

SECOND PROGRESS REPORT

Transforming the G5 Sahel
countries from Fragility to
Resilience in the Energy Sector



AFRICAN DEVELOPMENT BANK GROUP

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Abbreviations

ABER	Agence Burkinabé d’Electrification Rurale/Burkina Faso Rural Electrification Agency
ADF	African Development Fund
AfDB	African Development Bank
AFD	Agence Française de Développement/French Development Agency
AIF	Africa Investment Forum
CIF	Climate Investment Funds
COP	Conference of the Parties for the United Nations Framework Convention on Climate Change
CSO	Civil Society Organisation
DtP	Desert to Power Initiative
EAPP	East Africa Power Pool
EAIF	Emerging Africa Infrastructure Fund
ECREEE	ECOWAS Centre for Renewable Energy and Energy Efficiency
EU	European Union
GCF	Green Climate Fund
GEAPP	Global Energy Alliance for People and Planet
ICT	Information and Communications Technology
IPP	Independent Power Producer
IRENA	International Renewable Energy Agency
KOAFEC	South Korea-Africa Economic Cooperation Trust Fund
MER	Monitoring Evaluation and Reporting
MGA	Mini Grid Academy
NREL	National Renewable Energy Laboratory
PEDECEL	Electrification and Power Connection Development
PIDG	Private Infrastructure Development Group
PPA	Power Purchase Agreement
PRG	Partial Risk Guarantee
RANAA*	Project to develop solar power plants and improve access to electricity in Niger
RE	Renewable Energy
REI	Renewable Energy Integration Programme
Res4Africa	Renewable Energy Solutions for Africa
SEforAll/SE4ALL	Sustainable Energy for All
SEFA	Sustainable Energy Fund for Africa
SEK	Swedish Krona
SNE	Société Nationale d’Électricité du Tchad
TSA	Transmission Service Agreement
TSF	Transition Support Facility
VRE	Variable Renewable Energy
WAPP	West African Power Pool
WAEP	(Power Africa) West Africa Energy Programme
WAREP	West Africa Regional Energy Programme

* means «Sun» in Hausa language spoken in Niger

Foreword



Dr Akinwumi A. ADESINA,
President of the African Development
Bank Group

In a world of dynamic change, the bold make a difference.

That's why in 2019, the African Development Bank Group launched Desert to Power.

Today, we are well on track to provide 250 million people with electricity by tapping into the Sahel's abundant solar resources.

Desert to Power is progressing well despite considerable challenges. Nobody could foresee the COVID-19 pandemic, let alone its devastating impact on Africa. The Sahel has been particularly hard hit, with political instability in several countries last year. Nonetheless, they have shown exemplary resilience, forging ahead to ensure that the implementation of Desert to Power takes off according to plan.

In July 2021, the region's leaders reaffirmed the importance of this flagship initiative in the Declaration of the Heads of State of the G5 Sahel countries. Thanks to their commitment to Desert to Power and the support of our partners, we have seen significant progress over the past year. For example, in October 2021, the Green Climate Fund approved the landmark Desert to Power G5 Sahel Financing Facility, comprising of \$150 million in concessional resources. We also prepared Desert to Power projects identified in the G5 Sahel Desert to Power Roadmaps to facilitate their bankability.

Last November, at the United Nations Climate Change Conference (COP26) in Glasgow, I had an opportunity to rally strong support from partners to ensure that Desert to Power becomes the success it deserves to be. I suggested that we all lock arms around a true baobab tree of programs—the baobab, known for its expansive girth—to bring about the change the Sahel so urgently needs. If the year 2021 has shown us anything, it is that we must continuously reinvent to overcome the challenges of our time.

With innovation and reinvention in mind, we are determined to translate Desert to Power's plans and facilities into megawatts, and to deliver electricity connections that improve the lives of the people of the Sahel.

With Egypt hosting COP27 this year—the first to be held on African soil in six years—we have a unique opportunity to showcase Desert to Power as a model for just energy transition on the continent. When we launched Desert to Power in 2019, we wanted to create a platform to transform the Sahel. We knew that the journey was not going to be easy, but we have remained steadfast in our mission to deliver electricity access to millions of Africans.

Universal electricity access was top of my mind when I assumed the presidency at the African Development Bank Group in 2015. The fact is, for Africa to industrialize and develop economically, it needs power that is affordable, reliable, and secure. Hence, "Light up and power Africa" became the first of the Bank Group's five strategic priorities.

Since we launched our Strategy for the New Deal on Energy for Africa in 2016, we have invested more than \$7.35 billion in the energy sector. Our investments will provide an additional 3 GW of installed generation capacity, 2.3 GW of which comes from renewable energy sources. It will also provide access to electricity for 20 million people through grid and off-grid systems.

The African Development Bank Group and our partners remain steadfastly committed to Desert to Power - a shining example of African innovation and one of the most strategic ways of providing universal access to millions of people in the Sahel.

Statement



Mr. Mustapha BAKKOURY,
CEO Masen and Chair of the Desert
to Power Steering Committee

At the 2019 Africa Investment Forum in Johannesburg, the African Development Bank presented the Desert to Power Initiative, launched a few weeks earlier at the G5 Sahel Summit in Ouagadougou.

This initiative fits perfectly with the royal vision of His Majesty, King Mohammed VI, as it aims to strengthen South-South cooperation in the long term and, at the same time, aims to promote renewable energy as a lever for economic growth in Africa, particularly in the Sahel region. The Initiative attracted great interest, especially among G5 Sahel representatives and our development partners. Hence, members individually and collectively aligned with the Bank's vision and affirmed our commitment by forming the Steering Committee.

Despite several attempts to organise the 3rd Steering Committee in 2021 including a physical or hybrid meeting on the side lines of the 2021 Africa Investment Forum (AIF), it was not to be. I am nonetheless comforted, as I am sure members are, by the fact that the Task Force relentlessly pursued the objectives that had been set for 2021, as illustrated in this report. Specifically, resource mobilisation efforts garnered over USD 170 million for the Initiative from partners such as the Green Climate Fund and the Swedish Government as announced during Glasgow's COP26. Preparation, interventions, and implementation of projects commenced or continued in 2021. Among them, one can highlight the Desert to Power G5 Sahel Financing Facility which deserves a special mention as a game-changing and innovative approach designed by the Task Force to accelerate the implementation of the Initiative, hence catalysing private sector investment. This is particularly important, given the challenges that the G5 Sahel countries faced in 2021 including the ongoing global COVID-19 pandemic.

The great strides towards implementation of the Initiative illustrate the commitment and resilience of the G5 Sahel countries. Capacity building was also one of our priority this year in order to support the country stakeholders (government, utilities etc.) throughout project implementation. In this perspective, a training programme led by AfDB, MASEN and RES4Africa Foundation was elaborated, delving deeper into policy, regulations, finance and technological aspects for the uptake of renewable energy. The program will be deployed during 2022.

As the Steering Committee Chair, I believe that our continued support for the G5 Sahel countries and to the wider Sahel region should be fuelled by the resilience demonstrated by the countries in 2021.

Our support is required even more in 2022 to ensure that last year's momentum continues and drives fast-tracking goals for implementation of the priority projects.

It is my hope that, as the Steering Committee Chair, we will continue to support the Task Force especially in its efforts to mobilise resources under the G5 Sahel Financing Facility and in cultivating interest from the private sector to achieve the objectives set for 2022. I believe, we will have in-depth discussions on how to support these efforts in our long-awaited next Steering Committee Meeting that will be held in the fourth quarter of this year. In the meantime, I would like to thank all members of the Steering Committee for their continued support and commitment to the Initiative.

A camel is standing on a large, smooth sand dune in a desert. The sky is a clear, deep blue. The camel is facing right, and its shadow is cast on the sand. The dune's surface is undulating with soft ripples.

Executive summary

Creating the foundation for transforming the G5 Sahel countries from power fragility to power resilience by establishing sustainable and widespread energy supplies aptly summarises the objectives of 2021 for the Desert to Power (DtP) Initiative. In this second year of the Initiative, the focus of the African Development Bank and its partners has been to support the G5 Sahel countries to identify and prepare priority projects; a difficult task while also negotiating the challenges from the COVID-19 pandemic and continued socio-political instability.

This progress report for the G5 Sahel countries covers January to December 2021. It highlights progress made towards the five, key priority objectives for 2021 and outlines emerging priorities for 2022. Project preparation efforts have continued, thanks to the resilience of the G5 Sahel countries and their willingness to prioritise the implementation of the Initiative.

