



DE-RISKING PAY-AS-YOU-GO SOLAR HOME SYSTEMS IN UGANDA REFUGEE SETTLEMENTS PROJECT

FY19 Annual Progress Report

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CONTRACT INFORMATION

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EXECUTIVE SUMMARY

This Annual Progress Report profiles the progress achieved in fiscal year 2019 (October 1, 2018, through September 30, 2019) on the United States Agency for International Development-funded project, “De-Risking Pay-As-You-Go Solar Home Systems in Uganda Refugee Settlements” (Task Order No. 720-674-19-F-00001). The project aims to accelerate off-grid investment and energy access by incentivizing private-sector Pay-As-You-Go Solar Home System companies to enter Kiryandongo and Rwamwanja refugee settlements and host communities in Uganda. Initiated October 15, 2018, the 22-month project is being implemented by Green Powered Technology (GPTech) in partnership with Energy 4 Impact. The project entails the design, implementation, management, and monitoring of a milestone-based Grants Program.

PROGRESS

The project is broadly divided into two major tasks: a grants window, and dissemination of lessons learned. Over this past year, the project has focused on the first task and successfully moved from designing the Grants Program and awarding the successful Solar Home System (SHS) applicants, to its current stage of supporting the applicants’ implementation of their grants. Specifically, the GPTech team first designed the Grants Program, documenting its governance, structure, and operation informed by extensive outreach with stakeholders. Second, the team issued a Call for Proposals, submitted the applications to rigorous technical review, and selected the winning SHS proposals. Last, the team monitored and provided support to the grantees as they initiated the 12-month implementation of their grants. Since the start of implementation in June 2019, grantees have established their infrastructure and operations in the refugee settlements and host communities, including sales centers, marketing, recruitment and training of staff, and customer service. With this foundation in place, grantees are pivoting focus to sales, with a collective 545 SHSs sold thus far. They have also hired 47 individuals.

CHALLENGES

Setting up new operations in the context of refugee settlements has not come without a few minor challenges, despite the extensive experience of the grantees elsewhere in Uganda. A more persistent challenge has been recruiting and retaining refugees as commission-based sales agents. Attrition has been higher than elsewhere in Uganda, likely due to more competitive salary-based jobs from non-governmental organizations. Grantees have also had to adopt the local languages into their marketing materials and customer service operations by employing individuals fluent in the languages of the refugees, which include Dinka and Arabic. Finally, access to the refugee settlements was prolonged due to a one-month delay in securing the required authorization from the Office of the Prime Minister.

SUCCESS STORIES

In light of minor challenges and operating in a wholly new market context, grantees are witnessing early successes. BrightLife, operating in the Kiryandongo settlement and host communities, more than doubled its September sales target of 75 SHS, selling 159 units, which it attributes to sound implementation across multiple disciplines—marketing, recruitment, product quality, and customer support.

In another example, the GPTech team saw an opportunity for broader impact by gathering SHS grantee representatives with representatives of the U.S. Africa and Development Foundation, who are also serving

energy needs of refugee settlements in Uganda. In the first of quarterly round table discussions, representatives from six companies from both programs convened to share lessons learned and explore areas for strategic collaboration. Conversations covered such issues as hiring refugees, dealing with refugee identification constraints, and teaming up when advocating to the government for similar causes. The representatives meet again in November 2019 to continue their conversations.

BEST PRACTICES

The Grants Program also experienced a relatively trouble-free and expeditious start, moving from initiation and design to launch and grantee selection in roughly two months. Enabling factors included Energy 4 Impact's invaluable previous experience with SHS sales in refugee settlements in Kenya, the team's extensive stakeholder outreach, and capturing detailed market information to empower applicants with the details required to create viable and impactful proposals.

OUTLOOK

In the coming months, as the SHS grantees finish implementation, they will leverage the foundation they have set in terms of infrastructure and operations to quickly ramp up sales. Along the way, they will likely fine-tune their model, adjusting marketing and the product mix to align with customer preferences, and keep their staff motivated and capable with quarterly refresher trainings. The GPTech team will continue to monitor progress and provide advice where needed.

