

Off-Grid Stakeholder Coordination and Partnership Framework

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Nigeria's Off-Grid Landscape



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Nigeria's Off-Grid Landscape



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- 77 million of Nigeria's 201 million population are unelectrified
- There are several energy access policies, plans and initiatives by the govt. that promote off-grid energy electrification.
- The OG sector has witnessed substantial growth evidenced through increased investment and private sector actors. In H1 2021, Nigeria SAS sales represented more than half of the total volumes for West Africa.
- The government has launched several initiatives to meet its electrification target and aims to achieve 100% electrification by 2040¹.
- REA is providing sector leadership in line with govt. policies, plans, and commitment, and facilitating sector growth.
- The sector has received support in the form of technical assistance and grants from donors, development finance institutions and private sector actors, which has supported its early-stage growth.

1. *The Nigeria Renewable Energy Action Plan, 2016 (NREAP)*

The continuous growth and sustainability of Nigeria's OG sector is largely dependent on the following enablers to drive investments



- Finance:** Long-term and viable financing model for working capital
- Transition from grants to private sector investments to finance working capital. This will ensure sustainability



- Demand:** A commercially viable market that is affordable for consumers
- Enough consumers willing and able to pay, leveraging digital payment systems and demand-side financing



- Supply:** Capacity to assemble and manufacture locally
- Ability to import, assemble and/or manufacture locally at a competitive cost



- Policy & Regulation:** Implementation of policy & regulatory action plans
- Enabling environment that investors and private sector can easily navigate

Nigeria's Off-Grid Landscape

Nigeria's OG sector is governed by several policy and regulatory framework that set out the government's off-grid electrification plans and targets. REA is empowered with the mandate towards actualising these, in collaboration with public and private sector partners.

Legislation	Policies and Regulations	Strategies and Plans	International Partnerships
<ul style="list-style-type: none">• Constitution of the Federal Republic of Nigeria• Electric Power Sector Reform Act• Nigeria Climate Change Act, 2021	<ul style="list-style-type: none">• Rural Electrification Policy, 2006• National Renewable Energy and Energy Efficiency Policy, 2015• Mini-Grid Regulation, 2016• National Policy for Climate Change	<ul style="list-style-type: none">• Renewable Energy Masterplan (2012)• Rural Electrification Strategy and Implementation Plan, 2016• National Renewable Energy Action Plan, 2016• National Energy Efficiency Action Plan, 2016• Sustainable Energy for All Action Agenda, 2016• Nationally Determined Contribution, updated 2021• Nigeria Energy Transition Plan, 2021	<ul style="list-style-type: none">• Nigeria Energy Africa Compact, 2015 – Nigeria & the UK Government• Nigeria Energy Compact, 2021 – Nigeria & SEforALL

Nigeria's Off-Grid Landscape

Focal Components of Off-Grid Electrification in Nigeria's Energy Access Documents

Access to Finance	Quality Standards	Energy Nexus
Data & Market Intelligence	Capacity Building & Development	Job Creation
Payment Systems	Demand Generation	Energy Efficiency
Gender and Social Inclusion	Policy & Regulation Support	Enabling Environment
Fiscal Incentives	Geo-spatial Tool	Climate Change Finance
Local Assembly & Manufacturing	Advocacy & Sensitisation	
Education & Research	E-Waste	
Coordination & Partnerships	Incubation	

Improving Off-Grid Sector Coordination



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Improving Off-Grid Sector Coordination

Nigeria's off-grid energy coordination journey actively began in April 2017 in the form of a donor roundtable meeting. This has morphed into quarterly off-grid stakeholders' meetings

FY 2017 Facilitated by Power Africa Transactions and Reforms Program (PATRP)

The maiden edition of the coordination meeting was held in Lagos on the sidelines of the Solar Future event in 2017

FY 2018 Facilitated by PATRP/PA-NPSP

The Renewable Energy and Energy Efficiency Program (REEEP) had its closing ceremony and unveiled its resource book at this meeting

FY 2019 (Quarterly) Facilitated by PA-NPSP, All On & REA from 2019 till Date

Convened stakeholders across the off-grid sector. Highlights from these meetings include:

- Quarterly meeting schedule
- Inauguration of the Nigeria Climate Innovation Center
- Launch of NOMAP

