

 Early Warning System

MIGA-15044

ARC Power Rwanda



## Quick Facts

<b>Countries</b>	Rwanda
<b>Financial Institutions</b>	Multilateral Investment Guarantee Agency (MIGA)
<b>Status</b>	Approved
<b>Bank Risk Rating</b>	B
<b>Voting Date</b>	2023-12-21
<b>Borrower</b>	Triodos Groenfonds N.V., Triodos SICAV II, OIKOCREDIT, Arc Power Rwanda Limited
<b>Sectors</b>	Energy, Finance, Infrastructure
<b>Investment Type(s)</b>	Guarantee
<b>Investment Amount (USD)</b>	\$ 9.00 million
<b>Project Cost (USD)</b>	\$ 9.00 million



## Project Description

As stated on the project disclosure page, on April, 8, 2024 MIGA issued guarantees to Triodos Groenfonds N.V. of The Netherlands; Triodos SICAV II of Luxembourg; and OIKOCREDIT, Ecumenical Development Cooperative Society U.A. of The Netherlands for their total US\$9 million equity investments to ARC POWER RWANDA Limited of the Republic of Rwanda--against the risk of Breach of Contract for a period of up to 8 years each.

The Project includes: (i) the pre-financing, design, construction, commissioning, and short-term maintenance of medium (30 kV) and low voltage (0.5 kV) lines, transformers, and auxiliary components to interconnect approximately 150 villages in multiple locations around Rwanda to the national grid and where Rwanda Energy Group (REG), the public utility, will become the owner at construction completion; and (ii) the financing, design, construction, long-term ownership, operation, and maintenance of solar photovoltaic generation facilities that are located on the ground that will provide electricity directly to approximately 25 to 30 productive user customers, such as schools, health centers, local government offices, small and medium enterprises, commercial centers, and business parks.

The Project is aligned with the country's Least Cost Power Development Plan by significantly reducing the end-user tariffs since these end-user tariffs will be matched with the national grid tariff, which compares favorably to a typical captive solar mini-grid project with battery storage units in the country.

The project is expected to connect approximately 30,000 new customers to the Rwanda national grid, equating to around 118,000 people. The Project will be the first interconnected grid network project in the country that has solar generation units installed in the village networks, directly servicing the villages' productive users and households. By providing the stable source of energy to the village productive users, this ARC Power project will contribute to increase their productivities. The project is also promoting the clean cooking solutions to the village people by distributing electric pressured cookers as well as cookbooks that elaborate about how to cook Rwandan food by using the electric pressured cookers. This will contribute to reduce the greenhouse gas emissions by replacing wood and charcoal burning and will also has a significant positive impact on indoor-air pollution.



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## Investment Description

- Multilateral Investment Guarantee Agency (MIGA)

## Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- [Oikocredit Ecumenical Development Cooperative Society U.A. of Netherlands](#) (Financial Intermediary)
- [Triodos Investment Management BV](#) (Financial Intermediary)
- [Triodos SICAV II](#) (Financial Intermediary)



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## Private Actors Description

As stated on the companies' websites:

ARC Power Limited designs, develops and installs both off-grid and grid-tied AC power generation systems (ARCs) and distribution networks that provide 24 hour electricity.

Triodos Groenfonds is the oldest green investment fund in the Netherlands and enables investors to invest in green projects. The fund invests primarily in loans to green projects that are recognised as such by the Dutch government.

Triodos SICAV II is structured as an umbrella fund, which may provide investors access to a variety of sub-funds. As at 30 June 2022, Triodos SICAV II has the following sub-funds:

- Triodos Microfinance Fund;
- Triodos Emerging Markets Renewable Energy Fund; and
- Triodos Renewables Europe Fund (in liquidation).

Oikocredit is a social impact investor and worldwide cooperative. We have over four decades of experience in promoting sustainable development through investments. We focus our investments on financial inclusion, agriculture and renewable energy.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	ARC Power Limited	Client	Energy



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## Contact Information

### Client - ARC Power Limited:

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## ACCESS TO INFORMATION

You can submit a request for information disclosure at: [https://www.miga.org/contact/access\\_to\\_information](https://www.miga.org/contact/access_to_information)

You can also request general information about MIGA and for information on guarantees by emailing:  
[migainquiry@worldbank.org](mailto:migainquiry@worldbank.org)

## 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](mailto:CAO@worldbankgroup.org). You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org>



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## Bank Documents

- [Environmental and Social Action Plan \(ESAP\)](#) [Original Source]
- [Environmental and Social Review Summary \(ESRS\)](#)