



مصرف لبنان
BANQUE DU LIBAN

BDL Green Incentives

**Regional Energy Project Development, Finance and
Business Planning**

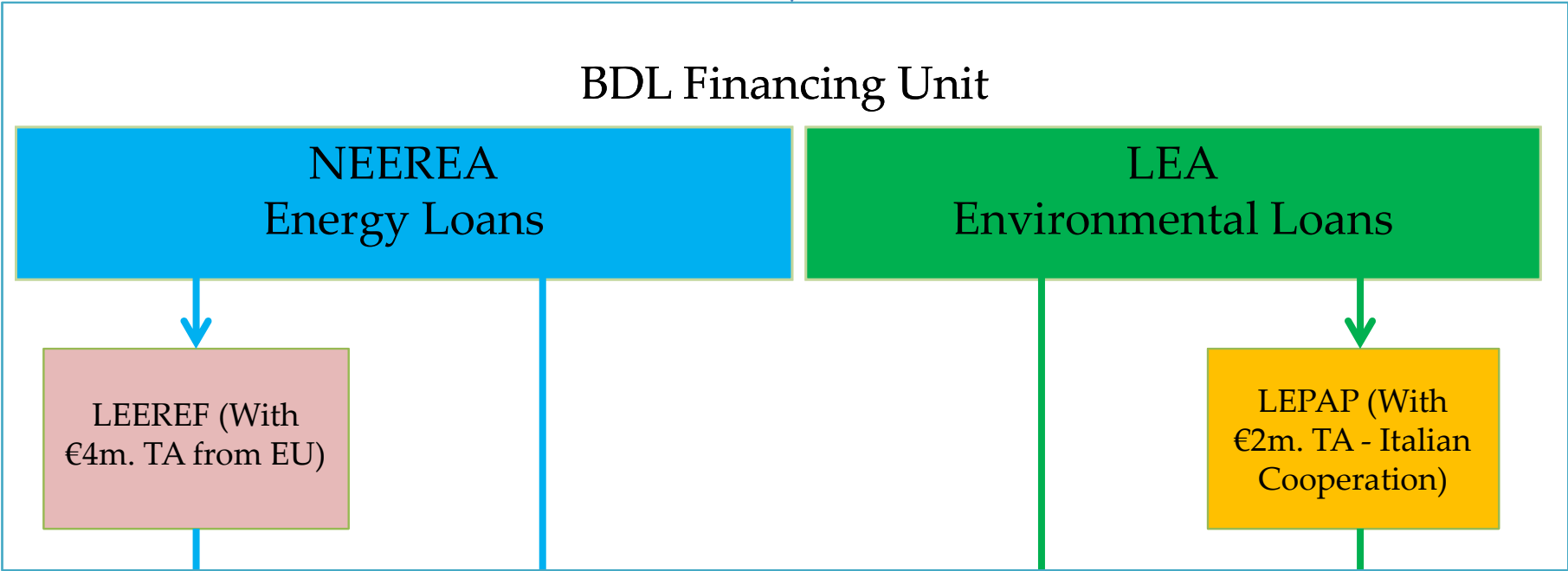
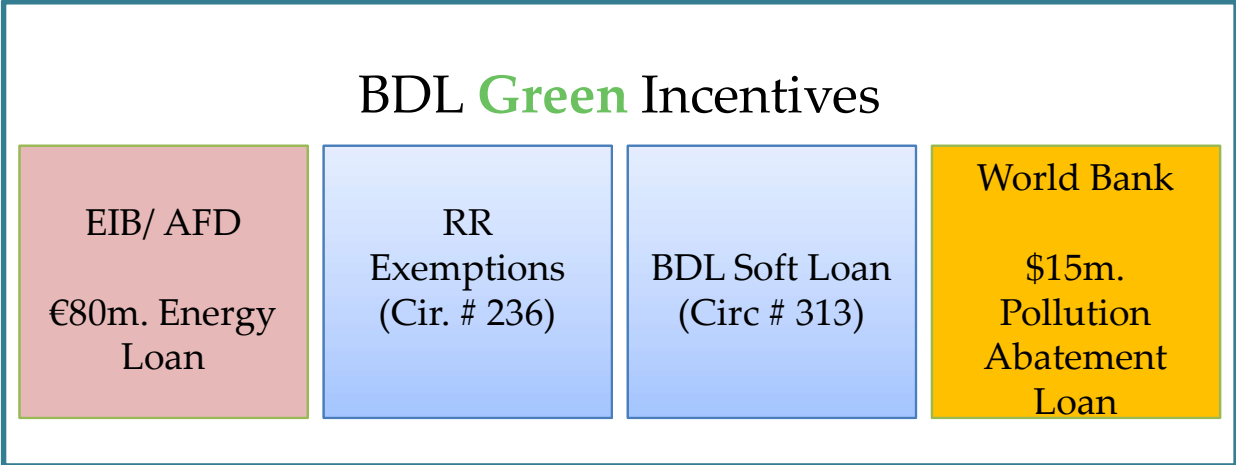
3-4 May 2016, Rabat, Morocco

