

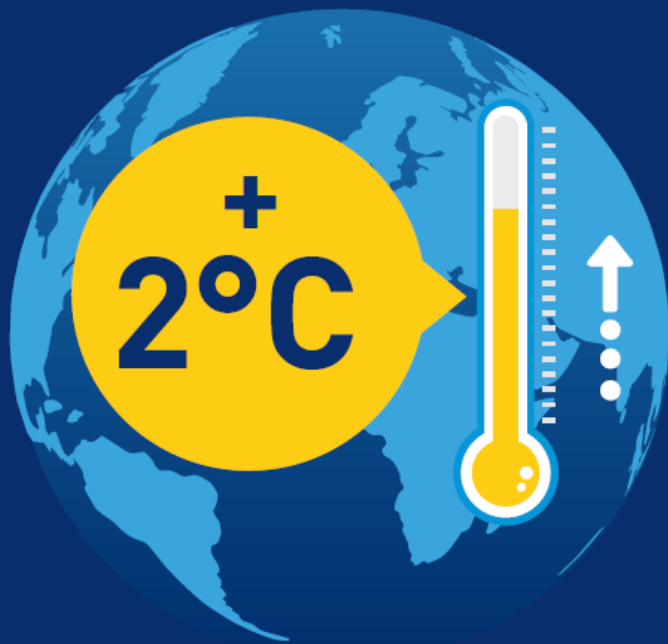
# Available Attractive **Too slow?**

How to accelerate energy  
efficiency by getting financing  
for it right



James Wilde  
Carbon Trust



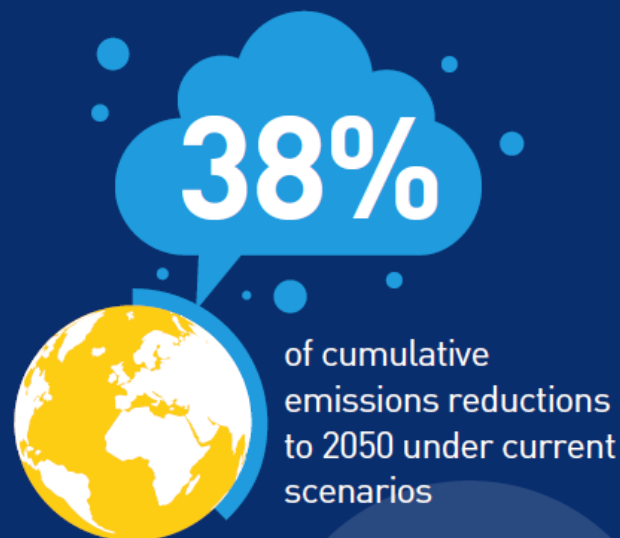


**Improving energy efficiency**  
can provide  
**the biggest contribution to limiting global warming to no more than 2°C**

## Energy efficiency

can account for

CARBON  
TRUST



of cumulative emissions reductions to 2050 under current scenarios

The transition to renewable electricity may only account for

**32%**

of cumulative emissions reductions over the same period



# There is a big gap between what is needed and what is being done



In 2015

**\$221 billion**

was invested globally in  
improving energy efficiency\*

By the 2030's, investment needs to reach at least  
\$550 billion a year to stay on course for limiting  
climate change to no more than 2 degrees\*

**\$550 billion**

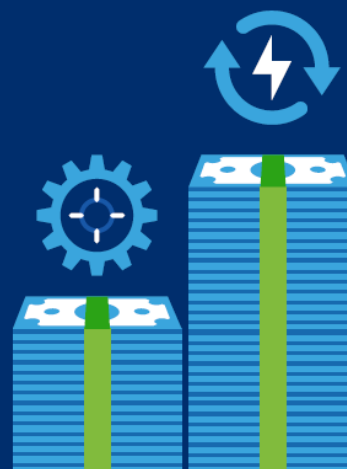
a year

2015

\$221 billion

2030+

\$550 billion



Despite the potential of energy  
efficiency, multilateral  
development **banks are**  
**currently only investing half**  
**as much** in it as they are in  
renewables

\*From both public and private sectors

Source: IEA (2014), *World Energy Investment Outlook: Special Report*

# Our study focused on:

What **defines** a successful programme?

What **steps** are necessary to design it effectively?

What is **best practice** for achieving lasting change?

Alongside a literature review, and discussions with our own experts, we undertook interviews with practitioners around the world

### MDBs



### Commercial investors



### Programme implementers



### International institutions



# We investigated a wide range of in-depth case studies



10

case studies

4

continents



# Six key questions must be asked when designing any energy efficiency programme



# Six key questions must be asked when designing any energy efficiency programme





# We analysed 15 different types of solution – recommending best practice for each

Solutions	Awareness & commitment	Technical solutions & expertise	Financial resources
Awareness-raising	Very relevant		
Project identification & pipeline generation		Relevant	
Policy development		Slightly relevant	
Incentives			
Project assessment, monitoring & verification			
Accreditation (tech, suppliers, auditors, financiers)			
Standardisation (procedures, decisions, contracts)			
Support for monetising energy savings (ESCOs)			
On-bill financing			
Unsecured lending			
Leasing (operational, capital)			
Insurance			
Guarantee			
Credit line			
Aggregation (including green bonds)			

The money is out there and the case for investment is strong  
**so how can we get energy efficiency moving?**



### **Stronger government policy**

can increase the attractiveness of investment



### **Increasing the awareness of opportunities and providing substantial technical assistance**

can create a pipeline of projects for investment




### **Building local skills and trust**

across the supply chain are key to building momentum and creating a self-sustaining market

## Thank you for listening

Full and summary reports:

[https://www.carbontrust.com/resources/reports/technology/  
available-attractive-too-slow-energy-efficiency-finance/](https://www.carbontrust.com/resources/reports/technology/available-attractive-too-slow-energy-efficiency-finance/)



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