

Country Support on the Deployment of Decentralised Renewable Energy Applications

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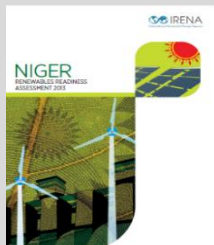
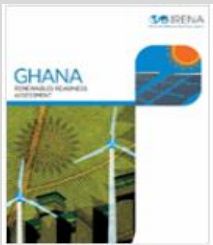
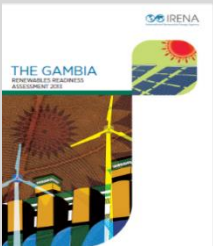
30 September 2016

International Off-grid Renewable Energy Conference 2016

Nairobi, Kenya

IRENA's Approach in the regions

Renewables Readiness Assessment



**Capacity Building
Support**



**Regional
Engagement**



ProSPER: Promoting a Sustainable Market for Solar Photovoltaic Systems in West Africa

Strengthening and developing local capacities of policymakers, regulators and utilities, financial institutions and renewable energy entrepreneurs.

Promotion of National Renewable Energy Policies and Incentive Schemes in ECOWAS Countries

OBJECTIVE: Reinforcing the capacities on policies, regulatory frameworks and incentive schemes to promote renewable energies at the national level.

Financing of Solar Energy Technology Projects in West Africa

OBJECTIVE: Raise awareness on the business opportunities embedded in the Solar PV Market

- Raise awareness on solar financing opportunities and associated risks
- Share best practices in financing solar energy projects
- Enhance the ability to assess business plans and risks of proposed PV projects.

Promotion of Renewable Energy Entrepreneurship in PV Technology and its Financing

OBJECTIVE: Strengthen the technical capacity of entrepreneurs

- Sharing innovative processes across different countries and the potentials of decentralized PV business models within the ECOWAS region.
- Enabling SMEs to assess the business potentials of PV projects, develop business plans and loan requests.
- Sharing of experiences between an international incubation centre and ECOWAS-based stakeholders

Promotion of National Renewable Energy Policies and Incentive Schemes in ECOWAS Countries

OUTCOMES:

- Awareness and understanding on instruments and mechanisms;
- Intensification of contacts among regional policy makers to create a network for exchange on policy implementation;
- Awareness and understanding of regulators and utilities for the requirements to increase market participation of IPPs;
- Development of regional renewable energy policy supported.

Promotion of Renewable Energy Entrepreneurship in PV Technology and its Financing

OUTCOMES:

- Intensification of contacts among RE entrepreneurs to create a network for exchange
- Formation of a West African association of solar entrepreneurs

Financing of Solar Energy Technology Projects in West Africa

OUTCOMES:

- Awareness and understanding of lending institutions for financing of PV projects increased;
- Lending proposals integrated into products of financing institutions;
- Intensification of contacts among lending institutions and investment promotion agencies to create a network for exchange.

