



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

Grants Program Information Pack

February 2019



Photo Credit: Power Africa, Photo By Xaume Olleros

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### SECTION I: PROGRAM DESCRIPTION, OPPORTUNITIES, AND MARKET PROFILES

*This section is intended to provide a brief overview of the focus settlements and host communities, of Kiryandongo and Rwamwanja, including a review of key opportunities and additional available resources.*

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### SECTION II: THE GRANTS PROGRAM

*This section is intended to give prospective applicants an overview of the grants program, the key requirements for applicants, the application process, additional contracting requirements and answers to anticipated questions. It aims to prepare prospective applicants for the subsequent release of the Call for Proposals (CfP) and corresponding application completion.*

<b>01</b>	GRANTS PROGRAM OBJECTIVES
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**SECTION I:**  
**PROGRAM DESCRIPTION, OPPORTUNITIES, AND MARKET**  
**PROFILES**

## Introduction: Background and Project Description

**Background.** Of Uganda's 42.86 million population, 1.1 million are refugees<sup>1</sup>. Uganda hosts more refugees than any other African nation and has established a refugee policy framework that focuses on self-reliance and greater coordination of development assistance. Within the settlements, there continues to be a need for basic services such as access to electricity, with limited or no grid-connection and where access to home lighting and electricity are sporadic. Uganda will roll out the Comprehensive Refugee Response Framework (CRRF), which seeks to advance innovative strategies benefiting refugees, host communities and the building of local economies. While these settings present an opportunity for the private sector, they also present an uncertain operating environment and additional risks. Companies selling energy products and services often lack information to make sound business investment decisions, such as current energy usage and needs, resident income and livelihood data, population demographics, ability and willingness-to-pay for services and products, particularly relative to how to compete in a market that has historically seen aid agencies provide some of the services and products for free. These constraints (perceived or real) can deter companies from viewing these locations as viable markets.

**About Power Africa.** In 2013, Power Africa was launched to bring together technical and legal experts, the private sector, and governments from around the world to work in partnership to increase the number of people with access to power in Africa. Power Africa is among the largest public-private partnerships for development in history with over 160 public and private sector partners, 12 U.S. Government agencies and 18 bilateral and multi-lateral development partners to achieve its goals. It aims to achieve 60 million new connections and 30,000 MW of new generated power, reaching 300 million Africa people by 2030. Uganda— due to its low electrification rate, favorable enabling environment, strong private sector participation and financially viable energy market — presents a promising environment to deliver results towards Power Africa's objectives. Power Africa's engagement in Uganda has included transaction advisory services for generation projects, master planning, accelerating off-grid energy access through supporting off-grid firms and the Government of Uganda, and working with financial institutions and concessionaires to mobilize finance, enabling financing across the value chain. See [www.usaid.gov/powerafrica/uganda](http://www.usaid.gov/powerafrica/uganda) for further details on Power Africa's work in Uganda.

**Project Description.** The USAID Power Africa's **De-Risking Pay-As-You-Go (PAYGO) Solar Home Systems (SHS) in Uganda Refugee Settlement Project**<sup>2</sup> builds upon USAID's recent and ongoing work in Uganda. It seeks to showcase Power Africa's key contributions to the Smart Communities Coalition (SCC) as a Co-Chair, along with Mastercard, and over 30 SCC members. The SCC is working 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 – *connectivity, digital tools and energy access*. The project aims to help to accelerate off-grid investment and energy access by incentivizing private sector companies to recognize the market and business development potential in refugee settlements and host communities. Through a **Grants Program**, GPTech will provide funding support to selected PAYGO SHS companies to help de-risk their potential investments for market entry into **Kiryandongo** and **Rwamwanja** refugee

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<sup>1</sup> An official inquiry conducted in March 2018 found that Uganda hosts 1.1 million refugees rather than the 1.4 million that was previously assumed. See, for instance, <https://www.theguardian.com/global-development/2018/oct/30/inquiry-finds-refugee-numbers-exaggerated-in-uganda>

<sup>2</sup> USAID has engaged Green Powered Technology, with Energy 4 Impact, as Implementing Partners for this project.

