Annual Review - Summary Sheet (1-2 pages)

Title: Renewable Energy Performance Platform (REPP)		
Programme Value: £48m		**Review Date:** 20 March 2019
Start Date: 1 Jan 2018	**End Date:** 31 Dec 2018	

Summary of Programme Performance

Year	2016	2017	2018	
Programme Score	A	A	A	
Risk Rating	Minor/Moderate	Minor	Minor/Moderate	

Summary of progress and lessons learnt since last review

The REPP programme has advanced well in 2018 against the logframe milestones, and in more general programme development.

REPP has either met or exceeded most of its milestones for the year, with particularly interesting results against attracting REPP Partners and Risk Mitigation Instrument providers, and standardising and aligning risk mitigation procedures. These are key activities for REPP, and the progress demonstrates an increase in visibility and reputation in the market, indicating the programme's ability to leverage other market actors.

REPP has also performed well against expected private finance leveraged, the number of direct jobs created by projects so far, the delivery of good-quality capacity-building activities, and in maintaining a strong pipeline of good quality projects eligible for support.

However, REPP has not achieved the expected scale of MWs installed by this stage of the programme, which directly affects the results against GHGs avoided and number of new connections (as the ICF calculations are tied). Progress against these indicators have been delayed against the original projections, as the timescales involved for projects to successfully reach financial close, complete construction, and begin operation are greater than anticipated. The confidence in the performance of the portfolio over time remains strong, and the results that are expected over time exceed the targets set – therefore progress is indicated as delayed, rather than not met. Learning on realistic timescales for implementation will be incorporated into future logframe development.

The REPP portfolio has grown to 19 contracted projects in 2018. It is diverse across a range of countries, geographies and technologies, and the programme is starting to demonstrate some innovative financing structures. The REPP offering continues to be dynamic as it adapts to meet the needs of the project developers; it now includes operating capital, export-import finance and equity in projects. Most recently it has begun to invest in the equity of project developers, which is expected to improve developers' ability to replicate projects in a region, benefitting market progress beyond the project-by-project support otherwise provided by REPP.

Monitoring and evaluation has been central to 2018: an independent evaluation provided three products: a mid-term evaluation of programme progress, a plan for conducting a future impact evaluation, and the development of a results reporting tool. The evaluation concluded that REPP is highly additional in the contexts within which it works, plays a fairly unique role in the market context it targets, and is not crowding out alternatives. The recommendations from the evaluation have been well used by the programme team, and are incorporated into this Annual Review.

The results from the mid-term evaluation, as well as other internal reviews of the first three years of operation, informed the development of a Business Case to extend REPP beyond its original term and increase the budget – this was approved in November 2018. This second phase of the programme begins in 2019, and has enabled the programme team to incorporate many of the recommendations from the 2017 Annual Review, including revising the fee structure and incentives for the manager, into the formal governance of the future of the programme.

The governance of the programme has also been reviewed during the course of the year: processes that were identified as issues in 2017 have been largely addressed, and new ways of working between the Board and the Assessment Committee are being introduced under the new contract from 2019 – 2023. Recommendations for maintaining this progress and mitigating for any arising risks from the new governance structures are detailed in the section below.

The greatest risk to REPP's progress remains projects reaching financial close, beginning operation, and producing MWs. A number of the indicators of success, and the overall climate and development benefits, rely on the energy being produced, and while the programme team has learned about realistic timescales when starting from such an early stage of intervention, REPP is in a good position going into its fourth year to focus on ensuring that an increasing number of projects in the portfolio reach the production stage. This should be monitored closely, and has already been made explicit in the revised performance incentives for the REPP Manager in 2019.

In 2019 it will also be important to take stock of progress against REPP's transformational aims, as more projects start to generate electricity and REPP's status in the market develops.

Progress against the recommendations from the previous year are detailed against the relevant Output narratives in Section C. Those which are not directly attributed to an Output are as follows:

- ***Funding:*** *To monitor the proportion of available funding and consider REPP for extension in the current timeframe, and/or extending it into the future, combined with liaising with the REPP Board with a view to revisiting the fees to adjust the incentive structure (December 2018).* Complete: extension approved in November 2018; revised fee structure approved in Q1 2019.
- ***Strategy:*** *To work with REPP Board and delivery partner on developing an investment strategy in the event of an extension to the programme / increase in funding and associated business plan (October 2018).* Complete: following the approval of the extension funding. Business Plan adopted at Board meeting in Q1 2019.
- ***Strategy:*** *Board to continue to monitor the distribution of REPP support across regions and technologies to ensure there is an even spread of support and that the distribution is in line with the mandate (at quarterly Board meetings).* Complete: an even distribution is evident. Continue to monitor.
- ***Governance:*** *For the assessment committee to work closely with their respective Board members to make sure the decision-making process is effective. Also to ensure Board continues to define strategy and supervises its implementation, leaving the assessment committee responsible for structuring the deals (continuous).* Complete: new ways of working between the two bodies agreed as part of the extension contract.
- ***Governance:*** *To consider how to streamline the payment path from BEIS to REPP in order to make it more efficient (by December 2018).* Ongoing: following approval of new funding. To be completed by Q2 2019.
- ***Monitoring:*** *To review whether the support provided to projects is correctly identified as technical assistance or capital investment, given that some products offered by REPP are currently categorised as TA and may be better identified as direct investment in the project (November 2018).*
- ***Monitoring:*** *To ensure that the technical assistance component and the results-based finance are reported separately for the annual results collection, so that the ICF can accurately report overall results (August 2018).* Complete: a Results Tool developed in 2018 disaggregates these categories.

Summary of recommendations for the next year

- **Portfolio development:** carefully monitor the progress of projects towards financial close and commissioning dates, so that the risk of delay can be managed appropriately. Timescale: continuous; formally at Investment Committee and Board meetings.

- **Governance:**
  - Conduct a skills review of the Board and Investment Committee, to ensure that they are both resourced to respond to the uplift in funding appropriately. Timescale: plan review process by second quarterly Board meeting (July).
  - Consider how to streamline the payment path from BEIS to REPP in order to make it more efficient. Timescale: by second quarterly Board meeting (July).
  - Ensure that the Board remains focused on giving strategic direction to the programme overall, and makes best use of the new ways of working with the Assessment Committee to delegate deal-level decisions. Timescale: ongoing. Review efficacy by third quarterly Board meeting (Sept).
  - Introduce an independent Chair for Board meetings to improve efficiency and preserve impartiality. Timescale: by third quarterly Board meeting (Sept).
  - Ensure that the Manager continues to improve its administration of the programme's online portal, papers, and instructions to the Investment Committee and Board of Directors. Timescale: by third quarterly Board meeting (Sept).

