

ARE-RECP Off-Grid Investment Forum 2016

Day 2: RECP Business and Finance Matchmaking Forum

This report has been established pursuant to article 6 of the Service Contract between the Alliance for Rural Electrification (ARE) and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH (number 81198949).

In the light of the project “RECP Business and Finance Matchmaking Forum – Event Management & Technical Advisory”, ARE has ensured successful event organisation in logistical and organisational terms and contributed to ensuring a successful matchmaking session for the event “RECP Business and Finance Matchmaking Forum” in Amsterdam, The Netherlands on 13 April 2016.

The aim of the event was to mobilise and to grow RECP’s extensive partner networks to bring together African and European entrepreneurs and financiers active in the field of rural electrification. The event featured innovative funding and financing instruments presenting their approach and modalities to participating companies. Furthermore, a formal match-making session was held to foster partnerships between participants.

❖ Morning speeches

The event was attended by at least 236 stakeholders from the public and private sector, as well as civil society, and allowed effective discussions, and was moderated by Akin Sawyer. It opened with remarks from Jacob Waslander, Head of Climate and Energy Division at Ministry of Foreign Affairs, the Netherlands, who gave an overview of international progress and initiatives towards renewable energy after the COP 21, in which the Netherlands intends to be fully committed through FMO, the Dutch Good Growth Fund and the Innovation Lab, providing innovative finance mechanisms.



The following intervention was by **Michael Franz, Senior adviser, EU Energy Initiative Partnership Dialogue Facility (EUEI PDF)**, who highlighted the service range of the Africa-EU Renewable Energy Cooperation Programme (RECP) to enable access to market information as well as to potential business partners and project opportunities, inform about sources of funding and provide advice for project preparation and access to finance (“finance facilitator”).

Afterwards, **Frederik Jan van der Bosch, Managing Director, EDFI Management Company**, announced and provided details on the aims and operationalisation of **ElectriFI** (Euro 75 Million budget), to be launched on April 15 2016. Then, **Jeffrey Prins, Programme Manager, DOEN Foundation**, insisted on DOEN Foundation’s continued commitment to develop markets by providing grants, loans, convertible loans and equity to entrepreneurs.

Last but not least, **Hafsat Abiola-Costello, Special Advisor to the Governor of Nigeria's Ogun State**, showcased Ogun State's latest efforts to support rural electrification and renewable energies, inviting participants to invest more in the region.

❖ Morning roundtable

The morning speeches were followed by a roundtable composed of **Cosmas L.M. Masawe, Director Technical Services, Hydro (Africa) Ltd**, **Francine Munyaneza, Founder and Managing Director at MUNYAX ECO Ltd**, **Per van Swaay, Senior VP at TCX Investment Management Company**, **Vivian Kotun, Head Energy Access Debt Financing, ResponsAbility Ltd** and **David L. Ross Managing Director of Statera Capital**.

One of the outcomes of the session was an improved understanding and exchange on the barriers encountered by local actors, among which Mr **Masawe** and Mrs **Munyaneza** pointed out high interest rates, lack of skilled workforce and increasing and unbalanced competition with international players.

From a support and financial side, **Per Van Swaay** presented the interest of **TCX Fund's** currency hedging for financial or operational actors: reducing risks, stabilising cash-flows and therefore accessing more/cheaper resources while achieving competitive advantages. In addition to the working capital financing provided to SHS companies, **Vivan Kotun** underlined the necessary technical assistance services that **ResponsAbility** provides to reduce risks related with increasingly growing amounts of receivables. On his side, **David Ross** detailed the new types of investment funds **Statera Capital** is designing to support mini-grids and water access, and concluded that a fundamental change to address basic needs resides in everyone understanding the others' expectations.

❖ Matchmaking afternoon

The afternoon **matchmaking session** presented a great opportunity to bring developers and investors together and allowed operational, financial, institutional, support and research actors from various backgrounds to exchange on a more formal and straightforward way. As a result of early reach out to participants by EMRC and also by filling in a structured questionnaire on the day of the event, attendees could decide their preferred contacts for matchmaking meetings.

The session was actively attended by **156 companies and organisations**, resulting in **621 B2B meetings** in a structured setting, where the participants could discuss business and cooperation opportunities for over three hours.



❖ **Feedbacks from participants**

The following is a summary of conclusions drawn from evaluation questionnaires distributed to participants of the RECP Business & Finance Matchmaking Forum on 13 April 2016.

Morning session

Participants found the presentations and panel discussion to be of high quality, clear and useful, many indicating that the information provided was relevant for their businesses. The panel discussion which covered diverse financing programmes in the developing sector was found to be useful for partner and investor identification. It was seen as an information platform for “new markets and projects and finance opportunities.”

The focus of the panel discussions could be improved by being “more practical”, “less policy, more sector business” and “more detailed and less general – focus more on actual innovations”. Some of the participants felt the need to “leave more room for questions from the audience, rather than the moderator”. Lastly, **while the issue of involving “grassroots stakeholders to participate” came up, another suggestion of future topics related to project financing included “insurances, guarantees and technology”.**

Afternoon session

The evaluation questionnaire revealed that the **B2B feature was very much appreciated and seen as an opportunity to “share information and experiences” and “directly pitch a business proposal to potential investors”.**

Overall, the participants thought that the companies and organisations they met were interesting for their business, and that the timing was satisfying. The **duration of the meetings could be lengthened** to 20-25 minutes, and the session itself could be extended to 4 hours, with a half hour break in the middle. In terms of content, some participants would appreciate more information prior to the B2B on what other organisations are looking for.

The duration and number of the meetings were considered mainly as “ideal”, with some delegates however remarking the fact that they didn’t have the meetings they would like to have had. This situation (and besides EMRC’s effort to provide the most desired meetings to all the parties), is considered to be partly attributed to the fact that the number of financiers available to the B2B meetings was limited – an idea sustained by the remarks of the participants “more financiers to participate and offer direct solutions” and “more investors to provide real feedback on projects”.

As an improvement, the idea of providing 50% of participants with a dedicated desk to reduce changing places and allow more meetings was submitted. **On a scale from 1 to 10, with 10 being the most satisfying, the average rate for the general assessment of the B2B session was 8.**