FY 2020 (Quarterly)

Strategic partnership between the PA-NPSP, All On and the REA. Commencement of virtual coordination meetings

FY 2021 (Quarterly)

Featured Sosai's grant signing ceremony with USTDA and updates from stakeholders

FY 2022 (Q1)

Updates from stakeholders and a switch to a hybrid system (virtual & physical meetings)

- It has become increasingly apparent to the REA and other stakeholders that quarterly meetings alone would not be enough to efficiently foster collaboration to increase the impact of off-grid interventions in the country
- An improved coordination and partnership framework will enable the REA to better coordinate which in turn, maximises resources, identify gaps, ensure the sustainability of interventions, increases impact and ultimately increase energy access to the unserved and underserved

Improving Off-Grid Sector Coordination

Considerations in the development of the Stakeholder Coordination and Partnership Framework

Anchor Stakeholder: REA is the focal federal government institution for off-grid electrification and recognised by government, donor, and private sector stakeholders. REA partners, facilitates, and enables OGS initiatives in the sector.

Sustainability: Activities of donor and market support organisations are timebound and have to be sustained to improve impact and investments. There needs to be a central framework to coordinate all the initiatives/interventions.

Clarity of Stakeholder Roles: Improved clarity and understanding on the scope, focus, and roles of stakeholders will improve sector transparency, collaboration, and coordination.

Knowledge Management: Easy accessibility to sector resources, data, knowledge material, and relevant market intelligence for cross sharing, collaboration, improved impact, and avoidance of duplication.

Alignment with Govt's Plans: Coordinated efforts by off-grid stakeholders in line with government's electrification policies and plans will enable the country achieve its off-grid targets

Objectives

- **Improve stakeholder collaboration in order to increase impact and eliminate duplication.**
- **Effectively track progress and identify areas that require support.**
- **Increase knowledge sharing.**
- **Coordinated approach in proffering pragmatic solutions to off-grid sector challenges.**
- **Support REA to meet its off-grid targets and objectives in line with the vision and goal of the federal government.**

Improving Off-Grid Sector Coordination

Stakeholder Mapping - Government, Donor/Development Partners, Development Finance Institutions/Financiers and the Private Sector

Government

Federal:

- Federal Ministry of Power
- Rural Electrification Agency
- Federal Ministry of Environment
- Federal Ministry of Finance, Budget and Planning
- Standards Organisation of Nigeria
- National Environmental Standards and Regulations Enforcement Agency
- Nigeria Customs Service
- Office of the Vice President

State:

- Govt Institution with oversight on Power/Energy
- State Min. of Planning & Budget
- Office of the Executive Governor

Donors/Development Partners

Active development partners

- ACE TAF
- GIZ NESP
- Power Africa NPSP
- NOMAP
- UK NIAF
- Heinrich Boll Stiftung Nigeria
- SE4ALL
- USADF
- GEAPP
- RMI
- SUNREF
- Rockefeller Foundation (RF)
- UNDP GEF
- JICA
- EU
- AECF

DFIs /Financiers/Investors

- World Bank
- African Development Bank
- All On
- Infracredit
- Acumen
- African Finance Corporation
- Sterling Bank
- First City Monument Bank
- Chapel Hill Denham
- Helios
- DFC
- Grofin
- ElectriFi
- NSIA
- NDPHC
- Development Bank of Nigeria
- Bank of Industry
- Norfund
- IFC

