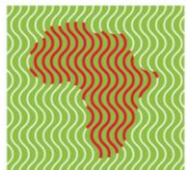


»» GET FiT Zambia: Introduction and Overview

*Launch and 100MW Solar PV Tender Pre-Bid Meeting
7 February 2017, Lusaka*

Jan Martin Witte, Director, KfW

Will Pearson, GET FiT Zambia Director



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»» GET FiT Zambia Overview

- 1 GET FiT Zambia: Implementing the Zambian REFiT Strategy
- 2 GET FiT Program Overview, Governance, and Benefits
- 3 Procurement Round 1: 100 MW Solar PV tender
- 4 Procurement Round 2: Hydro tender (multiple windows)

»» GET FiT Zambia: Implementing the Zambian REFiT Strategy

Initial focus on promoting 200MW over a three-year period

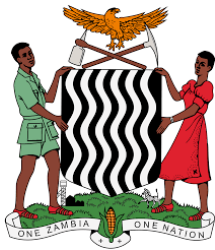
- › In December 2017, GET FiT Zambia became the official implementation program for the Zambian Renewable Energy Feed-in Tariff (REFiT) Strategy.
- › The REFiT Strategy was adopted by Cabinet and formally launched by the Ministry of Energy in October 2017. The program promotes diversification of the power sector by adding a portfolio of small- and medium-sized renewable energy projects in the short term.
- › Phase I of the REFiT Strategy provides for the following:
 - › An allocation of 200 MW to be procured over a three year period (2017-2020)
 - › A maximum project size of 20 MW
 - › Eligible technologies to include solar PV, hydro, geothermal, wind, and biomass



»» GET FiT Zambia: Implementing the Zambian REFiT Strategy

Developed in partnership between Government of Zambia and German Development Cooperation

- › GET FiT Zambia was developed with EUR 31m in grant support from the German government and in a partnership between the Ministry of Energy and KfW (the German Development Bank).
- › Other key partners in the development of the program included ZESCO and the Energy Regulation Board.
- › The program aims to build on the success of GET FiT Uganda, which spurred investment in over 170 MW of small- to medium-scale renewable energy projects.



»» GET FiT Zambia: Implementing the Zambian REFiT Strategy

Four interlocking program components

- › **Viability Gap Funding:** Results-based tariff support (top up applicable to projects using REFiTs; not envisioned for solar PV)
- › **Technical Assistance:** Standardized legal documents; GET FiT program management; streamlining of permitting /licensing; support to tender processes
- › **Grid Integration:** Technical support on solar PV grid connection for ZESCO and funding of grid interconnection in specified cases (not applicable for solar PV).
- › **Risk Mitigation:** KfW has partnered with ATI to develop a short-term liquidity support product called the Regional Liquidity Support Facility



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»» GET FiT Zambia Program Governance



»» GET FiT Zambia: Benefits

- › Timely procurement of 200 MW of renewable energy capacity, or 7% of the existing installed capacity in Zambia
- › Contributes to the diversification of Zambia's power mix while ensuring projects are cost-reflective for Zambian end users
- › Introduces standardized legal documentation for IPPs in Zambia.
- › Promotes competition and enhances private sector participation in the Zambian power sector.
- › Technical assistance including enhanced regulatory and licensing procedures and solar PV grid connection training for ZESCO



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»» GET FiT Zambia Round 1: Solar PV tender

- › Round 1 will be for up to 100MW of solar PV capacity.
- › In line with the REFiT Strategy, the solar PV tender will be a reverse bid auction and ZESCO is the offtaker. The selection of projects will be based on price competition, subject to bidders fulfilling conditions in the tender documentation.
- › Today's program will cover this tender in much more detail, including:
 - › Standardized legal documents developed with Zambian stakeholders;
 - › The solar PV tender procurement process
 - › Finance, Risk mitigation and TA products offered for IPPs
 - › The benefits of Zambian involvement in bidding consortia



Photo courtesy of Multiconsult

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»» GET FiT Zambia Round 2: Hydro tender

- › GET FiT Zambia has also received an allocation of up to 100 MW for hydro power.
- › In accordance with the REFiT Strategy, the Energy Regulation Board is tasked with preparing and issuing a REFiT tariff for the hydro power. The tariff shall be a differentiated tariff regime according to the capacity or size of the project.
- › Along with government and other stakeholders, GET FiT Zambia is actively developing this tender and plans to launch the first window of the tender before end of 2018, with additional windows envisaged for 2019 and 2020.



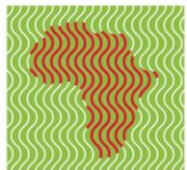
»» GET FiT Zambia: subsequent tenders

- › GET FiT Zambia is committed to work alongside the Department of Energy to ensure the fulfillment of the Phase 1 REFiT allocation of 200MW.
- › There are several other exciting renewable energy projects in development in Zambia using other technologies such as geothermal, wind, and biomass. In addition, the REFiT Strategy calls for a 5 MW micro-generation allocation.
- › Through consultation with Zambian stakeholders, further guidance on subsequent GET FiT tenders is forthcoming.

»» Thank you again for your attention and interest in GET FiT Zambia!

If you have any questions about the solar PV tender, please write to solar@getfit-zambia.org.

For more general questions about the program, please write to info@getfit-zambia.org or check out the website at getfit-zambia.org.



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