

Advocacy Mapping & Capacity Building Report

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Africa Clean Energy
Catalysing Africa's Solar Markets



TETRA TECH
International Development



Foreign, Commonwealth and Development Office (FCDO) Africa Clean Energy Technical Assistance Facility

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CONTENTS

LIST OF ABBREVIATIONS	iv
INTRODUCTION	1
APPROACH AND METHODOLOGY	1
DATA ANALYSIS AND VALIDATION	2
OFF GRID SECTOR STAKEHOLDERS MAPPING	3
STAKEHOLDER MAP AND SYNERGIES FRAMEWORK	3
ADVOCACY MAP	3
ANNEX 1 – OVERVIEW OF DOCUMENT REVIEW	5
ANNEX 2 – LIST OF STAKEHOLDERS CONSULTED	7
ANNEX 3 – STAKEHOLDER MAPPING (ROLES AND RESPONSIBILITIES)	9
ANNEX 4 – SYNERGIES FRAMEWORK	14
ANNEX 5 – ADVOCACY MAP	15



ABBREVIATIONS AND ACRONYMS

Acronym	Definition
ACE-TAF	Africa Clean Energy -Technical Assistance Facility
CCPC	Consumer Competition and Protection Commission
ERB	Energy Regulation Board
IEC	International Electrotechnical Commission
MCTI	Ministry of Commerce, Trade, and Industry
MOE	Ministry of Energy
MOF	Ministry of Finance
OGTF	Off-Grid Task Force
REA	Rural Electrification Authority
SAS	Stand-Alone Solar
SI	Statutory Instruments
SIAZ	Solar Industry Association of Zambia
TOR	Term of Reference
ZABS	Zambia Bureau of Standards
ZCSA	Zambia Compulsory Standards Agency
ZMA	Zambia Metrology Agency
ZRA	Zambia Revenue Authority

INTRODUCTION

The Africa Clean Energy Technical Assistance Facility (ACE TAF) Fiscal Environment support in Zambia was designed to enhance institutional strengthening in the off-grid SAS energy space by improving policies, regulations, advocacy and capacity building. In this regard, ACE TAF provided institutional strengthening to the Zambia Bureau of Standards (ZABS) and the Energy Regulation Board (ERB) in areas of international standardization and quality assurance of solar products and the legislation on tax exemptions and clarification on the importation process for off-grid SAS energy equipment. This study is culmination of the review of these interventions that the ACE TAF has undertaken to boost the stand-alone solar (SAS) ecosystem in Zambia and how implementation and enforcement of policy and regulations can be improved.

In spite of the accomplishments, a disconnect remains between the adoption of the regulations by different Government entities and the enforcement of the regulatory and fiscal framework. This disconnect was partly because these regulations were adopted by different Government entities than those mandated to enforce them. To overcome this challenge, ACE TAF took a holistic approach and focused on understanding the synergies and linkages in terms of policy and regulation formulation and advocacy in the off-grid sector.

A Stakeholder Map (Annex 3) has been developed and identifies key stakeholders in the off-grid energy sector and their roles and responsibilities. To compliment this a Synergies Framework was completed to clarify how the various organizations should interact and elucidates legislative powers confined to specific institutional mandates (Annex 4). The Advocacy Map highlights areas of advocacy that off-grid SAS energy stakeholders can engage in to facilitate or influence policy decisions (Annex 5). This Map addresses three key areas of policy concerns i.e. policy formulation, regulation formulation and enforcement, and policy facilitation. Together these serve as a framework for stakeholder to reference on how to engage in the off-grid sector. By understanding the interactions of the various off-grid energy players the sector can then effectively guide the monitoring and evaluating of the fiscal interventions and quality standards enforcement.

This report presents an explanation of the Stakeholder Map, the Synergies Framework and the Advocacy Map.

APPROACH AND METHODOLOGY

The various stakeholders in the Government, private sector and financing agencies have critical roles and responsibilities within the off-grid sector. Thus, a thorough analysis of these roles was done, focusing on key stakeholder engagements, to ensure that future interventions are appropriately implemented to address the challenges faced by the sector.

During the stakeholder analysis, the systematic gathering and analyzing of relevant qualitative data was conducted to determine which stakeholder interests should be taken into account, when developing a stakeholder map. The analysis included evaluating characteristics such as knowledge of the off-grid SAS energy sector and fiscal policies, interests related to the energy and fiscal policies, position for or against the energy and fiscal policies, potential alliances with other policy stakeholders, and the ability to affect the policy formulation and implementation processes through their exercising of power and/or leadership. This activity culminated into the development of a detailed Stakeholder Mapping (Annex 3), the Stakeholder Synergies Framework (Annex 4), and the Advocacy Map (Annex 5).

A technical training focused on stakeholder understanding of their respective roles and responsibilities in the implementation of fiscal incentives and tied to quality standards on off-grid SAS energy products, was also done. This training targeted Government officials and other private sector stakeholders such as clearing agents.

