

RWANDA SIMPLIFIED LICENSING PROCEDURE FOR OFF-GRID RENEWABLE ENERGY PROJECTS

Policy Overview

Rwanda's Utility Regulation Authority (RURA) introduced a simplified licensing regime for off-grid renewables which provides a supportive and stable legal framework to the sector.

Developers can apply for licenses to develop mini-grid of up to 1 MW and small generation projects of up to 5 MW. The licenses for full mini-grid awards exclusive rights on transport and retail of energy for 5 to 25 years in a geographically determined area, while generation remains open to competition if it is proven that the system is not meeting demand. Retail can be awarded, as well as isolated distribution grid only licenses with cover distribution and retail for periods ranging from 5 to 25 years. The tariff can be set by the developer at a level allowing cost recovery and a 'reasonable rate of return'. This can be reviewed at any time by RURA. Mini-grids of less than 50kW are exempt of the licensing procedure but must notify the authorities.

The RURA has committed to processing times for licenses applications of no more than 60 days.

In the case of the main grid arriving within connecting distance of a mini-grid project, the license holder must choose one of three options:

- 1) Switch his license to a small power distribution and generation license which will be valid for the remainder period of the original license (effectively splitting his business into a generator that sells to the grid that can qualify for feed-in tariffs, and an electricity retailer that buys from it).
- 2) Negotiated the acquisition of the project by the national utility.
- 3) Relocated the assets, where possible and in exchange of a relocation fee, and operate for the remainder of his license period.

Finally, in the exceptional case were connecting to the main grid would not benefit to the local population, the regulator may decide to withhold the license conversion.

Policy Action

Legislation / Governance URL: [Rwanda - Simplified Rural Electrification Licensing Framework \(2015\)](#)
 Effective Start Date: 01 Jul 2015

Countries

Rwanda

Subsectors

All

Organisations (2 matches)

- Ministry institutions (2 matches)
 - [Republic of Rwanda](#) A4 Minor (<10% of value) Government / Public sector
 - [Rwanda Ministry of Infrastructure](#) A4 Minor (<10% of value) Government / Public sector

Attributes

Status: In force

Energy Use: Power

Details of Policy Review:

July 2015

RURA introduces the simplified licensing regime

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2012

New government electrification targets including a 22% share through off grid solutions

Record Type: Policy Overview

Last Policy Update: 01 Jul 2015

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Insight Notes (15 matches) 

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- 14 Apr 2016 [H1 2016 Sub-Saharan Africa Market Outlook](#) Market Outlook 39
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- 15 Jul 2015 [Auction policy overview - EMEA](#) Research Note 4
- 12 Dec 2014 [Webinar: Climatescope 2014 - Africa](#) Conference Call Presentation 43