MAURICE ILE DURABLE FUND

SOLAR WATER HEATER SCHEME PHASE 2

FAQs

FAQs (Frequently Asked Questions)

Introduction

The Solar Water Heater Scheme Phase 2 has been designed by the Maurice Ile Durable Fund (MIDF) Office. The MIDF operates under the aegis of the Ministry of Environment and Sustainable Development.

The objective of the Solar Water Heater (SWH) Scheme is to encourage households to use solar energy for water heating, in order to reduce the consumption of non-renewable energy and carbon emissions.

The Development Bank of Mauritius Ltd (DBM) is the MIDF designated agency responsible for the operation of the SWH Scheme.

This new scheme is set to operate differently from the first scheme. A FAQs has been prepared by this office with a view to bring further information and clarifications on the working of the new Scheme.

The FAQs is in three parts. Part A relates to general information on the Scheme. Parts B and C relate to information more pertinent to Householders as applicants, and to SWH Suppliers respectively.

The FAQs is given below. It is given for information purposes only. The contents should not be taken to represent/replace any conditions, undertakings, agreements etc taken by any party in the operation of this SWH Scheme. The contents may also be updated at any stage during the implementation of the Scheme.

The SWH2 Scheme is being operated by DBM. Any further information on the operation of the scheme may be obtained at the DBM through the Contact Officer, Mr Bhagirutty, Senior Development Officer, (Website: www.dbm.mu; Email: dbm@intnet.mu; Phone: 2033600).

Dr. Raj Daliah,
MID Coordinator
Maurice Ile Durable Fund
Ministry of Environment and Sustainable Development
6th Floor, Ken Lee Tower, Cnr Barracks and St Georges Streets, Port Louis
Tel: 203 6200-6210
Web: http://mid.gov.mu
Email: mid@mail.gov.mu
9 January 2012
FAQs

FAQs (Frequently Asked Questions)

A. **GENERAL**

- What is the Maurice Ile Durable Fund?
- What is the objective of the Solar Water Heater (SWH) Scheme?
- Who are the partners involved in the operation of the SWH Scheme?
- What are the new elements of this Second Phase compared to the First Phase?
- What happens to those who have applied under the SWH Scheme Phase One but have not benefitted from the grant?
- Why has this second phase not incorporated the SWH Standard as initially envisaged?

B. **HOUSEHOLDERS**

- Am I eligible for the grant?
- How do I apply for the grant?
- How would I be notified if my application is approved?
- What should I do after I receive the letter of offer from DBM?
- How do I select my SWH to benefit the grant?
- Would the SWH purchased under the grant be under warranty?
- What should I do after I have selected my SWH?
- Would I be able to get a loan from DBM, if required?
What happens after I deposit the letter of offer at the DBM?

What happens if I want to change my SWH or the supplier?

What payment do I make to the Supplier?

What should I do at the time of installation of the SWH?

What should I do after the SWH has been installed by the supplier?

Would I benefit from the scheme if my residence is in Rodrigues?

What should I do if problem develops after installation of the SWH and during the warranty period?

What are the liabilities of the Authorities?

C. **SWH Suppliers**

Where do I get the application form for registration?

How would I be aware of the conditions of registration and the documents to be submitted?

Where do I submit the Application Form duly filled in?

How would I know if my application has been approved?

What should I do after my application for registration has been approved?

What does the registration involve?

What would happen after registration?

How would householders contact SWH Suppliers?

How would I know if the quotation given would lead to a firm order?

How would payment be made by the Householder?

How should delivery of the SWH to the Householder be made?
FAQs: General

Definitions:
- MIDF means Maurice Ile Durable Fund.
- DBM means the Development Bank of Mauritius Ltd
- SWH means Solar Water Heater

What is the Maurice Ile Durable Fund?

The Maurice Ile Durable Fund, set up in the wake of the launch of the concept of Maurice Ile Durable, has as objects to finance projects, schemes or programmes on sustainable development.

The Maurice Ile Durable Fund (MIDF), having its present constituent committee set up in November 2011, now operates under the aegis of the Ministry of Environment and Sustainable Development. The MIDF Office is on the sixth floor at the Ministry’s premises at corner Barracks and St. Georges Street, Port Louis.

