KAWI SAFI

ACUMEN CAPITAL PARTNERS

Community Report 2020

June 2021

Disclaimer

This report contains forward-looking statements. Statements that are not historical facts, including statements about KawiSafi's beliefs or expectations, are forward-looking statements. These statements are based on plans, estimates and projections developed by the portfolio companies and our team at the time KawiSafi made the original statement, and you should not place undue reliance on them. KawiSafi does not undertake to update any of these statements in light of new information or future events.

Forward-looking statements involve inherent risks and uncertainties and KawiSafi cautions you that a number of important factors could cause actual results to differ materially from those contained in any such forward-looking statement. These factors include, among others: ability of portfolio companies to identify, assess and implement efficiency and productivity measures, to control or reduce costs; ability of portfolio companies to develop and launch new products and distribute new and existing products or services; competition, including pricing and promotional spending levels by competitors to portfolio companies; ability of portfolio companies to generate and maintain effective partnerships for distribution or sales of products and services; ability of portfolio companies to identify and cultivate a strong management, marketing, operations, finance and sales teams; logistics and other transportation-related costs for portfolio company products and services; increase in costs of raw materials and manufacturing efficiencies for portfolio company products; sufficiency and effectiveness of portfolio company marketing programs; changes in, or the failure or inability to comply with governmental regulations or to procure and maintain governmental contracts on satisfactory terms; adverse weather conditions, natural disasters, social unrest and other conditions that disrupt portfolio company operations; general economic and business conditions; and other factors.

Table of Contents

02 Message from our Managing Director

04 *KawiSafi* Fund: 2020 Update

07 *Managing the New Normal:* An Interview with Angaza

10 2020 Market Outlook

19 *Cold Storage in Action:* An InspiraFarms Case Study

21 *Mapping the New Value Frontier of ESG:* A Conversation with Vukani Impact Collective

24 *Beyond the Tipping Point:* The Future of Battery Storage in East Africa

27 Our Media Highlights

28 What We Are Reading

29 Our Team

01 Message from our Managing Director

The past year has been a challenging one for all of us and this has been no different for KawiSafi and our portfolio companies. Our entrepreneurs have faced supply disruptions, lockdowns across sales markets, cashflow difficulties among their client base, and material health risks to their staff. Through all of this, we have been impressed with the resilience and leadership shown across our portfolio in the face of a global pandemic. When looking back, 2020 is a year where we as a Fund have managed to continue a solid (if not as spectacular as hoped) growth trajectory, while others have not been as fortunate.

In 2020, KawiSafi made three new investments. This takes the Fund a significant step forward in delivering on its goal of contributing to universal energy access at scale. **The portfolio now includes eight of the leading disruptive technology companies driving renewable energy access in East Africa**. These firms have established themselves as the standouts in residential and C&I solar; fintech and payment platforms; and appliance innovation/IoT. In this turbulent year, these companies **impacted an additional 35M lives and averted over 7M tons of CO_2e.** Cumulative impacts of the portfolio topped 99M people and averted 16MtCO2e. Into our fifth year of the Fund, we have already exceeded our lives impacted target by 4.5 times and our CO_2 emissions averted target by more than 10 times. These impacts are becoming material contributions to national energy and electrification strategies in Kenya and Rwanda – which are both increasingly supportive of venture-backed off-grid companies as they aim to achieve universal energy access by 2030.

In 2020, we invested in **Biolite** and **Angaza** because we see these two firms as being the off-grid market leaders in executing a more specialised business strategy rather than being vertically integrated. As the off-grid ecosystem scales, we see that specialisation is an opportunity to drive efficiencies. In the case of Biolite, we appreciate their focus on excellence in manufacturing and sales through a wide network of distribution partners. In the case of Angaza their efficiency at providing the back-end software integration and pay-as-you-go infrastructure to off-grid leaders put them at a premium. Separately, we took a position on **InspiraFarms**, a leading innovator in first-mile cold storage in Africa, because it has led the way in agricultural cold-chain and reduction of post-harvest losses: a highly impactful company and market segment that we have been watching for several years.

The COVID-19 pandemic has seen us deepen our engagement with our CEOs and step-up Board engagements. We ran deep-discount scenarios with all our portfolio and oversaw significant tightening of OPEX and capital discipline. We have taken a leadership role in senior transitions and have supported our portfolio to access scarce talent and scarcer capital. We are delighted to have operationalised our Technical Assistance Facility with the support of the Green Climate Fund. It has been crucial in delivering consumer protection and deepening gender diversity.

Our investment decisions in 2020 reflected **our philosophy in identifying companies that bring market leadership, commercial discipline and hence the opportunity for impact at scale**. While respectful of the maxim that 'past performance is not indicative of future results' our experience is that execution track record remains the single most credible metric on which to evaluate companies.

As 2021 unfolds, we will continue to refine our approach, build out our portfolio and provide the support that our companies need from us to deliver on the promise of universal, decarbonized energy-access. We are actively tracking opportunities across our ecosystem and are seeing promising new business models emerging around electric mobility, productive use appliances, waste-to-energy, and storage-as-a-service.

Ultimately, the **turmoil and hardship of 2020 has revealed the resilience of ordinary people in Africa, and their trust in the essential products and services that our companies provide.** We recognize the caliber of leadership in these times and the privilege of contributing to the innovative ecosystem that serves these markets. In the following pages, you will find information relating our activities during the year. If you have any questions, I encourage you to contact me directly. You can find additional information on the KawiSafi website.

We appreciate the opportunity to contribute to this endeavour and thank you for being part of this community driving impact toward a low-carbon energy future.

Sincerely,
Amar Inamdar

02 KawiSafi Fund: 2020 Update

2.1 KawiSafi Fund Overview

Mission:

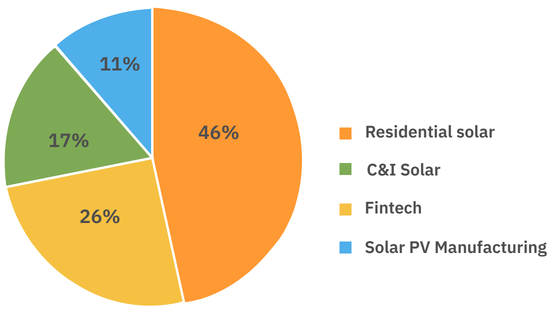
KawiSafi aims to achieve social & environmental impact and long-term capital appreciation by enabling access to clean energy products and services to low-income and off-grid populations in developing economies. Our investments are intended to facilitate the expansion of companies in East Africa with a focus on Kenya and Rwanda.

Expected portfolio composition:

Sector: market driven clean energy access. Sub-sectors include and are not limited to: residential power, commercial & industrial power, alternative financing, software, minigrids, clean cooking technology and mobility.

Stage: growth stage companies, with up to 10% Assets Under Management in early stage (Series A or <$1M sales) companies

Capital deployed by sector



2020 milestones:

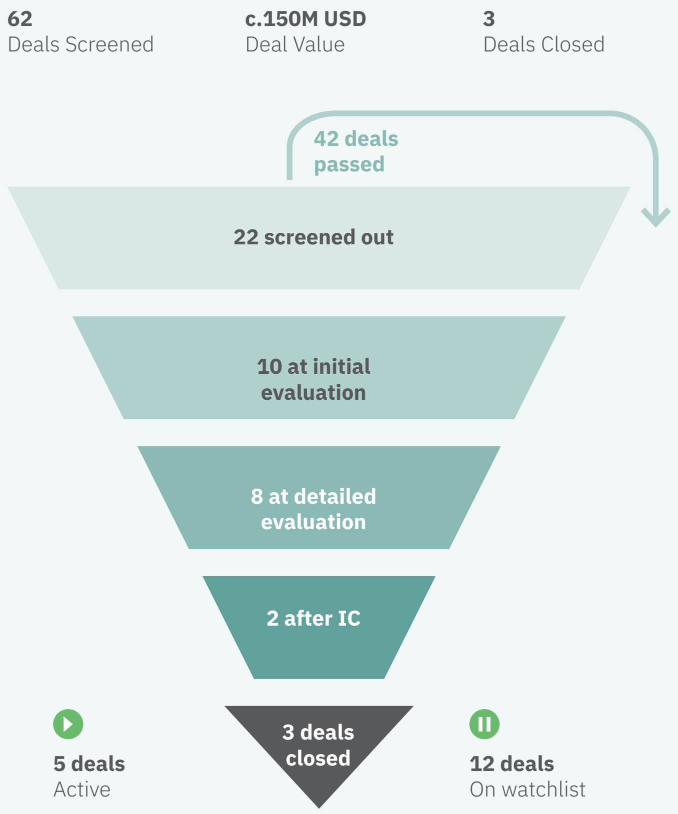
- 3 new investments were closed: BioLite, InspiraFarms and Angaza; bringing the portfolio to 8 companies and deploying 70% of investable capital.
- Launched $5M Technical Assistance Facility with 6 projects approved.
- Team: Marcus Watson joined in January as an Investment Director

