

ROGEP TECHNICAL & FINANCIAL SUPPORT FACILITY

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There are 3 main barriers hindering the scale-up of companies in the off-grid solar sector in the ECOWAS



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, market distortion, etc.





1B - Technical Support Facility

Objective of the Entrepreneurship Technical Support Facility



- 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
- 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

If you don't know where you come 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



Financing

Contributing to business growth

Facilitating track record to access finance; increase bankability & viability

...CLOSELY LINKED TO...

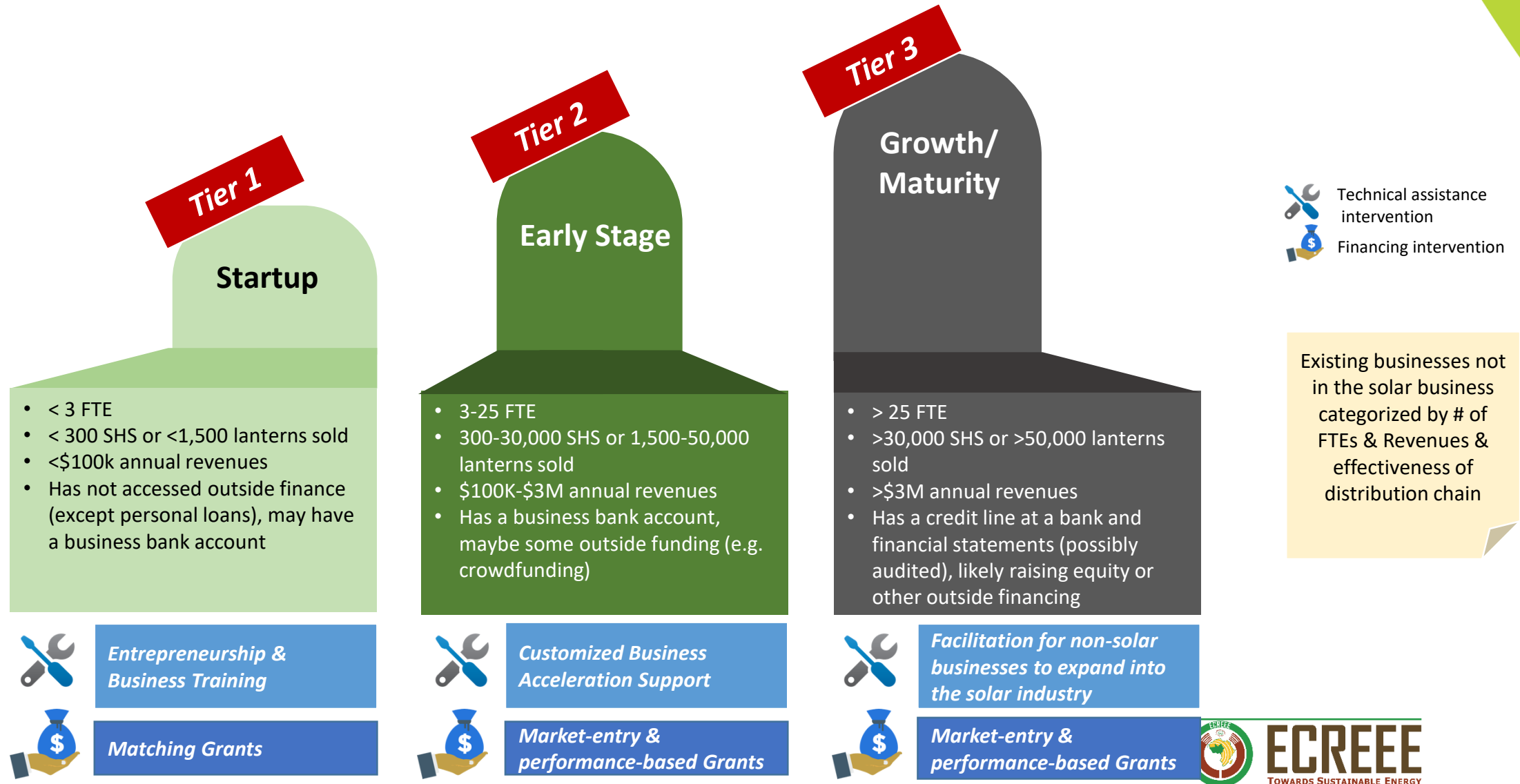
ECOWAS Certification Scheme for PV installers/technicians

