



Editorial

Balthasar Klimbie
Export manager Fortis Wind Energy

A 10% reduction in payback period, realized in one day, without having to do diddly squad. Daydreaming? No, oil price speculations! Last Friday the oil price went up with \$11 per barrel in one day making the tradeoff between a diesel genset and renewable power even more attractive.

There is no doubt that the market for renewables is booming. Solar PV, small hydro and small wind are becoming increasingly popular in decentralized locations to provide the electricity need. Although solar is already well known, the latter two are getting more and more familiar. And not without reason.

Solar and small wind can be complementary in locations where a higher security of supply is needed. And at locations with a decent wind speed, small wind is getting quite attractive on its own. A typical installation of 20 k€ will do 6000 kWh/an at current technology. Compare that with the \$1/liter for diesel that our clients pay, and see the payback time drop under the 10 years time. Without any grants!

So what would be keeping small wind back from making a larger contribution? Well, for a start it is quite a young industry compared to solar or big wind. And young means lots to learn and to improve. Firstly, on the technical side, as there is an improvement possible in the overall efficiency and on cost price reduction. Secondly, in the organization side, by keeping the cowboys out of the market through the creation of certification schemes. And last but not least, knowledge about wind and wind maps is something to work on.

Last year we installed 20 turbines along the coast of Murmansk for telecom sites. Those turbines were profitable within one year because of their remote locations. And thanks to the increasing oil prices, small wind is also coming to locations near you...



News from the Alliance

GENERAL ASSEMBLY OF THE ALLIANCE FOR RURAL ELECTRIFICATION

It is with a great pleasure that we announce to our members and supporters that the Alliance for Rural Electrification will hold its next general Assembly on Wednesday 25th June 2008.

This year our meeting will take place in Aix-Les-Bains in France, located on the edge of the Bourget lake, the largest natural lake in France, a spot that will facilitate the combination of business and pleasure. Additionally, “the solar event”, a leading demonstrative solar event, organized by local partners will take place there from the 27th to 29th June.

This year ARE is having General Elections to the Board Members but this meeting will also be the occasion to define the future of our organization and of its choices. It will be also the occasion to get together with our members in these exceptional surroundings especially during our Gala dinner which will be held during a small cruise on the lake.

NEW MEMBERS!

ARE is proud to present its **new members**:

Trama TecnoAmbiental (TTA):

Trama TecnoAmbiental has been working in the field of renewable energies since 1986. Their work involves PV and others renewables and they are specialized in **energy management and planning; project design, evaluation and monitoring; user training and capacity building; technology development** etc. In 2001, TTA was awarded with the **EUREC technology prize** for “developing excellent system technology for rural electrification based on renewable energy sources, combined with an innovative, user-oriented approach for its implementation”. Finally, TTA also collaborates as an expert in several tasks of the International Energy Agency. Through its membership to the Alliance, TTA is looking for new mechanisms for raising funds, but also for new partnerships, pilot projects, strategic synergies as well as new lobbying and awareness activities and partners in renewable energy for rural electrification. TTA has already been collaborating with the Alliance on several tasks and therefore we are very glad to count with them officially among our members.

Windeco:

Windeco Wind Technology is a company created for research, development and innovation of wind turbines. Their products are subject to hard quality controls and they have innovated until they developed a **turbine which complies with the demands of the market and offers high reliability** to the installers. Therefore, it is also particularly adapted to rural electrification. Through their partnership with ARE they are willing to enlarge their market opportunities as well as to benefit from the synergies that exist between rural electrification actors within our organization. On the other side, the **Alliance is very glad to enlarge its portfolio of members among the Wind Industry**. We hope it will call many others since the Wind Industry has also a significant role to play in the emerging decentralized energy market for rural electrification in developing countries.

GalileaEnergy:

GalileaEnergy is a polish company specialized in **renewable energies products and services**. They have developed on-grid and off-grid activities and products as well as training and consultancy services, but they are also active in the sales and installation of PV and solar thermal products. By becoming member of ARE, GalilaEnergy wishes overall to **become part of the renewable energy family** as well as to grow as a major player in this field. Moreover, they are also willing to develop their activities in the rural electrification field in developing countries.