KawiSafi Fund Portfolio

d.light	**Led Series D** Leading residential solar company in Africa and Asia	angaza	**Led Series B** Software-as-a-Service technology solutions focused on energy sector
InspiraFarms	**Led Series B** Pan-African provider of energy-efficient, off-grid cold storage	BioLite	**Led Series C** Manufacturer of off-grid energy products for Africa and N.America
Bboxx	**Series C** Pan-African distributed energy services company	Lendable	**Led Series A** Fintech focused on SME credit and data analytics for energy and FMCG
REDAVIA RENTAL SOLAR POWER	**Led Series A** Pan-African commercial & industrial solar solutions	OPES SOLUTIONS	**Led Series A** Manufacturer of innovative solar panels for energy and mobility

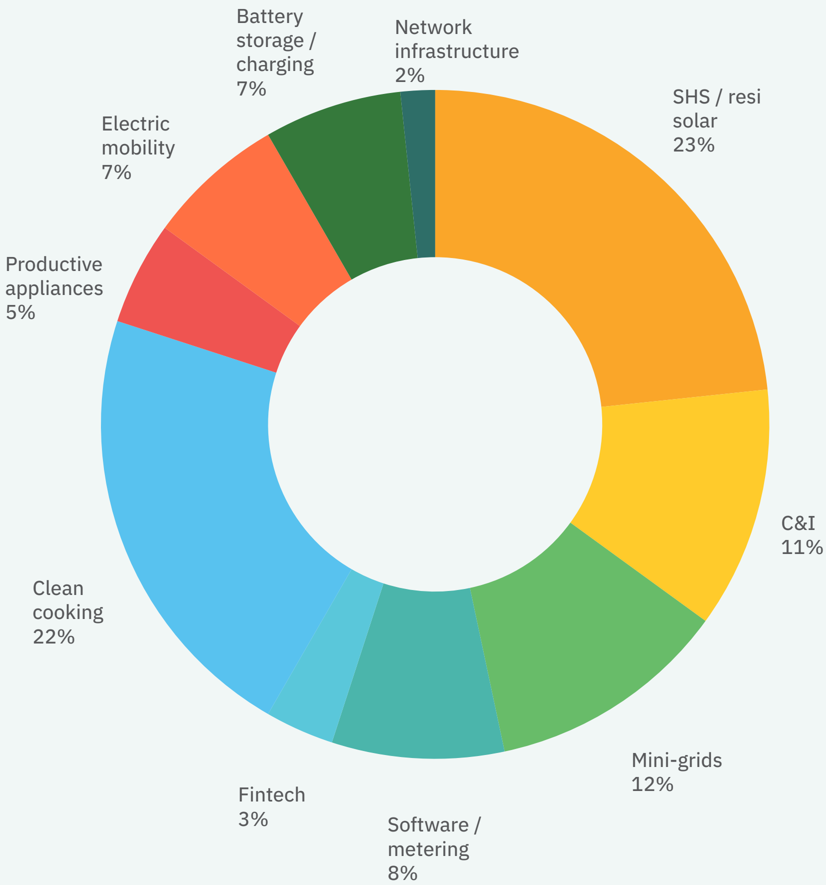
2020 Pipeline activity

In 2020, the KawiSafi team screened 62 deals of approximately $150 million in aggregate value.



Sector breakdown of deals screened in 2020

The deals screened in 2020 were evenly distributed across our focus sectors, with greater activity in clean cooking technology and electric mobility.



2.2 Our Impact

KawiSafi Fund's portfolio has impacted 99 million lives and averted 17 million tons of CO_2 emissions globally.

In 2020, the number of lives impacted by the portfolio increased by 35.8M. This is slightly down from the 37.5 million increase posted in 2019, mainly due to COVID-19 effects. In 2020, 7.1 million tons of CO_2 were averted in aggregate across our portfolio which is a 30% increase from the 5.5 million averted tons in 2019. This carbon savings is the CO_2 equivalent to averting the annual emissions from 3.5 million passenger vehicles.

Lives Impacted (millions)	Lives Impacted (millions)	Households Accessing Clean Energy (millions)	Carbon dioxide averted (million tons)
Rwanda	5.4	1.1	1.6
Kenya	36.4	7.3	10.1
Total EA	**41.8**	**8.4**	**11.7**
Direct - EA	15.1	3.0	
Indirect - EA	26.6	5.3	**11.7**
Total EA	**41.8**	**8.4**	
Direct - Global	46.0	9.2	
Indirect - Global	53.3	10.7	**16.6**
Total Global	**99.3**	**19.9**	

In early 2020, KawiSafi's portfolio company d.light reached the milestone of impacting 100 million lives in its 12-year history. *"Meeting this number is extremely gratifying as it shows the potential for social entrepreneurs to make a real difference in the lives of people in developing countries at massive scale," d.light CEO Tozun explained. "What we are celebrating is really a quadruple win: a win for the climate through the reduction of greenhouse gas emissions; a win for our customers, many of whom have access to clean, affordable energy for the first time in their lives; a win for our employees in developing countries who can depend on good, clean jobs; and a win for investors who are able to put their money where their values lie and still turn a profit."*

Source: https://www.dlight.com/press_releases/solar-innovator-d-light-impacts-one-hundred-million-lives/100-million-press-release-23jan2020-2/

03 Managing the New Normal: An Interview with Angaza

Victoria Arch,
Chief Operating Officer

Angaza is a leading integrated software solutions provider for PAYGO energy and last-mile distribution across Africa. KawiSafi closed an investment in Angaza in early 2020 around the time that the early impacts of COVID-19 were first being felt across the world. We talked to Victoria Arch, Chief Operating Officer at Angaza, about the unique challenges that COVID-19 presented and what her team have learnt coming out of the pandemic.

Q Victoria, thanks for taking the time to chat with us. What in your view were the primary impacts to *Angaza* of the COVID-19 pandemic?

While the impacts were many and varied, I would say the primary impacts of the pandemic on *Angaza* were moving to 100% remote working and accommodating the varying global effects on our customers and supply chain.

Q Your business is highly oriented to customer service and your clients. How have your clients at *Angaza* been impacted by COVID-19?

The impact of the pandemic on our customers was most apparent in two primary areas. Firstly, around operations. The majority of our customers use field agents to manage sales to end-users. These agent networks were severely restricted in some regions due to lockdowns. Even in places where agents could still travel (i.e., lockdowns didn't occur or solar distribution was designated an essential business), door-to-door or kiosk-based sales and servicing was difficult because people were hesitant to engage in person. Many customers had to put work-from-home measures in place and rapidly modify previously centralized services such as contact centers. This had a cost both financially and operationally as they scrambled to ensure that their employees had the processes, hardware and connectivity necessary to work under those conditions.

Secondly, around supply chain. Key manufacturers with operations in China closed during the early months of the pandemic. Customers with low or no product supply therefore experienced delays receiving shipments and several stocked out completely. Despite these difficulties, careful analysis of our platform data indicated that payment collection rates stayed relatively strong across the balance of our customer base through the peak months of the pandemic. This suggests that end-user demand remained high and provides optimism about the resiliency of the industry.

Has the company made any positive changes as a result of the pandemic that you will continue to incorporate going forward?

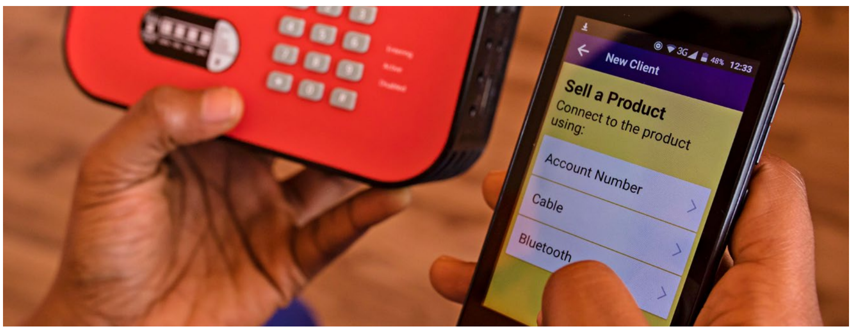
We have made several positive changes as a result of the pandemic that we expect to continue to incorporate going forward. We now run more effective distributed meetings throughout the company. We have implemented distributed socialization tools that make remote teams and individuals feel more included and connected, as well as improved our remote onboarding processes that can be applied to future remote-only hires. We are now measuring and monitoring more detailed metrics across all of our business teams; this was initiated to understand the potential impact of the pandemic on our sales funnel and customers' operations and has transitioned to be a regular part of our business toolkit. We are also engaging more deeply and regularly with our customers to understand the health of their business and where we can be helpful.

