

# Energy Security and Resource Efficiency in Somaliland Programme Overview



# Overview of electricity situation in Somaliland

## High Electricity Costs

- Generation almost exclusively from small distributed diesel
- Unregulated tariffs. Price = \$0.80 - \$1.00/kWh

## Extremely Limited Access

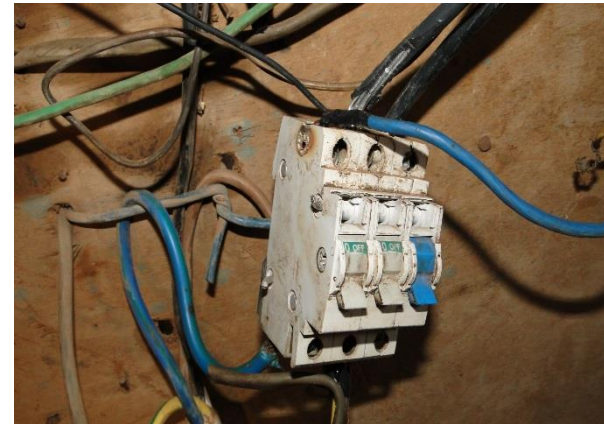
- Rural electrification extremely limited
- Limited self-generation at clinics and schools

## No Regulatory Environment

- Electrical Energy Bill still pending
- Need to establish and enforce standards for health and safety

## Lack of Skilled Labour

- Need vocational training, particularly in renewable energy
- Lack of standards for certification



**ESRES**  
ENERGY SECURITY AND RESOURCE  
EFFICIENCY IN SOMALILAND



# ESRES programme outline

## Objective

The ESRES Programme supports the Government of Somaliland to improve access to affordable electricity for vulnerable communities through the promotion of renewable energies

## Phases

- Phase I (30 months): pilot-phase;
- Phase II (24 months): expansion-phase

## Funding and implementation

- UKAid through DFID Somalia
- GBP 20 from International Climate Fund
- Mott MacDonald appointed as programme manager for phase 1



# ESRES methodology

## Policy and regulatory

Support to MoEM to develop and implement an appropriate policy and regulatory framework

Roadmap and TA to MoEM

## Pilot with hybrid mini-grids

Support to local private sector to invest in renewable energy systems based on a social return on investment concept

Grant fund and TA to local private sector

## Real-time learning

Conduct of Real-Time Learning (RTL) and studies

Design for scale up during phase 2



# Hybrid mini-grids

- Selection of viable projects and capable implementing partners (local private sector)
  - Call for proposal process
  - Development of technical standards
  - TA-support to applicants
- Social return on investment concept (improved access and lower tariffs)
- 6 projects approved for USD 2.9 mln, implementation started
- Heavy involvement of TA to ensure quality assurance
- Completion expected by end 2017





# Hybrid mini-grids - locations



# Way forward

- ESRES cannot solve Somaliland's energy needs alone, but our approach and what we're learning should inform other efforts and leverage resources.
- Limited access to capital, poor enabling environment, and lack of skills represent significant constraints that need to be addressed in close partnership between Government of Somaliland and Development Partners.
- Solving challenges in energy sector will require progress on addressing broader political, economic, and social constraints.

