



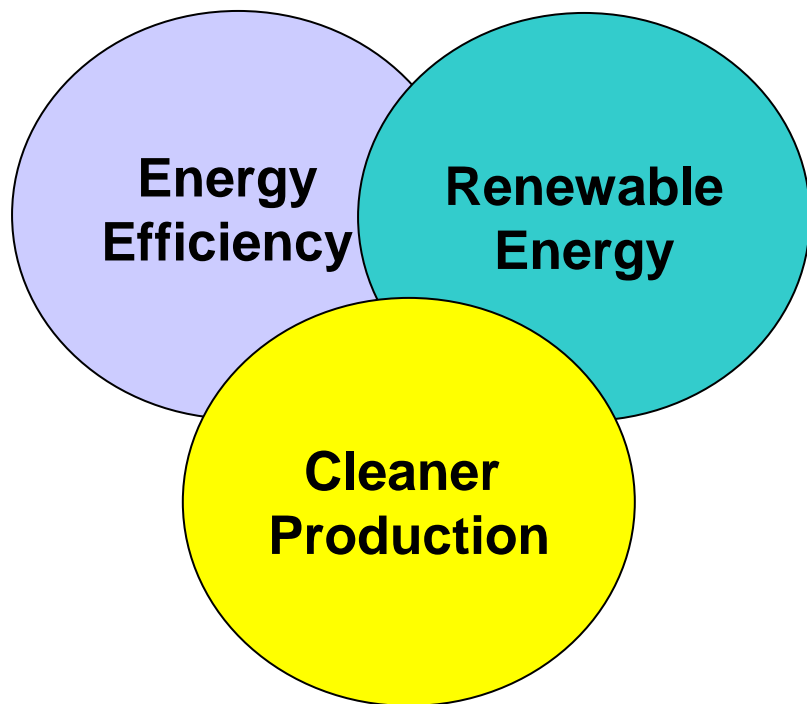
**International
Finance Corporation**
World Bank Group

