



## Call to Action: Consumer Protection Principles for Clean Energy Mini-Grids

With the recognition that the mini-grid industry understands the value of consumer protection principles both for their business and to respect consumer rights in often poor and remote villages, the Alliance for Rural Electrification ([ARE](#)), supported by the Africa Minigrid Developers Association ([AMDA](#)), Smart Power India ([SPI](#)), hereafter referred to as 'the Partners', and the funder of the initiative ([Swedfund](#)), are launching a **Call to Action for mini-grid companies to support a set of Consumer Protection Principles for Clean Energy Mini-Grids**.

The Partners' aim is to safeguard consumer rights, while defining key roles and responsibilities of market participants by setting out global and progressive principles of consumer rights in the mini-grid sector.

The Consumer Protection Principles are structured as six main principles, each with several sub-principles. The Principles have been developed on the basis of in-depth desk research, surveys with mini-grid companies, financiers and governments, consultations at the 5<sup>th</sup> ARE Energy Access Investment Forum (Abidjan, 12-13<sup>th</sup> March 2019), as well as in-depth discussions in the steering committee consisting of ARE, AMDA, SPI and Swedfund.





## 1. Quality Consumer Care Service

- Availability of technical and after-sales service support.
- Accessible and timely mechanism for resolution of complaints and problems.
- Instruct consumers on the proper and safe use of energy devices.
- Appropriate and user-friendly interfaces/payment platforms.
- Fair and respectful treatment of consumers.
- Ensure no discrimination of consumers.
- Establish a mechanism and central contact point for consumer complaints.
- A consumer can request outside assistance to the competent national regulatory authority or a consumer organisation, in case of dispute with the service provider.
- A code of conduct for its service to consumers.
- Communicate with consumers in a language and manner they can understand.

## 2. Quality and Safety of Supply

- A minimum level of supply quality included in the contract with consumers (e.g. availability, hours per day and continuity, blackouts).
- The system is appropriate, of good quality, safe and performs as per the contract.
- Mini-grids comply with international technical, design and safety standards (IEC/IEEE, ANSI).
- Mini-grids comply with national operating and maintenance requirements for power quality, reliability, and availability that are appropriate for different tiers of consumer services.
- System performance is supported by tests results and certificates.
- A code of conduct for its service to consumers.
- The consumer can make the company accountable in case a pre-determined quality of supply is not met.
- Produce performance reports validating power delivered and level of service, shared with investors and regulators.

## 3. Fair Contracting, Pricing and Billing

- Clear, concise, transparent and easy to understand contract terms.
- Clear procedures that need to be followed by the service provider before disconnecting the consumer from supply in case of an unpaid bill.
- Appropriate payment structure, payment methods and fees for vulnerable consumers.
- Appropriate credit assessments of a potential consumer's ability to meet its financial obligations under a contract.



#### 4. Data Privacy

- Consumer data is kept secure and confidential.
- Consumers' consent to the collection, purpose, use, retention and share of personal information.
- Service providers only collect, use, retain and share personal information that is strictly necessary for started service and business needs.

#### 5. Professional Organisation

- Offer consumer-oriented training opportunities to the staff.
- Deliver regular operational and financial reports.
- Perform an independent verification regarding the assessment of the system performance.
- Annual financial reports are audited.

#### 6. Social Measures

- Establish a policy and procedures for the protection of vulnerable and disadvantaged consumers.
- Establish a policy for appropriately managing overdue debt.

#### How mini-grid companies can support the proposed Consumer Protection Principles

A 'commitment' to the Principles signifies that the mini-grid company embodies the Consumer Protection Principles in its treatment of consumers. These Principles are the minimum standards of practice that consumers should expect from service providers. Commitment to the principles also signifies the company's intent to conduct an assessment as a step towards fully implementing the principles within daily operations.

An 'endorsement' of the Principles signifies that the mini-grid company aims to align internal practices with the Consumer Protection Principles, but that they are not yet ready to fully commit to implementing the Principles in daily operations. Investors and governments may also endorse the Principles. For example, investors that endorse the Principles may request mini-grid companies to fulfil the minimum standards of practice in their treatment of consumers when financing them.

To 'endorse' or 'commit' to the Principles, please send a signed letter (using [this](#) template to endorse or [this](#) template to commit) to Marcus Wiemann, ARE Executive Director: [m.wiemann@ruralelec.org](mailto:m.wiemann@ruralelec.org)

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