In 2021, the financial agreement to develop Chad's Djermaya Solar Plant was signed, while the Sahel backbone pre-feasibility study within the West Africa Regional Energy Programme (WAREP) was approved and launched. Resource mobilisation of over USD 170 million was reached over the year, which was highly successful for the DtP Initiative, and included the approval of USD 150 million in concessional resources from the Green Climate Fund in October 2021 as part of the USD 1 billion G5 Sahel Financing Facility.

The year also saw collaboration and in-country coordination efforts strengthened through the DtP National Focal Point meetings and the 2nd Ministerial Meeting. Visibility for the Initiative was also heightened through events such as the UN High-Level Energy Dialogue in September 2021 and the DtP side-event organised at the COP 26 in November 2021.

Accelerated implementation of the DtP Initiative is in full gear. The Task Force will pursue critical objectives set for 2022 within the context of the six work streams created to ensure the structured and holistic advancement of the Initiative. These include: (i) Programme development and management, (ii) Resource mobilisation, (iii) Governance, partnerships, and stakeholder engagement, (iv) Monitoring, evaluation, and reporting, (v) Communication, event planning, and knowledge management, and (vi) Reinforcing the Task Force.

Creating the foundation for transforming the G5 Sahel countries from power fragility to power resilience

Desert to Power at a Glance

Who we are

Desert to Power (DtP) is a flagship renewable energy and socio-economic development initiative led by the African Development Bank (AfDB). In the context of the first of the AfDB's "High 5" priorities, *Light Up and Power Africa*¹ it has the bold ambition to Light Up and Power the 11 countries of the Sahel region by increasing by

10 GW of solar generation capacity via public, private, and on-grid and off-grid projects by 2030. The initial focus of the Initiative is on the G5 Sahel countries.



Institutional set-up

- **Steering Committee:** Chaired by Mr. Mustapha Bakkoury, CEO of the Moroccan Agency for Sustainable Energy (Mase S.A.), the Desert to Power Steering Committee is composed of technical and financial partners alongside the five Ministers of Energy of the G5 Sahel countries. Members also include Africa50, ACWA Power, Agence Française de Développement (French Development Agency – AFD), the International Renewable Energy Agency (IRENA), the Sustainable Energy for All (SEforALL) Initiative and the USAID Power Africa Programme. The European Commission participates in an observer capacity.
- **Desert to Power Task Force:** Composed of technical experts from the Bank and its partners, the Task Force is hosted within the Bank's Power, Energy, Climate and Green Growth Complex.
- **National Focal Points:** Nominated by their respective countries, the National Focal Points are crucial to the work done on the ground and are the core of the proposed in-country co-ordination structures. The Executive Secretariat of the G5 Sahel countries also nominated its own Focal Point for Desert to Power in 2021.

Overarching objective

To create the world's largest solar energy generation zone by harnessing the solar potential of the Sahel countries.

5 Priority Areas of Intervention

- Expanding grid-connected solar power generation capacity
- Strengthening and expanding national and regional grids
- Deploying decentralised energy solutions
- Improving the financial and operational capacity of the power utilities
- Strengthening the enabling environment for increased private sector investments.

Capacity building is a cross-cutting priority in all of the intervention areas.

2021 Objectives

- 1 Advance identified priority projects and reforms
- 2 Accelerate resource mobilisation efforts
- 3 Strengthen in-country coordination and collaboration with partners and other initiatives
- 4 Develop a private sector engagement platform
- 5 Increase visibility for the initiative

Desert to Power
2021 Objectives
for G5 Sahel
countries

Desert to Power 2021 Highlights



Objective 1: Advance identified priority projects and reforms

- Two new DtP projects were approved by the Bank's Board of Directors;
- First DtP renewable energy grid integration study is underway in Mali;
- Regional Sahel Transmission Backbone prefeasibility study was launched; and
- Project preparation activities continued; notably, the Sustainable Energy fund for Africa (SEFA) DtP Technical Assistance Programme.



Objective 2: Accelerate resource mobilisation efforts

- Over USD 170 million in concessional resources mobilised with landmark approval of the Desert to Power G5 Sahel Financing Facility and Sweden's contribution to SEFA apportioned to Desert to Power; and
- Letter of Intent signed with the Rockefeller Foundation in the context of the Global Energy Alliance for People and Planet (GEAPP).



Objective 3: Strengthen in-country coordination and collaboration with partners and other initiatives

- DtP Sahel G5 Regional Roadmap was validated;
- Civil Society Engagement Platform launched with more than 30 civil society organisations (CSOs) attending the first session;
- Four meetings with DtP National Focal Points held to advance DtP projects; and
- The second DtP G5 Sahel Ministerial Meeting was held.



Objective 4: Develop a Private Sector Engagement Platform

- Introduction of financing instruments such as partial risk guarantees and reimbursable grants to reduce investment risk for the private sector; and
- A boardroom at the Africa Investment Forum (AIF) was prepared with a view to establish a private sector engagement platform (this has been postponed to 2022 due to the COVID-19 pandemic).



Objective 5: Increase visibility for the Initiative

- Showcasing of the initiative in multiple events and conferences including the UN High level Dialogue on Energy in September 2021; and
- Organised and held a high-level event on Desert to Power in Glasgow at COP 26 in November 2021.



Combating fragility through transformative recovery

The Sahel is endowed with abundant human, cultural, and natural resources. Its full potential is threatened by increasing fragility exacerbated by the combined effect of slowing economies in the G5 Sahel countries due to COVID-19 and increasing socio-political shocks. In these extraordinary times, the vision of the Desert to Power Initiative has never been more critical. Market disruptions caused by COVID-19 led to an estimated 10-15 million people missing out on improved energy access through 2020-2021. Over 60 million people across the Sahelian countries are still in need of access to affordable, reliable, and sustainable electricity¹.

¹ IEA Clean Energy Transitions in the Sahel



I. 2021 Under Review

This progress report provides an overview of
Desert to Power activities in 2021.

1. Advancing G5 Sahel priority projects and reforms

1.1 Implementing Roadmap priorities

Advancing key projects and reforms in the G5 Sahel countries remained a key priority in 2021.

DtP National Roadmaps

The DtP National Roadmaps adopted in 2020 by the G5 Sahel countries have three broad objectives: (i) provide a high-level quantification of the DtP targets at country-level; (ii) identify the priority actions required to achieve these targets; and (iii) identify an initial set of priority projects across the value chain (i.e., generation, transmission, distribution, and off-grid electrification), as well as technical assistance needs.

Specifically, in 2021 the Task Force sought to advance the 85 priority projects identified in the Desert to Power Roadmaps. Of these, 22% were in solar generation, 26% in transmission and distribution, 23% in decentralised energy solutions, 7% in utility reforms, and 22% in enhancing the enabling environment. On generation alone, solar projects with the potential to produce over 2 GW were identified. More than 70% of the projects were at an early stage of the project cycle, and thus require considerable project preparation support to bring them to bankability.

Progress on the priority projects is summarised in the following section by country.

Burkina Faso



The Burkina Faso DtP Roadmap set targets for additional solar generation capacity of 168 MW by 2025 and 819 MW by 2030.

Five projects were identified for DtP fast-track support.

GOVERNMENT OF BURKINA FASO INVESTMENT PROJECTS IDENTIFIED FOR DTP FAST-TRACK SUPPORT	2021 ACHIEVEMENTS AND UPDATES
Accelerated implementation of the Electrification and Power Connection Development Project (Projet d'électrification et de développement des connexions à l'électricité - PEDECEL), for the improvement of the access rate in urban areas.	PEDECEL was approved by the Bank's Board of Directors in September 2021.
Electrification of community health centres.	As part of the WAREP approved in 2021 and implemented partly by the ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE), feasibility studies will be undertaken for the electrification of 600 rural locations including health centres in 5 countries.
Yeleen Rural Electrification Project which aims to install 50,000 mini-grids in rural areas and provide 100,000 solar home systems in 100 localities.	The project is being restructured in 2022 to ensure that it responds appropriately to the needs of the local communities.
Training of and certification of solar PV technicians, youths in the installation, operation and maintenance of mini-grids and solar technology.	ECREEE will undertake a solar and mini-grid training and certification programme targeting youths, as part of the WAREP project. This will increase awareness, target the youth population, and increase job opportunities in the sector.
Regional Solar Park 150MW	This project is included in the pipeline for the DtP G5 Sahel Financing Facility particularly in relation to the provision of a Partial Risk Guarantee (PRG) instrument of the African Development Fund and the GCF in collaboration with the West African Power Pool (WAPP) and the Government of Burkina Faso.