IFC Sustainable Energy Finance

Miles Stump – Global Product Specialist

September 29, 2009 Manila

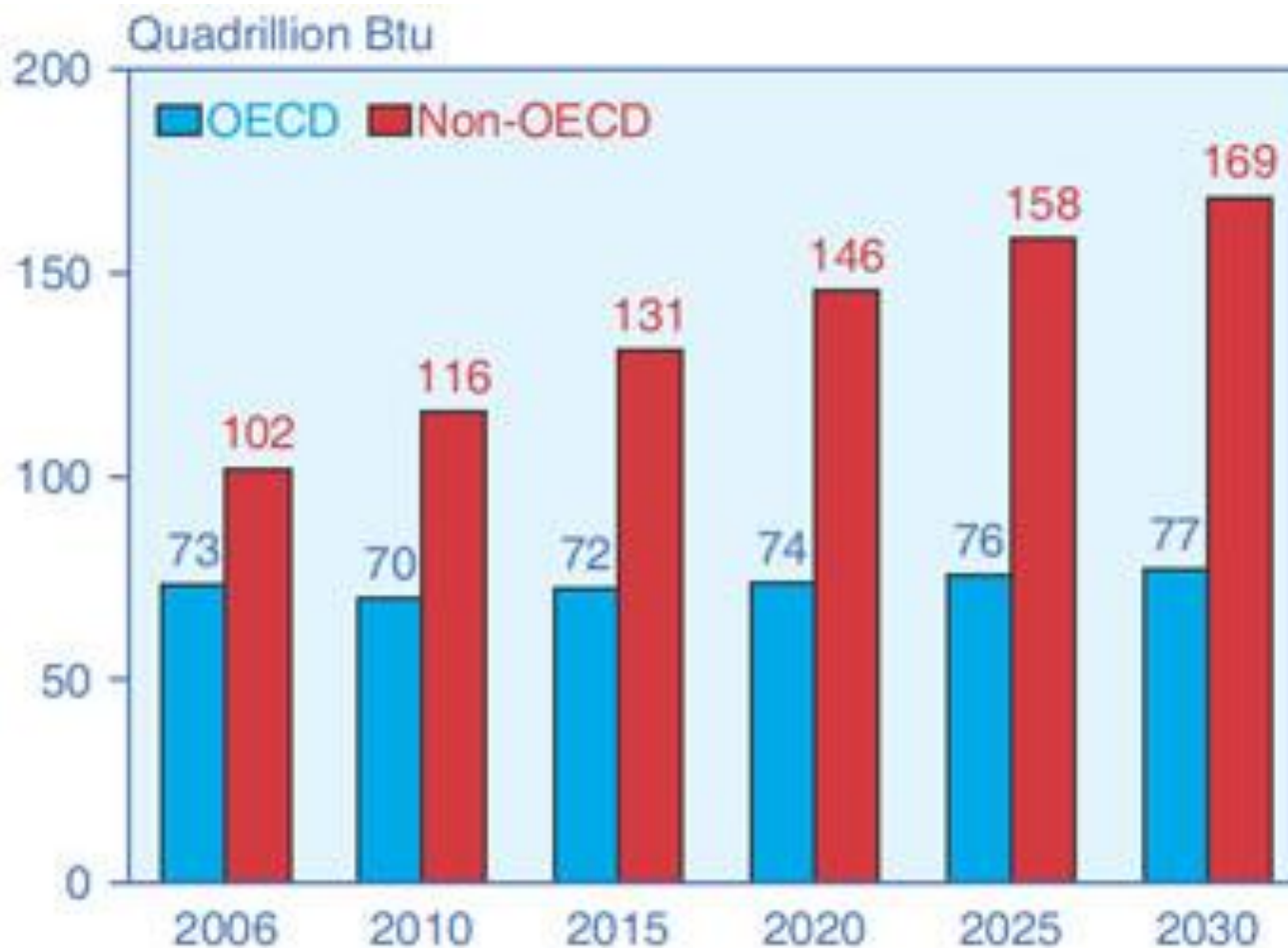
Sustainable Energy Finance



- Develop dedicated lending capacity for SE projects in financial institutions
- Enable FIs to add value to clients and profit from a large untapped market
- Facilitate entry into new segments (e.g. microfinance, project finance, housing, trade, municipal, consumer)

Developing World Potential

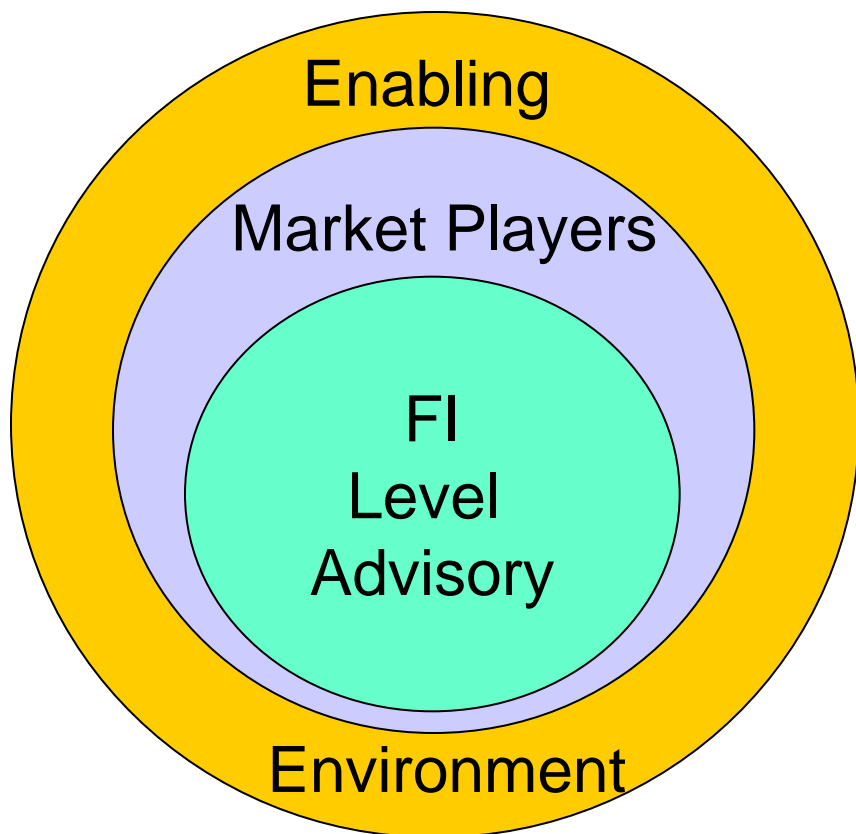
Industrial Energy Consumption 2006-2030



Source: Energy Information Administration (USA)

