

UPOWA



Location
Cameroon

PROJECT SUMMARY

Over 350,000 people in Cameroon are expected to gain access to clean electricity for the first time by 2023 through this ambitious pay-as-you-go (PAYG) solar home systems (SHS) initiative.

As of the end of 2018, upOwa SAS had installed more than 4,500 systems mainly across two central regions of the country, connecting over 20,000 people to clean energy. A successful EUR 3m capital raise in 2019 – including EUR 1.3m equity financing from REPP – enabled the company to embark on a rapid expansion phase. This has resulted in over 26,000 installations by 31 March 2022, connecting nearly 130,000 people, as well as 374 micro-businesses and nearly 100 critical services such as schools, clinics, hospitals and water pumping stations.

upOwa provides systems to off-grid households using a lease-to-own model. Customers pay a deposit and then make monthly payments on a mobile phone money platform with targeted repayment periods of 18-24 months. Customers can choose between a 6Wp lights and phone charging-only system, a 10Wp system with a radio, or a 40Wp to 50Wp system that provides additional power for other appliances, such as TVs with variable screen size.

The company is the largest business implementing PAYG for SHS at scale in Cameroon – a country where just one in five rural homes is connected to the grid, and where there is a strong and urgent need for off-grid solutions. Despite low levels of energy access, more than 70% of homes in Cameroon have mobile phones, making the payment system broadly accessible.

upOwa has set its sights on rapid growth, using the experience of its in-house technical teams and reputation for reliability and customer service to build capacity and scale up activities. Around 200 staff and commission-based agents currently work for upOwa, although this is expected to increase as the company grows. By the end of 2023, upOwa expects all installed SHS to account for nearly 25,000 tonnes of avoided GHG emissions for the year.

In October 2020, REPP increased its investment in upOwa with a EUR 500,000 convertible loan, bringing the total committed to date to EUR 1.8 million.

Other investors behind the project include French family-owned impact investment company Colam Impact, which has made both an equity investment and a convertible loan. The company secured debt from ElectriFI, Lendahand, BPI and, most recently, a mezzanine facility from Energy Entrepreneurs Growth Fund (EEGF).



Country policy alignment

Supports Cameroon's Updated NDC (2021) conditional target to reduce GHG emissions by 35% by 2030 and make renewables 25% of energy mix by 2035. Renewable energy projects like upOwa are expected to have an important role in achieving universal electricity access, as outlined in Cameroon's Rural Electrification Master Plan (2016).

AT A GLANCE

Technology:

Solar home systems

Project type:

Off-grid



Offtaker:

Off-grid communities

KPIs



GHG emissions avoided:
9,473 tCO₂e per year (target):
Achieved: 11,372 tCO₂e (cumulative)



People with first-time access to clean energy: 1,000,000 (target) / **Achieved: 129,996**



Planned capacity: 1.73MW / **Achieved: 0.4 MW**

FUNDING STRUCTURE

INITIAL FUNDING

Contracted date: 10 September 2019

Lending type: Equity

REPP funding: EUR 1.3m

ADDITIONAL LOAN

Contracted date: 28 September 2020

Lending type: Convertible loan

REPP funding: EUR 500,000

SDGs



"Following on from the series A2 that closed in 2019 and demonstrated a ramp-up of operations in the months that followed, we welcome this new equity-like joint investment from shareholders. The funding will ensure that the company will increase its market footprint and impact in Cameroon, as well as strengthen the capitalisation level thus paving the way for leveraged funding."

Kilien de Renty, CEO and co-founder, upOwa