

How Governments Can Minimize the Impact of Covid-19

On Rural Off-Grid Communities

MAY 2020

IN SUB-SAHARAN AFRICA



160

MILLION 10YRS

160 MILLION PEOPLE CURRENTLY BENEFIT FROM OFF-GRID SYSTEMS, THE PROGRESS HAS BEEN MADE OVER 10 YEARS



595

MILLION

595 MILLION PEOPLE DO NOT HAVE ACCESS TO ELECTRICITY



80%

OF HOUSEHOLDS HAVE ACCESS TO RADIO



42%

OF HOUSEHOLDS HAVE ACCESS TO TELEVISION



50%

OF THE PEOPLE HAVE ACCESS TO A MOBILE PHONE



75%

OF THE PEOPLE HAVE ACCESS TO A SIM CARD

In Sub-Saharan Africa, at least 160 million people are currently benefiting from off-grid solutions, including mini-grids and solar home systems. This has been achieved over the last 10 years as the technologies are increasingly becoming easier to deploy. Consequently, off-grid solutions have been mainstreamed in the electrification masterplans of several countries and are poised to play a significant role in complimenting the grid to attain universal electrification targets in the region. However, 595 million peopleⁱⁱ do not have access to electricity, including many health centres and schools. It is estimated that off-grid systems remain the least-cost solution to electrify at least 70% of this population by 2030ⁱⁱⁱ.

In the wake of Covid-19, governments are using a variety of communication platforms including radio, television and short messaging services (SMS) to communicate control measures to the public. Increasingly, people in rural areas are relying on off-grid solar systems to power these devices and stay up to date on government directives. Governments can enhance and support efforts targeted at the rural off-grid communities by classifying off-grid solutions including solar home systems as an essential service, while at the same time providing an enabling environment for the sector.

Governments can therefore play a critical role in supporting rural communities to minimize the potential impact of the Covid-19 pandemic through ensuring that off-grid systems remain affordable and within the reach of the communities in these ways:

1. Classify off-grid solutions as an essential service

What is an essential service?

Essential services are services that are required to run even in emergency situations. As such, efforts must be taken to keep such services operational throughout the crisis period. Due to their significance, workers and providers of logistics to these sectors need protection and/or, special permits and transport in the event of a lockdown.

Why is off-grid solar an essential service?

Globally, the provision of on-grid electricity is deemed to be an essential service. Equally, off-grid solar should be classified as an essential service so that off-grid companies can continue to provide electricity, seamless customer service and maintenance support especially given that rural populations are disproportionately affected by the Covid-19 pandemic. Already, 160 million people in SSA rely on solar as their energy solution, of these 10 million rely on a “solar pay-as-you-go utility model” with either daily, weekly or monthly top ups. This “solar utility” model relies on 24-hour call centres to serve their clients as well as a network of technicians to provide after sales service. As an essential service provider, these companies will continue running their call and service centres unimpeded, enabling them to troubleshoot, process payments and provide uninterrupted services.

As an essential service, consumers will continue to have their power on and access to:

Information: Having a functioning off-grid solar system enables consumers to have direct access to information on the control measures that governments are communicating through radio, mobile phones or television. This is important because increased use of social media in Africa, has also come with the added risk of misinformation. When citizens lack access to accurate information in a timely manner, government efforts to enforce restrictions and contain the virus may not yield the desired effect.

‘Our contribution as a company is to ensure that our members have access to the right information on Covid-19 amid the widespread misinformation especially on some social media channels.’

Olasimbo Sojinrin, Country Director, Solar Sister Nigeria.

Education: In some countries remote educational content for school going children is being relayed through radio and/or television programmes as part of Covid-19 response. Children in homes with off-grid solar should enjoy uninterrupted service to continue learning and stay busy at home. This will ensure that they are not disadvantaged and remain at par with their counterparts in urban areas.

Social support: Staying connected to family and friends is critical even with Covid-19 directives that are causing many people to stay at home due to restrictions on social gatherings, travel and movement. It is imperative that those served through off-grid systems remain connected to ease some of the stress that is contributing to escalating mental health issues and gender-based violence.

2. Maintain affordability of off-grid systems

Many governments across the continent have contributed to the affordability of solar products by providing a variety of policy incentives that include tax and duty exemptions for off-grid solar systems. As governments evaluate their economic policies in response to Covid-19, it is important to retain tax incentives for solar products so as not to negatively impact more vulnerable communities at a time when their incomes are declining and their ability to pay coming under considerable strain.

Maintaining tax exemptions

Tax exemptions play a role in reducing the cost of goods for the end consumer. The Covid-19 pandemic has led to lock downs and slow-down in economic activity. Governments will be under pressure to collect revenue and may target goods which were previously exempt to cover for revenue shortfalls. Tax exemptions on off-grid solar systems need to be maintained to ensure that products remain affordable to vulnerable communities.

3. Provide relief to vulnerable consumers

The incomes of many consumers are being affected by the economic slow-down and this will impact their ability to pay for electricity either to the on-grid power utility company or companies providing off-grid services. For many of the people living in off-grid areas the economic impact of Covid-19 restrictions has greater repercussions.

Where relief has been provided to utility company consumers, governments should also consider extending similar incentives for consumers that are served by off-grid companies. These incentives could include setting up demand side subsidies to rural communities served by off-grid solutions.

4. Support for the healthcare sector

Only 28% of health facilities in sub-Saharan Africa have access to reliable electricity^{iv} yet they are very crucial in managing the Covid-19 crisis. Off-grid energy can provide a quick and relatively cost-effective solution to power these institutions and the equipment needed to discharge healthcare services effectively. In addition, enabling healthcare workers to access critical information could be a first step in the series of solutions that governments could undertake to improve rural healthcare.

Off-grid solar solutions with capability to power testing equipment, storage of drugs and vaccines and power computers will ensure healthcare workers in rural areas have access to information and equipment for diagnosis, care and treatment of Covid-19 patients. The treatment guidelines are evolving fast as the world gets a better understanding of the virus. Healthcare workers in these areas will therefore be better equipped to cope with the pandemic.

In conclusion, implementing the solutions above will enable rural off-grid communities to be in a better position to play their role in flattening the curve. Overall, these actions will bring greater inclusion in the Covid-19 response being spearheaded by governments.

References

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ⁱⁱ IEA (2019) SDG 7: [Data and projections/access to electricity](#)

ⁱⁱⁱ Wood Mackenzie (2019) [Strategic investments in energy access](#)

^{iv} Sustainable Energy for All (2020) [Covid-19 response: Powering health facilities](#)

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