



SUSTAINABLE  
ENERGY FOR ALL



AFRICAN DEVELOPMENT BANK GROUP  
GROUPE DE LA BANQUE AFRICAINE  
DE DEVELOPPEMENT

# SUSTAINABLE ENERGY FOR ALL

Presentation of SE4ALL Action Agenda  
template, Abidjan 18 March 2014



**African Union**  
a United and Strong Africa



NEPAD Planning and Coordinating Agency  
Agence de Planification et de Coordination du NEPAD



## Background

- Realization in 2013 that there is lack of coherence and coordination in SE4ALL country action processes and relatively long lead time to concrete actions on the ground
- Africa Hub convened partners in Tunis in December 2013 to agree on a common approach and the guiding principles that should govern the SE4All country action process
- Decision to develop an Action Agenda template to complement Africa Guidelines

# Objective

- To promote more coherence in the SE4ALL country action process
- To provide guidance to Governments and SE4ALL partners for the development of a SE4ALL Country Action Agenda
- But not intended to be overly prescriptive - can be applied flexibly according to specific country requirements

# SE4ALL Action Agenda – Rationale and scope

- Strategic and holistic linked to SE4ALL goals
- Umbrella framework for the sector that includes nexus angles
- Long-term vision which ensures the sector-wide coherence and synergy of accumulated efforts towards SE4All goals
- Co-ordination basis for all actors in the sector
- Concise, pragmatic and action oriented building to the extent possible on existing plans and strategies
- Methodologies and definitions used in the Global Tracking Framework (GTF) should be used to the extent possible
- Process is itself of critical importance

# SE4ALL Action Agenda - Outline

- Preamble
- Executive Summary
- Introduction
- Part 1 – Vision and Targets until 2030
- Part 2 – Priority Action Areas
- Part 3 – Coordination and Follow-up

# SE4All Action Agenda - Preamble

- **Reference to guiding principles:**
  - Building on existing plans/programmes/strategies
  - Political commitment and leadership
  - A balanced and integrated approach
  - An inter-ministerial and cross-sectoral approach
  - Adherence to sustainable development principles
  - Participation and meaningful involvement of all stakeholders
  - Gender equality and inclusiveness
  - Transparency and accountability
  
- **Reference to the level of commitment of the Government to SE4ALL and framing of the AA with regard to the country's overall development objectives**

## SE4All Action Agenda - Introduction

- The introduction should provide a brief overview of the country context (*inter alia* political context, macroeconomic context, socio-economic context, geography and demography) and energy sector context (*inter alia* energy resources, energy demand and supply, legal, regulatory and institutional framework governing the sector).
- This section should also include an assessment of the country's finance sector in view of SE4ALL's intention to mobilize investments.

# SE4All Action Agenda – Part 1: Vision and targets

- Define the country's overall vision for SE4All and specifically provide a national interpretation of the global SE4ALL targets
- This goal setting has to be based on an assessment of the energy sector development until 2030 notably in relation to energy demand projections
- The goal setting step should include outcomes, intermediate targets, as well as risks to implementation
- Due consideration should also be given to the synergies in terms of economies of scale and efficiency that can derive from approaching targets in an interconnected manner (e.g. electrification and roll out of energy efficient appliances at the same time)
- The emphasis that is being placed on the specific targets varies from country to country depending on the overall needs and priorities



# SE4All Action Agenda – Part 1: Vision and targets

## **Energy Sector trajectory**

- Analysis as to the expected energy sector development trajectory, including energy demand projections

## **Energy access target until 2030**

- Should generally be in line with universal access target
- Timeline for achieving the target is generally 2030
- Access definition – use of GTF methodology

## **Renewable Energy target until 2030**

- Ambitious, yet realistic target for the share of renewables at country level. Global objective might not be in all cases appropriate.
- The analysis should build on existing resource assessments.

# SE4All Action Agenda – Part 1: Vision and targets

## **Energy Efficiency target until 2030**

- Ambitious, yet realistic target for the rate of improvement in energy efficiency at country level. Global target might not in all cases be appropriate.
- The analysis should build on existing analysis of energy efficiency savings potential.

## **Relevant nexus targets until 2030**

- The three overarching targets can be complemented by additional targets addressing important energy nexus issues, such as on energy and health, gender, agriculture, water etc.

## SE4All Action Agenda – Part 2: Priority Action Areas

- Part 2 should provide an overview of how the country envisages achieving the objectives defined in Part 1
- Link to Global Action Agenda
- Criteria for identification of priority areas may include consideration of physical accessibility and assessment of alternative supply options, e.g. the respective roles of centralized and decentralized; availability of energy resources and reliable supply; affordability and cost-effectiveness; magnitude and speed of impact; financial resource requirements, and sustainability
- Where relevant the priority action areas should also take into account the regional context and local content

# SE4All Action Agenda – Part 2: Priority Action Areas



## What is the current status and trajectory?

The Action Agenda should provide the latest available information on the current situation regarding energy access, both for electricity and for access to clean cooking fuels and provide an analysis as to the current trajectory.

