

EUEI Bulletin

Selected News and Information on European Energy Development Cooperation

No. 3 | August 2016

Dear EUEI Members, dear Readers,

We are happy to share with you the latest issue of your **EUEI Bulletin**.

Its aim is to inform the EUEI's stakeholders (predominantly EU Member States) about key developments in the field of energy development cooperation, with a focus on European activities. In doing so, we hope to support and strengthen your and other stakeholders' participation in the EUEI process.

We also invite you to join us in our efforts to enhance communication and our exchange on energy development cooperation and make EUEI efforts visible – by sending us ideas, stories, experiences, facts and figures from your work. For any information you would like to share with other EUEI Members, please contact fiona.wollensack@euei-pdf.org.

With regards from Brussels,

Your team of the EUEI support project, EUEI PDF

UPCOMING EVENTS

- ▶ Workshop: EU Financing Energy Projects in Africa and Asia, Berlin, Germany, 25-26 August | [Event Details](#)
- ▶ Brazil Windpower 2016 Conference and Exhibition, Rio de Janeiro, Brazil, 30 August-1 September 2016 | [Event Details](#)
- ▶ G20 Summit 2016, Hangzhou, China, 4-5 September | [Event Details](#)
- ▶ Fourth Annual Conference of the Green Growth Knowledge Platform, Jeju City, Korea, 6-7 September | [Event Details](#)
- ▶ 5th West African Clean Energy & Environment Exhibition & Conference, Accra International Conference Centre, Ghana, 13-15 September | [Event Details](#)

THEMATIC SECTIONS

[News from the European Union](#) : with news on the recent EUEI Meeting and the EU Global Strategy

[In the Spotlight](#) : including Brexit impacts, Clean Energy Ministerial, and the Global Covenant of Mayors

[Opportunities for the Private Sector](#) : presenting Inclusive Business Action Network and Power Africa in Zambia

[Africa Focus](#) : including financing for the AEEP, and a new RE and EE Centre of Excellence in Uganda

[News from the Member States](#) : from Germany

[Media Suggestions](#) : including the IEA's 2016 World Energy Outlook Special Report on Energy and Air Pollution

NEWS FROM THE EUROPEAN UNION

Informal EUEI meeting on AREI pipeline: first projects identified

An informal EU Energy Initiative (EUEI) meeting was held in Brussels on the 22nd of July to discuss the EUEI contribution to the African Renewable Energy Initiative (AREI). The objective of the meeting was to discuss and prepare a concrete list of projects for AREI and to prepare the Africa Investment Facility Technical Assistance Meeting (AfIF TAM), scheduled for the 5th of August. The meeting took place at the request of France, holding the Presidency of COP21, and enjoyed a strong attendance by colleagues from Member States, financing institutions and across the Commission. Minutes of the meeting will be distributed shortly.

It has been discussed that the EUEI present the potential project pipeline as a possible EU-Africa deliverable during COP22, enabling it to showcase concrete and tangible results which have been achieved since COP21. Other deliverables for COP22 will be discussed at the next EUEI meeting, taking place in Brussels on the 10th of October.

Joining forces for peace, security and the fight against conflicts – a new global strategy

In a time of increased worldwide crises and as the European Union is called into question by its citizens, the EU has responded to these challenges with a Global Strategy for its Foreign and Security Policy. At the heart of the strategy lie enhancing peace and security, economic growth and prosperity for everyone through an open and fair economic system, as well as sustainable development. Other key aspects are the EU's continued commitment to a strong UN, to global governance based on human rights and international law, and to increased coordination within the EU and beyond.

In the Global Strategy the EU seeks to strengthen the transatlantic bond and its partnership with NATO, while also connecting to new players and strengthen cooperation with regional organisations, institutions and civil society. The strategy calls for more investment in the joint Foreign Affairs and Security Policy of the EU, and for greater resilience in the democratic systems of EU MSs and in countries in the Eastern and Southern neighbourhood. Energy has been identified within the new strategy as a key area for practical action.

More information on the Global Strategy for the European Union's Foreign and Security Policy can be found [here](#).

