



EU Vision for Energy in Developing Countries

Alessandro Bianciardi
DEVCO –Energy Unit

BIFESS – 31 May 2012

The Challenges ahead

Energy poverty

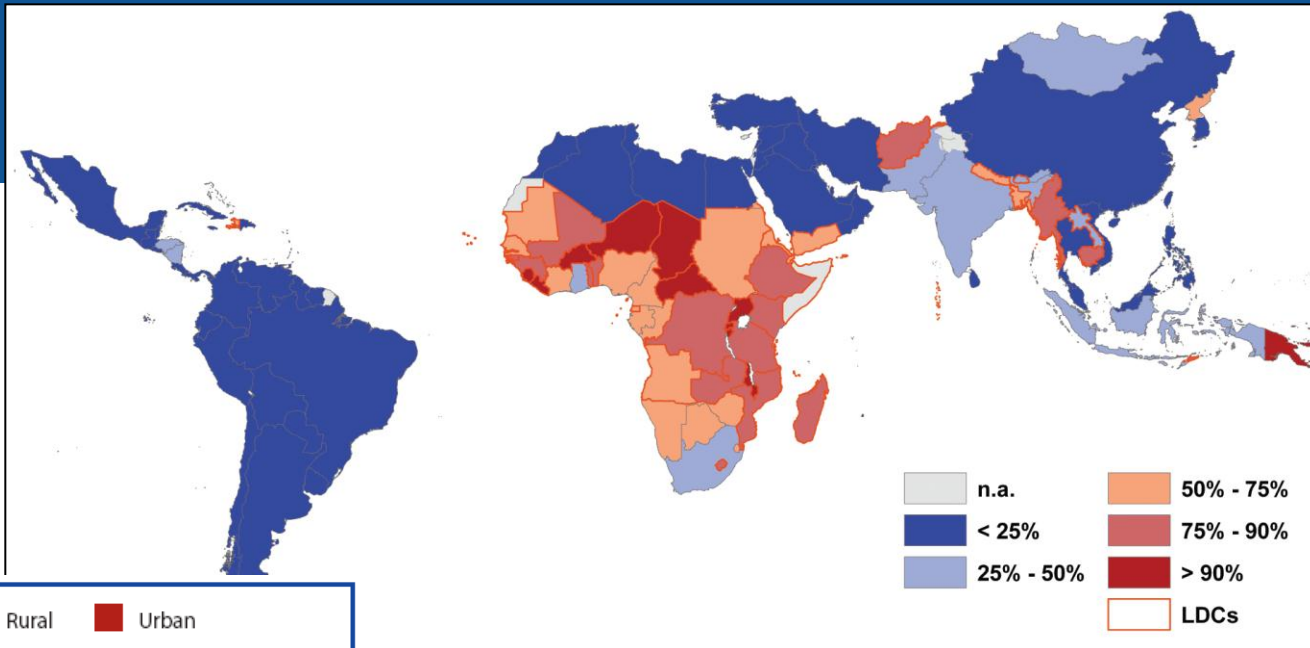
- 1.3 billion without electricity
- Over 2.7 billion cook with traditional fuels
- Energy-linked respiratory diseases & drudgery of women

Climate Change

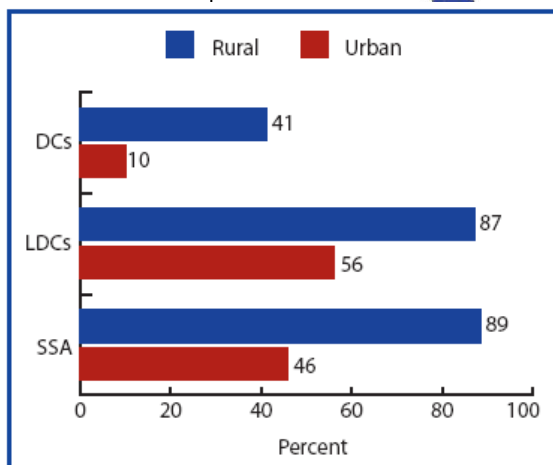
- Current energy use pattern not environmentally sustainable (80% fossil fuels)
- Impacts on infrastructure
- Deforestation

Energy supplies and prices

- Commercial energy use is growing (about 1.7% p.a. in industrialised and 3.8% p.a. in developing countries)
- Volatile prices

