

Urban renewable energy: a contribution to our development objectives

Green Growth Knowledge Platform Kinshasa, 02-03 April 2014



The URBAN ENERGY transition

ICLEI Africa's contribution

What role for renewables?

Examples & learning from South Africa



Past - Present - Future

### **Transition**

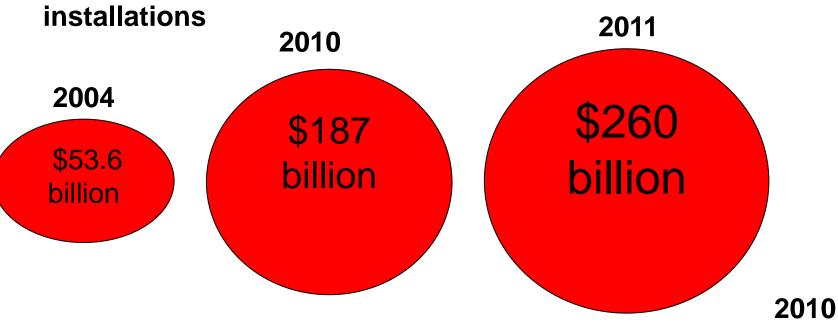
Inevitable destination

Unpredictable journey

# Samuel: We are in an energy transition



⇒Global investments in new renewable energy installations



⇒ Global investments in new natural gas,

oil and coal plants

\$157 billion

### 2<sup>nd</sup> transition:

Local Governments for Sustainability

The largest migration in human History

today 1.23 billion billion in urban areas

# **Drivers for an urban energy transition**



- Reduce demand on intermittent grid
- Increase resilience (eg of people's livelihoods)
- Improve health/reduce air (esp. indoor) pollution
- Contribute to national targets
- Concentration/agglomeration of resources (financial, natural): waste that can be harnessed
- Local job creation
- Sub-Saharan cities well endowed: 6-8Kwh/m2/day





## Unbroken global trend

"By 2050, within 40 years, we must build once more the same urban capacity as we have built over the last 4000 years."

- 40% electricity access in urban areas (intermittent-illegal?)
- The urbanisation of poverty? Goats in the city



Figure 3.1. Sheep in the heart of Awassa city, southern Ethiopia.



The
URBAN
ENERGY
transition

# ICLEI Africa's contribution

What role for renewables?

Examples & learning from South Africa

Drawing on the worlds largest network of local governments working on Sustainability Global offices serving the network

Show ICLEI Regions

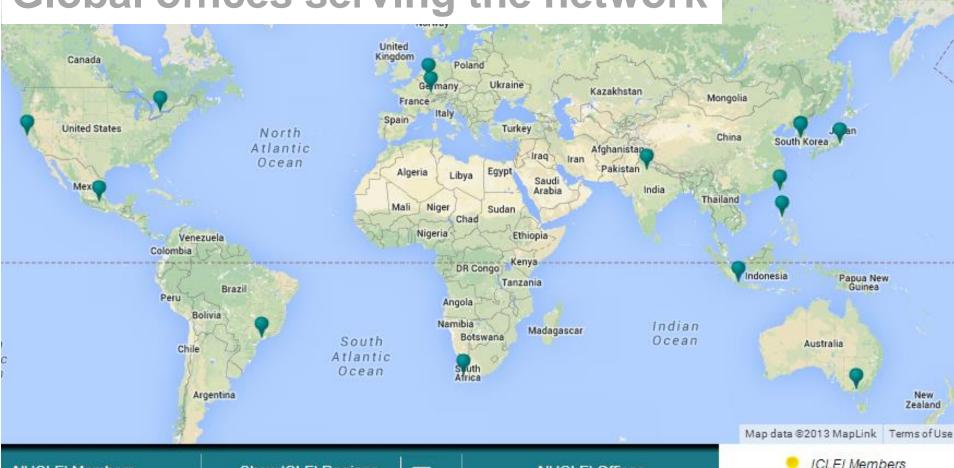
All ICLEI Members

15

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ICLEI Offices

Satellite



All ICLEI Offices

The worlds largest network of local governments working on Climate Change, Biodiversity, water & santation, energy, food, Nexus... Sustainability























