

# GRANT APPLICATION GUIDE








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Are you a start-up, established SME or large company in the off-grid solar sector? Join the Regional Off-Grid Electricity Access Project (ROGEAP) in delivering off-grid solutions and achieving universal access to sustainable electricity services by 2030.

## OBJECTIVES

-  Improve access to sustainable energy by building a regional market for off-grid solar products.
-  Support stakeholders across the off-grid solar value chain.
-  Promote quality off-grid solar products and environmental, social and gender risk management.

## BENEFITS



Customised training programmes for entrepreneurs, SMEs, large solar companies and financial institutions



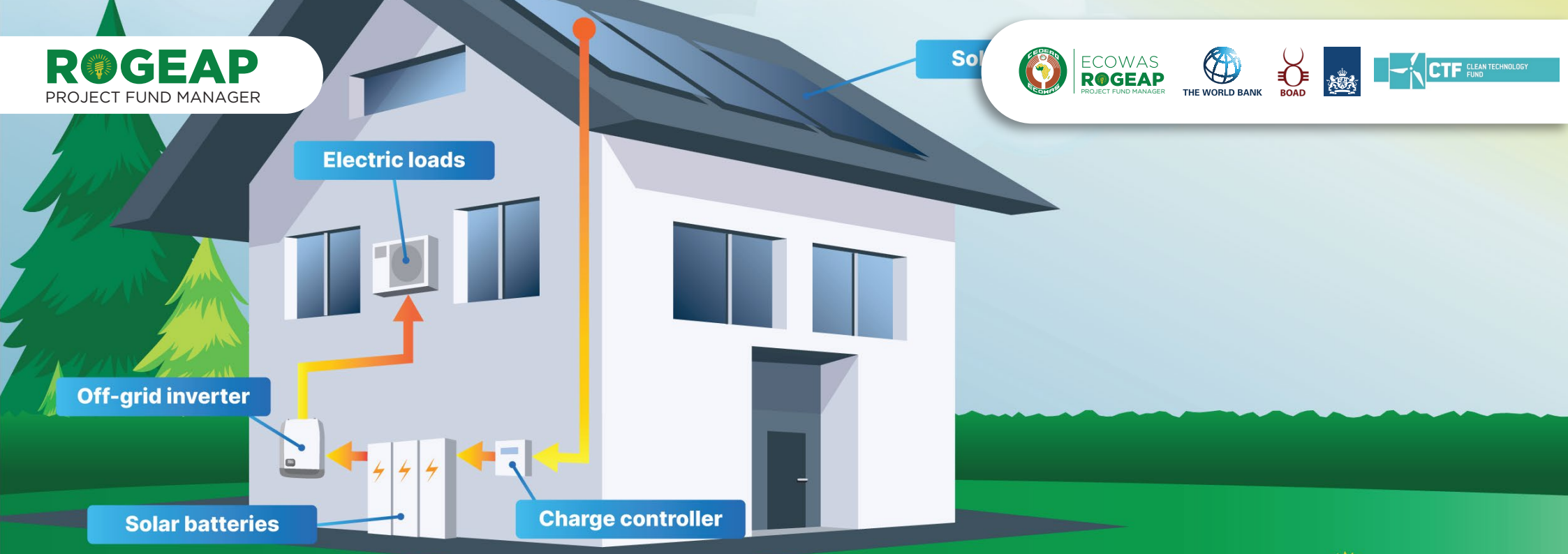
windows for eligible and qualified businesses between \$15,000 and \$250,000 for certified off-grid and standalone solar systems



Application support & milestone monitoring



B2B networking & annual business plan competition



# NEXT STEPS



1. Check out the process and eligibility conditions.
2. Register via the EOI application form.
3. Successful applicants are invited to attend training and submit a full proposal with proof of matching contributions.
4. Businesses that meet technical and equity requirements will be awarded a grant to invest and expand their solar off-grid operations.