In addition, the government of Burkina Faso is benefitting from the Sustainable Energy Fund for Africa (SEFA) DtP G5 Sahel technical assistance programme. The government has also expressed interest in battery storage projects and is in discussions with the Task Force on the subject.

Burkina Faso will benefit from additional technical assistance through the Desert to Power G5 Sahel Financing Facility to improve capacity and the enabling environment for IPPs, revision of regulatory texts, the development of a national gender action plan, and other upstream technical assistance to mainstream climate resilience.

Chad



The DtP Roadmap for Chad identified targets for additional solar capacity of 189 MW by 2025 and 702 MW by 2030.

The Roadmap identified three projects for fast-track support. A capacity building programme is under development with the National Renewable Energy Laboratory (NREL) and the World Bank. The programme will include DtP objectives along with those of the Chadian government.

GOVERNMENT OF CHAD INVESTMENT PROJECTS IDENTIFIED FOR DTP FAST-TRACK SUPPORT:	2021 ACHIEVEMENTS AND UPDATES
Interconnection with the West African Power Pool (WAPP) market through Nigeria and /or Niger	<p>This is part of the approved WAREP programme in connection with the Trans-Sahelian Backbone.</p> <p>The study is set to commence by August 2022.</p>
Decentralised electrification project in 230 villages	<p>The Terms of Reference for the electrification of 80 departments and 22 provinces were prepared by the government and the AfDB.</p>
Djermaya PV Solar Plant 34 MW	<p>The AfDB, Proparco, and the Emerging Africa Infrastructure Fund (EAIF), signed the Djermaya Loan Agreement on 26th November 2021. The commitments made by financial partners included AfDB EUR 18 million, Proparco EUR 9.3 million and EAIF EUR 9.3 million of senior debt to the project and other financiers.</p>

As part of implementing structural measures to improve *Société Nationale d’Electricité du Tchad* (SNE)’s financial situation, the Task Force supported the: (i) adoption of SNE’s commercial and financial restructuring programme, *the Djédid Plan*; (ii) development of a draft medium voltage/low voltage (MV/LV) subscription contract for MV and large customers of SNE; and (iii) development of a report on the emergency measures to be implemented by SNE to cope with peak demand in 2022. In December 2021, the Chadian government sent an official request for financing of the Djédid Plan to the AfDB.

The Task Force also developed a standard technical-financial model for the evaluation of private sector solar power projects. This tool will enable energy stakeholders to evaluate detailed financial analyses of solar projects and negotiate contracts with private developers.

Mali



The DtP Roadmap for Mali set targets for additional solar capacity: 399 MW by 2025 and 977 MW by 2030.

A short-term intervention programme (2020-2023) was envisaged and comprises several components: (i) Support for the planning and coordination of interventions in the sector; (ii) Priority solar generation investment projects such as the Tiakadougou-Dialokoro and, Kambila and Safo projects; (iii) Extension of the transmission and distribution network; (iv) Decentralized electrification; (v) Improving the performance of public operators; and (vi) Capacity building

Four projects were identified for DtP fast-track support.

GOM PROJECTS IDENTIFIED FOR DTP FAST-TRACKED SUPPORT	ACHIEVEMENTS AND UPDATES
(i) Study on the Integration of Renewable Energy into the grid	<p>The study is financed through the ADF TSF resources. The contract for the consultant services was signed for a period of 11 months. The study is ongoing.</p>
(ii) Solar hybridization of four isolated thermal power plants	<p>The objective of the study is to prepare future investment operations in solar hybridization of existing diesel power plant in Mali.</p> <p>The study will be financed through the ADF TSF resources and SEFA DtP Technical Assistance Programme. The recruitment of the consultant is ongoing. The study is expected to be finalized within six months.</p>
(iii) Updating of the rural electrification master plan.	<p>The objectives of the study are to:</p> <ul style="list-style-type: none">– (i) Provide the country with reliable data and a coherent framework for intervention in the electricity sub-sector.– Identify optimal solutions to meet the growing demand for access to electricity for rural populations.– Prepare the necessary files for the financing and implementation of the Priority Rural Electrification Program (PREP) for a period of five (5) years. <p>The study will be financed through the SEFA Africa Mini-Grid Market Acceleration Programme AMAP resources. The recruitment of the consultant is ongoing. The study is expected to be finalized within 12 months..</p>
(iv) Feasibility study for electrification of 100 rural localities.	<p>The study will be financed through the SEFA AMAP resources. The recruitment of the consultant is ongoing. The study is expected to be finalized within six months.</p>

Safo and Kambila solar plants: The project aims to improve energy supply reliability by diversifying the energy mix of Mali to include a higher share of renewable energy to increase the supply of electricity around Bamako. This will be achieved through two solar power plants located in Safo (50 MWp) and Kambila (40 MWp), each of which will be associated with energy storage units (42 MW for Safo and 33 MW for Kambila) that will facilitate the integration of the solar energy into the grid. The Project total cost is estimated at EUR 110 million with donor contribution estimated as follows: (i) AFDB’s African Development Fund: EUR 10 million; (ii) French Development Agency: EUR 40 million; (iii)European Investment Bank: EUR 50 million; (iv) European delegation: EUR 10 million. Additional funds are being sought from the Climate Investment Funds to include up to USD 17 million in SREP resources (USD 15 million concessional loans and USD 2 million in grants) to expand battery storage to the two solar power plants. The technical preparation is ongoing, and approval is expected for 2023.

Mauritania



The DtP Mauritania Roadmap targets 335MW of additional solar generation capacity by 2030.

Five projects were identified for DtP fast-track support.

GOVERNMENT OF MAURITANIA INVESTMENT PROJECTS IDENTIFIED FOR DTP FAST-TRACK SUPPORT:	ACHIEVEMENTS AND UPDATES:
DtP mini-grid Project Phase I (Strengthening productive and energy investments in Mauritania for the sustainable development of rural areas)	The AfDB received a formal request in 2022 following which the Task Force is working to identify the required financial resources.
Grid integration study of variable renewable energy (VRE) sources and development of the Grid Code	Covered under the SEFA DtP Technical Assistance Programme approved in December 2020. The recruitment process of a consulting firm is underway.
Hybridisation project of three thermal power plants (Bassiknou, Djigueni, and Tidjikja) including updating feasibility studies, debt financing, and technical assistance for project management and procurement.	DtP Task Force to prepare the Terms of Reference, once an official request is received from the Government of Mauritania expected during the first half of 2022. The Task Force is fundraising for additional Technical Assistance in 2022.
Prefeasibility studies for the Trans-Sahelian Backbone to be implemented in the context of the WAREP programme and as identified in the DtP Regional Roadmap. The study is implemented by the West African Power Pool.	<p>June 2021: The West Africa Power Pool (WAPP) received the official mandate from the Government of Mauritania to implement the pre-feasibility study on its behalf (the country is not an ECOWAS member).</p> <p>July 2021: Funding secured from African Development Fund -15 (ADF-15) for a prefeasibility study following the approval of the WAREP. Studies commenced in December 2021.</p> <p>September 2021: The government of Mauritania validated the terms of reference, kick-starting the recruitment process for selecting a consultant firm to carry out the study which was launched in December 2021.</p>
Technical Assistance to be offered to the national utility SOMELEC (financial and technical modelling)	Task Force to assist the utility in developing financial and technical modelling to be done in first half of 2022.

Niger



The Niger DtP Roadmap targets 386 MW of additional solar generation capacity by 2030.

Five projects were identified for DtP fast-track support.

GOVERNMENT OF NIGER INVESTMENT PROJECTS IDENTIFIED FOR DTP FAST-TRACK SUPPORT:	ACHIEVEMENTS AND UPDATES:
Study of the technical and economic feasibility of interconnecting countries in the G5 Sahel.	The pre-feasibility study of the Trans-Sahelian Backbone under the West Africa Regional Energy Programme will be undertaken by WAPP. First disbursement conditions have been met following extensive consultations between WAPP and Niger.
Hybridisation of the 5 MW diesel power plant in Diffa	Hybridisation studies will be carried out in 2022 as part of the SEFA/AfDB technical assistance currently underway.
Independent Power Producer Solar Projects: 20 MWp Maradi Solar Plant and the 10 MWp Dosso Solar Plant	The World Bank has completed the environmental and social impact assessments and other studies related to the two solar power plants. Discussions are ongoing with the Government of Niger to finance these projects through the DtP facility. Maradi will be implemented under the Niger RANAA project under preparation.
Hybridisation of isolated diesel-powered plants managed by NIGELEC.	Covered under the SEFA DtP Technical Assistance Programme. The details are still under discussion with the government.
Build upon existing feasibility studies carried out under the RANAA project to support the decentralized electrification of 100 isolated rural localities through mini-grids.	The DtP Task Force is working with the Government of Niger to prepare Terms of Reference for the use of SEFA resources allocated to Niger through the SEFA/DtP Technical Assistance project.