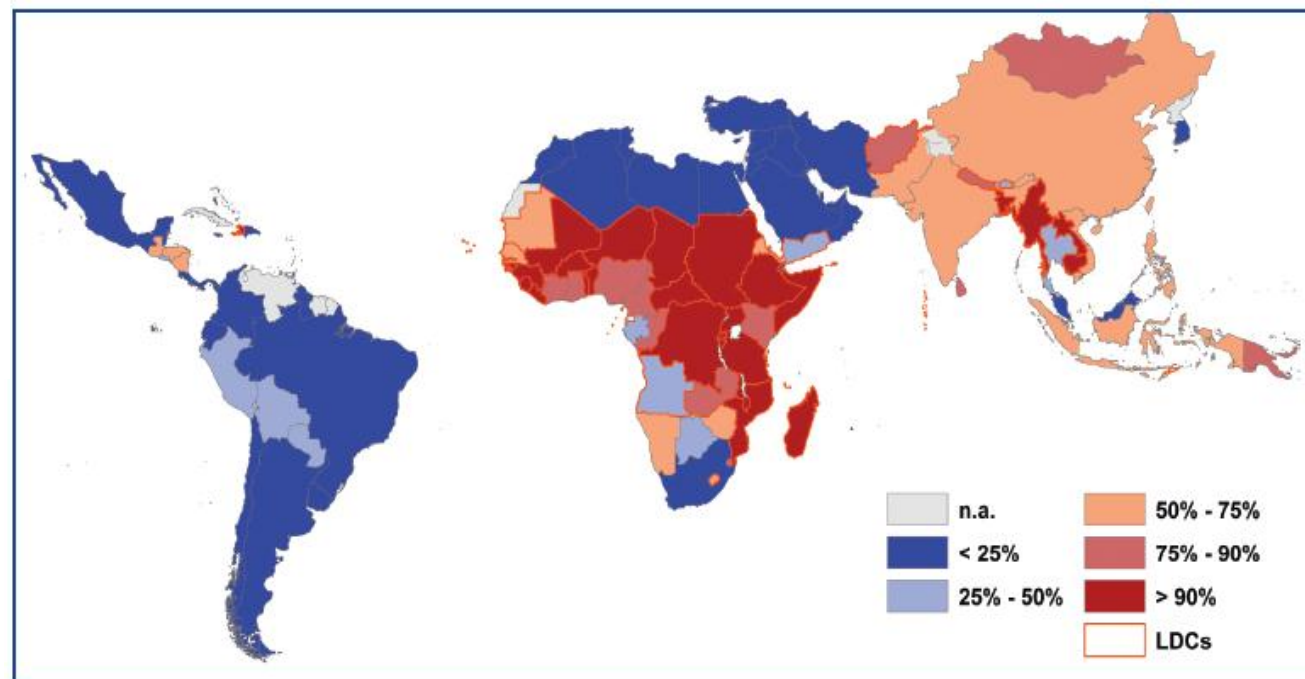


Share of people without electricity access for developing countries, 2008



Share of population without electricity access in rural and urban areas for LDCs and SSA, 2008

Share of population without access to modern fuels for developing countries, 2007



The EU Energy Initiative for Poverty Eradication and Sustainable Development (World Summit on SD in 2002):

- Raise political awareness on link between energy and poverty
- Clarify need for energy services for poverty reduction and sustainable development (link with MDGs and Climate Change)
- Stress the need for energy in national and regional development strategies
- Encourage coherence & synergy of energy-related activities
- Stimulate new resources for the sector

Box 1. Energy Services and the Millennium Development Goals (UNDP/DFID)	
MDG 1 Extreme poverty and hunger	Energy inputs such as electricity and fuels are essential to generate jobs, industrial activities, transportation, commerce, micro-enterprises and agriculture outputs. Most staple foods must be processed, conserved and cooked, requiring heat from various fuels.
MDG 2 Primary education	To attract teachers to rural areas electricity is needed for homes and schools. After dusk study requires illumination. Many children, especially girls, do not attend primary schools in order to carry wood and water to meet family subsistence needs.
MDG 3 Gender equality	Lack of access to modern fuels and electricity contributes to gender inequality. Women are responsible for most household cooking and water boiling activities. This takes time away from other productive activities as well as from educational and social participation. Access to modern fuels eases women's domestic burden and allows them to pursue educational, economic and other opportunities.
MDG 4 Child mortality	Diseases caused by unboiled water, and respiratory illness caused by the effects of indoor air pollution from traditional fuels and stoves, directly contribute to infant and child disease and mortality.
MDG 5 Maternal health	Women are disproportionately affected by indoor air pollution and water- and food-borne illnesses. Lack of electricity in health clinics, illumination for nighttime deliveries, and the daily drudgery and physical burden of fuel collection and transport all contribute to poor maternal health conditions, especially in rural areas.
MDG 6 Combat HIV/AIDS	Electricity for communication such as radio and television can spread important public health information to combat deadly diseases. Health care facilities, doctors and nurses, all require electricity and the services that it provides (illumination, refrigeration, sterilization, etc) to deliver effective health services.
MDG 7 Environmental Sustainability	Energy production, distribution and consumption has many adverse effects on the local, regional and global environment including indoor, local and regional air pollution, local particulates, land degradation, acidification of land and water, and climate change. Cleaner energy systems are needed to address all of these effects and to contribute to environmental sustainability.
MDG 8 Global partnership	The World Summit for Sustainable Development called for partnerships between public entities, development agencies, civil society and the private sector to support sustainable development, including the delivery of affordable, reliable and environmentally sustainable energy services.

Large sectors of the population in developing countries have no access to modern energy services and rely on inefficient and costly household energy systems.

Community policy therefore is focused on supporting a sound institutional and financial environment, awareness raising, capacity building, and fundraising in order to improve access to modern, affordable, sustainable, efficient, clean (including renewable) energy services through the **EU Energy Initiative**, and other international and national initiatives.

EU development policy in support of inclusive growth and sustainable development

“Out of the many challenges of sustainable development, **access to sustainable energy for all citizens is a key issue**. In fact, generalised access to energy constitutes a pre-requisite to meet most MDGs: access to reliable, stable priced energy, and in particular electricity, is a driver of poverty eradication; **vital for health, education,** agriculture and economic development...”

Agenda for Change (2011)

Increasing the impact of EU Development Policy



The Commission proposes an Agenda for Change that would lead to: a focus on helping reduce developing countries exposure to global shocks such as: climate change, ecosystem and resource degradation, **and volatile and escalating energy and agricultural prices...**

...In **energy**, the EU should offer technology and expertise as well as development funding, and should focus on three main challenges: price volatility and energy security; climate change, including access to low carbon technologies; and access to secure, affordable, clean and sustainable energy services...

...There is also scope for the EU to work more closely with the private sector, foundations, **civil society** and local and regional authorities as their role in development grows.

"Highlights the importance of transparent, democratic participation by civil society, local authorities and regulators in the energy sector, to enable them to supervise the provision of universal energy access, and also in order to ensure good governance and fair competition and to curb corruption;"

"Encourages the EU to dialogue with partner governments and civil society in developing countries in order to ensure that both national energy policies and poverty reduction strategies take account of universal energy access;"



The Africa-EU Energy Partnership (2007)



The Africa-EU Energy Partnership

December 2007 (Lisbon). Initial overall objectives:

- Dialogue on energy access and energy security;
- Improved access to reliable, secure, affordable, climate friendly and sustainable energy services for both continents
- Increased European and African investments in energy infrastructure in Africa, including promotion of **renewables** and energy efficiency





The Africa-EU Energy Partnership joint Africa-EU targets



Access to Energy

+100 million people in Africa
to have access to
modern energy sources

Renewable Energy and Energy Efficiency

Renewable energy (+10,000 MW
hydro, +5000MW wind, +500MW
solar, triple other renewables)

Improve energy
efficiency in Africa

Energy Security

Double energy interconnections
in Africa and between
Africa and Europe

double the use of
natural gas in Africa

N.B. Political Africa-EU targets (not commitments), within a scenario of wider African targets.



