



Solar Revolving Fund

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Republic of Namibia
Ministry of Mines and Energy

*Financing solutions for
Renewable Energy
Technologies*



Solar Home System (SHS)

Typically has the capacity to power lights and devices such as radios, TVs, fridges and cell phone chargers.



Solar Water Heater (SWH)

A Solar Water Heater uses energy from the sun to heat water for domestic use.



Photovoltaic Pumping (PVP)

A Photovoltaic Pumping System uses solar photo-voltaic panels to provide energy for pumping water for livestock and domestic use



Energy Efficient Stoves

Energy Efficient Stoves for cooking and baking – you will save on wood thus saving money and the environment

Credit Application & Agreements

This application must be submitted in original format. No faxes will be accepted.
Initials at each page of this application.

LOAN APPLICATION FORM

PERSONAL INFORMATION (mark with an X where applicable)					
Surname:		First name (s):			
Citizenship:		Identity No:		Date of birth:	
Postal address:			Residential address:		
Telephone (h):		Telephone (w):		Cell number:	
Marital status:	Single	Married	Divorced	Widow(er)	Sex: Male Female

PARTICULAR OF SPOUSE (if married)	PARTICULARS OF CLOSEST RELATIVE
Full name:	Full name:
Maiden name:	Residential address:
Date of Birth:	Postal address:
Identity No:	Telephone No:
	Relationship:

EMPLOYMENT DETAILS			
Name of Employer:		Postal address:	
Physical address:		Telephone No:	
Payroll no: (if applicable)		Name of Supervisor:	
Current Position		Salary per annum (N\$): <i>Attach copies of last 3 month's pay slips</i>	

SELF-EMPLOYMENT			
(a) Trading business:		Expected income per month from business (N\$)	
(b) Farming business:		Estimated total monthly business expenses: (N\$)	
Other (please specify):			

BANKING DETAILS			
Name of Bank		Branch Name:	Branch Code:
Account number		Type of account:	Cheque Saving

DETAILS OF REQUIRED LOAN					
Loan amount applied for (N\$)					
Renewable Energy Technologies applied for:	SHS	PVP	SWH	Efficient stove	Others
If other, please specify:					

INSTALLATION INFORMATION			
Physical address:		Regional Constituency:	
Region:		Closest known area/town:	
Beneficiary of system:		Distance to installation address (km):	
Contact person:		Telephone number:	

Abbreviations: SHS – Solar Home System PVP – Photovoltaic Pump SWH – Solar Water Heater

LOAN AGREEMENT

Between

Ministry of Mines and Energy – Solar Revolving Fund
 (“Lender”)

and

..... of ID number

(Full names of individual

ID number)

(“Borrower”)

Under this agreement, MME hereby lends to the borrower who hereby borrows from the OGEMP Solar Revolving Fund. The cash amount of money equal to that indicated in the quotation from an accredited Energy Service Provider attached to this application (hereinafter Referred to as the “LOAN”) which, together with the amounts mentioned in the schedule is repayable by the borrower to the lender or their successor in the schedule and subject to the general terms and conditions set out in this agreement.

3.1 LOAN TERMS

- i. Repayment Period: Maximum five (5) years
- ii. Interest rate applicable: 5% per annum
- iii. Payable deposit: 5% of quotation amount
- iv. Instalment: Monthly
- v. Method of payment: Debit order *or* via payroll deduction

3.2 STANDARD CONDITIONS

In the event that the loan is granted to me, I the undersigned hereby undertake and bind myself to:

- 1. Pay a minimum deposit of 5% of the purchase price on approval of the loan, before taking possession of the equipment.
- 2. Pay 15% of any deposits made upon cancellation of my loan with the lender.
- 3. Sign the installation report to certify the completion of work at my premises and that I have received all materials as per quotation approved.
- 4. Discuss and agree on a guarantee/warranty lasting at least 1 year from the day of installation of your solar system with your Energy Service Provider. The lender does not give any guarantee or warranty to the borrower in relation to the loan.
- 5. Shall pay MME- SRF the monthly instalments until full payment of the loan (not exceeding five years) through a bank debit order or via payroll deduction.
- 6. Pay 5% interest on loan for the period of 60 months (5years).
- 7. Failure to make monthly payments shall result in the outstanding balance becoming due and payable immediately.
- 8. A 5% rate shall be levied on my overdue amount in respect of any period or periods. Arrears and /or defaults in instalments for three consecutive months may result in legal proceedings being taken against me and will be listed on Trans Union (ITC).
- 9. Agree that MME shall not be held responsible/liable for loss of any property. MME-SRF will provide free insurance cover. Insurance covers only Acts of God” such as lightning, floods or hail, wind as well as damage caused by animals. THEFT is not covered. An excess fee is payable by the borrower on any claim made out to the insurer.
- 10. Agree that failure to repay the loan will result in terminating insurance benefits from the Ministry.
- 11. Not to relocate the system from the original physical address of installation without prior written notice to MME.
- 12. Agree that these conditions and loan contract between MME-SRF and myself shall not be linked to the technical contract between the Energy Service Provider of materials and myself.

3.3 DECLARATION

I HEREBY DECLARE THAT THE INFORMATION PROVIDED IN THIS APPLICATION FORM. UNDER SECTIONS 2-3 IS TRUE AND NOT THAT ANY INCORRECT DECLARATION EMPOWERS MME NOT TO CONSIDER MY APPLICATION.

This application and the underlying conditions under Section 3 above constitute an agreement between the application/borrower and MME/ lender. No alteration or amendment to this contract shall be valid unless reduced in writing.

SIGNED at.....on this.....Day of.....20.....in the presence of the undersigned witness.

.....
Applicant

.....
Witness

Abbreviations: OGEMP –Off-Grid Energisation Master Plan MME – Ministry of Mines and Energy SRF – Solar Revolving Fund

DEBIT ORDER AUTHORIZATION

4.1 DETAILS OF MY/OUR APPLICABLE ACCOUNT ARE AS FOLLOW:

Account holder name:	
Bank:	
Branch:	
Branch number:	
Account number:	
Type of account:	
Deduction date: (4 th , 7 th , 15 th , 20 th , 25 th and 30 th)	

1. I/We hereby irrevocably authorize MME (hereinafter referred to as the “lender”) and /or its legal successor(s) to levy debits in *rem suam* against my/our above-mentioned account at the above-named bank or building society (or any other bank/building society or branch office of a bank/building society to which the account may be transferred) in respected of all amounts which are now or may from time to time in the future be due and payable by me/us or the above-mentioned borrower to the lender arising from my/our present and/ or future obligations in terms of all agreements already entered into or still to be entered into by me/us or the above-mentioned borrower in terms of which I/We/am/are or will be the debtors(s) and MME is at present or will in the future be legal holder(s), whether as lender or cessionary.
2. I/We hereby likewise authorize my/our above-named bank/building society to accept all debits levied by the lender in terms of this authorization and to debit my/our above-mentioned account and to regard such debits as if given and signed by me/us personally.
3. I/We hereby authorize the lender and/or its legal successor(s) irrevocably to give notice to the above-named bank/building society of the above-mentioned agreements on my/our behalf which notice is to be regarded as if having been given by me/us personally.
4. Should the day on which payment is due, not be a business day for ACS/BDB, then payment will take place on the proceeding business day.
5. This authorization will not be regarded as a substitution, an alteration or a renewal of my/our obligations arising from the above-mentioned agreements.
6. I\We acknowledge that the withdrawals hereby authorized may be processed by means of the computer system known as the Magnetic Tape System in which case no documentary evidence except my/our normal quarterly solar account will be received by me/us where my/our account is computerized, but details of every withdrawal will be shown on my/our bank statement.
7. I/We undertake to pay any costs, which may result from this debit order instruction.
8. This debit order will remain in force until full settlement of the loan amounts is made with MME.
9. I/We hereby indemnify the lender against any interest, costs or other damages arising from refusal by my/our above-named bank/building society to accept a debit levied in terms of this instruction.