- **Monitoring and evaluation:**
  - Conduct a Theory of Change workshop for the new phase of the programme following the uplift in funding: 2019 – 2023. Timescale: by second quarterly Board meeting (July).
  - Revise the logframe, milestones and targets to remain relevant to the developing programme, in light of the uplift in funding and subsequent raising of ambition. Timescale: by end-April 2019.
  - Use lessons learned from the programme so far to make accurate projections of the time-lags involved in infrastructure finance and construction. Timescale: in line with revising the logframe.
  - Categorise which projects in the REPP portfolio should be attributed to ICF results collection on a case-by-case basis, with BEIS Analyst input. Timescale: ongoing – at the point of approval for each project.
  - Develop the Results Tool further, to improve its utility – ensuring that values from operational, contracted, and pipeline projects show source data, and that methodologies and assumptions (e.g. grid emissions factor and capacity factor used) are embedded in the Tool. Timescale: by next ICF Results Collection, February 2020.
  - Develop plans for the impact evaluation recommended by the 2018 evaluators. Timescale: by second quarterly Board meeting (July).
  - Consider bringing forward the date for Annual Review completion to February rather than March, to account for BEIS resource constraints in March due to ICF results collection. Timescale: February 2020.

- **Transformational change:** review the methodology for the extension phase of the programme from 2019 onwards – to include more clearly considering qualitative judgements, and a clearer articulation of transformational change within REPP. Timescale: following the ToC workshop, by the third quarterly Board meeting (Sept).

- **Capacity building:** develop plans for a 'REPP Academy' and 'Club REPP' to expand on the capacity-building potential of knowledge sharing between REPP stakeholders. Timescale: by the third quarterly Board meeting (Sept).

A. Introduction and Context (1 page)

Link to Business Case:	https://aidstream.org/files/documents/REPP-Business-Case-2015-20170831040801.pdf
Link to Log frame:	https://aidstream.org/files/documents/REPP-Annual-Review-and-Logframe-Mar-2017-20170831040857.pdf
Link to previous Annual Review	https://aidstream.org/files/documents/REPP-Annual-Review-2017-20180727120753.pdf

Outline of the programme

Programme overview

The Renewable Energy Performance Platform (REPP) provides technical and financial support to private sector developers of small-scale renewable energy projects in sub-Saharan Africa. BEIS is the sole donor to REPP and committed £48m for 2015 – 2020, with an overall target of installing 150 MW of new renewable energy capacity, and improving the access to clean energy for 3.1 million households. REPP is managed by Camco Clean Energy. This is the third Annual Review of the five-year period.

REPP targets small-scale renewable energy projects (up to 25MW, and up to 50MW for wind), covering hydro, geothermal, solar, wind, and biomass-based power generation projects, and both on- and off-grid technologies. The programme seeks to increase private sector activity in renewable energy project development, by providing the tailored support and funding required in individual project finance deals to enable private sector developers to overcome barriers to investment. REPP provides:

1) **Technical assistance**: REPP offers support to selected developers during the development phase to help them reach financial close. Each project receives tailored support packages, which can include risk mitigation instruments, feasibility studies, environmental and social impact assessments etc.
2) **Results-based finance:** Some fundamentally sound projects will still not be financially viable, even after REPP's technical assistance. In these cases, REPP has the capacity to provide results-based financial support.

In addition to providing direct support to project developers, REPP also works with service and finance providers (REPP Partners) to build a network of actors and improve access for small-scale developers to institutional support and risk mitigation instruments.

Programme development

During 2018, the BEIS programme team received approval for an extension to REPP, committing a further £100m to the programme for 2019-2023. This Annual Review therefore marks the end of the first phase of the programme, and prepares for the second phase with an increased budget from 2019 onwards.

Analysis

The Annual Reviews do not distinguish between results from RBF and TA activities in reporting against the BEIS Key Performance Indicators (KPIS), though only results from RBF activities are attributed to the ICF through in the annual Results Collection. The suitability of the RBF and TA classifications of projects for this purpose is being reconsidered as part of the extension funding, when Analysts will consider on a case-by-case basis whether projects should be attributed to ICF results, given the characteristics of ICF support and consistency with ICF KPI methodologies.

B: PERFORMANCE AND CONCLUSIONS (1-2 pages)

Overall score and description

REPP has continued to make good progress in its third year, and overall the programme has scored an A.

The programme has scored mostly A's and A+'s against the output targets, with one B assigned to a shortfall against MWs installed. While this shortfall has knock-on effect for the other indicators which are directly tied to that calculation, the results are expected to be made up (and surpassed) in 2020, which represents a more realistic assessment of the time-lags involved in infrastructure finance and construction.

At the end of this third year, there is early evidence that REPP appears to be on track to continue to perform well, gives positive indications against transformational change, and has received a largely positive independent evaluation.

Annual outcome assessment

REPP is designed to bring about two outcomes:

1. *Improved viability of RE leads to replication of small and medium scale renewables*
2. *Climate benefits: Reduced GHG emissions, abatement cost*

REPP has exceeded the indicator for the first Outcome, as it has contracted projects in 13 different countries (against a target of eight). The milestone for the second Outcome has not been met, as it is directly calculated from MW installed – the reasons for which are discussed through this Annual Review.

The REPP is performing well on most of its Output measures, and remains on track to achieve the Outcomes foreseen in the Theory of Change and logframe. While the programme is behind on achieving the output of MW installed, the portfolio of projects under contract suggests that this Output is delayed only and will be achieved with time. This delay does however have a knock-on effect on progress against the two Outcomes, and as such it is too early to consider whether REPP is leading to replication through demonstration. However, several activities that suggest it is on track to do so:

- REPP is beginning to invest in the capability of the project developers themselves, as an addition to its support on developing projects. This is likely to lead to a replication of projects initially supported by REPP.
- REPP is selecting projects that have the potential to demonstrate the viability of renewable energy in the region, from supporting a new pay-as-you-go business model in solar-home-system roll out in Nigeria, to demonstrating viability of minigrids across the region through minimising concessionality and aiming for financial sustainability in the long run.
- REPP has demonstrated its ability to arrange for the refinancing of projects; supporting the projects to become attractive investment targets.