The Entrepreneurship Support Facility



ECOWAS Renewable Energy Entrepreneurship Support Facility



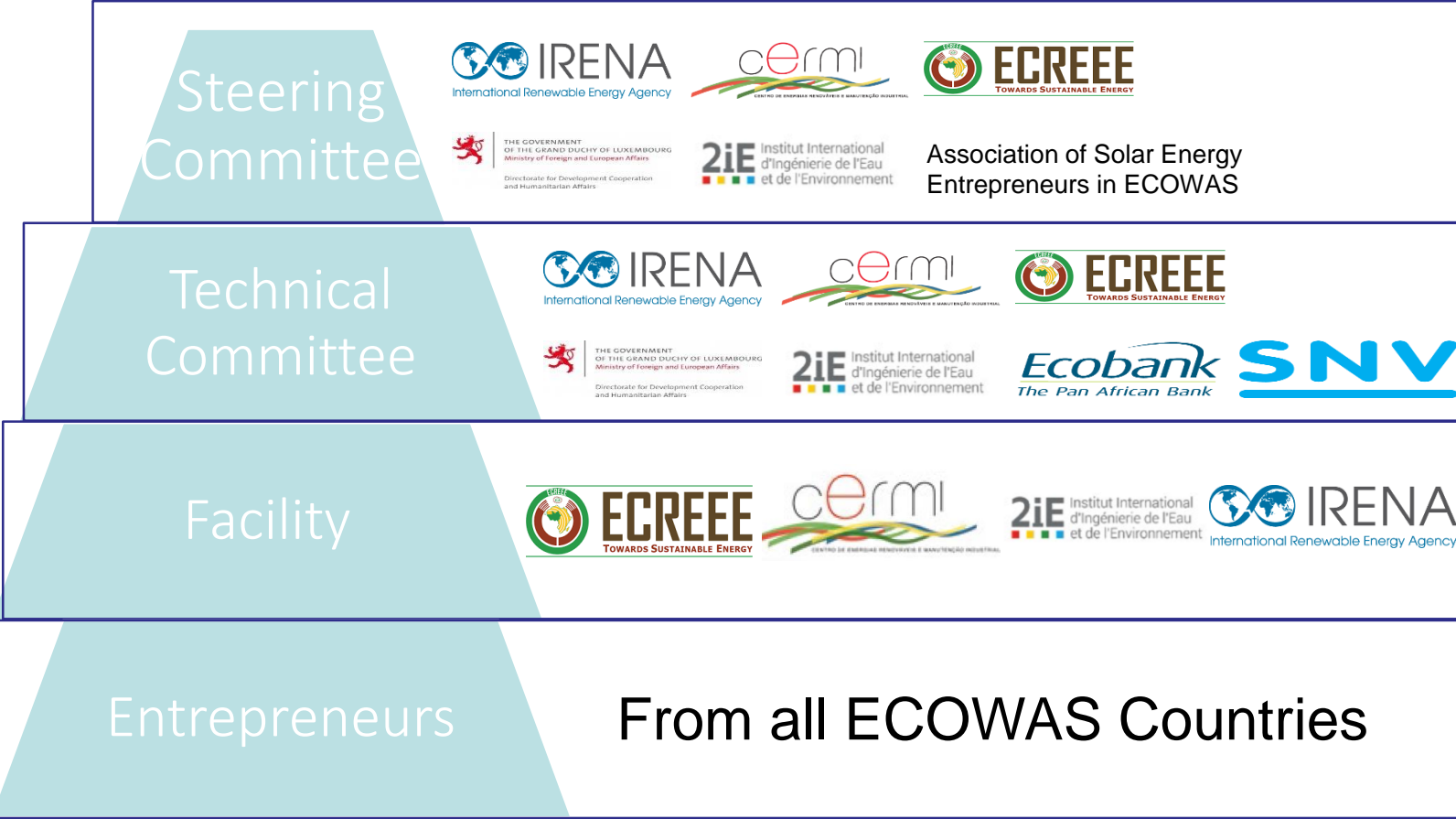
OBJECTIVES:

- Assist entrepreneurs in improving their business operations
- Provide mentorship and technical support to existing entrepreneurs
- Provide advisory services upon request
- Refine entrepreneurs' solar energy proposals to bankable levels

EXPECTED OUTCOMES:

- Increased number of bankable solar energy project proposals submitted to FI's.
- Increased number of solar energy project proposals funded by FI's.
- Sound business practices adopted by entrepreneurs.

Structure of the Facility



Approach and Activities

- Launch call for applications for ECOWAS entrepreneurs
- Receive requests for advisory and technical assistance from entrepreneurs
- Assess the requests received and select enterprises to be supported in the call
- Design intervention to address requests received from selected enterprises
- Facilitate negotiations with banks in order to allow credit access to entrepreneurs

1st CYCLE

– Launched in May 2015

– 70 applications received

– 20 entrepreneurs selected

– 8 countries represented

Current Status

Regular communication on an individual basis with the entrepreneurs, and support to connect them to banks, or provide any advisory/networking assistance



First Technical Committee meeting June 2015

ECOWAS Renewable Energy Entrepreneurship Support Facility



September 2015, Burkina Faso
Sustainable RE Business Operations
Training workshop

- Procurement and inventory management
- Business Models for disseminating solar energy (particularly in rural areas)
- Sustainable social business operations
- Marketing and sales strategies
- End-user financing
- Enterprise financing
- Quality control of equipment



Solar PV system sizing, O&M
Training Workshop

December 2015, Cabo Verde



SECOND CYCLE - 2016

Launched in May 2016

99 applications received

23 entrepreneurs selected

6 entrepreneurs from the 1st call

12 countries represented



Renewable Energy Business Plan Development
and Project Preparation Training Workshop
Business plan and project proposal development

