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## ENERGY FOR PEACE

Providing reliable, low cost, and sustainable renewable energy to increase community well-being, productivity, and peace implementation.

### OVERVIEW

The Energy for Peace Activity supports the planning, building, operation, and transfer of sustainable solar energy projects, or mini solar energy grids, in conflict-affected communities. These communities have been pre-selected by USAID and the Government of Colombia (GOC), and USAID aims to mobilize private sector capital to develop and implement five to ten cost-effective and sustainable mini solar energy grids in these selected communities. These mini solar energy grids will enable communities to access affordable energy needed to increase productivity, improve well-being and foster social stability. This activity is implemented through USAID's INVEST mechanism and it runs from June 2020- June 2025.

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## COMPONENTS

### FACILITATING PRODUCTIVITY AND GROWTH

Energy for Peace will select five to ten conflict-affected communities in which to construct mini solar energy grids and will help develop partnerships between these communities and local utility companies. The activity hopes that communities and utility companies will then work to mobilize co-investment needed to build, operate, and maintain the solar grids. The activity will also design a blended finance solution to attract co-financing from GOC sources and the private sector in the construction of the mini solar grids.

### REDUCING ENERGY COSTS

Energy for Peace will facilitate competitive procurement of equipment, and thus lower energy costs, by aggregating financing, transportation, and construction contracts. Lower energy costs will enable communities to purchase the energy needed to increase their productivity and will increase the profitability and attractiveness of regional development for private sector actors.

### FOSTERING PROJECT SUSTAINABILITY

Energy for Peace will sustain the success of the mini solar grids by partnering with local energy utility companies. Partnerships with energy utility companies is essential to the activity's success because these companies have the technical expertise needed to manage risks, produce and distribute energy, and adhere to Colombia's regulatory framework. Moreover, these utility companies can scale-up their knowledge to local communities in order to guarantee the long-term operations and maintenance of the mini solar grids.

## EXPECTED RESULTS

- Identify five to ten conflict-affected communities in which to develop mini solar grids based on these communities' baseline income, productivity and energy quality;
- Establish partnerships with experienced utility companies needed to mobilize private sector investment and transfer technical expertise to selected communities;
- Use USAID catalytic capital to reduce investor risks and leverage private sector investment needed to finance and construct mini solar grids;
- Design, construct, and operate of five to ten mini solar grids within a five year timeline; and
- Increase the incomes, productivity, product quality, and well-being of the selected communities.