DtP Regional Roadmap

During 2021, the Task Force, with the Tony Blair Institute (TBI) and the G5 Sahel countries, prepared a G5 Sahel DtP Regional Roadmap. The Regional Roadmap was formally validated during the 2nd Desert to Power Ministerial Meeting in September 2021.

The Regional Roadmap complements the National Roadmaps and identifies four areas that are best addressed at a regional level: (i) development of large-scale solar power parks for regional trade; (ii) development of the Trans-Sahelian Transmission Backbone; (iii) design and implementation of a regional off-grid electrification programme; and (iv) Hybridisation of thermal power stations across the region.

Regional Roadmap: DtP main activities

The Regional Roadmap is structured around four main priorities that will contribute to the overall DtP goals of new MW solar, transmission and distribution lines and connections, and enabling environment for the private sector.

Priority 1
Development of large-scale solar power parks and storage for regional trade

Supply 3.1 GW of new on grid solar capacity (1.15 GW yet to be defined)

Integrate intermittent solar generation and stabilise the grid through storage

Increase power to supply the new connections

Implement a standardised common protocol for IPPs, including standard contracts and a competitive procurement process

Priority 2
Integrate the G5 Sahel networks

Promote regional trade to increase reliability, reduce costs, and facilitate investment in new production.

Contribute to the delivery of the **Trans-Sahelian Backbone** (5,750 km of HV line, on several segments from Nouakchott to Ndjamena)

Associated access projects

Improve the operational, commercial and regulatory trade readiness

Priority 3
Regional off-grid electrification program

Decentralised solar generation through **mini-grids and SHS for > 1 GW of off-grid** solar capacity and potential to scale up battery storage deployment

Create large-scale investment opportunities in mini-grids across the G5 Sahel

Achieving **6 million new connections** through **mini-grids and SHS** at the lowest cost through centralized planning and funding

Harmonisation of energy access planning and alignment of policies, regulations, and taxation to create a single common market for investment in decentralised energy solutions

Priority 4
Hybridization of thermal power stations across the region

Solar hybridization of **1.2 GW of HFO** capacity to reduce production costs and mitigate fuel price and security of supply risks

Grid extension around hybrid power plants. This could include cross-border electrification

Associated projects to increase access to energy around hybrid plants

Assessment of existing facilities and identification of investment needs, private sector outreach, and policy reform to facilitate export to the grid by self-generators (e.g., mines).

CROSS-CUTTING ACTIVITIES : Policy dialogue, private sector engagement, and capacity building

1.2 2021 Desert to Power project approvals

Three DtP projects were approved: two regional and one national. The West Africa Regional Energy Programme provides technical support to the G5 Sahel countries, while the Electrification and Power Connection Development Project (PEDECEL) in Burkina Faso is country based, and the Desert to Power G5 Sahel Financing Facility, approved by the Board of the Green Climate Fund, includes investment and technical assistance components to sovereign and non-sovereign projects.

PROJECT	COUNTRY	INSTRUMENT	AMOUNT
West Africa Regional Energy Programme	G5 Sahel	Technical Assistance	USD 6.0 million
Electrification and Power Connection Development Project (PEDECEL)	Burkina Faso	Investment	Euro 138.86 million
Desert to Power G5 Sahel Financing Facility	G5 Sahel	Investment/TA	USD 150.0 million (GCF funding only)



1.2.1 West Africa Regional Energy Programme (WAREP)

Amount
USD 6.0 million

Country
Multi-country (G5 Sahel)

Instrument
Technical Assistance

Approval date
July 2021

Implementing entities
West Africa Power Pool (WAPP) and ECOWAS Center for Renewable Energy and Energy Efficiency (ECREEE)

The WAREP will support the G5 Sahel countries in accelerating regional development of solar power generation, transmission, and decentralised solar power projects. The project will be implemented by two regional partners:

The West Africa Power Pool (WAPP) will implement Component 1 of WAREP, which includes the financing of pre-feasibility studies to accelerate region-scale development for on-grid and off-grid solar generation, and the Trans-Saharan Backbone that will be critical to anchor electricity generated from the various regional solar parks under development. This line will also increase potential for information and communications technology (ICT) interconnections among the countries.

The ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE), as the implementing entity for Component 2, will carry out feasibility studies to identify a pipeline of mini-grid projects including rural health centres. This component also includes a mini-grid capacity building and certification programme targeting technicians and skilled workers, who will be a critical support to technical sustainability of the mini-grid value chain and for job creation among women, men and youths.

EXPECTED RESULTS



5 Transmission line routes identified



5 Sites for Regional Solar Parks



5 National assessment sites completed



Optimal technical, financial, environmental features of 5,750 km Sahel Backbone Transmission line identified



600 mini-grid sites identified, and priority mini-grid regional pipeline developed



Mini-grids training and certification programme developed

1.2.2 Electrification and Power Connection Development Project (PEDECEL)

Amount
EUR 138.86 million

Country
Burkina Faso

Instrument
Investment

Approval date
September 2021

Implementing timeline
October 2021 - December 2025

PEDECEL aims to extend the electricity distribution network to increase the population's access to quality electricity in several peri-urban and rural localities in 10 of Burkina Faso's 13 administrative regions; the other three regions are already covered by the Yeleen project for the development of solar power plants and strengthening of the electricity system, approved by the AfDB in 2019.

EXPECTED RESULTS



Connect at least **218,400** new households



Facilitate the integration of new solar generation capacity including from the Yeleen on-grid project.



Reduce subscription fees



Trigger access to electricity for most of the country's population.

1.2.3 Desert to Power G5 Sahel Financing Facility

Amount
USD 150 million

Country
G5 Sahel

Instrument
Investment & Technical Assistance

Approval date
October 2021 (GCF Board approval)

Financing sources
ADF, AfDB GCF, DFIs, Private investors

Implementing timeline
2022 - 2029

The USD 966.7 million Facility is an umbrella programme that incorporates sovereign and non-sovereign investment, and technical assistance. The Facility, to be deployed over seven years, aims to assist the G5 Sahel countries to adopt a low-emission power generation pathway by making use of the region's abundant solar potential. It will focus on utility-scale solar generation through Independent Power Producers (IPPs), and energy storage solutions.

These investments will be backed by a technical assistance component to enhance implementation capacity, strengthen the enabling environment for private sector investments, and ensure gender and climate mainstreaming.

EXPECTED RESULTS



Equivalent of **14,448,525 tCO₂** avoided in the lifetime of the Facility



239MWh of utility storage provided



500 MWp of solar capacity added million people provided with direct access to electricity (50% women)

1.3 Update on ongoing Desert to Power Investments and Technical Assistance

The implementation of approved Desert to Power projects progressed further in 2021, despite the challenging overall political environment in several G5 Sahel countries and continued travel restrictions due to the COVID-19 pandemic. Several milestones were reached, notably the signing of financing agreements for the Djermaya solar project in Chad and the start of construction of the Yeelen on-grid project in Burkina Faso (See tables 1.3.1-1.3.5).

1.3.1 Yeelen Solar Plant Development and National Power System Reinforcement Project

Amount EUR 136.69 million Country Burkina Faso Instrument Investment Approval date 2019 Financing sources AfDB, AFD, EU, SONABEL	DESCRIPTION Generation and network extension project (public) with the construction of 4 solar plants of a total capacity of 52 MW: 40 MW in Ouagadougou with 10 MWh storage capacity including a network extension, and 10 MW split between 3 provincial cities (Dori, Diapaga, Gaoua). UPDATE: The Construction of the 52MW Solar Power project has commenced and the Dori, Diapaga, Gaoua power plants are expected to be commissioned by end 2022, with the Ouagadougou power station by the end of 2023.
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1.3.2 Yeelen Rural Electrification Project (Rural Electrification)

Amount EUR 68.5 million Country Burkina Faso Instrument Investment Approval date 2018 Financing sources ADF, GCF, SEFA, ABER, private sector	DESCRIPTION Electrification project to connect 150,000 households (945,000 people) in 100 rural localities through solar mini-grids and Solar Home Systems (SHS). UPDATE: Several procurement activities are in process. The EU grant component was restructured to be provided directly to ABER. Discussions are ongoing for a wider restructuring of the project and provision of additional concessional funding to increase the financial viability.
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1.3.3 Djermaya PV Solar Plant

