

POWERING AFRICA, BEYOND THE GRID

Hundreds of millions of people in sub-Saharan Africa live without access to electricity. Power Africa aims to double access to electricity by enabling 60 million new electricity connections for homes and businesses. To reach this ambitious goal, Power Africa launched *Beyond the Grid*, a sub-Initiative focused on investment and growth for off-grid and small-scale energy solutions across sub-Saharan Africa.

The private sector drives *Beyond the Grid*. Power Africa has partnered with more than 40 investors and practitioners, leveraging more than \$1 billion in commitments towards achieving innovative solutions. These financial commitments give Power Africa a tool to achieve *Beyond the Grid's* targets, but African governments must do their part. Power Africa is working to ensure that regulatory environments are supportive of off-grid options.

MOBILIZING FINANCE

Sustainable, private sector-led business models are succeeding in the marketplace — bolstered by decreasing costs of technology, innovative financing options, and a growing cohort of entrepreneurs. Building on this momentum, *Beyond the Grid* is using the full suite of tools and resources of the U.S. Government and its partners to mobilize finance to small-scale energy projects. For example, Power Africa, along with other donors, successfully worked with the Tanzanian government to increase the length of a standard Power Purchasing Agreement from 15 to 25 years to enable NextGen, an American company, to access financing for a solar project. The Overseas Private Investment Corporation (OPIC) used the U.S.-Africa Clean Energy Finance Initiative (ACEF) to provide early stage funding, and is committed to financing \$10 million for the project.

ENABLING ENVIRONMENT

Market growth hinges on the public sector providing transparent regulatory and policies that provide clear, predictable rules for project development, investment and operation. However, existing policies and regulatory frameworks are not always primed to support the new and emerging business models that transformational technologies such as mobile money enable. *Beyond the Grid* helps create an enabling environment for investment in this space.

Beyond the Grid primarily targets new electricity access, focusing on two strategic priorities driving toward achieving the goal of adding 60 million new home and business connections:

1. Support to private sector, such as providing project preparation funding, guarantees, and technical assistance.
2. Support to enabling environments, primarily through technical assistance and capacity building.

Power Africa is defining access in line with the United Nations' Sustainable Energy for All (SE4ALL) Global Tracking Framework, which starts with the minimum level of "task lighting" and cell phone/radio charging. While that first kWh or lumen is often the most valuable, Power Africa also strives to enable higher levels of service that can power appliances and income generating activities.





The President talks with June Muli Head of Customer Care, M-KOPA. (Official White House Photo by Pete Souza)

THE POWER AFRICA BEYOND THE GRID TOOLBOX

Power Africa’s growing toolbox offers a number of technical resources to *Beyond the Grid*. Tools include early-stage transaction assistance, early-stage support for innovative business models, financial assistance, capacity-building, as well as legal, policy, and regulatory design and reform assistance. New resources announced in October 2015 include a new \$75 million loan guarantee facility targeted at supporting companies in the small-scale energy business (projects 10 megawatts and under), and a multi-donor partnership led by the United Kingdom’s Department for International Development (DFID) on scaling household solar under DFID’s Energy Africa access campaign.

	Financing		Policy Dialogue
	Technical assistance		Market Information for Government and Businesses
	Capacity Building for Rural Energy Agencies		Convening
	Partnerships		Loan Guarantees

FOR MORE INFORMATION

General: www.usaid.gov/powerafrica/beyondthegrid

Toolbox: www.usaid.gov/powerafrica/toolbox

Email: powerafrica@usaid.gov

Check out the Power Africa Annual Report: www.usaid.gov/powerafrica/annualreport

