Energy Efficiency (EE) Practices

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Presentation from Seychelles and Victoria

Energy Efficiency in Sub-Saharan African Cities
SE4All and the Covenant of mayors in Africa
Workshop – Nairobi, 26-27 October 2015

General Introduction

Fuel for electricity generation alone accounts for 4.5% of all imports and are equivalent to 12% of the total government budget. This heavy reliance on imported fossil fuels has significant economic impacts by placing heavy pressure on the country's foreign exchange reserves.

Imported fossil fuels are also the single largest contributor of greenhouse gases in the Seychelles,

The country's dependence on imported fuel poses major energy security concerns, both in terms of access to supplies and pricing

In 2012 the IFC Resource Efficiency and Climate Advisory Team completed an evaluation of Energy Efficient pilot studies on a number of residential homes entitled "Resource Efficiency Program for the Residential Sector in Seychelles. This pilot program showed that installation of resource efficient technologies in the residential sector could be financially attractive and technologically feasible.

Four main barriers have been identified hindering the Resource Efficiency Program in Seychelles

Barrier 1: Lack of an enabling policy framework for residential Resource Efficient technologies

Barrier 2: Information Barriers and Lack of Awareness regarding Resource Efficient Technologies

Barrier 3: Insufficient technical training and information resources to support the supply chain for resource efficient technologies

Barrier 4: Lack of access to financing for the purchase of resource efficient technologies

Review of current EE strategies and policies (National level)

Seychelles has taken a number of steps to consolidate its national energy laws, policies and programs and to establish and support energy efficiency and renewable energy technologies as national priorities. Achievements :

1. The establishment in 2010 of a Seychelles Energy Commission;

2. Passage of the Seychelles Energy Policy 2010-2030 which sets a national target of 15% of energy demand met by renewable energy by 2030;

3. The enactment of the new Energy Act in 2012;

4. The removal of taxes (Value Added Tax) on some energy efficient appliances and on equipment for the production of renewable energy;

5. An Renewable Energy a and Energy Efficient strategic Plan is currently being drafted

The SSDS identifies the "promotion of renewable and alternative energy at the national level" as one of five strategic objectives for the energy sector in the country.

The Energy Policy calls for the sustainable development of the energy sector focusing on Energy Efficiency, Renewable Energy and reduction of dependence on oil to improve energy security

The third objective of the National Climate Change Strategy (SNCCS, 2009), which is intended to mainstream climate change into sustainable development through a cross-sectorial approach addressing matters of policy, institutions, capacity building and civil society involvement, is "to achieve sustainable energy security through reduction of greenhouse gas emissions

Review of current EE strategies and policies (National level) … cont

The Energy Act provides clear guidelines for the regulation of the electricity sector and the promotion of renewable energy and energy efficiency, and covers such key areas as:

* *The formal establishment of a Seychelles Energy Commission (SEC) whose role is to regulate the electricity sector;*
* *A new policy to remove all conventional vehicles from the island of La Digue and allow only electric or hybrid vehicles;*

The Energy Act includes an entire section on energy efficiency and states "the promotion of energy efficiency in all sectors of the economy shall be pursued through the development of an Energy Efficiency Strategy pursuant to the Energy Policy which shall identify the appropriate schemes of promotion."

GEF Backed Energy Efficient Project

Component 1: Improved policy, institutional, legal/regulatory and financial framework for Resource efficient technologies

Component 2: Awareness-raising and educational campaign on resource efficient appliances

Component 3: Training schemes to support development of market for energy efficient appliances and water saving devices

Component 4: Financing Mechanisms to support adoption of resource efficient technologies in the Seychelles

Project Objective*: To significantly reduce the rate of electricity consumption and water usage in Seychelles among underserved communities in the residential sector*

Projected outcomes: I*ncreased market penetration of energy-efficient technologies, practices, products, and materials in the residential market.*

Indicators of success*: Tones of CO2eq emissions avoided, the adoption of energy efficiency standards, and the estimated quantity*

of energy saved.

Expected direct impacts: *Improved efficiency of energy use in the residential sector, resulting in lower energy consumption and CO2 emissions per household. In addition to its direct impacts, the project will develop capacities, policies and heighten consumer awareness that is expected to result in indirect effects attributed to structural changes in government energy policy, changes in availability of RE technologies / products in the marketplace, and consumer awareness and behaviour.*

Energy Efficiency Initiatives

A market for energy efficient appliances is just beginning to develop in the Seychelles, based in large part on the rapidly rising cost of electricity for most consumers. However, this market is constrained in many ways, including:

** A lack of consumer awareness about EE appliances; extremely limited purchase options for EE appliances (apart from energy saving lights);*

** The inability of consumers to get bank loans or store financing for the purchase of high-value EE appliances (such as air conditioning units, refrigerators/freezers, and washing machines);*

** The absence of any standards or labeling schemes or requirements for EE appliances in the country*

On the plus side:

The SEC is working towards having large companies achieve their ISO 15001 or 50001 status in terms of energy efficiency to reduce their cost of productions. To achieve this, monitoring enforcement and verification is being built upon.

Capacity building is being concentrated upon with technical and degree courses being developed (SIT and UNISEY)

All the street lights in the capital Victoria has now been replaced by LED ones, AC in building in buildings are being retro-fitted as part of newly introduced building standards that are being implemented for better Energy efficiency.

EE is part of SEC mandate and thru the said project they are developing the resource efficiency sector.

Participation - Stakeholders

Institutions with Oversight of the Energy Sector in Seychelles

Functions related to Energy Sector - Institutional Responsibility

Develop energy and water policies, strategies and action plans- ***MEECC***
Approve water and energy policies and strategies - ***Cabinet***
Import and domestic sale of petroleum products - ***SEYPEC***
*Transmission and distribution of water and electricity -****PUC***
Production of electricity - ***PUC/IPPs/Auto producers***
Update information and statistics on energy imports, energy production and energy consumption - ***SEC/PUC/SEYPEC/NSB***
Update knowledge relevant to energy research, information and training programs; liaise with international agencies - ***SEC / PUC / SEYPEC***
Provide guidance / strategies for energy efficiency and renewable energy programs, including incentives - ***MEECC/SEC / PUC***
*Fiscal incentives on EE appliances -****MoFBE***
*Develop standards for EE appliances -****SBS***
Approve prices and tariffs – ***Cabinet/SEC***
Propose and monitor overall health and safety regulations in energy sector - ***PUC / SEYPEC/SEC***

SEC provides guidance and advice to MEECC regarding matters of energy policies and strategies. SEC implement them as well as develop regulations related to EE.