



Dutch Good Growth Fund

Part of DGGF

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

Title

DGGF104130120191128 Delivery Energy Kits in Nigeria

Exporter

Rural Spark B.V., Tilburg

Country of investment

Nigeria

Sector

Solar Home Systems

Contract amount

Maximum indemnification: EUR 217.459,-

Period

Manufacturing period: 3 months

Credit period: 36 months

Parties involved

Debtor: A Solar Systems Nigeria Limited, Abuja/Nigeria

Impact on development

Job creation

The transaction will contribute to a growth in direct and indirect employment. The expectation is that over 5 extra FTEs will be employed by the customer over time. An estimated 50% of these will be women. There is also an increase in indirect employment. The estimate of an increase in indirect employment is 30 FTE.

Increasing the strength of production

Exporter will transfer knowledge to the distributor in Nigeria. It is about training for the employees and agents who are going to sell the Energy Kits.

Sharing of knowledge, skills and techniques

Exporter will transfer knowledge to the distributor in Nigeria. It is about training for the employees and agents who are going to sell the Energy Kits.

Other positive effects

DGGF104130120191128 Nigeria



The transaction has a positive effect on job creation. In addition, the transaction will make a positive contribution to the environment because the Energy Kits will partly replace highly polluting diesel generators. Furthermore, the availability of electricity in areas where it is not yet available will contribute to the production power of the end-users of the Energy Kits (including small farms) and 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.

Risk category

This transaction does not concern activities listed on the FMO exclusion list. The transaction remains below the DGGF threshold value of 1 million euros and does not concern activities that have an impact on a sensitive area or sector. For this reason, only an exporter assessment (classification E) has been carried out. From the application form and the additional information provided by the applicant, as well as the information obtained in the public domain, it is concluded that the reputation of the exporter regarding environmental and social aspects is acceptable. The driving force behind Rural Spark is to provide a reliable and sustainable energy supply for remote areas. CSR aspects are embedded in the products / services and Rural Spark is currently working on a quality certification that records this even better. Rural Spark also works with chain parties that have an environmental, safety and health management system that is certified for international standards

Based on the foregoing, the environmental and social risk involved in the present transaction is assessed as acceptable.

Description

The transaction involves the delivery of 1,000 Rural Spark 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 but can also store. The energy is generated by one or more solar panels. The energy can be used to make lamps, telephones, fans, TVs and even computers work. 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 system can also be switched off remotely if there are payment arrears.

