



DEA
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Development and Energy in Africa: WP 4.2.4 - Policy Makers' Needs, Synthesis Report

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<p>Author: Gordon A. Mackenzie and Fatima Denton Title: Development and Energy in Africa: WP 4.2.4 - Policy Makers' Needs, Synthesis Report Department: Systems Analysis (SYS)</p> <p>Abstract</p> <p>The COOPENER project "Development and Energy in Africa (DEA)" was initiated on 1 May 2005. The 30-month project is implemented by Risø National Laboratory, Denmark as project coordinator, in collaboration with the Energy Centre of the Netherlands (ECN), and in partnership with six African Centres:</p> <ul style="list-style-type: none"> • Botswana: EECG • Ghana: KITE • Mali: Mali Folkecenter (MFC) • Senegal: ENDA-Energy • Tanzania: TATEDO • Zambia: CEEEZ <p>The principal aims of the Development and Energy in Africa (DEA) project are (i) to identify and examine the developmental impacts of energy innovations and actions linked to improving energy access and poverty alleviation and (ii) to use the information obtained to improve on-going and future energy interventions through the energy policy makers and institutions in the countries concerned.</p> <p>Work Package 4 (WP4: Consultation) interacts with national policy makers and stakeholders regarding the relationships between energy innovations and sustainable development, and aims at achieving consensus on the needs for the Assessment Framework and on how it can contribute to the energy and development process.</p> <p>This report brings together the opinions expressed by stakeholders in the six participating countries as recorded by the partner centres in WP4, in particular from the set of First National Workshops.</p> <p>Stakeholders at all the workshops displayed an overall enthusiasm for a project such as DEA that seeks to measure the causal links between energy and socio-economic development. Likewise, there is a recognised need for an appropriate tool that can accurately and authoritatively link energy to poverty alleviation.</p> <p>The overall feeling is that energy projects need to be linked to other sectors and that DEA could help facilitate the process of looking at energy projects in a multisectoral manner through focussed groups such as multisectoral committees by working closely with partner institutions within a multidisciplinary framework.</p> <p>The report was prepared by Gordon Mackenzie and Fatima Denton with contributions from the six African Centres.</p>	<p>DEA Report number: Risø 4.1 December 2005</p> <p>Contract no.: EIE-2003-201 DEA</p> <p>Groups own reg. no.: 1215139</p> <p>Sponsorship: European Commission DG TREN COOPENER Programme</p> <p>Cover:</p>
<div style="border: 1px solid black; padding: 5px; margin-top: 20px;"> <p><i>The sole responsibility for the content of this report lies with the authors. It does not necessarily reflect the opinion of the European Communities. The European Commission is not responsible for any use that may be made of the information contained therein.</i></p> </div>	<p>Pages: 14</p> <p>Risø National Laboratory Energy for Development (EfD) Systems Analysis Department P.O. Box 49 DK-4000 Roskilde Denmark Telephone +45 46775171 gordon.mackenzie@risoe.dk Fax +45 46321999 www.e4d.net</p>

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Preface

Development and Energy in Africa (DEA) is a project under the European Commission's Intelligent Energy - Europe programme COOPENER. Ultimately DEA aims to "support decision makers with the implementation of more sustainable energy policies, ..." in line with the key action VKA 11.1 of the COOPENER programme. The project will do this by identifying and quantifying, where possible, the elements of concrete energy interventions that contribute to sustainable development (SD) and systemising this in an Assessment Framework which can enhance policy to promote energy for sustainable development.

The principal aims of the Development and Energy in Africa (DEA) project are (i) to identify and examine the developmental impacts of energy innovations and actions linked to improving energy access and poverty alleviation and (ii) to use the information obtained to improve on-going and future energy interventions through the energy policy makers and institutions in the countries concerned.

The project is organised in nine Work Packages:

WP1: Project Management: To accomplish efficient management and implementation of the project in a timely and efficient manner, including liaison with Advisory Committee as required.