ACRONYMS

CfP	Call for proposals
FY	fiscal year
GP	Grants program
GPTech	Green Powered Technology
MEL	monitoring, evaluation, and learning
NGO	non-governmental organization
OPM	Office of the Prime Minister
PAYGO	Pay-as-you-go
PAUESA	Power Africa Uganda Electricity Supply Accelerator
SCC	Smart Communities Coalition
SHS	Solar home systems
TEC	Technical Evaluation Committee
TOCOR	Task Order Contracting Officer's Representative
UNHCR	United Nations High Commissioner for Refugees
USADF	U.S. African Development Foundation
USAID	United States Agency for International Development

INTRODUCTION

This Annual Progress Report profiles the progress achieved over the last year by the United States Agency for International Development (USAID)-funded project, “De-Risking Pay-As-You-Go Solar Home Systems in Uganda Refugee Settlements.” The project aims to accelerate off-grid investment and energy access by incentivizing private-sector Pay-As-You-Go (PAYGO) Solar Home System (SHS) companies to enter Kiryandongo and Rwamwanja refugee settlements and host communities in Uganda. The 22-month project is being implemented by Green Powered Technology (GPTech) in partnership with Energy 4 Impact. The project involves the design, implementation, management, and monitoring of a milestone-based Grants Program. Design of the Grants Program will be guided by realities on the ground, determined through wide-ranging stakeholder consultations.

This initiative showcases USAID's key contributions to the Smart Communities Coalition (SCC) as a co-chair. The SCC seeks to improve the delivery of essential services to refugees and host communities through enhanced coordination between public and private entities and the strategic introduction of technology, in accordance with three foundational pillars: energy access, digital tools, and connectivity. This project will encourage private companies to view refugee communities as a viable market, with lessons and experiences gained through this project as a catalyst for future energy access developments within refugee settlement economies.

Key project features:

- The Grants Program will further innovation and reduce the knowledge, product, financial, and risk barriers to serving refugee communities.
- Three grants were awarded, totaling \$465,000.
- Applications were solicited during a one-time grant window of 20 working days.
- Awards were made to PAYGO SHS companies with at least 12 months of commercial operation experience in East Africa.
- Grant implementation will not exceed 12 months, although grantees are anticipated to continue operating in these areas beyond this period.
- Grant implementation will occur without distorting market economies, such as through free distribution of SHSs.
- The project aims to positively impact host communities, defined as communities within a 10-kilometer radius of designated refugee camps.
- Aggregate data and lessons learned will be collected and shared to further establish refugee settlements as viable target markets for PAYGO SHS companies.

PROGRESS

The following section summarizes the progress achieved within the last year, organized to follow the format of the approved project work plan.

TASK I – GRANTS WINDOW

COMPONENT I.1 GRANTS WINDOW DESIGN, LAUNCH

The Grants Window Design process was an important foundational process that ensured the design of the grant Call for Proposals (CfP) was strategically aligned with and informed by market prospects and the SHS companies' business interests. Key activities that contributed to this process are outlined below.

DEVELOP A GRANTS PROGRAM GOVERNANCE PROPOSAL The GPTech team prepared a Grants Program governance proposal, covering the structure and processes related to the management of the Grants Program and describing the key actors in the Grants Program and their roles and responsibilities relative to decision-making, management, and implementation of the Grants Program. Discussions regarding roles and responsibilities addressed: (1) who will make decisions on grant selections; (2) what engagements are required or allowed by the applicants; (3) post-award management, oversight, and award implementation; (4) reporting and disbursement of funds; (5) and issues such as intellectual property and confidentiality of information.

COMPLETE LITERATURE REVIEW The GPTech team finalized its review of relevant literature, which had begun at the beginning of the project. This review, which involved over 44 documents, included sector and stakeholder assessments to further inform the team's understanding of the program context. The review included references and documents provided by USAID and that the team identified and stakeholder interviews. The review identified key/strategic considerations for the design of the Grants Program to maximize participation, solicit quality applications, and lead to the achievement of program objectives.

CONDUCT OUTREACH TO RELEVANT STAKEHOLDERS GPTech contacted 18 stakeholders, as listed in Table I below. The stakeholders included SHS companies with whom the team queried on such topics as the enabling environment, their business model and products, target markets, and the areas within which they operate. The stakeholder outreach also included USAID and its affiliates, and covered topics about experience in Uganda, rural energy access, refugees, and host communities. For all stakeholder engagements, the team developed discussion guides to direct the conversations and promote consistency across the conversations; a fact sheet on the project was shared.

