



Empowering Development

Delivering results
in the Decade of
Sustainable Energy for All



Empowering Development – Policy Vision

**Energy:
key driver for sustainable
inclusive growth**

- Agenda for Change (2011)
- Sustainable Energy for All (2011)
- President Barroso ambitious goal (2012)
- MDGs - Post-2015 agenda



Agenda for Change

Identifies energy as a fundamental enabler for sustainable growth. The EU should offer both technology and expertise and development funding, and focus on:

- Price volatility and energy security**
- Climate Change**
- Access to secure, affordable, clean and sustainable energy services**



Sustainable Energy for All Initiative (SE4ALL)

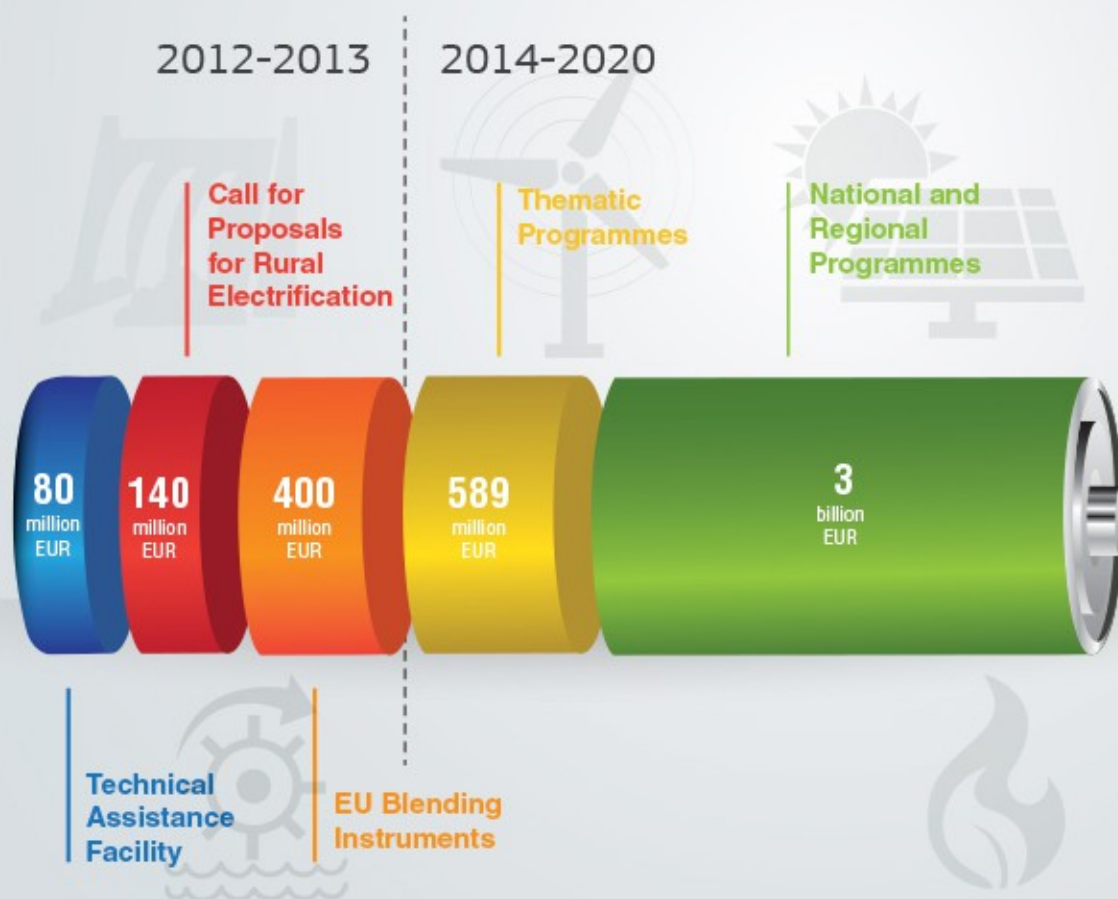
Launched in September 2011 by UN Secretary-General Ban Ki-Moon as a global initiatives with 3 main objectives by 2030:

- Universal access to modern energy services**
- Doubling global rate of improvement in energy efficiency**
- Doubling the share of renewable energy in the global energy mix**



Empowering Development – EU Energy Cooperation

- **Key challenge: energy access** - supports sustainable agriculture, access to clean water, a decent education and basic health care (nexus food-water-energy).
- **Empowering Development: an EU comprehensive set of actions to help end energy poverty** in line with Agenda for Change and Sustainable Energy for All Initiative (SE4ALL).



