

EIB Climate Action in the Mediterranean Partner Countries

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Operations in Mediterranean Partner Countries

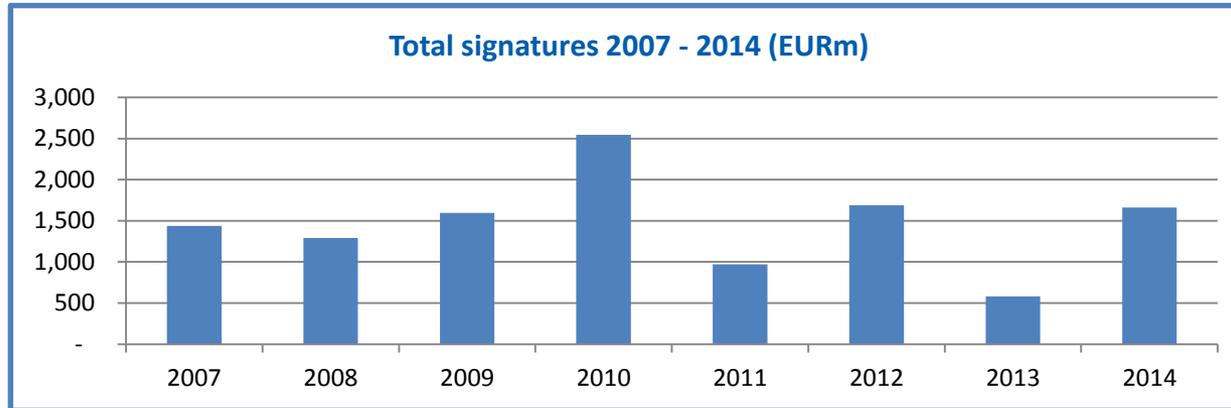
- **Support the modernization and opening up of MPCs' economies**
 - Investment to support the private sector and create an investment-friendly environment
 - Dialogue between Euro-Mediterranean partners through an advisory governance structure (FEMIP Ministerial meetings, FEMIP Committee meetings, FEMIP Conferences).

- **Considers climate action and environment as priorities**
 - Blending of loans and grants is used across the region in support of energy efficiency, renewable energy, transport, water and wastewater and solid waste.
 - Climate operations include both mitigation and adaptation actions

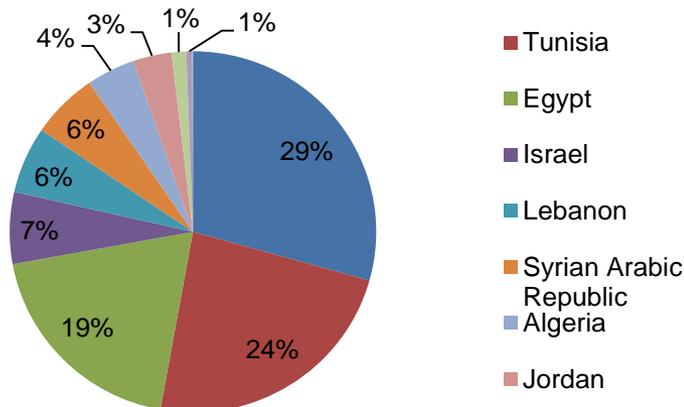
Operations in Mediterranean Partner Countries



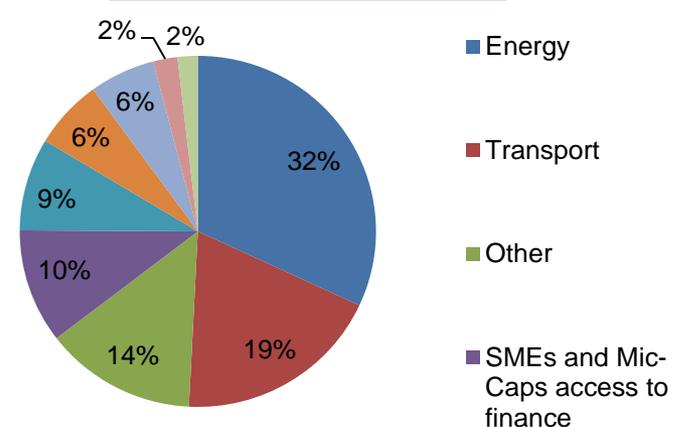
- The overall volume of operations in the MPCs between 2002 – 2014 is around EUR 17bn out of which around EUR 12bn from 2007 – 2014



2007-2014 signatures (breakdown per country)



2007-2014 signatures (breakdown per country)





Climate Operations in Mediterranean Partner Countries

- EIB operations in the MPCs have considered climate as a priority under the previous mandate (2007-2013) and it remains as a priority under the current mandate of (2014 -2020).
- Climate operations include both mitigation and adaptation actions
- Mainstreaming Climate Action;
 - At Project Level
 - Climate considerations are being progressively integrated into all of the EIB's operations and internal processes
 - At Sector Level
 - Adoption of sector lending policies guiding project selection towards climate-friendly investments
- The Bank's activities in climate action take a variety of forms, some examples of which are shown on the following slides



Background

- The Fund is steered by the provisions of UNFCCC and receives guidance from the Conference of the Parties (COP);
- It aims to promote the shift towards low-emission and climate-resilient development pathways by funding Mitigation and Adaptation investments with transformational impact;
- Is expected to channel a major share of the \$100 bn per year by 2020 that advanced economies have formally agreed to mobilize to address the needs of developing countries;
- The EIB has been closely engaged in the development of the GCF since its inception.

