



PURE Growth *Fund*

Strengthening agri-food
value chains through
renewable energy



Agenda

- Welcome
- Introduction to the PURE Growth Fund
- Application requirements
- Questions & Answers
- Closing remarks
- Networking





Introduction to the PURE Growth *Fund*

Andrew Loebus, Lead Expert



Tanzania's Priorities in *Agriculture and Energy*

Tanzania intends to develop and modernise its agriculture

- Increase production and productivity
- Improve resilience for food and nutrition security
- Strengthen and promote competitive value chain development in the agriculture sector
- Increase decent jobs and enhance youth and women participation in the agriculture sector

Achieving these objectives requires sustainable and reliable energy

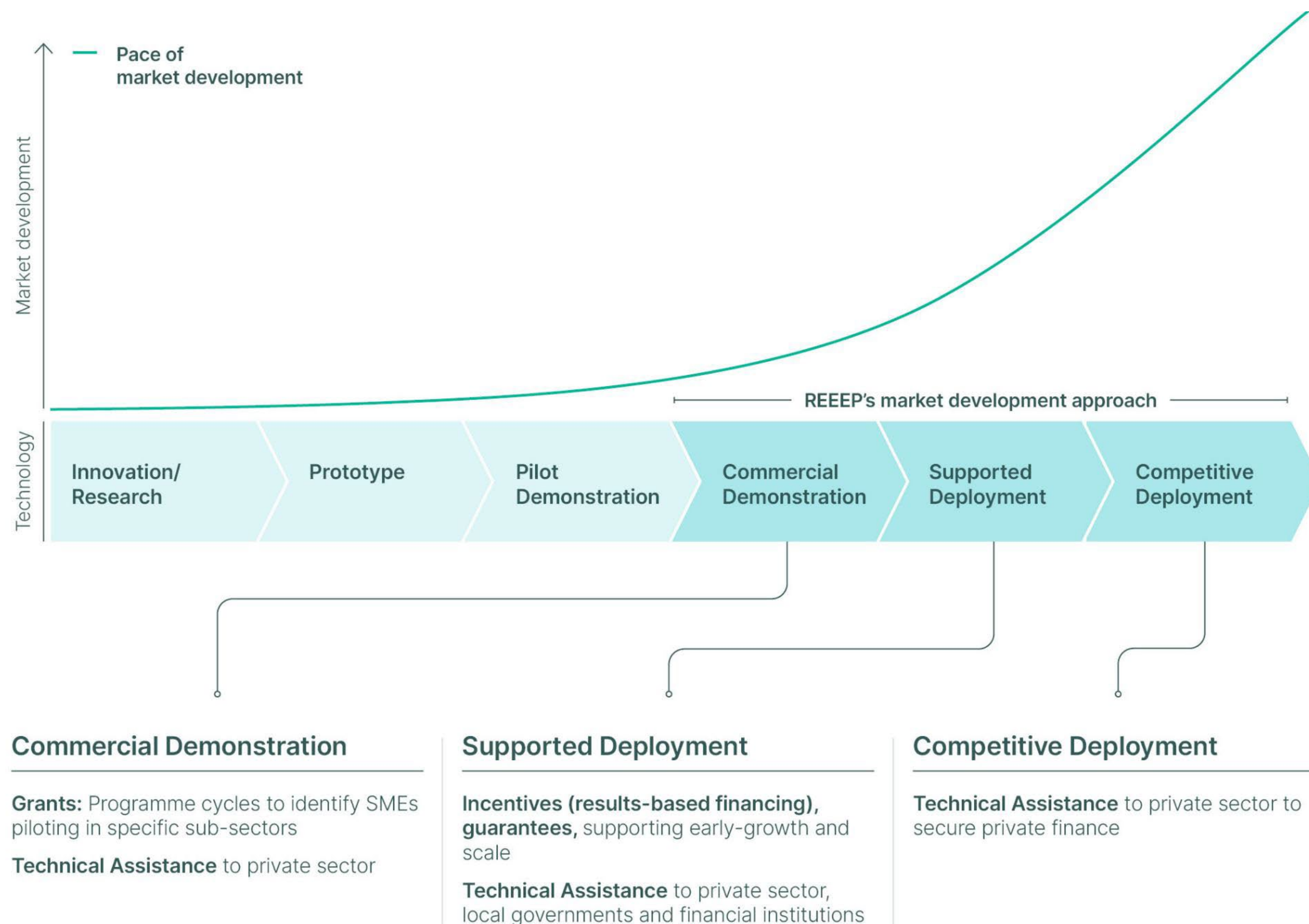


Tanzania is committed to ensuring reliable, affordable, sustainable, inclusive, and clean energy to all

