Challenges and Opportunities in Electrification

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Established in **2006 and since summer 2017 Proud Partner of SEforALL**, the Alliance for Rural Electrification (ARE) is the only global business association that represents the whole decentralised renewable energy sector for rural electrification in developing and emerging countries.

As the off-grid matchmaking hub ARE is proud to represent +150 of committed Members who provide RET and business solutions on the ground worldwide. With its concept of Productive Use of Renewable Energy (PURE), ARE creates win-win situations for communities by combining international expertise and investment power with local contents and skills development.
We partner with international and national organisations, projects and initiatives, the media and other industry platforms.

**Commercial Partners**

- Africa-EU Energy Partnership
- IDB
- Inter Solar
- IRENA
- RECP

**Knowledge & Support Partners**

- ADB
- Bloomberg New Energy Finance
- CLUBER
- Development Aid
- EU
- EDC
- ENERGYPASS
- IBIB
- IRENA
- MEA
- UNFPA
- United Nations Foundation
ARE unites stakeholders across the rural electrification value chain and unites more than **150 Members** with the mission to provide energy access for all.

Work with us to grow the sector!

**ARE Services**

- **VISIBILITY**
- **INTELLIGENCE**
- **INFLUENCE**
- **BUSINESS CONTACTS**
- **ACCESS TO MARKETS & FINANCE**
- **DISCOUNTS**
There are 1.1 billion people without access to electricity in the world (87 % live in rural areas, SEforAll 2016).

Out of the 674 million people projected to be without energy in 2030, it is estimated that 600 million will be in Africa.

95% of additional investment in energy access will need to go to Sub-Saharan Africa to meet the 2030 energy for all target.

Finance for off-grid electricity generation in Sub-Saharan Africa increased fivefold to USD 200 million per year in 2015-16, driven by solar off-grid companies in maturing markets like Kenya, Nigeria, Tanzania and Uganda (SEforALL, 2018: 50)
What is needed: USD 52 billion per year of investments to provide electricity to all by 2030 (IEA 2017).

Status Quo: USD 30.2 billion invested per year.

This means we are only reaching just over half of this goal!

Source: SEforALL, Energizing Finance (2018), p.34
990,000 USD for launching a Call for Proposals funding in the form of grants for installation of hybrid mini-grids.

Three success stories from Bangladesh, India and Mali.

The projects brought great improvements in the quality of life of people. The possibility of using clean power productively is bringing local economic development.

Blendio, Mali

Muradpur Island, Bangladesh

Naratoli - Jharkhand, India
To deliver on SEforALL and SDG objectives off-grid solutions are expected to deliver 71% of all new electricity connections in rural areas, serving 485 million people by 2030 (IEA 2017)!

Start-ups and SMEs offer:

- Commitment to SEforAll objectives
- Innovation Power and
- local ownership and community involvement

What start-ups and SMEs lack and therefore need support from the public sector?

- Research support on energy access data collections and benchmarking of off-grid solutions
- Advocacy support to develop and implement business favorable conditions (e.g. by the help of GN-SEC, ARE local coordinators)
- Interim subsidies, result based financing + de-risking support enabling price signals so to facilitate customer and market development by its own means

Clean RE-based socio-economic growth based on new built and operated assets and with consumers to build their own assets!
Thank you

Asante Sana

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