These newcomers at the Alliance for Rural Electrification confirm once again that the **scopes of our activities are in line with the business or social objectives** of many companies from the entire renewable energy sector. One new RE consulting company, already involved in some activities of the Alliance, another member from the wind sector and a company active in different solar and PV activities, will add their potential to the growing ambition of the Alliance. We hope that these new adhesions will help us in reaching our different objective and reinforce a larger movement to increase the importance of rural electrification within the renewable energy world. On our side, **we sincerely welcome these new members** and we hope that we will be able to answer to their expectations.



News from ARE Working Groups

WORKSHOP WORKING GROUP ON FINANCING SCHEMES

One of the main reasons behind the very low access to electricity in the rural areas of developing countries is the general lack of appropriate financing instruments on the supply and demand side, to cover the high initial investments, to guarantee the sustainability of the solutions, and to enable the rural population to afford electricity.

The European Commission has committed funds and resources to increase energy access in developing countries and to scale up investments in renewable energies. On the other side, when the right incentives are put in place, the industry can be a major source of suitable technological solutions and investments. However, there is still a lack of collaboration between these two actors and the role of the renewable energy industry within developing countries has not been fully acknowledged by the European Institutions and policies.

Within this framework, the Alliance for Rural Electrification (ARE) decided to organize a Workshop on financing schemes for rural electrification aiming at opening cooperation links between the Industry and the European Commission, as well as a space for dialogue on new financing schemes to accelerate the deployment of renewable energies in developing countries and, consequently provide a sustainable access to energy to millions.

Overall, this workshop allowed for a better understanding of the European tools and policies to promote renewable energy sources in developing countries, thanks to the presentations of the main European Instruments by the Commission's representatives. On the other side, it was also the occasion to underline the position of the renewable industry on this issue as well as its specific financing needs. Finally, this workshop opened a window of opportunity to impulse a common approach on which are the most suitable financing schemes for rural electrification and to deliver concrete proposals for cooperation.

The EC and the renewable energy industry jointly agreed on the following

- The dialogue between the EU and the renewable energy industry is useful and necessary to jointly work on mitigation of risks and implementation of policy changes, to enable favorable frameworks and to put in place financing schemes to attract the renewable energy industry.
- Innovative business models have to be tried out; a successful implementation would attract the private sector.
- Aid cooperation programs could provide the vehicle to develop the needed legal and regulatory frameworks.
- The EC and the renewable energy industry are willing to engage in further dialogue to work towards a common goal: increasing electrification rates

Following this meeting, it was decided to provide the European Commission, as well as other international actors, with several key recommendations to foster the development of renewable energies in developing countries as a major tool in the fight against energy poverty and climate change. These recommendations will then serve as a work basis for this collaboration as well as for the Working Group on Financing Schemes itself.

WORKING GROUP ON TECHNOLOGICAL SOLUTIONS

Following the proposed Agenda of this Group and, after the publication and dissemination of the brochure of Hybrid Power Systems, the next step would be to work on O&M, training and transfer of technology of these systems. Therefore, a working document has already been circulated to the participants, as the basis for discussion within the next meeting. This document compiles the aforementioned topics under the title of "Support schemes for hybrid systems" and will evolve in a brochure underlining the principle that sustainable operation of hybrid power systems will be only achieved if a market approach is taken.



ARE Activities

“ARE PARTICIPATION AT HIDROENERGIA CONFERENCE” BY GEMA SAN BRUNO (ESHA)

“The Alliance for Rural Electrification will intervene at the International Conference on small hydropower, Hidroenergia. This year edition – HE08 “on the crossroads” - is focused on the new challenges of the SHP sector in the framework of a changing environment as far as new conditions and legislation is concerned. In this context, the issue of new opportunities for SHP is going to be covered as an important part of the conference program. Therefore, the role and potential of the small hydropower sector in developing countries must be underlined when dealing with new perspectives and opportunities. ARE, as the leader in promoting rural electrification in developing countries, represents the best stakeholder to give a valuable input to the Conference.”

