



Powering Livelihoods *Transforming Lives*

 **REEEP**
Developing Clean Energy Markets

Annual
Report
2025

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About REEEP

The Renewable Energy and Energy Efficiency Partnership (REEEP) is an internationally recognised specialist in the design and implementation of market-based, publicly funded programmes that accelerate renewable energy access, productive use of energy and energy efficiency in emerging and developing economies. Founded at the 2002 Earth Summit in Johannesburg, REEEP is structured as an international multilateral partnership for sustainable development, with a focus on low- and lower-middle-income countries.

REEEP advances early-stage markets for distributed renewable energy by efficiently deploying donor capital and mobilising additional private investment to support company growth. We design and deliver our own programmes, partner with other development organisations and provide expert consultation to government agencies, development finance institutions and other programme managers.

Our 20+ year track record scaling climate mitigation and adaptation solutions — with a strong focus on the energy-water-agriculture nexus — speaks for itself. REEEP's pioneering design of the Beyond the Grid Fund for Zambia initiated a transformative market shift, delivered household electricity access to a million people, catalysed five-fold private investment and transformed the way the energy sector approaches results-based financing. The model has since been adapted for large-scale use across six countries in the Beyond the Grid Fund for Africa and to the Productive Use of Renewable Energy (PURE) in agri-food value chains in the PURE Growth Fund.

Our unique approach hinges on extensive on-the-ground experience and the agility and expertise of our small team, which can innovate, adapt and design at a speed and flexibility unmatched by larger organisations. Our strength comes from solid partnerships across the public sector, development partners and private sector in developing markets.

Through a combination of financial instruments, capacity building, facilitation of stakeholder cooperation and technical assistance, REEEP's programmes fill financing and knowledge gaps and drive private sector investment, making clean energy accessible and affordable and enabling frontier markets to thrive. We work closely with stakeholders across the public and private sectors to ensure that holistic programme design and implementation are rooted in local needs, reducing risk in clean energy investment and creating long-lasting ecosystem change.

Introduction

The energy transition is accelerating, but it is not reaching everyone equally.

For the hundreds of millions of people in developing countries who still lack reliable energy access, the promise of clean, affordable power remains life-changing in ways that go far beyond lighting a home. It unlocks productivity, underpins food security and fuels the small and medium enterprises that are the backbone of emerging economies.

2025 was a year of both progress and profound disruption. The sudden withdrawal of USAID funding sent shockwaves through the development sector, requiring many development partners to reassess strategies and reset priorities. The resulting uncertainty triggered further funding withdrawals and significant delays across programmes and initiatives that saved lives, created jobs and supported some of the world's most vulnerable communities. Traditional donors are turning inward, and development budgets are coming under pressure from competing priorities, including rearmament and domestic spending.

And yet the sector has shown remarkable resilience. Attention to the intersection of renewable energy and agricultural productivity has never been greater — and the evidence continues to mount that productive use of renewable energy in agri-food value chains is critical to building resilience against energy and climate shocks. Technologies such as solar-powered irrigation, cold storage and agro-processing are transforming what smallholder farmers and agri-businesses can grow, preserve and sell. Renewable energy SMEs are diversifying their offerings to meet this nascent but rapidly expanding market.

This momentum is reinforced by a growing recognition at the global level that energy access and economic development are inseparable. Initiatives such as Mission 300 and other international efforts to accelerate energy access provide an important framework, reaffirming the commitment to place productive use, livelihoods and resilient local economies at the centre of the energy transition.



Eva Kelly Oberender
CEO



Martijn Wilder
Chair of the Governing Board

Funding, however, remains a critical bottleneck — not because the business models are failing, but because the systems to support them are. A “missing middle” between early-stage grants and large-scale DFI funding swallows companies before they can reach scale. High upfront costs, combined with the near-absence of local consumer financing, create barriers that even strong businesses cannot overcome.

Addressing these challenges requires a whole-of-system approach: shifting measurement frameworks from energy output to farmer income, designing support that not only improves agricultural productivity but also strengthens market linkages to sell it onward, working with MFIs, DFIs and local banks to de-risk financing and closing the gap where too many businesses still fall short.

This moment, difficult as it is, also represents an opportunity. Intensifying collaboration across development actors is not just a strategic choice, it is a necessity. The ‘stronger together’ mindset is the driving force behind the Agri-Energy Coalition, which was formed to break down the silos between energy and agriculture, treating them not as separate sectors but as deeply intertwined systems.

REEEP's work in 2025 was shaped by that conviction. Faced with disruption, we chose not to retreat but to innovate — testing new approaches like the PURE Impact Index, strengthening partnerships and continuing to bridge the gap between energy access and economic opportunity. Our commitment to inclusive, productive and climate-resilient development remains undiminished. This report reflects what it looks like in practice and demonstrates that, even amid uncertainty, the transformation of rural economies through renewable energy continues to drive us.

REEEP in 2025

While we rang in 2025 on a high note, that optimism was short lived. The destruction of USAID was a blow for the international development sector, negatively impacting millions of people worldwide and causing a domino effect with reductions in overseas development assistance from the majority of donor countries.

In January 2025 when the blanket ‘stop work’ order arrived, requiring REEEP and our contractors to halt all activities, we were two months from completion of the highly successful Pakistan Private Sector Energy Project (PPSE), the first in-country spin-off of the Private Financing Advisory Network (PFAN). REEEP intended to sustain the momentum we’d gained in the country, which mobilised 46.3 million for 15 climate and clean energy businesses and projects, trained dozens of entrepreneurs and investors and accelerated the role of women in Pakistan’s clean energy transition. Similarly, funding for PFAN in Latin America also fell victim to the 89% cut in USAID’s 2025 budget, effectively halting our operations in the region.

Despite this blow to REEEP and the sector, our resilience shines through. We are adapting to the new reality and preparing PFAN 3.0, leveraging over 20 years of PFAN learnings to address key gaps identified by investors. The revamped model focuses on targeted support before and after investment, strengthening project pipelines and creating clear opportunities for investor engagement (See page [54](#)).

Accelerating energy access has always been at the core of REEEP’s engagement, and we are continuing our work on the Beyond the Grid Fund for Africa (BGFA), which aims to bring 1.86 million connections to 9.6 million people in six sub-Saharan African countries by 2028 (see page [18](#)).

Back in 2013, REEEP was one of the first development organisations to invest in the productive use of renewable energy’s potential for food systems transformation with our 9th programme cycle. Our trailblazing 10th programme cycle took it one step further to focus on “Powering Agri-food Value Chains”, which financed several companies at the energy-water-agriculture nexus, including two solar irrigation startups – SunCulture and Futurepump - two of the market leaders in solar pump distribution and manufacturing. Our commitment to this nexus continues down several parallel paths, including the PURE Growth Fund and the Agri-Energy Coalition.



We designed the PURE Growth Fund based on the learnings and experiences gained through our design of the Beyond the Grid Fund for Zambia, the forerunner of the Beyond the Grid Fund for Africa which was built on REEEP's core design, and our ongoing implementation of BGFA. BGFA too has reflected the growing importance of PURE in the energy mix, with several PURE companies contracted in Uganda and Zambia.

In May 2025 we launched the first Call for Proposals for the PURE Growth One funding window, and we have recently contracted the first companies. The response exceeded expectations on almost every measure. Fifty applications were received, of which 38 were deemed eligible. Of those, 31 came from local Tanzanian firms and seven from international organisations, a ratio that reflects REEEP's deliberate outreach strategy and PURE Growth's evaluation criteria, which explicitly valued local supply chains, Tanzanian ownership and local management experience. Our team is performing Due Diligence on the shortlisted companies, with the first contracts expected to be signed mid-2026 (see page [31](#)).

Our launch of the PURE Growth Fund coincided with our engagement in another major development in the productive use landscape in sub-Saharan Africa – the establishment of the Agri-Energy Coalition. It was founded in late 2024 by several leading organisations in clean energy, agriculture and nutrition to unlock the potential of clean energy for agri-food systems in low- and middle-income countries. REEEP joined in early 2025, contributing peer review expertise to the Coalition's first publication. Through our dedication to its work, we were invited to join the Steering Committee in November 2025 and are now an integral part of the Coalition's leadership, engaged in its strategic development and growth (see page [26](#)).

New partnerships

REEEP established a new partnership with GOGLA, the global association for the off-grid solar energy industry, as a strategic step forward in our shared mission to accelerate access to clean, affordable energy solutions that support agri-food value chains and climate resilience in the Global South. It is built on years of cooperation on off-grid energy access and has recently expanded as both organisations' aim to advance the productive use of renewable energy (PURE) through our work together on the Agri-Energy Coalition.

In Uganda, REEEP partnered with aBi Development to support green and inclusive growth of the country's agri-food sector. As part of the Green Agrifood Systems Program (GRASP), funded by the Government of Denmark and the European Union and implemented by aBi Development, REEEP will provide tailored business advisory services to agricultural SMEs, strengthening their internal capacities, enhancing their investment readiness and helping them access complementary financing beyond the programme's catalytic grant funding.

“REEEP has proven to be a motivated and reliable partner in the Agri-Energy Coalition. Its work on the agri-energy nexus shows a *real understanding* of how productive use of renewable energy can improve rural livelihoods and strengthen food systems, and a genuine commitment to advancing it.”



Carlos Sordo
Associate Director
Productive Uses of
Renewable Energy, GOGLA

REEEP's Impact: Market Shift – *Transforming* Energy Access in Zambia

A decade of transformation in Zambia's off-grid renewable energy market

Ten years ago, Zambia's off-grid renewable energy market barely existed. Today it is one of the most active and closely watched markets for decentralised energy access in sub-Saharan Africa. The shift has been neither accidental nor purely market-driven: it is the product of deliberate, sequenced intervention that began with a single donor-backed experiment in Lusaka and has resulted in a national policy that will drive forward to 100% electrification, with strong multi-lateral backing. Understanding that arc matters, because Zambia now provides a template for how a country moves from an energy-access pilot to a scaled, investable market.

A market that did not exist

When the Swedish Embassy in Lusaka and the Swedish International Development Cooperation Agency (Sida) decided to improve energy access in Zambia in 2016, the off-grid energy market in Zambia was practically non-existent. Roughly two-thirds of Zambians, and the overwhelming majority of rural households, had no access to electricity, and the prospect of grid extension reaching them was measured in decades. Private companies willing to sell solar home systems or build mini-grids in remote, low-density, low-income communities were scarce, and the financiers willing to back them were scarcer still. Suitable technology was already proven, with solar home systems and pay-as-you-go models deployed at scale in other countries. The Zambian market needed a push.



The pilot that *proved* the model

REEEP won Sweden’s tender for a programme designer and implementer, and together we created the Beyond the Grid Fund for Zambia (BGFZ) to kick-start the market.

It was built on three pillars: tailored results-based financing that provided working capital and paid energy companies only on verified sustainable connections; a market-change platform that took shape as the Off-Grid Energy Task Force, embedded in the Ministry of Energy, to coordinate policy reform and stakeholder action, and the bespoke, REEEP-built EDISON data and monitoring system to give funders and government real-time visibility on impact. The headline target was ambitious - reach at least one million Zambians by 2021.

It worked. By the end of the programme, the four-company portfolio had connected 194,000 households, providing clean energy access to over one million Zambians. More than half (53%) were in rural areas with the remainder in peri-urban areas, and roughly 30% of primary customers were women. An impact study found 96% of customers reported an improved quality of life. The programme facilitated the installation of nearly 3 MW of renewable capacity, mobilised some USD 49 million in co-financing from 21 new third-party financiers and created around 1,860 jobs. Crucially, an independent ex-post evaluation provided evidence that results-based financing could not only grow individual businesses but unlock entire markets and crowd in additional capital. It concluded that the Off-Grid Energy Task Force had been highly effective in coordinating policy reforms and that BGFZ played a significant role in developing the off-grid market itself.

BGFZ provided tangible changes in daily life. A 2022 socio-economic study found that the share of households using candles dropped sharply once they acquired an energy service, that 96% of households reported their children could study better than before, and that close to 88% saved money they could redirect to nutrition, housing and other needs. A quarter of customers used their service to generate income, from phone charging and mobile money kiosks to lighting small businesses, and 98% rated the service as “very good.” The evaluation was also candid about where the model was tested: success across the portfolio was driven disproportionately by one company, Fenix International, which scaled rapidly on the strength of a product and business model already proven in Uganda, led the pack, while one fell significantly short of its individual target. This was an expected feature of the portfolio approach rather than a flaw — trialling a diverse set of companies in a nascent market necessarily entails tolerating a degree of failure — but it underscored both the inherent risk of results-based financing at this early stage and the catalytic value.

A considerable amount of co-financing raised was private sector contributions to equity at 40%. Much of the debt came from concessional sources, and companies also raised significant additional grant financing, as would be expected at this stage of market growth. Local commercial debt proved particularly challenging, with banks unwilling to take the risks associated with offering consumer finance products to rural customers. Overall, however, the programme’s ambitious leverage target of 1:4 was exceeded, reaching roughly 1:5.



Scaling up: from Zambia across sub-Saharan Africa

BGFZ was intended as a programme to support Zambia, but the programme's success made it a prototype. In 2019, on the initiative of the Swedish government, the model was expanded into the Beyond the Grid Fund for Africa (BGFA), a multi-donor facility funded by Sweden, Denmark, KfW, Power Africa and Norway. The Nordic DFI Nefco became facility manager, with REEEP as Implementation Partner to carry the Zambian approach to five additional countries. By the end of 2025, BGFA reported 845,891 connections established across the programme, reaching some 4.37 million people and nearly 7,500 businesses. The lessons from the Zambian Off-Grid Energy Task Force are now being deliberately replicated across all BGFA countries as a mechanism for market change.

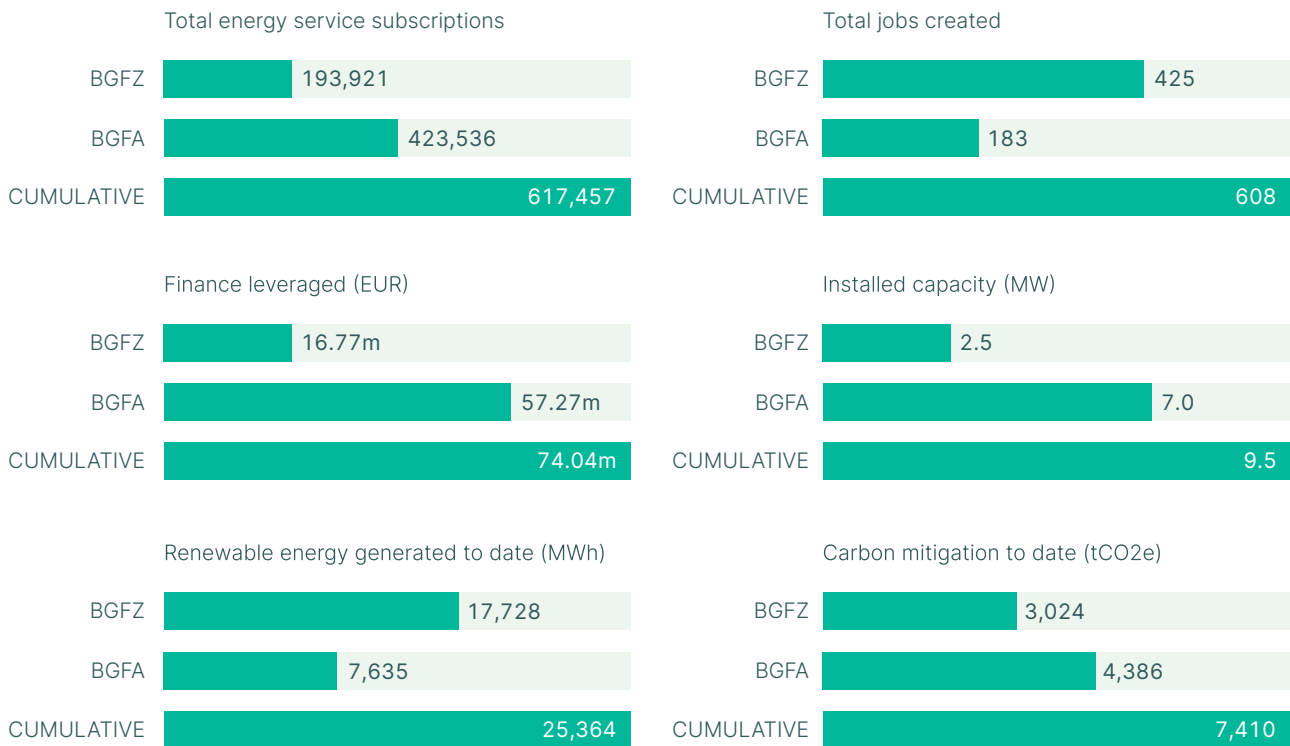
Within Zambia, companies that cut their teeth under the pilot kept scaling: BGFZ awardee Fenix International was acquired by ENGIE Energy Access during the BGFZ programme, signed on to BGFA in 2022 and was subsequently acquired by Ignite Power to become Ignite Energy Access in September 2025. Through both programmes, it has now sold over 341,000 energy service subscriptions, benefiting around 1.75 million people. Companies have built supply chains, distribution systems and agent networks. The price of inventory has dropped dramatically since 2016, reflecting the scale of the industry. This market development all shows up in the reduced incentive levels required by the private sector: an average of EUR 21 for a sustainable connection by 2025 versus EUR 48 in 2016, our clearest indication that the public support is working effectively.

The Off-Grid Energy Task Force, in particular, proved to be one of the pilot's most enduring contributions. By giving government, development partners and the private sector a single forum to coordinate, it helped secure a series of concrete reforms developed in a collaborative and informed manner between 2016 and 2022, including a customs handbook for importing solar home systems, updated tax exemptions for solar products and lithium-ion batteries, the development of mini-grid regulations, the National Energy Policy 2019, and a gender action plan for the Ministry of Energy. With the Ministry of Energy as its secretariat, the Task Force has continued to support reform beyond the life of the pilot, including new regulations for small mini-grids in 2023. Crucially, it has strengthened the Government's sense of responsibility to coordinate and promote private sector off-grid energy markets, by adding this to the Rural Electrification Authority (REA)'s existing mandate on grid extension and densification.



