



*Regional Centre for Renewable Energy and Energy Efficiency*  
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*Centro Regional para Energias Renováveis e Eficiência Energética*  
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## **1st ECOWAS Renewable Energy Investment and Business Forum**

**27th and 28th of September 2012, Dakar, Senegal**

### **Forum report**

*An ECOWAS Regional Centre for Renewable Energy and Energy Efficiency (ECREEE)  
activity jointly organized with African Development Bank (AfDB)*



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## Report on EREI Forum

### **Table of Contents**

Introduction .....	3
Background of the EREI Initiative.....	3
Preparatory activities to the Forum.....	4
Objectives and Expected Results.....	5
Proceedings of the Forum .....	5
Opening and welcome addresses.....	5
Session 1 .....	7
Session 2 .....	8
Session 3 .....	9
Session 4 .....	10
Session 5 .....	11
Session 6 .....	11
Session 7 .....	12
Follow-up actions to the forum .....	13
Conclusion .....	14
Annexes.....	14



## Introduction

The ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE) launched the ECOWAS Renewable Energy Investment Initiative (EREI) as part of its mandate to attract investment on RE projects in the West Africa region. The EREI is planned as a commitment of ECOWAS to promote implementation of medium and large scale RE power plants, in order to overcome the energy challenges faced by the region. Within the context of EREI initiative, ECREEE is managing a pipeline of 166 projects at different stages of development, across the 15 ECOWAS member States. Mobilization of funds is identified as one of the main constraints to the implementation of these projects. The objective of EREI is to provide support to the implementation of RE projects by creating networks which link-up promoters and interested financiers. To launch this new initiative, ECREEE organized a RE Investment and Business Forum, in partnership with the African Development Bank (AfDB), through its regional office based in Dakar, Senegal. The first Edition of the Forum, held on the 27th and 28th of September in Dakar, was attended by approximately 90 participants coming from Senegal, other ECOWAS member States, Europe and USA. The participants were mainly financiers, project promoters, donors and market analysts who are interested in knowing more about the investment opportunities in the West Africa renewable energy market. The long term objective of ECREEE within the EREI Forum is to create a platform for periodic meetings between investors, lenders and promoters of RE projects in West Africa, under the umbrella of ECOWAS governments, through its specialized agency (ECREEE). For this first edition, a two days meeting with seven (07) sessions were planned in the agenda. The main discussions were related to the issues the financiers face, the investment conditions, and the need to have a new institutional approach in the West Africa energy sector which fully integrates RE technologies.

## Background of the EREI Initiative

The energy sector in West Africa is facing many challenges, among which:

- lack of modern energy access for about 60% of the population;
- growing electricity demand, particularly in peri-urban and rural areas;
- problems in the generation systems because of reliance on fossil fuels and aging facilities
- expensive energy cost;
- Climate change impacts calling for the need for GHG mitigation and adaptation of energy systems.

However, the EREI Initiative is undertaken in the context of encouraging developments in the ECOWAS region, contributing to present its RE sector as an investment opportunity. Indeed, within its mandate to contribute to a sustainable development for the region, ECOWAS is committed to overcome challenges in the energy sector in order to ensure access to modern and reliable energy at affordable prices. To this end:

- In 2006, ECOWAS adopted the White Paper on improving access to energy services for population in the region, with a focus on rural and peri-urban areas. The White Paper



specifies that 20% of new investment in the energy sector should be on local RE resources.

- In 2010, the ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE) was established by the ECOWAS Council of Ministers with support from the Governments of Austria and Spain and the United Nations Industrial Development Organization (UNIDO). The specific objective of ECREEE is to create favorable framework conditions and an enabling environment for renewable energy and energy efficiency markets, by supporting activities aimed at mitigating existing barriers. Those activities include policy development, capacity building, awareness raising, knowledge management as well as business and investment promotion.
- On June 2012, the representatives of the energy sector in ECOWAS member countries validated the draft documents of the regional RE and EE policy. Those policies are expected to be adopted during the high level forum scheduled for October in Accra (Ghana), together with the bioenergy strategic programme and the small hydropower programme.
- To promote investment in the RE sector, ECREEE initiated in 2011 a first call of proposals under the framework of the ECOWAS RE Facility (EREF). The EREF is awarding grants to small scale RE projects identified in the region. The 41 projects selected by EREF are being implemented with the assistance of ECREEE. For medium and large scale projects ECREEE undertook an ECOWAS RE Initiative (EREI) which the main objective is to facilitate communication between promoters and financiers interested in the RE sector of West Africa. Attendance and contribution of participants to the 1<sup>st</sup> edition of the EREI Forum confirmed the interest of financiers for the West Africa RE sector

