

Policy and regulatory framework for Clean Energy Mini-grids

National Experiences in the ECOWAS region



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High-level workshop on energy access in West-Africa

March 27-28, 2017 Abidjan, Côte d'Ivoire

Content

Session 1:

Energy and Electricity Policy for Clean Energy Mini-Grids (CEMGs)

1. An example from Liberia
2. An example from Ivory Coast
3. An example from Cape Verde
4. An example from Sierra Leone

Session 2:

Economic, Customer and Environmental Policy and Regulation for CEMGs

1. An example from Ghana
2. An example of a quality assurance framework
3. An example from Senegal

Content - continued

Session 3:

Licenses, Contract Regulation and Financial Support Schemes for CEMGs

1. An example from Mali
2. An example from Nigeria
3. An example from the Gambia
4. An example from Niger

Technical Assistance and Capacity Building for CEMGs

What barriers are to overcome for a quick scale-up of rural energy access programmes?

Business Model

Access to Finance

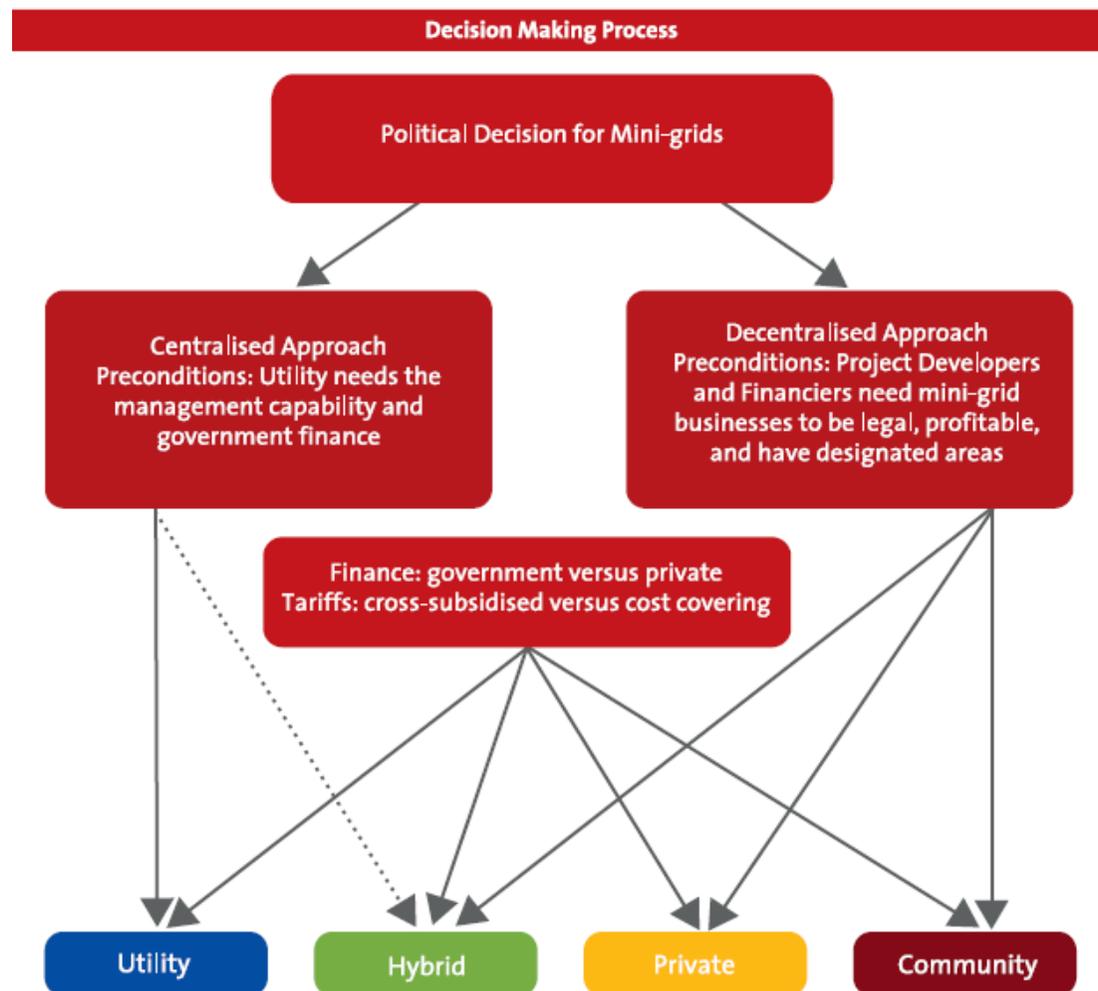
Policy, Legal &
Regulatory
Framework

Local Capacity &
Talent

Implicit Electricity
Demand

Market
Intelligence

Decision making for CEMGs: No one size fits all solution!

