



**Annual Conference of the Arab Forum for Environment
and Development**

**Arab Environment 6
Sustainable Energy
Prospects - Challenges - Opportunities**

**Energy for Sustainable Development:
OFID's Perspective**

**Sharjah, UAE
28-29 October, 2013**



2013 Annual Conference of the Arab Forum for Environment
and Development

**Session II: Energy for Sustainable Development:
OFID's Perspective**

A Brief Presentation of OFID

Presented by :
Ms. Souhad Khriesat
Grants Officer



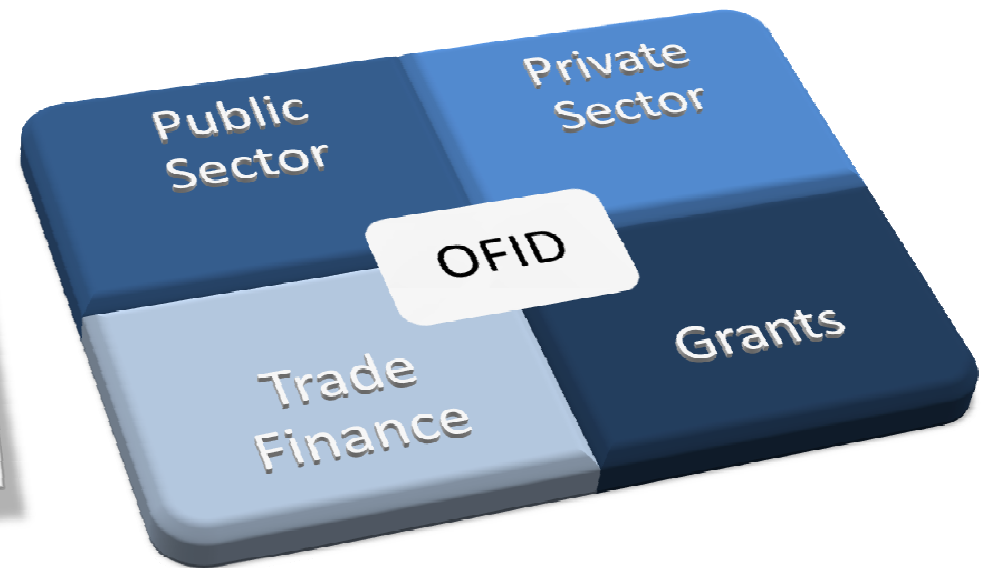
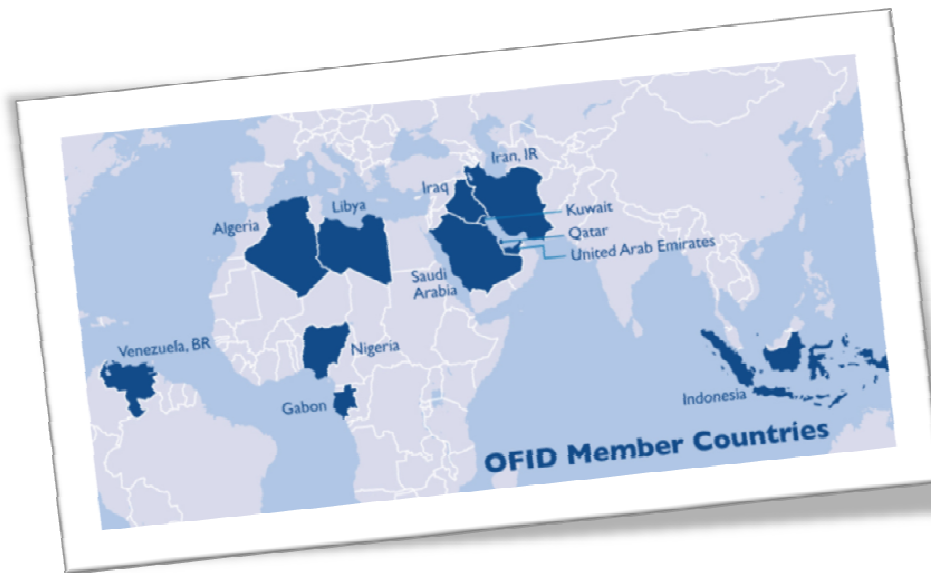
OFID History and Mandate

History:

OFID was established in 1976 by the Member States of OPEC as a collective channel of development assistance to developing countries.