### Preparatory activities to the Forum

In preparation to the Forum, ECREEE initiated the inventory of all medium to large scale RE projects in the region, with support of its network of national focal institutions (NFI). Projects documents were collected by ECREEE staff during visits to member countries. Then, a template of project survey (Annex A) was elaborated and sent to national contacts. At the end of the process, 158 projects were counted in the region, at different stage of development. From those 158 projects, 64 projects have reached an advance stage of development (and available information) in order to be considered identified projects, the rest were still in their early stages of development. Out of these 64 projects, some of them had already reached the financial close or are in a very advanced stage of development. ECREEE took charge of the remaining 41 projects in order to provide direct support to their development. The 41 projects were given to the British cabinet, Sinclair Knight Merz Limited (SKM) for a high level review, to support discussions between promoters and financiers. Results of the SKM review is listed as annex B of this report. Prior to the meeting, the report and appraisal documents were sent to main financiers intervening in the region.



## Objectives and Expected Results

The main objective of the Forum is to create a permanent framework where financiers and project promoters could meet to discuss the existent opportunities in the West Africa RE industry and the main issues to tackle, with ECREEE as facilitator. The following specific objectives were expected to be attained:

- To link-up different stakeholders involved in the finance and development of RE infrastructure projects in West Africa;
- To showcase the RE power sector in West Africa as more attractive for Direct Foreign Investment (DFI);
- To provide reliable and updated information about existent and identified RE projects in the region;

It was expected as results to the forum proceedings:

- The establishment of a communication bridge between promoters of RE projects and financial partners;
- A common understanding of the need to change approach in the Power Sector for RE in urban and Rural Electrification;
- The identification of financial partners interested to provide support to selected projects;
- The identification of actions to be undertaken in the short and mid terms, with support of participants.

## Proceedings of the Forum

### Opening and welcome addresses

Mr. Modiene Guisse, director of cabinet **in the Ministry of Energy and Mines**, representing the Minister, in its opening address welcomed participants to Senegal and stressed the importance for its Government to host the 1<sup>st</sup> edition of the EREI Forum which is a regional initiative. Mr. Guisse recalled the commitment of the Government of Senegal to promote RE energy as part of its will to ensure energy access and energy security to its population. He mentioned the dependency to fossil fuels as contributor to the energy crisis Senegal is continuing to face, as the reason why on July 2012 the Government presented a new energy strategy based on diversification of energy sources, including RE. This new strategy will be presented in the 2012 Letter for Development of the Energy Sector (LPDSE, 2012).

Mr. Guisse listed some realizations of the Senegal Government on promotion of RE systems:



- The adoption of laws on RE and biofuels with implementing decrees;
- The creation by Ministerial order of an Accreditation Committee for selection of solar and wind projects. This committee has currently four (04) wind projects of 50 MW capacity each, five (05) solar projects and two biomass projects in a stage of pre-qualification;
- Two programmes are under execution in the biomass sector (PNB and PROGEDE).
- The creation of an incentive scheme mechanism of 10 billion F CFA (15.2 million Euros), in collaboration with the Banque de l'Habitat du Senegal (BHS), for equipment of households with 15.000 solar kits.

However, despite all those initiatives the Director stressed the fact that the funding of RE projects remains a concern for the Government of Senegal.

Finally, he mentioned the importance of the institutional framework in the RE investment attractiveness and on this purpose recalled the validation workshop of the RE and EE policy documents done in Dakar on June 2012. He finished by thanking ECREEE and assured the Centre for the support of the Government of Senegal.