There is still a risk that REPP projects are delayed to the point where the programme's outcomes are at risk. The REPP Board should be encouraged to push projects to reach financial close or withdraw their support where projects are not progressing, in order to re-commit the funding to other projects.

Annual output assessment

Output 1 'Renewable energy is being generated' – B

- The milestone for installed capacity was 15MW. As only three projects have become operational by 2018, and those are the smallest-scale in the portfolio, this milestone has been missed by a large margin (0.47MW installed). As a result, those milestones which are directly linked to MWs (GHGs avoided, and new connections made) have equally low results. However, progress against installation is judged to be only delayed pending more realistic expectations around the time-lags involved in

infrastructure finance, and once a greater number of projects have come online, these targets are expected to be surpassed. Furthermore, the number of projects signed up to REPP has been far exceeded, and confidence in the ongoing pipeline is strong.

- Given the risk related to projects reaching financial close and the knock-on effect of the other indicators related to MWs installed, this output has been scored a B.

Output 2 'Small and medium scale renewables attract investment' – A

- This output measures the proportion of private finance leveraged into the portfolio, and the pace of commitment of RBF investments. The leverage ratio is met for the operational projects and exceeded for the portfolio projections; and RBF commitments are on-target (taking into account activity from early 2019).
- Due to the positive results and confidence in ongoing good performance in these areas, this output was scored an A.

Output 3 'Social benefits: Increased energy security and energy access' – A

- This output measures the number of people with access to clean energy, and the number of direct jobs created by the programme's activities. While the access to energy has been low (connected to MWs installed, as above, and therefore delayed rather than absent), the number of direct jobs created has been exceeded by almost four times.
- Due to the excellent performance against jobs created, and the fact that the number of people with improved access is delayed rather than missed (and the risk is tied to another indicator), this output has been scored an A.

Output 4 'Capacity building, including: Local actors upskilled to continue the REPP; more effective regulators that better facilitate RE investments; and more experienced and confident project developers and private finance investors' – A+

- REPP has made good progress with signing-up 'REPP Partners', overachieving on the milestones (eight) by partnering up with 12 institutions in total so far. REPP also delivered effective capacity building activities, achieving the milestone of six events, with 95% of participants at the events rating them as 'good' or 'very good'.
- Having either met or exceeded each indicator, this output has been scored an A+.

Output 5 'Standardised and aligned risk mitigation procedures and processes' – A+

- REPP has performed well against this output, despite concerns articulated in the previous Annual Review. REPP has signed up the required number of RMIs (four), and exceeded the number of times that Due Diligence checks have been utilised by other actors.
- To reflect the positive progress against this activity, this output has been scored an A+.

Key actions

The recommendations for the next year of the programme are detailed in the summary sheet in Section A, with further narrative available in relevant Output narratives in Section C.

Has the logframe been updated since the last review?

BEIS and REPP held a logframe review workshop in 2018, to ensure that the milestones, targets and weightings were appropriate for the period. No changes were made as a result, though the logframe will be re-drawn for the extension period, 2019 – 2023. This exercise will be conducted in partnership with the REPP Manager, and complimented by a Theory of Change workshop to ensure REPP maintains clarity of aims as the programme develops.

C: DETAILED OUTPUT SCORING (1-2 pages per output)

Output Title	**Renewable Energy being generated**		
Output number per LF	**1**	**Output Score**	**B**
Risk rating (Minor, Moderate, Major or Severe)	Moderate	Impact weighting (%)	30%
Risk revised since last AR?	Yes	Impact weighting % revised since last AR?	No

Indicator(s)	**Milestones from Logframe: 2018 target**	**Milestones from Logframe: 2018 achieved**	**Progress**
1.1 Level of installed capacity of clean energy generated as a result of ICF support for REPP (ICF KPI 7)	15 MW	0.47 MW	Delayed Three REPP projects are producing electricity: PowerGen (minigrids), and PEG and SHS Nigeria (solar home systems).
1.2 Number of projects supported by REPP	14	19	Surpassed REPP benefits from a good quality pipeline of suitable projects for support.

Key Points

Indicator 1.2. REPP signed Support Agreements with a further 9 projects in 2018, taking the total to 19 renewable energy projects, located in 13 countries. Origination of suitable projects has been strong in each year of the programme so far; the pipeline continues to be strong, and REPP has well-developed processes for assessing, approving, and managing projects in the growing portfolio. The REPP Manager has already exceeded the target for 2020 in this regard.

In 2018 REPP experienced its first termination of a Support Agreement. The Manager handled the instance effectively, and as the circumstances constituted a breach of contract, the Support Agreement was terminated. This instance is within REPP's tolerance for failure, and was a useful exercise in assessing, mitigating and managing risks.

Indicator 1.1. Despite impressive progress in originating good quality projects for REPP support, there is an evident delay in the timeframes for construction and the production of electricity from projects, compared to the expectations set in the logframe (15MW for 2018). Of the 19 projects in the REPP portfolio, only three are so far operational – one minigrids project in Tanzania (PowerGen), and two solar home systems projects: one in Nigeria (SHS Nigeria) and one operating in Ghana, Cote d'Ivoire and Senegal (PEG) – which together are giving a production volume of 0.47MW (0.018 in 2017, 0.452 in 2018).

The shortfall against this target in 2018 can be attributed to two main issues:

1) An underestimation of the realistic time lags between signing Support Agreements and projects reaching Financial Close, completing construction, and starting operation. These time lags are not under the direct control of the REPP Manager or the Board. While this was raised as a risk in the 2017 Annual Review, the extent of the shortfall for 2018 was not yet known, so no adjustments to the logframe were made in advance of this year's results.
2) The projects that have reached financial close have been able to do so sooner than others in the portfolio because as they are small scale and off-grid, their operation is more nimble. However, as a result of their technology at the smaller end of the energy production scale, they give a proportionally

lower result against MWs installed than the other larger or utility-scale projects in the portfolio which have not yet come online. This means we see fewer MWs per financial close at this early results stage.

Despite this delay and the issues discussed above, there is confidence that the projects in the portfolio will produce MWs at the scale predicted, only later. The 19 projects with Support Agreements are predicted to produce a combined 135MW by 2020, which would exceed the target of 115MW. This indicator is therefore categorised as 'delayed', as it is anticipated that the benefits will be realised or surpassed.

It is worth noting that missing the milestone for MWs installed means that the milestones for CO2 and connections are also missed, as the calculations are directly tied, as per the ICF methodologies. This narrative therefore applies throughout this Annual Review.

