

Rural Electrification Fund (REF)



What is the REF?

REF is a public institution with administrative, technical, and financial autonomy under the Laws of the Kingdom of Cambodia.



REF Management

- ❑ REF is governed by a Board (Policy and Strategy Oversight Responsibilities).
- ❑ Board Membership consists of representatives from key ministries, donors, rural electricity enterprises, consumers and Cambodia's financial sector.
- ❑ Operational activities are carried out by REF Secretariat.



Objectives of the REF

- (1) to promote the equitable rural electrification by facilitating the access to electricity in the Rural areas at affordable price;**
- (2) to encourage the private sector to participate in providing sustainable rural electricity services.**



Funding Sources

- **Credit from the World Bank to RGC**
- **Grant from Global Environmental Facility**
- **Counterpart money from RGC**
- **Future funding may include funds from other countries.**



Better Utilization of Commercial Financing

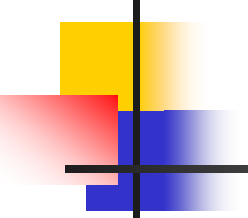
REF's 3 principles for financing projects

- (1) Valid operating license from Electricity Authority of Cambodia (EAC)
- (2) "Capital enabling" grants provided by REF to facilitate financial closure
- (3) Technical assistance (TA) to prepare good-quality business plans and proposals



Provide Technical Assistance

- **Business planning and development**
- **Training to Rural Electricity Enterprises (REE) to improve management (financial management, billing, customer service...)**
- **Feasibility study of the Renewable Energy Resource (Mini & Micro Hydro Projects and Biomass)**
- **Income generation by use of electricity.**



Provide Co-Financing

- **Grant to Mini & Micro Hydro Projects (biomass in the future)**
- **Grant to Diesel Power Generation Business for New Connection**
- **Grant for Installation of SHS.**



REF's Targets

- **50,000 new connections,**
- **Installation of Solar Home Systems in 12,000 HH and**
- **Mini (6MW) and Micro (850kW) hydro Constructions**
- **Biomass in the Future**



Grant Amounts

- Diesel REEs – **US\$ 45/New Household Connection**
- Solar Home System: **US\$ 100/set of 40 Wp**
- Mini and Micro Hydro – **US\$ 400/kW Capacity**
- Biomass – **To be determined**



Potential Recipients

- **REEs and Renewable Energy Enterprises Serving Rural Population**
- **Solar Home System Entities**
- **Community Based Organization**
- **Financial Intermediaries**



Eligibility for Grant

1. New connections From:

- Own Diesel Generation
- Own renewable energy source
- Purchase electricity from EDC or another distribution licensee or generation licensee
- Purchase electricity from neighbouring country



2. New connections (HH) By

- an existing licensee,
- existing REE issued with a new license, and
- a new REE with a new license.

3. New connections (HH) From

- The existing network or
- The extension made from existing network.



General Application Process For REF's Grant

- **Submit the project proposal**
- **Licensed by Electricity Authority of Cambodia (EAC) with duration of not less than 5 years term**
- **Meet REF's certain criteria**
- **Application approved/or denied**



Contact Information

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Thank you!