

Official Launch of ECREEE



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ECREEE Supporters



Initial partners:








Austrian
Development Cooperation




New int. partners:


USAID, EC, GEF, Government of Brazil

 Objectives and Activities 	
	Intervention logic
Development goal/impact	To contribute to the sustainable economic, social and environmental development of West Africa by improving access to modern, reliable and affordable energy services, energy security and reduction of energy related GHG emissions and climate change impacts on the energy system.
Outcome(s)/immediate objective(s)/	The specific objective of ECREEE is to create favorable framework conditions for regional RE&EE markets by supporting activities directed to mitigate existing technology financial, economic, business, legal, policy, institutional, knowledge and capacity related barriers.
Result areas and outputs	<ol style="list-style-type: none"> 1. Effective regional RE&EE promotion agency created and efficiently managed 2. Funds for RE&EE programs and projects mobilized and implemented 3. Effective regional partnerships and networks created and implemented 4. Tailored policy, legal and regulatory frameworks created and implemented 5. RE&EE capacities are strengthened and applied 6. RE&EE knowledge base, awareness raising and advocacy strengthened 7. Business and Investment Promotion

 THE ECOWAS MARKET 	
<ul style="list-style-type: none"> – 15 COUNTRIES WITH A LAND AREA OF 5 MILLION KM² – CLIMATE FROM SEMI-ARID TO HUMID TROPICAL – POPULATION OF WITH 262 MILLION PEOPLE – STRONG GROWTH – 60% OF POPULATION LIVES IN RURAL AREAS – RAPID URBANIZATION – 13 OF THE 15 COUNTRIES ARE LDCS AND HIPIC – ALMOST 150 MILLION PEOPLE HAVE NO ACCESS TO ELECTRICITY 	




Energy Challenges in West Africa




- **Interrelated challenges of energy poverty, energy security and climate change mitigation and adaptation**
- **Low Access to modern energy service**
 - One of the lowest energy consumption rates in the world;
 - The poor spend more of their income on low quality energy services;
 - Rural areas rely mainly on traditional biomass to meet their energy requirements;
 - Household access to electricity services is only around 20% (40% in urban and 6-8% in rural areas);
- **Energy security concerns**
 - High vulnerability to fossil fuel price volatility (60 % of electricity generation from oil)
 - Gap between rising urban energy demand, available generation capacities and limited investment capital;
 - High losses in the energy systems (e.g. high energy intensity and low demand and supply side efficiency);
- **Climate changes concerns**
 - Increasing energy related GHG emissions (new investments determine GHGs for the next 20 -30 years)
 - Climate change impacts vulnerable West African energy systems (e.g. water flows, extreme weather events)