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





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



Training of Trainers Programme with specific solar industry component

Development of a regional network of training partners

Development of training materials

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

Financial support to organizations





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 of 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 Networking Event





B. Customized Business Acceleration Support for Tier 2 businesses

**Tier 2
Businesses**

still developing & iterating their
business model

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



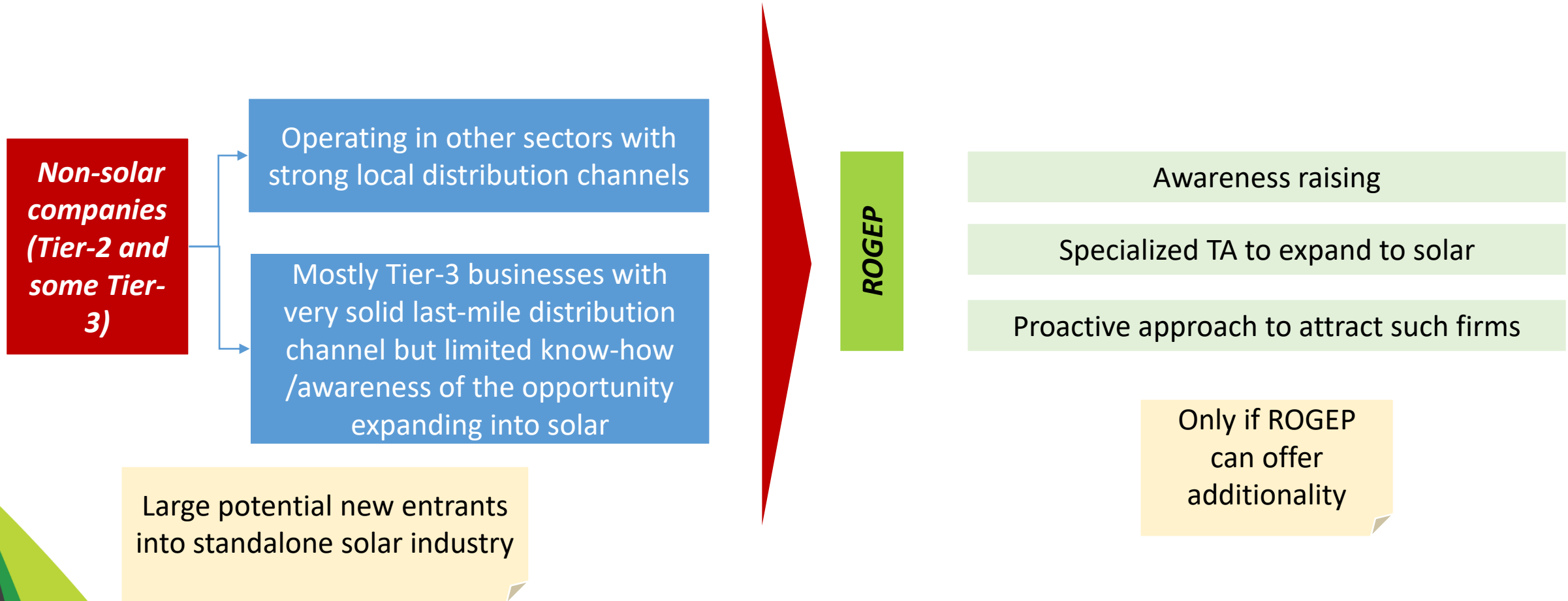
Partner organization providing incubation for
successful candidate to be selected by ECREEE



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



C. Facilitation of Entry to the Solar Industry





Activities implemented during the preparatory phase

A certain number of results have been achieved under Sub-Component 1B so far



1

Training of **30** entrepreneurs in Accra in PAYGO Business Model and Last-mile distribution



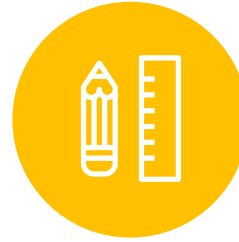
2

B2B with **12** international companies & **3** industry associations



3

TA & B2B provided to **13** entrepreneurs in the framework of the RE Forum in Guinea



4

Collaboration on capacity-building activities with PFAN



5

Webinar organized with SolarWorX on Next Generation SHS and Micro-grid



6

TA to **3** entrepreneurs in the framework of the first call for AECF



7

Procurement, 1 for establishment of network of incubators and 1 for refinement of business plans

