

ROGEP Subcomponent 1B: Entrepreneurship **Support Facility**

Accra **June 2018**

































The objective of the Component 1B Entrepreneurship Facility

Attract reputable solar companies in the West African market, attract
existing and established businesses operating in non-solar space to
engage in providing electricity service through standalone solar
systems and support local entrepreneurs to set-up & bring to scale
energy service companies to provide electricity services to provide
universal electricity access in ROGEP target countries



If you don't know where you are coming from; it is hard to know where you are going

2016 2018







TA & Financing interventions will be provided to businesses and supported by other tools

SUPPORT TO BUSINESSES...



Enhancing capacities

Enhancing skills

Technical Assistance

Enhancing expertise



Contributing to business growth

Facilitating track record to access finance; increase bankability & viability

...CLOSELY LINKED TO...

ECOWAS Certification Scheme for PV installers/technicians

ECOWAS Entrepreneurship Support Facility

Successfully operated by ECREEE since 2015

- Support local entrepreneurs to set up and scale energy services companies
- Attract reputable solar & non-solar companies to provide electricity through standalone solar systems



Support provided – TA & Financing - depends on the development lifecycle stage of the business



- < 3 FTE
- < 300 SHS or <1,500 lanterns sold
- <\$100k annual revenues
- Has not accessed outside finance (except personal loans), may have a business bank account



- 3-25 FTE
- 300-30,000 SHS or 1,500-50,000 lanterns sold
- \$100K-\$3M annual revenues
- Has a business bank account, maybe some outside funding (e.g. crowdfunding)



Customized Business Acceleration Support

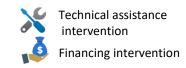


Repayable/Co-investment
Grants





- >30,000 SHS or >50,000 lanterns sold
- >\$3M annual revenues
- Has a credit line at a bank and financial statements (possibly audited), likely raising equity or other outside financing



Existing businesses not in the solar business categorized by # of FTEs & Revenues & effectiveness of distribution chain



Facilitation for non-solar businesses to expand into the solar industry



n.a. (covered under components1C & 2)





Matching Grants

Business Training

Entrepreneurship &



Technical Assistance Interventions





• A. Entrepreneurship & Business Training for Tiers 1 & 2 businesses (1/2)



Support to selected national operational training services providers/organizations



Training Courses

National Level Incubation

Annual Regional Business Plan Competition & Workshop

- Business Incubators
- Business Accelerators
- Entrepreneurial Support Organizations



Training of Trainers Programme with specific solar industry component

Development of training materials

Financial support to organizations

Development of a regional network of training partners

On-going TA & capacity building for national & regional training partners



When the goat is present, one should not bleat in its name







When the goat is present, one should not bleat in its name



Dear Sire

Many thanks for organizing what in my view was a very successful workshop.

For me it provided clarity of the regional and international sector context and perspective, and an opportunity to share experience and review existing "best practice" business models; this helped me to better understand the growth potential and social impact of the paygo solar sector. This new understanding has given me the required confidence to continue with our current investment strategy and business focus in the sector . The B2B opportunity proved even more of an invaluable meeting as it provided us the platform to meet key industry holders; our company does now have a plan to collaborate with Renewit and Angaza , without this conference this could have proved a real challenge.

As I look forward to the next ROGEP conference, I know our organization is already in a much better place than before I attended this conference.

Once again many thanks as we look forward to your continued support.

Best Regards

Female Participant from Accra Entrepreneurship Training 2018





A. Entrepreneurship & Business Training for Tiers 1 & 2 businesses (2/2)

TRAININGS COURSES WILL BE PROVIDED...

On a regular basis

During 2-3 days

Open & free for all

In a variety of modules

- Doing business in the solar industry
- Technical aspects of household and productive use solar products and marketing
- Financing of solar businesses
- Legal and regulatory aspects of the solar industry
- Soft skills

To about 25 businesses per training partner per year

INCUBATION WILL BE PROVIDED...

To most promising entrepreneurs & early stage businesses

Via application/review process by incubator & ROGEP support

Thanks to a financing mix from ROGEP and training partner

To about 10 businesses per training partner per year

Covering support

- via national training partner
 - Entrepreneurial
 - Business
 - Access to finance
- via ROGEP
 - Technical/solar specific aspects coordinated with ECOWAS certification scheme for PV installers/technicians

ANNUAL REGIONAL COMPETITION WILL BE PROVIDED...