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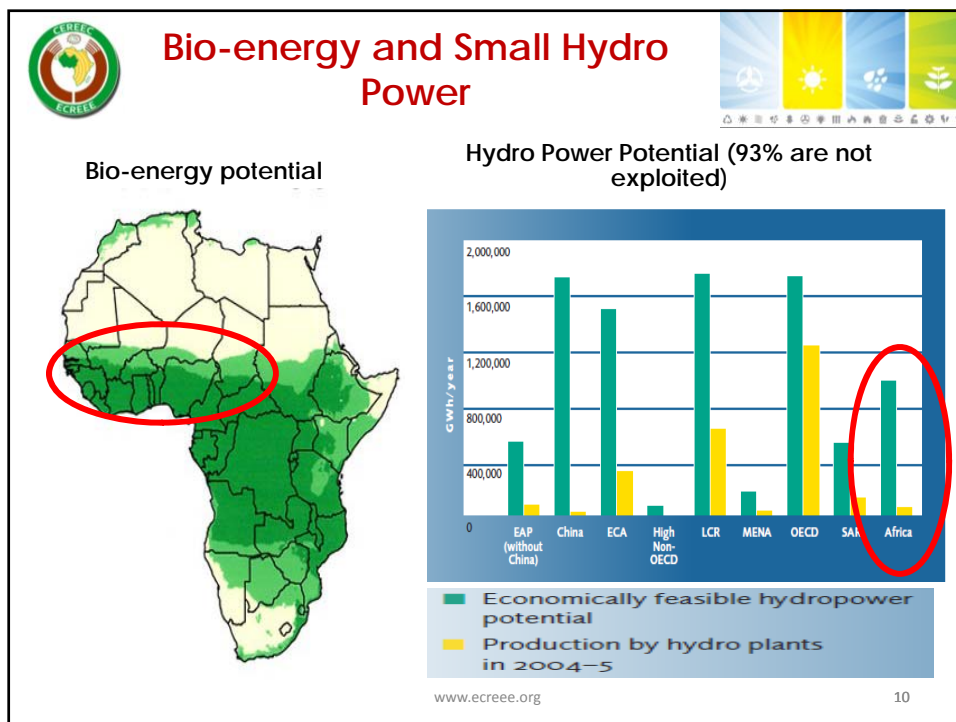
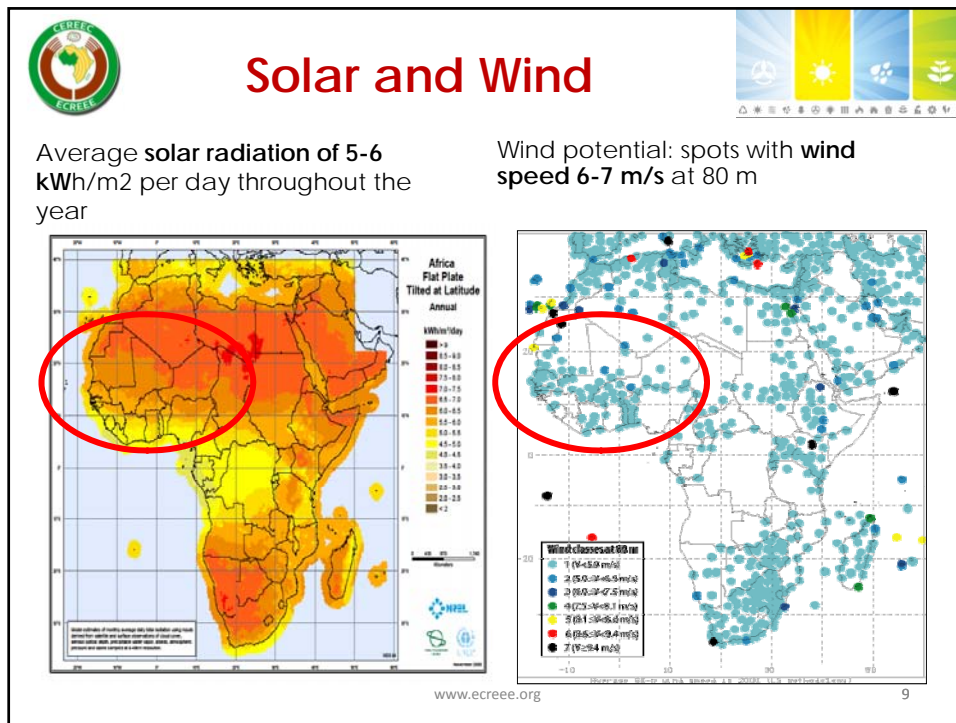



RE & EE POTENTIALS IN WEST AFRICA




- **RE & EE play an important role in simultaneously addressing the energy challenges in West Africa**
- **RE potentials so far unexploited**
 - 23,000 MW of feasible **large and small hydropower potential** (16% exploited);
 - Huge potential for **all forms of bioenergy** (e.g. biomass, biogas, biofuel);
 - Average **solar radiation of 5-6 kWh/m²** per day throughout the year;
 - Considerable **wind power potential** in some countries;
 - Considerable **tidal, ocean thermal and wave energy** resources in some countries;
 - REs are particularly effective in combination with EE measures;
- **EE potentials so far unexploited**
 - Wide range of options to improve **supply and demand side efficiency** (including energy saving)
 - e.g. **Equipment labeling and building standards**;
 - e.g. **Cleaner production** in industry (e.g. process heat);
 - e.g. **Technical and commercial losses** in the electricity system;

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ECREEE Investment and Business Promotion Activities