Gender Mainstreaming





Financial Support Facility

Matching Grant

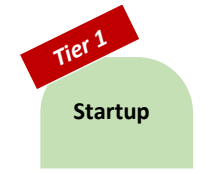
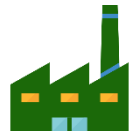
Market-entry Barriers Removal Grant

Performance-Based Grant

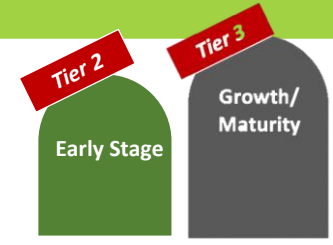


3 types of grants will be provided to businesses

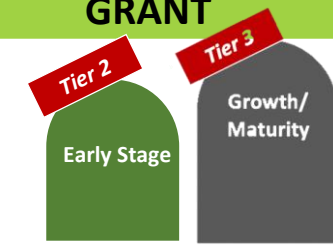
MATCHING GRANT



MARKET-ENTRY GRANT



PERFORMANCE-BASED GRANT



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

- Expand operations to a challenging market within our outside of target countries
- Etc.

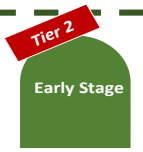
- Result-based financing to sustain and ensure scale-up of companies operating in challenging markets