DATA ANALYSIS AND VALIDATION

Data Analysis

Documents relevant to the energy policy, legal and regulatory frameworks aligned to the off-grid SAS sector were reviewed. This was done to understand the current situation with regards to existing policies and procedures and what constitutes the most appropriate mechanisms to strengthen synergies among key players in the off-grid SAS energy space. The list of Acts, Regulations and other documents and the outcome of the document review is presented in Annex 1. The analysis provided information about the institutional set up in terms of synergies and linkages and possible challenges. The analysis was based on both policy and processes explained in the relevant documents and information solicited from the stakeholder interviews. A list of stakeholders interviewed can be found in Annex 2.

Validation Workshop

A validation workshop was held with key stakeholders to validate the Stakeholder Synergies Mapping and Advocacy Map. This validation exercise sought to demonstrate the practicality and applicability of linking the fiscal interventions and quality standards enforcement, as well as appropriate interventions in the off-grid space. The validation also provided an opportunity to get stakeholder buy-in on their interactive roles and responsibilities in the implementation of the fiscal interventions and enforcement of quality standards on off-grid SAS energy products.

OFF GRID SECTOR STAKEHOLDERS MAPPING

Stakeholder Map And Synergies Framework

The Stakeholder Map outlines the specific roles and responsibilities of stakeholders in the off-grid SAS energy space (Annex 3) and identifies the key decision makers and their specific legal powers as provided in the statutes. The mapping further showed how these decision makers work together to enforce decisions on all customs and importation policies, regulations and standards. Specifically, the table in Annex 3 identifies the institution/agency, the roles and responsibilities for off-grid SAS energy access, decision making for off-grid SAS, and the institutional, legal and regulatory gaps/challenges.

The Synergies Framework (Annex 4) graphically presents linkages of key stakeholders in the off-grid SAS energy space and how they align in thematic areas of policy, regulation, facilitation and advocacy. Policy formulations is the mandate of the Ministries of Energy, Ministry of Commerce, Trade and industry and Ministry of Finance. The Ministry of Energy provides oversight for its statutory bodies, the Energy Regulation Board and the Rural Electrification Authority. These bodies are responsible for regulatory development and provision of energy infrastructure in rural areas, respectively. The Ministry of Commerce, Trade and industry oversees portfolio institutions, namely, the Zambia Bureau of Standards, Zambia Compulsory Standards Agency, Zambia Metrology Agency and the Patents and Companies Registration Agency (PACRA). The Zambia Revenue Authority is the only mandated portfolio institution linked to the Ministry of Finance.

With regards to synergies amongst these entities, the institutions in the Ministry of Commerce, Trade and Industry execute their portfolio mandates in collaboration with the Energy Regulation Board. The Energy Regulation Board equally collaborates with the Zambia Revenue Authority in the execution of the fiscal incentives and the standardisation and quality assurance. As for the Energy Service Providers, these organizations have synergies with PACRA, for portfolio requirements and with the Zambia Revenue Authority on trade facilitation and tax advisory aspects. The synergies between Cooperating Partners with both the Ministry of Energy and the Ministry of Finance is two-way due to the nature of their portfolio mandates in the off-grid SAS energy space. Off-grid sector advocacy is done by Solar Industry Association of Zambia and Cooperating Partners as well as the Off-Grid Task Force which is a platform created under the Ministry of Energy.

Advocacy Map

It is important to tie quality standards to fiscal incentives with the aim of ultimately improving consumer protection and confidence in off-grid SAS energy products. To identify the optimal way that this can be achieved, an Advocacy Map detailing how the different stakeholders in the fiscal space and those responsible for quality standards enforcement are to work. Whilst developing the Advocacy Map, consideration was taken for the nuances in the policy environment and the context in which the different stakeholders operate.

The Advocacy Map (Annex 5) illustrates areas of advocacy that off-grid SAS energy stakeholders should engage in to facilitate or influence policy decisions. Three areas of policy development are considered i.e. policy formulation, policy regulation and policy facilitation and form the CONTEXT of the Advocacy Map. Policy Formulation refers to the issues identified in the advocacy-setting phase prior to their transformation into government directives. Regulation Formulation and Enforcement refers to the promulgation of targeted rules or regulations, typically accompanied by some authoritative mechanism for monitoring and enforcing compliance. Policy facilitation entails planning, guiding and managing key activities to meet intended goals and objectives that the sector would like the government authorities to address.

The Key Areas for advocacy refer to the key issues that were identified from the stakeholder interviews undertaken. The Targets in the Advocacy Map are the institutions accountable for addressing these issues. These organizations

consist of decision-makers and influencers. Decision-makers are the primary targeted individuals or groups as they can make decisions in relation to solar energy policies. On the other hand, influencers also have a stake in the articulated policies and should not be discounted when advocating for policy change.

The Map identifies what activities are facilitated by the Target organizations. For example, the MoE, MoF and MCTII may analyze existing off-grid policies to identify gaps and unintended consequences of the policy change that was made. Whereas the Energy Regulatory Board will analyze existing regulations to identify the impact in the off-grid sector and share evidence with policy makers to improve policies and make policy amendments.

