

Green Fund:	NEEREA - The National Energy Efficiency and Renewable Energy Action
Country:	• Lebanon
Source of Funds:	• National Funds
Description	<p>NEEREA, the National Energy Efficiency and Renewable Energy Action, is a pioneering national financing mechanism in Lebanon, managed by the Central Bank - Banque du Liban (BDL) - and operational through all commercial banks. Established in 2010, it offers subsidized loans to private sector entities for energy efficiency, renewable energy, and green building projects. By January 2015, over 200 projects had been greenlit under NEEREA, amassing a total investment exceeding US\$250 million USD. Notably, NEEREA stands as the Arab Region's pioneering green financing initiative, extending support to renewable energy endeavors, energy efficiency ventures, and green construction projects. Established on November 25, 2010, as per Circular 236 of the Central Bank of Lebanon, NEEREA operates in collaboration with the European Union, adhering to specified terms and conditions for accessing subsidized green loans. In subsequent years, BDL introduced updated incentives through circulars 313, 318, and 346, underscoring a sharper focus on energy efficiency, certified green buildings, and renewable energy initiatives. The Lebanese Center for Energy Conservation (LCEC) plays a pivotal role in NEEREA's implementation, providing technical support and capacity building initiatives to bolster knowledge dissemination across stakeholders. This collaboration is formalized under the "Technical Support Consultancy Services Agreement in Energy Efficiency and Renewable Energy" between BDL and LCEC. LCEC serves as Lebanon's national energy agency, operating as a not-for-profit entity under the Ministry of Energy and Water (MEW) with financial and administrative independence. Established in 2011 and marking its tenth anniversary in 2021, LCEC has emerged as the foremost authority on sustainable energy matters for both public and private sectors in Lebanon. Its primary mandate involves formulating national action plans and strategies to advance the sustainable energy sector, while also overseeing the implementation of various initiatives and projects in collaboration with the Ministry of Energy and Water and other national and international stakeholders. NEEREA offered eligible loans to private entities, encompassing both existing and newly constructed facilities, with a loan cap of US\$10 million USD. Beneficiaries enjoyed favorable terms, including low-interest rates over a maximum repayment period of 14 years, inclusive of a grace period ranging from 6 months to 4 years. Crucially, NEEREA's integration with Lebanese commercial banks fostered a symbiotic relationship between financial institutions and private enterprises, fostering sustainable socio-economic development. Furthermore, the European Union's substantial contribution to NEEREA, offering grants of up to US\$5 million USD towards investment costs, underscored its commitment to supporting Lebanese consumers in transitioning towards green energy solutions. Banking sector in Lebanon was totally collapsed starting the crisis of 2019. Until now, there is no unification of the exchange rate in the country. The black market is leading. There is no more trust in loans or investments through the banks. Because of the Economic Collapse, all loans - including loans under NEEREA - have been halted.</p>