



*Diffusion of Energy Services  
in Rural Areas in Senegal*

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Concepts and Operational Principles

*Christophe de Gouvello  
Stephan Garnier  
World Bank - AFTEG*

*Quality Enhancement Review  
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# Failure of the Former Model

- ④ **Mono-technology (Grid )  
+ higher cost in rural areas**
- ④ **Unsustainable unique Tariff**
- ④ **Prohibitive up front Connection Fee**
- ④ **Limited Capacity of Public Monopoly**

**Low  
Geographical  
Coverage  
9 %**

- ④ **Sectoral Compartmentalization**
- ④ **« Before the Meter » only**

**Very Limited  
Impact**

Power Sector Reform  
Law 1998-29

New  
Autonomous  
Rural Model

→ PPP, Tariffs, ...

Window of  
Opportunity

New  
Technologies

→ Grid/ Off-Grid

2. Concessions  
& ERILs

1. Financial  
Mechanisms

Local  
Electrification  
Plans

6. Promotion of  
Private Sector  
Participation

5. Procedures  
and Capacity  
Building

3. Multi Sectoral

8. Multi-Functional  
Platforms

7. BP and Eco-  
Fin software

International  
Experiences  
+  
New Studies

PLE

TOR1

TOR2

TOR3

TOR5

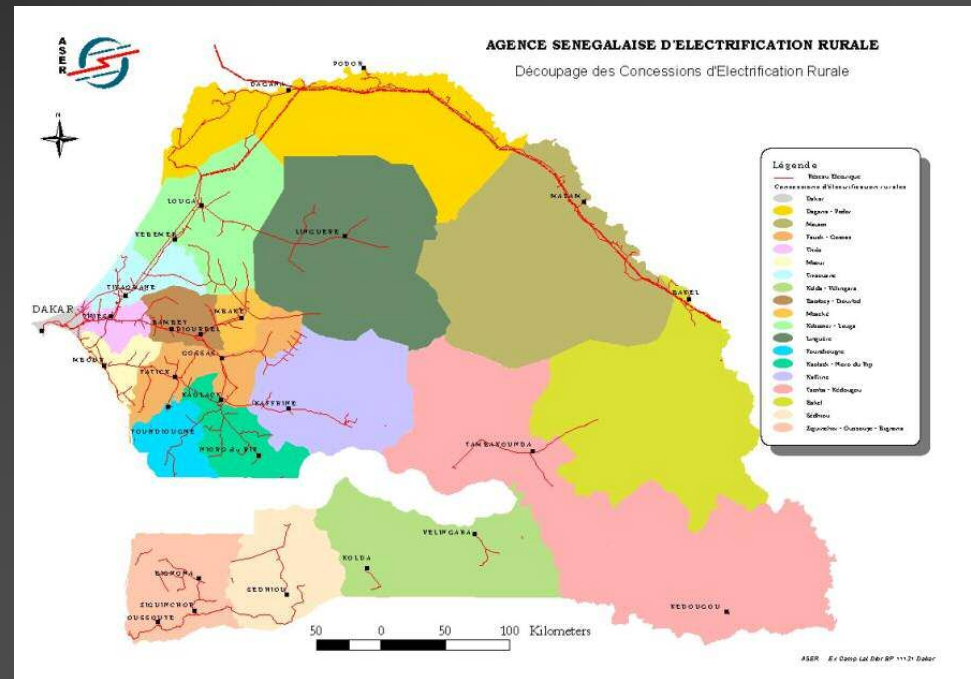
TOR6

TOR7

TOR8

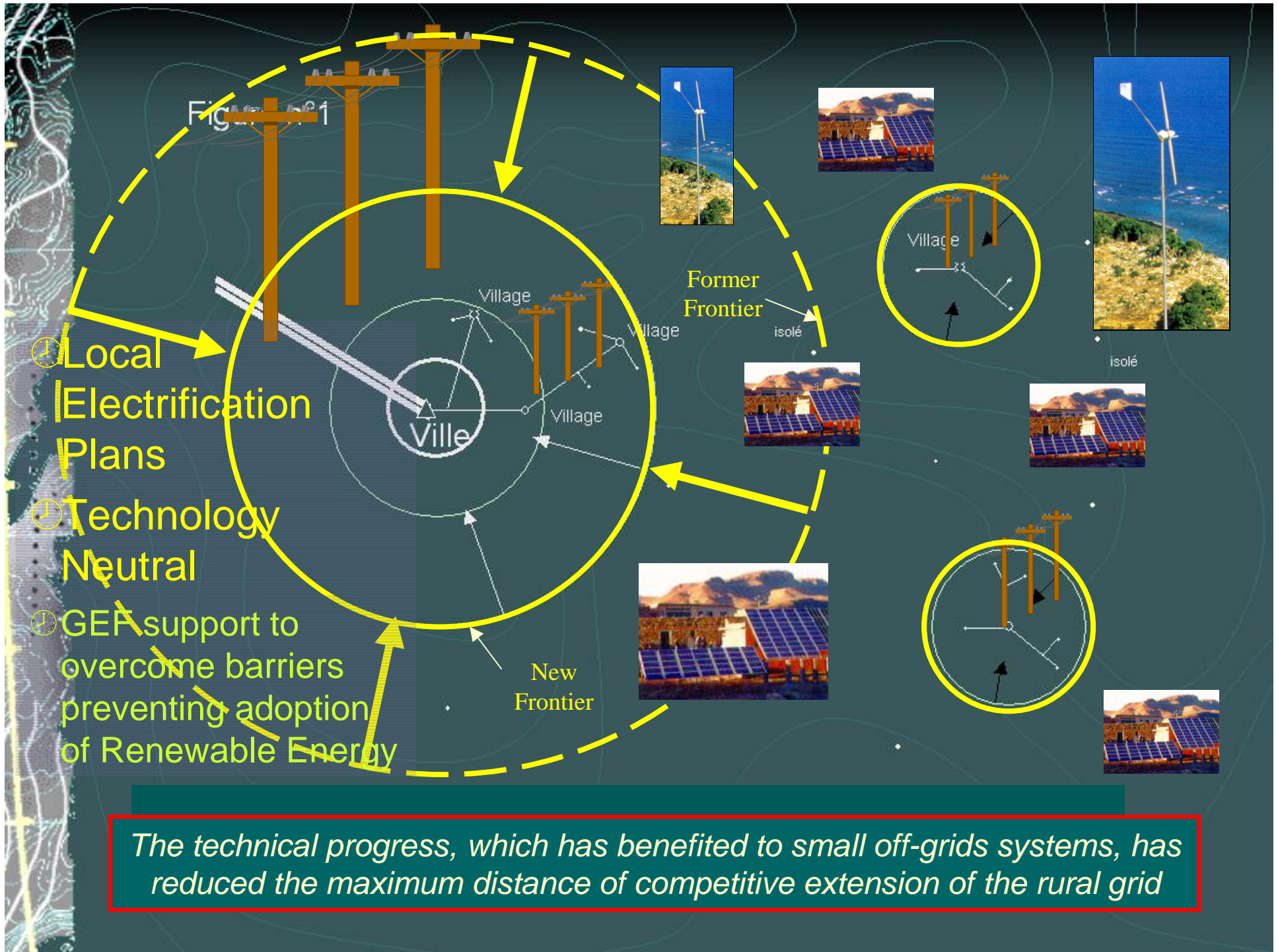
# New Regulatory Framework already in place :

- ④ Law of Power Sector Reform (law 98-29) and Application Decrees:
  - 🕒 *The Regulatory Agency (CRSE)*
  - 🕒 *The Rural Electrification Agency (ASER)*
- ④ The Carving Out of Rural Concessions