One of the priorities of MIDF has been to launch the Solar Water Heater (SWH) project, named the Solar Water Heater Phase 2 (SWH2)

What is the objective of the Solar Water Heater (SWH) Scheme?

The SWH Scheme functioning under the Maurice Ile Durable Fund aims at encouraging households to use to use solar energy for water heating, in order to reduce the consumption of non renewable energy and carbon emissions. The first phase introduced in 2008 provided for a grant of Rs. 10,000 for the purchase of a new SWH and had some 24,000 beneficiaries. The second phase intends to provide a similar grant to another 24,000 households.
The second phase of the SWH Scheme has been designed by the MIDF Office operating under the aegis of the Ministry of Environment and Sustainable Development. The Solar Water Heater Phase 2 (SWH2) has been officially launched on 27 December 2011.

Who are the partners in the operation of the SWH Scheme?

The MIDF is the funding body and is responsible for overseeing the functioning of the Scheme. The Development Bank of Mauritius Ltd (DBM) is the MIDF designated agency responsible for the operation of the SWH Scheme. SWH Suppliers interested in participating in the scheme shall have been registered under set criteria following a registration exercise by DBM.

What are the new elements of this Second Phase compared to the First Phase?

The new elements in this scheme are as follows:

SUPPLIER

- Suppliers registered under set of criteria.
- Supplier, to be a registered company and a direct importer or local manufacturer, and not a retailer or agent of another supplier.
- Supplier to have showroom, workshop and adequate spare parts and provide after-sales services.
- Supplier to deliver and install the new SWH within 4 months of order date
- Properly install the SWH and orient the SWH collector panel
- Suppliers to provide a performance security of Rs 500,000
- Suppliers informed that failure to adhere to the conditions and undertakings may lead to cancellation or suspension of registration and forfeiture of the Performance Security.

HOUSEHOLDER

- Householder to make application in person at the DBM rather than applications made by Suppliers on behalf of householders.
- Householders cannot resell the SWH within a period of 3 years
- Householders must not have benefitted from the previous SWH scheme
- Householder to be given a list of registered suppliers to select from when grant is approved.
**SWH EQUIPMENT**

- Only SWH of capacity of 150 litres and above would be eligible
- SWH’s main structure and supporting frame to be corrosion proof

**WARRANTY**

- Supplier to provide warranty for at least 7 years against technical defect.
- A provision has been made with SICOM for the SWH to be covered against cyclone, fire and other hazards. Payment by householder for first year coverage mandatory.

**INSTALLATION**

- Installation of SWH to be made by or under supervision of a technician trained for that purpose under auspices of MITD
- Supplier to ensure supporting frame and fittings for installation on roof to be corrosion free.
- Supplier to properly install the SWH and orient the SWH collector panel
- Supplier to enter into a formal contract agreement with householder on warranty and after sales services at time of installation.
- Supplier and Householder jointly signs DBM Grant Coupon at time of installation with serial number of SWH and date of installation entered on Grant Coupon.
- SWH installed must bear a unique serial number.
- Supplier to provide operation manual in English or French.

**What happens to those who have applied under the SWH Phase One but have not benefitted from the grant?**

Those Householders who have applied within the prescribed time limit under the Phase One scheme but who have not benefitted from the grant would be given priority considerations by DBM. Those eligible would be so informed by DBM and they would need to report to DBM to complete the new procedures, as per the time period set by DBM.

**Why has this second phase not incorporated the SWH Standard as initially envisaged?**

A SWH satisfying a standard would have been an ideal one. The Mauritius Standard Bureau has aligned the local standard for the SWH to that of the European Standard EN 12976.
However, in designing the second phase, the following issues have cropped up with regards to insisting on the standard for the SWH in this scheme:

- The Mauritian Standard has been aligned with that of European Standard EN12976.
- It is claimed that this Standard may be too strenuous for a developing country.
- Out of some 40 SWH Suppliers, less than five Suppliers claim to have SWHs satisfying this standard. Only limited models are available. A serious demand-supply mismatch may ensue with limited models available in the country from a very limited number of Suppliers.
- The Mauritius Standard Bureau has presently no equipment and is thus not able to test if a SWH complies with the EN Standard.
- Testing of compliance of EN standard for the SWH would thus need to be undertaken abroad and may cost not less than Rs 300,000 for each specimen SWH model. Each specimen model (e.g. each capacity of 150 litres, 200 litres, 240 litres etc) needs a separate testing and a separate EN certificate. A Supplier may have typically more than six SWH models on offer.
- The price of SWH conforming to EN Standard has been reported to be on the high side, and is not within the purchase range of households for which this scheme is meant for.

