

PRESS RELEASE: 100,000 Zambian households gain clean energy access through international programme

Innovative Sweden-funded programme that brings clean energy to over 100,000 Zambian households, benefitting 500,000 individuals, will now be expanded to three additional countries.

LUSAKA, ZAMBIA (10 April 2019). “Bringing modern energy to sparsely populated rural areas is a great challenge. Partnerships like this one have helped to make overcoming this challenge possible.” This was the response of Mr Stephen Mwansa, Permanent Secretary (Administration), Office of the Vice President, Republic of Zambia to the news that 100,000 Zambian households had gained access to clean energy through the Beyond the Grid Fund for Zambia.

The Power Africa: Beyond the Grid Fund for Zambia (BGFZ), funded by Sweden and managed by the Renewable Energy and Energy Efficiency Partnership (REEEP), was launched in 2016 with the aim to expand access to clean, reliable, affordable off-grid energy in rural and peri-urban areas in Zambia. The programme supports four companies and works closely with the government in its efforts to build a thriving market for off-grid energy services, and is on-track to connect 1.6 million Zambians by 2021.

The four companies contracted by BGFZ have now sold 100,000 connections to clean energy to customers in rural and peri-urban areas, reaching more than 500,000 people in total. Connections range from small, entry-level solar home systems that can power lights and a phone charger to mini-grid-connections, which offer similar service to the national grid. All products deployed by the companies meet minimum quality standards, and all companies offer a three-year warranty. Mr Mwansa said he was “excited to continue working with BGFZ and our other partners in the Off-Grid Energy Task Force towards our national electrification goals”.

Following the success of BGFZ’s approach, the Government of Sweden has announced that it will be expanding the programme to Burkina Faso, Liberia and Mozambique, and in addition initiate a further funding round in Zambia. This new, EUR 48 million Beyond the Grid Fund for Africa will aim to connect at least 5 million people. It will be implemented by the Nordic Environment Finance Corporation (NEFCO) and REEEP.

Innovation

Currently, some 70% of Zambia’s population does not have access to modern energy services, with many relying on expensive, unreliable or potentially harmful solutions for cooking, heating and powering lights and appliances.

“Through solar home systems or micro grids for villages, millions of people can get access to electricity that otherwise would have been left unconnected in the foreseeable future. BGFZ has really exceeded our expectations. We have proved that small-scale energy solutions can generate large-scale effects,” said Anders Arvidson, Project Lead for the Swedish International Development Cooperation Agency (Sida) Power Africa Initiative.

BGFZ employs an innovative results-based financing mechanism to incentivise companies to move into underserved parts of Zambia. Four companies were contracted for the first funding round, three of which were already present in Zambia and one of which entered the market as a result of BGFZ funding. Three of the companies, Fenix Intl., VITALITE Zambia and Emerging Cooking Solutions offer solar home systems and one, Standard Microgrid, constructs mini-grids that can power whole communities.

Using financial mechanisms that allow customers to “pay-as-they-go” for energy services, and delivering their products and services through community leaders and local agents, the companies have made affordable, clean energy available to more people in more places in record time.

“It is really exciting how BGFZ has been able to help the companies to leverage their products and services and make such a strong impact on the ground,” said Martin Hiller, Director General of REEEP. “We are proud of the new approach and methodology that our team developed, cognisant of the vision of the Zambian government, impressed with the dedication of the companies, and grateful to Sweden for their leadership in this initiative, which goes much beyond funding.”

“Beyond the Grid Fund for Zambia has played an absolutely essential role in delivering catalytic early-stage capital to help Standard Microgrid and others de-risk high-impact activities benefitting Zambians,” said Matthew Alcock, Chief Technology Officer of Standard Microgrid, which will build micro-grids to deliver 24/7 AC power to 130,000 Zambians in the next few years, through the Fund.

Mattias Ohlson, CEO of Emerging Cooking Solutions, known locally as SupaMoto, said the company has provided solar home systems as well as affordable and clean cooking solutions to people previously using environmentally destructive, unhealthy and expensive charcoal for cooking. “We’ve been able to light up entire villages,” he said.

VITALITE Marketing Coordinator Sharp Kabila said the programme had helped the company scale up into untapped areas throughout Zambia and create opportunities for communities that were previously unavailable. “We know from what our customers tell us that solar home systems provide opportunities in many and varied ways; from enabling children to study beyond nightfall, to families feeling safer and more secure. People report being more productive at home and being able to save money by not buying candles or batteries.”

BGFZ has also been working with the Zambian government, private sector representatives and development partners to improve market ecosystem conditions through a combination of capacity building and technical assistance, stakeholder outreach and market intelligence development. This work has been formalised as the Off-Grid Energy Task Force, embedded in and led by the Ministry of Energy. Since its launch in April 2018, the Task Force has met four times and already, among other activities, facilitated a VAT exemption for LED lights, the drafting of a new national mini-grid policy and the initiation of discussions to improve the affordability of off-grid energy solutions.

