PRESS RELEASE: Sweden’s Beyond the Grid Fund for Zambia Signs First Contracts with Energy Service Providers. The Goal: Modern Energy for One Million Zambians

Lusaka, 10 July, 2017. Sweden’s Ambassador to Zambia Henrik Cederin signed four contracts last Friday with companies offering a variety of rural energy solutions, marking the start of operations of the Power Africa: Beyond the Grid Fund for Zambia (BGFZ). The USD 25m Fund, which is financed by the Swedish International Development Agency (Sida) and managed by the Renewable Energy and Energy Efficiency Partnership (REEEP), aims to bring modern energy to one million Zambians, and build a solid foundation for continuing growth of the market such that it can serve all Zambians.

The four private companies joining the BGFZ under the first round of financing represent a range of product offerings and approaches, although all are dedicated to making clean, modern and reliable energy affordable to every Zambian.

The group includes Zambia’s VITALITE and Emerging Cooking Solutions, who have been offering high quality solar-powered home energy systems, lighting and innovative stoves, and now intend to scale operations significantly. It also includes Ugandan-American firm Fenix Intl., which is teaming up with MTN Zambia to bring Uganda's well-known ReadyPay Solar systems to the country. Standard Microgrid Zambia, a developer and operator of standalone solar microgrid systems that has been piloted in Zambia's Southern Province, has also received financing from the BGFZ to support its plans to build 150 microgrid systems across the country. “We are tremendously excited to work with BGFZ to energize the sector, and are ready to hit the ground running,” said Standard Microgrid CEO Brian Somers.

In joining the BGFZ, the companies are not only helping achieve the Fund’s and the broader Power Africa goals of expanding clean energy access across the continent, but they are doing so as part of an innovative new approach to results-based financing: one that values quality, service and performance, while allowing flexibility in achieving them. “The BGFZ is a game-changer for the market,” said VITALITE’s Director, John Fay. “Not only will we be able to bring modern energy to more Zambians, but we can do so with higher quality and better service, which is what Zambians deserve.” Lindsay Handler, CEO of Fenix, echoed this sentiment. “By emphasizing the highest quality and most affordable products on the market, BGFZ is really taking a stand for the Zambian consumer,” she said.

Sweden sees the BGFZ as a significant and well-placed investment in Zambia's energy future. “We are not looking just for short-term improvements,” said Klas Waldenström, Acting Head of Development Cooperation at the Embassy of Sweden in Lusaka. “We wanted to set in motion a movement that would bring the best companies, the best products and new investment into Zambia in this exciting 'base-of-the-pyramid' segment of energy services. We truly believe that off-grid energy has much the same transformative potential as mobile technology has shown to hold in developing countries.”

“The BGFZ’s catalytic role in driving new investment to the market is already being felt, said Mattias Ohlson, CEO of Emerging Cooking Solutions. “The Fund has been pivotal for us in securing additional private investment into our Zambian operations,” he said.

Ambassador Cederin, who signed contracts at a VITALITE Certified Agent’s shop in rural Chongwe, is confident about the Fund’s impact: “The companies we have brought together to tackle this issue truly represent the some of the best of African, European and American ingenuity and partnership, and we hope this is just the beginning,” he said.

About the Power Africa: Beyond the Grid Fund for Zambia

The Beyond Grid Fund for Zambia is an initiative of the Government of Sweden, together with Power Africa and in cooperation with Zambian partners, to rapidly scale-up energy access and energy service markets in Zambia, with the goal of bringing modern energy services to one million Zambians by 2021. The Fund is managed by REEEP, the Renewable Energy and Energy Efficiency Partnership.

About Power Africa

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.

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