More than EUR 4 billion for the fight against energy poverty

- **EUR 600 million mobilised** already in 2012-2013.
- **More than EUR 3.5 billion** allocated for 2014-2020.
- Significant **leveraging investments**. Fill gaps in energy infrastructure and power businesses, schools, homes and hospitals.





Technical Assistance Facility



80 million EUR

Catalysing reforms – making change happen

Technical Assistance Facility

Key activities

- Supports crucial sector reforms and policies
- Assists defining sound regulatory frameworks
- Helps creating a positive environment for private investments

Tool

- EU's **Technical Assistance Facility**: a total budget of **EUR 80 million** supporting partner countries create an environment for investments and generate green growth.





80 million EUR

SE4ALL TAF: Delivery Mechanism – 5 Activity Areas

SE4ALL – Part 2: Results



Activity Area (Overarching): Managing project management activities – evaluating viability



80 million EUR

Examples for TAF interventions

<i>Ref</i>	<i>Country</i>	<i>Project Title</i>	<i>Status</i>
ES-004	Regional	Paper on “Off-grid and mini grid rural electrification - state of the art delivery models and technology in E/S Africa	Completed
ES-005	Mozambique	<i>Stocktaking Mission</i> : Rural electrification Northern Mozambique	Completed
ES-006	Regional	Business models for possible EC support options in Africa in the electricity sector	Completed
ES-007	Tanzania	<i>Formulation</i> : Rural Electrification Programme - implementation of Phase II of the Rural Electrification Prospectus	<i>Ongoing</i>
ES-008	Tanzania	<i>Formulation</i> : Energy Sector Policy Support Programme	<i>Ongoing</i>
ES-009	Ethiopia	In support of the implementation of the Ethiopian Energy Authority Program of activities 2014-2020	<i>Ongoing</i>
ES-010	Regional	Preparation of a booklet presenting EU supported projects	Completed
ES-011	Eritrea	<i>Stocktaking Mission</i> : In support of the definition and implementation of a sustainable energy policy in Eritrea	Completed
ES-012	Lesotho	<i>Stocktaking Mission</i> : Scoping of Potential Interventions in the Energy Sector under 11th EDF in Lesotho	<i>Ongoing</i>



140 million EUR



Empowering rural communities

Call for Proposals for Rural Electrification

Key activities

- **Rural electrification:** improve access to modern, affordable and sustainable energy services for the rural poor by focusing on renewable energy solutions and energy efficiency measures;
- Promote productive use of energy that generates growth at local level.

Tool

- **Call for proposals on rural electrification 2013** resulted in 21 EU funded projects -> more than **3 million additional** people in rural areas in Africa will gain access to modern, affordable and sustainable energy.
- Dedicated Call for proposals for energy poor in fragile countries just selected 9 more projects:
3 in Liberia, 3 in Burundi, 2 in Mali , 1 in Somalia



140 million EUR



Targeted country	Proposal Title	Direct beneficiaries	Capacity [kW]	Applicant	Grant Amount	Total Budget
ETHIOPIA, KENYA, MADAGASCAR	POWER KIOSK: Scaling-Up Rural Electrification in Kenya, Ethiopia and Madagascar	224,000	280	COOPERATIE ICCO UA	5,471,783	9,447,914
MALAWI, ZIMBABWE	Sustainable Energy for Rural Communities (SE4RC)	30,000	244	PRACTICAL ACTION LBG	5,349,841	7,133,121
UGANDA	Scaling –up rural electrification using innovative solar photovoltaic distribution models	72,100	560	WWF - WORLD WIDE FUND FOR NATURE	4,286,248	5,737,538



400 million EUR



Fuelling inclusive growth

EU Blending Instruments

Key activities

- Use EU grants to leverage additional public and private sector resources such as loans and equity.

Tool

- **EU Blending Facilities:** 7 regional facilities with targeted financing for sustainable energy investments

EUR 400 million (SE4All window) expected to **leverage concrete investments of up to EUR 8 billion.**



400 million EUR



EU Blending Facilities:

- **Africa Infrastructure Trust Fund (AITF)**
- **Neighbourhood Investment Facility (NIF)**
- **Latin America Investment Facility (LAIF)**
- **Asia Investment Facility (AIF)**
- **Central Asia Investment Facility (IFCA)**
- **Pacific Investment Facility (IFP)**
- **Caribbean Investment Facility (CIF)**



589 million EUR

Global Public Goods and Challenges

Thematic Programme

- **EU Global Public Goods and Challenges Programme:** Actions addressing energy's multiple links with other sectors will be mainstreamed. EUR 589 million earmarked under this instrument for actions promoting sustainable energy over the next seven years (2014-2020).
- Focus on enabling regulatory frameworks for sustainable energy services and support investments for *access to sustainable energy, energy efficiency and smart energy use*.
- Support strategic partnerships and alliances at global level.