Credit: Jason Mulikita for BGFA/Nefco

BGFZ and BGFA's Impact in Zambia



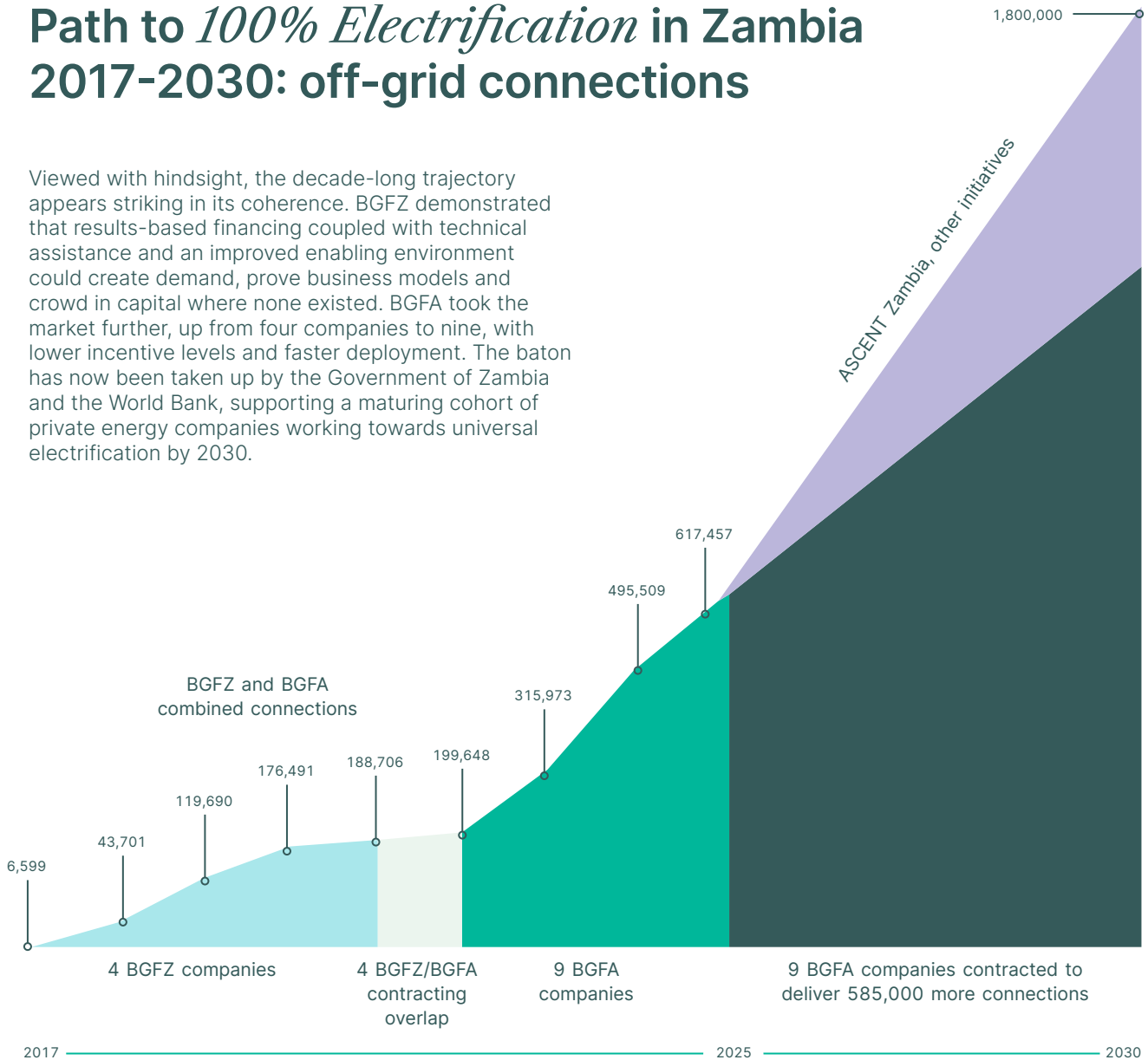
Institutionalising *the shift*: Government commitment, the World Bank, ASCENT and Mission 300

The most significant change of the past two years is that energy access has moved from donor-pilot territory into the centre of national policy and largescale public finance. In early 2024 the World Bank and COMESA launched ASCENT (Accelerating Sustainable and Clean Energy Access Transformation), a roughly USD 5 billion programme targeting electricity access for 100 million people across up to 20 countries in Eastern and Southern Africa, supported by a USD 50 million regional acceleration platform hosted by COMESA in Lusaka. This sits within Mission 300, the World Bank–African Development Bank initiative to connect 300 million Africans by 2030, backed by more than USD 48–50 billion in pledges announced at the Dar es Salaam summit in January 2025.

Zambia was among the first twelve countries to sign a National Energy Compact at that summit. The Government's Compact pledges universal electricity access by 2030, commits to growing non-hydro renewables from roughly 3% of the energy mix to 33%, targets at least 40% clean-cooking access and explicitly identifies distributed renewable energy—minigrids and off-grid solutions—as more cost-effective than grid extension across Zambia's low-density rural areas. In July 2025, the World Bank approved a USD 200 million IDA grant for ASCENT-Zambia to support these efforts, which is now matched with a USD 250 million commitment from the Government of Zambia.—The off-grid components will use a results-based financing model informed by the BGFZ approach.

Path to 100% Electrification in Zambia 2017-2030: off-grid connections

Viewed with hindsight, the decade-long trajectory appears striking in its coherence. BGFZ demonstrated that results-based financing coupled with technical assistance and an improved enabling environment could create demand, prove business models and crowd in capital where none existed. BGFA took the market further, up from four companies to nine, with lower incentive levels and faster deployment. The baton has now been taken up by the Government of Zambia and the World Bank, supporting a maturing cohort of private energy companies working towards universal electrification by 2030.



The reality behind the scenes is somewhat different. No one involved knew that trajectory when we started out. It required determined work in the face of uncertainty, relationship building and management, adaptation to changing circumstances and perseverance through external shocks, for instance, Covid-19 and huge foreign exchange shifts in 2020, which hit the off-grid sector hard, requiring flexibility and quick thinking from all involved.

Market development is emergent. There are common elements and levers, but it varies from sector to sector and country to country. REEEP is proud to have been at the centre of that journey in the off-grid energy sector in Zambia, and we are grateful to all our partners along the way – the donors, the energy service providers, the development partners, the Government and, most importantly, the people of Zambia. We look forward to the coming years and seeing the job to completion.

² COMESA, "COMESA, World Bank Launch USD 5bn Energy programme" (June 2024); World Bank, "COMESA and the World Bank Launch \$50 Million Regional Platform" (January 2024).

³ Global Energy Alliance for People and Planet, "Mission 300 Africa Energy Summit secures historic country commitments and over \$50 Billion in Partner Pledges" (Jan–Feb 2025); World Bank, energizingafrica portal.

⁴ ESI Africa, "12 African countries set out 5-year energy plans for Mission 300" (January 2025); Rockefeller Foundation, "Lighting the Path for Mission 300" (October 2025) — Zambia pledge to grow non-hydro renewables from ~3% to 33%.

⁵ World Bank / News Ghana, Devdiscourse, Ecofin Agency and The High Street Journal coverage (July–August 2025) of the USD 200 million IDA grant for ASCENT-Zambia, the programme's 13th phase; Zambia Rural Electrification Authority (REA), "Zambia Launches US\$200 Million ASCENT Program" (up to 1.6 million people for electricity and clean cooking).

Company Spotlight

From Fenix to Ignite

One SME has been part of this decade-long journey: Fenix International, later acquired by ENGIE Energy Access and now trading as Ignite Energy Access Zambia. Across two programmes and almost a decade, REEEP has supported the company from its entry into a nascent market to its acquisition by one of the largest off-grid energy providers on the continent.

When Fenix arrived in Zambia in October 2017, it came as one of four companies contracted under the Beyond the Grid Fund for Zambia, bringing a pay-as-you-go business model and a product range it had already proven in Uganda.

Its early product line centred on its flagship Fenix Power system, an expandable, pay-to-own solar home unit priced for off-grid households, which paid off in small instalments via mobile money, charged phones and powered bright lights, radios and efficient appliances in homes that had relied on kerosene and candles. Customers spoke about the change in everyday terms: more time with family after dark, a greater sense of safety, a little more money in their pockets and better light for their children to study by.

Fenix went on to become the strongest performer of the four BGFZ awardees, reaching its target of 141,600 energy service subscriptions a full year ahead of the July 2021 deadline.

For Helen Zulu, Managing Director Zambia and Regional Director Southern Africa at Ignite, the early milestone is still best measured in household impact. “That target was not a mere number to us. It was tens of thousands of families switching on light for the first time,” she said.

“BGFZ’s backing let us reach the communities the grid had never served, and that early proof is what Ignite is scaling across Zambia today. The ambition now is simple: reach far more homes, but faster.”

ENGIE acquired Fenix in 2018 and, in 2020, brought it together with Mobisol and its PowerCorner mini-grid business to form ENGIE Energy Access. The customer-facing brand shifted from Fenix to MySol, but the Zambian operation, its customers and its field network carried straight through. By 2022, when BGFZ signed further agreements in Zambia including with ENGIE Energy Access, the company reported it had reached more than 230,000 customers and benefited over a million people.

The BGFZ Mid-Term Evaluation later placed ENGIE Energy Access among a small group of direct-to-scale companies driving the programme’s results and judged it one of those most likely to be able to continue or keep growing with less need for subsidy.

Several other companies later told evaluators that Fenix’s success was itself proof that the Zambian market was viable, and a reason they chose to enter or scale up.

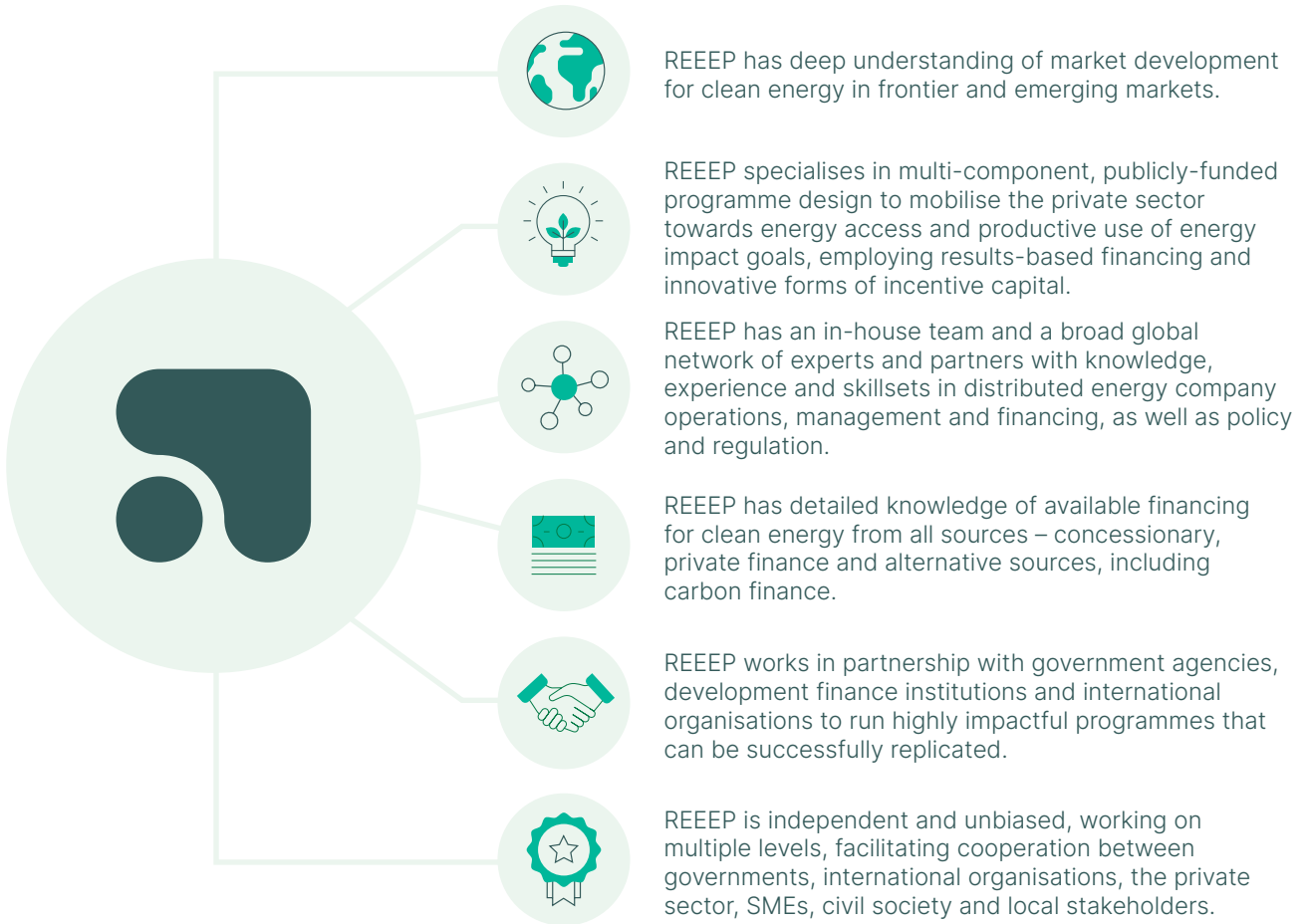
In September 2025, Abu Dhabi-based Ignite Power completed its acquisition of ENGIE Energy Access, launching the combined business as Ignite Energy Access with an expanded product line and now positioned as the largest off-grid energy provider on the continent, serving more than 15 million people across 12 countries with a target of reaching 100 million by 2030.

“BGFZ’s backing let us reach the communities the grid had never served, and that early proof is what Ignite is scaling across Zambia today. The ambition now is simple: reach far more homes, but faster.”

Helen Zulu
 Managing Director Zambia and Regional Director Southern Africa
 Ignite



REEEP's Strengths



REEEP's focus lies in advancing clean energy solutions for off-grid and distributed small-scale power as well as promoting the productive use of clean energy within agri-food value chains. We support global efforts under the 2015 Paris Agreement on Climate Change and the United Nations 2030 Agenda for Sustainable Development with a focus on the Sustainable Development Goals (SDGs) of ensuring access to affordable, reliable, sustainable and modern energy for all and taking action to combat climate change and improve resilience. Our work also contributes to achieving food security, reducing environmental damage, ending poverty, achieving gender equality and facilitating decent work and economic growth where they are most needed.

In all our programmes, we build partnerships to last far beyond REEEP's direct engagement to realise far-reaching, long-term impact on the ground.

Focus SDG Goals



Driving Renewable Energy Adaptation and Mitigation (DREAM)



In the early 2000s, REEEP’s founders recognised the need for the public and private sectors to work together to drive the energy transition. The organisation has always acted as a bridge between the two, endeavouring to establish dialogue and an enabling policy and regulatory environment to nurture market development.

A quarter of a century later, there has been significant progress on many aspects, but serious gaps remain – particularly in finance. Lately, there has been an increasing focus in the international discourse on the lack of private investment into distributed renewable energy and energy access in emerging markets and developing economies (EMDE). There is a general acceptance that in the current geopolitical situation, donor governments and DFIs will not provide all the finance required to meet SDG7 and ensure sufficiently rapid spread of clean energy technologies to mitigate the worst effects of climate change and support adaptation. Nearly all public funding comes with an explicit or implicit expectation that it will be deployed in a way that catalyses private investment.

In many markets where REEEP operates, there is a ‘missing middle’ of smaller ticket size investment suited to small and medium enterprises (SMEs), leaving a gap between start-up and pre-seed grants and investment on the one side and large-scale DFI or institutional investment on the other.

In response to these challenges, in 2025 REEEP established a sister organisation, Driving Renewable Energy Adaptation and Mitigation (DREAM) Ltd, to advance efforts to channel capital to SMEs for clean energy deployment. DREAM is a purpose-locked, not-for-profit company limited by guarantee (CLG) registered in the UK, which shares REEEP’s mission and values and nominates a minority of ‘REEEP-connected’ Directors to DREAM’s Board. The independent majority is made up of professionals with considerable experience in renewable energy finance, fund development and legal structuring and private equity.

The two organisations have established a legal framework for cooperation and data sharing and are now working together on business development. DREAM acts as a counterpart to REEEP, pursuing the mission further into private investment territory than is feasible for an Austrian non-profit organisation.



It is currently working along two related pathways:

1) Establish investment funds in partnership with experienced fund managers

DREAM will develop an architecture that systematically aggregates, supports and packages pipelines of commercially attractive, high-impact deals into investable opportunities for commercial capital. Using REEEP’s existing portfolios of investee companies, grant programmes and network of in-country advisors and sector specialists with deep relationships across the EMDE enterprise landscape, DREAM can identify currently under-resourced yet profitable or near profitable, growth-stage clean energy and climate-adaptive small and medium enterprises (SMEs). It will build a standardised system for screening, structuring, monitoring and de-risking deals. Aggregating pipelines of investments also provides the opportunity to use instruments (such as guarantees or FX hedging) that aren’t available and/or cost-effective when applied to individual SME deals.

2) Technical assistance to portfolio companies of existing funds

DREAM will help them deliver on their impact goals: a suite of ‘buy-side,’ post-financing services delivered through the PFAN network to commercial funds that could not contract REEEP, to complement the ‘sell-side’ donor-funded services through which PFAN has successfully delivered project preparation and finance facilitation. Providing a new pathway to unlock finance, the two sister organisations between them offer a broader range of action than either one alone. Independent yet related, they will continue the journey REEEP has been on for 24 years side by side, better adapted to the current conditions – stronger together.

Priority Sector: **Off-grid energy access**

Lack of access to modern energy is one of the most fundamental inequities in today's energy system. Closing this gap has been central to our work since our founding in 2002, when global electricity access stood at just 78%. Two decades on, almost 92% of the world's population now has access to electricity. Some of the most striking progress has come in two of our priority regions, Central and Southern Asia and sub-Saharan Africa.



But the remaining gap is increasingly concentrated. Sub-Saharan Africa is now home to 85% of the world's population without electricity, with around 565 million of the 666 million people still unconnected living in the region. Insufficient and unaffordable financing remains a key driver of this inequality and of slow progress. Off-grid solar is the most cost-effective and rapidly scalable way to accelerate access to reach the remaining unconnected population, who live mostly in remote, lower-income and fragile areas.

