Finance for Access to Clean Energy Technologies (FACET)

Brussels 2013

Frankfurt School
UNEP Collaborating Centre
for Climate & Sustainable Energy Finance

FRANKFURT SCHOOL - UNEP COLLABORATING CENTRE FOR CLIMATE & SUSTAINABLE ENERGY FINANCE

- Strategic collaboration between UNEP and Frankfurt School
- UNEP's main knowledge hub for sustainable energy and climate finance
- Research with an orientation towards practical application
- Implementing findings and instruments in the field and thereby functioning as think and do tank.

UNEP Collaborating Centre for Climate & Sustainable Energy Finance

Strategic partnership between UNEP and FS:

- Climate Finance Innovation Facility (CFIF) in Asia
- Seed Capital Assistance Facility (SCAF) in Africa
- **Finance for Access to Clean Energy Technologies (FACET)**
- National Climate Finance Institutions Support Programme (NCFISP)
- Publications, e.g. Global Trends in Renewable Energy Investments
- Research and education, e.g. Summer Academies in Frankfurt and Nairobi
- Policy advice

Background

- In Asia and the Pacific, over 800 million people have no access to electricity
- The majority cannot purchase clean technologies upfront but require alternate financing options.

"$37 billion spent each year on low-quality energy solutions represents a largely untapped market opportunity for the private sector."
(IFC 2012)

End-User Finance for Access to Clean Energy Technologies (FACET)

Objectives

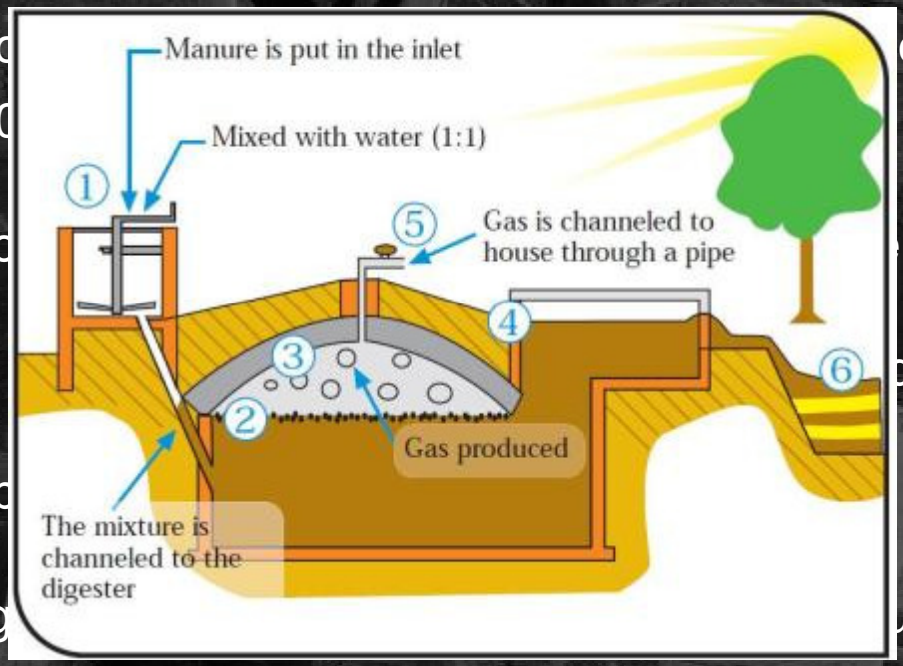
- Mobilizing financial access to clean energy in Vietnam and Indonesia
- Initial disbursements of around 10,000 loans per country

