GET FiT:
Leveraging private investments in renewable energy

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GET FiT: An Innovative Approach to Facilitating Private Investment into RE

• **Improve enabling environment** for private investments in renewable energy projects

• Target **regulatory, institutional and financial gaps** preventing private investments

• Ensure that host government is able to take over full responsibility to maintain the enabling environment
GET FiT Implementation

• GET FiT Uganda implemented since 2013

• GET FiT Zambia to start in 2017

• Other country programmes being planned (Namibia, Mozambique, Vietnam)
GET FiT Uganda

Program Highlights
...In numbers...

830 GWh p.a.
Of renewable energy for the national grid targeted.

MEUR 91
Committed by development partners for the various components.

1:5 Direct Leverage Ratio
(GET FiT Premium Payment commitments: investment) expected, even with results based grant financing.

MUSD 520
In targeted private investments.

170 MW
Targeted for support, representing 21% of current total installed capacity.
2010: Uganda’s sector was advanced but not generating desired outcomes

GET FIT Tool-box designed to meet the challenges in the sector

**CHALLENGES AND BARRIERS TO INVESTMENT**

- Insufficient Incentives
- Patchy Enabling Environment
- High demands on GoU

**GET FIT TOOLBOX**

- GFPPM
- Solar Facility
- PPA and IA.
- WB PRG.
- TA Facility

**Prevent power supply shortage**

**Sustainable support, limiting public subsidies and ensuring exit strategy**
GET FiT Premium Payment Mechanism

Fixed REFIT top-ups / variable viability gap payments for solar

Frontloaded, performance based over first five years of operation

GET FiT Premium Payment (top-up)

REFIT

- USc/kWh 8 for bagasse
- USc/kWh 8.5 – 11.5 for hydro
- USc/kWh 11 for solar

50% of total GET FiT premium on COD

50% of total GET FiT premium disbursed over 5 first years of operation.
Additionality of GET FiT

Ugandan REFiT and GET FiT provides just enough to bring 12 of 15 projects into investment viability

Typical FIRR hurdle rates (b4 tax)

Financial Internal Rate of Return b4 tax

Actual SHPs approved and/or applied for GET FiT support

FIRR w/ GFPPM  FIRR w/o GFPPM
GET FiT Uganda: Achievements so far...

- 17 projects approved
- Hydro, bagasse (biomass) and PV
- 157 MW
- USD 429 million private investment (excl. GET FiT premiums)
- 43% private financing (57% from DFIs)
- 12 signed PPAs
- 2 projects commissioned
- 8 projects under construction
Number of IPPs per country SSA (excl. RSA)

- Kenya: 12
- Uganda: 15
- Mauritius: 6
- Senegal: 4
- Tanzania: 4
- Nigeria: 4
- Ghana: 2
- Côte d'Ivoire: 2
- Cameroon: 2
- Angola: 2
- Zambia: 2
- Togo: 2
- Cape Verde: 2
- Madagascar: 2
- Sierra Leone: 2
- Rwanda: 2
- Gambia: 2
GET FiT Zambia

• Stimulate private investments in small scale renewable projects (1-20 MW)

• 200 MW of grid-connected capacity

• Phase 1: 50 MW solar PV through auction

• Launch in Q1 2017
Thank you for your attention!

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