

# Feasibility Study

## ENERGY CONTRACTING FUND

### for Renewable Energies and Energy Efficiency in Emerging Countries

#### Market Situation

Industry and commerce are responsible for a large share of global energy consumption. Due to the size and energy intensity they are especially suitable for the integration of renewable energy (RE) and energy efficiency (EE). Despite available solutions the share of RE and EE in these sectors is negligible.

Often economic projects are not realized due to missing financing options or different investment focus. This challenge can be addressed by an ENERGY CONTRACTING FUND, where the end user has no or very low capital expenditure.

Beside delivering attractive returns such FUND can kick start the almost unlimited potential of RE & EE in emerging countries.

#### The Study

This study considers macro and micro aspects. While the macro level is focusing on countries the micro level evaluates specific projects.

Stakeholders like industrial and commercial companies, local partners for installation and O&M, as well as internationally active project developers, Energy Service Companies (ESCOs) and investors are in particular invited to participate in this study.

In case of promising results such FUND could be implemented after completion of the study.

#### Challenges for Stakeholders

##### Customers

- Lack of capital for investment in RE / Energy Efficiency
- Investments primarily in core business
- Management with short-term targets / 2-4y ROI expectation
- Lack of expertise on energy conservation and RE

##### Solution & Technology Providers

- High effort to get projects funded
- Very few financing programs available

##### Financing Institutions

- Lack of technical expertise on the risk assessment
- Individual projects have too small financing volumes
- High risk premium for single projects

#### FUND Opportunities for Stakeholders

##### Customers

- No or very low investment required
- No financial and technical risks
- Guaranteed energy prices compared to volatile fossil prices
- Improved competitiveness and reduced emissions

##### Solution & Technology Providers

- Further financing opportunity
- Improved market access

##### Financing Institutions

- Attractive returns for fund investors
- Technical expertise of FUND management
- Risk mitigation by diversification over regions & technologies

#### How to Support

In order to investigate the market potential of such FUND, we are looking for case studies or potential projects (> 100 k€) in emerging countries which could be financed by such FUND.

##### Propose any Case Study with

- Photovoltaics
- Solar Thermal (Flat-,ET-, CSP-Collector)
- Heat Pump
- Combined Heat & Power (CHP)
- Waste-Heat-Usage (ORC/Absorption Chiller)
- Energy Efficiency (LED, Pumps, Waste-Heat-Recovery, etc.)
- Biogas / Biomass

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