Hidroenergia 08, organized jointly by **ESHA and SSHA**, is taking place in Bled, Slovenia from 11-13 June. For more info please visit www.esha.be or phone +32 2 546 1945.

ARE AND THE CLUB ER

The Alliance for Rural Electrification was invited to participate to the annual meeting of the **CLUB ER** (Club pour l'électrification rurale - Club for rural electrification) in Bamako, Mali from the 8th to the 12th April 2008.

The CLUB ER is an organization gathering the **agencies and national structures in charge of rural electrification** of more than 20 French speaking African countries. The CLUB ER is run by IED, a member of the Alliance.

The work of the CLUB ER is focusing on **horizontal (South-South) exchanges of best practices** and on setting up a network of African rural electrification agencies. In this framework, ARE was invited to bring in its own experience and the industry point of view as well as potential partnership opportunities with this African organization.

The Alliance gave two presentations, one introducing the different support schemes for renewables in the North and their eventual adaptations in Southern countries, and another presenting our activities and the potential partnerships.

The overall objective of this meeting for the Alliance was to **build up strong contacts with African authorities** in charge of rural electrification and to launch creative partnerships to facilitate future partnerships with local authorities.

Moreover, ARE wanted to get **an insight look of the African situation on rural electrification** in order to stay closer to a reality which might, sometimes, be far from our daily life. Therefore, this meeting was the occasion to learn of the problems of the African rural electrification authorities, but also of their experiences and their expectations towards the renewable energy industry. Finally, the conference presented a good opportunity to pass on the message of the RE Industry and to readjust our policy and views according to the different inputs that were given at this meeting.

To visit the website of the CLUB ER and to download the presentations and working agenda please click [here](#) (French)

WORKSHOP INTERNATIONAL ENERGY AGENCY (IEA)

On the 28th and 29th of May, ARE participated within a workshop organized by the IEA on “rural energisation” together with GTZ, REN 21 and UNEP.

The objective of this event was to identify whether there was concrete interest from major developing economies to work more closely together on the issue of rural energisation and if such collaboration could be facilitated and enhanced through IEA international collaborative programs (such as the so called Implementing Agreements – IAs).

A number of case studies were presented from policy makers from Brazil, China India, Mexico and South Africa, as well as Pakistan, Morocco, Indonesia, Bangladesh, Chile and Egypt. An overview of the work of the different existing IAs on renewables (wind, photovoltaic, hydropower, ocean energy, etc) was also presented by the operating agents of these agreements. Finally, a number of break out sessions on technological solutions for rural areas, cost, finance and market opportunities and policy and capacity building took place to gather input from all participants.

The main outcome of this workshop was that there was a clear interest in further developing and fostering the energisation with renewable energies; being the most cost effective, environmentally sound and easy to use solutions for rural areas.

Several possibilities were discussed to define the role of EIA in this field:

- A review meeting on sustainable rural energisation;
- The establishment of a new Implementing Agreement focusing solely on Sustainable Rural Energisation;
- The extension of IEA Implementing Agreements’ program of work;
- The establishment of an IEA Coordinating Group;

The final decision on the implementation of any of the above mentioned possibilities still has to be taken by the IEA.

MEETING TASK 9 (IEA PVPS)

ARE was also present at the meeting of one of the Implementing Agreements (photovoltaic power systems) held in Paris on the 29th of May. During this meeting, the draft work plan for the deployment of renewables within developing countries was discussed. This document proposed to tackle two specific technological solutions for off grid electrification, PV water services and hybrid systems. To this end a number of workshops and reports and policy papers have been envisaged. The Group is currently requesting the backing up of the stakeholders involved.

Please visit the web page of the Task 9 of the IEA PVPS [here](#).

THE 4TH EUROPEAN PV-HYBRID AND MINI-GRID CONFERENCE

The Alliance for Rural Electrification was supporter and participant to the “4th European PV-Hybrid and Mini-Grid Conference” which was held in Athens the 29th and 30th May 2008.