In the Advocacy Map, there are Strategies identified which are undertaken by the Target organizations to influence policymakers, for example to create supportive policies, reform or review policies, ensure facilitation and implementation of supportive policies. Internal and External Strategies are identified. Internal Strategies include tactics for advocating directly with government. This assumes that a group of internal stakeholders will have some kind of access to policy influencers within the system. External Strategies engage a set of stakeholders and broader scope in an attempt to influence government indirectly. External Strategies may be used more frequently when there is a larger number of 'opponents' and there is need to expand the scope of interest to include other stakeholders.

ANNEX 1 – OVERVIEW OF DOCUMENT REVIEW

Document	Relevance to OG Policy Formulation	Relevance to OG Regulatory Formulation
Electricity Act No.11 of 2019 National Energy Policy 2019	Formulation/implementation of energy policies and regulations and monitoring of policies (MOE)	Provision of the power to the Minister responsible for Energy to make regulations by statutory instruments to better carry out of the purposes of the Act.
Energy Regulation Act No 12 of 2019 National Energy Policy 2019	ERB approval power for importation of solar PV products for own use (S.I 42)	Provisions to ERB to enforce regulations regarding imports of off-grid SAS energy products and issue permits for imports exempted from customs duty as specified in the customs handbook.
Zambia Bureau of Standards Act No 4 of 2017	Provision for ZABS Standards formulation, quality control and assurance, quality inspections and certification for product quality of imports (including off-grid SAS energy equipment)	Provision to Zambia Bureau of Standards to establish and maintain testing laboratories in order to provide scientific and technical services to the public and private sectors.
Zambia Compulsory Standards Act No 3 of 2017	Compliance with compulsory standards within the provisions of the Compulsory Standards Act. (ZCSA)	Provision, under section 12 (1) of the Compulsory Standards Act, the power to the Minister, by statutory instrument, to declare a mark depicted or described in a compulsory standard to be a distinctive mark to be used to mark specified commodities.
Zambia Metrology Agency (ZMA) Act No. 6 of 2017	Provision for regulatory oversight on importation, packaging, or distribution of goods by weight or measurement (ZMA)	Provision under section 15. (1) of Metrology Act, the power to the Minister to declare, by statutory instrument, any measurement standard as a national measurement standard.
Patents and Companies Registration Agency Act No. 15 of 2010	Business licensing and Issuance of certificate of incorporation or certificate of registration for all off-grid SAS services providers. (PACRA)	Off-grid SAS service providers' compliance assessment with the provisions of the patent & companies' registration and incorporation in the country.
Constitution of Zambia (Amendment) Act, 2016, Part XVI Customs and Excise Act, Chapter 322 of the Laws of Zambia	Economic management to foster sustainable national development within the provisions of the Minister of Finance (Incorporation) Act, Chapter 349 of the Laws of Zambia (MOF)	Provision under Section 89 of the Customs and Excise Act, Sections 15 and 51 of the Value Added Tax Act, where the Minister of Finance, has powers to issue Regulations on the administration of the Customs and Excise duties inclusive of licencing of customs clearing and forwarding agents section 182A (1) of the Customs and Excise Act.

Document	Relevance to OG Policy Formulation	Relevance to OG Regulatory Formulation
<p>Zambia Revenue Authority Act No. 28 of 1993. 13 of 1994. 32 of 1996</p> <p>Customs and Excise (General) Regulations, 2000 (SI 54 of 2000)</p>	<p>Facilitation of international trade and advisory on aspects of tax policy within the provisions of the Revenue Authority Act (ZRA)</p>	<p>Provision for payment for all fees by importers under the Customs and Excise Act as prescribed in the First Schedule of the Customs and Excise (General) Regulations, 2000 (SI 54 of 2000)</p>
<p>Customs Handbook for Solar PV in Zambia</p>	<p>Customs and Excise (Electrical Machinery and Equipment) S.I 102 of 2021 amended by issuance of S.I. 17 of 2022</p> <p>Value-Added Tax Act (Zero-Rating) (Amendment) Order, 2021 (or S.L I 104 of 2021) (SIAZ/Cooperating partners)</p>	<p>Alignment to the provisions of all-energy related policies and legislation on importation of SAS equipment.</p>
<p>Zambia Fiscal Incentive Assessment Programme Report</p>	<p>Developed tool to enable Government to meet its objectives of efficiently and effectively reviewing the impact of tax incentives in meeting energy access targets.</p>	<p>Determination of the impact of tax exemptions on the cost of energy products and on consumer demand for energy access products.</p> <p>Determination of tax exemption benefit to end users.</p>