TABLE 1: INDIVIDUALS AND ORGANIZATIONS CONTACTED

Ray Gorman – Power Africa Off-grid Project	David Jones – Power Africa Off-grid Project	Travis Kotecco – SCC
Richard Smith – PAUESA	Jit Bhattacharyya – Fenix International	Dickens Ibok Solantis
Waringa Matindi – Village Energy	Stefan Grundmann – BrightLife	Patrick Muriuki Greenlight Planet
Druni Jakani - Lacha Community Economic Development	Waddell Bobby Lutheran World Federation	Iveta Ouvry - Mercy Corps
John Paul Magezi Uganda Office of the Prime Minister	Jay Patel – Village Energy	Muhammed Lubowa – All in Trade
Ronald Schuurhuizen – SolarNow	Julius Magala – UNCDF	Ranya Sherif, Mohamed Abdel-Al, Gerald Peter Emoyo – UNHCR

PLAN REFUGEE SETTLEMENT VISITS TO SUPPORT DESIGN GPTech had considered visiting the host communities and refugee settlements if there were gaps in information and perspectives related to the market potential and associated risks to SHS PAYGO companies. These gaps were not identified and the visits were not made.

PREPARE MARKET INFORMATION PACKAGE The GPTech team prepared an information packet of materials for potential applicants, which included the SCC market profile of the two refugee settlements, Kiryandongo and Rwamwanja; identified challenges and opportunities; and provided additional resources, such as other aid organizations operating in the energy space in Uganda, mobile money organizations, and energy organizations. This information helped potential applicants refine their business model to suit the unique refugee context.

DEVELOP INDICATIVE PROJECT OUTLINE The market information packet included an overview of the Grants Program, including the key requirements for applicants, additional contracting requirements, and answers to anticipated questions. The purpose of the information packet was to prepare applicants for the subsequent release of the CfP and corresponding application completion. It was also intended to guide SHS companies in developing fundable and sustainable projects that could achieve the Grants Program project objectives.

ESTABLISH EVALUATION CRITERIA The GPTech team developed a primary framework to assess applicants’ eligibility and then a second framework to evaluate applications. As a first step in the evaluation process, the team screened the applications for eligibility against the following criteria:

1. Applicant proposes providing SHSs that can be paid through mobile phone-based PAYGO technology.
2. Applicant proposes to sell a product at market price without any direct customer subsidies.

3. SHSs being offered consist of multiple lights and a port for phone charging; systems can also include appliances but are not required.
4. SHSs being offered under the Grants Program comply with Lighting Global standards and have certification under the Lighting Global program, or the SHS applicant has started certification procedures for the proposed products.
5. Applicant has been operating on a commercial basis in East Africa for a minimum of 12 months.
6. Applicant or a key partner is fully registered to do business in Uganda.
7. A company can submit only one application.
8. Application targets the Kiryandongo and/or Rwamwanja refugee settlements and host communities.
9. Applicant has an annual turnover in the past two or three years equivalent to or greater than the award amount sought.

The criteria used in the evaluation of the applications covered four categories: sustainability, financial, performance, and technical, with respective total possible scores of 20 points, 25 points, 25 points, and 30 points.

If an application received a “fail” or an “unclear” for any one of these nine criteria, it was generally deemed ineligible.

PREPARE DRAFT CALL FOR PROPOSALS The GPTech team prepared and submitted the key document in the Grants Program package CfP to the Task Order Contracting Officer’s Representative (TOCOR) for approval. The CfP was accompanied by three documents: (1) a Grants Program application instructions and templates, (2) a Grants Program application submission checklist, and (3) the Certifications and Assurances Statement.

CONDUCT GRANTS PROGRAM LAUNCH WORKSHOP On February 13 and 14, 2019, the GPTech team held a Grants Program launch workshop, attended by more than 75 individuals from the financial sector, development/humanitarian agencies, project implementation, and private-sector energy companies. On the first day, GPTech presented an overview of the Grants Program, the challenges for private-sector engagement, and the opportunities for energy access. On the second day, Eng. Ranya Sherif, Senior Environment Team Lead with United Nations High Commissioner for Refugees (UNHCR) in Kampala, spoke about accessing energy issues in refugee areas, and Energy 4 Impact gave an in-depth presentation about the Grants Program, discussing its policies, procedures, and the application. The workshop was attended by representatives from the full range of stakeholders, with a particularly high representation by PAYGO SHS companies. The workshop provided an opportunity for SHS companies to engage with GPTech and to clarify the requirements of the CfP.

Approximately eight energy service companies represented by 12 delegates attended one-on-one informational sessions that followed each morning’s more general presentations. This was a time for companies interested in the Grants Program to have one-on-one discussions with the GPTech team.

