

# FAQS – Eligibility



**Q: Are mini-grids or community systems eligible?**

*A: The aim of this window is to fund SHS only; further funding windows from AECF and other donors will look to fund alternative solar solutions such as mini-grids.*

**Q: How large or small do the systems need to be to count as applicable?**

*A: The systems should generate enough electricity for several functions (lights, charging stations etc.). Pico-solar and similar solar products will not be eligible for funding.*

**Q: If a company does not have 2 years accounts can they still apply for funding?**

*A: Yes, but companies should demonstrate their financial health and financial capacity to absorb their requesting funding amount.*

**Q: Can a company provide for their product to be funded if it is not currently standardised/certified?**

*A: Yes, but the applicant should clearly show they understand how to certify their product in the local context (for example through the ERB in Zambia or other global standards such as GOGLA/Lighting Africa).*

**Q: Can a company apply for funding if they are not privately registered (NGO, Etc.)**

*A: No, you will need to be a private limited company to apply. If you are NGO then we suggest you set up a privately registered subsidiary or partner with a privately registered firm who can be the lead applicant.*

# FAQS – Selection Criteria



**Q: Can locally registered firms partner with a regional or international firm that can provide assistance for financing/ mobile money (Etc.) ?**

*A: Yes, however applicants are encouraged to prove the ‘meaningfulness’ of their relationship; specifically how it contributes to overall additionality and impact in their business plan.*

**Q: Can organisations who want to work in more than one country submit several Concept Note applications for different countries?**

*A: Applicants looking to work in several countries should submit one Concept Note application only; unless they intend to submit an application with a different partner in a different country in which case multiple applications should be made.*

**Q: The documentation places a strong emphasis on local capacity. Can organisations only apply for funding if the products are manufactured locally?**

*A: No, but the applicant should clearly show how they intend to boost local capacity as part of their business plan through value chain development and aftersales presence (Etc.).*

**Q: How many SHS should an organisation plan to install to qualify for funding?**

*A: This is context driven, there is no one-size-fits all; rural areas in Malawi may be more difficult to reach than Zimbabwe and therefore a “successful” figure will be different. Applicants should prove that their plans provide enough additionality/ significant increase in installation/uptake given the context of where they plan to install the systems.*

# FAQS – Funding



**Q: What can count as “matched funds” for an organisation which is not cash or assets?**

*A: A variety of funding sources can be counted as matched funding including previous investment into the company, private loans, private investments, promised investments (Letter of Intent required at contracting stage) and other donor funds as long as they are not DFID funds.*

**Q: If a company reaches contracting stage who will decide the criteria of the KPIs which they will be measured by?**

*A: The AECF will provide basic KPIs to all funded applicants such as number of households reached and number of SHSs installed. In addition to this each applicant will be given KPIs specific to the targets of their business model. The latter KPIs will be negotiated and decided between AECF and the Applicant at contracting stage.*

**Q: If an amount of \$250,000 is agreed and to be repaid 2 years later what will the repayable figure be given currency fluctuations/ who will shoulder the exchange risk?**

*A: AECF will absorb the risk of any currency exchange fluctuations. If a contract amount is agreed for \$250,000 then that is exactly how much will be repayable by the applicant as a total figure 2 years later.*

# FAQS – Questions from the Webinar



**Q: Can investment for research purposes to a subsidiary in Malawi count towards matched funding?**

*A: Yes this can count and is included as matched funding in kind regarding technical assistance; you should demonstrate how this has been quantified*

**Q: If we plan to invest/purchase assets in January 2018 can this be included as match funding?**

*A: Yes this can be included. A letter of intent for investment will be required at the contracting stage*

**Q: Can we apply for funding for more than one of the focus areas to be targeted in our business model?**

*A: Yes you can apply for funding that will target one or several of the focus areas mentioned in the term sheet*

**Q: What is the total amount of non-repayable grant monies that can be applied for as a % of total financial investment requested?**

*A: There is no limit on the % and the amount is determined by the applicant; existing businesses looking to expand and replicate their model should consider utilisation of mostly repayable grants to remain competitive during the evaluation process*

**Q: How long does a funded business have to pay back their installed funds/ can this term be extended or reduced? Can a business ask for more funds than agreed during contracting through the funding lifetime?**

*A: The term will be agreed during the contracting stage between 2-4 years and once signed cannot be changed. Applicants should be as accurate as possible during concept note/ business plan stage to request the correct total sum*

**Q: Can a successful applicant apply for more funding into their business during further AECF funding windows?**

*A: Yes as long as the funding is for a different revenue stream than that which is funded through this REACT window*