



**Productive Use of Energy Results-Based
Financing OPERATIONS MANUAL** *Ver 02/14.01.2026*
Development Bank of Rwanda

THE WORLD BANK

RWANDA - ACCELERATING SUSTAINABLE AND CLEAN ENERGY ACCESS
TRANSFORMATION IN AFE MPA (ASCENT - RWANDA) (P180575)

ASIAN INFRASTRUCTURE INVESTMENT BANK (AIIB)
ACCELERATING SUSTAINABLE AND CLEAN ENERGY ACCESS TRANSFORMATION
(ASCENT) RWANDA (P000756)

VERSION CONTROL

VERSION	EFFECTIVE DATE (DD/MM/YYYY)
Ver 01	13/12/2024
Ver 02	14/01/2026

TABLE OF CONTENTS

Acronyms.....	7
Definitions.....	8
A. Productive Use of Energy RBF Design.....	10
1 Introduction.....	10
2 Rationale for the RBF subsidy.....	11
3 Analytical foundation	12
4 Guiding principles	13
5 Scope of PUE-RBF Operations Manual	14
5.1 Targets.....	14
5.2 Duration of the PUE-RBF	15
5.3 Monetization of Greenhouse Gas Emission Reduction Credits.....	15
5.4 Eligibility criteria for beneficiaries.....	15
5.5 Repossession.....	16
5.6 Subsidy levels	16
5.6.1 <i>End-user Subsidy Levels</i>	16
5.7 Customers/final beneficiaries' contribution.....	17
5.8 Disbursement schedule	18
5.8.1 <i>Disbursement schedule for PAYGO/credit sales</i>	18
5.8.2 <i>Disbursement schedule for cash sales</i>	19
5.9 PUE-RBF incremental cost coverage	19
5.10 Capping-up of the subsidy per company.....	19
5.11 End user pricing	20
5.12 Foreign exchange rate.....	20
5.13 Eligibility criteria for PUE-Cs.....	20
5.14 Timing of enrolment.....	22
5.15 Eligibility criteria for PUE Products or Technologies	22
5.15.1 <i>System Quality and Warranty</i>	22
5.15.2 <i>No subsidy for refurbished PUETs</i>	23
5.16 Implementation tools and platforms	23
5.16.1 <i>PUE-RBF Claim Form</i>	24
5.16.2 <i>Results Form</i>	24
5.16.3 <i>Mobile Money Platforms</i>	24
5.17 Data inputs to subsidy calculation.....	24
B. RBF ROLES AND RESPONSIBILITIES	25
6 Stakeholders	25
6.1 BRD	25

6.1.1	<i>PUE-RBF Project Implementation Unit (PIU)</i>	25
6.1.2	<i>Management Investment Credit Committee (MICC)</i>	26
6.2	Energy Development Corporation Limited	26
6.3	Steering Committee	27
6.3.1	<i>Technical Review Committee</i>	27
6.4	Rwanda Standard Board/RICA	27
6.5	World Bank and AIIB	28
6.6	Productive Use of Energy companies (PUE-Cs)	28
6.6.1	<i>Identifying eligible customers/beneficiaries and supplying eligible PUETs</i>	28
6.6.2	<i>Basic customer awareness is mandatory</i>	29
6.6.3	<i>Adequate resolution of beneficiary complaints required</i>	30
6.6.4	<i>PUE-C reporting requirements</i>	30
6.6.5	<i>Suspension</i>	30
6.7	Customers	32
6.7.1	<i>Requesting PUE-Cs to provide warranty service</i>	32
6.7.2	<i>Registering a complaint</i>	32
C.	RBF PROCEDURES	33
7	Procedures for PUE-Cs	33
7.1	PUE-C application to PUE- RBF program	33
7.2	Signing Grant Subsidiary Contract	33
7.3	Collecting demand	34
7.4	Confirmation of sales	34
7.5	Claim submission through email	35
7.6	Providing warranty and after-sales-service	36
8	Procedures for BRD and EDCL	36
8.1	BRD: PUE-C appraisal, PUE-C eligibility review and contracting	37
8.2	EDCL: Different types of verification	37
8.3	EDCL: claim verification	42
8.3.1	<i>Initial desk verification</i>	42
8.3.2	<i>Verification of customer payments</i>	43
8.3.3	<i>Phone verification</i>	44
8.3.4	<i>Contract verification (only applicable during Milestone 1)</i>	46
8.3.5	<i>Field verification</i>	46
8.3.6	<i>Outcome of the verification results</i>	47
8.3.7	<i>Communication about verification outcome and disbursement</i>	71
8.3.8	<i>Calculation of the percentage failure rate and technical issues</i>	71
8.4	BRD: subsidy disbursement	71
9	Tools and templates	72
10	Environmental and Social Framework	73
D.	RBF PROGRAM REVIEW	75

11 Monitoring & Evaluation	75
12 Grievance Redress Mechanism.....	76
12.1 The mechanism.....	76
12.2 District-level GRC structure	77
12.3 Channels to submit grievances.....	78
13 Evolvement over time.....	80
14 Capacity development.....	80
15 Audit	80
E. ANNEXES	81
Annex 1: Call for Productive Use of Energy Technologies for Rwanda PUE-RBF	81
<i>Annex 1.1: Productive Use of Energy Solutions Application Form</i>	<i>83</i>
Annex 2: PUE-RBF Application Form.....	86
Annex 3: Template for Grant Subsidiary Contract between BRD and PUE-C.....	90
Annex 4: Claim Form	102
Annex 4.1: Step-by-step procedure for submitting Claim Form	104
Annex 5: Template of Sales Contract (in Kinyarwanda)	106
Annex 5: Template of Sales Contract (in English)	107
<i>Annex 5.1: Template of sales list to be approved (stamped) from the local authority.</i>	<i>108</i>
Annex 6: Template of formal letter requesting for Subsidy Financing under PUE-RBF.....	109
Annex 7: Logbook template for grievance registration.....	110
Annex 8: Frequently Asked Questions	111

LIST OF TABLES

Table 1: PUE-RBF Indicators	14
Table 2: Consumer Price Subsidy Rates per Product Category	17
Table 3: Subsidy disbursement schedule for PAYGO/credit sales	18
Table 4: Subsidy disbursement schedule for cash sales	19
Table 5: PUETs Warranties, and their Capacities	22
Table 6: Inputs to subsidy calculation.....	24
Table 7: Verification at each disbursement milestone level	38
Table 8: Payment data inputs required for verification.....	43
Table 9: Summary of the Verification Outcome	51
Table 10: Reporting format for the district-level GRC	78
Table 11: Roles and Responsibilities of the members of the district-level GRC.....	78

LIST OF FIGURES

Figure 1: The guiding principles	13
Figure 2: PUE-RBF program implementation arrangements	25
Figure 3: From PUE-C application to subsidy disbursement.....	37
Figure 4: PUE-RBF Milestone 1 Verification Process	39
Figure 5: PUE-RBF Milestone 2 and 3 Verification Process	40
Figure 6: Process for handling customers with technical issues	41
Figure 7: Subsidy disbursement flow.....	72
Figure 8: District-level GRC structure.....	77

Acronyms

BRD	Development Bank of Rwanda
IDA	International Development Association
AIIB	Asian Infrastructure Investment Bank
WB	World Bank
EAQIP	Energy Access and Quality Improvement Project
EDCL	Energy Development Corporation Limited
GESI	Gender and Social Inclusion
GoR	Government of Rwanda
MICC	Management Investment Credit Committee
MINECOFIN	Ministry of Finance and Economic Planning
MININFRA	Ministry of Infrastructure
GAP	Gender Action Plan
GSC	Grant Subsidiary Contract
OM	Operations Manual
PIU	Project Implementation Unit
RBF	Result-based Financing
REG	Rwanda Energy Group
RDB	Rwanda Development Board
REF	Renewable Energy Fund
REMA	Rwanda Environment Management Authority
SACCO	Saving and Credit Cooperative Society
SSA	Sub-Saharan Africa
PDO	Project Development Objective
PUET	Productive Use of Energy Technology
PUE-C	Productive Use of Energy Company
PUE	Productive Use of Energy
RICA	Rwanda Inspectorate, Competition and Consumer Protection Authority
PUE-RBF	Productive Use of Energy Results Based Financing

Definitions

1. **Cash Sales:** If the Productive Uses of Energy Company (PUE-C) collects one hundred percent of the customer contribution upon PUE Technology (PUET) installation. The partial collection will be considered as Pay As You Go (PAYGO)/credit sales.
2. **Eligibility criteria:** As defined in Section 5.13 of this Operations Manual (OM).
3. **Productive Use of Energy Monitoring Information System (PUE-MIS):** A platform managed (once developed) by Energy Development Corporation Limited (EDCL) to track the progress in PUE.
4. **PUE Product:** It is any technology or service that efficiently utilizes energy to enable economic activities and enhance productivity that complies with the PUE Results-Based Financing (PUE-RBF) technical performance criteria and includes in the list of PUE-RBF eligible technologies managed by EDCL.
5. **Eligible PUE-Cs:** Locally registered PUE Companies who fulfil the Eligibility Criteria as defined in Section 5.13 of this OM for participation in RBF Subsidy.
6. **Emission reductions:** Shall include all existing and future legal and beneficial rights arising from greenhouse gas reductions, avoidance or sequestration as created and measured in accordance with a methodology acceptable to the Government of Rwanda.
7. **Encumbrance:** includes: (i) any claim, mortgage, charge, pledge, lien, encumbrance, assignment, security interest, title retention, preferential right, trust arrangement, contractual right of set-off or any other security agreement or arrangement in favor of any person by way of securing for the payment of a debt or any other monetary obligation; and (ii) any restriction of any kind under any regulatory or voluntary regime that may affect the ability of BRD to use any Emission Reduction, and cognate expressions.
8. **End-user Price:** After subsidy price of a PUE technology offered by the PUE-C to eligible final beneficiaries.
9. **(New) Environmental and Social Standards:** means collectively: (i) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”; (ii) “Environmental and Social Standard 2: Labor and Working Conditions”; (iii) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”; (iv) “Environmental and Social Standard 4: Community Health and Safety”; (v) “Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement”; (vi) “Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources”; (vii) “Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the World Bank at <https://www.worldbank.org/en/projects-operations/environmental-and-social-framework/brief/environmental-and-social-standards>”.
10. **Forced Labor:** any work or service not voluntarily performed that is exacted from an individual under threat of force or penalty, including, but not limited to any kind of involuntary or compulsory labor, such as indentured labor, bonded labor, or similar labor-contracting arrangements.
11. **Operations Manual:** This refers to PUE-RBF Operations Manual including its revised versions. The latest version can be found on BRD’s website.

12. **PAYGO Software:** A platform hosted by PUE-C for the management of their productive use of energy business.
13. **Repossessed System:** A PUE technology repossessed by PUE-C or Participating Financial Institutions from the Targeted Customer.
14. **Results-based Financing Subsidy:** Amount to be received from the BRD by PUE-C in accordance with disbursement conditions set forth in this OM. The PUE-C will receive subsidy amount on behalf of final beneficiary/customer and micro-entrepreneurs.
15. **Targeted Customer:** Customers eligible for subsidy and resides in eligible areas.
16. **Technical Specification:** means the feature categorization of the PUET as tested by RSB (for locally made products) or inspected by RICA (for imported products) any other testing agencies in their test certificate and approved by EDCL.
17. **World Bank Operational Policies:** means the Environmental and Social Framework (ESF), including the Environmental and Social Policy for Investment Project Financing (IPF) and Environmental and Social Standards (ESS1–ESS10).

A. Productive Use of Energy RBF Design

1 Introduction

The Government of Rwanda is partnering with the private sector to develop competitive markets aimed at expanding access to Productive Uses of Energy (PUE) technologies. The ASCENT project, funded by the World Bank and the Asian Infrastructure Investment Bank (AIIB), includes Subcomponent 3.3, which is dedicated to increasing access to PUE technologies. These technologies are essential for economic development, as they support productive activities and generate employment.

Recent efforts by the Government of Rwanda have significantly improved electricity access through both grid expansion and off-grid solutions. The cumulative connectivity rate has reached 78.9% of Rwandan households, with 55.9% connected to the national grid and 23.0% utilizing off-grid systems, primarily solar (REG, June 2024). Despite these advancements, the uptake of PUE technologies remains slow due to affordability issues (Source: World Bank, "Finance for Renewable Energy in Developing Countries"). Many small businesses and agricultural enterprises are still unable to fully leverage available energy solutions, which hinders their growth and productivity.

In the context of the ASCENT-Rwanda project, support for PUE is provided through three main mechanisms: (i) access to finance, (ii) Results-Based Financing (RBF), and (iii) Technical Assistance (TA).

i) Access to finance: This is facilitated via the line of credit under the Operations Manual of ASCENT sub-component 3.4, which enables financial institutions to extend credit for PUE technologies, empowering businesses, and individuals to invest in energy-efficient technologies that drive productivity.

ii) Results-Based Financing (RBF): In line with the approved RBF mechanisms, ASCENT sub-component 3.3 will promote the adoption of PUE technologies - whether utilizing grid, off-grid, or thermal energy - by providing RBF incentives aimed at increasing consumer affordability. The design and procedures for this are detailed in this OM. This sub-component will be implemented by the Development Bank of Rwanda (BRD) with the technical support from EDCL. This initiative is the World Bank's first step toward investing in PUE technologies, with potential scaling up in the future.

iii) Technical Assistance (TA): TA activities, as described in the Project Appraisal Document (PAD), will focus on supporting the design and implementation of the RBF incentives, building capacity for local financial institutions and energy companies, and raising awareness among end-users about PUE technologies. The ongoing World Bank TA under the Programmatic Advisory Services and Analytics will guide the final design of this sub-component. This TA aims to ensure that the RBF mechanism effectively supports the market adoption of PUE technologies.

This Operations Manual (OM) focuses primarily on the design and procedures of the RBF mechanism, laying the groundwork for the future scaling and investment in PUE technologies in Rwanda.

A major challenge is the affordability of these technologies, particularly for businesses in rural or underserved areas. Introducing subsidies, coupled with a RBF model, can be highly effective in addressing this issue.

Subsidies can lower the initial costs of acquiring PUE technologies, making them more accessible to businesses. By reducing financial barriers, subsidies encourage the adoption of energy-efficient technologies and investments in productive activities, thereby stimulating economic growth.

The RBF model enhances the effectiveness of subsidy delivery by linking the financial incentives to a specific outcome or milestone. This ensures that subsidies are used effectively to achieve measurable results, such as increased productivity, job creation, or energy savings.

By combining subsidies with an RBF model, Rwanda can promote the efficient use of resources and encourage private sector investment in sustainable PUE solutions. This approach not only improves the affordability of PUE technologies but also drives economic growth, boosts productivity, and supports sustainable development in communities.

This subcomponent will be implemented by the BRD with the technical assistance of EDCL. This PUE-RBF aims to increase the access to on-grid and off-grid productive use technologies to support businesses development and productivity. Under the oversight of EDCL, eligible PUE technologies will be thoroughly assessed, inspected, verified, and approved in collaboration with Rwanda Inspectorate, Competition and Consumer Protection Authority (RICA) and Rwanda Standards Board (RSB). Once confirmed as eligible, PUE companies can participate in the program by signing a cooperation agreement with EDCL and then applying for a Grant Subsidy Contract through BRD.

The main purpose of this operational manual is to provide the administrators/managers of the PUE Incentives Program (PUE-RBF) the overall context and specific operational procedures to implement the incentives program. This Operational Manual contains sets of operational procedures, steps, and processes on how the Program is implemented and how the incentives using RBF are disbursed to qualified program participants. This document is divided into five parts: A) PUE-RBF Design, B) PUE-RBF General Conditions, C) RBF Procedures, D) RBF Program Review, and E) List of Annexes.

2 Rationale for the RBF subsidy

PUE technologies are vital for economic development, particularly in Rwanda, where it can drive growth in agriculture, small-scale manufacturing, and services. However, several challenges impact the affordability of PUE in the country. One major issue is the high initial capital costs for energy infrastructure and equipment, including energy-efficient appliances, machinery, and renewable energy systems like solar panels. These substantial upfront costs can be prohibitive for many small and medium-sized enterprises (SMEs) and individual entrepreneurs. As a result, the ability of businesses to adopt or scale up PUE is limited. Another significant challenge is the limited access to financing. Many SMEs and rural entrepreneurs find it difficult to secure loans or financial products due to high-interest rates, stringent lending criteria, and lack of collateral. This financial barrier restricts their capacity to invest in energy-efficient technologies or expand their operations. Addressing these issues is crucial for increasing the adoption of PUE and fostering economic growth. (Sources: International Renewable Energy Agency (IRENA), "Renewable Energy and Jobs – Annual Review 2023"; World Bank, "Finance for Renewable Energy in Developing Countries").

The necessity for affordability interventions for promising PUE technologies stems from their comparatively high purchase costs in relation to the income levels of the targeted PUE users. This challenge can be addressed through interventions on both the supply and demand sides. On the supply side, interventions involve providing financing to PUE suppliers, which helps reduce the initial purchase costs of PUE technologies, thus stimulating consumer uptake.

Conversely, demand-side subsidies are designed to assist end-users by providing financial support to bridge the gap that affects the affordability of PUE products.

This mechanism assists in making PUE technologies more accessible and affordable for end-users.

3 Analytical foundation

The World Bank has supported the PUE through RBF in various countries worldwide. Here are some countries where such initiatives have been implemented: Kenya, Tanzania, Uganda, Ethiopia, Bangladesh, India, Nepal, Haiti, and Myanmar. These programs typically aim to enhance energy access and promote the PUE in sectors such as agriculture, SMEs, and public services, with a strong emphasis on renewable energy sources. A key lesson learned from the PUE project was the critical importance of capacity building at various levels and among diverse stakeholders, from national governments to local women's groups. Training was provided to women and entrepreneurs on operating and maintaining the management and finance plans (MFP), managing budgets and bank accounts, and developing entrepreneurship skills. This training empowered them to perform both technical and economic oversight effectively.

Energy 4 Impact carried out the Solar Irrigation Rwanda (SIR) market development program. The SIR programme was implemented between February 2018 and November 2020 and was funded by a \$1 million grant from the OPEC Fund for International Development (OPEC Fund). SIR worked in 10 districts of Rwanda – six in Eastern Province and four in Southern Province. The project offered a mix of subsidies and loans to the beneficiaries. 100% grants were given for the demo sites, and then 70-95% grants were offered in conjunction with the then ongoing government subsidy program of which SIR offered 20%. The systems were designed for irrigating 1 to 10 hectares of farmland by pumping surface water from rivers and lakes, and the targeted beneficiaries were maize and horticulture crop growers organized into groups of 4 to 50 farmers. Altogether 1,450 farmers adopted solar irrigation systems through SIR. The submersible pump was found to have the best performance though it had a high retail price of around USD 4,000. Farmers that adopted the solar pumps for irrigation improved their yields by about a third, indicating the huge productivity benefits that solar irrigation possesses.

Based on the report on Assessment of Productive Use of Energy in Rwanda, it includes a strategy that addresses market gaps in PUE by improving technology affordability and accessibility. It proposes supply-side subsidies to lower upfront costs for suppliers and demand-side subsidies to provide low-interest loans for end users. The approach also includes sustainability measures to ensure long-term effectiveness and avoid duplicating existing efforts.

EnDev Rwanda and AVSI Foundation implemented a mini-grid project in Rwanda from January 2020 to July 2022 with a budget of EUR 198,356, aiming to boost electricity consumption through PUE. The project trained 97 entrepreneurs, 39% of whom were women, and facilitated the purchase of electrical appliances for 71 beneficiaries via matching grants. Despite contributions to solar and hydro power mini-grids, financial viability remains a challenge due to low demand. The project included business training, coaching, and financial assistance, but faced hurdles like COVID-19 and difficulties in loan access.

The design of this PUE-RBF OM is driven by the lessons learnt from past PUE initiatives in Rwanda, international practices, and the analytical findings of the Rwanda PUE study conducted by the World Bank in 2024.

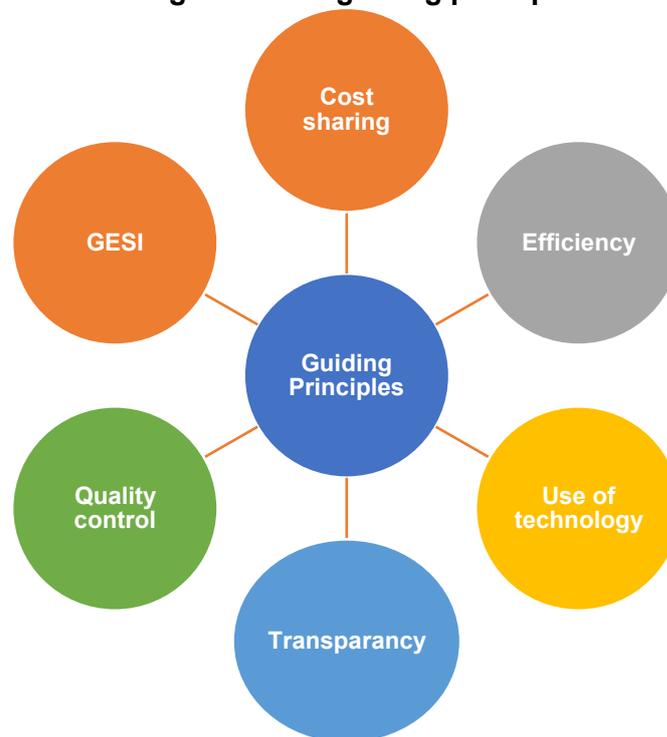
4 Guiding principles

The subsidy delivery process follows a set of principles guiding its actions. These principles are displayed in Figure 1. The principles are not specific procedures but will help in guiding the operations and decisions.

Cost sharing: The PUE-RBF does not offer a hundred percent subsidy. It is believed that customer contribution supports market development. The possibility of market distortions due to hundred percent subsidy needs to be taken into consideration. It is also important to learn from the previous experience in Rwanda as reported by the World Bank in the report on the assessment of Productive Use of Energy in Rwanda (The World Bank, 2024) and Energy 4 Impact through SIR project.