ANNEX 2 – LIST OF STAKEHOLDERS CONSULTED

No.	Name	Title	Institution/Organization
1	Prof. Lloyd Chingambo	OGTF Advisor	Off-Grid Task Force (OGTF) Secretariat
2	Prof. Francis Yamba	OGTF Consultant	OGTF Secretariat
3	Lynnly Mayenga	OGTF Officer	OGTF Secretariat
4	Bonaventure Chinombwe	Principal Budget Analyst (Tax)	Ministry of Finance (Member – OGTF)
5	Geoffrey Kaila	Chief Executive Officer	Muhanya Solar
6	Matanda Mwewa	President	Solar Industry Association of Zambia
7	Brian Siaakwwenda	Renewable Energy Officer	Ministry of Energy
8	Patrick Zimba	Renewable Energy Officer	Zambia Compulsory Standards Agency
9	Francis Mwelwa	Inspections Manager	Zambia Compulsory Standards Agency
10	Chikoma Mwansa	Standards Development Officer	Zambia Bureau of Standards
11	Chembo Sichinga	Acting Manager -Renewable Energy	Energy Regulation Board
12	Nancy Serenje	Consultant	Centre for Energy, Environment Engineering Zambia (CEEEZ)
13	Notuli Silwiindi	Consultant	National Institute of Public Administration
14	Mashobota Mukwena	Chief Consultant (Research)	National Institute of Public Administration
15	Doreen Bwalya Chipika	Country Manager	ACE-TAF Zambia
16	Brian Mainza	Deputy Country Manager	ACE-TAF Zambia
17	Mulanga Chisebuka	Standards Officer	Zambia Bureau of Standards
18	Royce Daka	Energy Officer	Ministry of Energy
19	Chisumbo Lusale-Musukuma	Energy Officer	Ministry of Energy
20	Natasha Mwaba	Energy Officer	Ministry of Energy
22	Agnelli Kafuwe	Energy Officer	Ministry of Energy
23	Michael Mulasikwanda	Energy Officer	Ministry of Energy
24	Mumba Shambayi	Energy Officer	Ministry of Energy

No.	Name	Title	Institution/Organization
25	Raymond Muyowwe	Regulation Officer	Energy Regulation Board
26	Muyoba Likando	Regulation Officer	Energy Regulation Board
27	Katayi Katanga	Regulation Officer	Energy Regulation Board
28	Castagrand Nondo	Tax Analyst	Ministry of Finance & National Planning
29	Elmelda Mwansa	Tax Analyst	Ministry of Finance & National Planning
30	Luckson Sakala	Trade Officer	Ministry of Commerce, Trade and Industry
32	Isanga Sandi	Trade Officer	Ministry of Commerce, Trade and Industry
33	Brian Kazembe	Trade Officer	Ministry of Commerce, Trade and Industry
34	Sydney Kunda	Customs Officer	Zambia Revenue Agency
35	Joan Malangisha	Customs Officer	Zambia Revenue Agency
36	Oswell Phiri	Customs Officer	Zambia Revenue Agency
37	Chibeka Chola	Customs Officer	Zambia Revenue Agency
38	Rabecca Phiri-Mwale	Customs Officer	Zambia Revenue Agency
39	Tazizwa Mvula	Business Development Officer	Zambia Development Agency
40	Gift Sikabenga	Logistics Officer	National Airports Corporation (NAC2000)
41	Crebby Mumbuna	Clearing Agent	Zambia Customs & Forwarding Agents Association (ZCFAA)
42	Terence Kamwi Kamwi	Clearing Agent	Zambia Customs & Forwarding Agents Association (ZCFAA)
43	Steven Mpundu	Clearing Agent	Zambia- China Business Association (ZCBA)
44	Mulako Kashweka	Clearing Agent	CBC Logistics Ltd
45	Edward Munthali	Clearing Agent	Cargo & Management Logistics (CML) Ltd

ANNEX 3 – STAKEHOLDER MAPPING (ROLES AND RESPONSIBILITIES)

Institution/Agency	Roles for Off-Grid SAS Energy Access	Responsibilities for Off-Grid SAS Energy Access	Decision Making for Off-Grid SAS Energy Access	Institutional, Legal and Regulatory Gaps/Challenges
Ministry of Energy (MOE)	Development and management of the energy sector within the provisions of Electricity Act No. 11 of 2019 ¹ .	- Develop and manage energy resources in a sustainable manner - Formulate/implement energy policies and regulations and undertake the monitoring of policies.	The Electricity Act of 2011 provides powers to the Minister responsible for Energy to make regulations by means of statutory instruments	<ul style="list-style-type: none"> Inadequate assessments of the impact of fiscal incentives and beneficiaries, especially in the rural community using established tools/models. Inadequate assessment of the implications of implementing S.I 42 (Regulation) on businesses, and SAS energy service providers
Rural Electrification Authority (REA)	Provision of electricity infrastructure to all rural areas using appropriate technologies to increase access, productivity and contribute to improved livelihoods as provided for in the REA Act No. 20 of 2003	<ul style="list-style-type: none"> Develop off-grid energy systems in rural areas Manage the rural electrification fund Development and implementation of the rural electrification master plan, Promotion of the use of available energy sources in rural areas. Share knowledge, experiences, and technical information on on-going off-grid SAS energy systems. 	Under section 25 of the REA Act, the Minister responsible for Energy, on the recommendation of the Authority, has the power to make regulations by statutory instruments for the better carrying out of the purposes of the REA Act.	<ul style="list-style-type: none"> Limited policy and regulatory framework for off-grid SAS energy systems Limited Private sector participation through Public Private Partnerships (PPP) approach to promote a competitive process amongst off-grid SAS energy service providers thus resulting in a cost- effective solution. Lack of corporate energy market competitiveness with off-grid SAS energy service providers
Energy Regulation Board (ERB)	Regulation of the energy sector in line with the provisions of the Energy Regulation Act No. 12 of 2019 and Electricity Act No.11 of 2019	- Enforce regulations regarding importation of off-grid SAS energy products	Within the provisions of Electricity Act No. 11 of 2019 and Energy Regulation Act No. 12 of 2019, ERB has the power to approve importation of solar PV products for own use (S.I 42)	<ul style="list-style-type: none"> Inadequate energy regulatory framework providing guidance on licensing and technical standards for Off-grid SAS energy uptake.