- Expand access to modern energy services in rural areas
- Expand the share of renewable energy in the generation mix to 75% by 2030
- Incentivise private sector participation to unlock additional resources and develop local capacity
- Create an enabling environment to mobilise a total of US\$ 4.039 billion in private investments

REEEP's *Market Development* Approach

We apply the appropriate tools at different stages of market development to help SMEs succeed, de-risk investment and improve the regulatory environment.



Key pillars of functionality – PURE



Production

Examples: solar water pumps, solar-powered sprayers

Impact:
Increased crop yield,
reduced seasonality

Value Chain:
Horticulture for local
consumption and export



Cold Storage

Examples: Clean energy
powered cold
rooms/cooling halls, solar
fridges/freezers, ice
machines

Impact:
Reduced post-harvest
loss, reduced
disease (animal vaccines)

Value Chain:
Horticulture, fisheries,
poultry and eggs, milk



Processing

Examples:
solar-powered grain mills,
solar driers, packaging
machinery

Impact:
Reduced post-harvest
loss, increased
transportability and export
possibilities

Value Chain:
Horticulture, fisheries,
niche products



Transportation

Examples: e-motorcycles,
e-boats, electric three-
wheelers, electric tractors,
battery/charging stations
for e-transportation

Impact:
Reduced post-harvest
loss, increased
aggregation, wider
distribution networks

Value Chain:
Varied



Bio-Energy

Examples: biogas
digesters, biomass
gasifiers, pellet boilers,
and manufacturing of
products from agricultural
byproducts

Impact: waste
management, reduction of
GHG Emissions, energy
security

Value Chain: Horticulture,
livestock

Objectives of the PURE Growth *Fund*

Inputs

- de-risking **private sector involvement and investment**
- **increasing lending for PURE** from local financial institutions
- fostering suitable conditions for a **sustainable and continuously growing market** with engaged policy makers

Outputs

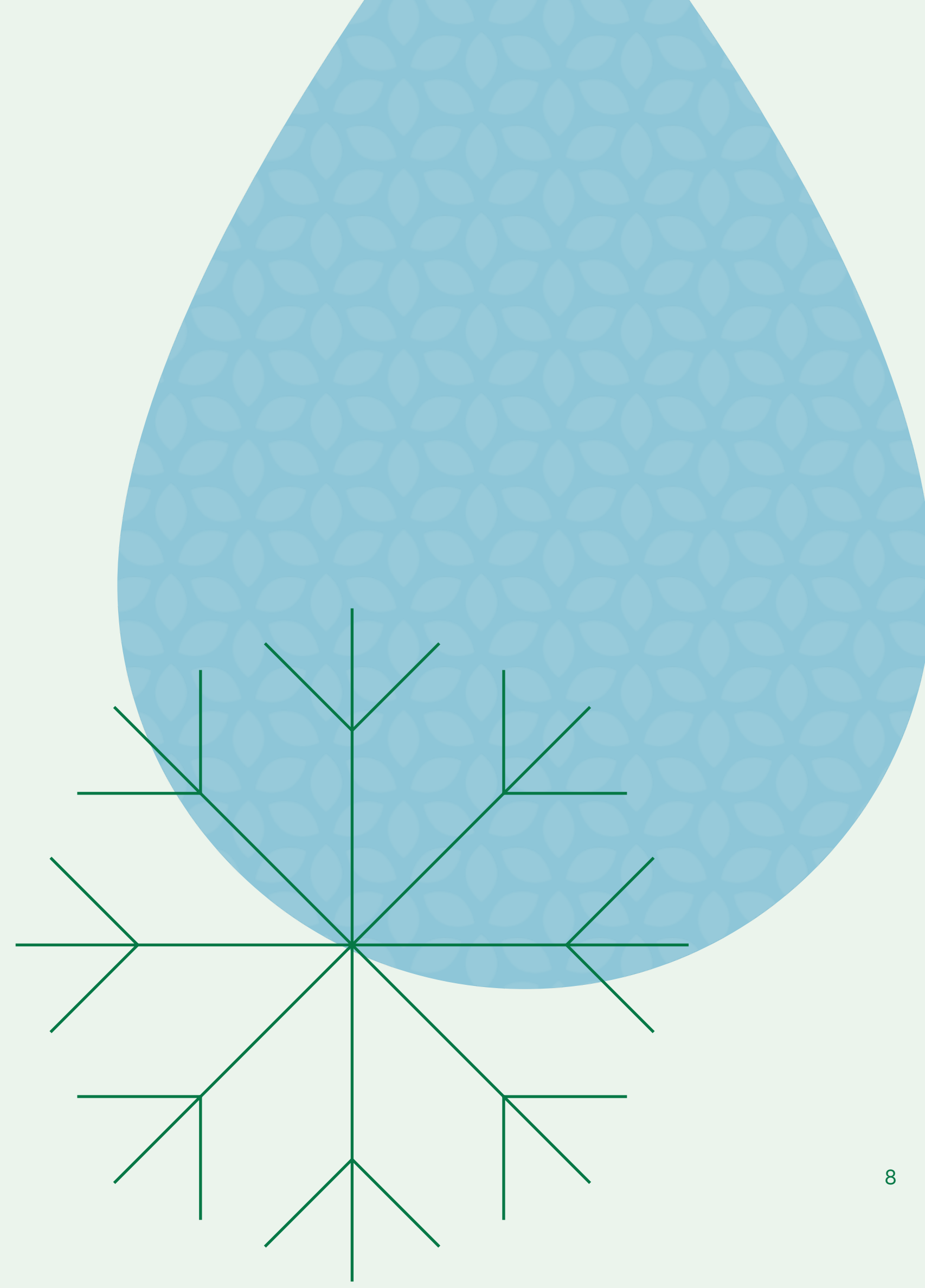
- supporting the sustainable growth of **clean energy SMEs** and **agribusinesses**, enabling them to **expand operations, enhance profitability** and **build strong customer bases**