Summary of responses to issues raised in previous annual reviews (where relevant)

The 2017 Annual Review identified the risk of delay in projects reaching the operational stage, and recommended that the programme team keep this element under review, while noting that reaching financial close is not under the direct control of the REPP Manager or the Board. While the delays could have been predicted more effectively, and the logframe could have been adjusted in advance of this AR, it is not perceived that the REPP Manager or Board could have significantly influenced progress against this target in 2018.

The 2017 Annual Review also noted the pace of projects being signed up to REPP: the likelihood of exceeding the 2020 target early, and the implications this would have on the fund. It recommended that an extension to REPP be considered, which was acted upon and has now been completed: BEIS has committed an additional £100m to REPP, with a corresponding increase in ambition for future years.

Recommendations

It is recommended that the programme team learn from the progress so far in projecting realistic timescales against projects reaching financial close, completing construction, and starting operation, in order to set targets for MWs installed. To monitor progress of projects in lieu of these gaps, the programme team may consider measuring other steps in the process as additional indicators in the logframe for 2019 - 2023, such as 'number of projects reaching financial close', or similar.

Furthermore, the programme team should consider the effects of the number of smallest-scale projects in the portfolio on the ability to achieve ambitious targets. The programme originally predicted that support would be needed for grid-connected projects, though the team is seeing increasing activity in off-grid solutions. This is an indicator of where the market is changing; where African countries are getting close to over-supply on the main grid, there is a focus on getting new connections through off-grid solutions, rather than through grid expansion. While these projects give lower results against MWs and pure GHG avoidance, the development outcomes of first-time connections through off-grid technologies are substantial. The REPP team should consider how to best account for this trend when setting milestones for the logframe for 2019 – 2023.

Output Title	Small and medium scale renewables attract investment		
Output number per LF	2	Output Score	A
Risk rating (Minor, Moderate, Major or Severe)	Minor	Impact weighting (%)	30%
Risk revised since last AR?	No	Impact weighting % revised since last AR?	No

Indicator(s)	Milestones from Logframe: 2018 target	Milestones from Logframe: 2018 achieved	Progress
2.1 Volume of private finance mobilised for climate change purposes as a result of REPP intervention (ICF KPI 12)	>30%	31%	Surpassed This represents the proportion of finance raised in all projects with signed Support Agreements which is from private sources.
2.2 Volume of public finance mobilised for climate change purposes as a result of REPP intervention (ICF KPI 11)	<70%	68%	Surpassed As above.
2.3 Amount of results-based financing committed to REPP Projects (£m)	£17m	£7.3m	Delayed Two large RBF commitments were made in early 2019, taking the total to £18.8m.

Key Points

2.1 & 2.2. REPP has surpassed its desired proportional split between finance from private and public sources in projects it supports – indicating a favourable proportion of private finance leveraged. These indicators are calculated using the sum of the actual results from the three operational projects and the expected results of the other 16 in the portfolio which have not yet reached financial close.

Full actual results are not yet available. REPP projects are financed by a range of financial partners, which may include commercial banks, multilateral development banks or other development institutions. The funding proportions given in REPP Support Agreements is only an expectation of which institutions may eventually finance the project, and are subject to changes. It is therefore only when the projects reach financial close that the breakdown can be calculated with confidence.

The proportional split of finance sources in the three projects operational so far is 32% private / 68% public, which is close to the projection for the whole portfolio. The risk remains low, though the programme team should continue to monitor the level of private finance leveraged into the projects that REPP supports.

2.3. While this result shows that within 2018 REPP has fallen short of the target amount of RBF spent to date, in the first 6 weeks of 2019 approval has been confirmed for a further two RBF commitments, totalling £11.5m. These two projects would take the total RBF committed to £18.8m, which surpasses the target of £17m.

This Output has therefore been scored an A, to reflect two indicators surpassed, and one only very briefly delayed.

Summary of responses to issues raised in previous annual reviews (where relevant)

2.1 & 2.2. The 2017 Annual Review recommended to monitor the public-private finance split targets as the projects reach a stage of maturity when the actual results are available, and consider recommending changing the targets if the private sector finance mobilised is vastly off. It is not considered that this stage of maturity has yet been reached, and the recommendation therefore remains under review.

Recommendations

2.1 & 2.2. As above. It is also recommended that 2.1 and 2.2 are combined to represent a single indicator in future versions of the logframe, as they concern the same result.

2.3. It is recommended that this indicator is amended to encapsulate both the TA and RBF spend in the logframe for 2019 – 2023, to better illustrate the pace of fund commitment.

Output Title	Social benefits: increased energy security and energy access		
Output number per LF	3	Output Score	A
Risk rating (Minor, Moderate, Major or Severe)	Moderate	Impact weighting (%)	20%
Risk revised since last AR?	Yes	Impact weighting % revised since last AR?	No

Indicator(s)	Milestones from Logframe: 2018 target	Milestones from Logframe: 2018 achieved	Progress
3.1 Number of people with improved access to clean energy as a result of REPP intervention (on- and off-grid)	140,000	60,105	Delayed Results shown are from the three operational projects: one minigrids, and two solar home systems.
3.2 Number of direct jobs created as a result of REPP's intervention (disaggregated by gender) (ICF KPI 5)	200	594	Surpassed These figures are from three operational projects, and two under construction.

Key Points

3.1. The figures against this Output are calculated directly from the MWs installed, and therefore suffer from the same circumstances detailed previously – an underestimation of the time it takes for projects to reach financial close and start producing energy, and the fact that those which are producing electricity are the smallest-scale in the portfolio (minigrids and solar home systems).

However, the results from all 19 projects in the REPP portfolio once operational are expected to provide energy access to almost 8m people, which is four times the post-2020 target. We can therefore see the potential of the programme in this regard, and the programme team expect to see a jump in performance against this and the related indicators in 2020 once energy production from existing and future projects comes online.

It continues to be a risk that projects delay reaching financial close, so the risk rating for this Output has been revised up to moderate.

3.2. Conversely, the rate of job creation has significantly surpassed expectations. The results given are actual figures for 2018 from three operational projects and two under construction, and represent 166 jobs at construction phase and 428 at operational phase.

Two of the projects have supplied the data disaggregated by gender and skill level:

- PEG: 397 jobs
  - 31% female
  - 65% high skilled
- SHS Nigeria: 28 jobs
  - 25% female
  - 29% high skilled

The other three projects with employment figures (PowerGen: 135 jobs, Powerhive: 18 jobs, Rupingazi: 16 jobs) will be required to provide disaggregated data from 2019 onwards by the Manager.

