



HARMONISING MINI-GRID TARIFF METHODOLOGIES AND REGULATIONS ON THE AFRICAN CONTINENT

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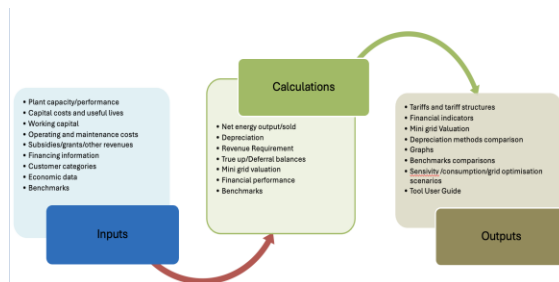




Two key Tools created for this Harmonization

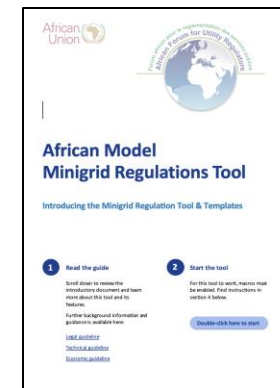
AFUR Enhanced Mini-grid Tariff Tool

- Harmonise Tariff Calculation Principles Across Africa
- Simplify the mini-grid sector on issues of tariffs and regulations
- Creation of African focused Benchmarks
- Encourage the public and private sector interactions in the mini-grid space
- Conduct an in-depth stakeholder engagement process to collate feedback on the tool
- Streamline the mini-grid processes for developers based on the review of the existing tools
- Build capacity of African Regulators on the mini-grid sector



AFUR African Model Mini-grid Regulations Tool

- Ease creation of mini-grid regulations
- Build capacity of African regulators on mini-grid regulation principles
- Create comparable mini-grid regulations for benchmarking
- Conduct an in-depth stakeholder engagement process to collate feedback on the tool
- Streamline the mini-grid processes for developers based on the review of the existing tools





Enhanced Mini-grid Tariff Tool Creation Process

1. **Creation of the Project Steering Committee (PSC)** – Constitution of the 15 member PSC Group to guide processes
2. **Desktop Research and Study** – Review of African Context on Mini-grids and Tariff Calculation Principles
3. **Review of Existing Tools on the African Market** – Deep look and understanding of the Tools in 6 African countries
4. **Technical Structuring of AFUR Enhanced Mini-grid Tariff Settlement Tool** – Creation of the Tool with a Technical Group of Stakeholders
5. **Peer Review of Draft Mini-grid Tool** – Key stakeholders in the global mini-grid space reviewed the Tool
6. **Selection of Early Adopters** – A group of 5 different countries selected for pilot studies and capacity building
7. **Implementation of Tool in Early Adopters** – Forging forward with full implementation based on due process in the different countries





African Model Mini-grid Regulations Tool Creation Process

1. Peer to peer capacity exchanges on mini-grid regulations
2. Development and creation of AFUR Mini-grid **Guideline Templates** for the sector
3. Review of 8 possible **business models** for the African market
4. **Creation and development** of the AFUR African Model Mini-grid Regulations Tool
5. **Review of first draft** with a Technical Team of Regulators from across Africa
6. **Industry Peer Review and peer review** of the Implementation of the AFUR African Model Mini-grid Regulations Tool
7. **Pilot use** of the AFUR African Model Mini-grid Regulations Tool
8. **Official launch** of the AFUR African Model Mini-grid Regulations Tool in Ethiopia at the African Union Commission HQs



Training in Malawi



Rollout Update for the Two Tools

AFUR Enhanced Mini-grid Tariff Tool

Current Implementers

- Nigeria
- Sierra Leone
- Eswatini
- Burkina Faso
- Ghana
- Zimbabwe

Customisation Process

- Malawi
- Burundi
- Cameroon
- Togo

AFUR African Model Mini-grid Regulations Tool

Current Users to Develop Drafts

- Lesotho
- Zimbabwe

Users in Process to Use Tool Later

- Liberia
- Malawi
- Burundi
- Burkina Faso
- Benin
- Togo



Training in Eswatini



Current Utilization of the Two Tools

AFUR Enhanced Mini-grid Tariff Tool

By Regulators

- To develop cost reflective tariffs for mini-grids
- To develop Benchmarks for their respective countries
- To understand the effects of different funding sources on tariff prices
- To understand the possible customer characterisations of different developers
- To understand the different depreciation methods
- To determine viability gaps for cost reflective tariffs and desired tariffs

By Developers

- To develop cost reflective tariffs
- To develop Benchmarks for their projects
- To determine the grant levels needed for projects

AFUR African Model Mini-grid Regulations Tool

By Regulators

- To develop first drafts of mini-grid regulations
- To identify gaps in their current mini-grid regulations
- To identify possible international best practices in the mini-grid regulation space that can work for Africa



Training in Burkina Faso



Possible roll out to other Global Markets

- Indo-Pacific – Tonga, Fiji, Solomon Islands etc.
- Latin America
- South-East Asia



Training in Djibouti



Merci beaucoup Thank You

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