Renewable Energy Industries Association of Malawi

2024 NATIONAL ENERGY CONFERENCE

Communique

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Background

The Renewable Energy Industries Association of Malawi (REIAMA) is a member-based association registered under trustees and whose mission is to promote efficient and sustainable use of renewable energy technologies and their productive use in Malawi to the satisfaction of all stakeholders. REIAMA draws its membership from stakeholders involved in the production, supply, importation, exportation, installation, and servicing of RETs in Malawi, including any other projects and programs that have sufficient interest in the promotion of renewable energy in Malawi. The role of GESI (Gender Equality and Social Inclusion) in energy also forms a key part in the renewable energy discussion, as energy poverty has a significant impact on women, girls, and people living with disabilities.

REIAMA, in collaboration with the Ministry of Energy, and with support from UNDP Malawi, the Scottish Government, the University of Strathclyde (Glasgow), the European Union, Oxfam, BNG Electrical Contractors, and Differ Community Power, organised the 2024 National Energy Conference in Lilongwe on the 26th and 27th of September. The theme of the conference was **Leveraging Energy for Socio-Economic Transformation**, with a focus on the role of productive use of energy **as a driver of development.**

The State Vice President, Right Honourable Dr. Michael Bizwick Usi, graced the event as the Guest of Honor, officially opening the conference following a Keynote addresskeynote delivered by Ms. Fenella Frost, UNDP Resident Representative for UNDP Malawi.

1. **Deciphering Productive Use of Energy and Its Impact**
    - Community-led renewable energy projects should be promoted because they ensure sustainable impact, enhance capacity building, and improve education services, health services, agricultural productivity, small businesses, livelihoods, and staff retention in public institutions.
    - More focus should be placed on using renewable energy for productive purposes that generate income and create jobs in agricultural applications (irrigation, food cold storage, processing), small businesses, small-scale industries, and social services (improved health and education service delivery).
    - The promotion of collaboration between local and international players in the energy sector results in local capacity building, job creation, and sustainability of energy projects.
    - Electric mobility reduces the national budget for the importation of petrol, diesel, and other spare parts such as air cleaners and filters, thereby releasing government funds for other developmental activities. It should be promoted.
    - Collaboration and coordination are very critical for the development of the energy sector in Malawi. All players in the energy sector should not work in silos but share information on the development of the sector to avoid duplication of efforts and resources for the same cause.
    - Implementation of energy projects in the country should include sustainability measures. Lessons learned from implemented projects should be shared with relevant stakeholders to ensure that there is improvement in the implementation of subsequent energy projects.

2. Leveraging Innovations and Technologies for Positive Change

- The Malawi Government should expedite the finalisation and publishing of a net metering policy to ensure that investment in electricity generation diversifies, resulting in increased power supply, especially from renewable energy sources.
- Investment in Research & Development (R&D) should be encouraged for innovative renewable energy technologies suited to Malawi's specific context. Energy sector players need to establish partnerships with universities and research institutions to foster innovation and industry-academia linkages.
- There is a need to utilise digital tools and artificial intelligence to improve energy management systems, optimise grid performance, and enhance data collection for informed decision-making. Grid-forming inverters integrated into existing infrastructure can stabilise the power grid and allow for higher penetration of renewable energy sources.
- High-resolution geospatial data can be utilised to assess the impact of new electric loads on the transmission and distribution network infrastructure. Data-driven decision-making is key in optimising energy distribution.
- Innovative solutions are needed for data collection and analysis to ensure effective network planning. Methodologies should be developed for low-voltage (LV) distribution networks while overcoming data gaps related to new electric loads.

3. Translating Policy Frameworks into SMART Action

- There is a need to establish a National Electrification Revolving Fund that can facilitate investments for centralised and decentralised renewable energy systems to realise goals in the upcoming National Energy Policy and Renewable Energy Strategy.
- The country's political economy should promote the development of the energy sector such that the sector creates an environment of ownership that is driven by the private sector. Furthermore, the reversal of policies should be minimised.
- The new National Energy Policy 2018 should include, both financially and technically, the promotion of productive energy use. It should also incorporate a diverse energy mix, including electric mobility, cleaner cooking, bio-energy, clean hydrogen, wind, and geothermal avenues for energy generation.
- The Compliance Market Framework to operationalise the Article 6.2 Framework of the Paris Agreement that was produced in 2023 should be expedited by cabinet. This will provide a guiding and enabling environment that allows sector players as well as the Malawi Government to take advantagethe cabinet. of climate financing through mechanisms such as carbon trading. The Climate Finance Bill planned by the Ministry of Finance is also key in this process.
- Successful implementation of energy reforms requires strong political will. Political ambivalence has resulted in a regulatory vacuum with key legislation, such as the new Renewable Energy Act, still pending. Fast-tracking the passage of the Renewable Energy Act will provide a more robust regulatory framework for renewable energy development.
- Regulatory processes should be streamlined to simplify and expedite the approval processes for renewable energy projects to encourage both local and foreign investment. A clear and efficient regulatory framework will reduce the time and cost of project implementation.

4. Making Financing and Investment Work Through Innovation

- The energy sector should be allocated enough resources to enable effective public investment in the generation, transmission and distribution of assets. There is a need for political will in the budgetary allocation for the energy sector in line with the above-mentioned issues.
- Energy sector players should build capacity and utilise the opportunity of climate financing through carbon credit trading as a revenue stream, enhancing the viability of energy projects.
- The government should allocate funds for public-private partnerships (PPPs)
- Development partners should consider capacitating local companies when applying for results-based financing and demand-side subsidies to ensure that SMEs can deliver to the last mile and leave no one behind towards energy for all by 2030.
- Alternative financing arrangements, such as match-making, should be considered in line with results-based initiatives.

Conclusion

REIAMA is extending appreciations to all stakeholders who contributed to the organisation and success of the conference, both local and international. As an industry representative, REIAMA is calling upon all stakeholders to ensure that the recommendations are adopted and implemented accordingly for the progress of the energy sector and transformation of Malawi, as energy is an enabler according to Vision 2063. Furthermore, REIAMA will continue to work with all players to support in implementation and tracking the progress of the resolutions.