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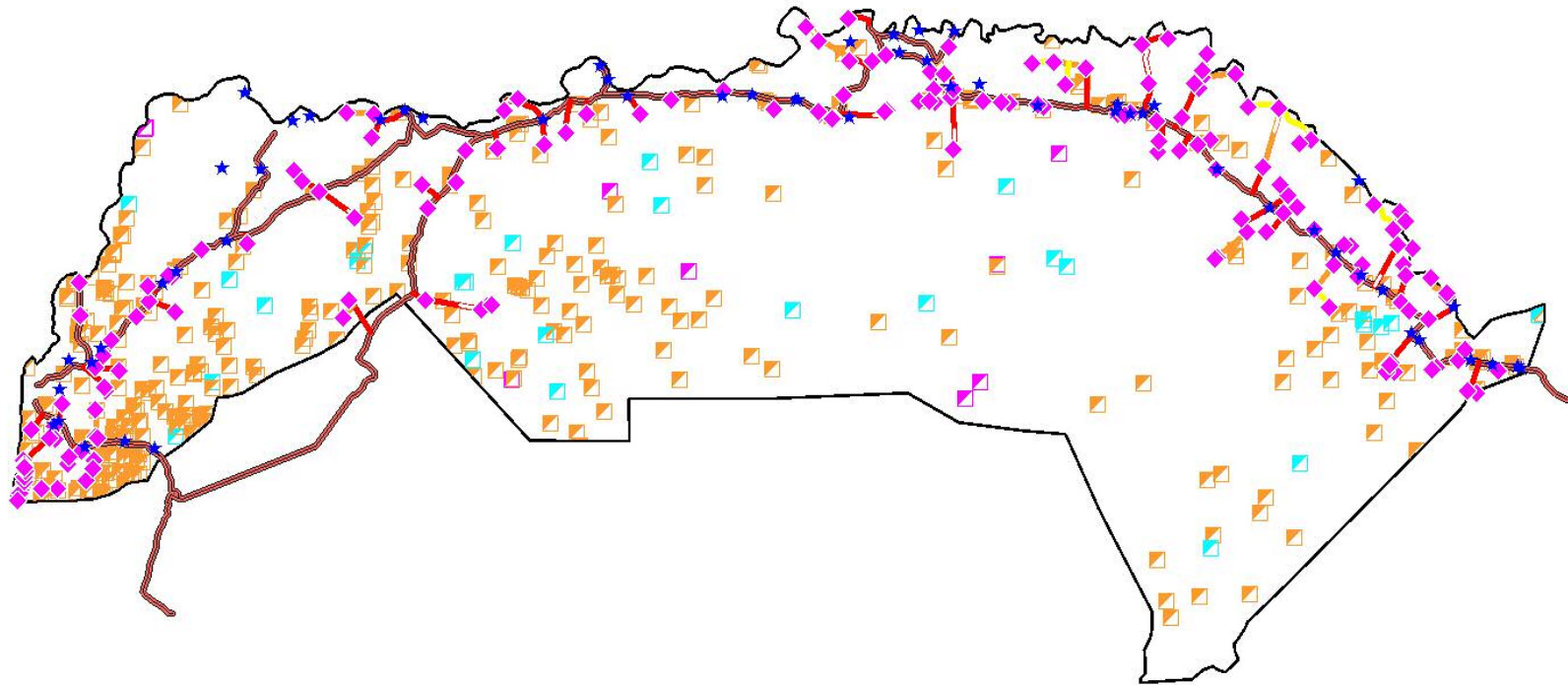
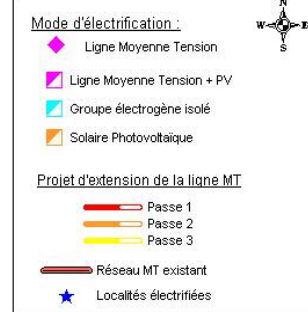
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- ④ The Carving Out of Rural Concessions
- ④ The Built Operate Transfer (BOT) Law
- ④ Tax Exemptions
- ④ A new Billing Modality: Monthly Lump Sum + Prefinancing through the Bill
- ④ New Model Operational Principles (*next slides*)
  - ④ *Local Electrification Plans (7 PLEs done + 2 in progress)*
  - ④ *Results of 8 studies on Practical Implementation Modalities (Bidding Documents, Manual of Procedures, Financial Mechanism, ...)*



