

Scaling-up Renewable Energy and Energy Efficiency in the Tunisian Building Sector (Building NAMA)

Country/Region

Tunisia

NAMA Support Organisation

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH



Implementing Partners

Ministry for Industry, Energy and Mines (MIEM), National Agency for Energy Conservation (ANME)

Project Snapshot

The NAMA Support Project (NSP) aims to increase the uptake of energy efficiency and renewable energy measures building sector through the scaling-up of PROSOL ELEC Économique and the launching of PROMO ISOL and PROSOL SWH.

Rapid population growth as well as the rising living standards in Tunisia have led to an increase in the construction of buildings and consequently, the overall energy demand of the country, amounting to 27% of the total consumption. If this trend persists, this figure is expected to increase to 35% by 2030, thus hindering climate change mitigation efforts.

In an effort to combat this situation and in line with Tunisia's pledge at COP 21 to cut emissions by 42 percent by 2030, the NSP endeavours that by the end of its lifetime, 65,000 middle-income households will have installed PV systems and thereby avoided 915,557t in CO₂ emissions. Furthermore, within 5 years, the NSP is expected to result in savings of approximately EUR 13 million for households and EUR 78 million for the Tunisian government due to the expenditure decrease in fossil fuel subsidies.

Despite some positive momentum incited by independent renewable energy programmes and conducive policies and regulations (e.g. PROSOL ELEC Économique; PROSOL SWH, amongst others), various obstacles prevail, including the lack of knowledge of solar energy and limited financial leeway for middle-income households. To foster the use of renewable and energy efficiency measures in the sector, this NSP addresses the challenges posed by insufficient access to capital, lack of technical and institutional capacities and limited awareness overall of the technology based on three pillars. These include: 1) Introducing the national programme PROSOL ELEC Économique promoting photovoltaic panels amongst middle-income households; 2) supporting the market expansion for solar water heater (PROSOL SWH); and 3) developing market mechanisms for residential roof insulation (PROMO ISOL).

The NSP targets policy, technical and financial considerations with respect to both the demand and supply sides:

1. On the supply side, the NSP aims to improve the technical capacities of stakeholders through trainings on pricing, technical standards, suitable PV systems, rules and regulations, amongst others.
2. On the demand side, the NSP raises awareness about solar energy and its benefits to encourage people to acquire the technology.
3. Finally, the NSP works on the enhancement of the legal and regulatory framework for all three programmes/technologies of the NSP to facilitate scale-up.

The financial component (FC) is based on a market-based financial mechanism, which allows PROSOL ELEC Économique to fix the interest rate for PV buyers at 3% instead of the average market rates of around 9%. This means that with a minimum upfront investment and instalments automatically added to the bi-monthly electricity bill, the NSPs interest rate subsidy makes low-carbon energy affordable and accessible for the Tunisian population.



Sector

Energy efficiency and renewable energy



Beneficiaries

Over 65,000



NAMA Facility Funding

EUR 14.5m
(FC: 10m - TC: 4.5m)



Duration

2019 - 2024



Status

Implementation

Expected Outcomes

- By 2024, at least 65,000 middle-income households will have installed PV systems and thereby avoided 915,557t in CO₂ emissions
- Improved competitiveness and technical capacities of the local solar industry
- Economic savings of approximately EUR 13m for households and EUR 78m for the Tunisian government due to reduced expenditure in fossil fuel subsidies
- Creation of up to 1,000 semi- and skilled green jobs across the solar industry value chain