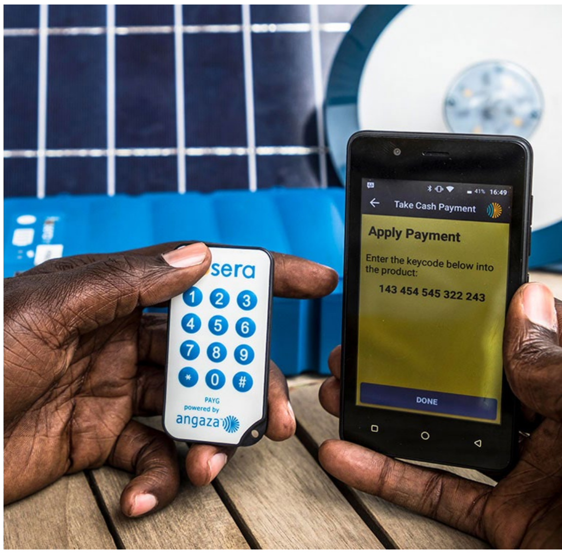
What opportunities have emerged that you may not have expected?

There are a number of opportunities that emerged from the pandemic. Firstly, we used the opportunity to create new mediums for Angazans to meet our customers virtually. For example, we invited a customer to speak at our All Hands team session. Also, our User Experience Lead has regularly scheduled remote "happy hours" with customer representatives which has been a fun way to get more direct interaction and feedback. We have had to learn quickly how to collaborate more effectively between the two *Angaza* "offices" since everyone is working from home and utilizing the same connectivity tools. We have increased our understanding of the various levels of our customer supply chain, how each segment can be impacted and where *Angaza* can be helpful. We have streamlined our billing infrastructure and approvals processes to allow greater billing flexibility for customers that are in distress. And, we have developed a greater feeling of connectedness with our customers because of the greater familiarity with, and ubiquity of, video conferencing.

How have you maintained quality in customer service and built new client relationships during this time, particularly considering the geographic distribution of your team and clients?

We have always had an extremely distributed customer base, so our engagement methods haven't changed significantly during the pandemic. Although our Customer Success team members typically travelled about once per quarter pre-pandemic, the vast majority of their customer interactions were managed remotely.





However, we have increased the size of our Customer Experience team during the pandemic period which has allowed us to make some notable improvements to our customer engagement processes, including (i) conducting regular business reviews with our top customers to ensure that we're consultatively addressing their business priorities; (ii) utilizing our new Technical Account Manager function to proactively engage with customers that have complex or bespoke integration requests; (iii) expanding our customer survey processes to collect actionable feedback from our customer base; and, (iv) digitizing and updating our complete body of training resources and making them available to customers through a Learning Management System.

How has the team at *Angaza* managed internally with new working norms? Have you moved to full remote working, and if so, how have you maintained a sense of team and culture during the period?

Angaza closed down our two offices (formerly in San Francisco and Nairobi) in April 2020 due to the COVID-19 pandemic. When we initially transitioned to remote work, we focused on communication and transparency, which have continued to be a focus over the past year. Our Vice President of People Operations sent weekly updates to the team as we first learned about the pandemic, and our CEO has been sending monthly updates to the team for the past year. To support our employees, we have introduced several policies and stipends, including internet reimbursements, stipends to outfit employees' home offices, and paying for individual office rentals for employees who cannot work from their homes. We have also run several trainings and discussions with managers specifically on the challenges of remote work and how to support employees.

While we have seen some stressors due to the pandemic, on the whole our employees have been positive about the shift to remote work. We ran an internal survey in December 2020, with the majority of employees reporting it to be a neutral (33% of responses) or positive (53% of responses) shift compared to working from offices. The main struggles for our team have been defining work-life boundaries and associated stress, especially for team members who are parents struggling with childcare access due to COVID-19 restrictions.

Finally, we continue to see high team engagement and a strong team culture despite not being in an office together. We have maintained several team traditions, such as our annual gratitude exchange involving team members from both offices, and have introduced new cultural touchpoints, such as weekly 1:1 pairings of team members using the Slack app Donut. Many of the individual teams also instituted weekly meetings or extended existing meetings to have time for personal connections.

Q What lessons have you learned individually as a leader during the pandemic and dealing with a crisis of this magnitude?

One of the primary lessons I've learned as a leader during the pandemic is that no-one is comfortable with uncertainty. Although there was no way for us to eliminate uncertainty during this period, we could ease our teams' discomfort slightly by communicating about company decisions openly, honestly and consistently. I've also learned that it's important to share and connect on a personal level with colleagues during difficult times, especially when we're all remote. Overall, I've been amazed and awed by the resiliency and kindness of our team during this incredibly difficult time.

Q What are your hopes and expectations for 2021 and bouncing back stronger from the pandemic?

We have already seen significant growth in Q1 2021 which sets us up for a strong year ahead. In addition to continuing to scale our core business, we are focusing on increasing the breadth of product types that are sold through the platform with a particular concentration on smartphones. We are also scaling our SIMA *Angaza* Distributor Finance Fund so we can contribute to continued growth and resiliency of our customers and the sector. We are very optimistic about 2021 and looking forward to spending some of it together!

04 2020 Market Trends

COVID-19 caused demand & supply shocks leading to contraction of East African economies in 2020; economic recovery is expected in 2021

Overview: Economic disruption caused by COVID-19 pandemic pushed East Africa's growth for 2020 down to 0.7%. In 2021, growth in real GDP is projected at 3.0%.[1]

Kenya
Rwanda
Uganda
Tanzania
Burundi

Real GDP growth

2020	2021
1.4%	5.0%
0.4%	3.9%
0.5%	4.3%
2.1%	4.1%
3.3%	3.5%

Despite the downward trend in economic performance, gains achieved in H2'20 indicate a positive outlook for 2021, building on the traction of capital markets recovery seen within the economies.

Lower domestic consumption and investments due to COVID-19 and related containment measures pushed the regional economy to a contraction. Demand and supply shocks were felt throughout all sectors and below we summarize the key highlights in the off-grid sector[2,3]:

- **Travel restrictions:** These hindered sales, distribution, project implementation and product maintenance, resulting in lost income for companies and commission-based employees.

- **Supply chain challenges:** At the peak of the pandemic, severe delays in the supply chain affected companies that source technical components and products from China or other global manufacturing hubs. These resulted in inflated logistics costs.

- **Household financial situations:** Change in household incomes and expenses caused some repayment challenges that affected sales and revenues for companies as consumers were unable to pay for products and services, although this was less evident than expected in early months of the crisis.

- **Liquidity challenges:** Loss of revenues and delays in closing investments led to a precarious financial position for many companies. KawiSafi portfolio companies fared better than most.

KawiSafi is an East Africa focused fund with a mandated emphasis on Kenya and Rwanda. KawiSafi monitors the region to understand potential macroeconomic impacts to portfolio company performance. Note: Uganda and Burundi experienced economic contractions due to the impact of COVID-19 in 2020 as indicated above. **Sources:** 1. .AfDB, Africa Economic Outlook 2021, here 2. GOGLA Off grid solar sales and impact data, 1H 2020. Full report accessible GOGLA 1H 2020 Sales Report ; 3. EEP Africa, 2020 Market Report: Productivity and Circularity in the Clean Energy Sector, Link

Kenya and Rwanda made positive strides towards universal energy access

Electrification rates

Energy Access

	Kenya	Rwanda
Energy Access	85%	60%
	Approx. 13M without access[1]	*Approx. 6M without access*[2]
Energy per capita	150 kWh[3]	42 kWh[4]

Compared to 11,888kWh per capita in the US

Government Vision

Kenya: Universal energy access by 2022. 70-80% connections from on-grid solutions with the remaining 20-30% from off-grid solutions. $2.3 billion of public investment in grid and mini-grid expansion and $458M of private funding expected in off-grid solutions.[5]

Rwanda: Universal energy access by 2030 with 48% of new required connections coming from off-grid solutions.[2]

Grid v off-grid costs

On-grid cost/kWh:

- In Kenya and Rwanda, costs range from $0.20-0.45 (average cost-reflective tariff in Africa is $0.27/kWh).[5]
- Grid extension costs estimated at ~$800-2,000 per connection in Africa.

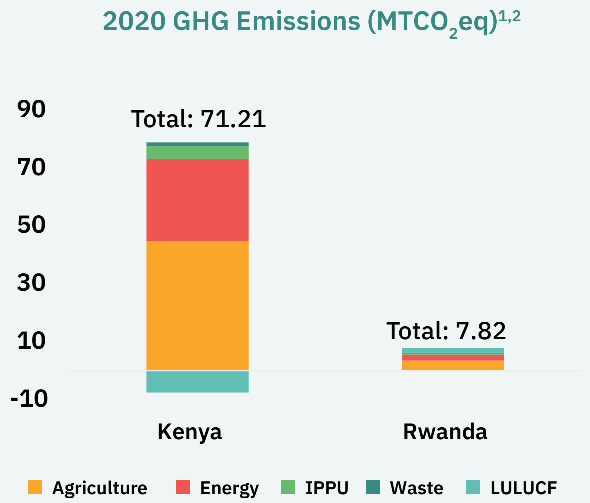
Off-grid cost/kWh:

- SHS: $2-4, inclusive of appliances, lighting and upfront fee of $20-50.[6]
- Mini-grid: $0.55/kWh, ~$500-2,000 per connection[5]
- C&I: ~$0.16 (Kenya) to ~$0.23 (Rwanda).[7]

High grid per kWh and grid extension costs compared to off-grid alternatives make a case for the development of the off-grid sector in areas without grid access. Limited project and early stage financing in the sector still hinder growth of off-grid solutions.