Over more than two decades, we have built and refined a market development approach that goes beyond simply financing connections. We work with the whole ecosystem, including governments, banks and entrepreneurs, to mobilise private capital, build local financial institution capacity and support the SMEs that deliver sustainable, decentralised renewable energy to last-mile communities.

Our track record in this space is grounded in practice. Our co-creation and management of the Sustainable Energy Regulators Network from 2006 to 2014 guided government institutions in knowledge exchange to create the stable policy and regulatory mechanisms that give private investors the confidence to enter new markets. Through our design and implementation of the Beyond the Grid Fund for Zambia (2016 – 2022), we connected over one million rural and peri-urban Zambians to clean energy, proving that last-mile markets are attractive to private sector operators and investors when the right mix of incentives, technical support and data is in place. An independent evaluation

found that it played a significant role in developing the off-grid market itself, mobilising some USD 49 million in co-financing from new third-party financiers and exceeding its leverage target. That programme directly fed into the design of the Beyond the Grid Fund for Africa, where we continue to serve as the Implementation Partner, now active across six sub-Saharan African countries and targeting 9.6 million people by 2028.

The lessons we and other organisations in this space have accumulated over more than twenty years are now reflected in the architecture of Mission 300, the World Bank and African Development Bank's initiative to connect 300 million Africans to electricity by 2030. Half of Mission 300's electricity connections are expected to come from off-grid solutions. Scaling at this magnitude relies on tools we have helped develop, including innovative forms of results-based financing, private-sector incentivisation, data-driven monitoring and off-grid energy task forces to support policy reform. We are proud that the groundwork we laid in Zambia and across sub-Saharan Africa is visible in how the sector is now approaching the challenge at scale. And we remain committed to reaching the communities that even the most ambitious initiatives can overlook - the poorest and most remote households, where costs are highest and ability to pay lowest, and where expansion of reliable energy access will continue to depend on public and blended finance alongside the commercial markets that results-based financing programmes have helped to create.



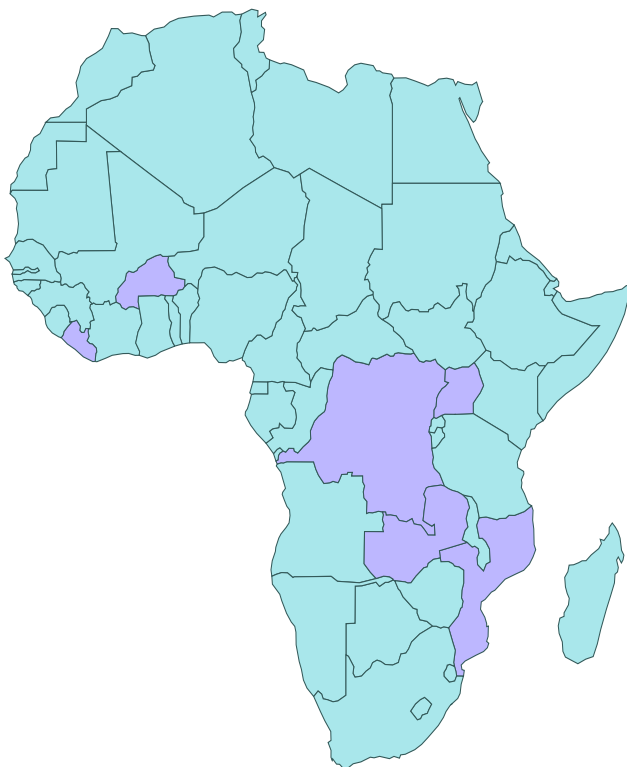
¹²<https://trackingsdg7.esmap.org/>

Spotlight on Beyond the Grid Fund *for Africa*



Over 600 million people in sub-Saharan Africa live without access to electricity. The Beyond the Grid Fund for Africa (BGFA) aims to reduce this gap by stimulating and accelerating business models that incentivise the private sector to deliver affordable, clean energy access at scale to people living primarily in rural, peri-urban and disadvantaged urban areas. Established in 2019 as an initiative of the Swedish Government, BGFA builds on the success of Sweden and REEEP’s award-winning pilot programme in Zambia, the Beyond the Grid Fund for Zambia (BGFZ), and is managed by the Nordic Environment Finance Corporation (Nefco) and implemented in partnership with REEEP and NIRAS.

Today, BGFA is a multi-donor facility that expands BGFZ’s approach into additional sub-Saharan African countries to kick-start markets for clean off-grid energy. BGFA aims to establish up to 1.86 million energy connections by 2028, benefiting more than 9.6 million people. By the end of 2025, it had disbursed approximately EUR 25.7 million, enabling over 4.37 million people to access electricity — many for the first time.



It is currently operating in six Sub-Saharan *African countries*

- Burkina Faso
- Democratic Republic of the Congo
- Liberia
- Mozambique
- Uganda
- Zambia

How it Works

The programme operates through three pillars, complemented by a cross-cutting focus on communication and knowledge exchange:

- **Results-based financing (RBF):** Energy service providers receive incentive support to expand energy services.
- **Technical Assistance:** Portfolio companies receive tailored support to strengthen business operations, compliance and impact strategies.
- **Institutional strengthening:** Policy engagement and market coordination help address regulatory barriers and improve the operational environment through Off-Grid Energy Task Forces.

Under the RBF model, energy service providers receive non-repayable payments only after proving that energy connections have been established and associated services have been delivered to customers. Crucially, BGFA pays only for sustainable connections: using companies' Pay-As-You-Go data, it confirms customers are making payments as a proxy for continuous utilisation. Subscriptions that lapse no longer qualify until regular payments resume.

Incentive levels are set competitively. Companies propose their own per-connection subsidy during application and are awarded through a value-for-money process, keeping subsidies disciplined and avoiding over-subsidisation. Higher-tier connections, such as productive-use appliances and solar water pumps, receive greater weight because they generate broader economic benefits. Less mature companies can receive up to 30% of funding in advance, offset over the four-year implementation period.

Verification is rigorous and multi-layered. NIRAS independently reviews payment requests and conducts annual on-site visits, while in 2025, BGFA transitioned Prospect from pilots into routine day-to-day operations and is used to run over thirty structured checks on each energy subscription, drawing data directly from companies' customer management systems - making BGFA's verification approach a model for the sector.



Credit: Jason Mullkita for BGFA/Nefco

Key achievements

2022-2025

28

portfolio companies

4.37m

lives impacted across six countries

845,891

energy service subscriptions

€25.7m

total disbursements made

€98.3m

co-financing leveraged (ratio: 1.49)

118,908

tCO₂e avoided

15.39

MW installed

7,494

businesses benefited

11,971

sales agents engaged

116

public institutions benefited

45.4%

of the 1.86M connection target achieved

235,506

new connections added in 2025



Credit: Jason Mullikita for BGFA/Nefco

2025 developments



Credit: Jason Mulikita for BGFA/Nefco

In 2025, the Beyond the Grid Fund for Africa (BGFA) reached the midpoint of its 2022–2028 implementation period, demonstrating that competitive, market-based results-based financing (RBF) can drive clean energy access even in challenging environments shaped by conflict, climate shocks and shrinking development budgets.

An additional 235,506 sustainable energy service connections were realised during the year, bringing the cumulative total to 845,891—equivalent to 45.4% of the programme's 1.86 million target.

The portfolio comprised 28 companies offering solar home systems, mini-grids, battery rental and productive-use solutions, with the vast majority of connections delivered through standalone systems at an average incentive of EUR 19.87 per subscription (excluding advance payments). A core strength of the model is its value-for-money framework, which weights higher-tier, productive-use connections more heavily because they generate broader economic benefits.

REEEP's Technical Assistance (TA) remained central to portfolio company success. The recent Mid-Term Evaluation found that BGFA's offer is highly relevant to the needs of ESPs, who consistently report that BGFA funding has been critical to scaling their operations. The flexibility shown by the programme in allowing ESPs to adjust operations to reflect ground realities, such as

changing security situations or the need to substitute products to meet unanticipated customer demand, is also highly appreciated. Demand-responsive technical assistance (TA) is similarly prized, though ESPs often perceive the wider TA offer as oriented primarily toward contractual compliance.

Country-level progress varied. Zambia and Uganda delivered the most connections, while the DRC and Liberia showed the strongest relative growth. Liberia commissioned its first private-sector-led mini-grids, and Off-Grid Energy Task Forces are now active in all six countries, driving regulatory reform and securing milestones such as Zambia's dedicated OGTF budget line.

Challenges persisted. Burkina Faso and the DRC remained difficult operating environments due to security instability, with Burkina Faso connections falling 39% year-on-year. BGFA also identified e-waste management as an area requiring stronger, better-incentivised take-back mechanisms. Looking ahead, BGFA's proven RBF and market-development experience positions it to inform emerging World Bank initiatives such as Mission 300. A 2025 Nefco-commissioned study on 12 years of mini-grid RBF reinforced key lessons: market selection, local presence, productive-use incentives and streamlined digital verification all matter for scaling sustainable energy access across Africa.

REEEP's *role*

We serve as BGFA's technical implementation partner and co-designer. We provide tailored technical assistance to each of the programme's 28 contracted energy service providers, covering gender policy, environmental and social management, quality assurance, consumer protection, financial structuring and business strategy. This support is designed not only to help companies meet programme milestones, but to make them more attractive to commercial investors and capable of operating independently beyond BGFA's funding horizon. We designed the original Off-Grid Energy Task Force in Zambia, now expanded to all BGFA countries, which works with governments and regulators to create policy environments that enable off-grid markets to thrive long after the programme concludes. The market-building logic we developed in Zambia - prove the model, generate the data, build the ecosystem - remains at the heart of everything BGFA does.



Credit: Jason Muilikita for BGFA/Nafco

REEEP's work on BGFA in:
 Programme Design and Monitoring [p.38](#) | Technical Assistance [p.46](#) | Market Intelligence [p.66](#)

[BGFA Annual Report 2025](#) | [Click to find out more.](#)

[Beyond the Grid Fund for Africa Mid-Term Evaluation](#) | [Click to find out more.](#)

[Cracking the Code: Lessons learned from 12 years of mini-grid results-based financing in Africa](#) | [Click to find out more.](#)

Priority sector: Productive Use of Renewable Energy (PURE)

Agriculture is the backbone of rural economies across low- and middle-income countries, yet persistent energy access gaps continue to undermine the productivity, sustainability and resilience of food systems. Across sub-Saharan Africa and much of Asia, agriculture is the primary source of livelihood for the majority of rural people, the foundation of food security and a central contributor to national economies. Yet hundreds of millions of smallholder farmers, processors and agribusinesses operate without reliable power, relying instead on manual labour, diesel generators and rainfall patterns that climate change is rendering increasingly unpredictable.

The consequences are felt at every stage of the value chain. Without energy, crops cannot be irrigated through dry spells where 95% of farmed land still depends entirely on rainfall and 65% of farms rely solely on human power. Without cold storage, perishable produce rots before reaching market: an estimated 30% of food produced globally is lost post-harvest, a proportion that is significantly higher across much of sub-Saharan Africa. Without processing equipment, raw agricultural products cannot be value-added, limiting income and export potential. The result is a sector that employs the majority but consistently underperforms its potential, trapping rural communities in cycles of low productivity, climate vulnerability and income instability. A central problem is that energy and agriculture have long been treated as separate sectors. Technologies such as solar-powered irrigation, cold storage and agro-processing equipment have improved significantly in the past decade and demonstrated their potential to increase crop yields, reduce waste and improve livelihoods, yet policy frameworks and financing structures and cross-sectoral coordination have not evolved at the same pace, holding back deployment at scale.



Integrated approaches to supporting the productive use of renewable energy (PURE) offer a way out of this trap. Innovative SMEs have proven that solar irrigation can eliminate rainfall dependency and extend growing seasons. Off-grid cold storage can slash post-harvest losses and enable smallholders to time their sales for peak prices rather than flooding the market at harvest. Solar-powered grain mills and dryers can create new income opportunities and reduce waste. Electric transport can widen distribution networks and connect farmers to buyers they could not previously reach. Bioenergy systems can turn agricultural waste into usable energy while reducing environmental degradation.



Each technology addresses a specific, documented constraint, and together they represent a comprehensive pathway to rural economic transformation. But the technology alone is rarely sufficient. A solar pump installed without access to a borehole, agronomic know-how or a viable market for surplus crops becomes an expensive disappointment; a solar dryer or cold store sits idle without aggregation and reliable buyers. What unlocks the productivity gains is the surrounding ecosystem — financing, skills, repair services and market linkages — that allows a clean energy asset to translate into durable income.



This is why REEEP has made a deliberate strategic commitment to the energy-agriculture nexus. The potential to replace labour-intensive practices and polluting fossil fuels with clean energy is too significant to be addressed by either sector alone. Real progress depends on coordinated efforts to align policy, mobilise private investment, strengthen supply chains and secure donor support, while treating energy and food systems as deeply interconnected. By working at their intersection, we can accelerate impact for the smallholder farmers and rural communities who stand to gain the most from a clean energy transition that simultaneously strengthens food security. This is the imperative that drives REEEP's work at the agri-energy nexus, and it is one REEEP has been pursuing, learning from and refining for more than a decade.

An early *champion* of PURE

REEEP's engagement at this nexus began with our 9th call in 2013 and was the focus of our 2015–2017 investment portfolio, “Powering Agrifood Value Chains” — REEEP's 10th Programme Cycle and an early forerunner in supporting the water-food-energy nexus. We invested in a cohort of eight high-potential early-stage SMEs active across Asia, Eastern Africa and Central America, testing how renewable energy could be embedded directly into agricultural value chains.

Two companies supported in that period have since become significant players in the solar irrigation market. SunCulture and Futurepump, both supported through REEEP's solar irrigation programme in Kenya, were navigating the difficult transition from promising pilot to scalable business. The market was dominated by diesel and petrol pumps: expensive, polluting and leaving farmers exposed to fuel price volatility. Analysis at the time showed that over ten years, the total cost of running a petrol pump reached USD 2,046 compared to USD 668 for a solar alternative paid upfront, yet the market conditions needed to get that technology into farmers' hands were not yet there. REEEP's work focused on precisely those conditions.

Today, SunCulture holds more than 50% market share for smallholder solar irrigation systems in sub-Saharan Africa. The company has sold over 47,000 units across Kenya, Uganda and Ivory Coast, with expansion deals in Ethiopia, Zambia and Togo and raised an oversubscribed USD 27.5 million Series B in April 2024 — taking its total fundraising to over USD 100 million from investors including British International Investment, EDF and Acumen. Futurepump has developed its own manufacturing facility in India and continues to supply its solar irrigation pumps through a distributor network spanning 12 countries across sub-Saharan Africa and South Asia. REEEP helped both companies gain early traction in a sector that has since attracted significant global attention and capital.

“We were the first solar irrigation company in Africa, trying to do something that *no one else had done* - and REEEP took a bet on us. REEEP was our first funding partner outside of our friends and family, and that funding helped us build what today is the largest distributor of solar water pumps for small holder farmers in Africa.”



Samir Ibrahim,
CEO, SunCulture

From Portfolio *to* Programme

The PURE Growth Fund is the institutional expression of all this learning, applied to Tanzania's nascent yet promising productive-use market, in a country where agriculture contributes 24.3% of GDP and 55% of total employment. The pre-launch Expression of Interest received 60 submissions spanning horticulture, fisheries, dairy, grains, e-mobility and bioenergy, confirming both the depth of private sector appetite and the breadth of the opportunity.

Some of the companies that emerge from the PURE Growth Fund's first implementation period may become the SunCultures and Futurepumps of the future: companies that REEEP helped move from promising to proven, and that then went on to transform their sectors independently. Our ambition is to repeat that trajectory across geographies, technologies and value chains. A decade of work has taught us that the constraint is no longer the technology but the silos around it. We must now embed clean energy into all links of agri-food value chains, rewarding integration over isolated installations.

Agri-Energy Coalition

The Agri-Energy Coalition was conceptualised at the African Food Systems Forum in 2024 by a group of leading organisations working across clean energy, agriculture and nutrition. Its founding purpose: to unlock the transformative potential of clean energy for agri-food systems in low- and middle-income countries.

REEEP joined the Coalition in early 2025, contributing peer review expertise to its first major publication, “Beyond Silos: Powering Food Systems with Off-Grid Solar”, a white paper that mapped the growing landscape of projects and businesses operating at the intersection of renewable energy, agriculture, water and nutrition, and made the case for deeper cross-sectoral collaboration.

The alignment between the Coalition’s goals and REEEP’s own mission was immediately clear, reflecting what we are currently working to achieve through our PURE Growth programme: integrating clean energy into agri-food chains to improve productivity, resilience and livelihoods. This shared direction made REEEP a natural and highly active contributor, particularly in the lead-up to the Coalition’s official launch at the African Food Systems Forum in Senegal in September 2025.

That commitment was recognised with an invitation to help shape the Coalition’s design and strategic direction at a workshop in The Hague in November 2025. What began without a master plan has since evolved into a structured, member-driven organisation with a three-tier membership model and five action areas. REEEP now plays an integral leadership role on the Steering Committee, alongside founding members AGRA, Energy Saving Trust, GAIN, GIZ, GOGLA, IRENA, SNV and Wageningen University & Research, with secretariat support provided by the Netherlands Food Partnership since the end of 2025.

The Coalition has grown to over 30 members, bringing together actors across renewable energy, agriculture, nutrition, water, climate and finance, alongside country partners positioned to drive impact on the ground.

Together, members work to close knowledge gaps, advocate for informed and sustainable policies, and mobilise investment. Through coordinated collaboration, the Coalition aims to scale solutions that integrate renewable energy into agricultural value chains and food systems, providing guidance on best practices, enabling environments and sustainable technology and business models.



PURE *Growth Fund*



The PURE Growth Fund is REEEP’s newest programme, building directly on the model developed through BGFZ and BGFA while adapting this framework to a food systems context. Launched in Tanzania in 2025 and generously supported by the Austrian Government, it aims to accelerate take-up of productive use of renewable energy (PURE) technology in agri-food value chains. These technologies have the potential to raise farmers’ productivity, cut post-harvest losses, and build resilience against climate and economic shocks.