## Mode d'électrification SAINT-LOUIS, DAGANA et PODOR

Agence Sénégalaise d'Electrification Rurale

# Example: Local Electrification Plan of the Dagana Podor Concession (8 other PLEs done or in progress)



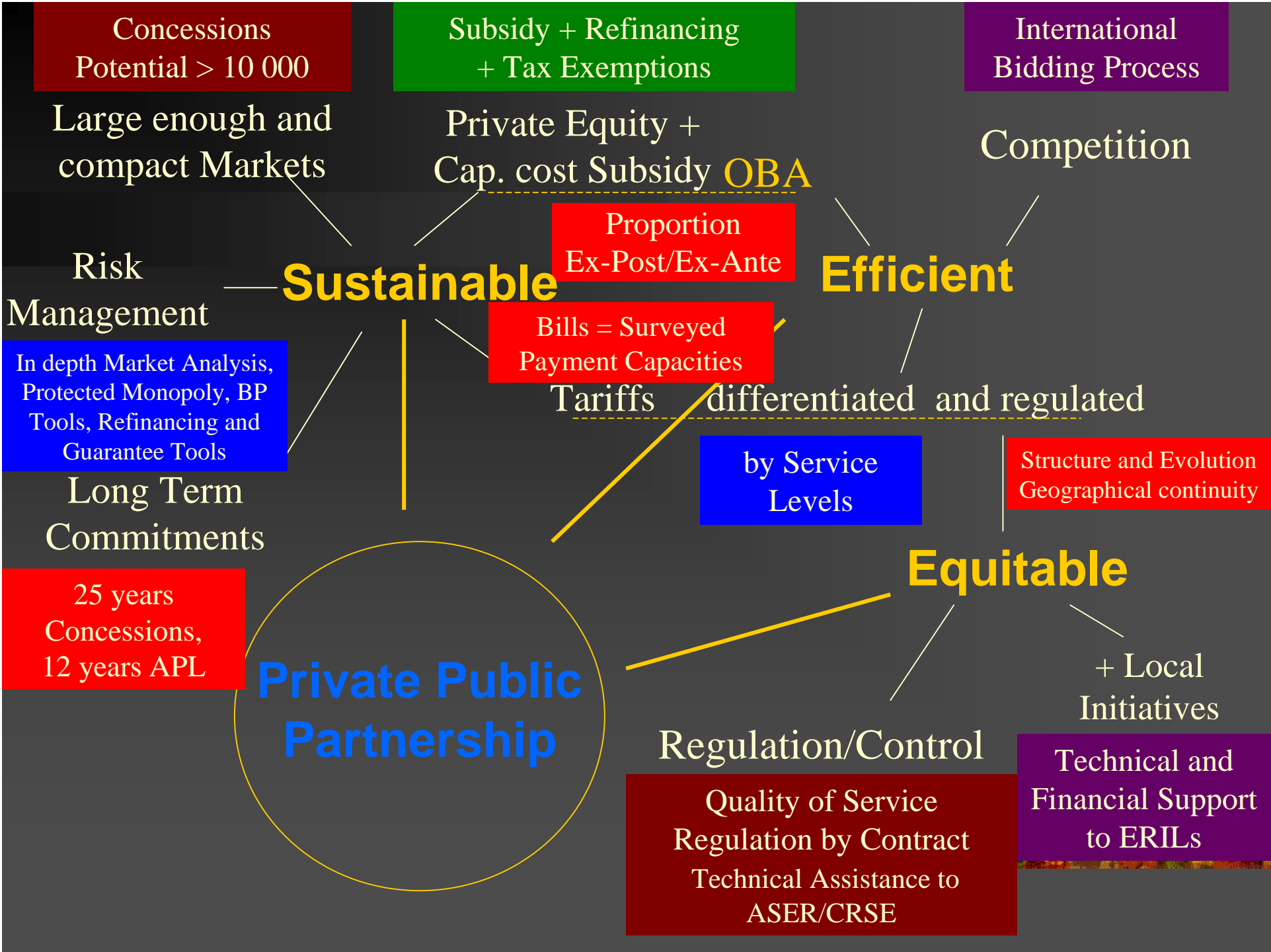
**Efficient  
Scaling Up  
of Rural  
Electrification**