WP2: Literature Review, aimed at establishing an overview of available methods for analysing development, poverty and energy linkages and of results in this area.

WP3: Compilation of a Catalogue of Energy Interventions in the target countries, including as far as possible economic, social, environmental impacts, noting inter-sectoral linkages.

WP4: Consultation with national policy makers and stakeholders regarding the relationships between energy innovations and sustainable development, aimed at achieving consensus on the needs for the Assessment Framework and on how it can contribute to the energy and development process. Although the main objective is to obtain information for input to WP5, the consultation process will continue throughout the project to keep policy makers and stakeholders informed and to ensure that the project is in line with national needs. WP4 includes a set of National Workshops early in the project period to involve stakeholders in the process. This involvement is backed up by informal contacts and consultation, primarily by the African Centres.

WP5: Development of a Preliminary Assessment Framework (PAF) for assessing development and poverty impacts of energy interventions, including developing indicators for assessing energy-poverty/development links

WP6: Case Studies to test the PAF. Results will be discussed in National Workshops #2 and stakeholder views incorporated.

WP7: Analyse Case Studies and Refine Methodology to a final Assessment Framework (AF).

WP8: Dissemination: Communicate project results to national policy makers and stakeholders and discuss how the Assessment Framework can contribute to policy and strategy formation, both in the target countries, elsewhere in the region and at regional level. WP8 includes a set of National Workshops #3 (to communicate the Assessment Framework to the national target group) and a Regional (African) Workshop towards the

end of the project. In the latter event all country teams and selected key stakeholders will meet to discuss the outcome of the project, with the possibility of other regional and international participants as the budget and circumstances allow.

WP9: Common Dissemination Activities: to provide resource and budget provisions for common dissemination activities in the framework of the EIE programme.

This report brings together the opinions expressed by stakeholders in the six participating countries as recorded by the partner centres in WP4, in particular from the set of First National Workshops. The report was prepared by Gordon Mackenzie and Fatima Denton with contributions from the six African Centres.

1 Introduction

The consultation phase of DEA (Work Package 4), along with the Literature Review (WP2) and the Catalogue of Energy Interventions (WP3) is designed to inform the development of the Assessment Framework (WP5). The consultation process thus engages with national policy makers and stakeholders regarding the relationships between energy innovations and sustainable development, and aims to extract opinions on the needs for an Assessment Framework and on how such a “tool” could contribute to the energy and development process. Although the main objective is to obtain information for input to WP5, the consultation process will continue throughout the project to keep policy makers and stakeholders informed and to ensure that the project is in line with national needs. WP2 includes a set of National Workshops early in the project period to involve stakeholders in the process. This involvement is backed up by informal contacts and consultation, primarily by the African Centres.

The set of National Workshops in the six countries was held between 1 September and 10 October 2005 and proceedings are available on the DEA website www.deafrica.net. In general the workshops achieved their purpose in bringing together a small group of relevant stakeholders to discuss the objectives and methods of the DEA project, and most importantly to gather the views of stakeholders on the links between energy and development and the need for improving the monitoring and assessment of impacts.

Supplementing the set of national workshops, the 6 partner centres conducted rounds of bilateral consultations with stakeholders, both before and after the workshops. The results of these consultations, together with the deliberations at the workshops, have been compiled by the country teams and reported as delivery 4.1.2. The viewpoints and issues reported below are primarily extracted and summarised from these country reports and therefore the contribution of the 6 centres is acknowledged.

2 Key issues

A number of common issues emerged from the consultation process, along a few issues which were specific for certain countries, or the particular set of stakeholders present. An attempt has been made here to capture the essential content of the process, bringing out issues which have a bearing on the development of DEA’s Assessment framework, the use to which it may be put, and indeed the potential users.