Source: 1. IEA, Access to Electricity Kenya, 2019, here, 2. Energy Division, MININFRA, here 3. World Data Info – Kenya, accessed Mar 2021, here, 4. World Data Info – Rwanda, accessed Mar 2021, here , 5. ESMAP, Mini Grids for half a billion people, here, 6. KawiSafi Analysis, 2018; 7 BloombergNEF, Solar for Business in Sub Saharan Africa (2018)
Notes: kWh represents LCOE for national utilities and the 2019 baseline for an unsubsidized solar-hybrid minigrid, respectively

Kenya and Rwanda have set NDC* targets towards achieving 1.5°C Paris Agreement compatibility by 2030



	Kenya[3]	Rwanda[4]
Business As Usual (BAU) emissions	143 $MTCO_2eq$	12.1 $MTCO_2eq$
NDC target (% reduction compared to BAU)	32%	16% (Unconditional) 38% (Conditional)
Investment to achieve targets	USD 62 Billion	USD 11 billion

Comparison against KSV portfolio achievements:

Kenya: The 10$MTCO_2eq$ offset from the portfolio represents a positive contribution to Kenya's target for emission reductions.

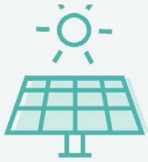
Rwanda: The KawiSafi portfolio - already at 1.6$MtCO_2e$ - makes a significant contribution to this target.

***Nationally Determined Contributions (NDCs)** are national climate plans highlighting climate actions, including climate related targets, policies and measures governments aims to implement in response to climate change and as a contribution to global climate action.
Source: 1. Kenya, Greenhouse Gas Emission, 2018, here, 2. Rwanda, Greenhouse Gas Emissions, 2018, here, 3. Kenya, BAU and NDC Targets, here, 4. Rwanda, BAU and NDC Targets, here
Notes: Unconditional - This is an unconditional target, based on domestically supported and implemented mitigation measures and policies; Conditional – This represents an additional targeted contribution, based on the provision of international support and funding.

The off-grid solar industry has demonstrated resilience in the face of challenges due to COVID-19...

Residential Solar[1]

- SHS offerings have expanded beyond basic lighting systems.
- Significant progress has been made on improving the quality of SHS components and service, and the diversification of applications and appliances that can be connected to SHS systems.
- Through linkages with healthcare facilities that enable primary healthcare services such as maternity and vaccination in rural areas, SHS can provide the perfect solution both technically and commercially.
- SHS firms and adjacent product companies are increasingly focusing on productive use of energy (agriculture and small-scale industry), helping to move households further up the energy ladder.



Mini-grids[1,2]

- Mini grids, as a sector in Africa, has progressed into the "scale up" phase. Connections rose from 2,000 in 2016 to over 41,000 in 2019, with notable growth coming in East Africa.[2]
- The growth coincided with a drop in costs, with the average cost of connection falling from US$ 1,555 (2014) to US$ 733 (2018).
- In 2020, developers were affected greatly by the COVID crisis with delays in projects due to lockdown measures. However, 2021 looks promising and we should see new developments as projects resume post-COVID.

C&I Solar[1]

- The C&I sector is on the rise in recent years, according to AFSIA. There are more than 6,200 large scale, C&I and mini-grid projects across the African continent, with 2,400 already in operation. 80% are comprised of C&I projects. Not long ago, the market was dominated by large scale projects.[1]
- The sector is pegged to catch the lion's share of number of solar projects and could represent 30-40% of all solar capacities installed in the coming years (estimated to be 7.1GW into 2025).[3]

Sources: 1.Africa Solar Industry Association (AFSIA), Africa Solar Outlook 2021, accessed here ; 2. AMDA, 2020 Benchmarking Africa's Mini grids. Full report AMDA Benchmarking 2020 Report, 3. IEA, Renewables 2020, here

...continued financial and policy support is required to maintain this resilience going forward

Clean cooking[1,2]

- Despite COVID challenges and VAT impacts, the sector has shown resilience. Leading firms in improved biomass, bio-ethanol, and biogas cooking product segments have reported impressive growth for 2020.
- In response, the KOSAP RBF facility has been set up to address market barriers and aims to develop market based, sustainable cookstove supply chains.[1]
- Within the EA region, SIDA and NEFCO have kicked off an initiative to scale clean cooking solutions through scoping markets and testing the use of RBF to incentivize and scale the use of innovative cooking solutions.[2]

E-mobility[3,4]

- The e-mobility industry in East Africa is nascent, with an array of e-mobility start-ups that have emerged across the region. These have mainly focused on micro-mobility; comprising of commuter and light cargo transportation and included bikes, scooters and three wheelers.[3]
- Large OEMs have not yet entered the market with products relevant for the regional market.
- The availability of charging network and financing options for the vehicle + battery still remain key barriers to rapid growth in the sector. Kenya's Electricity Generation Company (KenGen) and Kenya Power have indicated their interest in setting up EV charging stations as it looks to diversify its revenue streams.[4,5]

Financing[6]

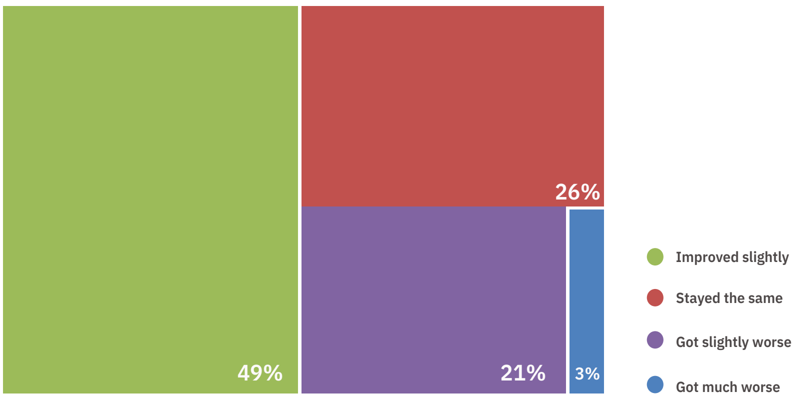
- The pandemic had an impact on the continent's progress, disrupting regional supply chains and economic activity.
- Africa's Private Equity (PE) industry demonstrated its resilience, as fund managers raised US 1.1B in H1 2020, and reported 81 deals worth $0.7B. The majority of deal activity was in IT, Financial, Consumer and Healthcare, demonstrating investors' long-term interest in the sectors driving Africa's growth.[7]

Sources: 1. Kenya Off Grid Solar Access Project (KOSAP) Results Based Financing (RBF) and Debt Facility, here, 2. Scaling of Clean cooking program by Swedish International Development Cooperation Agency (SIDA) and Norway Green Bank (NEFCO), here 3. Six Key Trends Driving Affordable, Low-Carbon Growth in the Rural E-Mobility Sector, Nov 19th, 2020, accessed here, 4. Clean Technical Article: August 11th, 2020 accessed here 5. The Kenyan Wallstreet, Kenya Power to Install Charging Points for Electric Cars Countrywide, here; 6. The State of Fintech in Africa – 2020, here; 7 AVCA, Resilience, resurgence and results, here

Despite a decline in households' financial situation, customer repayment and product uptake has shown resilience to COVID-19

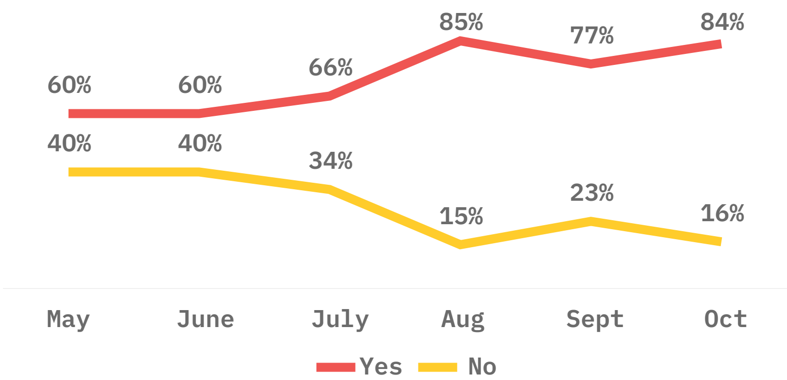
Overview: To understand the impact of COVID-19, **60_decibels** spoke to over 25,000 low-income energy customers to track how the crisis has affected them. Although the survey covers over 14 countries in Africa, Asia and South America, the results highlighted below have been filtered to reflect East African responses (Kenya, Uganda, Tanzania and Rwanda specifically). The survey began in April and is updated weekly with new results; information presented here was updated as of 8th February 2021.