SUSTAINABLE
ENERGY FOR ALL



This initiative will engage governments, the private sector, and civil society partners globally with the goal of achieving sustainable energy for all, and to reach three major objectives by 2030:

- 1. Achieving universal access to modern energy services;**
- 2. Doubling the rate of improvement in energy efficiency;**
- 3. Doubling the share of renewable energy in the global mix.**

Achieving sustainability and energy access for all, it means a necessary steep increase in the use of renewable energies and steep decrease in carbon intensity of energy.



SUSTAINABLE
ENERGY FOR ALL



For the purpose of supporting the High Level Group, four task forces have been created, the first one on "Country Action for Universal Access to Energy" is led by the EC.

The other three task forces comprise "Clean Energy Revolution", "Business Action Framework", and "Communication and Advocacy".

Framework for Action – launched in April 2012 and adopted at Rio+20

Both top-down, bottom up approaches

Which resources to achieve all this?



Integrated Framework of EC/EU financing instruments

Access to energy, renewable energy and energy efficiency resources constitute the backbone of the EU policies on energy and development.

More than 2.2 billion € were invested over 7 years in energy in developing countries, including around 1,2 billion € on generation and transmission (including energy efficiency) and around 500 million € directly on access.

- Infrastructure Trust Fund
- NIF – Neighbourhood Infrastructure Fund
- LAIF, PIF, CIF
- GEEREF - The Global Energy Efficiency and Renewable Energy Fund
- ENRTP -Thematic programme on env., sustainable management of nat. resources including energy
- **National and Regional Indicative Programmes**
- **ACP-EU Energy Facility**

National, cross-border and regional projects

NIP and RIP also provide possibly grants for energy projects according to the priority given by a beneficiary country or a regional organisation to this sector.

For example the NIPs for the ACP countries have allocated more the 150M€ for the energy sector while the RIPs for the Western, Central and East Africa has foreseen 110M€ for energy infrastructures.

Next phase 2014-2020

Set up following the EU Energy Initiative for Poverty Eradication and Sustainable Development (EUEI)

Overall objectives of EF

- To contribute to the MDGs on poverty alleviation as well as WSSD objectives on energy
- To contribute to the fight against climate change

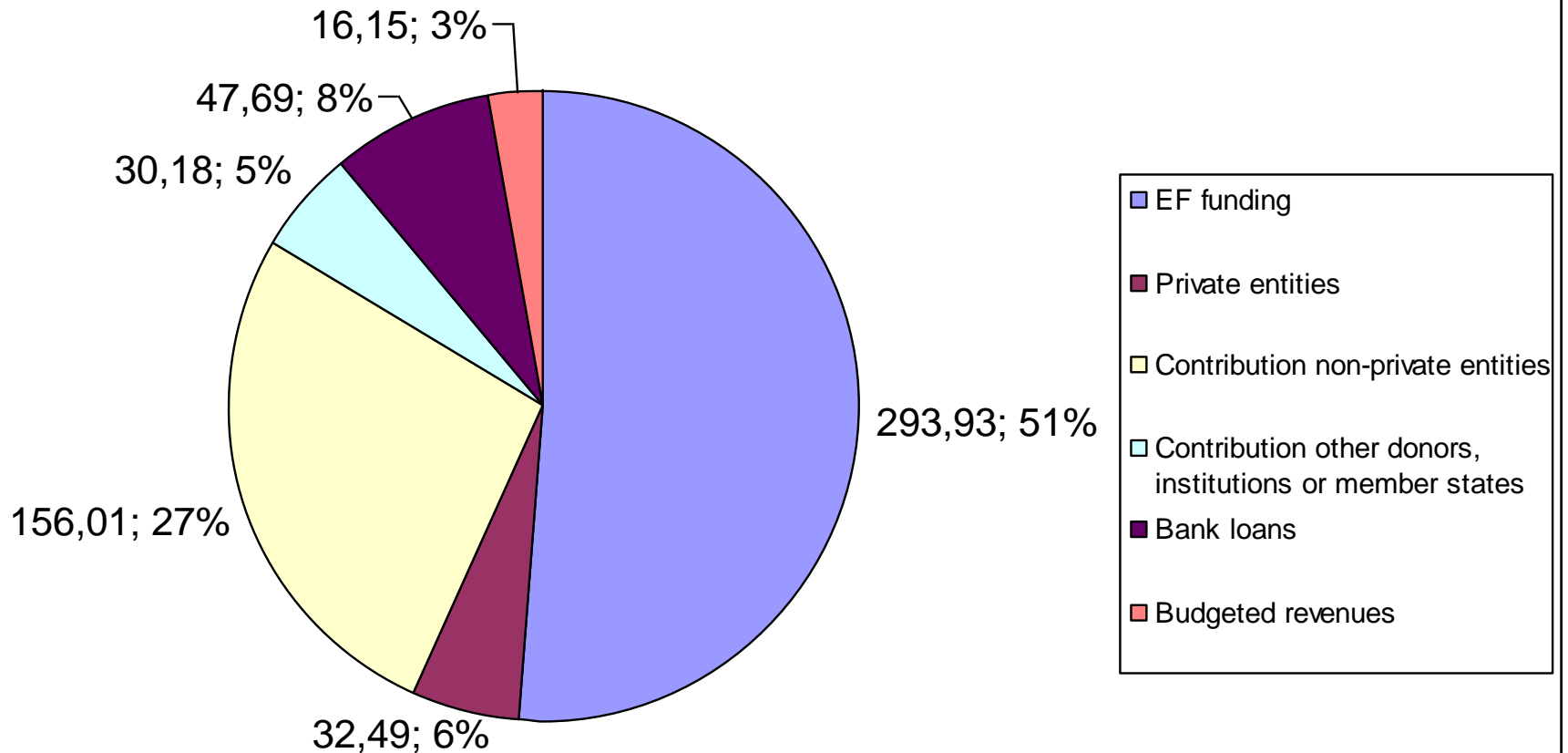
Specific objectives:

