The ECOWAS Renewable Energy Facility (EREF) for peri-urban and rural areas

May 2011, Cape Verde, Praia

www.ecreee.org
The ECOWAS Renewable Energy Facility (EREF)
1st Call For Proposals - 31 May to 15 July 2011
What EREF does (...)

• Grant Facility managed by the ECREEE Secretariat (ECREEE-SEC) in cooperation with its National Focal Institutions (NFIs) in West Africa

• Undertakes regular call for proposals: **1st Call from 31 May to 15 July 2011**

• Co-funds small and medium sized RE&EE investment and business projects with a minimum of 5,000 EUR and a maximum of 50,000 EUR

• Projects shall mobilize co-funding (EREF covers maximum 75% of total project costs in the case of private sector and 90% in the case of public applicants)

• Supports national or regional projects covering more than one country (rural and peri-urban areas should particularly benefit from the EREF)

• One applicant or group of partners are eligible (international applicants shall have a West African partner)

• Maximum duration of projects: 24 months
Financing Windows

Financing Window 1 - Investment Promotion
(max. 50,000 EUR co-funding per project)
- Pre-investment activities (e.g. strategic studies, measurements)
- Project development (e.g. feasibility studies, financial structuring, CDM)
- Installation of small-scale pro-poor demonstration projects

Financing Window 2 - Business Development
(max. 50,000 EUR co-funding per project)
- Business support activities for SMEs and ESCOs (e.g. business plan development, capacity development)
- Promotion of south-south/north-south business to business partnerships

Financing Window 3 - Innovative Loan Financing Instruments
(will start in second EREF phase)
### Eligibility Criteria

<table>
<thead>
<tr>
<th>Eligible Countries</th>
<th>Eligible Applicants</th>
<th>Eligible Technical Solutions (projects usually cover more than one option)</th>
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</thead>
<tbody>
<tr>
<td>Benin</td>
<td>Government institutions (ministries, electrification agencies, municipalities)</td>
<td>Renewable Energy:</td>
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<tr>
<td>Burkina Faso</td>
<td>Private, public or public-private companies (e.g. SMEs, ESCOs, utilities)</td>
<td>- Renewable Energy (multi-focus)</td>
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<td>Cape Verde</td>
<td>Individual consultants and project developers</td>
<td>- Biomass (e.g. improved stoves for cooking, power generation)</td>
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<td>Cote D’Ivoire</td>
<td>Universities, schools, research centres,</td>
<td>- Bio-fuels (e.g. Biodiesel, Bioethanol)</td>
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<td>Gambia</td>
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<td>- Biogas</td>
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<td>Ghana</td>
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<td>- Waste-to-Energy</td>
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<td>Guinea</td>
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<td>- Geothermal Energy</td>
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<td>Guinea-Bissau</td>
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<td>- Hydroelectric Power (medium, small, micro, pico)</td>
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<td>Liberia</td>
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<td>- PV (e.g. grid/off-grid, SHS, lighting, pumping, desalination)</td>
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<td>Mali</td>
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<td>- Solar thermal (water heating, CSP, cooling, process heat, solar cooking and</td>
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<tr>
<td>Niger</td>
<td></td>
<td>drying)</td>
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<td>Nigeria</td>
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<td>- Wind Energy (e.g. off/on-grid, on- and off-shore, small and large, water</td>
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<td>Senegal</td>
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<td>pumping, desalination etc.)</td>
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<tr>
<td>Sierra Leone</td>
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<td>- Wave, tidal and ocean thermal</td>
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<td>Togo</td>
<td>Regional (covers more than one country listed above)</td>
<td>- Hybrids (indicate sources)</td>
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<td>- Mini-Grids</td>
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<td>- Storage systems (batteries, hydrogen)</td>
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**Energy Efficiency:**
- Sustainable transport
- Efficient appliances
- Building efficiency
- Cleaner production
- Transmission
- Energy conservation and management

**Other focus:**
- LPG for cooking
### Application & Selection

<table>
<thead>
<tr>
<th>Milestones of 2011 Call for Proposals (may by modified)</th>
<th>From</th>
<th>To</th>
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<tbody>
<tr>
<td>Adjustments of EREF funding policy and Announcement of Call</td>
<td>Done</td>
<td>Done</td>
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<tr>
<td>Preparation and Submission of EREF Concept Notes (6 weeks)</td>
<td>31 May 2011</td>
<td>15 July 2011</td>
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<td>Promotion &amp; information activities of ECREEE and its NFI's</td>
<td>31 May 2011</td>
<td>15 July 2011</td>
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<tr>
<td>Confirmation of receipt of concept note by ECREEE</td>
<td>End of July</td>
<td>End of July</td>
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<td>Appraisal and administrative check of concept notes by ECREEE &amp; NFI's – Written response to applicants on the appraisal results</td>
<td>August 2011</td>
<td>September 2011</td>
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<tr>
<td>Submission of Full Proposals and requested documentation to ECREEE by post and e-mail (6 weeks)</td>
<td>01 September 2011</td>
<td>03 October 2011</td>
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<tr>
<td>Appraisal of proposals by ECREEE and approval by the EREF Evaluation Committee</td>
<td>October 2011</td>
<td>November 2011</td>
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<td>Notification of award (award letter, denial, waiting list) and signature of ECREEE grant contract</td>
<td>November 2011</td>
<td>December 2011</td>
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<td>Implementation, monitoring and evaluation</td>
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<td>Max. 24 months</td>
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Figure 1.1 EREF Organizational Structure

