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SUSTAINABLE
ENERGY FOR ALL

Green Mini Grids Market Development Programme

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ENERGY PARTNERSHIPS DEPARTEMENT

Sustainable Energy for ALL (SE4ALL)

The first objective of SE4ALL is to achieve universal access to modern energy (power) by 2030. The AfDB's New Deal on Energy for Africa moves that forward to 2025

645 million out of the 1.1 billion Africans, nearly 60%, don't have access to electricity. And **half of those come from only six countries.**

For the 645 million powerless Africans to achieve universal access to electricity, Africa will need 800 new power plants with a capacity of 200 MW each, transmission and distribution for 130 million new connections, 350,000 mini grids with 150 connections each, and 22.5 million newly installed isolated solar systems.



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GMG Market Development Program

- Part of DfID's Green Mini-Grids Africa Program that also includes
 - programs for Kenya and Tanzania, and more recently Mozambique, Sierra Leone and the DRC
 - GMG policy development through SEFA
 - Action Learning and Exchange component being implemented by ESMAP at the World Bank
- A mix of **internal staff and advisory services**.
- Designed via a **consultative process** with SE4ALL stakeholders, the CEMG Partnership, experts and practitioners.
- **Multi – phased**: to assure greater degree of flexibility to adapt to the changing landscape, closer coordination with partners and gradual take-off in parallel with increasing internal implementation capacity.
- Began in 2015/2016, **Phase 1** to end in first half of 2017, Phase 2 about to begin



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MDP evolution

Business Lines	Phase 1	Phase 2
1. Market Intelligence	<ol style="list-style-type: none"> 1. Develop assessment methodology 2. Conduct 5 country assessments 	<ol style="list-style-type: none"> 1. Conduct ten additional country assessments 2. Hydro and biomass mapping where gaps identified 3. GMG market database
2. Business Development Services	<ol style="list-style-type: none"> 3. Design and launch Developers' Help Desk and provide technical assistance 	<ol style="list-style-type: none"> 4. Maintain and expand Developers' Help Desk and TA 5. Action research on productive use and demand-side management 6. Training Centers of Excellence in Electricity
3. Policy & Regulatory Support	<ol style="list-style-type: none"> 4. Catalogue policies and regulations 5. Draft GMG Africa Strategy 	<ol style="list-style-type: none"> 7. Design and launch GMG Policy Help Desk and technical assistance 8. Study alternative billing methods
4. Quality Assurance	<i>Nothing</i>	<ol style="list-style-type: none"> 9 Pilot Global LEAP's Quality Assurance Framework
5 Access to Finance	<ol style="list-style-type: none"> 6. Study demand and supply of finance 7. Develop Debt Fund for Energy Inclusion 	<ol style="list-style-type: none"> 10. Design results-based financing grant fund 11. Capacity needs assessment and training of bankers 12. Design supplier/export credit matchmaker initiative



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Key Aim and Objectives of GMG Africa Strategy

“..... to trigger within African Ministries of Energy and their partners a commitment to putting into place the policies, regulations and supports needed to create an enabling environment for private investment into GMGs across the continent”.

“..... to arrive at mutual agreement regarding the five essential elements that comprise a favourable environment for GMGs; to detail the steps required in each country to put those key elements in place; and to guide countries in the creation of action plans.



Five Essential Elements to Enable GMGs

- 1. Enact clear regulations and provide simple licensing procedures**
- 2. Communicate plans for expanding main grid**
- 3. Enact laws that allow for cost-reflective tariffs***
- 4. Undertake integrated energy planning**
- 5. Increase the capability of government officials and service providers to implement GMGs**



Support Available

- Although this Strategy document has focused primarily on actions required at the country-level, some parts of the GMG Africa Strategy will need to be implemented on a regional or Africa-wide level.
- **One example of an Africa-wide action is the Green Mini-Grids Market Development Programme (GMG MDP)**, implemented by the SE4All Africa Hub at the African Development Bank, which provides GMG tools, products and services to many GMG sector stakeholders.
- An example includes the technical assistance provided of project developers through the GMG Help Desk (<http://greenminigrid.se4all-africa.org/>), and financial products and services supplied by the AfDB or its commercial bank partners. In the months ahead a second Help Desk will be launched, providing TA to public sector stakeholders working toward building the policy and regulatory pieces of a GMG enabling environment.
- Other international development partners, such as the World Bank and the GIZ, also provide services that support the pan-African GMG sector.
- **Regional economic communities (RECs) and regulator associations also have roles to play in creating a sustainable GMG sector.** RECs can work toward harmonising import and tariff regimes for GMG technologies and operations. Regulator associations can work towards adopting regional quality assurance standards.



SEARCH

Providing a complete information service for developers of green mini-grids (GMGs) in Africa.



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SEFA Country Programs

TITRE DE LA PRESENTATION

Mozambique – Development of GMG Policy and Regulations

Rwanda – Mini Hydro Feasibility Studies and Mini Hydro Rollout Plan

Niger – Development of GMG Policy and Regulations plus Business Plan Competition

Gambia – Development of GMG Policy and Regulations, plus Transformation of MFPs and Isolated Grids

Burkina Faso and DRC – Actions TBD



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Thank you!



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