- ECREEE addresses financial and other barriers for RE&EE investment projects and businesses in urban as well as peri-urban and rural areas;
- **Resource Assessments:** Provide reliable and bankable data on RE resources, sites and contacts in the West African region: wind & solar assessments currently ongoing
- **ECOWAS Renewable Energy Observatory:** Dissemination of investment related information for project developers; elaboration of a Carbon Finance Guide for West Africa;
- Establishment of the **West African Renewable Energy Investment Initiative (WAREI) for large-scale investments** (e.g. grid-connected CSP, PV, wind)
- Establishment of the **ECOWAS Renewable Energy Facility (EREF) for small and medium scale investments** in peri-urban and rural areas;

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West African Renewable Energy Investment Initiative (WAREI)



- WAREI brings together like-minded public and private financiers on a regular basis and creates an enabling environment for project developers and investors
- ECREEE acts as facilitator, secretariat, maintains the project pipeline and ensures alignment with national governments through its NFIs in all ECOWAS countries
- Public and private financiers bring in a menu of different financial instruments (e.g. grants, soft loans, commercial loans, guarantees)
- ECREEE received first pledges and commitments for the WAREI (e.g. Spain) and invites others to join

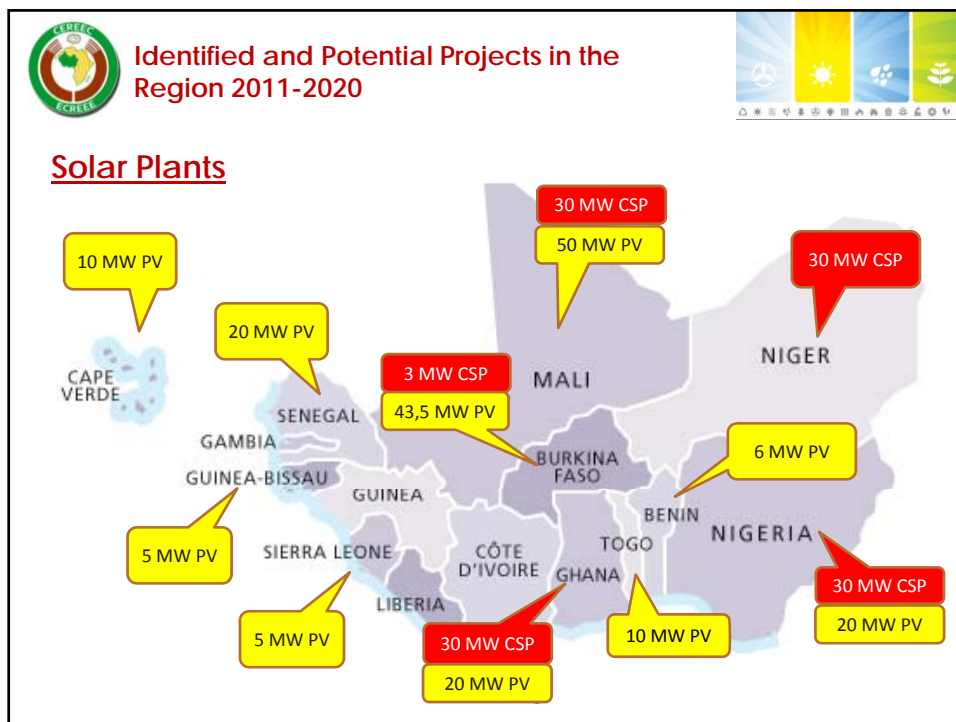
Initial Pipeline of Identified & Potential Projects in the ECOWAS

Medium-Large Scale Commercial Power Plants

• Solar Energy	– 231 MW
• Wind Energy	– 215 MW
• Small Hydro Power	– 66 MW
• Waste to Power and Biomass	– 78 MW
• Bio-fuels	– 15 MW

Total Capacity: 605 MW **Total Investment Requirements: 1.350 Million Euro**
(7 Million Euro for Preparatory Activities;
10% grant seed funding = 135 Million Euro)