## ELIGIBLE COUNTRIES

Among 19 project countries, 13 are eligible for financial support and technical assistance: Benin, Burkina Faso, Cameroon, Chad, Côte d'Ivoire, Gambia, Ghana, Liberia, Mali, Mauritania, Niger, Nigeria, and Sierra Leone.



## ABOUT THE PROJECT

The Regional Off-Grid Electricity Access Project (ROGEAP) aims to increase access to stand-alone solar power services in the fifteen member countries of the Economic Community of West African States (ECOWAS) and Cameroon, Chad, Mauritania, and Central African Republic. The project contributes towards the region's aspiration to reach universal access to electricity by 2030.





ROGEAP is financed by the World Bank, the Clean Technology Fund (CTF) and the Directorate General for International Cooperation (DGIS) of the Government of the Netherlands.

ECOWAS in partnership with Banque Ouest Africaine de Développement (BOAD) implements ROGEAP. The Project and Fund Manager (PFM) with offices in Abuja and Lomé supports ECOWAS in implementing the project ROGEAP specifically aims to improve access to sustainable energy by building a regional market for off-grid solar (OGS) products and supporting value chain stakeholders.

A Project Fund Manager (PFM) was recruited to assist ECOWAS in implementing the planned activities by providing financial, entrepreneurship as well as environmental, social, health and safety risk management support to stand-alone solar energy businesses to address the affordability in the target markets. ROGEAP will also implement activities related to the development of a pipeline of projects eligible for financing through its line of credit.

## Eligibility of the SMEs Stage

### Start-up company



3 full-time staff



300 solar home kits or <1,500 lanterns sold



Annual revenue of <\$100,000



No need commercial funding yet

### Early-stage company



3 – 25 full-time staff



300 – 30,000 solar home kits or 1,500 – 30,000 lanterns sold



Annual revenue of <\$3,000,000



SME should has a Business account

### Growth-stage company



25 full-time staff



30,000 solar home kits or > 50,000 lanterns sold



Annual revenue of >\$3,000,000



Required Business account and Audited financial statements

## ROGEAP Grant Type Eligibility

Matching grants (MG) are allocated to start-ups (stage 1) and some early-stage (stage 2) businesses for the launching and expansion of their operations. This funding would assist entrepreneurs in developing their ideas into viable businesses or developing, testing and marketing their products. Each business receiving a grant must provide a matching cash contribution to demonstrate commitment to the proposal.

Market-entry grants (MEG) support the entry of stage 2 and growth/maturity stage (stage 3) businesses into a new market deemed commercially viable but carrying first-mover risk. The companies must have already a clearly demonstrated track record of solar operations.

Performance-based grants (PBG) are based on verified results achieved for stage 2 and stage 3 businesses in challenging markets that are not deemed commercially viable. Potential customers have insufficient purchasing power to afford the products, and companies face higher costs due to a lack of infrastructure and the low population density of target areas. PBG allow companies to leverage the subsidies against pre-specified outcomes.

## Grant Process

- 1** Register your company details during an open EOI call.
- 2** Pré-qualified Companies will be contacted and invited to attend the training on technical requirements, financial and business plan development.
- 3** Eligible EOI pre-qualified and training attended companies will be notified to submit a full proposal.
- 4** Submit a full proposal with business and financial plans, registration documents and proof of matching contributions.
- 5** Eligible solar products Approved companies will be contacted and verified for due diligence.







**6** The full proposal, the evaluation and due diligence reports will be the basis for the final financing decision.

**7** Applicants may be invited for an online interview with the Investment Committee.

**8** Approved businesses are invited to a pre-disbursement workshop on financing procedures.

**9** Grantees submit quarterly reports on grant utilisation and progress made.

**10** Grants will be disbursed based on results achieved.

**11** At the end of the grant period, grantees submit a final report and remain available for impact evaluation.

\* If the awardee terminates the financing agreement or abandons the project, they shall be obliged to refund the entire amount received.





