

NS-271 - Catalytic Program for Energy Efficiency in Public Buildings (ProCEEPP)

El Salvador

NAMA Seeking Support for Implementation

A Overview		
A.1 Party	El Salvador	
A.2 Title of Mitigation Action	Catalytic Program for Energy Efficiency in Public Buildings (ProCEEPP)	
A.3 Description of mitigation action	ProCEEPP will target technological changes in air conditioning systems and lamps that are currently installed in public buildings. In El Salvador, the consumption by government public buildings (including 7,255 buildings according to the latest government census) is about 245 GWh / year, equivalent to approximately 4.2% national demand, which was 5,833 GWh in 2015. ProCEEPP will have a duration of 5 years and will be aimed at reducing 26.84 ktCO₂e (or 59.1 GWh) during the period 2018 to 2022. This will be achieved through the replacement of 20% of the inefficient equipment currently used (air conditioners and lamps) by high efficiency technology in the public building sector (e.g. inverter mini splits and LED lamps). ProCEEPP builds on the experience of previous EE projects in El Salvador. CNE, in coordination with the Ministry of Finance (MH), worked in the Energy Efficiency for Public Buildings program for the development of guidelines to identify potential savings and EE, which included a proposal for indicators and the creation of a building energy management tool for the COEEs. Furthermore, thanks to 4E-GIZ Programme "Energy Efficiency and Renewable Energy in Central America", as well as to the COEEs in the Public Sector, two demonstration projects for the installation of solar photovoltaic systems were implemented in public institutions: the Ministry of Finance and the Consumer Protection Agency. In addition, the program "El Salvador Saves Energy" was founded, with the aim of encouraging actions to promote EE and raise awareness in the appropriate use of energy, by turning EE into a cultural value in El Salvador. The financial support mechanism in the FEEEP, which is currently being developed by CNE, the Ministry of Finance (MH), and BANDESAL. The FEEEP will raise the financial resources needed by public institutions to undertake investments in highly efficient and environmentally friendly equipment in their own facilities. EE investments will then be repaid by FEEEP with the savings achieved. The financial models have been already validated, and the creation of FEEEP has been approved by the GoES. The country has made substantial progress in the definition of technical standards on EE for the technologies that represents the highest energy consumption in El Salvador. Currently, national technical standards already implemented and in plans of updating. In addition, new EE standards would be developed in order to ensure the compliance of service companies and providers with international best practices. Finally, ProCEEPP will involve a number of technical cooperation (TC) activities, including the strengthening of the key stakeholders (CNE, MH, and the Ministry of the Environment and Natural Resources, MARN); the design of an EE M&E system, and capacity building for the COEEs. Since the COEEs will be responsible for the implementation of the EE projects, it is important that they can use the system in a proper way. In addition, to support the establishment of the FEEEP, the creation of a certification scheme for EE products, and the identification of needs and shortcomings faced by engineering and technology providers in terms of the quality, efficiency and lifetime of their equipment (A/C and lighting), and in terms of their ability to implement EE projects. At least, the TC will involve awareness-raising activities on climate change, EE, and the importance of a conservation culture, targeting public officials. These activities include lectures and training courses.	
A.4 Sector	☐ Energy supply ☐ Residential and Commercial buildings ☐ Agriculture ☐ Waste management ☒ Other: Public Sector	
A.5 Technology	☐ Bioenergy ☒ Energy Efficiency ☐ Hydropower ☐ Wind energy ☐ Carbon Capture and Storage ☐ Land fill gas collection ☐ Other:	
A.6 Type of action	☒ National/ Sectoral goal ☐ Strategy ☐ National/Sectoral policy or program ☐ Other:	
A.7 Greenhouse gases covered by the action	☒ CO ₂ ☐ N ₂ O ☐ PFCs ☐ Other:	
B National Implementing Entity		
B.1.0	Name	National Energy Council Governmental El Salvador
B.1.1	Contact Person 1	Luis Reyes, Executive Secretary
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B.1.13	Comments	

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C Expected timeframe for the implementation of the mitigation action