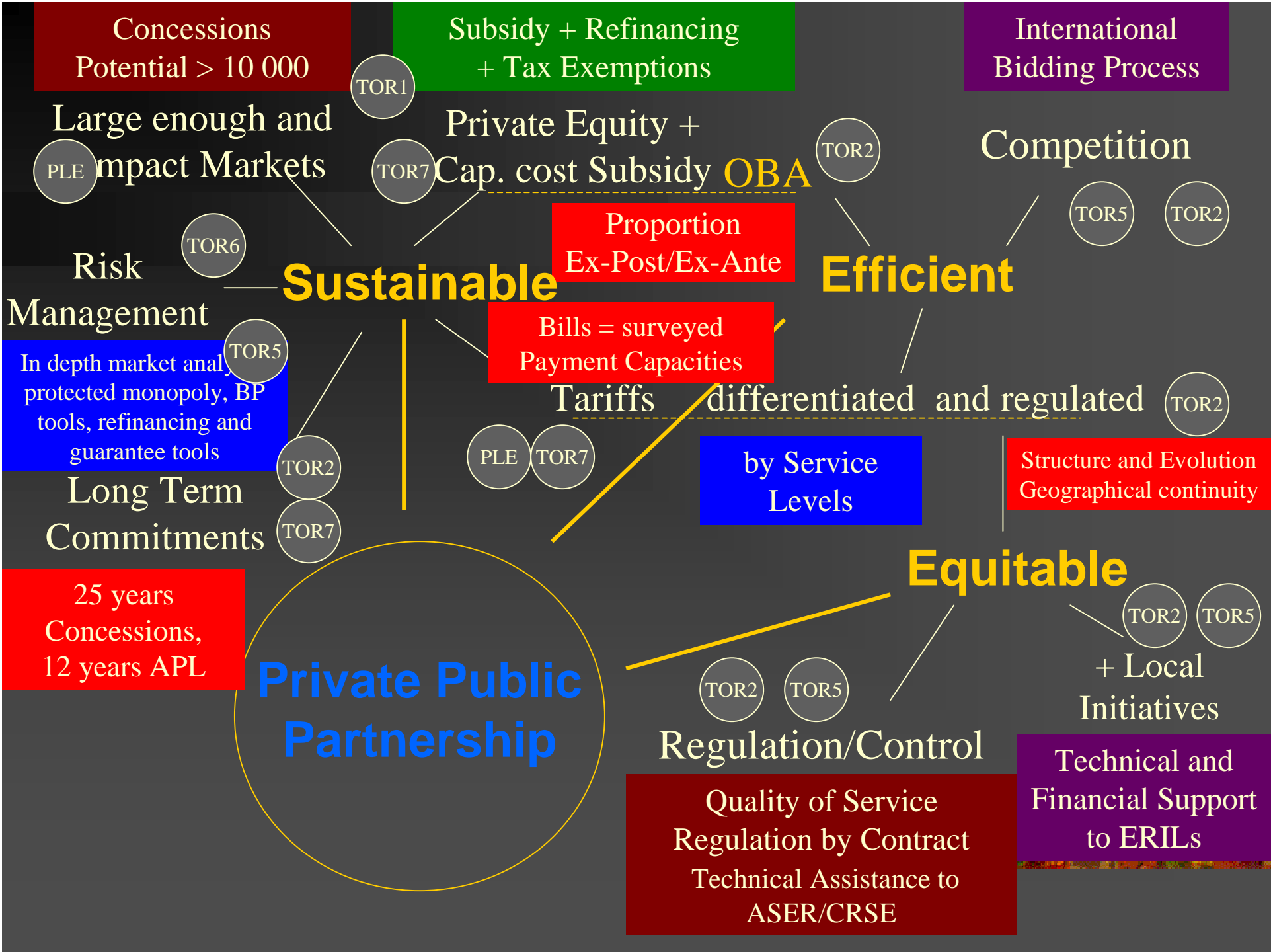
**Maximising  
Ratchet Effect  
on Rural  
Development**