It proved strategically useful to use the Power Africa Uganda Electricity Supply Accelerator (PAUESA) workshop for soft launching the Grants Program. PAUESA's work in Uganda is both established and respected. PAUESA's hosting of the 'Sourcing Finance to Increase Energy Access Workshop' at the time that GPTech proposed to launch the De-risking PAYGO SHS in Ugandan Refugee Settlements Project provided a convenient opportunity to soft-launch the initiative on an established and familiar platform. The grant-focused character of the workshop meant that many of the stakeholders that GPTech intended to target would be participating in the workshop. This included private sector organisations, industry associations as well as donor and government organizations. The GPTech team effectively leveraged the traction and networks that these USAID/Power Africa implementing partners had established, which was important given the quick turn-around times of the De-risking PAYGO SHS initiative.. The level of interest in the Grants Program was very encouraging, and the questions and discussions were relevant, which offered insight into the de-risking options that were likely to be proposed.

COMPONENT 1.2 GRANTS PROGRAM PROJECT IDENTIFICATION, APPRAISAL, AND SELECTION

CALL FOR PROPOSALS LAUNCH The CfP was launched on February 20, 2019, with announcements sent to the following communication channels:

- The *Daily Monitor*, a local Ugandan newspaper (both print and online);
- Direct outreach to stakeholders/platforms, including the United State Energy Association, United Nations Capital Development Fund, and UNHCR;
- By email to participants of the Sourcing Finance to Energy Access workshop;
- Social media (LinkedIn, Twitter); and
- Power Africa Beyond the Grid team and network
- Other global networks, including Kenya.

On the same day as the CfP was announced, the team launched the web page, <http://greenpoweredtechnology.com/projects/ugandapaygogrants>, which housed the final CfP documents. Additionally, a group email account, grants@greenpwr.com, was established to receive email from interested organizations responding to the announcement. The team received and logged multiple registration requests and questions. Finally, due to an initial technical glitch, the deadline for applications was extended from March 4, 2019, to March 25, 2019.

APPLICATION SUBMISSION The CfP was open for approximately one month, from February 20, 2019, to March 25, 2019. During that period, prospective applicants were able to submit questions, which the GPTech team compiled, answered, and distributed to all registered applicants. On March 14, 2019, the first batch of approximately 25 questions was answered and circulated to applicants.

ELIGIBILITY SCREENING As indicated previously, a set of criteria was applied to applications to assess their eligibility. On March 26, 2019, the Grants Program Manager began initial screening, validated by the Senior Technical Advisor. Of the 12 applications received, 2 were deemed ineligible and the remaining 10 were admitted to the first evaluation stage.

In the first evaluation stage, two members of the GPTech team conducted an initial scoring. Out of a total potential score of 200, the top six applications scored between 159 and 179, and the bottom four scored between 66 and 138. After group discussion among the GPTech team members, it was decided that a score of 150 marked a “break” in the applicants; therefore, the top six applications were forwarded on to the Technical Evaluation Committee (TEC).

TECHNICAL EVALUATION OF PROPOSALS Applicants with proposals that passed the eligibility screening process were elevated for further reviewed by the TEC. TEC membership was nominated by the GPTech team and selected by USAID. The TEC consisted of the following individuals:

- Ms. Laura Patel; Grants Manager, USAID De-Risking PAYGO SHS project
- Mr. Robert Aitken; Senior Technical Advisor, USAID De-Risking PAYGO SHS project
- Mr. Paul Clark; Access Manager, PAUESA
- Mr. David Jones; Technical Advisor, Power Africa Off-Grid Project

Prior to beginning their respective reviews, each TEC member was provided the Terms of Reference, which outlined the project context, and TEC member roles, expectations, and processes for the review. A TEC orientation call was held to further introduce the members to the Grants Program and the review process. Each TEC member was required to sign each evaluation score card which included a declaration of impartiality and confidentiality. The TEC was given approximately five working days to complete its initial scoring, following which several meetings of the TEC were held to discuss the applications, strengths and weaknesses, and where additional information may be needed (and requested from applicants) to complete the evaluation and final recommendation for award. Each TEC member received an evaluation criteria and scoring template, which included the following four key criteria categories:

1. Technical Impact
2. Performance and Capabilities
3. Financial Management
4. Sustainability

Once the applications had undergone preliminary scoring, these scores were collated and averaged across the reviewers. The GPTech team presented a list of recommendations for TOCOR approval.