Thus it has been considered that the imposition of the standard EN12976 may presently not comply with the philosophy of and achieve the aims of, the SWH scheme.

The Ministry of Environment and Sustainable Development is negotiating with AFD (Agence Francaise de Developpement) for assistance to design a SWH standard appropriate for a developing country and also adapting to climatic conditions in Mauritius, especially with regards to cyclones.

**FAQs: Householders**

**Am I eligible for the grant?**

To be eligible for the grant,
1. The Householder must be aged 18 years or over.
2. The Householder must be the owner or a tenant of the residence where the SWH will be installed.
3. The Householder must be the CWA or CEB customer of the residence where the SWH will be installed.
4. The Householder or any other member of the residence where the SWH will be installed must not have already benefitted of a grant under the Solar Water Heater Scheme Phase One.

**How do I apply for the grant?**

Application is to be made at the DBM, Chaussée Street, Port Louis. The date as from which applications can be made at the DBM shall be communicated through a public communiqué. The application form has to be duly filled in and signed by the Householder and must be submitted in person at the DBM. The following documents must be produced along with the application form:

1. Original and photocopy of National Identity Card of Householder
2. Photocopies of birth certificate and marriage certificate (if applicable) of Householder
3. Photocopies of birth certificate and National Identity Card of spouse (if applicable)
4. Original of latest CEB or CWA Bill (on the name of Householder or Spouse)
5. For a tenant: Photocopy of rent book, Letter of authorisation of the landlord, and Original of latest CEB or CWA Bill for the premises in question.

**How would I be notified if my application is approved?**

If the application for the grant is successful, DBM would submit to the Householder the following documents:

a) A letter of offer
b) A list of registered solar water heater Suppliers

The Householder should note here that a supplier registered under this Scheme is not an endorsement by the MIDF or the DBM. It is only a guide of Suppliers who have agreed to participate, under set conditions, in the Solar Water Heater (Phase 2) Scheme.

**What should I do after I receive the letter of offer from DBM?**

The letter of offer is accompanied with a list of registered SWH Suppliers. The list provides the name and contact details of the SWH Suppliers who are registered as participating in the
scheme. The Householder would be at liberty to select, from the list, the supplier of his choice from where he may purchase the SWH.

**How do I select my SWH to benefit the grant?**

Only new solar water heater of capacity 150 litres and above, purchased from a registered supplier in the list, would benefit from the scheme. The Householder should seek proper advice as to the appropriate SWH system which shall meet his requirements for hot water to ensure optimum performance. He should consider inter alia the following:

- The selection and sizing of equipment – according to water quality/sourcing in different regions of the island, the water consumption per person per day, the capacity in terms of litres, high pressure/low pressure systems...
- The different technologies available: Flat Plate Collector, Evacuated Tube Collector ....
- The technical specifications of the system – collector plate absorber material, storage tank material, insulation material, thickness of tank, orientation of the collector and angle of tilt of the support structure...
- The accessories that would be needed during installation for getting the hot water from the SWH to the point/s of use and the costs involved. The accessories may include storage tank, special pipes, plumbing hardware, bathroom fittings and taps .....  
- He should also consider the accessories that would be needed during installation for getting the hot water from the SWH to the point/s of use and the costs involved. The accessories may include storage tank, special pipes, plumbing hardware, bathroom fittings and taps etc.
- The location on the roof, installation, maintenance and trouble-shooting – plumbing instructions, safety instructions, routine maintenance instructions ..... 

In the case of SWH of the Evacuated Tube Collector, a popular technology generally on offer in the local market, the householder should seek SWH of inox/stainless material of grade 304 or higher, with the inner tank and the outer tank being of minimum thickness of 0.5 and 0.4 mm respectively. The support should be of stainless steel/aluminum alloy/galvanized steel/coated mild steel.
**Would the SWH purchased under the grant be under warranty?**

As per the criteria set, the Supplier must offer at least seven years warranty period on the SWH equipment as a whole including the supporting frame. This warranty would in addition form part of the mandatory agreement between the Supplier and the Householder at the time of installation. The agreement also provides that the Supplier undertakes to offer prompt and efficient after sales service to the Householder for a period of at least seven years.

