



Workshop “Financial Instruments to Promote Energy Efficiency – the experience from local financial institutions in Latin America and the Caribbean”

Dates: October 18 & 19, 2012

Location: Sala Petricioli, NAFIN

Insurgentes Sur No. 1971, Torre IV Plaza Inn, Col. Guadalupe Inn, C.P. 01020, Mexico City

AGENDA

DAY 1	Thursday, October 18, 2012
9:00am	Opening and Welcome remarks
	• Alberto De Palacio, Nacional Financiera de México (NAFIN) Representative • Mercedes Aráoz Fernández, Inter-American Development Bank (IADB) Representative in Mexico • Christoph Sigrist, KfW Representative
9:20am	Opportunities and challenges to finance energy efficiency in LAC
	Moderator: Daniel Magallon, BASE Energy Panelists / presentations: • Overall economic potential and impact–investment trends, international and Latin American context, key concerned sectors and sub-regional / countries main characteristics –Laura Natalia Rojas, IADB • Energy Efficiency Trends of the Mexican Industry– Alberto de Palacio, NAFIN • Barriers and market gaps – why our “market” is not working for energy efficiency, role of financial institutions and institutional arrangements (i.e. lack of Escos, etc) -Pierre Langlois, Econoler • Regulatory framework – incentives and disincentives -Odón Demófilo de Buen Rodríguez, Independent Consultant • How to engage private sector in financing energy efficiency -Franco Piza, Bancolombia Discussion Topics: This panel should showcase some of the most viable and innovative recent trends in EE finance, and the important role that financial institutions play in developing the market. EE present a lot of barriers and risks that need to be addressed. ✓ Energy Efficiency impacts and the important role of the financial sector. ✓ Recent market trends in Energy Efficiency finance. ✓ Energy Efficiency Financing Barriers, challenges and opportunities. ✓ Policies that are critical to driving market penetration in the commercial sector. Q&A session
11:00am	Coffee-break

11:15am	Experiences in developing lines / engaging with key actors promoting energy efficiency in the LAC region /energy efficiency plans
	Moderator: Daniel Magallon, BASE Energy Panelists / presentations: • Overall landscape of financing lines and experiences in the LAC region - <i>Pierre Langlois Econoler</i> • Retail initiatives -<i>Guillermo Aguilar, IADB-FOMIN</i> • Financial schemes and products developed by NAFIN – <i>Patricia Ramírez, NAFIN</i> • Institutional arrangements and engagement with national governments - <i>Reina Velázquez , Secretaría de Energía de Mexico, SENER</i> • Engaging SMEs in different sectors, bring examples of lines / FIs for different sectors: ○ Lines for supporting EE in services in Hotels and Hospitals - <i>Edgar Botero, Ecothermia</i> Discussion Topics: The panel will discuss program lines and help distill elements of effective and attractive energy efficiency finance products. ✓ Barriers, Risks and ways to build the business case for energy efficiency investments. ✓ Risk mitigation instruments and strategies. ✓ Is the market ready for energy efficiency? Is there (in Latin America) technical capacity, technology, providers and awareness? And if not, what needs to be done. ✓ There have been a lot of efforts from development agencies to develop the energy efficiency market in Latin America, and the energy prices have been increasing. However the EE market has not made a significant progress. What is missing? Q&A session
1:30pm	Lunch break

2:30pm	Engaging different sectors, bring examples of lines / FIs for different sectors, cont.: Moderator: Daniel Magallon, BASE Energy Panelists / presentations: - Engaging SMEs in different sectors, bring examples of lines / FIs for different sectors, cont.: - Lines for supporting EE in industry: - Co-gen - Kattia Quiros, BCIE - Lines for energy efficiency in water Luis Roberto Llanos, FIRA - Innovative instruments to finance water and energy Gustavo Tellez Giron, Water Capital Discussion Topics: SMEs are a major economic force in LAC and a main engine of economic growth. The EE challenge is, more than ever before, of paramount relevance to SMEs in the region. Failure to address EE challenges would mean a gradual loss of SMEs' competitive advantages in local and regional markets. Moreover, with volatile fossil fuel prices and uncertainty over the availability of future supplies given the current context in the Middle East, adopting EE measures makes economical as well as environmental sense. This panel will discuss different program lines for SMEs ✓ What are the main challenges and risks to finance EE projects to SMEs? ✓ How to mitigate those risks? ✓ What are the elements of effective and attractive EE credit lines for SMEs? ✓ What are the lessons learned of successful credit lines for SMEs that can be implemented to finance EE projects? Q&A session
3:15pm	Coffee break
3:30pm	Engaging different sectors, bring examples of lines / FIs for different sectors, cont.: Moderator: Daniel Magallon, BASE Energy - Engaging different sectors, bring examples of lines / FIs for different sectors, cont.: - Lines for supporting EE housing: Víctor Pérez Orozco, Infonavit Paloma Silva, Sociedad Hipotecaria Federal Sandro Aparecido Garbin, Caixa - Lines for supporting public and private services: Marcos Mancini, Banorte Discussion Topics: This panel will present the perspectives of companies and financial institutions directly involved in financing energy efficiency projects and will discuss the different types of financial instruments to finance EE projects.