Amount EUR 54 million Country Chad Instrument Investment (first Independent Power Producer Plant in the country) Approval date 2020 Financing sources AfDB, Proparco, EAIF/ PIDG Implementing timeline 2022-2024	DESCRIPTION 34 MW solar plant in N'Djamena including a 4 MWh battery storage system to stabilise the network. The evacuation infrastructure includes an 18 km long 33kV double circuit overhead transmission line and two 33 / 90kV transformers at the Lamadji substation. The project objective is twofold: (i) increase the country's electricity production capacity in a sustainable and environmentally friendly manner and (ii) modernise the electricity transmission system by renovating the line connecting Djermaya to N'Djamena (changing cables and receiving transformer). The project will be the first to be carried out by an independent power producer and will constitute an important foundation for the economic and social development of the Republic of Chad. UPDATE: Financing agreements signed in November 2021 with financial close expected in Q2, 2022. Completion expected in 2023-2024.
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1.3.4 Transition Support Facility (TSF) – Solar energy pipeline development project and related activities in Chad, Mali and Niger

Amount USD 2.8 million Country Multi-country, Chad, Mali, and Niger Instrument Technical Assistance Approval date May 2020 Financing sources ADF Implementing timeline 2020 - 2023	DESCRIPTION The ADF-TSF grant aims to support the development of a pipeline of solar energy and related projects, commensurate with the five DtP priority areas of intervention. UPDATE: Grant activities have begun in Chad and Mali. Mali identified the Study on the Integration of Renewable Energy into the grid as a major priority. A consulting firm has since been recruited through a competitive process and the work has commenced. A request for expression of interest has been issued for activities related to capacity building and support for the organisation of the electricity sector in Chad and a feasibility study for the rehabilitation and extension of the electricity networks of 15 localities in Chad. Discussions on the use of resources for Niger are ongoing.
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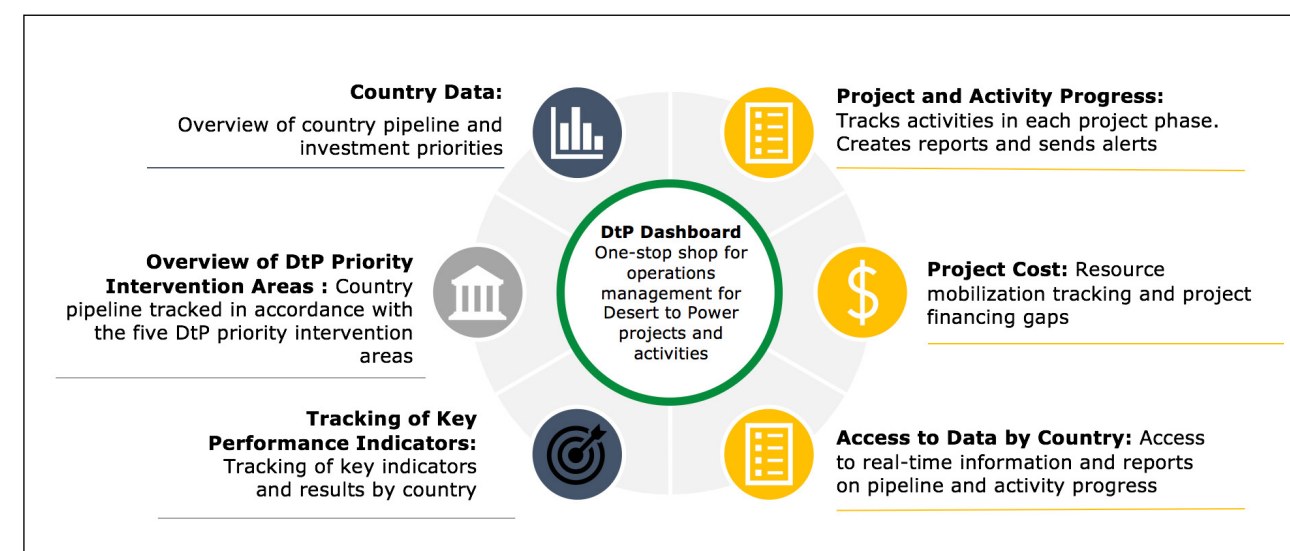
1.3.5 Sustainable Energy Fund for Africa (SEFA) DtP Sahel G5 Technical Assistance Programme

<p>Amount USD 5.05 million</p> <p>Country Multi-country, G5 Sahel</p> <p>Instrument Technical Assistance</p> <p>Approval date December 2020</p> <p>Financing source SEFA</p> <p>Implementing timeline 2020 – 2023</p>	<p>DESCRIPTION</p> <p>The proposed Technical Assistance seeks to facilitate the integration of VRE generation, mainly based on solar photovoltaic generation, in the grids of the G5 Sahel countries. The TA includes studies on the integration of VRE generation in interconnected and fragmented grids, solar hybridisation of thermal power plants in isolated areas, and capacity building for Chad's national utility, <i>Societe Nationale d'Electricité</i> (SNE) with the integration of the Djermaya solar-battery storage component.</p> <p>UPDATE:</p> <p>Expressions of Interest were launched in Q3, 2021 for grid integration studies in Burkina Faso, Chad, Mali and Mauritania. Niger will be incorporated into the Expressions of Interest in 2022. A firm has already been recruited to provide Technical Assistance in the form of transaction advisory services to SNE in Chad.</p>
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1.4 Monitoring project preparation and implementation efforts: The DtP Dashboard

As part of DtP project monitoring, the Task Force has been working with the Tony Blair Institute (TBI) to develop a digital monitoring tool, which has become the Digital Dashboard. This platform provides an online tool for planning and following up on progress. As an “alternative” platform (e.g., to Apple or Microsoft), the user is not tied to programmes like Excel or Word, or any other proprietary software. Its key objective is to monitor the implementation of all DtP projects and technical assistance activities within national and regional programmes, and to be accessible to all users, independently of their software suite options.

Development of the Dashboard, both in terms of content (e.g., the inclusion of the 85 priority projects identified in the roadmaps) and the configuration of the tool itself, accelerated in 2021. This tool will be deployed in the G5 Sahel countries in 2022 before being rolled-out to the other six DtP countries.



2. Accelerating resource mobilisation efforts

Mobilising financial and technical resources in support of the G5 Sahel countries remained a top priority for the DtP Task Force.

In 2019, the AfDB made a commitment following the Declaration at the G5 Sahel Summit in Ouagadougou, Burkina Faso, to mobilise USD 20 million from its own resources, while leveraging co-financing from partners. In line with this pledge, in July, the AfDB secured an additional USD 6 million from its own resources for the G5 Sahel countries through the approval of the WAREP.

In addition, the Burkina Faso PEDECEL project was approved in 2021 with EUR 60.69 million mobilised from the Arab Bank for Economic Development in Africa and the European Investment Bank (EIB).

In October 2021, the Desert to Power G5 Sahel Financing Facility was approved by the GCF Board for USD 150 million. The Facility will catalyse up to USD 1 billion in both private and public sector financing to achieve 500 MW through solar IPPs. The Facility's approval was a result of months of intensive engagement with the GCF and coalescence of partners to support the programmatic approach envisioned through the Facility. The AFD has committed USD 100 million to the Facility.

Other funds raised include a SEK 170 million grant from the Swedish Government to be channelled through SEFA. Discussions are ongoing with the Swedish International Development Cooperation Agency (SIDA) to provide a DtP Guarantee that will supplement

the financing instruments of the DtP Facility and further reduce the investment risk for IPPs.

In the margins of COP 26, the African Development Bank and the Rockefeller Foundation signed a Letter of Intent in the context of the Global Energy Alliance for People and Planet (GEAPP) that contains a pledge of USD 100 million from GEAPP to Bank-financed projects including USD 40 million dedicated to DtP.

Other cooperation activities in 2021 included the approval of a USD 500,000 grant from the Korea-Africa Economic Cooperation (KOAFEC) to finance feasibility studies for solar manufacturing in the Sahel. This study will be supplemented by USD 50,000 provided by the Climate Investment Funds (CIF).

With the support of the DtP Task Force, Mali was one of 19 countries and, with Kenya, one of only 2 countries in sub-Saharan Africa selected from the 54 submissions for the CIF Renewable Energy Integration (REI) Programme. Through the REI, Mali will receive up to USD 70 million for priority investments defined by the government working with the AfDB and other Multilateral Development Banks.

As part of the broader mandate of the Desert to Power Initiative in the G5 Sahel, the Facility for Energy Inclusion (FEI) – a USD 400 million debt fund sponsored by the AfDB – has acted as lead arranger for a EUR 60 million multi-country telecom Energy Service Company (ESCO) financing operation in Burkina Faso, Cameroon, Chad, Côte d'Ivoire, and Niger.