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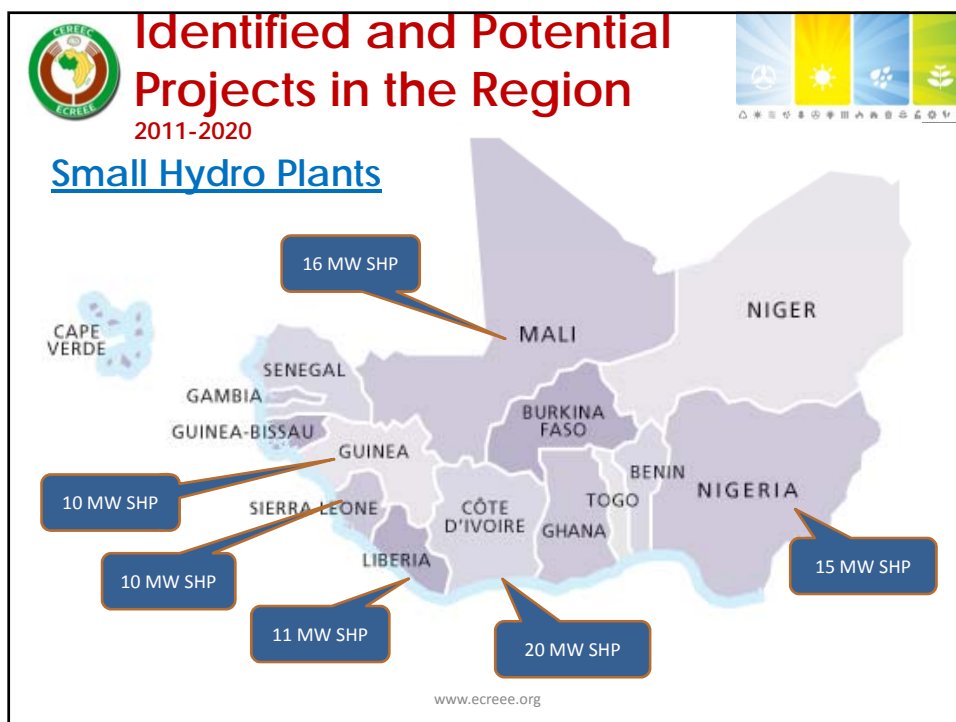
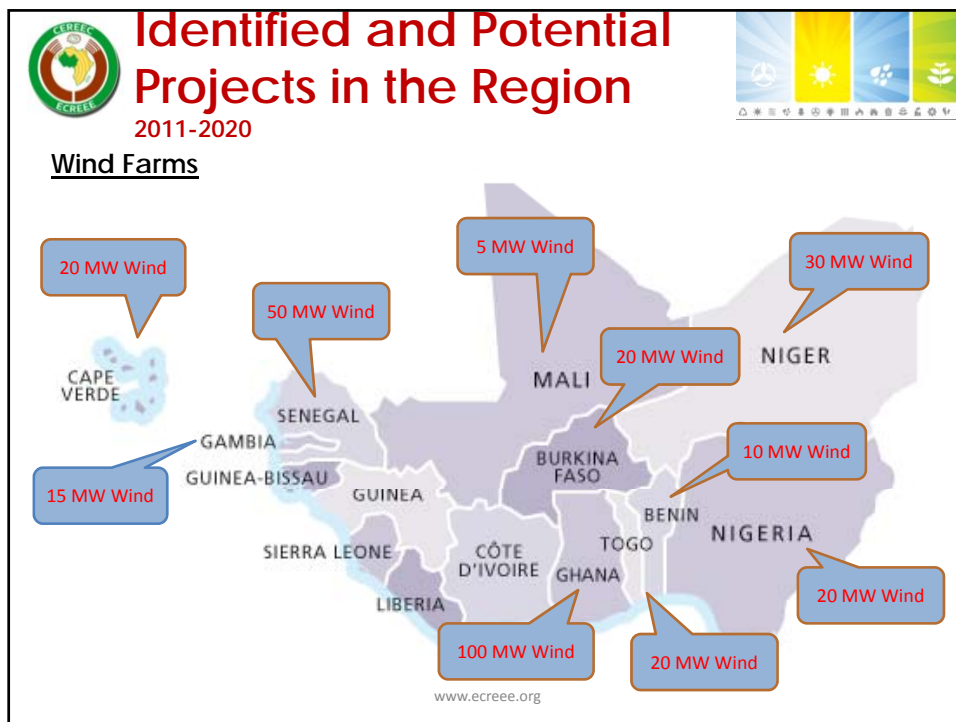