Outcomes

- increasing availability of **domestically produced food** and **reducing food waste**
- **strengthening resilience** to climate and financial shocks
- **breaking the silos** between agriculture and renewable energy by incentivizing those services that maximize the potential impact of PURE technology on value chains

Tanzania State of the *Market*

- Sufficient **private sector interest**: potential for irrigation, cooling, processing equipment, e-mobility
- An Expression of Interest in March received **60 submissions**
 - A significant number operating in horticulture
 - Fishing /aquaculture next largest category
 - A few in meat/livestock, poultry, eggs
 - Small numbers in cereals, root vegetables, dairy, spices
- **Market maturity** – nascent but has some established basis for growth, which could benefit from public funding and increased local lending



PURE Growth's *key elements*



De-risking private finance

through direct support to private sector market players, including impact-based incentive capital and technical assistance, to unlock co-financing



Facilitation of a market learning effect

through collection, aggregation and sharing of data



Catalysing local lending

through structuring financial instruments, e.g. credit guarantees, enabling local banks to finance green projects and businesses



Targeted engagement of policy makers

and other important market stakeholders to support a coordinated improvement of market conditions through policy changes

First *Funding Window*

- **EUR 2.5 million incentive capital** to clean energy SMEs and agribusinesses
- **Technical Assistance**
- **Reverse-auction mechanism focusing on impact** by deployment of PURE technologies and provision of services
- Addressing **upstream and downstream** value chain risks
- **Three-year** contract duration
- Ticket size: **EUR 250,000 – 1,000,000**
- **Additional funds** may become available for Tanzania
- **Multi-country scale-up**

The PURE Growth Fund
is generously supported by

 Federal Ministry
Agriculture and Forestry, Climate
and Environmental Protection,
Regions and Water Management
Republic of Austria



Application *Requirements*

Kumbirai Makanza, *Senior
Specialist, Renewable Energy
Finance*



Preferred business models for Lead Applicants

- Applications to PURE must be led by a **for profit** company: including **clean energy SMEs** and **agribusinesses**
- Productive use technology should be **at core of business or additional** to the core business

