

Energy for Poverty Alleviation in Sahel

Intelligent Energy Project

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Introduction

This is the third newsletter produced under the Intelligent Energy for Sahel (IE4Sahel) project. It highlights how donor activity is currently influencing the development of energy for poverty reduction in Africa by providing a summary of the key institutions and donors operating in Africa, and their priorities in the area of energy and poverty.

The Millennium Development Goals (MDGs) provide the context for much of the donor activity in Africa. They address the human needs that must be fulfilled in order to combat poverty – income, nutrition, health, education, equality and environment - and provide a framework and targets for measuring progress towards poverty reduction. Whilst energy is not an MDG *per se*, sustainable energy access and use are a necessary condition for achieving the MDGs, and many donors now realize that support for energy is crucial in order to reduce world poverty and support economic development. Further, if this is to be achieved in a sustainable way, renewable energy and energy efficiency must also be priorities.

EUROPEAN UNION

EU Energy Initiative (EUEI) for Poverty Reduction and Sustainable Développement

Under the EU Energy Initiative, which heralds a fundamental shift in EU development policy to put energy front and centre of its development agenda, the EU has recently officially launched its Energy Facility for the ACP (African, Caribbean and Pacific) countries. This is a €220 million facility over the next five years, to coincide with its new efforts in energy in the ACP countries, with a major focus on Africa. Heretofore, energy has not been on the EU's development agenda, although funding has been available, most recently through many fundings programs like:

COOPENER

This is a section of the Intelligent Energy for Europe programme, and falls within the Directorate for Energy and Transport (DG TREN). COOPENER prioritises activities which are focused on the provision of energy services for poverty alleviation and sustainable development of poor people in developing countries. Annex I of this newsletter summarises the COOPENER projects which are currently active in the SAHEL region and within which there are clear opportunities to share knowledge, experience and findings.

WORLD BANK

The World Bank's strategy for supporting energy for development is based on the following key areas:

- **Helping the poor directly** by facilitating access to modern energy services, reducing the cost and improving the quality of energy supplied to low income households, and supporting the provision of energy needed for social services and income genera-

ting activities. Renewable energy resources can help provide modern energy services to households, enterprises, and social facilities, such as health, education, water, and telecommunications. Energy efficiency can help reduce the cost and the time involved in obtaining energy services.

- **Improving macro-economic and fiscal balances** includes rationalizing energy taxes, eliminating operating subsidies to state-owned enterprises, and improving procurement and marketing of imported and exported energy products. These help level the playing field so that renewable energy and energy efficiency can compete fairly in the energy marketplace.
- **Promoting good governance and private sector development** through the creation of objective, transparent, and non-discriminatory regulatory mechanisms; introducing and expanding competition; and strengthening the capacity to finance energy businesses. This allows investors and entrepreneurs in renewable energy and energy efficiency to increase their investments and make such supplies more available.
- **Protecting the environment** includes removing market and regulatory barriers to renewable energy technologies, promoting fuel-switching, strengthening environmental management capacity in the energy sector, and facilitating access to the carbon market by client countries. Renewable energy resources and energy efficiency directly address environmental concerns at the local, regional, and global levels.

One of the most significant grant programmes supported by the World Bank is ESMAP - Energy Sector Management Assistance Programme. This was established in 1983 under the joint sponsorship of the World Bank and UNDP and it has also



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received funding from development agencies from industrial countries, private corporations.

ESMAP is a global technical assistance program which helps build consensus and provides policy advice on sustainable energy development to governments of developing countries and economies in transition. ESMAP contributes to the transfer of technology and knowledge in energy sector management and the delivery of modern energy services to the poor.

Since 2003, ESMAP's projects have included those on the subject of indoor air pollution, service delivery mechanisms for rural energy access, gender and energy, strengthening reform and energy-poverty linkages.

