



Nigerian Energy Support Programme (NESP)

Promoting Clean Energy Investments in Nigeria

Challenges in Nigeria's Energy Sector

Nigeria is Africa's number one producer of crude oil and has vast potentials for renewable energy. In spite of this wealth, the country's electricity supply remains epileptic. More than half of the population do not have access to electricity, especially in rural areas where approximately 70% of dwellers do not have access to the national electricity power grid. Nevertheless, those who are connected to the grid suffer from blackouts of up to ten hours per day. Consequently, many households and businesses rely on expensive and ecologically harmful petrol/diesel generators.

In order to tackle these challenges and meet the country's power demand, the Nigerian government restructured and privatised the power sector in 2013.

Despite these efforts, the country is still struggling to produce sufficient electricity. The power supply of 4,000 megawatts for a population of 170 million people falls far short of the estimated demand of more than 14,000 megawatts. Renewable energy and energy efficiency could play an important role in boosting electricity supply and raising the electrification rate, but are not yet sufficiently considered within the policy and institutional framework.

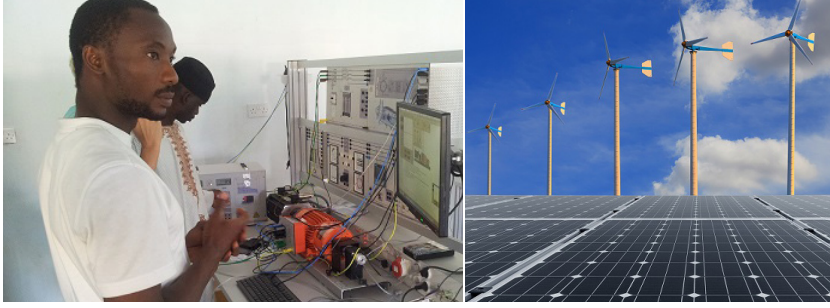
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| Project name | Nigerian Energy Support Programme (NESP) |
| Funded by | European Union (EU) and German Federal Ministry for Economic Cooperation and Development (BMZ) |
| Budget | EUR 24.5m |
| Country | Nigeria |
| Beneficiary Institutions | Federal Ministry of Power (FMP) and further partner institutions at federal and state level |
| Partner States | Sokoto, Niger, Plateau, Cross River, Ogun |
| Duration | March 2013 – February 2018 (5 years) |

NESP Approach

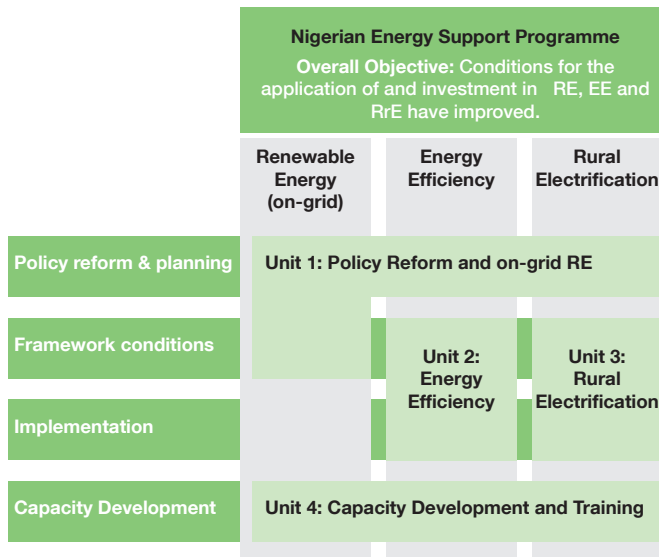
Against this backdrop, the Nigerian Energy Support Programme (NESP) advises the Nigerian Government on how best to provide reliable and sustainable electricity to its people. NESP achieves this by promoting investments in renewable energy, energy efficiency, and rural electrification. It consists of four units – (1) Policy Reform and on-grid Renewable Energy, (2) Energy Efficiency, (3) Rural Electrification and Sustainable Energy Access, (4) Capacity Development and Training.

The technical assistance programme applies a multi-level approach supporting federal government institutions on policy and regulatory frameworks, working with state governments and distribution companies (DISCOs) on electrification planning and partnering with communities and the private sector on concrete pilot projects. Capacity development and training is a cross-cutting area.





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- **Rural Electrification & Sustainable Energy Access:** NESP developed a mini-grid regulation and supported the drafting of the *Rural Electrification Strategy and Plan*. NESP launched the *Mini-Grid Business Accelerator Facility* to electrify 10,000 people via mini-grid projects in the five partner states.

- **Capacity Development:** NESP has developed four training courses to foster skills development for the renewable energy market. The programme has created a training partnership network comprising 11 training academies and research institutions for the delivery of these courses. With the support of NESP, National Power Training Institute of Nigeria (NAPTIN) has embarked on an organizational development process. This will enable NAPTIN to become a market-oriented training institution for the clean energy market of the 21st century and a leader in the West African power sector.

Achievements So Far

- **Policy Reform:** The federal government adopted the 'National Renewable Energy and Energy Efficiency Policy' setting clear targets for renewable energy and energy efficiency. The Federal Ministry of Power established a clean energy department and with the support of NESP is preparing a competitive bidding system for renewable energy projects.
- **Energy Efficiency:** NESP drafted a *Building Energy Efficiency Guideline* instructing architects on how to design buildings in an energy efficient way. A solar water heater pilot project at a boarding school in Jos is under development. It will provide 1000 students with access to hot water and showcase the commercial viability of solar water heating in Nigeria.

In a previous project, Nigeria's first hybrid solar/wind system has been installed as a demonstration and training facility at NAPTIN's training centre in Kainji with a capacity of 26 kilowatt.

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The programme is part of the EU-funded « Energising Access to Sustainable Energy in Nigeria (EASE) Programme » aimed at improving energy access in Nigeria, with a focus on the use of Renewable Energies as well as on improved energy efficiency.

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