- 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

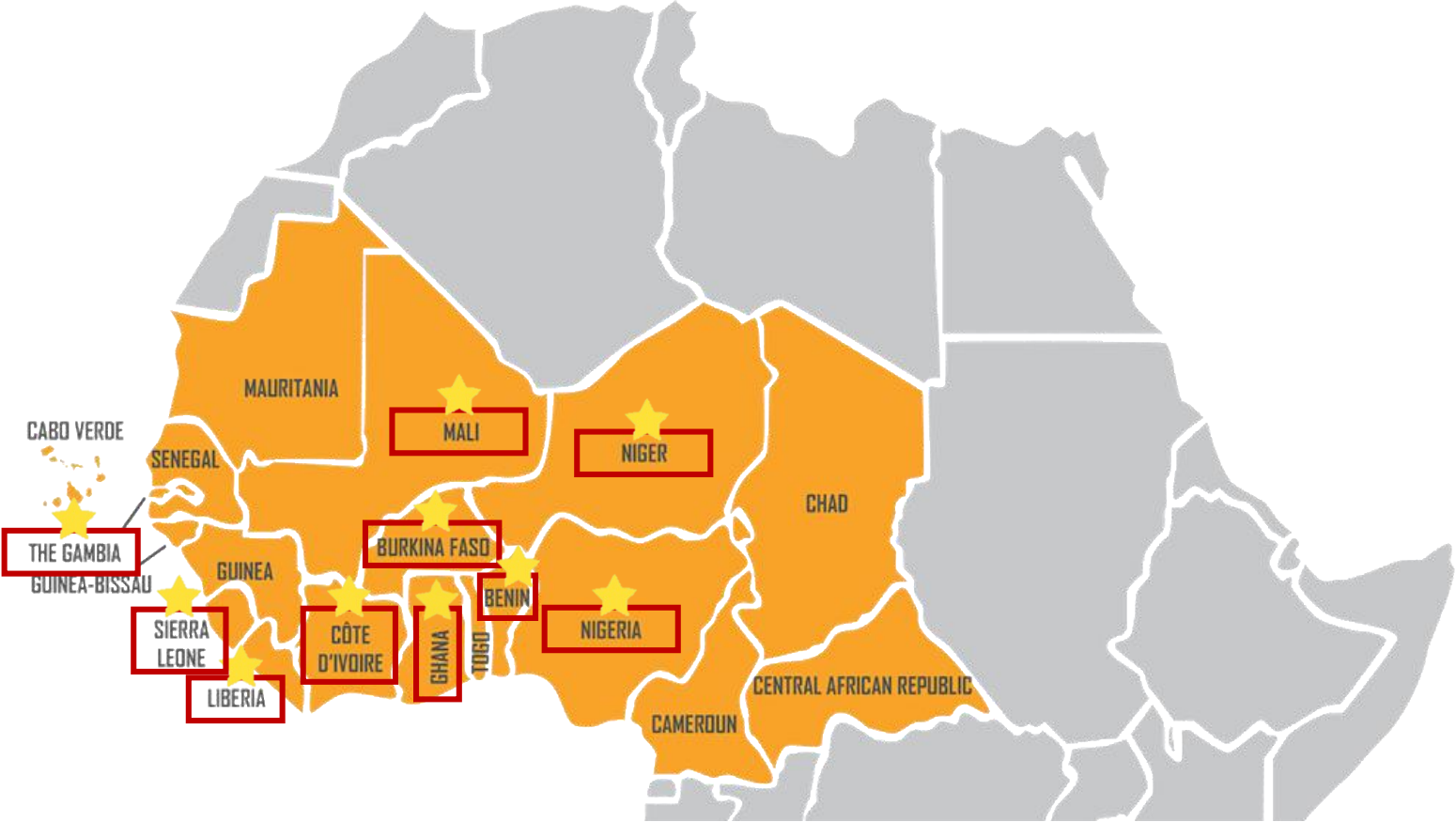


Some Tier-2 companies may also qualify

