

## **REEECAP 1.13 ENERGY SHOPS**

### **Executive Summary**

The “Guidelines for the Establishment of Energy Shops” in off-grid rural and peri-urban areas of Namibia were compiled by the Desert Research Foundation of Namibia (DRFN) under the Renewable Energy and Energy Efficiency Capacity Building Programme (REEECAP). These guidelines are supporting the implementation of the Off-grid Energisation Master Plan for Namibia (OGEMP) <sup>1</sup> which was commissioned by the Ministry of Mines and Energy (MME) in 2005, released in early 2006, and approved by the Namibian Cabinet in mid 2007.

The OGEMP principally proposes the establishment of Energy Shops in unelectrified areas, giving priorities to those areas classified as “off-grid” in the Rural Electricity Distribution Master Plan for Namibia (REDMP) <sup>2</sup>, which was compiled in 2000 and updated in 2005. Table 1 clarifies to the different classifications as used in the REDMP.

**Table 1: Classification of electrification areas<sup>3</sup>**

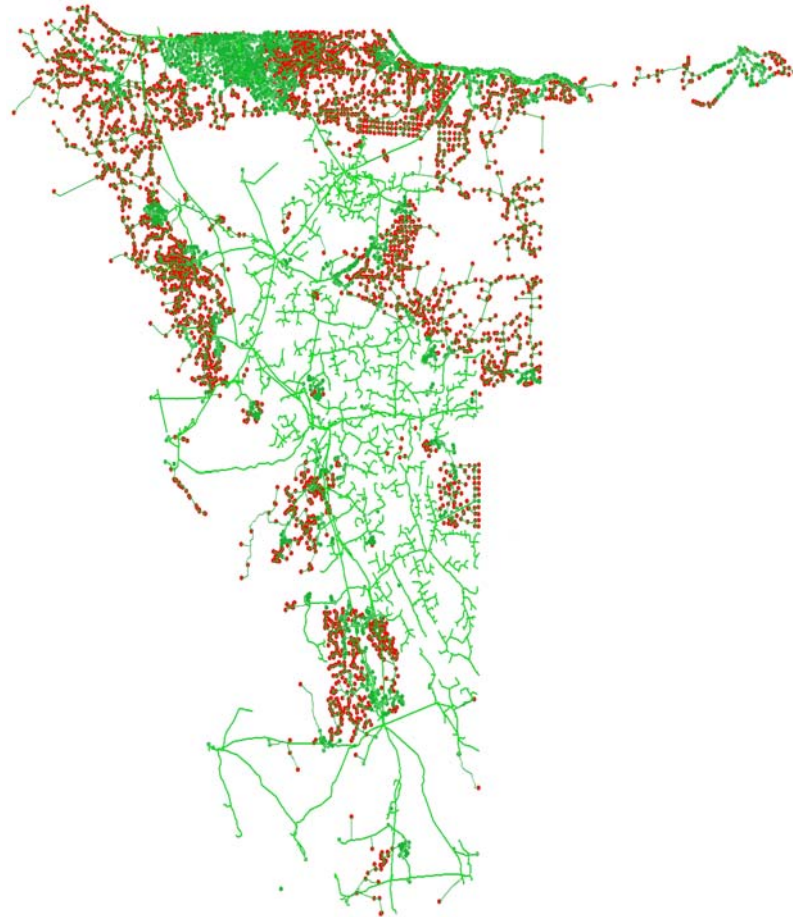
<b>Classification</b>	<b>Electrification prospects</b>
Grid	Localities scheduled for grid electrification in Years 1 – 5 of the master plan
Pre-grid areas	Localities scheduled for grid electrification in Years 6 – 20 of the master plan
Long term off-grid	Localities not scheduled for grid electrification within the span of the master plan, i.e. greater than 20 years
Grey areas	Locations where it is not clear how and if access to electricity will be provided

<sup>1</sup> *Off-Grid Energisation Master Plan*, MME, 2007

<sup>2</sup> *Rural Electricity Distribution Master Plan for Namibia*, MME, 2005

<sup>3</sup> *Rural Electricity Distribution Master Plan for Namibia*, MME, 2005

Namibia has identified a total of 5,858 unelectrified rural settlements in Namibia<sup>4</sup>. Of these, only 1,543 are scheduled for electrification within the next 20 years. In the map, green lines and dots show the expanded grid electricity network and the electrified rural settlements after this 20 year period. The remaining 3,886 unelectrified rural settlements, which comprise over 106,000 households, are shown as red dots. Unelectrified informal settlements around urban areas were not included in the REDMP, but were considered in the OGEMP, since these are areas of great population growth.



MME commissioned the OGEMP in order to determine a suitable mechanism towards providing access to modern energy services to unelectrified communities.

The OGEMP's overall approach includes:

1. Establishment of privately-owned and individually operated Energy Shops
2. Mandating of a central coordinating agency to support an Energy Shop roll-out programme
3. Grouping of individual energy technologies and appliances into a series "energy baskets" to ensure a total energy solution for households, small businesses and small public institutions (clinics, schools)
4. Emphasis on renewable energy and energy efficiency technologies

The OGEMP did not however propose exact modalities for implementation. The purpose of this document is to provide guidelines for launching and maintaining a national roll-out programme of Energy Shops. The structure of this document is described below:

**Chapter 2** provides a graphic overview of the organisations and entities involved in the Energy Shop roll-out programme along with their respective responsibilities. This summary serves as a quick reference and also contains a proposed work plan for the roll-out programme.

**Chapters 3, 4 and 5** provide a brief overview of the entities proposed for a comprehensive roll-out programme which are the Energy Shops, the Energy Shop Coordinating Agency and the Community Savings Groups respectively.

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<sup>4</sup> *Rural Electricity Distribution Master Plan for Namibia*, MME, 2005

**Chapter 6** comprises the guidelines for a National Roll-out Programme and specifically address activities to be undertaken and/or initiated by the Ministry of Mines and Energy (MME). The activities include both start-up pre-implementation activities and annual activities to be maintained during the actual implementation of the roll-out programme.

**Chapter 7** addresses the recruitment of an Energy Shop Coordinating Agency (ESCA) to support the MME and as such the guidelines apply to the MME.

**Chapters 8, 9 and 10** describe guidelines for ESCA, once this entity has become operational. The guidelines include recruiting Energy Shops, establishing Community Savings Groups, conducting awareness campaigns and general support services to MME.

**Chapter 11** provides the estimated costs for both initial preparatory expenses and the annual recurring cost for the 3-year pilot phase of the national roll-out programme.