## What are the existing plans/strategies and what are the gaps?

This should contain a mapping of existing plans and strategies and also identify plans that are missing and which should be developed subsequently to complete the picture. Also with regard to existing strategies these will have to be analyzed in light of the overarching objectives as defined at the outset.

# SE4All Action Agenda – Part 2: Priority Action Areas



What are the priorities to be addressed to achieve the overarching objective?

*This part should respond to both centralized and decentralized energy access options taking into account the cross-sectoral dimension of energy access. It is recommended that top level indicative costing of the activities is provided, as well as an assessment of the risks and their mitigation.*

- **Grid infrastructure and supply efficiency:** *expansion of grid infrastructure; reinforcing transmission and distribution infrastructure, smart grid solutions and grid-scale storage that would improve the efficiency of advanced grids. It should also consider non-technical solutions such as revenue management, safety, marketing and customer service outcomes*
- **Distributed electricity solutions:** *includes all distributed options for electrification. Identify and prioritize specific solutions for providing energy services, including mechanical power, for productive uses, community services and household needs. The African Strategy for Decentralized Energy Services Delivery (DESD) provides a framework.*

# SE4All Action Agenda – Part 2: Priority Action Areas



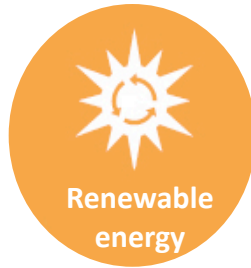
What are the priorities to be addressed to achieve the overarching objective?

- **Modern cooking appliances and fuels:** *this action area includes all options that enable households to shift to cleaner fuels and stoves, including cookstoves fuelled by cleaner fuels such as biogas, solar, ethanol, propane, LPG, and advanced biomass cookstoves.*
- **Other priorities**

Which (global) High-Impact Opportunities are relevant?

*HIOs are sectors or categories of action that have been identified as having significant potential to advance the 3 SE4ALL objectives globally. It is recommended to identify relevant HIOs and involve the HIO co-leaders in the development of priority actions in the concerned field, enabling maximum potential for targeted follow-up support and investment.*

# SE4All Action Agenda – Part 2: Priority Action Areas



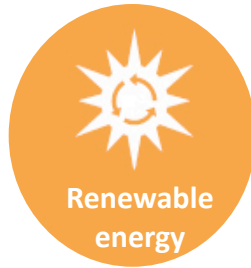
## What is the current status and trajectory?

The Action Agenda should provide the latest available information on the current situation regarding the share of renewables and an analysis of the trajectory for the share of renewables until 2030. The rapid assessment/gap analysis might provide an initial basis for such analysis. Link to GFT

## What are the existing plans/strategies and what are the gaps?

This should contain a mapping of existing plans and strategies in the sphere of renewable energy and also identify plans and technical analysis that are missing at this point and which should be developed subsequently to complete the picture. Also with regard to existing strategies these will have to be analyzed in light of the overarching objectives as defined at the outset.

# SE4All Action Agenda – Part 2: Priority Action Areas



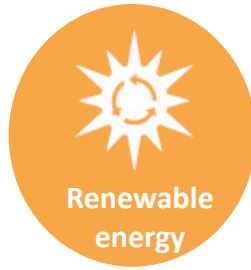
What are the priorities to be addressed to achieve the overarching objective?

*Analysis of the various options for actions with a view to achieve the set targets. Where relevant this should also take into account the regional context. This should make use of renewable energy resource and readiness assessments to the extent practical (or highlight their lack if not in place).*

- **Renewable power generation:** *this action area includes options to accelerate the deployment of all renewable technologies; the research and innovation needed to continue pushing down the cost of these technologies; specific policies and business models to support them (e.g. feed-in tariffs and public auctions); and the removal of barriers to large and small-scale renewables. Due consideration need to be given to questions of affordability, availability of base load generation capacity, network stability, cross-border energy flows and energy trading*
- **Grid infrastructure and supply efficiency:** *with a focus on the infrastructure necessary to enable the target penetration of renewables and exploit domestic renewable energy resources to best effect*



# SE4All Action Agenda – Part 2: Priority Action Areas



What are the priorities to be addressed to achieve the overarching objective?