**ECREEE Executive Board**
- See Organizational Chart of ECREEE

**EREF Evaluation Committee**
- Experts of donor partners
- Experts of ECREEE (EREF Project Manager, other ECREEE staff)
- Three rotating experts from NFIs
- External evaluators (if decided)

**ECREEE Secretariat**
- EREF Project Manager
- Administrative staff
- Other ECREEE staff

**Other local, regional and international financiers**
(e.g. loan, mezzanine)

**National Focal Points**
- Cape Verde
- Gambia
- Guine-Bissau
- Niger
- Ghana
- Nigeria
- Togo
- Senegal

**Strategic guidance and approval of global annual budget of the EREF**

**Approval of funding for individual EREF projects and adjustment of funding policy framework**

**Management of the EREF**
- Administration of call for proposals
- Project appraisal
- Project cycle management
- Mobilise funding for EREF investments (e.g. loans from other sources)
- Monitoring and quality assurance
- Dissemination of results and creation of synergies to other ECREEE activities
Figure 1.2 The EREF Project Management Cycle (max. 24 months)

1. Announcement of call for proposals and promotion activities of E CreeE/NFIs in ECOWAS
2. Submission of concept notes by applicants to E CreeE/NFIs
3. Administrative check and appraisal of concept notes by E CreeE/NFIs: Elaboration of a short-list
4. E CreeE requests full project proposals from successful applicants on the short-list
5. Appraisal of full proposals by E CreeE/NFIs and submission of short-list to the EREF Evaluation Committee
6. Final selection and approval of funding by the EREF Evaluation Committee (EC)
7. Final financial and administrative checks and awarding of contracts by E CreeE
8. Project Cycle Management by E CreeE/NFIs (execution, monitoring, reporting, evaluation and audit)
9. Dissemination of project results and lessons through the E CreeE network and EREO
10. Evaluation of call and modifications in the EREF funding policy upon approval of the Executive Board of E CreeE
Funding Requirements

• Project Objective for 2011 to 2014: at least 150 project (10 per country)

• Initial Funding Requirements of around 7,5 million EUR (2011 to 2014)

• ECREEE seeks funding for second call for proposal

• **EREF is supported so far by:**

  [Logos of supported organizations]

  www.ecreee.org
Relevance of the EREF

• **Flag-ship program** under result area 7 on RE&EE investment and business promotion of the 2011 work plan of ECREEE

• Execution of **action line 2 of the ECOWAS/UEMOA White Paper** which called for the creation of an innovation fund for RE&EE projects to raise funding for at least 200 demonstration projects and business support for local companies

• Contribution to the **Millennium Development Goals (MDGs), UN Goal on Universal Access to Clean, Affordable Energy by 2030** and the international climate mitigation objective to keep the global average temperature rise below two degrees Celsius

• ECOWAS contribution to the 2012 International Year of Sustainable Energy for All

• Responds to the urgent need for RE&EE investments in peri-urban and rural areas of West Africa and the so far **limited international and national support** (e.g. lack of national subsidy programs)

• **Need for the EREF was expressed** in questionnaires, conferences and by the NFIs
Specific Objectives:

- Creation of a favourable business and investment environment which leads to accelerated deployment and use of RE&EE technologies and services in peri-urban and rural areas of West Africa

Results:

- Mitigation of financial barriers for the development and execution of small- and medium sized RE&EE investments in peri-urban and rural areas
- Capacities, knowledge base and market access ability of local RE&EE technology and service companies are improved
- Networking, knowledge exchange and awareness raising on business opportunities
- North-south and south-south Business Partnerships created
Benefits and Feasibility

- **Proven concept** already implemented in Central America, Mekong, Andean Region and Southern Africa

- **Direct beneficiaries (target groups):** project developers, SMEs and institutions

- **Final beneficiaries:** Energy end-users in peri-urban and rural areas through access to energy services and reduction of energy related negative externalities

- **High Visibility of ECREEE and its NFIs** on the ground and the private sector; strengthening of knowledge base and capacities of the ECREEE-SEC

- **Dissemination of lessons learned through the ECOWAS RE&EE Observatory** and publication of all funded activities (e.g. feasibility studies); **transfer knowledge to national levels** (e.g. feed in tariffs, tailored RE&EE investment subsidies)

- **No competition to existing finance instrument of DFIs** which target bigger projects; potential for upgrading in a second stage (e.g. Micro-Credit Component)

- **North-South and South-South technology and knowledge transfer**
Creating a viable regional market for renewable energy and energy efficient technologies and services
Thank you! Merci! Muito obrigado!

Further information can be found in the EREF application guidelines at: www.ecreee.org

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www.ecreee.org