In addition to the technical warranty offered by the Supplier, the MIFD has also negotiated with the State Insurance Corporation of Mauritius (SICOM) for the provision, upon payment by the Householder, of an insurance cover against perils of Cyclone, Fire, Riots and Malicious Damage.

The insurance premium (would be as follows):

- For Solar Water Heaters with Sum Insured up to Rs 50,000: Premium Rs 500 per year.
- For Solar Water Heaters with Sum Insured above Rs 50,000 up to Rs 75,000: Premium of Rs 800 per year.

The settlement of claim would be subject to an excess of Rs 1000.

The Householder must pay for the first year premium to benefit the grant. The payment would be made by the Householder at the time of calling at the DBM, to complete the formalities. For second and subsequent years, SICOM will contact the Householder directly to invite renewal.

**What should I do after I have selected my SWH?**

Once the Householder has selected a SWH, he should seek a quotation from the Registered Supplier.

The Householder or his/her spouse should then call at the DBM Head Office, Chaussée Street Port Louis or its branches with the following to complete the formalities for acceptance of the grant offer:-

a) The letter of offer duly filled in and signed by the Householder and his/her spouse
b) The quotation in original from the Registered Supplier
c) The National Identity Card of the Householder or his/her spouse
d) The prescribed fee for insurance, in cash for payment at the DBM Counters

The formalities for acceptance of the grant offer must be completed within one month as from the date of the letter of offer; otherwise the offer for the grant would lapse.
**Would I be able to get a loan from DBM if required?**

Yes, if the Householder meets DBM’s eligibility criteria for its loan scheme for purchase of a SWH. At the time of completion of formalities for acceptance of the grant, the Householder may apply for a loan at the DBM under the SWH loan scheme. The main terms and conditions of the SWH loan scheme are:-

- Maximum loan amount: Rs 15,000
- Interest Rate: 3% above Repo Rate, Currently at 8.4 % p.a.
- Repayment Period: Up to 7 years
- Security: General floating charge + Personal Guarantee (if applicable).

**What happens after I deposit the letter of offer at the DBM?**

After the formalities have been completed, the Householder would be given a “Grant Coupon” in two copies: The “Grant Coupon Client Copy” and the “Grant Coupon Supplier Copy”. The Householder should hand over the “Grant Coupon Supplier Copy” to the supplier to enable the supplier to proceed with the order for the SWH.

The supplier should supply the SWH within four months after the Householder has handed him the “Grant Coupon Supplier Copy”.

Householders should note that Suppliers may not accept the “Grant Coupon Supplier Copy” if handed to them more than one month after its date of issue by the DBM, as the Suppliers risks not being able to deliver in time to receive the grant of Rs 10,000 from DBM.

**What happens if I want to change my SWH or the supplier?**

The selection of a SWH is a matter of private transaction between the Householder and the SWH Supplier. If the Householder wants to change the Supplier, he should seek the “Grant Coupon Supplier Copy” from the original supplier and seek a new quotation from another Supplier.

The Householder should then report to the DBM with the set of “Grant Coupons” issued on name of the original supplier, the new quotation from the other Supplier and a letter of request for change in Supplier. The DBM shall process the request and issue another set of “Grant Coupons” on the name of the new Supplier, against a fee of Rs 500 payable at the DBM.

**What payment do I make to the Supplier?**
The Householder should not make any deposit payment at the time of asking for a quotation from the supplier. Payment should only be effected after the Householder has had its grant application approved by the DBM and after having received a grant coupon from the DBM.

The Householder may make a payment deposit with the supplier, if requested, at the time he hands over the “Grant Coupon Supplier Copy” to the supplier. The balance amount payable by the Householder (being the price of the SWH minus the deposit payment made, if any, and minus the grant of Rs10,000 payable by DBM) shall be paid to the Supplier at time of delivery and installation of the SWH. The supplier shall claim the grant of Rs 10,000 from DBM after delivery and installation of the SWH on behalf of the Householder. The Householder must ascertain that he receives a receipt for all payments made to the Supplier. All payments should be made only within the time period the Scheme is being run.