589 million EUR

Global Public Goods and Challenges

Thematic Programme

Key activities

- Improved access to sustainable energy services
- Energy Efficiency for generation, transmission, distribution and use
- Sustainable energy in poor urban and semi-urban communities (pilot megacities project) and support to SIDS Smart energy use
- Smart energy use and implementation of innovative projects



3 billion EUR

Reinforcing bilateral dialogue and strengthening regional cooperation

National & Regional Programmes

Key activity

•**Energy cooperation:** achieving policy reforms, harnessing investments in sustainable energy while contributing to energy security and sustainable growth. Strengthens cooperation in other sectors, such as trade, agriculture, gender equality.

Tool

•**EU National & Regional Programmes:** more than 30 partner countries decided to pay particular attention to energy in the context of their bilateral cooperation.

•5 Joint Declarations on reinforced cooperation on energy signed with European and African countries.





Joint Declarations on reinforced cooperation on sustainable energy

In the context of the UN Climate Summit in September 2014 the EU signed five Joint Declarations on energy cooperation with five African countries and other Donor Partners:

- **Côte d'Ivoire**, together with **France**
- **Liberia**, together with **Norway**
- **Cape Verde**, together with **Austria, Luxembourg, Portugal** and **Spain**
- **Rwanda** and
- **Togo**

These non-binding declarations intend to reinforce the tie between partner countries' political commitments in the field of energy and the supporting actions financed by the EU and relevant donors.

The intention is to sign more declarations with other interested partner countries, possibly in the context of COP21 in Paris, December 2015

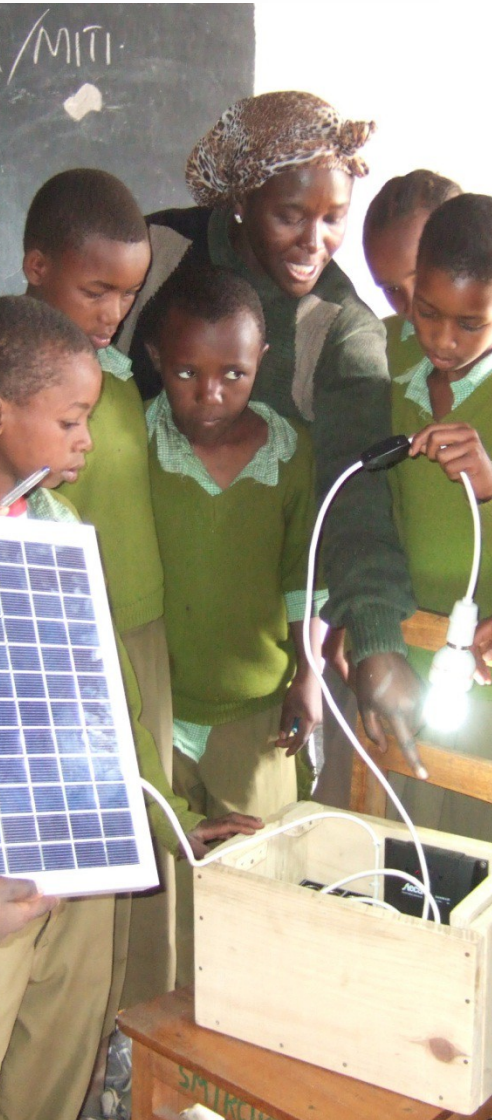


Global Energy Efficiency and Renewable Energy Fund – GEEREF

Fund-of-Funds catalysing private sector capital into clean energy projects in developing countries and economies in transition.

Key Objectives:

- (i) expansion of energy projects within the areas of renewable energy, energy efficiency and/or near zero fossil fuel emissions, to increase global access to low carbon, secure and affordable energy,
- (ii) development of new projects for the purposes of countering the global risks of climate change,
- (iii) improvement of economically, socially and environmentally sustainable growth in developing countries and economies in transition, while promoting the protection of the environment.



