



# Regional Off-Grid Electrification Project (ROGEP)

Implemented by:



and



Funded by



and



## Electricity access situation in West Africa and Sahel

- 600 million in Sub-Saharan Africa don't have electricity access
- 208 million people in West Africa and Sahel regions don't have access to electricity, 70 percent of who live in rural areas
- West Africa and Sahel have also been experiencing the fastest growth in energy demand in the region that could go unmet at current electrification levels
- Schools and health centers have extremely low rates of electrification
- West Africa and the Sahel are yet to benefit from solar PV innovations and disruptive business models
- Privately financed stand-alone solar systems can help bridge the deficit gap of West Africa

## Market Potential for Stand-alone Solar Systems

ECREEE Market Assessment 2018

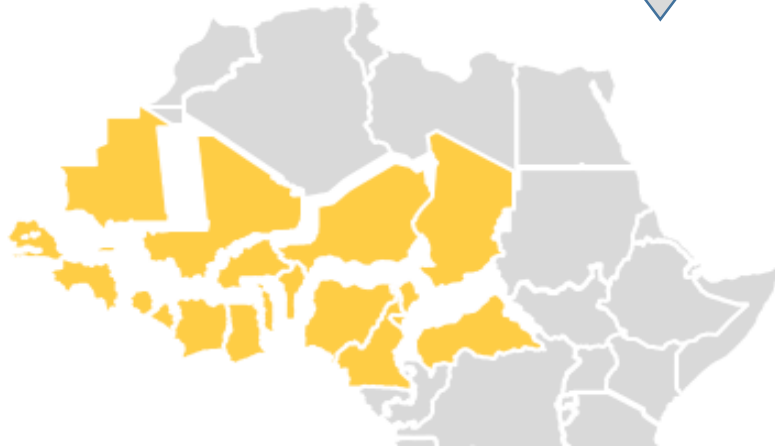
- 31 million households could be electrified using stand-alone solar systems
- US\$6.6 billion estimated value of the household solar market
- 800,000 educational and healthcare facilities could be electrified
- US\$1.5 billion estimated investment cost to electrify educational and healthcare facilities.

# Project objectives

- Establish a regional market
- Increase electricity access to households, businesses and public institutions using affordable quality-verified stand-alone solar systems
- Build technical and financial capacity at the regional and country level

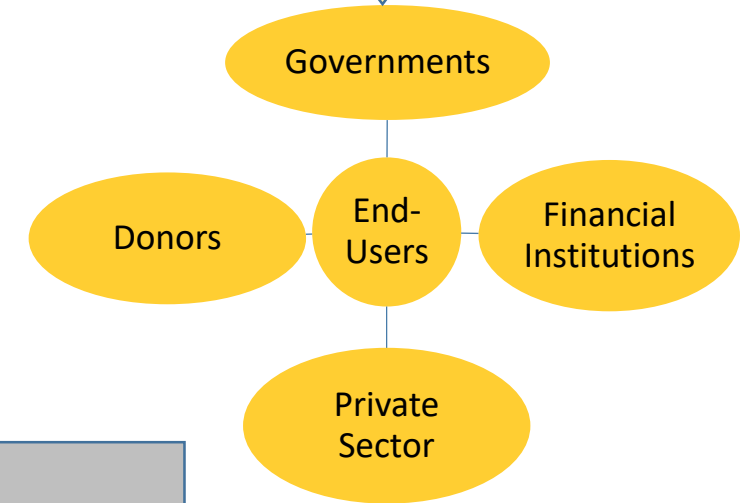
**The Project is designed in Series of Project (SOP)** approach to allow flexibility in applying lessons learned from each phase of the project to the next. The ROGEP SOP1 will focus on supporting and developing a viable business ecosystems in the project countries through a regional-level initiative

## Project countries (15 ECOWAS countries+4 non ECOWAS countries)



Benin, Burkina Faso, Cabo Verde, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Nigeria, Niger, Senegal, Sierra Leone, Togo, Cameroon, the Central African Republic, Chad, and Mauritania