Across much of the Global South, agriculture remains the primary source of livelihood for rural populations, yet many smallholders and agribusinesses still operate without reliable power, contending with low productivity of their land as well as constrained access to fragmented agricultural markets. PURE Growth exists to close that gap, putting clean energy to work at every stage of the value chain, from primary production to value addition and through to the point of sale.

PURE Growth rests on a simple conviction: that the most effective way to develop a nascent market is to reward impact rather than subsidise inputs. The programme deploys incentive capital to for-profit clean energy SMEs and agribusinesses through a reverse auction mechanism, in which companies compete for funding by demonstrating the income generation potential of their planned technology deployments and service offerings. The programme is expected to run until 2029 and provide SMEs with EUR 250,000 to EUR 1 million in incentive capital each. It is technology-agnostic across five pillars and value chain-agnostic across the agri-food sector.



Implementing Programme *Philosophy*

A core principle of the PURE Growth Fund is that commercial sustainability and development impact are mutually reinforcing. PURE Growth supports growth-stage companies that can both deploy impactful PURE technologies and generate lasting economic benefits for farmers, agribusinesses and rural communities, raising agricultural productivity, reducing post-harvest losses, strengthening market access, building climate resilience and creating income and employment across agri-food value chains.



It also recognises that technology deployment alone cannot create sustainable markets. These depend on strong ecosystems spanning technology providers, financial institutions, service providers, government stakeholders and end users. The aim is to accelerate the development of sustainable PURE markets that attract investment, strengthen agri-food value chains and improve livelihoods, contributing to a more resilient and inclusive clean energy transition.

The Five Technology Pillars



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 the manufacturing of products from agriculture byproducts

Impact: Waste management, reduction of GHG emissions, energy security

Value Chain: Horticulture, Livestock

How it works

- The central pillar of PURE Growth is a fund disbursing incentive capital to private sector clean energy SMEs and agribusinesses, enabling them to harness their knowledge and expertise to scale their impact
- Development of these SMEs is accelerated and buttressed by technical assistance activities, growing the sophistication of company operations and improving product-market fit
- The financial position of SMEs is boosted through the structuring of financial instruments to local financial institutions, enabling them to engage in financing of SMEs
- Targeted public sector engagement is undertaken to support improvements in the regulatory and financing environment, improving the operating environment of SMEs.
- Data gathered throughout implementation is synthesised and shared as a contribution to the broader market, feeding the evidence base that policymakers, investors and future programme designers need to make better decisions.

Valuing Services *Alongside* Technology

The PURE Growth Fund recognises that technology alone rarely maximises impact. Drawing on evidence that the income-generating effects of productive use technologies is amplified if and when these technologies are surrounded by services that enable the users to integrate more effectively into agricultural value chains, the programme directly incentivises the provision of three categories of service:

- **Repair and maintenance:** These services ensure that technologies are working smoothly and effectively and include warranty provision, preventative maintenance, uptime guarantees and remote troubleshooting.
- **Market access:** These services ensure strong income generation from agri-food activities by linking farmers and value chain actors to buyers, facilitating organised collections and helping secure competitive prices.
- **Agricultural best practices:** Services like agronomic information, extension services, input provision, and access to finance/insurance products are not directly related to the performance of the PURE technologies but still help value chain actors maximise their yields and reduce risks.



PURE Growth in 2025

2025 was the year the PURE Growth Fund moved from design to reality, marked by a series of public launches, a heavy-interest application round and a robust pipeline entering due diligence.

May 2025: Launch Events

The PURE Growth Fund launched in May 2025 with three events in Arusha, Zanzibar and Dar es Salaam, making it easier for companies and agribusinesses in Tanzania's agricultural highlands and the islands' fisheries and horticulture economy to attend the launch and ask questions to our on-site team. This three-city approach reflected REEEP's commitment to ensuring that locally rooted companies, with limited prior exposure to international financing, could engage with the opportunity.

Proposals and Application Results

The application window ran from 21 May to 1 August 2025, with results exceeding expectations. Of the 50 applications received, 38 were eligible — 31 from local Tanzanian firms and 7 from international organisations, reflecting PURE Growth's explicit weighting of local ownership and supply chains. A recent survey by PowerForAll has shown that the share of off-grid investment reaching local enterprises as of 2022 is an astonishingly low 5%. This is precisely the gap the PURE Growth Fund is designed to address, and we targeted our activities accordingly. Eligible applicants included 20 energy service providers (whose core business involved the sale and service of PURE technologies), 16 agribusinesses (whose core business focused on producing and/or processing agri-food commodities) and two cooperatives (who, like agribusinesses, represented individuals directly involved in economic activity inside agri-food value chains). These organisations proposed deployment of a wide range of technologies, including production, storage, processing, transportation and bioenergy. The representation of value chains was similarly expansive, spanning horticulture, staples and grains, export crops, fisheries, livestock and dairy.

Demand vastly outstripped supply: EUR 21.57 million in incentive capital was requested against EUR 2.5 million available — making the funding round 8.6 times oversubscribed. The co-financing rate exceeded 1.33:1, demonstrating that applicants were bringing meaningful private capital of their own to accomplish their goals. Applications covered nearly every region in Tanzania, with the strongest representation from agriculturally rich regions including Arusha, Iringa, Morogoro and Mbeya.

With an average request of around EUR 568,000, current resources can support four or five projects, leaving a substantial pipeline of viable, investment-ready businesses unfunded. This oversubscription is among the clearest signals the programme could have hoped for: it demonstrates that a real, bankable market for PURE exists in Tanzania and that the constraint in sectoral growth is capital, not opportunity.





End of 2025: Evaluation and Due Diligence

Following the close of applications, REEEP evaluated all eligible submissions against three metrics:

- 1.1 Operational readiness, which is an attempt to quantify how the applicant has developed their business plans, internal systems and applicant processes in order to define, target and acquire customers for their products and services
- 1.2 The PURE Impact Index, which measures the total impact a company is aiming to have on participants in a given agri-food value chain by combining the beneficial effects of the PURE technologies proposed for deployment with the services that the applicant plans to offer alongside these technologies
- 1.3 The Impact-Cost Ratio, which measures value-for-impact by comparing a company's goals for impact (as articulated by the Pure Impact Index) against their request for incentive capital (in Euros)

The highest-scoring applicants progressed to due diligence, with contracting targeted for Q1 2026 and implementation running from Q2 2026 through 2029.

Looking ahead

The first funding window in Tanzania is intended as a proof of concept for PURE Growth, not an endpoint. The strength of the market response makes a compelling case for scaling the programme, and REEEP is actively working to mobilise additional funding to unlock the unfunded pipeline and bring private co-investment alongside donor capital. We are keen to extend the PURE Growth approach into a multi-country programme or apply elements of the evaluation methodology or programme design to other initiatives.

Call to action

Realising that this potential depends on partnership, REEEP invites donors and investors to help close the gap between an 8.6 times oversubscribed pipeline and the capital currently available, mobilising additional funding and co-investing private capital to accelerate scale. Beyond finance, REEEP is calling on partners to collaborate on the PURE Impact Index, to co-develop, validate and adopt it as an industry standard for measuring impact, value for money and results-based incentives and to join bilateral and Agri-Energy Coalition research that builds the evidence base and informs the policy and market design on which a thriving PURE sector ultimately depends.

PURE Growth I *Funding Window*

Application Round

50

total applications received

38

eligible applications

31/7

31 local firms
7 international firms

€25.5m+

in total incentive capital requested

€2.5m

available in the first funding window

8.6x

oversubscribed

Co-Financing

>131%

co-financing ratio (applicants' own capital relative to incentive capital requested)

Average Deal Size

~600k

average incentive capital requested per applicant

€250k – €1m

funding window range

Pipeline Capacity

4-5

projects supportable within the current €2.5M envelope

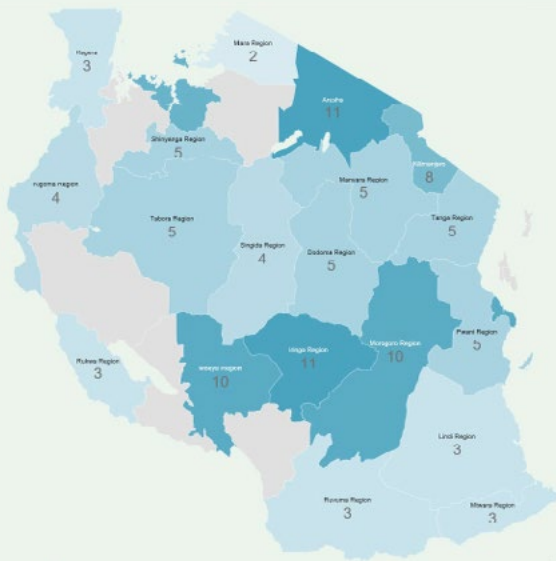
2025–2029

Implementation period.



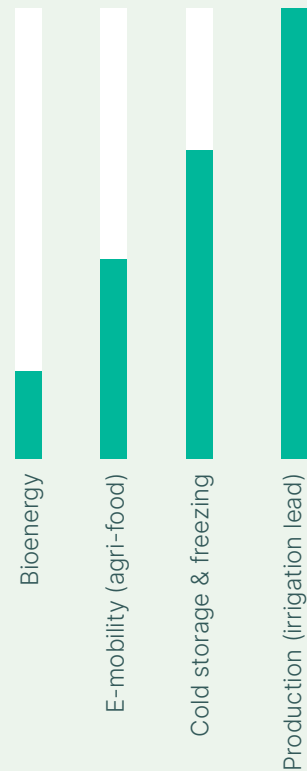
Key Statistics

Geographic Concentration



- Applications from nearly every region in Tanzania
- Highest density: Arusha, Iringa, Morogoro, Mbeya

Sectoral Breakdown



Priority Sector Climate Adaptation

Across the countries where REEEP works, including sub-Saharan Africa, South Asia and the small island states of the Pacific and Caribbean, communities that have contributed least to global emissions are among those most exposed to its consequences. Rainfall has become erratic, droughts and floods more frequent and severe, growing seasons less predictable and the infrastructure on which livelihoods depend more vulnerable. As the world continues to warm, these adverse impacts will escalate, and the risks they pose to vulnerable communities, ecosystems and economies will compound. Mitigation alone is no longer enough: even under the most ambitious decarbonisation scenarios, a substantial degree of warming is already locked in, and the people REEEP works for must adapt to a climate that is already changing.

Yet adaptation remains one of the most chronically underfunded dimensions of climate action. Global adaptation finance falls far short of what is needed, and the gap is widest precisely in the low- and middle-income countries where the need is greatest. Private capital, in particular, has been slow to flow towards adaptation, which is too often perceived as a public-good cost to be borne rather than an investable opportunity to be seized. This is the same structural problem REEEP has spent more than two decades addressing in the clean energy access space: a market that is nascent, perceived as high-risk and starved of the blended finance, de-risking instruments and ecosystem support needed to attract commercial investment.





Energy as an enabler of resilience

Renewable energy and climate adaptation are deeply interconnected, but the connection is not yet sufficiently recognised or exploited. The benefits of clean energy for adaptation run through a lot of what REEEP does, even where adaptation is not the headline objective. Productive use of renewable energy in agri-food value chains is, at its core, an adaptation strategy: solar-powered irrigation reduces farmers' dependence on increasingly erratic rainfall and allows cultivation through dry spells; off-grid cold storage and solar-powered processing reduce the post-harvest losses that climate volatility exacerbates, strengthening food security against future shocks and reliable energy supports the crop diversification that helps insulate rural incomes from climate-driven instability. Each of these interventions builds resilience while also reducing emissions, demonstrating that the line between mitigation and adaptation is far less rigid than financing structures often assume. This dual contribution is already evident across REEEP's portfolio. The 60 Decibels independent evaluation of the Beyond the Grid Fund for Africa found that over half of customers feel more prepared for future potential climate shocks and a third say they believe their ability to cope or recover is improved thanks to their energy service subscription, demonstrating the role energy access can play in resilience for climate-vulnerable communities.

Through the PURE Growth Fund, REEEP is supporting SMEs in deploying technologies that enable agribusinesses and farmers to adapt to and mitigate the effects of climate change, including in regions where more than 70% of the rural population depends on agriculture. And through PFAN, REEEP supports entrepreneurs developing climate adaptation solutions, helping them become investment-ready and mobilising private capital towards a category of business that mainstream finance has historically overlooked. PFAN's next phase makes this ambition concrete, positioning climate adaptation alongside clean energy and the circular economy as one of three explicit target sectors and building a three-pillar approach designed to close the "missing middle" investment gap that leaves so many adaptation-focused SMEs unable to bridge the distance between seed funding and scale (see page [54](#)).

The conviction running through all of this is the same one that has guided REEEP for over twenty years: that the binding constraint is rarely the technology, but the market conditions around it, and that public finance, deployed intelligently, can unlock the private investment on which durable, climate-resilient development depends. As donor priorities shift and the sector's resilience is tested, making that case for adaptation has never been more urgent.

Driving *clean energy* market transformation

Designing for *Impact*

Every REEEP programme is built to answer one question: what will it take for a clean energy market to keep growing once donor funding ends? The way we structure programmes, how we design incentives and the way we measure results all follow from that single test of durability. The instruments differ from country to country and sector to sector, but the logic that links them does not.

REEEP's programmes and advisory services are deliberately multi-pillar. Incentive capital alone does not change markets; it must be accompanied by instruments that address supply constraints, demand barriers, financial system weaknesses and policy gaps simultaneously.

Each REEEP programme begins with a structured assessment process, evaluating five dimensions before design commences:

- Strategic alignment with REEEP's mission and donor priorities
- Existing local market knowledge and network relationships
- National policy priorities, including Nationally Determined Contributions (NDCs) and electrification plans
- Appropriate stage of market development and maturity
- Potential for scale, replication and achieving measurable impact

REEEP'S *Market Development Approach*

We apply a **proven, modular process** to grow inclusive clean energy markets. Our market measures include:

- 1. Designing financial instruments** using donor funding to leverage private investment
- 2. Structuring** financial instruments to ensure the availability of adapted and affordable private finance
- 3. Supporting SMEs** to refine business models and accelerate scale-up
- 4. Facilitating access to finance** locally and internationally
- 5. Collaborating** with governments and key stakeholders on policy and regulation to **improve the enabling environment**
- 6. Generating market intelligence** for smarter public and private stakeholder decision-making.

This model is flexible and responsive. We adapt quickly to local needs, emerging sectors, and changing circumstances.

Matching tools to the market stage

As a market develops a commercial basis, results-based incentives and guarantees support densification and scale. As companies approach bankability, technical assistance shifts towards helping them secure private finance independently in order to grow their businesses in the long term.

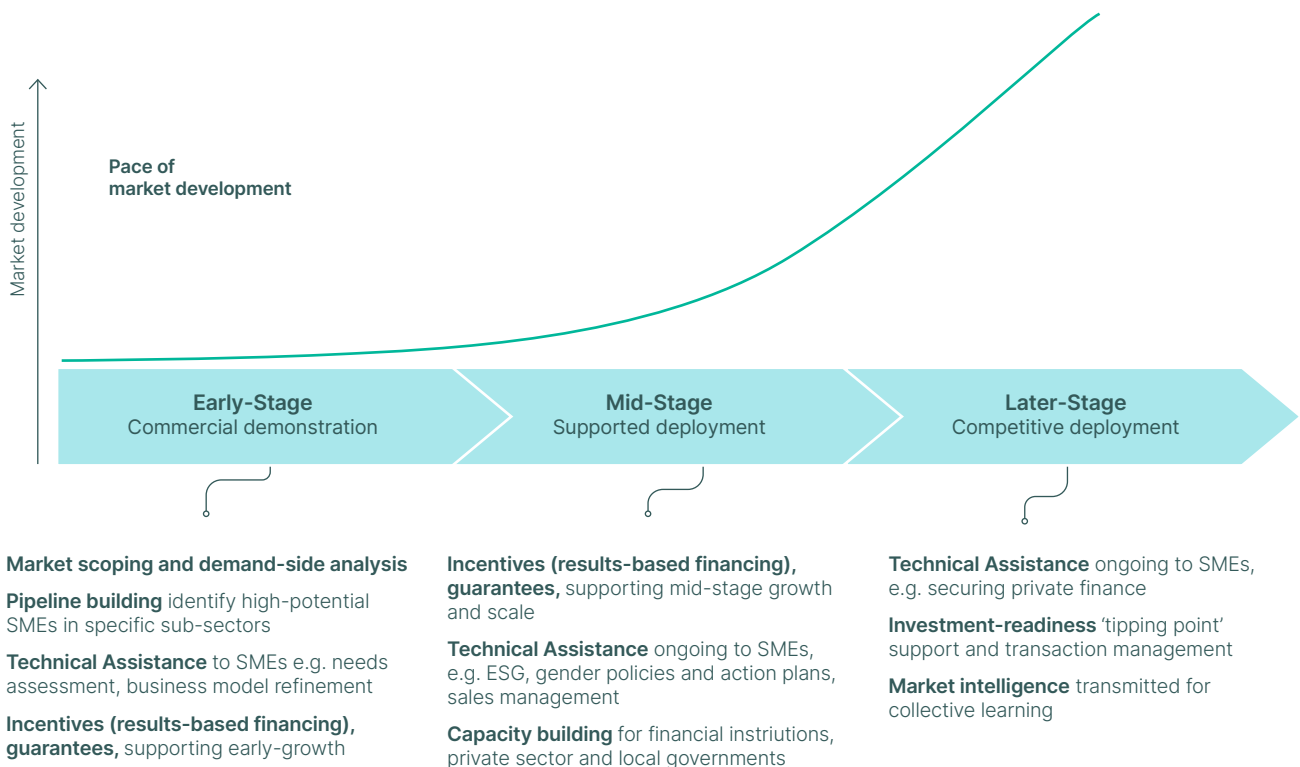
In REEEP's work, the Beyond the Grid Fund for Zambia (BGFZ) and its scale-up the Beyond the Grid Fund for Africa (BGFA), use results-based incentives, technical assistance and stakeholder engagement through platforms for market change to build off-grid markets.

The Private Financing Advisory Network (PFAN) prepares and presents investment-ready projects for review by impact-focused financiers, thus helping to address the "missing middle" investment gap between seed funding and return-seeking capital.