¹ The Act regulates the generation, transmission, distribution and supply of electricity to enhance the security and reliability of the supply of electricity

Institution/Agency	Roles for Off-Grid SAS Energy Access	Responsibilities for Off-Grid SAS Energy Access	Decision Making for Off-Grid SAS Energy Access	Institutional, Legal and Regulatory Gaps/Challenges
Ministry of Commerce, Trade, and Industry (MCTI)	Development of a globally competitive, sustainable, commercial, trade and industrial base within the provisions of Companies Cap. 388	<ul style="list-style-type: none"> - Coordinates industrial, commercial and trade matters in liaison with various public and private sector organisations to facilitate the implementation of government sector policies related to trade and industry. 	Under the Companies Cap 388, the Minister of Commerce, Trade, and Industry exercises powers under, the Companies Act, the Registration of Business Names Act, the Patents Act, Zambia Bureau of Standards Act, Compulsory Standards Act no 3 of 2017 to statutory instruments to regulate the operations of the respective Acts.	<ul style="list-style-type: none"> • Unclear guidelines for SAS energy developments, relating to S.I 42² • Mushrooming of unregulated off-grid SAS energy service providers.
Patents and Companies Registration Agency (PACRA)	Business registration and licencing within the provisions of the Patents and Companies Registration Agency Act No. 15 of 2010/Registration of Business Names Act No. 16 of 2011	<ul style="list-style-type: none"> - Business licencing and Issuance of certificates of incorporation or certificates of registration for all off-grid SAS services providers. 	Under Section 16 (3) of the Patents & Companies Registration Agency Act No. 4 of 2020, the Registrar exercises powers under the Companies (Certificates Validation) Act., the Registration of Business Names Act, the Patents Act, the Trademarks Act, and the Registered Designs Act.	<ul style="list-style-type: none"> • Inadequate policy formulation for integration of indigenous and foreign off-grid SAS energy service providers. • Inadequate policy formulation for indigenous exemptions (infancy stage of development) for off-grid SAS energy service providers. • Limited information (both technical and finance) in business incorporation for off-grid SAS energy service providers.
				<ul style="list-style-type: none"> • Inadequate enforcement leading to limited off-grid SAS service provider's compliance with the provisions of the patent & companies' registration and incorporation in the country.

² General Provisions 27. (1) excludes some activities whether public or private regarding (c) importation of solar for domestic or non-commercial use; (d) importation of solar for use in Government projects and not for commercial purposes. "Domestic or non-commercial use" means a dwelling house with maximum generating capacity of 5 Kilowatts, including accompanying accessories and a small holding with maximum generating capacity of 10 Kilowatts, including accompanying accessories - restricted to the initial start-up only.

Institution/Agency	Roles for Off-Grid SAS Energy Access	Responsibilities for Off-Grid SAS Energy Access	Decision Making for Off-Grid SAS Energy Access	Institutional, Legal and Regulatory Gaps/Challenges
<p>Zambia Bureau of Standards (ZABS)</p>	<p>Standardisation and quality assurance of products and services through the setting of national standards and provision of conformity assessment services for products and services within the provisions of the Zambia Bureau of Standards Act No 4 of 2017.</p>	<ul style="list-style-type: none"> - Standards formulation, quality control and assurance, quality inspections, and removal of technical barriers for trade - Provision of inspection services, testing services and system and product certification. - Facilitation of efficiency in industry and promotion of trade through standardisation. - Provision of ZABS certification for product quality of imports (including off-grid solar energy equipment) 	<p>Under the Zambia Bureau of Standards Act No 4 of 2017 Section 23. (1), the Bureau have the mandate, with the approval of the Board, to establish and maintain testing laboratories to provide scientific and technical services to the public and private sectors.</p>	<ul style="list-style-type: none"> • Lack of standards for importation and sale of off-grid SAS energy products and services prior to licensing by ERB. • The issue of voluntary, as opposed to mandatory standards, which has an implication on compliance by importers.
<p>Zambia Compulsory Standards Agency (ZCSA)</p>	<p>Administer, maintain, and ensure compliance with compulsory (mandatory) standards within the provisions of the Compulsory Standards Act No 3 of 2017</p>	<ul style="list-style-type: none"> - Give pre-market approval of high-risk commodities falling within the scope of compulsory standards. - Conduct market surveillance for products falling within the scope of compulsory standards to monitor post market compliance of commodities with compulsory standards. - Educate the public on compulsory standards and provide public information for the protection of the consumers on products and services 	<p>Under section 11(1) of the Compulsory Standards Act, the Minister has the power to issue a statutory instrument, on the recommendation of the Board, where it is necessary or expedient to do so in respect of a commodity or service to promote public safety, health, consumer protection or environmental protection.</p> <p>Under section 12 (1) of the Compulsory Standards Act, the Minister may, by statutory instrument, on the recommendation of the Board, declare a mark depicted or described in a compulsory standard to be a distinctive mark to be used to mark specified commodities.</p>	<ul style="list-style-type: none"> • Importation and sale of low-quality products due to a lack of pre-importation assessment procedures and testing reports certified by accredited institutions from the country of origin. • Inadequate capacity for effective assessment, testing, and certification of off-grid SAS products. Point of Entry to only conduct sample testing of the products for authenticity • Lack of mandatory IEC technical standards for importations off-grid SAS energy components

