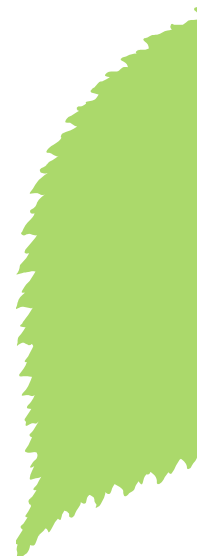
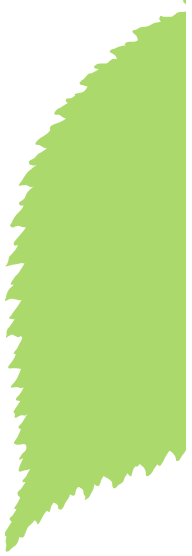


Localising Chinese Energy Efficiency Projects

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China's ESCO Market

- World Bank started the ESCO market in 1998
- Many other development institutions involved
- Chinese EPCs simple and short
- Industry focused
- 60 percent of 2007 projects based on shared savings model
- Government policy patchy

Problems with EPCs in China

- Financing
- Business culture
- Energy measurement and verification
- Chinese ESCOs technology focused
- Chinese ESCOs lack commercial and financial knowledge



Not losing the value of the ESCO model

- What is the value of the ESCO model?
- Easy to localise too much
- How the value of the model can be retained in China

A localised model for ESCO projects in China

- How to recreate the conditions in developed ESCO markets?
 - Finance
 - Contracting
 - Measurement and verification
 - Business culture
- Government led
- Commercially led

Research study – how best to localise?

Hypotheses

- Government led
- Commercially led

Research

- 30 ESCOs
- Financial firms

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