Financial Mechanisms for Energy Efficiency in Buildings (FinMech4EEB) Screener

A step-wise Screener for EEB Practitioners – part of the FinMech4EEB Toolkit

November 2026



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PARTNERSHIP FOR ENERGY EFFICIENCY IN BUILDINGS

Financial Mechanisms for Energy Efficiency in Buildings (FinMech4EEB) Toolkit

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About PEEB

PEEB is a Partnership dedicated to promoting Energy Efficiency in Buildings. PEEB is currently funded by the German Federal Ministry for the Environment, Climate Action, Nature Conservation, and Nuclear Safety (BMUKN), the French Ministry of Ecological Transition and Territorial Cohesion (MTE), the Green Climate Fund (GCF), the European Union (EU), the Agence Française de Développement (AFD), the International Climate Initiative (IKI), and the Fonds Français pour l'Environnement Mondial (FFEM). The Partnership is part of the Global Alliance for Buildings and Construction (GlobalABC).

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Introduction: why the FinMech4EEB Toolkit

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Smart financial mechanisms are critical to unlocking funding and ensuring the **success of EEB projects**. Yet, two key **challenges** make the choice of effective mechanisms harder: barriers to investment (e.g. high upfront costs) and lack of a common understanding of benefits of EEB among stakeholders.

The FinMech4EEB Toolkit offers a **collaborative, transparent and technically informed** process to overcome both challenges. It offers stakeholders a practical approach for reaching good mechanism choices for each context, with four simple steps and all decision-relevant information in an accessible format.

1. Understand the process	**2. Identify** potential options	**3. Narrow** down longlist options	**4. Prioritize** potential options
Tool: Step-wise Screener for EEB Practitioners **Outcome:** Shared understanding of the process	**Tool:** Guidance Manual for EEB Practitioners **Outcome: Longlist** of all possible options	**Tool:** Multi-Criteria Assessment Excel **Outcome: Shortlist** of higher potential options	**Tool:** Multi-Criteria Assessment Excel **Outcome: Scored Shortlist ranked** by context relevance

The toolkit is the first resource that translates complex financing design into a practical and results-oriented process aiming at developing country contexts, backed by more than 15 years of experience in the promotion of energy efficiency investment by GIZ.

Quick tool overview

Each of the FinMech4EEB tools embed all relevant mechanism information into a structured, collaborative process. The tools focus on decision-relevant aspects at each step:

Step	Tool	Added value
1. Understand the process	Step-wise Screener for EEB practitioners	• Overview of stepwise approach for going from zero to prioritised shortlist
2. Identify all potential options	Guidance Manual for EEB practitioners	• Plain-language description of 14 financial mechanisms (debt, grant, equity and risk mitigation instruments) and 12 support mechanisms (enabling instruments) • Classification of mechanisms by building segment (residential, commercial, public) pros/cons, a viability rating, use cases and examples for each mechanism
3. Narrow down according to potential	Multi-Criteria Assessment Excel Tool	• Qualitative assessment of longlist options for creation of shortlist
4. Prioritise for context relevance		• Automatically scores and ranks shortlisted options according to 7 relevant categories • Considers country, sector, and regulatory context

How to use this Screener?

The Screener has the following sections:

1. **Step 1**: Establishing Long List
2. **Step 2:** From Long List to Short List
3. **Step 3:** Prioritizing Short List
   - MCA Tool Screenshots
4. **Step 4:** Final Selection

Step 1: Establishing Long List

Input: Country context + FinMech4EEB Manual

Identify and list all possible financing and support mechanisms for EEB according to the following criteria:

1. **Feasibility:** Technical, financial, institutional/regulatory/political (see EEB Manual for definitions)
2. **Alignment** with existing & relevant national policies (e.g. EEB strategy, low-carbon strategy, energy transition, NDCs, sectoral plans)
3. **Potential** for EEB and for sustainable development beyond EEB (energy savings, socio-economic and environmental co-benefits)
4. **Barriers and risks** do not hinder implementation

Output: Initial Long List of EEB Financing Mechanisms

Step 2: From Long to Short List

Input: Long List of EEB FinMechs

1. **Identify the most promising sectors and EEB alternatives with high potential (energy savings, GHG ER and SD/co-benefit potential)**
   - Rapid (qualitative) assessment to form an initial selection of sustainable options
2. **Narrow down to a short list based on:**
   - Existing information on the country
   - Sectoral marginal abatement cost (MAC) curves (if available)
   - National priority sectors for EEB (when already defined)
   - National Sustainable Development objectives (when already defined)
   - National financial mechanisms already available that could be applied to EEB
   - Best professional understanding

Output: Short List of EEB FinMechs

Step 3: Prioritizing Short List: Multi-criteria Analysis

Input: Short List of EEB FinMechs

1. **Carry out a more detailed, mixed qualitative-quantitative assessment via a Multi-Criteria Analysis (MCA) matrix** (→FinMech4EEB MCA Tool)