**What should I do at the time of installation of the SWH?**

The Householder must ascertain that the SWH being installed is the one ordered and that it conforms to the specifications of the quotation obtained from the Supplier. He should also ascertain that the Supplier does install the SWH on the roof of his residence and not just deliver the SWH in a box for assembly and installation at a later stage.

After the installation is made the Householder must ascertain that he receives a warranty card or certificate. The warranty must be at least for seven years. If the receipt would also represent the warranty, the Householder should ascertain that full details of the warranty are given. The Householder should also seek, if not mentioned in the warranty certificate, the contact details of whom to call for any technical problems with operation of the SWH system.

**What should I do after the SWH has been installed by the supplier?**

After the Householder is satisfied with the SWH installed, he should:

- Sign and receive a copy of the Supplier- Householder agreement that would be handed over to him by the Supplier.
- Fill in Section C of the “Grant Coupon Supplier Copy”. He would be given this copy by the Supplier at the time of installation of the SWH. The supplier would use this “Grant Coupon Supplier Copy” to get the grant of Rs 10,000 at the DBM.

**Would I benefit from the scheme if my residence is in Rodrigues?**

The SWH Scheme is also applicable in Rodrigues. DBM would make appropriate arrangements for processing of applications from Rodrigues.
What should I do if problem develops after installation of the SWH and during the warranty period?

The supplier should be contacted. Details would be given on the warranty and also in the Supplier and Householder agreement. The purchase and installation of the SWH is a matter of private transaction between the Householder and the supplier. The Authorities accept no liability whatsoever.

What are the liabilities of the Authorities?

The Authorities (namely, the Ministry of Environment and Sustainable Development, the Maurice Ile Durable Fund, the Development Bank of Mauritius) accept no liabilities whatsoever in the purchase, installation, operation and performance of the SWH and on behalf of the Supplier from which the SWH is purchased. Furthermore, the same mentioned Authorities accept no liabilities whatsoever for any loss, damage or cost incurred as a result of, or arising from, the installation of the SWH systems by the Suppliers which has been the subject of a grant under this Scheme.

FAQs: SWH SUPPLIERS

Where do I get the application form for registration?

The application form is obtainable from the following sources:

1. At the DBM Head Office, Chaussée Street, Port Louis.
2. Downloaded from the DBM website.

How would I be aware of the conditions of registration and the documents to be submitted?
The conditions of registration, including the eligibility criteria for registration and the documents to be submitted are mentioned in the application form. Non submission of any of the documents and information required may entail non consideration of the application for registration purposes.

**Where do I submit the Application Form duly filled in?**

The application form duly filled in and the documents should be submitted/ addressed, along with the prescribed fee of Rs 5000 at the DBM Head Office, 5 Chaussée Street, Port Louis in the prescribed manner and within the prescribed delay.

**How would I know if my application has been approved?**

The supplier would be informed by way of email and/or letter of the outcome of his application.

**What should I do after my application for registration has been approved?**

The procedure and action to be taken would be given in the letter to the supplier informing application for registration has been approved. The action to be taken includes the submission of a Performance Security of Rs 500,000 covering the minimum period of warranty of seven years for the SWH. The registration process also includes the signature of a contract at the DBM.

**What does the registration involve?**

The registration entails on the part of the Suppliers, responsibilities and undertakings made in the application form for registration and agreements reached between the Supplier and DBM. Failure to adhere to the conditions and undertakings may lead to cancellation or suspension of registration and the Performance Security being forfeited. Suppliers should note that being registered as a SWH Supplier under this Scheme is not an endorsement by any Authority. The registration list is only a guide of SWH Suppliers who have agreed to participate, under set conditions, in the Solar Water Heater (Phase 2) Scheme. Furthermore the authorities (namely, the Ministry of Environment and Sustainable Development, the Maurice Ile Durable Fund, the Development Bank of Mauritius) accept no liability for any loss, damage, or cost incurred as a result of, or arising from, the installation of the SWH systems by the supplier which has been the subject of a grant under this Scheme.
**What would happen after registration?**

Once a supplier has been registered, his/her name would appear in a list of registered SWH Suppliers. The list would then be made available to Householders interested in benefiting of a grant under this scheme. After the registration is closed, no supplier would be added to the list.

