

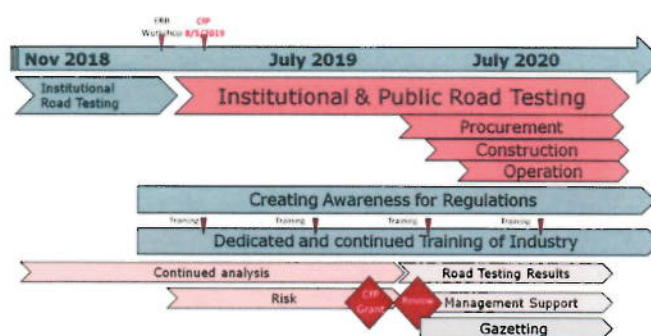


**ROAD TESTING METHODOLOGY FOR THE MINI-
GRID REGULATORY FRAMEWORK IN ZAMBIA**

The Government of the Republic of Zambia through the Ministry of Energy (MoE) with the support of the European Union (EU) is implementing a project called "Increased Access to Electricity and Renewable Energy Production (IAEREP)". The overall objective of the project is to increase access to clean, reliable and affordable energy and promote renewable energy production and energy efficiency across Zambia.

In order to facilitate **solicited** (refer to Call for Proposals (CfP) for Mini-grids by Rural Electrification Authority (REA) from 8/5/2019) and **unsolicited Mini-grid projects**, the Energy Regulation Board (ERB) developed with support of IEAREP an enabling regulatory framework for Mini-grids development in Zambia focusing on licensing, economic and technical requirements. The Board approved the proposed Mini-grid regulatory framework in October 2018 on the basis that it would then be road-tested and the lessons learnt incorporated into a final regulation which would culminate in a *Gazetted* regulation.

The Road Testing Methodology **invites** private, commercial, institutional and governmental stakeholders **to actively join** the journey from ERB Board approval into a *Gazetted* regulation by set of activities. The activities encompass four domains (Creating Awareness, Dedicated Training, GAP Analysis, and Key Risks) in which the **ERB seeks intense exchange with the public**. The Road testing period commenced in March 2019 and is scheduled to finish in 2nd half of 2020, when milestones will be passed in due time. The key period of the road-resting period will last until December 2019, in which the ERB will collect broad feed-back from the market and analyze it to assess whether the Regulatory Framework sufficiently serves the needs of the REA CFP for Mini-grids.



As a first action of "Creating Awareness" the ERB invited stakeholders to an in-house workshop on the 6th of March 2019 to introduce the public into the approved Mini-grid Regulatory Framework. The ERB will continue to inform about interested and affected parties of the Regulatory Framework in conferences, workshops, on a dedicated ERB Mini-grid web portal for Zambia, on Social Media Channels and through presentations to national and international renewable energy associations.

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The ERB will use both activities to establish a database on frequently asked questions and answers (Q&A) from interested parties and from stakeholder comments. This collection of information about the Regulatory Framework will enable the ERB to proceed rapidly to *Gazetted* regulations.

At an early stage the ERB and Governmental institutions will receive on an ongoing basis information pertinent to potential risks identified in a timely manner and external risk factors that could have a detrimental effect to the implementation of the Regulatory Framework.

The interactive exchanges and the database will be used to inform the ERB with a "GAP Analysis" concerning potential gaps in the Regulatory Framework and investor and/or developer expectations. The analysis will channel further considerations of the ERB towards the *Gazetted* Regulation.