

Marrakech, Morocco:

LED Public Lighting Project



THE CHALLENGE

With a **declining lighting network** in need of constant maintenance, Marrakech's growing and unaffordable energy bill was no longer viable.



HOW IT WORKS

In 2017, the city government and Enertika Magreb contributed **61%**, and **39%** respectively to establish Hadirate Al Anwar as a local development company (LDC) - a type of public-private mixed ownership company that promotes local development. The total investment was roughly US\$60 million.

Due to the efficiency and longer lifespans of LED technology, **the city saves 60% on operating costs and 80% on replacement costs**. Part of the savings funds a fixed fee for the company to do the work. The LDC works through an exclusive implementation contract.

After an assessment of possible implementation challenges was carried out, the LDC became responsible for installing and operating the LED technology, managing a GPS-based information management platform, public reporting of operational issues, and doing energy consumption measurements.

The project successfully rolled out LED lighting to the entire public lighting network.

Model:

Public-Private Partnerships

Marrakech and private company Enertika Magreb set up a local development company to **convert the city's public lighting to energy efficient technology**. Marrakech became Morocco's first city with fully equipped LED lighting.



LESSONS

Marrakech made a large upfront investment to show commitment and to reduce the risk taken on by the private company. Likewise, there was a **solid contract** in place to ensure performance and delivery according to agreed standards.

To complement such investments, cities can also look to **projected savings**. As in the case of Marrakech, and especially for capital-intensive projects, this can help build **viable financial models that benefit both government and the private sector**.