A socio-economic impact study produced by the Centre for Energy, Environment and Engineering Zambia (CEEEZ) reports that over 95% of BGFZ customers rated their products and services as ‘good’ or ‘very good’. Around a quarter of customers have initiated new income-generating activities since gaining access to electricity, and 87% said they are spending less money on lighting and power. The main benefits of the energy services provided, according to the customers, were easier communications via mobile phone, as they could now charge phones at home; improved access to current affairs and entertainment via radio and television; and cleaner air indoors due to the replacement of candles with electric lighting and charcoal cooking fires with improved cookstoves. Many customers also mentioned that, especially in households with children, electric lights are much safer to use than candles, and that they feel safer outside now that they have lighting outdoors.

Reflecting on the programme, Marketing Manager Cassandra Mhone of Fenix Intl, the company behind the ReadyPay solar products, said that through BGFZ, and in keeping with the company’s mission, ReadyPay had “managed to positively impact the quality of life of our customers by encouraging them to use our solar kits to increase earnings from their micro and small to medium enterprises”.

Proof in numbers

In order to track the progress and impacts of the Beyond the Grid Fund for Zambia, Sweden and REEEP have developed the Energy Data and Intelligence System for Off-grid Networks, or EDISON for short. This system collects information on new connections, jobs created, and people impacted directly from the four companies’ internal systems, and displays this in real time on a public dashboard.

To date, nearly 2.3 MWs’ worth of clean energy systems have been installed, more than 1,100 full and part time jobs have been created, and over 1,400 businesses have benefitted. These numbers continue to tick upwards in real-time and can be viewed here: <https://edison.bgfz.org>.

“These numbers really prove that development can happen while addressing climate change,” said Magdalena Svensson, of the Swedish Embassy in Lusaka.

“It is fantastic to be able to follow the impact BGFZ is having in real-time,” said Martin Hiller, REEEP’s Director General, adding that the data, response from customers, and the speed at which the programme is growing all indicate real success. “The success of the Beyond the Grid Fund for Zambia has shown us that off-grid energy solutions can meet the demand of 600 million people still without energy access in Sub-Saharan Africa. It has also shown that, given the right incentives and market conditions, a host of companies are ready to provide these solutions.”

Beyond the Grid Fund for Africa

The new Beyond the Grid Fund for Africa, announced in February, is planned to run for six years and in that time will bring energy access to at least five million people in rural and peri-urban Burkina Faso, Liberia, Mozambique and Zambia. Sweden has committed an initial EUR 48 million to the programme, and it is hoped that the expansion will attract additional investment from like-minded donors. This expanded programme will be implemented by the Nordic Environment Finance Corporation (NEFCO) and REEEP.

“We are very happy for this opportunity to make use of our considerable experience in setting up and administering multi-donor instruments and create new, innovative green growth financing opportunities for small-and medium sized private energy companies,” commented Magnus Rystedt, Managing Director at NEFCO.

-ENDS-

ALL BGFZ QUERIES CAN BE DIRECTED TO:

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High-res images

All images used must be credited to: *Jason Mulikita for REEEP*

Download here: <https://we.tl/t-x72nibPnqZ>

Additional queries may be sent to the following representatives of BGFZ partners and companies

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Magdalena Svensson (Embassy of Sweden in Lusaka): magdalena.svensson@gov.se

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Standard Microgrid:

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Cassandra Mhone: cmhone@fenixintl.com

SupaMoto / Emerging Cooking Solutions Zambia:

Mattias Ohlson, CEO: mattias@emerging.se

VITALITE:

Sharp Kabila, Acting Marketing Coordinator: sharp.kabila@vitalitegroup.com

ABOUT THE PROGRAMME

The Power Africa: Beyond the Grid Fund for Zambia (BGFZ) has kick-started the development of a thriving market for off-grid clean energy services in Zambia, and is on track to bring modern energy access to 1.6 million people by 2021. The programme, which was launched in 2016 with an initial capitalisation of USD 23m, is funded by the Swedish Government and implemented by REEEP. Additional resources and previously published content can be found below.