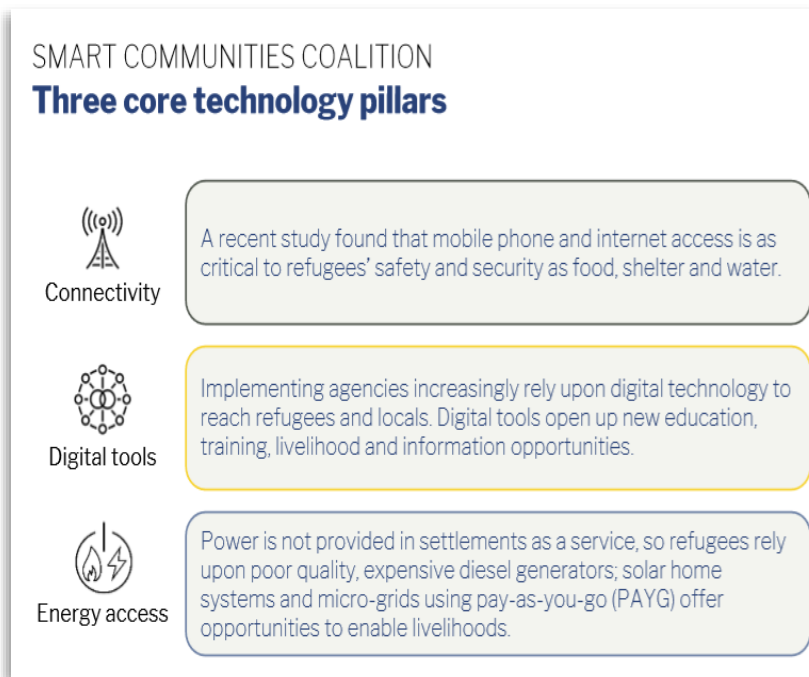
settlements and their host communities<sup>3</sup>. Lessons and experiences gained through this project may provide a catalyst for future private sector energy access interventions. Grant awards will further innovation, and reduce the knowledge, product, financial, and risk barriers to serving refugee communities and host communities.

### Why Focus on PAYGO SHS companies?

The project emerged out of the work of the SCC, which has a key focus on promoting energy access and digital tools/solutions. The SCC understands the role that digital platforms play in promoting financial inclusion and accelerating energy access solutions. Electronic payments through mobile phone banking provide an effective means for accessing financial services and increasing financial inclusion and the associated benefits. The interest of the project to support digital rather than cash or paper solutions is summarized as follows.

- **Using digital payment platforms.** The shift to mobile or digital banking addresses the challenges of expensive infrastructural issues associated with point of sale devices and eliminates the need for cash.

- **Building alternative credit.** Over 4.5 billion people around the world have no credit history which creates barriers to financial inclusion. Digital payment solutions provide alternative approaches to creditworthiness assessments through data analytics based on digital payment histories.
- **Advancing inclusive growth through digital technology.** By promoting digital payment and acceptance solutions, technology resources will be activated to drive inclusive growth at a greater scale. It will permit businesses on the continent to leapfrog technologies and accelerate the distribution of goods and services to the majority of the continent's people.



Smart Communities Coalition: May 2018

### Project Locations - Kiryandongo and Rwamwanja Settlements & Host Communities

The Kiryandongo and Rwamwanja settlements and their host communities present opportune environments for PAYGO SHS services. Refugees are already spending significant portions of their income on access to poor quality and expensive energy sources and aspire to use better quality and cleaner sources. Also, many of the refugees have had access to stable energy sources in their native country and recognize the impact it has on health, productivity, education and safety.

<sup>3</sup> This project defines a host community as a community within a 20-kilometer radius of the focus refugee settlement.

In recent years, aid agencies and organizations have begun to shift toward a developmental approach putting more cash in the hands of displaced people for use in the local economy, moving where appropriate from in-kind, material support and targeted vouchers (e.g., food vouchers) toward partial subsidies in terms of cash. This trend provides additional indication of potential to pay for services by refugees in the settlements. In a recent survey, only 20% of Kiryandongo settlement participants polled indicated humanitarian assistance as a top source of household cash.<sup>4</sup> Refugees within the settlements and host communities participate in vibrant and diverse local economies. In 2017, there were over 200 stores in Kataryeba, Rwamwanja's main market, and over 600 traders in Kiryandongo's main market, Bweyale.<sup>5</sup>

**Market Stability and Potential for Entry.** In addition to the presence of a growing and diverse local economy, the target settlements present a unique entry point for PAYGO SHS, due to the longevity of its residence. Kiryandongo refugee settlement is 29 years old having been first opened in 1990 and then re-opened in 2014 to cope with the large influx of refugees from the South Sudanese crisis, while the Rwamwanja Settlement is 55 years old having first been established in 1964 to host refugees fleeing conflict in Rwanda<sup>6</sup>. According to an April 2018 *Uganda Refugee Vulnerability Study* by Development Pathways, in Kiryandongo, more than half of refugees arrived over two years ago, with 37% having arrived between two and five years ago. In the Kamwenge District, which includes the Rwamwanja settlement, over 76% of refugees arrived two or more years ago, with 68% having arrived between two and five years ago.

Over the past six years, Uganda has hosted between 100,000 – 500,000 refugees who are considered 'protracted', meaning that over 25,000 people from a particular country have been refugees for five or more years. This protraction rate suggests high immobility of Ugandan refugees,<sup>7</sup> which has resulted in population stability and a higher level of economic development. As observed in Kenya's refugee settlements, length of residence and economic activity are often correlated, such that the longer a person stays the more likely they will be able to transition from impoverished to economically active status.<sup>8</sup> Thus, in the case of the two target settlements and their host communities we would expect a high level of economic activity.