Mandate:

To foster Sustainable Development in non-OPEC developing countries and particularly poorer, lower income countries





Partnerships

The Coordination Group



The World Bank and Regional Banks



United Nations Organisations

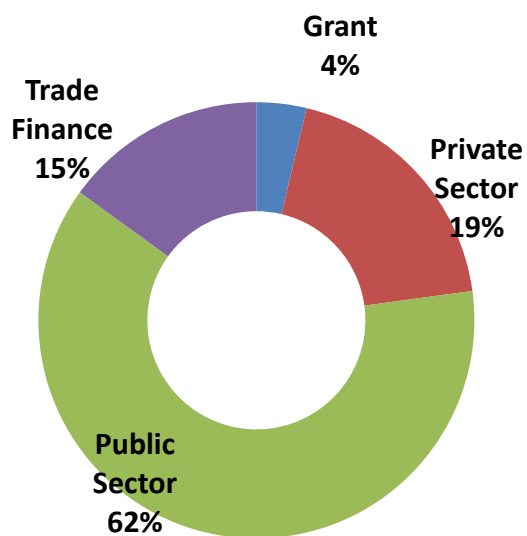
IFAD, WFP, UNDP, UNRWA, WHO, UNICEF, UNODC, UNESCO, UNFPA, UNHCR, UNAIDS, FAO, UNHABITAT, UNFSTD, UNCTAD, UNIDO, UNECA, UNRoD, WMO, UNESCWA