GRANTS SELECTION After the March 25, 2019, closing date for submission of the Grants Program applications, and in accordance with the USAID-approved Grants Program Manual and associated Grants Program procedures, the GPTech team initiated the screening and review process for the 12 applications. The first meeting of the TEC was held on April 16, 2019, with all TEC members present to discuss the scoring. The TEC agreed that the applications from Fenix International and BrightLife stood out for being more professional and comprehensive and meeting all of the eligibility criteria under the Grants Program. Both applicants identified and addressed specific challenges to entering the refugee setting and provided more details on how the activities would be implemented. Both applicants also showed proposed activities integrated into an overall plan.

Although SolarNow proposed a much less aggressive sales targets compared to other applicants, the TEC

found the proposed targets reasonable, given the uncertainty of the refugee context and SolarNow's sales model. The applicant also demonstrated a strong track record in Uganda, with the sale of 20,000 SHSs since 2011. The TEC agreed that SolarNow was the clear third place applicant. A second and third meeting of the TEC were held on April 23, 2019, and May 1, 2019, to review additional information SolarNow had submitted, as well as the proposed budgets of the top three applicants. Recommendations for these three applicants were sent to USAID for final approval. Following this, all applicants were notified of the results.

COMPONENT 1.3 GRANTS AWARD, IMPLEMENTATION SUPPORT

FINALIZE GRANT AGREEMENTS WITH GRANTEEES Grant agreements were signed with the three new grantees, Fenix International, BrightLife, and SolarNow. The grant agreements covered such issues as the terms and conditions, approved budget, payment schedule and milestones, reporting guidelines, and payment details.

MONTHLY REPORTING AND CHECK-IN CALLS WITH GRANTEEES Grantees submit written reports on a monthly basis to the GPTech team and follow up a few days later with a check-in call with the GPTech team. The monthly reports provide updates and accomplishments for the preceding month on implementation, communications, and management and outline plans for the coming month. The reports also provide updates on the tracking indicators for number of products sold, staff hired and trained, and any challenges the grantees may be facing.

DISBURSEMENT OF FUNDS TO GRANTEEES As of the date of this report, BrightLife had successfully submitted evidence of the milestones achieved for its first scheduled disbursement, and payment of \$30,000 has been made. Fenix International has recently submitted revised evidence of meeting its milestones for its first disbursement of \$50,000; the GPTech team is currently reviewing this submittal. SolarNow intends to submit evidence for accomplishment of milestones under its first two scheduled disbursements (\$30,000 each) in October 2019.

COMPONENT 1.4 MONITORING, EVALUATION, AND LEARNING PLAN

DEVELOP PROJECT-LEVEL MONITORING, EVALUATION, AND LEARNING (MEL) PLAN To ensure that this task order progresses effectively and achieves its outcomes and objectives, as stated in the Results Framework of the project work plan, the GPTech team will measure performance of the project in accordance with contract reporting requirements. As detailed in Table 2 below, the project is tracking three Power Africa indicators: (1) number of SHS sales (disaggregated by type of connection and sales to refugees vs. host community residents), (2) number of refugees and host community residents employed and trained (disaggregated by gender and location), and (3) the number of SHS companies selling in refugee settlements and/or host communities.

Grantees report on these indicators via their monthly written reports as well as at the mid-point and conclusion of the implementation period. At that time, the GPTech team will visit with grantees at the settlements and host community to validate the accuracy of reporting.

INDICATOR TABLE

Table 2 documents the results to date of the project.

TABLE 2: INDICATOR TABLE					
NO.	INDICATOR	TARGET	RESULTS		
			FY 19 Annual Report (10/2019)	Mid-Implementation (12/2019)	End-Implementation (5/31/2020)
1	Number of new SHS direct off-grid connections from PAYGO SHS sales	10,000	545		
	Type of connection (e.g., household, business, school, health clinic)	n/a	Households, businesses		
	Sales to refugees and host community members	n/a	Refugees: 66 Host C.: 479		
2	Number of refugees and host community members trained and employed by PAYGO SHS companies, including employment on a commission basis	15	47		
	Male/Female	n/a	Female: 11 Male: 36		
	Refugee	10	Refugees: 3		
	Host community member	3	Host C.: 44 ¹		
3	Number of PAYGO SHS companies entering and actively selling in Kiryandongo and/or Rwamwanja refugee settlements and host communities	2	3		

n/a = not applicable ¹Estimated for both refugee and host community member given the breakdown for grantee SolarNow could not be confirmed at time of this report. Grantees Fenix International and BrightLife had a combined 2 refugee hires and 36 host community member hires.