- To increase access to modern, affordable and sustainable energy services in rural and peri-urban poor areas.
- To improve governance and framework conditions in the energy sector at regional, national and local levels
- To facilitate large-scale investment programme in cross-border interconnections, grid extensions and rural distribution

- The Facility has been financed since 2006.
- Around 140 national and cross-border projects in ACP countries for about 300M€ have been funded through **Call for Proposals**.
- Almost 13 million people should benefit of an improved access to energy through the programme and mostly with Renewable energies.
- Additionally, a new blending instrument, the **Pooling Mechanism** endowed with 40M€, has been created in 2010 with the objective to pool resources with other donors (Development Banks, National Agencies, IFIs).
- The EF funded also the **EUEI-Partnership Dialogue Facility** whose objective is to support the development of policies and strategies for the promotion of access to energy at national and regional level. These are based on dialogue within and between partner countries, their regional organisations, EU MS and the EC.

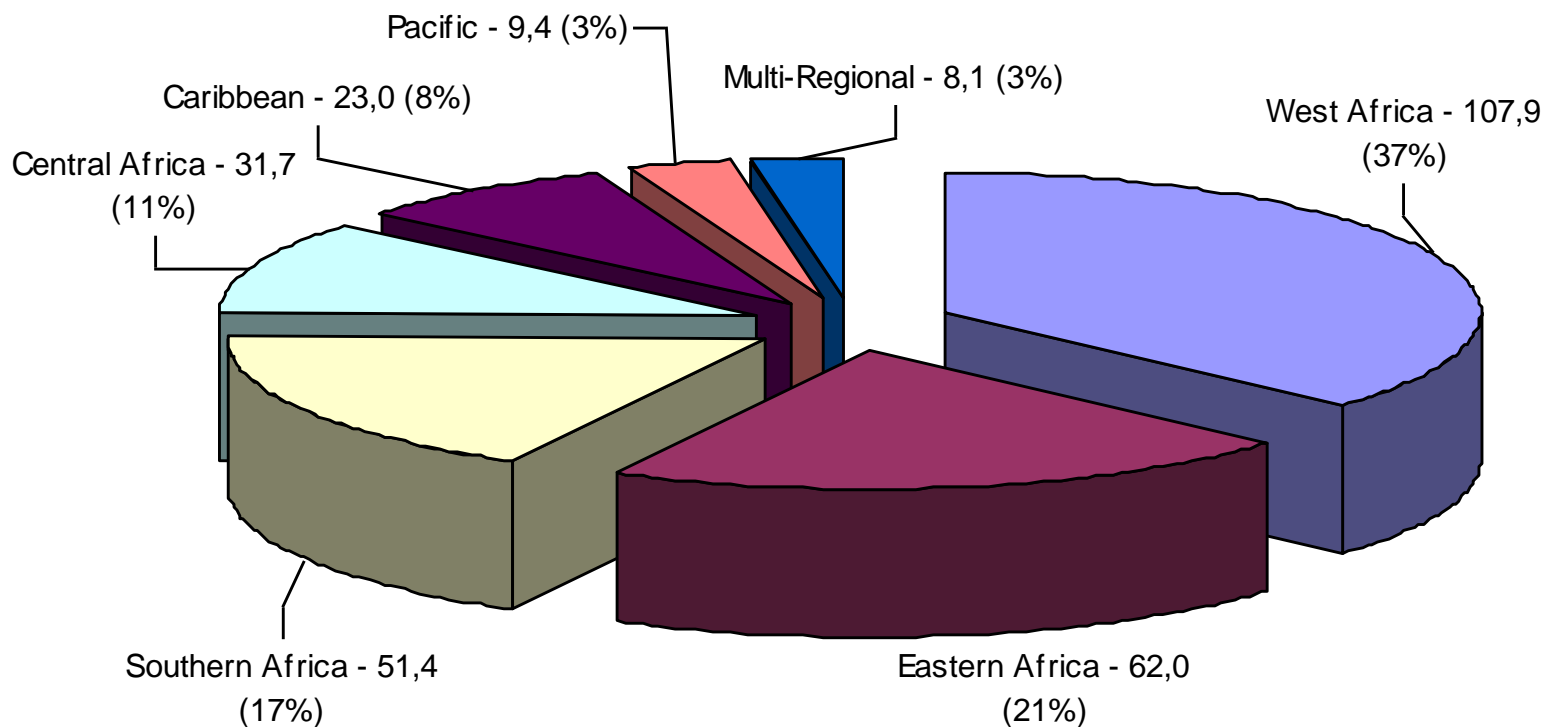
- **access to energy** services in a **pro-poor** perspective
- **renewable energy** and **energy efficiency**, use of **local resources** and **decentralised solutions**
- **productive use of energy** beyond the basic service
- **coherence** with partner countries' planning frameworks
- promotion of **sound energy policies and strategies**
- **removal of obstacles to private sector's involvement**