Program efficiency: PUE Companies (PUE-Cs) will have some costs associated with the subsidy documentation and claim. Delays in subsidy disbursement can increase costs, which the PUE-Cs may ultimately transfer to the customers. Therefore, the PUE-RBF will aim to disburse subsidies in the shortest possible time. The PUE-RBF aims to disburse subsidy within 35 working days from the date of claim submitted by the PUE-Cs.

Figure 1: The guiding principles



Use of technology: The use of digital technology should aid the implementation of the RBF program. The PUE-Cs can express their interest in PUE-RBF participation by submitting an application package through the BRD website. Various tools in Excel such as Claim Form, Results Form, and Company File will be developed to foster the verification of PUE-RBF and ensure that the right amount of subsidy is provided to the right beneficiary. PUE Management Information System and Eligibility Tool will be developed in the future if such robust digital platform is needed.

Transparency: The PUE-RBF Operations Manual will be available on the BRD and REG/EDCL websites. BRD will convene consultative meetings with PUE-Cs and other key stakeholders as needed to share progress on RBF implementation.

Quality control:

The RICA/RSB will inspect/test the PUE technology. During field verification, EDCL will assess whether the installed PUE technology meets the RBF eligibility criteria and aligns with the specifications of technologies previously tested or inspected by RSB/RICA, based on the PUE batch list and corresponding test/inspection reports issued by RSB/RICA.

RSB/RICA shall establish and regularly update a list of approved products during implementation and will work with EDCL, BRD, and other stakeholders to provide guidance on PUE product standards to increase quality levels on the market. They should also maintain a list of the relevant test methods and standards that products are required to meet - including IEC standards, and RSB standards. EDCL will prepare the list of approved PUETs and share with BRD on a regular basis. BRD will consider this list of approved PUETs for company appraisal.

If the quality of distributed PUE technologies does not meet the approved technical features as identified during field verification, EDCL will recommend BRD for the suspension of the company from the program.

GESI: The RBF subsidy program will prioritize Gender and Social Inclusion (GESI), in alignment with the Rwanda Gender Action Plan. It is expected that the participating PUE-Cs will focus on GESI throughout the implementation of the subsidy program, taking into consideration the existing gender gaps related to affordability.

The PUE-RBF subsidy scheme will adhere to the gender target as outlined in the ASCENT results indicators. Specifically, it will ensure that women employed in enterprises financed by BRD constitute 15% of the workforce. It is important to note that 500 PUE technologies must be distributed to women-led or women-owned businesses as part of the PUE component. The project monitoring team will consistently and closely monitor the compliance with this aspect according to the project GAP.

5 Scope of PUE-RBF Operations Manual

5.1 Targets

The key result for the PUE-RBF is the number of PUE products distributed. The target is to ensure that 5,000 PUE products are distributed to eligible beneficiaries, of which 500 are supposed to be female-headed, and female workers in the enterprises supported by the project at a rate of 15%.

Table 1: PUE-RBF Indicators

Indicator	Unit	End Target
Number of PUE products distributed under the PUE-RBF	Number	5,000
Number of female-led/owned businesses that benefited from the PUE-RBF	Number	500
Share of female workers in PUE enterprises financed by Sub-component 3.3	%	15

5.2 Duration of the PUE-RBF

The PUE-RBF will accept applications once call for PUE companies (PUE-Cs) is announced until 30th September 2028. This RBF will end at the same time as the overall ASCENT program, which is 31st December 2029, or as soon as the fund has been depleted. PUE-Cs must submit the last claim before 30th September 2029.

5.3 Monetization of Greenhouse Gas Emission Reduction Credits

For its duration, the RBF may receive additional funding by having the Government monetize the greenhouse gas (GHG) emission reductions (ERs) that are generated from PUE technologies for which the program is responsible. Final beneficiaries and PUE-Cs are thus required to transfer title to ERs to the Government through the relevant sales contract/grant subsidiary contract.

5.4 Eligibility criteria for beneficiaries

➤ Customers for PUE product sales must be:

- Commercial enterprises, cooperatives, or registered businesses with a Tax Identification Number (TIN) or trading license.
- Compliant with Rwanda Revenue Authority (RRA) regulations.
- Engaged in lawful business activities.
- Compliant with Rwanda Social Security Board (RSSB) regulations.
- Resident of Rural villages as classified by National Institute of Statistics of Rwanda (NISR) , except for Solar/AC Irrigation Pump, and Electric Pressure Cooker (EPC) listed in Table 2.

➤ Eligible commercial enterprises are categorized as:

- **Small business:** Defined by RRA as having a turnover between FRW 12,000,001 and FRW 20,000,000 per tax period.
- **Micro-enterprise:** Defined by RRA as having a turnover of FRW 12,000,000 or less per tax period.

It is important to note that the following categories of beneficiaries will be eligible, provided they are in compliance with RRA and RSSB regulations.

- **Sole Traders:** An individual who owns and operates a business on their own. Sole traders are personally liable for all aspects of the business, including any debts or legal obligations. They typically manage the business without formal registration, although they may register for tax purposes.
- **Farmers:** Individuals or entities engaged in agricultural activities, including the cultivation of crops, livestock raising, or other forms of farming. Farmers may operate on a small scale as sole proprietors or on a larger scale with registered businesses.
- **Household Enterprises:** Small-scale businesses operated from within a household, often by family members. These enterprises typically involve activities such as small-scale production, retail, or services that are formally registered depending on local regulations.

Beneficiary categories not defined in the Operations Manual are considered ineligible.

At the moment of the sale of PUE products, the PUE-C must obtain evidence that the potential customer: a) is a Commercial Enterprise; b) the Commercial Enterprise falls into one of the

two eligible categories above. Allowed evidence includes accounts, sales receipts, purchasing receipts, business plans, photos of the premises, GPS coordinates and a description of the business operations.

During verification, if the EDCL finds that the customer does not meet the eligibility criteria, then the PUE-C will not receive the consumer subsidy or PUE incentive for that customer.

5.5 Repossession

The PUE-C will have the right to repossess the PUET deployed to the eligible beneficiaries subject to the conditions stipulated in the Sales Contract signed between PUE-C and its customer. The PUE-C should report to EDCL and BRD the list of repossessed customers together with the Claim Form. The list must include the name of the customer, national ID or business registration number, customer's phone number, date of the PUETs sold, serial number of the PUETs, date of when the PUETs were repossessed, and the reason for repossession. A separate tab for repossessed customers is available in the Claim Form spreadsheet which can be downloaded from BRD website. The PUE-C should provide the entire updated list of repossessed customers in every Claim Form submitted to EDCL.

The sales contract signed between PUE-C and its customers also includes toll-free number of REG (2727) and respective district GRC to allow customers to report repossessions. Both parties should keep a copy of the signed contract. Through the awareness campaign of the program, beneficiaries will be encouraged to complete payment of their contributions and to report repossessions by PUE-C where beneficiaries have failed to make their disbursements.

The desk check will verify whether the subsidy has been released to the repossessed customers. If the repossessed customers have received subsidy from the previous claim, the equivalent subsidy amount will be deducted from the current claim. These repossessed customers will be marked as ineligible for the payment of remaining subsidy (for example 2nd and 3rd milestone). The repossessed customers will be marked as permanently ineligible for another subsidized PUET.

EDCL reserves the right not to process the claim of the PUE-Cs and conduct further investigation if the list of repossessed customers is not submitted to EDCL together with the Claim Form. The PUE-Cs will be suspended as per the suspension procedure established in Section 6.6.5 if the updated list of repossessed customers is found not submitted to EDCL.

5.6 Subsidy levels

5.6.1 End-user Subsidy Levels

The table below shows the subsidy levels for each of the eligible product categories. These apply nationally to all customers living in rural areas of Rwanda. The consumer subsidy is calculated as a percentage of the retail price (stated in the application form), up to a maximum subsidy cap amount.

Table 2: Consumer Price Subsidy Rates per Product Category

Product Category***	PUE Technology	Subsidy Rate (%)	Subsidy Cap (FRW)
A	Solar Irrigation Pump (surface/submersible)*	70%	1,750,000
B	AC Irrigation Pumps (surface/submersible)*	60%	1,200,000
C	Solar Refrigerator**	60%	1,200,000
D	AC Refrigerators**	50%	500,000
E	Electric Pressure Cookers (AC/DC, AC or DC)	40%	400,000

NB: *Including the components required to power the pump, as well as the irrigation equipment required to make best use of the pump such as storage (if applicable) tanks and piping, including Fixed or Mobile system. ** Including the components required to power the refrigerator. ***The Product Category A, B, and E will be eligible for dissemination in both urban and rural areas. The typical capacity range of the products mentioned above is provided in Table 5.

Subsidy level for each category of the PUET will be the lower of above two options: 1) a set maximum in absolute terms (in FRW), or 2) a set maximum in relative terms (in %).

For example, a PUE-C signs up a customer for Category C product that has an end-user price of FRW 2,600,000. The customer will be eligible for the maximum FRW 1,200,000 subsidy, which is 48% of the initial end-user price and not the maximum subsidy level of 60%. Since the relative subsidy level (FRW 2,600,000*60% = FRW 1,560,000) exceeds the absolute subsidy level, the absolute subsidy level (FRW 1,200,000) applies.

Conversely, if a PUE-C signs up a customer for Category E product that has an initial end-user price of FRW 350,000, the customer will be eligible for a 40% subsidy, which is FRW 120,000 and thus not the maximum absolute subsidy level of FRW 400,000. Since the absolute subsidy level (FRW 400,000) exceeds the relative subsidy level, the relative subsidy level (FRW 350,000*40% = FRW 120,000) applies.

The subsidy will be reviewed annually, or as needed, to reflect market conditions. The review will be conducted in consultation with MININFRA, EDCL, and the World Bank/AIIB, before being presented to the project steering committee for approval. All adjustments to subsidy levels, whether increases or decreases, will take effect only after such changes are published in the revised version of the PUE-RBF. These changes won't be applied retroactively or be backdated. The subsidy can be claimed only once for each PUE product or technology. Each end-user is eligible for a subsidy on just one PUE product.

5.7 Customers/final beneficiaries' contribution

The RBF program is primarily designed to address affordability constraints for consumers, while also supporting PUE-Cs in expanding their business presence in both remote and urban areas.

As part of the application process, PUE-Cs are required to submit a pricing plan detailing their proposed pricing structure. The sales prices and subsidies applied by the PUE-C under the RBF will be outlined in the Grant Subsidiary Contract (GSC) for each product. Any adjustments

to retail prices during the Subsidy Grant Contract period must be approved by BRD in advance. PUE-Cs must provide regular reports to BRD, including details such as the pre-subsidy price, subsidized price, customer contributions, and the method of customer contribution (e.g., cash, PAYGO/credit instalment, rental), both in their routine reporting and in the Claim Form.

In the event of changes in the price of the technology for a given PUE-C, BRD will sign an addendum to the GSC or agrees with PUE through a letter of exchange.

5.8 Disbursement schedule

5.8.1 Disbursement schedule for PAYGO/credit sales

The subsidy will be paid in 3 Instalments, in case of PAYGO or credit sales). 50% of the subsidy amount will be disbursed upon successful verification of PUE Technologies' sales report with user contact information. 40% of the subsidy amount will be disbursed after 3 months after EDCL verification of PUE technologies usages and 15% customer contribution. The remaining 10% will be disbursed after 1 year upon verified adequate customer service and 100% customer contribution. The disbursement schedule is displayed in Table 3.

Table 3: Subsidy disbursement schedule for PAYGO/credit sales

Disbursement	Condition	% of Subsidy
1 st installment	Upon successful verification of PUE-C's sales/claim report with user contact information. After installation.	50%
2 nd Installment	Upon independent verification of PUE technology usages and adequate after-sale service, and 15% customer contribution. After 3 months.	40%
3 rd Installment	Upon independent verification of PUE technology usages and adequate after-sale service, and 100% customer contribution. After 1 year.	10%
	Total Subsidy	100%

NB: In PAYGO sales, 1st, 2nd, and 3rd instalment represents Milestone 1, Milestone 2, and Milestone 3 payment respectively.

It does not mean that the company should collect the required customer contribution (15% for 2nd and 100% for 3rd milestone payment) within 3 months and 1 year respectively for claim submission. The company can submit claims any time after 3 months (for 2nd milestone) and after 1 year (for 3rd milestone) once the required contribution amount is achieved.

For example, if a customer purchases a Category A PUE Technology with a price of RWF 1,600,000, PUE-RBF provides RWF 800,000 subsidy and the customer will pay RWF 800,000 as customer contribution.

The customers should pay their contribution only through a trackable payment system such as Mobile Money, cheque, or bank transfer. In cases where the PUE-C is dealing with clients that do not own a telephone set, payments can be made on cash basis, but the PUE-C should issue a receipt showing all the details of the sale for the PUE technology including subsidy amounts among others to the client and keep a copy.

5.8.2 Disbursement schedule for cash sales

Subsidy will be paid in 2 Instalments in case of cash sales. 60% of the subsidy amount will be disbursed upon successful verification of PUE-C's sales report with user contact information. Remaining 40% of the subsidy amount will be disbursed after 1 year upon verified adequate customer service. The disbursement schedule for cash sales is displayed in Table 4. The customer may pay in cash or in instalments if the PAYGO service is offered by the PUE-C.

Table 4: Subsidy disbursement schedule for cash sales

Disbursement	Condition	% of Subsidy
1 st installment	Upon successful verification of PUE-C's sales/claim report with user contact information. After installation	60%
2 nd Installment	Upon independent verification of PUE technology uses and adequate after-sale service. After 1 year.	40%
	Total Subsidy	100%

NB: In Cash sales, 1st and 2nd instalment represents Milestone 1 and Milestone 3 payment respectively. There is no Milestone 2 payment in cash sales.

The PUE-C, at the time of subsidy claim, will report to EDCL the amount of subsidy claimed under a. cash sales and b. PAYGO sales.

NB: In order to be eligible under cash sales, the PUE-C should collect one hundred percent of the customer contribution upon PUE Technology sale. The partial down payment will be considered as PAYGO/credit sales. The subsidy disbursement schedule will be reviewed regularly during implementation and adjusted as needed.

5.9 PUE-RBF incremental cost coverage

To cater for the overhead of the PUE-RBF program, BRD will charge the participating PUE-Cs a fee of 4% of the total subsidy received plus 18% VAT to cover its incremental operating costs. For example, if the PUE-C (after the results from the verification report) is eligible for FRW 50 million subsidy disbursement, BRD at the time of disbursement will deduct total FRW 2.36 million (4% fee - FRW 2 million plus 18% VAT - FRW 0.36 million) and release FRW 47.64 million to the PUE-C.

5.10 Capping-up of the subsidy per company

PUE-Cs must specify, during the initial application, the projected utilization of the PUE-RBF subsidy fund. BRD will appraise this amount. For each PUE-C accepted into the program, BRD will confirm the approved earmarked funds. The earmarking of funds per PUE-C will be initially capped up to FRW 200 million which will be based on the outcome of the appraisal conducted by BRD. However, BRD reserves the right to approve a lower amount subject to the outcome of the assessment. The cap will be reviewed regularly during implementation and adjusted as needed. Based on progress of the PUE-C over time, BRD may reduce the earmarked amount for the PUE-C or accept additional fund requests (noting that any review of additional funding requests will take into account the PUE-C's progress on already-earmarked funds). This review will take place every 6 months or as soon as the capped amount is expected to get fully utilized based on the initial claim(s). Once an PUE-C has received the first Instalment subsidy payment for a given customer, the remaining subsidy for this customer will also be earmarked for the applicable customer (and thus PUE-C), unless it

is confirmed that the customer is not going to continue paying its contribution. The PUE-C can pool back the remaining subsidy amount already earmarked for a particular customer into the main basket after the EDCL verification team found that the customer is ineligible for subsidy disbursement and the PUE-C formally writes off customer's remaining payment as bad debt. This earmarking will ensure the availability of funds that will be needed to complete the full subsidy payment for each customer.

5.11 End user pricing

The primary objective of the PUE-RBF is to address the gap in commercial viability by ensuring the affordability of costs for PUE beneficiaries. Funds should thus be fully used to reduce end-user pricing and PUE-Cs must provide final price of their different PUE products to BRD requesting to reflect the price in the GSC.

The PUE-Cs are required to report on their pre-subsidy price (if applicable), their subsidized price, the customer contribution and the means of customer contribution (i.e. cash or PAYGO Instalment) as part of the regular reporting to EDCL and in the Claim Form for the PUE-RBF subsidy scheme. The price shared and agreed with BRD will be the price entered in the Sales Contract. The latter reporting format is provided in Annex 4.

5.12 Foreign exchange rate

The BRD will disburse subsidy to PUE-Cs as per the disbursement schedule (Section 5.7). The subsidy disbursement will be in local currency (FRW). The BRD in consultation with the Government of Rwanda and the World Bank/AIIB will regularly review the subsidy levels and maximum subsidy amount to be allocated to each PUE technology, every six months or as needed to reflect possible steep changes in the foreign exchange rate, to ensure that the effect of the movement in foreign currency is adequately reflected in the FRW subsidy. The value of the subsidy in FRW will be reflected in the Grant Subsidiary Contract with the PUE-C at the time of its signing, and possible changes will be promptly communicated to the PUE-Cs for their adoption. BRD will also document and keep track of possible change in the FRW subsidy values within their accounting, monitoring and reporting duties to the World Bank/AIIB, and will reflect these also in the Quarterly Progress Implementation Reports.

5.13 Eligibility criteria for PUE-Cs

ASCENT PUE-Cs are defined as private institutions, either a business or a company, that undertake the following activities: 1) identifying customers, 2) selling and or installing the product to the customer, 3) Providing training / product awareness, 4) offering product warranty and after sales service/ customer care and, 5) providing credit to the customer, if applicable.

All PUE business models are eligible, including cash sales, through a loan from a bank or micro-finance institution, as an integrated PAYGO/Cash model, or some other variant of these basic models. Participating PUE-Cs will be responsible for identifying and contacting customers as well as providing and maintaining the products. Participation shall be open to all interested PUE-Cs that must initially meet, and continue to meet the following criteria:

- **Licensed with adequate ownership structure:** Companies should have a valid domestic company registration at RDB and should be duly licensed with a tax identification number assigned by Rwanda Revenue Authority (RRA). The company

must be in full compliance with relevant national regulations pertaining to tax, legal and accounting norms. The owners and managers must be 'fit and proper'.

- **Agreement with EDCL:** Companies must have a valid cooperation agreement with EDCL. The list of companies with valid cooperation agreement will be published on REG website.
- **Adequate funding:** Companies should have a defined funding strategy with no obvious gaps or constraints on additional funding. BRD will review the progress of the company in subsidy mobilization every 6 months after the signing the GSC. BRD will have right to cancel or revise the contract if the company does not show any progress within 6 months after signing the contract.
- **Satisfactory end-user pricing scheme:** Companies must demonstrate that the end-user will directly and fully benefit from the RBF subsidy. The companies should not propose a price of the PUE technology that is inflated with the intention of getting a maximum subsidy. The company is subject to suspension if the price is found to be unreasonably inflated.
- **Quality of operations:** Companies should have a sound business plan with proven resources to efficiently carry out operations at the functional level, including organization, management, staff, financial and others.
- **Quality products:** Companies should sell PUE technologies that have been tested by RSB (for locally made products) or inspected by RICA (for imported products) for use in Rwanda. The list of eligible PUE technologies for the RBF program will be shared with BRD by EDCL on a regular basis.
- **Warranty and after-sales service:** Companies must offer a warranty that is equivalent to the manufacturer's warranty coverage or, if that is not available, a minimum for at least one year. In addition, they must have an established and active after-sales service capability and operational presence. Companies should provide the list of agents/staff working in different districts to ensure an adequate staff/agent-base for the timely after-sales-service.
- **Call centers services:** The companies should have an established call center with an active toll-free number to receive the complaints from customers. The companies should maintain a logbook of the complaints and how they are addressed. BRD will assess the adequacy of logbook being maintained and the capacity of call centers to handle general queries, technical issues, and overall ability to provide solutions at the customer call level. BRD will assess the ability to escalate complaints to the right department, handle the complaints against contractual standards, tracking system for complaint resolution, logbook of previous complaints received and resolved.
- **Adequate accounting systems and management information and well-organized IT support:** These companies who are involved in delayed payment (such as PAYGO) services should have good accounting, bookkeeping, management and adequate system software support.
- **Gender quotas:** Companies should have at least 15% of the workforce employed, represented by women, and be able to demonstrate that they apply the principle of 'equal pay for equal work'.
- **No Forced labour:** Companies should confirm that they have not engaged or employed forced labour in the past and are committed to not engaging or employing forced labour for the duration of the contract.

Participating PUE-Cs will enter into a GSC with BRD based on the GSC provided under Annex 3 of this Operations Manual, and which outlines the rights and obligations of both parties under the program. Among other things, such GSC must include a no forced labor requirement providing that (a) the PUE-C confirms that it has not engaged or employed forced labor in the past; and (b) that the PUE-C is committed to not engaging or employing forced labor for the duration of the GSC.

Once accepted into the program, PUE-Cs will be expected to meet the eligibility criteria at all times. PUE-Cs will be monitored continuously and will be reviewed annually on a case-by-case basis. PUE-Cs that are blacklisted by the Government are not eligible to participate to the ASCENT PUE-RBF.

BRD or EDCL will suggest the PUE-Cs to have a dedicated team to verify sales data and customer information internally at the company level before the claim is submitted to EDCL for verification. The adequacy of the team size may depend on the customer base and geographical footprint.

5.14 Timing of enrolment

PUE-Cs can apply for participation in PUE-RBF at any point after the launch of the program but the last claim for milestone 1 should be submitted one year prior to the end of the ASCENT project (31st December 2029).

5.15 Eligibility criteria for PUE Products or Technologies

5.15.1 System Quality and Warranty

The table below shows the list of products which will be eligible at the start of the PUE-RBF. This list of products may be expanded to include other PUE products, following review of RBF performance, alternative proposals from PUE-Cs and evidence from the market. PUE-Cs may submit applications which propose other products for productive uses of energy. These will be assessed by the EDCL and if required, will request PUE-Cs for the products to be tested/inspected by RSB/RICA.

