

PEACE RECS: IMPACT & OPPORTUNITIES FOR GROWTH IN AFRICA



LINDA WAMUNE
PROGRAM DIRECTOR
ENERGY PEACE PARTNERS
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About Energy Peace Partners

Mission

Leverage climate solutions and innovative finance to promote peace in fragile regions

Team expertise

- Renewable energy
- Peacebuilding
- Climate Security

Role

- Authorized I-REC country issuer
- Exclusive issuer of P-RECs

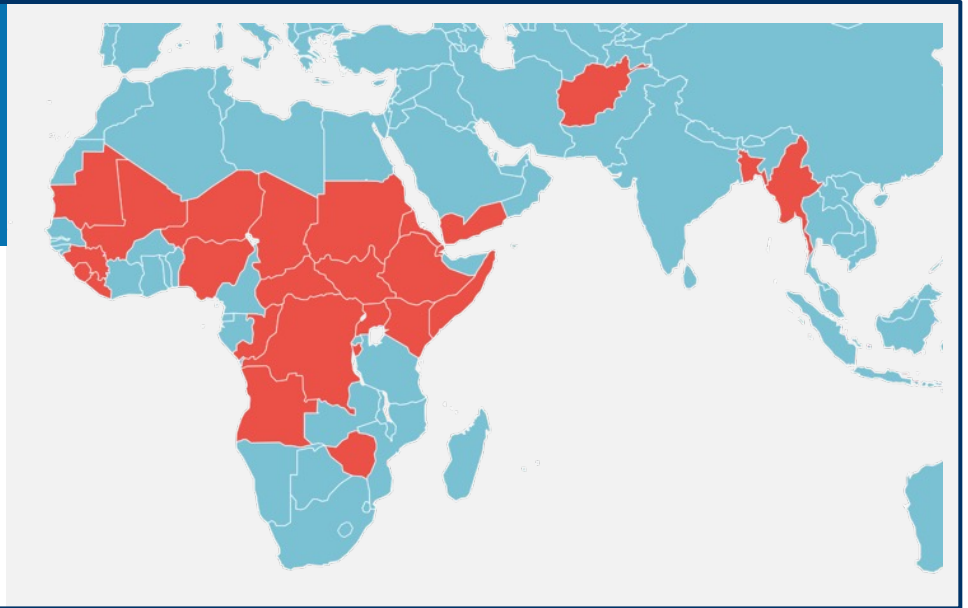


Photo credit: Nuru

Challenge: Limited RE Investment in Fragile States

Least electrified countries are most vulnerable to **conflict & climate impacts**. Yet **less than 5%** global renewable energy investment reaches these nations.

- Of ~ **700 million people** lack access to electricity, **86%** live in **fragile states**.
- **Uncertain political and economic environments** deter RE investors and **limit access to affordable finance**



Renewable energy provides more than power

RE can generate positive socio-economic benefits

- ❑ Increases economic opportunities
- ❑ Improves health and education outcomes
- ❑ Enhances safety and security
- ❑ Creates peace dividends
- ❑ Offers new entry points for cooperation
- ❑ Advances global climate, sustainable energy and peace agendas



RE can decrease negative fossil fuel externalities

- ❑ Reduces illicit revenue to conflict actors from diesel and charcoal
- ❑ Reduces deforestation by providing clean heating and cooking options
- ❑ Reduces carbon emissions

We catalyze RE investment in **conflict-affected, energy poor** communities by:



Deploying innovative finance
to support emerging projects



Programs:

Peace RECs

High-impact renewable energy credits (RECs) that connect projects in fragile states with multi-billion dollar Energy Attribute Certificate market.



Building the case
for RE as a tool for peace



Peace Impacts of Renewable Energy

New framework to quantify the social and peace impacts of P-REC-supported renewable energy projects.

