

HSFG

Household Solar Funders Group



background

- Builds upon an early initiative by USAID, Power Africa, FCDO, AfDB and Shell Foundation (SOGGE – Scaling Off Grid Energy)
- Extensive stakeholder engagements during 2019
- Supported by USAID and Shell Foundation
- Group established mid 2020
- Initially hosted by the Shell Foundation, since July 2023 hosted by AECF



objectives

Accelerate access to energy (SDG7), through funder collaboration on activities which address market barriers and benefit from a collective approach

The HSFG platform will accelerate the household solar market by facilitating:

- **engagement across all funders (donors, DFIs, impact investors, foundations, fund managers, etc.),**
- **filling in gaps in programming,**
- **identifying synergies and opportunities for collaboration,**
- **avoiding duplication, and**
- **enabling better informed programmatic, strategic, and financial decisions.**



household solar

- The HSFG focusses on energy access solutions and products which support clean and efficient energy access for households and associated economic activities, focusing on Africa
- These solutions and products include:
 - energy generation and lighting (solar lanterns, pico solar, solar home systems up to 350 W_p), and
 - appliances and productive use devices able to be powered by such solar home systems



members

- ± 120 members representing 60 organisations:
- International Finance Institutions (World Bank, IFC, AfDB, IsDB, NDF, etc.)
- UN organisations (SEforAll, UNDP, UNCDF, etc.)
- Bi-laterals (FCDO, USAID, DGIS, etc.)
- International programmes (Power Africa, EnDev, GET.invest, etc.)
- Philanthropy (Shell Foundation, Rockefeller Foundation, DOEN Foundation, etc.)
- Venture Builders (Factor[e], Venture Builder, etc.)
- Impact investors (Acumen, Charm Impact, etc.)
- Industry association GONGLA is an observer to the HSFG



activities

- Meet plenary every quarter (virtually) to share information and foster coordination
- Identify and prioritise the top challenges/needs facing the sector, which will benefit from a collective approach of funders
- Work collaboratively to facilitate or develop solutions to the top challenges/needs, focusing on no more than 1-3 at any given time



logistics

- The HSFG is hosted by AECF
- Mailing list for information sharing amongst members
- HSFG.Africa website with industry news and events and protected member area as document depository
- Plenary meetings once per quarter
- Working group meetings approx. once every six weeks
- Ad-hoc special meetings as and when appropriate
- No membership fees



HSFG suite of activities

CORE

Quarterly meetings

- Preparation
 - Topics
 - Speakers
 - Announcements
- Meeting
- After-care
 - Follow ups
 - Minutes

SUPPORT

- Membership list
- News updates mailing list
- Members' activities database
- "match making"
- MS teams channel

Working Groups

- Identification of joint activities, common learning, avoidance of overlap, identification of gaps
- PUE
 - Local company support
 - Funder alignment

Ad Hoc

- Once off activities based on identified needs from members
- Forced labour in PV value chain
 - ACE learnings
 - Peer review / input in member activities



member activity database

- The HSFG maintains a database of member activities in household solar in Africa.
- Exclusively accessible to HSFG members
- Can assist members in own strategy and policy development, as well as coordination with other members
- Easy to use interface with search functions for funder, keyword, company invested in and country
- Continuously functionality improvements
- Updates in information as and when needed, plus data verification once a year



key priority areas

Key priority areas for the HSFG in 2023:

- support to local companies
- Productive Use of Energy
- forced labour in the PV value chain
- investment gap identification



support to local companies

- Facilitating joint actions to increase the number of local companies in the portfolios of the HSFG members
- Key topics:
 - sharing of information on current/actual investments and on companies found investable but not invested in,
 - identification of those African leader and entrepreneurs that did not make it to the radar screen of HSFG members and how to engage with them, and
 - a continued discussion on how to compensate African entrepreneurs in a way that will help them most to concentrate on their business.



Productive Use of Energy

- Identifying pathways to scaling of PUE activities by HSFG members
- Sharing of member and non-member experiences with PUE projects and investments
- Actively building linkages to other sectors
- Deep-dives on specific countries to engage actors active on PUE



forced labour PV value chain

- Joint activity with the Mini Grid Funders group.
- Update members of the current state of affairs and potential risks involved
- Facilitate coordinated action by the sector



investment gap identification

- The HSFG facilitates coordination between funding providers at different stages of company growth, in particular between early stage grant providers and follow-on investors
- Structured information exchange on open funds and pipeline companies
- Aim is to get better alignment between funding providers
- HSFG to identify areas of over- and under-supply (sectors, growth stages, type of funding) and makes that available to members to inform their strategic direction



industry coordination

- Continued coordination with GONGLA, ARE, REN21, etc.
- Participation in and contribution to the Mini Grid Funders group and the SADC Energy Thematic Group
- coordination between members on their activities and processes for the UNFCCC Climate Conference during Q4 of 2023