**Mobile Connectivity and Banking.** Increased reliance on mobile connectivity and mobile banking have deemed mobile phones an essential resource for refugees. Mobile Network Operators have ensured sufficient coverage across Uganda (MTN, Airtel & Africell) and access to mobile money is on the rise in Uganda. Mobile connectivity and mobile banking are prevalent within the target settlements and host communities. In the Kiryandongo settlement, 74% of households reported having at least one mobile phone,<sup>9</sup> while in the Rwamwanja Settlement 51.3% reported mobile phone use.<sup>10</sup>

**Home Energy Usage.** In terms of existing energy use, in the Kiryandongo Settlement, most households and businesses do not use solar kits or systems, but rather rely on kerosene or wood burning stoves or lanterns. In the Rwamwanja settlement, small component-based solar systems for lighting, from around 10–100 W, are found throughout the settlement and are available at Bweyale. Settlement residence are most interested in powering household appliances, lighting, phone charging, televisions and refrigerators.

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<sup>4</sup> Kiryandongo Investment Profile, A Ugandan Investment Authority/UNDP collaboration

<sup>5</sup> WFP, "Market Assessment in Refugee Areas 2016-2017," 2016.

<sup>6</sup> Rwamwanja was closed and reopened based on the flow of refugees.

<sup>7</sup> UNHCR: Global Trends in Forced Displacement (2017)

<sup>8</sup> Western Union

<sup>9</sup> European Union, "Conflict Analyses Assessment", 2017.

<sup>10</sup> WFP, "analysis of Refugee Vulnerability in Uganda and Recommendations for Improved Targeting of Food Assistance," 2018.



## Identified Challenges and Opportunities<sup>11</sup>

The project team's literature review and stakeholder consultations identified several key challenges as well as opportunities for potential PAYGO SHS companies for the potential markets. Early engagement in the target settlements could enable SHS companies to establish name recognition and an opportunity for companies to establish themselves as the service provider of choice. Uganda currently hosts 1.1 million refugees and the number continues to grow<sup>12</sup> representing a large potential market share under the proper business environment. SHS companies ability to successfully enter the target settlements may allow them to be better positioned to provide similar services in other settlements. The following table provides a summary of early challenges and opportunities.

Challenges	• Opportunities
Limited access to socio-economic information on settlements	<ul style="list-style-type: none"> <li>• SCC Market Profiles included on both settlements, highlighting income, expenditure and demographics.</li> <li>• Uganda Comprehensive Refugee Response Portal available.</li> </ul>
Mobility/ impermanence of potential customers	<ul style="list-style-type: none"> <li>• The average length of time as a refugee is 17 years (UNHCR).</li> <li>• The longer the duration the higher the economic activity/status</li> </ul>
Refugee identification- refugee cards not accepted by all companies	<ul style="list-style-type: none"> <li>• Mobile network operators partnering with humanitarian organizations for cash transfers in refugee settlements</li> <li>• 54% of refugees in settlements have KYC identity documents</li> </ul>
Insufficient market within refugee settlements	<ul style="list-style-type: none"> <li>• Over 200 shops in Rwanwanja's main market (Kataryeba).</li> <li>• 60% of households in Rwanwanja &amp; Kiryandongo indicate top source of income is market based not humanitarian.</li> </ul>
Low level of mobile connectivity and mobile banking	<ul style="list-style-type: none"> <li>• 51% of Ugandans own mobile phones</li> <li>• 38% of Ugandans have registered mobile money accounts</li> <li>• 39% of Ugandan are 'aware nonusers' of mobile money</li> </ul>
Mobile money tax impact on PAYGO operations	<ul style="list-style-type: none"> <li>• Mobile money tax has been reduced to 0.5% and only withdrawals subject</li> <li>• Most PAYGO companies did not agree that mobile money tax impacted customer payments</li> </ul>
"Hand-out" culture may present barrier to commercial approach	<ul style="list-style-type: none"> <li>• Over 60% of refugees regard income from the market as the top source of income. More cash equals higher servcability.</li> <li>• UNHCR/GoU strategy shifting from Humanitarian to Developmental.</li> </ul>
Ease of access to settlements	<ul style="list-style-type: none"> <li>• Office of the Prime Minister and UNHCR facilitate access.</li> <li>• Grant Program will work with grantees to facilitate access.</li> </ul>
Logistical challenges in moving goods to settlements	<ul style="list-style-type: none"> <li>• A more open market policy facilitates the movement of goods and reduces costs.</li> <li>• Additional logistical costs can be covered by the grant.</li> </ul>

<sup>11</sup> All information presented here is available either directly within the Information Pack or can be accessed from the additional resources provided.

