

The Uganda Energy Kiosk Model in Refugee Settings

Background

Socio-economic development of a community depends on reliable access to energy. Basic energy needs include lighting, phone charging, cooking and are essential in the productive use for safety, communication, health, education, and wider income generating activities.

In refugee settings in Northern Uganda energy products and services are often inaccessible or too expensive in relation to the incomes of refugees and rural host communities. Improvised and sometimes risky solutions result in negative consequences to the user, the community, and the environment. On the other hand, energy is essential for an effective response within the Humanitarian, Development and Peace Nexus.

In 2020/2021, GIZ constructed two energy kiosks with solar-powered electricity under its project Energy Solutions for Displacement Settings (ESDS). The energy kiosks are providing access to quality products and services for households through the sale of improved cook stoves, solar lights, and solar home systems. They offer phone charging, and secretarial services. One kiosk management team has started to carry out basic computer trainings. Both kiosks are run by local community groups consisting of refugees and host community members.



Rose Sam Angaika, the treasurer at Alpha ICT Centre explains how various improved eco-friendly cook stoves work to Joy Faida a prospective customer at Siripi, Odopi, Sub-County in Terego District/ Photo by ESDS-Uganda

The two ESDS supported energy kiosks were established in Rhino Camp Refugee Settlement in which approximately 130,000 refugees have been registered as of September 2021, and nearly 25,000 Ugandan families live in surrounding villages.

Before the establishment of the energy kiosks in Ofua and Siripi Zones of Rhino Camp Refugee Settlement, it was so difficult to find a place to purchase quality energy products or to charge a phone.

Location of Energy kiosks	Two Energy Kiosks in Ofua 3 and Siripi Zones in Rhino Camp Refugee Settlement
Beneficiary	Each Kiosk is expected to offer services to 3,500 households (hh): 2 x 3,500 = 7,000 hh with an average size of 5 family members -> 35,000 beneficiaries
Partners/Operators	Two local community groups 12 members on average, 40% female
Energy	3.8 Kwph
Expected services offered	Sale of improved cook stoves, solar lights and solar home systems, and cold drinks, phone charging, secretarial services, computer trainings, music recording



Simon Dumba selling soft drinks cooled by a solar-powered fridge at iCON Electronics Repair Centre, Ofua 3 in Uriama, Sub-County, Terego District/ Photo by ESDS Uganda

In the meantime, members from both the refugee and host communities are making use of all these services. Especially phone charging and secretarial services as well as the sale of cold drinks are in high demand. The first households have started to purchase energy efficient cook stoves and solar lights. The energy kiosk team members are offering purchases in instalments for items with initially high investments, such as solar home systems and cook stoves for productive use, but which will earn money in the longer term.

The energy kiosks have been linked to private sector stakeholders who sell quality improved cook stoves and solar lanterns and home systems to guarantee the supply of such items within the settlements. Some of these suppliers are supported by GIZ to reach the settlements under a results-based financing approach.

A set of on-the-job trainings will be provided to the energy kiosk teams to increase their knowledge in record keeping, marketing, after-sales services, and basic repairs as well as general customer care.



iCON Electronics Repair Centre at Ofua 3. This is one of the energy kiosks that was set up in partnership with GIZ where solar powered phone charging and computer training is done. /Photo by ESDS Uganda

The Approaches of Market Development

- Support the establishment of energy kiosks for local youth groups to ensure access to high quality energy products and services for the refugee and host community population.
- Support private sector companies through results-based financing to increase production and enter markets and to establish sustainable supply and distribution chains in refugee settings.
- Carry out awareness raising campaigns alongside the private sector to promote quality energy products via a variety of methods and local languages.



Peter Malia (left) the chairperson of iCON Electronics Repair Centre and Lawrence Kabila attend to customers' mobile phones in the charging room at Ofua 3/Photo @ESDS Uganda

Challenges and Mitigations

- Lack of sustainable supply of affordable cooking fuels and technologies/systems

Mitigation: linkages with private sector to improve supply and distribution networks

- Many refugee settlements are far away from production sites and its population is considered a risky customer by the private sector

Mitigation: results-based financing

- Low ability-to-pay of customers

Mitigation: user-oriented design of financing model

- Existence of low-cost counterfeit products in refugee markets

Mitigation: awareness and sensitisation activities

- Distortion of market development due to handouts of energy products

Mitigation: sensitisation of response partners about different market supporting approaches that reach the people of concern

ESDS is a component of the Global Programme "Support to UNHCR in the Implementation of the Global Compact on Refugees in the Humanitarian-Development-Peace Nexus" (SUN) and is commissioned by the German Ministry for Economic Cooperation and Development (BMZ).

Published by: Deutsche Gesellschaft für
Internationale Zusammenarbeit (GIZ) GmbH
Registered office of
the company: Dag-Hammarskjöld Weg 1-5
D-65760 Eschborn
Deutschland
T: +49 (0)61 96 79-11 75
F +49 (0)61 96 79-11 15
Authors : Bettina Baesch Ssemwaka, Ben Butele & Eve Mashoo
Layout : GIZ
Stand : 11-2021
GIZ is responsible for the content of this presentation

In Cooperation with: The Ministry of Energy and Mineral
Development (MEMD)
Commissioned by: The German Ministry for Economic Cooperation
and Development (BMZ)

Postal Address: BMZ Bonn BMZ Berlin
BMZ official premises: Dahlmannstraße 4 D-10963 Berlin
D-53113 Bonn T +49 (0)30 18 535-0
T: +49 (0)228 99 535-0
poststelle@bmz.bund.de
www.bmz.de