

CLEANSTART Renewable Energy Challenge

Fund: Solar Window



AGENDA

Time	Duration	Item	Speaker
3.00 - 3.45	45 mins	RECF Clean Cooking Window Overview Application Package Review	UNCDF Team
3.45 – 5.00	75 mins	Q&A	Everyone

UNCDF CLEANSTART PROGRAMME

WHO: CleanStart as co-investor

WHAT: Early stage innovation de-risking

WITH: the private sector (ESPs/FSPs)

WHY: Improve access to clean energy and fill the missing middle in energy finance

CleanStart contributes to achieving SDG 7 on affordable and clean energy for all.

UGANDA'S RENEWABLE ENERGY CHALLENGE FUND (RECF)

WHO: CleanStart and Swedish Embassy

WHAT: Challenge Fund for Clean Cookstoves and Solar Solutions

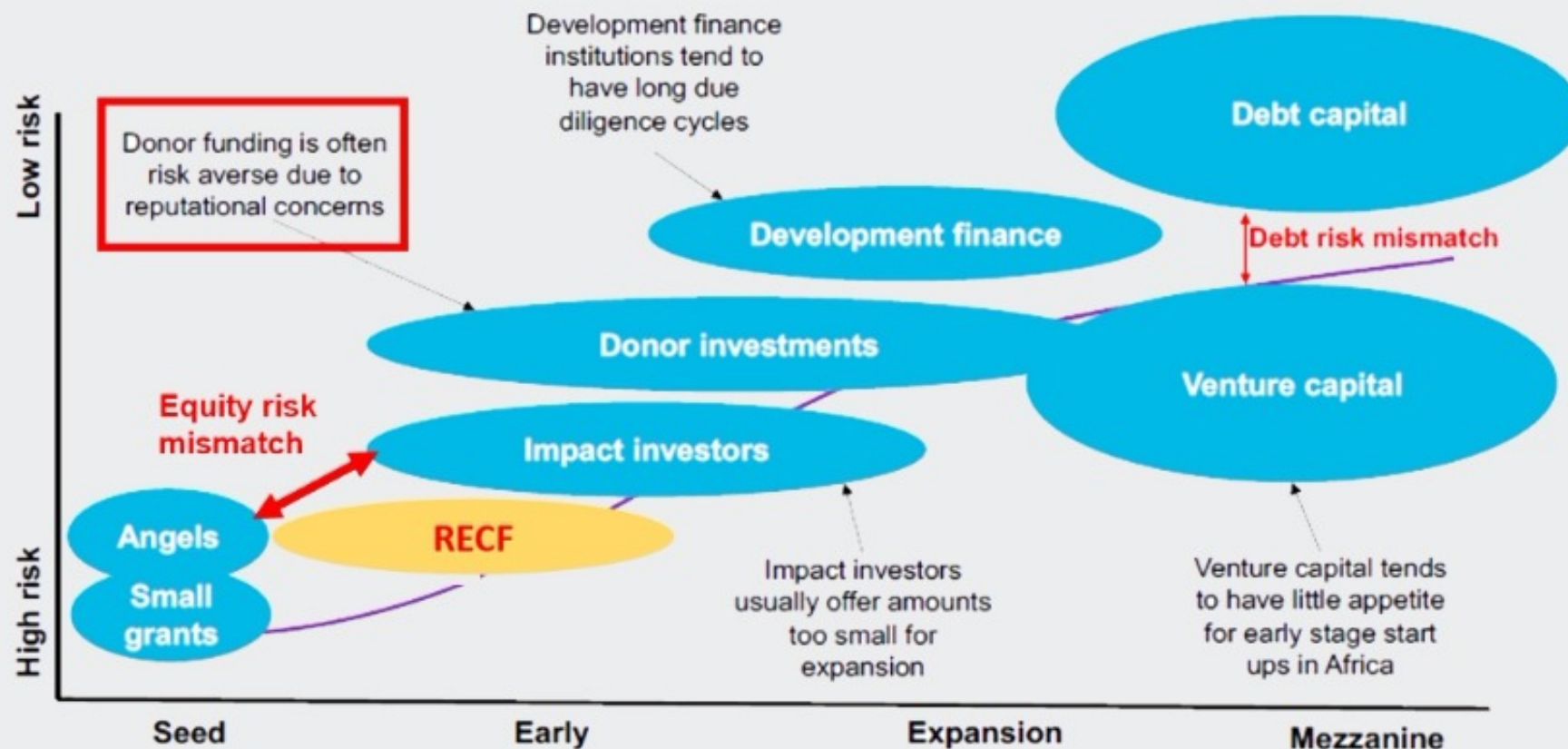
WITH: the private sector (ESPs/FSPs)

WHY: By end of 2020, RECF aims to support 150,000 low-income customers transition to renewable energy.

Central to RECF's approach is encouraging women and youth's active participation in the energy value chain as customers, employees, and employers.