Selling product to value chain participants



Direct sales to producers

Examples: solar pump retailers



Asset finance

Examples: PAYGO/ Lease-to-own



Wholesale technology sales

Examples: equipment dealers

Selling service to value chain participants



Utility-as-a-service

Examples: selling space in a cold room



Asset rental

Examples: e-tractor leasing



Non-agricultural value chain services

Examples: banks

Selling agricultural produce



PURE tech for agribusiness

Examples: agribusiness-owned processing tech

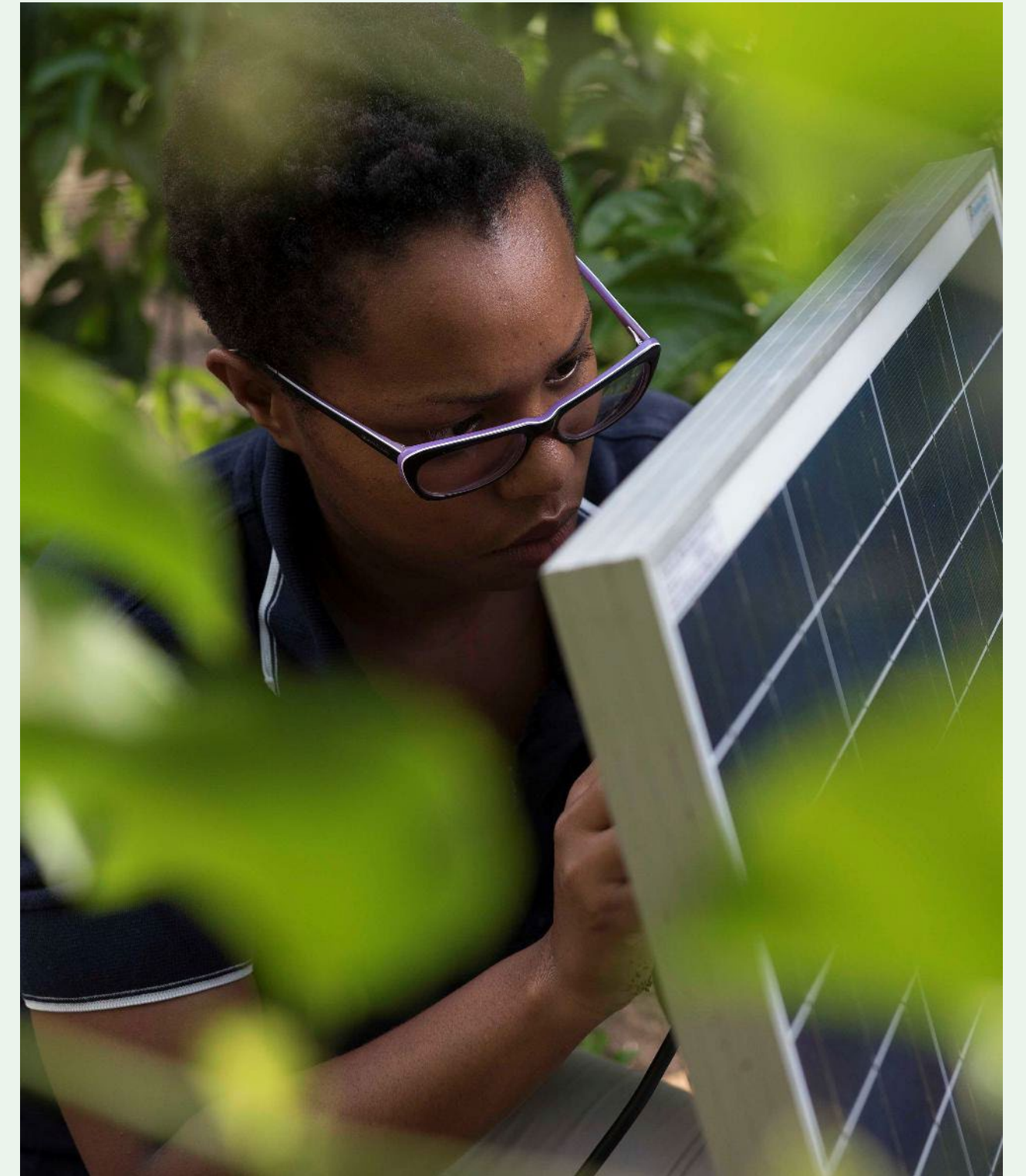