Institution/Agency	Roles for Off-Grid SAS Energy Access	Responsibilities for Off-Grid SAS Energy Access	Decision Making for Off-Grid SAS Energy Access	Institutional, Legal and Regulatory Gaps/Challenges
<p>Zambia Metrology Agency (ZMA)</p>	<p>Overseeing the service provision of Scientific, Industrial and Legal Metrology in Zambia with the provisions of Metrology Act No. 6 of 2017.</p>	<ul style="list-style-type: none"> - Provides regulatory oversight on importation, packaging, or distribution of goods by weight or measurement. - Provides calibration services to industry to promote accurate measurements in the production of quality goods. 	<p>Section 5 (9) of the Metrology Act provides the authority for the Agency to operate as the legal, scientific, and industrial metrology authority for Zambia regarding national, regional, and international metrology activities and obligations.</p> <p>Under section 15. (1) of Metrology Act, the Minister may, by statutory instrument, have the power to declare any measurement standard as a national measurement standard.</p>	<ul style="list-style-type: none"> • Limited involvement of the Zambia Metrology Agency (ZMA) as a key stakeholder for product quality control especially on specific measurements of imported off-grid SAS energy products.
<p>Ministry of Finance (MOF)</p>	<p>Economic management to foster sustainable national development within the provisions of the Minister of Finance (Incorporation) Act, Chapter 349 of the Laws of Zambia</p>	<ul style="list-style-type: none"> - Economic Policy Analysis and Management - Revenue policy formulation - Tax policy formulation - Approval of Statutory Instruments 	<p>Under Section 89 of the Customs and Excise Act, Sections 15 and 51 of the Value Added Tax Act, the Minister of Finance, has powers to issue Regulations on the administration of the Customs and Excise duties, inclusive of licencing of customs clearing and forwarding agents section 182A (1) of the Customs and Excise Act.</p>	<ul style="list-style-type: none"> • Lack of a comprehensive revenue impact assessment on the Fiscal incentives for off-grid SAS energy systems/Products • Inadequate assessments of the impact of fiscal incentives and beneficiaries, especially in the rural community using established tools/models.
<p>Zambia Revenue Authority (ZRA)</p>	<p>Facilitates international trade and advisory on aspects of tax policy within the provisions of the Revenue Authority Act No. 28 of 1993. 13 of 1994. 32 of 1996</p>	<ul style="list-style-type: none"> - Assesses and collects taxes and duties - Issues tax clearance certificates required when submitting combined generation, distribution, and supply licence applications - Facilitates Customs duties/ VAT exemptions. 	<p>First Schedule of the Customs and Excise (General) Regulations, 2000 (SI 54 of 2000) prescribes all fees to be paid by importers under the Customs and Excise Act.</p>	<ul style="list-style-type: none"> • Mismatch in classifications of off-grid SAS energy products' importations and exemptions for fiscal incentives application • Capacity gap for effective implementation of the fiscal incentives at various points of entry.

Institution/Agency	Roles for Off-Grid SAS Energy Access	Responsibilities for Off-Grid SAS Energy Access	Decision Making for Off-Grid SAS Energy Access	Institutional, Legal and Regulatory Gaps/Challenges
<p>Solar Industry Association of Zambia (SIAZ)</p>	<p>Action-oriented platform for the private sector to promote wide-scale use of solar energy, both on-grid and off-grid SAS energy in Zambia within the provisions of the Electricity Act No.11 of 2019</p>	<ul style="list-style-type: none"> - Provides advocacy and guidance towards the development of the off-grid SAS energy industry sector - Disseminates knowledge and information pertaining to the financing, legal parameters, development, and application of off-grid SAS systems/Products. 	<p>SIAZ aligns its advocacy to the provisions of all-energy related policies and legislation. For importation of equipment, Customs and Excise (Electrical Machinery and Equipment) S.I 102 of 2021 amended by issuance of S.I. 17 of 2022 and Value-Added Tax Act (Zero-Rating) (Amendment) Order, 2021 (or S.L 104 of 2021) apply.</p>	<ul style="list-style-type: none"> • Energy Policy and Regulation mismatch (application inconsistencies) • Misclassifications of off-grid SAS energy equipment/products due to lack of expertise in such area • Sub-standard off-grid SAS energy products compromising competitiveness in the industry • Low consumer awareness on potential benefits of using off-grid technologies. • Unclear guidelines for SAS energy developments, relating to S.I 42³.
<p>Cooperating Partners (Financing)</p>	<p>Provision of Technical Assistance, Loan & Grants, Advisory Services and Policy support and credit guarantee as a support mechanism to the government's efforts to catalyse private solar investment in Zambia.</p>	<ul style="list-style-type: none"> - Supports off-grid SAS energy businesses to scale to rural and peri-urban areas. - Enables access to finance; provides market insights; supports industry associations; and helps regulators implement regulatory processes for private investments in sector. 	<p>Cooperating Partners align its advocacy to the adherence to provisions of all policies and legislative Acts related to energy financing, development, and promotion.</p>	<ul style="list-style-type: none"> • Cooperating partners declaration of intent in solar industry support.