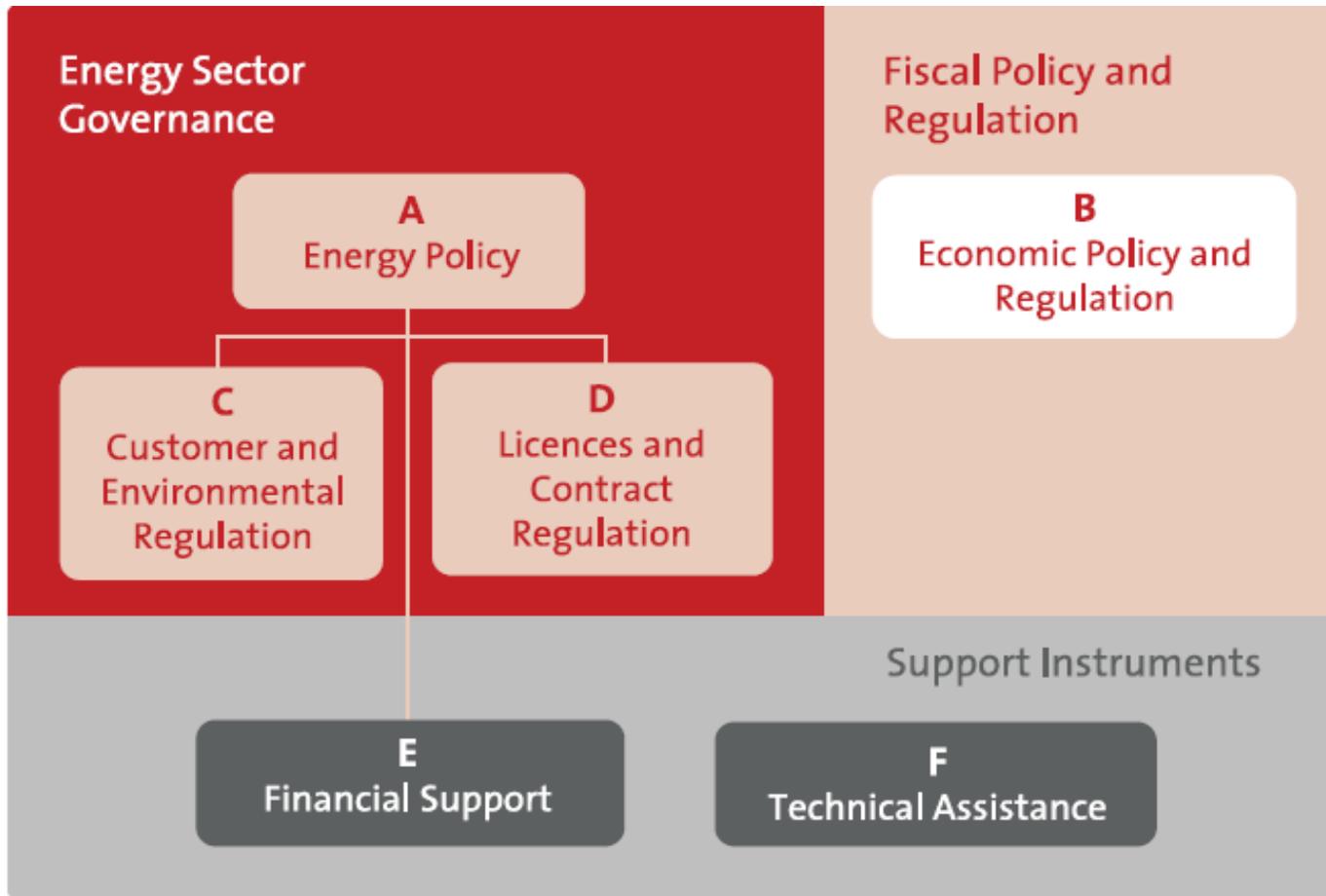


Ref: EUEI PDF Mini-Grid Policy Toolkit, 2014

A conducive policy and regulatory framework for Clean Energy Mini-grids (CEMGs) is needed.

Session 1

Session 3



Session 2

Ref: EUEI PDF Mini-Grid Policy Toolkit, 2014

Session 1: Energy and Electricity Policy for CEMGs

Thematic focus:

- National Electricity or Electrification Policy
- Rural Electrification Strategy and Master Plan
- Energy and Electricity Law
- Tariff Policy and Regulation

Session 1: Energy and Electricity Policy for CEMGs

A **National Electricity or Electrification Policy:**