**How would Householders contact SWH Suppliers?**

The list of registered Suppliers would be given to Householders who have made an application under the SWH Grant Scheme 2 and who have been found eligible. The list would accompany the letter of offer for grant, issued to the Householder. The Householder would select and consult a supplier from the list. After the Householder has made his choice, the supplier would give him a quotation. The Householder would then submit the quotation to the DBM.

**How would I know if the quotation given would lead to a firm order?**

The Householder would submit the quotation to DBM at the time of completion of formalities of acceptance of the grant offer (that is during the Householder’s second and last visit to the DBM). Upon completion of the formalities, DBM would give the Householder a “Grant Coupon” in two copies: The “Grant Coupon Client Copy” and the “Grant Coupon Supplier Copy”. On both copies DBM would insert the name of the supplier from whom the Householder has sought the quotation.

The Householder would then submit the “Grant Coupon Supplier Copy” to the supplier which may then proceed further with its transactions with the Householder. It is to be noted that the supplier should supply the SWH within four months as from the date of issue of the “Grant Coupon”.

A supplier may not accept the “Grant Coupon Supplier Copy” if handed to him more than one month after the date of issue of the Coupon by the DBM, if he considers that there is a risk of not being able to deliver in time to receive the grant of Rs 10,000 from DBM.

**What about payments to be made or part deposit on the order for a SWH?**

The purchase of a SWH and thus the payment is a matter of private transaction between the Householder and the supplier. Generally the Supplier may request payment of a deposit from
the Householder when the “Grant Coupon Supplier Copy” is handed over by the Householder to the supplier. The Supplier may also request that payment be made at the time the SWH is actually installed.

A deposit payment from the Householder should not be sought by the supplier at the time of submission of a quotation. Deposit payment, if any, should only be sought after the Householder has submitted the grant coupon to the Supplier.

The final payment would be the price of the SWH minus any deposit made and minus the grant of Rs 10,000. It would be the supplier who should claim, on behalf of the Householder, the grant of Rs 10,000 from the DBM.

All payments made must be the subject of a proper receipt bearing the VAT registration number of the supplier. It is to be noted that the supplier must produce a copy of the receipt/s at the time of claiming the grant of Rs 10,000 from the DBM.

**How should delivery of the SWH to the Householder be made?**

The Supplier shall have the SWH delivered and installed (i.e. to have the SWH fixed on the roof and ready for connection to the water piping system) at the householder’s approved residence immediately upon its delivery. He should ensure that the equipment is properly oriented so as to achieve optimum performance.

The Supplier shall have the SWH installed under the supervision of an installer who is certified to have followed the prescribed course at the Mauritius Institute of Training and Development (MITD) or such other courses as may be approved by the sponsor, MIDF.

**What paperwork is involved after the SWH has been installed at the Householder’s residence?**

The following needs to be undertaken after the SWH has been installed:

- The supplier should give the Householder the warranty card or certificate. The warranty must be at least for seven years. If the receipt would also incorporate the warranty, then the supplier should ascertain that full details of the warranty be given. The supplier should also provide the contact details of whom to call for any technical problems with operation of the SWH system.
- The Householder must sign and receive a copy of the Supplier- Householder agreement that would be handed over to him by the Supplier.
The Householder must fill in Section C of the “Grant Coupon Supplier Copy”. He would be given this copy by the Supplier. The supplier would use this “Grant Coupon Supplier Copy” to get the grant of Rs 10,000 at the DBM.

**How would the Coupon lead to the grant of Rs 10,000?**

After the SWH has been installed to the satisfaction of the Householder and warranty certificate handed over, the Householder should fill in and sign Section C of the “Grant Coupon Supplier Copy”. The Householder would be given this copy for filling and signature by the supplier.

The supplier should also cause his part of Section C of the “Grant Coupon Supplier Copy” to be filled in and signed by his/her authorised representative and then submit the Coupon to DBM along with a copy of the receipt of payment. After processing, DBM would cause the necessary payment to be made to the supplier.

**What may happen if a Supplier fails to comply with the conditions of registration?**

Failure to comply with the conditions of registration may lead to the registration being cancelled or suspended and may also lead to forfeiture of the Performance Security.

**Maurice Ile Durable Fund Office**
9 January 2012