Households' financial situation has generally declined as a result of the COVID-19 pandemic



With the removal of lock down measures across East Africa in 2020, this has contributed to a stabilization of incomes for majority of the sampled customers. Given continued rising cases of COVID-19 across the region, we expect that some of these may be rolled back in the coming months with further detrimental impacts on consumer incomes. We continue to monitor this closely as lock down restrictions continue being imposed in Q1 2021 e.g., in Kenya.

84% of surveyed households in October 2020 indicated they are making repayments normally

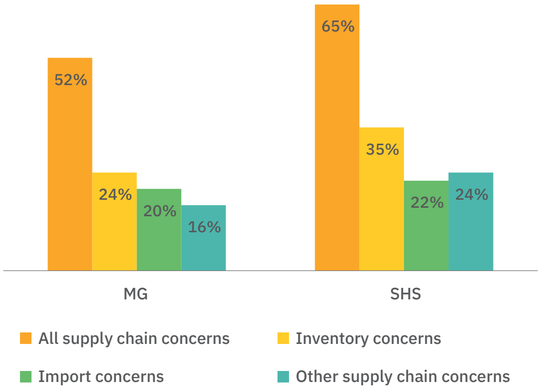


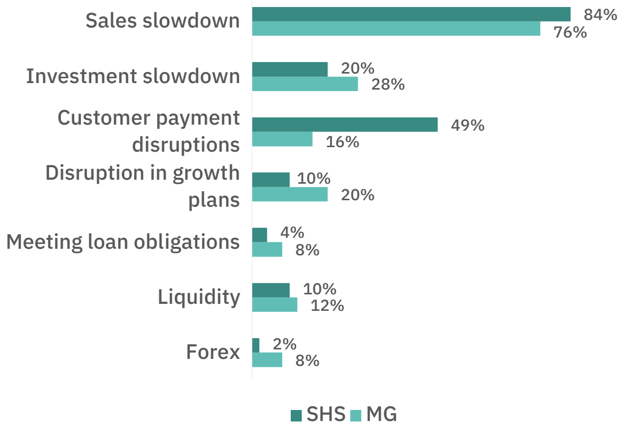
Repayments are driven partly by the options offered by the energy companies. A higher % of customers describe repayments as a heavy burden 12% in EA compared to 4% on average before COVID-19. Overall, repayments have only declined marginally suggesting a stickiness in customer usage that has also been seen across the KawiSafi portfolio. However, as incomes continue to be impacted, repayment rates are likely to fall further as affordability is adversely affected. We continue to monitor this closely.

Source: Full Survey results accessible here https://app.60decibels.com/covid-19#explore

Off-grid companies were exposed to poor sales, supply chain & liquidity challenges due to COVID-19, putting some at risk of potential shutdown

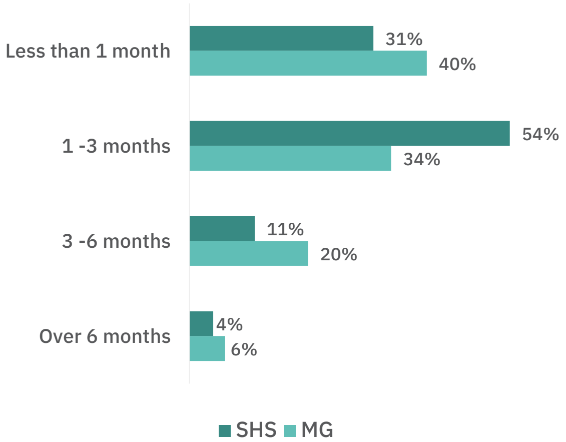
Overview: SEforAll surveyed 80 Mini-Grid (MG) and Solar Home System (SHS) companies serving more than 1.9 million customers and annual combined revenue of over $160m in Q2 2020 to understand the impact and identify interventions to support the off-grid sector.





Supply chain concerns: COVID-19 caused various import difficulties (e.g., inability to ship) and other supply chain challenges (e.g., high cost of logistics from major suppliers in China) affecting companies operations within the sector.

Performance: Companies were primarily concerned about the impact on sales and other financial challenges. ~50% of SHS respondents flag customer repayments as a major concern due to impact on their household financial situation, mini-grid customers showing payments resilience.



During the pandemic, the KawiSafi portfolio outperformed the industry on all key measures of sustainability, performance, and cash runway.

Burn rate: Cash positions were tight with ~80% of companies struggling with survival beyond a period of 3 months, prompting widespread cost cutting measures to maintain business operations.

Source: SEforAll, Identifying options for supporting the Off-Grid sector during COVID-19 crisis, Link
Notes: 1; GOGLA Off grid solar sales and impact data, 1H 2020. Full report accessible GOGLA 1H 2020 Sales Report, 2. KPMG, Government and institution measures in response to COVID-19. Link, 3. IMF, Policy responses to COVID-19, Link

Governments, development partners and sector stakeholders have taken proactive steps to support the industry and mitigate impacts of the pandemic

1. Advocacy efforts ensured that off-grid solar was deemed an "essential service" in 9 countries in Africa including Kenya, Uganda and Rwanda[1] enabling companies to maintain vital services to customers.

2. Cuts to the policy rates and reduced cash reserve ratios (CRR) to improve liquidity management within the economy; Kenya's MPC cut policy rate from 8.25% to 7.25% and CRR from 5.25% to 4.25%[2,3], Rwanda reduced CRR by 100 basis points from 5% to 4%.[3]

3. Bank debt restructuring to businesses facing financial difficulties due to COVID-19, particularly the SME sector.[2,3]

4. Gradual easing of lockdown and travel restrictions, allowing free movement of goods and services in Q2 and Q3 that saw companies' sales performance improve.[3]

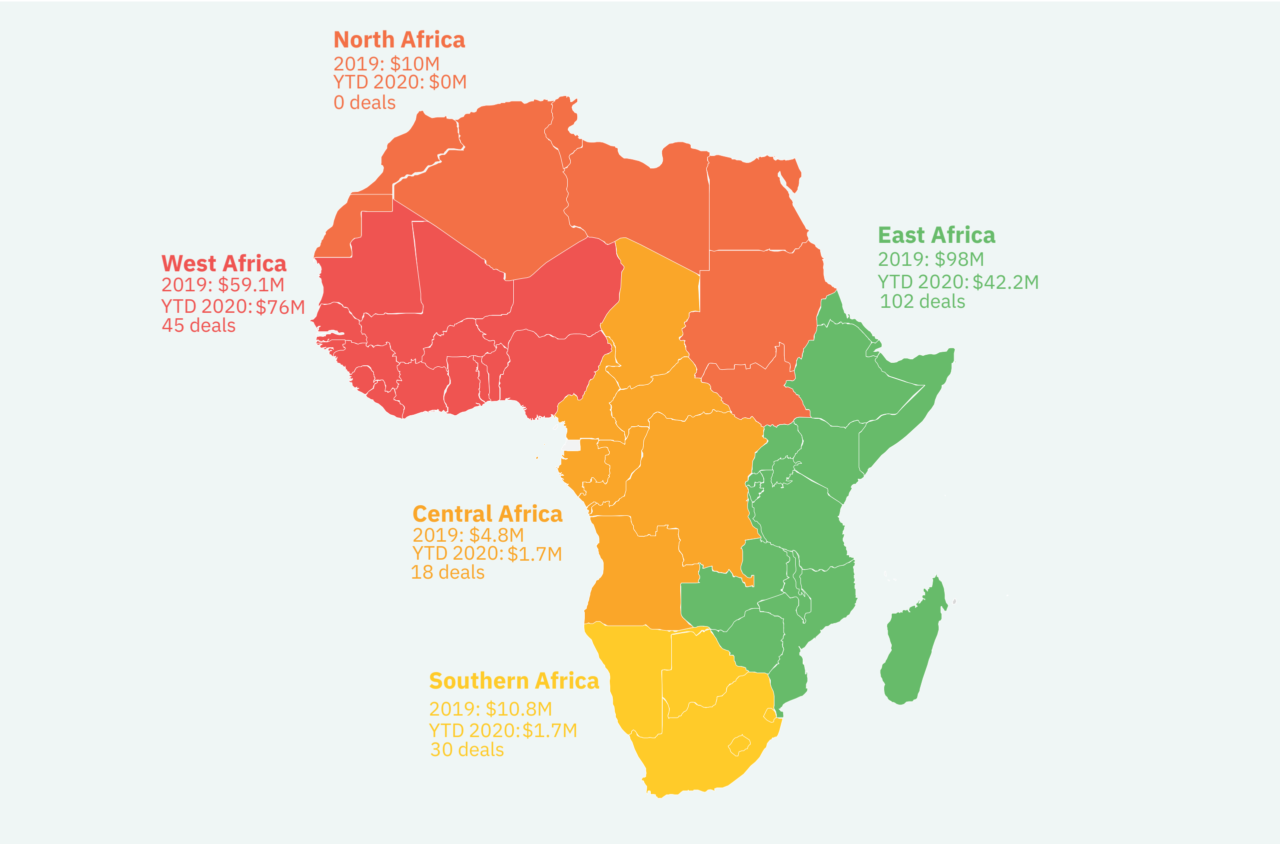
5. Financial Assistance deployed within the markets to support off-grid companies and their customers which contributed to the resilience of the sector; COVID-19 Energy Access Relief Fund (EARF) with bridging loans, Acumen sponsored relief fund with grants and loans to investees, African Development Bank (AfDB) with co-investment / de-risking debt investment, Innovate by UK Aid with grants for innovative projects across Asia & Sub-Saharan Africa in response to COVID-19, REACT Kenya Relief Fund by AECF with emergency grants to sustain renewable and Shell support to reduce customer payments.[1]

Given proactive interventions put in place to increase resilience to the pandemic, 2020 also saw counter productive initiatives that set back the progress towards green economies e.g., Introduction of VAT on clean cookstoves and biogas digesters in Kenya, causing sales to significantly decline.