IN THE SPOTLIGHT

Brexit may lead to huge financial setback in developing countries

The UK's vote to leave the European Union came as a shock to almost all other European Member States. But it is not only the EU which is affected by Brexit: a new analysis estimates that the UK vote will also have an impact on developing countries and could cost them around \$3.8 billion. The analysis was conducted by the Overseas Development Institute (ODI), a British think tank on international development and humanitarian issues.

Most of the impacts will be felt in the areas of trade, financial markets and investment, growth, aid and development finance, migration and remittances as well as global collaboration, the ODI states. It is estimated "that the 10% devaluation of the pound in the first week post-Brexit, coupled with a lower Gross Domestic Product (GDP) in the UK (estimated at 3%), will lead to lower exports by developing countries (\$500 million in least developed countries)". The devaluation will also reduce the value of aid by roughly \$1.9 billion. The combined cost (through aid, trade and remittances) of the devaluation for developing countries is expected to be \$3.8 billion. If the pound continues to fall, the effects could increase.

On migration, the report states that “lower immigration into the UK will mean less UK growth which will affect development negatively”. In addition, the devaluation of the pound would have negative effects on remittances which have become an important financial contributor to development in many parts of the world.

According to the ODI’s analysis, the loss would be equivalent to \$1.4 billion of spending in developing countries – including a \$370 million loss in both Nigeria and India. Despite these many negative effects of Brexit for developing countries, the study also sees some opportunities, including cheaper imports from the UK, and the ability to gain from new trade deals, including through targeted Aid for Trade.

The full analysis can be read [here](#).

“Perfect marriage” between IEA and Clean Energy Ministerial: outreach to new economies

A new, multilateral Secretariat for the Clean Energy Ministerial (CEM) will be established at the International Energy Agency (IEA) later this year. “This perfect marriage is a ‘win-win’ for everyone involved,” said IEA Executive Director Fatih Birol. According to him, the decision is very much in line with the clear mandate, given by the IEA Ministers in 2015, to strengthen the clean energy technology and innovation-related activities of the Agency. It also increases IEA’s engagement with major emerging economies. “Having the CEM Secretariat within the IEA will enable us to work even more closely with countries beyond our current membership,” Birol added. The CEM members that are not members of the IEA are: Brazil, China, India, Indonesia, Mexico, Russia, Saudi Arabia, South Africa and the United Arab Emirates.

Launched in 2010, the CEM today consists of 23 countries and the European Commission – accounting for 75% of global greenhouse gas emissions and 90% of global clean energy investment. Its aim is to enhance clean energy activities and supply, as well as to support energy system transformation among members.

More information about the CEM can be found [here](#).

For information about the IEA, please refer to this [link](#).

Joining forces against climate change: the new Global Covenant of Mayors for Climate & Energy

It is the largest global coalition of cities: The world’s two primary city-led climate change and energy initiatives – the EU Covenant of Mayors and the Compact of Mayors – have joined forces to tackle climate change at the local level, worldwide. This new “Global Covenant of Mayors for Climate and Energy” unites over 7 000 cities from 119 countries, home to more than 600 million people. The fact sheet about the initiative can be found [here](#).

It is widely acknowledged that cities play a crucial role in reducing greenhouse gases, with over half the world’s population living in urban areas and accounting for 75% of global CO₂ emissions, according to the UN Environment Programme.

In a first practical step the Global Covenant of Mayors will develop a data platform to compare cities’ activities on energy and climate at an international level. This publicly available data will give cities and potential investors greater clarity – by depicting which actions are having a lasting, verifiable and therefore also investable impact.

For more information on the Compact of Mayors, please refer to this [link](#)

For more information about the EU Covenant of Mayors, please refer to this [link](#).

Support for ambitious climate projects in the developing world - 4th call of the NAMA Facility

Proposals for ambitious and innovative projects aimed at protecting the climate in developing countries can now be made under the 4th call of the NAMA Facility. To this end, the German Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB) and the UK Department of Energy and Climate Change (DECC) have committed to fund up to €60 million in July 2016. Deadline for submission of project proposals is the 31st of October 2016.

