



TERMS OF REFERENCE

Scaling-up Renewable Energy Program (SREP)

Scoping Mission

October 23-26, 2014

Haiti



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1. BACKGROUND

1.1 The **Climate Investment Funds (CIF)** support developing countries as they move toward low emissions and climate resilient development. The CIF provides developing countries with grants, concessional loans, and risk mitigation instruments that can achieve significant leverage of private sector resources, investments from MDBs, and other co-financing. Five Multilateral Development Banks (MDBs) - the African Development Bank (AfDB), Asian Development Bank (ADB), European Bank for Reconstruction and Development (EBRD), Inter-American Development Bank (IDB), and World Bank Group (WBG), including the International Finance Corporation (IFC) - are the implementing agencies of CIF funded projects and programs.

1.2 The CIF's financial architecture rests on two trust funds: (i) the Clean Technology Fund (CTF); and (ii) the Strategic Climate Fund (SCF):

- The CTF finances the scaled-up demonstration, deployment, and transfer of clean technologies. The focus is on piloting investments in countries or regions that have the potential for significant greenhouse gas abatement.
- The SCF finances targeted programs that pilot new approaches with the potential for scaling up. The SCF includes the Forest Investment Program , the Pilot Program for Climate Resilience, and the **Scaling Up Renewable Energy Program in Low-income Countries (SREP)**.

1.3 The objective of the SREP is to pilot and demonstrate the economic, social and environmental viability of low carbon development pathways in the energy sector by creating new economic opportunities and increasing energy access through the use of renewable energy. **In June 2014, the SREP Sub-Committee approved the selection of 14 new SREP pilot countries, including Haiti, expanding to 27 the number of countries participating in the program.** Furthermore, the Sub-Committee recognized that at present there is not sufficient funding under SREP to finance the projects and programs that may be proposed in the investment plans, but notes its expectation that climate finance will become available (from CIF and others sources of climate finance) for high-quality projects.

1.4 In September 2014, the Government of Haiti was invited to take a leadership role in working with the MDBs to develop a full investment plan. Haiti is eligible to receive grant funding of up to USD300,000 for the preparation of the country's investment plan.

1.5 The Inter-American Development Bank and the World Bank Group, including the International Finance Corporation, will be supporting the Government of Haiti and other relevant stakeholders - United Nations Organizations, bilateral partners, private sector companies, non-

governmental organizations and civil society organizations - in the development of the SREP investment plan. The World Bank will be the “lead MDB” and would therefore coordinate the joint effort of the MDBs in the country.

2. COUNTRY CONTEXT

2.1 The Republic of Haiti is a Caribbean country located in the Greater Antillean archipelago. It occupies the western, smaller portion of the island of Hispaniola, which it shares with the Dominican Republic. By area, Haiti is the third largest Caribbean nation (after Cuba and the Dominican Republic), with 27,750 square kilometres (10,714 sq mi) (roughly the size of the U.S. state of Hawaii or the country of Belgium). By population, Haiti is the second largest Caribbean nation, with an estimated 10.7 million people. With a nominal GDP per capita of US\$771 in 2012 (source: World Bank, 2013), Haiti is the poorest – and only Fragile¹ – country in the Americas and in the Western Hemisphere. In addition to causing over 200,000 deaths and a major setback to the economy², the 2010 earthquake that hit the metropolitan area engendered major demographic movements³ and deepened the already existing vulnerabilities. Despite the spectacular rebound of the country’s growth rate thanks to the impulsion of its dynamic Administration elected in 2011, Haiti was still ranked far below its regional neighbors (161st globally) on the UN’s 2013 Human Development Index⁴.

2.2 The country’s vision is to become an emerging country by 2030. To address the energy demand growth associated with this vision (energy demand to double in the next decade, objective of full access to reliable energy for the expected 15 million people by 2030), the Government of Haiti is highly committed to promoting the development of indigenous renewable energy sources. Upon his arrival in Office in May 2012, Prime Minister Lamothe declared in his General Policy address that the country will reach the target of having “25% of the national electricity mix from renewable energy sources by 2020”. Earlier in 2011, President Michel Martelly had made Energy and the Environment two of his five major national priorities, indicating significant government focus on the intersection of these issues (the national primary energy is composed at 71% by wood fuels, resulting only 3% of the national forest resource).