Non-agricultural applications

Examples: power for non-farm activities

Applicant requirements

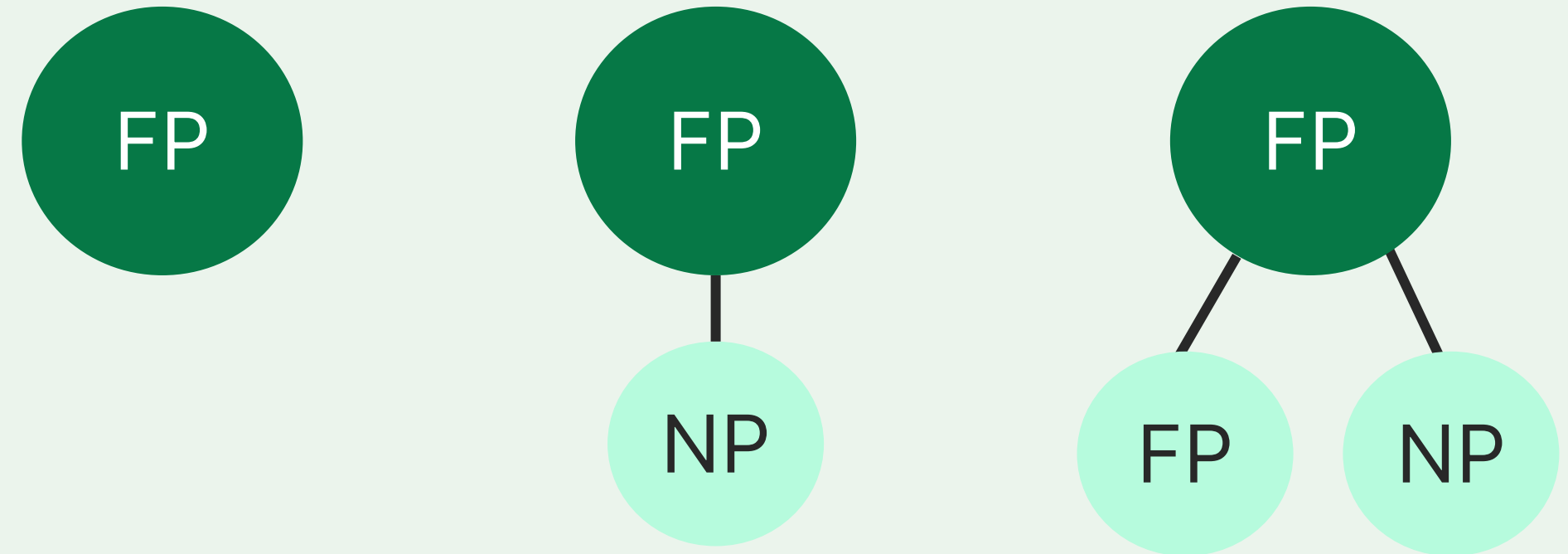
- A **for profit** company is the only permissible organizational structure for Applicants/Lead Applicants
- An **established entity in Tanzania** (or aiming to register one)
- Demonstrates **co-financing** in their business plan
- **Min. revenue of EUR 50,000 and max. revenue of EUR 10 million** in 2024
- **Not involved in prohibited sectors** (see upcoming slide)
- **Application documents** are provided **in English**