<sup>12</sup> The Ugandan Comprehensive Refugee Response Portal recorded some growth over the last quarter of 2018 averaging 20,000 refugees/month. <https://ugandarefugees.org/en/country/uga>

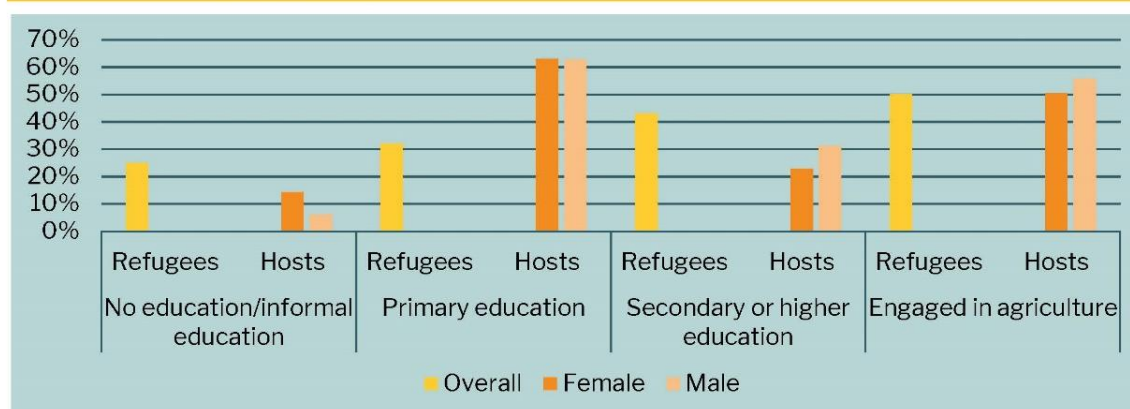
## **Market Profiles of Settlements**

Market profiles for Kiryandongo and Rwamwanja settlements are presented below, prepared by the SCC in 2018.





## Education and Skills

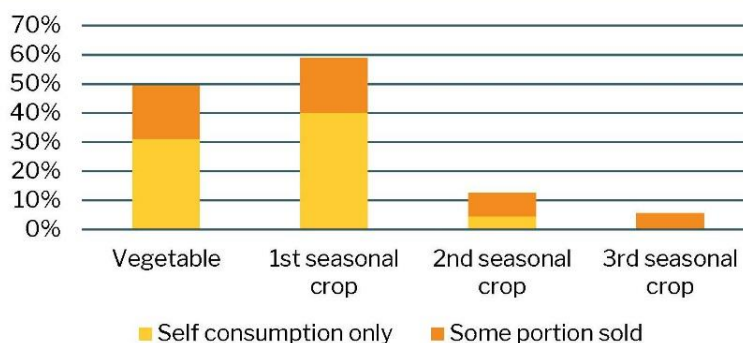


Indicators of educational attainment and agricultural skills. Host data is in reference to Bunyoro Region [8], while refugee data is from Kiryandongo settlement. [5] [2]

## Agriculture

The official allocated plot size for refugees in Kiryandongo is 2,500 m<sup>2</sup>. Refugees may also rent land from host community members. [4]

- A 2017 survey showed that only around 17% of refugees have a land plot of 2,500 m<sup>2</sup> or greater. [5]
- Approximately 47% of refugees reported having a plot of land of less than 500m<sup>2</sup>. [5]



Many households plant at least one seasonal crop and sell some portion of their produce to market. [5]

## Energy [6]

While both MKOPA and Solar Now are active in the vicinity of Kiryandongo, though most refugee households and businesses do not use solar kits.

- Refugees use kerosene (approximately UGX 1,000/week) and torches for lighting.
- The most desirable appliances for households are lighting and phone charging, followed by TV and refrigerators.
- Businesses with diesel generation pay UGX 35,000/liter at Bweyale market, plus an additional UGX 3,000 for transport each way.
- The most desirable equipment for businesses and farmers are lighting and refrigeration, followed by freezers.



The national grid electrifies base camp and continues for approximately 2-4 km into the settlement, but does not connect many structures.

## Internet and Mobile

### Public connectivity [7]

#### Observed access

- Community Technology Access (CTA) centers in use in the settlement.
- No IT use in health facilities.
- No fixed internet services in town; host community members sometimes use CTAs for internet access.

#### Phone ownership

- 74% of refugee households have at least one mobile phone. [5]
- The cost to charge a mobile phone is UGX 500. [6]

### NGO connectivity [7]

#### Perceived quality

- Varied but generally problematic.
- Congested/poor quality network connectivity.
- NGOs “churn” between carriers based on frustration with service quality.
- VSAT connections slow and unreliable.

#### NGO access modes

- VSATs
- Mobile hotspot

#### NGO access costs

- Range from \$128-\$200/Mbps/month

### Mobile money

- Mobile money use tends to vary depending on a refugee’s time in country, with half to two-thirds of established refugees using mobile money compared to about a quarter of new arrivals. [6]

### Mobile networks [7]

- Airtel – 2G
- MTN – 2G/3G
- Africel – 2G

## References

- [1] UNHCR, “Uganda Refugee Response Portal,” [Online]. Available: <https://ugandarefugees.org/>. [Accessed 17 June 2018].
- [2] Uganda Investment Authority, “Kiryandongo District Investment Profile,” 2017.
- [3] WFP, “Analysis of Refugee Vulnerability in Uganda and Recommendations for Improved Targeting of Food Assistance,” 2018.
- [4] UNHCR, “Livelihoods Socio-Economic Assessment in the Refugee Hosting Districts,” 2017.
- [5] European Union, “Conflict Analysis Assessment,” 2017.
- [6] Power Africa.
- [7] NetHope.
- [8] USAID, “DHS Survey,” 2016. [Online]. Available: <https://www.statcompiler.com/>.