Awareness of energy-development linkages

There is a general appreciation in all the participating countries, at least in the energy sector, of the importance of energy as an input to development. Nevertheless there are barriers against this importance being incorporated in the policies and programmes of other sectors. There needs to be a broader appreciation of how energy feeds into the development process, not just as a provider of immediate services. Therefore, the causal links between energy and development have to be better understood, communicated and explained. This greater awareness of energy-development linkages, promoted by

documented examples and analysis, could be catalysed by the DEA project. In addition, stakeholders indicated that there should be more awareness of energy-development issues at local government level.

Inter-sectoral coordination

An important barrier against energy fulfilling its role as a key developmental input is the poor coordination between sectors in some countries. Better coordination is needed between sectoral institutions, ministries, etc. with regard to policy and budgeting. This would enhance the drive toward greater awareness of energy-development links and encourage more effective use of energy investments. While the DEA project cannot establish inter-sectoral links alone, the existence of the project, in particular building on inter-sectoral group of stakeholders can facilitate an increased awareness and provide evidence of the causal links and possible advantages of more coordination.

The Assessment Framework

The need for IA and M&E was widely recognised though it is admitted that they are often not carried out. In some cases there can be a resistance against M&E, especially carried out by external parties. These concerns can be allayed by ensuring ownership and participation by the local institutions, and awareness that the object of assessment is the development impact of interventions and projects, not necessarily the immediate project implementation. With regard to the latter, it assumed that this would normally be an internal function for the individual project while IA (the domain of DEA's AF) goes further and focuses on the longer-term development effects.

Ownership of the procedure (the AF) is important, i.e. who is expected to be the main user of the tool. Issues to be addressed include where the tool is based, for example at the Ministry of Energy or equivalent, participation of other stakeholders, participation and involvement of beneficiaries to the intervention. In this regard, the assessment tool and indicators have to build on local realities and be holistic. On the other hand, the AF does not necessarily have to be a new tool. We should avoid "reinventing the wheel". At the same time, it has to borne in mind that the AF (or DEA) cannot solve all (or any) problems but is merely a catalyst within a process. The important aspects of the process are:

- coordination
- evidence of developmental impacts of energy
- documenting the energy-development causal links
- encouraging stakeholders and policy makers to look beyond the immediate objectives and assess impacts
- involving all relevant stakeholders throughout the process

3 Country reports

3.1 Botswana

3.1.2 Stakeholder consultations point to the need for energy access in rural areas

Consultation with development stakeholders in Botswana revealed that energy is well understood as a facilitator for both development and improving the quality of life of people in rural areas. In the rural context, the prevalent use of traditional fuels such as fuelwood is considered a threat to health through indoor air pollution and is a contributor to the depletion of woody resources. This calls for alternative energy sources to alleviate the situation.

The stakeholders also consider that transformation from backwardness in rural areas could be achieved among other factors through application of ICT facilities such as radios, televisions, telephones and computers as means of information dissemination and accessing information for informed decisions and improved performance.

Provision of modern energy sources in government institutions for lighting, water heating and powering of appliances facilitates delivery of services particularly in education, police and telecommunications centres/locations.

Energy in the rural areas is associated with saving of lives by powering the necessary clinic/hospital equipment e.g. in maternity wards and operating rooms where uninterrupted energy is needed thus reducing maternal mortality rates.

Energy is realized as crucial in improving productivity and efficiency. For instance rural water supply in Botswana is predominantly from boreholes and requires energy for pumping and distribution. The use and maintenance of diesel engines is recognized as limited in capacity and expensive, and therefore alternative sources of energy for such purposes are required.

Energy supply through the grid as part of rural electrification increases economies of scale in rural development sectors, which small supplies such as diesel generators cannot achieve due to their small-scale capacities.

The stakeholders however realize the threats posed by turbulence in fuel prices considering that all oil products are imported and the high level electricity imports now standing at 70%.

In overall terms, energy is seen as creating opportunities for development in rural areas particularly for the youths and for community participation, reducing drudgery and adding value to rural products if they can be processed.

