

RENEWABLE ENERGY – FROM SMALL- TO LARGE-SCALE

THE CHALLENGE

Access to energy in rural areas

In Kenya, about half the population has access to electricity, with the average decreasing to only 5% in rural areas.

In Uganda, the average is 14% overall, down to 7% in rural areas.

Building and maintaining expensive distribution networks in sparsely populated areas does not make practical or economic sense.



THE SOLUTION

Rooftop off-grid power

Standard Bank has been working with M-KOPA Solar, a leading pay-as-you-go energy provider, to deliver off-grid power supply to these areas.

During 2017, Stanbic Kenya acted as arranger and book runner on a US\$55 million local currency debt facility for the company.

M-KOPA will use the funding over the next three years to finance pay-as-you-go solar installations in one million homes in Kenya and Uganda.

Stanbic leads the debt facility and has committed US\$9 million.

The debt is backed by customer receivables, paid over mobile money payment plans.

It's the largest commercial debt facility to date in the pay-as-you-go off-grid energy sector.



Stanbic Bank arranged US\$55 million funding in Kenya and Uganda for M-KOPA, the world's leading off-grid pay-as-you-go energy company, showing how rapidly and effectively new disruptive off-grid energy solutions can provide affordable energy when coupled with innovative financial solutions.

– Stephen Lovell, Head of corporate financing solutions, Stanbic Kenya





I returned to Ghana to be part of the effort to develop our country. At this stage in our nation's growth, there is nothing more impactful than the provision of power and infrastructure to the populace, whether in small villages or in the urban centres. I am privileged to be in a position to contribute to the decisions ultimately made by Stanbic to commit our financial capital and human resources to projects that enhance our energy sources and industrial infrastructure.

– Randolph Rodrigues, Head of investment banking, Stanbic Ghana



▶ **THE IMPACT**
Affordable,
clean and
safe energy



Access to
affordable energy
drives economic growth and increases quality of living for everyone – from business owners to school children doing their homework and parents preparing dinner.

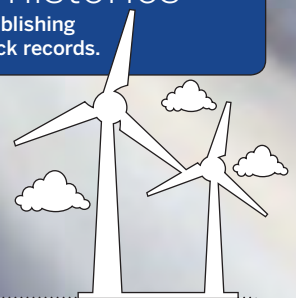
Standard Bank expects off-grid solutions to supply
higher volumes
as technology and funding mechanisms become more accessible.

To date, M-KOPA has connected well over
700 000 homes
in East Africa.

Its predominantly
low-income
customers can access lighting, phone charging, radio and TV on daily mobile money payment plans that are typically lower than kerosene fuelled power.

M-KOPA customers with limited access to formal financial services can now develop
credit histories
through establishing payment track records.

M-KOPA customers now enjoy more than **62.5 million hours of kerosene-free lighting per month and will save at least 600 000 tonnes of CO₂ over four years.**



Standard Bank **co-arranged US\$623 million funding for Kenya's Lake Turkana wind farm**, the largest in Africa with a capacity of 310 MW. This will power up to one million homes, and will account for about 15% of Kenya's total power capacity. Construction of the wind farm is complete. A delay in finalising the grid transmission line is being addressed by an inter-ministerial committee.