

PROJECT: Sustainable electrification and renewable energy national program (PNESER)

LEAD INSTITUTION:

EIB

PARTNERS:

IDB

AECID

CABEI

EU-LAIF

TOTAL COST:

€ 308 800 000

LAIF CONTRIBUTION:

€ 7 200 000

TYPES OF SUPPORT:

Investment Grants

DURATION PERIOD:

Jul 2016 – Feb 2018

CURRENT PROGRESS:

Completed

OBJECTIVE:

The objective of the PNESER was to support the efforts of the Nicaraguan government to reduce poverty by promoting access to an efficient and sustainable electricity service to an important portion of the population, thus generating the conditions to advance in the diversification of the energy matrix and the mitigation and adaptation to climate change.

The program supported 7 components:

- 1) Rural electrification through grid extension;
- 2) Normalization of electricity service in human settlements;
- 3) Electricity expansion in isolated areas through renewable energy;
- 4) Pre-investment for renewable energy projects;
- 5) Energy efficiency programs;
- 6) Strengthening of the transmission system in rural areas;
- 7) Sustainability of isolated systems under Empresa Nicaragüense de Electricidad (ENEL)'s responsibility.

RESULTS:

- Construction substation Malpaisillo (physical progress 99% and financial progress 90%) and the transmission lines associated reinforcements (physical progress 100% and financial progress 45.22%).
- Construction substation La Virgen (physical progress 84% and financial progress 82.44%) and the transmission lines associated reinforcements (physical progress 41% and financial progress 33.27%).
- Construction substation Terrabona (physical progress 100% and financial progress 97.55%) and the transmission lines associated reinforcements (physical progress 100% and financial progress 99%).
- Increased of the electricity service coverage in the country (92% in 2017).
- Proportion of electricity generation from renewable sources (67.9% in 2017).
- Reduction of consumption by energy efficiency programmes (165 GWh/year in 2017).
- Reduction of energy losses in settlements (2.21% in 2017).
- Increased service reliability due to transmission system reinforcements (93.7% in 2017).