Industry Association

Industry Associations

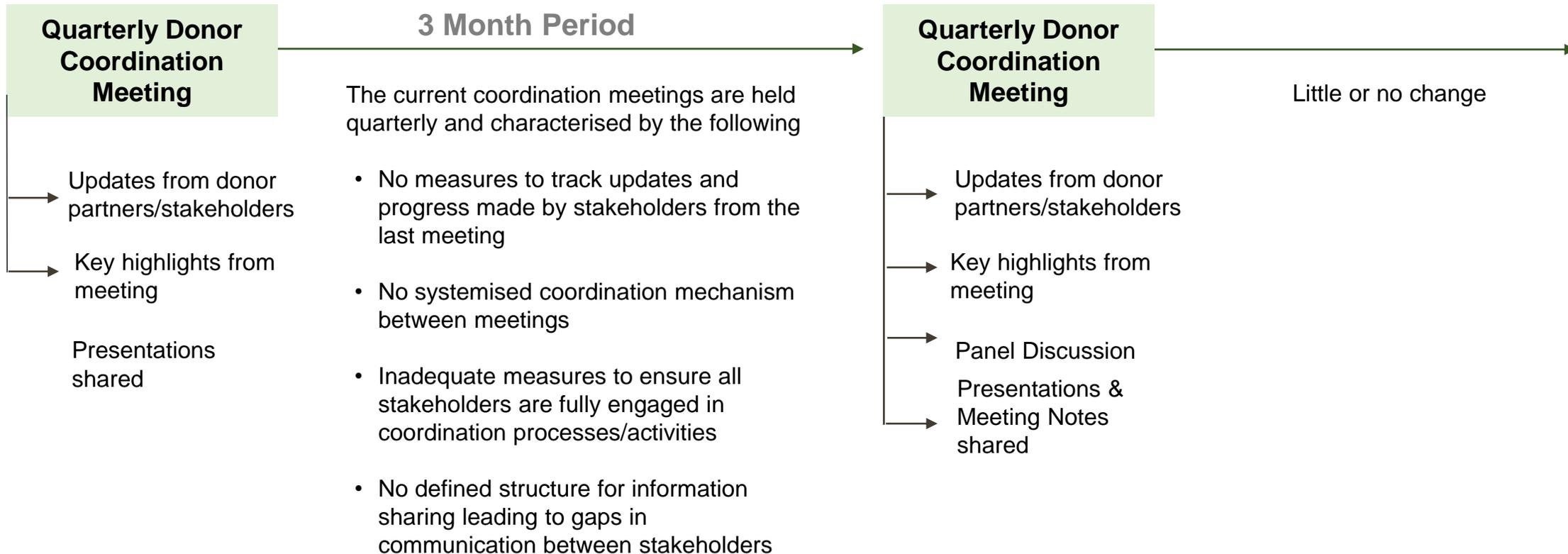
- REEEA Alliance
- REAN
- AMDA
- CREN
- SEPAN
- GOGLA

Market Support Organisations

- Tetra Tech International
- Deloitte
- CrossBoundary
- McKinsey
- Clean Tech Hub
- Nextier Power
- World Resources Institute

