

VIRUNGA

Location
Burundi, Kenya, Tanzania
and Zambia

PROJECT SUMMARY

Ambitious plans to develop a 100MW* portfolio of hydroelectric power and rural distribution projects in East and Southern Africa – which will provide improved energy access for nearly 3 million people when fully completed – have been given a helping hand in the form of a USD 2.5m convertible loan from REPP.

Virunga Power had been raising investment to fund its corporate expansion and project development expenses after building up an advanced pipeline of run-of-river projects in Burundi, Kenya, Tanzania and Zambia.

REPP committed the loan during the company's USD 5m Series A corporate financing round in December 2018, with the EU-funded Electrification Financing Initiative (ElectriFI) providing the other USD 2.5m. The funds will enable Virunga Power to deliver on its project pipeline and pay for a number of new hires with specialised expertise in building and managing small hydro and rural utility projects.

In addition to their corporate investments, both REPP and ElectriFI will pursue aligned investments in project capital expenditure to help realise Virunga Power's ambitions.

Virunga Power employs a unique "grid-as-anchor" approach to rural electrification by combining MW-scale, contracted generation with thousands of new household connections to surrounding communities through grid-connected mini-grids.

This is not the first time REPP has supported Virunga Power. In June 2017 REPP committed USD 751,000 in development capital for a pair of run-of-river hydropower plants in Kenya with a combined generating capacity of 10MW.

* This figure is only expected to be reached post-2023. The first plant is expected to reach financial close in 2021 with approximately 2.4MW generating capacity.

Country policy alignment

Project supports all countries' NDC targets to reduce GHG emissions by 2030. It contributes towards Burundi's 2040 national target of adding 238MW hydropower (Master Plan 2018) and the objectives of Kenya's National Energy Policy (2018), which includes the development of small hydro, as well as Tanzania's Vision 2025 objective to develop its energy infrastructure and Zambia's National Energy Policy (2019) objective of diversifying the country's energy mix.

AT A GLANCE

Technology:

Run-of-river
hydro



Project type:

Grid-connected

Offtaker:

Multiple

KPIs



GHG emissions avoided: TBC



Improves quality of grid
supply



Installed capacity:
100MW*

FUNDING STRUCTURE

Signed: 13 December 2018

Type: Convertible loan

REPP funding: USD 2.5m

SDGs

7

AFFORDABLE AND
CLEAN ENERGY



8

DECENT WORK AND
ECONOMIC GROWTH



11

SUSTAINABLE CITIES
AND COMMUNITIES



13

CLIMATE
ACTION



17

PARTNERSHIPS
FOR THE GOALS



"We are very excited to have ElectriFI and REPP on board as investors in our platform. It is very important to us to have investors who are aligned with our goals of expanding sustainable and practical electricity infrastructure across the continent, and we welcome the experience and acceleration that these investors can bring to our mission."

Brian Kelly, Founder and CEO of Virunga Power