Table 5: PUETs Warranties, and their Capacities

Product Category	Technology	Range Capacity	Minimum Warranty
A	Solar irrigation pumps (surface/submersible) including the components required to power the pump, as well as the irrigation equipment required to make best use of the pump such as storage (if applicable) tanks and piping. Fixed or Mobile system.	500 - 2,000 Watt (W)	1 Year
B	AC Irrigation Pumps (surface/submersible) including the components required to power the pump, as well as the irrigation equipment required to make best use of the pump such as storage tanks and piping.	3,000 – 30,000 (W)	1 Year
C	Solar refrigerators including the components required to power the refrigerator	100 – 250 litres 0.1 – 2 kWh/24 h	1 Year

D	AC refrigerators	100 – 250 litres 0.1 – 2 kWh/24h	1 Year
E	Electric pressure cookers. AC/DC, AC or DC	7 – 40 litres 501-999 Wh	1 Year

NB: The minimum warranty period may be reviewed and extended further during the implementation.

The RBF is applicable to any new on-grid or off-grid PUE product which is in the above list and also meets the following options:

- Proof that product is VeraSol approved, for applicable products only.
- Proof that product has a valid certificate (All checks with “PASS” or “complies”) from the Rwanda Standards Board (RSB and RICA), combined with IEC certification on the batteries. The test results should be attached.
- Proof that components comply with all relevant IEC standards. PUE-Cs to provide list of standards relevant to that product and proof of compliance).
- Products with remote monitoring capability, where the PUE-C can provide the verification agent with verifiable appliance performance data showing available service over the whole 12 months of operation, will be automatically eligible.

Following the inspection of RICA with the support of the RSB, EDCL must confirm whether the PUE technology complies with the RBF requirements.

RSB/RICA shall establish and regularly update a list of approved products during implementation and will work with EDCL, BRD, and other stakeholders to provide guidance on PUE product standards to increase quality levels on the market. They should also maintain a list of the relevant test methods/standards that are required to meet - including IEC standards, and RSB standards.

5.15.2 No subsidy for refurbished PUETs

The PUE-Cs reserve the right to repossess the PUET if the beneficiary defaults on the remaining payment to the PUE-C or due to other reasons. As per its repossession policy, the PUE-C can repossess the PUET, refurbish and install it to another customer. However, refurbished systems are not eligible for a new subsidy. The PUE-Cs should report the list of repossessed PUETs to EDCL and BRD.

BRD will deduct the subsidy amount of any repossessed PUET from the next claim if the subsidy payment has been made before the repossession. For example, BRD released a subsidy payment of FRW 400 million (as 1st instalment) of 800 PUETs sold by a company in PAYGO/Cash model, assuming that FRW 500,000 was paid for each PUET as the 1st instalment. The PUET submitted the repossession list (together with the next claim) informing that they repossessed 100 PUETs due to non-payment of end-user contribution from the customer. BRD will deduct FRW 50 million subsidy already given for 100 customers. The Claim Form and Results Form have a separate tab to record the repossession cases such as customer ID or registration number, customer name, name of the PUE technology, repossession date, and the reason for repossession.

5.16 Implementation tools and platforms

ASCENT will use several tools and platforms to carry out the PUE-RBF program. Each of these platforms is explained below.

5.16.1 PUE-RBF Claim Form

The PUE-RBF Claim Form will be used by PUE-Cs to document the PUE beneficiaries and submit them to EDCL for verification. An Excel template of the Claim Form will be developed by BRD and shared with PUE-Cs. The Claim Form will have a detailed information of the final beneficiaries such as name, national ID (or TIN for registered enterprises), phone number, address, type of the PUE technology, price, subsidy amount, end-user contribution amount, product serial number, product efficiency, GPS coordinates of the beneficiary's location, etc. The PUE-Cs should avail the list of GPS coordinates (X-coordinates and Y-coordinates) of the final beneficiary customer together with the Claim Form submitted to EDCL.

5.16.2 Results Form

The Results Form will be used by EDCL to document the outcome of verification and recommend BRD for the subsidy disbursement. An Excel template of the Results Form will be developed by BRD and shared with EDCL. The Results Form will have different tabs that include desk check, field verification, customers with technical issues, failed customers list, technical issues resolved list, repossession list and summary tab.

5.16.3 Mobile Money Platforms

Many PUE-Cs will accept payments from customers using mobile money platforms offered by mobile network operators. These platforms give PUE-Cs a digital record of all payments by customers, including the time, the amount, and the phone number of the payment sender. If applicable, eligible PUE-Cs will sign an information-sharing agreement with the mobile network operator and EDCL to share payment data. The data may also be supplied by a 3rd party platform. The payment data supplied by mobile money platforms may create the opportunity for more efficient and reliable payment verifications.

5.17 Data inputs to subsidy calculation

The subsidy will be calculated based on the following inputs:

Table 6: Inputs to subsidy calculation

Input	Source of input
PUE technology	PUE-C (during initial RBF application and confirmed during sales registration)
PUE technology price	PUE-C (during initial RBF application and displayed in the Claim Form)
Absolute or relative subsidy amount	Pre-set calculation based on Table 2. The subsidy amount for each technology proposed by PUE-C will be part of GSC.

B. RBF ROLES AND RESPONSIBILITIES

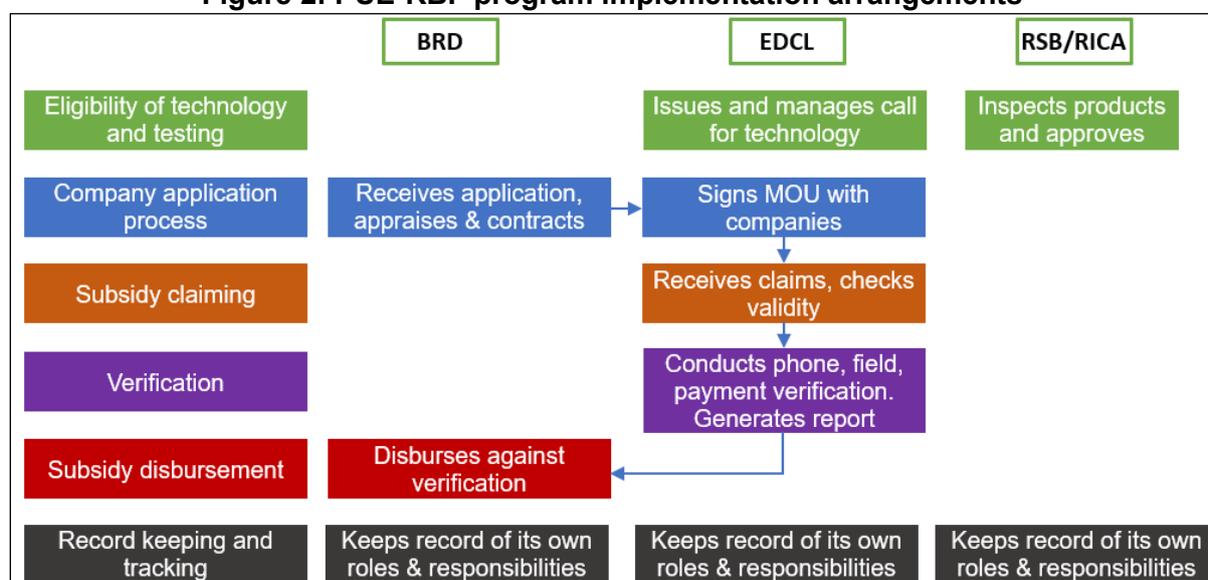
6 Stakeholders

The PUE-RBF program is a collaborative effort involving government institutions, the private sector, and the World Bank/AIIB. The implementation lies between EDCL, which will focus on the RBF implementation, and BRD, which will focus on the grant management and disbursements. Local governments will be involved in field level M&E exercise, especially through their participation in the district-level GRCs. Figure 2 provides a detailed overview of the implementation framework.

Under this program, BRD will execute the subcomponent with technical support from EDCL. The PUE-RBF initiative aims to expand access to off-grid PUE technologies, thereby promoting business development and enhancing productivity. EDCL will oversee the technical assessment, and verification of installed PUE technologies.

Once technologies are validated, PUE-Cs can join the program by entering into a cooperation agreement with EDCL and subsequently applying for a grant subsidy at BRD.

Figure 2: PUE-RBF program implementation arrangements



6.1 BRD

6.1.1 PUE-RBF Project Implementation Unit (PIU)

BRD will be responsible for the administration of the subsidy in the following ways:

- Receives and appraises PUE-Cs applications for enrolment in the PUE-RBF;
- Appraises PUE-Cs and generates appraisal report, which will be presented to the BRD Management Investment and Credit Committee (MICC) for approval;
- Issues notification letters to approved PUE-Cs, and also to non-approved PUE-Cs, explaining the issues that need to be addressed to participate in the program.;
- Signs GSC with PUE-Cs that are accepted in the PUE-RBF program. The template for the contract is presented in Annex 3; Signs the addendum to the contract with PUE-Cs as and when necessary;
- Prepares disbursement notes and secures approval;

- Approves subsidy payment to PUE-Cs after EDCL has submitted Verification Report and Results Form;
- Submits Claim Verification Report, Results Form, and Disbursement Note (together Claim Package) to World Bank for 'no-objection', prior to subsidy disbursement. Once EDCL and BRD have built sufficient capacity to conduct verification independently, the World Bank will remove the prior no-objection requirement and notify BRD of this change via email. However, BRD will continue submitting the Claim Package to the World Bank for recordkeeping and post-review;
- Makes disbursements to PUE-Cs on their designated bank account;
- Works closely with EDCL's PUE unit for matters related to the technical issues;
- In consultation with EDCL, determines potential suspension of the PUE-C from the program if >10% of the total verified customers fail and/or having technical issues in two consecutive claims of same milestones submitted. The suspension clause is provided on Section 6.6.5;
- Provides technical assistance for activities related to capacity building, mass-user awareness, training etc.;
- Organizes Steering Committee meetings and shares the progress, issues and challenges;
- Conducts regular meetings with BRD management and seeks guidance;
- Conducts regular meetings with World Bank/AIIB and seeks guidance;
- Prepares monthly internal subsidy progress report;
- Reports to World Bank and AIIB in quarterly progress report.

6.1.2 *Management Investment Credit Committee (MICC)*

- The MICC of BRD sits every week, to review and approve the initial PUE-Cs applications. The PIU will also take advise from MICC on the issues and challenges related to subsidy administration.

6.2 **Energy Development Corporation Limited**

- Issues call for PUE technologies;
- Signs cooperation agreement with PUE-Cs;
- Provides necessary support to RICA/RSB in inspecting/approving the technologies being imported or locally manufactured;
- Maintains the product in an Excel list with the name of the beneficiary PUE, national ID, TIN, address (separated by District, Sector, Cell and Village), phone number of the beneficiary, technology features, the price, subsidy, end-user contribution, etc. as such information is provided by PUE-Cs;
- Manages the monthly reporting from PUE-Cs and ensure consistency of the information provided for the purposes of the verification process
- Receives subsidy Claim Form from PUE-Cs and assesses them against claim eligibility criteria established in the Operations Manual;
- is responsible for the verification process;
- Provides feedback to PUE-Cs on the submitted claims and outcomes of the verification;
- Supports project-level Grievance Redress Committee (GRC) established at BRD for field investigations under the implementation of PUE-RBF in case of unsuccessful claims and as needed;
- Submits verification reports and Results forms to BRD for the claim disbursement;
- As needed, supports project-level GRC to review pending complaints received by PUE-Cs for their resolution. If required, supports BRD to escalate complaints to Steering Committee;

- Provides overall guidance and technical backup to the PIU. The EDCL team and PIU will meet on as needed to discuss the issues related to PUE-RBF;
- Maintains and updates on REG website the list of eligible PUE-Cs for the RBF program, based upon the valid cooperation agreement;
- Suspend any technology that deviates from the results specified in the technical parameter assessment or the inspection or testing for the technology quality report.
- Keeps record of qualified PUE technologies and the corresponding PUE-Cs;
- Coordinates with local governments to aggregate demand, and facilitate verification;

6.3 Steering Committee

The PUE Steering Committee will be chaired by PS-MININFRA and will include DG-MINECOFIN, CEO-REG, CEO-BRD, MD-EDCL, representatives from the Ministry of Environment, RSB, RICA, RAB, and Local Administrative Entities Development Agency (LODA), and the Project Coordinator/Program Manager. The Development Partners will be observers in the Steering Committee. The Steering Committee will meet at least once every semester, or as needed, during project implementation to review implementation progress, discuss emerging challenges, and identify mitigating measures.

It fulfils the following responsibilities:

- Provides oversight and strategic guidance to PIU and monitors the subsidy implementation;
- Provides advises on the challenges that may arise during subsidy administration;
- Regularly reviews and approves the revised rules and guidelines for subsidy administration;
- Facilitates coordination between key government agencies and resolves issues.

6.3.1 Technical Review Committee

The Technical Review Committee will be established as a sub-committee to the Steering Committee. The main responsibility of this sub-committee will be to monitor the PUETs and assess the adequacy of the after-sales services offered by the PUE-Cs. The findings of the review on after-sale service will be presented to the Steering Committee on an annual basis or need basis. Section 11 will cover the detailed scope of this sub-committees.

6.4 Rwanda Standard Board/RICA

The Rwanda Standards Board/RICA is responsible for conducting PUET testing/inspection/evaluation (if applicable for locally produced products) or in collaboration with RICA confirm whether PUETs qualify for use in Rwanda.

RSB and RICA have the following responsibilities:

- Testing/inspecting/evaluation (where applicable) of PUETs from the approved PUE companies (Signed MoU/cooperation agreement with EDCL);
- Signs a non-disclosure agreement (NDA) with applicants who passes the initial screening.
- Receives units of PUE technologies submitted by applicants for testing or/and inspecting;
- Develops the lab testing protocol that reflects the Rwanda PUE practice;
- Conducts PUET testing, inspecting, and evaluation;
- Submits the testing/evaluation and inspecting results to EDCL and recommends PUE technology;
- Update the Rwanda PUE national standards.

6.5 World Bank and AIB

World Bank:

- Provides overall guidance and technical support to the PIU;
- Provides 'no-objection' to final decision on PUE-Cs' participation/suspension in PUE-RBF;
- Conducts site-visits to observe impact and challenges in the subsidy implementation;
- Reviews and supports project implementation performance, including financial management of the subsidy;
- Discusses and agrees with BRD and EDCL on changes needed in the PUE-RBF OM. Identifies and raises issues that might impede effective administration of the subsidy;
- Monitors compliance with the Operations Manual and the World Bank/AIB's fiduciary and operational policies and procedures.
- Provides 'no-objection' for the first or additional subsidy request submitted by BRD.
- Provides 'no-objection' for the subsidy claim submitted by BRD to be disbursed, if required.

AIB will, as it deems necessary, accompany World Bank on site visits, or conduct its own site visits, to observe impact and challenges in implementation. AIB will also participate in project implementation review and support, including as it relates to the management of the subsidy. AIB may discuss and agree with BRD/EDCL/World Bank on changes needed in PUE-RBF OM and identify and raise issues that might impede effective administration of the subsidy.

6.6 Productive Use of Energy companies (PUE-Cs)

PUE-Cs that meet the eligibility criteria as defined in Section 5.12, can submit a PUE-RBF Application Form (see Annex 2) through the BRD website. Once enrolled into the RBF program, the PUE-Cs are expected to fulfil the following roles and responsibilities:

6.6.1 Identifying eligible customers/beneficiaries and supplying eligible PUETs

At this stage, PUE-C will be responsible for beneficiaries' mobilization and recording. The PUE-C is also responsible for procuring and distributing eligible PUET to eligible beneficiaries. The Leader of a village (Umudugudu) will need to witness the sale by signing the contract between the PUE-C and the eligible customers. The PUE-C must then submit the list of all customers within a cell to be signed and stamped by a cell (Akagari) leader and then the Sector (Umurenge). The PUE-C must collect the required documentation and submit electronically its claim i.e. sale of the PUET and payment details to EDCL as per the information provided in Section 7.5.

Learning from the REF Project, Districts have played a significant role in resolving grievances and reporting them to BRD. It has been observed that involving districts from the outset, rather than waiting for their intervention at the end, can be a more effective approach.

To enhance local government awareness, it is essential for PUE-C to submit a monthly report detailing the PUETs sold and required interventions from districts. This report should be sent to the district office along with a transmission letter and a copy provided to EDCL and BRD.

This process will enable districts to offer local support and facilitate the smooth distribution of products by PUE-Cs. Additionally, it will help districts to identify and support PUE-Cs operating within their jurisdiction. Failure to submit the report within the specified timeframe will result in program suspension for the company.

Additionally, PUE-C must ensure that all customers listed in the district have received the PUET. Prior to commencing PUETs dissemination, PUE-Cs is required to conduct an

introductory session in the district and brief the officials on its clear plan for PUET distribution and provision of adequate after-sales services to customers within that district.

In consultation with EDCL and BRD, the district official has the authority to suspend PUE-C from operating in the district due to malpractices such as fraudulent activities, poor after-sales services, customer complaints, and other violations of the rules and conditions of the PUE-RBF program and this will lead also to its suspension in the PUE-RBF program.

6.6.2 *Basic customer awareness is mandatory*

The PUE-Cs are required to provide basic awareness to the beneficiaries/customers on a) proper handling of the PUE technology; b) conditions for warranty/guarantee; c) basic features of the PUE technology; d) benefits; e) regular maintenance of the PUE technology and preparation of the fuel, if applicable; f) contact information for after-sales-service; g) amount of customer contribution and payments terms etc. The PUE-C should provide a User Manual or information leaflet written in Kinyarwanda containing the basic information related to proper handling of the PUET, with a toll-free number of the PUE-C.

The PUE-Cs must label each installed PUET with the toll-free number of the PUE-C (for technical issues) and toll-free number of the respective district-GRC managed by a GRC member at district office (for complaint if technical issues are not addressed)¹. The information on the sticker should be in Kinyarwanda language so that the customer can easily understand the information and first contact the PUE-C for any technical issue.

The PUET will be considered as “technical issues” if the verification team during claim verification finds that the sticker is not labeled in those PUET.

At the time of pre-registration and sale of the PUET, the PUE-C should clearly communicate that the following acts from the customers are strictly prohibited:

- Reselling the acquired subsidized PUET to another customer
- Using national ID or business registration number of another beneficiary to benefit from the subsidy or give away the PUET
- Dismantling/hiding the previous PUET to benefit from a second subsidized PUET

The PUE-C is required to clearly communicate to the beneficiaries/customers during marketing and sale of the PUET about above prohibited activities and the possible consequences. The PUE-Cs are encouraged to include the above misconduct in the Sales Contract to help minimize the prohibited activities from the customer and the PUE-C agents.

The subsidy will not be disbursed if the above cases are identified during verification. These customers will be considered exceptional and may be permanently ineligible for the subsidy subject to the further investigation by the project-level GRC. However, the PUEs will have right to repossess the PUET or modify the Sales Contract with the customer’s consent to allow them as a normal sale, outside of PUE-RBF program.

The PUE-Cs are required to inform the customers that they will not be eligible for another subsidized PUE-C if the PUE-C repossesses the PUET under the above prohibited activities. The PUE-Cs are encouraged to include it as a condition in the Sales Contract.

¹ It does not mean that the labeling should be on installed PUET. The PUE-C can paste sticker on other places such as on the wall or window that is easily accessible by the beneficiaries and EDCL verification team.

6.6.3 Adequate resolution of beneficiary complaints required

All participating PUE-Cs are required to have a functioning customer service number including toll-free number in place, either directly or through an agent, that has the capacity to log complaints and requests for service. The PUE-C should provide adequate customer care/after-sales-service within 2 weeks after the complaint is registered. Customers may also register any technical issues they are facing with the PUET on the toll-free number of REG (2727) and respective district GRC.

PUE-Cs are required to submit an Excel copy of the logbook of all complaints received and resolved so far on a quarterly basis to BRD and EDCL which will be assessed by the Grievance Redress Mechanism officer. All the complaints received and registered in the logbook must be addressed by the PUE-C.

6.6.4 PUE-C reporting requirements

For sales to be eligible for the subsidy, PUE-Cs are required to report to EDCL through the regular claim reporting process. The Claim Form should have customer contact information and other details necessary to conduct verification. See Section 7.5 for more details.

PUE-Cs are responsible for submitting a Claim Form (see Annex 4 for the template) to both EDCL and BRD via a designated email address. The template of Claim Form together with the list of repossessed PUETs and technical issues fixed need to be submitted in an Excel format which is available on BRD website.

PUE-Cs will also need to be able to show the following documentation at any time during the contract period, if requested by EDCL or BRD:

- Sales records and import records;
- Warranty records for products, including name, address and phone number of dealers, importers and / or manufacturers.

Where applicable, PUE-C is expected to provide access to the payment data in the PAYGO software (either through a manual download or access via an API) so that the BRD and EDCL can analyse and validate information provided by the PUE-C during payment verification.

6.6.5 Suspension

Whenever the PUE-C deviates from the eligibility criteria and the stipulated roles and responsibilities, BRD reserves the right to suspend PUE-C's participation in PUE-RBF. The following conditions may trigger the suspension:

- The eligibility criteria mentioned in Section 5.12 remain unfilled,
- Malpractices/fraud found. This shall include but not be limited to subsidy claimed without selling the PUET, the PUET is found to be sold in another place other than the prescribed location in the Claim Form, technical features or specifications of the PUET are different from the ones mentioned in the Claim Form, the documents provided are found to be different from the ones initially submitted in the claim, the disseminated PUET is not compliant with the approved technical specifications, brand, mode of operation and etc. For instance, the capacity of the technology, providing different brand, charging the customer extra fees beyond the provided price, the submitted payment proof is invalid, the serial number is found different from the one mentioned in the Claim Form, etc.
- Undeclared repossessions found,
- Poor performance against the agreed time-bound action plan

- EDCL verification finds a higher failure rate and/ or technical issues quantified as >10% of the total desk check passed customers in two consecutive claims of the same milestone².
- Defaulting to comply with the requirements in the cooperation agreement signed between EDCL and PUE-C.