The NAMA Facility was established in 2013 by BMUB and DECC with an initial €70 million of funding. The Danish Ministry of Energy, Utilities and Climate (EFKM) and the European Commission joined the NAMA Facility as new donors in 2015. The aim is to support developing countries and emerging economies that show leadership in tackling climate change and implement ambitious climate protection measures – so called “nationally appropriate mitigation actions” (NAMAs). Since 2013, the NAMA Facility has already launched three calls for proposals, resulting in 14 NAMA Support Projects (NSP), receiving accumulated funding of more than €200 million. Among the projects approved are such initiatives as “Sustainable Housing” in Mexico, “Low Carbon Coffee” in Costa Rica, a “Biomass Energy Project” in Burkina Faso or a project on “Sustainable Urban Transport” in Peru.

For more information on the 4th call of NAMA Facility, refer to this [link](#) or see [here](#).

For information on the NAMA Facility in general, please see [here](#)

OPPORTUNITIES FOR THE PRIVATE SECTOR

Inclusive Business Action Network: focus on energy

The Inclusive Business Action Network (IBAN) is a global multi-stakeholder network, dedicated to boosting the power of inclusive business for sustainable development. One of its main focuses is in the area of energy. The main idea is to reach out to so-called “BoP customers” – people with limited income and at the “Bottom of the Pyramid”. With innovative and inclusive business ideas the purchasing power of these households can be unlocked. IBAN provides an online platform, including a database, where interested companies and investors can inform themselves about business opportunities or inform about their own projects.

For more information about IBAN, please see [here](#).

Opening of the first financing round of Power Africa in Zambia

The Government of Sweden and the Renewable Energy and Energy Efficiency Partnership (REEEP) have announced the opening of the first financing round of Power Africa: Beyond the Grid Fund for Zambia – as announced in the REN21 newsletter. The €20m Fund aims to bring modern clean energy access to one million Zambians and to jump-start the country’s burgeoning markets for energy services. The Fund will directly support private enterprises in the off-grid energy space through an innovative, new results-based financing approach.

The Fund is designed around a Social Impact Procurement approach, which offers opportunities for the private sector to contribute to developmental challenges while directly linking financial payment to on-the-ground results. In this case, the Fund will offer to purchase tens of thousands of new off-grid electricity connections from Energy Service Providers (ESPs), who can then use the contracts with the Fund to leverage more capital and customers in Zambia.

The Fund, which is part of the [Power Africa initiative](#), is financed by the Government of Sweden through Sida, the [Swedish International Development Cooperation Agency](#), and managed by [REEEP](#). The first financing round of the Fund will close on the 8th of August, 2016. Interested firms are invited to visit the [Sida site](#) or to contact the [fund management team](#) directly.

AFRICA FOCUS

51 Million Euro to strengthen the Africa-EU Partnership and Africa's Future

To further strengthen and reaffirm the Africa-EU Partnership, on the 29th of June the African Union Commission and the European Union signed the African Union Support Programme III (AUSP III). The programme has new co-funding of €51 Million – with 85% of this sum provided by the EU and 15% contributed by the AUC. According to Erastus Mwencha, Deputy Chairperson of the AUC, support under the AUSP over the past years has helped consolidate the institutional transformation of the African Union Commission and other organs. The AUC equally benefited from other EU funded programmes, which include support to peace and security, Monitoring for Environment and Security in Africa (MESA), Disaster Risk Reduction (DRR), election observation and African Union research grants.

The Deputy Director General for International Cooperation and Development (DEVCO), Klaus Rudischhauser, called the newly signed AUSP III “another important step forward in the implementation of the Africa-EU Partnership” and a useful tool to implement a number of key priorities under [Africa's Future Agenda 2063](#), designed by the African Union. The AUSP III is also the main flagship programme of the Joint Africa-EU Strategy (JAES) Roadmap agreed at the 4th EU-Africa Summit in Brussels in 2014. It will run from July 2016 to June 2019 and focus on joint priorities, such as African Governance Architecture and a strong African Human Rights System that is accessible to African citizens. Other areas of action in the JAES are science technology and innovation, higher education and mobility, migration, sustainable and inclusive development and growth as well as boosting continental free trade. Achievements will be presented at the next Africa-EU summit in 2017, to be held in Cape Town/South Africa.