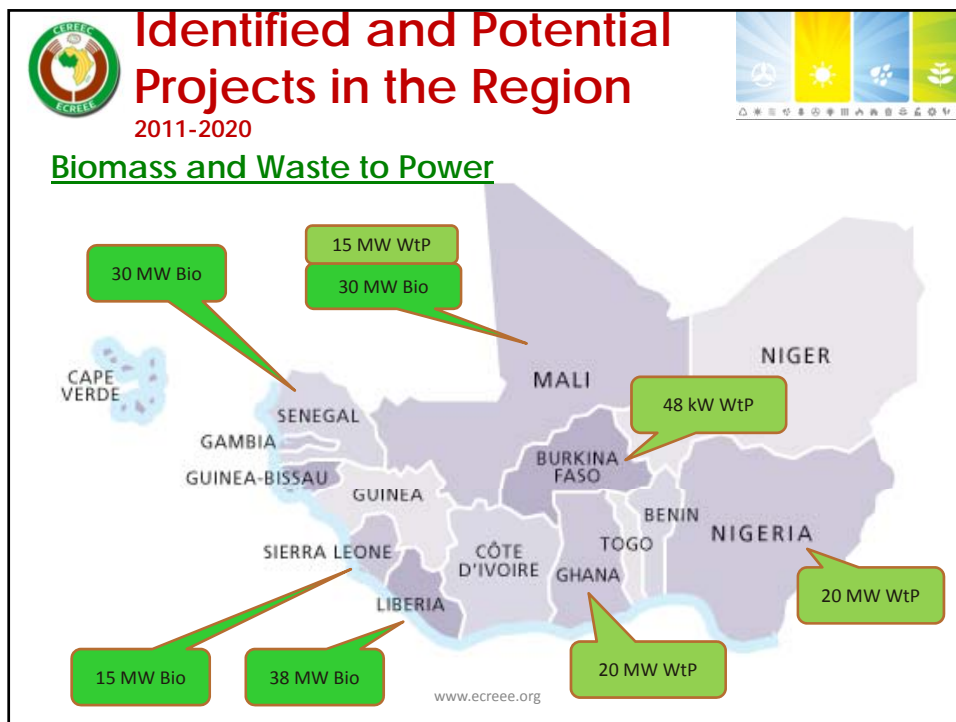
Solar Projects in the ECOWAS Region

2.5 MW Solar PV, in Sal, Cape Verde
Commissioned October 1, 2010

5 (4) MW Solar PV, in Praia, Cape Verde
Commissioned November 2, 2010

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**The ECOWAS Renewable Energy Facility (EREF)
for peri-urban and rural areas**

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The ECOWAS Renewable Energy Facility (EREF)
1st Call For Proposals - 31 May to 15 July 2011



West Africa's hub for renewable energy and energy efficiency





What EREF does (...)



- Grant Facility managed by the ECREEE Secretariat (ECREEE-SEC) in cooperation with its National Focal Institutions (NFIs) in West Africa
- Undertakes regular call for proposals: **1st Call from 31 May to 15 July 2011**
- Co-funds small and medium sized RE&EE investment and business projects with a minimum of 5.000 EUR and a maximum of 50.000 EUR
- Projects shall mobilize co-funding (EREF covers maximum 75% of total project costs in the case of private sector and 90% in the case of public applicants)
- Supports national or regional projects covering more than one country (rural and peri-urban areas should particularly benefit from the EREF)
- One applicant or group of partners are eligible (international applicants shall have a West African partner)
- Maximum duration of projects: 24 months

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Financing Windows



Financing Window 1 - Investment Promotion
(max. 50.000 EUR co-funding per project)


- Pre-investment activities (e.g. strategic studies, measurements)
- Project development (e.g. feasibility studies, financial structuring, CDM)
- Installation of small-scale pro-poor demonstration projects

Financing Window 2 - Business Development
(max. 50.000 EUR co-funding per project)

- Business support activities for SMEs and ESCOs (e.g. business plan development, capacity development)
- Promotion of south-south/north-south business to business partnerships

Financing Window 3 - Innovative Loan Financing Instruments
(will start in second EREF phase)