**The African Development Bank (AfDB)**, represented by Ms. Leila Mokadem, Resident Representative of the Bank in the regional office of Senegal, introduced its allocution with the need for energy access to contribute alleviating some of the problems faced by Africa and in particular sub-Saharan Africa such as:

- Internal pollution due to biomass consumption as domestic energy, which is a major cause of death in developing countries;
- Environment problems such as deforestation and destruction of lands;
- Expensive cost of energy which impacts education and feed, as well as women and children well-being.

Ms. Mokadem then spoke about the exploitation of RE resources as contributing to poverty alleviation, job creation, achievement of the millennium development goals (MDG) and transition to a more environment-friendly economy. She listed energy projects in the West Africa region to which AfDB contributed, mainly hydropower projects in Benin, Côte d'Ivoire, Guinea, Niger, Togo and Sierra Leone. She mentioned the Scaling-Up Renewable Energy Program (SREP), under the Climate Investment Funds Initiative, which the bank is coordinating together with multilateral banks to provide support to preparation and implementation of RE investment strategies to countries. Two ECOWAS countries, Mali and Sierra Leone, are selected in the pilot phase of the SREP.

Finally, Ms. Mokadem stressed the importance of the existence of an institutional, strategic and regulatory framework to attract investment. She concluded with an appreciation of the Forum which will contribute to attract investment for the region.

The Director of the **Commission for Infrastructures of the ECOWAS Commission**, Mr. Ebrima Njie, started by expressing sincere appreciation to the Government of Senegal and the African Development Bank (AfDB) for hosting this first edition of the ECOWAS RE Initiative Forum, as well as to ECREEE partners, the Government of Austria, the Kingdom of Spain and



the United Nations Industrial Development Organization (UNIDO). Mr. Njie recalled the commitment of ECOWAS Member States to achieve the goal of sustainable energy access as key factor underlying sustainable development. Hence the establishment of the West Africa Power Pool (WAPP), the West Africa Gas Pipeline (WAGP), the ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE) and the adoption of the regional white paper on access to energy. Mr. Njie expressed its appreciation that ECREEE, under the EREI Initiative, integrates the investment in RE in its action plan and stressed the need for this investment to be supported by technical and human related capacities, market regulation and an incentive policy environment, the reason why regional policies on RE and EE were thought and developed. In this regard, Mr. Njie also spoke about the “new regional power supply concept based on large bulk power generation (...) and substantial contribution provided by renewable energy options”. He stressed the fact that this EREI Forum is the start of a long process to bridge the gap between the large potential of RE projects and financing tools, with appreciable contribution of the private sector.

Finally, he called for the Forum to serve as a platform for stakeholders actions to foster investment in the West Africa RE sector. Mr. Njie concluded its allocution by opening the first edition of the ECOWAS Renewable Energy Forum.

## Session 1

The **ECOWAS RE Investment Initiative (EREI)** was presented by Mr. Mahama Kappiah, Executive Director of **ECREEE**, beginning with information about the ECOWAS region, which has 15 member States and a population of 300 million, from which 60% live in rural areas. The presentation recalled the energy challenges the ECOWAS region is facing today, which are access to modern energy services, energy security and climate change mitigation. To address those challenges, ECOWAS can count on huge renewable energy resources such as hydropower (large and small scale plants), solar, wind and biomass, but there remains constraints to their exploitation, among which the absence of institutional incentives and regulatory framework, lack of technical and human capacity and lack of innovative financing mechanisms. The ECOWAS region is also endowed with huge potential for energy conservation with appropriate measures.

However, there is a positive dynamic in favor of the promotion of RE technologies. At the country level, Cape Verde, Ghana and Senegal adopted RE laws and at the regional level the ECOWAS RE policy document, elaborated by ECREEE in collaboration with the RE Cooperation Program of the EU Commission, is in the process of adoption by the ECOWAS Ministries of Energy.

In the region RE infrastructures projects are operational (Cape Verde), under construction (Ghana and Nigeria) and a Solar panel manufacture (SPEC) is implemented in Senegal. The added value of ECREEE to this dynamic can be summarized in four points, the four (04) pillars of the ECREEE intervention in the region.