3.1.3 Stakeholder Dialogue at workshop

Throughout the discussions, it was apparent that energy interventions are often driven by energy policy objectives and are implemented with minimum coordination with other development sectors. The same is true in “development sectors”, where projects were driven by immediate needs, e.g. for a school in a particular area. Here the consideration of the availability of electricity or water is a secondary planning issue. The reason given was that Ministries’ budgets are often not coordinated so that they can take account of

projects from different ministries that could have a complementary or “leveraging” effect. For instance if rural electrification was targeted for some villages, and the Ministries of Education, Health etc would be ready to connect their institutions in those villages, this would yield immediate positive impacts on development. Similarly, if the Ministry responsible for SMEs initiates entrepreneur development at the same time that the villages are being electrified, this could result in creation of business e.g. welding and hence improved employment and incomes in the villages. Stakeholders concurred that more institutional coordination is desirable for both energy and development interventions to make the desired impacts.

As a summary, the deliberations of the stakeholders pointed to:

- Lack of institutional coordination in the design of either energy or development interventions.
- Lack of policy coordination among the development and energy sectors
- Uncoordinated budgeting that could enable leveraging of efforts in achieving development objectives.

A project like DEA would not answer these issues but would be a vehicle that would bring stakeholders together in a dialogue to discuss how sectors could collaborate. When such collaboration (albeit informal) is established, issues of policy coordination and related budgeting would also be eventually achieved.

The stakeholders present felt that the Energy Affairs Division (EAD) should be the focal point for energy interventions under DEA and is thus better placed to coordinate other stakeholders to ensure that future energy interventions are coordinated with interventions of development sectors such as water, agriculture, health, education, wild life and tourism etc.

3.2 Ghana

All stakeholders acknowledge the importance of impact assessment in providing information on project impacts to guide policy formulation. However, impact assessments have not been integrated into the activities of the various institutions. Stakeholders also acknowledge that an Assessment Framework will be useful to their operations if it is designed to be simple, easy to use, and flexible and can be used within the existing resource and information constraints.

Policy Planning, Monitoring and Evaluating (PPME) units within the institutions generally lack the necessary human resource capacity to be effective. Consequently, the DEA project may need to include capacity building in basic principles of programme evaluation as well as training in the application of the Assessment Framework.

There is the general perception that project evaluations need to be carried out by an external entity reporting to a higher authority (e.g. project funders or government) on project performance. It is not seen as a tool for programme staff to know how their programmes are performing so that they can improve on them and build institutional capacity. This perception may pose serious challenges to the use of the Assessment Framework as staff may not be inclined to use the tool. In addition, Project staff may be reluctant to apply the framework for fear that failures may be exposed and their careers suffer as a result. It is therefore important for the DEA project team to emphasize the

importance of the framework as a tool for staff to learn from the success and failure of their programmes in order to improve their own performance.

There are a number of external factors (e.g. political interference) that could affect programme performance which are not easily captured in an assessment study. Therefore the framework should be able to identify the impact of such external factors on project performance.

Impact assessment should be participatory, involving beneficiaries, local authorities as well the national level institutions. It is usually the best way of assessing how the programme is related to community and local needs.

Most stakeholders make no distinction between the immediate outputs of a programme (e.g. physical infrastructure) and the long term outcomes arising from these outputs (development impacts). Since most of the interventions are project based, project evaluation seems more focused on the immediate outputs. This is reasonable since projects are expected to deliver certain outputs over a specified timeframe. However, the project-based approach does not give adequate priority to evaluating development impacts of interventions which are expected to occur in the medium to long term. Meanwhile, project staffs usually try to relate project outputs to development on the basis of limited information. A well functioning assessment framework would make it easier to relate project outputs to development impacts in a transparent and systematic manner.

3.3 Mali and Senegal

The workshops in the two Francophone countries, Mali and Senegal, were held in close succession. Similar messages emerged from the two workshops and these are merged in the following synthesis. Three types of message emerged from the consultations and workshops. These addressed the issues of

- **Perception:** How the stakeholders perceive energy as a factor in development, as well as how they perceive the project (and how the project perceives the stakeholders?)
- **Approach:** What will be the added value of DEA?
- **Caution:** DEA is just a project and cannot address all the complex issues relating to energy and development so one should be cautious and not be tempted to over-sell DEA, etc.