DEVELOP GRANTEE-LEVEL MEL PLAN Each grantee developed a MEL framework tailored to its proposed project activities. Each grantee MEL framework includes the same high-level Power Africa indicators that contribute to the project-level MEL plan with the addition of customized indicators specific to their activities. As part of their MEL plan, grantees also report on challenges and opportunities of working in refugee settlements and host community contexts, and any variations to their business model to suit this context.

CHALLENGES ENCOUNTERED AND SOLUTIONS PROPOSED

During the course of project implementation, the GPTech team and the grantees have encountered challenges, as profiled below, which have been fully resolved or are in the process of being resolved.

ROOFTOP SOLAR INSTALLATIONS

ISSUE SolarNow observed that the canvas roofing materials and simple frameworks that characterize refugee housing and businesses may not support the weight of their generally larger SHSs (50Wp – 200 Wp).

RESPONSE While not yet resolved, SolarNow is considering pole-mounted systems to avoid subjecting the roof to additional weight. However, this will increase the installation costs, which will have to be recovered through increased customer payments.

INCOME FACTORS

ISSUE Both SolarNow and Fenix International noted through surveys the relatively lower income levels of refugees compared to consumers in markets they serve elsewhere in Uganda. This raised the concern that they may not be able to meet sales targets.

RESPONSE This observation is not surprising to the GPTech team or grantees. Indeed, the Grants Program explicitly acknowledges a range of socioeconomic challenges and is designed to assist grantees in “de-risking” these realities. SolarNow is likely to feel the effects of low income levels more acutely given the higher costs (even when amortized) of their products given the larger system sizes.

LANGUAGE AND COMMUNICATION

ISSUE A shared observation initially among grantees is that the predominant languages spoken within the settlements is different—as one would expect—than the host communities and country as a whole. SolarNow expressed further concerns that “language disparities” may engender distrust, while BrightLife noted the need for Dinka-speaking customer care agents and Fenix International pointed out the need for Arabic speakers among its teams.

RESPONSE The most obvious response, and one that the grantees pursued, is employing native speakers of the predominant settlement languages. While this took longer than expected, the grantees have now recruited the staff, both sales agents and customer services officers, who speak the required languages. The grantees are also working with other organization (for instance, the Whitaker Peace Initiative) for assistance in identifying suitable employment candidates. These partner organizations, with their established on-the-ground presence, are better positioned to provide informed insights and guidance on

working and recruiting within the settlements. The partner organizations are also known entities among the refugees, which is invaluable in gaining trust of potential employees.

RECRUITMENT AND RETENTION

ISSUE BrightLife indicated that it was struggling to recruit staff within the settlements and, to some extent, the host communities as well. For instance, BrightLife noted a lack of appetite for commissioned-based jobs by the local youth, which resulted in a high turnover of sales agents.

RESPONSE The grantees are addressing this issue on multiple fronts. With staff already recruited, the grantees are focusing on retention by providing quality, upfront training, followed by close oversight and guidance to ensure early sales to “win” the enthusiasm and interest of sales agents. Additionally, grantees are working with local organizations and leaders to identify promising candidates. For example, BrightLife is working with the Whitaker Peace Initiative on its youth training program, where interested youth are directly trained and recruited as sales agents. Additionally, Fenix International is exploring an adjustment to the sales agent compensation package to provide a mix of salary and commission instead of the current commission-only arrangement, as this will present a more competitive compensation package when compared to NGOs, which are the primary competitor. Fenix is mindful to ensure the overall compensation is consistent with the comparable employment so as not to distort the market.

IDENTITY DOCUMENTS

ISSUE Both SolarNow and Fenix International noted that the refugees within the settlements did not have familiar identity documents, which are required as part of the grantees’ standard customer vetting process, based loosely on the requirements of “Know your Client.” Instead of national identification and/or passport documents, refugees generally have “refugee camp identification.”

RESPONSE Both SolarNow and Fenix International have resolved these issues internally with their company risk and administrative representatives. SolarNow has changed the requirements in its database to accommodate refugee camp identification, while Fenix has taken similar steps on FenixDB (internal database) and FenixGO (mobile application), both of which now accept refugee identification as part of the customer vetting process.