These high results are due to the fact that while minigrid and solar home systems projects result in fewer MWs installed, they take a large number of people to set up and manage. REPP therefore has a high result against this objective at this stage of the programme cycle. To give further developmental context, minigrid and SHS projects are typically situated in rural areas which experience high levels of deprivation. Such projects offer good quality jobs for the local population, demanding a range of skills from engineering to sales technicians. The REPP Manager reports that these projects particularly engage young people, who become inspired to work in renewables.

This Output has been scored an A, to reflect that one of the indicators has been significantly surpassed, and while there is a shortfall in the other, the results are delayed as described above in relation to MWs installed, and it is anticipated that the benefits will be realised or surpassed.

Summary of responses to issues raised in previous annual reviews (where relevant)

N/A

Recommendations

3.1. Linked to MWs installed, it is recommended that the programme team learn from the programme progress so far in projecting realistic timescales against projects reaching financial close, completing construction, and starting operation, in order to set targets for new connections in the logframe for 2019 onwards.

3.2. The aggregated figures from the 19 REPP projects which have signed Support Agreements so far expect that these projects will provide more than 10,000 jobs, which far exceeds the post-2020 target of 2,000. It is therefore recommended that the programme team recalibrate these targets against real-time data when preparing the logframe for 2019-2023.

Output Title	**Capacity building: local actors upskilled to continue the REPP; more effective regulators that better facilitate RE investments; and more experienced and confident project developers and private finance investors**		
Output number per LF	**4**	**Output Score**	**A+**
Risk rating (Minor, Moderate, Major or Severe)	Minor	Impact weighting (%)	10%
Risk revised since last AR?	No	Impact weighting % revised since last AR?	No

Indicator(s)	**Milestones from Logframe: 2018 target**	**Milestones from Logframe: 2018 achieved**	**Progress**
4.1 Number of REPP Partners signed up (excluding providers of RMIs)	8	12	Surpassed A further five Partners were signed up in 2018, reaching a total of 12.
4.2 Capacity-building activities undertaken	6	6	Achieved Two capacity building activities were undertaken in 2018: one workshop, and one (two-part) webinar.
4.3 Percentage of attendees rating capacity building activities as 'good' or 'very good'	75%	>95%	Surpassed For the two capacity building events, one achieved a 97.6% approval score, and the other 94%.

Key Points

4.1. A further five REPP Partners have been signed up in 2018, taking the total to 12, which significantly surpasses the target set for 2018 and the programme in total. The five REPP Partners recruited in 2018 represent two private finance institutions and three public.

Success in this area is an indication of REPP becoming established and recognised in the market, to the extent that other actors are interested to work in partnership.

4.2 & 4.3. The REPP Manager hosted two capacity building events in 2018, meeting the target set for 2018. These were:

- *Risk Mitigation in Renewable Energy Investment in Africa*: workshop, REPP and IRENA, January 2018, Nairobi, 49 participants (97.6% 'good' or 'very good').
- *Developing mini-grids to IFC E&S standards*: two-part webinar, REPP and AMDA, December 2018, online, 97 participants across both parts – the majority from African countries, but also Europe, USA and Asia (94% 'good' or 'very good').

This Output has been assigned an A+ rating, as two of the indicators have been exceeded and the third was adequately met.

Summary of responses to issues raised in previous annual reviews (where relevant)

The 2017 Annual Review recommended that the programme team consider:

- Whether to raise the level of ambition from 75% of participants saying the capacity building was either "good" or "very good", for example by dropping "good" so it only applies to those saying it is very good. This would allow for an adjustment for natural bias of respondents; and
- Contacting the participants after an interval of six months to determine whether they are putting to use the lessons learnt at the capacity building events.

The team discussed both, and decided not to formally pursue the suggestions:

- It is deemed that the bias inherent in the response group would undermine the intention of the exercise, and as the overall picture on the impact of the events is positive, no further analysis is needed at this stage.
- The diminishing returns on the number of individuals who would respond satisfactorily to requests for feedback after six months would not deliver robust results – particularly as those who enjoyed it the least would be the least likely to respond over time, and those who are the most positively engaged with REPP are the most likely to respond positively.

Recommendations

4.1. The REPP Manager considers that it is possible to continue signing up increasing numbers of REPP Partners, though it is recommended that emphasis is placed in the amount and quality of engagement from the existing partners to indicate leverage. This should be considered with a view to adjusting the logframe accordingly for 2019.

4.2 & 4.3. Engagement with stakeholders during 2018 has suggested that capacity building activities that would be valuable are the potential for forming a REPP Academy (an 'Accelerator' type model bringing stakeholders together to overcome certain barriers), and a REPP 'Club', whereby project developers already supported by REPP can exchange learning and work together on certain issues. It is recommended that the programme team assess feasibility and plan these activities in 2019.

Output Title	Standardised and aligned risk mitigation procedures and processes		
Output number per LF	5	Output Score	A+
Risk rating (Minor, Moderate, Major or Severe)	Minor	Impact weighting (%)	10%
Risk revised since last AR?	Yes	Impact weighting % revised since last AR?	No

Indicator(s)	Milestones from Logframe: 2018 target	Milestones from Logframe: 2018 achieved	Progress
5.1 Number of providers of RMIs signed up as REPP Partners	4	4	Achieved One further RMI provider was signed up in 2018, reaching a total of four.
5.2 Number of instances where DD service paid by REPP has been accepted by REPP partner (to indicate success of aligning DD processes)	2	4	Surpassed Three Due Diligence services in 2018 were accepted by partners, reaching a total of four.

Key Points

5.1. One further Risk Mitigation Instrument provider was signed up as a REPP Partner in 2018, achieving the target of four for the programme so far. These are Guarantco, African Trade Insurance Agency (ATI), Overseas Private Investment Corporation (OPIC), and Renewable Risk Advisers. The risk of not meeting the future logframe target of five in total is very low.

5.2. Conducting due diligence is a lengthy and costly process, and many small renewable energy project developers find it a challenge to fulfil the different requirements of multiple development institutions or other banks for the same project. REPP aims to overcome this considerable challenge for developers by producing due diligence products that are accepted as sufficient by more than one finance institution. In previous years, the REPP Manager has found this target difficult to achieve, as development institutions and banks are restricted to using their own processes and checks, precluding those of other actors.