Message # 1 (Perception)

Energy is seen as an agent of change. Stakeholders are in general aware, at least in principle of the linkages. However, energy needs to be looked at in a more holistic light beyond practical activities such as water hauling, provision of heat, food processing etc. This means more intersectoral coordination and collaboration is required, and an appreciation of energy feeding into development in many ways, rather than just providing the immediate energy service. In particular energy should be seen as an agent of social development and its impact on poverty reduction. This is an argument against terminating the energy-development causal link "too early" before the downstream effects are registered.

Message # 2

- In spite of #1 (or maybe because of it) the causal links between energy and development are still unclear. There is a need for an assessment framework tool to measure the impacts of energy initiatives on development. The causal link between energy and development has not been accurately measured, though whether this is at all possible remains to be seen.

Message # 3:(Approach)

- The assessment framework should seek to build from existing tools and evaluations rather than reinvent the wheel. The DEA Approach should seek to be holistic. This would mean looking at projects critically in order to evaluate the contributing factors for success and failure. In fact, we tend to learn more from failed projects than the successful ones.

Message # 4

- The baseline has to be built on local realities. The assessment framework should take into account local realities with verifiable indicators especially since a number of development indicators are not reflective of contextual experiences of developing countries

Message # 5

- The institutional ownership or anchoring (*in French: “ancrage institutionnel”*) of DEA would to a large extent determine its policy success.

Message # 6

- Application is the key determinant of success. The tool is as good as its application.

Message # 7

- It is important to build on the synergies – between national initiatives in different sectors as well as international efforts, such as GVEP, REEEP, GNESD, etc. The assessment framework or tool is important but the synergies between the different sectors should be an all-encompassing aspiration of DEA.
- DEA should seek to exploit the cross cutting nature of energy as the latter is present in every productive sector.

Message # 8 (Caution)

- The assessment framework is not enough to address the huge disparities between different social groups caused by energy poverty. DEA and its AF can at most be a catalyst or facilitator for increased national awareness of energy as an important development input, and in encouraging inter-sectoral coordination. Real progress requires real actions. DEA should guard against over-selling itself, or letting itself be perceived, as a solution to energy problems.

Message # 9

- The quality of information available on energy-development impacts is severely limited. This means that the quality of processed information coming out of the AF has to be critically considered before feeding on to stakeholders. Success of DEA/AF depends on the quality of information that is fed to policy makers.

Key Questions

- What (dissemination) strategy should DEA use to convey the message to policy makers?
- How accurate/viable would the assessment framework be?
- Why would this AF be different from the multitude of evaluation tools?
- How would we distinguish energy interventions at micro and macro level?
- Who would own the project from an institutional perspective?
- Who would be the main users of the AF?

3.4 Tanzania

3.4.1 National priorities

The overall national energy policy (2003) objective is to provide an input in the development process by establishing efficient energy production, procurement, transportation, distribution, and end-user systems in an environmentally sound manner and with due regard to gender issues.

Through the National Strategy for Growth and Reduction of Poverty (NGSRP), 2005, energy priorities are highlighted as:-

- Liberalization of power sector
- Promotion of appropriate off-grid technologies and indigenous energy sources.
- Increasing the proportion of rural and urban population with access to electricity,
- Expedite implementation of power projects according to the power System and Rural Energy Master Plan and finalize restructuring of power sector reforms, including speeding up of energy sector reforms especially formation of Rural Energy Agency and Rural Energy Funds.

3.4.2 Policy makers' suggestions

Energy is an important input in the poverty reduction efforts and therefore there is need to link it with other development initiatives and opportunities. For this to happen, the awareness of decision and policy makers has to be raised regarding the importance of energy to other sectors (education, health etc.), and also capacities of non-energy sectors on how to integrate energy in development plans initiatives should be strengthened.