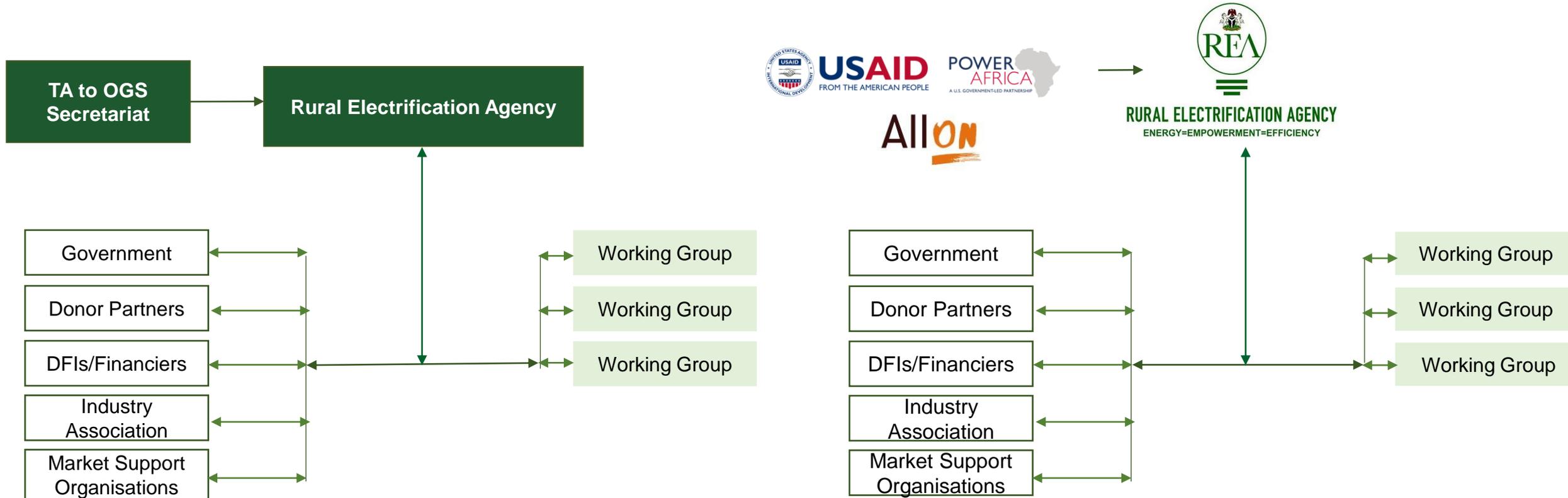
Improving Off-Grid Sector Coordination

Current Off-Grid Sector Coordination Framework



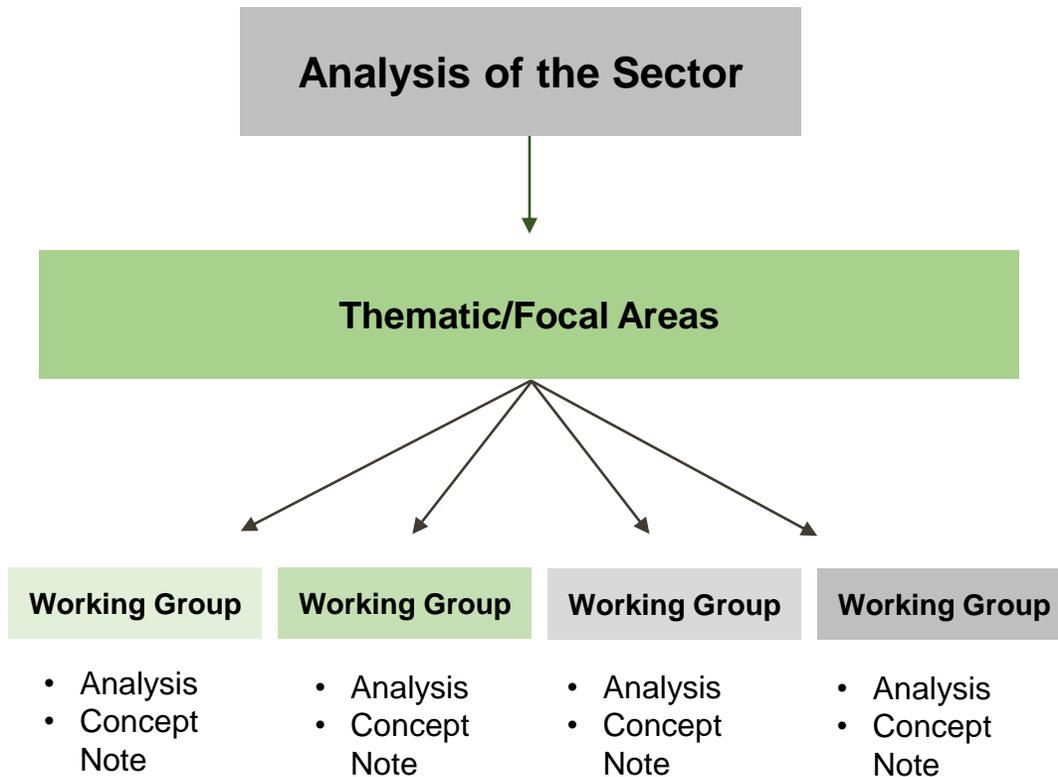
Improving Off-Grid Sector Coordination Design

Proposed Off-Grid Sector Coordination Design



Improving Off-Grid Sector Coordination

Proposed Off-Grid Sector Coordination (Implementation Flow)



- The OGS Secretariat will conduct a sector assessment of Nigeria's Off-grid industry and identify the focus/thematic areas within the industry
- The identified focal areas will be used to group the stakeholders into working groups
- Each working group will have a champion Organisation/Stakeholder that will lead the activities of the working group
- The selection criteria for the champion is based on technical capacity and financial resources (ideally, a stakeholder that is actively working in that area)
- Each working group will have its own sector analysis and implementation plan/concept note to achieve the outputs of the group