This conference with worldwide importance reviewed recent progresses and achievements on PV system components and design development with emphasis on hybrid and Mini-grid topologies. Therefore, presentations were made in the traditional technical areas but also in the fields of marketing and financial issues, legislative / regulatory frameworks as well as socioeconomics, national programs and policies.

In this framework, ARE did a presentation within the “Political - Economic Framework” session on the “Challenges of Rural Electrification with Renewable Energies” where we had the occasion to emphasize once more the suitability of RES options for rural electrification and more particularly the significant role that hybrid power systems play within this field.

AEGPL 2008

ARE participated to the AEGPL 2008 organized in Milan the 29th and 30th of May.

Invited as a speaker to this major event gathering all the European LPG actors, ARE wanted to show its willingness to develop collaboration links between the renewable energy sector and the LPG sector, mainly through its work on Hybrid systems. The LPG association has already been involved within our Working Group of Technological Solutions, which is currently promoting hybrid power systems based on renewables and with a back up of LPG. We expect to develop more concrete actions within the near future!

Therefore, we were very glad to participate to such an important meeting, to have the opportunity to underline the work of our members and to promote Hybrid systems as one of the most suitable solutions for rural electrification and as real business opportunities.



ACTORS FROM THE RURAL ELECTRIFICATION WORLD

ASHDAM SOLAR CO. LTD: "THE SUN ALSO SHINES IN NIGERIA!"

Ashdam Solar Co. Ltd is a young company created in 2004 by two specialists in Physics and Solar Energy from Nigerian Bowen University. Their aim is to introduce Renewable Energies in Nigeria and more largely in developing countries worldwide as they provide remote, urban and industrial clients with the means to accede to electricity as well as to enter in a sustainable economical development phase. Through the years and several projects realized in the whole country, Ashdam has positioned itself as a low-cost, high quality, valuable producer and provider services in the Nigerian and African market.

Their main activities and products are: Solar energy research & development, energy management and consultancy, solar energy and back-up installation/maintenance, design, construction and sales of solar thermal products, sales of solar energy installation materials such as inverters, charge controllers, PV modules, batteries, or energy saving bulbs etc.

To achieve their objectives, Ashdam Solar Co. Ltd has concluded business partnership with Shenzhen Bang-Bell Electronics Co., Ltd (China) www.bbeled.com and Union Solar International Co., Ltd (China) www.union-solar.com, but is willing to increase its activities and to expand its size. Nigeria has huge underserved energy markets and Ashdam Solar Co. Ltd's products/services are uniquely positioned to serve this of the market.

Therefore they are looking for partners from Northern countries to bring in technical and/or financial support through business agreements, investments, partnerships etc. and ARE is willing to assist them in this tasks. This support will be used to finance the Company's ongoing start-up expenses (Rural Lighting Projects, Water Purification and Pumping Projects to create awareness and campaign), the enhancement of its systems, and infrastructure. Moreover, 5 % – 25% of the annual income of the company will be diverted into Research & Development. With the economical support of these potential partners, Ashdam managers believe that they will position for exceptional profitability and external/self-funded growth.

Receiving the Energy Globe Award from the hands of the European Parliament's Vice President

As a proof of their ambition and successes Ashdam has won for the second time in a row is the Nigerian National Winner of the Energy Globe Award for they project "Feasibility Study on Renewable Energy Resources in helping the poor in Nigeria".

"The Energy Globe Award is the most prominent environmental prize worldwide today. The Award recognizes and honors projects (...) that use renewable or emission-free energy forms." (Energy Globe award).

If you are interested in having more information about Ashdam Solar Co. Ltd and their past and future projects, please do not hesitate to contact us or them directly.

Ashdam Solar Co. Ltd

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RURAL ELECTRIFICATION AND RENEWABLE ENERGIES EVENTS: INCOMING APPOINTMENTS

11th -13th June 2008: HIDROENERGIA 2008, “On the Crossroads”, Bled, Slovenia.

