

NEWS

Vestas signs MOU with Zeya & Associates

Vestas, the world's leading company in wind energy, signed an agreement with the local company Zeya & Associates on June 11th to develop wind projects in Myanmar. This new partnership intends to develop a 32MW project in Mon State. Zeya & Associates is also known to own the Hlawga gas-fired power plant with gas turbines supplied by Rolls Royce.

Source: *Zeya & Associates signs MOU with Vestas for collaboration on wind power projects in Myanmar*, Press Release, www.rgkzna.com

Plans for coal projects paused

Today, the coal power sector represents 3% of the country's power generation. According to the power sector development plan undertaken by the government, coal-fired power plants will make up 33% of the power generation mix in 2030 with a total capacity of 7940MW. While the Ministry Of Electric Power (MOEP) has signed 11 memorandums of understanding (MOU) with private investors, the investors are facing opposition from local residents and having difficulties to complete their Environmental and Social Impact assessments. In light of the up-coming elections, the government is hesitant to move forward without the agreement of local communities. For the time being, all coal-fired plant projects have been stalled.

Source: *Coal fire project to be delayed*, by Aung Shin, Myanmar Times

100MW gas-fired mobile power plant built in 3 months

In June of this year, APR Energy, a US-based company specializing in delivering "fast-track" power solutions, completed the installation of a 100MW power plant in only 3 months in Kyaukse, Mandalay Region. This solution was developed as a short-term response to the regular shortage of electricity supply in summer. The plant is composed of 68 gas powered mobile generators. These generators are now providing electricity to the

national grid for a period of 18 months before being relocated to a new project. Financing from the government came to roughly \$32 million.

Source: *APR Energy producing power in Myanmar*, Press Release, www.aprenergy.com
APR takes up the elephant dance, by Aung Shin, Myanmar Times

Myanmar Eco Solutions and its new partners sign MOU in Tanintharyi Region

Myanmar Eco Solutions has developed a new partnership with a Norwegian company named Energeai Asset Management (EAM) and a local company named Pyi Phyo Thun (PTT) International. EAM Myanmar Ltd., the new company born from this partnership, is looking to develop power infrastructure in Myeik area and address the power needs of PTT industrial activities. EAM has significant experience in solar power plant investments and owns 25 projects in Italy.

Source: *Solar energy in Myanmar*, Vikto E Jakobsen, Myanmar Green Energy Summit 2015
www.energeia.no

PACT is scaling up its SHS program

PACT, a US based INGO, is aiming to provide electricity access to rural villages in Sagaing and Magway Region. In addition to their current project of 400 SHSs being implemented, they are looking to scale up the number of SHSs distributed. Their newest program intends to provide 11,000 SHSs in 110 villages via renewable energy sub-committees. Villagers will attend demonstration sessions and if interested can buy the SHS package adapted to their needs thanks to hire-purchase loans provided by PACT. Villagers will install the systems themselves with the support of PACT.

Source: <http://www.pactworld.org/country/myanmar/procurement>

LEGAL AND REGULATORY UPDATES

New Investment Law under draft

Myanmar is particular for having two investment laws: one for Myanmar citizens (Myanmar Citizens Investment Law, Pyidaungsu Htluttaw Law No. 18 of 29 July 2013) and one for foreign investment (Foreign Investment Law, Pyidaungsu Htluttaw Law No. 21, 2012, 2 November 2012). With the new investment law in preparation, this singular situation is going to change. One of the main changes for investors is that investment incentives such as income tax exemption or custom duty taxes are no more granted automatically. A draft of the law is available online.

Source: *Myanmar Investment Bill 2015*, www.burmalibrary.org

Looking forward

The Electricity Law approved in 2014 was a first step largely welcomed by power sector actors. What is next? The creation of the *Electricity Regulatory Commission*. Among other responsibilities, this entity will work to “write the national electricity policy” and “submit the matters relating to electricity tariff policy.”

Two additional laws are also being devised: the Rural Development Law (MLFRD) and the Rural Electrification Law (MOEP). ADB is providing technical support to the MOEP through its project, *Enhancing the Power Sector’s Legal and Regulatory Framework*, financed by the Government of Norway. So far, the timeline of the Rural Electrification Law is unclear. The ADB program that is ending at the end of this month is likely to be extended.

Source: *Myanmar Investment Policy for the Power Sector*, Daw Cho Cho Wynn, Myanmar Green Energy Summit 2015

INSTITUTIONAL PARTNERS

Solar Home Systems to be the main off-grid technology supported in the National Electrification Plan

The World Bank Group, through an International Development Association (IDA) loan, is providing \$80 million for off-grid electrification. According to current plans, \$53 million of this budget is dedicated for Solar Home Systems, \$7 million for mini-grids (hydro, solar, wind and biomass) and \$20 million to electrify public institutions such as schools, clinics, religious sites and streets. This program aims to reach 465,500 households for solar PV, 35,500 households for mini-grid, 11,400 health clinics, schools and others community buildings and 19,000 public street lights. For each village that

makes a request to DRD, the possibility for implementing a mini-grid will be assessed. However, SHSs will be prioritized.