The suspension will follow the following procedure:

- If one or combination of above suspension criteria are observed anytime throughout the implementation of PUE-C-RBF, BRD will call for a Project-level GRC meeting. EDCL, World Bank and other stakeholders will be invited on an ad-hoc basis.
- The GRC members will conduct further investigation and prepare the report. The members will discuss with PUE-C and conduct field investigation if necessary.
- BRD shares the report with World Bank with recommendation to suspend or not to suspend the PUE-C. The recommendation includes the reason and duration for suspension or no suspension.
- If suspended, the duration of the suspension depends on the severity of the issues and the level of the fraud observed by the GRC members. The maximum suspension period will be 3 months.
- BRD will issue a notice of suspension to the PUE-C with a copy to EDCL. The notice includes a suspension period and requests PUE-C to submit a time-bound action plan within 15 calendar days.
- The Steering Committee will issue its final opinion on the suspension of any PUE-C.

The following procedures will be followed before the decision of lifting PUE-C from the suspension is made:

- Within 2 weeks of suspension: the PUE-C will be required to submit a time-bound action plan to take measures towards removal of suspension.
- Within 1 week after the submission of action plan: Project-level GRC will review the action plan and call for a meeting with PUE-C.
- Within 3 months of suspension: PUE-C will be required to submit the evidence on the implementation of action plan. Project-level GRC will review and decide to lift the suspension if the measures applied by PUE-C are adequate. If not, suspension will be extended for another 1 month.
- Within 4 months of suspension: PUE-C will provide additional evidence. Project-level GRC will review the evidence and recommend revoking the suspension if the measures applied by PUE-C are adequate. If not, BRD reserves the right to cancel the GSC or permanent suspension.

BRD will seek no-objection from the World Bank and then Steering Committee before making a decision of removing or not removing PUE-C from the suspension or terminating the GSC.

The PUE-Cs are allowed to submit the claim to EDCL for those PUET sales made prior to the effective date and time of the suspension. EDCL will do the verification of these claims and submit a report to BRD for subsidy disbursement (minus failed customers). The PUE-Cs are not allowed to make new sales during the period of suspension and the issue was reported to the GRC and found by EDCL.

² Some hypothetical examples: The PUE-C may be suspended if a. the failure rate is >10% in one claim and technical issues is >10% in another consecutive claim, or b. the failure rate is >10% in two consecutive claims, or c. the technical issue is >10% in two consecutive claims, of the same milestone payment. It does not include cumulative technical issues and failure rate. For example, 7% failure rate and 4% technical issues will not be considered as 11% and thus does not lead to the suspension. The percentage of technical issues and failure rate will be calculated as per Section 8.3.8

Should PUE-C fail to provide the information required in the Claim Form or consistently misreport the information, an escalation process will be initiated, which may ultimately result in suspension from the program. The PIU will escalate issues at BRD management who will decide on the level of suspension, with no-objection from the World Bank and Steering Committee.

BRD reserves right to cancel the GSC with a PUE-C that has been suspended twice or more under the PUE-RBF program.

6.7 Customers

6.7.1 Requesting PUE-Cs to provide warranty service

The customers who face technical issues with the PUE technology, will have the right to demand the PUE-Cs for warranty provision and after-sales service, as per the PUE-C's warranty coverage. The PUE-Cs may charge a fee for any service that the customer may require after 1 year from the date of sale of the PUET. The fee shall be agreed upon between customer and PUE-C. Subsidies for customers that are found to have technical issues during verification will not be disbursed until the technical issues have been satisfactorily resolved.

6.7.2 Registering a complaint

If the beneficiary does not receive a response from the PUE-C within 2 weeks after reporting the issue or if in case of malfunction of the PUE technology and/or the repair is not done within 2 weeks, the customer should contact at toll-free number of district-level GRC and register a complaint. District-level GRC will register the complaint and escalate it at BRD, if not resolved by the district-level GRC. Project-level GRC will share the complaint with the PUE-C, those complaints related to the PUE-C performance. Both PUE-C and district-level GRC should have dedicated staff responsible for registering complaints and service requests. The project-level GRC will handle complaints from PUE-Cs and other relevant stakeholders. The complaints from PUE-Cs may be related to the verification outcome, delay in subsidy disbursement, delay in PUE-C appraisal, etc.

The PUE-Cs are required to include the toll-free number of District-level GRC in the Sales Contract signed with their customers with the instruction to call District-level GRC if the PUE-C does not address the customer's response within 2 weeks. BRD may check a few contracts from each PUE-C to ensure that the toll-free number is provided in the sales contract.

The district-level GRC will register the complaint in the PUE-RBF Customer Complaint Logbook (in Kobo ToolBox or physical logbook). The logbook must include the information such as date of complaint received, name of the customer, national ID or business registration number of the household member who signed sales contract with the PUE-C, phone number, name of the PUE-C, location (by district, sector, cell, and village), the date customer complained to the PUE-C, and brief description of the complaint.

The district-level GRC will not register the complaint if the customer has not first reported such complaint to the PUE-C. The district-level GRC will share (on a monthly basis) the Excel copy of the complaint with project-level GRC maintained at BRD for further action. The GRC will instruct the PUE-C to resolve the complaint within 5 calendar days. After 5 days, the member of the GRC will call back the customer to confirm that the PUE-C has resolved the issue.

The complaints that are not related to the after-sales-service such as customer complaints because of the PUE-C repossession, stolen of the PUET, misuse of ID or business registration number, etc. will be treated separately by the GRC.

C. RBF PROCEDURES

7 Procedures for PUE-Cs

7.1 PUE-C application to PUE- RBF program

Tools & templates required:
<ul style="list-style-type: none">• Application Form• Template for formal letter requesting PUE-RBF participation• ASCENT PUE-RBF FAQ document

PUE-Cs must fill in an Application Form and submit it through the BRD website. The aim of the application process is to confirm that the applicant has all the capabilities needed to deliver quality equipment, service and after-sales service to customers and that it has the internal integrity and rigor to cope with the reporting and audit requirements attached to the grant. The application will focus on its operational setup, product portfolio, pricing plans, and other information relevant to successful program participation. The following files and records need to be submitted:

1. A formal letter (as per Annex 6) requesting to participate in the ASCENT PUE-RBF Program;
2. RBF Application Form, to be downloaded from and uploaded to the BRD website;
3. Certificate of company registration from Rwanda Development Board (RDB);
4. Audit report of past three financial years and valid tax and RSSB clearance certificate. Start-up companies who are not able to provide audited reports should at minimum provide management accounts;
5. Curriculum vitae of members of Board of Directors, if any and the management team;
6. Business plan of the company, if available;
7. Copy of the cooperation agreement signed with EDCL;
8. Description of its products, distribution and customer support process, and confirmation by EDCL that the product fulfils the required eligibility criterial for the RBF;
9. If available, organizational chart for the IT and data processing function. Summary list for IT hardware, database and application software and communication equipment.
10. Submission of a certificate from the Rwanda Standards Board confirming the eligibility of locally produced, or others that may be tested locally. Imported products must be inspected by RICA.
11. A list showing the available number of agents and staff, by gender disaggregation with their phone numbers.

The PUE-RBF Application Form is attached in Annex 2.

7.2 Signing Grant Subsidiary Contract

Tools & templates required:
<ul style="list-style-type: none">• Grant Subsidiary Contract

Successful PUE-Cs will receive a notification letter from BRD and are invited to sign a GSC with BRD. The template for the contract is provided in Annex 3. PUE-Cs applying for subsidy funding from PUE-RBF Program are required to agree to the following requirements:

- Allow qualified EDCL and BRD representatives, on a need-to-know basis, access to privileged and confidential information necessary to appraise whether the PUE-C meets and/or continues to meet the agreed qualification criteria;

- Agree to devote adequate resources to the Project, to establish and maintain an adequately staffed sales and after sale services team, management group, or equivalent, and to join any available Project-related training;
- Agree to provide customer payment data and installation information (including GIS coordinates), required to verify eligibility of subsidy claims;
- Agree to potentially integrate PAYGO software by linking it with the PUE Monitoring Information System (PUE MIS);
- Agree that BRD and the World Bank/AIIB may conduct independent audits of the PUE-Cs accounts related to the PUET sold that have been subsidized through the PUE-RBF Program.

7.3 Collecting demand

Tools & templates required:
<ul style="list-style-type: none"> • Demand Collection Sheet

Once the PUE-C has signed the GSC, it becomes eligible to participate in the PUE-RBF program. BRD will on board companies by providing detailed instructions on how to identify eligible customers and how to collect the demand from them. BRD will share a template for demand collection that includes the name of the potential PUE beneficiary, his/her national ID, business registration number, address (District, Sector, Cell, and Village), phone number, type of the PUE technology demanded, desired payment method (cash or PAYGO) of their end-user contribution, application of the proposed PUE technology. The PUE-Cs can request prospective beneficiary a small amount of down payment at the time of demand collection to minimize the risk of demand cancelation.

Once the demand is collected, the PUE-C will transport, distribute, and install (if applicable) the PUE technology as per its own business model.

The risk of sales made to an ineligible customer should be fully covered by the PUE-C. If the PUE-RBF program (during verification) finds that the PUE-C made sales to an ineligible customer, those sales will be considered as ‘failed’ and the program will not release subsidy to such failed sales.

The PUE-RBF program believes that the identification of an eligible customer is the responsibility of PUE-C. The PUE-Cs are free to take any actions to such ineligible customers including repossession of the PUET.

7.4 Confirmation of sales

Tools & templates required:
<ul style="list-style-type: none"> • Sales Contract (Annex 5) • Sales Confirmation Sheet

The confirmation of sales is the last step in ensuring that the subsidy is reserved permanently for the company. Companies can confirm sales when: 1) a contract between the company and the customer has been signed; 2) the purchased PUE technology has been distributed at the customer’s location; and 3) the sales contracts have been witnessed/approved by the relevant local authority. The sales confirmation sheet will include the information such as name of the beneficiary, his/her national ID, business registration number, address (District, Sector, Cell, and Village), phone number, type of the PUE technology sold, payment method (cash or PAYGO), end-user contribution amount, application of the PUE technology, and date of the confirmed sales.

Each time a sale is confirmed, the corresponding subsidy amount will be deducted permanently from the PUE-C's subsidy budget approved in the GSC. The PUE-RBF advises PUE-C to regularly check the remaining grant contract amount to ensure that the budget is available before the sales are made. PUE-RBF does not guarantee payment of subsidy above the contract amount as signed with BRD.

7.5 Claim submission through email

Tools & templates required:
<ul style="list-style-type: none"> • PUE-RBF Claim Form • Scanned copy of the Sales Contract • PUE-RBF email address, _____ mailto:, to submit claims.

To bundle administrative work for both the PUE-C and the PUE-RBF, the claim submission schedule is as follows:

- Each company can submit two claims every quarter, regardless of the number of customers that reached their next disbursement milestone;
- If a company has more than 200 customers reaching the next disbursement milestone within a quarter, then the company may submit a second claim within that quarter for each milestone. Note that the quarters considered are as follow: July-September, October December, January-March and April -June.

Companies can thus not submit more than three claims per quarter per milestone.

The Claim Form (available in Excel format on BRD website) contains company product information, name of the customer, customer ID, Business registration number, price of the product, milestone claimed, technical specifications (features), date of confirmed sale, serial number, etc.

The PUE-C should submit to EDCL the scanned copy of Sales Contract of each customer claimed together with the milestone 1 Claim Form.

Moreover, PUE-Cs should use the Claim Form to report the payment data of each customer. For PAYGO or credit sales, this is necessary to verify that customers have reached the 15% or 100% customer contribution threshold, for milestone 2 and 3, respectively. In the longer run, there may be an option to integrate a PUE-RBF IT platform with the PUE-C IT platforms or directly with the mobile money providers.

The following information submitted in the Claim Form will be reviewed:

1. Name of the customer, and national ID or business registration number.
2. Product name
3. Confirmation date or the date of sales as specified in the Sales Contract
4. PAYGO vs Cash customer
5. Phone number of customer
6. Milestone achieved: 1, 2 or 3. For cash sales, there will be only milestone 1 and 2
7. Product type and serial number
8. For PAYGO customers: unique customer ID #
9. Total Sales Price
10. Subsidy amount per customer
11. Total customer contribution to date
12. Raw payments data (including date and time of each transaction, amount per transaction, type of payment account and account number)

13. List of repossessed customers. The list must contain name of the customer, national ID or Business registration number, customer's phone number, date of the PUET sold, date of the PUET repossessed, PUET name, serial number, and the reason for repossession.
14. List of customers whose technical issues were identified during the previous claim verification and resolved by the PUE-C. The technical issues of these customers must have been addressed within 2 weeks after such list is received from EDCL. The list must contain name of the customer, national ID or Business registration number, customer's phone number, name of the PUET, serial number, nature of the technical issue, date of the technical issues addressed and how it was resolved.
15. GPS coordinates of each customer

In case some customers in the Claim Form did not pass the desk check due to missing or incorrect information (e.g. mismatch of the customer ID, location, price, etc.), PUE-Cs will have five (5) working days to correct the information and re-submit the corrected information, then it will be considered in the next claim submission. EDCL will proceed to the verification for those customers who passed the desk verification.

Any customers that do not pass the verification, but that have a chance to be corrected (customers with technical issues), must be corrected within 2 weeks and will be processed during a next claim submission. The Claim Form has a separate tab for the customers with technical issues addressed. After 2 weeks, EDCL will conduct phone verification of all the customers listed in the technical issue list to ensure that technical issues are addressed by the PUE-C. The subsidy will be paid for those customers having no pending technical issues ensured during EDCL phone verification. The subsidy will not be paid for the customers with pending technical issues and for unreachable customers³ until their issues are addressed amicably by the project level GRC. The outcome of the phone verification of the technical issues list will be provided in the Results Form and shared with BRD. Section 8.3 provides more detail on how EDCL processes claims.

Should a company fail to provide the information requested or misreport this information, an escalation process will be initiated, which may ultimately result in the suspension of the PUE-C from the program. The PIU will escalate issues at GRC who will decide on the level of suspension, with no-objection from World Bank and Steering Committee.

7.6 Providing warranty and after-sales-service

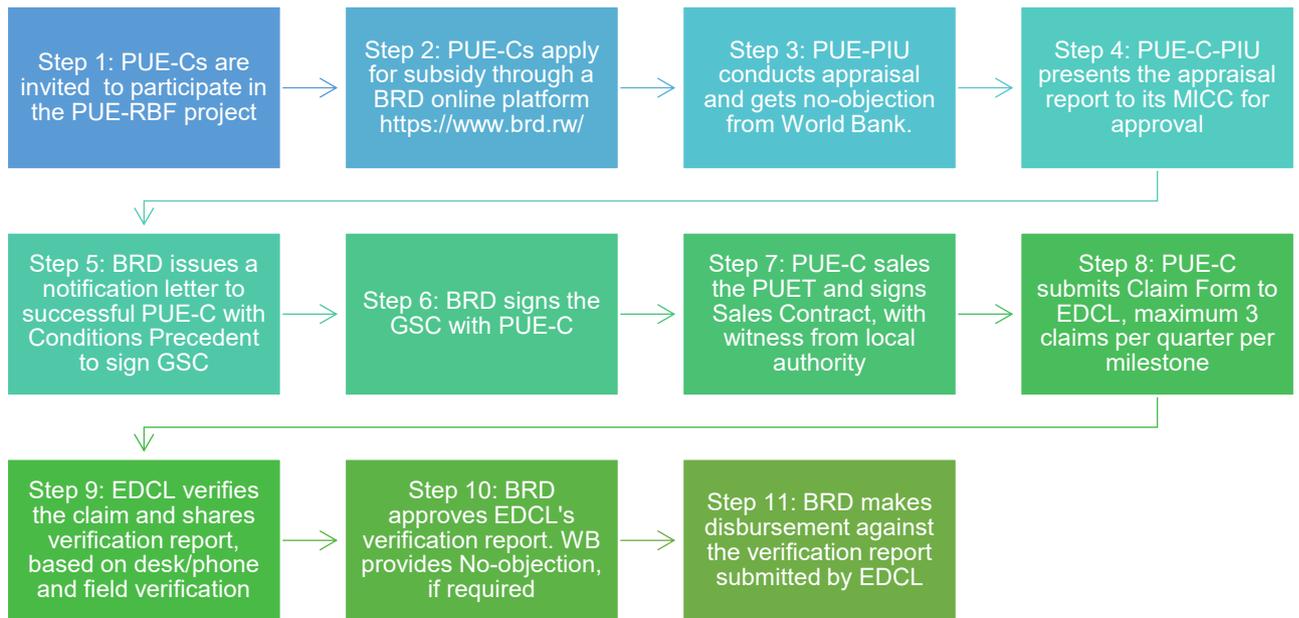
All participating PUE-Cs are required to provide PUET warranty and after-sales-service for a minimum period of 1 year after the PUET is sold. Failure to provide such service will lead to suspension from PUE-RBF program.

8 Procedures for BRD and EDCL

In summary, BRD and EDCL will take the following steps, in response to the steps taken by the PUE-Cs. Step 1, step 2, step 7 and step 8 in Figure 3 are explained in more detail in Section 7, which describes the step-by-step procedures for PUE-Cs. Step 3, step 4, step 5, step 6, step 9, step 10, and step 11 are elaborated in this Section 8, which stipulates the procedures for BRD and EDCL.

³ The unreachable customers with technical issues are those who are not reachable in maximum 6 phone call attempts, including an additional phone call to the concerned village leader. The customer will also be considered as unreachable if the phone is received but the respondent does not know the customer.

Figure 3: From PUE-C application to subsidy disbursement



8.1 BRD: PUE-C appraisal, PUE-C eligibility review and contracting

Tools & templates required:
<ul style="list-style-type: none"> • Grant Subsidiary Contract (Annex 3) • PUE-RBF OM for PUE-C eligibility criteria

BRD will select eligible PUE-Cs based through an appraisal process. The appraisal process follows through the PUE-C eligibility criteria (Section 5.12). Those PUE-Cs who fulfil the eligibility criteria will be selected and sign the GSC. Figure 3 (step 1 – 6) provides procedures of PUE-C appraisal and contracting.

8.2 EDCL: Different types of verification

PUE-C submits the claim to EDCL containing a list of customers for subsidy payment. EDCL will conduct the desk check of all customers. Customers who pass the desk check will undergo 100% field verification (for milestone 1) and 100% phone verification (for milestone 2 and 3). The outcome of the verification will identify failed customers, customers with technical issues, and exceptional customers.

Tools & templates required:
<ul style="list-style-type: none"> • Desk Check Verification • Phone verification customer list • Field verification customer list • List of customers with technical issues addressed • List of customers with exceptional cases • Phone verification survey questionnaire • Field verification survey questionnaire • Verification report • Results Form (in Excel) with a separate tab for the list of repossessed customers

The verification process includes a desk check of all customers submitted in a claim, for a.) completeness and accuracy; b.) payment verification; and c.) verification reporting. Desk

verification will take place for all claims regardless of the milestone(s) being claimed. See Section 8.3.1 for more details.

Field verification is required to confirm the claim for customers reaching the first disbursement milestone, for both PAYGO and cash sales, while phone verification is required for reaching the second and third disbursement milestone for each PAYGO sale. Second disbursement (i.e. final disbursement) for cash sales will only require phone verification to confirm the customer still has the PUET and working properly, as completion of payment will have been verified during first milestone disbursement. Each of these steps is described in below sub-sections.

The EDCL will complete the verification of each claim within 25 working days from the date the claim is submitted. The timeline does not include the time spent by PUE-Cs in revising and resubmitting the information and an additional 2 weeks of claim withholding time if >10% technical issues are found.

Table 7: Verification at each disbursement milestone level

Desk Verification	Phone verification	Contract verification	Field verification
<i>Milestone 1 disbursement- upon PUET dissemination (both PAYGO & Cash)</i>			
On 100% of claim	NA	100% of the customers passed in desk verification	100% of the customers passed in contract verification
<i>Milestone 2 disbursement – 3 months into service and 15% customer contribution (PAYGO only)</i>			
On 100% of claim, to confirm that at least 15% payment has been made by all customers they received the Milestone 1 disbursement, sales were made at least 3 months before, and all customers are in PAYGO	100% of the customers passed in desk verification (phone)	NA	Customers unreached in phone verification
<i>Milestone 3 disbursement – 1 year into service (both PAYGO & cash) and 100% customer contribution (PAYGO only)</i>			
On 100% of claim, to confirm that at least 100% payment has been made by all the customers they received Milestone 1 and 2 disbursements were disbursed and sales were made at least 1 year before.	100% of the customers passed in desk verification	NA	Customers unreached in phone verification

NB: The PUE-Cs are requested to securely achieve the physical copy of Sales Contract signed with its customers for at least 1.5 years or depending on when the company submit a claim (i.e., until the completion of Milestone 3 verification).

The PUE-Cs are not allowed to submit claims with combined milestones. For example, one single claim cannot consist of customers from Milestone 1 and Milestone 2 or multiple combinations. This is not allowed because of the possibility of having different verification outcomes and processes under the different milestones.