However, in 2018 the REPP Manager has demonstrated three instances of alignment, taking the total to four, and significantly exceeding expectations for this indicator. In achieving four instances in total, the REPP Manager has now met the requirement for future years early. While this element of the REPP Manager's responsibilities remains challenging, the risk of meeting the targets set out in the logframe is now nil.

Success against both of these outputs is likely to be an indication of the increasingly positive perception of REPP in the market as REPP becomes more established. This demonstrates significant progress against one of REPP's key aims in helping private sector developers overcome barriers to private investment, by crowding-in other private sector actors.

This Output has been scored an A+, as one of the indicators has been surpassed, and the context demonstrates significant impact of REPP in the market.

Summary of responses to issues raised in previous annual reviews (where relevant)

5.2. The 2017 Annual Review identified the barriers that REPP faced in being able to align DD requirements as described above. However, progress in 2018 was very successful, resulting in the target now having been surpassed for 2018 – and already met for future years.

This element of the REPP Manager's responsibilities remains challenging, and somewhat removed from the Manager's direct control. Progress and the extent of the risk should continue to be monitored next year.

Recommendations

5.1. As described for indicator 4.1: it is recommended that the total number of RMIs should plateaux, and that emphasis is given to the number and quality of engagements made between such institutions and REPP. In the case of financial industry partners, this could be measured in terms of finance deployed to REPP projects or value of insurance cover or number of insurance policies taken up.

5.2. It is recommended that the barriers to achieving this target as outlined above are taken into consideration when setting suitable milestones and that it be included in the risk rating for the next phase of the programme.

D: FUND PERFORMANCE NOT CAPTURED BY OUTPUTS

The REPP programme has made considerable advances in 2018, beyond delivering on outputs.

Programme development

The REPP offering continues to be dynamic as it adapts to meet the need of the projects: it now includes operating capital, export-import finance and equity in projects.

Most recently it has invested in the equity of project developers. REPP's work with projects on the ground found that, once it had supported developers in getting their projects to financial close and through construction, the delay from one project to the next can act as a threat to the developer itself. By investing in the corporate developer, REPP can consolidate the experience and know-how it has imparted through supporting a single project, which should contribute to lasting transformation and the development of private sector capability.

Monitoring & evaluation

BEIS commissioned an external formative evaluation of REPP during 2018. Overall its conclusions were positive: "*REPP plays an important and unique role in the ICF portfolio. It also plays a fairly unique role in the market context it targets. The rationale for REPP was justified, and the delivery and governance structures through which it has operated during its first three years have been largely fit-for-purpose. This evaluation has found many positive attributes to the programme and concludes, overall, that there is good justification for the programme to be continued – and even scaled up – on the assumption that the findings of this evaluation will be taken into account and a clear strategy and approach developed for continuation / scale-up in accordance*."

Two key recommendations from the evaluation are given below.

- The evaluation recommended reviewing governance and skills needs in the event of a scaling-up of the REPP budget. It is recommended that BEIS commission a survey of the skills needs and revisits the governance bodies accordingly, to ensure REPP is prepared to achieve the full expected results, outcomes and impact to 2023.
- The evaluation also urges REPP to consolidate its strategy. While it was effective to focus on pipeline development in the early years, and while REPP's strength lies in its flexibility, the evaluation suggested that as "*REPP nears its third year of operation, it has reached a position at which it can and should consolidate its strategy and direction*."
    - This may mean that REPP will need to become somewhat less flexible / dynamic, or else that REPP defines its flexibility as a key feature of the programme, whilst monitoring and managing associated costs and risks.
    - Overall, there are lessons for BEIS to capture in relation to the positive effects of this flexibility: on piloting, learning and (possibly) on demonstrability.
    - In response, BEIS intends to work with the delivery partner to develop greater learning for project developers through a REPP Academy and alumni network and has already determined that there is demand for that through an online poll of project developers in the region.

In 2018 the REPP Board commissioned a set of integrity audits on a sample of three projects in the portfolio, to establish the consistency of delivery with expectations, whether adequate financial controls were in place for both the project developers and the REPP Manager, and whether Anti-Bribery and Corruption (ABAC) policies were in existence, accessible and adequately understood by project staff. The audits reported broadly positively, finding that REPP's financial controls, management and oversight were robust and effective, whilst observing some challenges with operating in the geography (which is already flagged as a risk for REPP). It was a highly useful exercise for the programme team, and it will be repeated in 2019 on a new sample of projects. The lessons learned will feed into further work on such controls due to be conducted by the ICF PMO.

E: VALUE FOR MONEY & FINANCIAL PERFORMANCE (1 page)

Key cost drivers and performance

Key cost drivers

The total budget for REPP for 2015-2020 is £48m. This is comprised of programmable funds (£43.3m – split between TA at £7m and RBF at £36.3m), delivery partner fees (£3.7m predicted, capped at £4m), and administrative costs (£1m).

Economy

REPP is moving into a second phase of the programme from 2019, with an additional £100m for the budget, and new logframe targets representing an increase in ambition as a result. Any funds unspent from the original £48m up to the end of 2018 will be rolled into the programmable funds for 2019-2023. The fee structure has been amended for this new phase to provide a more appropriate base fee for the manager, and to better incentivise projects progressing through the development cycle.

Efficiency

While the programme has significantly exceeded the targets for project sign-ups, as discussed in the previous sections the results against MWs installed, GHGs emissions avoided and number of connections made have been adversely affected by the implementation lags not accounted for in the logframe. This risk to efficiency were highlighted in the 2017 Annual Review. The programme team suggest mitigating for these implementation lags in future years by setting incentives for projects moving through the cycle to Financial Close and operation, whilst ensuring that targets against these indicators in the future logframe account sufficiently for such delays. This exercise will be undertaken by using the Results Tool produced for the programme in 2018, which will enable the team to make realistic predictions based on real data accumulated so far.

The Assessment Committee has continued this year to analyse each project coming into the programme to ensure that REPP is providing the maximum additionality in each deal, and the minimum concessionality required, as well as the overall cost and profitability of structure of projects to ensure sustainability in these markets. The BEIS-nominated AC member ensures the robustness of this process from BEIS' perspective.

Effectiveness

To date, REPP has experienced a shortfall of CO2e savings against what was expected: from installing 0.47MW in three off-grid projects 1,753 tCO2e have been saved (against 12,500 tCO2e projected).

