



Dutch Good Growth Fund

Part of DGGF

Export credit insurance of an export transaction from a Dutch exporter.

Title

DGGF104821820191224 Energy Kits

Exporter

Rural Spark B.V., Tilburg

Country of investment

Senegal

Sector

Solar Systems

Contract amount

Maximum indemnification: EUR 185.266,--

Period

Manufacturing period: 3 months

Credit period: 36 months

Parties involved

Debtor: Ilemel Energy Solutions, Dakar, Senegal

Impact on development

Job creation

The transaction will contribute to a growth in direct and indirect employment. The expectation is that over 90 extra FTEs will be employed by the customer over time. An estimated 33% of these will be women. There is also an expected increase in indirect employment.

Increasing the strenght of production

The production power is enhanced by the present transaction. Due to the processing capacity, the copper market will be many times larger. The turnover is expected to be increase tenfold in the coming years. There will also be more trade with other local companies in the chain. By supplying the energy kits, the sale of TVs, LED lights, refrigerators, etc.

Sharing of knowledge, skills and techniques

Exporter will transfer knowledge to the distributor in Senegal in the areas of sales, technology and finance. The energy kits to be supplied are maintained locally, which means that knowledge of this sustainable energy will be transferred to Senegal. The exporter gives also training to the current employees of the buyer. This will then include a training program for the new employees.

Other positive effects

Furthermore, it will make a positive contribution to the environment because the Energy Kits will replace the polluting diesel generators. Furthermore, the availability of electricity in areas where it is



not yet available will contribute to the education of children and the further development of these areas. The experience is that the end users have energy left, which in turn is distributed within a street or village (whether or not for a fee) so that the positive effects spread. Based on the above, we assess this transaction as highly development-relevant.

Risk category

The CSR desk has classified these transactions as a E-project

Description

This transaction concerns the delivery of 1,000 Energy Kits and the provision of training. The energy kits consist of a central router with a variable number of small boxes that provide energy deliver but can also save. The energy is generated by one or more solar panels. The energy can be used for lighting telephones, fans, TVs and even computers. Once purchased, the system can easily be expanded in a modular way, even in small steps. Users of the systems are households and small businesses. Users are given the option to pay in installments. There is a built-in PayGo mechanism for this.

The energy systems are supplied to a distributor, not to the end users. The distributor is llemel Energy Solutions from Senegal.

Exporter Rural Spark provides training to the staff of the buyer. This concerns training for the use of energy systems but also for the Rural Spark Service Platform. The distributor can, among other things, register sales and monitor payment through this platform

The goods are delivered after 4.5 months, the services in month 5. The exporter has the goods produced in India and has storage facilities there, from where the shipment to Senegal takes place. The delivery of the goods takes place by loading into a ship with destination Senegal. The delivery of the services takes place in one go, at the location of the customer.