- Benchmark & cooperation with other catalytic grants

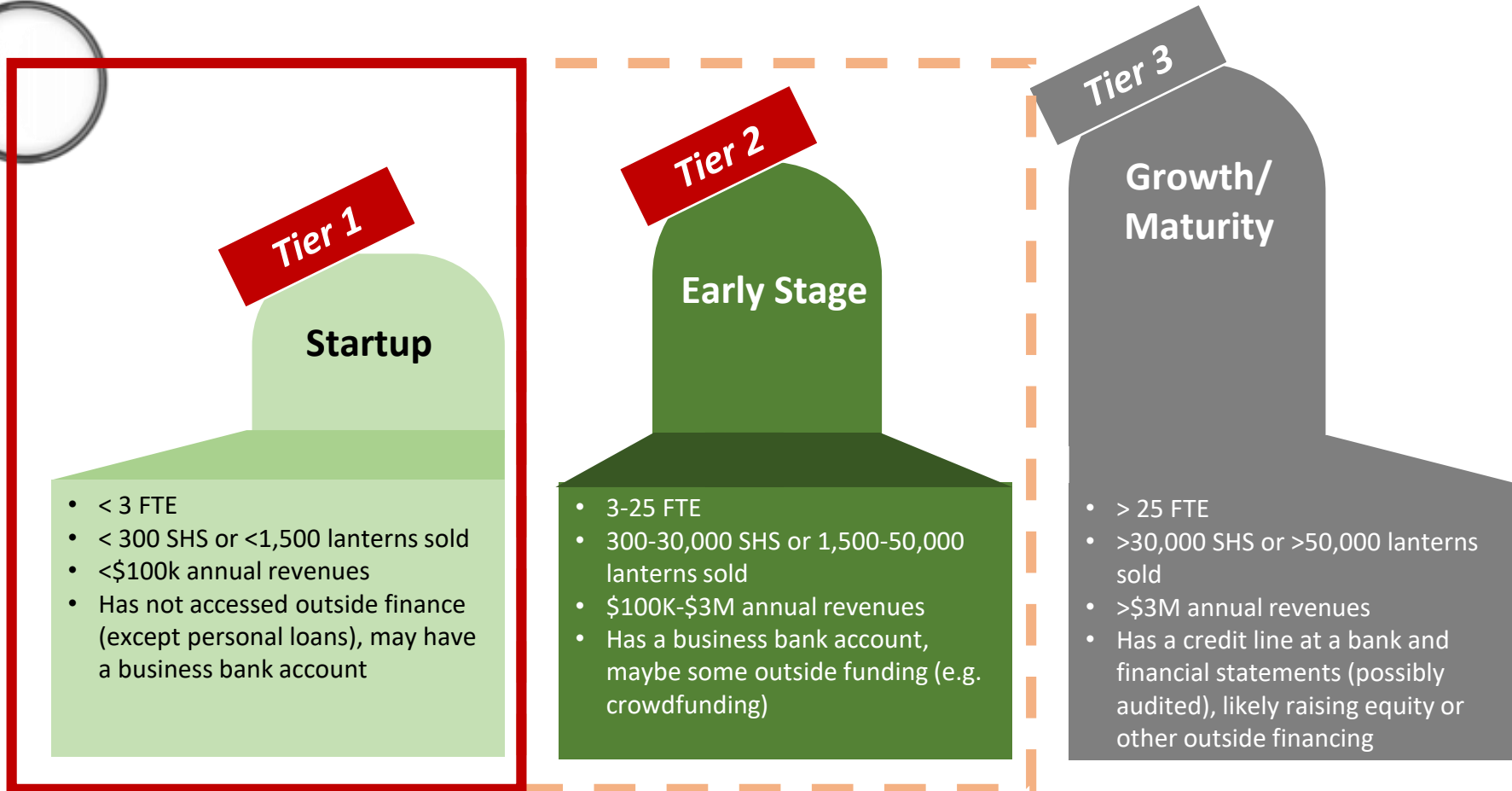
- Benchmark of other result-based financing