BDL Green Incentives



- Lebanon

- ≈ 4m. In population
- ≈ \$45bn. In GDP
- Fiscal Problems
- Sizable Energy Bills
- Well developed Financial sector (Size and bankability)
- Influential Monetary Policy → BDL Incentives



BDL **Green** Incentives



Cost on Private Sector

$\leq 1\%*$

BDL Green Incentives

New Projects

- Up to 14 years maturity
- Up to 4 years grace period

Re-Modeling Existing Projects

- Up to 10 years maturity
- Up to 2 years grace period

National Energy Efficiency and Renewable Energy Action

- Energy Efficiency measures.
- Renewable energy base, i.e. Solar and Wind energy.





NEEREA

was initiated after an MOU was signed between BDL and UNDP on March 2, 2010 to promote energy efficiency and renewable energy on several fronts:

- Private sector,
- Commercial banks,
- Public entities, and
- International organizations.

NEEREA Stakeholders



NEEREA Mechanism



EU Grant for EE
(November 11, 2010)



€12,200,000



Fully allocated with more than 100 beneficiaries

NEEREA: \$1.5m MOEW Grant



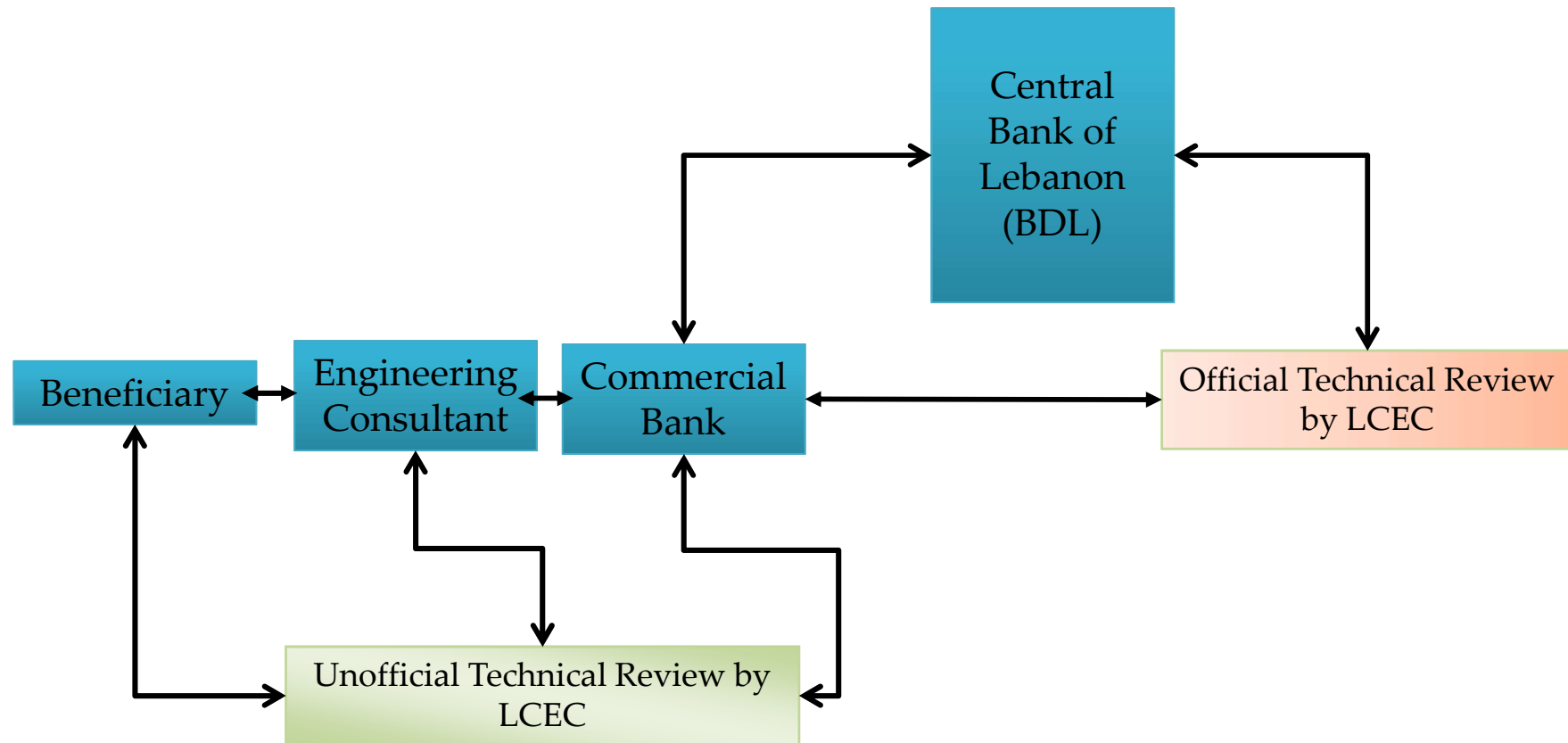