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Eligibility Criteria

Eligible Countries	Eligible Applicants	Eligible Technical Solutions <i>(projects usually cover more than one option)</i>
<ul style="list-style-type: none"> • Benin • Burkina Faso • Cape Verde • Cote D'Ivoire • Gambia • Ghana • Guinea • Guinea-Bissau • Liberia • Mali • Niger • Nigeria • Senegal • Sierra Leone • Togo • Regional <i>(covers more than one country listed above)</i> 	<ul style="list-style-type: none"> • Government institutions (ministries, electrification agencies, municipalities) • Private, public or public-private companies (e.g. SMEs, ESCOs, utilities) • Individual consultants and project developers • Universities, schools, research centres, • NGOs and cooperatives 	<p>Renewable Energy:</p> <ul style="list-style-type: none"> • Renewable Energy (multi-focus) • Biomass (e.g. improved stoves for cooking, power generation) • Bio-fuels (e.g. Biodiesel, Bioethanol) • Biogas • Waste-to-Energy • Geothermal Energy • Hydroelectric Power (medium, small, micro, pico) • PV (e.g. grid/off-grid, SHS, lighting, pumping, desalination) • Solar thermal (water heating, CSP, cooling, process heat, solar cooking and drying) • Wind Energy (e.g. off/on-grid, on- and off-shore, small and large, water pumping, desalination etc.) • Wave, tidal and ocean thermal • Hybrids (indicate sources) • Mini-Grids • Storage systems (batteries, hydrogen) <p>Energy Efficiency:</p> <ul style="list-style-type: none"> • Sustainable transport • Efficient appliances • Building efficiency • Cleaner production • Transmission • Energy conservation and management <p>Other focus:</p> <ul style="list-style-type: none"> • LPG for cooking