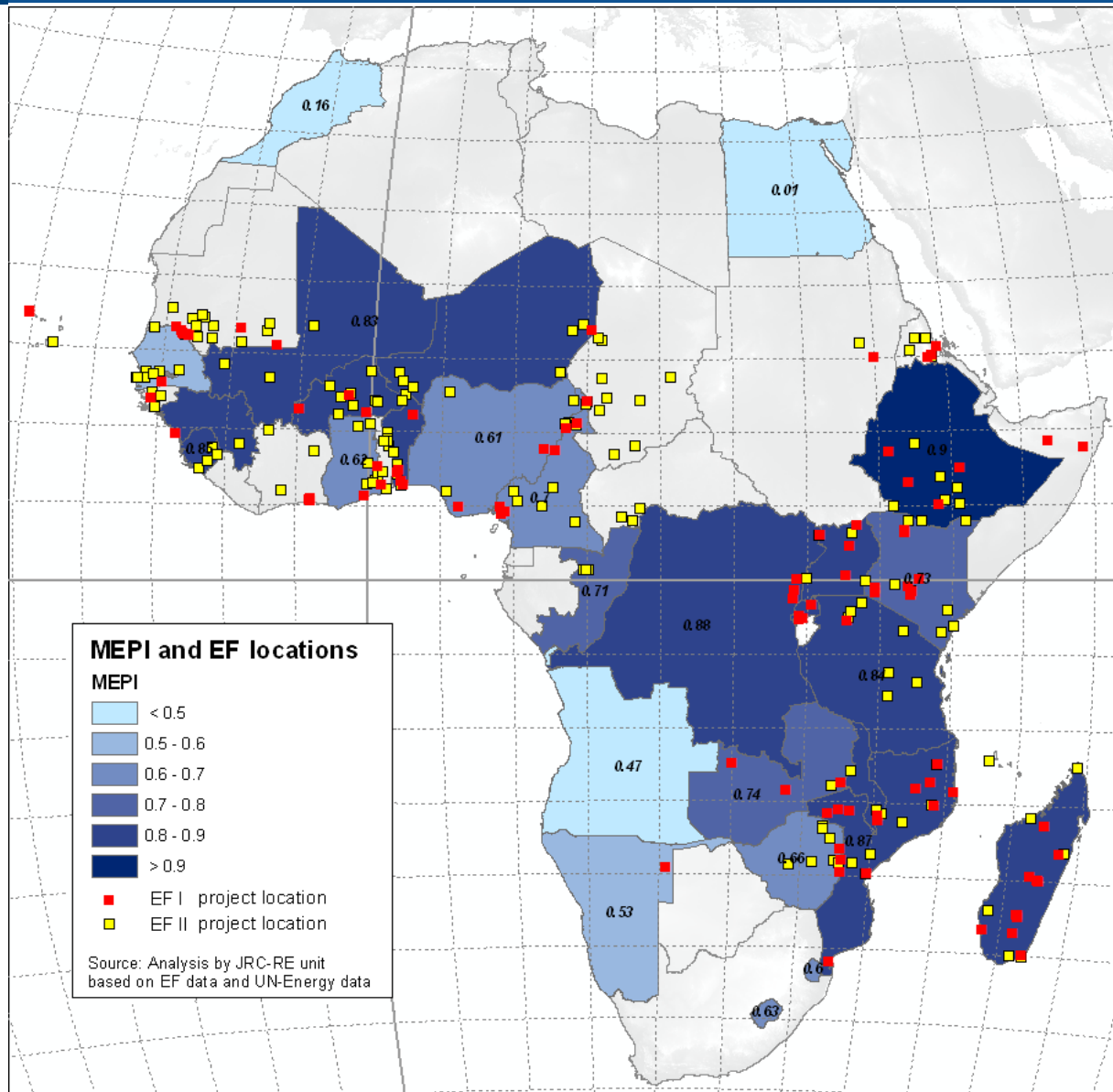
Source of funds (M€) of supported projects



