



Palestinian farmer in Gaza - UNDP/PAPP

FOSTERING RENEWABLE ENERGY ACCESS FOR CLIMATE SECURITY IN THE STATE OF PALESTINE

KEY CHALLENGES:

Approximately 27% of Palestinians polled by UNDP cited that they had partially or completely lost their job as a result of the COVID-19 pandemic which led to increasing financial burdens particularly for the most vulnerable households¹.

Local government units (LGUs), particularly in rural areas have been a major front-line responder in meeting households multidimensional needs, whether in terms of fundraising and distributing food parcels and financial aid, monitoring movement in the absence of local police, and/or deferring bill payments to ensure all households are able to access essential services during these unusual times.

THE ISSUE:

Energy is essential for promoting a sustainable business environment and livelihoods in the State of Palestine, where energy scarcity and lack of access to electricity are among the major constraints to economic development. Yet 91% of energy is imported from Israel and between 15%-25% of energy is lost due to poor infrastructure, making electricity prices the highest in the MENA region.

Ultimately high costs of electricity have a serious impact on livelihoods and economic activity.




With the risk of political instability and a protracted crisis solar utilities for marginalized communities can support a stable, reliable and more affordable source of electricity for households in distress, and potentially reduce the growing financial burdens of LGUs. This in turn would allow them to respond to social and economic impacts of the crisis more thoroughly and with a view to remaining sustainable in the long-term.

PROPOSED SOLUTION:

UNDP, in coordination with the Palestinian government and the private sector partners, is looking towards developing and piloting a blended finance mechanism to mobilize commercial and development funding to build, operate and transfer (BOT) 1-5 MW solar utilities for marginalized communities to enhance reliable access to clean energy in support of the Paris Agreement and the Sustainable Development Goals.

A 1-5MW solar facility under this project can cover the electricity consumption of between 800-4000 households. Through identifying and piloting a blended finance mechanism, this project aims to facilitate access to domestic solar energy sources in the State of Palestine as a means to enhance human security of vulnerable marginalized communities.

This pilot is expected to:

-  Strengthen the resilience of energy supply vis-à-vis political and grid instability.
-  Enhancing fiscal sustainability of LGS and their capacities to provide basic services.
-  Gender equality and participation by marginalized and vulnerable people through inclusive management/governance of the solar PV capacity and participation by women engineers and workers in construction.

¹ Unpublished survey conducted by UNDP/PAPP in cooperation with the Ministry of Local Government in April 2020.



Jericho Agro-industrial Park solar utility with 2 MW capacity - UNDP/PAPP

PROJECT OBJECTIVES:

The project aims to develop, finance, and apply integrated solutions for climate-secure clean energy in marginalized communities to kickstart socio-economic recovery and mitigate social instability at the local level in the State of Palestine.

OUR WORK:

1. A business model for solar PV deal to enhance access to reliable, affordable, domestic clean energy for marginalized communities.
2. Pilot the business model in 2 project sites for 1-5 MW solar utility, unlocking \$3 to 5 million in the pilot phase.
3. Rehabilitate transmission lines to reduce electricity loss; install smart meters to enable fee collection; prepare electricity distribution master plan. In addition, provide technical support to the targeted communities in selecting, negotiation and entering power purchase agreement with the private entities.

TARGETED SDGS:



QUICK INFORMATION:

Project timeframe: 24 months

Grant: USD 253,000

Targeted areas: Two communities, one in Nablus and one in Qalqilia.



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