

 Early Warning System

AFDB-P-ET-FF0-005

Ethiopia - Ethiopia Distributed Renewable Energy Agriculture Modalities
(DREAM) Programme



Quick Facts

Countries	Ethiopia
Specific Location	Oromia, Amhara, and Sidama/Southern Ethiopia
Financial Institutions	African Development Bank (AFDB)
Status	Approved
Bank Risk Rating	B
Voting Date	2026-07-17
Borrower	RVE.SOL ETH Energy Generation Solutions
Sectors	Agriculture and Forestry, Energy
Investment Type(s)	Grant
Investment Amount (USD)	\$ 2.00 million
Grant Amount (USD)	\$ 2.00 million
Project Cost (USD)	\$ 3.80 million



Project Description

As stated by the AfDB, the Lelicho and Murche Mini-Grid Sub-Projects form part of Ethiopia's Distributed Renewable Energy and Agriculture Modalities (DREAM) Programme, an innovative energy-agriculture initiative designed to demonstrate a commercially viable, private sector-led model for rural electrification through renewable-energy mini-grids anchored by productive agricultural demand. The programme combines solar-hybrid mini-grids with irrigation infrastructure under an ABC model, comprising Anchor demand from irrigation, Business demand from micro, small and medium-sized enterprises, and Community connections for households. This demand-stacking approach is intended to improve project economics, strengthen revenue certainty and enhance the long-term sustainability of rural mini-grids.

DREAM is jointly supported by the African Development Bank through the Sustainable Energy Fund for Africa (SEFA) and the Global Energy Alliance for People and Planet (GEAPP), in partnership with the Government of Ethiopia through the Ministry of Water and Energy, with the participation of the Ministry of Irrigation and Lowlands, the Ministry of Agriculture and the Agricultural Transformation Institute. The wider DREAM pilot covers nine mini-grid sites grouped into three geographic lots: Oromia, Amhara, and Sidama/Southern Ethiopia.

RVE.SOL was selected to develop the Lelicho and Murche mini-grid sub-projects under Lot 3, which are the most advanced and implementation-ready sites under the programme. The two sub-projects will install approximately 1.4 MWp of renewable-energy generation capacity and 450 kWh of battery storage, generating an estimated 2.5 GWh of renewable electricity annually. The mini-grids will support household electricity access while also powering productive uses, particularly irrigation and rural businesses, thereby linking rural electrification with agricultural productivity and local economic development.

The total estimated cost of the Lelicho and Murche sub-projects is approximately USD 3.8 million. Financing comprises a USD 2.0 million reimbursable grant from SEFA, representing approximately 50% of the project cost; a USD 1.51 million grant from GEAPP; and approximately USD 0.38 million in sponsor equity from RVE.SOL. At programme level, the DREAM pilot is estimated to cost approximately USD 20.6 million, including an overall USD 8 million SEFA financing envelope.



Investment Description

- African Development Bank (AFDB)



Private Actors Description

As stated by the AfDB, the recipient and project company is RVE.SOL ETH Energy Generation Solutions PLC, an Ethiopian company established to develop, own and operate the Lelicho and Murche mini-grid assets. It is a subsidiary of RVE.SOL S.A. of Portugal. RVE.SOL ETH will be responsible for the construction, ownership and operation of the facilities under a concession granted by the Government of Ethiopia. The African Development Bank, acting as administrator of SEFA, will provide the USD 2 million reimbursable grant and implementation oversight.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	RVE.SOL	Client	Energy



Contact Information

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ACCESS TO INFORMATION

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Bank Documents

- [PROJECT SUMMARY NOTE](#)