



Energy Partnerships for Development

Partnerships between development institutions offer the possibility of significantly increasing aid effectiveness. In establishing partnerships with other organisations, GTZ contributes to the implementation of the Paris Declaration on Aid Effectiveness that was adopted in March 2005. In this Declaration, donors reaffirmed their commitment towards “eliminating duplication of efforts and rationalising donor activities to make them as costeffective as possible“.

Within development cooperation, the energy sector has seen a lot of activity of different organisations over the last few years. In parallel to the implementation of technical assistance projects and programmes, GTZ has actively sought the dialogue and cooperation with other development actors. In this cooperation, GTZ has been able to learn from others and to provide expert knowledge from its experience of over 25 years in the implementation of energy projects.

Partnerships can take many forms. They usually start with the establishment of a dialogue, consultations and the exchange of information and experiences. GTZ actively participates in a number of international networks that deal with energy and development. In developing partner countries, there is a close cooperation with other organisations that are active in the energy sector. This increasingly takes place in the context of Sector-Wide Approaches (SWAP), i.e. the coordination of sectoral donor support under the umbrella of a common sector strategy.

In other cases, bilateral or multilateral donors have provided co-financing for successful German technical cooperation projects, in this way enhancing project impacts.



International Organisations

GTZ cooperates with a large number of international organisations that are active in the field of energy, including regional organisations, UN organisations and others. In Latin America, partnerships with a number of relevant regional organisations, such as the UN Economic Commission for Latin America and the Caribbean (ECLAC), the Caribbean Community (CARICOM) and the Latin American Energy Organisation (OLADE) have been established. Between 1990 and 2001 for example, GTZ, on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), supported OLADE and ECLAC in the development of sustainable energy strategies. Since 1999, GTZ has been contributing to the implementation of the Caribbean Renewable Energy Development Programme (CREDP) that is coordinated by CARICOM. In this way, German technical cooperation assists Latin American regional organisations and their member countries in developing their capacity in the field of sustainable energy.

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Partnerships with regional organisations have also been initiated in Africa. Since 1997, GTZ has been responsible for implementing the Programme for Biomass Energy Conservation in Southern Africa (ProBEC) on behalf of the Southern African Development Community (SADC) and BMZ.

Being one of the four energy programmes of SADC, ProBEC has achieved a high visibility in the whole of Africa. In the NEPAD Framework Document, adopted in 2001, African governments agreed to broaden the scope of ProBEC from SADC to the rest of the continent. In 2004, ProBEC was extended to Tanzania and Zambia with financial support from the Dutch Directorate-General for International Cooperation (DGIS).

International Energy Initiatives

At the World Summit on Sustainable Development (WSSD) that was held in Johannesburg, South Africa, in 2002, a number of international energy partnerships (the so called “Type II Initiatives”) were established. Many of these are energy partnerships, e.g. the EU Energy Initiative for Poverty Eradication and Sustainable Development (EUEI), the Global Village Energy Partnership (GVEP) or the Global Network on Energy for Sustainable Development (GNESD).

Over the past few years, GTZ has managed to build strong relationships with each of these initiatives. This also includes participation in discussions and exchange of information on sustainable energy that takes place within these networks and provides the opportunity to learn from the experiences of other organisations and to disseminate best practices related to the implementation of energy projects.

As an example, the EU Energy Initiative (EUEI) is a partnership that involves all EU Member States, the European Commission and developing partner countries. The EUEI has been set up in order to improve the access to modern and sustainable energy that is needed for the achievement of the Millennium Development Goals (MDG).

One obstacle for the improvement of access to energy is the lack of adequate political framework conditions. To overcome this barrier, a number of EU member states jointly created the EUEI Partnership Dialogue Facility (PDF) at the end of 2004. The management of this facility has been entrusted to GTZ. The EUEI PDF is supposed to be a flexible instrument to facilitate upstream policy dialogue and to support integration of energy into national and regional development strategies (such as PRSPs). The facility also supports the development of improved national and regional energy policies and strategies.

Since 2005, GTZ, together with the UN Environment Programme (UNEP), is also responsible for the management of the Secretariat of REN21 – the Renewable Energy Policy Network for the 21st Century. This global network was established after the International Conference for Renewable Energies (renewables 2004) that took place in Bonn, Germany, in 2004. REN21 provides international leadership for the rapid expansion of renewable energy in developing and industrialised countries.

