

Retrofit Project in Public building
INVESTMENT OPPORTUNITY
Energy Sector

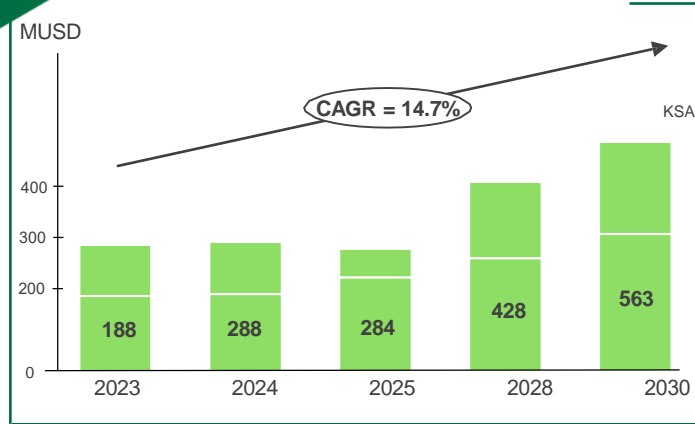


Energy efficiency

Retrofit Project in Public building

OPPORTUNITY DESCRIPTION: Retrofit projects for public buildings to reduce energy consumption

DEMAND MARKET SIZE, USD



INVESTMENT OVERVIEW

INVESTMENT HIGHLIGHTS

- Expected Annual Investment size of USD for 8 years (\$218M)
- Expected IRR: 12~15%
- implementation period: 1-1.5 year
- Job Creation: 400-800 annually (direct & indirect)
- GDP Impact: N/A
- Location (Region): Kingdom wide

VALUE PROPOSITION

- The government sector's buildings are considered one of the highest energy consumers in non-industrial sectors in KSA.
- The number of government buildings is about 145K until 2030
- As part of increasing energy efficiency, only 10K out of 145K buildings were retrofitted which represents 14.5% of the total governmental buildings.

KEY DEMAND DRIVERS

- Obligate all governmental agencies to retrofit their buildings and public utilities in order to reduce energy consumption.

RAW MATERIALS

- N/A

MARKET OVERVIEW

GLOBAL TRENDS

- Energy efficiency



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SUPPLY

SCALABILITY AND LOCALIZATION

Grade: Low Medium High

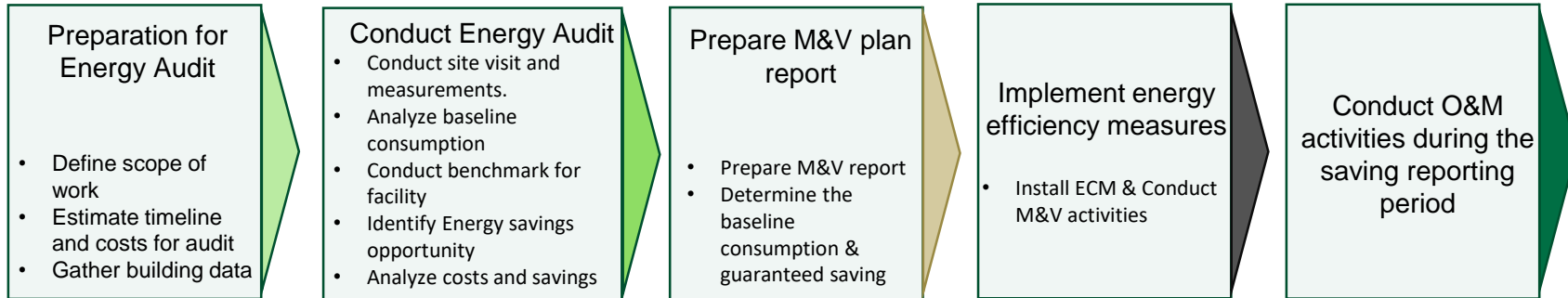
The nature of retrofitting projects includes Energy conservation measures installation services and equipment's such as engineers to conduct M&V services & installing equipment's (Lamps , HVAC, etc.). This could create a potential to localize the equipment production and Saudization of jobs.

IMPORT DEPENDENCY

N/A

VALUE CHAIN

These are the general activities for the ESCOs:



KEY STAKEHOLDERS

SEEC, National Energy Service Companies (Tarshid), Governmental Facilities, Energy services providers

ENABLING FACTORS

ENABLERS & INCENTIVES

- Developed the national guide for Measurement and Verification (M&V) in KSA
- Established a committee responsible for licensing companies
- Collaboration in establishing the National Energy Services Company (Tarshid)

DEFINITIONS

#	SCORECARD SECTION	DEFINITIONS
1	Market size	Size of market in value/volume in KSA and/or Region (MENA/GCC) covering future projections based on available estimates from published /government sources
2	Business drivers	A select number of factors that will influence future demand for the related product/service
3	Investment highlights	An overview of key financial metrics summarizing the investment opportunity along with the expected return based on the suggested investment size
4	Value proposition	Summary of key differentiators that position KSA as a strategic choice over other regional/global peers
5	Market readiness	An overview of KSA market structure, market maturity and level of participation by local and global players
6	Global trends	Latest business developments within the sector/product category
7	Scalability and localization	Ease of scaling the business across the value chain or into new adjacent products or geographies that would maximize the opportunity's investment returns and the ability and potential to locally manufacture the product and its components
8	Import dependency	An overview of the countries from which Saudi Arabia is importing the product and their value/volume and share in total imports
9	Value chain analysis	The process or activities that would potentially need to be carried out to deliver the underlying product or service
10	Key stakeholders	Government institutions, organizations, and/or authorities that participate or influence the market for the underlying product/service
11	Enablers	Factors that enable investment in the underlying opportunity
12	Cost of doing business in KSA	Key factors that position KSA as a competitive destination for investment in the region. Productivity adjusted wages do not include cost of \$1.23/hour towards annual recurring charges including work permit, resident identity (iqama) and health insurance

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