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In June 2021, with co-sponsorship from the Global Off Grid Lighting Association (GOGLA), the African Mini-Grid Developers Association (AMDA) and the Global Distributors Collective (GDC), GreenMax Capital Group organized the **Green-4-Access (G4A) First Loss Facility Donor/Impact Investor Roundtable** to discuss a new risk mitigation facility being launched by GreenMax, which would partner with Local Financial Institutions (LFIs) across Africa to scale up local currency debt financing for energy access. During the G4A Roundtable, our panel of expert speakers from the off-grid industry shared information about the financing challenges they are facing and the importance of a first loss facility like G4A to catalyze lending for energy access in Sub-Saharan Africa.

- In the opening session, Tatia Lemondzhava and Jon Exel from the World Bank set the stage with an overview of the shortfall in financing faced by mini-grid developers receiving RBF grants in Nigeria and other countries where the Bank is funding energy access programs. The Bank's team described their experience in trying to secure the participation of LFIs in providing debt finance for the off-grid sector and what is needed to engage LFIs in scaling up their off-grid lending. The panelists highlighted their support for the G4A concept as one possible way of engaging LFIs.



Jon Exel
Senior Energy Specialist
World Bank Group



Tatia Lemondzhava
Energy Specialist
World Bank ESMAP

- In Session 2, the GreenMax team of Ezinne Okafor, Sunkanmi Olowo and Koye Alaba provided a brief description of G4A's objectives, products, progress and capital structure – summarizing the proposition for providing funding to G4A. The team explained how G4A will be truly catalytic. We expect our initial \$50M capitalization to leverage around \$900M in LFI lending, which is 18X leverage overall with the grant providers funding the bottom tranche of the G4A capital stack achieving nearly 90X leverage! You can access the G4A Summary Presentation [here](#). Potential funders can request a full Investment Memorandum Pitch Deck by writing to: cja@greenmaxcap.com.



Sunkanmi Olowo
Director
G4A First Loss Facility



Koye Alaba
Chief Financial Analyst
G4A First Loss Facility



Cynthia Ozurumba
Analyst
G4A First Loss Facility

- In Session 3, our PAYG segment panel, led by Roan Borst from GOGLA, provided specific insights from PAYG companies and Last Mile Distributors (LMD) on the obstacles they face in securing local currency financing. Federico Hinrichs from GDC provided an overview of LMD financing needs. Vivien Patt from Simusolar, which is focused on delivering PUE solutions in rural communities of Tanzania and Uganda, Anton Espira from Solibrium, a Kenyan owned LMD offering SHS and PUE products, and Remco van de Riet from Zola Electric, one of the larger international PAYG providers, were unanimous in expressing strong interest in developing off-balance sheet debt solutions with direct lending by LFIs to their customers, explaining how this would support their future growth.

Moderator:



Roan Borst
Project Manager, Access to Finance
GOGLA

Panelists:



Federico Hinrichs
Global Distributors Collective



Vivien Patt
CFO, Simusolar



Anton Espira
Director, Solibrium Solar



Remco van de Riet
Director, Corporate Finance
Zola Electric

- In Session 4, our Mini-Grid segment panel, led by Joan Chahenza of AMDA, examined the challenges faced by mini-grid developers in securing long-term debt financing. Ashish Shrestha, our panelist from the World Bank, quantified the significant financing gap still remaining for mini-grids awarded grants under the Nigeria Electrification Project. Jude Numfor and Prosper Magali – representatives from two African owned mini-grid pioneers, REI in Cameroon and Ensol in Tanzania, respectively – relayed their long frustrations that the risk thresholds set by LFIs are too high for their projects to meet without credit support and thus welcomed the introduction of G4A. Riccardo Ridolfi, the CEO of a third mini-grid developer, Equatorial Power, explained the persistent mismatch of mini-grid financing needs with the short term, high-priced debt products that are generally available to them.

Moderator:



Joan Chahenza
Director, Energy Access Financial Advisory
AMDA

Panelists:



Ashish Shrestha
World Bank ESMAP



Jude Numfor
Managing Director, REI



Prosper Magali
Director, ENSOL



Riccardo Ridolfi
CEO, Equatorial Power

In closing the event, GreenMax CEO Clifford J. Aron summarized these takeaways:

1. African LFIs can play a critical role in the energy access finance ecosystem
2. Past instruments for engaging LFIs to play a large role in the off-grid sector have had only mixed success
3. A new intervention like G4A consisting of much stronger risk mitigation combined with robust TA is worth trying
4. G4A is a well-developed facility with substantial support from the off-grid industry and from LFIs across Africa
5. G4A has a capable team with a track record to make it work

The full recording can be accessed [here](#).

For more information about G4A, please do not hesitate to contact us at: cja@greenmaxcap.com, solowo@greenmaxcap.com and kalaba@greenmaxcap.com.