Bilateral Donors

In some developing countries, there are several bilateral donors present in the energy sector. This calls for increased efforts in coordination and cooperation. In some cases, bilateral donors have cofinanced existing German technical cooperation activities, thus providing the possibility for scaling up successful approaches.

One outstanding example has been the “Energizing Development” programme, launched at the end of 2004 by DGIS and BMZ. In the context of Energizing Development, DGIS will provide a total of 60 million over a period of four years. The programme, which is implemented by GTZ, contributes to the Dutch government’s target of providing modern and sustainable energy to 10 million people by 2015 as well as to enhance the impact of energy activities implemented in the context of German development cooperation.



GNESD



GTZ cooperates with a number of international energy initiatives



The Energizing Development programme supports the provision of energy for lighting, for cooking, for social institutions (such as health centres and schools) and for productive purposes, especially in small and medium-sized enterprises. It has a strong focus on Africa, where most of the world's two billion people without access to energy live. Energizing Development is a good example of how donor cooperation can increase the overall impact of interventions through synergies and economies of scale.

Other cooperation activities with bilateral donors include co-financing of a German wind power development project in Ethiopia by the Austrian government, or the Afghan-French-German Energy Initiative that aims at promoting energy efficiency and the utilisation of renewable energy technologies in Afghanistan.

International Financing Institutions

GTZ cooperates with a large number of international financing institutions, including development banks such as the World Bank. In the field of energy, a number of successful partnership activities with the World Bank have been initiated, for example in Yemen.

In order to provide the rural population in Yemen with modern energy, the "Promoting Access to Sustainable Energy Services in Rural Areas" project was established in 2004. This project is being jointly implemented by GTZ, the World Bank and the UN Economic and Social Commission for Western Asia (UN ESCWA) with a financial contribution from the Global Environment Facility (GEF). The day-to-day coordination takes place in the context of a joint project unit. Tasks are shared between the four partners, making use of comparative advantages.

GTZ and World Bank also cooperate in a number of other countries, such as Senegal or China. In mid-2004, a GTZ expert was seconded to the Energy and Water Department in the Infrastructure Vice Presidency of the World Bank in order to enhance the cooperation between the two institutions in the field of energy.

At the International Conference for Renewable Energies (renewables 2004), a "strategic partnership" between the Inter-American Development Bank (IDB) and the Government of Germany was launched. This partnership focuses on strengthening the IDB portfolio in the field of renewable energy and energy efficiency. Since 2005, GTZ has been contributing to the implementation of this partnership, mainly in providing advisory services to the IDB on sustainable energy.

In Romania, a partnership with the European Bank for Reconstruction and Development (EBRD) has been successful in improving the efficiency of district heating. In 1997, GTZ, on behalf of BMZ, began with the implementation of the "Modernisation of District Heating in Five Cities" project in Romania. The EBRD provided a total of 45 million US\$ in financing for this project. During implementation, GTZ was responsible for the operation of a Project Coordination Unit and providing technical advisory services to district heating operators and planning institutions.

Private Sector

GTZ has also established partnerships with other actors such as private companies, research institutions or non-governmental organisations. One recent example of a partnership with the private sector is the Lokoho Small-Scale Hydro-Power Project for Rural Development in Madagascar. This project is implemented within the framework of a Public-Private-Partnership (PPP) between German technical cooperation and e7, an initiative involving ten of the world's largest power companies. The project supports the construction of a small hydro-power plant, a transmission line and village distribution networks in the Northeast of Madagascar.

While e7 is responsible for the construction and operation of the small hydro-power plant, GTZ focuses on promoting the use of the electricity for productive and income-generating activities at the village level. Together, e7 and GTZ aim to demonstrate how sustainable energy can make a contribution to the development of rural areas as well as to climate and resource protection.



Benefits and Impacts of Energy Partnerships

Cooperation between institutions that are involved in the field of energy and development is to the benefit of all. This benefit mainly derives from the synergies that are created by pooling resources of the different partners. The exchange of information and experiences can reduce transaction costs and improve the quality of projects. It also helps to avoid duplication and gaps between the efforts of the

different institutions. Pooling of financial resources allows a scaling-up of successful approaches and avoids duplication of project structures. Altogether, partnerships improve the effectiveness and efficiency of energy projects. Partnerships are therefore essential in order to increase the impact that energy projects and programmes can have for developing partner countries.



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