- Support regional and country level policy framework in favor of RE deployment. The regional RE policy document sets targets of RE share in the total ECOWAS generation capacity (including large hydropower), 35% by 2020 and 48% by 2030;
- Manage the data, information and knowledge in RE by establishment of an Observatory for RE and EE;
- Reinforce capacity of RE market stakeholders by training workshops, started since 2011. A capacity building program is currently elaborated in collaboration with universities in the region (Burkina Faso, Cape Verde and Ghana).
- Promote investment and business by creation of various innovative mechanisms: the ECOWAS RE Facility (EREF), the ECREEE Micro-finance scheme for rural communities and the ECOWAS RE Investment Initiative (EREI). In addition, ECREEE initiated demonstration projects, leading by example, to facilitate acceptance of RE installations by the general public (e.g. the green ECOWAS Headquarters and the Solar Cooling project in Cape Verde).

After thanking AfDB, partner of this first edition of the forum, Mr. Kappiah concluded with some activities ECREEE has to undertake in coming years to achieve the overall objective of EREI which is to support successful implementation of large and medium scale RE projects in the ECOWAS region, including the presentation of those projects to sources of capital finance.

The second presentation of this session was done by Mr. João Duarte Cunha from the **African Development Bank (AfDB)**. Mr. Cunha presented AfDB as a pan-African multilateral development bank intervening in infrastructures finance, private sector development and regional integration. He recalled that in the energy sector, the intervention of the bank is motivated by the contribution of energy in the reduction of poverty indicators levels, the huge potential of energy in the continent and the contribution to climate change mitigation. The objective of AfDB in the energy sector is to increase access to energy while helping Africa in adoption of a green growth path. Between 2006 and 2011, the contribution of AfDB to the energy sector has increased from about 200 million to more than 2,000 million units of account (UA), roughly one-third going to RE infrastructures. Among those RE infrastructures, Mr Cunha listed the Cabeolica wind project (Cape Verde), the KivuWatt hydropower project (Rwanda) and the Menengai geothermal project (Kenya).

## Session 2

The focus of this session was to present the role of public and private institutions on RE deployment considering existing initiatives in the region.

The perspective of a Government was offered by the **Ministry of Energy and Mines of Senegal**, represented by Mr. Boubacar Mbodji, RE Adviser in the Ministry. The current economic situation of the country was reviewed, as well as the energy situation, where it was recognized how the energetic crisis has affected the industries and services. The Senegalese government has been showing political will to support RE deployment in the country and EE measures through the appropriate legal framework, the approval of IPP projects, programmes for distribution of solar kits or low-consumption light bulbs.



Mr. William Sam-Appiah was representing the **Volta River Authority of Ghana**, and his presentation started by explaining how the utility used to rely on hydro power to supply Ghana's electricity needs, but the increasing demand meant that about 800 MW of thermal power capacity had to be installed between 1997 and 2009, thus increasing the country exposure to fuel price escalations and the carbon footprint of the power generated by VRA. To comply with the target set by the Ghanaian government of 10% RE in the energy mix, VRA is pursuing the installation of 10 MW PV plants and 100 to 150 MW wind farms, after an exhaustive site evaluation and resource assessment.

The **Cabeolica Wind Power Project in Cape Verde** was discussed from two different angles: the promoter (Africa Finance Corporation, represented by Mr. Batchi Baldeh) and the lender (African Development Bank, represented by Mr. Mark Dimmer). This project is a Public-Private partnership (PPP) between the Government of Cape Verde and AFC to take advantage of the outstanding wind resources in Cape Verde. The project envisages 25.5 MW of added installed capacity in Cape Verde, representing an opportunity for the country to diversify its energy mix, currently dominated by thermal power generation. AFC considers the government support, the stable macroeconomic growth, the stable policy/regulatory frameworks and the performance guarantees as critical success factors. The role played by the lender (AfDB), was to confirm financial and economic viability, to modify certain contractual terms to strengthen the project, to contribute to environmental and social work stream and to bring experience from similar projects, acting as the catalyst during the most difficult times.