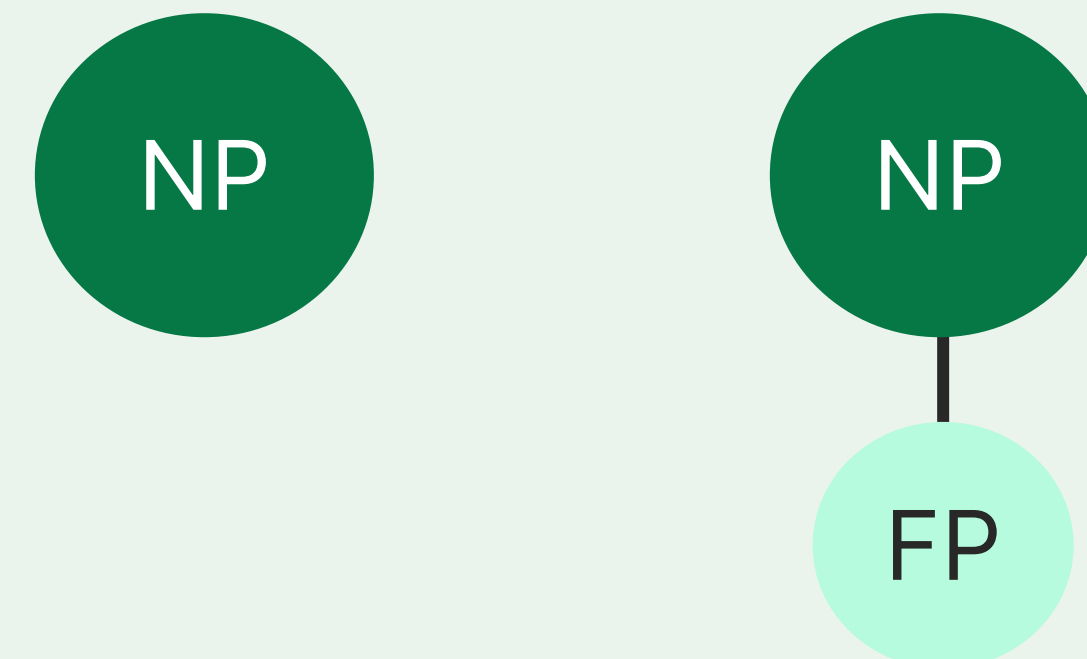
Consortium guidelines

- **Forming a consortium is optional**, and not required
- **Any consortium must be led by a for profit (FP) company**, though non-profit (NP) and for-profit companies can participate as consortium members
- REEEP will **sign a contract with the Lead Applicant**
- The **Lead Applicant is responsible for programme execution** of all consortium members, and managing resources among them

Eligible consortium configurations ✓



Ineligible consortium configurations X



Exclusion Criteria

- ✓ Tobacco
- ✓ Alcohol
- ✓ Hemp and cannabis
- ✓ Biofuels
- ✓ Fossil fuels (including hybrid electric/fossil fuel vehicles)
- ✓ Projects with negative environmental impact
- ✓ Human rights violations including forced labour, child labour, human trafficking or modern slavery and unsafe or exploitative working conditions
- ✓ Suspicions of associations to illicit funds, money laundering, politically exposed and or terrorist groups
- ✓ Involvement in corruption, bribery, or fraud

Timeline

Opening of funding
window with launch
events in Arusha, Zanzibar
and Dar es Salaam

21–27 May

Contracts signed

end of 2025

21 May–1 August

Application window open

2026–2029

Programme implementation

Expectations

By the end of the implementation period

- Technology deployment
- Improvement of support services
- Fulfilling the 2x Criteria
- Raising co-financing
- Technological readiness
- Environmental and Social Safeguarding Framework





Application *Assessment*

Andrew Loebus, *Lead Expert*



PURE Growth Fund – Basis for *selection*

- Assessment of the **operational readiness** (business plan) of the Applicant
- **PURE Impact Index (PII)** - a value that combines the impact of:
 - Technology deployment targets along a **multi-tier framework for PURE solutions**
 - (Planned) service provision: **Repair and Maintenance, Market Access** and **Agricultural Best Practices**
 - **Impact-Cost Ratio (ICR)** - PURE Impact Index (PII) in relation to Incentive Capital Request