- defines **objectives**, identifies **priorities**, and outlines the broad **guidelines for sector development**, as a whole, or with focus on a specific sub-sector, such as **rural electrification**;
- is a pillar of **public support of rural electrification strategies, targets and programmes**, including **mini-grid initiatives**;
- is guided by the political aim for **universal national electricity access**;

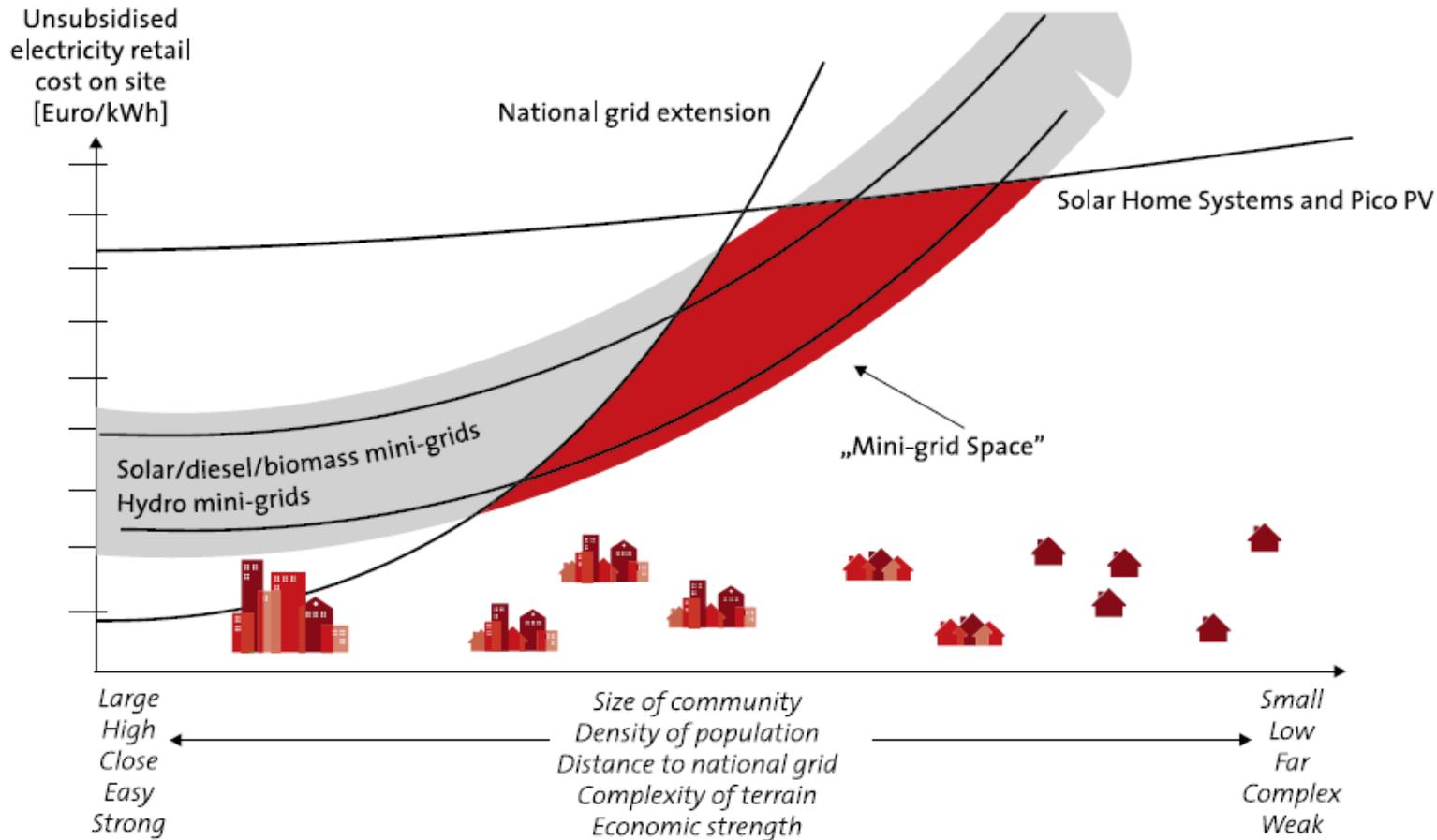
This policy lays the **groundwork for the entire enabling environment** and could include an explicit **decision to integrate mini-grids** into a rural electrification approach.