Source: 1; GOGLA Off grid solar sales and impact data, 1H 2020. Full report accessible GOGLA 1H 2020 Sales Report, 2. KPMG, Government and institution measures in response to COVID-19. Link, 3. IMF, Policy responses to COVID-19, Link

2020 investments in off-grid energy held up despite COVID-19, however equity commitments have tapered significantly compared to debt funding[1]

Investment trends[1] (2019 v YTD 2020*)



Off-grid investment trends: YTD 2020*[1]

- Sub-Saharan Africa continues to capture the lion's share of off-grid investment, with 61% ($122M) of global investments ($199M) deployed in the region. West Africa edged out East Africa in 2020 with ~2 times more in terms of dollar amount invested.

- 2020 showed a significant tapering in equity commitments into off-grid globally ($31M YTD), compared to robust debt volumes ($142M YTD). Grant commitments grew considerably to a YTD total of $26M.

- "Top 10" companies in each year continue to dominate the off-grid financing landscape, with 88% of commitments going to them in 2020. YTD 2020 has seen a significant concentration, with 75% of all commitments going to the "Top 3" companies.

Note: YTD 2020 – Year to date as of August 31, 2020
Source: 1. Off grid Solar Investment Trends 2019-2020, GOGLA, Full report accessible, here

05 *Cold Storage in Action:* An InspiraFarms Case Study

In early 2020, KawiSafi closed an investment in InspiraFarms, a leading provider of cold chain solutions in Africa. KawiSafi is drawn to *InspiraFarms*' mission to transform agriculture in Africa by bringing modern cold chain technology to the first mile, reducing post-harvest losses and increasing shelf-life of fresh fruit and vegetables. The company's technology unlocks value for outgrower farmers in the supply chain and creates employment opportunities for rural communities, especially women. Below is a case study of one of *InspiraFarms'* clients, Lauetta Farms, to give you a flavor of why we invested.

The Customer

Lauetta Farms is a leading agribusiness located outside Harare, Zimbabwe that produces blueberries for premium-grade export. To gain access to key export markets, the farm in Zimbabwe is required to maintain premium export-grade quality over a long and complex transit journey.

For this, world-class cold chain infrastructure is required that is energy-efficient and reduces losses.

"When picking the berries at twelve in the afternoon, the berries can get up to 45 degrees and we have to make sure that we get that down to 8-10 degrees as quickly as possible. It's important that the cold chain that we have is up to scratch making sure that within 45 minutes to an hour, we can get the berry down to that temperature,"

Alistair Campbell, CEO of Lauetta Farms.

The InspiraFarms Solution

For blueberries, the most important aspect is precise and immediate cold chain. Every 45 minutes out of the cold chain results in the loss of one whole shelf-life day for the final product. Lauetta required a complete solution to perform post-harvest management of their berries in their farm. The main requirement was to have an effective pre-cooling solution for taking out the field heat as quickly as possible, which is indispensable for gaining enough shelf-life required for travelling the long distance to the final export markets. It was also important for Lauetta to maintain the lowered temperature during the post-harvest handling and packing process. After pre-cooling, any rise in temperature of the produce can be costly. Lastly, it was important to control and avoid dehydration during cooling cycles while removing field heat and cooling down the produce before being packed for export.

The InspiraFarms team guided Lauetta through the development of their on-farm cold chain. During the design process, the team took time to get a detailed understanding of the farm topography, location, and operations. They take into account: the harvest volumes per day, how often and in what volumes deliveries are made to the packhouse, the expected volume in year 1 alongside the peak production in later years, and how many employees will be inside the packing house, especially in the processing areas.

Factoring in all of the above, the InspiraFarms technical team came up with a design for a 240 square meter facility which included 2 pre-cooling rooms to remove field heat, a temperature-controlled packing room and a finished product room with forced air cooling to bring final product temperature down to 0-1 degrees. The facility included special add on features of humidifiers to reduce dehydration and remote monitoring technology.

The highly efficient cooling technology, coupled with modular prefabricated structures, offers the ability for Lauetta to expand on cold room or packhouse capacity when production expands.

Following the design process, comes production, shipping and installation. The entire facility including all panels, cooling equipment, pipes, cables, doors, lights, sockets, every nut, bolt and rivet was packed into 2x40ft containers, to be shipped from InspiraFarms' facility in Perugia, Italy. From arrival of these containers, the InspiraFarms project team handed over to Lauetta a complete turnkey facility in only 21 days. Following handover, time was spent in training Lauetta's team, not only in the operation of the facility but in cold chain protocols as well.

The Impact

In its first blueberry harvest, Lauetta was able to access premium markets in Hong Kong, Europe, UK and the Middle East. This was based on the size of their berries and quality on arrival in the market due to premium cold chain infrastructure and protocols. On post-harvest losses, Lauetta farms also reported that they have reduced their gross to net ratio by 4% and are now planning on expanding production to a total of 40 hectares by the end 2021.

Inspira's technology also enables Lauetta to create jobs in rural Zimbabwe, employing 50 workers for each of their InspiraFarms packhouses. These jobs are mostly occupied by women. Inspira provides training to ensure that employees understand how to effectively use the cold storage units.

Alistair Campbell, the Managing Director at Lauetta Farms, says that "what is becoming increasingly evident is that the better your cold chain, we are able to improve on our gross to net ratio as far as pack out is concerned. The future is bright, we want to expand. The world is loving blueberries at the moment as it is a super food with any good qualities. We have to make sure that we supply the best and we can only do that with world class infrastructure. I'm glad to say that we are very happy and wholly satisfied that we have received just that from InspiraFarms."

InspiraFarms' CEO, Julian Mitchell, notes: "At InspiraFarms we care greatly about how our products and services can change our customers business and the environment for the better. We spend a huge amount of time understanding our clients' needs to design the right product for their operation. We then use the latest clean cold chain technology to ensure our clients reduce their Post-Harvest Loss, their produce lasts longer, and their costs go down."

06 *Mapping the New Value Frontier of ESG:* A Conversation with Vukani Impact Collective

Louise Gardiner,
co-founder of Vukani

Over the past decade, Environmental, Social, and Governance (ESG) has become a mainstream discipline within the investment world. *KawiSafi* has a long-time partnership with *Vukani Impact Collective,* a South African impact advisory firm, who support us to track and manage ESG outcomes across our investment portfolio. Our team talked to Louise Gardiner, co-founder of *Vukani*, about how ESG has evolved, ESG in a post-COVID world, and what we can expect to see in the space going forward.

Q Why is ESG important to businesses?

ESG has become important to businesses of all sizes. It used to be more relevant to big corporations with high-profile reputations and global supply chains. You will remember the scrutiny of sweatshops in Nike's supply chain twenty years ago. Nowadays, all businesses are asked these questions - particularly by investors and customers. If you are in the supply chain of a big company, you can expect to get more questions about your labour practices, health & safety, and sustainable use of natural resources in the coming years.

Investors globally are rapidly adopting ESG systems to make sure they identify risks and to help their investee companies improve performance over time. Banks are now also joining this trend. We can expect to see a rapid growth in "green" and socially responsible lending. Which means, as a business, you could get better loan conditions by being a good ESG performer.

A consistent finding is that businesses with good ESG scores are able to access lower cost of capital, better insurance premiums, and are shown to be more resilient to market shocks. In turn, private equity funds can attract capital from the growing community of international investors with a sustainability focus, and investors can see a better return on their investments. This is confirmed by the increased focus on this topic by pension funds around the world.

Vukani works at the nexus of this new value frontier, helping align investor interests with business innovation.

Ultimately, ESG is just good business. It can lead to better management, lower costs, and happier and more productive employees. It can also boost your brand, particularly as stakeholders and consumers become more ESG savvy.