FEI has provided EUR 27 million, of which EUR 19.4 million will be used to roll-out the provision of renewable energy to telecom towers in Burkina Faso, Chad, and Niger. Additional funding for the overall transaction has been committed by Proparco (EUR 16 million), Norfund (EUR 9 million) and the AfricaGoGreen Fund (EUR 8 million).

In addition, the Off-Grid Energy Access Fund (OGEF), a USD 100 million debt fund anchored by the AfDB, is providing a start-up, Qotto, with EUR 2 million in financing for the extension of its rural solar home system services in Benin and Burkina Faso, of which approximately EUR 740,000 have been allocated to their projects in Burkina Faso.

3. Strengthening collaboration and in-country coordination

Although 2021 was a difficult year for in-person meetings, the Desert to Power Task Force maintained regular dialogue with key energy sector stakeholders at country-level. These meetings were all geared to ensure the accelerated implementation of the Initiative. Various bilateral discussions with members of the Steering Committee took place, despite the absence of an in-person meeting in 2021. Some members attended high-level meetings organised by the Task Force, such as the DtP side-event at the November COP26 in Glasgow.

3.1 Reinforcing the Task Force

The Task Force was further reinforced in 2021 by the recruitment of a Manager at the beginning of the year and, in July, the vacant Principal Energy Specialist position was filled. The Task Force recruited a consultant based in N'Djamena, Chad, and another based in Nouakchott, Mauritania, to provide advisory support on the ground. Both work in close collaboration with the DtP National Focal Points. Recruitment processes for additional positions are underway. These recruitments will reinforce the team and contribute to the realisation of the Task Force's key objectives of fast-tracking project implementation, accelerating resource mobilisation efforts, enhancing private sector engagement, and strengthening collaboration with like-minded initiatives and partners.

In addition, DtP partners continued to provide dedicated resources to the Task Force including one staff member from Power Africa's West

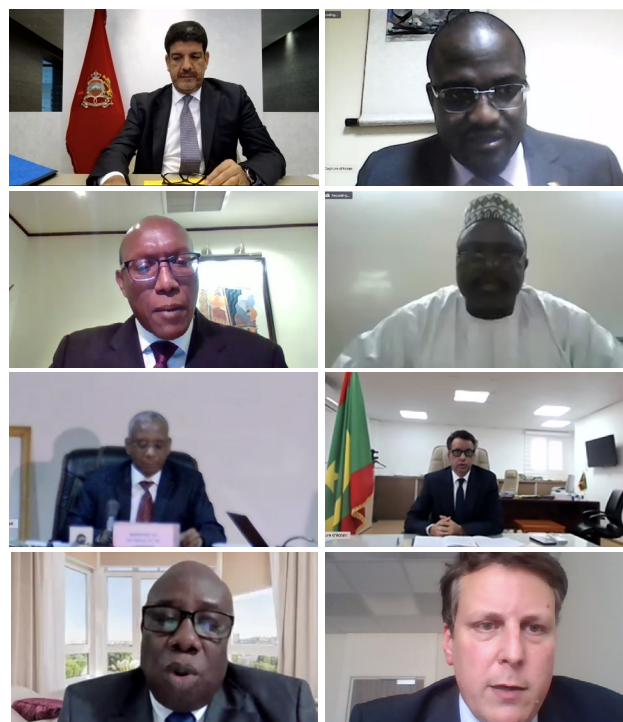
Africa Energy Programme, a secondee from Masen S.A and part-time support from an expert of the European Investment Bank. The recruitment process for a secondee from Power Africa to the Task Force progressed successfully, with the selected candidate starting in the 2nd quarter 2022. The close collaboration with the Tony Blair Institute (TBI) continued in 2021 with a focus on the finalisation of the Regional Roadmap. Moreover, with funding from Power Africa, an agreement was reached for expanded TBI support entailing the deployment of embedded advisers both in a limited number of DtP countries and with the DtP Task Force at the Bank's headquarters in Abidjan.

3.2 Engaging with DtP National Focal Points and Ministers of Energy

The Desert to Power National Focal Points continue to be the anchors of the Initiative at country level. Four of the five national focal points have been part of the Initiative from the onset; an aspect that ensures continuity and preserves institutional memory.

The close collaboration between the DtP Task Force and the Focal Points was further solidified through four consultative meetings to discuss the Task Force's workplan and priorities for the year, to review the Regional Roadmap and to prepare the 2nd Ministerial Meeting.





2nd Ministerial Meeting held on 2nd September 2021 with Ministers of Energy from Chad, Mali and Mauritania in attendance.

To enhance the flow of information at the regional level, the Executive Secretariat of the G5 Sahel nominated the Director of Infrastructure as the Focal Point for Desert to Power to work closely with the Task Force in 2021.

The 2nd DtP G5 Sahel Ministerial Meeting was held virtually on 2nd September. The Task Force updated the Energy Ministers on progress made in implementing the Initiative. The Ministers validated the Desert to Power Sahel G5 Regional Roadmap and also requested the Task Force to explore the roll-out of battery storage solutions in the context of the Initiative.

3.3 Civil Society Engagement

Active stakeholder engagement and partnerships are central to implementing the Initiative. Non-state stakeholders are critical partners in the implementation of the strategic goals of the Initiative and they provide good sounding boards and feedback mechanisms for DtP activities.

Hence, the AfDB embarked on a structured engagement with civil society organisations (CSOs) to lay the foundations for a strengthened enabling environment for the implementation not only of the Initiative in general but, more specifically, the Desert to Power G5 Sahel Financing Facility.

On 4th October 2021, the inaugural consultative session with civil society organisations took place. The main objective of the session was to enhance responsiveness and accountability in the Initiative and foster open dialogue to underpin activities that would be undertaken in the context of the Initiative.

The session brought together over 30 civil society representatives from the Sahel Countries including representatives from continental networks. Key features of the session included:

- Enhanced understanding of the key objectives of the DtP Initiative and its scope of intervention.
- Opportunities to discuss deeper inclusive stakeholder engagement that cover the concerns of represented community stakeholders.
- Aspects that the Initiative should consider when looking for enhanced engagement on the roll out of renewable energy projects in the Sahel region from a civil society perspective, especially adopting a gender lens.
- Deepened understanding of the best practices in non-state actor engagement that have been successful in other parts of the continent, and which can be replicated in the Sahel region.
- Contributions on how non-state actors can help best address critical impediments, including on gender, that hinder the progress of renewable energy projects on the continent and notably in the Sahel region.

As agreed with the CSOs, the AfDB will maintain an active platform to engage with them across the Sahel and will communicate regularly on the implementation of the Initiative.

3. Strengthening collaboration and in-country coordination

3.4 Building knowledge and capacity in the G5 Sahel

Capacity-building is a cross-cutting priority of the DtP Initiative. In 2021 the Task Force deepened collaboration with key partners, such as IRENA, Masen, and the Renewable Energy Solutions for Africa (Res4Africa) Foundation, to design training models in the G5 Sahel countries and to propose possible training models for the Task Force and the countries in skills critical to the implementation of the DtP initiative.

The Task Force worked with Masen and Res4Africa to develop training modules for experts in the G5 Sahel countries. Following several tripartite consultations and based on the needs voiced by the countries, the training modules were narrowed down to two key courses: an advanced training course (ATC), and a Mini-Grid Academy (MGA).

