RE decentralized solutions for Rural Electrification

Regulatory study for Mini grid system Developments in the Eastern Africa

26th -27th October
Nairobi, Kenya
More than **620 million people** in Sub-Saharan Africa live **without electricity**, nearly half of the global total.

**375 Mio. people** in rural areas in Sub-Saharan Africa could be electrified by **off-grid solutions**.

Source: IEA Africa Energy Outlook 2014, World Bank, PwC research
East Africa region: regulatory and target overview

- **Uganda**
  - Uganda SREP Investment Plan 2015: Electricity access >98% by 2030
  - 2007 The Electricity (License Exemption) Isolated Grid Systems

- **Kenya**
  - Rural electrification Master Plan – Vision 2030: Rural electrification 65% by 2022 and 100% by 2030
  - Draft of the 2nd Growth and Transformation Plan 2015-2020: Electricity access from 60% in 2015 to 90% in 2020

- **Rwanda**
  - Rwanda SREP Investment Plan 2015: Electricity access 70% by 2017-18
  - 2015 RURA Regulation governing the simplified Licensing Framework for rural electrification

- **Ethiopia**
  - 2015 Energy Operations Council of Ministers Regulation (draft)
  - Tanzania’s SE4ALL Action Agenda, Targets for 2030: Electricity access from 27% in 2015 to 75% in 2030
  - 2016 The Electricity (Development of Small Power Projects) Rules

- **Tanzania**
  - 2007 The Electricity (License Exemption) Isolated Grid Systems

**27/10/2016**

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...but private sector involvement remains challenging...

Policy frameworks are not specific or do not exist

Procurement procedures and permitting processes are not streamlined

Overlapping responsibilities among institutional stakeholders involved in electrification

...a further effort is needed in order to escalate the business
What can be the role of Governments?

• **Identify clear roles and mandates** among all the involved stakeholders

• **Support the identification of areas of the Country**

• **Provide clarity on grid extension plans** in the medium - long term

• **Increase access to loans and other forms of financing**
Regulatory recommendations

-Technical Standard
-Exclusive area of supply
-Flexible tariff setting rules
-Exit options in case of Grid Arrival

Licensing
-Streamlined land acquisition
-Standard set of permits
-Single window support channel interface
-Combined license

Operation

Cooperation
-Clear agreements with the local DNO
-Clear rules for managing electrification programs
Thank You!