- **Industrial and agricultural processes:** *notably in relation to the capture and recycling of waste heat; as well as the use of renewable energy sources in industrial and agricultural processes*
- **Buildings and Appliances:** *this action area includes design and retrofit of buildings incorporating renewable self-generation options (e.g. rooftop solar and solar hot water)*
- **Transportation:** *this sector should in particular contain actions focusing on increasing the share of renewables in the fuel supply*
- **Other priorities**

Which High-Impact Opportunities are relevant?

# SE4All Action Agenda – Part 2: Priority Action Areas



## What is the current status and trajectory?

The Action Agenda should provide the latest available information on the current situation regarding the situation in the field of energy efficiency and provide an analysis of the trajectory for the rate of improvement in energy efficiency until 2030.

## What are the existing plans/strategies and what are the gaps?

This should contain a mapping of existing plans and strategies in the sphere of energy efficiency addressing inter alia residential, industrial & commercial energy efficiency and energy efficiency in transport, and also identify plans that are missing at this point and which should be developed. Also with regard to existing strategies these will have to be analyzed in light of the overarching objectives as defined at the outset.

# SE4All Action Agenda – Part 2: Priority Action Areas

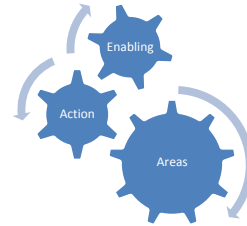


What are the priorities to be addressed to achieve the overarching objective?

- **Buildings and appliances:** *this action area includes retrofitting of the building envelope to decrease consumption; appliance efficiency, including lighting, space cooling and heating and refrigeration*
- **Industrial and agricultural processes:** *this action area includes opportunities to improve the efficiency of business operations and product design, reduce energy consumption and wasteful practices along the value chain*
- **Transportation:** *this action area includes all options that improve efficiency and reduce fuel consumption, that shift fuel demand to sustainable biofuels or electric power trains, that promote modal shifts and that reduce demand for transportation services*
- **Grid infrastructure and supply efficiency**

Which High-Impact Opportunities are relevant?

# SE4All Action Agenda – Part 2: Priority Action Areas



*Enabling policies, measures and regulations are necessary at all levels to facilitate innovation and overcome market and other barriers to the dissemination and commercialization of sustainable energy technologies, products and service delivery approaches.*

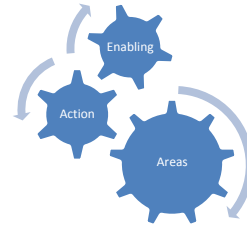
## Energy planning and policies

Focus on supportive policies and regulatory frameworks for long-term investments along with robust, effective institutional and governance environments. This section should also address the aspect of utility reform. Actions aimed at strengthening statistical capacity are important.

## Business model and technology innovation

Should consider how improved business models and technology innovation can be fostered. Options could include for example approaches to making it more attractive for the private sector to pursue decentralized access solutions or for small businesses to pursue energy-saving technologies. It should also look at research and technology innovation policies.

# SE4All Action Agenda – Part 2: Priority Action Areas



## Finance and risk management

Focus on approaches and instruments to mobilize the amount of capital required, to direct that capital to the appropriate priority opportunities, and to reduce the risk of private investment. It should also outline actions required to modernize the country's finance sector, sustainable pricing policies etc.

## Capacity building and knowledge sharing

This action area could include a diverse array of programs: technical assistance to governments, companies and organizations; efforts to build strong local institutions; the gathering and dissemination of knowledge and best practices; general advocacy and consumer education programs.

## Other priorities

Progress on the SE4ALL targets is not only dependent on enabling actions in the energy sector, but also relates to broader issues, for example, in relation to the rule of law, taxation, fight against corruption etc. Use this section to identify critical areas for progress that should be addressed.

# SE4All Action Agenda – Part 3: Coordination and follow-up

*Part 3 of the Action Agenda should outline the national SE4All coordination structures and the follow-up mechanisms in terms of subsequent analysis, reporting and monitoring arrangements.*

## National SE4ALL coordination structure

Key factors are: (i) Nomination of a national SE4All coordinator; ii) the involvement of the SE4ALL National Coordinator throughout the AA development process; iii) a champion to drive the process; iv) good stakeholder engagement; and v) the identification of bankable projects in the process as input for the Investment Prospectus. The latter might include the set-up of a Financing Working Group bringing together Government stakeholders and financing institutions.

## Follow-up analysis

Action Agenda should outline these needs for subsequent in-depth studies and analysis for which resources would need to be mobilized if not covered by existing resources.