2.3 Haiti has the lowest per capita electricity consumption in the LAC region. At 21kWh per year, per capita consumption is more than 80 times lower than the average for the region, reflective of the very low income levels and access to electricity services. Haiti’s current electricity infrastructure is aging and has been poorly maintained. The 54 MW Péligre hydropower station, the nation’s largest power plant, is operating at only half capacity due to

¹ FCS: Fragile and Conflict-Affected Situations, the terminology used by the multilaterals to describe the country’s extreme vulnerability.

² The economy contracted by 5.4 percent in 2010, reversing the modest growth trend of the 5 preceding years. Damages and losses were estimated at US\$7.9 billion (120 percent of GDP) and reconstruction needs at US\$11.3 billion.

³ Since January 2010, about one million Haitians have left the country, and 74% of the 10 million population now lives in rural areas.

⁴ UN Development Program (UNDP), *Human Development Report 2013* (New York: 2013).

disrepair and sedimentation caused by increasingly severe deforestation. Available generation capacity of approximately 212MW (85% diesel, 15% hydropower) is insufficient to meet an estimated peak demand of more than 250MW in the metropolitan area. The power system's technical and commercial losses – respectively 30% and 35% - largely contribute to this structural deficit, resulting in an average daily service of only 16 hours on the power networks. Access to electricity is estimated by Government of Haiti's internal surveys at 28%⁵ (6% in the rural areas), leaving about 7 million Haitians without basic energy services and with little access to economic development opportunities.

2.4 In the interim version of the National Energy Sector Development Plan (MTPTEC, February 2011), the Government of Haiti has identified wind power as a national priority, determining that the resource should be developed wherever there is evidence that it may be economically viable. MTPTEC has since allowed private promoters to conduct pre-feasibility studies for wind projects in specific sites. Subsequently, the MTPTEC translated the Government's vision on energy into a comprehensive Energy Directions Note, notably providing concrete action items to enhance the use of renewable energy sources in the next two years. The willingness to create an enabling environment for renewable energy development encouraged the MTPTEC to submit an expression of interest to participate in the SREP program, in April 2014.

3. SCOPING MISSION - OBJECTIVES

3.1 The objectives of the Scoping Mission's are as follows:

- Identify and agree with Government of Haiti on the task force responsible for preparing the SREP investment plan;
- Identify relevant government counterparts, development partners and stakeholders for the proposed SREP activities;
- Hold discussions about the objectives of the SREP program, its benefits and the modalities of its implementation in Haiti to ensure a common understanding by all stakeholders;
- Undertake a stocktake of existing activities and documentation available on a range of analytical, strategic and programming activities related to renewable energy, which are considered important aspects of preparing the investment plan;
- Agree on the scope and outline of the SREP investment plan;
- Agree on the timeline as well as financial and human resources required to prepare the SREP investment plan; and
- Agree on the terms of reference and timing for the next MDB Joint Mission.

3.2 At the completion of the scoping mission, the MDB team will jointly prepare an aide-memoire that describes the key issues discussed, agreements reached, and next steps.

⁵ According to the Sustainable Energy For All Tracking Tools report (2013), the percentage of population having access to electricity was 34% in 2010, of which 12% in rural areas. These numbers still place Haiti far below the other LAC countries.

4. DATES

4.1 The proposed dates for the Scoping Mission are **October 23-26, 2014**.

5. PARTICIPANTS AND PROPOSED AGENDA

5.1 The Mission will be coordinated by the Government through the Haiti Ministry of Public Works, Transport Energy and Communications (MTPTEC), via its Energy Cell which is the focal point for SREP in Haiti.

5.2 The SREP Mission Team will include Frederic Verdol (Power Engineer, World Bank), Dana Rysankova (Senior Energy Specialist, World Bank), Lucine Lominy (Energy Specialist, World Bank), Federico Querio (Energy Specialist, World Bank), Joonkyung Seong (Energy Specialist, World Bank), Seth Collins (Analyst, CIF Administrative Unit), Catherine Gourdin (Senior Investment Officer, IFC), Andrey Shlyakhtenko (Operations Officer – Blended Climate Finance Unit, IFC), Christiaan Gischler (Senior Energy Specialist, IDB), Emiliano Detta (Climate Change Consultant, IDB), Joel Hernández (Energy Consultant, IDB), Kenol Thys (Senior Energy Specialist, IDB), Fritz Octave (Senior Energy Specialist, IDB), and Adam Borison (Director Energy and Renewable Resources, Berkeley Research Group).

