

SOLAR FIRMS PRE-QUALIFICATION INTO THE RESULTS BASED FINANCING FUND

Results Based Financing (RBF): Stage 2

Rural Remote and Vulnerable Solar Market Development in Lake-Central Zones of Tanzania

SNV Tanzania invites applications from eligible, innovative and experienced Solar companies to pre-qualify for the supply of quality solar products in line with the "Results Based Financing (RBF) Stage 2: Rural Remote and Vulnerable Solar Market Development project in Lake-Central Zones of Tanzania for 2019- 2020.

The RBF Fund opens with €1.5 million EUR in RBF incentives available to the private sector. The RBF Fund Stage 2 will be based on the foundational principles and structures as successfully developed and adapted during RBF Stage 1 program (2013-2018) with strategic design of key financing elements to ensure RBF incentives are more sensitively tuned to sustained market development in vulnerable and remote Lake and Central Zone markets.

The RBF initiative for solar in Tanzania is financed through the Energising Development (EnDev) initiative with the support of the UK's Department for International Development (DfID).

What is the RBF Fund?

The Results Based Financing (RBF) concept is about developing and testing viable business models that employs financing as a performance incentive rather than a traditional lump sum loan payment. The key feature is payment upon delivery. Private participants are expected to take the full risk until the moment of delivery of the contracted results. RBF instruments are generally characterised by the following principles:

- Disbursement of funds is contingent on the delivery of pre-determined results (outcomes or closely related outputs);
- Results are broadly defined to allow for product & service innovation by allowing flexibility to service providers;
- Verification acts as the trigger for disbursement;
- Incentives are non-discriminatory, in that all eligible service providers are able to competitively participate

The RBF Fund is open to the private sector through to close of September 2020 and is focused on the Solar Pico-PV subsector (small solar home systems, lanterns, lanterns with phone charging) with geographic area throughout the rural districts of the six (6) Lake Zone regions of Geita, Kagera, Mara, Mwanza, Shinyanga, and Simiyu and the four (4) Central Zone regions of Kigoma, Tabora, Singida and Dodoma.

Applying for Pre-Qualification to the RBF Fund

The RBF Fund is open to receiving applications through multiple intake rounds starting in **April 2019 through March 2020**. Firms are encouraged to apply early as only verified sales made at least six months prior to the claim will be eligible for incentive payments. If you are interested in applying to the RBF Fund as a Pico-Solar PV Supplier of Lighting Africa approved products.

Please visit <http://www.snv.org/country/tanzania> and download the package composed of three documents that will be used to guide the intake process.

The deadline for this round of intake is Monday, 6th May, 2019 at 1700 East African Time (EAT)