A preview of the forthcoming ICLEI seb resource on creating green jobs to



**Adaptation Database and** 

**Planning Tool (ADAPT)** 







renewable energy & energy efficiency partnership

















**EU Cities Adapt** 



**BUILDING ADAPTIVE & RESILIENT** COMMUNITIES (BARC)



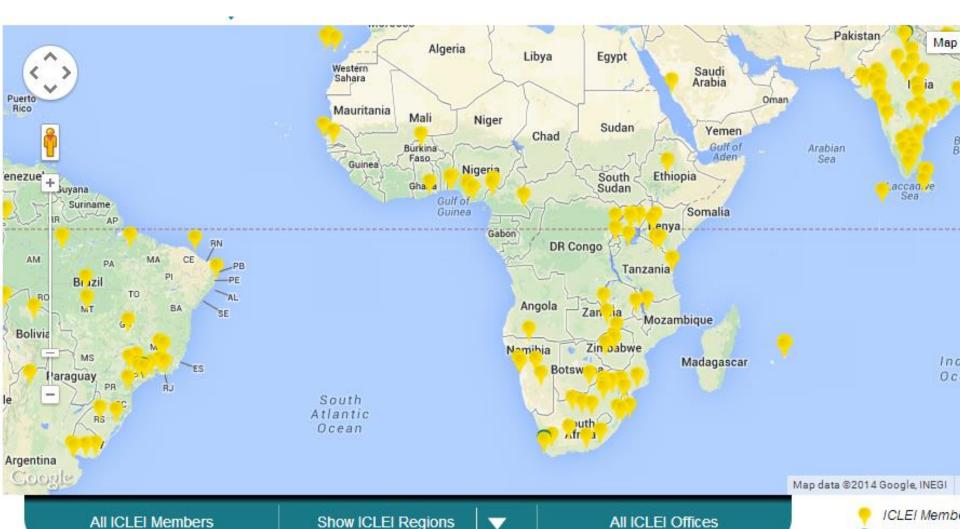




### ICLEI Members in Sub-Saharan Africa: Driving the agenda for cities & local sustainability in Africa



ICLEI Offices





#### URBAN LOW EMISSION DEVELOPMENT STRATEGIES

Delivering low-emission development in 8 model cities in 4 emerging economies

- Strategy & action plan development
  - Implementation of projects

- 3 year
- Working
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Main object emerging e

- MRV of emissions
  - Capacity building & training
  - S-S-N Learning
- National & international advocacy

cities in



### What is an Urban-LEDS?

An Urban Low Emission **Development Strategy**, or low emission urban development strategy, defines a pathway to transition a community to a low-emission, green and inclusive urban economy, through its integration into city development plans and processes.

# ICLEI's GreenClimate Cities methodology





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# Cities and energy generation: different approaches



"Clean up the grid" (national)



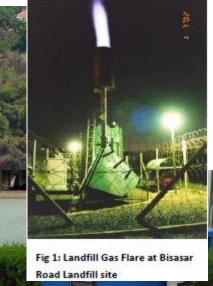
"Rural off-grid, cities on-grid"



 "Combination of cleaner grid + distributed solutions in rural and urban areas" What are the (urban) renewable energy technology options?