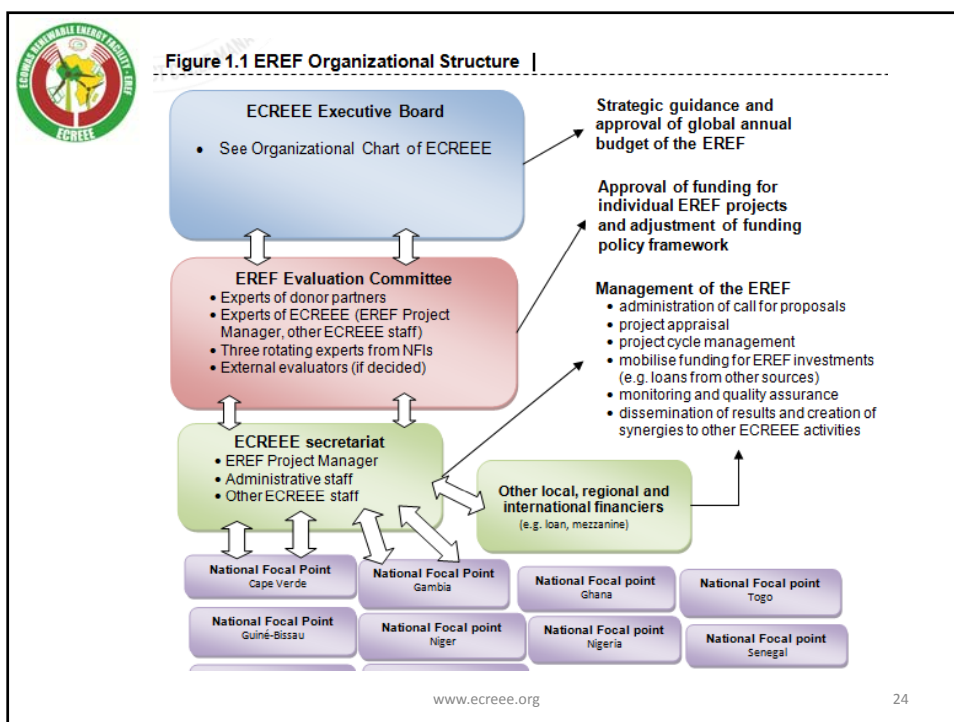
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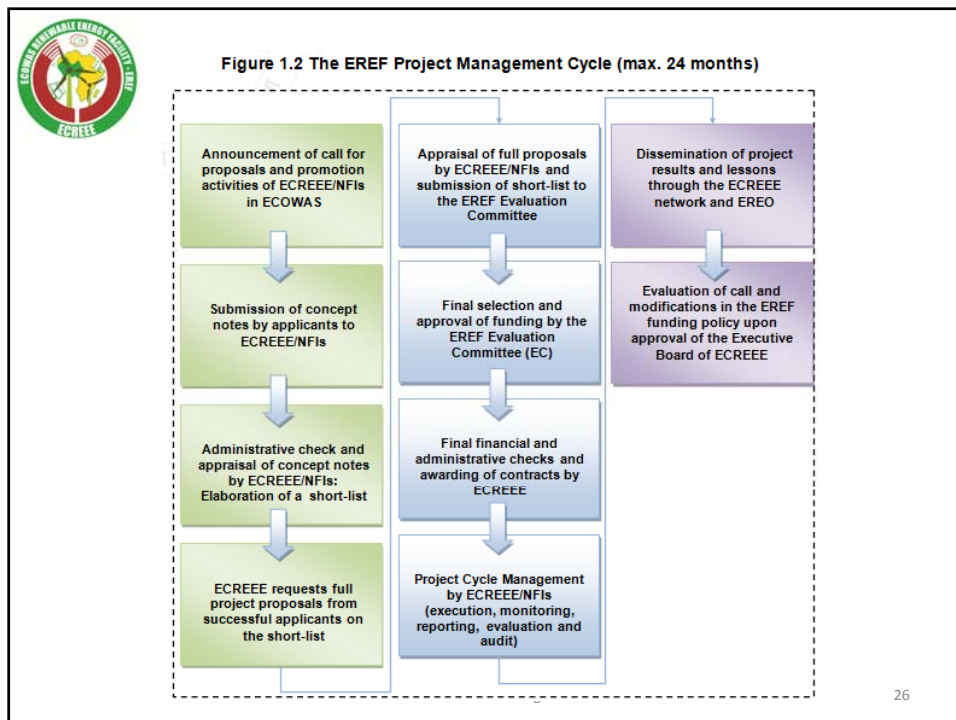
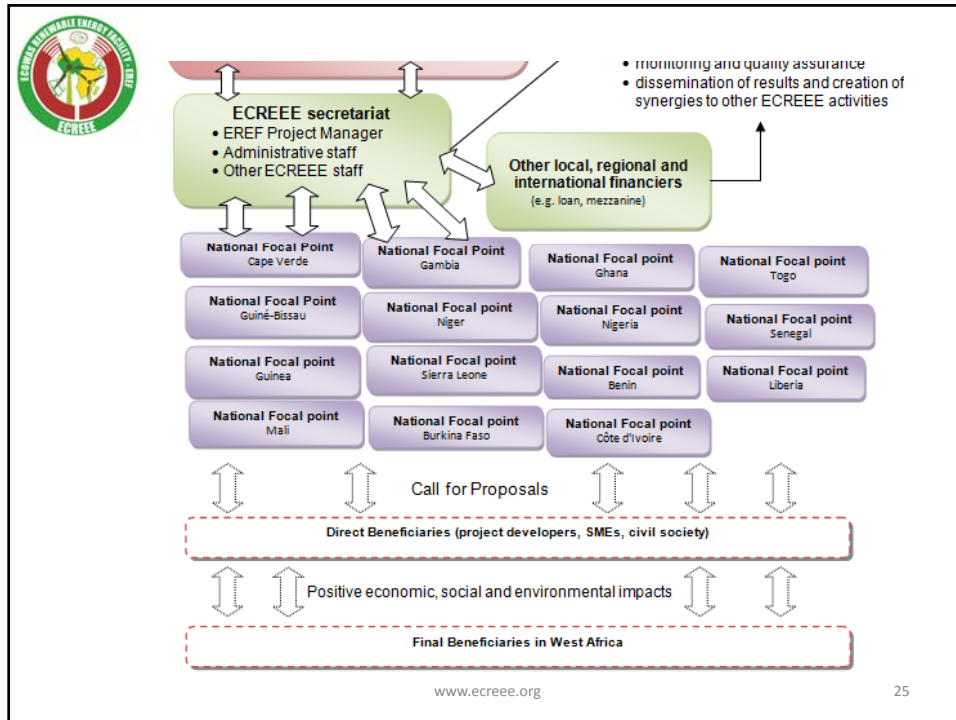