SOARING tackles the same financing gap from the capital-supply side, firstly by building the credit- and risk-assessment capacity of development banks, commercial banks and microfinance institutions in Tanzania and Zambia and secondly by de-risking their lending with first-loss credit guarantees.

The PURE Growth Fund, our newest programme, deliberately applies the proven Beyond the Grid toolkit to a new frontier: the productive use of renewable energy (PURE) in agri-food value chains, while specifically incentivising the provision of those agricultural service offerings that can boost income generation for value chain actors.

Market development measures



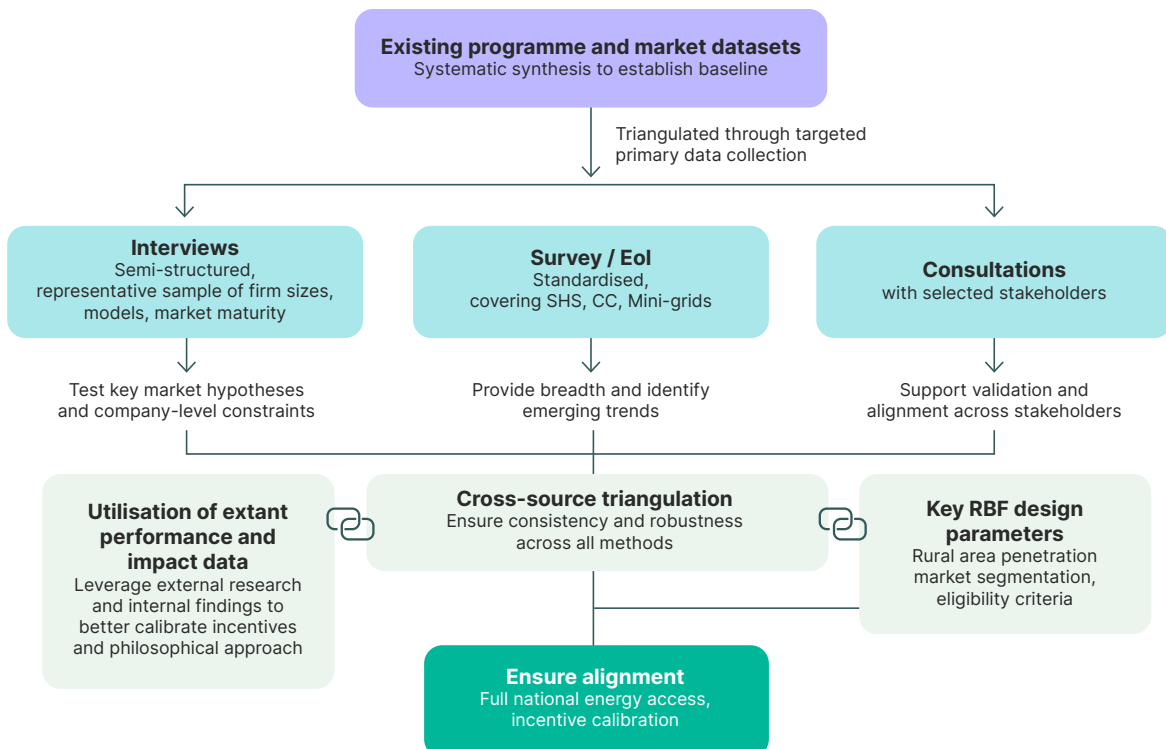
Programme structure and design

REEEP does not apply a single template, instead, we work from a flexible, modular framework that we customise to local conditions, the maturity of the market and the sector in question, with a growing focus on the intersection between clean energy and agri-food value chains. This framework is ever evolving, as we innovate and develop new elements where none exist — such as the PURE Impact Index designed to solve the problem of comparing disparate technologies (see page 44). Our programmes kick-start and strengthen clean energy markets, then secure the private financing needed to sustain growth once the early structural barriers have been removed.

REEEP concentrates our effort where public support does the most to unlock private capital, and we deploy different tools at each stage.



Market diagnostic methodology



Results-based financing

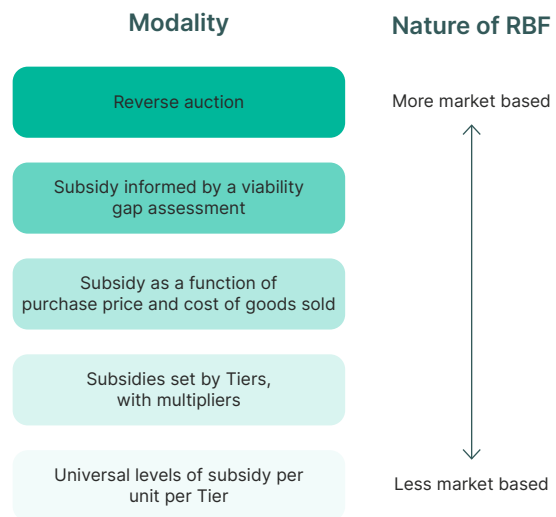
A key lever in most of our programmes is results-based financing (RBF): public-sector funding deployed as incentives for the private sector to overcome the early structural barriers of a nascent market. The financing is provided on a grant basis as “free equity” over multi-year project lifecycles, subject to rigorous monitoring and verification of milestones. It is designed to do three things at once: meet companies’ start-up and scale-up needs, create the conditions for long-term sustainability, and complement private and commercial investment by building the foundations of long-term company growth.

REEEP’s experience across multiple RBF programmes is that there is no single best incentive structure; each offers distinct advantages and trade-offs depending on objectives, market maturity and implementation constraints. We work with our partners to rank the priorities that matter most (e.g. speed of deployment, depth of reach, value for money, local versus international engagement, level of private sector participation) and design a subsidy scheme that best meets these requirements, rather than importing a structure wholesale from another context.



Incentive approaches: reverse auction and standard subsidies

REEEP has extensive experience in setting incentive levels and was one of the organisations to pioneer the use of a reverse-auction approach for results-based finance in BGFZ. Over time, we have seen that incentives shaped by market response carry significant advantages. Because these schemes allow companies to factor in real costs and risks, they tend to reflect market realities more accurately than subsidy levels determined top-down (that is, by a central authority). This tends to result in incentives that more accurately reflect how delivery actually happens rather than how it is modelled, and as such, these subsidies tend to be more sustainable and easier for companies to wean themselves off of. Under this reverse-auction approach, firms are encouraged to innovate, improve operational efficiency and invest in technologies and service models that perform over both the short and long term. Just as importantly, market-based incentive setting keeps public funding catalytic, which reduces early-stage risk without “crowding out” private capital, enabling public resources to guide and shape the market rather than dictate its structure. In this type of market-driven configuration, private investment, technological progress and sustained customer service can continue well beyond the life of the programme.



¹ <https://sun-connect.org/wp-content/uploads/PAYGo-2.0-Pioneers-Early-insights-and-evidence-FINAL.pdf>

Rewarding sustained service, not one-off sales

REEEP places great emphasis on rewarding durable service delivery rather than installation volume. We were among the first organisations to design RBF incentives so that customers who invest their hard-earned money in a unit are not stranded if it malfunctions later. In BGFZ, these incentives:

- encouraged companies to build and maintain long-term relationships with clients
- required participating solar home system companies to provide customer warranties
- required mini-grid companies to maintain a defined level of service provision
- incentivised energy service providers to invest in the repair and logistics networks needed to bring faulty products or connections quickly and reliably back into working order

In practice, tracking the sustainability of deployed technology means monitoring usage, system uptime and customer experience as closely as tracking counts of new connections. This approach anticipated more recent approaches to PAYGo credit philosophies (including PAYGo 2.0 and, to a lesser extent, 3.0) by conceptualising the sustainability of connections from a user perspective.

The PURE Growth Fund applies a parallel impact-driven logic, combining an assessment of operational readiness with our innovative PURE Impact Index, which channels public money towards the proposals that deliver the most impact per euro and explicitly rewards the wraparound services that amplify a technology's value for end users.



MRV design and optimisation

Monitoring, reporting and verification (MRV) is the backbone of the RBF mechanism: this set of processes is what makes a results-based payment credible and results in a rich source of data on critical deliverables: connections, usage and demographics. Our framework is built on digital MRV, complemented by targeted periodic verification, and designed to serve both payment integrity and wider market learning. More broadly, data and a systems-thinking approach sit at the heart of how REEEP designs, implements and evaluates programmes as an active tool for market transformation.

Leveraging existing data flows

Digital MRV forms the basis of the monitoring and evaluation framework because it enables large-scale automatic data collection. It is not only the most efficient way to gather company-level information but also the most rigorous: programme managers see the same data companies use to make decisions, track customer success, monitor their sales forces and quantify the health and utilisation of their technologies. This is what makes it possible to verify a contracted company's service-delivery commitments, confirming that systems are genuinely active and that uptime and usage hold up over time. Approaches differ by technology, but verification follows the consistent principle of leveraging existing data flows wherever possible, complemented by independent validation to further ensure that installed technologies are being utilised as promised.



Building capability: from Edison to Prospect

REEEP was a forerunner in designing purpose-built technology to operationalise this approach. Beginning in 2017, as part of the Beyond the Grid Fund for Zambia (BGFZ), we custom-built the Edison platform. This digital MRV platform enabled real-time access to companies' customer management system data in a nascent market, and by pooling the experience of several off-grid companies under the BGFZ portfolio, the programme was able to propose policy improvements, market-supporting efforts and private finance mobilisation in a more informed and sophisticated fashion. Edison has been open source since 2022 and was scaled into a revised version, Prospect, with funding from Sida and GIZ. Its future development has since transitioned to the Access to Energy Institute (A2EI), with donor funding managed through GET.Invest to ensure continuity of governance and technical oversight. REEEP supported the onboarding of new institutional users along the way, establishing pathways for the platform's use beyond its origins.

Today, Prospect is an integral part of BGFA in Zambia, and it is under consideration for digital MRV in PURE Growth. The platform runs more than 30 structured checks on every energy service subscription, covering product details, payment history and service continuity. Because payments are made only for verified, active connections, REEEP's technical assistance helps companies build the internal data practices needed to meet these checks consistently, thereby reducing rejected claims and strengthening the overall evidence base.



Analysing incentive structures and SME performance

BGFA has accumulated one of the most detailed datasets on results-based financing incentive levels in the off-grid sector, spanning nearly two million contracted energy service subscriptions across six countries and multiple technology tiers. The patterns are instructive: larger, well-established providers operate at an average subsidy of EUR 14.67 per connection, reflecting high-volume delivery of lower-tier systems, while smaller, more locally rooted companies require a higher combined average subsidy of EUR 50.38 per connection, reflecting their focus on more challenging markets and higher-tier connections, including productive-use appliances. Significant differences also exist between countries: companies operating in nations with more established energy markets like Uganda and Zambia tend to request a lower subsidy than those operating in countries like Burkina Faso or the Democratic Republic of Congo, where logistical and operational complexity is high. Assessing this data allows REEEP to tailor technical assistance to each company's commercial model and to provide evidence-informed input into how incentive structures can be refined over time.

The same data drives SME performance monitoring. In BGFA, technical assistance assignments are prioritised and designed from a continuous reading of company performance data, monitoring reports and verification findings. Where data reveals persistent gaps, such as in collection rates, gender policy compliance, or technical standards, REEEP designs targeted interventions to address the root causes. As the portfolio has matured, compliance-based support that meets programme minimum requirements on elements like environmental management has given way to more commercially oriented assistance that is demanded by the companies themselves. This demand-driven assistance includes portfolio-level credit analysis of customer trends, financial opportunity mapping, building logistics and tracking systems, and developing receivables recovery strategies: all informed by the programme's monitoring and verification systems.

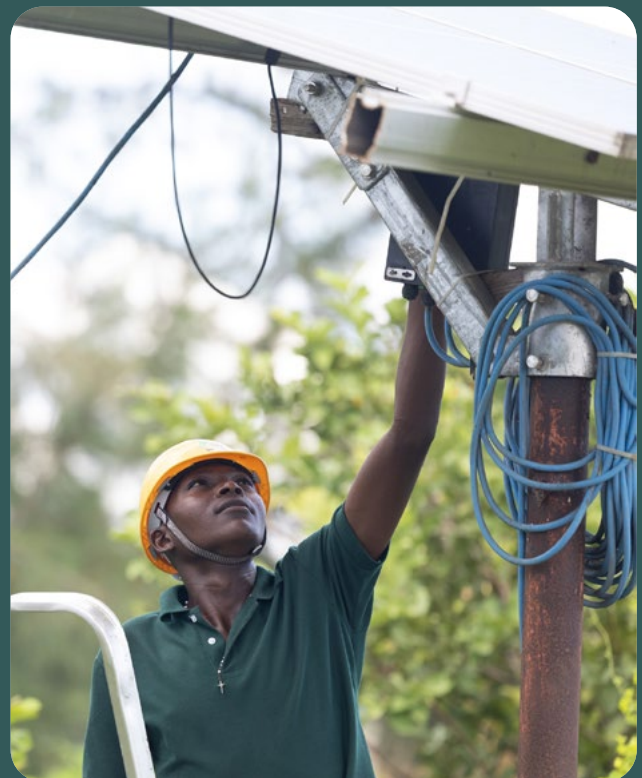
From verification to market learning and replication

Beyond verifying payments, MRV data delivers a second dividend. REEEP treats data as a public good for the whole clean energy ecosystem, not just our own programmes: collected, aggregated and shared with governments, donors, investors and developers, it reduces risk, fills information gaps and deepens understanding of demand trends, behavioural drivers and market characteristics. By reducing information asymmetries between investors and market actors, data becomes a direct lever for mobilising private finance and facilitating knowledge transfer. It also feeds back into how success is defined: baselines on service delivery and geographic coverage make it possible to see whether a programme is genuinely reaching overlooked areas and marginalised communities, rather than just adding aggregate numbers.

REEEP provides this evidence for sector-wide learning; in 2025 we contributed significantly to a Nefco-commissioned study on 12 years of mini-grid results-based financing in Africa, which drew on BGFA operational data to produce recommendations for future programme design. Leading technical assistance across six countries over multiple years gives REEEP a distinctive vantage point: aggregate statistics on connections and disbursements tell part of the story, but our work translates those numbers into an understanding of the operational realities, company-level constraints and market dynamics behind them. Ultimately, this closes the loop back to design: insights from BGFZ informed the design and expansion of BGFA and were adapted to support the productive use of renewable energy in the PURE Growth Fund. Thus, REEEP's approach to data collection and management is not only about accountability but represents a strategic asset for achieving impact at scale.

The PURE Impact Index: *A New Way* to Compare

The PURE Impact Index (PII) is REEEP's attempt to answer a question that has long frustrated productive use programmes: how do you compare the impact potential of a solar dryer with that of a 10-tonne solar cold room? Both are one piece of deployed technology. But their implications for income generation, value chain transformation and farmer resilience are entirely different. A simple unit count or electricity usage measurements—the metrics that served well in energy access programmes measuring household connections—captures none of this.



The PII is built on two components, technology and service value, each scored separately and combined to produce a single value representing the income-generation potential of a company's planned deployment.



Technology Value

Technology value assessed through a multi-tier framework, adapted from the ESMAP Multi-Tier Framework for energy access and customised specifically for productive use applications across REEEP's five technology pillars: production, cold storage, processing, transportation and bioenergy. Each pillar has its own tier matrix, running from Tier A (small-scale, domestic or individual use) through to Tier D+ (commercial and industrial scale). Crucially, the tiers measure functionality — what the technology accomplishes — rather than energy input. For cold storage, this means minimum capacity in litres, maximum operating temperature and a weighted score that scales with each additional unit of storage.

A 20-litre solar freezer sits at Tier A; an industrial cold room the size of a shipping container sits at D+. The weighting captures both the greater capital requirement and the substantially greater income generation potential of larger, commercial-scale technologies. For solar dryers, where most of the energy comes directly from sunlight rather than an electrical panel, measuring electricity usage would be meaningless, so the framework measures agri-throughput capacity instead. The tier matrices are calibrated to capture the income generation potential of the technology, not the energy it consumes.

Service Value

The second critical component assesses the quality and breadth of services offered alongside the technology — repair and maintenance, market access, agricultural best practices — and multiplies this score to the technology's value to produce the full PII. A company deploying a Tier C cold room with high-quality market linkage and agronomic support will generate higher PII and can therefore generate more socio-economic impact than a company deploying the same technology without complementary services. The Impact-Cost Ratio (ICR) then divides the total PII by the requested incentive capital. This is the primary ranking metric in the reverse auction: the higher a company's ICR, the greater the impact it offers per euro of public investment. This is REEEP's operationalisation of value for money, which is not assessed subjectively, but rather calculated from a systematic, comparable framework applied to every applicant across various technological and service offerings.

The PII is a work in progress. The first application window has tested the framework against real-world applications and generated the dataset needed to refine it. The ambition is larger: to develop the PII into an industry standard that can be adopted by other funders and programme designers working on productive use, creating a common language for comparing impact across diverse technologies, business models and geographies. This will require collaboration on shared data, co-development with sector partners and research partnerships through bodies such as the Agri-Energy Coalition. We are actively looking for new partnerships to expand on this innovative methodology.

Technical *Assistance* to SMEs

Our programmes take a holistic approach to strengthening small and medium enterprises (SMEs) and the markets in which they operate. At the core lies technical assistance: the persistent work of strengthening a business from the inside that determines whether those companies survive, scale and attract the private investment they need to keep growing long after a programme ends.

In frontier markets, the barriers facing SMEs are rarely technical in the narrow sense. Companies know their products and their customers. What they often lack is the financial management sophistication to satisfy a lender’s due diligence requirements, the governance structures that give investors confidence, the gender policies and environmental management systems demanded by impact-oriented capital, and the monitoring and reporting capabilities that unlock continued results-based payments.

REEEP’s TA is explicitly designed to address this full spectrum. It is tailored to each company’s specific context and aligned with the market dynamics and regulatory environments of the countries where they operate. It begins with a rigorous needs assessment and follows the SME through its growth arc — from compliance with programme requirements to strengthening business fundamentals — with a growing focus on post-financing support to ensure SMEs hit programme targets and meet investors’ expectations.