Another successful story was shared by the regional office of the **United Nations Environment Programme (UNEP)**, represented by Ms. Myriem Touhami: the Prosol (solar programme) in Tunisia. The programme goal is to upscale the market for residential solar water heaters, by helping local banks build loan portfolios in RE sector by implementing a framework that tackle all the market barriers (e.g. LPG government subsidy, lack of confidence in the technology, lack of local bank expertise to tailor RE loans). The programme would facilitate consumer access to credit, with repayments being made through the electricity bills. The interest rates were softened to benefit the consumer. The engagement and commitment of national authorities enhanced financial institutions trust and resulted in lowered costs for residential end-user purchasers.

### Session 3

The presentation of the RE appraisal report was done by Mr. David Vilar, **ECREEE**. Mr. Vilar presented the methodology of the projects review from the data gathering phase to the contracting with Sinclair Knight Merz Limited (SKM). The deliverables of the SKM work are proforma sheets with key information on each project and an appraisal report. SKM worked on 41 selected projects from 14 ECOWAS Countries<sup>1</sup>, with a total potential installed capacity of 552 MW. The distribution of those 552 MW by RE technologies is:

- 7.8% biomass;
- 26.6% solar photovoltaic;
- 27.7% small hydropower;

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<sup>1</sup> Niger has no project in the 41 selected projects.



- 37.7% wind.

The distribution of projects per country is the following: Benin (4), Burkina Faso (4), Cape Verde (6), Côte d'Ivoire (3), Gambia (2), Ghana (1), Guinea Bissau (2), Guinea (8), Liberia (2), Mali (4), Nigeria (3), Senegal (4), Sierra Leone (1) and Togo (1).

## Session 4

The “Sustainable Energy Fund for Africa” (SEFA) from the **AfDB** was presented during this session by Mr. João Cunha. The initiative is intended to fill the gap on energy financing in Africa, as compared to the rest of the world, especially taking into account Africa’s huge untapped RE resources: a stronger role of private sector investors in energy infrastructure is vital. SEFA was established as a 55 million USD bilateral trust fund between the Government of Denmark and AfDB, and is designed to involve the bank in increasingly smaller private-sector driven RE & EE projects.

The SEFA programme has two (2) different components. Project preparation support (component 1) is directed at projects with size ranging from 30 to 75 million USD, offering grants up to 1 million USD. Projects should demonstrate high direct and indirect employment impacts, innovative use of technology, good relationship with potential lenders/investors and positive gender impacts. Equity investment window (component 2) aims to provide direct investment and business development support to SME’s in the renewable energy and energy efficiency value chain. It is directed at projects in the 10 to 30 million USD range and focus on the trade-offs between commercial viability and social impact.

The second presentation was about the expansion of the **Private Financing Advisory Network (PFAN)** in West Africa, presented by Mr. Edward Hoyt and Mr. Peter du Pont from Nexant, USAID contractors. PFAN was initiated by Climate Technology Initiative in cooperation with the UN Framework Convention on Climate Change’s (UNFCCC) Expert Group on Technology Transfer, and is supported by USAID and other international donors. The objectives are to broaden access to private financing for clean energy projects in developing countries, increase the rate at which clean energy projects are financed and actively pursue strategies to create an investment climate that supports scale up of clean energy investment. PFAN services include identifying promising clean energy projects, assisting them to develop bankable proposals, providing free coaching and mentoring to improve business plans and proposals, and matchmaking to develop a regional network of private and public investors. PFAN targets projects in the 1 to 50 million USD range, including different RE technologies (wind, solar, geothermal, biomass, liquid biofuels, small hydro).

After the success achieved in other regions, USAID decided to expand PFAN, and for that reason a regional consultation process was conducted. West Africa and Central America were selected as the two (2) priority regions for strengthening of the initiative. The strong regional potential and the stakeholders support for the idea of PFAN in the West African region were some of the main drivers for the PFAN expansion. The next steps for the initiative in West Africa are supporting ECREEE in regional outreach, building a regional network and planning an investor forum for mid-2013.



## Session 5

The deployment of RE infrastructures can be supported by different incentive schemes. Presentations offered insight into various mechanisms available for RE infrastructure development worldwide and in the region.