Currently, only companies in selected CTF countries (11) out of the 19 ROGEP countries are eligible for the grant



SUB-COMPONENT 1C

The financial support provided targets companies in the three categories (tiers) determined under ROGEP



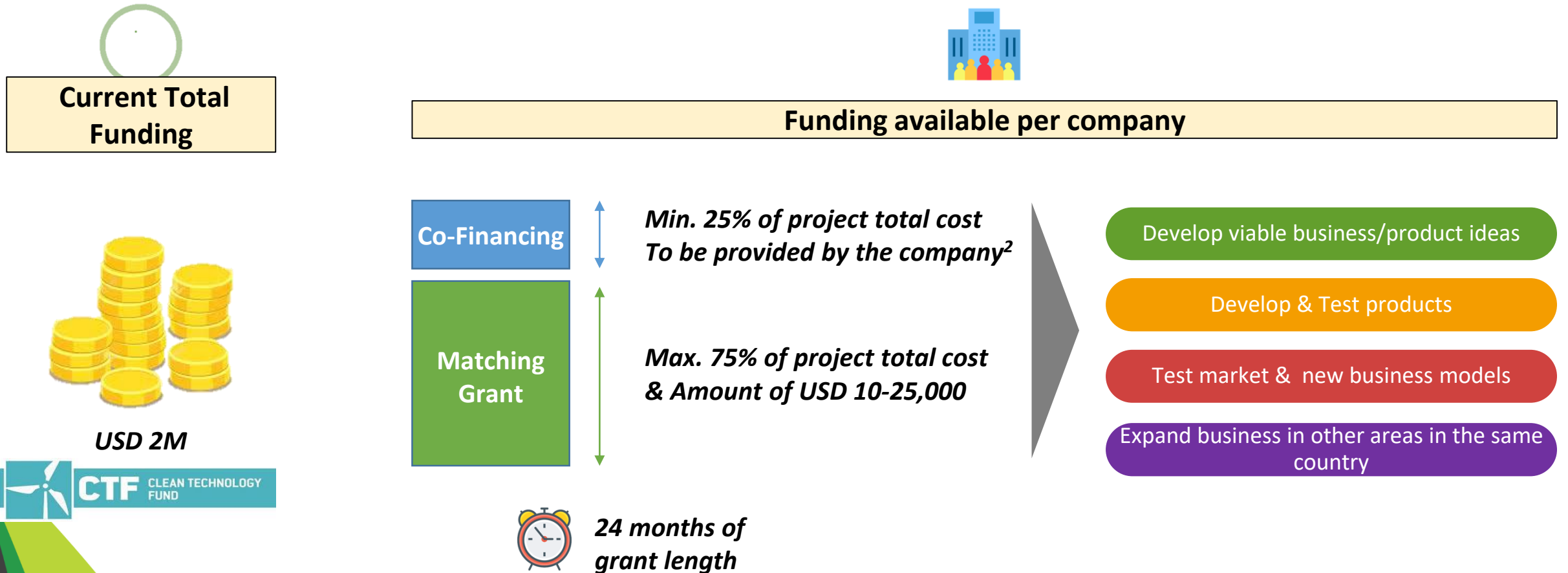
Component 1C has clear objectives to help businesses grow, close business & technology related gaps, and get additional funding

1C: ENTREPRENEURSHIP FINANCIAL SUPPORT



- ✓ Encourage **bold ideas** (including systems, models, products, etc.) from entrepreneurs and SMEs, by **providing a small grant** for operations expansion and/or improvement such as new or improved products, services and technologies with considerable commercial upside potential.
- ✓ Support the **establishment of a critical mass of entrepreneurs, SMEs capable of closing the electrification gap** in the target countries through a market-based approach
- ✓ Provide the **evidence base for scaling-up** thereby providing proof of concept, insights, lessons learned and best-practices
- ✓ Facilitate **access to further financial support schemes** from ROGEP or follow-on investment

The CTF¹ funding – USD 2M – is a matching grant where selected businesses can get up to USD 25,000