Figure 4: PUE-RBF Milestone 1 Verification Process

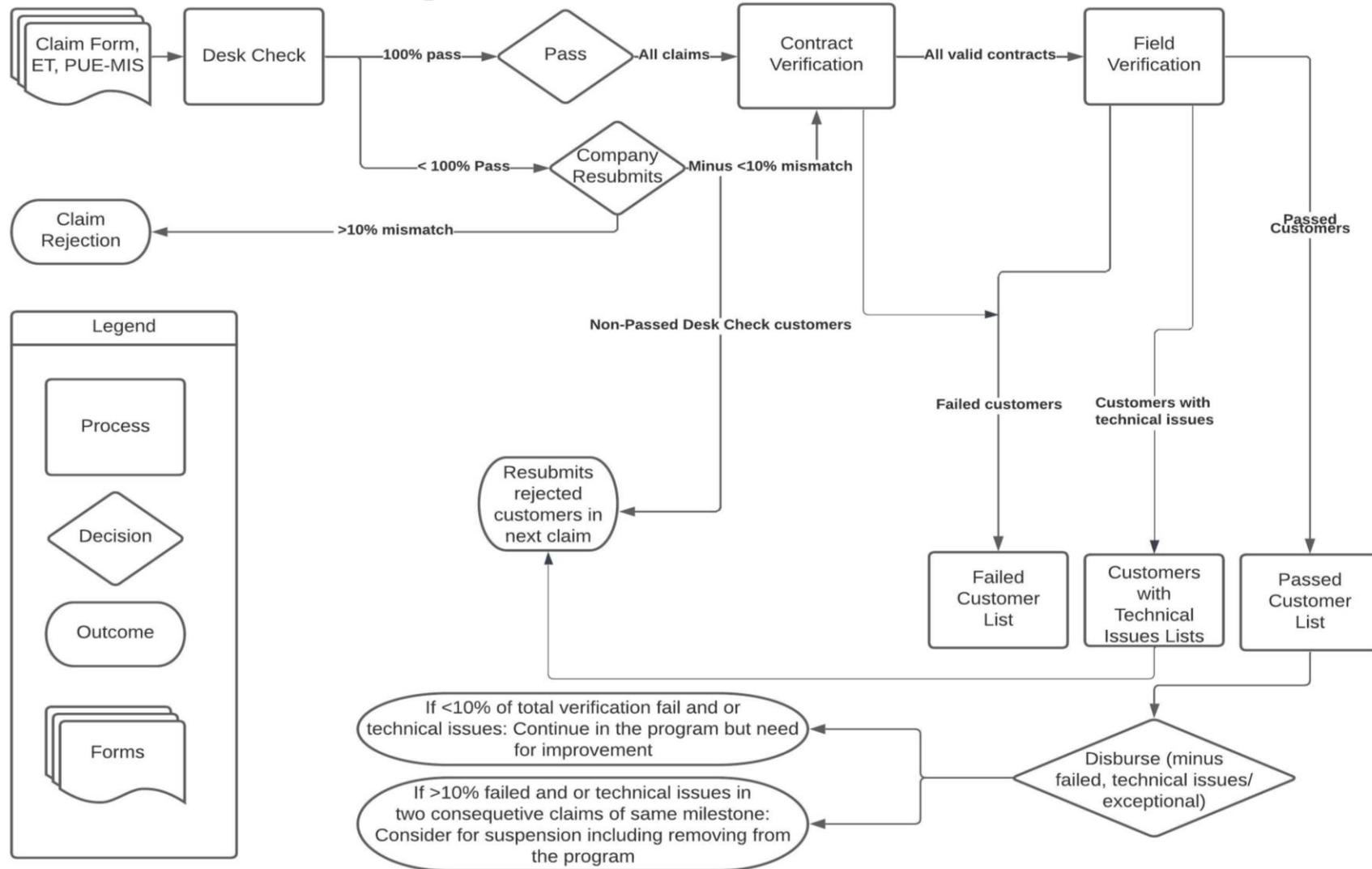
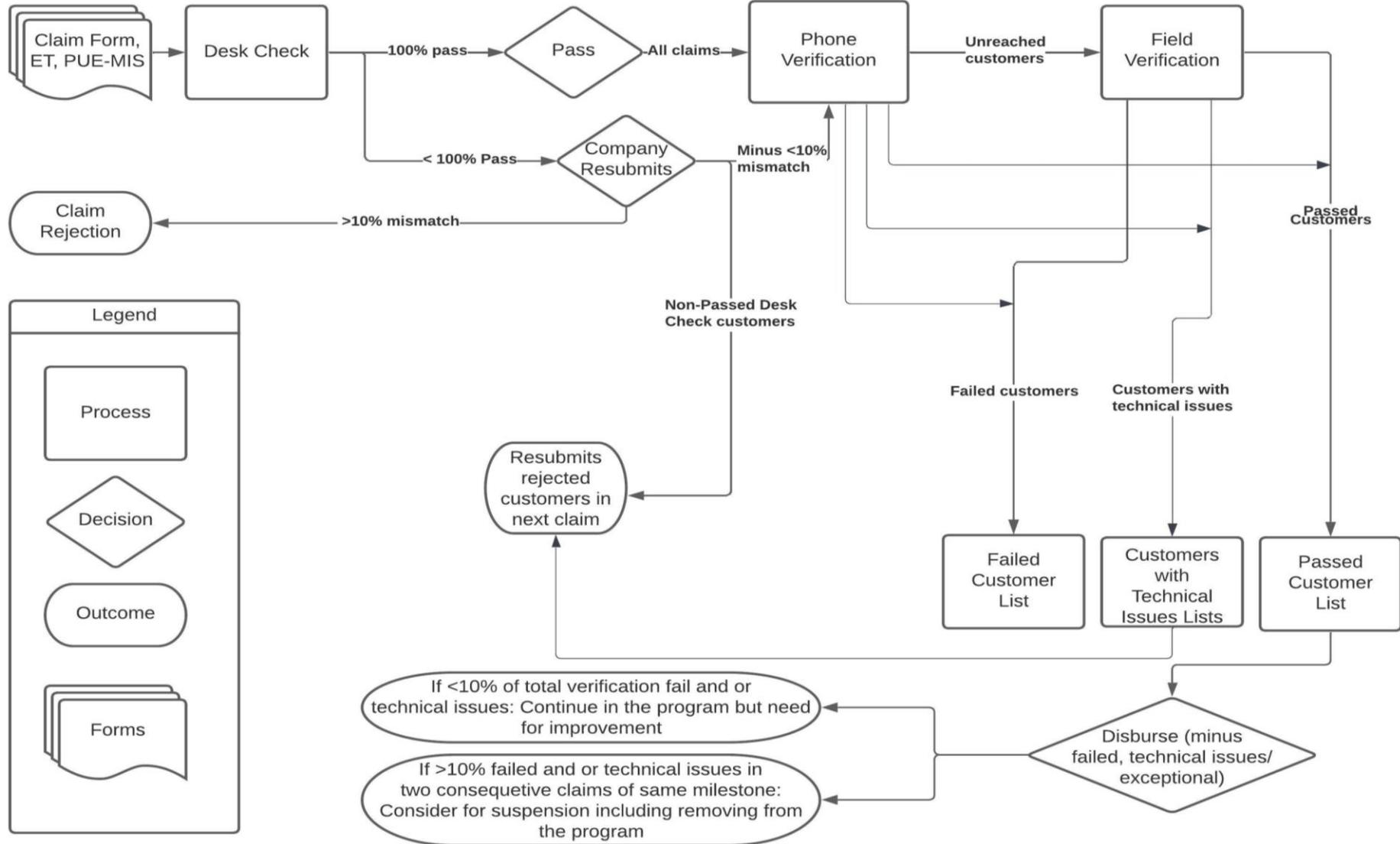
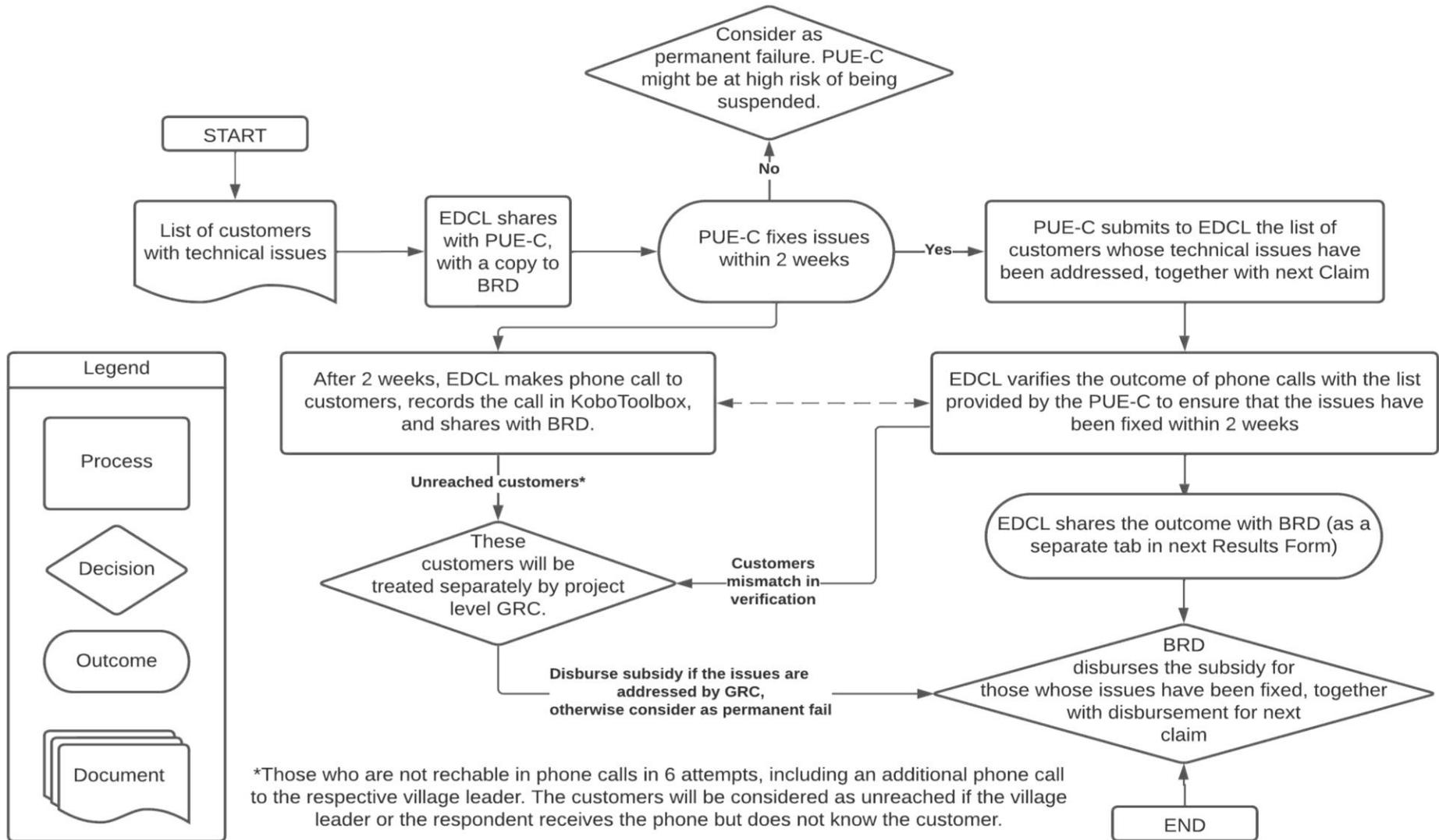


Figure 5: PUE-RBF Milestone 2 and 3 Verification Process



Note: EDCL will conduct field verification to those customers unreached in phone verification.

Figure 6: Process for handling customers with technical issues



8.3 EDCL: claim verification

Before submitting any claim, the PUE-C should have in place all the requirements for all the customers provided on the Claim Form and should submit the following documents to EDCL together with the Claim Form. These include but are not limited to:

- A well-filled PUE-C-Customer Sales Contract signed by both parties and witnessed by local governmental authority. If the contract is witnessed by the Village leader, the lists of sales made within that village should be approved by the Cell leader.
- The list of customers approved by the cell leader.
- Well filled maintenance form approved by customers whose technical issues were resolved.

PUE-C will share with EDCL the scanned copy of above-mentioned documents through a secured file request feature created by EDCL in Microsoft OneDrive. The copy of the Sales Contract should be in one PDF file with national ID number as the file name. EDCL will download these documents from OneDrive and archive on Electronic Data Management System.

8.3.1 Initial desk verification

Tools & templates required:
<ul style="list-style-type: none">• PUE-RBF Claim Form (Excel template)• PUE-RBF email address to receive claims (mailto:)• Results Form (in Excel format)• Company File (in Excel format)

The EDCL will conduct a desk-based verification of 100% claims submitted by the PUE-C for all milestones. The verification will be conducted by comparing the information provided on the Claim Form with the Sales Contract. The main step conducted for the first milestone is to compare sales confirmed in the Claim Form with the scanned copy of the Sales Contract submitted by PUE-Cs. The results of this data check are stored in the Results Form. Based on the data in the Results Form, EDCL will determine the validity of the claim. In summary, EDCL will check the following:

- The correct subsidy amount is claimed for each customer (based technical specification of the PUET, and price of the PUET);
- Customer payments reached the threshold for the claimed milestone and respected the disbursement condition.
- All sales claimed for in the Claim submission have a valid Sales Contract.
- The subsidy was given (in the previous claim) to the repossessed customers. Those customers in the repossession list who have previously received the subsidy in the previous claim/s will be deducted from the current claim.

The first and third check may only need to be done once for each customer, during desk verification of the first milestone. During subsequent milestone claiming of the same customer, desk verification will simply confirm that the claim has respected the disbursement condition. For example, the PUE-C was distributed 1 year before in order to be eligible for the third milestone.

Desk verification of the second and third PAYGO milestone disbursement will also include a payment verification (see Section 8.3.2).

Desk verification of Cash customers who reached the second (or final) disbursement milestone does not require any payment verification (since this was completed during milestone 1 claiming). Instead, the following points will be desk-verified for Cash customers who reached milestone 2:

- That the initial desk verification – to check customer eligibility and to check that the correct subsidy level has been applied – was indeed conducted on this customer during processing of the milestone 1 claim;
- That the sale indeed took place 1 year ago;

EDCL will complete the claim information in the Company File. The Company File is used to keep track of the status of each claim as well as other details (e.g. number of claims submitted, number of PUET claimed for, number of PUET that passed or had technical issues or failed).

Once EDCL completes desk check, EDCL will notify PUE-Cs of the determined claim size and any discrepancies found. EDCL will return to the PUE-C the list of those customers whose information provided on the Claim Form is mismatched with the Sales Contract. EDCL will reject the entire claim if 10% and above mismatch cases are found in desk check.

For PUET that were not reported to EDCL (or found mismatch) in the Sales Contract will have five (5) working days to submit the missing sales information to EDCL. The PUE-Cs can resubmit the corrected information during the next claim if they are unable to correct the information within five (5) working days.

Each step shall be recorded with the date of completion and the individual in charge in the Verification Tracking File.

8.3.2 Verification of customer payments

As explained in Section 8.3.1, desk verification is done on all customers claimed for, for each of the milestones. Additionally, as displayed in Table 3 and Table 4 in Section 5.7, the second and third disbursement milestones are conditional upon PAYGO customers reaching a customer contribution minimum threshold of 15% and 100%, respectively. A payment verification will take place for each PAYGO customer included in the claim to ensure that the payment data provided illustrates that the customer met the 15% or 100% payment threshold. For the first milestone 100% field verification of the customers with valid contract will be conducted and then for second and third Milestone the phone verification of all the customers who pass desk check will be conducted. Moreover, the list of eligible customers for the second and third milestone can only come upon successful payment of milestone 1 disbursement. The customer payment data is submitted by the PUE-C in the Claim Form and needs to be verified/calculated by the EDCL to ensure that 15% and 100% payment threshold was met in PAYGO sales for Milestone 2 and Milestone 3 respectively.

Table 8: Payment data inputs required for verification.

Data	Source
Date	PUE Company
Account #	PUE Company
Amount	PUE Company
Unique ID	PUE Company
Unit Price	PUE Company
Eligible customers	Calculation
Total Payments	Calculation
Verification Status	Calculation of the payment status of the customers

In summary, and as explained in Section 8.3.2, payment verification is done via desk review of payments data submitted by the PUE-C (on 100% of the customers claimed for) and through phone surveys as described above.

To verify that conditions are met for any of the three disbursement milestones, EDCL will conduct 100% verification for both milestones including field verification for the first milestone and phone verification for the second and third milestone. When EDCL enters the claim data into the Results Form, the claim size for field/phone verification will be automatically calculated based on the total number of eligible sales passed through desk verification.

Separate Excel sheet/tab in the Results Form will be created to store 100% customers information regarding the Phone, Contract, and Field Verification.

8.3.3 Phone verification

Phone verification will be conducted for second and third disbursement milestones.

The verifier will call customers and will ask them a series of questions, as per the Phone Verification Survey Questionnaire developed in Kobo Toolbox, to determine whether they have bought and received a subsidized system. Phone verification of second and third disbursement milestones will check whether the end user contribution under PAYGO at that milestone was successfully made and the system is successfully operating with the adequate aftersales service is being provided.

Some customers may not be immediately reachable due to different reasons (incl. e.g. poor network, unavailability, phone being turned off, etc.). Hence, the verifier should try to reach the customer four times taking care to call at different times during the day (morning, lunch time, afternoon, evening) and on different days. If a customer has not been reached after 4 attempts, EDCL will make additional 2 attempts using the alternative phone number of the customer (village leader or nearby neighbour) provided by the PUE-C. The customer is marked as “unreached” if they are not reachable in total 6 attempts.

Once a customer is reached, the verifier will go through the questions in the Phone Verification Survey. All questions need to be asked and answers recorded accurately in the survey tool (Kobo Toolbox) and dump on an Excel file in Results Form. Particular attention should be paid to the “company”, “date of sale”, “product type”, “location”, “name of the customer”, “payment mode i.e. cash or PAYGO”, and “the technical condition of the PUET”. It should be noted that customers sometimes don’t remember the exact date. Hence, a difference of one month between the date of sale indicated by the customer and the PUE-C is permissible.

Once all customers have been reached or called maximum six times, EDCL will consolidate and analyse the results and complete the corresponding fields in the Results Form.

The outcome of the phone verification for each customer will be determined based on the following criteria:

Phone verification passed customers:

- Condition for milestone 2 and 3: Customers called are reached and confirmed that they have paid at least 15% or 100%, respectively, of the customer contribution. The PUET is with them and technically working (“Pass”).

Next step: All the pass customers will be recorded in the “Passed Customer List”.

Phone verification failed customers:

- Conditions for all milestone: the customer will be marked as “fail” if one of the following answers are confirmed
 - a) The customer confirms to have received another subsidized PUET
 - b) The customer confirms that the PUET has been repossessed.
 - c) The customer confirms that he/she never lived in the location provided in the Claim Form
- Condition specifically for milestone 2 and 3: All customers not paying at least 15% or 100%, respectively. The customer denies having received PUET from the PUE-C being verified. If customer denies having received PUET, EDCL may request PUE-C to submit the proof of end-user contribution payment and Sales Contract. Customer will be failed if PUE-C does not submit such proof and or the Sales Contract is not available.

Next step: All customers that are in the Failed Customer List will be shared with the PUE-C outlining the reason of each failed customer

Customers with Technical Issues:

The customer shall be recorded to have PUET with technical issues upon the following observations:

- If a customer confirms having bought the PUET but claims that the PUET and or its parts are no longer working due to technical issues, the customer will be recorded in “Customers with Technical Issues List”. The PUE-C will be notified these customers and will be requested to investigate the reason for the PUET not working.
- Some components of the PUET (such as for solar irrigation plus all accessories applicable to operate the entire system) supposed to be included in the package were not provided to the customer.

Next step: EDCL will share the list of these customers with PUE-C to investigate the reason for technical issues. The PUE-C will be requested to repair the issue within 2 weeks. The PUE-C will submit the list of customers whose technical issues are addressed together with the next Claim Form if the percentage of technical issues is within 10% threshold. The list of customers whose technical issues have been resolved will have to be accompanied by their related maintenance repairs/forms signed by both customer and technician who resolved the technical issue. EDCL, after 2 weeks, will call “customers with technical issues” to verify whether repairs have been made within 2 weeks and document the result of the call. If the PUET has been repaired and is functioning, the customer will be changed to “passed customer list” and the incentive will be paid out with the next claim or in a separate payment if there is no additional claim.

Each step shall be recorded with the date of completion and the individual in charge in the Results Form.

Customers who denied having PUET and unreached customers:

The customers will be considered as denied having PUET if they are reached, location is matched but denies having the PUET from the PUE-C under verification.

The customers will be considered as unreached if one of the following conditions are observed:

- The customer does not answer the phone in six attempts including calling in additional number given by the PUE-C for the last two attempts.
- The respondent receives the phone call but does not know the customer.
- The alternative respondent (the phone number of another person given by the PUE-C) receives the phone call but does not know the customer.

Next step: all customers whose PUET has been repossessed, resold, relocation and sold by using national ID or business registration number of another beneficiary and customers denied having PUET will be considered as failed. For those unreached customers for Milestone 2 and Milestone 3, EDCL will verify unreached customers through the field verification.

8.3.4 Contract verification (only applicable during Milestone 1)

Contract verification will be conducted for all the customers submitted together with Milestone 1 Claim Form. The PUE-C will have to submit the scanned copy of contracts of all customers to EDCL together with Claim Form. The customers whose contracts are not submitted with the Claim Form will be considered as failed customers.

All invalid contracts during contract verification will be considered as failed and will go to “failed customer list”. All the valid contracts will go to field verification.

The contract will be considered as “invalid” if:

- the copy of the contract is not readable;
- the proof of transaction such as bank statement, MOMO statement, or copy of cash receipt is not available in the case of PAYGO;
- the contract is not signed by both the PUE-C and customer and the list not approved by cell leader;
- the information on the contract such as customer names/ID/business registration number, price of the PUET, product name, are different from the information provided in the Claim Form.

Next step: Those customers whose contracts are invalid will be recorded in the “Failed Customer List”.

8.3.5 Field verification

EDCL will conduct the field verification together with the PUE-C representative. Field verification will be conducted on claims pertaining to the first disbursement milestone, as Table 7 indicated. For milestone 2 and 3, field verification will be conducted for those customers not reached in phone verification.

EDCL will complete an analysis of verification results and insert the data in the corresponding fields in the Results Form. The outcome of the field verification will be determined based on the following criteria:

Field verification passed customers:

Condition: Those customers who are reached in field verification, confirmed the sales, and confirmed that the PUET is working properly.

Next step: EDCL will record the customers who passed in the field verification in “Pass Customer List”.

Field verification failed customers:

A customer will be considered for failure if one of the following conditions have been observed:

- The PUET was given to a wrong person other than the one provided in the Claim Form.
- The customer denies receiving the PUET from the PUE-C under verification. The PUE-C fails to submit the proof of end-user contribution payment and the Sales Contract.
- The received PUET was repossessed by the PUE-C.
- The PUET beneficiary could not be found during the field visit in the location provided in the Claim Form.
- Customer has an existing subsidized PUET.

Next step: EDCL will record the failed customers in “Failed Customer List”. BRD will deduct the claim amount of failed customers. If the failure rate is >10%, BRD can call for a meeting with PUE-C and all implementing partners to discuss the issues identified and identify ways to improve PUE-C performance and or PUE-RBF process.

Customers with Technical Issues

- Condition: If a customer confirms having bought a PUET but claims that the PUET and or its parts are no longer working due to technical issues, the customer will be recorded in “Customers with Technical Issues List”. The PUE-C will be notified these customers and will be requested to investigate the reason for the PUET not working.