**Private Public  
Partnership**

**Multi-Sectoral  
Partnership**





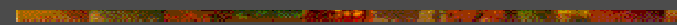


**Efficient  
Scaling Up  
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**Maximising  
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**Private Public  
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**Multi-Sectoral Energy Programmes (PREMs)**  
Intersectoral Committee +  
Consultant +Other

Economy of Scope and Scale,  
Long term commitment,  
Regulation by contract, etc.

Same Private Operator  
than Concessions

Maximize Impacts of  
both Sectoral and Energy  
Programs

Multiparty agreements  
clearly established ex ante

Interface with  
Existing and Future  
Sectoral Programs

Financing internal or  
external to the project

Specific Financing

Installation of Full Energy Chains  
(fridge for vaccine, etc.)

« Beyond the Meter » /  
Demand Side Management

Micro-financing through the Bill  
for DSM and Productive uses

O&M cost of Collective Uses  
*secured by Carbon Finance if eligible to CDM*

**Multi-Sectoral  
Partnership**

TOR3

PLE

TOR5

TOR6

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TOR3

TOR2

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TOR3

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TOR3

**Specific Financing**

TOR1

TOR7

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TOR7

« Beyond the Meter » /

TOR2

**Demand Side Management**

TOR1

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# Overall Outline of Financial Flow

TOR1 D2FINANCE/GRET  
Financing Mechanisms – OBA Disbursement

Refinancing and Guarantee for  
Commercial Banks

Financing and commercial loans brought  
by Private Operators

International Donors  
Multilateral or Bilateral

GOS Counterpart and Direct Budget Allocation

Equity  
Remuneration,  
Reimbursement  
of Commercial  
Loans

TOR2 SOFRECO/  
CASTALIA  
Bidding process and  
package, draft contracts

FER  
/ASER

Private Operator  
Concessions/ ERILs

TOR5 FICHTNER  
Capacity Building  
Action Plan + Manual

Financing for PREMs (Multi-sectoral  
Energy Programs, Micro-Finance)

TOR7 MARGE/SEMIS  
Business Plan  
+ Tools/Trainings

Installation  
Operation  
Maintenance

Tariff, or  
payments

Users  
and other Clients

SEMIS/TRANSENERGIE  
Market Analysis PLE

TOR3 EXA DÉVELOPPEMENT  
Multi-Sectoral Energy Programs

TOR8 GEPCO Multi-  
Functional Platforms



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Reimbursement  
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Loans

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Multilateral or Bilateral

GOS Counterpart and Direct Budget Allocation

FER  
/ASER

Other financing for PREMs (*Multi-sectoral  
Energy Programs, Micro-Finance*)

Private Operator  
Concessions/ ERILs

Installation  
Operation  
Maintenance

Tariff, other  
payments

Users  
and other Clients