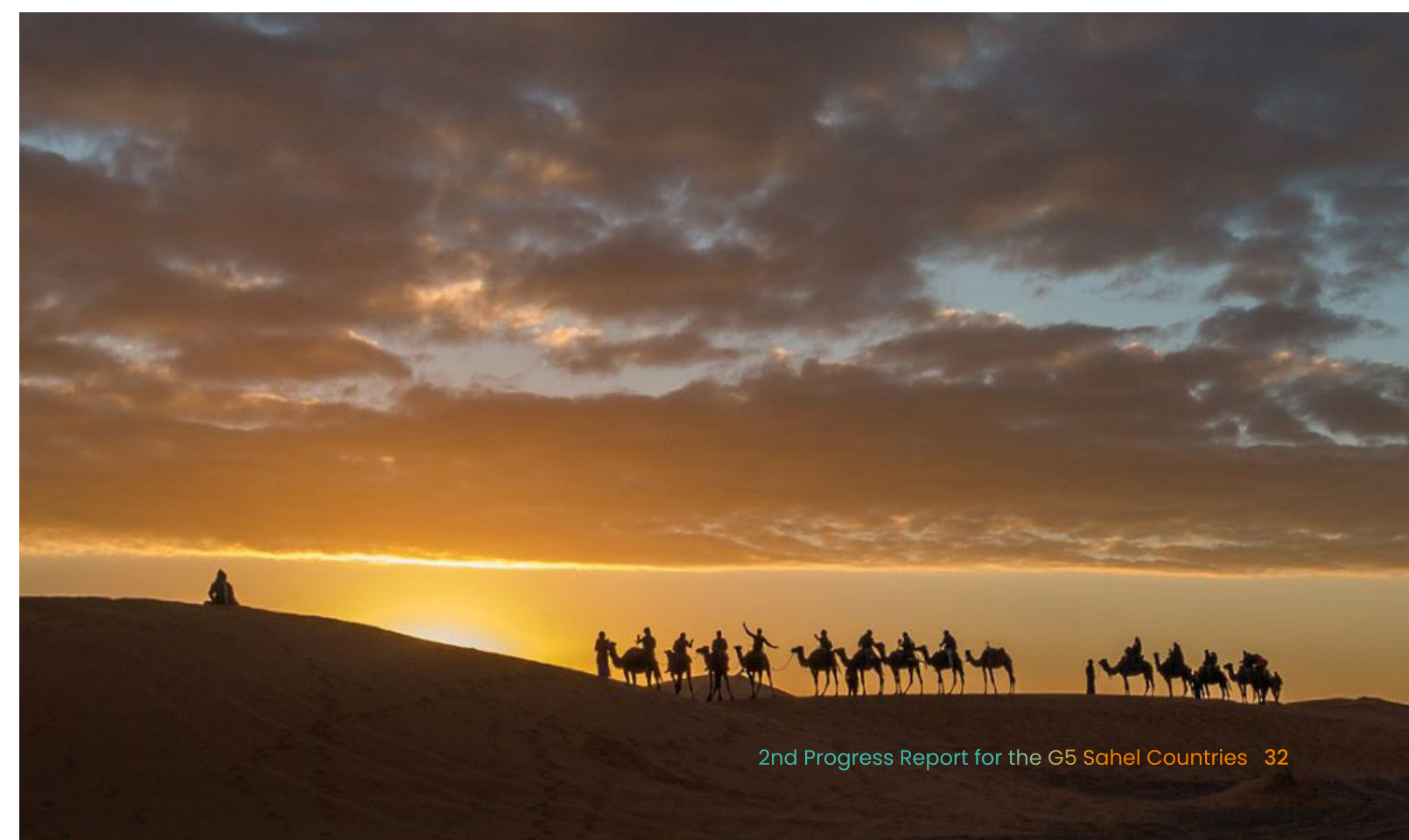
The ATC is an intensive, one-week training course focused on key technical, regulatory, financial, and sustainability issues for renewable energy for senior officials and managers operating in the RE sector in the G5 Sahel countries. The course will include (i) global solar energy trends; (ii)

economic, financial, managerial, and business development aspects of RE; (iii) RE Solar technologies (storage solutions, grid integration, etc.); (iv) bankability and project finance; (v) opportunities for innovation, job creation and digitalisation.

The MGA proposes a comprehensive overview of the entire mini-grid value chain, from generation to productive uses of energy. The target audience for this course includes junior and mid-level professionals from public institutions such as rural electrification agencies, engineers, private sector developers, entrepreneurs, and students from local academia. The curriculum includes: (i) decentralised energy systems (DRE); (ii) procurement, construction, business models, mini-project financing; and (iii) regulatory frameworks.

The courses will be rolled out in the second quarter of 2022.

The Task Force also collaborated with the International Energy Agency on the Clean Energy Transitions in the Sahel Report that was launched in September 2021 featuring six Desert to Power countries: the G5 Sahel and Senegal.



4. Engaging the private sector

In 2021, the DtP focused on two priorities for increasing private sector investments : (a) addressing capacity constraints in competitive procurement frameworks; and (b) promoting the use of financing instruments that will de-risk private sector investments.

(a) Addressing capacity constraints in competitive procurement frameworks:

in collaboration with the Power Africa West Africa Energy Programme (WAEP), DtP organised targeted training sessions for G5 Sahel countries focused on:

- Capacity building in competitive procurement (IPP/PPP), power purchase agreement (PPA), transmission service agreements (TSA), and transaction management in the power sector; and
- Capacity building in the development of tariff methodologies and practical aspects of tariff reform.

Work on the development of a common protocol for IPPs that can be endorsed at highest level is under preparation in collaboration with the African Legal Support Facility.

(b) Promoting the use of de-risking instruments:

The Desert to Power G5 Sahel Financing Facility includes several financing instruments aimed at de-risking investments, such as Partial Risk Guarantees (PRGs) for IPPs and Reimbursable Grants for innovative storage investments. The Task Force will deepen engagement with the private sector through platforms such as the Africa Investment Forum in 2022.

DtP Financing Facility: De-risking private sector investment in the G5 Sahel countries

DtP Partial Risk Guarantee

A successful Independent Power Producer (IPP) model requires bankable off-takers i.e., those with sufficient cash flow to be able pay the IPPs/project developers for electricity invoices supplied within the payment period specified in Power Purchasing Agreements. However, most of the African utilities, including those of the G5 Sahel have weak balance sheets (largely due to non-cost-reflective tariffs) and depend on the host governments for financial support to meet their operational needs and to remain solvent.

The DtP facility brings on board a Partial Risk Guarantee (PRG) service to address the liquidity situation of the off-takers in the short to medium term while long-term solutions such as tariff reforms, sector policy and regulation reforms are explored. The PRG facility will be comprised of ADF guarantee of USD 20 million and GCF guaranty in form of cash collateral of USD 20 million, enough to extend payment of guarantee of 6-12 months. Discussions are also ongoing with other development partners, such as SIDA, to extend the coverage to 12 months of the IPP's electricity invoices. The PRG will be extended to the project at the request of the host government using African Development Fund PRG guidelines.

Re-imburseable grants: Battery Storage System

The DtP programme aims to support the installation of a total of 239 MWh of utility scale storage. These Storage systems provide a solution for grid stabilization and flexibility to cope with the challenges of maintaining system reliability while integrating the variable and intermittent nature of solar power generation.

USD 90 million has been earmarked to be utilised towards investments in storage systems. Out of which, USD 40 million will be provided by the GCF in the form of re-imburseable grants while the AfDB will provide USD 50 million in the form of loans. The storage will be implemented by the utilities or private developers. Depending on the selected option, funds will be channeled to the utilities through the host governments (under a subsidiary agreement) or directly to the project developers under loan agreements. Regardless of the option chosen, the re-imburseable grant will be considered as quasi-equity and will only be repaid after the operational expenses and senior lenders (principal loans and interests) have been paid.

5. Increasing visibility for the DtP Initiative

Increasing visibility for the Initiative was one of the key priorities set by the Task Force at the start of 2021. Key events to showcase the work of the Initiative included the UN High-level Dialogue on Energy (September) and COP 26 in Glasgow (November).

5.1 DtP mentioned at UN High-level Dialogue on Energy

UN Secretary-General H.E. António Guterres convened the High-level Dialogue on Energy on 24 September.

In his intervention during the event, President Adesina showcased the Desert to Power Initiative with its vision of creating the largest solar energy production zone in the world.

Key outcomes of the Dialogue included a global roadmap with recommended actions and milestones to accelerate achievement of SDG7—Affordable and Clean Energy—by 2030. Voluntary commitments from member states and other stakeholders in the form of 'Energy Compacts' set out actions planned to advance clean affordable energy for all by 2030 and net zero emissions by 2050.



Dr Akinwumi A. ADESINA, President of the African Development Bank Group making his statement virtually during the UN High-level Dialogue on Energy, 24th September 2021.

5.2 DtP side-event at COP 26

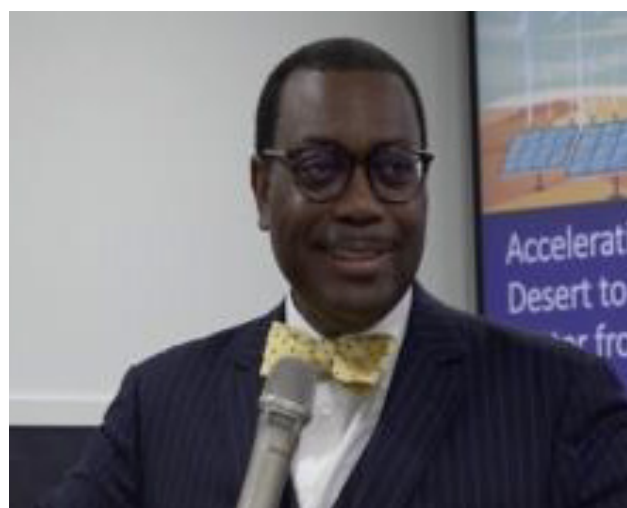
On 4 November 2021, the AfDB organised a side-event in the Africa Pavilion at the COP26 with the theme, "Accelerating the implementation of the Desert to Power Initiative to build back better from COVID-19". The hybrid event—moderated by the AfDB's Acting Director for Acting Director for Renewable Energy and Energy Efficiency, Dr Daniel Schroth—attracted participants from civil society organisations, the private sector, and development partners.

