INTRODUCTION
REA
CLUB ER GM
ABIDJAN 09/2018

BY
NAME
TITLE
RURAL ELECTRIFICATION AGENCY
Outline

- Status of electrification
- Institutional structure
- Legislative and policy basis for REA
- Roles of the REA
- Rural Electrification Fund
Status of electrification

- Total population: 181m
- Total number of ppl living in electrified areas: 54% (98m)

Electricity supply options - 10km grid buffer (progressive)

- **Total results**
  - Grid: 41 m ppl
  - Mini-grid: 26.2 m ppl
  - SHS: 5.5 m ppl

- **PV potential**
  - Mini-grid: 3,660 MW (700Wp per hhd)
  - SHS: 164 MW (150Wp per SHS)

Electricity supply options - 20km grid buffer (conservative)

- **Total results**
  - Grid: 57.1 m ppl
  - Mini-grid: 12.8 m ppl
  - SHS: 2.8 m ppl

- **PV potential**
  - Mini-grid: 1,790 MW (700Wp per hhd)
  - SHS: 84MW (150Wp per SHS)

Institutional structure

- Reporting structure for REA
  - REA reports to the Minister of Power Works and Housing

- Other key federal actors in the power sector:
  - Nigerian Electricity Regulatory Commission (Regulator)
    - (e.g. Mini-grid Regulations - Draft)
  - Nigerian Electricity Management Services Agency (Certification)
    - (e.g. Metering technologies)
  - Other members of Inter-Ministerial Committee on RE and EE

- State Governments
  - Constitutional mandate to electrify off-grid areas

- **Coordination** structures key to success
Legislative and policy basis

- Electricity Power Sector Reform Act, 2005 (Art. 88)
- Rural Electrification Policy, 2008
- Rural Electrification Strategy and Plan, 2016
- REF Operational Guidelines (under development)

- Foundations for paradigm shift
Roles of the REA

- Set-up and administer REF (EPSRA Art 88 (11))
- Promote rural electrification (EPSRA Art 88 (13))
- Manage and resolve legacy projects (RESP)
REF - Funding sources (1)

- (EPSRA 88 (12))
  - any surplus to NERC’s budgeted requirements;
  - any fines obtained by NERC;
  - any donations, gifts or loans;
  - contributions from licensees and eligible customers; and interest and other benefits accrued to the REF;
  - and monies appropriated by the National Assembly;
  - such percentage of the annual turnover of the licensee’s as may be determined by NERC.
REF - Governance Structure (2)

- (EPSRA 91 (1b)) project selection through competition
- RESP
  - Transparent project eligibility & selection criteria
  - Evaluation team to assess project applications
  - REF Dept compiles ranked project list and recommendations for funding
  - REA Management Team reviews compliance
  - REA Board approves
  - Selected project reaches specified milestones
  - Funds then approved for release from Trust escrow
REF - Eligibility criteria (3)

- EPSRA 91 (2) tbd by REA with Minister
- RESP provides guidance
  - Technical, economic and financial viability
  - Degree of impact on rural development
  - Level of community/investor commitment
REF - Eligibility criteria (4)

- (EPSRA 91 (3)) provides guidance
  - Funds shall be allocated to projects according to available resources in REF;
  - The cost per connection created under the project; and
  - Other objective criteria e.g. tariff levels or service quality.

- (EPSRA 88 (13)) also provides guidance
  - Achieve more equitable regional energy access;
  - Maximise the economic, social and environmental benefits of rural electrification subsidies;
  - Promote expansion of the grid and development of off-grid electrification;
  - Stimulate innovative approaches to rural electrification (provided that no part of the REF is used as subsidies for consumption);
THANK YOU.