



Singapore Energy Efficiency Investment Forum

Future Market Directions for EE

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Personal experience sharing
Finance sourcing
What attracts us in the Energy Efficiency market ?
How do we see the market evolving ?
Our Key drivers for EE business

Personal experience sharing

EE market depends strongly on Energy strategy, Economics, Culture & Activity sector,

Technology is there, ESCOs are there; although with different interests,

All Sectors concerned,

Energy tariffs are very different,

EE solutions are complex: Engineering & Design, knowledge of the needs, Operation & Maintenance, Equipment efficiency, Energy wastage / recovery, Centralization of the utilities production, Renewable energy,

Barriers to be faced:

Long-term solutions,

Fear of not getting the best,

Outsourcing concept not accepted everywhere,

Fear of not getting what is promised,

Lack of regulation (in some countries),

Project Risks, Solvency (client risk), Raw material sourcing (sourcing risk), foreign exchange risk, sustainability of client business (client risk),

Leading to projects not going ahead

Finance sourcing

Private and Private Public Partnership projects

International Banks,
Local Banks,
Equity,

Greenfield projects: Commercial developer or Government take a stake and co-fund the project,

International Organizations: World Bank, Asian Development Bank,
National Organizations: AFD (French), NEDO (Japan) etc...

Owners willing to share a part of the investment. Our job is therefore to guarantee the return of their investment in their own premises.

EE projects can be **100% equity** financed

What attracts us in the Energy Efficiency market ?

Opportunity to **own assets** which produce **utilities** (our core business),

Opportunity for **renewable energy** development (focus of the group),

Value-added services needing strong **experience** & engineering knowledge,

Long-term contracts which for us is a source of sustainability,

Strong yield of majority of the projects – Gross payback from 1 to 5 years

Evolution of the market ?

ESCOs will become **more specialized** and some of them will have to focus on their core business,

Owners will not consider anymore utilities plants as **assets but 'costs'**; outsourcing,

More **complex financial arrangements** will be set/promoted,

Some **governments** will be **more involved/supporting**, up to taking part in some EE projects,

Geographically not even; focus on Thailand, Malaysia, Philippines, Singapore, Indonesia in order of priority; Vietnam and China later on,

Banks will take more and more parts in EE projects,

Key drivers for EE business ?

Guaranteed solutions (Efficiency, Operating costs, ROI) over a long-term partnership; sustainability,

Optimized solutions; ratio Investment/Savings,

Renewable energies,

Long-term solutions accompanying client activity,

Combined utilities solutions,

Shared investment with owners; **involvement of the client,**