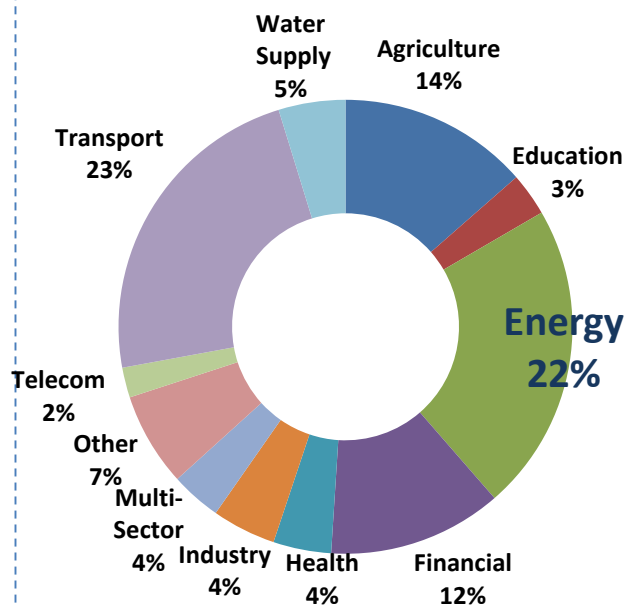
OFID Operations: 2003-2012

Financing Windows

Cumulative operations through its four financial windows: USD 15.7 billion



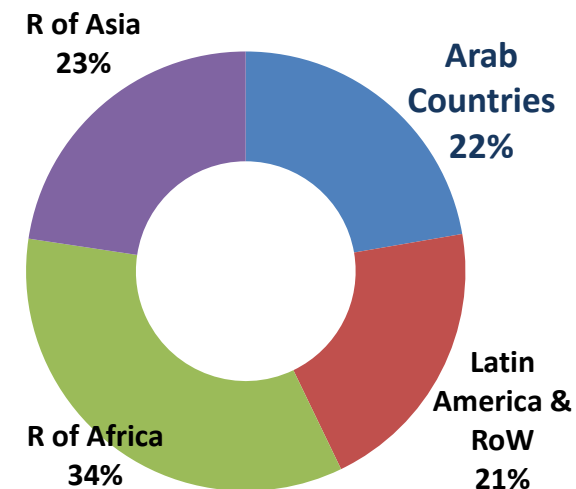
Sectors



OFID is present in all Sectors of development

Regions

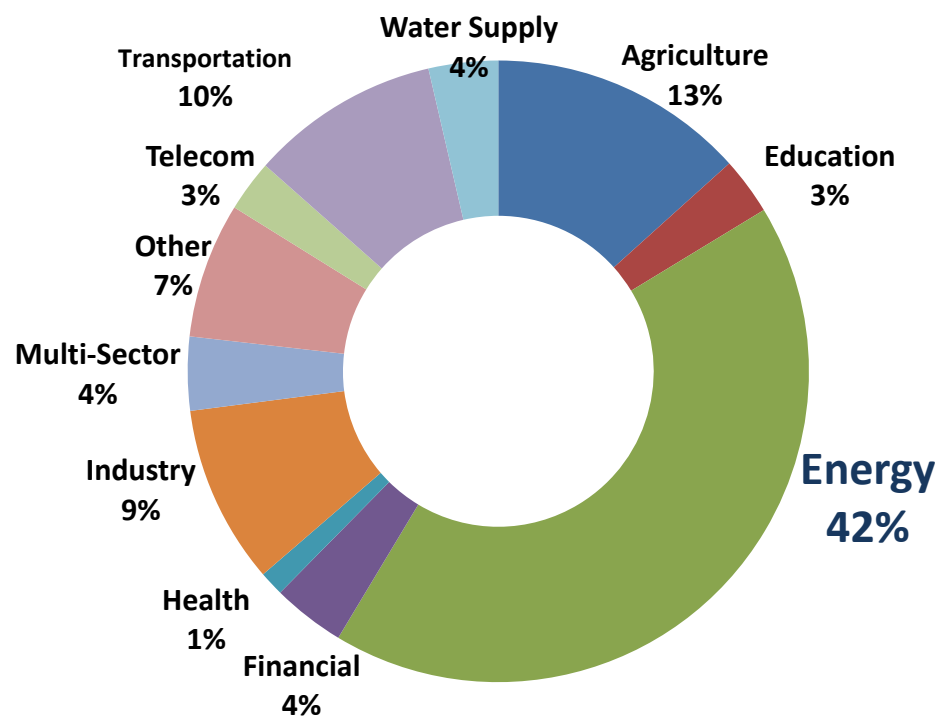
A special focus on Arab countries and on least developed countries worldwide





OFID Operations in Arab Countries: 2003-2012

With 22% of its operations in Arab countries
OFID is present in all sectors



In Arab countries, with sharp disparities:

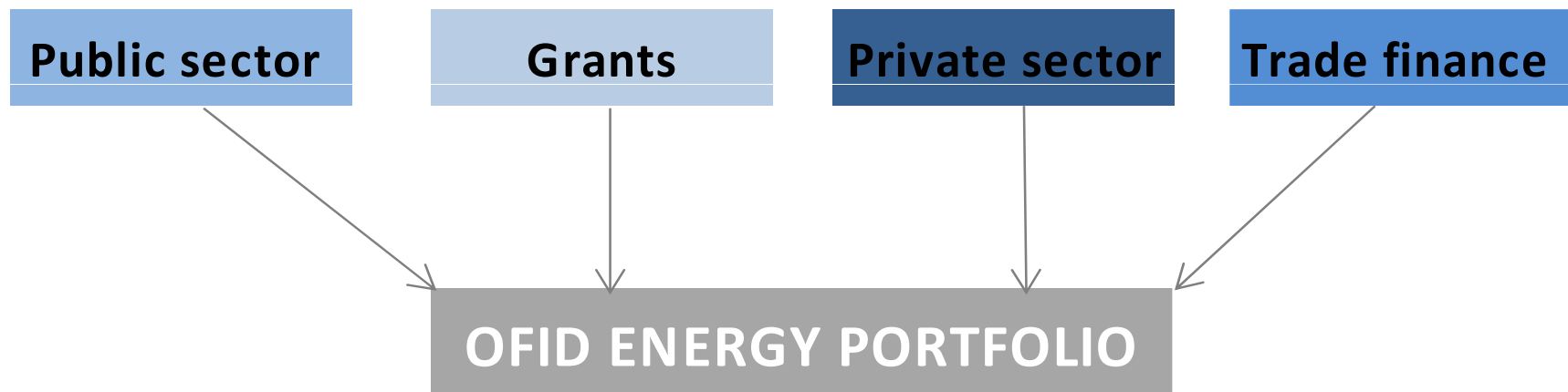
- **52 million people**, more than 19% of rural poor, do not have access to electricity (IEA-2012).
- **48.4 million people** are still using biomass for cooking (WHO-2013).
- **≈ 80,000** are dying every year from indoor pollution (WHO- 2013).



OFID: Energy and Sustainable Development

Energy is **essential** for:

- Poverty eradication
- Sustainable Development
- Achievement of the MDGs and the post-2015 SDGs



85 countries covered
USD 3.5 billion



OFID Energy portfolio

The portfolio was boosted by OFID's "Energy for the Poor Initiative"