Consumer Solar Water Heaters

0% Interest Rate

Up to 5 Years Maturity

\$200 Grant from the MOEW for 7,500 Applicants

NEEREA Structure



NEEREA Projects

- More than 325 loans approved with a total of 350 million USD with a total projects value of more than \$600 million USD
- Around 53 projects in the pipeline with a total of 35million USD
- 280 PV projects of a total installed capacity of 21 MWp
- Green building loans took the biggest part with a total budget of 218million USD

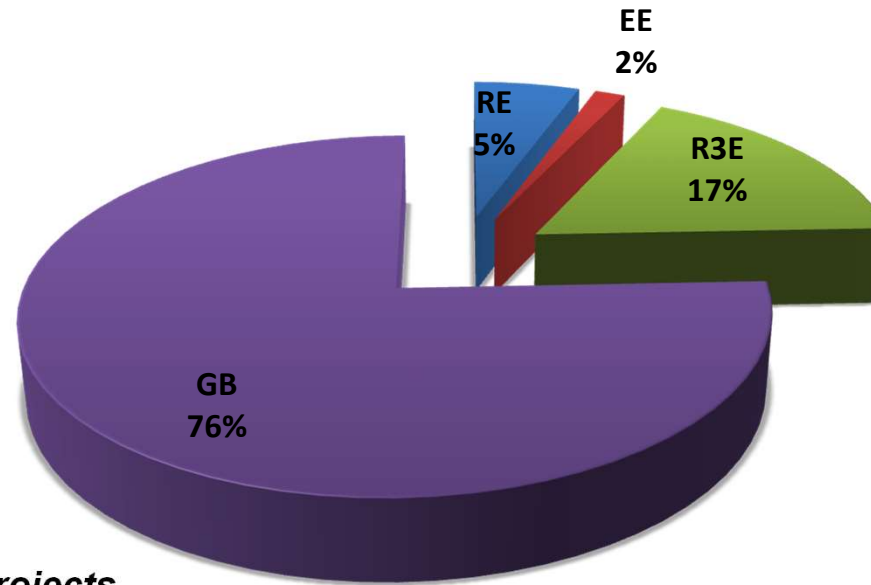


NEEREA Market

- NEEREA helped create more than **10,000** direct and indirect jobs in the sustainable energy sector in Lebanon
- The number of companies working in the field of solar water heaters rose from **25** in 2010 to more than **170** companies today.
- The number of companies working in the green energy and energy audits business rose from **4** in 2010 to more than **30** companies in 2015.
- The number of companies working in solar photovoltaic sector increased from **5** in 2010 to more than **70** companies today.