IDAE, the **Spanish public institute for the promotion of energy efficiency and diversification of energy sources**, represented by Ms. Sofia Martinez, presented the Spanish experience on policy measures and support schemes for RE & EE. It emphasized the need for regulatory intervention to create a level playing field between conventional and renewable sources, creation of clear market rules, providing subsidies to rural investments and support for small and new developers using innovative RE technologies, reducing administrative barriers, establishing PPA's and encouraging local private participation in RE development. Support schemes are optimized based on best practice and lessons learned; the financing of these schemes should be kept outside of the Government budget to avoid effects of changes in policy design and/or allocation of budgets. The schemes can be investment focused (e.g. investment subsidies, tax incentives, soft loans, tender mechanism) or generation focused (feed-in tariffs, net metering, tender mechanism and quota obligations). They can also be divided in price based and quantity based support.

CRSE, the **Senegalese Electricity Sector Regulatory Commission**, represented by Ms. Paule Sagna Lakh, presented the country's plans on the energy legislation, especially the implementation of RE policy documents and the possibility of FiT in Senegal. The FiT will be defined taking into account the internal rate of return of the project, the amount of subsidy, and the carbon-credits generation. CRSE has in charge the calculation of maximum tariffs authorized to SENELEC, the utility, during a period of activities.

## Session 6

The first presentation of the session was delivered by Ms. Sofia Martinez, from **IDAE**, on RE mechanisms to promote self-consumption in urban areas.

One of those policies is net-metering, which enable customers to use the electricity they generate in excess of their consumption, at certain times, to offset their use of electricity from the grid at other times. According to Ms. Martinez, the adoption of net-metering policy is justified by constant increase of electricity prices, while RE technologies cost is decreasing. In this situation, some users may prefer to produce part of their electricity consumption.

Another policy is net balance, which is a compensation procedure of the electricity balances from production installations devoted to self-consumption either instantly or deferred. In the Net Balance system when the user has a generation surplus, he/she transfers energy to the trader at no cost, thus, electricity is sold to another customer by the trader. When the user needs electricity because the renewable installation does not produce energy, he/she gets back the electricity formerly transferred at reduced price called Net Balance rate.



The net-metering and net-balance mechanisms have advantages for the consumer, for the electricity system and for the society. Finally Ms. Martinez stressed the key role of local administrations and municipalities in preparation of the ground for future legislations.

The second presentation of this session was by Mr. David Vilar, **ECREEE**, on the 10 kW PV rooftop system installed in ECREEE's headquarters. Mr. Vilar started its presentation by stressing the fact that grid-parity is achievable in West Africa because there are more solar resources and electricity tariffs for end-users are higher than in Europe. The project of rooftop system for ECREEE was elaborated in a document on February 2011 and became operational on November 2011. The PV system is connected to a battery bank with 10 hours of autonomy. After the ECREEE PV rooftop system, Mr. Vilar presented simulation of an autonomous 2.2 kW PV for a household in Cape Verde. The simulation using RETScreen software has following results:

- Energy production cost of 274.52 Euro/ MWh;
- Annual life cycle savings of 141 Euro per year;
- Benefit-cost ratio of 1.59;
- Payback duration of 10 years.

A video on installation of the ECREEE PV rooftop system ends this session.

## Session 7

**ECREEE's** presentation, by Mr. David Vilar, offered a comprehensive view of micro-grids and their role in rural electrification. It was stated that the term "micro grid" should refer to a combination of a generation micro plant which feed a distribution micro grid, therefore being distinguishable from individual systems (micro plants). Micro grids should provide steady community-level electricity service, with the possibility to be upgraded to grid connection in the future, and the total installed capacity is up to 100 kW. Micro grids advantages over individual systems are the improved quality of the service, lower investment for compact villages, lower maintenance costs and remote monitoring can be feasible and economic.

Different energy technologies can be used in rural areas micro grids. LCOE analysis and electricity demand estimation is important to determine the technological specifications of the plant.