Objectives

- The EIB aims to:
 1. be accredited as an Implementing Entity to manage, invest and disburse GCF funds; and
 2. agree with the GCF on a package of funding proposals, in all geographies of EIB outside the EU

Current Status

- To date \$10.3 bn has been pledged, and the first set of 8 projects (\$168 m) were approved in November 2015
- The EIB is due to be accredited by March 2016 at 12th GCF Board Meeting in Songdo, South Korea

Next Steps

- The EIB is ready to commence implementation as soon as possible after the GCF Board Meeting in March 2016
- The Bank is also discussing with the EC how their climate resources would complement such an initiative



Climate Action envelope for the MENA Region (CAMENA)

Background

- CAMENA is a ~EUR 20 m DFID contribution to create an envelope dedicated to climate action
- It is managed by the EIB within the FEMIP Trust Fund, for a 4-year period (2015-2018)

Objectives

- CAMENA resources will be used to finance:
 1. **upstream actions** to develop an enabling environment for climate investments within the MPCs
 2. **project identification** and **preparation work** to catalyse new climate investment projects
 3. **equity operations**
- CAMENA seeks to achieve a balanced set of operations across countries and sectors

Current Status

- Four operations for a total of EUR 1.5 million have been approved – a **renewable energy** TA in Palestine, a study on **NAMAs**, a feasibility study for a **rail line** in Morocco, and a TA for a **water project** in Lebanon
- A pipeline of future CAMENA operations is also developed -

Next Steps

- Implementation of the first activities is underway
- New operations can be considered on a rolling basis during the implementation period, following the same procedures as other FEMIP Trust Fund operations



Mediterranean Solar Plan Project Preparation Initiative (MSP PPI)

Background

- A EUR 5m facility, funded by the NIF and managed by the EIB in coordination with kfw
- Provides technical advice to accelerate the implementation and financing of eligible projects.
- Supports investment projects which are already at an advanced stage of preparation.

Objectives

- MSP PPI resources will be used to finance technical advice for the following projects:
 1. **Renewable Energy**: including wind, solar (PV and CSP), sustainable biomass, and small hydro.
 2. **EE and energy savings** projects in all sectors (e.g. industry, housing, transport)
 3. Projects **connecting RE projects** to the national grid.
- The Initiative will seek to achieve a balanced set of operations across FEMIP countries and sectors.

Current Status

- A pipeline of 10 future operations is identified

Next Steps

- The first Steering Committee meeting was held on the 27th October 2015
- A first project is expected to be approved this year



National Appropriate Mitigation Actions Potentials in the MPCs (NAMA Study)

Background

- A EUR 300k study, managed by the EIB and co-financed with GIZ / European Energy Initiative (EUEI PDF).
- It is considered as the first TA under the EIB CAMENA Envelop.
- It will be implemented in a joint cooperation with the UfM NAMA initiative.

Objectives

- The study is aiming to facilitate the implementation of NAMAs by:
 1. setting the scene of NAMAs in the MPCs
 2. specifying the environment needed for IFIs to finance the associated investment projects
 3. identifying obstacles to finance NAMAs, with specific attention to private sector involvement
 4. supporting the implementation of NAMA projects on both the short and long terms

Current Status

- Procurement process for the implementation consultancy company is on going.
- A first steering committee took place in Barcelona end of 2015 with UfM, GIZ (EUEI PDF), the EC and the EIB

Next Steps

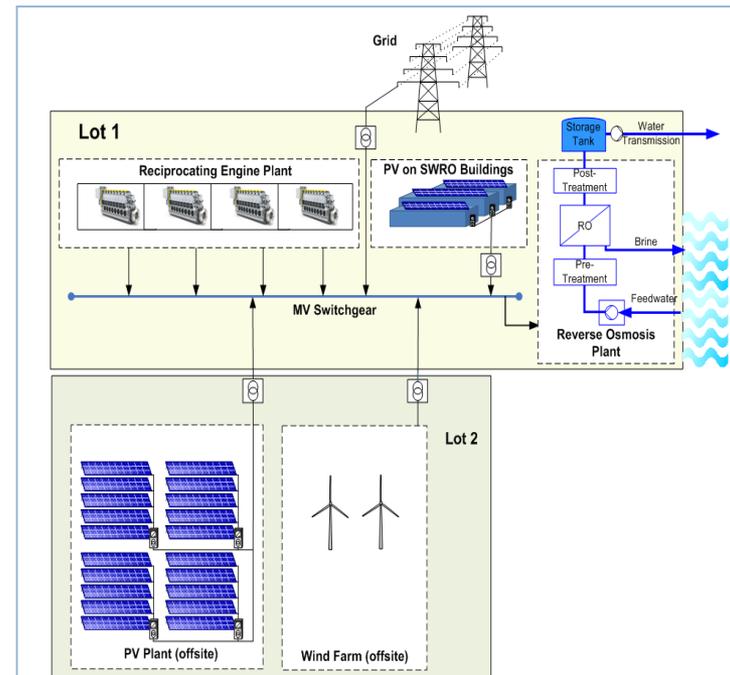
- The implementation is expected to start at end of March 2016.
- An expected kick off meeting in April 2016



Power Supply for Gaza Central Desalination Project



- A EUR 600k TA for the preparation of power supply for Gaza Central Desalination Plant (GCDP) with a total need of 34 MW.
- This TA aims to provide around **60% of the optimum power through renewable energy** sources for the desalination plant.
- The proposed power supply is split into on-site and off-site power plants;
 1. On-site PV installed on the roofs GCDP (2.5 MW)
 2. Off-site PV plant on a separate 10 ha (12 MW)
 3. Off-site wind plant consisting of two turbines (6 MW)
- This project helps to face the climate change in the region with a direct and indirect impact;
 1. Direct Impact - Mitigation Action: reducing the carbon emissions by using renewable energy sources for the power supply
 2. Indirect Impact - Adaptation Action; help facing water shortage in a semi arid region with an average annual precipitation of 300mm





Thank you

