



A **Solar Home System** typically has the capacity to power lights and devices such as radios, TVs, fridges and cell phone chargers.



A **Business Solar System** typically has the capacity to power lights and devices for business use.



A **Photovoltaic Pumping System** produces energy for pumping water for livestock and domestic use.



A **Solar Water Heater** uses energy from the sun to heat water for domestic use.



## FINANCIAL SOLUTIONS FOR RENEWABLE ENERGY TECHNOLOGIES



Ministry of Mines and Energy,  
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## OGEMP SOLAR REVOLVING FUND

### FACT SHEET FINANCIAL SOLUTIONS FOR RENEWABLE ENERGY TECHNOLOGIES

## SRF Mandate

The Ministry of Mines and Energy (MME) is the sole administrator of the Solar Revolving Fund (SRF). The SRF is a credit facility established by MME to stimulate demand for the utilization of renewable energy technologies in off-grid areas, especially for communities living in rural areas, but also to urban clients. The SRF is the element of the Off-Grid Energization Master Plan for Namibia (OGEMP) whose objective is to provide access to appropriate energy technologies to rural areas.

## Registered Energy Service Providers

SRF has a pre-qualified list of registered Energy Service Providers approved by the National Technical Committee on Renewable Energy (NTCRE) at Namibia Energy Institute (NEI). The Energy Service Providers provide installation services to SRF clients by providing them with detailed quotations and eventually install their solar systems at a site of choice.

## Who can apply for the SRF Loan?

- Applicant must be a Namibian Citizen, age 21-55 and pensioners up to the age of 75 years old.
- Any person with an active bank account into which his/her monthly or regular income is paid and with a clean credit record. Credit references will be verified with Trans Union®.
- The applicant must prove 2 years of un-interrupted employment term or be in business operation for 2 years

## Loan Criteria

- Maximum loan amount: N\$60,000 for Solar Water Pump, N\$6,000 - N\$60,000 for Solar Home System, N\$95,000.00 for Business Solar Systems and N\$35,000 for Solar Water Heaters
- The loan interest rates are in a range of 0-5% charged over the loan period of 60 months.
- Loan amount must not exceed three (3) times the applicants' basic income.
- Deposit is payable in the range of 5% - 30% of quotation amount.
- Applicants over the age of 55 years, pensioners, farmers and businesses with proven regular income pays 30% deposit of total quotation amount.
- Upon approval of the loan application form, an administration fee of N\$350.00 (non-refundable) is payable together with the deposit.

## Loan Application Process

**How to obtain Application Form:** Forms can be obtained from the Ministry of Mines and Energy, Energy Service Provider and at all Regional Offices, and can be downloaded from the MME website.

**Submission of an Application Form:** Applications can be submitted to MME by attaching the following documents:

- Recent certified copy of your ID (All)
- Latest stamped pay slip or proof of income (Individuals)
- 6 months bank statement (Individuals)
- Founding Statements (Business)
- 1 year bank statement (Business)
- Financial Statements (Business)
- A detailed quotation from accredited Energy Service Provider (All)
- Proof of land ownership (land certificate, title deed or lease agreement)

**Loan Application Outcome:** The application will be assessed, if successful, client will be notified in writing, telephonically or contacted via an Energy Service Provider to pay the required deposit and forward proof of payment to MME.

**Purchase Order:** Once the deposit is confirmed with the bank, SRF will issue a purchase order within 14 days to your Energy Service Provider to arrange for the system delivery and installation at the address indicated on the application form. The Purchase Order is valid for two months, thereafter it will be cancelled together with the application.

**System Installation:** The client should sign the installation report, to prove that they have received the system as per quotation and to signify that they are satisfied with the installation and the system is operational. Do not sign the installation report if your system is not installed or not working.

**Systems Inspection:** The Ministry will conduct an installation verification to ensure that your system was installed. This is a once off activity, and will be done within twelve months after installation.

**Repayment:** Once the loan is granted, the applicant will be responsible to honor the monthly installments until full payment of the loan. The loan can be repaid via debit order and payroll deduction.

**Loan Defaulting:** A 5% interest rate will be levied on any overdue amount in respect of any period (s). After five (5) years of repayment the remaining balance becomes due & payable immediately.

## General Information

### TAKE NOTE:

Arrears and/or defaults in installments for three consecutive months may result in legal proceedings and possible backlisting on Trans Union® (ITC).

**Insurance:** The Ministry of Mines and Energy provides insurance that covers only "Acts of God", such as lightning, Flood or hail, wind as well as damages caused by wild animals. An excess fee of 15% of the claim value is payable by the borrower on any claim made out to the insurer. The insurance cover is valid for a period of the loan. Theft is not covered.

**Failure to repay the loan will result in terminating insurance benefits from the Ministry.**

Applicants can obtain claim forms from the Loan Officer and should be submitted within two (2) months after the damage. Client should provide a quotation and a statement made under oath from the nearest police station.

In case of death, the remaining balance of the loan is written off and the system becomes a property of the deceased's family, provided that a certified death certificate is submitted to the Ministry.

**Cancellation Fee:** Clients will be charged cancellation fee, 15% of total deposit received, upon cancellation of loan applications. The Ministry may cancel the application if the client fail to pay full deposit on time or delay installation of the solar system.

### TAKE NOTE:

Failure to repay the loan will result in terminating insurance benefits from the Ministry

**After Sales Services and Warranty:** There is limited maintenance of solar systems once installed properly. However, after sales service and warranty will be provided by your Energy Service Provider. The Ministry will not be held liable for malfunctioning systems.

### TAKE NOTE:

The Service Provider is required to provide to the client guarantee or warranty of the materials provided. The SRF does not give any guarantee or warranty to the borrower in relation to the solar system.