Projects funded by the World Bank in support of these key areas are identified in Annex II. It also works in partnership with a number of organisations in this area. These are:

Global Environment Facility (GEF) - the largest partner in the area of renewable energy and energy efficiency, GEF provides both project preparation services and investment funds. The GEF is the financing mechanism for a range of international environmental agreements, and it provides financing for projects that have a global environmental benefit. Since the establishment of the GEF in 1991, the World Bank Group institutions have worked closely together to implement the GEF's role as the financial mechanism for the United Nations Framework Convention on Climate Change.

United Nations Development Programme (UNDP) - along with a number of bilateral partners, has closely collaborated in

the Energy Sector Management Assistance Programme (ESMAP) as described above.

Global Village Energy Partnership (GVEP) - This was established at the 2002 World Summit on Sustainable Development by the World Bank Group, together with the UNDP and other partners. It seeks to expand modern energy services to underserved communities and households by building a global network of organizations and groups. GVEP grew out of two international Village Power conferences at the World Bank Group in 1998 and 2000, and is serving a growing knowledge management need.

BILATERAL AID

Bilateral donors including institutions such as the UK Department for International Development (DFID), Swedish International Development Cooperation Agency (SIDA), United States Agency for International Development (USAID), GTZ (Germany), etc. are also key players in the field of energy and poverty in Africa, operating through both their national offices and in-country representatives.

While the importance of energy in achieving the Millennium Goals is often stated by such agencies, funding is often targeted at areas such as health, education, water and agriculture meaning that often the linkages between energy and poverty are not emphasised.

World Summit on Sustainable Development (WSSD)

In 2002, the World Summit on Sustainable Development (WSSD) was held in Johannesburg. This event brought together tens of thousands of participants, including heads of State and Government, national delegates and leaders from non-governmental organizations (NGOs), businesses and other major groups to focus the world's attention and direct action toward meeting difficult challenges, including improving people's lives and conserving our natural resources in a world that is growing in population, with ever-increasing demands for food, water, shelter, sanitation, energy, health services and economic security.

Initiatives established in the field of energy and poverty as a result of the WSSD are:

Global Village Energy Partnership (GVEP) - see above.

EU Energy Initiative - see above.

REEEP – Renewable Energy and Energy Efficiency Partnership - a public-private partnership launched in Johannesburg in 2002. It has been developed via an intensive consultation process in 2003 covering a wide range of stakeholders at the national and regional levels. The partnership actively structures policy initiatives for clean energy markets and facilitates financing mechanisms for sustainable energy projects. As well as reducing greenhouse gas emissions, its goals are also to deliver social improvements to developing countries and countries in transition, by improving the access to reliable clean energy services, and by making REES more affordable.

GNESD – Global Network for Energy and Sustainable Development - this is a network of 20 Centres of Excellence representing 9 developing countries. The structure for the Network emphasizes the role of existing institutions and the importance of a flat networking organisation that avoids unnecessary bureaucracy.