	✓ What particularities (risks, barriers, gaps) have the Financing of EE in housing and buildings, commercial and public clients? ✓ Which models work and why? ✓ What types of financial instruments are needed to develop the market? ✓ How does leasing or private equity or other innovative financial instrument complement/ support the EE project financing? Q&A session
4:30pm	Round table / break-out groups discussions
	Moderator: Daniel Magallon, BASE Energy Facilitators: Group 1: Doris Arévalo, Bancoldex Group 2: Odón Demófilo de Buen Rodríguez Group 3: Franco Piza, Bancolombia Group 4: Oscar Rivas, Bandesal Group 5: Pierre Langlois, Econoler Discussion Topics: Identification of specific experiences and recommendations relating to: ✓ Identification of key segments to support, investment barriers and best opportunities and options to finance ✓ Ensure market readiness / structured demand ✓ Identification of good practices Q&A session
5:15pm	Closing of Day 1 –Conclusions of First Day (tbd)
5:30pm	Welcome Event – Mini Oktoberfest at kFw office

DAY 2 Friday, October 19	
9:00am	Financial and institutional instruments to promote energy efficiency
	Moderator: Daniel Magallon, BASE Energy Panelists / presentations: • Overall costs and risks that needed to be covered and existing examples of ways to address them - Rodrigo Aguiar, ABESCO • Success stories with ESCOS – Enrique Gomez Junco, Optima Energía • Models to cover technical risks when ESCOS are lacking - Edgar Bothero, Ecothermia • Insurances - Daniel José Alzate López, Sura Discussion Topics: ✓ What risk mitigation instruments exist and which ones are missing in our markets? ✓ What sectors present better conditions/opportunities to implement EE projects? ✓ How new technologies will impact financing? Q&A session
10:45am	Coffee break
11:00am	Financial and institutional instruments to promote energy efficiency , cont:
	Moderator: Daniel Magallon, BASE Energy Panelists / presentations: • Models for institutional coordination ○ Aldo Torres, FIDE ○ Christoph Sigirst, KfW • Systems to ensure results based performance and monitoring, reporting and verification of results: ○ Andre Degenkolb , IPC – Internationale Projekt Consult GmbH ○ Mario García, Garper Energy Services Discussion Topics: ✓ Public finance mechanisms to mobilize investments in EE projects ✓ Evaluating various public-private partnership models and their pros and cons ✓ What are the main issues of implementing a performance contracting? ✓ What are the opportunities and challenges from international finance in implementing performance based systems? Q&A session
1:00pm	Lunch break
2:00pm	Success stories- instruments to promote energy efficiency – Guarantees, risk sharing/ debt/equity financing, programs
	Moderator: Daniel Magallon, BASE Energy Panelists / presentations: • Example of a guarantee scheme at market rate - Pierre Langlois, Econoler • Example of successful experiences with Clean Tech I y II Funds –Ernesto Hanhausen, Clean Tech Fund L.P. • Example of Tier 2 concessional loans (example of a development bank) –Oscar Rivas,

	<i>Bandesal</i> Discussion Topics: ✓ Are the guarantee schemes the solution to boost the EE market? Pros and cons ✓ What are the barriers, risks, considerations, and mitigation instruments to implement a guarantee scheme? ✓ Discuss case studies, success stories and lessons learned in Latin America Q&A session
3:00pm	Coffee break
3:15pm	Round table / break-out group discussions
	Moderator: Daniel Magallon, BASE Energy Facilitators Roundtable Group 1: Andre Degenkolb, IPC – Internationale Projekt Consult GmbH Group 2: Alberto de Palacio, NAFIN Group 3: Franco Piza, Bancolombia Group 4: Carlos Paredes, Cofide Group 5: Luis Roberto Llanos Miranda, FIRA. Discussion Topics: Identification of specific experiences and recommendations relating to: ✓ Design and implementation of legal, investment and technical risk management tools ✓ Institution and other types of capacity needs ✓ Case studies ✓ Design of financial instruments ✓ Integration of environment benefits / energy savings in financing lines ✓ Requirements and experiences with international climate finance ✓ Recommendations of potential studies and further work that could undertake to promote energy efficiency financing lines in LAC Q&A session
5:00pm	Closing of workshop – wrap up and next steps