Thus done and signed at.....on this.....day of.....20.....

.....
Authorizing Signature

.....
Assisted by (where legally required)

NB! PLEASE ATTACH A 3 MONTHS BANK STATEMENT FOR VERIFICATION

FIXED MONTHLY INCOME & EXPENDITURE

Financial statement of

EXPENSES		
• Bond Payment	N\$	
• Rent payment	N\$	
• Hire purchase accounts	N\$	
• Personal Loan	N\$	
• Clothing Accounts	N\$	
• Electricity, Water, Rates & Taxes	N\$	
• Total Debit /Stop Orders	N\$	
• Groceries	N\$	
• Insurance	N\$	
• TOTAL MONTHLY EXPENDITURE	N\$	

FIXED MONTHLY INCOME		
Monthly salary (Net income)	N\$	
	N\$	
Monthly salary of spouse (Net income)	N\$	
Other income (please specify)	N\$	
	N\$	
TOTAL MONTHLY INCOME	N\$	
	N\$	
LESS TOTAL MONTHLY EXPENDITURE	N\$	
	N\$	
Surplus income for solar premium instalments	N\$	

I hereby declared that this statement is given to MME as proud of my position is a full, true and correct statement.

Date:.....

Signature:.....

FOR OFFICIAL USE ONLY

LOAN AMOUNT APPLIED FOR:		ITC report satisfactory	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Less 5% mandatory deposit		CompuScan report satisfactory	<input type="checkbox"/> YES	<input type="checkbox"/> NO
PRINCIPAL LOAN AMOUNT		Income and Expenditure statement	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Loan interest		Authorized debit order	<input type="checkbox"/> YES	<input type="checkbox"/> NO
TOTAL COLLECTABLE		3 months bank statement	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Monthly instalment:				
ATTACHMENTS:				
ID	<input type="checkbox"/> YES	<input type="checkbox"/> NO		
Payslip	<input type="checkbox"/> YES	<input type="checkbox"/> NO		
Quotation from accredited service provider	<input type="checkbox"/> YES	<input type="checkbox"/> NO		

RECOMMENDATIONS:

.....

Date: Signature: (Loan Officer)

APPROVED DISAPPROVED

SRF LOAN APPROVAL COMMITTEE:

Date: Stamp/Signature:

Remarks:

Renewable Energy Technologies Financing

The Ministry of Mines and Energy (MME) is the sole administrator of the Solar Revolving Fund (SRF). The SRF is a credit facility established by MME to stimulate demand for the utilization of renewable energy technologies in the rural areas, especially for communities living in off-grid areas, but also to urban clients. The SRF is the element of the Off-Grid Energisation Master Plan for Namibia (OGEMP) whose objective is to provide access to appropriate energy technologies to rural areas.

How does the SRF operate?

The SRF runs on an ownership model where individuals obtain loans to purchase Renewable Energy Technology products by obtaining a detailed quotation from the accredited Energy Service Providers to install the technology at the area of choice.

Who can apply for the SRF Loan?

- Applicant must be a Namibian Citizen, age 21-55.
- Any person with an active bank account into which his/her monthly or regular income is paid and with a clean credit record. Credit references will be verified with Trans Union® and CompuScan®
- Any person who can prove 2 years of employment with the same employer/ same line of employment.
- A pensioner with a regular income e.g. Farmer /having a business, able to pay 30% deposit of total loan.