Improving Off-Grid Sector Coordination

Proposed Off-Grid Sector Coordination

Off-Grid Stakeholders Secretariat

- Serve as the central coordination desk for the OG sector.
- Liaise and work with stakeholders on OG interventions to understand the focus, scope, and intended outcome.
- Identify areas of overlap and facilitate collaboration between stakeholders, as well as complementary areas where stakeholder interventions can benefit from one another.
- Identify gaps and focus areas for stakeholder interventions
- Update stakeholders on sector development and activities.
- Facilitate engagements and relationships between government, donor, and private sector stakeholders.
- Inform relevant government institutions such as the Federal Ministry of Power on updates in the sector.
- Act as a resource hub for relevant sector knowledge management resources, material and data. This includes connecting stakeholders to where these can be obtained.

TA to OGS Secretariat

- Provide technical assistance to the OGS Secretariat for the effective implementation of its activities
- Provide funding support to the OGS Secretariat for the effective implementation of its activities
- Advisory to the OGS Secretariat on OG Sector Coordination

Working Group

- Working Groups can be created for the following.
 1. A situation where several stakeholders have mutual interest in a particular area in order to foster collaboration, improve coordination, and avoid duplication.
 2. For specific purposes such as addressing a particular challenge in the sector, or for any broad sector purpose
- Working groups will consist of target stakeholders, with oversight from the OGS Secretariat. Structure is flexible as determined by members.
- Will provide regular reports and updates to the OGS Secretariat on activities and progress.

Improving Off-Grid Sector Coordination

Proposed Off-Grid Sector Coordination

Coordination Meetings

- Off-grid stakeholder general meetings will be held biannually (First weeks in June and December). Meetings will be led by the OGS Secretariat with support from the donor coordination partners.
- Format for meetings will include:
 - Presentation by the secretariat on key stakeholder activities during the period from the last meeting highlighting achievements, challenges, gaps, plans, new stakeholders/programmes, and plans for the next half year
 - Presentation by the Working Group(s) on progress made so far
 - Presentation by any stakeholder e.g. a new programme/fund/initiative, etc.
- Presentations and relevant materials will be shared after donor coordination meeting by the OGS Secretariat
- Working Group meetings will be as determined by members of the working group towards the attainment of the goals of the group.

Communication

- Monthly newsletter by the secretariat to stakeholders highlighting sector developments, knowledge management resources, etc.
- Sector annual report by OGS secretariat with input from key stakeholders highlighting progress, achievements, challenges, and plans for the sector.
- Online repository of resources available on REA's website for easy accessibility

Other

- Digital management software and tools managed by the OGS secretariat to better coordinate the sector
- Training workshops for OGS secretariat

Improving Off-Grid Sector Coordination

Proposed Off-Grid Sector Coordination

Government MDAs

- The REA will lead all advocacy efforts on behalf of the off-grid energy stakeholders
- Dedicate a focal person in each of the related government MDAs to coordinate and relate with REA (OGS Secretariat)
- Attend and participate at coordination meetings

Donors

- Coordinate with the OGS Secretariat during the development of their annual implementation plans for input, support and buy-in from REA. This will also avoid duplication and explore effective collaboration with stakeholders with mutual activities.
- Provide updates to REA on activities and interventions including engagements with government stakeholders. This will enable the REA advocate efficiently
- Provide support to the OGS secretariat
- Attend and participate at coordination meetings

DFIs/ Investors / Financiers

- Provide updates to the REA through the OGS Secretariat on funding activities, funding plan and proposed areas of work
- Provide support to the OGS secretariat
- Attend and participate at coordination meetings

Industry Association

- Provide the OGS secretariat with insights on electrification plans, bottlenecks encountered by members, communities where members are actively working in, etc.
- Attend and participate at coordination meetings

Next Steps



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Next Steps

Input and commitment from all stakeholders

- | | |
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| 1. Stakeholder Input and Commitment to Framework | 14 th – 17 th June 2022 |
| 2. Update and dissemination of Framework | 20 th – 21 st June 2022 |
| 3. Set-Up of Off-Grid Coordination Secretariat. | 27 th June – 29 th July 2022 |
| 4. First Newsletter / Communication from Secretariat. | 1 st August 2022 |

Thank you!



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