

New portfolio company in Mozambique scaling up access to clean cooking through biogas solutions

The Modern Cooking Facility for Africa (MCFA) partners with ENGIE Energy Access Mozambique to expand sustainable cooking solutions with EUR 1.3 million in funding to provide clean cooking solutions in Mozambique by scaling up access to innovative biodigester technology mainly in rural areas of the country.

A new agreement has been signed with ENGIE Energy Access Mozambique, a subsidiary of ENGIE Energy Access, part of the ENGIE group. The subsidiary in Mozambique has been focusing on delivering off-grid solar home systems and is widely known for its Pay-As-You-Go (PAYGo) systems called 'MySol'. The EUR 1.3 million of results-based financing to be provided by MCFA will mobilise additional co-financing, at least doubling the total capital invested by the end of the project implementation.

ENGIE Energy Access Mozambique will provide its customers with innovative biodigesters that enable farmers to convert agricultural waste into biogas and fertiliser through a PAYGo business model. With the results-based financing provided by MCFA, the company aims to launch this new product offering in Mozambique and promote and sell biogas stoves to facilitate clean cooking in three southern provinces of the country. This is the area where most of the company's solar home system customers reside. The company aims to provide 2,000 clean cooking services, i.e. stoves and biodigesters, benefitting some 10,000 people in Mozambique by the end of 2028.

“This initiative represents a transformative leap towards sustainable development in Mozambique. By equipping rural communities with cutting-edge clean cooking solutions, we are not only enhancing health and mitigating environmental impacts but also stimulating economic growth and resilience. Additionally, the biodigesters produce a valuable by-product —biofertilizer— which can replace chemical alternatives, further supporting agricultural productivity. As such, the biodigester technology will be a powerful catalyst for social and economic upliftment, delivering enduring benefits for generations to come,” says **Alexandra Links**, Managing Director at ENGIE Energy Access Mozambique.

The company has established a consortium with Sistema.bio, which manufactures high-quality biodigesters. The biogas kit includes a hybrid reactor, a stove and all the accessories necessary for farmers to begin utilising biogas within weeks of installation. Manure breaks down anaerobically, producing biogas that can be used for clean cooking and thermal processes to meet household needs. The output of the digester is a biofertiliser that can replace chemical alternatives. The kit is composed of prefabricated components optimised for reliability, packaging, transportation and easy installation. MCFA is also financing two other projects using Sistema.bio solutions.



“ENGIE Energy Access has been successful in the off-grid solar sector in Mozambique. We see strong potential for ENGIE to expand its product portfolio by offering these advanced clean cooking products in collaboration with Sistema.bio,” comments **Kari Hämekoski**, Senior Programme Manager at Nefco.

The Modern Cooking Facility for Africa (MCFA) supports access to and scale-up of higher-tier clean cooking solutions. ENGIE Energy Access Mozambique was selected via a competitive application process under the Mozambique country programme as part of the first funding round (MCFA1). The selection process included a two-stage third-party evaluation of applications by independent experts and a detailed due diligence process carried out by Danish Energy Management A/S in consortium with LFS Advisory.

The Modern Cooking Facility for Africa (MCFA) received very strong interest in its second funding round to support access to and the scale-up of high-technology clean-cooking solutions in Sub-Saharan African countries. The second call for proposals has advanced to the final application stage, which entails the evaluation of received business plans by external evaluators. Applicants will be informed of the outcome by the end of August 2024.

For further information, please contact:

Kari Hämekoski, Senior Programme Manager at Nefco
kari.hamekoski@nefco.int, +358 10 618 0660

Latoya Adriano Martins, Marketing and Communication Manager at Energy Access
Mozambique
Latoya.adriano@engie.com, +258 85 50 22 002

About ENGIE Energy Access

ENGIE Energy Access is the leading Pay-As-You-Go (PAYGo) and mini-grids solutions provider in Africa. The company develops innovative, off-grid solar solutions for homes, public services and businesses, providing customers and distribution partners with access to clean, affordable energy. The PAYGo solar home systems are financed through affordable instalments and the mini-grids foster economic development by enabling electrical productive use and facilitating business opportunities for entrepreneurs in rural communities. With over 1,800 employees, operations in nine countries across Africa, in Benin, Cote d’Ivoire, Kenya, Mozambique, Nigeria, Rwanda, Tanzania, Uganda and Zambia, 2.5 million customers and more than 12 million lives impacted so far, ENGIE Energy Access aims to remain Africa’s leading clean energy company, serving millions of customers by 2025. Read more on: www.engie-energyaccess.com

About MCFA

The Modern Cooking Facility for Africa is a multi-donor facility established and managed by Nefco – the Nordic Green Bank – with the aim to support the development of new markets for the clean cooking sector and accelerate access to high-technology, modern and affordable cooking equipment for consumers in Sub-Saharan Africa, combining results-based financing with catalytic grant financing to companies active in the clean cooking market to grow and scale up their businesses in the programme countries.

The overall aim of the MCFA programme is to provide access to clean cooking solutions for approximately 4 million Africans. The current EUR 61.5 million MCFA programme was announced in November 2021 and is funded by the European Union, Norway and Sweden. Read more on www.moderncooking.africa

About Nefco

Nefco – the Nordic Green Bank – is an international financial institution based in Helsinki, Finland, owned by the five Nordic countries, focusing on environmental and climate investments to work with concrete actions to accelerate the green transition. Nefco also manages external funds in the climate and energy space. It is accredited by the European Union and the Green Climate Fund and is the Facility Manager for the Beyond the Grid Fund for Africa, a EUR 126 million multi-donor results-based financing facility funded by Denmark, Germany, Norway, Sweden and USAID. Read more on www.nefco.int

Photo: Female farmers using a biodigester – Sistema.bio