



RENEWABLE ENERGY INVESTMENT IN MALAWI

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COUNTRY PROFILE

MALAWI

Population	:13,165,700 (2008)	
Size	:118,484sq KM	
No of districts	:28	
Energy mix	:Biomass	80%
	:Liquid fuels	5.5%
	:Electricity	8.0%
	:Coal	4.0%
	:Renewables	2.5%
	:Nuclear	0.0%

RECENT RENEWABLE ENERGY INVESTMENT

Name of the project	:Chigunda Solar village (Nkhotakota District)
System design	:Solar- wind hybrid system
Capacity	:Solar 13 kW and wind 7kW
No. of panels	:70 x 80W
No. of batteries	:52 x 200Ah
No. of beneficiaries	:150 households
System components	:5 lights /house :5000 litre water tank

REGULATORY IMPLICATION

- Concession agreement between Government and utility company covering among others:
 - 1. Cooperation with other suppliers of electricity
 - ✓ 2. Charging consumers regulated tariff
 - 1. 3. Reporting to government on performance

SUCCESSSES

- 150 rural households benefiting
- Improved literacy level
- Increased economic activity
- Less reliance of paraffin for lighting
- Improved health services (safe water)
- Improved communication services (cellphone charging)
- Improved social life (video and music shows)

SOLAR WATER TANK



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CHALLENGES

- Long payback period
e.g This investment costed USD330,000,
Repayment@USD1.20/per household/month
- Package without capacity building for beneficiaries e.g
maintenance
- Low affordability by the rural community
- High initial cost of installation due to being landlocked
- Limited power capacity; low during cloudy and calm
weather conditions

LESSONS LEARNT

- Need for economic viability analysis before project implementation
- Beneficiaries to be trained on system maintenance
- Need to ascertain project ownership before implementation
- Need for clear measures on system sustainability

POLICY INCENTIVES

- The Government has removed import duty on all renewable energy equipment
- Government has introduced a deliberate policy on rural electrification-Levy in the Liquid fuel price build-up
- Government has reduced licensing fees from \$333/annum to \$67/annum for importers and installers

CONCLUSION

- Government of Malawi is committed to promotion of renewable energy.
- Market potential is growing at faster rate
- Regulatory instruments are already in place:

NERA

- Energy Regulation Act, No. 20 of 2004
- Rural Electrification Act, No. 21 of 2004
- Electricity Act, No. 22 of 2004

SOLAR HOUSE



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SOLAR VILLAGE



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