³ General Provisions 27. (1) excludes some activities whether public or private regarding (c) importation of solar for domestic or non-commercial use; (d) importation of solar for use in Government projects and not for commercial purposes. "Domestic or non-commercial use" means a dwelling house with maximum generating capacity of 5 Kilowatts, including accompanying accessories and a small holding with maximum generating capacity of 10 Kilowatts, including accompanying accessories - restricted to the initial start-up only.

OFF-GRID SOLAR ENERGY STAKEHOLDERS SYNERGIES FRAMEWORK

Policy

Ministry of Energy
 Development and management of the energy sector within the provisions of Electricity Act No. 11 of 2019 that provides for regulation of generation, transmission, distribution, and supply of electricity to enhance the security and reliability of the supply of electricity.
 Formulation/Implementation of Energy Policies & Regulations.

Ministry of Commerce, Trade and Industry
 Development of a globally competitive, sustainable, commercial, trade and industrial base within the provisions of Companies Cap. 388.
 Formulation/implementation of sector policies related to trade and industry.

Regulation

Energy Regulation Board
 Renewable Energy Industry Regulator
 Tariff setting
 Promotion of new grid connections focussed on low-income household

Zambia Metrology Agency
 Provision of regulatory oversight on importation, packaging or distribution of goods by weight or measurement.

Zambia Bureau of Standards
 Standardisation and quality assurance of renewable energy products and services

Zambia Compulsory Standards Agency
 Administer, maintain, and ensure compliance with compulsory standards in the Off-Grid Energy sector

Facilitation

Rural Electrification Authority
 Provision of energy infrastructure to all rural areas using appropriate technologies such as off-grid SAS solar energy

Patents And Companies Registration Agency
 Business licensing and Issuance of certificate of incorporation or certificate of registration for all off-grid SAS providers.

Advocacy

Off-Grid Task Force
 Advisory Group of government, development partners, civil society and academia with purpose of accelerating Off-Grid Solar Energy Advocacy

Solar Industry Association of Zambia
 Promotes wide-scale use of solar energy, both on-grid and off-grid.
 Off-Grid Advocacy

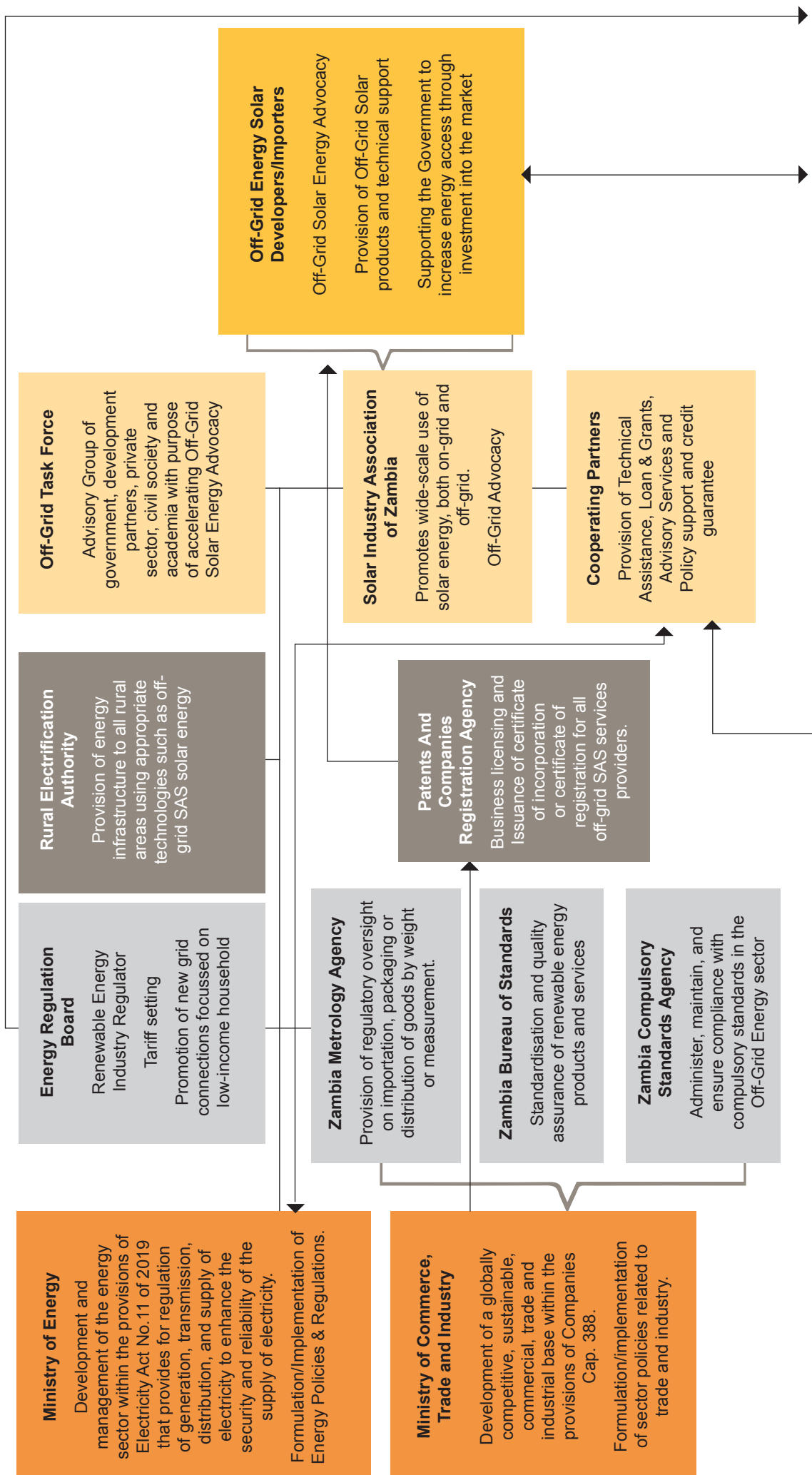
Cooperating Partners
 Provision of Technical Assistance, Loan & Grants, Advisory Services and Policy support and credit guarantee