NEEREA Indicators - Statistics

Loans by Amount



RE: Renewable Energy Projects

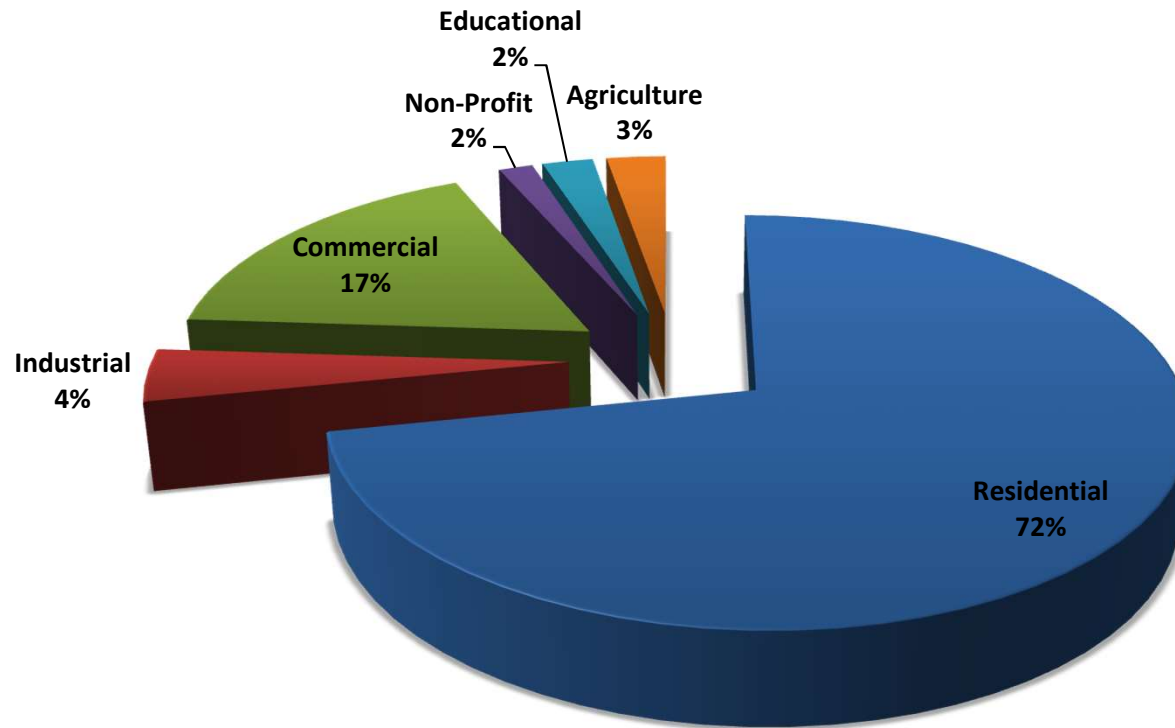
EE: Energy Efficiency Projects

R3E: Renewable Energy and Energy Efficiency Projects

GB: Green Certified Buildings Projects

NEEREA Indicators - Statistics

Per Sector



NEEREA Mechanism



DREG Decentralized Renewable Energy Power Generation Project



Private Sector RE Investments



Grant co- financing of \$150,000 or 25% of project's cost

NEEREA Mechanism



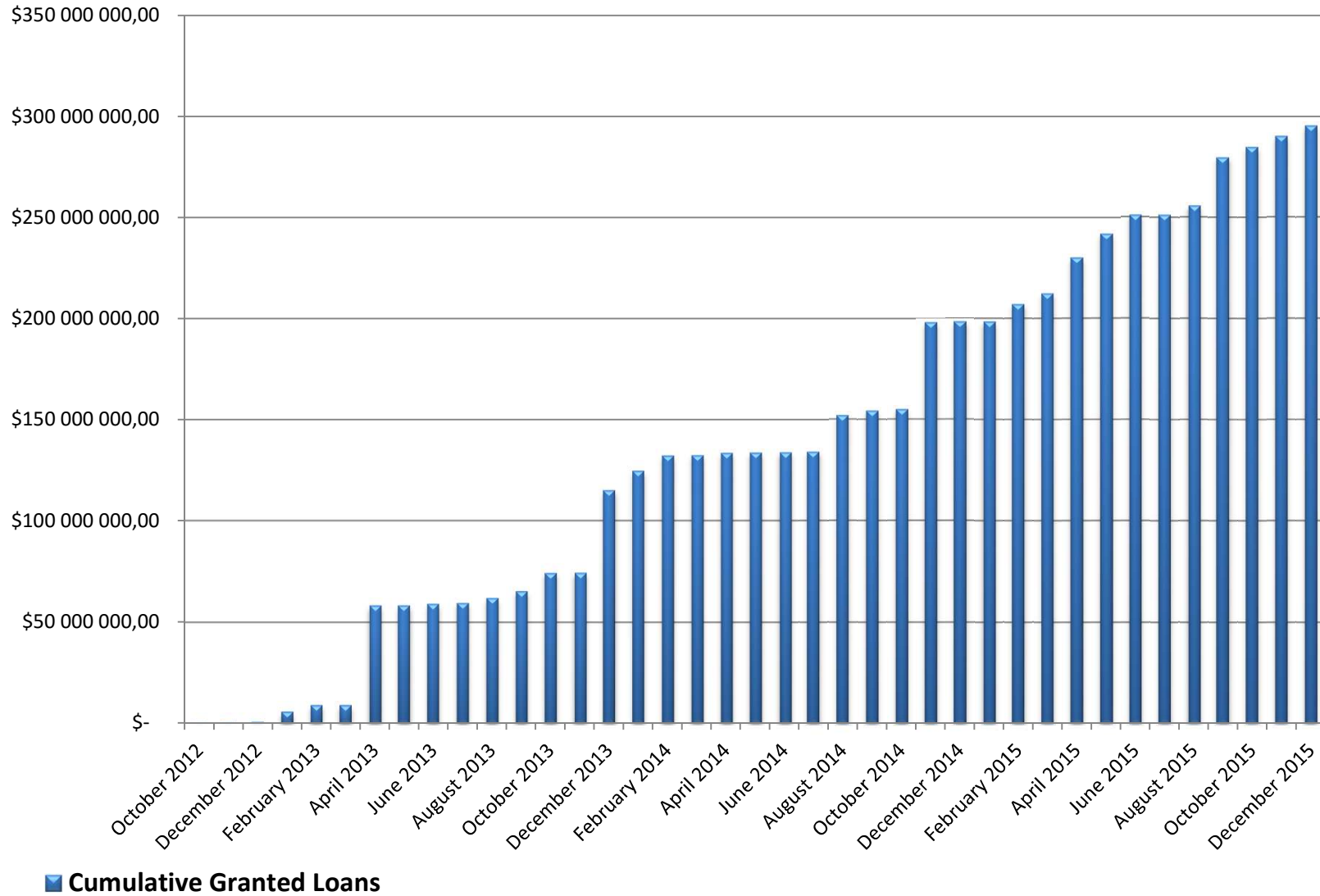
€80m. EE Loan

Productive Sectors

12 to 14 Yrs. maturity

≈ 1% interest rate

NEEREA Granted Loans



The Lebanese Environmental Action (LEA)

For Water, Air, and the
Environment

A National Financing
Mechanism by Banque du
Liban and assistance of LCEC



What are the Environmental projects covered by LEA?

- Recycling



- Landscape



- Organic Farming



- Green Roofs



- Ecotourism



- Green Walls



What are the Environmental projects covered by LEA?

- Stones cladding



- Roof Tiling



- Wastewater Treatment



- Rainwater Collection



LEA: Environmental Requirements by Measure

Stone Cladding