## Project Actors & Beneficiaries



## Project Components and Budget

### 1. Develop Regional Market:

- 1A: Enabling Environment
- 1B: Entrepreneurship Technical Support
- 1C: Entrepreneurship Financial Support
- 1D: Barrier Removal for Challenging Markets

### 2. Access to Finance :

- 2A: Line of Credit for Stand-alone Solar Businesses
- 2B: Contingent Grant Facility for Commercial Financial Institutions

**Actual Budget : 225 M USD 2017 -2023**

# The off-grid solar sector seems like an obstacle course for private sector



## Lack of technical & business capacity

*e.g.: Last-mile distribution  
Qualified human resources  
Etc.*



## Financing

*e.g.: Lack of early-stage venture capital with sufficient risk appetite  
Local currency debt for companies with high foreign exchange risk exposure*



## Regulation & Policy

*e.g.: Increasing the costs of imports  
Etc.*



## 1B: Entrepreneurship Technical Support

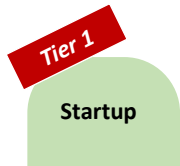
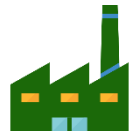
Implemented by ECREEE

- Entrepreneurship and business training to start-ups and early-stage ('Stage 1' and 'Stage 2') stand-alone solar businesses in the participating countries
- Customized business acceleration support in form of technical assistance to early-stage ('Stage 2') businesses—those that have advanced beyond start-up stage but are still developing and iterating their business model, adapting technology, and finalizing product marketing strategies
- Facilitation of entry to the solar industry for successful local businesses that are operating in non-solar industries
- Targeted training for women entrepreneurs in all categories mentioned above

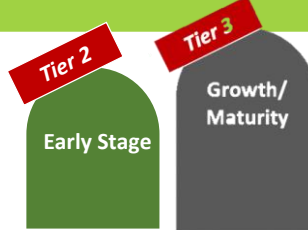


# Under the financial support facility 3 types of grants will be provided to businesses

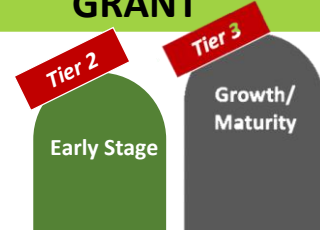
## MATCHING GRANT



## MARKET-ENTRY GRANT



## PERFORMANCE-BASED GRANT



- Develop ideas into viable business
- Develop & test market products
- Close key operations gaps

- Support expansion in to a challenging market

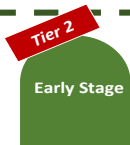
- Result-based financing to sustain and ensure scale-up of companies operating in challenging markets



- USD 25k grant maximum
- + 25% matching contribution (cash & in-kind) from grantee
- Payment not based on any specific results

- < USD 150k grant
- Not-result-based
- 25% co-financing required from grantee
- ROGEP support represents an incentive/de-risk for moving to new markets

- < USD 250k grant against specific results agreed with the grantee
- ROGEP support represents an incentive/de-risk for co-investment



Some Tier-2 companies may also qualify

- Benchmark & cooperation with other catalytic grants

- Benchmark of other result-based financing



## Solar PV technologies supported under ROGEP



Working capital support for supply and distribution of pico solar systems for low-income households. Price range: US\$10–50.



Debt finance to support SHS that can operate multiple lights, TV, fan, and other basic appliances, through installment payment system. Probable use of mobile money and PAYGO schemes. Price range: US\$70–500

