

# Renewable Energy Business Development

## Green People's Energy (PGE)

### The challenge

Ghana has a very vibrant and promising private sector which presents enormous benefits to the economic stability of the country. Majority of industrial facilities in the urban communities have access to reliable supply of electricity from the grid, albeit not cost-effective. On the other hand, agribusinesses in rural areas suffer not only from high electricity costs but also from irregular supply. Regrettably, investing operational funds into renewable energy (RE) solutions does not seem to make sound financial sense to business owners because of the hiatus in businesses access to finance RE solutions. Consequently, this threatens the sustainability of business operations. Furthermore, financial institutions also lack the technical support in issuing packages which will fund feasible renewable energy projects.

### Our approach

RE solutions deliver reliable and sustainable electricity access to businesses especially those situated in the rural communities. This is towards providing a holistic solution which optimizes business operations and ensures profitability powered by RE.

Therefore, the project offers free-of-charge energy audits of the businesses ready to invest in RE solutions. These audits are performed to derive comprehensive feasibility reports which can serve as adequate support for financial institutions delivering green finance packages. Businesses in the rural Ghana are engaged consistently throughout the audit process to ensure a collaboration with representatives of financial institutions.

Our approach involves the following:

- Site visits to familiarize with the business operations
- Technical energy audit of the business operations
- Feasibility report on suitable renewable energy solutions
- Facilitation of meetings between the businesses and the financial institution till financial closure.

### The results

Currently five financial institutions assist business owners to invest in renewable energy systems as a sustainable way of optimizing efficient energy and associated costs in running their businesses. These are CAL Bank, Ecobank, Standard Chartered Bank, Stanbic Bank and Prudential bank. Fundamentally, each of these financial institutions require the following:

- Application Letter (cost of RE system)
- Company Board Resolution Letter
- Ghana Card and Passport picture of applicant
- Consent Letters (Collateral coverage)
- Bank Statement (6 months at least)
- Feasibility Report for the RE system




**Renewable Energy  
Investment Forum**  
(Jointly organized by GIZ and Ministry of Energy)

► **Wed. 14th September 2022**

Venue: **Accra City Hotel**

**8AM  
PROMPT**

german cooperation DEUTSCHE ZUSAMMENARBEIT  
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MINISTRY OF HEALTH

During the period of May 2022 to June 2023 the following main results have been achieved.

- Nine businesses interested in RE investment
- Seven energy audits undertaken
- Seven feasibility reports undertaken
- Seven presentations of RE solutions to the business owners/investors
- Five funding facilitation meetings between investors and financiers
- Two RE business development workshops with project investors, political stakeholders, and finance institutions
- Two Financial closures of more than 1 Mio. € Investment into around 500 kWp solar power.



*The recommended investment of approximately €500,000 has been secured by Iribov Ltd. The 400 kWp solar installation has been completed after 3 months of installation works in May 2023.*

## Case study of a successful implementation

Of the nine companies reached through this intervention, Iribov West Africa Ltd. was the first to begin installation of the recommended renewable energy solution. Following a thorough energy audit, the resulting feasibility study was presented in May 2022, detailing a tailor-made renewable energy solution.

Iribov West Africa Ltd. grows seedlings using tissue culture technology. It is located in Sogakope, a rural community in the Volta Region of Ghana. 70% of its employees are women from the surrounding communities. The company's premises are connected to the grid and backed up by a diesel generator. The company considered a solar solution to reduce its energy costs and carbon footprint.

The energy audit resulted in a design for a solar power system based on the power consumption of the plant, the shift system of the operation, the experience of power outages and the register of the diesel generator back-up. It was also taken into account that the plant's demand is expected to increase by 30% by 2025.

The required investment volume is based on the following metrics

- Simple payback
- Minimum return on investment
- Minimum internal rate of return
- Minimum lifetime savings



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