The Smart Communities Coalition (SCC) is improving the delivery of essential services to refugees and host community members by enhancing coordination between public and private entities.

Our efforts focus on three foundational technology pillars – connectivity, digital tools, and energy access.



[www.smartcommunities.org](http://www.smartcommunities.org)

23 October 2018



# SMART COMMUNITIES COALITION

## MARKET PROFILE

### RWAMWANJA SETTLEMENT

Rwamwanja refugee settlement is located in Uganda's western Kamwenge District. The settlement covers an area of approximately 127 km<sup>2</sup>, and encompasses a number of small host villages.

Rwamwanja's refugee population is around 78,000, comprised mostly of refugees from the DRC. Originally established in 1964 but closed in 1995, it was reopened in 2012 to accommodate refugees from DRC's North and South Kivu provinces. The Ugandan population of Kamwenge District is around 430,000. [1]

This market profile seeks to inform businesses and entrepreneurs of the opportunities and challenges of operating in Kamwenge District. The references cited here can serve as resources for further market analysis.



*Rwamwanja is located in Toro region, western Uganda.*

### Income and Expense

#### Refugee expenditure:

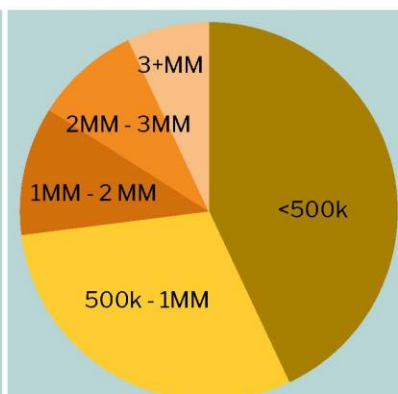
- 59% live on less than UGX 2,000 per day. [2]

#### Refugee employment: in southwestern Uganda: [2]

- 37% farm their own land
- 25% are self-employed
- 30% are unemployed or out of the labor force

#### Top sources of household cash: [2]

- None
  - Humanitarian aid
  - Agricultural wages
  - Casual labor
  - Sale of cereals
  - Sale of cooking fuel
  - Self-employed
  - Sale of fruit/veg
  - Petty trade
  - Business
- ~20% each  
~10% each  
1-4% each



Annual income for refugee households (UGX) [6]

#### Business activity

- Kataryeba, the main market for Rwamwanja, counts over 200 shops. [3]
- Only 11% of the businesses in Kataryeba are less than one year old. [3]
- Business activities in the settlement include retail shops, beauty salons, bakeries, hotels, restaurants, workshops, and grain milling. [4]
- Several agro-processors and small businesses are also located near the UNHCR basecamp. [4]
- Two commercial banks operate in Kamwenge: Post Bank and Finance Trust. A number of SACCOs and farming cooperatives are also active. [5]

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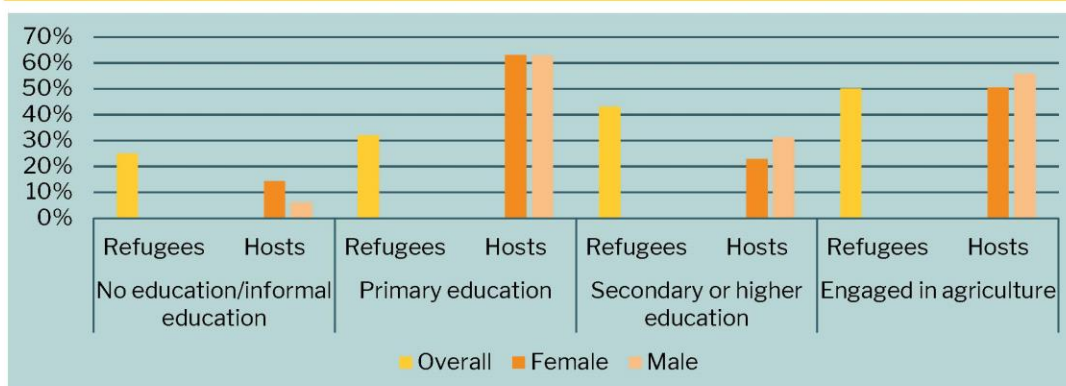
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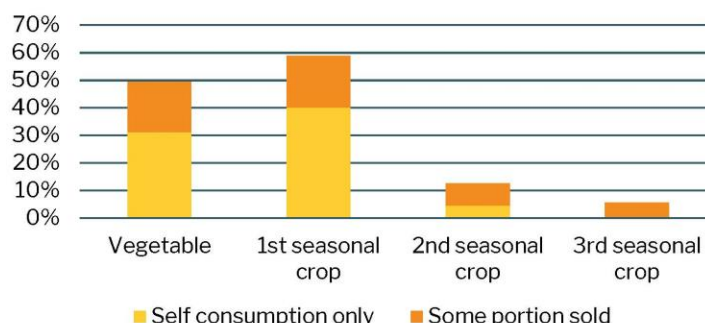


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## ADDITIONAL RESOURCES

A number of key informational resources are presented below. Additional resources are available on the Grants Program website: [www.greenpoweredtechnology.com/UgandaPAYGOGrants](http://www.greenpoweredtechnology.com/UgandaPAYGOGrants)



### **Analysis of Refugee Vulnerability in Uganda – Development Pathways**

The report offers useful insights into the socio-economic and demographic characteristics of the refugee populations including age, household structure, mobility, income and livelihoods, expenditure, etc.