2. **Prioritize and score the shortlisted EEB FinMechs and Support Mechanisms against the relevant criteria:**
   - Alignment to domestic policies
   - Effectiveness (energy saving / GHG mitigation potential)
   - Efficiency (cost per kWh / CO_2eq saved)
   - Technical feasibility
   - Political, legal, regulatory viability
   - Financial feasibility (barriers to public and private finance)
   - SD benefits (potential co-benefits of implementing the mechanism)

Output: Prioritized Short List of EEB FinMechs and Support Mechanisms

MCA Tool: Guidance

Financial Mechanisms for Energy Efficiency in Buildings (FinMechs4EEB) MCA Tool

A prioritization and evaluation Multi-Criteria Assessment (MCA) Tool for EEB Practitioners – part of the FinMech4EEB Toolkit

November 2026

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Introduction: why the FinMech4EEB Toolkit

Adequate financing is critical for the successful realization of energy efficiency in buildings (EEB) projects. Developing a mechanism that can unlock and access funding can be challenging, due to high upfront cost, a lack of common understanding, adequate visibility of EEB benefits across stakeholders, and other barriers. The Toolkit helps EEB practitioners to choose the right Financial Mechanism for EEB (FinMech4EEB) for a given context (country, sector, specific application), backed by a 4-step process, based on 3 tools:

Step 1. Understand the process: Screener. The Screener outlines a stepwise process to arrive from a long list of possible options to a prioritized short list;

Step 2. Identify all potential options: Manual. The Manual presents 14 financial mechanisms (debt, grant, equity and risk mitigation instruments) and 12 support mechanisms (enabling instruments), classified by building segment (residential, commercial, public), and with a plain-language description, pros/cons, a viability rating, use cases and examples; and

Steps 3 and 4. Narrow down and prioritize: Excel Multi-Criteria Assessment (MCA) Tool. The MCA helps you narrow down the most promising mechanisms and scores them against seven weighted criteria to produce a prioritised short list tailored to a country's sector, technology and regulatory context.

Together, they turn complex finance into actionable guidance for practitioners, policymakers and development banks – the first such resource tailored to emerging economies.

How to use this MCA Tool?	
Guidance	This tab explains how the Tool works and allows to input user details
EEB FinMech & Support Mech Longl	This tab helps create an initial longlist of all potential EEB FinMech and Support Mechanisms
EEB FinMech & Support Mech Short	This tab helps narrow down to a shortlist of EEB FinMech & Support Mechanisms to be analyzed with the weighted criteria
Evaluation Criteria Tabs	This tab explains the evaluation criteria for this MCA, their respective weightage and approach
Criteria Tabs	For each evalu… provides scoring for each EEB FinMech option
Output Tab	Summary of the… m of scores (weighted averages) for each EEB FinMech: a prioritized Short List of EEB

Please provide your details in following

Instructions
1. Please follow the different tabs in the order they are arranged in this tool. Start with EEB Fin Mech & Support Mech Long List tab, then Evaluation Criteria, C1, C2...and work your way through to the output tab.
2. The questions used in each qualitative evaluation are not standard or mandatory but just a guidance. The intent is to make the evaluation as objective as possible.
3. There is flexibility of the scoring on each qualitative evaluation criteria, in case the stakeholder doesn't agree with the questions or the final outcome of each criteria. Scores can be filled manually.

User Details	
Name of person	AA
Institution	BB
Contact Details (email)	CC

MCA Tool: Evaluation Criteria

Users can select up to seven evaluation criteria and assign a different weight to each according to the context.

Evaluation Criteria	Alignment and Coherence with Domestic Policy Framework	Energy Saving Potential	Cost-effectiveness (economic effectiveness)	Technical Feasibility	Political / Legal / Regulatory Viability	Financial Feasibility	Sustainable Development Benefits
Weightage	**20%**	**15%**	**15%**	**10%**	**10%**	**10%**	**20%**
Approach used for evaluation	Qualitative approach - Questionnaire	Quantitative approach - Relative Scoring	Quantitative approach - Relative Scoring	Qualitative approach - Questionnaire	Qualitative approach - Questionnaire	Quantitative approach - Relative Scoring (or) Qualitative approach - Questionnaire	Weighted average approach for SD benefits
Approach used for assigning weights							

MCA Tool: Results (weighted average scores)

The tool provides a final prioritized ranking of EEB FinMech or Support Mechanisms options based on the weighted multi-criteria scores.