Our technical assistance further bridges the gap between financial institutions and SMEs, covering climate finance, business models for off-grid and productive use of energy technologies, and credit and risk assessment tools to support the design of sector-appropriate financial products. We place great emphasis on gender mainstreaming, ensuring that supported companies develop and implement gender-responsive policies suited to their operating context, particularly in regions where cultural norms may hinder equality and diversity.

In some programmes, specialised technical assistance supports pipeline development and preparation, project documentation, and the use of targeted due diligence and risk assessment tools. In PFAN, we provide tailor-made TA throughout the investment cycle to de-risk investments, prepare companies for investment committees, smooth deployment of capital and establish robust governance frameworks and management systems, enabling investment managers to focus on core investment activities and enhancing returns.



REEEP's technical assistance encompasses:



What Makes REEEP's TA *Distinctive*

Across all our programmes, our approach to technical assistance sets it apart from more conventional capacity-building efforts.

- It is embedded in programme design** - REEEP's TA is integrated into the ongoing relationship between REEEP and our partners, responsive to changing conditions and available at the moments when companies need it most, including at points of crisis or underperformance.
- It is matched to market stage** - companies at different stages of development need different kinds of support. REEEP adapts our services accordingly and designs delivery structures, such as PFAN's upstream, midstream and downstream service tracks.
- It is designed to unlock finance** - TA is explicitly calibrated not just to improve company performance but to make companies investment-ready. TA and finance mobilisation are treated as interdependent, not sequential.
- It carries a gender lens throughout** - we treat gender not as a compliance requirement to be checked off but as a dimension of quality that runs through every TA engagement - from how companies hire and promote, to how products are designed for women users, to how communities are engaged in the deployment of new energy services.
- It generates learning** - REEEP's TA is designed with data collection built in. The insights gathered from working closely with companies, e.g. what works, what doesn't, where the systemic barriers lie, feed back into programme design, knowledge products and the market intelligence that REEEP shares with governments, investors and development partners.

Technical Assistance in the Beyond the Grid Fund for *Africa*

As the principal technical assistance partner for the Beyond the Grid Fund for Africa, REEEP works directly with portfolio companies to address the operational, governance and sustainability challenges that stand between financing and impact.

REEEP occupies the company-facing role: understanding each ESP's specific context, co-designing solutions and delivering sustained support across the life of the programme. This positioning makes REEEP a critical bridge between the financial mechanism and real-world outcomes.

REEEP's TA is demand-driven in nature. As portfolio companies mature, with many now exceeding two years of implementation, their needs evolve beyond initial compliance requirements toward growth-oriented challenges such as improving collections, attracting private investment and strengthening customer engagement. REEEP's approach adapts to this evolution, transitioning from structured compliance support to co-created, company-specific solutions.

In 2025, REEEP initiated 43 TA assignments and completed 34, covering a wide range of operational and strategic support areas across the BGFA portfolio.



Credit: Jason Mulikita for BGFA/Neftco

Scope and scale

REEEP provides TA to all portfolio companies across BGFA's six partner countries. Support spans the full lifecycle of a company's BGFA participation, from early compliance requirements through to advanced operational and investment-readiness topics. In 2025, the volume and complexity of TA grew significantly as the portfolio expanded and company needs became more varied.

Gender mainstreaming

TA assignments provided to all BGFA portfolio companies generally include support for developing Gender policies and action plans, consumer protection commitments and Environmental and Social Management System (ESMS). These efforts help strengthen consumer uptake of technology and improve companies' ability to access financing. BGFA requires all portfolio companies to have a Gender Policy, a Gender Action Plan and a Sexual Exploitation, Abuse and Harassment (SEAH) Policy in place. In 2025, REEEP helped eight portfolio companies achieve full compliance with these requirements. Beyond compliance, REEEP worked at the programme level to strengthen the quality and consistency of gender integration across the portfolio.

Programme-level gender activities completed in 2025 included:

- Refinement of Gender Policy and Gender Action Plan guidelines
- Creation of SEAH Policy guidelines
- Development of SEAH awareness training materials
- Development of SEAH investigation training materials

“In Burkina Faso, REEEP worked with QOTTO to develop a strategic partnership plan with women’s organisations and community-based organisations. Through a structured focus group process, REEEP and QOTTO co-created a tailored engagement strategy including a refined CBO registry, new commission structures and training for CBO members to serve as QOTTO sales representatives.”

BGFA Gender TA Case Study, Burkina Faso 2025





Customer-centred operational support

A growing area of REEEP's TA portfolio is support for customer-facing operations, particularly in receivables management and collections. In Zambia, REEEP worked with d.light to review and improve its third-party sales collection strategy, drawing on sector best practices. Following implementation, REEEP developed a comprehensive customer-centred training programme for field staff covering effective communication during defaults and repossessions, how to uphold company values in difficult interactions and harmonising messaging across field teams.

This training was contextualised using insights from d.light's own field experience, reflecting REEEP's co-creation approach. The result was a practical, tailored resource that d.light could roll out across its Zambian operations.



Investment readiness and ESG reporting

As portfolio companies look beyond BGFA subsidies to attract private and commercial investment, REEEP is supporting the development of Environmental, Social and Governance (ESG) reporting capabilities. In Uganda, REEEP worked with SunCulture to strengthen and align its ESG reporting with international standards and stakeholder expectations. This support covered impact reporting strategy, KPI selection, data collection approaches and reporting formats. SunCulture plans to publish a comprehensive ESG impact report in early 2026, which is expected to support new investor engagement and improve internal risk management practices.



Finance and Market Intelligence

At the portfolio level, REEEP supported companies across BGFA countries by mapping the financial opportunities available to ESPs, identifying potential investors and analysing portfolio companies' customer relations platforms. This work helps companies understand the funding landscape in which they operate and positions them to access co-financing alongside BGFA support, which is a critical element of the programme's leverage model. The average co-financing ratio achieved across the portfolio was 1.49, meaning every euro of BGFA disbursement leveraged an additional EUR 1.49 from other sources.



Looking Ahead

With BGFA now at its midpoint, REEEP's TA work is shifting from establishing foundations to deepening impact. As companies move into more advanced stages of implementation, demand-driven TA on topics such as productive use of energy, investment readiness and customer retention will become increasingly central. REEEP will also help connect BGFA's lessons to broader sector discussions. The programme's results-based financing model and TA approach are increasingly relevant to emerging World Bank initiatives, including Mission 300 and the ASCENT programme. REEEP's co-creation approach to TA offers a practical evidence base for how technical support can amplify the impact of RBF in fragile and frontier markets.

TA in the Private Financing Advisory Network

PFAN's TA is structured around the investment lifecycle and delivered by a global network of in-country advisors who work directly with entrepreneurs in clean energy, climate adaptation and the circular economy. The approach is explicitly dual-sided: PFAN provides TA to SMEs seeking investment (sell-side) and to fund and facility managers seeking to deploy capital efficiently (buy-side). In both cases, TA is the mechanism that reduces the friction and risk that stand between available finance and viable projects.

For entrepreneurs, PFAN's advisors work through:

Investment readiness assessment - a structured diagnostic that identifies gaps in the business model, financial planning, governance and market positioning, resulting in a Strategic Financing Plan or Investment Roadmap

Business development - hands-on support to refine business models, sharpen investment pitches and address technical, financial or market deficiencies identified in the assessment

Transaction management - guiding companies through due diligence processes, deal structuring and negotiation to the point of financial close

Tipping point technical assistance - targeted late-stage TA that bridges the gap between where a company is and where an investor needs it to be





Private Financing *Advisory* Network (PFAN)

Bridging the Climate Finance Gap

Across emerging markets, a persistent gap remains between the vast pool of available climate finance and the thousands of high-potential SMEs seeking investment. On one side of the market, there is an oversupply of poorly structured projects, a lack of financial and commercial skills among entrepreneurs, high perceived risk, unreliable data and often unrealistic expectations about what investors require. On the other hand, investors face an underdeveloped investment culture in many target markets, limited familiarity with local technologies and business models, limited exit opportunities and a shortage of resources to properly prepare deals.

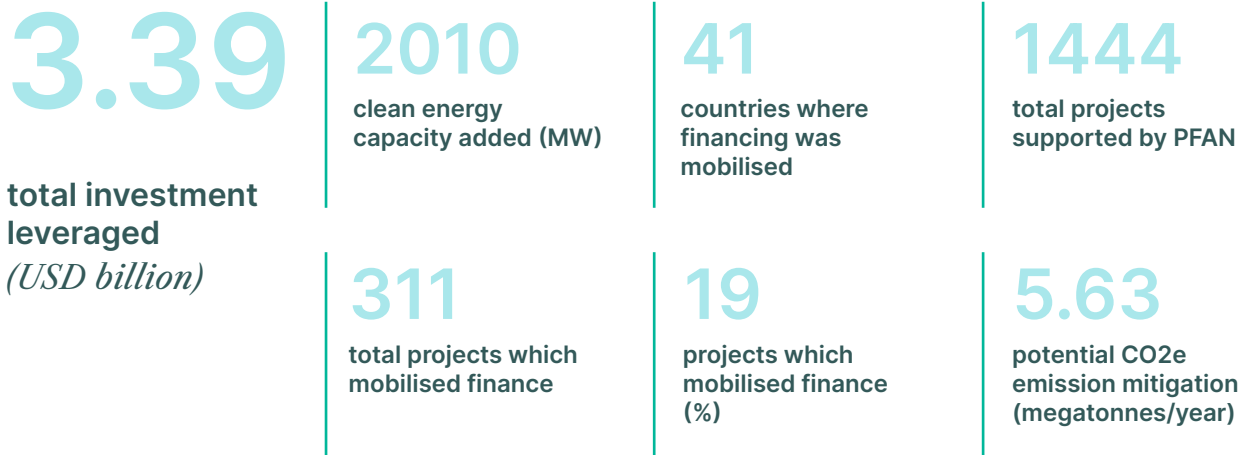
The result is that vast amounts of capital sit idle while genuinely impactful climate projects go unfunded in the “missing middle” – this is where PFAN comes in. The Private Financing Advisory Network (PFAN) is a global network of financing experts built to transform SME investment ecosystems in developing countries and emerging markets, enabling clean energy and climate adaptation entrepreneurs to attract the private capital they need to succeed and strengthen their resilience.

PFAN facilitates increased financing flows between investors and climate adaptation and clean energy businesses, working closely with both sides of the investment equation — investors on the buy side and SMEs on the sell side — as well as governments, donors and other key stakeholders.

Established in 2006 by the Climate Technology Initiative (CTI) and formally launched in 2008, PFAN is one of the longest-standing project preparation facilities working with SMEs in developing country markets. The programme was successfully scaled up between 2016 and 2023 by REEEP and the United Nations Industrial Development Organization (UNIDO) and served as the basis for two significant sub-programmes: the Pakistan Private Sector Energy Project (PPSE) and PFAN Latin America and the Caribbean (PFAN-LAC). Today, REEEP manages PFAN's ongoing work across all regions.



PFAN's *Impact* to date



PFAN's *timeline*



PFAN has evolved from facilitating individual transactions to building resilient climate investment ecosystems

Three-pillar approach addresses the “Missing Middle”

Unified approach: by addressing both supply and demand sides while strengthening the enabling environment, the next phase of PFAN is building on a comprehensive solution to the “missing middle” investment gap.

Limited supply of investor-ready projects

- Oversupply of poorly structured projects
- Lack of financial and commercial skills
- High risk levels
- Lack of reliable data
- Unrealistic expectations

Ecosystem integration is needed

- To create frameworks for efficient matchmaking
- To build local capacity to sustain investment flows

Low investment levels

- Large supplies of financing
- Underdeveloped investment cultures and risk assessment
- Low familiarity with technologies and business models
- Limited number of exits
- Lack of resources for investment preparation



How PFAN works

Acting as a trusted intermediary, PFAN facilitates increased financing flows between investors and climate adaptation and clean energy businesses by:

- Creating investor-ready opportunities
- Building capacity in local financing ecosystems
- Accelerating project development and investment

PFAN's service model is comprehensive, covering the full investment lifecycle for both entrepreneurs and investors.

PFAN offers a range of services across different stages of an enterprise's lifecycle to both entrepreneurs and investors:

- **Sell-side support:** support to companies and project developers, including the provision of small grants, enterprise development and transaction advisory services
- **Buy-side deal teams:** dedicated in-country teams of advisors provide customised TA to fund and facility managers for origination, investment preparation and post-investment support to create investor-ready portfolios, accelerate deployment of funds and enhance returns
- **Data and knowledge products:** dissemination of market insights and knowledge products, drawn from data and analysis of the project pipeline and network operations, across different technologies, business models and multiple geographies

- **Co-creation:** development of investment instruments and funding mechanisms to fill critical market gaps in partnership with fund managers, donor organisations, government agencies and other stakeholders

- **Task forces:** responding to specific market gaps and inefficiencies, PFAN creates task forces and communities of practice to provide targeted capacity building in challenging priority markets

PFAN's case rests on demonstrated results. Its global network, proven methodologies, low overhead structure and deep local relationships combine to offer something most intermediaries cannot: genuine proximity to deals in the markets where climate finance is most needed and most scarce. For donors, the leverage is compelling: relatively small contributions to sell-side support unlocks disproportionately large volumes of private capital. For investors, the value lies in a curated, better-prepared pipeline and a team that handles the demanding work of investment preparation in markets where doing so independently would be prohibitively expensive.

PFAN exists to make climate investment work in the places where it is hardest, and nearly two decades of results demonstrate that it does exactly that.

Target Sectors



clean energy

rural electrification, energy efficiency, sustainable transport, clean cooking, renewable energy and storage, distributed generation



climate adaptation

agriculture and agribusiness, cooling, forestry and carbon credits, water and sanitation, climate-resilient infrastructure, alternative proteins



circular economy

waste treatment, resource efficiency, recycling

Global Cleantech *Innovation* Programme

In 2025, we renewed PFAN's longstanding collaboration with the United Nations Industrial Development Organisation (UNIDO) on the Global Cleantech Innovation Programme (GCIP), an international initiative designed to accelerate the growth of early-stage cleantech startups and SMEs, enhance their investment readiness and foster sustainable economic development.

Operating in over 15 developing countries with a grant value of approximately USD 30 million, GCIP seeks to address critical environmental challenges by nurturing entrepreneurship and innovation in key sectors such as renewable energy, waste management and sustainable materials. Through business acceleration services, investment facilitation and capacity building, the programme helps early-stage cleantech companies scale and commercialise their solutions.

PFAN plays a pivotal role by supporting selected high-potential entrepreneurs with project preparation, ensuring they receive the technical assistance and access to financing to bridge the gap between ideation and commercialisation.

The PFAN-GCIP partnership is structured into two key phases:

- Phase 1 (2024-2025):** Seven startups or SMEs from a pool of national winners across Moldova, Nigeria, Senegal, Cambodia and South Africa were selected for PFAN's tailored project development support to increase their maturity and to prepare them for introductions to investors
- Phase 2 (2025-2026):** An additional eight startups/SMEs from a wider range of countries, including Moldova, Nigeria, South Africa, Morocco, Turkiye, Kazakhstan, Cambodia and Lesotho are undergoing the same rigorous support process. This phase aims to strengthen regional cleantech ecosystems and drive cross-border collaborations.

As GCIP approaches its scheduled completion in August 2026, programme advisors are finalising project development and investment facilitation support for participating entrepreneurs. This closing phase focuses on consolidating the progress made to date, strengthening investment readiness and helping enterprises move towards concrete financing and implementation opportunities. Entrepreneurs have expressed strong appreciation for the tailored advisory support received, particularly the practical guidance, technical feedback and connections that have helped them refine their business models and advance their growth plans. As many of the projects were still at an early maturity stage when first introduced to PFAN, securing financial closure is expected to require additional time beyond the advisory period.

Co-Creating the *Instruments* the Market Needs

Working with investors, donors, DFIs, government agencies, and development partners, REEEP and PFAN co-create the funding mechanisms needed to fill gaps the market cannot yet fill alone. Recent examples include:

Climate Core Asia

a USD 100 million private equity fund which feeds off the PFAN PPSE pipeline and targets CE investments in Pakistan and South Asia

Climate Equity Africa First

a USD 150 million blended finance vehicle targeting early-stage clean energy investment in sub-Saharan Africa

FREF Support Programme in Fiji

a results-based financing mechanism to provide financing incentives to private sector mini-grid operators for the electrification of maritime communities on the maritime islands of Fiji

Private Sector *Finance* Mobilisation



Access to reliable finance remains one of the key barriers for clean energy SMEs, particularly those serving rural or agricultural markets. Many stall in the “valley of death” between seed funding and scale, the structural gap between the capital that exists and the projects and enterprises that need it. Banks see early stage clean energy companies as too risky and too small to lend to. Climate funds and development finance institutions hold large pools of concessional and commercial capital but lack the local pipeline, the deal preparation capacity and the risk comfort to deploy it into the last mile. Between the two sits a missing middle of viable businesses that cannot reach the financing they need to grow. REEEP exists to close that gap, not by substituting for the market but by building the conditions under which private capital will flow into it on its own terms.

REEEP approaches finance mobilisation as a market development task rather than a financing transaction. The aim is durable, repeatable flows of commercial capital, so the instruments we deploy are designed to retire over time as the market matures. This logic runs across the full portfolio. Results-based financing builds the demand side and demonstrates commercial viability. Credit guarantees and blended structures bring local lenders into the market and change how they price risk. Transaction advisory and pipeline development turn promising businesses into bankable propositions. Equity addresses the gaps that debt alone cannot reach. Capacity building and data underpin it all, so that the lessons from each action strengthen the next.

REEEP responds by:

- Designing fit-for-purpose financial instruments to mobilise both public and private capital to improve their chances of long-term success
- Reducing risk for investors
- Capacity building for financial institutions to improve funding sources for renewable energy projects
- Supporting SMEs with tools to navigate financing ecosystems

We also work with governments and other key stakeholders to establish policy frameworks that create favourable conditions for SMEs to thrive, while protecting consumers, managing e-waste and integrating clean energy into national energy strategies. In programmes such as the Private Financing Advisory Network, SOARING and the Austria-Nepal Renewable Energy Blended Finance Facility, we deploy risk-reduction instruments that make clean energy lending attractive to commercial financial institutions, effectively using a relatively small amount of concessional capital to unlock a much larger flow of private finance.

