Promoting investments and technology transfer in the renewable energy, energy efficiency (RE&EE) and environmental sector in West Africa

ROAD MAP FOR DEVELOPING NAMA CAPACITIES AND ACTIONS IN THE ECOWAS REGION

Prepared by Demba Diop (Particip consultant) for ECREEE
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DEVELOPING A REGIONAL UNDERSTANDING ON NAMAs

- Currently only DNA officers (Ministry of Environment) are vaguely involved with the concept of NAMAs. Ghana managed to disseminate information to a broader domestic audience to raise awareness through workshops for the potentials stakeholders and futures actors of NAMA projects.
- The need for understanding NAMA background, concept and future development is expressed.
- ECREEE is called for to provide direct assistance for a national consultation process.
- Guidance toward the identification, design and full development of NAMA projects and actions.
ADRESSING THE POLICIES GAP

• The absence of adapted policies (FIT, standard PPA, concessions rights) discourage private investments.
• The vested interest on imported petroleum products that benefits from many types of subventions and tax reductions remain a treat.
• Regional approach is essential as Measures that encourage investments and use of RE and EE should not be hampered by the absence of similar instruments in surrounding countries.
• Harmonized standards and set up of a regional independent testing facilities (e.g. renewable research centers).
FINANCING

• RE and EE: high initial cost and low running costs unlike the structural operational costs of fossil fuels.
• Appropriated models of PPP is called for High transaction costs for small-scale renewable decentralized options and enable effective scaling up
• Consumer’s ability to pay for RE based rural electrification projects remain a key constraint.
• Import taxes and VAT and other duties make ER and EE technologies quite expensive and difficult to disseminate in the subregion.
TYPE OF NAMA ACTIONS IN THE SUBREGION

- EE is as important than ER. The little energy that is generated is wasted (losses, rusting equipments, poor maintenance). Good example are the Capacitor Banks in Ghana to promote efficient use of energy
- Promoting low capital intensive and low OPEX initiatives.
- Focus on the technically and commercially proven options
- Local entrepreneurs and diasporas finance as key drivers
- Call for scaling up and integration
- Bundling of projects to reach an attractive scale
- PPP to develop NAMA capacities and mitigate project risks
POTENTIAL ROLES OF NAMAs TO BOOST THE RE & EE MARKET

• Improved stoves to improve the efficiency and availability of the largest shared energy source in West Africa (biomass)
• FIT to ease investment on small and large scale solar and wind projects
• Domestic biogas as a promising solution for rural and periurban areas
• Co generation to valorize the potential for agricultural waste
• Landfills and municipal wastes for energy production
• Multifunctional platforms as pre electrification strategy
• Sustainable liquid biofuels for local uses
Outline of the ECREEE Climate Change Facility

**Objectives:**
- facilitate the development and implementation of NAMAs in the ECOWAS Countries

**Activities:**
- Information sharing and knowledge management;
- Training of the DNA officers and local stakeholders in each countries.
- Undertake regional NAMAs actions and projects
- Mobilise financial resources for the implementation of the NAMAs actions
- Monitor the implementation of the projects
Outline of the ECREEE Climate Change Facility (con’t)

• **Expected results**
  - Public and private stakeholders are provided with accurate information on a regular basis;
  - Ten peoples are trained per country on NAMAs action identification, development and implementation, including experts from the Ministries of Environment, Energy, Transport, Representatives of business associations and NGOs;
  - 5 regional projects are developed taking into account aspects of transferability;
  - Development of guidelines for financing NAMAs and mobilisation of financial resources for the 5 regional projects;
  - Yearly reports and notes are produced and disseminated in the sub region
Outline of the ECREEE Climate Change Facility (Con’t)

• **Specific assistance to DNA offices in the region:**
  – Conception and acceleration of the implementation of the institutional, legal and regulatory framework favourable to the development of NAMAs actions;
  – Building local capacity by sharing information and mobilisation of national stakeholders, specially the actors in the energy and transport sectors;
  – Mobilising local and international funds by accredited local initiatives;
  – Developing fiscal and tax incentive as a way to fund unilateral NAMAs projects

