

### **EUROPEAN COMMISSION**

### PRESS RELEASE

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# EU announces new rural electrification projects which will provide access to energy to more than 2 million people in poor rural areas

European Commission Development Commissioner, Andris Piebalgs, will today reveal the 16 energy projects which will receive €95 million funding, thanks to the EU's new rural electrification programme. The projects include hydro, wind, solar and biomass projects across nine African countries.

The projects will address energy challenges in rural areas and are part of the EU's last Energy Facility Call for Proposals, which focused specifically on improving access to modern, affordable and sustainable energy services for rural poor, by promoting renewable energy solutions as well as on energy efficiency measures building on proven successful actions.

The Commissioner will announce the results at the New Business Models for Bringing Sustainable Energy to the Energy Poor event in New York today, part of the UN Annual Sustainable Energy for All (SE4ALL) Forum.

Ahead of the event, Commissioner Piebalgs said: "These innovative projects are a real step forward in terms of bringing energy to some of the most remote and poor areas in Africa. The benefits of rural electrification are manifold - by connecting people to clean energy, we'll improve healthcare, education, and opportunities to make a living in the area."

The event marks the second anniversary since the Sustainable Energy for All Summit, which took place in Brussels in April 2012, where the European Commission President, Jose Manuel Barroso, set the ambitious goal of helping developing countries provide access to sustainable energy services to 500 million people by 2030.

Today's announcement is only part of the overall EU effort in tackling energy poverty and creating an enabling environment for growth. The EU aims to allocate more than 3 billion euro worth of grants in the 2014-2020 financial period to support sustainable energy projects in about 30 countries that see energy as a focal sector for development. This will leverage between 15 and 30 billion euro in loans and equity investment, thus enabling to plug the gaps in energy infrastructure projects and power businesses, schools, homes and hospitals.

In addition, infrastructure projects financed through our innovative blending instruments and the Technical Assistance Facility available for all Sub-Saharan African countries are already delivering results and contributing to the EU support for Sustainable Energy for All objectives. Worldwide, about 1.3 billion people have no access to electricity. Up to a billion more have access only to unreliable electricity networks. More than 2.6 billion people rely on solid fuels (i.e. traditional biomass and coal) for cooking and heating.



Through co-financing support by applicants, these €95 million-worth actions will be translated into projects costing more than €155 million. They will help to bring electricity to more than 2 million people in African rural areas.

The projects chosen include a hydroelectric project in the Ludewa District, Tanzania, which will provide energy to 20 isolated villages; benefitting 4,000 households, 43 primary and secondary schools (about 16,000 students); one hospital and 19 dispensaries, over 500 small businesses and farmers from across the region and an eco-electrification project in Burkina Faso, which will reach 100,000 people, as well as health centres and schools.

Today's event, hosted by the European Commission, will include the United Nations Development Progamme (UNDP) Administrator Helen Clark and Dr Kandeh Yumkella, UN Secretary General Special Representative and Chief Executive Officer of Sustainable Energy for All, among others. The idea behind the event is to showcase our common efforts in the fight against energy poverty, to provide the ground for the exchange of best practices and lessons learnt, and to share views on new business models that could make for enhanced cooperation between donors, the private sector, civil society and governments.

# Background

The 'Call for Proposals' is an EU funding system which enables NGOs, government and private sector organisations to receive a grant for EU Funding, based on their proposal for an innovative project.

The <u>EU recently announced that the countries which will benefit from this initiative</u> are Madagascar, Burkina Faso, Senegal, Cameroon, Uganda, Tanzania, Sierra Leone, Eritrea, and Rwanda. The European Commission will promote other proposals received – but not selected - to private and public donors and development agencies. Therefore, the list of countries and the number of rural population benefiting from the initiative could further increase.

## For more information

See EU booklet on rural electrification for full list of projects:

http://ec.europa.eu/europeaid/elibrary/se4all

Website of EuropeAid Development and Cooperation DG:

http://ec.europa.eu/europeaid/index en.htm

Website of the European Commissioner for Development Andris Piebalgs:

http://ec.europa.eu/commission 2010-2014/piebalgs/index en.htm

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