Lighting up Zambia: The impacts of 1.5 years of Beyond the Grid Fund for Zambia

This brochure presents the results of the first 1,5 years of the Beyond the Grid Fund for Zambia, and tells the stories of several off-grid energy agents and customers. This brochure includes infographics and stories of impact. [READ IT HERE](#)

How innovative payment systems are helping Zambians electrify their lives

This story explores how Fenix Intl and VITALTE Zambia are employing innovative, flexible payment systems and a network of committed local agents to make their solar home systems accessible and affordable to customers in all provinces of Zambia. [READ IT HERE](#)

[Follow BGFZ impact numbers in real time on Edison. Click to update](#)

Connections Energy Service Subscriptions 99,575	Light Service Candles/Lamps Displaced 253,840	People Beneficiaries 517,790
Gender Women Primary Customers 22,086	Jobs Full & Part Time Jobs 1,165	Climate Kg of CO ₂ Mitigated Annually 239,808
Finance Additional USD Invested 23.9 M	Power in 000's Watts 2,314	Productive Businesses/Institutions 1,461

SOCIAL MEDIA POSTS AND CAPTIONS

Join us in sharing the news of Zambia's milestones on social media. We will be Tweeting the news and your stories. A suggested image for use on social media can be found below. Use the hashtags **#BGFZ** or **#BGFA**



[More images available for publication can be found here.](#)

Please note:

All images used must be credited to:

Jason Mulikita for REEEP

ADDITIONAL QUOTES AVAILABLE FOR EDITORS

On growth:

“Having found our niche and a valuable offer to customers, our growth is accelerating rapidly and so is the impact. In a few years, thanks to the catalytic effect of BGFZ, we see the off-grid market in Zambia being able to do what seemed unthinkable only some years ago: To provide modern and renewable energy to a large part of rural Zambia.” - *Mattias Ohlson, CEO Emerging Cooking Solutions Zambia Limited (trading as SupaMoto)*

“I’ve seen great changes in the education of communities simply because people can study now. There’s also been an increase in income levels due to the savings people are making. Candles drain the pockets. These communities can now spend more on farming.” - *Tresphord Mwango, Regional Assistant Coordinator, VITALITE*

“To hear VITALITE has played a part in in BFGZ reaching this key milestone is very gratifying and encourages us to maintain our commitment to provide high quality products and services accessible and affordable for Zambian households.” - *Sharp Chibale Kabila, Acting Marketing Coordinator VITALITE*

“Having achieved the landmark milestone of providing modern energy to 500,000 people in rural and peri-urban Zambia, we are delighted to see Sweden make this tremendous commitment to universal access to energy in Africa and look forward to working with NEFCO and Sweden to make these ambitious targets a reality in the coming years.” – *Martin Hiller, Director General, REEEP*

On Zambia:

“Beyond the Grid Fund for Zambia has played an absolutely essential role in delivering catalytic early-stage capital to help Standard Microgrid and others de-risk high-impact activities benefitting Zambians.” – *Matthew Alcock, Chief Technology Officer, Standard Microgrid*

“Before it would be dark at 6pm and we didn’t have any lighting. Now, we have a trusted brand that even my daughter knows how to use.” - *Steven Miyoba, ReadyPay user*

“Shop owners trading in household items and groceries who previously had to close shop at dusk are now using our solar solution to operate for longer hours under the bright LED Lights that come with all our home solar kits – benefitting both business and customer.” - *Cassandra Mhone, Fenix Intl (ReadyPay) Marketing Manager*

On innovation:

“BGFZ has created the well-structured, thoughtful investment platform to unlock many multiples-on-principal of commercial capital, allowing Standard Microgrid to come to scale, and allow it to demonstrate an economically viable microgrid-based utility to power the lives of Africans now, and for decades to come.” – *Matthew Alcock, Chief Technology Officer, Standard Microgrid*

“It’s really changed community life. People can get first-hand information from televisions or radio. These products have been extremely empowering by providing extra education and allowing more people to share knowledge.” - *Tresphord Mwango, Regional Assistant Coordinator, VITALITE.*

“By providing affordable, renewable, high-quality home energy to the most vulnerable populations in Zambia, SupaMoto is tackling one of the great challenges of helping people getting out of poverty. Our unique approach to clean cooking, and our innovative business model for off-grid solar has required substantial efforts, investments and trial and error over many years. We are finally seeing the fruits and have entered a phase of rapid scale-up. I’m really excited that we are now able to transform the lives of so many, while building a sustainable business.” - *Mattias Ohlson, CEO Emerging Cooking Solutions Zambia Limited (trading as SupaMoto)*

ABOUT BGFZ PARTNERS



Sweden has been cooperating with Zambia since 1965. Over the years, Zambia has been one of the biggest recipients when it comes to Swedish development aid. The bilateral development cooperation with Zambia is guided by the results strategy for Sweden's international development cooperation in Zambia.

