



Shared Prosperity Dignified Life



COP27
SHARM EL-SHEIKH
EGYPT 2022

UN Climate Change High-Level Champions

Towards COP27: Arab Regional Forum on Climate Initiatives to Finance Climate Action and the SDGs
Project Fact Sheet

Energy Efficient Cooling in Buildings
EGYPT

Climate finance purpose
Mitigation
Sector
Energy
Geographic coverage
National
All over Egypt
Description
<p>One of the most effective approaches to improve energy efficiency in the building sector is through installation of efficient equipment and appliances. The Government of Egypt also adopted mandatory regulations including energy efficiency codes in buildings and minimum energy performance standards and labels for electrical appliances including air conditioners (AC). On the other hand, installing new energy efficient AC or replacing old appliances has high investment costs, and limited financing mechanisms are available to support the deployment of energy efficient AC equipment for end-users. In this context, the project aims to facilitate the introduction of efficient and innovative cooling technologies which enables primary energy savings in Egypt through establishing a financing scheme to promote energy efficient cooling in both new construction and buildings refurbishments.</p> <p>Reference: Egypt's NCCS 2050 (project number 1.3)</p>
Beneficiaries
3.7 million MSMEs (Micro, small and medium enterprises)
Climate rationale
Alignment with Egypt's long-term climate change strategies including emissions reduction by maximizing energy efficiency. The expected primary energy reduction is about 6,070 TOE annually leading to avoided GHG emissions of 14,546 tCO ₂ per year.
Expected outcomes
<ul style="list-style-type: none"> • Establish a financing scheme to promote energy efficient cooling in both new construction and buildings refurbishments • Provide seed investment and technical assistance for 20,045 AC units (Phase I); • The installed units will provide financial savings estimated at \$USD 5.1 million annually (WTI crude oil price basis); • Support domestic manufacturing of energy efficient cooling units in Egypt and increase business opportunities to be exported regionally in Africa and Arab countries. <p>Alignment with UN SDGs: SDG 7: Affordable and Clean Energy; SDG 8: Decent Work and Economic Growth; SDG 11: Sustainable Cities and Communities; SDG 12: Responsible Consumption and Production; SDG 13: Climate Action.</p> <p>Under the global effort to climate change, Egypt is committed through its vision 2030 and energy strategy 2035 to achieve 18 % saving for energy efficiency <i>regarding</i> the (base year 2010) and to achieve 42% of renewable energy.</p> <p>First and second energy efficiency action plans were implemented in this regard considering crosscutting actions with other ministries, and now the third action plan is in preparation phase.</p>

<p>Although, implementing successful measures in these action plans the residential sector is still dominant the high consumption in electricity. ACs consumption could reach to about 50% of the total consumption of residential sector, so such project is needed to reduce and save electricity and push to reach our target in EE.</p>
<p>GHG reduction target</p>
<p>14,546 tCO₂ annually Carbon footprint index (tCO₂/Million\$ invested): 873</p>
<p>Project implementation period</p>
<p>2022 – 2035</p>
<p>Total Project Cost</p>
<p>Amount in National Currency: EGP 4,745 million Amount in US\$ equivalent (per 1 August 2022 exchange rate): USD 250 million (phase I)</p>
<p>Financing requirements: 250 million dollars</p>
<p>Expected Tenor / Duration of financing: All over the implementation period of the project</p>
<p>Project Status (select one): Under construction (negotiation)</p>
<p>Contractual Structure (select one or more): Government Ownership</p>
<p>Project proponents</p>
<p>Ministry of Electricity & Renewable Energy (MoERE); Ministry of Environment (MoE); Central Bank of Egypt</p>
<p>Contact persons</p>
<p>Primary contact person: H.E. Minister Rania Al-Mashat, Minister of International Cooperation, Email: mtaha@moic.gov.eg</p>
<p>Secondary contact person: Mr. Ahmed Mohina, First Undersecretary of Strategic Planning, Ministry of Electricity and Renewable Energy, Email: ahmed.moe@gmail.com</p>
<p>Emblem</p>

<p>Photo, chart or another visual asset</p>