5.3 The MDBs focal points for the SREP program are:

- WB: Gevorg Sargsyan (gsargsyan@worldbank.org)
- IFC: Joyita M. Mukherjee (jmukherjee1@ifc.org)
- IDB: Claudio Alatorre (calatorre@iadb.org)

5.4 The Government of Haiti’s focal point for the SREP program is Ms. Rose-May Guignard (Ministry of Finance, rosemay.guignard@ciat.gouv.ht).

5.5 Table I presents a tentative agenda and timetable for the activities for the Scoping Mission.

Table I: Tentative Agenda and Timetable

Date	Morning	Afternoon
October 22, 2014	Scoping Mission team arrives in Haiti	
October 23, 2014	Joint WB, IDB + IFC (Team) meeting with Minister of MTPTEC and Energy Task Force	MDBs Meeting with Energy Technical Teams (utility EDH, Government officials)

October 24, 2014	Joint MDBs meeting with Energy Task Force and local financial institutions (Scotiabank)	Joint MDBs meeting with Energy Task Force and private sector (Enersa, APR, Sugar Cane Industry, Soleo-Hydro) Wrap-up meeting with Energy Task Force
October 25, 2014	Field visit to a pilot energy cooperative operating a mini-grid in the rural South	Field visit to a rural hybrid diesel-solar mini-grid privately operated
October 26, 2014	Joint Team meeting and drafting of the Aide Memoire	Mission returns to the metropolitan area
October 27, 2014	Scoping Mission team departs Haiti	

ANNEX 1. LIST OF STAKEHOLDERS

Government		
Energy Task Force		
Mr. Jules Andre Joseph	Coordinator, MTPTEC Energy Cell	billjaj49@yahoo.com
Ms. Rose-May Guignard	Director, Multi-Ministry Agency for Rural Development (CIAT) & CIF Focal Point	rosemay.guignard@ciat.gouv.ht
Mr. Jean-Marcel Pinard	Director of Planning, Electricity of Haiti (EDH)	jean.marcel.pinard@edh.ht
Mr. Jean Robert Altidor	Technical Director, Bureau of Mines and Energy, MTPTEC	altidorjr@yahoo.fr
Energy Technical Team		
Mr. Camille Cange	Projects Coordinator, MTPTEC	ucpenergie@gmail.com
Mr. Feilnold Charles	Deputy Coordinator, MTPTEC Energy Cell	feilnold@yahoo.fr
Development Partners		
Mr. Garry Jean	Director of Micro-Hydro project, UNDP	Garry.jean@undp.org
Ms. Dana Brosig	Rural Energy Specialist, NRECA	dbrosig@nreca-intl.org
Private Sector		
Mr. Philippe Bayard	CEO, Soleo Energies (Hydropower local SME)	phbayard@yahoo.com
Mr. Jean-Ronel Noel	Director, Enersa (Solar local SME)	jrnoel@enersahaiti.com
Mr. Maxime Charles	Country Head, Scotiabank	Maximed.charles@scotiabank.com
Mr. Adam Borison	Director Energy and Renewable Resources, Berkeley Research Group	aborison@brg-expert.com
Multilateral Development Banks (MDBs)		
Mr. Frederic Verdol	Power Engineer, World Bank	fverdol@worldbank.org
Ms. Dana Rysankova	Senior Energy Specialist, World Bank	drysankova@worldbank.org
Mr. Federico Querio	Energy Specialist, World Bank	fquerio@worldbank.org
Mr. Joonkyung Seong	Energy Specialist, World Bank	jseong@worldbank.org
Ms. Lucine Lominy	Energy Specialist, World Bank	llominy@worldbank.org
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Mr. Kenol Thys	Senior Energy Specialist, IDB	pthys@iadb.org
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