(1) CTF : Clean Technology Fund (2) Own capital, private investors, loan & other private sector cash contributions. Some in-kind co-financing accepted

The matching grant is available for 3 specific technologies & services



**Pico-Solar PV
with phone charging
capacity**



**Solar Home Systems
with multiple light
bulbs & Options for
applications**



**Standalone solar
systems for
productive uses,
SMEs and
households**

The Matching Grant is built on specific and clear implementation guidelines

Eligibility Criteria

Matching Ratio

Marketing & Communication Campaign

Size of Grant

Support Services

Flexibility of Scheme

Application & Selection Procedures

Disbursement Schedule

Synergies w/ the Rest of ROGEP

Selection Criteria

Project Duration

Potential M&E Indicators

Eligible Use of Funds

Sustainable Impact

Possibility of Multiple Awards

Synergies with existing programs and initiatives will be leveraged to further support targeted businesses

Non-exhaustive list



SUB-COMPONENT 1D

Observation: Off-grid & standalone solar tech is expanding but not yet widespread. The main reason: challenging markets in the region are not attracting off-grid solar companies

Challenging Country according to ROGEP



Most challenging countries have markets with:

- few micro & small companies struggling to distribute their products
- A large fragmentation & hard to reach customers
- Extreme poverty or disparate population

Thus, component 1D aims at facilitating to overcome barriers to market-entry in markets through 2 types of catalytic grants

1D: CATALYTIC GRANTS

Market-Entry Grant



Support the entry/expansion of a company into a new & challenging market in its own country or eligible countries



Max. USD 100k financing to move to challenging markets
No specific results required for disbursement

Performance-Based Grant



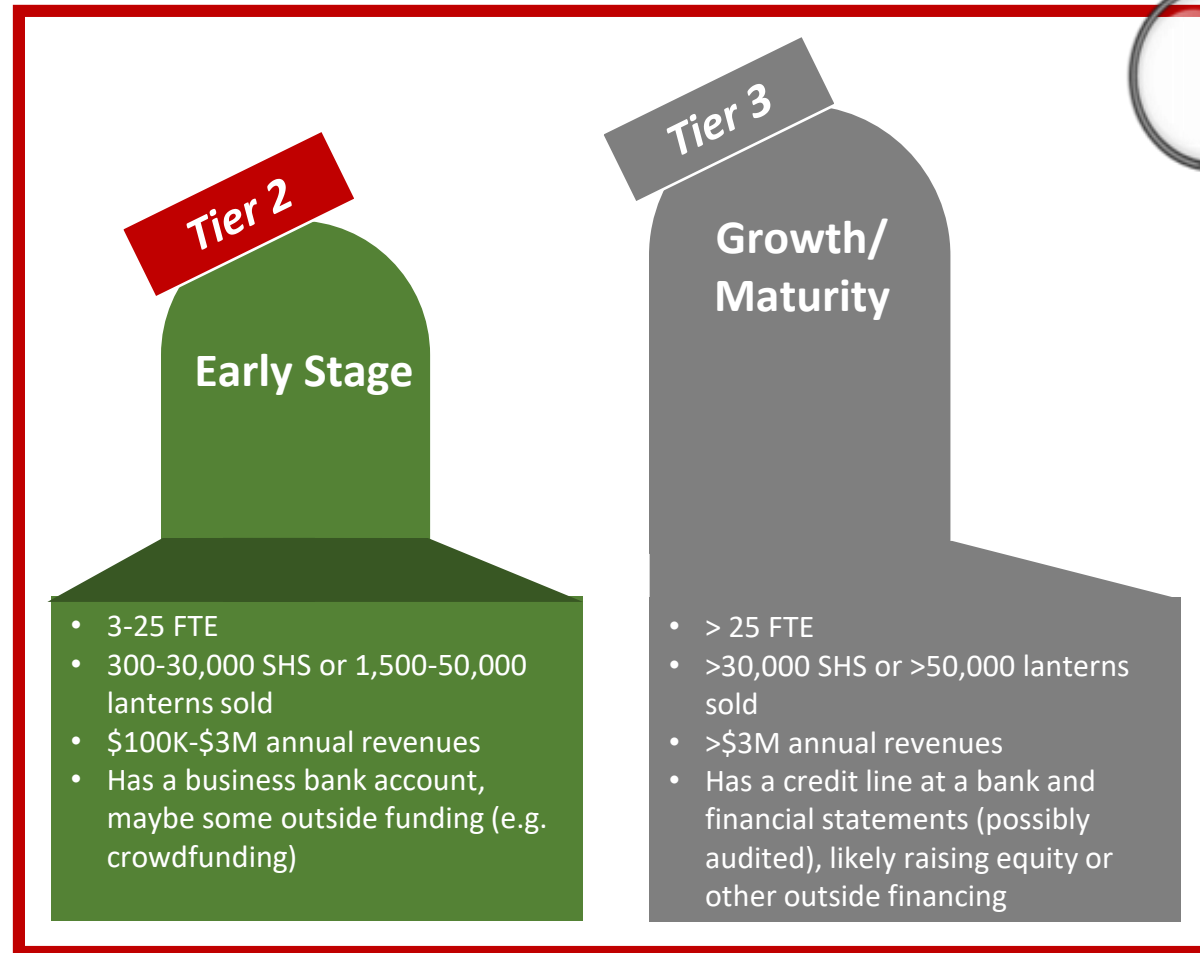
Accelerate accessibility & affordability of off-grid solar products to the most vulnerable consumers



