GET FiT Zambia Target: 200 MW of RE on the grid (PV, Hydro, Biomass)

Viability Gap Funding Facility (V-Gap)
- Top-up on REFiT: Gap payment to tariff bid, or:
- Concessional lending to IPPs

Risk Mitigation Facility (RMF)
- Management of offtaker risk
  - Termination guarantee
  - Short-term liquidity support

GET FiT Zambia

Technical Assistance Facility (TAF)
- Bankable contract docs
- Support to Tender Process
- Permitting / licensing

Grid Integration Facility (GIF)
- Grid planning
  - Grant or concessional funding to IPP / Utility

-> Support to implementation of Zambian REFiT Programme
GET FIT - Roll Out Program

Preparatory Studies to assess the prospects of a GET FiT type program in: Ghana, Mali, Nigeria, Ethiopia, Kenya; Ruanda, Tanzania, Malawi, Mozambique, Namibia

- Supply situation generation & transmission
- Share & future opportunities for Renewable Energies
- Financial performance of the sector

- current energy sector framework
- Policies incentivising investments into RE
- Analysis of existing PPA and related documents for RE
- Identification of key stakeholders facilitating RE development

- Developers
- Equity partners
- Technologies
- Locations
- Envisaged tariff

- Political risks & requirements for risk mitigation
- Commercial risks & requirements for risk mitigation
- Legal and regulatory risks
- Review of existing REFiTs
- Grid integration issues

- REFiT Tariff Support
- Off-taker Support
- Grid Integration
- RE portfolio composition (~250 MW)
- Technical Assistance
- Economic Impacts
- Buy-in commitment from partner governments
PRIORITIZING MARKETS: THE GATES

GET FiT country portfolio

RE is economically viable

Countries with access to cheaper energy sources, e.g., focus on large-scale

Comprehensive support needed

Relatively mature countries with no or selective support needs

Political will for support exists

Countries which do not show ownership and leadership to establish an enabling environment

Positive CBA

Countries which would require long-term, patient support

GET FiT focus countries
GET FIT Mozambique – Country Specific Project Design

- Incentive mechanism
  - Results-based buy-down of REFiT to reduce cost burden for EDM

- Guarantee Framework
  - Political risk insurance products
  - Commercial risk insurance products to mitigate e.g. off-taker risks; forex risks

- Standardized Contract Documentation
  - PPA
  - Implementation Agreement
  - Grid Integration Agreement

- Studies
  - RE Grid integration

- Technical Assistance
  - Local GET FIT Coordinator and GET FiT Secretariat to support host institution during implementation
GET FIT Namibia – Bush to Electricity

RE Sector relatively mature (Interim REFIT; PPA Wind/PV) but complex challenges in Namibia’s bush to electricity sector:

Bush to electricity

- **FIT tariff support** (incremental cost reflecting various co-benefits and burden sharing of debushing)
- **Risk Mitigation**
  (fuel supply risks, FX risks; appropriate contract structures – NamPower offtaker risk not a barrier; )
- **Technical assistance**
  supporting the development of the biomass supply chain (business models, sector strategy)
GET FiT Namibia, Mozambique & Zambia
Next Steps & Timelines

Zambia:
- Local GET FIT Coordinator
- Program Appraisal
- Launch PV tender

Namibia/Mozambique:
- High Level Meetings
- Fund raising
- Kick-off Feasibility Studies

Zambia:
- Tender GET FIT Secretariat
- Launch Hydro & Biomass tender

Namibia/Mozambique:
- Feasibility Studies
- Local GET FIT Coordinator
- Program Appraisal
- Ghana Feasibility Study?

Zambia:
- First projects (CODs)

NAM/MOZ:
- Financial Close first PPAs

2016

2017

2018 ff
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