The percentage of energy operations increased from 19% in 2007 to $\approx 30\%$ in 2012 with more than a two fold absolute increase

Since November 2007: The approval of more than **USD 1.4 billion** for energy operations in 43 Countries.

By adding the co-financing share of other development institutions, the impact on the ground exceeds **USD 15 billion**



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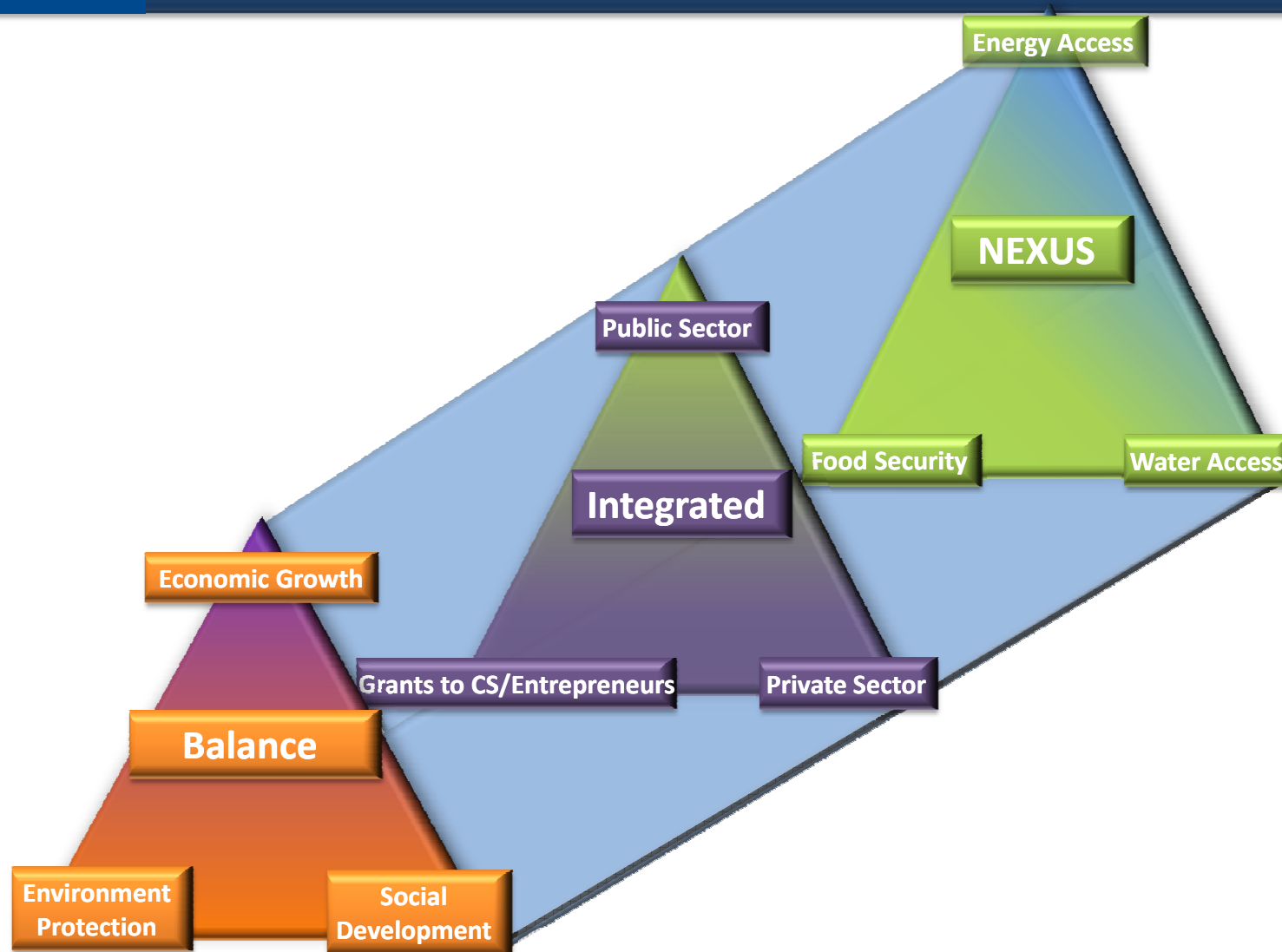
Session II: Energy for Sustainable Development: OFID's Perspective