Next step: EDCL will share the list of customers with technical issues to PUE-C to investigate the reason for the PUET not working. The PUE-C will be requested to repair the issue within 2 weeks. After 2 weeks, EDCL will call (or use any other convenient mean) “customers with technical issues” to verify whether repairs have been made and document the result of the call. If the PUET has been repaired and is functioning, the customer will be changed to “passed customer list” and the incentive will be paid out with the next claim or in a separate payment if there is no additional claim. The subsidy for all unreached customers and customers with pending technical issues will not be paid unless the issue is amicably settled at project level GRC.

Once verification is completed, EDCL will prepare the claim verification report (including Results Form of the particular claim), which will need to be signed by verifiers. The signed claim verification report is necessary to initiate disbursement and must be documented and archived.

8.3.6 Outcome of the verification results

Depending on the answers provided by the customer, the customer will be recorded as part of:

- “Passed Customer List”:
 - For milestone 1: The customer has bought a PUET, which is in good condition, and still had it when the last report was submitted to EDCL.
For milestone 2 and 3: The customer, or other source, plausibly indicates that 15% or 100% of customer contribution has been paid to the PUE-C. If it is verified that the customer payments have reached the payment thresholds, then this also confirms adequate customer service. There is no separate verification of adequate customer service other than the payment verification.
- “Failed Customer List”:
 - For milestone 1: a.) the Field Verification found that the customer has not bought the PUET or the PUET has been repossessed or the customer was unreachable or customer was found to have an existing subsidized PUET working properly or the PUET was found defective and had not been fixed within 2 weeks; and b.) all the invalid contracts found during Contract Verification.
 - For milestone 2 and 3: The customer, or another source, does not plausibly indicate that 15% or 100% of the customer contribution has been paid to the PUE-C.
- “Customers with Technical Issues List”:
 - For all milestones: If the desk verification confirms that the data submitted by the PUE-C (through Claim Form) does not match with the Sales Contract. EDCL will share with PUE-C the list of all these customers whose data are

found inconsistent. PUE-C will have five (5) working days to resubmit the missing sales information to EDCL through the Claim Form. The PUE-C can resubmit the corrected information during the next claim if they are unable to correct the information within five (5) working days.

- For all milestones: The phone/field verification confirms that the customer has bought the PUET but claims that the PUET and or its parts are no longer working due to technical issues. The PUE-C will be notified of these customers with technical issues and will be requested to investigate the reason for the PUE-C not working. The PUE-C has to fix the issue within 2 weeks. The PUE-C is required to share the list of customers whose technical issues have been addressed together with the next Claim Form.
- After 2 weeks, the EDCL will call “customers with technical issues” to verify whether repairs have been made and document the result of the call in the “PV Results, Technical Issues” tab under the Results Form. If the PUET has been repaired and is functioning, the incentive will be paid out with the next claim and the customer’s status will be changed to passed in the Company File Master Database.

- “Exceptional customers list”:

The customers will be considered as exceptional customers and be included in the “Exceptional Customer List” if the following cases are observed during the verification.

- The beneficiary whose PUET was stolen and the beneficiary (through the PUE-C) has submitted to project-level GRC at BRD the proof of such stolen cases. The proof shall include a complaint registered at nearby branch of Rwanda Investigation Bureau (RIB) with acknowledgement of such complaint received by RIB.
- The beneficiary that relocated (with the PUET) from the original place to another place will receive full subsidy after the local leader from new or original location certifies/confirms such relocation and successful verification of the beneficiary in the new location. However, if the beneficiary is not found in the village where the customer/beneficiary relocated, the local leader from the previous location and a representative of the PUE-C must confirm in writing to the district-level GRC that the customer has relocated to another place with the PUET and the PUE-C must provide a copy of the Sales Contract. For this case, the beneficiary will receive the subsidy after successful verification from EDCL. PUET will have the opportunity to update the customer’s location in the next claim. The PUE-C must also provide a written confirmation from the new location, signed by local authorities (Cell Leader and Village Leader), verifying that the company is operating at that location.
- The beneficiary who has sold the PUET will be marked as exceptional customer until the PUE-C and local authorities bring back the PUET within 2 weeks or the beneficiary agrees to pay a full amount, including subsidy. Once it is brought back to the customer, the PUE-C may claim for the subsidy in the next claim.
- If a beneficiary sells their business, including the PUET, to a new owner, the transfer of PUET ownership is permissible as long as the new owner is an eligible beneficiary. It is the responsibility of PUE-C to ensure customer information remains up to date and verify the new owner’s eligibility.
- The customer whose PUET has been destroyed by natural disaster may be eligible for another subsidized PUET subject to the confirmation (written) from the concerned local government office that the customer was affected by the natural disaster and their PUET was destroyed. The district-level GRC will have further investigation to confirm such cases. The natural disasters that may destroy the house and thus damage the PUET might be earthquake, flood, landslide, hurricane, etc.

- The respondent confirms that the person of the beneficiary claimed in the Claim Form died before the confirmation date of the PUET sale. The subsidy will be disbursed subject to the confirmation that the person died but the PUET is being used by the same customer/beneficiary.
- The beneficiary whose PUET has a serial number different from the one recorded in the Claim Form. The subsidy will be disbursed once the PUE-C has submitted a proof that the serial number was corrected accordingly.

The project-level GRC will have further investigation of those cases on a quarterly basis or once the minimum number of those exceptional customers reaches 50. The customers will be considered as pass or fail subject to the GRC investigation. BRD will disburse the subsidy for passed customers.

Next step:

- EDCL will communicate to the PUE-C the outcome of the verification with the percentage of the failure rate in the respective claim. The communication will be made through email with a copy to BRD. EDCL will share the summary of the claim with the following information (in Excel) with the PUE-C:
 - List of customers failed during Phone, Contract, and Field verification. This list will include customer name, national ID or business registration number, and reason of the failure.
 - List of customers having technical issues found during Phone and Field verification with instruction to address the issues within 2 weeks. This list will include name of the customer, customer national ID or business registration number, and type of technical issue.
 - List of customers having inconsistencies found during desk check not resubmitted by the PUE-C within a 5-day notice period. This list will include name of the customer, customer national ID or business registration number, and the type of inconsistencies (such as price mismatch, location mismatch, etc.).
 - List of exceptional customers. This list will include the name of the customer, customer national ID or business registration number, and the reason of including in the exceptional list.
 - Summary table of the claim. The summary includes key information such as claim number, total amount claimed, percentage of customers with technical issues, amount withheld against customers having technical issues, percentage failure rate, amount deducted for failed customers.
- EDCL will prepare the Verification Report outlining the findings of the verification conducted in desk check, phone verification, contract verification, and field verification. The Verification Report along with the final Results Form will be submitted to BRD for subsidy disbursement.
- If the technical issues are found >10% in EDCL verification, BRD will put the subsidy disbursement on hold for maximum 2 weeks from the date the verification report is received from EDCL. After 2 weeks, BRD will initiate the disbursement process. The disbursement can be initiated even within 2 weeks if EDCL confirms BRD that the technical issues have been fixed by the PUE-C. In the meantime, the following step-by-step process will be followed to address the technical issues:
 - EDCL will share with PUE-C the list of customers having technical issues found in the verification. The list will be shared with PUE-C through an email with a copy to BRD. The list includes the name of the customer, national ID or business registration number, location, date of EDCL verification, and the reason for technical issue. The PUE-C will have 2 weeks to fix the technical issues from the date the EDCL email is received.

- After 2 weeks, EDCL will conduct the phone verification of the customers with technical issues and record the outcome of the phone call. The outcome of the phone verification will be recorded as “technical issues fixed”, “technical issues not fixed” and “unreached”.
- PUE-C will share with EDCL the list of technical issues fixed customers together with the next Claim Form. The list includes the date of technical issues fixed by the PUE-C.
- EDCL at the time of preparing the next Results Form will “copy” the list of technical issues fixed customers received from PUE-C and “paste” on the Results Form. EDCL will compare this list with its own list of phone verification record to ensure that the PUE-C has fixed the technical issues within 2 weeks. Those customers whose technical issues have been fixed within 2 weeks will be considered as “pass” and the subsidy will be disbursed together with the next claim disbursement. Those customers whose technical issues are pending or fixed after 2 weeks will be considered as “fail”. The “unreached” customers will still be considered as technical issues until it is treated separately by the Project-level GRC.

NB: The customers failed because of not fixing their technical issues within 2 weeks will not be added to the percentage failure rate. However, the PUE-C is at high risk of being suspended if the technical issues are found >10% in two consecutive claims of same milestone.

Table 9: Summary of the Verification Outcome

Outcome	Condition	Next step
Passed	<p>Milestone 1 (PAYGO & Cash):</p> <ul style="list-style-type: none"> The desk verification of Claim Form matches the price of the PUET, national/household ID or business registration number, customer name, name of the PUET, payment mode (PAYGO or Cash), location, and installation date with the Sales Contract. All reached customers in field verifications confirm that they have bought the PUET and has no technical issues. <p>Milestone 2 and 3 (PAYGO):</p> <ul style="list-style-type: none"> The desk verification of Claim Form matches the 15% and 100% customers contribution respectively. The desk verification confirms that the PUET was installed at least 3 months and 1 year before under Milestone 2 and Milestone 3 claim respectively. The customers reached in phone/field verification confirm that their PUET is working properly. <p>Milestone 3 (Cash):</p> <ul style="list-style-type: none"> The desk verification confirms that the customer bought the PUET 1 year before. The customers reached in phone/field verification confirm that their PUET is working properly. 	<p>All milestones:</p> <ul style="list-style-type: none"> All the customers that have mismatching information in the desk verification will be returned to the PUE-C. EDCL will reject the entire claim if >10% of mismatch cases are found in desk check. PUE-Cs can resubmit the claim after making correction of the errors. All passed customers will be recorded in the “Passed Customer List”. EDCL will submit the verification report to BRD for the disbursement of subsidy for passed customers. BRD will disburse the subsidy to PUE-C by deducting the claim amount of failed customers and the customers with technical issues. <p>Milestone 2 and 3 (PAYGO):</p> <ul style="list-style-type: none"> All the customers that pass in desk verification will go for 100% phone verification. A small number of customers unreached on the phone may need to be verified in the field. <p>Milestone 3 (Cash):</p> <ul style="list-style-type: none"> A 100% of all the customers appeared in the list of desk check passed the beneficiaries will be considered for phone verification. A small number of customers unreached on the phone may need to be verified in the field.
Failed	<p>Milestone 1 (PAYGO & Cash):</p> <ul style="list-style-type: none"> Customers whose contract are found invalid during contract verification. Customers who were confirmed having no PUET during field verification. Customers who were unreached during field verification. Customers whose PUET is repossessed, deny having the PUET. 	<p>All milestones:</p> <ul style="list-style-type: none"> EDCL will record all the failed customers in “Failed Customer List” and inform to PUE-C with the reason for fail. The list of failed customers will be recorded in the Company File to prevent future claiming. BRD will deduct the claim amount of failed customers from the overall claim amount. EDCL and BRD will discuss with the PUE-C for improvement if >10% of the total claimed customers are failed.

	<p>Milestone 2 & 3:</p> <ul style="list-style-type: none"> • Customers who have not paid 15% and 100% contribution in Milestone 2 and Milestone 3 respectively (consider as “Inconsistent” in desk check) • Customers whose PUETs have been repossessed by the PUE-C. • Customers who denied having PUET in the phone verification. 	<ul style="list-style-type: none"> • BRD may consider suspending the PUE-C from participating in the program if >10% of the total claimed customers are failed and /or have technical issues in two consecutive claims.
Customers with technical issues	<p>All milestones (PAYGO & Cash):</p> <ul style="list-style-type: none"> • Customers during phone/field verification informed that they have bought the PUET but no longer working/operating due to technical issues. 	<p>All milestones:</p> <ul style="list-style-type: none"> • EDCL will record these customers in “Customers with Technical Issues List” and notify the PUE-C with the type of technical issues. • PUE-C will fix the technical issues within 2 weeks and resubmit customer with next claim (for issues <10% of claim size). This will be submitted in a separate tab in the Claim Form once the technical issues are addressed. • The payment of entire claim will put on hold for maximum 2 weeks if technical issues are found >10% of claim size. BRD will process the disbursement after 2 weeks or after the confirmation from EDCL that the technical issues have been addressed by the PUE-C. • EDCL will call the customer as part of the verification process (after 2 weeks) to confirm whether the PUET has been fixed. The outcome of the EDCL phone call will be recorded in a separate tab in the Results Form. • EDCL will submit to BRD (together with the next claim submission) for the subsidy disbursement of those customers whose technical issues have been fixed. • The subsidy for customers with unresolved technical issues and unreached customers will be retained unless it is amicably settled by project level GRC.

8.3.7 Communication about verification outcome and disbursement

Once the desk check is completed, EDCL will inform the PUE-C about the outcome of desk verification. EDCL will share with PUE-C the list of customers whose information is inconsistent (do not match with the Sales Contract or if there are other anomalies). In the case of inconsistencies with >10% of the data in the submitted claim, EDCL will reject the submitted claim.

The PUE-C will receive the list of inconsistent customers through an official email from EDCL. PUE-C will have five (5) working days to submit the missing sales information to EDCL. The PUE-C can resubmit the corrected information during the next claim if they are unable to correct the information within five (5) working days.

If upon completion of the verification process, >10% of the total claim size have failed in phone, contract and field verification in respect to the achieved milestone EDCL and BRD will sit together with the PUE-C to review the reasons for failure prior to disbursement. If there is suspicion of fraud, further investigation will be made prior to disbursement.

EDCL will communicate to the PUE-C the outcome of the verification with the percentage of the total claim size failed in the respective claim. The information will include the list of customers failed and having technical issues found during phone, contract and field verifications. PUE-C will have the right to appeal the outcome of the EDCL verification through project-level GRC established at BRD. The detailed process of addressing PUE-C's appeal is described in Section 12.

EDCL will report to BRD about the outcome of the verification. Specifically, EDCL will send the Results Form (in Excel) and Verification Report to BRD for approval and No Objection from the World Bank, if required. Each step shall be recorded with the date of completion and the individual in charge in the Company file.

8.3.8 Calculation of the percentage failure rate and technical issues

The percentage failure rate will be calculated using the following hypothetical example:

- Claim size submitted by a PUE-C: **200 PUET distribution.**
- Desk check pass result: **180** (assuming 20 distributions were found inconsistent and PUE-C did not submit the corrected data within 5 working days)
- Total population size available for verification: **180**
- Verification outcome (total 180 verified): 164 reached and confirmed, **6 failed, 7 having technical issues**, and 3 exceptional.

Percentage failure rate:

= (total customers failed / total desk verification passed)*100% = (6/180)*100% = 3.33%

Percentage technical issues:

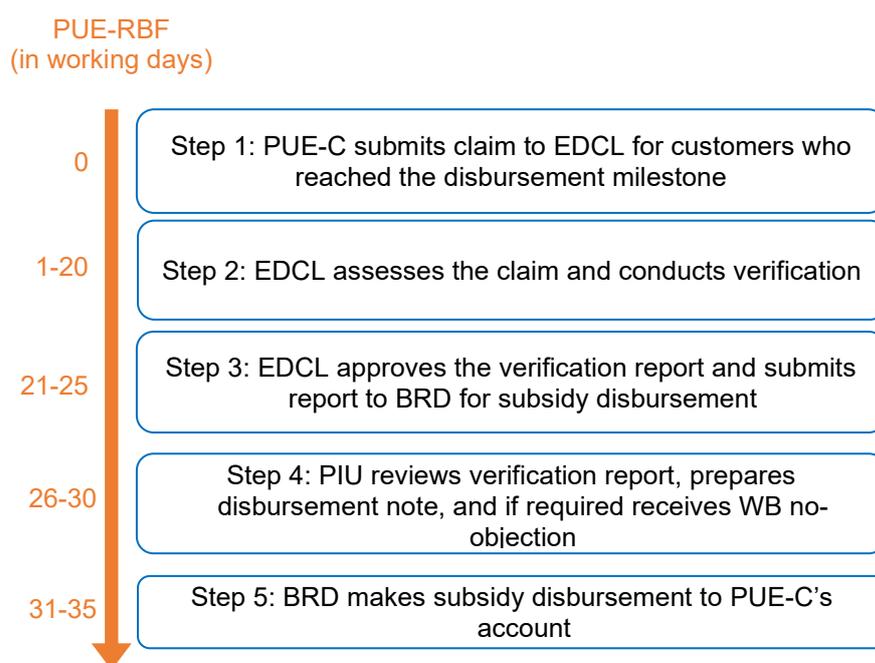
= (total customers with technical issues/ total desk verification passed)*100% = (7/180)*100% = 3.88%

EDCL will have the right to sanction an audit of the PUET sold by the PUE-C if they feel that the percentage failure rate/ technical issues are consistently high.

8.4 BRD: subsidy disbursement

If the claim is approved by EDCL, the PIU at BRD will prepare a disbursement note and send to the WB for the no-objection, if required, and then proceed with the disbursement process by involving relevant internal departments for the approvals. BRD will release the disbursement and inform the PUE-C. In summary, the claiming, verification, approval, and disbursement will follow following timeline as presented in Figure 7.

Figure 7: Subsidy disbursement flow



NB: The timeline does not include the time spent by PUE-Cs such as resubmitting the revised Claim Form.

BRD releases the subsidy equivalent to the amount approved in the claim. The disbursement follows a bank transfer on the bank account of the PUE-C. BRD will release the payment within 10 (ten) business days after the verification report received from EDCL and World Bank no objection, if required.

9 Tools and templates

In summary, the following tools and templates will be used throughout the program:

Tool	Description	Use
PUE technologies application Form (i.e. Annex 1)	To be extracted by interested companies from the PUE-RBF OM available on BRD website	Data collection and appraisal of PUE technologies by EDC, RSB and RICA.
Application Form (i.e. Annex 2)	To be downloaded by interested companies from the BRD website	Data collection and company appraisal by BRD
PUE-RBF announcement and FAQ	Informs the sector about the new program, participation criteria and application procedures	External communication
Claim Form (i.e. Annex 4)	Contains basic information of the sales required for initiating the claiming and disbursement process. The Excel template to be downloaded from BRD website.	Data collection
Claim checklist	Embedded in Verification Report	Internal processing
Company File	Contains information (failed, technical issues, passed, exception customers) on the participating company,	Internal processing, coordination & documentation

	communication with the company and claiming activities	
Field Verification Customer List	Contains list for field verification	Internal processing, coordination & documentation
Field Verification Questionnaire	Guides the field verification interview and used to document respondents' answers	Data collection
Field Verification Report	Summarises consolidated results of the field verification	Internal processing, coordination & documentation
Phone Verification Customer List	Contains list for phone verification	Internal processing, coordination & documentation
Phone Verification Questionnaire	Guides the phone verification interview and used to document respondents' answers	Data collection
Phone Verification Report	Summarises consolidated results of the phone verification	Internal processing, coordination & documentation
Results Form	Contains information on eligible customers and repossessed customers required for claiming as well as verification results	Internal processing, coordination & documentation
Grant Subsidiary Contract (i.e., Annex 3)	Signed by BRD and PUET to formalize participation in the program	Contract

10 Environmental and Social Framework

PUE-Cs shall implement, operate, and monitor the project in compliance with the World Bank's Environmental and Social Framework and related plans, and related plans, and its Environmental and Social Standards (ESSs) and related Environmental and Social Instruments (E&S Instruments), including the Environmental and Social Commitment Plan (ESCP), as applicable. The World Bank's Environmental and Social standards and related plans and E&S instruments, including the ESCP apply to the SHS financed by EAQIP and ASCENT. BRD shall promptly notify, in writing, the PUE-Cs when an E&S Instrument is put in place.

The participating PUE-Cs must follow the Environmental Code of Practice (ECOP) manual in relation to the proper handling of used batteries and solar components on proper disposal of E-waste by PUETs users may lead to having spent batteries ending up in landfills and open dumping and as batteries casing corrodes, chemicals end up leaching into the groundwater from where they contaminate the waterbodies. Acid and lead particulates could also contaminate the soil and become airborne when dry; Health-wise, cadmium and nickel are human carcinogens, lead has been linked to birth defects and to neurological and developmental damage, and mercury is also highly toxic, especially in vapor form. Excessive levels of lead can affect a child's growth, cause brain damage, harm kidneys, impair hearing and induce behavioural problems, and in adults, lead can cause memory loss and lower the ability to concentrate as well as harm the reproductive system.

PUE-Cs shall not use any forced labor in connection with the project. More specifically and as provided under the GSC (see Annex 3), an PUE-C shall represent and warrant that it has

not engaged or employed forced labor in the past and that it is committed to not engaging or employing forced labor for the duration of the GSC.

PUE-Cs shall avoid from any involvement in Gender-Based Violence and sexual Exploitation and Abuse (SEA) related to the project. The PUE-C shall confirm and warrant that it has not previously been disqualified for failure to comply with GBV and SEA obligations, and that it is committed to adhering with GBV and SEA prevention and response requirements.

To increase the adoption of PUETs, after-sale service should be effective enough to avoid any case where users wait for a long time to get the service. Technical problems such as power failures caused by bad PUET positioning, overuse of the system, and many more. During the appraisal process of companies, BRD will assess the capacity of the company to provide after-sale.

PUE-Cs should offer basic training to beneficiaries on the proper maintenance of PUETs to ensure they operate at optimal capacity. Beneficiaries should learn how to clean their PUETs properly to prevent hazards and avoid any potential failures of the appliances.

D. RBF PROGRAM REVIEW

11 Monitoring & Evaluation

To ensure that the objective of the program is being met, there will be periodic program reviews. A Technical Review Committee, which is a sub-committee under the PUET Steering Committee, is composed of the following members who conduct field visits and monitor impact of the subsidy:

Purpose: This committee has been established for the monitoring and evaluation of PUE-RBF performance, mainly after-sale service.

Composition: The committee is constituted as below with representation from the BRD, MININFRA, LODA, RSB, RICA, EDCL/REG, and EPD. Any other institutions can be invited on a need basis.