Application & Selection

Milestones of 2011 Call for Proposals (may be modified)	From	To
Adjustments of EREF funding policy and Announcement of Call	Done	Done
Preparation and Submission of EREF Concept Notes (6 weeks)	31 May 2011	15 July 2011
Promotion & information activities of ECREEE and its NFIs	31 May 2011	15 July 2011
Confirmation of receipt of concept note by ECREEE	End of July	End of July
Appraisal and administrative check of concept notes by ECREEE & NFIs – Written response to applicants on the appraisal results	August 2011	September 2011
Submission of Full Proposals and requested documentation to ECREEE by post and e-mail (6 weeks)	01 September 2011	03 October 2011
Appraisal of proposals by ECREEE and approval by the EREF Evaluation Committee	October 2011	November 2011
Notification of award (award letter, denial, waiting list) and signature of ECREEE grant contract	November 2011	December 2011
Implementation, monitoring and evaluation		Max. 24 months

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Funding Requirements



- Project Objective for 2011 to 2014: at least 150 project (10 per country)
- Initial Funding Requirements of around 7,5 million EUR (2011 to 2014)
- ECREEE seeks funding for second call for proposal
- **EREF is supported so far by:**







Austrian
Development Cooperation



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Relevance of the EREF




- **Flag-ship program** under result area 7 on RE&EE investment and business promotion of the 2011 work plan of ECREEE
- Execution of **action line 2 of the ECOWAS/UEMOA White Paper** which called for the creation of an innovation fund for RE&EE projects to raise funding for at least 200 demonstration projects and business support for local companies
- Contribution to the **Millennium Development Goals (MDGs), UN Goal on Universal Access to Clean, Affordable Energy by 2030** and the international climate mitigation objective to keep the global average temperature rise below two degrees Celsius
- ECOWAS contribution to the 2012 International Year of Sustainable Energy for All
- Responds to the urgent need for RE&EE investments in peri-urban and rural areas of West Africa and the so far **limited international and national support** (e.g. lack of national subsidy programs)
- **Need for the EREF was expressed** in questionnaires, conferences and by the NFIs

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Objectives of the EREF



Specific Objectives:

- Creation of a favourable business and investment environment which leads to accelerated deployment and use of RE&EE technologies and services in peri-urban and rural areas of West Africa

Results:

- Mitigation of financial barriers for the development and execution of small- and medium sized RE&EE investments in peri-urban and rural areas
- Capacities, knowledge base and market access ability of local RE&EE technology and service companies are improved
- Networking, knowledge exchange and awareness raising on business opportunities
- North-south and south-south Business Partnerships created

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Benefits and Feasibility




- **Proven concept** already implemented in Central America, Mekong, Andean Region and Southern Africa
- **Direct beneficiaries (target groups):** project developers, SMEs and institutions
- **Final beneficiaries:** Energy end-users in peri-urban and rural areas through access to energy services and reduction of energy related negative externalities
- **High Visibility of ECREEE and its NFIs** on the ground and the private sector; strengthening of knowledge base and capacities of the ECREEE-SEC
- **Dissemination of lessons learned through the ECOWAS RE&EE Observatory** and publication of all funded activities (e.g. feasibility studies); **transfer knowledge to national levels** (e.g. feed in tariffs, tailored RE&EE investment subsidies)
- **No competition to existing finance instrument of DFIs** which target bigger projects; **potential for upgrading in a second stage (e.g. Micro-Credit Component)**
- **North-South and South-South technology and knowledge transfer**

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Regional Centre for Renewable Energy and Energy Efficiency
Centre Régional pour les Énergies Renouvelables et l'Efficacité Énergétique
Centro Regional para Energías Renovables e Eficiencia Energética
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Creating a viable regional market
for renewable energy and energy efficient
technologies and services



ECREEE
operations

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*Thank you! Merci!
Muito obrigado!*

Further information can be found in the
EREF application guidelines at: www.ecreee.org

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