Project Title	Countries	Primary aim	Linkages with IE4Sahel project
Biomass Energy Platforms for Training in Africa (BEPITA) http://www.meca.ucl.ac.be/bepita/	Burkina Faso, Cameroon	To overcome non-technical barriers to the development of biomass projects by establishing training platforms for biomass technologies in two of Africa's 'dry' and 'wetland' zones.	Training platforms will be a resource for SAHEL countries & the project is aimed at Energy policy makers, private sector representatives, professional associations and universities
Removal of non technological barriers to encourage SME energy efficiency by the rational use of biomass (ENEFIBIO) http://europa.eu.int/comm/energy/intelligent/index_en.html	Senegal and Cameroon	to create a favourable frame to develop a higher heat energy efficiency within the Short and Medium-Enterprises sectors of Senegal and Cameroon by using bio-energy (agriculture, forest, agro- and wood industry by-products and residues).	The project will deal with the administrative and financial barriers collectively with national policy makers and SME managers.
Improving the economic and social impact of rural electrification http://europa.eu.int/comm/energy/intelligent/index_en.html	Niger, Burkina Faso, Mali, Cameroon	To develop a planning approach which integrates rural electrification planning with other infrastructure developments (e.g. health, education, drinking water, ITCs) in order to maximize the social and economic impact of rural electrification policies.	Reinforcing exchange of experience and know-how between the participating countries, and with an extended circle of countries members of Regional African Institutions ECOWAS, CILSS, UEMOA). Outputs on rural electrification planning will benefit stakeholders involved in IE4Sahel.
PROVEN in Rural Africa http://europa.eu.int/comm/energy/intelligent/index_en.html	Kenya, Tanzania, Uganda, Senegal, Burkina-Faso, Mali	To replicate proven best practice in decentralised rural electrification to target regions in West and East Africa.	The project will disseminate best practice to stakeholders in rural electrification through networks and case studies.
Turning Information into Empowerment: Strengthening Gender and Energy Networking in Africa http://europa.eu.int/comm/energy/intelligent/index_en.html	Kenya, Tanzania, Uganda, Nigeria, Senegal, Mali, Ghana, Botswana, Swaziland, Lesotho, South Africa	The project aims to ensure that gender is integrated into energy issues in Africa by strengthening the human and institutional capacity within and beyond the Africa Gender and Energy Network, consisting of partners from 12 African countries at present.	The project will increase awareness, knowledge and skills of a selected group of development practitioners – planners, policy makers, project implementers - to integrate gender and energy concerns into sustainable development and poverty reduction programmes.
Development and Energy in Africa www.deafrica.net	Botswana Ghana Mali, Senegal, Tanzania, Zambia	This project is to identify and examine the developmental impacts of energy innovations and actions linked to improving energy access and poverty alleviation and to use the information obtained to improve on-going and future energy interventions.	The Project is aimed at national energy and development-policy makers, initially in the six participating African countries, but with a view to wider application in Sub-Saharan Africa
MEPRED Mainstreaming Energy for Poverty Reduction and Economic Development into EU Development Assistance	Burkina Faso, Mali, Niger, Senegal	The fundamental objective of MEPRED is to "mainstream" energy for poverty reduction and economic development into national development strategies and programmes, and specifically into EU development assistance activities.	The project will identify the energy services essential to national/regional development and poverty reduction strategies, in areas such as water, health, education, gender equality, rural development, and make propositions on how to integrate energy into development strategies

Project Schedule

The project is scheduled to be developed until mid-2007, with the realisation of two main Workshops, from where the project team already ask for interested parties to mark in your agenda.

1st Workshop - June 2006 – Niger

2nd Workshop - March 2007 - Niger

Besides these two Workshops the project is also committed to involved institutions to build a permanent network between the professionals

Istituto Superior Tecnico RGESD - IST Portugal	ESD - Energy for Sustainable Development Ltd UK	CRES - Center for Renewable Energy Sources. Greece	ARC - AGHRYMET Center Niger
Long experienced research team in the field of energy planning and renewable energy systems.	Consultant firm with experience in energy policy and regulation.	The Greek national centre for Renewable Energy Sources, Rational Use of Energy and Energy Saving.	Specialised institution committed with the food security and to help the management of natural resources in the CILSS region..

The Project Team

How to contact the Project Team

to have up to date information on the project visit our website - <http://ie4sahel.energyprojects.net>

to contact the staff, receive the newsletter, contribute with papers or for informations and comments ie4sahel@energyprojects.net

Or use the following form

Family Name.....First Name.....
 Profession.....Company-Institute.....
 Postal address.....Postal code.....City.....Country.....
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☐ I am interested in the IE4 Sahel project. Send me an invitation for public meetings about IE4 Sahel.

☐ Please add only my name to the mailing list and send me more information about IE4 Sahel

Send to ARC – AGRHYMET Regional Centre P.O.Box 11011 - Niamey – Niger Fax: + 227 73 29 78 or to
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