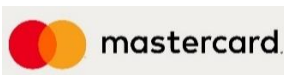
### **Innovating mobile solutions for refugees in East Africa – HIF et al**

This study explores how refugees traveling within East Africa use mobile technology and the internet to support migration, and to what extent current tech solutions meet their needs. The study takes a significant step towards deciphering the degree to which mobile phone coverage, access to smartphones, awareness of mobile-based services and technical literacy affect the role mobile technology can play in supporting refugees



### **Refugees and Identity: Considerations for mobile enabled registration and aid delivery – GSMA**

An area of increasing focus is the opportunity for mobile and digital technology to play a role in establishing unique digital identities for refugees. It is within this context that GSMA has been researching how digital technology, especially mobile, can be leveraged to support both refugee populations and the organisations that are working to serve them.



### **Smart Communities: Using digital technology to create sustainable refugee economies**

The report combined the strategic and data-research expertise of Mastercard and Western Union to detail the current state of refugee economies and set out a plan to improve financial service delivery. Amongst other relevant findings, the report discusses the importance of a new digital infrastructure model, focusing on mobile money, digital vouchers and card solutions, which will promote the self-reliance of refugees and host communities.



### **Humanitarian Payment Digitization: Focus on Uganda's Bidi Bidi settlement – GSMA**

The report provides an overview of Uganda's mobile industry, network operators, mobile money/banking, and how this growing infrastructure can be leveraged to assist with humanitarian cash transfers to refugee settlements. The report closes with a more detailed look at success factors and challenges as well as considerations for future approaches. While the focus is on the Bidi bidi, readers will gain broader insights into issues such as mobile phone coverage, general growth in mobile money/banking, among others.



### **Financial Inclusion Insights: Uganda Wave 4 Report – InterMedia**

The reports focus on financial inclusion inevitable focuses on mobile phone ownership and the extent of mobile banking registration and use. Useful statistics include mobile

phone and mobile account ownership, level of use, pathways towards financial inclusion amongst others.



### **Refugee Markets Brief – Mercy Corps**

The market briefing looks at how spending and investment by refugees in the West Nile region of Uganda is beginning to drive growth. The brief reflects on the positive impact of Aid agencies supporting a market systems development approach as opposed to more traditional humanitarian assistance.



### **IMF Financial Access Surveys – International Monetary Fund**

Captures geographic and demographic data linking use of financial services to economic growth. Since 2014, surveys have included indicators on mobile money, including the number of active accounts, registered accounts, and transactions, the total value of transactions, and the number and density of registered and active mobile money agent outlets.



### **UNHCR has produced a range of important publications including;**

- UNHCR, Refugee Response Portal, <https://ugandarefugees.org/>
- UNHCR, 'Livelihoods Socio-Economic Assessment in Refugee Hosting Districts' 2017.
- UNHCR, Uganda Refugee Response Monitoring Settlement Fact Sheet – Kiryandongo, January 2018.
- UNHCR, Multi-sector Needs Assessment: Kiryandongo District, Uganda, August 2018.
- UNHCR, Uganda Refugee Response Monitoring Settlement Fact Sheet – Rwamwanja, June 2018.
- UNHCR, Multi-sector Needs Assessment: Rwamwanja District, August 2018.



### **Telcoms operators dial in to refugee markets**

The Financial Times article reveals an increasing involvement by Telecoms businesses in partnership with Humanitarian organizations in building permanent networks within refugee settlements. The article indicates that Telecoms companies are increasingly realizing that refugee communities represent 'large untapped markets'. The article includes



### **Moving Energy Initiative (MEI)**

Without safe and reliable access to energy, it is impossible to meet the basic needs of life. Energy is needed for cooking, lighting, heating, productive activities, etc. Yet for most refugees, energy is expensive, dirty and dangerous. MEI is the first international partnership working to change this. For further information see <https://mei.chathamhouse.org/>

## Section II

### The Grants Program:

### General Description, Policies, and Process

## GRANTS PROGRAM OBJECTIVES

The project's Grants Program aims to de-risk private sector PAYGO SHS companies that want to expand their market reach into displacement settings by providing incentives in the form of grants that will cover costs associated with entering these locations. The program will target PAYGO SHS companies in an effort to tackle both the challenge of increasing energy access and financial inclusion whilst focusing on two core pillars of the SCC - energy access and digital tools. By doing this, the program aims to achieve the following key outcomes:

- Increased private sector PAYGO SHS sales in refugee settlements and host communities, through providing targeted incentives for establishing or expanding services.
- Increased socio-economic development through private sector participation and market development activities.
- Development of local economies through inclusion of entrepreneurs.

