

## PROTOTYPE – FACT SHEET

NAME: DR. MUHAMMAD SALEEM

WG: III

ORGANIZATION: STATE BANK OF PAKISTAN

### Title

**Dedicated Green Credit Line for Large Renewable Energy Projects**

### Mission statement

***To provide financial incentives for banks/DFIs to invest in renewable energy***

### Briefly describe your prototype idea

*A dedicated credit line may be established with funding from federal government or multilateral agencies like AFD, World Bank, KfW etc to finance renewable energy projects. The facility would provide financing on concessional terms, compared to the market, to financial institutions which would then on-lend to RE projects. The facility may be managed by the Central Bank of other Govt. agency as the case may be for each country. The purpose of concessional lending is to incentivize FIs to lend to new avenues and develop market for RE projects. For markets where some RE technologies are more developed compared others e.g. in Pakistan, wind energy is more established as compared to solar, biomass or small hydro, the credit line should target such technologies and projects.*

### Target group

*Small hydro, wind, biomass, baggas, and solar projects upto 50 MW*

*Financial institutions &  
Renewable energy project sponsors*

**Potential partner(s) for implementation**

*Please list enrolled partners, if available.*

*Federal or State Government*

*Multilateral Development Agencies*

*Central Banks / Government Implementing Agency*

**Key challenges and opportunities**

*Please list challenges and opportunities that might occur during the implementation process*

<i>Challenges</i>	<i>Opportunities</i>
<i>Stakeholder's agreement on establishing credit line. Possible funding gap</i>	<i>Development of renewable energy market/technology. Access to clean/reliable energy source Energy availability to general public</i>

**Next steps**

*What would be the next steps to further develop your prototype?*

*Prepare detailed feasibility to set up a Credit Line*

*Approach Federal Government / Multilateral Agencies to solicit funding*

*Requesting multilaterals for technical assistance*

*Establishing credit line facility*