



SCALING OFF-GRID ENERGY:

A GRAND CHALLENGE
FOR DEVELOPMENT

SCALING INVESTMENT IN OFF-GRID ENERGY SOLUTIONS ACROSS SUB-SAHARAN AFRICA



Scaling Off-Grid Energy Grand Challenge For Development

The Scaling Off-Grid Energy Grand Challenge for Development, a partnership between USAID, DFID, the Shell Foundation, and Power Africa, seeks to scale the off-grid renewable energy market to provide 20 million new household and small business electricity connections across sub-Saharan Africa.



Scaling Off-Grid Energy Grand Challenge For Development



Enterprise Support

Tech Innovation and Market Expansion Grant Awards
Investment Readiness Support



Access to Finance

Investor Engagement and Education
Access to local finance
Country and sector-specific fund development



Strengthening the Marketplace

Appliance Competitions (Off-Grid Refrigeration)
Digital Finance Solutions (Mobile money, PAYG)

Success To Date

The Scaling Off-Grid Energy Grand Challenge for Development was launched at the Global Entrepreneur Summit in Silicon Valley in June 2016. Since then, we've completed:

- Enterprise Support: \$4M in new USAID investments to 8 companies across sub-Saharan Africa for technology innovation pilots and new market launches.
- Appliance Ecosystem Support: Awards in process to off-grid refrigeration companies through the Global LEAP Awards Off-Grid Refrigeration Competition
- New Partner Program: \$42M Scaling Energy Access Markets in Africa (SEAM) Program through the Shell Foundation
- New Partnerships: Microsoft, Acumen, GSMA, and the United Nations Foundation
- Market-Enabling Activities: Country-level work with USAID Uganda and USAID Nigeria

New Partnership Opportunity: Overview

This new partnership program seeks to help drive private sector investment into the off-grid solar home system market across sub-Saharan Africa through new alliances between USAID, investors, and enterprises. These alliances will involve USAID funding support, a minimum 2:1 investor match, and company deliverables. Eligible applicants include solar home system manufacturers, distributors, service providers, technical providers, and financial intermediaries serving the solar home system market.

- Eligible companies will have a strong existing track record in one or more markets across sub-Saharan Africa
- Geographic focus is across sub-Saharan Africa (excluding South Africa)
- Microgrid, pico solar (lanterns), and solar cookstove companies are not eligible
- Focus is on the level of investor commitment and number of new electricity connections provided as a result of USAID support

Concept Note Submission Process

- Confirm eligibility
- Discuss with potential investors to establish commitment level
- Connect potential investors with USAID team to discuss
- Develop enterprise – investor – USAID alliance proposal via a concept paper submitted on our website prior to April 30th, 2017.
- Confirm investor commitments prior to submitting (LOIs are fine, not term sheets)
- USAID will review concept notes on a rolling basis until April 30th, and invite select applicants to submit a full application

Evaluation Criteria

- Level of new investment (equity or debt) brought into the market as a result of this alliance
- Catalytic funding: We want to close that last gap between your company and new investment partners. Clearly state how this new investment would not take place without USAID support
- Number of new electricity connections to households and small businesses as a result of this alliance
- Companies that serve other companies across the market (financial intermediaries, etc) to lower barriers to securing capital, lower the cost of doing business in the market, or increase access to local financing are compelling to our team.

Questions?

We can be reached at SOGE@usaid.gov (please also cc GDA@usaid.gov) with any further questions and investor introductions. Thank you for joining today's webinar.



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