

MINI-GRIDS ENVIRONMENT IN BURKINA FASO


**For AFUR Project Steering
Committee - ARSE BURKINA
FASO**


August 2, 2021

PRESENTATION OUTLINE

- 1 Introduction**
- 2 Background**
- 3 Mini-Grids environment**
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INTRODUCTION

 Reform of the electricity sector by the government with the adoption of Act 027-2007/AN of November 20, 2007, establishing the liberalization of the electricity sector.

 Creation of the Autorité de Régulation du Sous-secteur de l'Electricité (ARSE) with the status of an independent administrative authority attached to the Prime Ministry and enjoying financial autonomy.

INTRODUCTION

ARSE's missions:



BACKGROUND



Until 2000, the prevailing institutional, economic and financial framework in the electricity sector in Burkina Faso did not allow for an effective response to energy problems experienced in rural areas. However, the adoption of the LPDE in 2000 and the creation of the Fonds de Développement de l'Electrification (Electrification Development Fund) in 2003 gave a new impetus to access to electricity in rural and peri-urban areas.

BACKGROUND

Act 014-2017
General regulation
of the energy sector.

ARSE: Autorité de Régulation du Secteur de l'Énergie (Regulatory Authority for the Energy Sector)

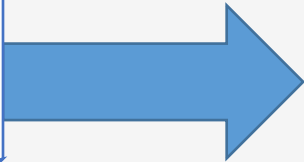
MEMC: Ministry of Energy, Mines and Quarries

SONABEL: Société Nationale Burkinabè d'Électricité (Burkina Faso National Electricity Company)

ABER: Agence Burkinabè de l'Électrification Rurale (The Burkina Faso Agency for Rural Electrification)

ANEREE: National Agency for Renewable Energy and Energy Efficiency⁶

Actors in
the energy
sector

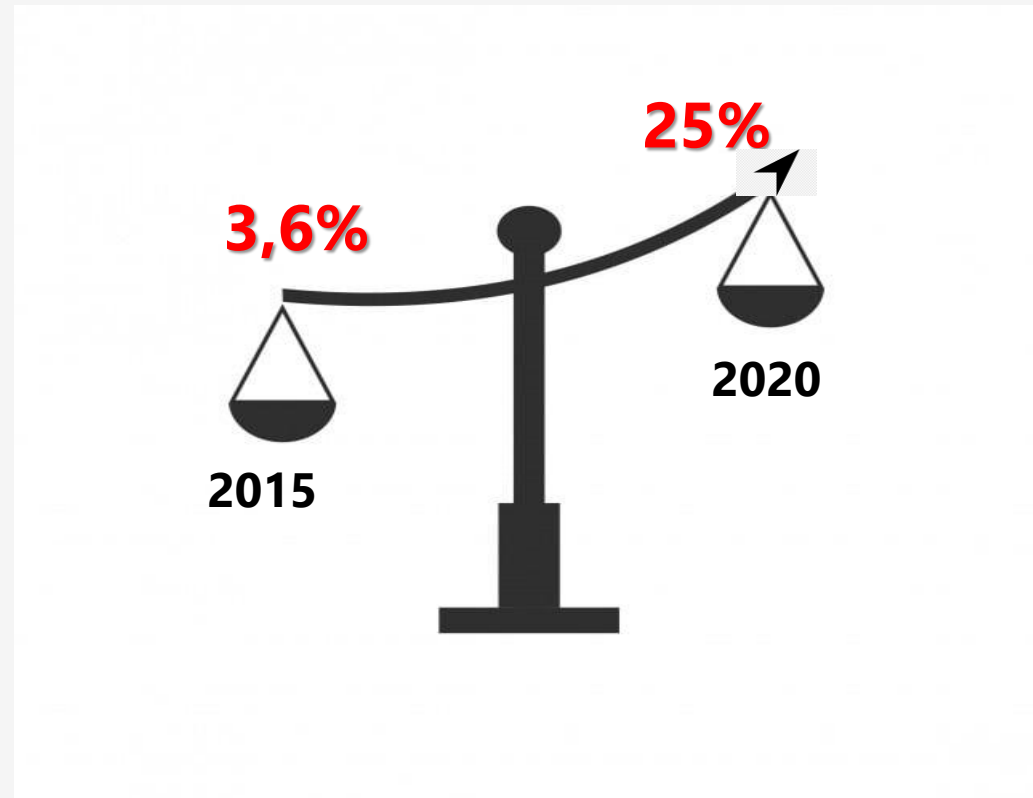


MINI-GRIDS ENVIRONMENT



**National
electrification rate:
22%**

A considerable increase in the rate of access to electricity in rural areas:

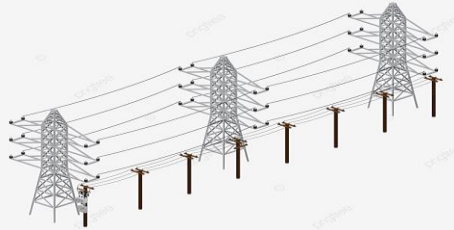


MINI-GRIDS ENVIRONMENT



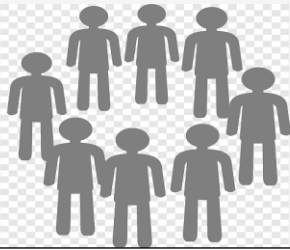
873 Rural communities

85% of which are connected to the grid
and 15% in isolated systems



+53% work in 322 localities

69 of which were commissioned



4 million people have access to energy
in rural areas

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- ❑ The exercise of professional activity in mini-grids (construction of electrical systems) is subject to specific conditions / Approvals (power plant, solar systems, grids);
- ❑ There are technical specifications for the construction of :
 - ❖ HV/MV, LV networks;
 - ❖ power plants ;
 - ❖ Civil engineering.
- ❑ Standards applicable to networks, solar systems, ...;
- ❑ Specifications for the operation of electrical systems (networks, power plants, solar systems)

MINI-GRIDS ENVIRONMENT

SELECTION CRITERION FOR RURAL ELECTRIFICATION PROJECTS

All rural electrification projects are selected on the basis of the following criteria:

- ✓ Regional balance based on the poverty index;
- ✓ Population size;
- ✓ Other criteria include:

MINI-GRIDS ENVIRONMENT

- ❖ the presence of administrative and social services and basic economic infrastructure;
- ❖ the proximity to an electric power line or to a power plant;
- ❖ the housing ;
- ❖ the accessibility ;
- ❖ the possibility of interconnection of neighbouring communities.

MINI-GRID TARIFFS

The mini-grid tariffs are determined according to Order No. 2015-00-014/MME/MEF/MICA of October 06, 2015.

These tariffs are applied in both rural and urban areas.

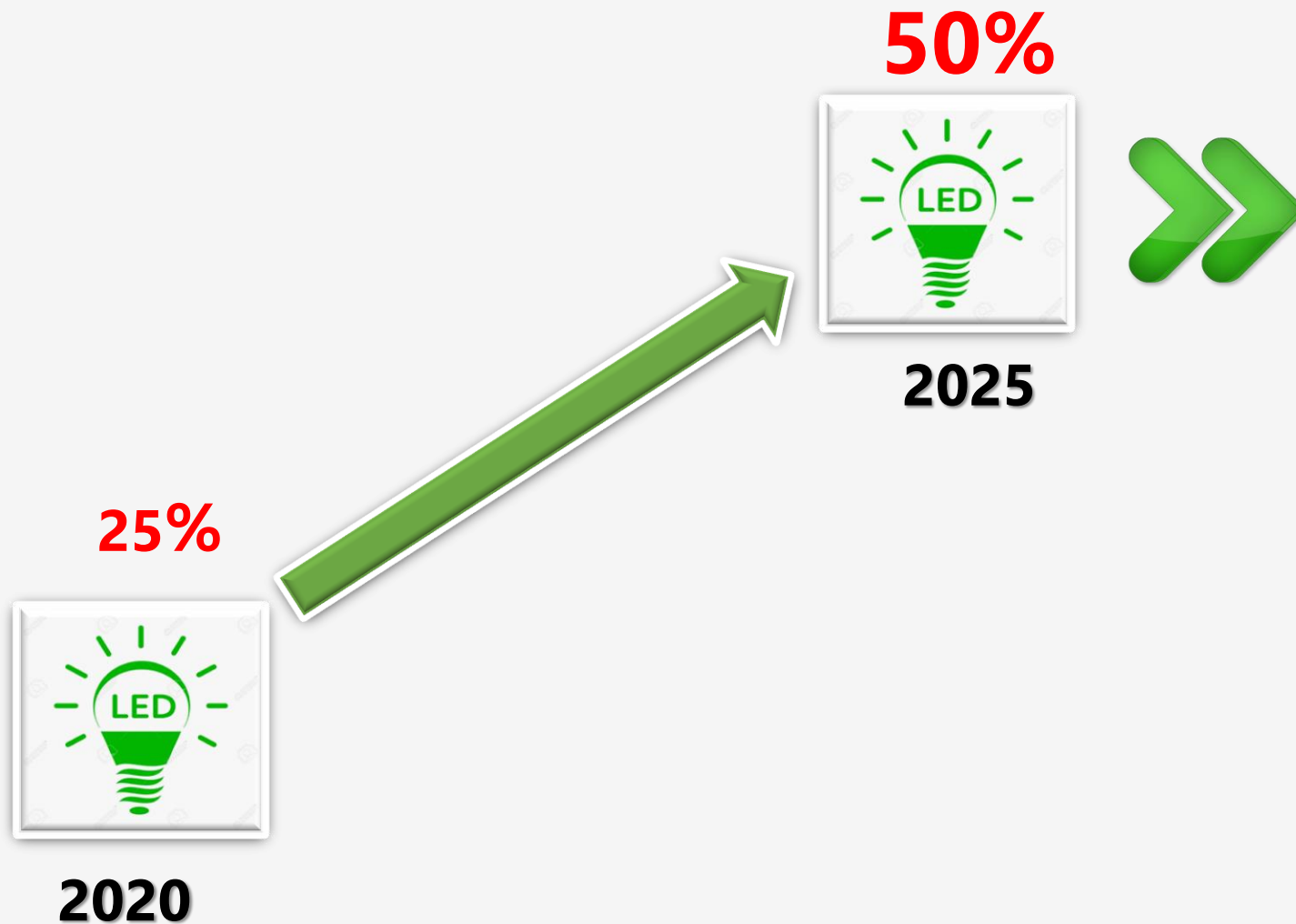
Important note: Electricity tariffs are set by order issued by the Ministry in charge of energy.