Risk Mitigation for Financial Institutions

We use first-loss reserves to cover local financial institutions' portfolios of eligible loans, using cash-backed and on-demand guarantees to reduce provisions, mitigate credit risk and address collateral requirements. For example, SOARING provides a specialised first-loss Credit Guarantee Facility (CGF) of 50% to a fund operated by JAMII IMPACT, a partner Tanzanian microfinance institution, for loans to renewable energy projects, along with other support to the renewable energy ecosystem. The CGF is a revolving fund, so funds not drawn down by the FIs for non-performing loans can be recycled to support future projects after loan maturity.

While guarantees do not necessarily lower interest rates, since these are primarily determined by banks' cost of capital, they can play an important role in unlocking access to finance for clean energy businesses.

Evidence from SOARING shows that it has been effective in enabling banks to issue loans they would not have without risk-sharing support. In addition, SOARING's capacity-building activities have improved project readiness. Banks participating in programme events noted that project pitches became stronger and more attractive to investors after training.



Lessons Learned

- **Local presence and relationships matter**

Banks expressed greater confidence when working with organisations that have a strong local presence. Local advisors have therefore played a critical role in maintaining relationships with financial institutions and supporting pipeline development.

- **Microfinance institutions (MFIs) may offer opportunities**

MFIs are often more willing to work with smaller loan sizes and higher-risk borrowers, particularly in rural areas. However, they typically charge higher interest rates than commercial banks.

- **Blended finance approaches are more effective**

Guarantees alone are often insufficient to enable financing in higher-risk markets. Combining guarantees with results-based financing or similar instruments can improve the bankability of projects by providing predictable revenue streams.

- **Rolling loan approvals could improve efficiency**

Moving from quarterly loan approval batches to a rolling approval process could significantly reduce delays and improve programme responsiveness.

- **Structured workflows improve programme management**

Integrating loan approval workflows into REEEP's Climate Invest system has streamlined processes, improved data management and created replicable systems for future programmes.

Spotlight on Climate Core *Asia*

For more than a decade, Pakistan has ranked among the countries most exposed to climate change, and its financing needs are correspondingly large.

Estimates of what the country requires range from USD 200 billion to implement its Nationally Determined Contribution to USD 348 billion for climate-resilient development by 2030, against existing climate finance flows of only around USD 4 billion a year. Domestic private capital has lagged: Pakistan's private sector has accounted for roughly 5% percent of tracked climate finance, well below the levels seen in comparable markets. The shortage of an investment-ready pipeline has been the single largest barrier to closing that gap.

REEEP's work through the Pakistan Private Sector Energy Project (PPSE) and the wider PFAN was designed to tackle this problem, helping clean energy SMEs become bankable and connecting them to finance. But project preparation only takes a company so far. Many of the businesses moving through the PFAN pipeline need growth capital, and in particular equity, that the local market has struggled to supply. Climate Core Asia is REEEP's response to that missing piece.

Recognising the need for more equity investment in the country, USAID provided REEEP and UNIDO with seed capital in early 2023 to establish a dedicated low-carbon private equity strategy. The aim is to increase the flow of finance into clean energy ventures, with a particular focus on the SMEs that have already received project preparation support under PPSE. Building on that programme and drawing on PFAN's expert advisory network, the strategy was being formalised as Climate Core Asia, with REEEP leading its design.

The fund has been structured with experienced commercial partners. Following a careful assessment, the Abu Dhabi Global Market was selected as Climate Core Asia's jurisdiction. The fund management team brings together Apex Group in Abu Dhabi, which hosts the fund on its Fundrock platform, Capital Connect as a Pakistan-based technical advisor and EBG Investment Solutions, a Swiss-based private markets investor. This combination pairs international fund infrastructure with the local market knowledge needed to source and support deals on the ground.

Climate Core Asia will provide growth capital to clean energy ventures in Pakistan, primarily the SMEs that received project preparation services through PPSE. Once the fund has gained traction, the intention is to expand into other South Asian markets such as Nepal and Sri Lanka, applying the same model in markets that face comparable equity gaps.

By linking project preparation under PFAN and PPSE directly to a vehicle that can finance the resulting pipeline, the fund closes the loop between making companies investable and giving them a place to raise investment, laying the groundwork for a model with strong potential to be replicated across the region.



Capacity Building *Beyond* SMEs

REEEP and our partners provide capacity building beyond direct support to SMEs, including to financial institutions, rural electrification boards, governments and other sector stakeholders. The aim is not only to support individual deals but to leave behind more capable, better-informed markets, where entrepreneurs are more investment-ready, investors have greater confidence and the conditions for sustained climate finance grow progressively stronger.



Capacity Building for Financial Institutions

Capacity building helps prepare financial institutions to invest in renewable energy. With SOARING, REEEP delivers targeted training to development banks, commercial banks and microfinance institutions in Tanzania and Zambia, building internal risk assessment methodologies for renewable energy lending and offering management-level training on renewable energy business and delivery models.

Through the programme, we have provided capacity building to 180 employees from 12 major banks and financial institutions as well as government institutions, regulatory bodies and civil society organisations. These trainings covered topics including understanding renewable energy technologies and their implication on project financials, environment, climate, health and energy reliability, analysing and managing risks, understanding the business and financial models of renewable energy companies, as well as determining their financial needs and designing appropriate financing solutions.

This work is paired with support for accessing climate finance as a route to diversifying funding sources. Experience shows, however, that capacity building alone, and even credit enhancement such as a first-loss guarantee, does not always shift lending terms; in some markets partners now view solar as mature enough to lend against on commercial terms. We therefore tailor our support to the precise barriers facing a given institution, identified during diagnostics and fed directly into programme design.

Stakeholder engagement

REEEP's capacity building encompasses the wider ecosystem rather than individual deals alone. Through PFAN's Local Task Forces and Communities of Practice, we bring together government agencies, sector associations, investors and other stakeholders to collectively tackle specific market gaps and inefficiencies. These forums combine online and in-person workshops with targeted training, using PFAN's convening power and global network to raise standards and circulate knowledge across local markets. They are complemented by knowledge products such as sector and technology reports, country analyses, market research, benchmarking studies and investment trend analysis.

This ecosystem approach is reinforced by evidence from the ground. Banks consistently express greater confidence when working with organisations that have a strong local presence, which is why local advisors play a critical role in maintaining institutional relationships and developing a pipeline. SOARING's experience also points to the value of blended approaches: guarantees on their own are often insufficient in higher-risk markets but combining them with results-based financing improves bankability by providing predictable revenue streams. Capacity building has measurable effects on the demand side too, with banks reporting that they are more capable of accurately assessing renewable energy and energy efficiency projects and the related risks.



SOARING's Renewable Energy *Market Platform*

In September 2025, the SOARING programme convened two Renewable Energy Market Platform Events in Lusaka, Zambia and Dar es Salaam, Tanzania, strengthening its role as a practical catalyst for clean energy SME finance in Southern Africa. Both events combined capacity building, stakeholder dialogue and investment matchmaking, with a strong focus on preparing SMEs to engage financiers through clearer business cases, improved pitch decks and better understanding of the SOARING Credit Guarantee Facility.

In Zambia, the two-day Market Platform Event introduced the SOARING Fund to the local ecosystem, provided investment and pitch-readiness coaching, and enabled selected climate-smart SMEs to present their ventures directly to financial institutions and development partners. In Tanzania, the event similarly brought together renewable energy SMEs, government agencies, banks, MFIs and donors, with more than ten SMEs pitching financing opportunities and stakeholders discussing financing gaps, collateral barriers, green lending products and the role of the Credit Guarantee Facility as a de-risking instrument. Taken together, the two events demonstrated SOARING's integrated approach: building SME readiness, improving financier confidence and creating concrete pathways for mobilising private and blended finance into renewable energy and climate-smart enterprises.



Platforms for Market Change

Sustainable markets also require public bodies that can plan, regulate and support the sector with confidence, so REEEP extends capacity building to governments, rural electrification authorities and other stakeholders. We pioneered this approach with country platforms for market change in BGFZ, manifested as the Off-grid Energy Task Force established in 2018: stakeholder forums that convene renewable energy associations, electrification authorities, financial regulators, bankers, microfinance associations and others to resolve regulatory and policy bottlenecks through action-driven dialogue. The model is now being replicated across all six countries of the Beyond the Grid Fund for Africa, with 2025 seeing them embedded more firmly within national systems, strengthening their policy influence and translating coordination into concrete sector outcomes.

This institutional anchoring has deepened government ownership, with milestones such as Zambia's Ministry of Energy establishing a dedicated budget line for OGTF management and Uganda launching its national off-grid energy portal, demonstrating how a model first piloted in Zambia has scaled into a pan-African mechanism for sustainable market development. The OGTFs have evolved beyond convening mechanisms into practical problem-solving platforms, now addressing regulatory bottlenecks, fiscal constraints, market fragmentation, gender gaps and cross-cutting issues like taxation, e-waste and clean cooking.



SOARING

Southern African *Renewables Investment and Growth* (SOARING) programme

Across Southern Africa, agriculture remains the backbone of rural economies, representing up to 27% of GDP and 13% of export earnings. Yet for the small and medium-sized enterprises that are driving the region’s clean energy transition, reliable access to finance has remained stubbornly out of reach. Banks perceive early-stage clean energy companies as too risky. International climate finance instruments are built for deals far larger than what these businesses need. The result is a persistent financing gap that strands SMEs before they can scale. SOARING was designed to break this deadlock from the inside out.

Implemented by REEEP and funded by the German Federal Ministry for Economic Affairs and Energy (BMWE) as part of the International Climate Initiative (IKI), SOARING takes a whole-of-ecosystem approach in Tanzania and Zambia. The programme tackles barriers faced by local financial institutions in financing clean energy projects using blended finance and green finance tools to unlock local currency funding for SMEs delivering renewable energy solutions in rural and agricultural sectors. SOARING offers credit enhancement, training and support for developing clean energy project pipelines, while strengthening institutions’ capacity in climate and renewable energy finance.

The *Four Pillars* of SOARING

SOARING’s model rests on four interconnected pillars:

- establishing country-level Platforms for Market Change
- delivering climate finance capacity building
- providing pipeline support to clean energy SMEs
- deploying a Credit Enhancement Facility to cover first losses on eligible loans



SOARING in 2025

2025 brought a milestone that crystallised years of groundwork into tangible results. JAMII IMPACT Financial Services Limited and REEEP signed a guarantee agreement to improve access to financing for SMEs investing in renewable energy solutions across Tanzania.

Under the agreement, REEEP is providing a first-loss guarantee coverage of up to 50% of the default risk for loans issued by JAMII IMPACT to clean energy SMEs. This risk cushion enables more favourable loan terms for borrowers and, crucially, opens the door to financing for clean energy businesses that had previously been locked out of the formal financial system.

The first loan under the agreement went to Greenfoot Africa, an early-stage e-mobility company deploying 30 locally developed electric cargo tricycles in Arusha, supported by solar-powered battery charging and swapping stations and a digital platform for fleet management and service delivery.

“This partnership allows us to tailor our loan products to the rapidly growing clean energy sector, while reaching underserved communities. We expect a strong boost for local entrepreneurship and job creation, especially in rural areas.”



Mesika Mongitta
Managing Director
JAMII IMPACT



The Technologies That *Matter*

SOARING's work spans productive use technologies critical to Southern African agriculture and livelihoods: solar irrigation, grain milling, solar cooling, clean drinking water systems, electric cooking, and, as the Greenfoot Africa loan demonstrates, e-mobility. Each technology area has been the subject of dedicated fact sheets developed through the programme, giving financial institutions the practical knowledge to structure lending across diverse SME business models. With SOARING, REEEP and its partners are simultaneously supporting SMEs to provide clean energy solutions in rural areas and for agricultural value chains, countries to advance their NDC targets by displacing fossil fuels, and rural communities through improved resilience with access to clean and reliable energy.

Despite challenges, SOARING has delivered several important outcomes.

- **Capacity building for financial institutions**

Training activities helped strengthen the ability of financial institutions to assess clean energy business models and price risk appropriately.
- **Stakeholder engagement and ecosystem building**

Programme events brought together companies, banks, government representatives, and development partners to discuss barriers and opportunities in the clean energy market.
- **Implementation of the guarantee mechanism**

The guarantee instrument played a decisive role in enabling at least one loan that would not otherwise have been approved. This demonstrates the potential of credit guarantees to unlock financing for clean energy projects.
- **Institutional learning and replicable processes**

SOARING has generated valuable institutional knowledge on the design and implementation of guarantee schemes, which can inform future programmes and partnerships with donors.

The *Bigger* Picture

SOARING demonstrates that the financing gap for clean energy SMEs in Southern Africa is not inevitable - it is a market failure that can be corrected with the right combination of risk-sharing tools, technical expertise and institutional trust-building. The insights and instruments developed through SOARING are already informing REEEP's broader approach, including the PURE Growth Fund launched in Tanzania in 2025. As that programme scales, the financial infrastructure cultivated by SOARING provides a vital foundation.



Market *Intelligence*

Market *Scoping*

The role of market scoping in programme development

Each REEEP programme begins with a structured assessment based on strategic alignment with REEEP’s mission, existing local market knowledge and networks, national priorities such as NDCs and national electrification plans, the prevailing stage of market development and maturity, and the potential for achieving growth and impact at scale.

How the scoping process works

REEEP uses a multi-stage approach to zero in on the most pertinent energy market variables in the countries we are planning to enter:

We begin by analysing initial data from a broad set of countries on factors relevant to the target sector and its agricultural dimensions. This allows us to make a shortlist of high-potential countries or regions, with less promising options being removed. From there, we examine market dynamics in greater depth, including the potential SME landscape, for this smaller subset of priority markets.

This process leads to the development of detailed profiles for the shortlist, covering areas such as energy, agriculture, industry, relevant technologies and SMEs, the policy environment, the financial sector and the added value relative to existing market-support initiatives. A ranking system that captures key market dynamics is then used to assess the shortlisted options and make a final selection on which zones would be most attractive for programme rollout.

Case Study: *Tanzania*

When we applied this process for the PURE Growth Fund in 2024, the criteria used to select Tanzania illustrate what the scoping framework evaluates in practice:

The factors assessed included:

- market maturity (whether the Tanzanian clean energy market was at a stage that would benefit from public funding, and could absorb investment in the medium-to-long term)
- sufficient private sector interest (an adequate base of relevant SMEs across the value chain)
- alignment with government priorities such as national development goals and NDC commitments
- high additionality and impact relative to other donor initiatives already in-country
- well-established relationships with local stakeholders that existing REEEP programmes could leverage.



Demand-side focus: *understanding* needs at the community and sectoral level

A distinguishing feature of REEEP's market scoping is our strong emphasis on the demand side of energy markets: REEEP begins each engagement with detailed demand scoping, and an understanding of needs at both community, business and sectoral levels to assess latent energy demand and guide tailored support for SMEs. This involves understanding the needs of SMEs and reducing risks for investing in them, as well as enhancing overall market conditions.

Stakeholder *consultation*

REEEP integrates market research on key sector determinants into programme design and planning to ensure that the proposed support is appropriately structured to the current state of the sector and the various stakeholders involved. For the PURE Growth Fund, REEEP conducted an extensive market stakeholder consultation process, including three in-country visits to Tanzania, meetings and a stakeholder workshop, involving SMEs, government representatives, other donor programmes, financiers and more.

The consultation process surfaces the systemic barriers and opportunities that inform programme design. In Tanzania, scoping revealed issues including affordability and awareness gaps among end-users of PURE technologies, general systemic agricultural risks that make investment difficult, inefficient linkages

between market and value chain actors, a lack of early-stage equity financing and the complexity and cost of after-sales support, especially at smaller scales.

It also identified a challenging regulatory environment, difficulty accessing local financing due to short tenures, high interest rates and collateral requirements and the need for better collaboration among ministries, regulators, financial institutions and local communities.

Pipeline Origination and Development

REEEP supports SMEs operating in early-stage sectors and markets, helping to strengthen and mature the private sector base and create viable investment opportunities. This support includes assistance with fulfilling due diligence requirements, preparing loan application documentation, post-disbursement monitoring, and providing financial advisory services, alongside other tailored support to help SMEs secure financing.



Pipeline *building* in PFAN

The Private Financing Advisory Network is REEEP's most focused pipeline-building programme, built to close the missing middle between seed funding and commercial scale. PFAN addresses both sides of the market at once, improving pipeline quality and building investor readiness in parallel.

We take a proactive and rigorous approach to pipeline origination, actively identifying and sourcing high-quality companies and projects across our focus markets through our network of in-country advisors. We leverage the deep local knowledge and sectoral expertise of these advisors to find promising enterprises at various stages of development. Each project entering the pipeline undergoes an investment-readiness assessment and due diligence process to establish its viability, identify critical gaps, and determine the appropriate level of support.

The output is an Action Plan and an Investment Roadmap that charts a clear path from the project's current state to investability, addressing technical, financial or market-related deficiencies along the way. This structured approach ensures that by the time a project is presented to investors, it has been carefully screened, developed and prepared to meet investor expectations, resulting in a pipeline that is both substantial in volume and credible in quality. PFAN's pipeline represents a substantial volume of investment-ready projects and companies and is a continuously replenished source of deal flow for investors in clean energy, climate adaptation and the circular economy.



Company Evaluation *and* Due Diligence

For results-based financing programmes and pipeline building, REEEP evaluates companies through a structured, criteria-based process designed to identify SMEs with genuine market potential that public support can strengthen.

Eligibility

For programmes that disburse incentive capital directly, due diligence includes integrity and exclusion screening. Under the PURE Growth Fund, applicants must be for-profit companies, established or registering in the target country, with productive-use renewable energy technology at the core of or adjacent to their business. They must demonstrate co-financing in their business plan and fall within a defined revenue band (EUR 50,000 to EUR 10 million). In all our programmes, a set of exclusion criteria filters out prohibited sectors and conduct, including tobacco, alcohol, fossil fuels, projects with negative environmental impact and human rights violations.

Selection *criteria*

Beyond eligibility, REEEP assesses substantive fit. When selecting SMEs for support, we look for a clear understanding of local demand and market dynamics, capacity to implement, market-appropriate and scalable models, gender-equitable practices, high product and service quality and credible marketing and community engagement plans. Each engagement begins with the community- and sector-level market scoping described on page [68](#).



