

Case Study

Jebel Ali Free Zone Energy Retrofit Program

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Agenda

- 1 Project Description
- 2 Challenges for financing the project
- 3 Pipeline for Portfolio Project Financing



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Project Description

Parties involved



Project Summary

- Energy retrofit of 157 staff accommodation buildings of JAFZA
- Fully financed by National Bonds using a Shari'a compliant structure
- Replacing ACs, lights and water fixtures
 - Replacement of **5,000** old AC units by high efficiency Split Units
 - Replacement of **85,000** old light fixtures by high efficiency LEDs
 - Replacement of **31,000** old water fixtures with highly efficient fixtures
- Contract duration: 7 year (1 year construction + 6 year guarantee)
- Investment value: AED 64 million

Buildings location



Project Savings

Over 6 year, guaranteed savings will reach



158 GWh
28% savings



1.2 billion IG
36% savings



AED 132m
31% savings

Avoiding 73 thousand tons of CO₂



World's First !

World's first building retrofit project with Shari'a compliant structure

Largest guaranteed energy savings project in Middle East and UAE

First Free Zone in the Middle East and UAE launching such a project



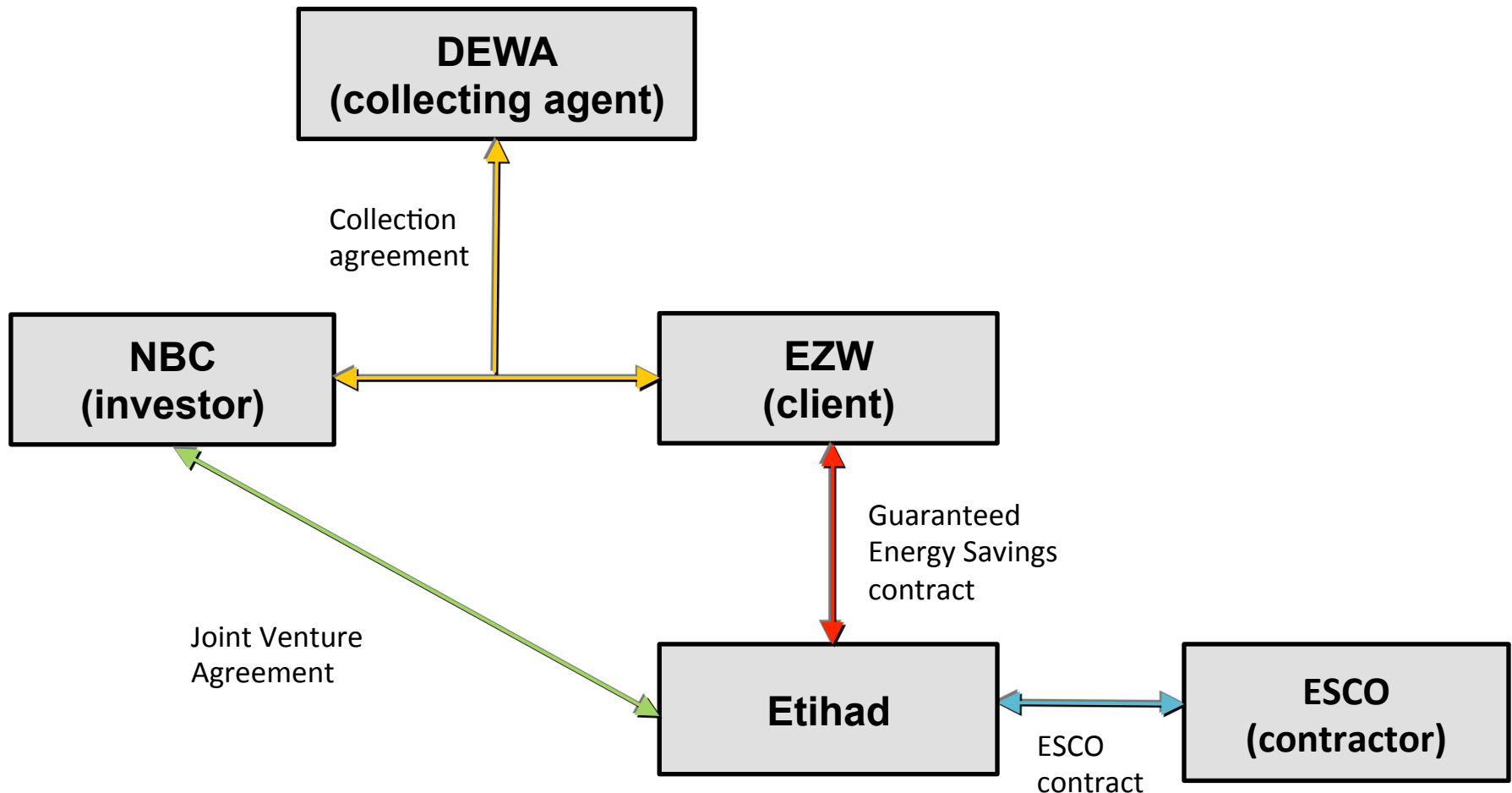
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Challenges for financing the project

Project Financing Constraints & Challenges

1. No debt to be carried by either EZW or Etihad ESCO
2. Minimal Collaterals & Guarantees from client
3. No payment during construction period, only when savings materialize on DEWA invoice
4. Acceptable interest/profit rate

Project Financing Structure





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Pipeline for Portfolio Project Financing

Pipeline of Projects requiring Financing

1. Staff Accommodation retrofit project for a GRE
2. Mixed Office/Hospitality project for a private real estate owner
3. Large retrofit program for 600 government buildings with a single owner
4. Large retrofit program for 300 private sector buildings with multiple owners



الاتحاد Etihad

لخدمات الطاقة
Energy Services



THANK YOU