

## Results Based Financing (RBF): Pico-Solar, Lake Zone Tanzania RBF Round 1: Application for Pico-Solar PV Suppliers

### 1. Introduction

TIB Development Bank and SNV- Netherlands Development Organization are pleased to announce the opening of **Results Based Financing (RBF)** Fund for Pico-Solar PV lighting applications for the Lake Zone, financed through the Energising Development (EnDev) initiative as managed by GIZ and funded by DFID.

The RBF Fund is focused on the application of a temporary financial product in mainstream banking that serves to assist the Private Sector in developing the market for Pico-Solar products in isolated rural areas. Tanzania Investment Bank (TIB) has been selected to host the RBF incentive fund valued at €1,000,000.

***The € 1.0 Million RBF Fund is currently open to applications from experienced, innovative, and enthusiastic Pico-Solar PV Suppliers who are dedicated to investing and developing viable distribution chains for quality pico-solar products and services to rural consumers in the Lake Zone of Tanzania.***

### 2. What is the RBF Fund?

The RBF Fund for Pico-Solar in the Lake Zone will be open to the private sector from April of 2014 until August of 2017 and will focus on the Solar Pico-PV subsector (small solar home kits, lanterns, phone chargers) with an initial geographic area throughout the rural districts of the six (6) Lake Zone regions of, Geita, Kagera, Mara, Mwanza, Shinyanga, and Simiyu. It has been designed to generate a functional means for Suppliers and Retailers to mutually develop the distribution chain for affordable and quality Pico-Solar PV products to the ultimate benefit of rural solar PV end-users. This will be achieved by providing, upon the verified proof of approved Pico-Solar PV sales to rural Lake Zone Consumers, incentives paid to the private sector in the form of:

- (i) Product bonus to end retailers and;
- (ii) Capital bonus to suppliers (as based on end retail sales volumes)

The RBF Fund will be opened as of April 1<sup>st</sup>, 2014 on which date all approved Pico-Solar PV product sales can be recorded and claimed as earning RBF Product Incentives by approved suppliers in the program.

### 3. Applying to the RBF Fund

There shall be two (2) rounds for supplier applications to participate in the RBF Fund. RBF Round 1 will be open as of **February 24<sup>th</sup> – 17<sup>th</sup> March, 2014**. Sixty percent (60%) of the total RBF Fund (€600,000) will be provisionally set aside for the future claims by the accepted applicants of RBF Round 1.

Five (5) Companies will be selected to participate in the RBF Round 1. Main points for consideration in the Supplier selection process will include, but not be limited to, track record of dealing with Pico Solar PV, distribution network/accessibility, potential for market growth in RBF incentive fund operation, capability to provide training/capacity building support to retailers, and commitment as a post-RBF market player.

If you are interested to apply to the RBF Fund as Pico-Solar PV Import-Supplier of Lighting Africa approved products, please **send a request and complete an application package** for the Results Based Financing (RBF) Round 1 Applications for Pico-Solar PV Import-Suppliers Lake Zone from:

**SNV Tanzania – Lake Zone Office**  
**[LUNIT@snvworld.org](mailto:LUNIT@snvworld.org)**

**ATTN:** Tanzania Programme Manager – Energising Development (EnDev)

**The deadline for receiving**  
**RBF Round 1: Pico-Solar Supplier Applications is strictly on:**  
**Monday, 17<sup>th</sup> of March, 2014 @ 17:00 hrs**