Structured *scoring*

In the PURE Growth Fund, we have designed a scoring methodology built on three components.

- 1) Assess their operational readiness, derived from the business plan.
- 2) Assess their potential impact using the PURE Impact Index (PII), which scores planned technology deployment and the services offered alongside it, such as repair and maintenance, market access and agricultural best practice (see page 45).
- 3) Calculate the Impact-Cost Ratio (ICR), which weighs the PII against the incentive capital the applicant requests. Applied through a reverse-auction mechanism, this rewards companies offering the greatest impact per euro of public funding.

The same logic of competitive, value-for-money selection runs through BGFA. Rather than fixing a subsidy amount, BGFA invites developers to propose both the localities they will serve and the level of subsidy they require, then selects winning bids on a value-for-money methodology that weighs financial criteria (such as the weighted cost per connection) against non-financial criteria, such as developer experience and the credibility of the implementation plan.

Both programmes use a reverse-auction structure which uses market competition to establish efficient subsidy levels while preserving the discretion to reward stronger operators and better-designed projects, rather than awarding funding on cost alone.

Verification after selection

Due diligence extends into implementation through monitoring and verification. Results-based financing is disbursed only against rigorous monitoring and verification of milestones. Data collection underpins this ongoing performance evaluation, feeding insight back into programme design.

Helping SMEs become *due-diligence* ready

Where the goal is project preparation rather than assessing companies on their eligibility for results-based financing, REEEP deploys a process that emphasises investment readiness. In pipeline origination and development in programmes like PFAN, REEEP provides support to fulfil external due diligence requirements. This includes loan application documentation, post-disbursement monitoring and financial advisory services to help companies secure finance. Through SOARING, we also deliver pipeline support through project development, documentation and risk assessment tools, and help local financial institutions build their own due diligence and credit analysis approaches appropriate to better assess green projects and SMEs.

On the sell side, PFAN conducts an investment-readiness assessment and due diligence to confirm the viability of companies, identify critical gaps to address, and provide successful companies with a Strategic Financing Plan or Investment Roadmap. We then support investor due diligence and conditions-precedent processes, ensuring all necessary legal, regulatory and contractual requirements are fulfilled to meet investor expectations and enable a smooth investment.

On the buy side, PFAN's dedicated in-country deal teams perform due diligence and investment-readiness assessment directly for fund and facility managers. This sits within a broader pre-investment workflow covering origination, investment roadmaps, investment preparation, gap remediation and governance and compliance, including ESMS (environmental and social management systems) and gender. We aim to de-risk investments and prepare companies for investment committees, enabling investment managers to focus on core activities.

Event *Highlights*



ARE Energy Access Investment Forum (EAIF) – Kampala, Uganda, – 8-10 April 2025

The Energy Access Investment Forum (EAIF) is organised annually by the Alliance for Rural Electrification (ARE) and brings together donors, global investors and financiers, government officials, entrepreneurs and development partners active in the energy access and PURE sectors. At the 2025 EAIF in Kampala, Uganda, REEEP contributed to discussions at the thematic sessions, such as “Enabling Investments: Energy Efficiency and PURE Markets as a Catalyst for Africa’s Agri-Food and Energy Nexus” and “Scaling Productive Use of Renewable Energy: Unlocking Opportunities for South-South Cooperation”.

PURE Growth Fund’s First Call for Proposals Launch – Tanzania, – 21-27 May 2025

REEEP opened the first Call for Proposals of the PURE Growth Fund in May 2025 with two info sessions in Arusha and Zanzibar and an official launch event in Dar es Salaam. The events gathered over 100 stakeholders, raised awareness about the programme and provided a valuable opportunity for networking in the Tanzanian PURE sector.

Africa Food Systems Forum (AFSF) – Dakar, Senegal, – 31 August – 4 September 2025

The Africa Food Systems Forum (AFSF) is a major international conference for African agriculture and food systems, bringing together key stakeholders from across sub-Saharan Africa and beyond. REEEP participated in AFSF 2025 along with partners from the Agri-Energy Coalition and contributed to several sessions.

Alexandra Chupina, Senior Development and Partnerships Officer, led the discussion around investment in renewable energy and regenerative agriculture at the launch of the Power for Food Partnership spearheaded by SNV and the IKEA Foundation and shared REEEP’s work in a Conversation with Energy Ministers on Powering Food Systems and Value Chains.

Andrew Loebus, Lead Expert – Energy Access, participated in the panel on “Powering Africa’s Food and Nutrition Goals” and facilitated the Access to Finance break-out discussion at the “Agri-Energy in Focus: Aligning for Greater Impact” session.

The Agri-Energy Coalition, a global alliance of partners working across energy, water, agriculture, nutrition, climate and finance to unlock the potential of agri-food systems through clean energy, was officially launched at AFSF, marking an important milestone in advancing cross-sector collaboration for sustainable and resilient food systems.

SOARING Market Platform Events
 – Zambia and Tanzania, – 8-11 September 2025

As part of the SOARING programme, REEEP hosted two-day events in Zambia and Tanzania, connecting clean energy SMEs with local financial institutions. Interactive workshops focused on providing technical assistance to invited SMEs on pitch deck preparation and helped them understand financiers' requirements and expectations. Selected SMEs presented their businesses to financial institutions in a pitching gala, followed by an investor matchmaking and networking session.

Renewable Energy Conference 2025 and Expo
 – Kampala, Uganda, – 20-22 October 2025

The Renewable Energy Conference 2025 was co-hosted by the Ministry of Energy and Mineral Development of Uganda and the National Renewable Energy Platform (NREP). Giuseppe Gregu, REEEP's Head of Programme for the Beyond the Grid Fund for Africa (BGFA) represented REEEP and spoke on a panel, organised by GIZ, discussing how to mobilise private finance for women-led renewable energy businesses.

COP30 – Belém, Brazil,
 – 10-21 November 2025

Speaking at the side event “From lessons to actions: Scaling up good practices in financial and non-financial support for SME sustainability” at the OECD Virtual Pavilion, Kumbirai Makanza, Senior Specialist – Renewable Energy Finance, shared insights on how SMEs can be supported in adopting and integrating sustainable practices into their operations.



REEEP *Governing Board*

REEEP's Governing Board is responsible for the conduct of business in accordance with the REEEP Statutes and holds office for a period of four years. The Governing Board oversees the key strategic direction of REEEP, appoints the Chief Executive Officer, adopts the annual budget and approves the four-year strategy.

Individual *Members*

Martijn Wilder

Chair, Pollination

Silke Krawietz

Vice-Chair, SETA Network

Mark Fogarty

Treasurer, First Energy Asia

Christine Eibs Singer

Senior Energy Access Advisor

Arab Hoballah

SEED

Mark Lambrides

Organization of American States

Greg Murray

KOKO Networks

Twarath Sutabutr

Office of Knowledge Management and Development, Thailand

Institutional *Members*

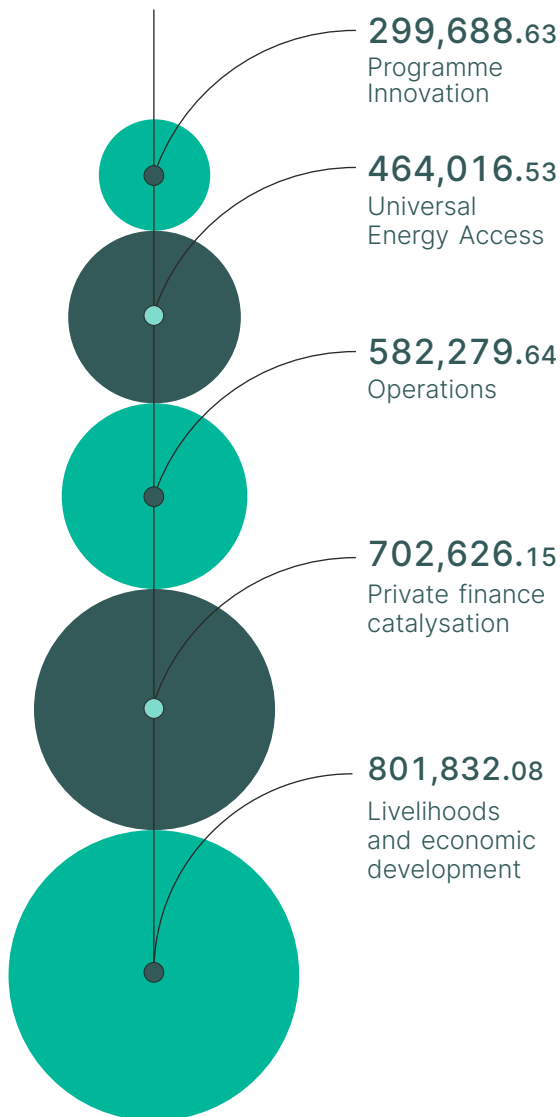
Elfriede Anna More

Rapporteur, Austrian Federal Ministry of Agriculture and Forestry, Climate and Environmental Protection, Regions and Water Management

Alois Mhlanga

United Nations Industrial Development Organization

REEEP *in numbers*



REEEP's *legal* status

REEEP is an international multilateral partnership, registered in Austria and recognised under Austrian law as a Quasi-International Organisation (QuIO), a category of international organisation introduced in 2015 to accommodate international organisations with multi-stakeholder institutional structures similar to those of intergovernmental organisations, but also allowing membership of non-government actors. REEEP qualifies as an international NGO for official development assistance (ODA) contributions according to the Organization for Economic Co-operation and Development (OECD).

REEEP *outlays* 2025

In 2025, REEEP outlays amounted to EUR 2.85 million. Activities delivering Universal Access to Energy represented 16% of total expenditure; Livelihoods and Economic Development 28%; Private Finance Catalysation 25%; Programme Innovation accounted for 11% of expenditure; and operations accounted for 20%. Not all expenses are considered outlays, allowing for marginal costs.

Overview of *assets and liabilities*

	31/12/25 KEUR	31/12/24 KEUR	31/12/23 KEUR	31/12/22 KEUR	31/3/22 KEUR	31/3/21 KEUR	31/3/20 KEUR	31/3/19 KEUR	31/3/18 KEUR	31/3/17 KEUR
ASSETS										
Fixed assets										
Intangible assets	0.2	2	8	14	18	24	6	2	4	20
Tangible assets	0.4	1	3	7	13	14	7	5	5	5
Current assets										
Inventory	216	174	636	642	851	387	170	314	60	196
Accounts receivable	75	0	0	0	0	0	0	40	0	33
Cash	2,084	3,015	1,836	1,868	2,469	3,291	2,917	3,592	4,260	4,084
Prepaid expenses	5	4	4	2	29	16	7	7	17	22
	2,381	3,196	2,487	2,533	3,380	3,732	3,107	3,959	4,346	4,360
LIABILITIES										
Equity	1,256	1,362	1,432	1,274	1,280	1,351	1,394	1,346	1,337	1,299
Provisions	62	120	149	185	186	243	113	148	113	578
Liabilities on account of earmarked funds	983	1,616	788	894	1,686	1,805	1,372	2,253	2,704	2,373
Liabilities										
Accounts payable	80	98	112	174	192	291	174	179	132	53
Other liabilities	0	0	6	6	36	42	54	33	59	57
Deferred Income	0	0	0	0	0	0	0	0	0	0
	2,381	3,196	2,487	2,533	3,380	3,732	3,107	3,959	4,346	4,360
NET FINANCIAL ASSETS										
Current assets										
+ pre-paid expenses	2,089	3,019	2,476	2,512	3,349	3,694	3,094	3,953	4,337	4,335
Provisions and liabilities	1,125	1,834	1,055	1,259	2,100	2,381	1,714	2,613	3,009	3,061
	964	1,185	1,421	1,253	1,249	1,313	1,380	1,340	1,328	1,274

Financial *information*

In April-May 2026, Mazars conducted the annual audit of REEEP's financial statements and performed assurance services – including verification of compliance – in accordance with the requirements of the Austrian Association Act. The audit found REEEP's accounting system to be fully in accordance with generally accepted accounting procedures and an internal control environment.

The audit determined that:

- No objections to REEEP financial procedures were found.
- REEEP financial statements comply with legal requirements, are consistent in all material respects, and give a true and fair view of its financial position and performance for 2025.
- REEEP funds were used in accordance with its statutes.
- No unusual income or expenses were noted.

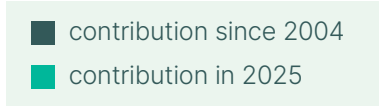
Overview of *assets and liabilities*

	2025 kEUR	2024 kEUR	2023 kEUR	2022 kEUR	21/22 kEUR	20/21 kEUR	19/20 kEUR	18/19 kEUR	17/18 kEUR	16/17 kEUR
Non-earmarked contributions	226	160	200	200	230	70	127	70	98	150
Earmarked contributions	1,861	4,800	4,469	2,620	3,281	3,861	3,599	2,663	3,055	1,733
Allocation to liabilities on acc.	571	-799	358	791	137	-432	898	480	-331	628
Allocation to work in progress	42	-462	-156	-209	464	217	-143	254	-137	196
Other income		0	4	0	127	11	61	27	30	39
Expenses for projects	-1,007	-1,718	-2,631	-2,160	-2,332	-1,742	-2,667	-1,949	-1,306	-1,446
Expenses for regional secretariats	0	0	0	0	0	0	0	0	0	-2
Cost of staff	-1,496	-1,692	-1,423	-1,101	-1,781	-1,751	-1,564	-1,311	-1,124	-1,046
Depreciation	-3	-8	-13	-10	-19	-15	-8	-8	-22	-36
Other operating expenses	-276	-363	-448	-225	-284	-240	-274	-203	-212	-244
Subtotal	-82	-82	360	-94	-177	-21	28	22	52	-28
Financial result	-19	22	-202	-89	105	-21	20	-13	-14	5
Operating surplus/loss	-102	-60	158	-5	-72	-42	48	9	38	-23
Taxes on income	-4	-9	1	0	0	0	0	0	0	-1
Annual surplus/loss	-106	-69	157	-5	-72	48	9	38	-24	-54

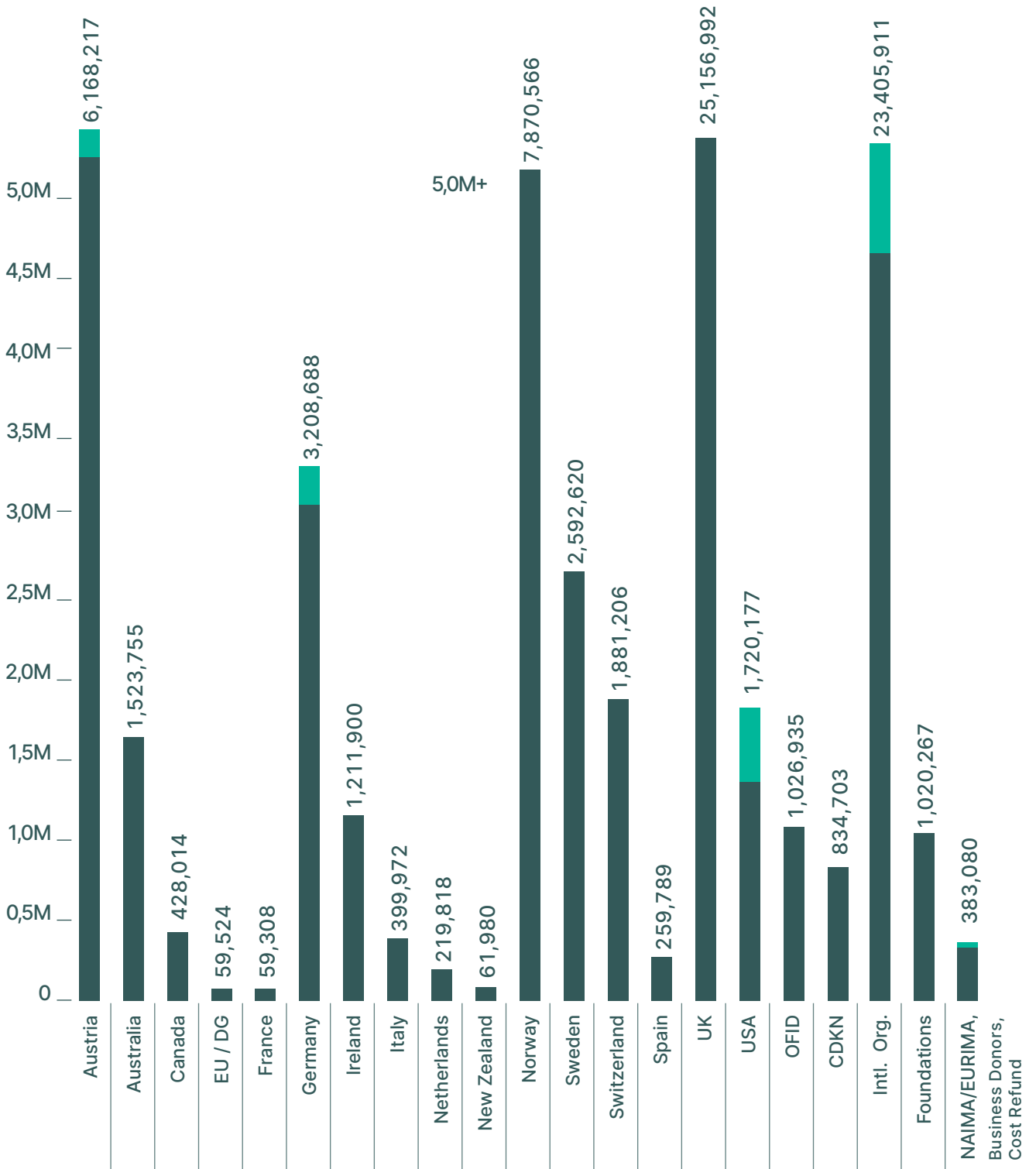
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- REEEP financial statements comply with legal requirements, are consistent in all material respects, and give a true and fair view of its financial position and performance for 2025.

REEEP funding *overview*



Since 2004, REEEP has received EUR 79,493,422 in donations and contributions, which we have used for investment capital, fund management, programme innovation, open knowledge and strategic projects.



International *Secretariat*

REEEP's International Secretariat is based in Vienna, Austria and employs an international team of highly committed changemakers.



REEEP's headquarters are located in Vienna, Austria

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