# SEED award winners – ENERGY SECTOR



Kigali, Rwanda: BioGas

Urban, domestic and industrial waste to pressurized biogas for cooking



Busia, Uganda: Eco-briquettes

Women – processing solid waste into eco-briquettes for cooking



# But why not more renewable energy in African cities?!



- Up-front costs: who pays? Need for financial model innovation
- Lack of reliability; nascent markets
- Lack of support services (installers, standards)
- Lack of policy support (local/national)
- Pressure of urbanisation on services
- Negative perceptions
- Cultural barriers



### **Key enablers**

- Innovative finance mechanisms
- Role for entrepreneurs/private service providers
- Integrated energy planning between different tiers of government
- Regulation
- Procurement
- Education and awareness



### Whose responsibility?

National government	Local government
Grid electricity provision; with increasing mix of renewables	Purchasing green electricity?
Setting national building regulations for SWH adoption etc	Enforcing & setting own local byelaws/policies
Decentralisation (mandate/ of built environment functions)	Urban Planning policies which incorporate energy efficiency & renewable energy
National energy planning; rebates, FIT's etc	Local energy strategies and plans
National SWH programme	Local SWH programme
Installing medium-scale but decentralised renewables	Installing renewables for municipal operations
	Develop "energy services packages" for low-income households



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### EARTH HOUR CITY CHALLENGE 2013-2014

Lead South Africa's low carbon future and let your municipality inspire the world

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10% renewable energy by 2020

POLICY-PLAN-INSTITUTIONAL

Electricity savings campaign (2009-)

Integrated Rapid Transport System (2010-) Solar water heater roll out programme (2012-14)

**FLAGSHIP ACTIONS** 













POLICY-PLAN-INSTITUTIONAL

Energy and climate change strategy (2008) Energy efficiency guidelines in spatial development (2012)

#### PLAGSHIP ACTIONS

- Solar Power Traffic Lights roll-out (2010-)
- Mass Rapid Transport Rea Vava Phases 1A and 1B (2011) Landfill Gas-to-Energy Project (2011)

### \*\*\*\*\* ETHEKWINI MUNICIP

#### COMMITMENTS

33% reduction in Carbon dioxide equivalent by 2020 (2006)

#### POLICY-PLAN-INSTITUTIONAL

- Municipal Adaptation Plan for Climate Change (2009)
- Energy Strategy (2010)
- Solar City Framework (2012)
- Currently developing comprehensive Climate Change Response Strategy (2013-)

#### FLAGSHIP ACTIONS

- Landfill gas to electricity project (2004-)
- Domestic Drange Bag Recycling Programme (2007) Wind Resource Map for eThekwini Municipality (2010)
- Community renewable energy projects including energy efficiency,
- Staff Bicycle Programme (2012-) KwaZulo-Natal Sustainable Energy Forum (2012-)

#### **BUFFALO CITY METROPOLITAN MUNICIPALIT**

12% energy efficiency improvement by 2015 (2008) 10% renewable energy by 2018 (2008)

POLICY-PLAN-INSTITUTIONAL Sestainable energy and climate mitigation policy and strategy (2008)

#### FLAGSHIP ACTIONS

- Energy efficient streetlight retrafits (2010)
- Replacement and upgrading of equipment of the electricity distribution system (switchgear) (2011)
- Solar-powered street lights pilot project (2013)
- Energy efficiency measures and solar water heaters in newly electrified low-income households (2013) 75 MW solar PV farm within Industrial Development Zone (2014, planned)

#### NELSON MANDELA BAY MUNICIPALIT

.........

Procurement of 10% energy from green energy sources 15% community renewable energy by 2015

#### POLICY-PLAN-INSTITUTIONAL

Green Procurement Implementation Strategy (2011)

#### Integrated Environmental Policy (2012)

- FLAGSHIP ACTIONS Solar water heater religion in 38 000 low-income households (2012)
- 2 MW methane from words water for electricity peneration (2012) Phase one of integrated public transport system (2812)
- Residential Small Scale Embedded Energy Generation reverse metering pilot (2013)
- Waste Minimication and Exchange programme (2013)





















### Nelson Mandela Bay

#### **Embedded Generation: Municipal**

- Proved Small scale grid tide connection is technical feasibility
- Feed-in tariff needed but price decreasing rapidly

#### **Embedded Generation: Consumers**

Experimenting with net metering

#### **Purchasing green electricity**

- Played role in pushing for grid wind energy development locally
- Developments = 20% of local demand









