



CLEANSTART IN UGANDA

UNCDF CleanStart co-invests in early stage business ideas that can have a positive ripple effect in the way rural customers buy and use modern energy.

ENERGY ACCESS SITUATION IN UGANDA

Uganda aims to become an upper middle income country by 2040. Universal access to energy is critical to making this happen. With current improvements in price and performance of off-grid solar products, efficient appliances and fuels, **rural households and businesses can leapfrog to a more modern, energy efficient way of living.**

28%

Ugandan adults with an account in a financial institution (Findex 2014)



35%

Ugandan adults with a registered mobile money account (Findex 2014)



20 USD

Average spent monthly on kerosene and mobile phone charging in deep rural areas (CleanStart)



80%
People without electricity (Census 2014)



71%
People using firewood for cooking (Census 2014)



34,600,000
POPULATION (Census 2014)



GOVERNMENT TARGETS ON ENERGY ACCESS

The Government of Uganda is committed to increasing access to modern energy services through rural electrification and renewable energy development. In addition to the National Energy Policy (2002) and Renewable Energy Policy (2007), various strategy and policy documents reinforce this commitment:

- **80 percent of the population with access to energy by 2040 (Uganda Vision 2040)**
- **26 percent rural electrification by 2022 (Rural Electrification Strategy and Plan 2013-2022)**
- **More than 98 percent of the population with access to electricity and more than 99 percent with access to non-solid fuels by 2030 (Sustainable Energy for All Action Agenda)**

CleanStart works closely with the Ministry of Energy and Mineral Development to achieve these goals.

CLEANSTART PORTFOLIO IN UGANDA

In 2016, CleanStart committed a co-investment of USD 1.2 million in five companies (see back for details) to find breakthroughs in consumer and value chain financing for energy. The goal is to reach 100,000 new customers by 2017.

Together with the Embassy of Sweden in Uganda, UNCDF CleanStart will co-invest in more energy SMEs in Uganda. The goal of these investments is to reach an additional 150,000 customers by 2020.

UNCDF CLEANSTART energy access challenge fund

UNCDF CleanStart, in collaboration with UNCDF SHIFT's Challenge Fund, opened at the end of 2015 an energy access challenge fund window for Cambodia, Myanmar and Uganda to:



Support financial institutions and other enterprises to achieve breakthroughs in consumer financing and/or energy value chain financing.



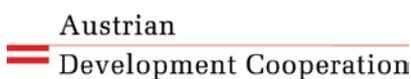
Support proven entrepreneurs and management teams to keep innovation firmly on their current agenda while building out their businesses for future growth.



Support innovations that will have a ripple effect in the whole market and inspire others to adopt winning strategies.

CLEANSTART IS A PROGRAMME OF THE UNITED NATIONS CAPITAL DEVELOPMENT FUND (UNCDF).

SUPPORTED BY





INNOVATION: Combine clean cooking and power generation and sell on a pay-as-you-go basis.

“We aim to convince customers to purchase household energy in an integrated manner – solving for the two biggest energy expenditures in the household – cooking and lighting – in one financed transaction.”

JAN DE GRAAF, BIOLITE UGANDA GENERAL MANAGER



INNOVATION: Become the most affordable solar home system sold on a pay-as-you-go basis.

“The savings that we achieve through our keypad method of unlocking the device, lower costs of customer acquisition, our existing distribution network, and our economies of scale will translate into the most affordable PayGo offering available in the market.” KARL SKARE, DIRECTOR, PAYGO PRODUCTS



INNOVATION: Become the first Ugandan cook stove manufacturer to combine clean cooking with solar power generation, and sell on a pay-as-you-go basis.

“Eco Group aspires to make access to a total energy package affordable for rural households through Eco Pre-Pay. The customer no longer needs to deal with multiple vendors to have energy for lighting, phone charging and cooking.”

ROSE TWINE, MANAGING DIRECTOR, ECO GROUP



INNOVATION: Build web based data collection and sharing platforms to offer greater insight into the Ugandan pay-as-you-go sector (sales, customer payments) to improve data harmonisation and transparency.

“Currently the growth of pay-as-you-go solar companies is stunted by lack of access to refinancing as their loan portfolios grow. The platforms being developed aim to expand and harmonise the data available to potential funders to help them understand and increase investment in the market.”

THOMAS HUTH, CEO, VILLAGE POWER



With Eco Stove people can cook and use solar power for 2,250 UGX a day.



INNOVATION: Provide energy loans to the unbanked at their door steps by using alternative credit scoring tools and equipping sales agents with digital devices

“Real scale will only be achieved by finding effective ways to lend to new clients that are not part of FINCA's current, pre-approved customer base, and this will only be realized if clients (with and without traditional credit histories) can access loans quickly and easily.”

ALEJANDRO JAKUBOWICZ, ACTING CEO FINCA UGANDA



Agents from Village Power and BrightLife explain how to use their products.