

Type 2 partnership proposal presented by the French government

TITLE:

Mechanism for the development of renewable energy and energy efficiency in developing countries

PARTNERS:

Sponsor of the initiative:

Agence Française pour le Développement (AFD – French Development Agency), 5 rue Roland Barthes 75598 Paris, Cedex 12, France

Associated partners:

Ministry of Foreign Affairs [*Ministère des Affaires Etrangères* (MAE)], Agency for the Environment and Energy Efficiency [*Agence de l'Environnement et de la Maîtrise de l'Energie* (ADEME)], PROPARCO, French Global Environment Fund [*Fonds Français pour l'Environnement Mondial* (FFEM)], External Economic Relations Directorate [*Direction des Relations Economiques Extérieures* (DREE)], CDER (Morocco)

Other partners approached:

Ministry of the Economy and Finance [*Ministère de l'Economie et des Finances* (MINEFI)], COFACE, *Fondation Energies pour le Monde* (FONDEM), CDC, EDF, Union Committee for Employee Savings' Evaluation [*Comité syndical d'évaluation de l'épargne salariale*], etc.

The World Bank, International Finance Corporation (IFC), GEF, ministries of the main countries concerned

Subsequent integration with the European energy initiative

DESCRIPTION:

A summary description and outline of the connection with Agenda 21 or the Millennium Declaration:

The main objectives of this initiative are the reduction of poverty by providing access to energy services, especially to rural populations, and the fight against climate change by controlling the growth of energy consumption and by increasing the share of energy from renewable resources in the energy mix of the developing countries. The initiative falls within the scope of reinforcing technical and institutional cooperation efforts to facilitate the structuring of national energy policies and the setting-up of the necessary structures for the proper design and realization of projects. In particular, it aims:

- To develop renewable energy markets and energy efficiency through the better use of the existing financial mechanisms, public-private partnerships, and the encouragement of "ethical" savings.
- To coordinate – in a structured, simplified way via creation of a common platform – the main financing steps for projects and programmes: identification and preparation of projects by ensuring consistency with activities supporting the reinforcement of capacities (and, in particular, urban/rural solidarity organizations in developing countries) and investment in the projects.

This initiative is characterized by the involvement of the private sector in all phases.

The Millennium Declaration calls for the improvement of energy efficiency and the development of renewable energy resources. It asks that an effort be made to provide modern energy services to the two billion people who lack them. Agenda 21 considers energy an essential means of access to economic and social development and of improving the quality of life. Traditional energy production methods cannot meet these goals in a sustainable manner.

Expected results:

By means of a common platform guided by the AFD, to facilitate the structuring of public-private partnerships, making private initiatives that respond to precise criteria and are in line with clearly delineated national policies possible so that they can be translated into action more quickly than at present in the field, thereby opening up the possibility of a change in scale

that meets the national needs of the poorest countries.

ESTIMATED TIMETABLE for implementation:

From September 2002 to September 2003 for the setting-up of an entirely French mechanism, and to September 2004 for expansion to an international scope.

EXPECTED MEANS OF IMPLEMENTATION:

Funding: Apart from existing funding, (from AFD, DREE, FFEM, etc.) and under conditions that remain to be defined between the public partners concerned, private funds will be sought as back-to-back financing. A follow-up programme will be set up for the funding mobilized within the scope of this initiative.

Evaluation process: to be defined with the partners.

PRESENTATION AND ANNOUNCEMENT OF INITIATIVES:

The Websites – <http://www.sommetjohannesburg.org> and <http://www.agora21.org> – will be mobilized, as well as the mailing lists (mediaterre@agora21.org).

CONTACT: Alain Henry, AFD: henrya@afd.fr

Additional information is available on the Website: www.diplomatie.fr