# SE4All Action Agenda – Part 3: Coordination and follow-up

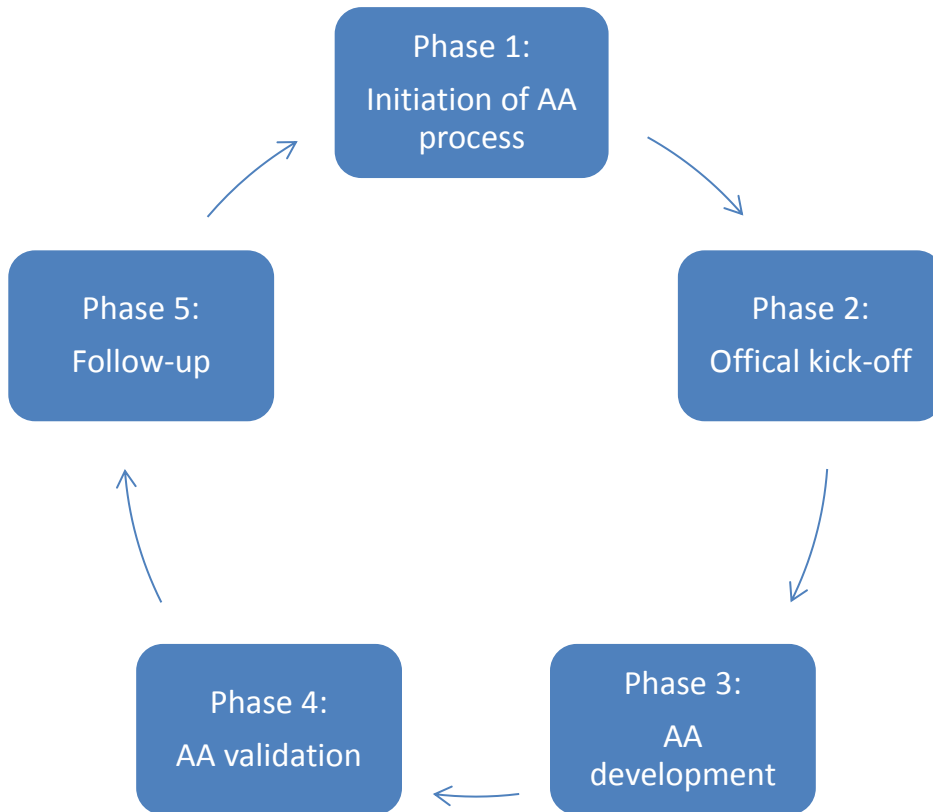
## Monitoring, evaluation and reporting

A monitoring and evaluation framework for the Action Agenda to monitor implementation, support lessons learning, and make necessary adjustments over time is critical (including provisions for regular review of the Action Agenda). This work should link to the Global Tracking Framework. It will also be important to make provisions for regular reporting on Action Agenda implementation to the GFT and Regional Hub.

## Link to Investment Prospectus

The Action Agenda should be followed by the development of a SE4ALL investment prospectus (not necessarily sequential) with a view to mobilize the required investments to implement the Action Agenda.

# SE4All Action Agenda – Process for AA elaboration



## Phase 1: Initiation of AA process

- Identification of partner(s) providing TA for AA-development
- Identification of the AA coordination group, National Expert Group and Validation Group
- Recruitment of consultants

## Phase 2: Official kick-off

- High-level workshop to give the Action Agenda process the necessary political impetus.
- Identification of sectoral working groups and champions

## Phase 3: AA development

- Expert groups to convene to identify priority actions
- Consultations with key domestic stakeholder groups.
- Prepare draft AA

## Phase 4: AA validation

- High-level consolidation workshop
- Convene a validation workshop
- Endorsement of AA

## Phase 5: Follow-up



# SE4All Action Agenda – Process for AA elaboration

## AA Coordination Group

- Ministry of Energy (or relevant): SE4ALL Focal Point
- Lead development partner(s)
- SE4ALL GFT and Hubs (Africa Hub + thematic Hubs)
- Development Partners interested to actively support the process
- Relevant regional entities

## National Expert Group(s)

- Ministries and other specialized Government entities (incl. Utility)
- Private sector representatives
- Civil society representatives
- Financing institutions
- Academia and other stakeholders (e.g. relevant HIOs)

## Validation Stakeholder Group

- Other key Ministries
- Private sector stakeholders
- Civil Society stakeholders
- Development partners

# SE4ALL Investment Prospectus

- An Investment Prospectus provides an approach to operationalizing the Country Action Agenda towards achieving SE4ALL goals by identifying and developing a set of implementable programs and projects, including their investment requirements, that can be presented to potential private and public investors.
- It is a time-bound short-to-medium term document which presents an integrated set of prioritized and sequenced investment opportunities.

# SE4ALL Investment Prospectus

- Introduction
- Priority Interventions
- Implementation Arrangements
- Investment Funding Requirements
- Financing Gap
- Syndication of Financing

# SE4ALL Africa Hub

THANK YOU



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