USD 100k-250k financing to move to challenging markets
Funding disbursed based on reached performance goals (incl. units sold, affordability, household impacts, tier level of electricity access provided, etc.)

Support services can be provided by integrating partnering incubation programs or technical assistance to achieve set milestones/performance goals

The financial support provided targets only companies in the stage 2 and 3 of the business cycle...



Both Catalytic Grants are built on specific and clear implementation guidelines

Eligibility Criteria

Matching Ratio

Marketing & Communication Campaign

Size of Grant

Support Services

Flexibility of Scheme

Application & Selection Procedures

Disbursement Schedule

Synergies w/ the Rest of ROGEP

Selection Criteria

Project Duration

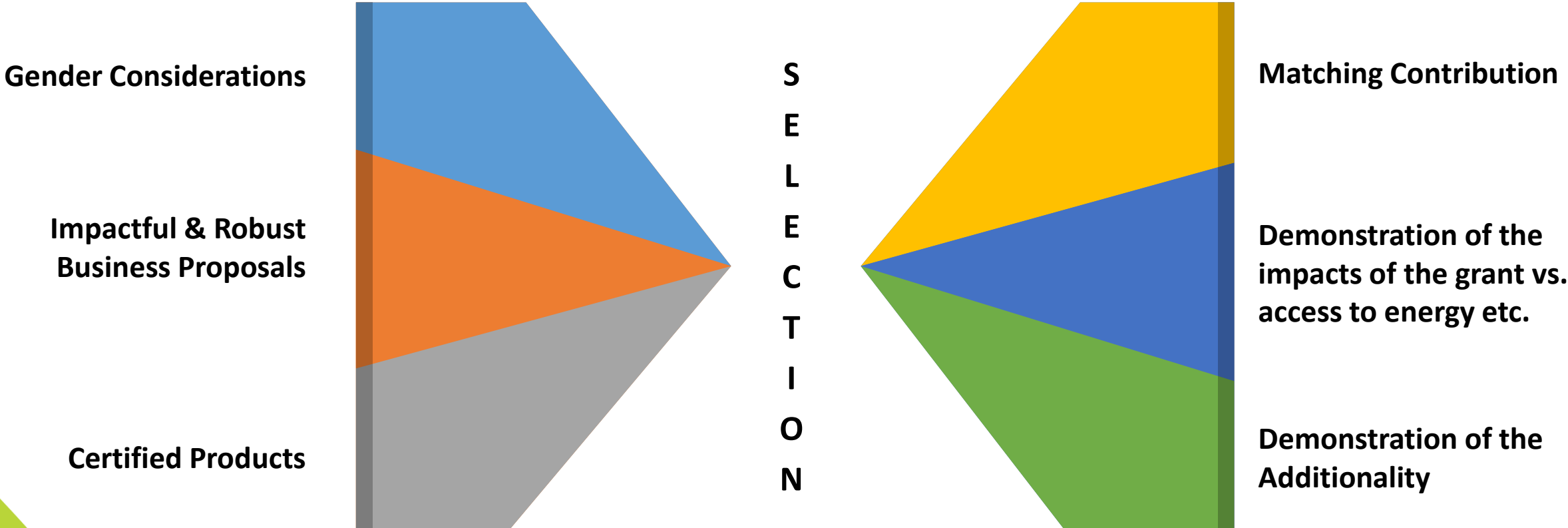
Potential M&E Indicators

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Sustainable Impact

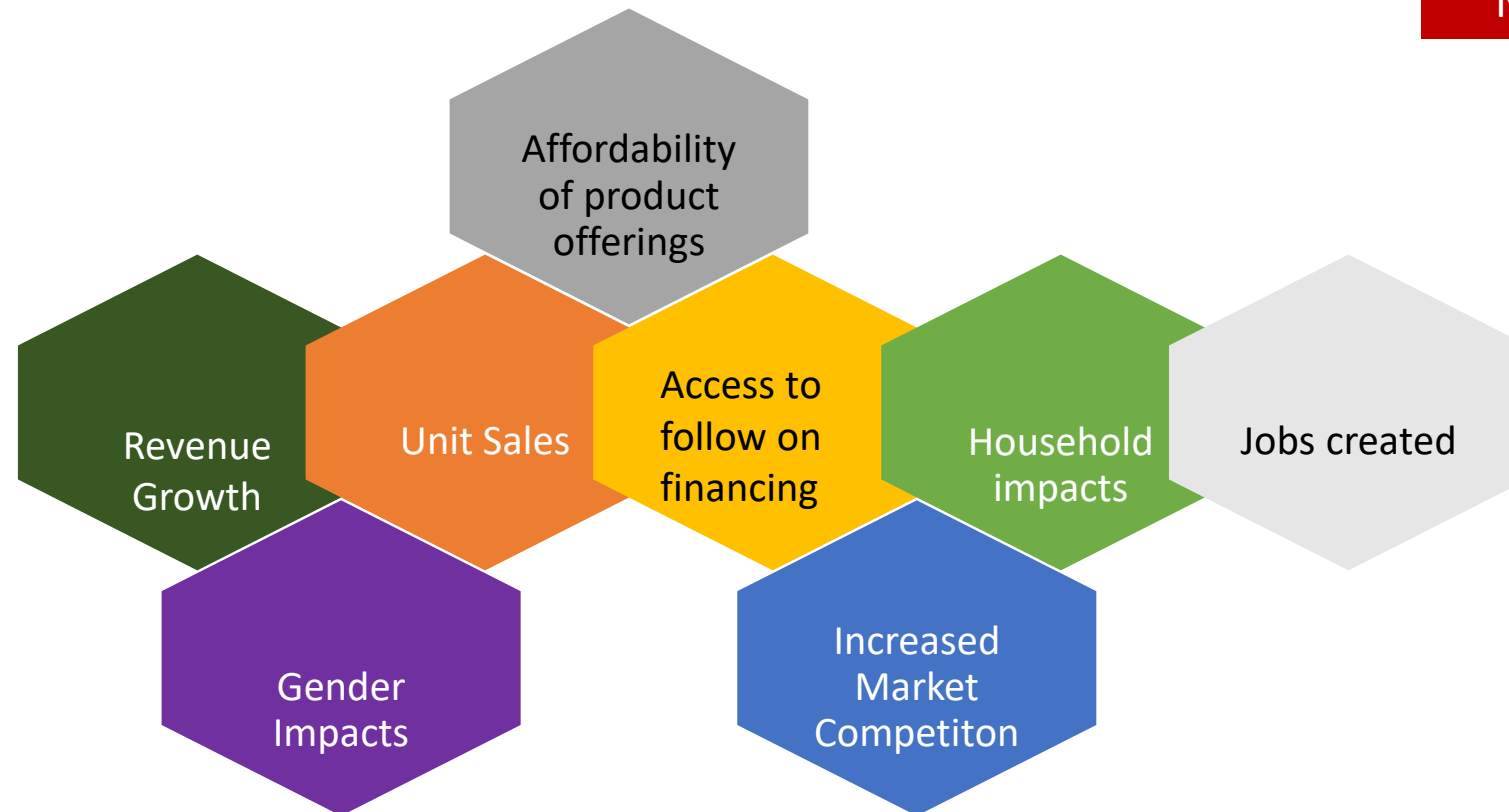
Possibility of Multiple Awards

Grantees will go through a selection process based on various criteria



A rigorous M&E mechanism will be designed and implemented to ensure increased progress in challenging markets

Non-Exhaustive List



“Speed is irrelevant if you are going in the wrong direction” Rami



**Merci!
Obrigado!
Thank you!**



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