

GROUP REPORT

- TANZANIA
- NAMIBIA
 - BRAZIL
- SOUTH AFRICA

RECOMMENDATIONS ON EE POLICY

- Legislative instruments are crucial
e.g. mandatory building codes for envelope etc.
- This must be followed by institutional capacity for various key activities e.g. planning, standards development, verification etc.
- Need sustainable incentives (and disincentives?)

RECOMMENDATIONS ON OWN EE IMPROVEMENT

- Undertake audits and assessments of EE opportunities e.g. public buildings is a good start e.g. mandatory building codes for envelope etc.
- Marketing and “spreading the word”
- Introduction of tax rebates

RECOMMENDATIONS TO UTILITIES TO IMPROVE EE

- See EE as an opportunity for, inter alia, reducing non-technical losses e.g. the revenue collection scheme in Brazil linking discounts to waste collection, is novel!

RECOMMENDATIONS TO REGULATORS TO IMPROVE EE

- Take responsibility for awareness building
- Create regional presence
- Decouple costs of EE interventions from regulatory rate base

END

WEAKNESSES IN COUNTRY'S POLICY, INCENTIVES, REGULATIONS

- BRAZIL

- Regulatory framework biased against utilities (decoupling of savings?)
- Lack of rebates, instead voluntary intervention by utilities
- Benefits low relative to costs
- Obligation on utilities rather than a market, are real drivers of EE
- “energy star” concept is ineffectual due to administrative problems

- NAMIBIA

- Regional integration makes dependence high on RSA outcomes
- Tariffs not cost reflective
- Lack of EE champion (Ministry or regulator?)
- Substandard products for EE
- Lack of integrated resource plan

- SOUTH AFRICA

- Implementation of promulgated incentives
- Philosophical problem with utility leading EE
- Conflicting objectives and poor price signal (poverty tariff and lowest tariff in the world)
- Rationalization of tariffs necessary
- Integrated resource plan to identify “first power” opportunities

WHAT CAN BE DONE

- Utility and regulator must set incentives
- Marketing and advertising by utilities/regulator encouraged (in kind contribution by various players e.g. soap opera snippets etc.)
- ESCO development of virtual power station encouraged

WHAT MEASURES ARE BEING TAKEN BY INDUSTRIES

- Multinationals have programs, which is an “image” issue to be seen to be environmentally friendly
- Energy Efficiency pacts (EE Accord in RSA) are voluntary
- There are usually no incentives to support these voluntary measures
- From a technology standpoint:
 - Voluntary building code in Brazil, Namibia
 - SANS 201 for new buildings will be compulsory in RSA
 - DSM for hospitality sector on voluntary basis
 - Technologies deployed to improve lighting performance include CFL, LED, motion sensors
 - USAID can assist in exchanges and technology transfers

HOW CAN ESCO ACTIVITIES BE EXPANDED

- Institutional support for project finance transactions necessary due to financing constraints (private-public partnerships)
- Voluntary ESCO associations need to be supported
- The ESCO model can be deployed on clustered public building projects e.g. all government buildings

WHAT IS GOVERNMENT DOING TO IMPROVE EE

- Institutional support for project finance transactions
- Specific programs like CFLs, solar water heating
- Audits of public buildings
- Training of “certified energy managers”
- Development of regulations based on legislation similar to the Energy Security Act