The Joint Africa -EU Strategy (JAES) was established in 2007, consisting of eight different thematic partnerships – with the African-EU Energy Partnership (AEEP) a central one of them.

For more information about AUSP III, refer to this [link](#).

More information about the African-EU Partnership in general and about JAES can be found [here](#).

A new Centre of Excellence for Renewable Energy and Energy Efficiency inaugurated in Uganda

A new Centre of Excellence for Renewable Energy and Energy Efficiency (EACREEE) is now operational at the Makerere University College of Engineering, Design, Art and Technology (CEDAT) in Kampala, Uganda, as announced at the homepage of the [East African Community \(EAC\)](#). Its aim is to complement and strengthen the ongoing EAC Partner States' initiatives in the areas of policy and capacity development, knowledge management and raising awareness as well as investment and business promotion. The EACREEE was inaugurated by the Minister for Energy and Mineral Development of Uganda, Irene Muloni. She reaffirmed the continued support of the Uganda government to the EACREEE and called on Partner States and Development Partners as well as the private sector to give full support to the Centre.

The EACREEE is supported by UNIDO and the Austrian Development Agency, and is part of the Global Network of Regional Sustainable Energy Centres. The Network currently includes the EACREEE, the ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE) based in Cape Verde Islands, and the Caribbean Centre for Renewable Energy and Energy Efficiency (CCREEE) in Barbados. The Pacific Centre for Renewable Energy and Energy Efficiency (PCREEE) and the SADC Centre for Renewable Energy and Energy Efficiency (SACREEE) are expected to be launched by the end of 2016.

For more information, please refer to this [link](#).

AfDB: supporting hydropower for a sustainable energy supply for the DRC and its neighbours

The African Development Bank (AfDB) has announced its approval of \$11 million awarded to the Democratic Republic of Congo (DRC). Its aim is to improve access to electricity coverage in the country and also in neighbouring countries in the Nile Equatorial Lakes region, according to “ESI Africa” – an online journal on energy issues in Africa.

National electricity access rates across the Nile Equatorial Lake region are low, ranging between 2% and 17%, and only 4% in the DRC, according to “ESI Africa” and AfDB figures. Especially the country’s North Kivu and South Kivu regions have a combined unmet electricity demand of 115 MW and are subject to rampant interruptions in supply. To counteract the power cuts, diesel generators drive the majority of the country’s private power production. AfDB’s mission now is to bring sustainable and affordable access to electricity throughout the region – mainly from hydropower. The DRC project components include the construction of a 95 kilometre 220kV Goma-Bukavu transmission line, of the Buhandahanda substation and the construction of a 13kilometre 220kV Goma-Gisenyi line and the Goma substation. The Bank is co-financing the DRC project component with the Netherlands, which is providing a €6.5 million (\$7 million) grant.

For more information, refer to this [link](#).

NEWS FROM THE MEMBER STATES

Germany

Germany is currently entering the second phase of its famous “Energiewende” – the transition from fossil fuels and nuclear power towards renewable energies. On the 8th of July, the German parliament adopted new legislation to create the “electricity market 2.0”. The 10 point action plan contains a new law for renewable energies (Erneuerbare Energien Gesetz 2017, EEG), which shifts from fixed prices to a market-orientated system. Prices for electricity generated by wind power, photovoltaic and biomass sources will be developed through auctions. Civil society groups currently running their own renewable energy plants and who are able to feed into the national grid can take part in the tender and auctions under simplified conditions. The overall aim is to increase the amount of renewable energies from around 33% today up to 45% by 2025. The Energiewende is also supposed to be “digitalised”, by implementing smart grids, smart metering and smart homes on a large scale.

For more information (in German) you can refer to this [link](#).

MEDIA SUGGESTIONS

- ▶ The SDG compass, developed by GRI, the U.N. Global Compact and the World Business Council for Sustainable Development to help companies worldwide to make their business more sustainable can be downloaded [here](#).
- ▶ The IEA’s 2016 World Energy Outlook Special Report on Energy and Air Pollution can be downloaded [here](#).
- ▶ A new book on a global energy revolution, technology justice and electricity access for all – “Rethink, Retool and Reboot energy innovation” – written by Simon Trace, is available to purchase or download from [Practical Action Publishing](#).

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