Total: 577 M Euro

Distribution of EF funding (M€ and %) among the Regions

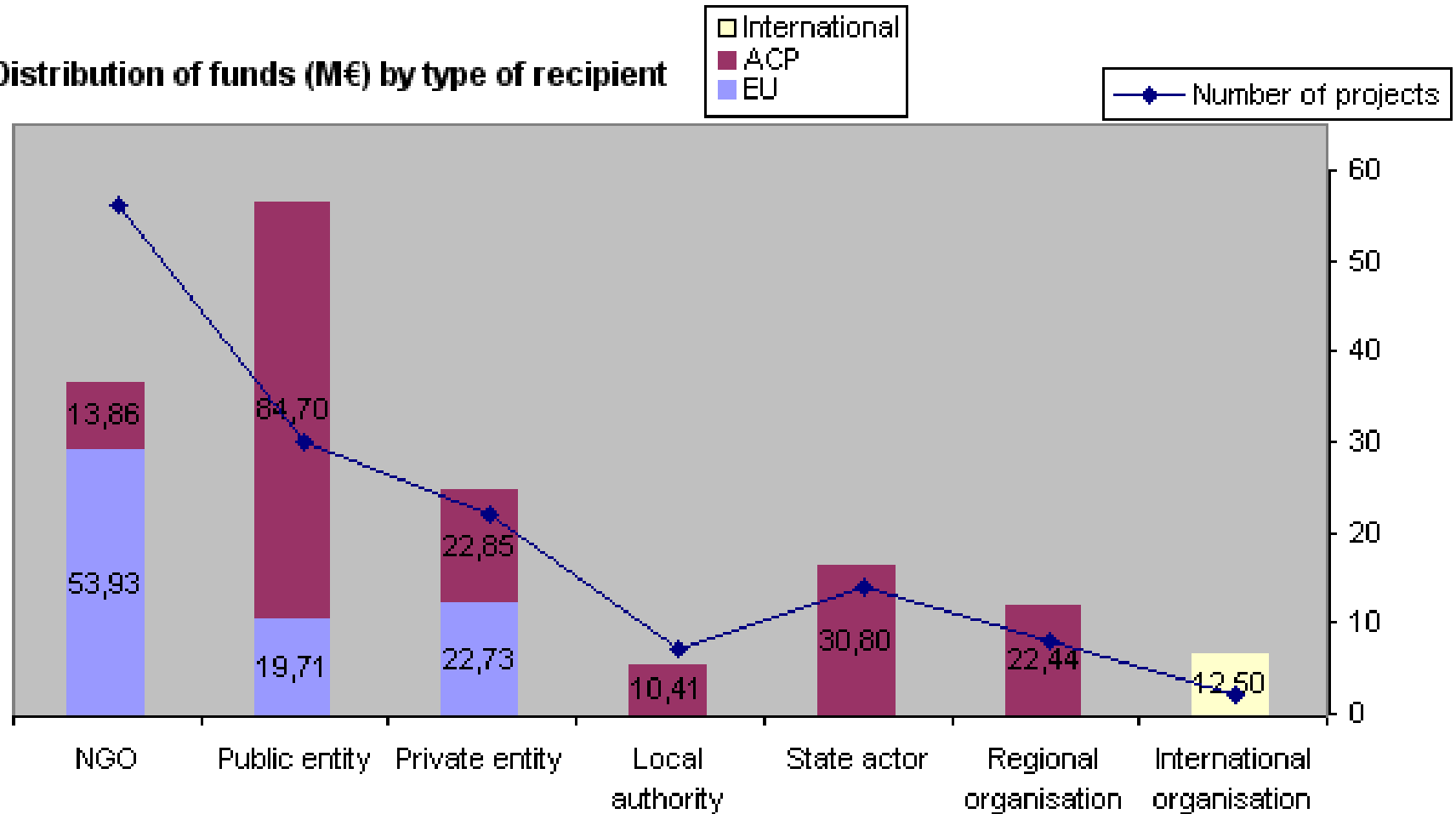


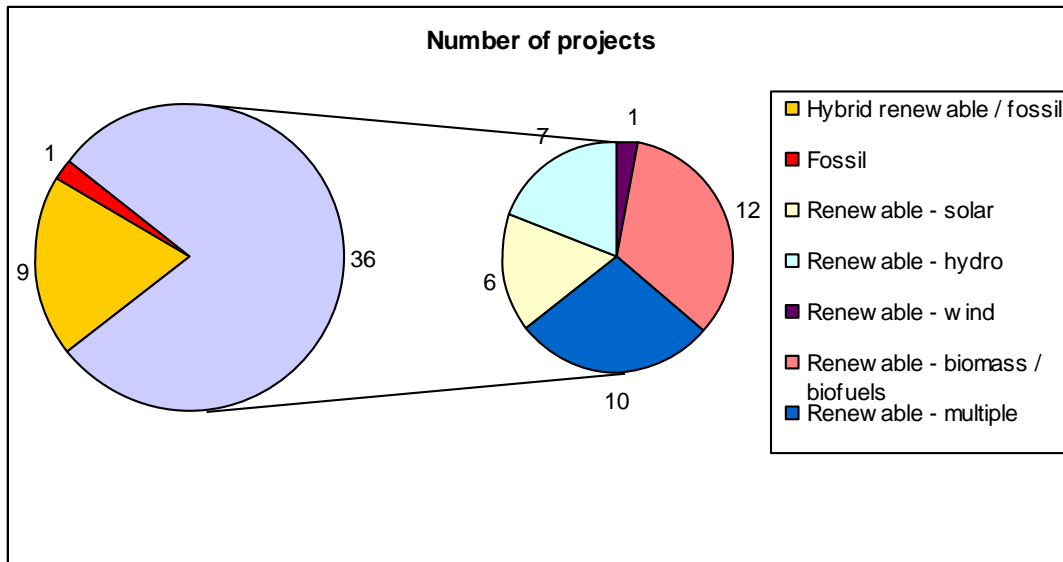


**Multidimensional
Energy Poverty
Index (MEPI)**

EU funding and breakdown by applicants' legal status and origin

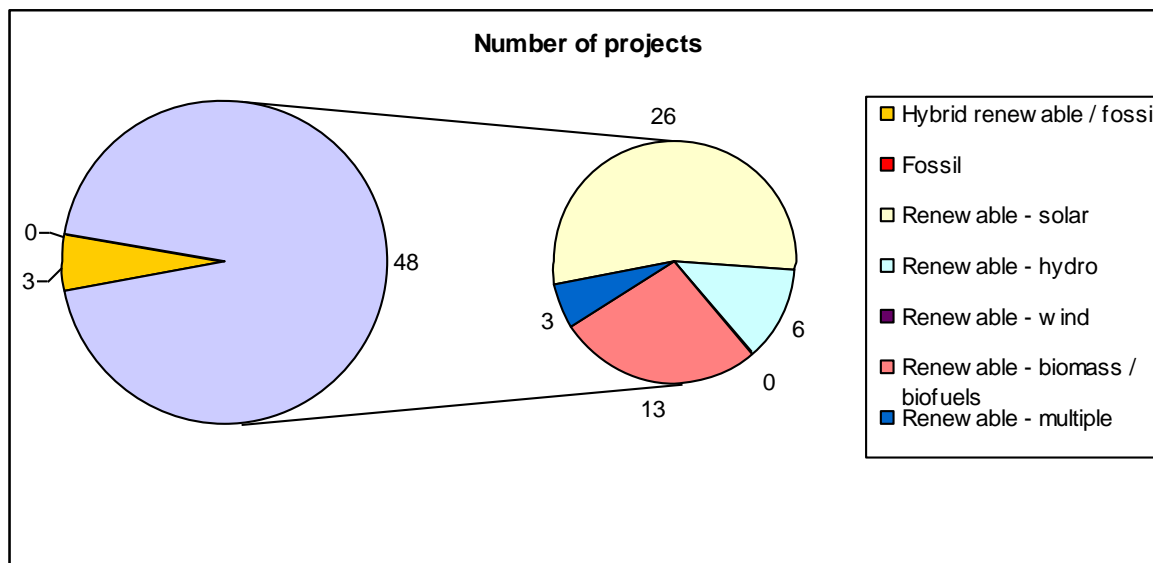
Distribution of funds (M€) by type of recipient