OFID's Developmental Framework

Presented by :
Mr. Faris Hasan
Head of Research

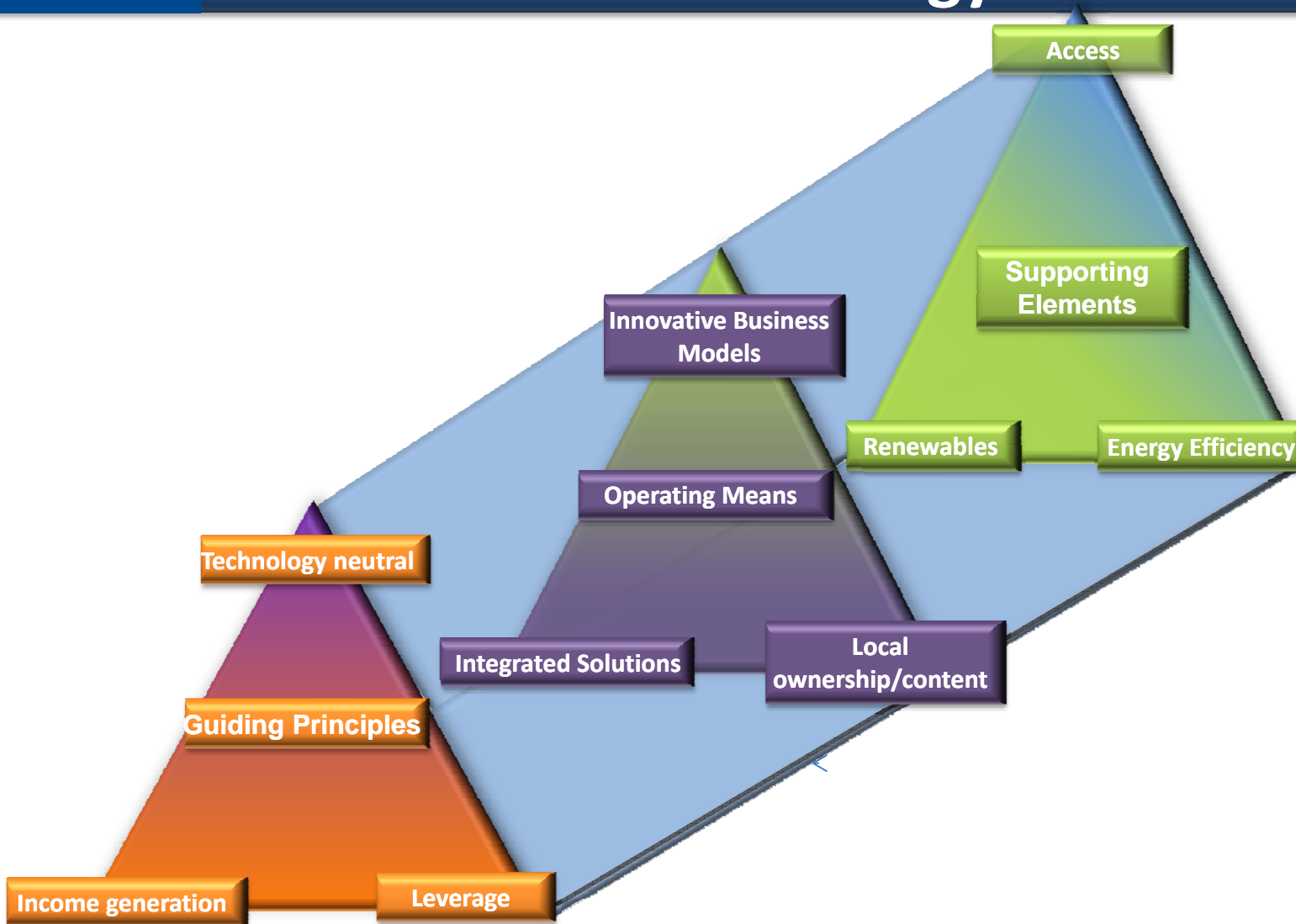


OFID's Approach: Development Prism





OFID's Approach: Access to Modern Energy Framework





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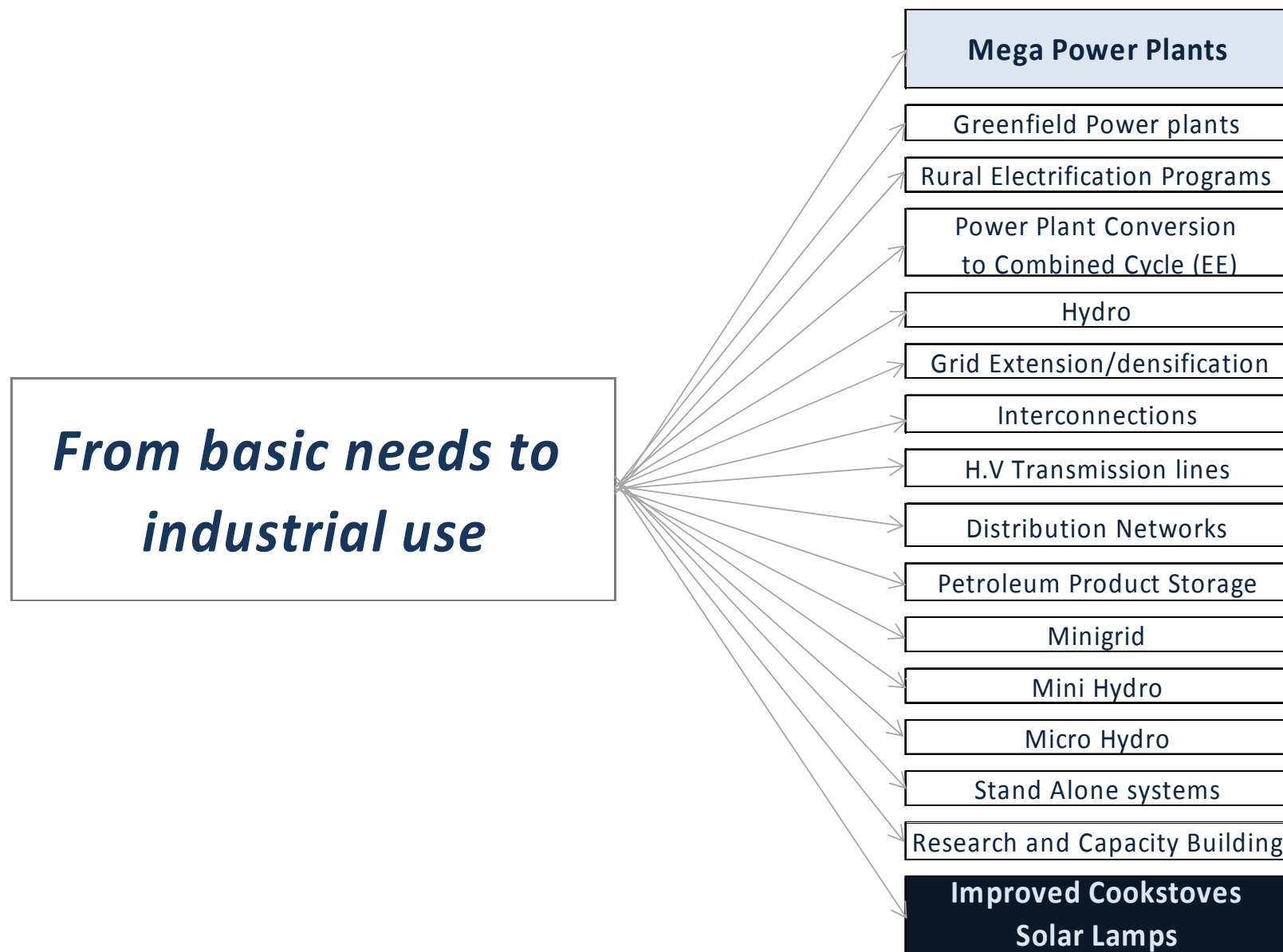
Session II: Energy for Sustainable Development: OFID's Perspective

Energy projects: OFID in the Field

Presented by:
Mr. Rachid Bencherif
Head of the Grants Unit



OFID ENERGY PORTOLIO: A Wide Spectrum of Operations





Public Sector Energy Portfolio: Yemen

1

*Strengthening Yemen's power generation capacity
by diversifying the Energy Mix.*

A 60 MW Wind Farm at Al Mocha

Objectives:

- To build the first Wind Farm in Yemen;
- To meet increasing demand for income earning opportunities;
- To supply the grid in order to allow Scaling up.

*15 million people lack electricity (Elec-rate:40%)

Total Cost:	US\$ 125 million
OFID loan:	US\$ 20 million
Partners:	World Bank, Arab Fund, Gov. of Yemen
Completion:	End 2015





Public Sector Energy Portfolio: Sudan

2

*Introducing a cost effective solution by
enhancing the capacity of a 42-year old dam*

Heightening of the Roseires dam

Objectives:

- To heighten the dam by 10 m to up to 78 m;
- To generate an additional 566 GWH of hydro-electrical power.

* 28 million people are w/o electricity (Elec-rate: 36%)

Total Cost:	US\$ 477 million
OFID loan:	US\$ 30 million
Partners:	IsDB, Arab Fund, Gov. of Sudan
Completion:	December 2012





Public Sector Energy Portfolio: Djibouti

3

Enhancing energy efficiency of a diesel power plant

Boulaos Power Plant Rehabilitation

Objectives:

- To meet the increasing demand which is growing at 5% per annum;
- To replace aging equipment in order to increase capacity by 36% to reach 7.5 MW covering 10% of needs of Djibouti city.