September 2016, Burkina Faso

PV mini-grid system sizing, operation and maintenance

November 2016, Cape Verde

Deployment of Clean Mini-Grids: Experience in the ECOWAS Region and in the Philippines

Capacity Needs Assessment for the Deployment of Clean Mini-Grids in ECOWAS

Background

- 1st step for expansion of the ProSPER capacity building programme to include clean energy mini-grids with a link to the ECOWAS Rural Electrification Program
- The ECOWAS Renewable Energy Policy's target of promoting **60,000** mini-grids and **2.6 million stand-alone systems** across the region by **2020**, at an estimated total cost of €13.6 billion to serve over 70 million people

Objective

This CNA aims to facilitate the achievement of these goals for the decentralised component of the regional RE policy by identifying niches for capacity building

Outcomes

Report and action plan for the implementation

Accelerating the Deployment of Renewable Energy Mini-Grids for Off-Grid Electrification: A Study on the Philippines

Background

Archipelago of more than 7100 islands, highlighting the case for the mini-grids approach to electrification rate (80.1% in 2014 to 90% in 2017)

Power generation significantly based on coal and natural gas, but also on hydro and geothermal for grid-connected power, but not in off-grid

Varied RE potential: hydro, biomass, wind and solar

Following RRA Philippines's support for the deployment of decentralized RE solutions, including clean mini-grids for reaching the above-mentioned electrification target

Outcomes

Strategy to accelerate the development of renewable energy mini-grids for rural electrification

IRENA RE Project Facilitation and Funding Instruments

IRENA and ADFD collaborate on a joint facility to select and fund renewable energy projects in developing countries.

USD 350 million in seven cycles.



USD 5-15 million ADFD loans for each project.

Up to 50% of project costs covered.

Remainder must be co-financed.

1-2% rates on loans.

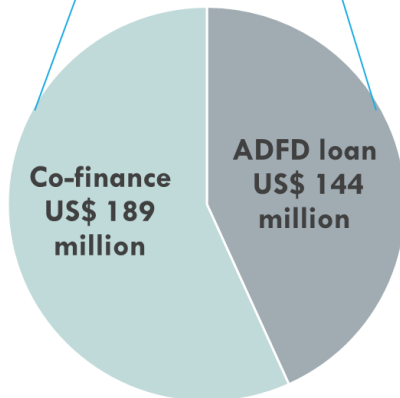
20 year loan period including 5- year grace period.

Three cycles completed:

Overall

Total Project Value

US\$ 333 million



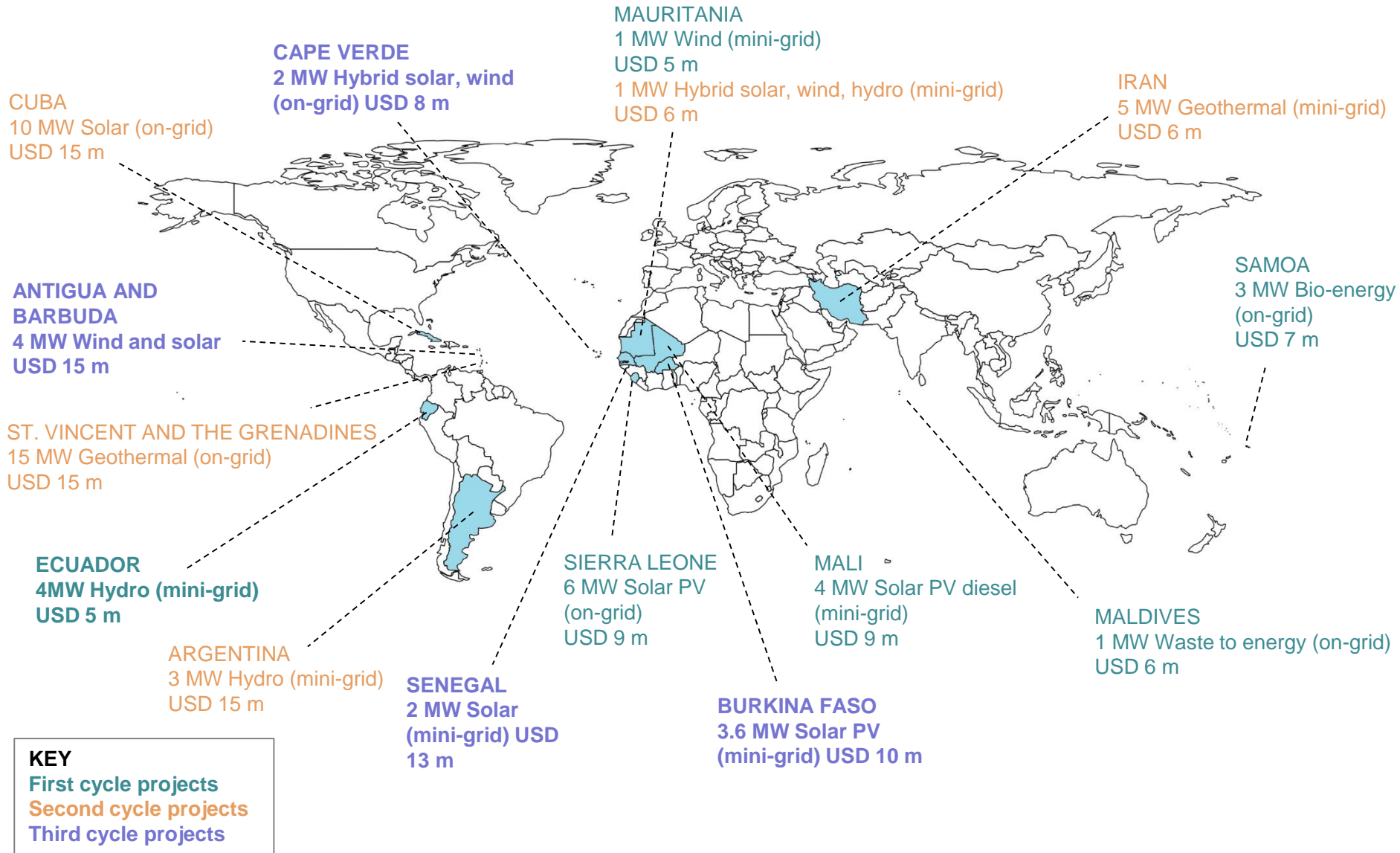
- In 4th cycle now. Projects selected for funding to be announced in January 2017.
- 5th cycle to open in mid-November 2016.
- Stakeholders can engage as applicants, experts or co-funders.