- Representative from Ministry of Infrastructure – Chairperson
- Representative from Local Administrative Entities Development Agency (LODA) - Member
- Representative from EDCL – Member
- Representative of RSB – Member
- Representative of Rwanda Agriculture Board - Member
- Representative from BRD internal audit department – Member
- Representative from Energy Private Developers – Member
- Representative from RICA- Member
- PUE-RBF PIU project manager/coordinator – Member Secretary

Frequency of meetings: The committee shall meet at least once each semester (2 times a year) or as needed, during project implementation.

Quorum Requirements: A minimum of at least two thirds of members will constitute a quorum to convene a valid meeting. The Chairperson will co-opt specialized agencies and stakeholders to discuss specific sectorial issues on ad-hoc basis.

The mandate of the committee:

- Identify and address challenges related to PUE-RBF implementation, mainly after-sale service issues;
- Conduct field monitoring of the sold PUET to assess the adequacy of after-sales service being provided by PUE-Cs. This survey will be conducted on an annual basis (or at any other time if required) using a. statistically significant sampling at 95% confidence and 5% margin of error or b. 100% through youth volunteers with the assistance of EDCL and MININFRA. The field monitoring either on sampling or 100% will be decided upon agreement with the World Bank/AIIB based on the availability of the budget and the magnitude of the issues.
- The committee members (or their delegates) will visit beneficiary customers to assess the overall impact of the program, adequacy of after-sale service being provided by PUE-Cs, challenges identified on the ground, etc.;
- Recommend PUE-RBF Steering Committee any policy level changes needed for the smooth implementation of the RBF;
- Oversee the implementation of PUE-RBF activities that contribute to the agreed standard indicators of outputs, outcomes and impacts;
- Facilitate coordination between key government agencies and resolve issues specific to after-sale service, not the general program issues;

Secretariat: The PUE-RBF PIU will take the following role of the Secretariat.

- In consultation with the Chairperson, draft agenda of the meeting and call for meeting;
- Circulate relevant PUE-RBF documents such as progress report to members;
- Circulate agenda with supporting meeting documents to at least 5 days prior to the scheduled meeting;
- Prepare minutes and record the decisions made during the meetings;
- Work as a coordinator for the field visit related activities to monitor the sold PUET;
- Conduct preparatory works for the field monitoring such as development of a monitoring tool, selection of the beneficiaries for the survey, logistic management, etc.;
- Data analysis and prepare the report of such field monitoring. Present the findings and recommendation to the committee;
- Keep all the records of the meeting, field visits, and decisions made.

The outcome of the field monitoring will be recorded, analysed, and corrective actions will be taken. The corrective action will include informing the PUE-Cs and give them an opportunity to correct any issues identified in the field monitoring. The PUE-C may be suspended if the issues are identified at >10% of the beneficiary customers monitored and not corrected by the PUE-C within one month from the date such opportunity is given to the PUE-C.

The main issues that may trigger suspension include also PUET not working/operating, quality compromising confirmed by EDCL, unreported repossession, Installing products which are different to the approved ones, and location (except migration confirmed by the village leader) are found different than the one reported to EDCL, etc.

EDCL and BRD through ASCENT TA provides required budget for the monitoring and evaluation activity. Such a review will reflect the feedback from the PIU, the participating PUE-Cs, market intelligence, and performance and lessons from the prior operation of the funds. One of the areas requiring careful review is the subsidy levels.

The World Bank/AIIB reserves the right to conduct project monitoring at any time during the subsidy implementation period in agreement with BRD and EDCL

12 Grievance Redress Mechanism

12.1 The mechanism

The PUE-Cs can register complaints about the issues they may face during the implementation of the program. The complaint might be related to the delays in the subsidy disbursement, outcome of the claim verification, prohibited activities from the customers, delays in the approval of the Sales Contract by the local authorities, and any other issues.

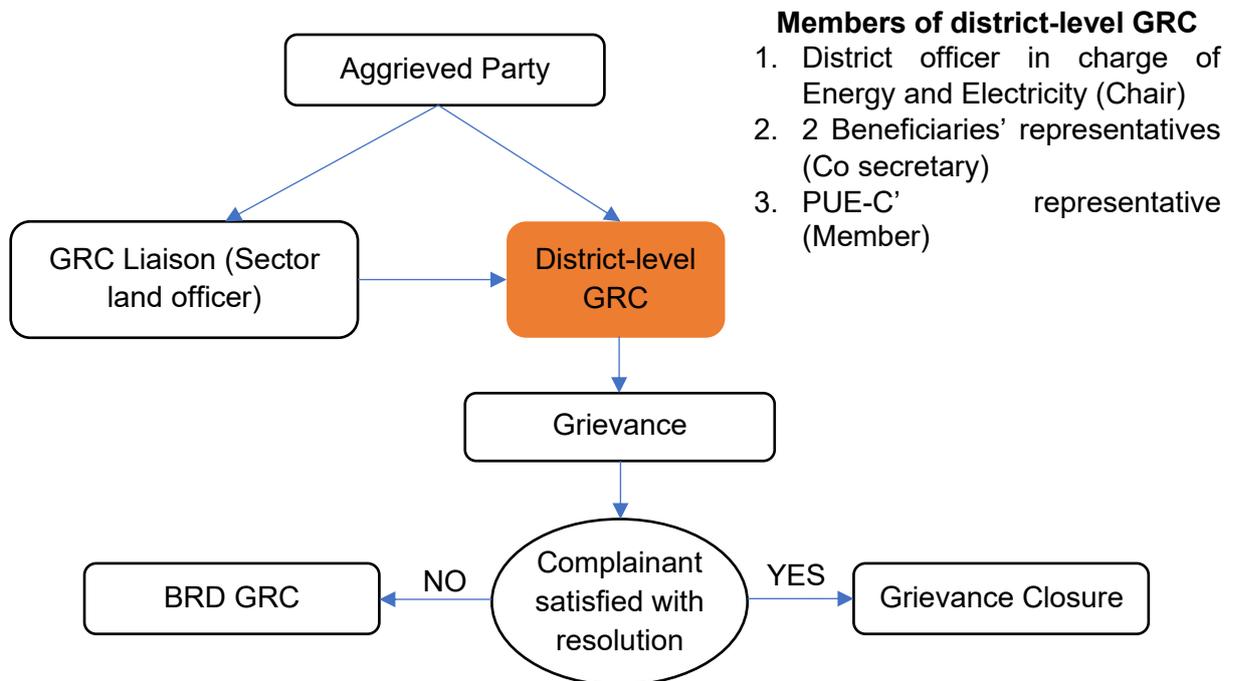
All complaints will be received through an email at BRD (Ascent@brd.rw) and the complaints will be presented and discussed at the project Grievance Redress Committee (GRC) established at BRD as appointed by the PIU. The GRC will review and address the complaints and then communicate through email to the PUE-C on how the complaint has been resolved. PIU will implement the decision of the GRC. EDCL will be invited to the GRC meeting on an ad-hoc basis. PIU will inform the World Bank the outcome of the GRC meeting.

The beneficiaries, local government, PUE-C agents, and any other district-level stakeholder can register complaints at district-level GRCs established by BRD. ASCENT TA will provide the required technical support for the establishment of district-level GRCs, including providing toll-free number and trainings on grievance handling to the GRC members.

12.2 District-level GRC structure

The committee members for district-level GRC will be composed of 5 people. The committee will collect and record all district grievances and resolve what they can and escalate the unsolved complaints to project-level GRC at BRD. The committee will be chaired by the district officer in charge of Energy and Electricity and beneficiaries will share the responsibility of keeping the GRC records. Figure 8 illustrates the proposed structure for district-level GRC.

Figure 8: District-level GRC structure



GRC members will meet once in a month to discuss the complaints received by project beneficiaries, discuss every complaint, and close the grievance if addressed satisfactorily. The meeting will decide to escalate the unresolved complaints at project-level GRC at BRD. The district-level GRCs will have the following responsibilities:

- The GRCs at the district level will review the received grievances on monthly basis to provide solutions to the raised complaints.
- The unresolved grievances at the district level will be escalated to the GRC at BRD within at most 7 days from the district-level GRC meeting date;
- The district GRC will report monthly to BRD on the status of all received grievances (both resolved and unresolved) as per the format of the report presented in Table 10.
- At BRD, escalated ASCENT Project-related grievances will be discussed in the meetings of the BRD GRC that are normally held every month specifically on the last Tuesday of every month, but unexpected and urgent meetings will also be held whenever necessary.
- On a Quarterly basis the Safeguards Team at BRD will review all the reports from districts to evaluate the functionality of the system and review the performance of the GRM and make recommendations for improving the process where necessary.

Table 10: Reporting format for the district-level GRC

S/ N	Complainant	Beneficiary name	ID/ TIN	Date of Reception	Channel of Reception	Nature of the Grievance	Status	Grievance closing date	Comments/ Way forward

Table 11: Roles and Responsibilities of the members of the district-level GRC

No	GRC	Responsibilities
1	Director of the Social Development Unit at the district (Chair)	<ul style="list-style-type: none"> • Convening and chairing the GRC meeting • Receiving grievances, complaints, or concerns from the complainant and forwarding them to the Secretary for recording • Responding to the complainant after investigation and resolution of the grievance
2	ASCENT Project Field Support Officer (Secretary)	<ul style="list-style-type: none"> • Keeping the GRC logbook and reports; • Logging all complaints from GRC members and other third parties and taking minutes of the GRC meeting; • Receiving grievances, complaints, or concerns from the complainants and recording them; • Preparing progress reports of the GRC and submit to the Chair for approval/ signing.
3	District Engineer in Charge of Electricity (co-secretary)	<ul style="list-style-type: none"> • Keeping the Logbook of grievances from SHS beneficiaries; • Represent beneficiaries and advocate for them; • Provide Technical advice to the committee on the issues related to the distribution of solar home systems.
4	Environmental officer at the district (Member)	<ul style="list-style-type: none"> • Provide Technical advice to the committee on the issues related to the distribution of stoves and PUE; • Receiving grievances, complaints, or concerns from the complainant and forwarding to the Secretary for recording.

12.3 Channels to submit grievances

This project will maintain a flexible approach with respect to receiving Grievances and will combine various channels considering known local constraints with respect to literacy and limited resources to access some of the communication means.

To reach the grassroots level and maximize the collection of grievances, the project will establish a toll-free number (a phone with a sim card that is cost-free for callers) for each district GRC and will be handled by the chair of the GRC at the district (district staff in charge of electricity and energy) who will be responsible for recording all grievances in a logbook, and how they were resolved or referred. On top of that, the Sector land officer at the sector level will be the ASCENT GRM liaison and will collect and forward the grievances to the district officer in charge of Electricity and Energy who is the permanent member of the district GRC. The ASCENT GRM liaison in the sector will receive grievances via face-to-face meetings, written complaints, phone calls, SMS, email, WhatsApp, and third party (eg: church, cooperative, etc.).

Additionally, beneficiaries will still be allowed to lodge their grievance directly to the district GRC members through phone calls, SMS, written complaints, verbal narration, etc. and all grievances received by GRC members will be forwarded to the Beneficiaries and PUE-C representatives who will share the responsibility of record keeping. The ad-hoc members can also record the complaints and escalate them to District GRC.

The PIU will develop a logbook which will be shared with all district-level GRC members and GRM liaison officer at the sector level for a proper recording of the grievances. See Annex 7 for the logbook.

The other project stakeholders such as PUE-Cs can register the grievance at Project-level GRC. The PUE-C, in the case of not agreeing with EDCL's verification results, can submit a grievance to the project-level GRC/BRD requesting an appeal where tangible reasons should be provided for further analysis. The tangible reasons should include PUE-C's reasonable effort to first handle the issues amicably with EDCL.

For the appeal process, the following steps will be applied to address the PUE-C's grievance related to the verification outcome:

- The PUE-C, after receiving the verification outcome from EDCL and having reasonable efforts made with EDCL, have the right to appeal such outcome to the Project-level GRC/BRD in case of disagreement. The PUE-C can send such an appeal at pue@brd.rw;
- The project-level GRC/BRD, within one week after receiving the appeal from the PUE-C, should call for a meeting between BRD and the PUE-C to discuss on the issue and agree on a fair and right settlement of the appeal;
- If the appeal is not addressed in the meeting, BRD will conduct a counter verification of the failed customers and customers having technical issues. The modality of the counter verification will be decided in the meeting;
- If the outcome of the counter verification is different from the outcome of EDCL verification, the outcome of the BRD counter verification will be considered as a final outcome of the verification;
- The counter verification will be independently carried out by the project-level GRC member selected and agreed upon during the meeting and the counter verification exercise's results should be shared in three weeks of time from the date of counter verification;
- A focal point from the concerned PUE-C could be part of the counter verification to facilitate the whole authentication process (e.g., location identification of end beneficiaries).

If BRD receives the PUE-C appeal before the subsidy disbursement of the concerned claim, PUE-C will have right to request BRD to put the disbursement on hold. In this case, the disbursement amount calculated in Results Form shared by EDCL may be adjusted subject to the outcome of BRD counter verification. Those adjustments will be made in the BRD disbursement note.

If BRD receives the PUE-C appeal after the subsidy of the concerned claim is disbursed or if the PUE-C prefers not to put the claim on hold, BRD can still conduct the counter verification. In this case, the outcome of the counter verification will be reflected in the next BRD disbursement note, including necessary reconciliation of the subsidy amount of the previous claim under appeal.

13 Evolvement over time

Based on the conclusions of the Review Committee, and subject to a 'no-objection' from the World Bank, some details in the design of the grant offering are likely to change. Such changes will be reflected in the following versions of this OM, which will be published on the BRD website, and will be communicated to participating PUE-Cs. However, changes that will affect the customers will be kept to a minimum as much as possible.

14 Capacity development

Subject to the availability of the budget, the PUE-RBF supports number of capacity development activities such as mass-user awareness, local technician training for system repair and after sales service, project orientation, training on online-based subsidy documentation, etc.

15 Audit

The BRD and the World Bank/AIIB reserve the right to conduct independent audits of the PUE-Cs accounts related to the systems installed that have been subsidized through the ASCENT PUE-RBF Program.

E. ANNEXES

Annex 1: Call for Productive Use of Energy Technologies for Rwanda PUE-RBF

[https://www.reg.rw/fileadmin/user_upload/Call for Productive Use of Energy Technologies.pdf](https://www.reg.rw/fileadmin/user_upload/Call_for_Productive_Use_of_Energy_Technologies.pdf)

The Government of Rwanda through EDCL is seeking to partner with the private sector to facilitate a competition-driven development of markets, aimed at increasing access to Productive Use of Energy (PUE) technologies. The RWANDA ASCENT Subcomponent 3.3, supported by the World Bank and the Asian Infrastructure Investment Bank (AIIB), is a key initiative in this endeavour. PUE technologies are essential for economic development, driving productive activities and job creation. However, affordability remains a significant challenge, particularly for businesses in rural or underserved areas.

To address this, the program will introduce subsidies combined with a results-based financing (RBF) model. Subsidies will lower the initial costs of acquiring energy technologies, making them more accessible and encouraging businesses to adopt energy-efficient solutions that enhance economic output. The RBF model will link financial incentives to the achievement of specific outcomes, ensuring that subsidies lead to tangible results such as increased productivity, job creation, and energy savings.

This approach promotes efficient resource use and encourages private sector investment in sustainable energy solutions, driving economic growth, enhancing productivity, and fostering sustainable development in communities.

The subcomponent will be implemented by the BRD with technical assistance from EDCL. It aims to increase access to off-grid productive use technologies to support business development and productivity. The PUE technologies will be rigorously assessed, verified, and approved by RICA/RSB in collaboration with EDCL. Once approved, PUE companies can participate by signing a cooperation agreement with EDCL and applying for a Grant Subsidy Contract through BRD. Eligible Micro-, Small-, and Medium-sized Enterprises (MSMEs), as well as households, will then receive subsidy incentives to improve the affordability of these technologies.

EDCL invites productive use of energy companies to join the ASCENT program and contribute to this transformative initiative.

Key Evaluation Criteria

As the Ministerial guidelines for PUE technologies are still being finalized, RICA and RSB, with support from EDCL, will be responsible for assessing the PUET. PUE companies must ensure that their technologies are inspected/tested by RICA/RSB. Additionally, RICA and/or RSB will verify the authenticity of any external certificates or testing reports provided by the applicant companies.

Application Process

- Fill in the application form in Attachment 1.

- The application form should contain a short background statement about the applicant (individual, organization, institutions, company, etc.), relevant experience (especially ones relevant to PUE solution development and dissemination), interest in the PUE market in Rwanda, and a description of the product(s) including characteristics and how they may serve the needs of the Rwandan market/consumers.
- Interested applicants should then send their application form to ECDL by email to mmusonera@edcl.reg.rw and copy to enkurikiye@edcl.reg.rw and emihigo@edcl.reg.rw. The application form is attached to this invitation and may also be downloaded from **www.reg.rw**.
- Applicants whose application has passed the initial screening will be contacted for information on how to proceed, including the logistics for sending their product(s) to the testing centre and signing of a non-disclosure agreement (NDA). Technical drawing will be required for the product(s) tested to be eligible for the program. Applicants shall cover all costs incurred for the testing and inspection to that will be done by RSB and RICA.
- The deadline for submitting an application is

Arriving applications will be reviewed on a rolling basis

PRODUCTIVE USE OF ENERGY (PUE) SOLUTIONS APPLICATION FORM

Section I APPLICANT

1. Name:

- Address:
- Post code (If any):
- Country:
- Phone:
- Email:
- Website (If any):
- Mobile:
- Profile: provide a summary of your background and activities related to PUE (This may be done on a separate paper not exceeding one page)

2. For this application, do you represent a company/organization/ institution/etc.?

If Yes, please fill in the following:

Company/Organization/Institution/etc.

- Name of company/organization/institution/etc:
- Address:
- Post code:
- Country:
- Phone:
- Cooperative or any other form business entity (please clarify):
- RBD Business Registration Number:
 - Business Registration Number/TIN:Standard Certificates: Provide ISO or IEC certification proof for the PUE products, or any other internationally recognized standard certificates.
- Fax:
- Email:
- Website:
- Contact person:
 - Email:
 - Mobile/Cell:
- Profile: provide a short description of the company/organization/institution/etc. especially those related to Productive Use of Energy (This may be done on a separate paper not exceeding one page)

3. Photo of producer/manufacturer: please provide a photo in JPG format, minimum 1 MB.

Section II PRODUCT DETAILS

Name of product: _____ Efficiency rate: _____

4. Product materials: please list and describe

5. Types of product:

- Electrical Pressure Cooker for institutions Solar Irrigation Pumping System
- A/C irrigation pumping system Solar refrigerator
- A/C refrigerator other.....

6. Photo of product: please provide photos of the product from different angles (sides, top and bottom) in JPG format, minimum 1 MB for each photo.
7. Testing report: If the product has been tested by a testing lab, please feel free to share a copy of the testing results. However, it will not be guaranteed that the testing results will be used for the evaluation.
8. Energy: What types of energy sources can be used with the PUET?
 - Electricity (AC, DC, Solar, voltage)
 - Other _____
9. Product Function
 - General cooking
 - Irrigation pumping
 - Cooling
 - Other _____

Section III SPARE PARTS AVAILABILITY

10. Does the type of PUET to be used have spare parts locally available and easily accessible, affordable and technicians to repair your PUET locally available? If YES, please explain.

If NO, explain how you envision consumer access to have adequate after sales service needed for the PUET at an affordable price and in a sustainable manner.

11. Will you establish a spare parts supply chain/distribution system? If so, describe its mechanisms.

Section IV PRODUCT AVAILABILITY

12. Is the PUET in production now?
 Yes No
13. How many of this exact model have been produced? _____
14. Is the PUET produced on regular basis or only when you receive an order?
 Regular production When requested
15. What is your production capacity?
Units per month _____ Lead time _____

16. If the PUET has yet not been produced, what is your business plan if the sample PUET is approved?

17. Marketing of the PUET Has the PUET ever been **sold** on the market? Yes No

If "YES" where in the market _____
and how many? _____

If "NO", has the PUET been **used** or **tested** in a community/household? Yes No

If "YES" where in the market? _____
And how many? _____

18. Country of Origin – Appliance

- Rwanda
- Outside Rwanda. Please specify location:
- _____

Annex 2: PUE-RBF Application Form

The interested PUE-Cs are required to complete a form and upload required document online through BRD website. The following information will be obtained from the PUE-Cs.

Date of application: _____

1. Name of the productive use of energy company: _____

2. Physical address: _____

3. Contact person:

Name: _____;

Position: _____

Phone: _____;

Email: _____

4. Bank details (provide local currency account maintained in Rwanda):

Account Name: _____;

Account No.: _____

Bank Name: _____;

5. Number of staff, sales outlet and districts covered:

No. of full-time staff	
No. of part-time staff	
No. of female staff (in total) ⁴	
No. of sales outlets	
No. of districts covered	
Name of districts covered	

6. Product and price information:

6a. Product information

SN	Product name	Expiry date of the test/inspection	Product features/ specification

6b. Price information:

S N	Product name	Tier of the product	Cash price (including subsidy)	PAYGO price (including subsidy)	Down-payment amount (for PAYGO sales)	Instalment amount (for PAYGO sales)	Maturity period (for PAYGO sales)

⁴ PUE-Cs should have at least 15% of the workforce employed, represented by women and apply the principle of 'equal pay for equal work'.