A model of rural electrification was presented by **Society of Decentralized Services (SSD) Yéelen Kura**, from Mali, represented by Pakone Joseph Kamate. From 2001 to 2006 their focus was on providing small solar PV kits (75 – 150 Wc) to meet lighting needs, but since 2006 they have been changing their focus to providing solar PV and diesel power plants for rural communities.

Mr. Kamate recalled that AMADER, the Malian Agency for Household Energy and Rural Electrification, has a plan to reach universal access to energy services in rural areas by enlarging progressively the geographic zones to be electrified, creating a balanced tariff for the



area and providing maintenance services during the project life. Rural electrification projects receive subventions from the Government of Mali and the World Bank.

According to Mr. Kamate, the solar resources, ranging from 5 to 6 kWh/m<sup>2</sup>/d, offer an excellent perspective for rural electrification through solar PV facilities. This combination of political will, subventions and solar resources pave the way for Yeleen Kura to act as an important operator in the area, from installation to production, maintenance and renewal of the equipments. The beneficiaries pay an agreed fee for the services and are brought as partners in the sensitization of people from their communities.

The engineering and consultancy firm **IED** presentation, given by Mr. Denis Rambaud-Measson, was about the potential for a rural electrification industry in West African based on RE sources. Given the fact that more than 60% of ECOWAS population live in settlements with less than 5,000 inhabitants (2009 data), and that small villages represent a high share of the total number of communities, the big potential for a rural electrification industry in the region is evident. As a matter of fact, it is estimated that off-grid solutions can potentially provide electricity to 96,000 communities by 2030, therefore contributing to the goal of universal access to energy services. For many of these communities, national grid extension is not the most cost-effective option.

To increase the added value to the West African region, it is important to build a strong industry. This can be achieved with the constitution of a regional market, support to small and medium-sized enterprises, labeling and quality control.

Public sector subvention remains as an important tool in rural electrification and small RE facilities. The opportunities for the private sector can be found mainly in the production segment than in the distribution one due to better rate of return and easy management system. A political and legal framework adapted to rural electrification specificities is also important step to the development of the industry.

### Follow-up actions to the forum

ECREEE is already committed to organize the second edition of this Forum in Accra, in mid 2013; this was strongly recommended by participants while completing the evaluation form (annex D). The second edition will be an improvement of the first in Dakar in all of its formats. It was also agreed to have a reminding system, which periodically will send latest news related to the EREI Initiative and should become a platform for stakeholders' online discussions about EREI, in anticipation of annual meetings. The business plan summary, which will compile key actions for the deployment of the EREI initiative, will focus reflection on the following axis:

- Proposals on how to include the EREI Forum in the agenda of major RE finance events; there are major annual events on finance of RE business in different areas of the world which are: China RE Finance Forum, Europe RE Finance, India RE Finance Forum, Southern Africa RE Finance forum, US RE Finance Forum
- 1. Establishment of a steering committee for selection of projects to be presented during annual meetings; objective criteria need to set to define the member



institutions/organizations of this committee, bearing in mind that the primary objective is to get wide repercussions of EREI actions.

2. The communication on activities of the EREI Initiative: the design of an investment portal in the new ECREEE website, conception of communication products and follow-up on social media. Also it will be considered to include in the ECREEE server an EREI contacts database to facilitate personal communications with stakeholders
3. The identification of additional partners and sponsors to EREI, inside and outside West Africa financiers' community.

## Conclusion

With the EREI Initiative, ECREEE is starting an exciting and ambitious process to facilitate the realization of RE infrastructures development in West Africa which participants to the first edition of the Forum gave support. Indeed, the important opportunities in the West Africa RE sector call for urgent actions in order to decrease the number of existing barriers to their exploitation, among which the mobilization of funds for existing projects. Many of these projects have conclusive feasibility studies and for some of them funds are being mobilized, but there are still gaps to be filled. ECREEE is committed to the task of developing innovative mechanisms and actions to fill those gaps. ECREEE will continue during the coming years to organize and implement an efficient 5-year program to promote RE Investments aimed at benefiting the RE industry and the population of West Africa.

## Annexes

- Project survey template
- Presentations
- Appraisal report
- Forum evaluation form
- List of participants
- Agenda