Q Have businesses faced challenges as a result of COVID-19 in implementing ESG practices and undergoing ESG evaluations?

Understandably, many businesses have been in crisis mode as a result of COVID-19 and haven't been able to implement new ESG systems. However, we have been impressed by the fact that, generally, businesses are taking ESG more seriously, not less. COVID-19 confirmed the importance of health & safety systems, good labour practices, and proactive management of an emerging issue as well as the co-independence between issues. This highlighted the value of taking other ESG aspects more seriously as well and we are seeing more interest from companies to develop ESG systems and scorecards.

ESG Tracker Modules

ESG TRACKER

Governance	Commitment	Society	Workforce	Gender	Environment	Resources	Innovation
Ownership and minority rights	Sustainability commitment	Addressing social vulnerability	Employment practices	Women on the board	Climate change strategic response	Water use	Differentiation
Succession planning	ESG roles and oversight	Community investment	Diversity and inclusion	Women employed	GHG emissions	Energy use	Designing for the environment
Board structure and competence	Strategic integration	Emergency preparedness and response	ILO core labour standards	Women in management	Land management	Material inputs	Designing for society
Ethics	Policies (for material issues)	Protecting human rights	Grievance management	Women ownership	Ecosystems and animal welfare	Waste management	Sustainable supply chain
Anti-corruption	Training (for material issues)	Supply chain development	Skills development	Women's health	Clean water		
Financial reporting	Monitoring (for material issues)	Customer protection	Health & Safety	Gender strategy	Clean air		
Legal compliance and risk management	Targets (for material issues)	Societal grievance mechanism					
	Disclosure	Contribution to job creation					
	Stakeholder engagement	Protection of cultural heritage					

Vukani's flagship online tool, the ESG Tracker, empowers companies and investors to actively track and improve their performance holistically across a range of environmental, social, and governance (ESG) measures in line with the latest international best practice.

UPDATE

Reports of labor and human rights abuses in the solar industry in China

In 2021, Bloomberg and other news agencies reported serious allegations of labor and human rights abuses in the solar industry in China, in particular in the region of Xinjiang that is home to a large share of the minority Muslim Uyghur population in China. This region is home to many of the industrial companies, such as polysilicon refineries, that produce the raw materials for solar panels. The reports focus on controversial government labor transfer programs, which they liken to forced labor for the predominantly Uyghur work force, and the poor working conditions at these factories.

KawiSafi takes these allegations seriously. We are working with GOGLA, our portfolio companies and peers in the sector to understand the situation better. Our existing ESG framework and diligence practice with Vukani specifically seeks to engage companies on creating greater transparency around labor and supply chain conditions. We have asked Vukani for their appraisal and recommendations based on these recent media allegations. We recognize that one of the most challenging issues for companies and external observers is to obtain credible and transparent information. Based on feedback from GOGLA and Vukani, we will work to implement recommendations for addressing human rights concerns in the off-grid solar supply chain and continue our pro-active engagement with our portfolio companies and pipeline on this important issue.

Q What challenges have your team at *Vukani* faced as a result of COVID-19 in carrying out your ESG evaluations?

COVID-19 had a big impact on how investors and service providers like *Vukani* could approach ESG assessments. For one thing, many businesses either closed for a time or allowed their staff to work from home. This made it more difficult to access premises and certain types of documentation, and meant interviews needed to be conducted virtually. We found we can still engage very effectively with company executives and staff online and we experimented with virtual site visits, where company staff can take us on a walk through their premises using their phone video. This is an interim solution, as in-person site visits are still essential in some cases.

When an ESG expert comes on site, they will ask questions and notice things that you may not be aware of as a business. There can be a huge amount of value in this by alerting you to issues that can be easily solved or require a longer-term solution. It is also the fastest and most effective way to get a reliable sense of your ESG performance particularly whether policies are being properly (and effectively) implemented in practice. We work with local partners around the world who can undertake these site visits more effectively and at lower cost and who understand the cultural context and local language.

Q With the progression in ESG investing in recent years, what do you think investment funds need to do better or differently to measure, manage, and amplify their practices on the same?

There is a growing focus on ESG data across the whole financial services and investment ecosystem. Fortunately, there is also greater convergence. Hopefully this means businesses will get less varied requests over time and can rather produce holistic ESG reports that cover what most investors, banks, and insurance providers want to know. Private equity funds are well placed to help businesses align their monitoring and reporting with this trend. Funds also have an interest in the financial performance of the business; therefore they can help businesses focus on the ESG factors that are most relevant or "material", thereby increasing value for the business - both tangible and intangible.

Research has shown that companies that focus on material ESG issues outperform financially, while focusing on non-material ESG issues can lead to underperformance in financial terms. Funds should focus their attention on helping companies focus on the ESG issues that matter and then turning good ESG performance into business advantage, such as through increased market share or attracting lower cost capital.

But most importantly, funds can make ESG a priority at board level within investee companies. By raising ESG questions at board meetings, funds can build awareness and cultivate a strategic approach.

Q What role do you think data analytics, AI / machine learning, and specialized software will play in the field of ESG evaluation going forward?

With the proliferation of data and interest from the financial sector there is no doubt that AI and machine learning will change how ESG information is produced and used. The internet of things (IOT) will also make some types of data more readily available in real time and with more reliability. This will be particularly helpful with environment-focused indicators such as water use, energy use, waste management, and transport patterns, etc.

There will still be a need for data on whether companies have good policies, systems, and strategies in place. These don't require regular monitoring. For instance, policies might only be updated once a year. However, dashboards can allow for companies to make immediate updates to their ESG scores when this happens. And the blockchain environment will enable fast verification so that businesses can quickly demonstrate their latest ESG credentials.

All these elements will support more robust big data analytics, which means we will finally start getting strong evidence of how specific ESG factors contribute to better business performance.

Q What are some other resources businesses can utilize in measurement and implementation of ESG (especially with limited resources)?

Our focus is helping small to medium sized businesses adopt practical ESG strategies that are proportionate for their size and stage. This often means finding solutions that don't require lots of financial and staff resources. Based on our findings, we recommend actions and include links to useful resources to help with specific tasks. We will also provide advice on whether an external service provider is needed or whether a simple strategy exercise and excel spreadsheet would suffice.

A good example is doing a carbon footprint exercise. There are numerous online tools that can help you do these calculations. The gold standard is the Greenhouse Gas Protocol, which tells you exactly what elements you need to measure and how. They also provide a list of different tools that align with their methodology: https://ghgprotocol.org/calculation-tools. Another example is deciding what indicators to measure if you want to show you are having a positive impact on society. The SDG Compass (https://sdgcompass.org/) is one of our favourite resources for finding tools and indicators that are relevant for specific businesses.

07 *Beyond the Tipping Point:* The Future of Battery Storage in East Africa

Anthony Mburu,
Founder, EnerStore Africa

Across East Africa, we are starting to see the deployment of battery storage alongside renewable energy. Battery storage has the potential to accelerate the transition to renewables at scale by managing intermittency and guaranteeing energy at the time of need. However, storage is still considered a luxury option and there are myriad challenges to widescale adoption. **Anthony Mburu**, founder of EnerStore Africa and previously Business Development Lead for Tesla in Africa, shared his perspectives on the state of the market and what we can expect for the future.

Q Why is battery storage not yet a default option for solar and other renewables in East Africa?

As the cost of batteries declines, storage is starting to make economic sense for solar projects across the region. However, **the drop in prices is not sufficient yet to make storage a no-brainer**. The economic case is still very much dependent on *'value stacking'*, the combining of several use cases for the battery in a single site, such as firming renewable energy, reducing curtailment due to load / generation mismatch, minimizing peak demand and managing renewable energy use to when the sun isn't available. Also, the load pattern has a significant effect on whether storage makes economic sense: for example, if most of the load is during day hours and has a relatively flat curve, it makes little sense to add battery storage. The converse is also true: a spiked load profile and night time loads will benefit greatly from a battery.

With the above in mind, it is unsurprising that uptake in East Africa has so far been driven mainly by the off-grid space - in particular, C&I solar projects away from the grid, such as tourism, mining, and agribusiness - where there is a strong business case versus sourcing power from diesel generators. The uptake has been much slower in grid-tied C&I and residential contexts as the additional cost of battery storage still outweighs the benefits. Similarly, uptake in the front-of-meter / utility end of the market has also been slow due among other things to a lack of an appropriate compensation and tariff framework for battery storage and an understandably cautious approach to innovation in the public sector.

Q How much further do battery prices need to fall for solar + storage to go mainstream in East Africa?

In any solar plus storage installation, the battery system (the whole system, including balance of system and power electronics) accounts for the single largest cost and can comprise up to 60% of the total project value. The good news is that global battery pack prices are declining rapidly due to a mix of factors, including economies of scale driven by electric vehicles (EVs) demand, manufacturing learning curves, and improvement in battery chemistries as a result of billions of dollars invested in R&D.