Total Cost: US\$ 22 million
OFID loan: US\$ 11 million
Partners: IsDB, Gov. of Djibouti
Completion: March 2013





Public Sector Energy Portfolio: Sudan

4

*Addressing the Energy-Water-Food Nexus by
increasing electric power generation and irrigated land area*

Upper Atbara Multipurpose dam complex

Objectives:

- To install 320 MW of Hydro electricity capacity;
- To increase agricultural production by 50% over a period of 10 years;
- To provide the population with drinking and irrigation water throughout the year.

Total Cost: US\$ 1469 million
OFID loan: US\$ 30 million
Partners: IsDB, Arab Fund, Saudi Fund,
Kuwait Fund, Abu Dhabi Fund,
China, Algeria and Gov. of Sudan
Completion: 2016





Public Sector Energy Portfolio: Syria

5

Substituting solid and liquid fuels by natural gas

A 324km -36 inch pipe portion of the Arab Gas Pipeline Network

Objectives:

- To transport natural gas from Egypt to Syria through Jordan;
- To foster regional economic inter-Arab cooperation;
- To diversify the Syrian energy mix.

Total Cost: US\$ 164 million
OFID loan: US\$ 30 million
Partners: IsDB, Gov. of Syria
Completion: Completed in 2011





OFID Energy Portfolio: Egypt

Supporting clean and cost-effective solutions

On-Going Energy Projects: 6250 MW



Giza North
1500 MW



Abu Qir
1300 MW



Banha
750 MW



Tebbin
750 MW



S-Helwan
1950 MW

Completed projects : 2150 MW



Cairo North
750 MW



Kuraimat
750 MW



Cairo West
650 MW

OFID participated in the co-financing of more than 25% of the total Power installed capacity of Egypt



Private Sector Energy Portfolio: Jordan

7

Reducing the reliance on imported energy for Jordan (97%)

A 117 MW Wind Farm

Objectives:

- To diversify the Jordanian energy mix;
- To sell power to the Jordanian Electricity Company.

Total Cost:	US\$ 300 million
OFID loan:	US\$20 million
Lenders:	IFC, EIB, FMO, EC Agency of Denmark (EKF) and Capital Bank of Jordan.
Completion:	2016





Grants Energy Portfolio: Palestine

8

Providing an alternative energy solution during power cuts in the Gaza strip

Renewable Energy for Education, Health and Water Facilities

Objectives:

- To generate solar energy for: two health care clinics, four schools and a 10 HP submersible water pump;
- To decrease the load on the national electricity grid.

Total cost: US\$ 1.75 million
OFID grant: US\$ 0.53 million
Partner: UNDP/PAPP
Completion: December 2014





Grants Energy Portfolio: Yemen

9

Providing solar thermal energy

Development of the solar water heater value chain in Yemen

Objectives:

- To reduce the current power generation deficit: electrification rate: 40%;
- To create jobs in the manufacturing, installation and maintenance of solar water heaters.

Total cost: US\$1.5 million
OFID Grant: US\$ 0.7 million (under consideration)
Partner: GIZ
Completion: March 2017





Grants Energy Portfolio: Mauritania

10

Providing stand alone systems for schools in rural areas

Solar Electrification of Rural Schools

Objectives:

- To install solar PV systems and Internet connections for 15 rural schools;
- To build the technical capacity for the project's sustainability.

Total cost: US\$ 3 million for 5 countries also including Benin, Madagascar, Niger and Togo;

OFID Grant: US\$ 1.2 million

Partners: UNESCO, Panasonic

Completion: January 2016





Conclusion

Sustainable Energy is Energy for Sustainable Development

**Energy poverty in Arab countries is not to be underestimated:
More than 52 million are without electricity and increasing (IEA)**

**The energy poor in the Arab Region should have access to modern energy services regardless to the source of primary energy;
reduction of CO2 emission levels should not be used as an argument to delay alleviating energy poverty nor development**

