

SREP Pilot Countries Meeting Report Back

Tamara Babayan

Director Armenia Renewable Resources and
Energy Efficiency Fund

31st October– Istanbul, Turkey

Overview

- Overview of SREP Operations
- Country Updates by:
 - Countries which have developed IPs: *Ethiopia, Honduras, Kenya, Maldives, Mali, Nepal*
 - Countries which have not developed IPs: *Armenia, Liberia, Mongolia, Tanzania, Yemen*

Updates from the SREP Pilot Countries

Content of presentations – Pilot Countries

- Advances, challenges and lessons learned since the last meetings
- Value added or benefit from SREP process
- Institutional arrangements for coordination and oversight of implementation the IP and programs. Need for improvement
- The most advanced programs under the IP and factors contributing this process
- The major tasks (3) ahead for IP during next 6-12 months

Content of presentations – Reserve List Countries

- Status of RE, challenges for scaling-up
- Main achievements and opportunities in RE area
- Preliminary outlines of SREP IP.

Updates from the SREP Pilot Countries

Successes:

- Key development in country-level projects (e.g. Kenya)
- Scoping missions and baseline studies moving forward (e.g. wind mapping)
- Strengthening regulatory framework for building investor confidence

Challenges and Barriers:

- Political situation (Mali)
- Lack of key energy baseline data
- Weak regulatory framework hinder investor confidence
- Project finance timing from MDB's can be challenging

Emerging Financing Instrument, Business and Delivery Models

Examples outside of SREP:

I. Ethiopia

Results Based Financing

- First country to sign a partnership with Energy+ based on payment for results (500m Kronor)
- Three phase agreement - readiness, implementation, and results-based contribution – to begin in 2012
- Requires extensive upfront planning and capacity building for MRV

Other innovative financing mechanisms:

- Climate Resilient Green Economy (CRGE) facility: Pooled funding for strategic and project-based climate activities in Ethiopia based on the Carbon Neutrality goal.

Emerging Financing Instrument, Business and Delivery Models

Armenia:

- R2E2 Fund as a tool for facilitating investments in RE &EE field
- Renewable Energy Program, that established revolving funding mechanism and assure sustainable development of the SHPP development and operation of the Fund
- Multi-donor program that leveraged funds with private bank and private investor (GEF Grant, IDA credit, Private Bank, project developer)

Honduras:

- Rural infrastructure project which is funded by concessional funding by the GEF, WB and EU
- Rural Infrastructure Project supporting solar PV, microhydro
- Large focus on capacity building in municipalities and the exploration of innovative financing (micro-finance sector to municipal)

M&E Showcase: Nepal

Monitoring and Evaluation:

- M&E vital for evidence-based decision making
- M&E system can point to where pitfalls and problems are
- Several pilot countries preparing M&E showcases with support from CIF and MDBs

Nepal M&E showcase:

- *M&E system in place at several levels (district to national), but focus on input-output monitoring → needs strengthening*
- *SREP M&E process can be catalytic and allows for the involvement of other stakeholders*
- *Key message: development of M&E system should not be done in isolation from other country level initiatives*

Ideas and Way Forward with Next SREP Pilot Countries

Key Issues Raised:

Discussion of the priorities set from last Pilot Country Meeting: RE financing, technologies, enabling environment, SREP policies and procedures

- Diverse preferences among pilot countries but convergence of interest in future activities focused on:
 - Pilot countries would like assistance with identifying additional funding for larger projects
 - Requested training on how to overcome SREP specific challenges and best practice (South-South learning etc.)
 - Assessing what the value added of SREP is
 - Listing of stakeholder contributions to knowledge management and platform (community of practice)

Briefing on Consultations for Sub-Committee Seats

Note on the Selection of Members to the CTF and SCF Trust Fund Committees and SCF Sub-Committees

- CTF Trust Fund Committee – 8 from contributor countries, 8 from eligible countries (18 months)
- SCF Trust Fund Committee - 8 from contributor countries, 8 from eligible countries (18 months)
- FIP Sub-Committee - up to 6 from contributor countries, matching number of eligible countries (18 months)
- PPCR Sub-Committee - up to 6 from contributor countries, matching number of eligible countries (18 months)
- SREP Sub-Committee - up to 6 from contributor countries, matching number of eligible countries (18 months)