Example project selected

3rd cycle 2 MW solar project in Senegal for rural communities



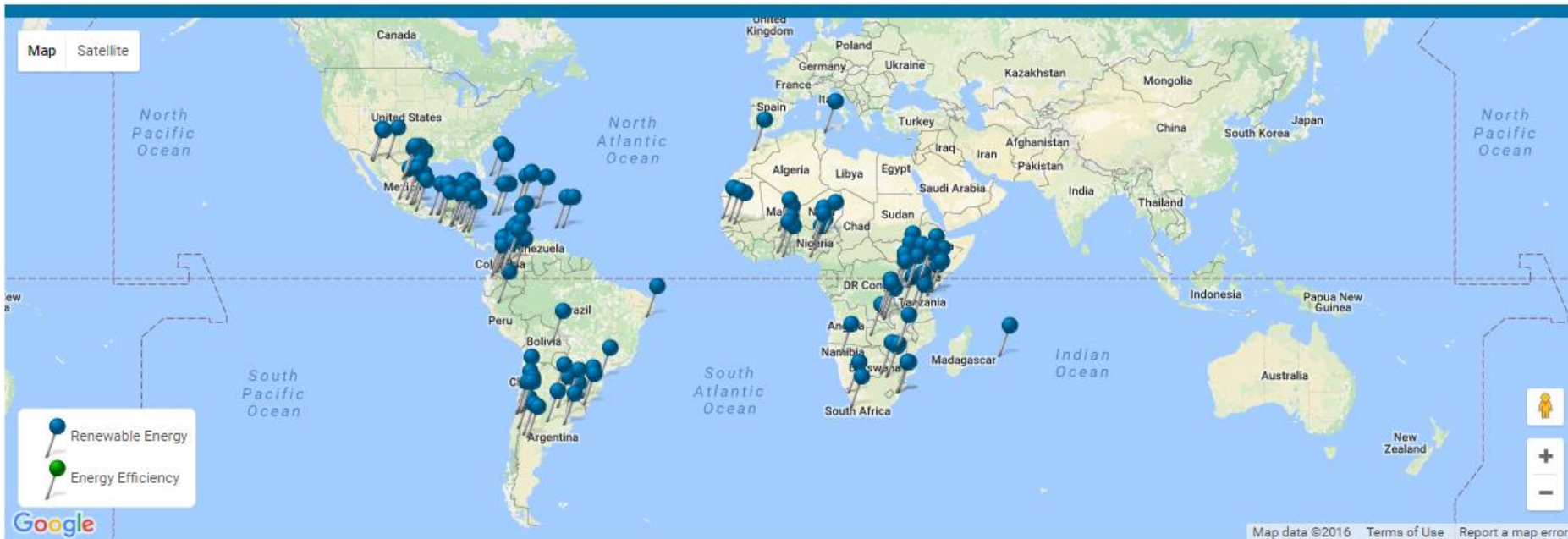
Projects selected so far



Sustainable Energy Marketplace



[About the Marketplace](#) | [Benefits for Users](#) | [About IRENA](#)



ACCESS TO
CARIBBEAN PORTAL

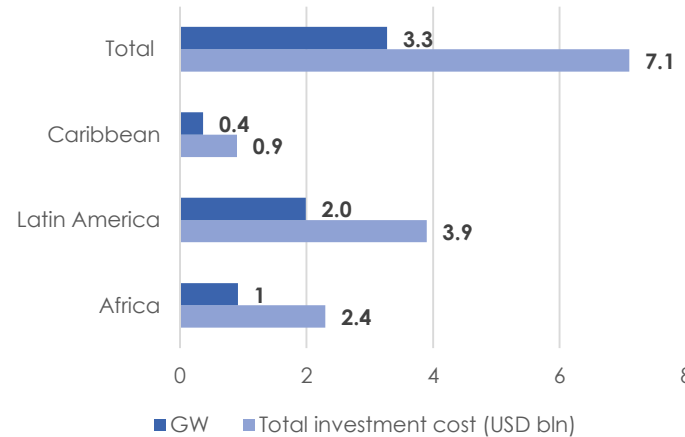
ACCESS TO
LATIN AMERICA PORTAL

ACCESS TO
AFRICA PORTAL

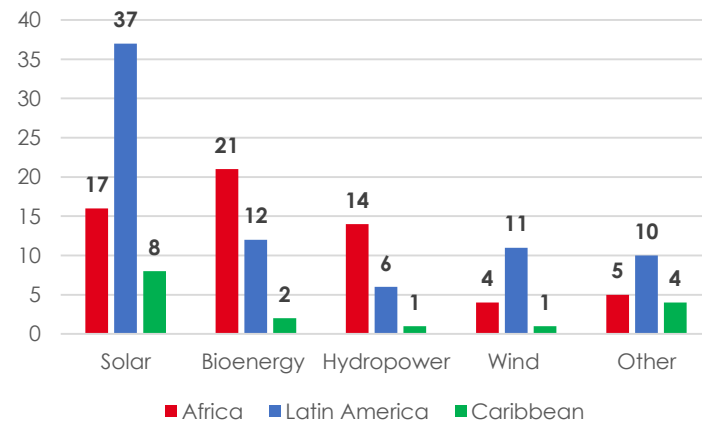
Current User Volume

- 253 registered users
- 153 projects
- 84 financing options
- USD 7bn investment need
- 62 solar projects
- 35 bioenergy projects
- 21 hydropower projects
- 16 wind projects
- 19 other renewable energy projects

Total investment cost (USD bn) and Capacity (GW)



Project types by region (number of projects)



Future Collaboration with Climate Finance Institutions



- **Collaboration with the CIFs (SREP and CTF) – work on the overlapping countries**
 - CTF countries with endorsed investment plans and RRA countries
 - SREP Countries with endorsed investment plans and RRA countries
- **Collaboration with GCF**
 - Concrete country support (CB) through the Readiness Support Funds – USD 1M/year
 - Project Preparation Facility: 1.5USDM/Project (to be channeled through an implementing agency)
- **Collaboration with GEF**
 - Project preparation facility (revolving fund): Small amount for CB activities among others

Thank you for your attention.