Organizers: ESHA (European Small Hydropower Association) and SSHA (Slovenian Small Hydropower Association)

HIDROENERGIA 2008 will be the biggest and most important events for the Small Hydropower sector in Europe. Leading experts meet biennially to convey knowledge and best practice experiences to investors and professionals from different areas. The event will be the occasion to discuss key issues for the SHP’s world such as: Policy & New Opportunities, Image of Hydro, Environmental & Planning and Engineering Solutions.

Furthermore, a two-day presentation of machinery and electrical equipment for small hydropower plants, construction materials and engineering solutions will take place during throughout the conference.

ARE will be present at this crucial conference and will give a presentation on the potential for SHP in the framework of rural electrification beyond Europe.

For information on the venue, the program, sponsorship and exhibition opportunities, and registration fees, please send an email to [hidroenergia\(at\)esha.be](mailto:hidroenergia(at)esha.be) / [zdmhe\(at\)ekowatt.si](mailto:zdmhe(at)ekowatt.si) or visit www.esha.be / www.zdmhe.si

18th-21st June 2008: “6th Edition of the Renewable Energy Exhibition”, Paris, France

Organizers: Sepelcom

The French market is expanding at an unprecedented rate and is becoming one of the most attractive to European renewable energy players. Since its beginning in 2001, the Renewable Energy Exhibition has been recognized by leaders in the field as the main French event in the Renewable energy field and the best gateway to the national market.

During this 3 days event the participants will have the occasion to meet many private and Institutional actors from the Renewable and Energy Sectors from France and beyond, to visit a large exhibition of products and technologies from all the RES and to take advantages from many learning and business opportunities. This 6th Edition will represent a great occasion to meet new players in this field and to get the last updates on the French market and its evolutions. The Exhibition is also opening itself to new horizons and has foreseen some workshops and conferences including on off grid RES applications.

ARE, which has been in regular contact with the organizers, strongly supports this fundamental event for the French, European and International RE markets!

For more information please visit: www.energie-ren.com/2008/EN/index.php

2nd - 4th July 2008: "The 10th Africa Energy Forum" Acropolis, Nice, France.

Organizers: EnergyNet

The Africa Energy Forum (AEF), launched in 1999, is Africa's premier annual power and gas investment and business forum, where governments and state utilities address the international energy community on opportunities available in Africa's power and gas sectors. The large gathering of decision makers increases the likelihood that business will be done, and feedback suggests that this is indeed so.

Of the 440 attending in 2007, over 40% came from Africa, and of those almost 40% were from the public sector. Private power developers and equipment suppliers accounted for 30% of the total, while the finance sector, including investors and advisers, accounted for a further 15%. This concentration of businesses under one roof expands the opportunities for fruitful contacts, and the accompanying AEF Exhibition provides valuable corporate exposure. Government and state utilities representatives' have presented investment and business opportunities to international power developers whereas the presence of major financial and legal institutions has generally facilitated this dialogue.

ARE is a supporting association of this great event. We will also participate as experts within the Market Talk Session. Special discount rates are offered to ARE members that are interested in participating to this important conference.

For more information please visit: www.energynet.co.uk/AEF/AEF2008/index.html

1st-5th September 2008: "23rd European Photovoltaic Solar Energy Conference and Exhibition" (EU PVSEC), Feria Valencia, Valencia, Spain

Organizers: WIP

The Conference will provide an excellent platform for dialogue and information exchange across the World. The 'who is who' of the PV solar branch will meet at Valencia to discuss the latest developments in science and industry. The venue itself, the "Feria Valencia", is Spain's foremost trade fair institution and also one of the country's most modern congress centres, it is the perfect setting for the world's largest PV solar event.

In addition to the Conference around 600 exhibitors from all over the world will present innovative products, new production processes and research findings relating to solar photovoltaic power generation.

Thanks to the kind support of EPIA and of SMA, members of the Alliance, we will be participating to this event. It will be the occasion to reinforce the position of the off-grid sector within this major event.

For more information: www.photovoltaic-conference.com or contact pv.conference@wip-munich.de or pv.exhibition@wip-munich.de