



NIGERIA

Sustainable Energy for All Action Agenda & Investment Prospectus (SE4All – AA & IP) Implementation

Presented At the
3rd Annual Workshop on Advancing SE4All Country Action in Africa
Abidjan – Cote D'Ivoire
9th -12th February 2016





Background of SE4All in Nigeria

- Nigeria Launched its SE4All Initiative in August 2012
- High Level Kick-Off of the AP and AA by the VP - 14th August 2014
- Thematic Working Groups organised by the members ICREEE
- Several rounds of consultations (between March 2014 and August 2015)
- Wide Consultations with private, civil societies & development partners
- NREEEP was approved by FEC in 2015;
- ED of ECREEE visited Nigeria several time to support the Process
- NAPs & SE4All Targets were defined by ICREEE in Nov/Dec 2015



Nigeria SE4All Targets



Energy Access Targets:

- To increase electricity access to 75% & 90% by 2020 & 2030 respectively;
 - Access to modern energy for cooking of 53% & 78% in 2020 & 2030
 - Use of Butane Gas (LPG) or (CNG) of 15% & 25% by 2020 & 2030
 - Firewood consumption to reduce by 50% in 2020

Renewable Energy Targets:

- Renewable Energy mix of 18% and 20% by 2020 and 2030 respectively
 - 13% hydro (SM&L hydro), 3% solar, 2% biomass and 1% wind by 2020
 - 11% hydro (SM&L hydro), 6% solar, 2% biomass and 1% wind by 2030

Energy Efficiency Targets:

- Overall, EE will increase by at least 20% by 2020 and 50% by 2030
 - 40% Efficient lighting by 2020 and almost 100% by 2030;

Nigeria SE4All Priority Actions



Priority Action for Energy Access:

- Create Enabling Environment to Support Developers of Mini-grid Systems
- Work with DisCos to ensure reduction of ATC&C losses & improve revenue
- Facilitates Concessionary financing of system expansion – Transmission
- Access to modern fuel for Cooking and discourage the use of firewood

Priority Action for Renewable Energy:

- Commence Procurement of RE capacity: CB, FiT, Net metering etc
- Provision of economic and financial incentives to Project Developers
- Identification of International financing sources and Guarantees

Priority Action for Energy Efficiency:

- Reduce Transmission & Distribution losses
- Improve Energy Efficient Cities (Industry, Building, Transport & Cooking)
- New Regulations, Standards, Labels and Financing Schemes

Requirements for AA/IP Implementation



Effective Coordination Unit

- ✓ A functional coordination and facilitation Unit for SE4All implementation in Nigeria

Clear Operating Principles

- ✓ Inclusive Nigerian ownership
- ✓ A focused and Light-handed structure
- ✓ Results driven coordination

Focused Activities

- ✓ **Coordinate and manage:** EA, RE, EE targets, and other SE4ALL development, and endorsement process;
- ✓ **Act as a focal point to manage** national cross-sectorial and multi-stakeholder consultation, Information sharing, Match-marking and Mobilise finance
- ✓ **In conjunction with stakeholders SE4ALL Secretariat should co-ordinate** efforts to work with Develop Partners, CSO and SMEs to promote widespread understanding of SE4ALL goals and opportunities;
- ✓ **Monitoring, evaluation and reporting.**

Coordination and Implementation

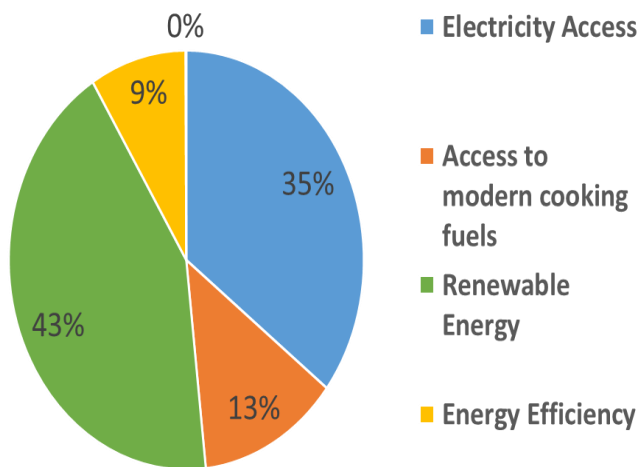


- Setting up a coordination unit i.e. a Secretariat at the Focal Institution (Federal Ministry of Power, Works, and Housing)
- Translate all targets and actions into key actions via inclusive and result oriented approach