New Financial Mechanism: Convertible Grants through the EU blending framework

Key objective:

Boost private sector investments to accelerate electrification in developing countries, through bridging financial gap by making available early stage development risk capital, namely grants* that convert into subordinated debt and are paid back when investments succeed.

Why Convertible Grants? - Challenges for Investments

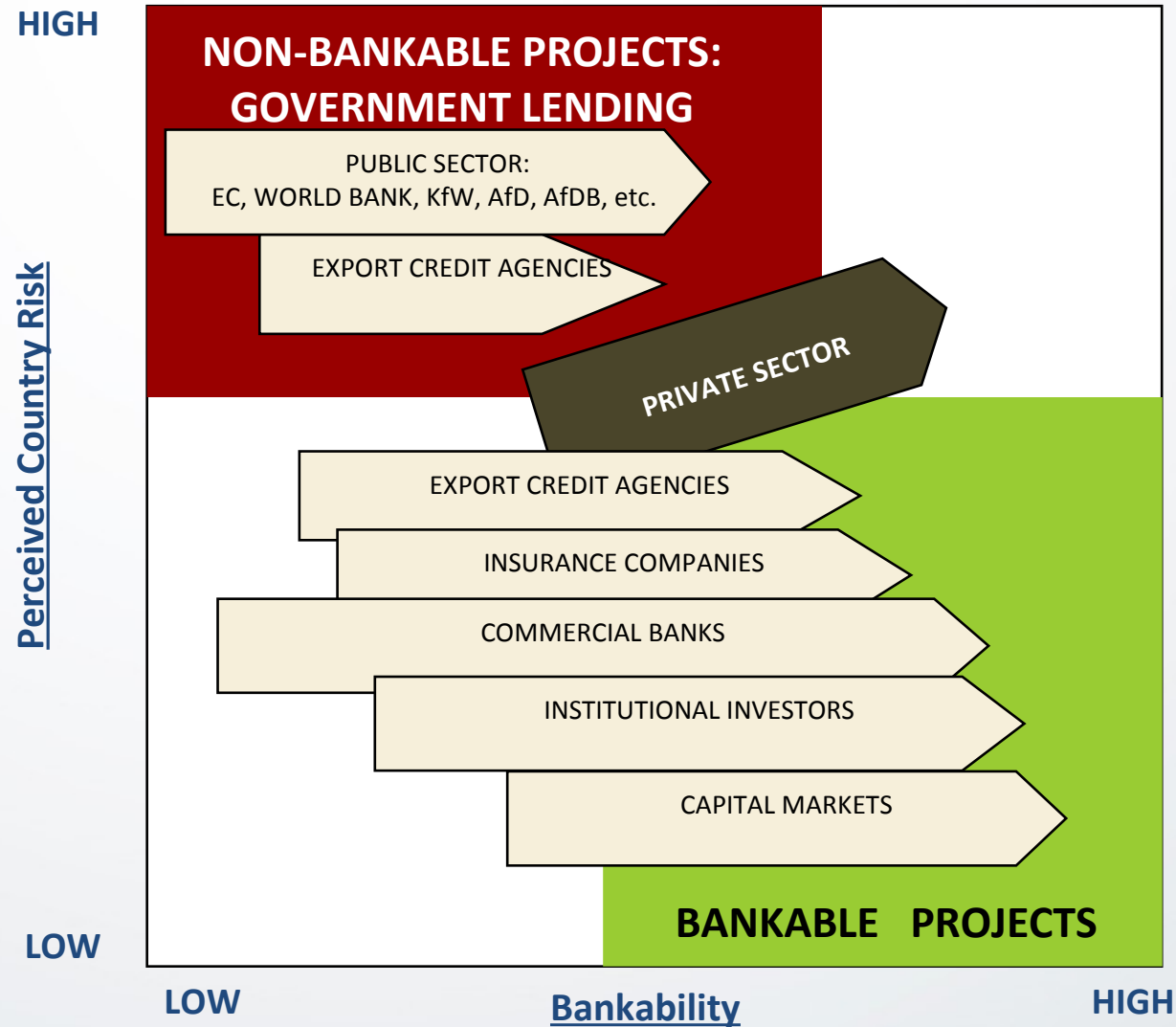
Studies on what are the market imperfections for smaller scale renewable energy projects in developing countries identify several 'obstacles':

- Lack of equity
- Lack of skilled developers
- Lack of scale to cover transaction cost
- Lack of affordable long term debt
- Lack of interactions between CSOs and private investors

