

 Early Warning System

IFC-47529

Husk Minigrids



Quick Facts

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|-------------------------|---|
| Countries | Nigeria |
| Specific Location | Nasarawa, Plateau, Kwara, Cross River, Jigawa, Kano, Bauchi, and Gome |
| Financial Institutions | International Finance Corporation (IFC) |
| Status | Approved |
| Bank Risk Rating | B |
| Voting Date | 2024-11-14 |
| Borrower | Husk Power Energy Systems Nigeria Ltd. |
| Sectors | Energy, Infrastructure |
| Investment Type(s) | Loan |
| Investment Amount (USD) | \$ 5.00 million |
| Loan Amount (USD) | \$ 5.00 million |



Project Description

According to the IFC, the proposed investment consists of a revolving loan of up to USD 5m to Husk Power Energy Systems Nigeria Limited, a subsidiary of Husk Power Systems (HPS) Inc. The proceeds will be used to part finance a 3-year capex plan to construct and operate ~300 mini-grids with an aim to connect 50,000+ off-grid consumers by 2027.

Each mini-grid will consist of a 50kWp solar-hybrid system with a 180kWh lead acid battery storage component, a 60kVA genset and a small local low voltage Transmission and Distribution (T&D) network without transformers.

The loan shall be secured entirely through an assignment of amounts due to Husk Nigeria under the World Bank (WB) financed Nigeria Distributed Access through Renewable Energy Scale-up (“DARES”) project (P179687). The DARES project builds on the achievements of the WB financed Nigeria Electrification Project (NEP), which has supported the establishment of 125 mini-grids and the sale of over a million Solar Home Systems, through which more than 5.5 million Nigerians have gained access to electricity. The mini-grids will mostly be in villages, on small plots of land of ~ 0.25ha, leased from communities or households for a 25-year period. The construction period of each mini-grid system is around 4 weeks and construction, and operation and maintenance (O&M) will be managed in-house by the Company. To date, the Company has installed 30 mini-grids in a couple of states including Nasarawa state, and is in the process of identifying sites across several other states including Plateau, Kwara, Cross River, Jigawa, Kano, Bauchi, and Gome.



Investment Description

- International Finance Corporation (IFC)

As stated on the project disclosure page, IFC as implementing entity of the Canada-IFC Renewable Energy Program for Africa is expected to provide up to US\$2.5 million in the form of a subordinated concessional loan.



Private Actors Description

As stated by the IFC, Husk Power Energy Systems Nigeria Limited is a subsidiary of Husk Power Systems Inc..

Husk is one of the leading mini grids developers/operators, with a primary focus on rural communities. Husk initially started operations in India in 2008 and entered Nigeria in 2020. Globally, Husk has 270+ mini grid sites including 30 sites in Nigeria. Total installed capacity is 9MW. Husk's mini grids are hybrid mini grids which combine solar photovoltaic panels, battery energy storage systems, and diesel generators, and normally are operated independently (i.e. the mini grids are not connected to the main electricity grid).

Husk Nigeria is 99.99% owned by Husk Power System Inc Mauritius and less than 0.1% by Husk's CEO Manoj Sinha. Husk Mauritius is 100% owned by HPS. The three largest shareholders of HPS are Shell Ventures, STOA Infra & Energy Impact Fund, and U.S. International Development Finance Corporation.



| Private Actor 1 | Private Actor 1 Role | Private Actor 1 Sector | Relation | Private Actor 2 | Private Actor 2 Role | Private Actor 2 Sector |
|--|----------------------|------------------------|------------|-------------------------|----------------------|------------------------|
| Royal Dutch Shell plc | Investor | Energy | invests in | Husk Power Systems Inc. | Client | Energy |
| STOA Investment Fund | Investor | Finance | invests in | Husk Power Systems Inc. | Client | Energy |
| U.S. Development Finance Corporation (DFC) | Investor | Finance | invests in | Husk Power Systems Inc. | Client | Energy |



Contact Information

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ACCESS TO INFORMATION

You can submit a request for information disclosure at: <https://disclosures.ifc.org/#/inquiries>

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org>



Bank Documents

- [Environmental and Social Review Summary \(ESRS\)](#)



Other Related Projects

- WB-P179687 Nigeria Distributed Access to Renewable Energy Scale-up Project