MOBILE MONEY

ISSUE Customers of the grantees have raised the issue of difficulty and/or lack of familiarity with mobile money.

RESPONSE SolarNow’s team has been working with prospective customers on installation and use of the mobile money app. Meanwhile, surveys by Fenix International in Rwamwanja revealed that 86% of households own mobile phones, and 91% of those mobile owners had registered with mobile money. In Kiryandongo, a similar survey revealed mobile phone ownership of 94%, with 80% of those phones registered for mobile banking.

It would appear that initial concerns around low levels of mobile phone ownership and related access to and use of mobile banking are largely unfounded. While some training or familiarization may be required, levels of mobile phone ownership as well as familiarity with mobile banking are largely reassuring.

ACCESSING THE REFUGEE SETTLEMENTS

ISSUE Grantees were unable to access the refugee settlements due to delays in the Office of the Prime Minister's (OPM's) access approval process.

RESPONSE/RESOLUTION After one month from the date of the request, the OPM approved the grantees' requests for access.

SUCCESS STORIES

ROUND TABLE WITH USADF GRANTEES: LESSONS LEARNED AND STRATEGIC PARTNERSHIPS

Citing an opportunity for a broader collaboration to amplify impact, the GPTech team went beyond the original scope of the project and arranged a round table discussion between the three grantee SHS companies and four grant recipient companies under a USADF program, also serving rural energy needs in Ugandan refugee settlements. The grantees first met on August 30, 2019, and will meet three more times throughout the year on a quarterly basis, with the next gathering schedule for November 29, 2019. The objectives of the meetings are for grantees to share lessons learned and to explore strategic collaborations.

The USADF program, known as the "SCC Pay-As-You-Go Off-Grid Energy Challenge," aims to bring affordable and renewable energy to rural communities and promote youth entrepreneurship through small grants to African-owned enterprises (including refugee-owned). The grantees under this program are as follows:

- AGA Great Works, working in the Bidi Bidi refugee settlement in northwest Uganda, is using its grant to support a solar mini-grid;
- The Raising Gadho Foundation, also operating in Bidi Bidi, is using its grant to support its clean cooking solution;
- Power Trust Uganda, operating in Kiryandongo, is using its grant to support its stand-alone business hubs; and
- Solar Today, operating in Rwamwanja, is using its grant support its SHS for businesses.

At the first round table of grantees, the discussion generated the following common lessons learned and partnership opportunities:

- Refugee Hiring
 - **Challenge** Grantees have had challenges recruiting and retaining refugees, who tend to favor the higher salaries offered through NGOs operating in the settlements.
 - **Solution Proposed** USADF grantee, Solar Today, which has a long presence in its area, recommended creating synergies with other organizations operating in the same area,

such as with FinChurch Aid, that help hire students through a joint recruitment process. While the grantees have not yet met with FinChurch Aid specifically, they have reached out to other organizations, including the Whitaker Peace Initiative and the Danish Refugee Council.

- Lack of Acceptable Identification
 - **Challenge** Hiring refugees is constrained by the lack of acceptable identification among candidates who face delays from organizations issuing the identification documents.
 - **Solution Proposed** The grantees proposed approaching multiple organizations to request expediting the process, such as the refugee welfare council, the local OPM, the Lutheran World Foundation, and UNHCR. To date, the grantees have not taken this step, and are focusing current hiring on refugees with acceptable identification.
- Partner Up When Making Requests
 - **Challenge** USADF grantees, Aga Great Works and Raising Gabdho, are experiencing major delays with gaining licensing and regulatory approvals from the Rural Electrification Agency, despite having signed memoranda of understanding with the UNHCR sub-office.
 - **Solution Proposed** The grantees noted the benefit of partnering up with one another to add weight to their collective requests for approvals.
 - **Solution Proposed** Solar Today representatives indicated that they had had success with gaining approval and invited other grantees to their offices to further discuss their process and lessons learned.

In addition to identifying common challenges and exploring solutions, the other significant advantage of this round table gathering was that grantees had the space to build familiarity and relationships with one another, which lends to smoother cooperation once back in the host communities and settlements, where they otherwise would have little interaction. As evidence to this increased spirit of cooperation, the grantees are setting up a WhatsApp group to facilitate communication.