However, £9.25m of private finance and £19.27m of public finance have been leveraged, which is above what was expected at this point in the programme. In previous years REPP has only reported against activities labelled as 'TA', though as identified in the 2017 Annual Review, these activities are recognised as capital expenditure. In 2019 the programme team will consider whether these can now therefore be measured in the ICF KPIs for future projects. As the programme is only three years into a set of long-term infrastructure investments, it is too early to be able to assess full effectiveness of the activities based on actual outputs.

However, the independent mid-term evaluation conducted in 2018 indicated that REPP is likely to achieve its stated aims, and the expected results from the 19 projects signed up to REPP so far once they reach the operational stage are impressive, exceeding many of the ultimate indicators.

Equity

Equity was introduced as a measure of value for money after the REPP Business Case was written. However, each REPP project is expected to improve energy access, improve air quality and will deliver the associated health benefits to poor communities. Wider equity benefits include direct and indirect job creation, GHG emission reductions and the contribution this makes to limiting the effects of climate change, which disproportionately impact the poor. In particular, the off-grid investments are resulting in permanent jobs for women, typically sales (solar home systems) and customer services (minigrids), marking a contribution to equity in gender in the creation of jobs.

VfM performance compared to the original VfM proposition in the business case

We have compared results to the business case expectations for the two operational projects that have received results-based financing. These metrics do not reflect the wider REPP pipeline and focus only on a subset of contracted projects. Differences are therefore to be expected given the very small sample of projects compared to the wider REPP pipeline.

Of the 3 projects that have become operational, 2 have received results-based finance. These projects are expected to deliver lifetime GHG savings of 60,638 tCO2e (after the application of a 75% additionality adjustment), at a BEIS investment cost of £2.31m. This delivers a UK attributed cost per tonne of CO2 abated of £38.05. This is above what was expected in the original business case of £19.90/tCO2e and is also higher than the current range of the wider ICF portfolio. However, given that this cost per tonne is only reflective of 2 operational RBF projects, we can expect this to be vulnerable to outliers, such as SHS Nigeria which has a cost per tonne of £87.10.

The expected UK attributed private finance leveraged from these operational projects is £1: £1.64. This is slightly lower than the anticipated leverage ratio on RBF projects in the original business case, which was expected to be £1: £1.85.

It is difficult to draw conclusions based on such a small sample of the pipeline, but they do indicate that projects becoming operational are generally in line with the expectations in the business case, and based on this, the programme can be considered to be effective in delivering value for money.

It is recommended that the programme team review the Results Tool ahead of the annual review next year to improve its utility – ensuring that values from operational, contracted, and pipeline projects show source data, and that methodologies and assumptions (e.g. grid emissions factor and capacity factor used) are embedded.

Assessment of whether the programme continues to represent value for money

It is still early in the REPP programme cycle to be able to gather empirical evidence from enough operating renewable energy projects in order to demonstrate the overall value for money of the fund. However, there are some positive indications in the number of projects signed up to receive REPP support, and the independent evaluation that REPP is likely to achieve its expected impact. While the delay in projects reaching operational stage means that fewer than expected results have been demonstrated so far in terms of MWs

installed, emissions avoided and connections made, there is still confidence that the benefits of the programme will be realised over the lifetime of the investment, rather than cutting off all results achieved after 2020.

The efficiency and economy of the programme are also being improved through a new fee structure from 2019 onwards, which will be implemented through the extension process, and is a result of learning so far on portfolio development and commercial engagement.

Quality of financial management

The REPP Manager reports against financial and risk metrics, which the Board monitors through a monthly dashboard report, and ensures that mitigation measures are in place to manage and reduce such risks. BEIS monitors these activities through its position on the Board, and is satisfied that the financial and risk management is appropriate.

REPP's accounts are prepared for the Board and audited by independent auditors in compliance with UK regulations. BEIS can monitor the REPP accounts through an online platform, and approves drawdowns from the Promissory Note, ensuring that payments are not ahead of need.

In 2018, a set of integrity audits were performed on a sample of three projects, by an independent auditor. These audits looked at financial management by the manager, by project developers, and through the supply chain for individual projects, with a focus on anti-bribery and corruption – and reported broadly positively on practices throughout, with some lessons to be learned. A set of audits on a new sample of projects will be conducted in 2019. The lessons learned were shared with the ICF's Project Management Office, which is reviewing its policy on managing integrity risks in response to the progress made by REPP on this point.

Date of last narrative financial report	December 2018 (at each Board meeting)
Date of last audited annual statement	March 2018

F: RISK (½ page)

Overall risk rating: Moderate

Overview of programme risk

Changes to the risk environment are detailed below.

The operational risks in REPP relate to the governance arrangements of the Assessment Committee (AC) and Board of Directors. Through the extension process for 2019 onwards, new governance arrangements between the two bodies have been agreed, giving greater powers to a newly-named Investment Committee, and enabling a more strategic role for the Board.

In 2019 it is recommended that:

- The ways of working and practices of these bodies under their new responsibilities should be monitored.
- The Board introduces an independent Chair for Board meetings, to improve efficiency and lend impartiality to the formal proceedings.
- The Manager continues to improve its administration of the programme's online portal, papers, and instructions to the Investment Committee and Board of Directors.

The delivery risks in REPP have increased from Minor to Moderate, due to the delays experienced in projects reaching financial close and starting to produce energy. These delays are due to country context and not performance by the Manager, though as the production of MWs is core to the objective of REPP, the programme team continues to monitor the factors of this risk closely. As a first mitigating step, the fee structure for 2019 onwards will better incentivise guiding projects through financial close and into energy production.

While it is still anticipated that the projects in the portfolio will produce the expected results, the delays mean it is not yet possible to evaluate the effectiveness of the investments so far, or the extent to which the expected failure rate will be realised. It is sufficiently early in the programme cycle for this to be an acceptable issue.

The context and fiduciary risks are interlinked, and are judged to be moderate. There is inherent risk with investing in infrastructure in the countries that REPP operates in, and this exposes REPP to risk of loss, fraud and corruption. The REPP Board recognises this inherent risk and commissioned integrity audits on three projects in 2018, which confirmed that REPP has good oversight of the supply chain and conducts thorough due diligence on its investments. Nevertheless, the risk remains high, and the Board plans to commission a new set of integrity audits in 2019.

