

Innovative methods and tools for a Just Transformation



Camille Heaton

*Millennium Challenge Corporation
Kosovo, Indonesia, Senegal II*

heatonc@mcc.gov

<https://www.mcc.gov/>

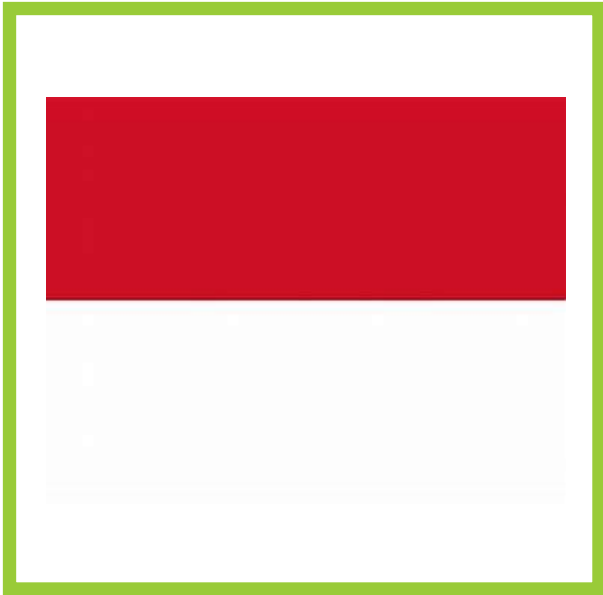


Who we are



- Select country partners by criteria
- Work in ~25-30 countries
- Problem definition through implementation
- Country-led solutions and implementation
- Strict 5-year clock
- Strong emphasis on construction oversight, monitoring and evaluation





MCC Country Examples

MCC tools and interventions for just transition through planning & implementation.

Senegal

- Tools for sustainability
- Social Equity
- Incentivizing restorative measures

Kosovo

- Environmental and Social Standards
- Energy and Climate Policy Support Activity

Indonesia

- JET-P via blended finance

Senegal Power Compact



\$550 million Power Compact consists of three projects to increase reliability, affordability, and access to electricity.

Projects:

1. Increasing Rural and Peri-Urban Access
2. Strengthening Transmission Network
3. Capacity Development

Tools for Sustainability

- In collaboration with MCC and MCA, the power utility, Senelec, developed and adopted a utility-wide Environmental and Social Management System (ESMS) to safeguard compact investments, identify and address existing non-compliances and help Senegal attract environmentally-conscious energy investors.
- MCC used the Senegal Power Compact as a pilot in the development of its GHG accounting tool which is now being deployed by MCA and its contractors across the compact construction projects.



Rév	Date	Description	Préparé	Vérfié	Validation MOSES	Validation Client
A	16/07/2020	Réactualisation du SGES sur la base des documents transmis par le Client en Mars 2020	Adama CISSE - avec l'appui de l'équipe MOSES	Awatef SIALLA / Deborah PHILIPP		
B	13/08/2020	Mise à jour du SGES soumis le 16/07/2020	Adama CISSE - avec l'appui de l'équipe MOSES	Awatef SIALLA / Deborah PHILIPP		

Social Equity



Preliminary feasibility studies and ESIA for Transmission project led to the following choices:

- ❖ Aligned submarine cable to minimize resettlement impact in urban neighborhoods
- ❖ Used ROW previously cleared for another energy project for on-land transmission line
 - ❑ Previous ROW PAP compensation was subjected to an audit by MCC
 - ❑ Audit led the Government of Senegal to supplement previous compensation to meet IFC PS5 requirements

Incentivize Restorative Measures



- ✓ Determined Access Project corridor alignments based on extensive mapping of critical habitats to avoid wetland and other sensitive areas
- ✓ Worked with Senelec to adopt bird-saving designs for power lines in rural areas
- ✓ Designed fishing restriction zones around undersea power cable and implemented an artificial reef in the Bay of Gorée to improve biodiversity and enhance fish spawning



Kosovo Compact



MCC and the Government of the Republic of Kosovo sign a \$202 million Compact that will transform Kosovo's energy sector to be more sustainable, inclusive, reliable and affordable.



MCC and the GoK constraints analysis identified lack of reliable electricity supply as a binding constraint to growth in Kosovo

MCC Kosovo Compact was developed as Kosovo was in the process of revising its Energy Strategy and National Energy and Climate Plan

Projects were designed to address this constraint and align with the Energy Strategy objectives of energy system resilience, decarbonization and promotion of renewable energy

Energy Storage Project: deploy approximately 250 MWh of battery energy storage capacity

Just and Equitable Transition Acceleration Project: produce graduates hired in the energy sector; and increase employment of women in the energy sector workforce

Environmental and Social Standards



As part of Compact Design and implementation, MCC and the MCA have developed:

- Multi-criteria assessment to inform siting of infrastructure and facilities.
- ESIA/ESMPs and Stakeholder Engagement Plans in alignment with IFC Performance Standards to address environmental and social impacts
- Compact-wide Environmental and Social Management System (ESMS) and Social and Gender Inclusion Plan to ensure compacts are implemented in accordance with MCC's Environmental Guidelines, Gener Policy, C-TIP Policy, as well as applicable local and national regulations.

Energy and Climate Policy Support Activity



Supplementary initiatives identified to support Compact Projects:

- Implement reforms in the power sector in compliance with necessary European Union (EU) and local regulations.
- Undertake pro-poor and gender-inclusive infrastructure and policy planning and identify opportunities for female entrepreneurship and employment.
- Strengthen current greenhouse gas inventory to align with international standards, price carbon, and inform future climate policy.
- Train the Ministry of Environment, Spatial Planning and Infrastructure (MESPI) on applying best international industry practice for Environmental and Social Impact Assessment and permitting of clean energy projects.





Indonesia Compact

\$649 million Compact to improve the financing of infrastructure—particularly transport and logistics infrastructure—and increasing access to finance for MSMEs through three projects.

1. Transport and Logistics
2. Financial Markets Development Project (FMDP)
3. Access to Finance for Women-owned/Micro-, Small and Medium Enterprises (W/MSMEs)



JETP in Indonesia

Just Energy Transition Partnership (JETP)

- Long-term partnership to help Indonesia pursue an accelerated just energy transition, reduce GHG emissions, and keep a 1.5 °C global warming limit within reach
- \$20B investment including \$10B in public sector pledges and \$10B from private financial institutions coordinated by the Glasgow Financial Alliance for Net Zero (GFANZ).
- MCC's JETP contribution will take place through the Financial Markets Development Project (FMDP) which allocates \$45M of new grant funding to mobilize commercial funding through a Blended Finance Delivery Mechanism (BFDM) Activity.

Blended Finance to JETP



- The Blended Finance Delivery Mechanism's (BFDM) is designed as a pipeline for advanced-stage projects, potentially including JET-P.
- BFDM investment criteria include economic, financial, technical, environmental, and social/gender aspects.
- Focus on climate-related elements such as renewable energy. Reviewing possible transactions under JET-P to incentivize wind-down and decommissioning of coal fired power plants.
- Other projects under consideration include financial asset recycling for a couple small hydro projects.



Let's continue the conversation!

Post questions and comments in the IAIA24 app.



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Camille Heaton

Millennium Challenge Corporation

USA

heatonc@mcc.gov

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