	Evaluation Criteria	Alignment and Coherence with Domestic Policy Framework	Energy Saving Potential	Cost-effectiveness (economic effectiveness)	Technical Feasibility	Political / Legal / Regulatory Viability	Financial Feasibility	Sustainable Development Benefits	**Weighted Average Score**
EEB FinMech or SupportMech Options									
1	0	4	5	1	2	3	3	2,1	**2,92**
2	0	5	1,4	1,6	4	2	2	2,4	**2,73**
3	0	3	1	5	4	2	4	2,1	**2,92**
4	0	4	2,7	2,5	5	3	4	1,9	**3,16**
Weightage		20%	15%	15%	10%	10%	10%	20%	**100%**

Step 4: Final Selection

Input: Prioritized Short List of EEB FinMechs

1. **Whenever possible, the screening will benefit from a socio-economic analysis including:**
   - Assessment of energy saving / marginal GHG reduction costs
   - Assessment of the different BAU and co-benefits scenarios
   - Evaluation of the impact of the introduction of the new mechanism (macro-economic modeling: impact on GDP, employment, fiscal balance, etc.)
   - Needs assessment for future implementation of the top EEB FinMechs identified

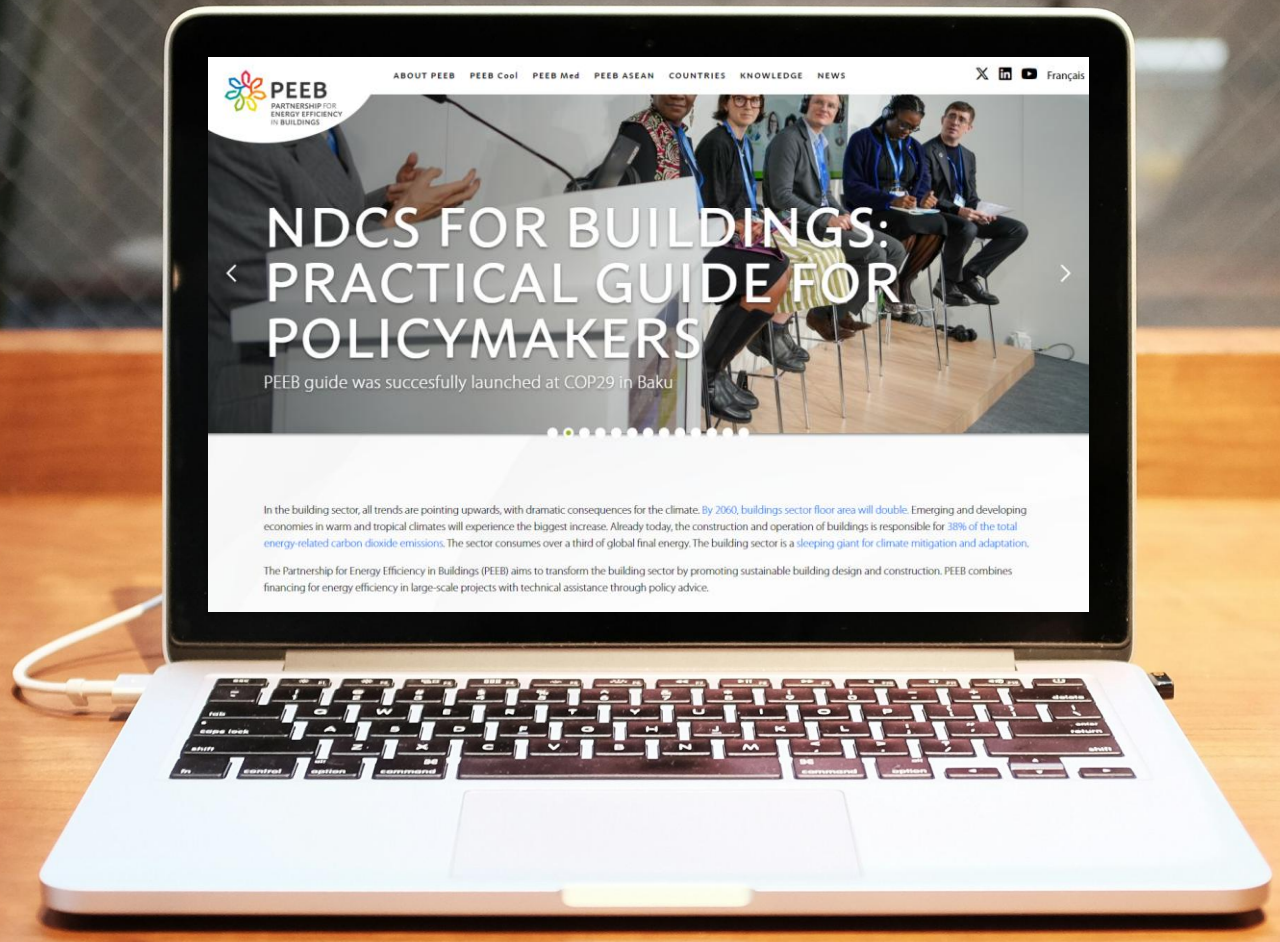
   This will help to better assess the most promising options and make a final decision.

2. **Results of the screening: a list of prioritized EEB FinMechs + Final decision (choice based on the above)**

Output: Final selected FinMech4EEB for your EEB project!

Thank you!

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