IFC Financing for SE

- Credit lines
- Risk sharing facilities
- Mezzanine finance



Financial Institutions

- Strategy/product development
- Marketing strategy/training
- Front office training/ongoing support

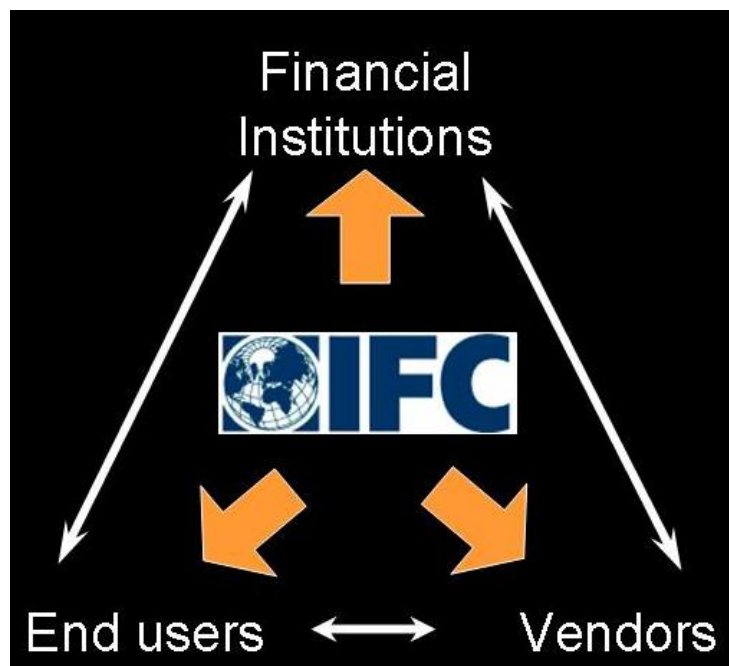
Market Players

- Partnerships with FIs
- Capacity building
- Awareness raising

Enabling Environment

- Policy/regulatory reform to support sustainable energy investments
- Awareness building

IFC Catalytic Role



Financial Institution

Knowledge/tools to identify new business, add value at minimal cost, differentiate

Company

Focused information, advice and funding to catalyze investment decision

Technology Provider

Improved offer, increased sales and better access to finance

Market-wide work to overcome regulatory and informational barriers supports 'private good' activities

Tools and Documentation

Eligibility Criteria

•Financial Institutions

EE/RE Calculator

•Financial Institutions

Market studies

•Financial Institutions
•ESCOs/Energy auditors
•Enterprises
•Media

Credit Officer Training

•Financial Institutions

Policy Papers

•Legislator, Regulator
•Media

Energy Efficiency Calculator

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Energy Efficiency Calculator – Internatinal Financi...

Energy Efficiency Calculator

Project Name

Project

Project lifetime years

Total investment USD including VAT

Amount of loan/lease USD with effective interest %

Term of financing years

Non-energy profit USD

Equipment

Production (used for production purposes, i. e. oven, press, grinder, etc.)

Generic energy (auxiliary equipment such as boilers, lighting, ventilation, etc.)

Co-generation (projects involving CHP equipment)

Before modernization	After modernization
Description	Description
<input type="text" value="Old set ABC-1, working hours - 4 h/day"/>	<input type="text" value="New one DEF-2, working hours - 4 h/day"/>

Results

Annual savings

Total savings 812 085 USD

Energy cost savings 805 085 USD

Non-energy savings 7000 USD

Investment Indicators

Simple payback 10,44 years

Annual annuity payment 2 569 312 USD

Energy savings debt service contribution 32 %

Environmental Indicators

Annual GHG reductions 161 t CO₂ equiv./year

Lifetime GHG reductions 804 t CO₂ equiv./year

Investment / Ton GHG reduce 10 546 USD / t CO₂ equiv.