Source: *Rural Electrification Access by DRD*, 30th July 2015, Advancing Mini-Hydropower in Myanmar Towards SE4ALL

Phase 1 of ADB’s off-grid program almost finished

The first phase of the ADB’s Off-Grid Renewable Energy Program is almost complete. This part of the program focuses on Mandalay Region and Chin State to implement off-grid solutions and is based on a prior assessment detailed in the report “Scoping Off Grid Renewable Energy Opportunities in Myanmar” released in March 2014. SolaRisesys, the company selected to install solar PV solutions has “finalized in July 2015 installing all solar home systems (SHS) and verification works had been done to check the units installed” according to ADB. ADB is now reporting the verification process. In total, SolaRisesys installed 799 SHSs in Mandalay and 196 SHSs in Chin state.

Source: ADB

IFC’s program Lighting Myanmar to complete WBG off-grid engagement in Myanmar

The International Finance Corporation (IFC) seeks to replicate the success of its “Lighting Africa” program in Myanmar. This program aims to foster the off-grid lighting market and provide modern solutions by supporting the private sector, raising consumer awareness and developing high-level standards. Individual solar technologies stand at the center of the solutions hailed by the program. This initiative comes as a complement to the DRD/World Bank off-grid electrification plan contained in the National Electrification Plan (NEP).

Source: Discussion at Myanmar Green Energy Summit 2015

UPCOMING TENDERS/BUSINESS OPPORTUNITIES

No open tenders found for this newsletter.

UNCDF’S SHIFT Challenge Fund – EOI

The *CleanStart Energy Access Window* program is looking to support financial institutions and private sector enterprises that are developing modern energy solutions to low-income households. The program is aiming to make funds available by the end of 2015.

Targeted countries: Lao PDR, Vietnam, Myanmar, Cambodia

Deadline: 5th October 2015

Grant size: minimum \$100,000

For more information:

<http://www.uncdf.org/en/call-expression-interest-eoi-shift-challenge-fund-cleanstart-energy-access-window>

Energy Environment Partnership Mekong – CfP

This program seeks to support projects that are improving livelihoods and climate resilience in rural communities and semi-urban areas through improved access and use of reliable, sustainable and affordable energy. It focuses on projects that need limited amount of additional finances to establish a sustainable commercial model.

Targeted countries: Lao PDR, Vietnam, Myanmar, Cambodia, Thailand

Deadline: 30th September 2015

Grant size: up to \$1,000,000

For more information:

<http://www.eepmekong.org/index.php/how-to-apply/the-first-call-for-proposals>

MSEA UPDATES

First MSEA meeting!

Solar companies, development institutions and NGOs gathered on Tuesday 22nd of September for the first meeting of the Myanmar Solar Energy Association. A short reminder, the main goals of the association are:

- Share knowledge, information and best practices among members;

- Be a platform for linking private solar players with institutions, NGOs and civil society organizations;

- Act as a representative body in order to access, gather information from and pass messages to relevant ministries (DRD, MOEP, MOST).

With about fifteen participants, the first meeting was a success! It was the occasion for the members to catch up and share their latest activities. This session's topic was: *tariffs and non-tariffs barriers for solar products in Myanmar*. Participants discussed about the recent removal of custom duties for solar panels, charge controllers and inverters for every project (government affiliated or not) and possible options for pico solar products that does not fall into one category to benefit from the exemptions. The import licensing process has also been debated. Some members that participated to a "donor coordination meeting" organized by DRD in Nay

Pyi Taw shared some outcomes. One big news this week was the approval of the World Bank (WB) IDA loan for the National Electrification Plan by the parliament and the WB board of directors. It is likely that further details will be soon available to know how the budget will be spent. The WB and DRD will certainly invite relevant stakeholders to gather their inputs. One participant reminded the audience that the DRD budget for 2016-2017 allocated to rural electrification come for the major part from the government budget.

Finally, some members expressed their view on how the association can widen relationships with the government and be part of the discussions. The date for the next meeting has not been selected yet but it could be the second or third week of October.

Please suggest the topic for the next meeting on the google group.

Latest Stats	
Installed generation capacity (grid / off-grid)	4,573 MW (4,459 / 114)
Peak Load	2,247MW
Electrification Ratio	~29%
Rural Electrification (Grid)	~9%
Per Capita Consumption	190 to 220 kWh
Transmission lines	8,806 km
Distribution lines	48,452 km
Power loss in T&D lines	~20%
Number of power plants connected to grid	Hydropower : 24 Gas : 17 Coal : 1
Demand forecast by 2030	9,100 MW for low case scenario 14,452 MW for high case scenario
Plan of installed capacity by 2030	23,594 (large hydro: 6%, other hydro: 32%, gas: 20%, coal: 33%, RE: 9%)

Source : MOEP / Presentation at MGES 2015