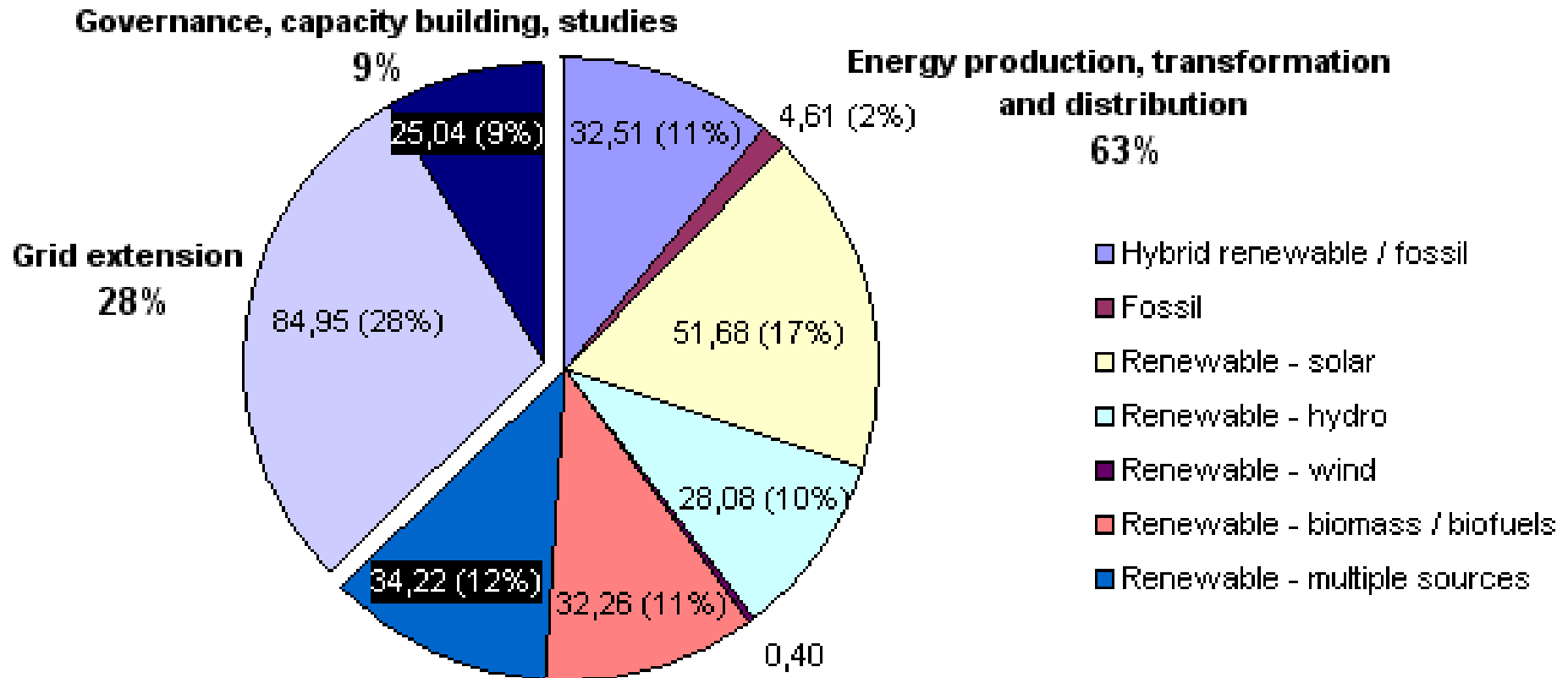


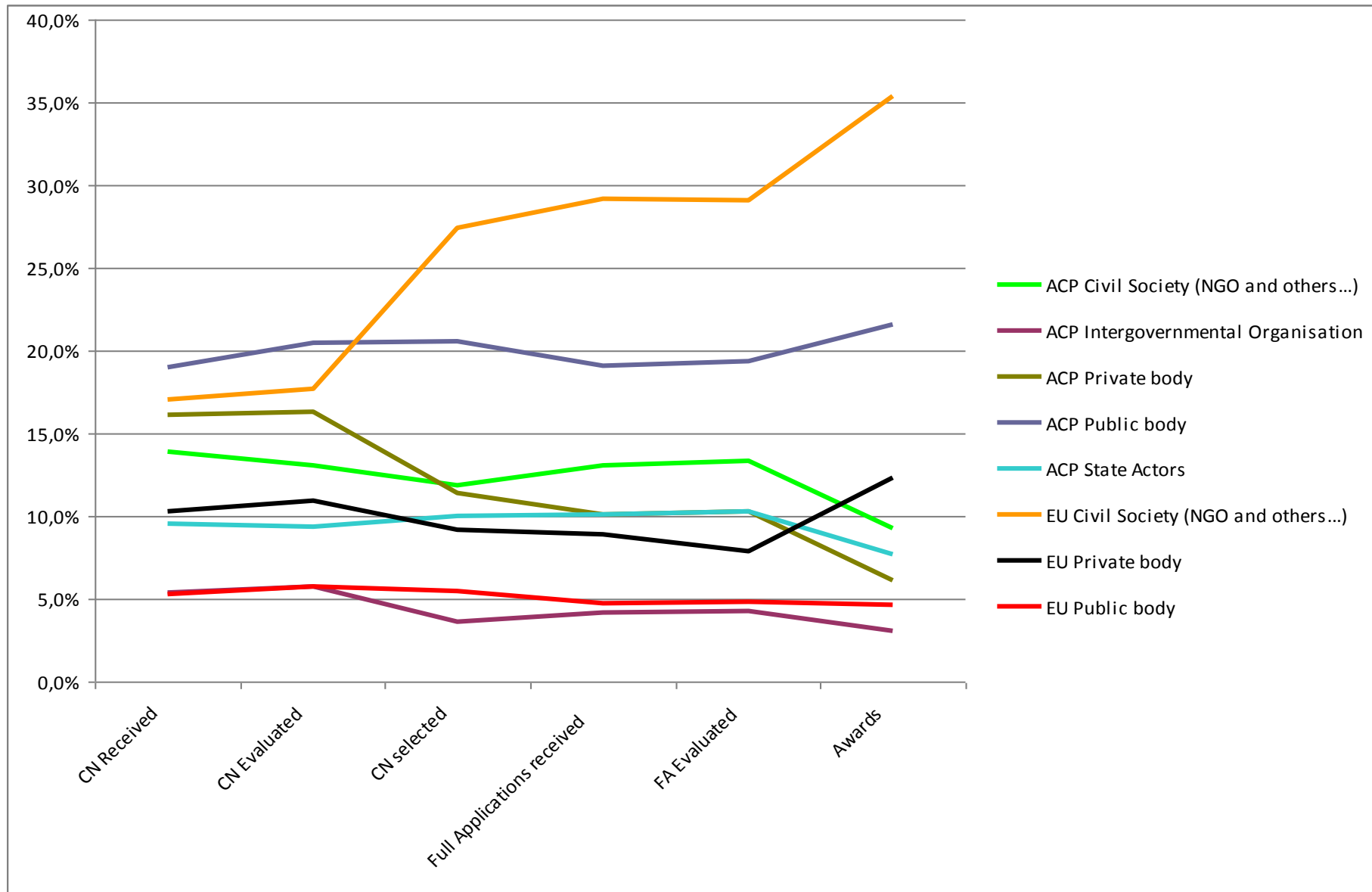
EF I

EF II



EF allocation of funds (M€) by nature of project





- Generation (off-grid), Transmission, distribution
- Micro-grids; grids extension
- Solar PV, Hydropower (pico-micro), Biomass (briquettes, biofuels - jathropha), Biogas, Wind, Hybrid systems
- Energy efficiency (stoves, charcoal)
- Energy Markets Development
- Governance

Target groups:

Households, SMEs, Public Services,
Governments



NGO:

- Set up of Community frameworks (CERC, RESCoop..)
- Awareness, education, training to MSMEs, assistance
- Set up Microcredit schemes
- Set up energy services
- Relations with local authorities
- Management of the project

Private Sector:

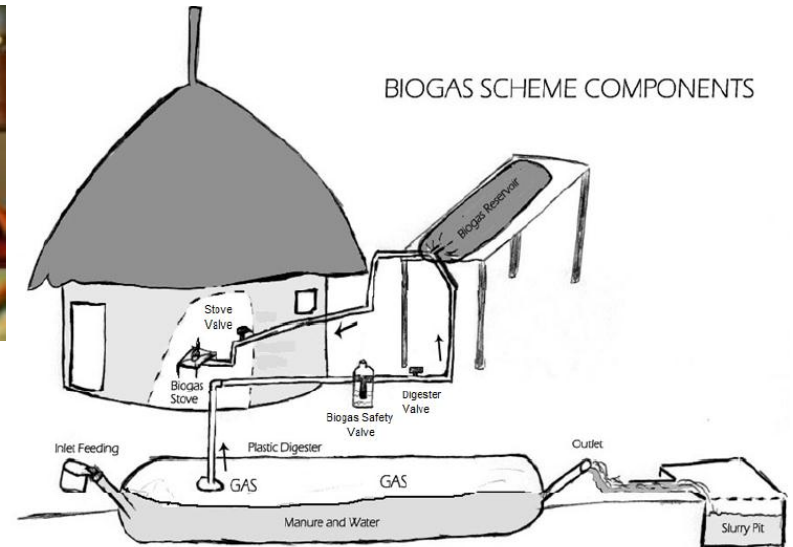
- Identification technical solutions
- M&O of Energy Services
- Training to MSMEs
- PPA with local authorities



Some examples: Solar



Biogas



Hydro power



Wind



Energy efficiency – Biomass



[Home](#)[Call for Proposals 2006](#)[Geographical Distribution](#)[ACP-EU EF Projects Database](#)[Seminars](#)[Publications](#)[Pooling Mechanism](#)[News](#)[Newsletters](#)[Links](#)[Contact Us](#)

Newsletter subscription

Name

E-mail

Home

Monitoring of the ACP-EU Energy Facility

The 1st ACP-EU Energy Facility was established in 2005 to co-finance projects on increasing access to modern and sustainable energy services for the poor in African, Caribbean and Pacific (ACP) countries. After a Call for Proposals, [74 projects](#) were contracted for a total amount of €196 M, with total project cost of €430M.

The Monitoring of the ACP-EU Energy Facility has two main purposes:

1. To provide information, advice and support to the EC's Delegations in charge of the management of the Energy Facility's contracts. Project implementing bodies can benefit from this assistance
2. To facilitate rapid and effective reporting from the Task Managers of the Energy Facility to the hierarchy and to the external partners of the EC.

The present website emphasises the dissemination of project results. It will allow to:

- Contribute to the quality in implementation through the dissemination of results, successful stories and lessons learned from the Energy Facility's projects
- Foster contacts and exchanges of experience between projects

The [ACP-EU EF Projects Database](#) provides more information about the Energy Facility projects. Visit the [Energy Facility website](#) to get more general information on the programme or to get the general results of the Call for Proposals.



EUROPEAN
COMMISSION



News

Presentations from the Regional Seminar in Nairobi

All presentations from the Regional Seminar in Nairobi, 23-24 March 2011 have now been uploaded. During the 2-day seminar about 30 presentations were made, with an emphasis on the experiences and lessons learnt from the projects financed under the First Energy Facility. Thus, representatives from 9 different projects from Kenya, Ethiopia, Rwanda, Somalia, Tanzania, and Uganda were on the podium.

[Read more...](#)

Pictures from the 3rd Regional Seminar in Nairobi

The pictures taken during the 3rd Regional

Third Regional Seminar in Nairobi, Kenya

Nairobi in Kenya will be the city host for

- Next ACP-EU Energy Facility Call for Proposals
- Follow evolution of SE4ALL Initiative (targets/modalities) – “Energy for All” NGOs Coalition
- Follow Programming phase 2014-2020 National/Regional
- Approach lead financiers for promoting projects



For more information please contact:
Europeaid-energy-facility@ec.europa.eu

For information on:

- The ACP-UE Energy Facility: <http://ec.europa.eu/europeaid/energy-facility>
- The EUEI: <http://www.euei.net/>
- The EUEI-PDF: <http://www.euei-pdf.org/>
- The Africa-EU partnerships: <http://www.africa-eu-partnership.org/>
- The EU-Africa Infrastructure Trust Fund: <http://www.eu-africa-infrastructure-tf.net/>
- ENPI – NIF: http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/irc/investment_en.htm
- NIP and RIP: http://ec.europa.eu/europeaid/where/index_en.htm
- ENRTP: http://ec.europa.eu/europeaid/how/finance/dci/environment_en.htm
- GEEREF: <http://geeref.com/>
- RECP: http://www.aep-conference.org/documents/aep_rec.pdf