Loan Criteria

- Maximum loan amount: N\$50,000 for Solar Water Pump, N\$6,000 - N\$35,000 for Solar Home System, N\$30,000 for Solar Water Heaters. Solar Cookers/Stoves, will be financed as a lumpsum with Solar Home Systems.
- Loan amount must not exceed a third of the applicant's annual gross income.
- The loan can be repaid via debit order and payroll deduction.
- Only 5% interest is charged over the loan period of 60 months.
- SRF has a pre-qualified list of registered Energy Service Providers approved by the National Technical Committee on Renewable Energy (NTCRE) which can be obtained from the SRF Office at the Ministry of Mines and Energy.

Application Process

Application forms can be obtained from the Ministry of Mines and Energy, Local Energy Shops, Energy Service Provider and at all Regional Offices, and can be downloaded from the MME website.

Submit the completed application form together with a certified copy of your ID and latest pay slip or proof of income. You are also required to provide a detailed quotation from accredited Energy Service Provider. The application will be assessed, if successful you will be informed in writing as well as telephonically or contacted via an Energy Service Provider to deposit 5% of quoted price and fax proof of payment to the head office.

General Information

System Installation: Once the deposit is confirmed with the bank, SRF will issue a purchase order to your Energy Service Provider of choice to arrange for the system delivery and installation at your address indicated on the application form within 14 days. You are requested to sign the installation report, to prove that you have received the system as per quotation and to signify that you are satisfied with the installation and the system is operational. **Do not sign the installation report if your system is not installed or not working.**

Installation Verification: The Ministry will conduct a installation verification to ensure that your system was installed. This is a once off activity, and will be done one or two months after installation.

Payment: Once the loan is granted to you, you will start paying the loan upon your certification, after the completion of the system installation. You will be responsible to honour the monthly installments until full payment of the loan through debit order.

Loan Defaulting: Failure to make monthly payments will result in the outstanding balance becoming due and payable immediately. A 5% interest rate will be levied on any overdue amount in respect of any period (s).

TAKE NOTE:

Arrears and/or defaults in installments for three consecutive months may result in legal proceedings or backlisting on Trans Union® (ITC).

Insurance: Insurance is provided by the Ministry of Mines and Energy. **Insurance covers only "Acts of God",** such as lightning, Flood or hail, wind as well as damages caused by animals. **Theft is not covered.** An excess fee is payable by the borrower on any claim made out to the insurer. Applicants can obtain claim forms from the Loan Officer and should be submitted within 3 months after the damage. Client should provide a quotation and statement made under oath from the nearest police station.

In case of death, the remaining balance of the loan is written off and the system becomes a property of the deceased's family, provided that a certified death certificate is submitted to the Ministry.

TAKE NOTE:

Failure to repay the loan will result in terminating insurance benefits from the Ministry.

Cancellation Fee: Clients will be charged cancellation fee, 15% of total deposit received, upon cancelling their loans with the fund.

After Sales Services and Warranty: There is limited maintenance of solar systems once installed properly.

However, after sales service and warranty will be provided by your Energy Service Provider. The Ministry will provide you with the End-User Guide on how to take care of your system and what to do in case of emergency. The Ministry will not be held liable for malfunctioning systems.

TAKE NOTE:

Discuss and agree on a guarantee/warranty lasting at least 1 year from the day of installation of your solar system with your Energy Service Provider.

The SRF does not give any guarantee or warranty to the borrower in relation to the loan.



A **Solar Home System** typically has the capacity to power lights and devices such as radios, TVs, fridges and cell phone chargers.



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A **Solar Water Pump** uses solar photo-voltaic panels to provide energy for pumping water for livestock and domestic use.



Energy Efficient Stoves for cooking and baking - you will save on wood thus saving money and the environment.



For further information Contact:

The Loan Officer

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Website: <http://www.mme.gov.na>

Email: srf@mme.gov.na



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OGEMP

SOLAR REVOLVING FUND

FACT SHEET

FINANCIAL SOLUTIONS

FOR

RENEWABLE ENERGY

TECHNOLOGIES