## APPLICANTS OF THE THREE ROGEAP GRANT WINDOWS

Under the ROGEAP, three (3) grant windows are made available to off-grid solar (OGS) entrepreneurs and SMEs to incentivise them in their start-up (stage 1), early-stage (stage 2) and growth/expansion-stage (stage 3):

1. **Matching grants (MG)** are allocated **to start-up (stage 1)** and some **early-stage (stage 2) businesses** for the launching and expansion of their operations. Some Stage 3 could apply a grant as equity to a credit facility. Each business receiving a grant would be required to provide a matching cash contribution (25%) to demonstrate commitment to the proposal.
2. **Market-entry grants (MEG)** support the entry of stage 2 and growth/maturity stage (stage 3) businesses into a new market deemed commercially viable but carrying first-mover risk. Each business receiving a grant would be required to provide equity (cash or in-kind relevant assets) as contribution (10%) to demonstrate commitment to the proposal.
3. **Performance-based grants (PBG)** are based on verified results achieved for stage 2 and stage 3 businesses in challenging markets, not deemed commercially viable. Potential customers have insufficient purchasing power to afford the products, and companies face higher costs due to a lack of infrastructure and the low population density of target areas. PBG allow companies to leverage the subsidies against pre-specified outcomes. Each business receiving a grant would be required to provide equity (cash or in-kind relevant assets) as contribution (15%) to demonstrate commitment to the proposal.



## Grant Windows



For start-ups and early-stage companies to launch or expand operations



Locally registered business owned in majority by national, ECOWAS or project country citizen and operating in an eligible country



Grant amount: \$10,000 - \$25,000



25% equity contribution



Acceptable co-financing includes business investments (rent, equipment, labour), private investments and loans



Disbursement of up to 50% of the total amount per tranche based on agreed milestones within 12 or up to 18 months



Participation in project technical assistance programme or recognised capacity building



For early-stage and growth-stage companies to increase operations across communities and countries



Locally registered business owned in majority by national, ECOWAS or project country citizen and operating in an eligible country



Locally registered business owned in majority by national, ECOWAS or project country citizen and operating in an eligible country

### Matching Grant

### Market-Entry Grant



Grant amount: \$50,000 - \$150,000



10 % equity contribution



Acceptable co-financing includes business investments (rent, equipment, labour), private investments and loans



Disbursement of up to 50% of the total amount per tranche based on agreed milestones within 24 or up to 30 months



Participation in project technical assistance programme or recognised capacity building



For early-stage and growth-stage companies to deploy off-grid solutions in hard-to reach markets and remote communities



Locally registered business owned in majority by national, ECOWAS or project country citizen and operating in an eligible country

### Performance-Based Grant



Grant amount: \$150,000 - \$250,000



15 % equity contribution



Acceptable co-financing includes business investments (rent, equipment, labour), private investments and loans



Disbursement of up to 50% of the total amount per tranche based on agreed milestones within 24 or up to 30 months



Participation in project technical assistance programme or recognised capacity building



Revenue & unit sales



Full-time staff



Increased skills



Certified installers

## ELIGIBLE EXPENSES



Inventory (stock to be sold out) or sample products: off-grid solar systems (lanterns & SHS) are products with a capacity of 350 Wp or less and approved VeraSol certification or IEC/TS 62257-9-8 standard adopted by ECOWAS.



Hardware and small equipment (computers, phones, pay-as-you-go, etc.)



Software (accounting, pay-as-you-go, etc.)



Project-related staff salaries and consultants' fees (<30% of the budget)



Certification, copyright, patents, and other permits



Consumer awareness communication and marketing, sales, and distribution costs for promoting the technology, product, or service



Other expenses directly related to the execution of the Project and approved by the IC (<20% of the budget)



Market entry/feasibility studies, juridical advice on entry, fiscal support

## INELIGIBLE EXPENSES



Non certified solar products by Verasol



Interest or debt owed to any third party



Expenditures and provisions for possible future losses or debt



Items already financed through another grant, program, or institution



Bank and currency exchange expenses, losses, fees, and penalties



Purchase or rent of land or buildings, including any renovation



Cash payments



Other World Bank restrictions apply