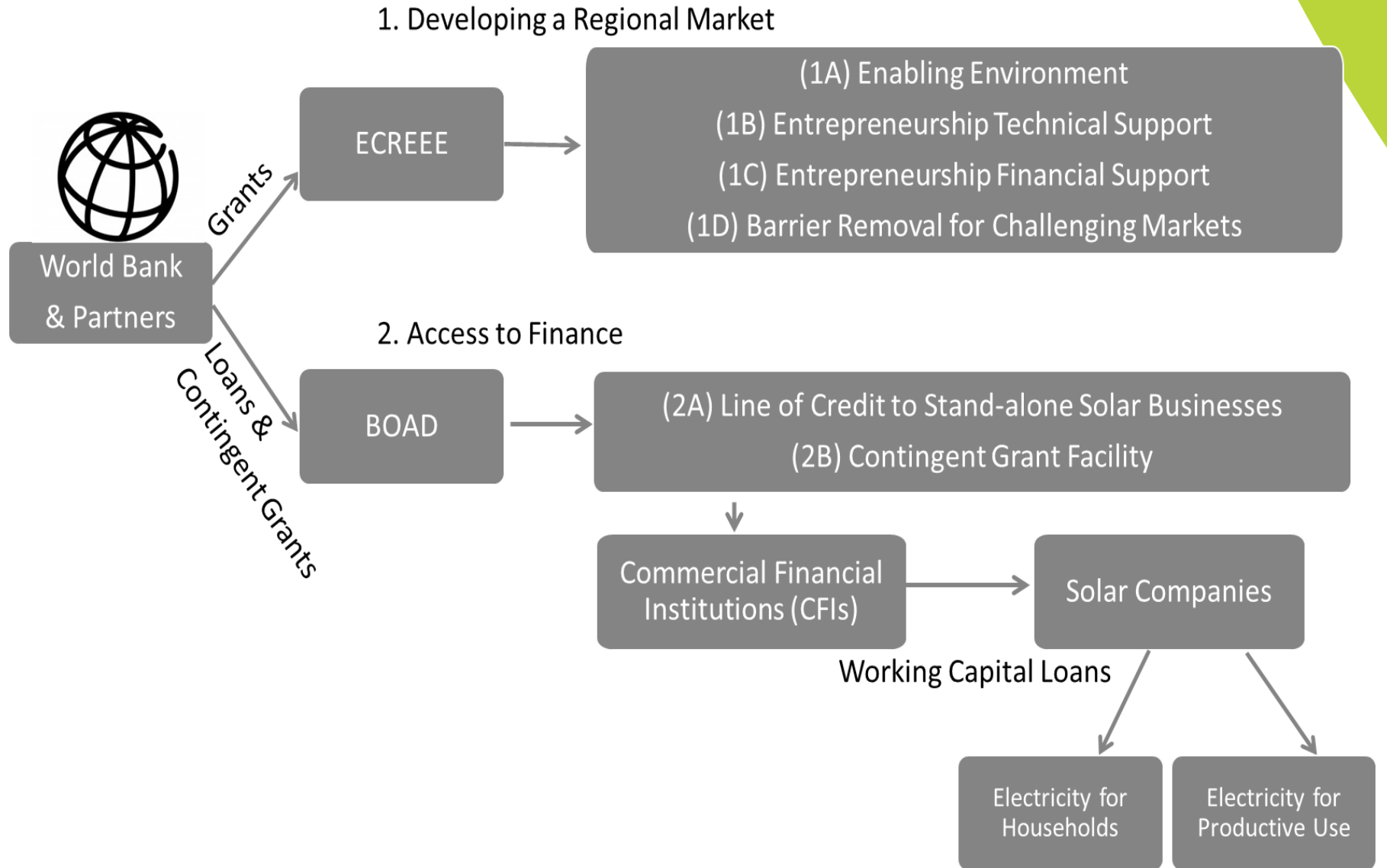


Support businesses promoting productive uses of electricity through stand-alone solar systems. Common productive uses include solar water pumping, solar irrigation, solar electricity to SMEs, and so on. Price range: US\$500–15,000.



Support to electricity service providers to electrify public institutions, such as schools, health clinics, public administration offices, community centers, and so on, using stand-alone solar systems. Price range: US\$5,000–100,000.

# Funding flow



**Thank You Very Much!**  
**Merci Beaucoup!**  
**Muito Obrigado!**

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