### Solar water: free energy?!

National government lowpressure system roll-out stalled

Mandatory on all statesubsidised housing



Local implementation models:

- Nelson Mandela Bay: Funded by Eskom (state energy provider) and carbon credits: lowincome
- Cape Town: SWH byelaw: never passed





- Mid-to high income households
- Role of local authority: Facilitator, accreditor, marketing
- Role of private service providers: instalment finance, through for eg. ESCO's, maintenance etc





### **Solar Water Heaters - impact**



#### Target – high electricity consumers

#### For each 100,000 installed

R 400million p.a. that would have been paid to Eskom kept in City

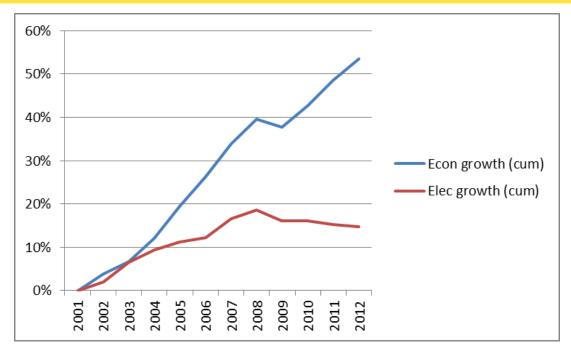
When SWH's are paid off will result in ~R1billion p.a. savings in households pockets to be spent in CT economy

About R1billion invested in local solar water heater business – jobs, economic sector developed

Electricity savings of 280 000 MWh p.a. (4% of total current consumption) (280 000 tons carbon)

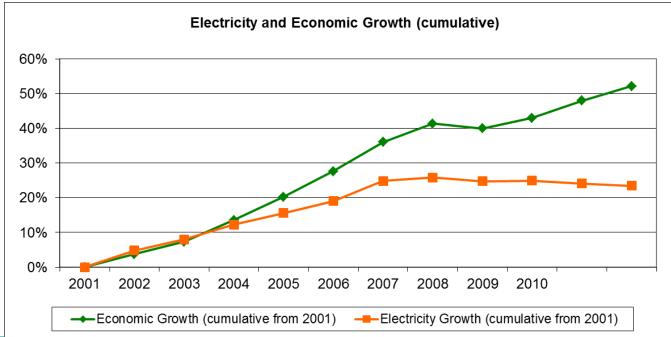
#### BUT

- Not a solution for the urban poor?
- Requires significant LG capacity and established local industry





# Electricity relative to Economic growth: eThekwini and Cape Town



Source: Sustainable Energy Africa



### Doesn't have to be high-tech

Wonderbags

Used 2-3 times a week:

- 1.6l paraffin
- 1.3kWh electricity
- 500kg c02/year



Efficiency is cheapest form of renewable energy!



### **Lessons from the SA experience**

- Renewables largely restricted to SWH's, small scale embedded (also for municipal operations)
- Not just about technology; must be embedded in processes, structures, revenue models
- Create spaces for multi-level dialogue
- Regulatory, policy environment may need changing/clarifying
- Strengthened the developmental role of subnational governments
- Financial innovation needed to up-scale



### 5 questions

- To what extent is the renewable energy potential in urban areas, and the contribution of local government, being enabled?
- To what extent does governance deal with the "city-region"- aiming for sustainable city-regions (urban/peri-urban/rural)
- Is it an either/or between centralised vs decentralised solutions in urban areas?
- Who is working on innovative financing mechanisms?

### Thanks for listening!



ICLEI – Local Governments for Sustainability is the oldest and longest standing network of local governments and cities working on Sustainability, with over 1200 members world wide. Over 20 years ago, the organisation was started by local governments, and is led by local governments for local governments.

It is served by over 250 urban sustainability professionals in 15 offices around the globe.

The network is the Local Government and Municipal Authorities (LGMA) Major Group coordinator at the UNFCCC, and UN CBD. It leads on the Mexico City Pact, the Durban Adaptation Charter, and the Local Government Climate Roadmap.