Outstanding actions from risk assessment

N/A

G: COMMERCIAL CONSIDERATIONS (½ page)

Delivery against planned timeframe

The projects supported by REPP are reaching financial close later than expected in the original Business Case and logframe. This has largely been due to an 'optimism bias' at the outset, which didn't give sufficient consideration to operating conditions in the local context. While the benefits are still expected in terms of the outcomes and impact, the timescale is pushed further out, and they are likely to peak after 2020, when the original service agreement with the delivery partner was due to expire.

In 2018 the decision has been taken to extend BEIS's support to REPP by committing an additional £100m to 2023. The programme will therefore continue to monitor impacts across a longer and more realistic timeframe.

Performance of partnership (s)

The delivery partner continues to perform well in terms of setting up the REPP processes and implementing its policies. It has developed a healthy pipeline of projects, produced quality project support and assisted the Board in adapting REPP's investment products to demand from projects and local context. It has increased its resources in 2018 to increase in-country and M&E capabilities. The partner is responsive to BEIS requests for information, and provides a clear line of sight of all REPP activities.

Asset monitoring and control

BEIS has a high level of confidence in the management of programme assets, which it monitors regularly:

- The REPP manager provides a regular portfolio dashboard report
- BEIS has oversight of the whole portfolio through its position on the Board and the Assessment Committee
- BEIS is able to monitor the transactions of the REPP bank account

In addition, the Board commissioned a set of integrity audits in 2018, which included an assessment of the Manager's financial management. The audits reported positively on the Manager's practices as being robust and thorough. The monitoring exercise will be repeated in 2019.

H: MONITORING & EVALUATION (½ page)

Evidence and evaluation

Evidence and data sources

The quantitative evidence used in this Annual Review is sourced directly from the project developers supported through the programme, and is recorded in the Manager's data portal: Rhino. The integrity of the data is high – the Manager QAs the data, the BEIS Analyst QAs the Manager's processes and has access to the portal, and the Manager has hired an M&E specialist to fulfil this function.

BEIS also gathers data from REPP stakeholders through feedback provided on the success of its capacity building events, and through its position on the Board by attending an outreach meeting with a range of project developers in South Africa in the wings of a Board meeting. As part of the Board activities, BEIS staff also conduct field visits: in 2018 the team visited the homes of some beneficiaries of a solar-home-system roll-out project in Ghana. A similar visit is planned for July 2019 in Central/East Africa.

BEIS staff also liaise closely with other ICF programmes in the region led by BEIS or DFID, to ensure strategic coherence and to avoid overlap. This cooperation has picked up in late 2018 and early 2019 on the back of BEIS' new investment in REPP.

Evaluation

An independent evaluation was conducted in 2018, with three work streams: a mid-term evaluation of programme progress, a plan for conducting a future impact evaluation, and the development of a results reporting tool. The evaluation concluded that REPP is highly additional in the contexts within which it works, plays a fairly unique role in the market context it targets, and is not crowding out alternatives. They recommend a new impact evaluation, planning for which is due to start in 2019. The recommendations from the evaluation have been well used by the programme team, are published separately, and were incorporated into the Business Case for extending the programme. In the new phase, the BEIS team will:

- Review the logframe to ensure it fits the increase in ambition resulting from the extension
- Review the project-specific indicators in the logframe to reflect learning so far
- Conduct a Theory of Change workshop

Plans for each of these are already underway.

Monitoring progress throughout the review period

BEIS and REPP held a logframe review workshop in 2018, to ensure that the milestones, targets and weightings were appropriate for the period. No changes were made as a result, though the logframe will be re-drawn for the extension period, 2019 – 2023. It is anticipated that the logframe for the extension period will better incentivise projects progressing through the construction and operation stages, with a focus on producing MWs and the associated energy access and GHG savings and energy access.

To set appropriate targets at this stage, with a growing portfolio of existing projects and a healthy pipeline of potential ones, the Manager will update the Results Tool that was produced as part of the 2018 independent evaluation, and the programme will shift to using actual data to signify progress, rather than the theoretical pipeline set in the original Business Case in 2015. This process will ensure greater accuracy of both progress and expected impact, and will provide more meaningful expectations and assessments.

As part of this process, the programme team plan to refresh the Theory of Change for the extension period, by conducting a workshop in early 2019.

I: TRANSFORMATIONAL CHANGE (½ page)

Rating

Weighted outcome: 2 – Some early evidence suggests Transformation likely.

While there is increasing evidence that REPP is positioned to achieve the transformation in line with its Business Case and Theory of Change, the barriers to scoring higher are that: it is still too early for REPP to have made transformational impact at scale, more evidence is needed against the criteria, the methodology for assessment ought to be developed to be more complete, and the articulation of transformational change within REPP needs to be clearer. It is recommended that the programme team work on these areas in 2019.

Evidence and evaluation

Evidence

The transformational impact of REPP is measured against three criteria, relating directly to the logframe indicators: an increase in capacity and capability in countries and communities to bring the necessary change about, the presence of leverage or incentives for others to act, and the activities operating at scale. The evidence of transformational change is sourced from data from the three operational projects so far, an analysis of the likely portfolio achievements, a qualitative assessment of programme development, and the independent mid-term evaluation of REPP which was conducted in 2018.

The 2017 Annual Review recommended that the programme team look at whether the metrics used to assess Transformational Change would return enough data for suitable analysis in 2018, due to the early stage of the programme (and therefore little actual data available). However, in 2018 the programme has progressed sufficiently such that the volume of evidence available for the existing metric has improved. Nevertheless, it is recommended that the methodology be revised for the extension phase of the programme from 2019 onwards – to include more clearly considering qualitative judgements, and defining how REPP could score higher.

Logframe results and portfolio analysis

Most of the indicators' milestones have been met or surpassed, with the exception of MWs installed (1.1), which is delayed. While the evidence base remains small at this early stage of the programme (three operational projects), the actual results from the operational projects and the expected results from the portfolio of contracted projects suggest that the programme is following the anticipated trajectory of transformational change.

Programme development

There have been a number of developments in 2018 which suggest that REPP's activities enable increased capacity, capability and scale, and have a demonstration effect to increase leverage:

- REPP is beginning to invest in the capability of the project developers themselves, as an addition to its support on developing projects. This is likely to lead to developers being able to replicate projects initially supported by REPP.
- REPP is selecting projects that have the potential to demonstrate viability of renewable energy in a region, from supporting a new pay-as-you-go business model in solar-home-system roll out in Nigeria, to demonstrating viability of minigrids across the region through minimising concessionality and aiming for financial sustainability in the long run.
- REPP has demonstrated its ability to arrange for the refinancing of projects; supporting the projects to become attractive investment targets.