MINI-GRID TARIFFS

PROSPECTS FOR TARIFFS

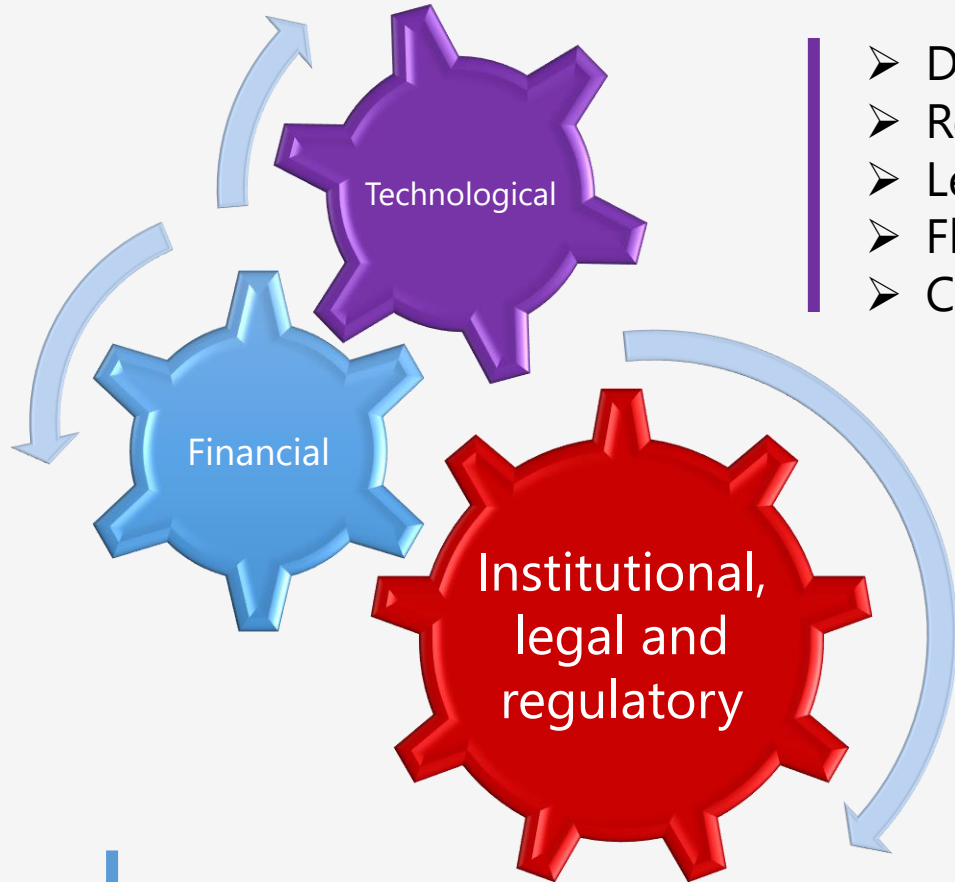
- ❑ Tariffs regulated for reasons of social equity, access, particular socio-economic considerations;
- ❑ Sale of kWh still regulated, but sale of commercial electric service, not regulated a priori;
- ❑ Perspective of solar tariffs;
- ❑ Sector balance / consumer protection

CHALLENGES FACED BY THE MINI-GRID SECTOR



- ❑ 1200 New rural communities to be electrified
- ❑ Reforms of the role of actors/COOPELS
- ❑ 8 million people will have access to electricity

CHALLENGES FACED BY THE MINI-GRID SECTOR



- Decentralized solar solutions;
- Relatively affordable solar kWh;
- Less energy intensive equipment;
- Flexible and secure payment systems;
- Communicating prepayment meters;

- Partial liberalization of the sector Act 014-2017;
- Strengthening of the control and regulation;
- Promotion of RE and energy efficiency;
- Roles and responsibilities of actors well defined;
- Regulated quality standards;

- Existence of private capital;
- Proposal for loans at concessional rates;
- More flexible financial conditions for access.

**THANK YOU FOR YOUR
ATTENTION**