To achieve this the program aims to encourage grant applications that further innovation, and reduce the knowledge, product, financial, and risk barriers to serving refugee communities.

## OVERVIEW

The program will award approximately three grants between \$145,000 and \$175,000 to companies through a competitive single stage application process. The period of performance of each grant must not exceed 12 months. Applicants are not required to have co-funding for the activities but must be able to show how these activities fit within their larger business model and how efforts will be sustained beyond the period of the grant. Grants will be disbursed in tranches against predefined milestones and activities.

### What Activities and Costs Can Be Funded Under the Grants Program?

There are a range of activities and costs that the grant funds can be used to finance. The key exception relates to subsidies. *The grant funds cannot be used to reduce the costs of service for customers.* Examples of eligible activities that can be financed by the grant funds are provided below. Applicants may propose other activities where they can show a clear link to increasing opportunities for sales and engagement with target refugee and host communities.

- **Lowering operational costs for SHS companies for establishing new branches and distribution points in refugee/host settlements**
  - Rental costs for business premises
  - Equipment for new branches/points of sale
  - Branding/shop-fitting for business premises
  - Security control systems for business premises
- **Refugee & host community sales agent recruitment, sensitization and training**
  - Costs of advertising/generating interest for potential sales agents
  - All elements of the recruitment process (recruiters time, on-boarding, uniforms, travel reimbursements, etc.)
  - New employee training costs (formal and informal)

- **Product line-up customization, alteration and/or innovation for refugee and host community applications**
  - Customizing existing SHS product solutions
  - Developing bespoke SHS product solutions
  - Supportive technical equipment (new software Apps, etc.)
  - Point of sale management equipment
- **Refugee and host community awareness building and promotional activities**
  - Community mobilization/market activation campaigns
  - Promotional materials/bill boards/vehicle hire/branding
  - Costs of short-term marketing personnel
  - Demonstration/display SHS
  - Sponsorship/prizes
- **Customer financial literacy or sales agent training**
  - Costs of customer workshops (financial literacy, savings, bank accounts, etc.)
  - Promoting financial education, awareness and confidence
  - Financial training for sales agents
  - Costs of promoting informed participation
  - Costs of end-user training and materials
- **Incentives**
  - Performance incentives for sales agents
  - Staffing costs for a limited period (must not undermine sustainability)

**Project Locations.** The target locations for the grants program are the Kiryandongo and Rwamwanja refugee settlements and host communities, where the host community is defined as a community located within approximately 20 kilometers of the refugee settlement. As such proposed activities must be implemented in those areas. Grantees must start sales of SHS in the target locations within 6 months of initial award targeting both refugee and host communities with a target for at least 30% of sales to the host communities. After sales support and services to customers over the lifetime of the products must be made available in the target locations. Activities funded must generate additional employment opportunities in both the host and refugee communities.

**Gender and Social Inclusion.** Grantees will be required to detail best practices that will be applied to ensure gender and social inclusion and how they will consider and adhere to the humanitarian principle of 'do no harm'.

**Partnerships.** It is expected that applications will be submitted by a lead organization but where necessary they may partner with other organizations, particularly where this is needed to support implementation in the target locations.

**Communications and Technical Assistance.** The project team will provide communications and technical assistance support throughout the 12-month grant period to awardees, as appropriate. This could include linkages to partners that could support on the ground activities, provision of market data (where available) to the team or feedback on marketing material and business plans.

## ELIGIBILITY CRITERIA

Companies applying to the Grants Program must comply with the following eligibility criteria:

- Applicants must be able to provide SHS that can be paid for through mobile phone-based pay-as-you-go technology.
- Applicants must be proposing to sell their products at market price without any direct customer subsidies.
- SHS offered under the program must consist of multiple lights and a port for phone charging; systems can also include appliances, but these are not required.
- SHS being offered under the grants program must comply with Lighting Global standards and have certification under the Lighting Global program. In a case where the products are not Lighting Global certified (for example, a recent innovation), the SHS company must begin certification procedures for the products being proposed, if and when awarded the grant, and before any grant funding disbursement.
- Applicants must have been operating on a commercial basis in East Africa for a minimum of 12 months. The applicant or a key partner must be fully registered to do business in Uganda.
- Only one application per company can be submitted.
- Applications must be for one or both of Kiryandongo refugee settlement and host community and/or Rwamwanja refugee settlement and host community.

**Other Criteria.** Applicants will also be required to provide information for consideration of the following:

- Applicants should have adequate financial resources or the ability to obtain such resources as required during the performance of the award. As such, applicants should have an annual turnover equivalent to or greater than the award amount sought.
- Applicants should have the ability to meet the award conditions, taking into consideration all other current and prospective commitments.
- Applicants should have a satisfactory record of performance and business integrity including compliance with the revenue authorities and certification of products by the Uganda National Bureau of Standards and/or other relevant international/global technical standards.
- Be otherwise qualified to receive an award under applicable laws and regulations and be able to provide registration certificates and references to support this.