USAID GRANTEE BRIGHTLIFE EXCEEDS MONTHLY SALES TARGET TWO-FOLD

During September 2019, BrightLife exceeded its monthly sales goal of 75 SHSs two-fold, selling 159 SHSs. While this may seem minor given its 12-month project goal of selling 1,750 SHSs, it is commendable given the grantee only began operations in Kiryandongo in June of 2019. BrightLife does not attribute this success to any one factor, but rather to a comprehensive and quality start-up operation that executed tasks across the board on time and to a high standard. This included recruitment, training, marketing, customer service, strategic partnerships, and quality products with few customer complaints. In BrightLife's recruitment, for example, it successfully hired Peter Mugwanya, a former head of national sales and regional manager for a competitor. In addition, Mr. Mugwanya had experience in the Kiryandongo area, which afforded him familiarity with the customers, economics, and stakeholders of the region. In another example, BrightLife was effective at building its brand early on, holding launch events where local

leaders gave speeches, helped draw crowds, and endorse products, and hosting an awareness-building event that drew 62 local leaders.

BEST PRACTICES

RAPID GRANTS PROGRAM DESIGN, LAUNCH, AND SELECTION

The Grants Program moved from initiation and design, to launch and grantee selection in a relatively trouble-free and expeditious manner. GPTech believes the following factors accounted for that success.

- **EXPERIENCE** GPTech’s partner, Energy 4 Impact, had previous involvement in supporting SHS companies in refugee settlements in Kenya under the Moving Energy Initiative. Energy 4 Impact was directly involved in supporting BBOX, a PAYGO SHS company well established in East Africa, in supplying SHSs in the Kakuma refugee camp in northwest Kenya. This kind of experience proved invaluable in terms of understanding the opportunities and challenges presented by the refugee markets and designing a grant program that was responsive to these socioeconomic and political realities, effectively providing “de-risked” entry into refugee markets by private-sector SHS companies. The GPTech team also engaged with the non-profit international development organization SNV, who is recently involved with energy access within refugee markets.
- **MARKET INFORMATION** Such information is critical for the SHS companies as well as for the design of the Grants Program. The SCC’s refugee settlement profiles of both Rwamwanja and Kiryandongo were very useful, as was the information available on the Uganda Refugee Response Portal and the information researched and gathered by the GPTech team, all of which were made available to interested PAYGO SHS companies through an “information pack.” A greater understanding of and insights into refugee markets enabled SHS companies to develop sustainable strategies for serving the settlements, as well as fulfilling the commercial requirements of the Grants Program.
- **MARKET INTELLIGENCE** The GPTech team engaged extensively with the Ugandan national and regional SHS market, holding meetings with SHS companies and representative associations. GPTech understood the market, both countrywide and in the western Uganda region in particular, the level of interest, concerns, strengths, and weaknesses, all of which facilitated the design of a Grants Program to address these realities.
- **ENABLING ENVIRONMENT** While understanding the refugee markets and the SHS companies that can serve these markets is critical, so is understanding the institutional framework and players that can both support and/or frustrate the implementation of the Grants Program. The GPTech team made a point of understanding and engaging with all the prominent and mandated organizations within this space, including the Office of the Prime Minister, the UNHCR, all the donors, active charitable organizations, those involved in training and support functions, and others. The team used these engagements to better understand the “playing field” and thus understand which organization is prominent in specific activities and how, if necessary, such organization might assist both GPTech and the grantees.

BEST PRACTICES BY GRANTEES

Given the stage of the project, it is too early to definitively identify substantive or new best practices on the part of the grantees; however, early indications suggest there will be practices to profile in forthcoming project reports.

OUTLOOK

Now at month 5 into the 12-month implementation stage of the project, the grantees have established themselves in these new markets and are shifting their focus to scaling up sales. The grantees have studied their market, set up sales centers, stocked inventory, recruited and trained staff, and conducted marketing, among other actions. With the foundation in place and the grantees shift to growing sales, they will also be fine tuning the business model and conducting efforts to sustain operations. On a quarterly basis, most of the grantees give a training refresher to keep sales staff up to date, on message, and motivated. Also, as necessary, the grantees will adjust the customer vetting process to ensure creditworthiness, tailor marketing strategies, and refine the customer education approach. Collectively, these adjustments will help keep grantees on target toward growing sales.

The GPTech team will monitor sales progress and provide support to help keep grantees on target. Currently, all grantees are on target with their sales goals. However, Fenix International's goal of 1,000 sales in November is an ambitious target, given their record of 200 total sales thus far. The GPTech team is conferring with Fenix to ensure the infrastructure and planning is in place to generate this growth, and will provide guidance as necessary.