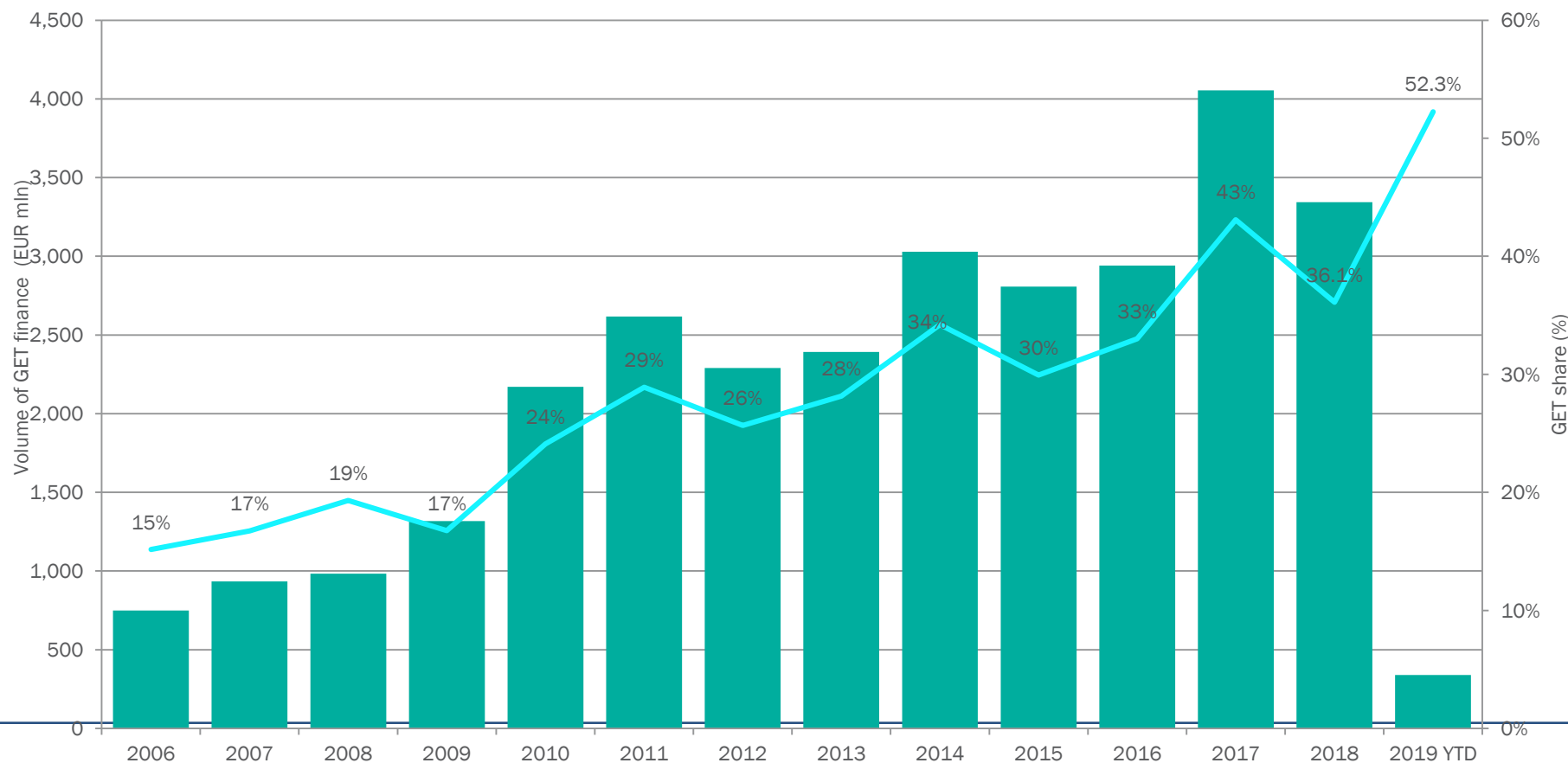
cumulative EBRD green  
financing 2006 - 2016

**1,684 projects**

with climate components

**36%**

of 2018 business







**EBRD** **GREEN  
CITIES** .com







Ljubljana, Slovenia

**€1 billion Framework** to support cities to identify, benchmark, prioritise and invest in Green City measures to improve urban environmental performance through:



## Delivery of strategy and policy support

Green City Action Plans (GCAP)