• **Means to achieve the results: 3 million euro over 4 years.**
  – Hiring of an climate change manager over 4 years
  – Technical assistance funds
  – Investment funds
ECREEE Action Plan For NAMA Development in the Region

• **Action 1: Capacity Building to undertake NAMAs actions**
  
  – Integrate NAMAs into national development strategies for RE, EE, transportation and poverty alleviation;
  
  – Train policymakers on policies and programs for identifying, designing, developing and implementing NAMA actions;
  
  – Strengthen public and private institutions in the RE, EE transport sectors; provide training and incubation support;
  
  – Involve and train the finance sector;
  
  – Provide training and technical assistance on NAMAs related standards, MRV and other, drawing on international efforts in this area (e.g., UNFCC).
  
  – Conduct communications and outreach on NAMAs benefits/challenges, including awareness campaigns.
ECREEE Action Plan For NAMA Development in the Region (Con’t)

• **Action 2: Policy Support**
  – Identify and develop pragmatic policy instruments that promote NAMAs action in the RE, EE and transportation sectors.
  – Establishment of national/regional targets and timetables that can be achieved with the development and implementation of national and regional NAMAs action plan.
  – Help establish regulatory frameworks at the national level to accelerate RE, EE and sustainable transport development in the Region.
  – Work with policymakers to link energy and climate changes.
  – Establish a team in each country DNA office to coordinate NAMAs activities across the relevant ministries (e.g., transport, energy, environment).
  – Establish guiding principles for the development of NAMAs action.
  – Engage the private sector in policy/regulatory development, including producer organizations, SMEs, cooperatives, etc.
  – Monitor and evaluate the impact and performance of NAMAS related activities at the national and regional levels.
ECREEE Action Plan For NAMA Development in the Region (Con’t)

• **Action 3: Finance**

  – Engage countries members to adopt incentives measures (rebate, tax cut) and instruments (FIT, standard PPA, etc).

  – Engage local financial institutions and micro-credit agencies on RE, EE and sustainable transport; conduct banker training workshops to increase awareness.

  – Involve diaspora finance and establish risk mitigation facilities to spur local financing for NAMAs related projects, particularly at the small-scale level.

  – Foster development of “bankable” project portfolios; offer assistance to entrepreneurs in areas such as R&D, seed capital funding, pre-feasibility and feasibility assistance, reimbursable grants, etc.

  – Explore opportunities for carbon finance at the national/regional levels.
ECREEE Action Plan For NAMA Development in the Region (Con’t)

• Action 4: Market Development
  – Local, national, regional policies to foster a greater access to energy from RE and EE sources including in the transportation sector
  – Energy efficiency projects both in term of services, knowledge as well as more intelligent equipments
  – Mature technology including wind, solar, hydro
  – Combined Heat and Power (CHP)
  – Biomass Gasification
  – Clean Cooking Fuels
  – Waste valorization
ECREEE Action Plan For NAMA Development in the Region (Con’t)

**Action 5: Knowledge Management and R&D**

- Strengthen local data availability.
- Gather case studies that highlight best practices and examples of success and failure.
- Collect and disseminate information on policies, markets, technologies, costs, business models, applications, finance sources, standards and certification, etc.
- Conduct joint research efforts between local research institutions and industry, aimed at renewable energy applications and collaborative efforts to carry out renewable energy resource assessments.
- Combine efforts with industrialized countries to promote knowledge transfer and the development of appropriate technologies for various regions.
- Facilitate South-South collaboration and cooperation on sustainable energy development.
Thank you! Merci! Muito obrigado!

ECOWAS Regional Centre for Renewable Energy and Energy Efficiency

Centre Régional pour les Energies Renouvelables et l'Efficacité Énergétique de la CEDEAO

Centro Regional para Energias Renováveis e Eficiência Energética da CEDEAO

Achada Santo Antonio, 2nd Floor, Electra Building,
C.P. 288, Praia – Cape Verde
Tel: +2382624608, +2389225454
skype: info-ecreee
info@ecreee.org