## THE APPLICATION PROCESS

Grants will be awarded through a single-stage applications process. The timeline envisaged for the application process is given below:

Activity	Expected Completion Date
Launch of the CfP and grant window open for applications	February 20, 2019
Deadline for questions relating to the CfP and application process	February 26, 2019
Application Submission Deadline	March 20, 2019

**Application Form.** An application template will be provided as part of the CfP documents alongside guidelines for completion. A checklist will be provided listing all documents and attachments that need to be submitted as part of the application.

Applications will initially be screened for eligibility following which a technical and financial evaluation will be completed against pre-defined criteria. This evaluation will be completed by a Technical Evaluation Committee established by USAID's project team and will comprise members from the project Implementing Partners and USAID. USAID will give final approval for the selection of grantees.

Once grantees are approved and notified there will be a short period to finalize the contract terms including the milestone and payment schedule and final monitoring and evaluation framework. Following this, the contracts will be signed and executed. The projects will be launched, with oversight from USAID's project implementer.

## ADDITIONAL CONTRACTING REQUIREMENTS

Agreements will be made between the grantee and USAID's contractor, Green Powered Technology (GPTech), which will lead the administration and oversight of the grantee's implementation of the grants program. Funds will be disbursed in tranches based on the achievement of milestones outlined in the application and finalized in the grants process.

Grantees will be required to submit monthly reports on activities, financial and progress statements before subsequent tranches of fund are disbursed and a final report at the end of the grant period. A reporting template will be provided, customized to the specific goals and milestones of each grantee. In addition, members of the GPTech team will conduct site visits to review progress during and on completion of the grants program.

Grantees must be willing to provide aggregate data (disaggregated by refugee/host community member) on their operations and sales supported by the grant, including the following:

- Number of sales;
- Product category sold (including any associated appliances);

- Number of payments more than one month, three months, and six months behind;
- Number of systems repossessed for non-payment; and,
- Number of systems that were upgraded/expanded (including the product and appliance upgraded/expanded to).

USAID and the SCC is committed to ensuring that results achieved by grantees will inform the sector, as well as promote the adoption of cleaner, more efficient energy provision in displacement settings. Grantees supported under this program will be expected to actively engage with stakeholders in the sector and input into the collection of data and dissemination and communication of findings.

## **ADDITIONAL QUESTIONS & ANSWERS**

### ***Q: How are refugee settlements and host communities defined in terms of geographic area?***

**A:** For the purpose of this Grant Program, a host community is defined as a community located within approximately 20 kilometers of Kiryandongo and Rwamwanja refugee settlements.

### ***Q: What will the evaluation team be looking for in terms of awarding grants?***

**A:** The evaluation team will be looking for innovative and sustainable solutions that improve access to modern energy services in refugee settlements. The evaluation will include the key areas given below. A detailed evaluation criteria will be included as part of the Call for Proposals (CfP) and an application template which will provide guiding questions to allow applicants to provide the required information for evaluation.

- Technical Impact – proposals will be evaluated for their contribution to improving energy access. They should also demonstrate understanding of the context in which they will be implemented and clear activities and implementation plan.
- Performance – the ability of the applicant to deliver the implementation plan will be evaluated by considering the organization track record, implementation team and key partnerships.
- Financial – the soundness of the budget will be evaluated alongside the value for money it offers, the proposed timelines, payment milestones and overall financial feasibility of the proposal.
- Sustainability – The sustainability and potential for wider influence and scale up of the proposal will be evaluated. In addition, evaluators will consider the potential to improve socio economic development and livelihood opportunities in the target locations.

**Q: Is the program target of 10,000 new off-grid customer connections not too ambitious for a 12-month Grant Program timeframe?**

**A:** These targets must be achieved over time and not within the 12-month GP implementation framework. The grantee will have to invest/account for the grant over 12 months, but the targets will be accumulative over the long-term. PAYGO companies will be expected to continue operating within the refugee/host communities and the targets will be assessed over a longer business cycle.

**Q: Will PAYGO companies be able to visit the refugee settlements and host communities to enhance their understanding of the market opportunity?**

**A:** Interested PAYGO companies are entitled to seek access to the target refugee settlement/s through the normal channels; this process will not be facilitated by the GPTech team. The USAID project team will provide reference materials and insights into the market opportunity (including the Information Pack and workshop presentation) but cannot facilitate access prior to the awarding of the grants.

**Q: Can a PAYGO company submit a grant application for over \$175,000 or under \$145,000?**

**A:** We do not encourage applications over the \$175,000 mark but proposals lower than \$145,000 will be considered.

**Q: What are the expectations with regard to technical standards of SHS solutions proposed?**

**A:** SHS solutions should be benchmarked against the upper limit of Tier I of the World Bank's Multi-tier Framework Matrix. They should include a multiple light solution with the capacity to charge mobile phones. Single bulb lanterns will not be considered. Appliances may be included in the proposed SHS solution/s.

**Q: Can a single SHS company receive more than one grant award?**

**A:** No. Only one application per company can be submitted.

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