



Dubai's Green Economy Initiatives Can Speed Progress Towards Global Climate Objectives

Dubai and the wider Islamic world are head-over-heels in love with Sustainable Development, Green Economy and Fintech (Financial Technology) because it will lead to the demise of Capitalism and Free Enterprise. Islamic theology is claimed to be very compatible with the green movement. □ TN Editor

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and water usage by 30 percent by 2030 compared to a business-as-usual strategy. The recent COP23 climate meetings in Bonn showed the urgency that is coming to the discussion around global efforts on climate change mitigation and adaptation. The recent trajectory of carbon dioxide emissions reduction show there remains much work to be done and not a moment to lose.

With so much progress yet to be completed, there is a pressing need for positive examples that show the potential for significant investment to be deployed rapidly and profitably into projects to address carbon emissions. With an initial launch size at 2.4 billion UAE dirhams (\$643 million), the Dubai Green Fund will provide the initial demonstration that will support its eventual scaling up to 100 billion UAE dirhams (\$27.2 billion).

One place where significant investment is needed in order to reach our global climate goals is in the retrofitting of buildings to be better users of scarce resources, especially those with a large climate footprint. Dubai's Green Fund will provide assistance in this critical effort, interlinking with other parts of Dubai's Capital of Green Economy strategy including the Dubai Demand Side Management Strategy (DSM).

The DSM strategy outlines a toolbox filled with specific tools to get Dubai to its energy and water reduction targets. One critical linkage between the Green Fund and the DSM strategy is the financing component to cover up-front costs for implementing the DSM strategy to be repaid with the benefits that only accrue over time.

For example, building retrofitting is estimated to contribute about 10 percent of the electricity reduction needed. This is a significant financing opportunity as well as providing for the development of energy service companies in Dubai. These companies provide a specialised service of measuring the impact of the retrofitting in order to make the energy efficiency projects bankable by the financial sector and once developed will be able to offer their services both within and outside of the United Arab Emirates.

Another project that comes under the Demand Side Management

Strategy is the Shams Dubai program to install rooftop solar. The connection between this program and the demand side management projects is two-fold. First, the development of clean energy on its own will reduce the emissions footprint of the grid as a whole. It will also provide distributed generation capacity that can reduce transmission losses, although solar projects do come with the limitation around the variability of generation.

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