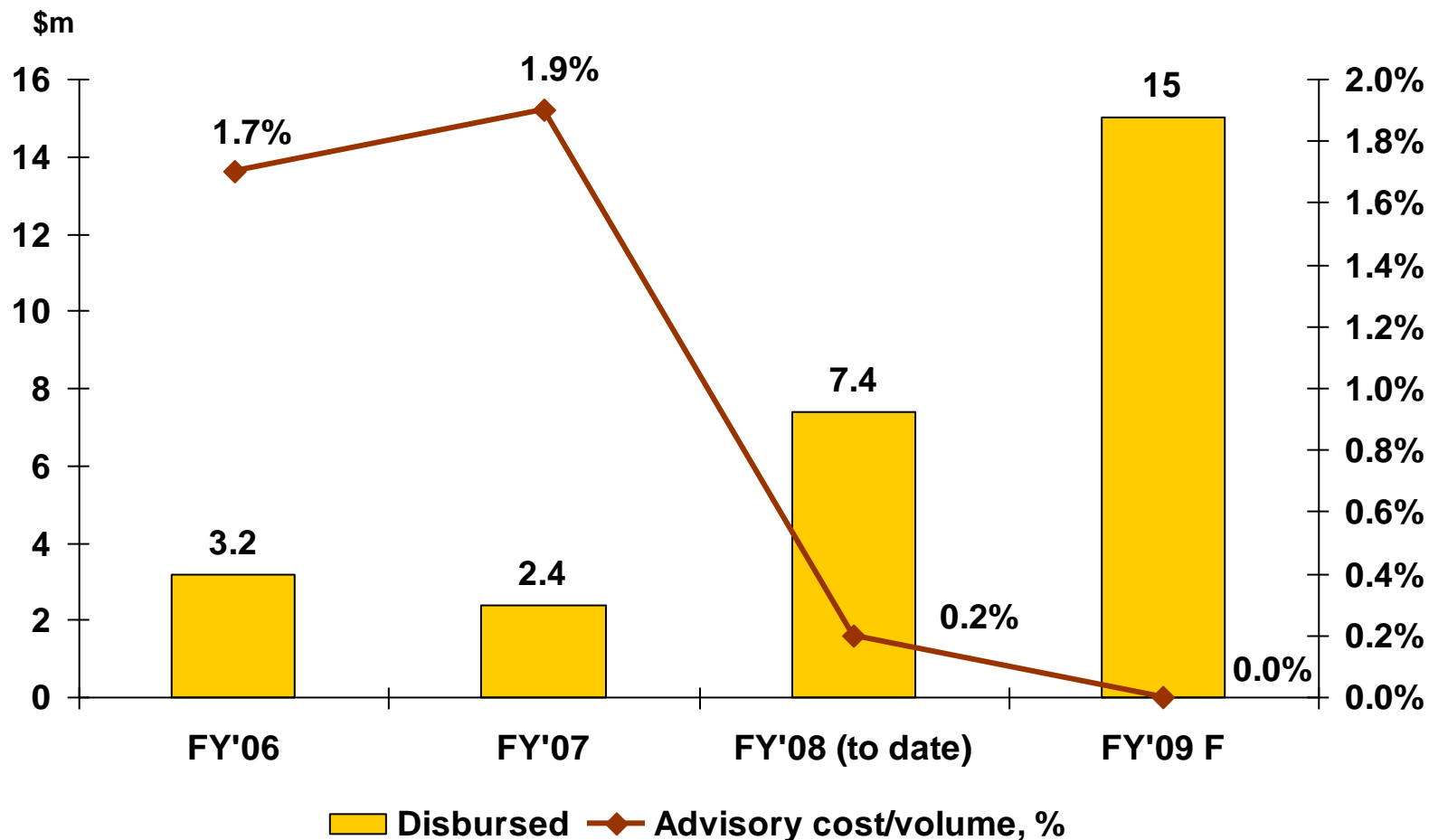
Energy Saving Indicators

Annual energy savings 671 MWh

Investment / Unit energy saved 2527 USD MWh

Advisory Yields Results

Example: Center-Invest bank



IFC Global SEF Portfolio

LAC	ECA	CME	CAF	EAP	CSA
Peru*	Central Eastern Europe*	Lebanon, Egypt, Jordan, Pakistan, Morocco	Kenya, South Africa	China	Sri Lanka
	Russia			Philippines	Nepal
	Turkey			Indonesia	Bangladesh
	Bosnia, Serbia			Vietnam	

Results to Date

IFC Investment Committed	\$802,860,000
# of FIs supported	26 in 11 countries
Value Loans Disbursed by FIs	\$554,044,339
Renewable Energy Produced	1,759,886 MWh/yr
Energy Use Avoided	17,281,496 MWh/yr
GHG Avoided	6,494,317 tons CO ₂ /yr

As of June 30, 2008, all approved sub-projects