Investment Prospectus Development

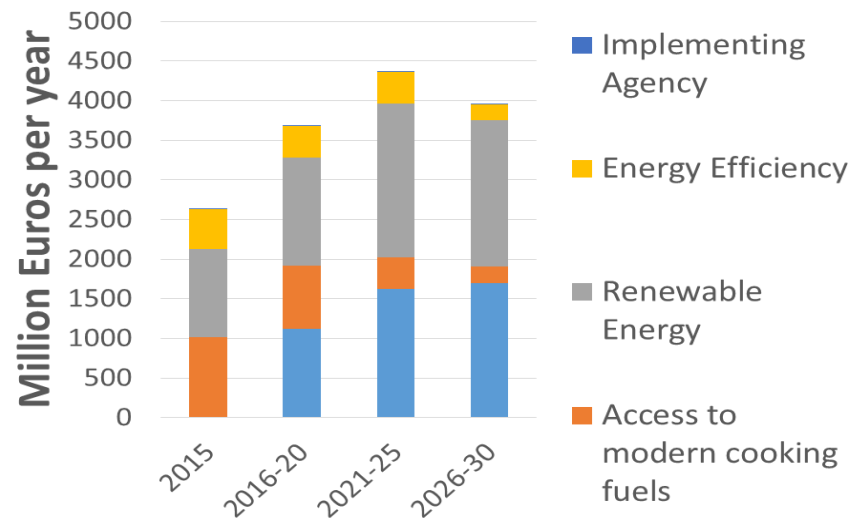
Investment Requirement to Achieve NAPs & SE4ALL AA in Nigeria



SE4ALL AA Requires **62 billion €**

Electricity Access & Renewable accounts for **78%** of the financing requirement

SE4ALL Action Agenda - Annual Financing Requirement



The annual financing requirement associated to SE4ALL varies from **2.5 to 4 billion €**

Annual EE financing requirement is **500 million €**

Nigeria Investment Prospectus



Synopsis of Where Nigeria Stands:

- Finalizing funding support for IP development with AFDB and hopefully should kick-off by the end of 1st Quarter 2016
- A core focus of the IP is to translate key targets set out in the NAPs and the AA into investment/financial terms
- Align the Nigerian IP with the regional template and process

Modalities in Brief:

- It is planned that the Honourable Minister will hold a 2-3 days investment workshop respectively
- All DisCos, GenCos, Regulator, Transmission Company, NBET, NIPP, NLNG, DPR, Private sector developers, BOI and other financial Institutions will be invited to the workshop
- Lessons learnt from completed IPs across the region and other SSA countries will be used to fine-tune the Nigerian version.

Lessons Learnt from AA/IP Development



Challenges:

- Complexity around the Nigerian energy sector and coordination of activities
- Very limited data which kind of slowed down the completion of the process
- Limited technical expertise

Lessons Learnt:

- Political support is key for stakeholder buy-into the process
- Process of the developing the NAPs, SE4ALL AA very useful and instrumental in defining targets and setting robust system for achieving set targets
- SE4All can serve as coordination Hub for EA, EE, and RE activities across key stakeholders in the country.

What We Need for Our Partners



- Provide focused Technical Assistance based on local needs including “matching funds” for feasibility phase of project (e.g. SEFA)
- Facilitation of Long Term Concessionary Financing for Project Development
- Support for Extending the Structure of Guarantees beyond ECAs – including creating Post-COP21 Trust Fund to provide “International Guarantee” for Projects
- More transparency in the use of Donor allocated funds such that all budget and expenditures from the funds will be with the full knowledge and approval of the beneficiaries

Conclusion



- Effective Monitoring of the Implementation of NEEAP & SE4All AA required
- National SE4All Coordination Structure need to be empowered to carryout Monitoring, Awareness creation and report on EE activities
- Both Public and Private funds are needed to move AA/IP activities forward



THANK YOU

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