Lithium-ion battery prices, which were above $1,100 per kilowatt-hour (kWh) in 2010, **have fallen 90% in real terms to $137/kWh in 2020**, according to Bloomberg New Energy Finance (BNEF). When factoring in all components of a battery system, the cost of storage today is somewhere between $300 and $350 per kWh. BNEF projects that **the prices of battery systems will fall to USD 270/kWh by 2025 and as low as USD 170/kWh by 2030**.

Applying levelized energy cost (LCOE) models, the result would be **solar plus storage energy costs of between $0.09/kWh to $0.15/kWh by 2025**. This compares to grid electricity prices today of between $0.025/kWh in Ethiopia to a high of USD 0.49/kWh in Ghana with a sub-Saharan Africa average of $0.14/kWh, and diesel generator costs ranging between USD 0.40/kWh and USD 0.60/kWh.

Both grid and diesel costs are, in many cases, heavily subsidized by governments. This implies that **in the next 3-4 years we shall begin to enjoy truly cost competitive solar plus storage energy prices in East Africa**, even before we factor in potential sweeteners in the form of tax incentives, as well as upward pressure on grid electricity costs over time.

Q What other factors could drive rapid adoption of battery storage in East Africa?

While price is the most important driver, we will not see rapid adoption of battery storage without a strong push from other parts of the energy ecosystem.

- **Availability of appropriately priced and structured financing:** as more financing options become available, we can expect uptake to increase. The financing of solar PV has already gone mainstream and institutional lenders are starting to understand battery storage as a sub-asset class within infrastructure. Longer loan tenures to match battery storage lifecycle, recognition / derivation of salvage values (e.g. from a secondary market or recycling), accurate modelling of storage revenue streams, and depreciation are some of the factors that can help to drive this further.
- **Introduction of policy incentives:** if you look at most of the markets where there is rapid adoption of battery storage, government incentives are uniformly central to the transition. Policy support can take several forms: favorable tax regimes (e.g. import tax exemptions, capital deductions), net metering schemes, feed-in tariffs that appropriately value the use of battery storage, incentives to spur uptake of electric vehicles, clear regulations and robust quality standards, can all play a key role. Governments should also start to scale back subsidies for fossil fuels (it is estimated that Nigeria spends up to $12 billion annually on diesel fuel subsidies).
- **Emergence of energy storage as a service (ESaaS) business models:** given the high upfront costs and complex technical requirements, we can expect to see innovative businesses that provide customers with access to the benefits of storage without them having to own the ‘expensive’ battery or shoulder the associated technology risk.

Battery charge / swap services and battery leasing models for home and business use will become more widely available. Communications technology embedded in battery systems will enable remote monitoring and control of batteries, enabling ESaaS models and reducing the credit risk. One example is Jaza Energy which has deployed over 40 'energy hubs' in Tanzania where off grid customers can hire fully charged lithium ion batteries for use in their homes for as little as $0.45 per charge.

- **Rapid growth in electric vehicles (EVs) and the development of a secondary market for batteries:** The global demand for lithium ion batteries (which is leading to the rapid decline in prices) is being driven today by the ever-increasing demand for EVs. In East Africa, we are seeing a proliferation of early-stage innovation in the EV space and early adoption by ride-hailing firms such as Bolt and Uber. We are also seeing support from the public sector: for example, the Rwandan government recently announced full tax exemptions for EV imports and charging infrastructure equipment. These are all significant steps that will boost the uptake of EVs in East Africa and ultimately the demand for battery storage solutions.
In addition, this enables a secondary market for used EV batteries that are still viable for use in stationary applications in homes and businesses with some refurbishment. In time, as more of the original batteries in EVs are upcycled, a secondary market will emerge, offering a great trade-off between usability and price of battery storage.

Q What can we expect in the next five years?

We should be bullish on the future for battery storage in East Africa in the next 3 to 5 years. Adoption will continue to be driven by C&I solar and (to a lesser extent) residential mini-grids, but we also expect to see some large utility-scale deployments tied to national grids as governments look to manage intermittent power from solar and other renewables.

Recently, Kenya's power generation company KENGEN invited bids for a study which could pave the way for a front-of-the-meter battery storage market. They estimate that deployment of up to 700 MWhs of battery storage has the potential to bring down Kenya's cost of power by 15% or more. This will require appropriate contractual frameworks to make sure developers have the right incentives to deploy storage. But, given the prevailing trends, it is only a matter of time.

08 Our Media Highlights

Click on the headers below for links to reports.

d.light's receivables financing platform grows to $127M. (Jan 21)
Brighter Life Kenya 1 (an off-balance sheet financing vehicle that acquires pay-as-you-go (PAYGO) Solar Home System (SHS) accounts receivables from d.light's Kenyan subsidiary) has increased the size of its local currency receivable financing facility to USD 127 million with an additional USD 15 million of senior debt from Norfund.

FEI-OGEF invests $10M into d.light (Feb 20)
The Facility for Energy Inclusion Off-Grid Energy Access Fund (FEI-OGEF), managed by Lion's Head Global Partners (LHGP) announced a $10 million debt investment in d.light. This will support the Company expand its East African operations further. Press Release.

Bboxx closes Trafigura equity investment (Feb21)
Bboxx closed equity financing from Trafigura, one of the world's leading independent commodity trading companies, to accelerate progress on deploying LPG as a lower carbon clean cooking fuel across Africa.

Lendable featured in Impact Assets 50 database (Feb 21)
Lendable was featured on Impact Assets 50 2021, a publicly available, online database for impact investors, family offices, financial advisors and institutional investors that features a diversified listing of private capital fund managers that deliver financial, social and environmental impact.

BioLite's impact reach at over 1 Million people (Nov 20) BioLite achieved a major milestone as its impact grew to reach over 1M people in 2020, with the number of people living with clean energy access through BioLite's products at 1,400,941 as at November 2020.

Bboxx secures $4M loan with FEI-OGEF to expand in DRC (Nov 20)
Bboxx has secured a $4 million loan from the Facility for Energy Inclusion Off-Grid Energy Access Fund (FEI OGEF), a debt fund managed by Lion's Head Global Partners to accelerate Bboxx's operations in the DRC.

InspiraFarms new CEO appointed (Feb 21)
InspiraFarms is pleased to announce the appointment of Julian Mitchell (Linked In profile) as the new CEO. Coming from a background of fast-growing businesses in East Africa, he is well placed to continue the growth trajectory that InspiraFarms is on.

Lendable expands to Latin America (Dec 20)
PayJoy, a leading provider of financial solutions to under-served customers in emerging markets, raised a $26 million debt facility from Lendable Inc to expand its smartphone lending portfolio in Mexico.

09 What We Are Reading

Click on the headers below for links to reports.

GOGLA: Global Off Grid Solar Market Report (Jan-June 2020)

GOGLA and The World Bank Group's Lighting Global program publish a market intelligence series on sales and impact of off-grid solar lighting products, sold by GOGLA and Lighting Global affiliates. This report highlights data for 1H 2020.

Bloomberg NEF and SEforALL: State of the Mini-grids Market Report (2020)

The report provides the latest updates on the global mini-grids market and highlights key trends in the industry that, together, can stand as the definitive source of information for stakeholders.

GOGLA Off Grid Solar Investment Trends (2020)

Key takeaways from the GOGLA Deals Database.

60_decibels: Consumer Insights in the time of COVID_19

As at January 2021, 60_db had spoken to 25,423 people in 19 countries (Brazil, Cote d'Ivoire, DRC, Ghana, India, Indonesia, Kenya, Madagascar, Myanmar, Nigeria, Paraguay, the Philippines, Rwanda, Senegal, Sierra Leone, South Africa, Tanzania, Uganda and Zambia) about how COVID-19 has affected their lives. Most recent insights available.

CLASP Appliance Data Trends 2021 (Jan 21)

The 2021 Appliance Data Trends report builds on the 2018 report and presents updated product performance, energy efficiency, and pricing trends for off-grid appropriate televisions, fans, refrigerators, solar water pumps and early market insights for electric pressure cookers.

UN Emissions Gap Report (2020)

The eleventh edition of the United Nations Environment Programme (UNEP) Emissions Gap Report.

World Bank: Africa's Pulse Vol 22: Charting the Path to Recovery (Oct 2020)

This is the latest Africa's Pulse report which presents economic analysis for the region from the Bank. The report projects economic performance and suggests policy and investment reforms that can foster a stronger recovery for the region.

CLASP SE4All Off Grid Appliance Market Survey 2020 (Oct 20)

Key insights on the perceived demand for, and impact of, off-grid appropriate appliances using data collected from 133 industry, policy, and development stakeholders.

Bloomberg New Energy Outlook (2020)

The New Energy Outlook is BloombergNEF's annual long-term analysis on the future of the energy economy. Covers transport, industry and buildings in addition the power sector and offers an assessment of the economic drivers shaping these industries.

10 Our Team

KawiSafi Ventures team

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