Private Sector Finance and Expertise for Energy Access

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What’s REEEP

- Global public private partnership active in low carbon energy – RE & EE;
- Launched by UK in 2002 – established 2004 by UK and Austria – WSSD/JPoI and G8 RE task force
- 350+ partners, 46 Govts.
- Major support – UK, Norway, Australia, Ireland, Italy, US, Germany, Austria, Spain, NZ.
- 10 energy access projects over 6 years, - 20 countries.
REEEP projects - 129 in 56 countries
Energy Access and Private Sector

- Poor have extremely variable income streams - low entry costs – small payments – Kerosene;
- Poor are not generally served by banking sector and have limited asset base.
- Poor spend significant portion of their incomes on energy;
Current private sector efforts

- Small enterprises – social business - Lack of scale;
- Focus on electricity – not thermal energy;
- Technology specific (PV, Biogas, Hydro) – limited choices;
- Subsidy schemes distort the market for energy access;
- Low-cost and long term finance not available;
- Driven by donor, philanthropy - Private banks not very involved.
What can work?

- Approaches which have addressed both thermal and electrical needs;
- Technology offerings and choices – (Eg. PV+LPG);
- Energy as service – product-finance packages;
- Effective transaction cost management – local mechanisms, technology;
- Anchor customers – Agro-processing, mobile phone towers
What is required?

- Large-scale local private infrastructure investments;
- Incentive framework – energy access investments;
- Regulatory framework to encourage utilities/service providers to serve the unserved;
- Global financing/incentive framework to catalyse local action.
What are we doing?

- Supporting work on energy access financing – guarantees, margin money financing, social banks, barter – India, Nepal, solomon, kiribati
- Deemed off-grid feed in tariff - Mozambique;
- Business models, capacity building for EA – Brasil;
- 2012- International Year of Sustainable Energy for All – additional set of energy access interventions – SSA and SAs. – 27th May;
- Welcome to partner with REEEP
Thank You

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Pictures from REEEP supported projects.