- Recycled stones
- (visual impact, conservation of the traditional architecture)

Roof tiling

- Durable Materials
- Environmental Specifications (LCA, EDS)
- (visual impact, conservation of the traditional architecture, insulation and water proofing)

Landscaping

- Plantings adapted to the local conditions (natives)
 - Organic Fertilizer
 - Drip Irrigation
- (air and water quality improvement, biodiversity enhancement...)

BDL Green Incentives: LEA



LEPAP

\$15m. WB Loan or
BDL Direct

Industrial Sector

≈ 0% interest rate
7 Years Maturity

BDL Green Incentives



Financing Scheme	Cost on Beneficiary	Multiplier
EIB/AFD Energy	0% - 0.75%	150%
Energy Loans	3.75%- (50%*1Yr. Tbs)	150%
Kafalat Energy	3.5%	100%
Solar Panels Loans	0.75%	150%
Solar Energy – Rural Areas	0.75%	150%
Pollution Abatement - Industry	2 Yr. Tbs – 1% LIBOR 3mths. + 4.5%	60%
World Bank – Pollution Abatement	WB rate + BDL Comm + 3.5% Bank Spread - (100%*1Yr. Tbs)	100%
Non Subsidized – Environmental Loans	3.75%- (50%*1Yr. Tbs)	100%
Environmental Subsidized Loans	2 Yr. Tbs – 0.75%	60%



Thank You

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