Thanks to a regional outreach & awareness campaign

Via call for applications & selection process

During a 1 week workshop & boot camp

To 60 selected businesses per year

...Followed by technical support to 20 top from boot camp businesses

...Followed by pitch event by Top 10

@ESEF & award for Top 3



1st B2B Neworking Event









B. Customized Business Acceleration Support for Tier 2 businesses

Tier 2

Businesses

adapting technology

finalizing product marketing strategies

Customized Assistance

- Refining of business strategies and business model
- Mentoring from seasoned entrepreneurs & investors
- Transaction advice & investment facilitation
- Technology and product development support



9-12 months for each participating business



Application through online application managed by ECREEE



Partner organization providing incubation for successful candidate to be selected by ECREEE



Participation to Investment Forum @ ESEF incl. pitching & B2B sessions





C. Facilitation of Entry to the Solar Industry

Non-solar companies Operating in other sectors with strong local distribution channels

Most likely Tier 2 & 3 businesses with access to financing but limited know-how /awareness of the opportunity expanding into solar

Large potential new entrants into standalone solar industry

ROGEP

Awareness raising

Specialized TA to expand to solar

Proactive approach to attract such firms

Only if ROGEP can offer additionality





Financing Interventions





3 types of grants will be provided to businesses

MATCHING GRANTS

REPAYABLE GRANTS

CO-INVESTMENT GRANTS











- Develop ideas into viable business
- Develop & test market products
- Etc.

- Market products
- Expand operations
- Transaction assistance
- Etc.

 Business expansion in other ROGEP countries



- USD 25k grant maximum
- + some matching cash contribution from company
- Provided on a milestone basis

- < USD 250k grant
- No interest
- No collateral
- Payback time: Several years

- USD 250-500k grant as part of a larger capital raise/co-investment
- ROGEP support represents an incentive/de-risk for co-investment





Possible also for expansion to other ROGEP countries

- Benchmark & cooperation with other repayable grants
- Relying on due diligence done by co-investor(s)
- Benchmark of other coinvestment grants



Gender Component under ROGEP

Subcomponent 1B – Entrepreneurship Support































www.ecreee.org

Subcomponent 1B - Entrepreneurship Support

Main goal:

 Ensure women entrepreneurs participation in the pay-yougo-technology off-grid solar and business model;

How do we get there????



Subcomponent 1B - Entrepreneurship Support

- information's and awareness raised: work closely with regional and national actors to spread information about the opportunities;
- Ensure local communities are able to access and disseminate information to ensure women representation;
- Ensure communications channel is gender sensitive: the information goes from the base to the top;



Subcomponent 1B - Entrepreneurship Support – Gender-responsive TA activities

- Ensure women entrepreneurs and other under-represented stakeholders have the equal opportunity to benefit from relevant capacity-building activities and financial support under this sub-component;
- To ensure, entrepreneurs who receive support, mainstream gender into their business models;
- Ensure that calls for proposals and trainings (trainers, participants, contents, etc.) are gender-sensitive.



Subcomponent 1B - Entrepreneurship Support – Gender-responsive Financing Support

 Ensure all calls for applications encourage the participation of women and other vulnerable groups;

- Companies receiving financial support should be sensitized about mainstreaming gender into their business models;
- Criteria on gender should be gradually included in the procurement and provision of support;



A picture is worth a thousand words







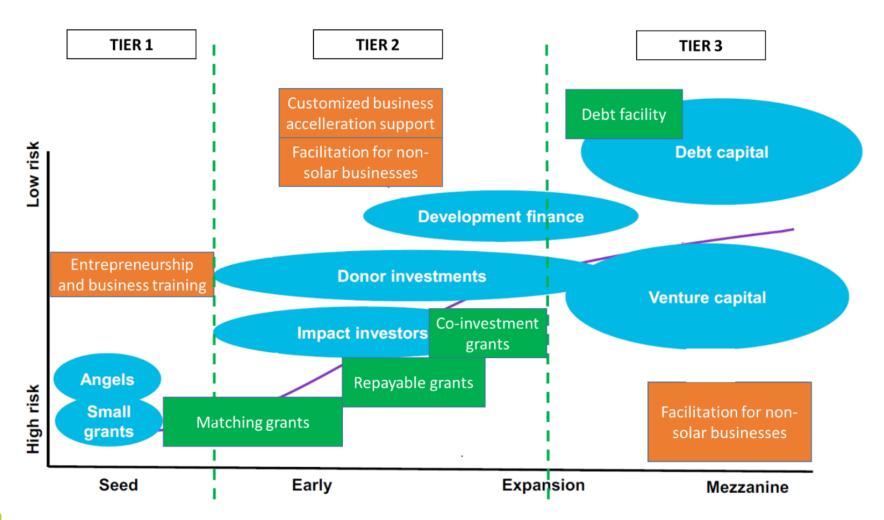
Scope: Recap of full spectrum of the Facility







TA & Financing interventions under Subcomponent 1B covers full spectrum of SSS businesses (2/2)





"Speed is irrelevant if you are going in the wrong direction" **Rami** "Seuls se félicitent du chémin parcouru ceux qui se savent incapables d'aller plus loin". **Amin Maalouf**

"We must use time wisely and forever realize that the time is always ripe to do right". **Nelson Mandela**

"Ce n'est pas ce que vous avez qui compte; mais ce que vous faites avec ce que vous avez qui compte". Inconnu "... poverty is not natural. It is man-made and it can be overcome and eradicated by the actions of human beings" **Nelson**Mandela





Merci! Obrigado! Thank you!



Siré Abdoul Diallo **Coordinator of Private Sector Support Facility** sdiallo@ecreee.org