Energy Service Providers

Off-Grid Energy Solar Developers/Importers
 Off-Grid Solar Energy Advocacy
 Provision of Off-Grid Solar products and technical support
 Supporting the Government to increase energy access through investment into the market

Ministry of Finance
 Economic management/ Formulation/implementation of Economic and Finance Policies/Rural Electrification Fund/ Financial Statutory Instruments

Zambia Revenue Authority
 Facilitates international trade and advisory on aspects of tax policy
 Customs Duty/VAT Exemptions



OFF-GRID SOLAR ENERGY - ADVOCACY MAP

ADVOCACY

Context	Key Areas	Targets	Facilitation	Strategies
Policy Formulation	Energy Master Plans Fiscal incentives Dedicated Legislation for Off-grid SAS energy access Institutional Frameworks	Ministry of Energy Ministry of Finance Ministry of Trade	<ul style="list-style-type: none"> Analyse and/or monitor existing policies to identify off-grid solar energy policy impacts, gaps and unintended consequences or actions of government that are unanticipated such as policy changes in the midst of implementation). Conduct and share evidence-based research on off-grid solar energy trends and solutions. Develop policy amendments that include off-grid solar energy that align with new energy policies. 	Internal Strategies <ul style="list-style-type: none"> Direct legislative lobbying of specific decision-makers (e.g., Ministers, Parliamentarians) with interest in off-grid solar energy policy interventions (Energy Ministry staff and other bureaucrats in the sector) Legislative committee testimonies on off-grid solar energy policy interventions (Committees of Parliament) Participation in regulatory and tax policy consultation processes to advocate for off-grid solar energy interventions (Regulatory Institutions) Sensitization of the bureaucracy and elected officials through off-grid solar energy forums, information sharing, annual reports etc.) Building relationships with decision makers and influencers in Government by identifying key off-grid solar energy champions for policy interventions (Off-grid Energy Task Force) High level collaboration among energy sector institutions (Energy Ministry)
Regulation Formulation and Enforcement	Licensing Requirements and Procedures Solar Energy Products Quality Certification Robust Regulatory SAS energy Framework/strategies	ERB, ZABS, ZCSA, PACRA, ZRA, ZMA	<ul style="list-style-type: none"> Analyse and/or monitor existing regulations/standards to identify off-grid solar impacts, gaps, and unintended consequences Conduct and share evidence-based research on off-grid SAS cost reflective structures with policy makers providing new evidence and solutions Propose policy amendments that include off-grid solar energy that align with new energy policies. 	External Strategies <ul style="list-style-type: none"> Off-grid solar energy mobilization campaigns aimed at empowering and motivating different stakeholder organizations/Energy Users (Energy Partners) Consumer sensitization – building knowledge and skills to support participation (e.g., hosting off-grid solar energy policy discussions) (Energy Partners) Stakeholder campaigns – to elevate the importance of off-grid solar solutions Monitoring and reporting on off-grid solar energy sector performance positions/spending End user capacity enhancement
Policy Facilitation	Awareness on SAS Energy Technologies Financing Supply Chain Consumer Market Support Customs duty and VAT Incentives Application	SIAZ, Off-Grid Task Force, Cooperating Partners OGS Value chain (Developers, Wholesalers, Distributors)	<ul style="list-style-type: none"> Work with government bureaucrats to design off-grid solar energy policy instruments and programmes Work with government to ensure off-grid solar energy policies are enforced effectively Bring experiences of end-users impacted by off-grid solar energy policies to the table to educate policy makers Build public support for desired action for off-grid solar energy interventions Advocate policy amendments that include off-grid solar energy and aligns with new energy policies. 	



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