Powering Peace

Research and advocacy initiative with the Stimson Center focused on catalyzing local electrification by accelerating UN peacekeeping mission RE transitions

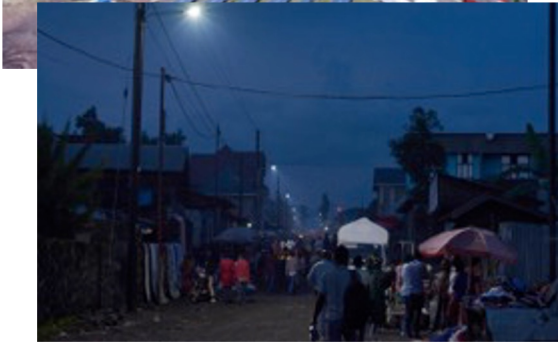
P-REC Impact

- ❑ **\$1 million** in revenue unlocked for high-impact projects in fragile countries.
- ❑ **125,000 people benefiting** from P-REC-supported projects, including first-time electrification, public streetlights, and hospital electrification.
- ❑ **12 communities reached in 5 countries** (Chad, DRC, Nigeria, Somalia and South Sudan)



Examples of executed P-REC transactions

DR Congo
Microsoft - Nuru



**Streetlights, connections,
Partial Minigrid CapEx**

South Sudan
Block - IOM



**Hospital solar
electrification**

DR Congo
Google - Nuru



**Partial CapEx
rural minigrids**

P-REC Pipeline and Available Supply

Authorized Issuer in

- Chad
- DR Congo
- Haiti
- Ethiopia
- Somalia
- South Sudan



Current opportunities in

- Nigeria
- Chad
- DR Congo
- Haiti
- Ethiopia
- Somalia
- South Sudan

Path to scale

- \$11M financing facility supporting a portfolio of RE projects in underserved markets in Africa.
- Facility aggregates and resells P-RECs in voluntary RE markets
- Builds on **growing market demand** for high impact RE procurement
- Increases access to finance by **paying RE developers upfront** for future P-RECs

P-REC Aggregation Facility

Impact

7 AFFORDABLE AND CLEAN ENERGY

13 CLIMATE ACTION

1 NO POVERTY

2 ZERO HUNGER

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

5 GENDER EQUALITY

6 CLEAN WATER AND SANITATION

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

10 REDUCED INEQUALITIES

11 SUSTAINABLE CITIES AND COMMUNITIES

Well functioning government

Equitable distribution of resources

Free flow of information

Good relations with neighbors

High levels of human capital

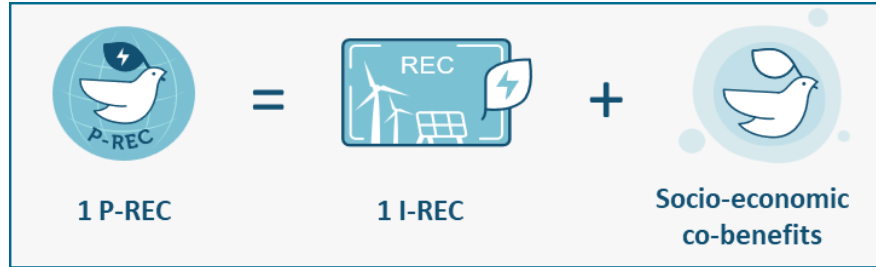
Acceptance of the rights of others

Low levels of corruption

Positive Peace

- \$90M for new RE projects unlocked
- 79MW of RE supported by PAF
- 1.2M people connected
- 1.5M mt CO2e avoided
- 1,461 direct jobs created
- 4-5% increase in levels of sustainable peace

P-RECs serve as a catalyst for buyers



➤ **Impactful, purpose-driven procurement:** expand clean energy access plus deliver peace and development-related co-benefits to communities in fragile countries

➤ **Value chain decarbonization:** cover value chain partners' electricity use in EPP target countries with renewables to reduce Scope 3 emissions

➤ **Avoided emissions optimization:** enable communities to reduce or leapfrog over reliance on diesel, coal, and charcoal

➤ **Purchaser-enabled procurement:** provide catalytic funding for new distributed mini-grids and community projects (e.g., public street lighting)

New procurement option maximizes decarbonization and positive human impact for every MWh of RE procured globally

Africa Market Growth Barriers



Market boundaries rules



Technical criteria
e.g. 15-year
commissioning or re-
powering date limit.



Infrastructural
barriers- inadequate
supply networks &
supply options.



Pipeline constraints-
low awareness levels
about REC
mechanisms.



Inadequate legal and
regulatory frameworks.
e.g. lack of policies.



Offgrid vs On grid
generating devices.



Low demand from
buyers.



High taxation can
hinder uptake.

SSA I-REC Issuance represents only 0.76% of Global I-REC Issuance to date

Thank You!



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Email

 lwamune@energypeacepartners.com

