Early Warning System

FMO-48657

IGNITE HOLDING COMPANY INC.

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Quick Facts

Countries	Guatemala
Financial Institutions	Netherlands Development Finance Company (FMO)
Status	Approved
Bank Risk Rating	U
Voting Date	2016-03-24
Borrower	Ignite Holding (Kingo)
Sectors	Energy
Investment Type(s)	Grant
Investment Amount (USD)	$ 2.00 million
Project Cost (USD)	$ 14.00 million

Project Description

FROM FMO:

WHO IS OUR CLIENT

Kingo, trade name for Ignite Holding Company, Inc. is the first commercial venture in Central America for rolling out off-grid prepaid energy solutions for households. Kingo positions itself as a utility-like provider of electricity to rural off-grid communities .The company's business model consists in installing home solar systems which remain the company's property and distributing prepaid energy credit through local distributors (shop keepers) that customers can purchase according to their budget and their energy needs.

FUNDING OBJECTIVE

The objective of the grant is to allow Kingo to continue expansion in the market and be able to show significant growth on solid/validated business model to support the equity raise contemplated at the end of 2016. The proceeds of funds is mainly used to fund the kits themselves and installation/maintenance activities.

WHY WE FUND THIS PROJECT

Ignite provides first time energy access to households via solar home systems in rural areas without a grid connection. Moreover, the energy access contributes to productivity of households and ultimately to economic growth (proper lighting and charging facilities allow work and study activity beyond sunset).

Investment Description

- Netherlands Development Finance Company (FMO)

The financing comes in the form of a USD 2 million convertible grant to Kingo, in addition to the USD 12 million equity raise through series B contemplated at the end of 2016.

Contact Information

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ACCOUNTABILITY MECHANISM OF FMO

Communities who believe they will be negatively affected by a project funded by the Dutch Development Bank (FMO) may be able to file a complaint with the Independent Complaints Mechanism, which is the joint independent accountability mechanism of the Dutch Development Bank (FMO) and the German Investment Corporation (KfW) . A complaint can be filed in writing, by email, post, or online. The complaint can be filed in English or any other language of the complainant. The Independent Complaints Mechanism is comprised of a three-member Independent Expert Panel and it can provide either problem-solving, compliance review or both, in either order. Additional information about this accountability mechanism, including a guide and template for filing a complaint, can be found at: https://www.fmo.nl/independent-complaints-mechanism