Session 1: Energy and Electricity Policy for CEMGs

A Rural Electrification Strategy and Master Plan:

- includes a **roadmap how to achieve national electricity targets** on the base of a longer term planning horizon;
- indicates **grid and off-grid areas** on the basis of state of the art planning tools to assist with the **selection of mini-grid project sites;**
- provides **key planning data to mini-grid project developers**, e.g. renewable energy resource potentials, population density, current energy access situation, costs;
- needs to be **reviewed periodically** to adapt to changing circumstances and evolving energy access targets.

Rural electrification planning is more than just mini-grids!



Ref: EUEI PDF Mini-Grid Policy Toolkit, 2014

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An **Energy, Electricity or Renewable Energy Law**:

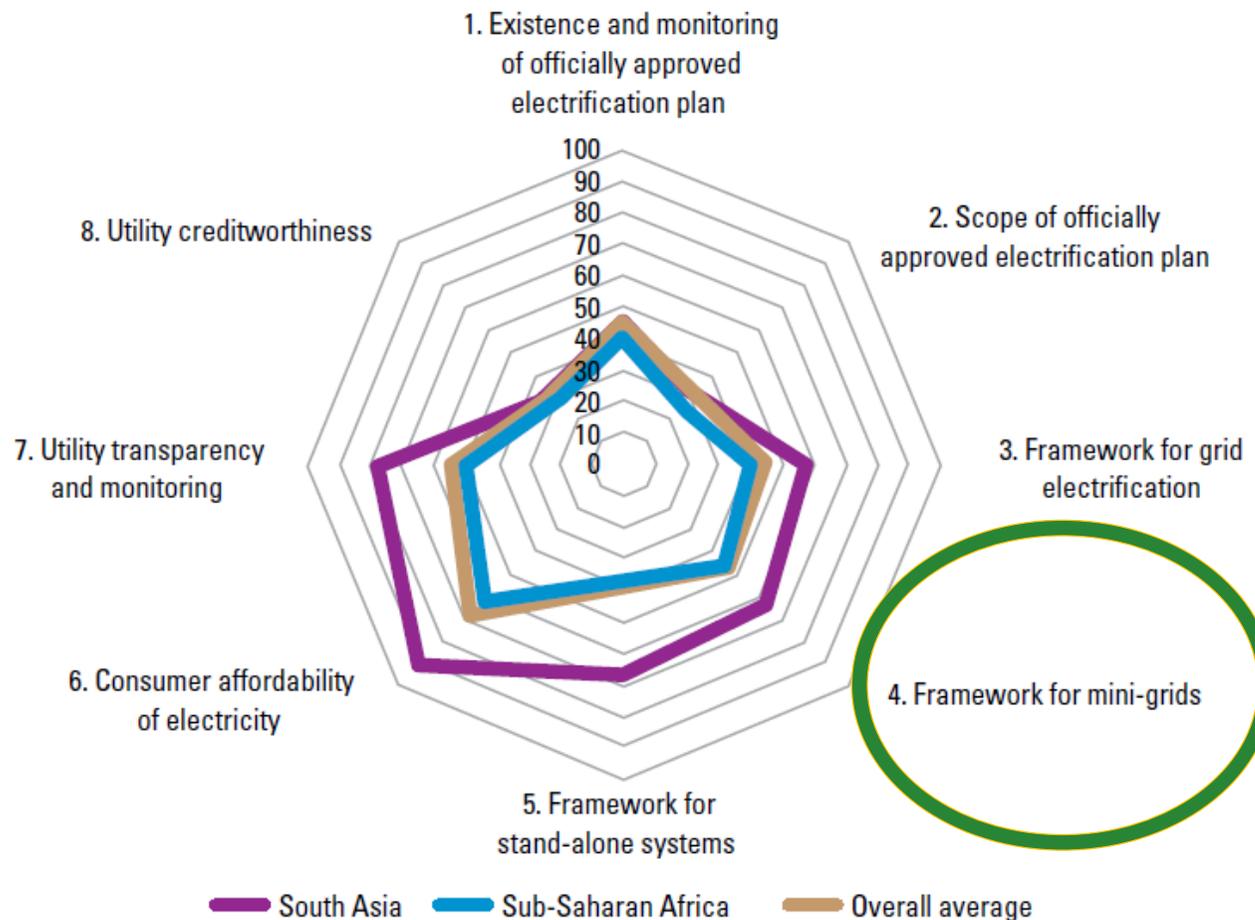
- establishes the **legal and institutional framework** for public planning and the **implementation and enforcement** of regulations for rural electrification in general and **mini-grids** in particular;
- specifies the **responsibilities of important actors** and provides the basis for any **specific regulations or promotion instruments**, such as a **rural energy fund**;
- is usually established through an act of parliament.

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A recent global benchmarking of regulatory indicators for energy access includes mini-grid frameworks.



Ref: ESMAP RISE, 2016

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Country experiences:

Mr. Dele Shobayo

Ministry of Lands, Mines and Energy

Liberia

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Country experiences:

Mr. Ghislain Tanoh / Mr. Ahamed Diarrassouba

Société des Énergies de Côte d'Ivoire (CI- Énergies)

Ivory Coast

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Tariff Policies and Regulations (including **Connection Fees**):

- comprise any **charge, fee, price or rate** that has to be paid for **purchasing energy and electricity services**;
- are central to the **viability** of any rural electrification initiative, including **mini-grid businesses**;
- depend on the **mini-grid business model**: uniform national tariffs versus **site and project-specific cost-reflective tariffs**.

Tariffs must allow for a **balance** between **commercial viability** of a **mini-grid project** and the **consumers' ability and willingness to pay**, often considering targeted **subsidies**.

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Country experiences:

Ms. Karine Monteiro

Economic Regulatory Agency (ARE)

Cape Verde

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Country experiences:

Mr. Benjamin Kamara

Ministry of Energy

Sierra Leone

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Questions and Answers

Thank you for your attention!

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