Overriding target

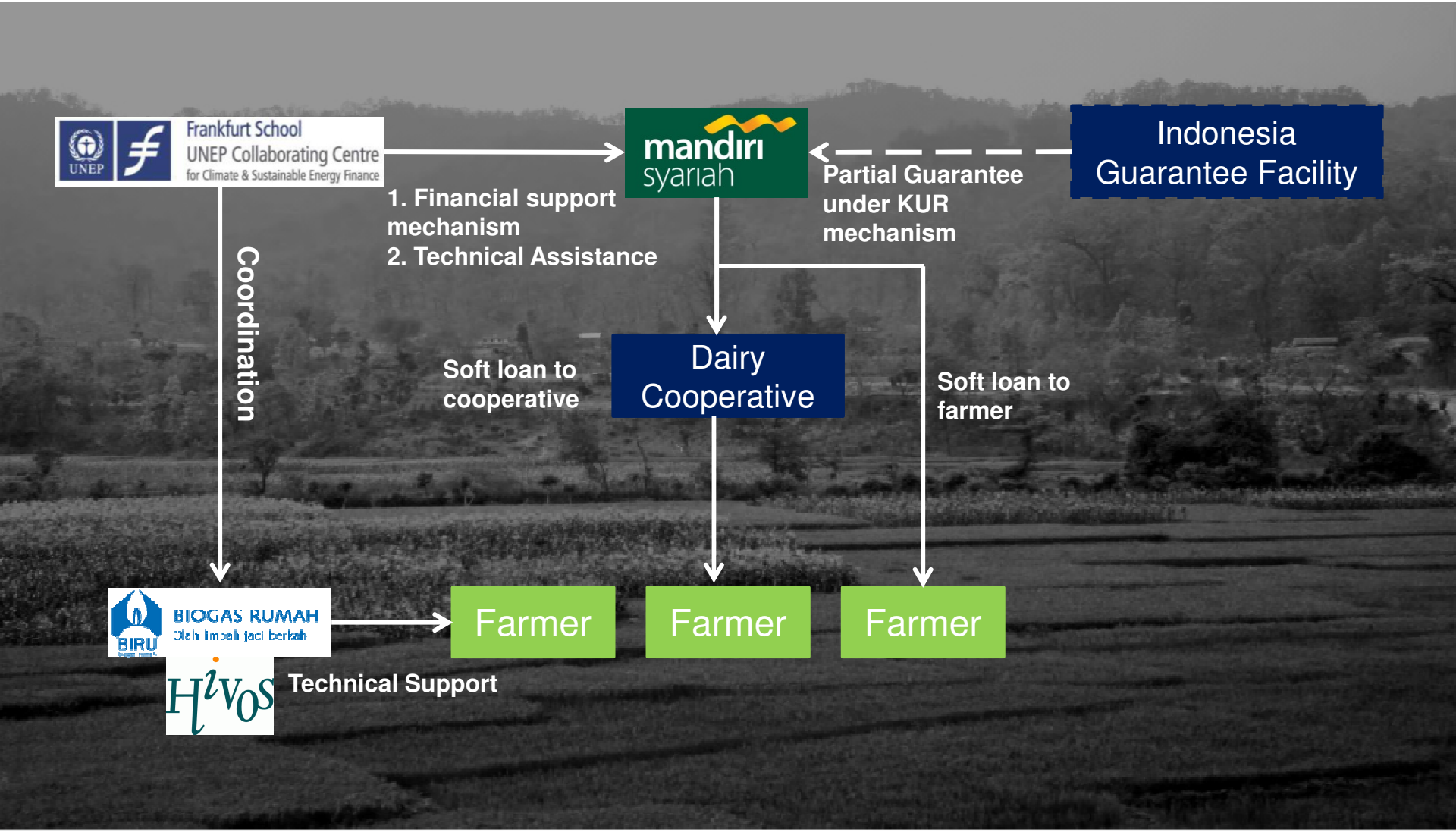
- Initiate and scale up domestic bank lending to end-users of small-scale energy technologies in South and South-East Asia

Biogas Digesters – Fixed Dome

- Biogas develops after a complex digestion process involving four stages: hydrolysis, acidogenesis, acetogenesis and methanogenesis
- It is a mixture c ergy value of approximately 0
- The average ho lectricity generator
- Biogas can not d traded
- Biogas is suitab
- Cooking and lig usehold energy use
- Digested slurry can be used for income generating activities.



Case Study: Indonesia



Key Success Factors

- **Country selection:** Favourable framework conditions, i.e. RE laws and action plans, low/decreasing fossil fuel subsidies, etc.
- **Technology selection:** Commercial availability, widespread supplier networks, reliable partners, vendor qualification, definition of minimum product standards
- **FI selection:** Own funding, wide outreach/network, motivated/ qualified staff, top management support
- **Financial support mechanisms** (e.g. interest subsidy, credit, guarantee) must be adapted to local market needs
- **Awareness raising** among end-users, communication (partnership) among stakeholders, capacity building in FIs

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Current Status