

CEI Africa Launches the Smart Outcomes Component and Calls for Green Mini-Grid Developers Implementing PUE Strategies

Nairobi, Kenya, 5 September 2023—Stichting Clean Energy and Energy Inclusion for Africa ([CEI Africa](#)) invites GMG Developers to apply for outcome-based grants that subsidize the implementation of PUE strategies connected to operating GMGs in the target countries: Kenya, Uganda, DRC, Cameroon, Sierra Leone, Madagascar, Mali and Benin. Partnerships with PUE providers, distributors, and manufacturers are encouraged.

CEI Africa designed a grant facility (the “Smart Outcomes” component) to provide outcome-based grants and technical assistance to green mini grid developers and stand-alone off-grid enterprises implementing productive use of energy. The design was funded by the Austrian Development Agency (ADA), the German Federal Ministry for Economic Cooperation and Development (BMZ) through KfW and the Swiss Development Cooperation (SDC).

Productive use of energy (PUE) facilitates income generating activities and is widely seen as critical for ensuring that improved energy access delivers on its potential to improve livelihoods and boost economic growth in developing economies. Examples of PUE include grain mills, agro-processing machines, refrigeration and water irrigation systems but also small scale appliances used by MSMEs (such as small freezers).

The Smart Outcomes component is aimed at incentivizing the deployment of PUE at scale and is open to all technologies if they are utilizing renewable energy and have been deployed in the market, among other considerations. The facility will be open to two types of companies: green mini grids (GMG) and stand-alone off-grid enterprises (OGEs) that are deploying PUE.

The Outcome Based Financing by CEI Africa provides incentives to reach pre-agreed impacts through the sustainable and productive use of clean off-grid-electricity by client-target groups with a special focus on women. Disbursement of the grants is partly conditional on reaching certain outcomes such as reduced household/SME expense, increase in incomes of local communities, support for women entrepreneurs and partly on verified equipment delivery/installation. Applications will be evaluated based on the cost effectiveness of the business plan to achieve the various outcomes. Outcomes will be verified via lean data surveys that trigger grant payments six (6) and twelve (12) months after implementation, while part of the grant will be disbursed on verified equipment delivery/installation.

In addition to grants, CEI Africa will also provide technical assistance for the development and implementation of PUE strategies, such as business model development, marketing and training.

The Smart Outcomes component will be launched in two phases:

Phase 1: Green mini grid (GMG) developers may apply for grants that subsidize the implementation of PUE strategies connected to operating GMGs in the target countries of Kenya, Uganda, DRC, Cameroon, Sierra Leone, Madagascar, Mali and Benin. We expect that grants of up to \$500K per developer will be available. Partnerships with PUE providers, distributors, and manufacturers are encouraged during this phase.

Phase 1 will be open for applications for pre-qualification on 5th September 2023.

Phase 2: Standalone off grid energy enterprises (OGEs) may apply for grants to implement PUE in the target Countries to be announced later. The timing of this phase is yet to be determined.

Ultimately, CEI Africa hopes the Smart Outcomes funding component encourages the deployment of approximately 10,500 productive use of energy assets to positively impact about 57,750+ people. CEI Africa estimates that approximately 21,000 tons of carbon dioxide equivalent emissions per year will be avoided once all proposed activities are implemented.

Claudia Vroom, Chair of CEI Africa's Board: "the Smart outcomes component complements CEI Africa's existing product offer. Development of PUE as part of green mini grid business models is considered critical for the long term viability of the green mini grid market and for its ability to deliver affordable energy to local communities."

Babette Stein von Kamienski, Chair of CEI Africa's Supervisory Council, is convinced that "this new outcome based financing product will support mini-grid-developers in Sub-Sahara Africa to scale up the productive use of the clean energy in a sustainable manner – and with a special focus on women.

About CEI Africa:

[CEI Africa](#) was established by the German development finance institution KfW on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ) in 2021 to improve access to energy for rural and peri-urban households and enterprises in sub-Saharan Africa. CEI Africa is currently funded with a EUR 49m contribution from KfW on behalf of BMZ and CHF 5 million from SDC on behalf of the Swiss Federal Department of Foreign Affairs.

CEI Africa is managed by [Triple Jump B.V.](#), [Persistent](#) and [GreenMax Capital Group](#). It is a one-stop shop for mini-grid developers and off-grid energy companies, offering a variety of financing instruments. The implementation of CEI Africa's Smart Outcomes Fund window, which provides result- and outcome based grants and technical assistance to mini grid developers and other off grid energy companies, is led by GreenMax. Persistent manages CEI Africa's Crowdfunding window, which provides debt and investment products and technical assistance to off-grid energy companies and mini-grid project developers in collaboration with European Crowdlenders.