Energy poverty and the lack of services it can provide for cooking and heating, electricity and transport fuels continues to hamper development, particularly rural areas. Therefore the use of energy to provide these critical services that underpin the MDGs must be reflected in national policies, strategies and actions.

With biofuels becoming a worldwide competitive fuel alternative due to rising oil prices, there is an urgent need to realistically consider, model and measure the impact of biofuels on the global climate and environment, the global energy market and on sustainability, i.e. social, environmental and economic sustainability,

Emerging conversion technologies could make biofuel production cheaper, much more efficient (energy + GHG) and not dependent on single crop types. Hence energy policy must support long-term biofuel supply options and the related technologies.

Renewable energy systems provide a practical and substantial opportunity for decentralised energy sources to combat poverty through wealth creation, developing sustainable energy supplies and working towards meeting the MDGs.

3.4.3 Non policy makers' suggestions

A major barrier to the representation of energy needs in decision-making is that energy is not represented in district level government structures. Energy has to be seen as a key for social and economic development. Therefore a multi-sector approach with participation from the grassroots to national level taking into account sustainable development will have significant impact in provision of rural energy services and addressing poverty issues

Concerted efforts at all levels (village to national) geared towards increased access to modern energy services are needed in order to address the central goal of improving welfare and living standards of people, particularly, in rural areas.

The Ministry of Energy and Minerals should put in place effective mechanisms and capacity for disseminating information to stakeholders on energy policies, strategies, legal frameworks, and other energy initiatives.

An institutional framework for effective linkages between the Ministry of Energy and Minerals, regions, districts and grassroots need to be instituted in order to effectively address rural energy issues.

Local/grassroots participation in planning, assessment, and implementation of strategy to address sustainable energy challenges should be employed in rural energy initiatives and dissemination of best practices.

Incorporation of sustainable rural energy technologies aiming at improving the living standard of people should be facilitated at district and grassroots level development plans.

The Government should put in place an effective information, education, and communication mechanism to enable information flow from national level to community levels and vice versa.

3.5 Zambia

The following points have been extracted from the record of discussions at the First National Workshop in Zambia.

- There is a need for constant interaction between stakeholders and policy makers
- Provision of energy should target productive uses
- There should be a high level of involvement in the DEA process on the part of policy makers
- There is need for information on how energy interventions affect GDP, balance of payments, poverty alleviation, clean water supply to rural and peri-urban areas etc.

- All available units in Government should be used as channels of information to policy makers (e.g. units such as department of planning in the Department of Energy).
- The Ministry of Information should be involved in future consultations and workshops
- There is need to work with NGOs on the ground.
- There will be need for training and capacity building in the use of the DEA Assessment Framework
- Way Forward: Need for the increase in the number of stakeholders invited in the future workshops

4 Conclusions

Stakeholders at all the workshops displayed an overall enthusiasm for a project such as DEA that seeks to measure the causal links between energy and socio-economic development. Likewise, there is a recognised need for an appropriate tool that can accurately and authoritatively link energy to poverty alleviation.

The overall feeling is that energy projects need to be linked to other sectors and that DEA could help facilitate the process of looking at energy projects in a multisectoral manner through focussed groups such as multisectoral committees by working closely with partner institutions within a multidisciplinary framework.

There is general feeling that “policy matters” but participants feel that much depends on the quality of the information conveyed to policy makers and the manner in which this is done. Policy makers have the capacity to change the current status quo but we need to find ways of reaching them so that they can take on board key emerging findings emanating from the field. Policy maker and stakeholder involvement is seen to be very important, and a larger and broader involvement of policy makers should be encouraged in future DEA workshops.

DEA has set itself an important task. It needs to work very closely with all the partners and other stakeholders to reach its objectives and also find ways of ensuring that energy projects can be measured accurately in relation to developmental impacts. This goes beyond the lifetime of DEA so that the project should attempt to leave behind a process which can be continued by the involved stakeholders and institutions. In other words, the sustainability of the DEA approach is important.