"MISSING MIDDLE" IN RENEWABLE ENERGY FINANCING

Figure 62: Equity investor risk appetite vs. company needs



Source: Bloomberg New Energy Finance. Note: "Donor investments" are defined as grants and investments by organisations that have no profit mandate and are not development finance institutions, such as foundations and prizes. "Development finance" refers to government institutions or development banks and the likes.

LESSONS FROM PREVIOUS CHALLENGE FUNDS

People substitute traditional fuels and utilize renewable energy.

More needs to be done to reach poor and rural people.

Low purchasing power among customers posing a challenge in converting prospects into sales.

Direct marketing distribution channels and partnerships are a key success and failure factor. Providers must have physical point of sales close to customers. (training, incentivizing/motivating agents to perform) .

Other lower priced, but poor quality or counterfeit energy products are being offered in the market.

Things don't go as planned – plan for contingencies, pivots.

REF SOLAR WINDOW



CHARACTERISTICS

Target Market	Type of Funding	Grant Size	Project Duration
<p>Uganda</p> <p>With a focus on underserved, low-income customers in rural and peri-urban areas – At least 50% of product sales (with RECF support) must be in rural areas.</p>	<p>Cost-sharing grant, paid upon achievement of milestones</p>	<p>US\$100,000 up to US\$500,000</p>	<p>24 months starting in June 2018</p>

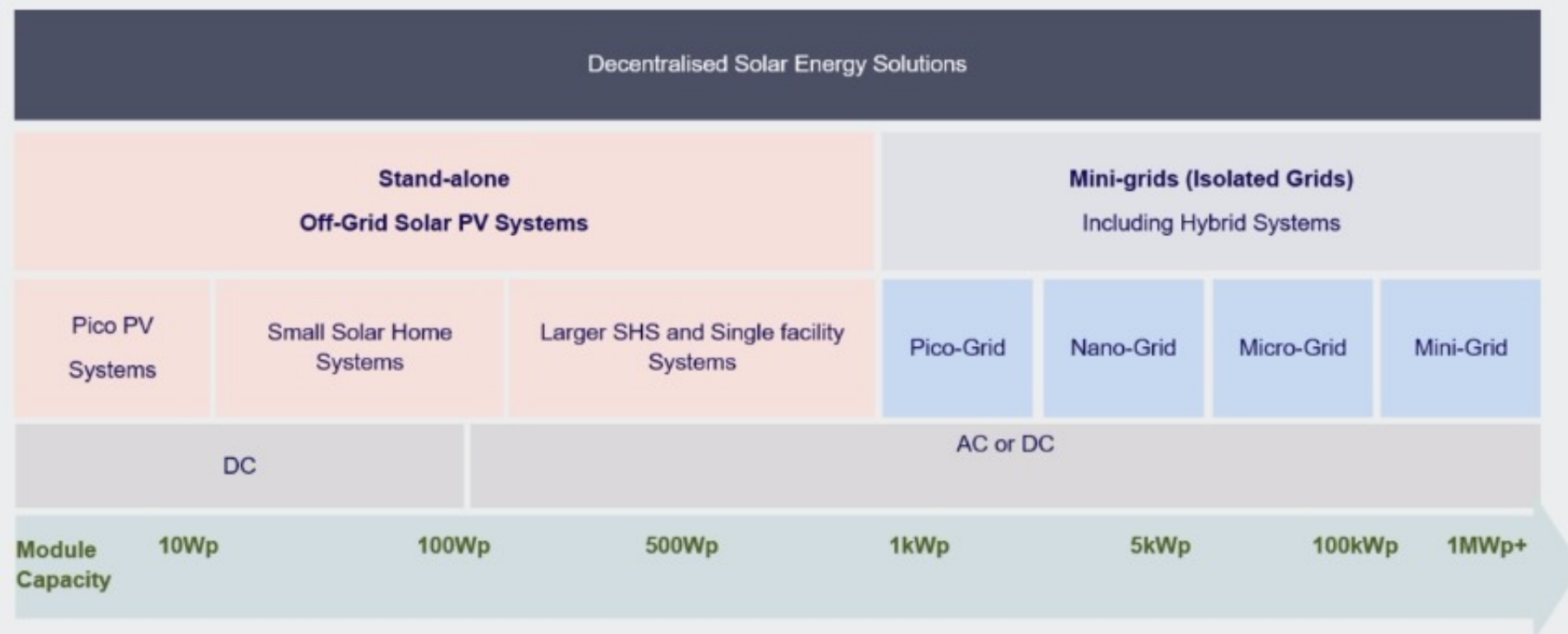
CHARACTERISTICS

Grant Amount Requested [USD]	Minimum Cost-sharing [% of total budget]	Minimum Cash Contribution [% of total budget]	In-kind Contribution [% of total budget]
US\$100,000 < US\$250,000	40%	20%	20%
US\$250,000 < US\$350,000	50%	25%	25%
US\$350,000 - US\$500,000	60%	30%	30%

Examples:

Grant Amount Requested [USD]	Minimum Cost-sharing [USD]	Total Budget [USD]
US\$120,000 (60%)	US\$80,000 (40%) [US\$40,000 (20%) Cash + US\$40,000 (20%) In-kind]	US\$200,000 (100%)
US\$250,000 (50%)	US\$250,000 (50%) [US\$125,000 (25%) Cash + US\$125,000 (25%) In-kind]	US\$500,000 (100%)
US\$450,000 (40%)	US\$675,000 (60%) [US\$337,500 (30%) Cash + US\$337,500 (30%) In-kind]	US\$1,125,000 (100%)

ELIGIBILITY CRITERIA



Technology

Lead Applicant / Consortium

For-profit private companies

Legal Status & Presence in Uganda

Solar track record

(or relevant sector)

Industry association membership

Leverage

THE PROPOSED BUSINESS IDEA

- ① Address gaps or barriers in the decentralised solar PV value chain and lead to a step-change in the adoption of such solutions in Uganda, and potentially to transform the market;
- ② Incorporate an element of consumer awareness;
- ③ Increase access to affordable, high-quality and durable off-grid solar PV systems in underserved regions of the country;
- ④ Be highly innovative in terms of the proposed product or service, the delivery mechanism, the business model, financing model, and/or market reach;
- ⑤ Be commercially driven and demonstrate a strong potential for commercial viability, scalability and replicability;
- ⑥ Have a positive impact on women and youth as consumers but also as active participants in the value chain – Projects are required to provide employment opportunities for Ugandan women and youth;

APPLICATION PROCESS



STAGE 1: EOI

Call for EOI	Preparation of EOI	Submission of EOI	Assessment of EOIs
Launch 08.11.2017 Info Session Kampala 08.11.2017 Virtual Info Session 10.11.2017	Company consultations 08.11.2017 to 05.12.2017 Deadline to share drafts and inquiries 01.12.2017	Deadline for EOI Submission 12.12.2017 @ 17:00 EAT	Announcement of shortlisted EOIs January 2018

STAGE 2: FULL PROPOSAL

Preparation of Full Proposal	Submission of Full Proposal	Assessment and Selection
Company consultations & Due Diligence Jan - Feb 2018	Deadline for Full Proposals Submission Early March 2018	Announcement of successful candidates Mid-April 2018

STAGE 3: SELECTION

Contracting	Project Implementation	Delivery of first milestones and sales
Negotiation of PBAs May 2018	Signing of PBAs & Launch of Projects June 2018	Q3 2018 First Disbursement upon delivery of milestones

HOW TO APPLY

1

Download and read carefully the General Information document, the FAQ document.

2

Print the EOI Form in PDF format and use it as a reference while filling up the online form.

3

Fill out the EOI form online at our Screendoor page. You can save drafts online if necessary.

4

Download, complete and submit (via the online form) the EOI Financials and Budget Template (excel file) based on the size of the grant you are requesting.

5

Also submit (via the online form) product specification sheets, photographs and product pricing information.

6

Once the online EOI Form is completed and all required documents have been uploaded, please submit your application.

TIPS FOR APPLICANTS



- + Eligibility; ensure that your application meets the eligibility criteria otherwise innovative ideas only will not be selected.
- + Set ambitious, yet realistic targets.
- + Ensure you have sufficient staff and/or staffing plans to implement your project idea.
- + Know your market and your customer's ability to pay for your product.
- + Clearly define your product supply/procurement plan and demonstrate you have the ability to secure product – customs.
- + Innovations can be risky, have an alternative business strategy (Plan B) if the innovation is not performing as expected.
- + Make use of the consultation period to ascertain if application meets eligibility criteria

DO's & DON'Ts



focus on innovation and market-moving ideas for the solar PV sector in Uganda.



show a level of cost sharing of at least 40%, 50% or 60% depending on the requested grant amount, with no more than half of that amount as in-kind contribution (See cost-sharing section below for more details).



provide a realistic cost-sharing percentage



complete the online EOI form, answer all questions and submit it on time together with all the required documents



provide ambitious but realistic sales and outreach projections.



seek support for expanding or strengthening core business activities



proposed business idea should go beyond business as usual.

HIGH IMPACT OPPORTUNITIES & INNOVATIONS

Innovative last mile distribution models	Cross-sector, strategic partnerships	Agriculture value chains	Productive uses and income generation	Fully integrated solutions for specific high potential applications
Novel financing models	Increasing adoption of efficient appliances	Solar for refugee settlements	PayGo, DECSO, or other end-user financing solutions	Innovative and commercially driven models for institutions
Other sustainable and scalable solutions	Improved data practices and use of data analytics	Use of digital financial services, mobile payments, and mobile money agents	Use of ICT, smart meters, and remote monitoring solutions	Mini-grids that can serve multiple households or communities and businesses
Use of top-up loans to existing PayGo customers				

RECF SOLAR EOI: Q&A



If you have any queries not covered by the guidelines or FAQs, or require any further clarification please e-mail:

recf.uganda@uncdf.org

UNCDF will accept inquiries related to the EOI until
December 5th

www.uncdf.org/cleanstart



@UNCDFCleanStart