Policy dialogue



## Facilitating and stimulating Green City infrastructure investments

Urban transport

Water & Wastewater

District heating

Building energy efficiency

Solid Waste

Street Lighting & Roads

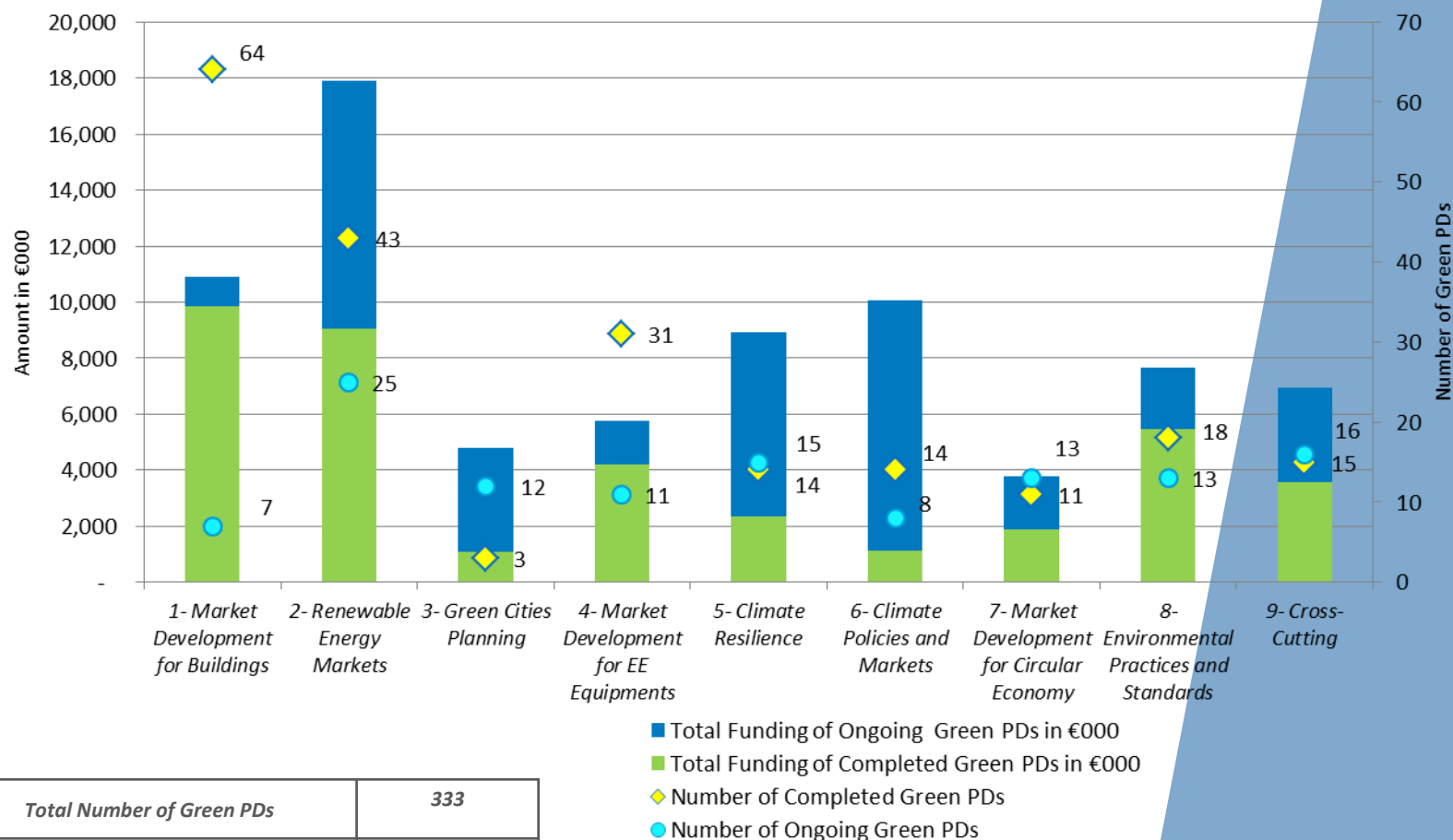


## Building capacity of city administrators and key stakeholders

# What policy assignments to deliver this investment?



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|  |        |
|--|--------|
| Total Number of Green PDs                    | 333    |
| Total Number of completed Green PDs          | 213    |
| Total funding in € 000                       | 76,724 |
| Total Funding of Completed Green PDs in €000 | 38,592 |



# Summary

- Demonstrate **importance** of:
  - **Policy**
  - **Investment**
- Distinguish between “**investment-grade** energy efficiency” policy and “energy efficiency policy”
- What does IGEE policy **look like**?
  - When is it needed?
  - How to target it?
  - Examples from the EBRD



# Contacts

For all further enquiries, please contact:

Mr. Vincent Duijnhouwer  
Associate Director,  
Energy Efficiency and Climate  
Change

Tel: +7 4992703118

Email: [duijnhov@ebrd.com](mailto:duijnhov@ebrd.com)

EBRD, One Exchange Square  
London, EC2A 2JN  
United Kingdom  
[www.ebrd.com](http://www.ebrd.com)

