

THE ENERGY AND ENVIRONMENT PARTNERSHIP PROGRAM



MINISTRY FOR FOREIGN AFFAIRS

# THE ENERGY AND ENVIRONMENT PARTNERSHIP PROGRAM (EEP)



The Energy and Environment Partnership Program (EEP) aims to promote renewable energy, energy efficiency, and clean technology investments in selected program countries, with the twin objectives of providing sustainable energy services to the poor and simultaneously combating climate change. EEP supports (pre-)feasibility and feasibility studies, resource surveys, demonstration and piloting activities, policy development, capacity development and the dissemination and exchange of information. The Program is designed to facilitate the development of innovative ideas, approaches and concepts, into sustainable and bankable investment projects that will bring substantial benefits to the partner countries.

The Program's approach is to support participation of all stakeholders (public and private sector NGOs and grassroots/community organisations) with the objective of promoting partnerships between all stakeholders whether they are local, regional and/or international.

The EEP program has different financing options to support (pre-)feasibility studies, demonstration and piloting projects, policy development, and the dissemination and exchange of information. The program is demand driven, and projects are identified through calls for proposals. Socio-economic and environmental sustainability, income and employment generation, replicability, and regional cooperation are among the key criteria when selecting the activities. The selection and administration of projects is un-bureaucratic and straightforward, resulting in complete transparency in the approval and implementation of activities.



## The Central American Experience

The Energy and Environment Partnership with Central America (EEP-CA), was launched by the Ministry for Foreign Affairs of Finland and the seven participating Central American countries in 2002, during the United Nations World Summit on Sustainable Development. Since 2003, Finland has allocated a total of 7 MEUR for the partnership. Austria joined the program in 2007, contributing a significant addition of 1.8 MEUR to the public financing of the partnership. The participating countries in Central America are: Guatemala, Belize, Honduras, El Salvador, Nicaragua, Costa Rica, Panama and Dominican Republic.

Within the collaborative framework, partial funding has thus far been granted to about 200 projects. These include research projects, feasibility studies, and pilot and demonstration schemes in energy efficiency, and in the main fields of renewable energy

utilisation, among them wind, solar, small hydro, geothermal energy, biomass and biofuels. The projects have been developed by various actors including public entities, private companies, cooperatives, research institutes, universities and NGOs. There are already several examples of successful use of the seed money to trigger investments, as well as the creation of new energy partnerships among local, regional and international actors.

The most successful activity in information dissemination and exchange has been the biannual thematic seminars. In the field of renewable energy, these seminars are perhaps the most important events in Central America: they bring together a significant number of private sector, governmental and non-governmental actors and organisations. Altogether 15 such events have been organised, with a total of more than 3000 participants.

The EEP in Central America is hosted by the Central American Integration Organisation – SICA. Finland has allocated 6 MEUR, Austria 1.8 MEUR and the EC 1.5MEUR for EEP for the period 2010–2012.

**For further information** on EEP in Central America see: www.sica.int/energia.

## Replication of the EEP model

Based on the encouraging results from the Central American EEP, the Ministry for Foreign Affairs of Finland has initiated similar programs in other regions. In all regions, the specific regional needs, the scope of the partnerships, and the focus of the financing windows have been studied and agreed upon by both the participant Governments and the donors. During the process, Workshops have been organised to take into account the views and expectations of the stakeholders.

Regional EEPs promote regional cooperation and seek to develop local solutions for local needs, based on strong private sector participation and entrepreneurship. At the same time, the regional partnership serves as a platform for technology transfer, and knowledge

exchange. The future EEP network, already active on three continents, provides an excellent framework for discussion and north-south collaboration in the renewable energy sector.

#### Energy and Environment Partnership – Mekong

The Mekong Region, with its fast growing energy needs and abundant renewable energy sources, provides a promising environment for private sector participation, entrepreneurship and innovative financing in the field of energy and the environment. In this regional partnership, the considerable experience which the participant countries, Cambodia, Lao PDR, Thailand and Vietnam, already have in regional integration will greatly facilitate program development.

The EEP Mekong will be hosted by the Asian Institute of Technology (AIT) and located on its premises in Bangkok, Thailand. Initial funding of 7,9 MEUR is being provided jointly by the Ministry for Foreign Affairs of Finland and the Nordic Development Fund (NDF).

**For more information,** please contact: eep.mekong@formin.fi



### Energy and Environment Partnership – Indonesia

EEP in Indonesia will focus on the utilisation of forest biomass and the residues of the wood processing industry, as renewable energy sources. Two provinces, Central Kalimantan and Riau, have initially been selected as the geographical area for the partnership.

The partnership office will be hosted by the Indonesian Ministry of Energy and Mineral Resources. The Ministry for Foreign Affairs of Finland has reserved 4 MEUR for the EEP Indonesia.

**For further information,** please contact Marita.Meranto@formin.fi

#### Energy and Environment Partnership – Southern and East Africa

Southern and East African countries have abundant sources of renewable energy, including biomass, wind, solar and hydropower, and bio fuels. In addition, municipal and agricultural waste should be

regarded as important sources of energy. Energy efficiency also plays a major role in the region.

The countries involved are Botswana, Kenya, Mozambique, Namibia, South Africa, Swaziland, Tanzania and Zambia. The host organisation will be the Development Bank of Southern Africa. The program will be funded by the Ministry for Foreign Affairs of Finland. The budget for 2010–2012 is 8.5 MEUR.

**For further information,** please contact Katriina.Koivisto@formin.fi or Petri.Wanner@formin.fi

### Energy and Environment Partnership – Andean Region

The Andean region also offers a huge potential for renewable energy initiatives which, undertaken via a dynamic private and public interaction, could significantly improve the energy supply coverage in areas with scarce energy services. The countries that will be included in the Andean Partnership are Bolivia, Colombia, Ecuador and Peru. The new Andean Partnership will work in conjunction with the Central American Partnership: both will greatly benefit from working and cooperating with each other. The host organisation is expected to be the Interamerican Institute for Agricultural Cooperation (IICA). The Ministry for Foreign Affairs of Finland has reserved 6 MEUR for the EEP Andean Region for the period 2010–2012.

**For further information,** please contact tuula.piirainen@formin.fi or Luis Herrera@formin.fi

EEPs are grant programs which exist to promote the use of renewable energy, as well as energy efficiency and clean technologies. Their objective is to combat climate change while providing sustainable energy services to those who lack them.

EEPs are based on Calls for Proposals, which are open to public and private entities, research institutions, universities, and civil society organisations. Principally, the contribution of the EEP is intended to supplement the applicant's own and other complementary funding. Proposals for EEP funding can be made for pre-feasibility and feasibility studies, resource surveys, pilot and demonstration projects, strategic studies and policy development.

Dissemination and exchange of information through thematic seminars and web pages is another important mode of EEP operation. Regional EEPs operating on three continents provide good networking opportunities in the field of energy and the environment.

#### **Development Communication**

PO BOX 456 FI-00023 GOVERNMENT, FINLAND Telephone: +358 9 1605 6370 Telefax: +358 9 1605 6375

internet: http://formin.finland.fi E-mail:keoinfo@formin.fi



