

## Decarbonizing Humanitarian Energy (DHE) Multi-Partner Trust Fund (MPTF) CAA - 28 February 2023

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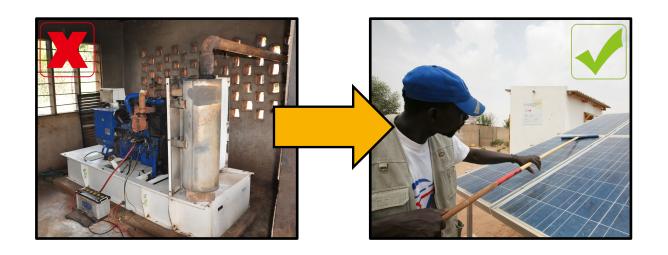




## Agenda

- 1. Background Context to Decarbonising Response
- 2. Decarbonising Humanitarian Energy Multi-Partner Trust Fund (DHE MPTF)
- 3. Delivery Models
- 4. Questions

## Why does the MPTF focus on diesel generators?



#### Shifting from diesel to renewable sources to:

GPA Survey among energy experts:

- FAO, IOM, UNDP, UNHCR, UNICEF, WFP & ICRC are operating 11,400 Units (out of an estimated 25,000 Units in the wider UN, incl. Peace Ops)
- 80% solar by 2030 > 3 units per day over the next 9 years

#### Estimated current status (conservative):

- \$108 million (± \$8.3 million) per year for fuel
- 194,000 tonnes of CO2 (± 15,000 tonnes)
  - = 70,000 return flights Geneva-Nairobi

#### Estimation for an energy transition (grant model):

- 65% fuel and CO<sup>2</sup> reduction =\$70 million saving p.a.
- Investment required: \$236 million (± \$18 million)
- ROI 3,5 years
- Estimated capacity required: 118 MW (± 9MW)

## DHE MPTF: What is its goal and objectives?

To support a country-wide adoption of energy efficient measures and sustainable energy solutions in fragile contexts, facilitated by a Centralised Clean Energy Service

Reduce energy consumption, CO2 and costs

Create opportunities to improve energy access in displacement settings

Bundling projects for economies of scale and unlocking financing mechanisms

Support simplified entry point for commercial sector

Create evidence-based material to promote low carbon operations

## DHE MPTF: Who is delivering it?

#### 1) UNITAR / GPA Coordination Unit:

- Overall Programme Coordination
- Programme Research Lead

#### 2) UNDP / Green Energy Team:

- Technical Assistance / Engineering backbone
- Procurement Support

#### 3) NORCAP / Green Shift Team:

Technical Capacity Support in countries

Operating together as a Centralised Clean Energy Service

## DHE MPTF: Who is aimed at?

## **ANYONE**

operating a diesel generator, who is supporting the humanitarian response in a DHE Target Country

Generator could be connected to:

- Head office or field office
- Warehouse or guesthouse
- Water pumping station
- School, health centre or community centre

#### **ALL WILL BE CONSIDERED**

## DHE MPTF: When and where is it operational?

- Seed funding for three years (2023 to 2025)
- Targeting five countries in the Sahel
- Programme inception phase runs from January to June 2023
- Initial priority countries Nigeria and Niger (other three to be determined)
- Seeking additional funding to take the programme global over a 10 year period

# DHE MPTF: How will it work?



#### Country-Wide Appraisal



**Facility Assessment** 



System Design and Business Case

#### **Energy Efficiency**



Review and Procurement



Contract Evaluation



Site Survey and Finalized Design



**Contract Finalisation** 



Operation and Maintenance

#### **Grant Based Model**



Review and Procurement



Contract Evaluation



Site Survey and Finalized Design



**Contract Finalisation** 



Operation and Maintenance

#### 3<sup>rd</sup> Party Model



Review and Procurement



Contract Evaluation



Site Survey and Finalized Design



Contract Finalisation



Operation and Maintenance



Programme Monitoring and Evaluation

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## Delivery Models: What are they?

#### solar system bought by energy service company with private finance electricity purchased from energy service system maintained by company via a long energy service company term agreement

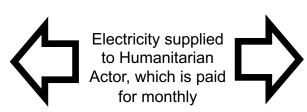
**New Model** – Energy as a Service

## Delivery Models: What are they?

Project Phase	Procuring a System	Procuring a Service
1) Energy assessment, business case, procurement	Funding to come from regular budget or technical assistance for technical capacity, data modeling, upgrade of electrical network, etc.)	
2) Capital	Existing budget (grant)	Private Finance
3) Ownership	Humanitarian Actor	Energy Service Company (can be transferred after an agreed number of years)
4) Operation and maintenance costs	Low maintenance costs – spare parts can be expensive need to be budgeted for	Integrated into monthly service fee (ideally below existing costs of diesel)
5) Closing Office / Termination	System left behind	Requires de-risking
6) Other considerations		Supports local development and open a market for energy services to displaced communities

#### Pushing Anchored Energy Services into the Communities









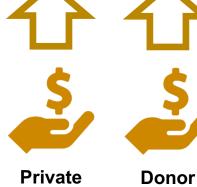








Private finance secured through energy agreement with Human. Actor



Grant to increase solar provision and extend grid to community

Powering small businesses

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**Finance** 

### DHE MPTF

# Your Questions



## Thank You

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