C.1	Number of years for completion	5
C.2	Expected start year of implementation	1

D Currency

D.1	Used Currency	EUR ▼
Conversion to USD: 1		

E Cost

E.1.1	Estimated full cost of implementation	76,000,000 Conversion to USD: 98,318,241
E.1.2	Comments on full cost of implementation	Currently the government of El Salvador invests annually approximately 1.2 million dollars in EE measures and it is estimated that such investments will be maintained during the execution of the ProCEEPP and even after its completion. In addition, it is expected that the FEEEP will be created with EUR 62.8 million. The FEEEP will be coordinated by BANDESAL and will provide loans and micro-loans to public institutions. In this way the continuity of EE investments will be ensured. All in all, financing contributions would be of EUR 76.4 million, which will be divided in EUR 11.8 million financed by the NAMA facility for the ProCEEPP, EUR 62.8 million (currently being developed), and EUR 1.8 million for technical cooperation for expert services and consulting. The 11.8 million euros from the cooperative will be used for the ProCEEPP. In addition, EUR 2.96 million will be required for the DPP of ProCEEPP NAMA Facility funds are crucial for the development and implementation of the ProCEEPP. They would act as a catalyst for the implementation of the FEEEP, leveraging the EUR 62.8 million that will be used to maintain the replacement of equipment once ProCEEPP ends. Finally, the ProCEEPP is expected to indirectly mobilize private sector resources to carry out investment in private buildings through raising awareness of this sector by the demonstration of success in the public sector.
E.2.1	Estimated incremental cost of implementation	0 Conversion to USD: 0
E.2.2	Comments on estimated incremental cost of implementation	n/a

F Support required for the implementation the mitigation action

F.1.1	Amount of Financial support	15,000,000 Conversion to USD: 19,404,916
F.1.2	Type of required Financial support	☒ Grant ☐ Guarantee ☐ Loan (sovereign) ☐ Equity ☐ Loan (Private) ☐ Carbon finance ☐ Concessional loan ☐ Other
F.1.3	Comments on Financial support	
F.2.1	Amount of Technological support	3000000
F.2.2	Comments on Technological support	In order for the ProCEEPP to be implemented correctly and in a timely manner, the areas that need support and assistance during the preparation phase have been identified. These areas are: - Institutional Strengthening: This area aims to solve the needs of the key stakeholders to implement the ProCEEPP and its activities. - Energy Efficiency Regulations: Support will be required for updating and developing regulations for EE to ensure the quality in the performance of the equipment to be installed in the implementation of the projects. - Technical Support: It will be aimed at the public entities involved in the development and implementation of ProCEEPP and will consist of technical training or the proper implementation of ProCEEPP. - Development of the M&E system. An M&E system must be developed and implemented that allows the proper assessment in compliance with the energy indicators established. - Preparatory Studies. It will be necessary to prepare two types of studies prior to the implementation of ProCEEPP: detailed energy audits for the identification of energy efficiency opportunities and a market survey of suppliers and energy service companies (ESCOs). - Awareness and preparation talks. The support in the area of awareness is essential for the public building sector and its employees that will benefit from ProCEEPP projects. These activities will be aimed at promoting the importance of EE projects and the commitment that comes with GHG mitigation, energy savings and sustainable development.
F.3.1	Amount of capacity building support	 Conversion to USD: 0

F.3.2 Type of required capacity building support		☐ Individual level						
		☐ Institutional level						
		☐ Systemic level						
		☐ Other						
F.3.3 Comments on Capacity Building support								
G Estimated emission reductions								
G.1	Amount	0.26						
G.2	Unit	MtCO ₂ e 						
G.3	Additional information (e.g. if available, information on the methodological approach followed)							
H Other indicators								
H.1	Other indicators of implementation							
I Other relevant information								
I.1	Other relevant information including co-benefits for local sustainable development							
J Relevant National Policies strategies, plans and programmes and/or other mitigation action								
J.1	Relevant National Policies	According to the Article 18 of the Environmental Law – Environmental Evaluation. Set of actions and procedures that guarantee that activities, works or other projects that have a negative impact on the life quality of the population must be subject (from the pre investment stage) to the procedures which identify and quantify such negative impacts. Also these procedures must include measures that prevent, attenuate, compensate or improve, depending on each case, the selected best option guaranteeing environmental protection. According to the Article 19 of the Environmental Law – Environmental Evaluation. In order to initiate and to operate the activities, works or defined projects on this law, an environmental license must be issued. It is responsibility of the Environmental Ministry to grant such environmental licenses, provided the approval of an environmental impact study. According to the Article 22 of the Environmental Law – Environmental Evaluation. The activity, work or project which requires an environmental license to its implementation, functioning, expansion, reopening or reconversion must present to the Environmental Ministry the environmental license. The project Energy Efficiency for Public Buildings, does not require ESIA since the development of ProCEEPP will be carried out for buildings already built, hence those facilities already have an environmental license. Besides it is believed that the activities related with ProCEEPP will not either cause any negative impact on the environment or on the life quality of its employees nor will it change the activity for which the building was built. In addition, the construction of a new buildings for the development of ProCEEPP is not considered. The management of water disposal and electronic equipment that are generated due to the implementation of the NAMA, must be managed through “Technical Guidelines for the Adequate Use and Waste Disposal of Electronic Equipment” established by the Environmental and Natural Resources Ministry.						
J.2	Link to other NAMAs	(none)						
K Attachments								
K	Attachments	<table><tr><th>Title</th><th>Description</th></tr></table>	Title	Description				
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L Support received								
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L.2	Within the Registry	<table><tr><th>Support provided</th><th>SupportType</th><th>Amount</th><th>Comment</th><th>Date</th></tr></table>	Support provided	SupportType	Amount	Comment	Date	No records to display.
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