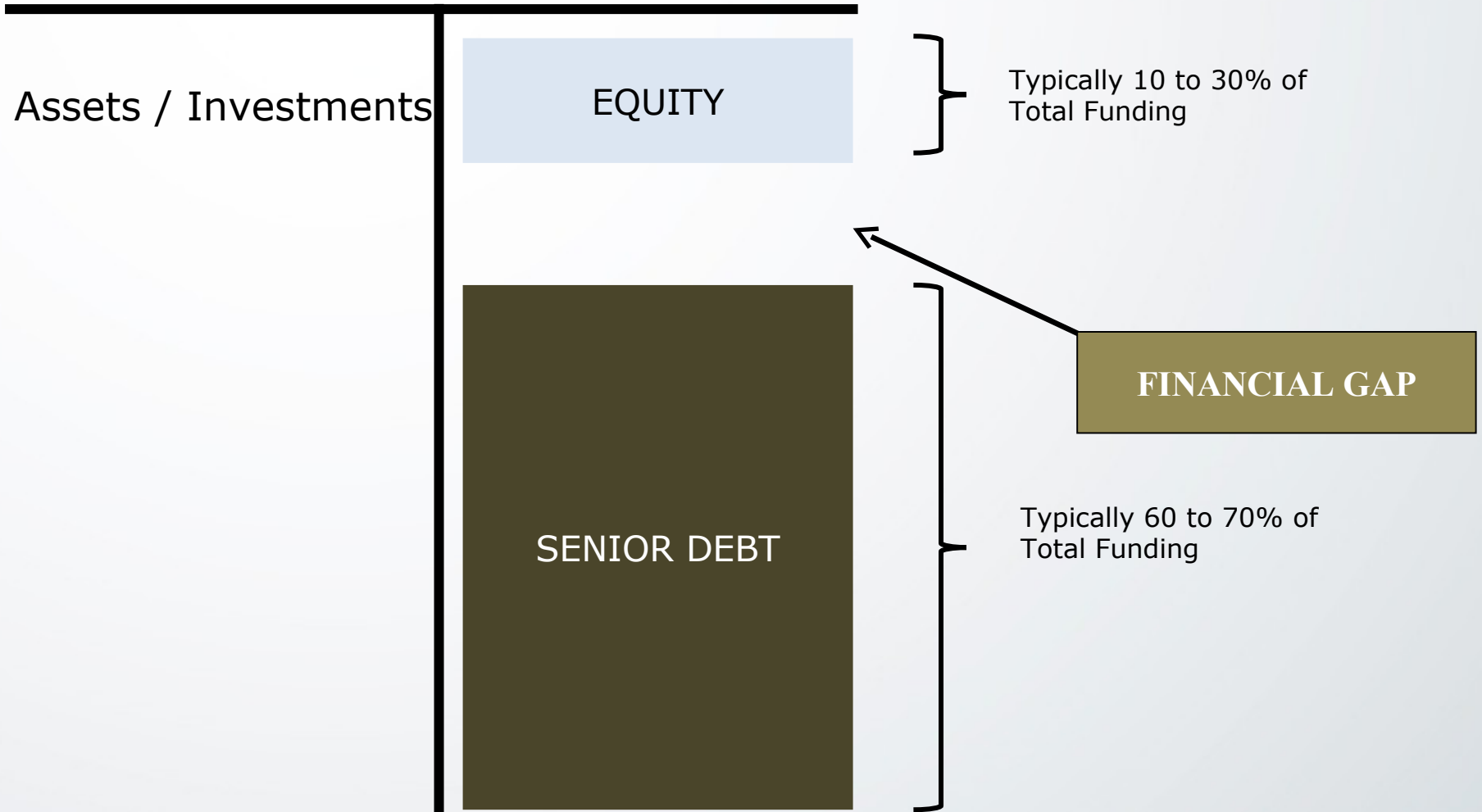


'Country' Risk limits Finance Possibilities

allowing a very narrow Private Sector Finance Window



Rural Electrification Venture





EU energy approach in development

Future actions

- Continued support to improve access to energy as the most powerful tool to empower people in the development context.
- Development of new business models and financial instruments to boost investments for access to sustainable energy.
- Strengthened cooperation with EU Member States and partners to move from setting energy objectives into achieving results.



Thank you for your attention!

For more information: [http://
ec.europa.eu/europeaid/energy](http://ec.europa.eu/europeaid/energy)
<http://capacity4dev.ec.europa.eu/topic/energy>