

MURUNDA MICRO HYDRO POWER

REPRO SARL

MHP in Rwanda

- Rwanda is known as the country of thousand hills, but it is also the country of numerous small rivers that originate and flow down these hills.
- To date 333 sites have been identified for MHP projects.
- Hydro-power is a major alternative for electricity generation in the country with a current installed capacity of 42.9 MW (48.1% of the total) provided by hydro plants smaller than 12 MW.
- Today, installed generation capacity in Rwanda is 89.3 MW, which produces 277,289 MWh/year and provides electricity to about 10% of the country's population.



Private sector approach in RE

- The first private operational MHPP.
- Construction works from March 2008 - March 2010.
- Official inauguration 25th May 2010 by the Minister of Energy.
- Project realized through a PPP:
 - 32% owners equity
 - 50% grant (EnDev programme)
 - 18% commercial bank loan



Benefits of the private sector approach

- Clear ownership, this ensures efficient management.
 - REPRO does the operation and maintenance of the plant.
- Profitability for REPRO but also for the local community:
 - Employment of 300 local people during construction and 7 permanent jobs during operational phase.
 - More reliable electricity supply for the development of local businesses.
- Acquired experience enabling REPRO to develop new sites.



Lessons learnt in Rwanda

Pre-conditions for investment:

- Government support
- Entrepreneurship spirit within RE sector
- Availability of project development capacity
- Availability of seed public funding support
- Availability of bank loans

Challenges encountered in Rwanda:

- Combination of extremely high investment cost and electricity prices non cost-reflective, thus the need for substantial subsidy to make this private approach possible
- High loan interest rate from local banks
- Limited engineering capacity (technical feasibility study, detailed design, commissioning of the hydraulic equipment, etc.)
- High importation cost associated with small quantities
- No former private companies to learn from



Murakoze !

Thank you for your attention

**REPRO SARL
P.O. Box 6165
Kigali – Rwanda
Phone: +250 252 580437**

www.reprorwanda.com

