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Namibia's Renewable Energy Feed-In Tariff (REFIT) Program, 1 year in - Jan-Barend Scheepers

The REFIT Program, initiated by the Electricity Control Board (ECB), was finalized in October 2015. This was reached with NamPower signing 14 Power Purchasing Agreements (PPAs) with various Independent Power Producers (IPPs). These IPP's were selected based on the first to prove their ability to secure the required financial backing to implement, construct and commission their renewable power plants.

Now 12 months later, what is the status of the implementation of these 14 projects? Designed to add 70MW to the Namibian embedded generation capacity, thus far only two 5MW solar PV farms have been completed and commissioned. Done by HopSol (backed by a Swiss partner) and InnoSun (backed by a French partner), these are situated outside of Grootfontein and Okahandja, respectively.

Ten of these remaining PPAs are for solar PV plants on tracking systems (which follow the sun) so as to ensure more continuous production throughout daylight hours, as opposed to stationary panels (which only peak during the midday). The eleventh remaining PPA is for a wind park outside of Lüderitz.

Regarding the remaining 11 projects, NamPower and the ECB stated that financial close had been reached and that all are on track to be implemented before the July 2017 deadline. Thus far the usual construction period for a 5MW solar farm in Namibia seems to range between four and six months, therefore NamPower and the ECB are confident that ample time remains for the remaining 10 solar PV plants to be fully. However, it must be noted that now 85% of the projects must still be completed in only 42% of the originally allotted time.

An expansion or renewal of this program in 2017 is uncertain at this stage, as it might be decided that larger scale tender awarded projects are preferable. Even if in hindsight the program merely added a small capacity increase, it has laid the foundation for an exciting future for renewable energy in Namibia. This is especially evident with Namibia's COP21 pledge to reach 70% renewable energy by 2030.

This programme has done more than just produce power, however. The program has enabled increases in local and foreign investment, employment creation and a large amount of domestic skills development within the renewable energy sector. With a model which decentralizes energy generation across the country, many of these benefits have also been distributed outside of the usual economic centres.

Only time will tell how many of the remaining projects will translate into actual Namibian Power production, but thus far REFIT has been a success for Namibia.