<https://www.swedenabroad.se/en/embassies/zambia-lusaka/>

<https://www.facebook.com/EmbassyofSwedeninLusaka/>

<https://twitter.com/SwedeninZM>



The Swedish International Development Cooperation Agency (Sida) is a government agency working on behalf of the Swedish parliament and government, with the mission to reduce poverty in the world. Through its work and in cooperation with others, Sida contributes to implementing Sweden's Policy for Global Development.

www.sida.se/English/

<https://www.facebook.com/SidaSverige>

<https://www.linkedin.com/company/sida>

<https://twitter.com/Sida>



REEEP is an international multilateral partnership that designs, tests and implements integrated programmes aiming to advance market readiness for clean energy in developing countries. REEEP manages the BGFZ on behalf of the Swedish Embassy to Zambia in Lusaka and the Swedish International Development Agency.

www.reeep.org

www.twitter.com/reeep

<https://www.facebook.com/RenewableEnergyAndEnergyEfficiencyPartnership>

<https://www.linkedin.com/company/renewable-energy-and-energy-efficiency-partnership-reeep/>



Power Africa is a partnership of more than 120 private sector companies, multilateral development banks, and the governments of the United States, Norway, the United Kingdom, Sweden, the European Union and several African countries, which aims to double access to electricity in sub-Saharan Africa. Spearheaded by U.S. President Barack Obama in 2013, Power Africa has mobilised partners to deliver over 25,000 megawatts of new power to Africans.

<https://www.usaid.gov/powerafrica>

<https://twitter.com/PowerAfricaUS>

<https://www.facebook.com/PowerAfrica/>



NEFCO is an international financial institution (IFI) established in 1990 by the five Nordic countries: Denmark, Finland, Iceland, Norway and Sweden. NEFCO's purpose is to promote green growth and climate actions, which help governments and other co-financiers to reach their environmental and sustainability goals. NEFCO focuses on small and medium-sized projects with tangible results, providing high additionality to its stakeholders. Due to its extensive network within the green community and proven ability to connect stakeholders and different financiers to relevant projects, NEFCO has managed to attract a considerable number of trust fund assignments.

<http://www.nefco.org>

<https://twitter.com/NefcoNordic>

<https://www.linkedin.com/company/nefco/>

ABOUT THE COMPANIES OF BGFZ

Fenix International – ReadyPay



Fenix International is an energy and financial services company transforming customers' lives through access to clean power and inclusive financing. Fenix's flagship product, ReadyPay Power, is an expandable, pay-to-own solar home system designed and priced for off-grid households. Financed through affordable instalments over mobile money, ReadyPay solar systems charge phones and power bright lights, radios, and efficient appliances while displacing kerosene lanterns and candles. Fenix's systems range from 10 to 34 watts, including an affordable option available for just K2.5 per day. By analysing real-time transaction data, Fenix creates a next-generation credit score to finance power upgrades and other life-changing loans.

<https://www.fenixintl.com/>

<https://twitter.com/fenixintl>

<https://www.facebook.com/ReadyPayZambia/>

VITALITE



VITALITE is a Zambian-registered sales and service company that aims to make quality products and services accessible and affordable to all rural Zambian households. VITALITE offers pay-as-you-go (PAYGO) mobile technologies combined with a locally appropriate last mile distribution approach that increases opportunities for access to modern, renewable energy and productive use products and services that improve quality of life in low income, rural Zambian communities. As the pioneer of PAYGO solar in Zambia, VITALITE is currently scaling across all 10 provinces with the aim of providing high-quality solar home systems to 100,000 off-grid rural Zambian households by 2021.

<https://www.fenixintl.com/>

<https://twitter.com/fenixintl>

<https://www.facebook.com/ReadyPayZambia/>

Emerging Cooking Solutions – SupaMoto



Emerging Cooking Solutions, operating as SupaMoto, was founded in 2012 with the vision of replacing charcoal with waste biomass pellets for cooking. Emerging Cooking Solutions operates one of Africa's largest fuel pellet factories in Copperbelt since 2013. Its innovative solutions have now evolved into covering almost all aspects of the basic home energy needs of rural and peri-urban people. Its Home Energy Systems provide lights, mobile charging, clean and fast cooking and soon TVs and other appliances, targeting mainly rural and peri-urban people. The systems utilise the latest of technologies, including PAYG-chips which allows for lower cost pay-slow solutions to customers using mobile money. Emerging Cooking Solutions' own, low-cost pellet stove was developed together with a world-class team of experts from Sweden. It has been independently tested as "by far the world's highest performing pellet stove in its price bracket".

<http://supamoto.co.zm/>

<https://www.facebook.com/ecs Zambia>

Standard Microgrid



Standard Microgrid is reimagining power with an innovative approach to distributed renewable energy services. It has pioneered a scalable model that combines value-based billing and community centric operations to deliver modern electricity. It transforms un-electrified communities with connected hyper efficient smart grids that help grow local economies, improve education and healthcare. Standard Microgrid provides basic and productive use energy services to un-electrified communities in Africa. It has delivered projects in Zambia, Kenya, Tanzania, Namibia and the Maldives. It currently operates two microgrids in Zambia where is focused on delivering 150 more grids in the next four years and aims to bring power and financing to over two million customers across Africa by 2020.

<http://standardmicrogrid.com/>

<https://www.facebook.com/standardmicrogrid>