The Ministers of Energy of Mali—Hon. Lamine Seydou Traore, via a video message, and Mauritania Hon. Abdessalemould Mohamed Saleh, who attended in person—reiterated their strong support for Desert to Power and praised the close collaboration with the DtP Task Force. The Chief Executive Officer of the *Agence Française de Développement* (AFD), Remy Rioux, lauded the African Development Bank for its role in articulating the continent's vision and reiterated AFD's strong support for Desert to Power. Yannick Glemarec, the Executive Director of the Green Climate Fund, reiterated the support of the GCF for the DtP Initiative particularly referring to the approval of the Sahel G5 Desert to Power Financing Facility. He termed the Initiative innovative and forward looking and further noted that the Initiative will not only serve to address energy needs, but also "contribute to peace and security in the Sahel".

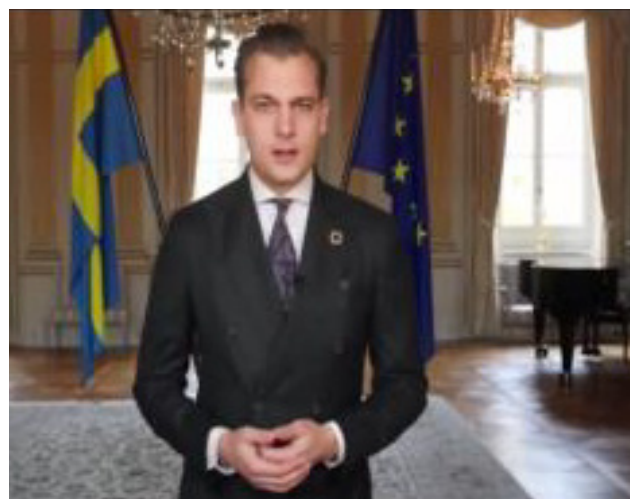
In his opening remarks, President Adesina thanked the partners who have contributed to the Initiative and highlighted the progress made. Characterising the Initiative as the 'Baobab of projects' by its nature to bring transformative change in Africa, President Adesina called for more investors and partners to contribute to the Initiative through concessional loans and through guarantees to reduce the risk of investing in the Sahel region.

The event featured a panel discussion on how to overcome some of the hurdles to private sector-led solar energy projects in the Sahel, such as weak regulatory frameworks, currency fluctuations, institutional inertia, political instability, and insecurity.

Sweden's Minister for International Development Cooperation, Per Olsson Fridh, noted in a video message that, in addition to the direct grant support of 170 million Swedish Kroner (USD 17 million) from his government, the Swedish International Development Cooperation Agency (SIDA) was exploring the possibility of offering a guarantee to Desert to Power to support the scale up of activities. He observed that Sweden's combination of grants and guarantee support would encourage investors to support the programme and strengthen green transition in the region.



Dr. Akinwumi A. ADESINA, President of the African Development Bank Group delivering opening remarks at the DtP side-event at the COP26 on 4th November 2021



Hon. Per Olsson FRIDH, Swedish's Minister for International Cooperation pledging support to the Desert to Power Initiative via video message.

At the close of the panel discussion, AfDB Vice President for Power, Energy, Climate and Green Growth, Dr. Kevin Kariuki, called for action from partners indicating that it would take the concerted efforts of both the public and private sectors to accelerate the implementation of the DtP Initiative. He added that the AfDB would continue to work closely with the private sector and the governments of the G5 Sahel countries to address the barriers that hinder private sector investment.



From left: Dr. Ali Orozi Sougui, Petroleum and Energy Advisor to the Presidency of the Republic of Chad; Paddy Padmanathan, Chief Executive Officer, ACWA Power; Ambroise Fayolle, Vice President of the European Investment Bank; Joseph Ng'ang'a, Managing Director, Energy Africa for the Rockefeller Foundation, and Andrew Herscowitz, Chief Development Officer of the US Development Finance Corporation





II. 2022 Priorities

Building the energy sector in the G5 Sahel countries remains at the core of the Desert to Power Task Force.

WORKSTREAM 1 PROGRAMME DEVELOPMENT AND MANAGEMENT

This workstream relates to activities focused on building and implementing the DtP lending programme and Technical Assistance, both new and ongoing.

Objective 1: Pipeline Approval

The key thrust of DtP activities will be to secure approval for at least five projects in the 2022 project pipeline.

Objective 2: Advance pipeline development

The Task Force will actively seek to develop a pipeline of new projects, advance project readiness and bankability, develop a wider project pipeline for subsequent years, and develop a clear pathway for decentralised energy solutions.

Objective 3: Implement ongoing DtP projects

Priorities will include tracking and advancing implementation of all priority projects, including regional projects, while accelerating the implementation of ongoing projects and Technical Assistance support.

Objective 4: Approve and implement the DtP G5 Sahel Financing Facility

The preparation of projects and implementation of the Facility under two tracks, namely, technical assistance and investments.

Objective 5: Engage and develop a pipeline of projects for the remaining six Sahel countries

This will include organising the Africa Energy Market Place (AEMP) for the East African DtP countries and holding preliminary discussions with counterparts in Nigeria and Senegal.

WORKSTREAM 2 RESOURCE MOBILIZATION

Objective 6: Mobilise resources at scale for Technical Assistance and investment projects

Mobilise resources for Technical Assistance to support project preparation and to implement DtP projects.

WORKSTREAM 3 GOVERNANCE, PARTNERSHIPS AND STAKEHOLDER ENGAGEMENT

Objective 7: Support DtP governance and stakeholder engagement, and harness partnerships

Work to meet this priority will include organising at least one Steering Committee meeting and the 3rd Ministerial Meeting, as well as a Civil Society consultative meeting. In addition, a private sector engagement platform will be created.

WORKSTREAM 4 MONITORING, EVALUATION, AND REPORTING

Objective 8: Develop a DtP monitoring, evaluation, and reporting (MER) system

An MER system will be the framework to support results and operation reporting, and strengthen data access, quality, and relevance that are needed to analyse the social and economic co-benefits and impacts of implementing the Initiative.

WORKSTREAM 5 COMMUNICATION, AND KNOWLEDGE MANAGEMENT

Objective 9: Support wider stakeholder engagement through targeted communications, events, and knowledge products

The Task Force agenda to increase visibility of the Initiative through targeted opportunities, such as COP 27 and the African Investment Forum, and well-focused knowledge dissemination will promote engagement that crosscuts all of the workstreams.

WORKSTREAM 6 REINFORCEMENT OF TASKFORCE

Objective 10: Augment Taskforce capacity

Improving and increasing the Task Force human capacity will be key to realizing the DtP ambition.



Conclusion and Prospects

The *Desert to Power* Initiative's second year ended with many of its objectives achieved, considering countries' realities and constraints, and the limitations imposed by the COVID-19 pandemic.

Going forward, the African Development Bank will strive even more determinedly for tangible results in terms of Megawatts of power available to communities in the Sahel region.

The G5 Sahel Financing Facility will be critical in reaching these goals guided, in part, by the Regional Roadmap.

The successes of 2021 and the achievements of 2022 will underpin engagement with the others six Sahel countries, showcasing the entire region as a model for Africa's energy transition at COP27.

About the African Development Bank Group

The African Development Bank Group is a multilateral development bank whose shareholders include 81 member countries. The Bank Group's primary objective is to contribute to the sustainable economic development and social progress of its regional member countries in Africa, individually and jointly. It does this by financing a broad range of development projects and programs through public sector loans, including policy-based loans, and through private sector loans and equity investments. The Bank Group also provides technical assistance for institutional support projects and programs, undertakes public and private capital investments, assists countries with developing policies and plans, and supplies emergency assistance.

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**Desert to Power Initiative
Second Progress Report for
the G5 Sahel Countries**

Transforming the G5 Sahel countries from Fragility to Resilience in the Energy Sector



AFRICAN DEVELOPMENT BANK GROUP