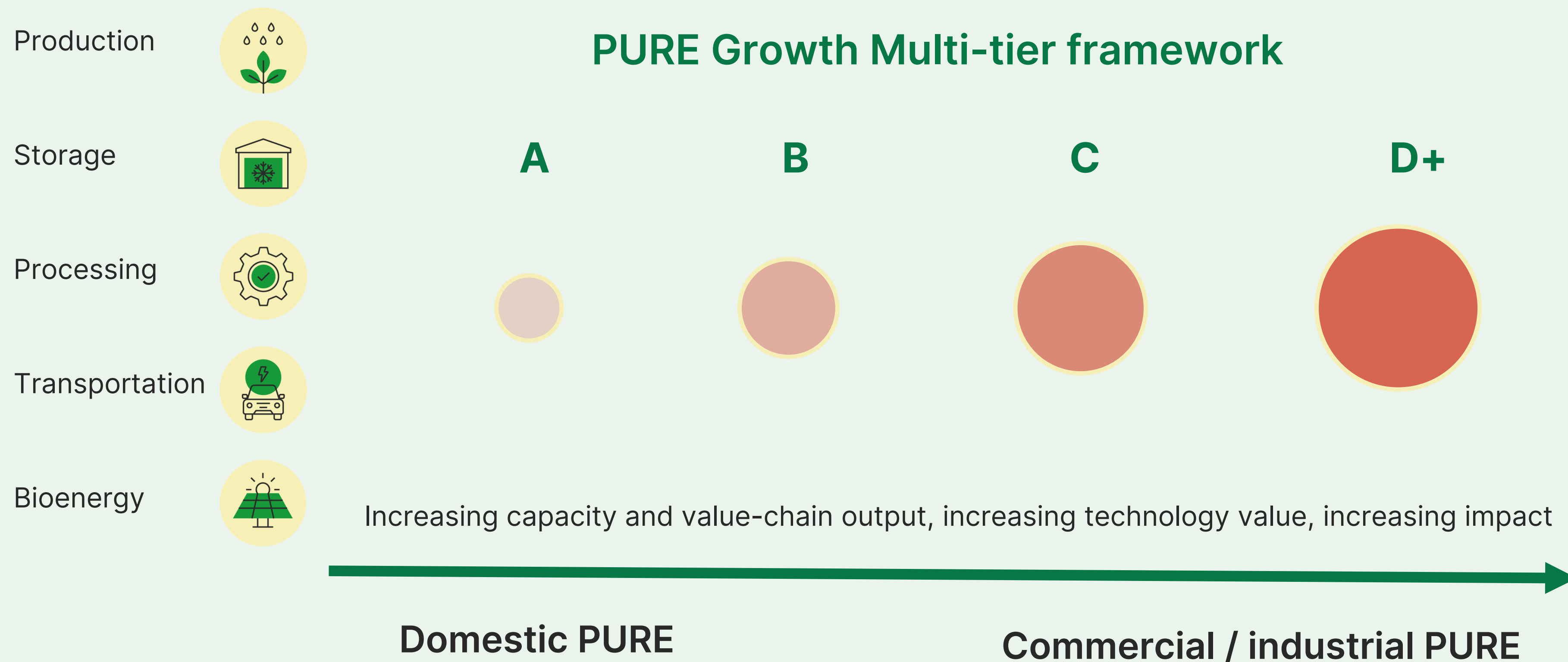
Operational *Readiness*

Assessment of the business plan

Criteria	Weight
Technology	5%
Economic impact of business	30%
Economic impact on market	20%
Social and environmental impact	20%
Management and team capacity	25%
	100%



Technology *value*



Service Value – *Philosophy*

In order to encourage Applicants to provide services that can amplify the impact of PURE technologies on their users, the PURE Growth Fund incentivises Applicants/Consortia to deliver the following suites of service (categorised on a level of **Basic-Standard-High**).

The more high-quality services Applicants can provide, the more competitive their application will become.

Repair and Maintenance – Mandatory to reach a **Standard level** by programme end

Market Access – Optional; but valued positively

Agricultural Best Practice – Optional; but valued positively



Service Value – *Example*

Agricultural Best Practice				
Categories	Basic	Standard	High	Guidance
Provision on agronomic information	High level	Produce/market specific	Farm specific	Delivering and or access to information to optimise agricultural practices and productivity, including advice on pest and disease management, agronomy, etc.
Provision of on farm extension support services	At least annually	More than once a year	On demand, according to needs / requests	Delivering and or access to hands-on assistance and advisory services, including guidance on crop and livestock management.
Provision of inputs	N/A	Yes	Yes	Supplying and or access to essential agricultural inputs such as seeds, fertilizers, pesticides, tools, and equipment.
Agri-finance and insurance	Introductions to and/or outreach to providers	MoU with providers	Signed agreement with providers	Delivering or access to finance and insurance for agricultural operations.
Agricultural Best Practice Score	1.25%	2.50%	5.00%	-

Impact Cost Ratio

$$\text{Impact Cost Ratio (ICR)} = \frac{\text{Total Funding Request}}{\text{PURE Impact Index}} = \frac{\text{Total Funding Request}}{\text{Technology Value} * (1 + \text{Service Value})}$$

Impact Cost Ratio (ICR): The ratio of donor funding to impact by the proposed project. It reflects how much benefit the proposed project creates for individuals, communities and the PURE market. The lower the Impact-Cost Ratio the greater the value.

PURE Impact Index (PII): The impact value of the basket of technology and services provided to facilitate uptake of technology and increased income for end-users. This represents the overall impact that Applicants are proposing through their project.

Technology value: Sum of the count of PURE Technology Units multiplied by corresponding weight for the applicable tier.

Service value: Repair and Maintenance (R&M) score plus Market Access (MA) score plus Agricultural Best Practice score.

Thank you!

The PURE Growth *Team*

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