Note:

- The PAYGO price refers to the total end-user price under PAYGO business model
- The Cash price refers to the total end-user price if the company realizes sales in cash

7. Details of the board and management team

SN	Name	Position	Academic qualification	Years of experience	Contact email	Nationality

8. Monthly sales targeted under PUE-RBF

8a. By Category of the PUET:

Cat	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y2	Total
A														
B														
C														
D														
E														
Total														

8b. By business model (cash or PAYGO):

	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y2	Total
Cash														
PAYGO														
Total														

9. Monthly sales turnover (in FRW) targeted under PUE-RBF

9a. By Category of the PUET:

Cat	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y2	Total
A														
B														
C														
D														
E														
Total														

10. Monthly subsidy amount (in FRW) targeted under PUE-RBF

10a. By Category of the PUET

Cat	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y2	Total
A														
B														
C														
D														
E														
Total														

10b. by business model (cash or PAYGO)

	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y2	Total

Cash															
PAYGO															
Total															

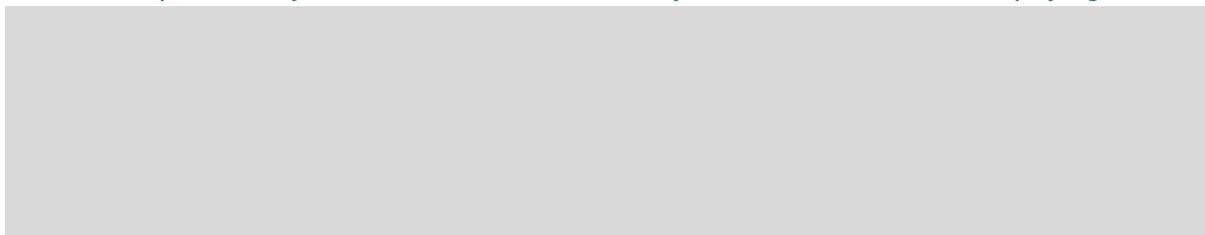
11. Upload the following documents:

- A formal letter requesting for subsidy financing under PUE-RBF
- Certificate of company registration from Rwanda Development Board
- Audit report of past three financial years, Start-up companies which are not able to provide audited reports should at minimum provide management accounts;
- Tax clearance certificate from RSSB and or RRA
- CV of board members and management team
- Business plan, if available
- Copy of a valid partnership agreement signed with Energy Development Corporation Limited
- Product quality certificate or test report from RSB or inspection done by RICA or any other national quality certifying agencies
- Detailed plan demonstrating (planned) participation in PUE-RBF, with targets in terms of amount of loans issued and number of connections facilitated by your company

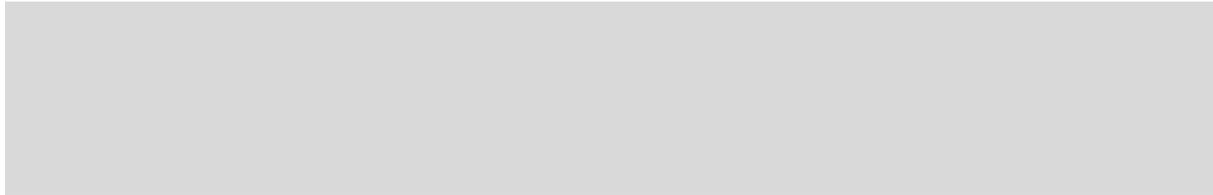
12. Overview of the business model

Please describe your business model and how you plan to target eligible customers/beneficiaries with the support of the PUE-RBF. Ensure that you describe step-by-step how the product moves from you to the end user and who is doing what during the process (incl. payment process). Please take into account that end user eligibility needs to be verified through the eligibility assessment. You may consider the following additional guiding questions when filling out this section:

- *Which PUET will you be targeting?*
- *How are you reaching rural customers,*
- *How is the relationship between your company and individuals (or other) selling your products set up? Are they your employees? Do they receive a commission per PUET sold? Are they employees of another organisation? Are they independent entrepreneurs?*
- *How are customers informed about using and maintaining the PUET? Do you follow-up with customers after the sale to sensitise them? Ensure that you need to have a functioning toll-free number to address after-sale service requests from the customer.*
- *Will customers eventually own the system, or will they only benefit from the service? If they eventually own the system, when will they own the PUET if payments are made in instalments? What happens when a customer stops paying the instalments? After what period do you decide to take back the system if a customer is not paying?*

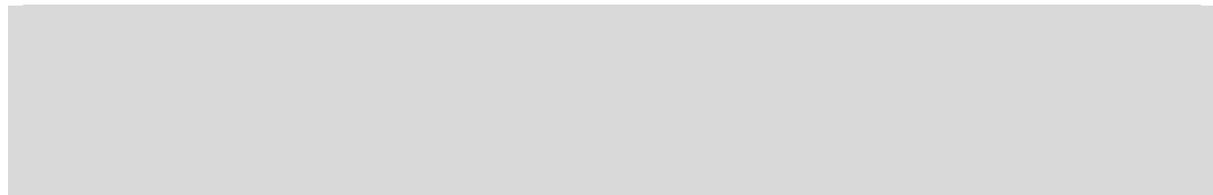


13. Brief overview of IT platform currently in use (e.g. proprietary CRM platform or third-party software provider) if applicable :

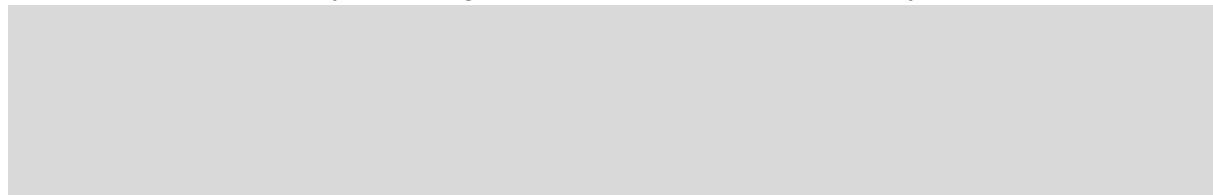


14. Description of payment collection process

- 1. Are you planning on selling in both PAYGO and in cash?
- 2. If you are using mobile money, which mobile money platforms? MTN Mobile Money or Airtel Mobile Money?
- 3. How do you connect to the mobile money provider? Do you use a technological integration? If so, is it a direct connection with the telco platform or an indirect connection through the IPN Hub or other aggregator? If it is a hosted connection, who provides the hosted connection? If no integration, how does the manual processing of mobile money payments work?
- 3. Where do you track your products? Through your proprietary platform or through a third-party software provider? Do you have a system to connect the products to the payments? Is it a hosted solution? ? If it is a hosted connection, and not the same as for payment collections, who provides the hosted connection?
- 4. What type of lockout technology, if any, does your company use (e.g. keypad, GSM etc)?
- 5. What type of accounting system do you use?



15. Brief overview of how you manage after-sales-service and warranty



16. Past performance

Fiscal Year	No. of PUET sold			Sales Turnover (FRW)	Remarks
	PAYGO	Cash	Tender		
2022/23					
2023/24					
2024/25					

Annex 3: Template for Grant Subsidiary Contract between BRD and PUE-C

GRANT SUBSIDIARY CONTRACT NUMBER/CS&GC

BETWEEN

THE DEVELOPMENT BANK OF RWANDA PLC

AND

..... COMPANY LTD

**REGARDING RESULTS-BASED FINANCING SUBSIDY GRANT FOR PRODUCTIVE
USES OF ENERGY (PUE) UNDER ACCELERATING SUSTAINABLE AND CLEAN
ENERGY ACCESS TRANSFORMATION (“ASCENT”)**

GRANT SUBSIDIARY CONTRACT

This grant contract dated....., is between the **Development Bank of Rwanda Plc**, a Rwandan Bank (the “**Bank**” or “**BRD**”), and **COMPANY LTD**, with company code: (the “**Productive Uses of Energy Company**” or “**PUE-C**”).

PUE-C and the Bank are collectively referred to as the “**Parties**”, each a “**Party**”.

Recitals:

1. The PUE-C participates in the Productive Uses of Energy Results-based Financing (PUE-RBF) subsidy scheme under the Sub-component 3.3 of the Accelerating Sustainable and Clean Energy Access Transformation (ASCENT) project.
2. The PUE-C requested the Bank a subsidy amount under the PUE-RBF subsidy scheme.
3. The Bank issued a notification letter with reference number: to the PUE-C approving a subsidy amount of Frw under the ASCENT project, subject to the signing of the Grant Subsidiary Contract and fulfillment of the terms and conditions therein.
4. The PUE-C accepted the terms and conditions set out in the notification letter mentioned above.

Accordingly, the Parties agree as follows:

ARTICLE 1: DEFINITIONS

The terminologies used in this Contract shall bear the meaning as defined on the Definition section of the ASCENT Productive Uses of Energy RBF Operations Manual (“PUE-RBF OM”).

ARTICLE 2: PURPOSE OF THE CONTRACT

- 2.1 The Contract sets the roles and responsibilities of the parties regarding the eligibility, implementation, and claim process of the PUE-RBF subsidy scheme under the ASCENT project.
- 2.2 The subsidy is designed to help achieve the Government of Rwanda’s target to provide affordable productive use of energy solutions for all Rwandans. The PUE-RBF subsidy targets to address the affordability challenge of Targeted Customers/beneficiaries, to ensure the subsidy is passed on from the PUE-Cs to the Targeted Customers.

ARTICLE 3: RBF SUBSIDY FACILITY AMOUNT

- 3.1. The Results-Based Financing facility amount in this Contract is a sum of [...] (**FRW [...] Rwandan Francs**) to be disbursed in accordance with the subsidy disbursement schedule as set out in **Annex B** of this Contract.
- 3.2. The Contract amount is set based on the proposal submitted by the PUE-C and the evaluation conducted by the Bank. Based on the progress over time and utilization of the contract amount, the Bank shall have the right to reduce the contract amount or accept additional requests. This review shall take place every 6 months (or before as it may require) from the date of signing the Contract by the parties.

ARTICLE 4: TERM

The Contract shall be valid until 31st December 2029 from the date of signature by both Parties. The Contract can be renewed in writing upon satisfactory performance and fulfillment of the

PUE-RBF eligibility criteria at all times by the PUE-C, and availability of the fund, in form and substance to the satisfaction of the Bank.

ARTICLE 5: PUE-C RIGHTS AND OBLIGATIONS

- 5.1. Carry out its project with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Bank, including in accordance with the provisions of:
 - (a) Applicable International Rules and any requirements under the Standardized Crediting Framework.
 - (b) the World Bank Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Final Beneficiary.
 - (c) the World Bank's Operational Policies and related Environmental and Social Framework and Environmental and Social Standards (ESSs) and related Environmental and Social Instruments (E&S Instruments), including the Environmental and Social Commitment Plan (ESCP), required for the project as set out in the Operations Manual. The Operations Manual is an integral part of this Contract.
- 5.2. Shall not use any Forced Labor in connection with the project. The PUE-C (a) represents and warrants that it has not engaged or employed Forced Labor in the past; and (b) the PUE-C is committed to not engaging or employing Forced Labor for the duration of the Contract.
- 5.3. Obtain and maintain any and all licenses, permits, consents, authorizations, approvals, required under applicable laws at international, national, regional, local levels to implement, operate and monitor the project; and satisfy and comply with any and all obligations and requirements provided under such licenses, permits, consents, authorizations and approvals.
- 5.4. Provide, promptly as needed, the resources required for the purpose as stated in Article 2.
- 5.5. Maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Bank and the World Bank, the progress of the project and the achievement of its objectives.
 - (a) maintain a financial management system and prepare financial statements, both in a manner adequate to reflect the operations, resources and expenditures related to the project, and
 - (b) at the request of the World Bank or BRD, as the case may be, have such financial statements audited by independent auditors acceptable to the World Bank and BRD, and promptly furnish the statements as so audited to the World Bank or BRD, as the case may be.
- 5.6. Enable World Bank/Asian Infrastructure Investment Bank (AIIB) or BRD, as the case may be, to inspect the project, its operation and any relevant records and documents.
- 5.7. Prepare and furnish to World Bank or BRD, as the case may be, all such information as the World Bank or BRD, shall reasonably request relating to the foregoing.
- 5.8. Fulfil eligibility criteria at all times. Failure in fulfilment of eligibility criteria may result in immediate termination of the Contract.
- 5.9. Agrees not to claim any legal rights to any Emission Reductions resulting from such rights to be generated through the Productive Uses of Energy Technologies (PUET) installed under the RBF. In consideration of the subsidy provided under this Contract, [name of PUE-C] agrees to transfer all legal rights to any Emission Reductions generated by the project subject to this Contract or generated as a result of or in connection with this Contract. The transfer will be made to BRD, free of any fee, charge, interest, Encumbrance, claim and without additional payment.
- 5.10. Pay all taxes, duties and levies relating to this project.

- 5.11. Shall not change the prices of the PUET agreed herein without prior consent of the Bank.
- 5.12. Commit at least 16% of the approved subsidy amount within a period of 3 months from the date of signing the Contract.
- 5.13. The PUE-C must present a non-subsidized Pay As You Go (PAYGO) price and also a non-subsidized cash sales price. The subsidy amount should be deducted from the non-subsidized PAYGO or cash price, depending on their business model and the timing for subsidy disbursement. The Subsidy should thus be used to reduce end-user pricing. The PUE-C can request the Bank to revise the price (increase or decrease) subject to different factors (inflation, foreign currency movement, risk bearing capacity of the PUE-C, etc.). The PUE-C should adhere with the price stated in the Contract or its addendum.
- 5.14. Ensure that the personal data (such as name, national ID, household ID, phone number, GPS location) the PUE-C receives from the beneficiaries is well protected or encrypted to prevent the possible risk of such data being stolen/hacked.
- 5.15. Not share the personal data of beneficiary customers to any third party except government of Rwanda without prior written consent of the Bank.
- 5.16. Minimize the risk of causing damages to third parties and incurring third party claims.
- 5.17. Cooperate in order to obtain registration and all other approvals of the project required by the Standardized Crediting Framework.
- 5.18. Provide after-sales services and perform such services in a period of twelve (12) months counted from the date of the successful installation of PUET duly approved by Energy Development Corporation Limited (EDCL). The PUE-C shall provide repair and maintenance services for the PUET and deliver spare parts quickly during the Warranty period at no cost to the beneficiary.
- 5.19. Maintain operational Grievance Redress Mechanism (GRM) to address project-related complaints.
- 5.20. Have in place a grievance recording system or logbook providing the status of raised grievances, and Grievance Redress reports shall be shared to the Bank quarterly.

ARTICLE 6: THE BANK'S RIGHTS AND OBLIGATIONS

- 6.1. The Bank shall charge PUE-C a service fee of 4% of the total subsidy amount plus 18% VAT. The fee shall be charted based on a disbursed subsidy amount to PUE-C.
- 6.2. The Bank shall have the right to audit financials of the PUE-C that are related to subsidy transactions.
- 6.3. The Bank shall disburse the subsidy in accordance with the disbursement conditions set forth in **Annex B** of this Contract. Each disbursement shall be made against the approved verification reports submitted to BRD by EDCL.
- 6.4. The Bank shall suspend or terminate the right of the PUE-C to participate in PUE-RBF, upon the PUE-C's failure to perform any of its obligations under the PUE-RBF OM and this Contract.
- 6.5. The Bank, after serving a written notice of 15 calendar days to the PUE-C, shall cancel or revise the RBF facility amount allocated to the PUE-C if it does not commit minimum 16% of the approved subsidy amount within 3 months after signing this Contract.

ARTICLE 7: SUBSIDY LEVELS

The PUE-C should fully pass on the subsidy to final beneficiary customers. The subsidy levels are progressive, depending on the PUE technology. The subsidy levels shall be as set in **Annex A** of this Contract.

ARTICLE 8: SUBSIDY DISBURSEMENT

- 8.1. The Bank shall disburse the subsidy amount in accordance with the PUE-RBF OM. The disbursement schedule for PAYGO or credit sales shall be different from the disbursement schedule for cash sales.
- 8.2. For PAYGO or credit sales, the subsidy shall be disbursed in three instalments as displayed in **Annex B**.
- 8.3. Each disbursement shall be made against the approved verification reports submitted to the Bank by EDCL.
- 8.4. The PUE-C, at the time of submitting the subsidy claim, shall report to EDCL the amount of subsidy claimed by PUET type under PAYGO sales and/or cash sales.
- 8.5. In order to be eligible for cash sales, PUE-C should collect one hundred percent customer contribution upon PUET installation. Partial down payment shall be considered as PAYGO/credit sales. The sales through financial institutions (SACCO, microfinance institutions) shall be considered as cash sales.
- 8.6. The verification of each subsidy claim shall be done by EDCL as per the procedure established in the PUE-RBF OM.
- 8.7. The Bank shall disburse the subsidy amount in favor of the PUE-C in the following account
Account No:
Account Name:
Name of the Bank:

ARTICLE 9: CLAIM SUBMISSION

- 9.1. The PUE-C shall install the PUET at Targeted Customers and submit a claim to EDCL for the subsidy. The PUE-C can submit a maximum of three claims per quarter per milestone in the event the company has more than 200 customers reaching the disbursement milestone, with exception for all outstanding claims submitted after the effective date of termination of this Contract. All outstanding instalment claims submitted after the effective termination date may be submitted without meeting the 200 customers disbursement milestone.
- 9.2. The PUE-C shall submit a claim in accordance with the Claim Form template provided in Annex 4 of the PUE-RBF OM. Moreover, PUE-C should use the Claim Form to collect and report payment data on each customer.
- 9.3. The PUE-C shall download the Claim Form template (in Excel format) from BRD website, fill in the information of each customer carefully, and submit the claim to EDCL as described in the PUE-RBF OM (Section 7.5 Claim Submission through Email).
- 9.4. If applicable, PUE-C shall provide access to its PAYGO software to EDCL to validate the information provided in the Claim Form. The PUE-C shall eventually be required to integrate its PAYGO software with the PUE-MIS platform (once developed) for real-time information on PUET sales and performance. This condition will be applied to those companies who maintain PAYGO software or IT platform related to delayed payment or credit sales.
- 9.5. Once the Claim is submitted, EDCL shall conduct the verification and submit a report to BRD for subsidy disbursement. The verification and disbursement shall be in accordance with the procedures set in the PUE-RBF OM.

ARTICLE 10: EARMARKING OF SUBSIDY

- 10.1. The Bank shall earmark the subsidy fund (Contract Amount) approved under this Contract for the PUE-C. Based on the progress of the PUE-C over time, the Bank shall

reduce the contract amount or accept additional fund requests (noting that any review of additional funding requests will consider the PUE-C's progress on already allocated funds). This review shall take place at least every 6 months.

- 10.2. Once the PUE-C C has received the first instalment subsidy payment for a given customer, the remaining subsidy for this particular customer shall also be earmarked by the PUE-C for the applicable customer, unless it is confirmed that the customer is not going to continue paying its contribution. The PUE-C should pool back the remaining subsidy amount already earmarked for a particular customer into the main basket after a. PUE-C formally reports such default case to EDCL; b. PUE-C formally writes off customer's remaining payment as bad debt; and or c. EDCL verification confirms that the particular customer is not eligible for subsidy disbursement. Both parties agree that the repossessed PUET, that are refurbished and redeployed shall not be eligible for any further subsidies under this Contract or Rwanda - Accelerating Sustainable and Clean Energy Access Transformation in AFE MPA (ASCENT - Rwanda)).
- 10.3. This earmarking shall ensure the availability of funds that will be needed to complete the full subsidy payment for each customer over a 1-year period.

ARTICLE 11: PUE-C ELIGIBILITY CRITERIA

- 11.1. The PUE-C shall always comply with the eligibility criteria defined in the PUE-RBF OM (Section 5.13 Eligibility criteria for PUE-Cs).
- 11.2. Whenever the PUE-C deviates from the eligibility criteria and the stipulated roles and responsibilities, a credible commitment in the form of a time-bound action plan needs to be prepared by the PUE-C and submitted to EDCL and the Bank. EDCL, the Bank and the World Bank team shall closely monitor the performance. The PUE-C cannot submit a subsidy claim until the eligibility criteria have been met again.

ARTICLE 12: BENEFICIARY COMPLAINT

- 12.1. The PUE-C is required to set up a beneficiary complaints hotline with a functioning toll-free number. The hotline will serve as a recourse for customers who are experiencing system problems and after-sales service. The PUE-C technicians are required to fix the problem within 2 weeks after the complaint is registered.
- 12.2. If the beneficiary customer does not receive service within 2 weeks, they can contact district-level GRC and register the complaint. District GRC will record the complaints and share with the project-level GRC established at BRD on a monthly basis.
- 12.3. If the PUE-C fails to fix the technical issues within 2 weeks as stipulated in the PUE-RBF OM, the Bank shall write a notice letter reminding PUE-C to fix all the issues within 2 weeks from the date the letter is received by the PUE-C. Within 3 working days after a 2-week notice period, the PUE-C should report to project-level GRC at BRD informing that the technical issues have been adequately fixed with the well-filled maintenance form signed by the customers whose technical issues were fixed. Failure to fix the technical issues within the period specified in the notice letter will result in immediate suspension of PUE-C's participation in the RBF and further investigation by the project-level GRC as per the procedures established in the PUE-RBF OM (Section 6.6.5 Suspension). The Bank reserves the right to terminate the Contract with the PUE-C subject to the outcome of the project-level GRC investigation.
- 12.4. In the case of the contract terminated on the ground that the PUE-C failed to provide the after-sale service, the Bank reserves the right to appoint another entity to provide such service to the beneficiary for the remaining warranty period with prior written

notice to the PUE-C. The Bank shall pay the after-sale service fee agreed with the entity from the remaining milestone payment amount due to the PUE-C. Any balance amount after paying the service fee to the new entity will be reallocated to other better performing PUE-Cs for new connections.

ARTICLE 13: BASIC CUSTOMER AWARENESS

- 13.1. The PUE-C shall provide a basic awareness to the beneficiary enterprises on a) proper handling of the technology; b) conditions for warranty/guarantee; c) basic features of the technology; d) benefits; e) contact information for after-sales service; f) amount of customer contribution and payments terms etc. The PUE-C should provide a User Manual or information leaflet in Kinyarwanda containing the basic information related to proper handling of the installed PUET, with a toll-free number of the PUE-C.

ARTICLE 14: SUSPENSION

- 14.1. If the PUE-C deviates from the eligibility criteria and the stipulated roles and responsibilities, a credible commitment in the form of a time-bound action plan needs to be prepared by the PUE-C and approved by EDCL and the Bank.
- 14.2. EDCL, the Bank and the World Bank team shall closely monitor the performance against the time-bound action plan. The Bank reserves the right to suspend the PUE-C's participation in the program if the eligibility criteria remain unfilled, malpractices/fraud found, PUE-C is found distributing the technology instead of proper installation, and poor performance against the action plan (subject to World Bank non-objection), which would lead to blocking the PUE-C's access to the RBF.
- 14.3. The PUE-C may be prosecuted and its right to participate in the PUE-RBF may be suspended in the following conditions:
- (a) The eligibility criteria mentioned in Section 5.13 of the PUE-RBF OM remain unfulfilled.
 - (b) Malpractices/fraud found. This shall include but not limited to subsidy claimed without selling the productive use of energy product, the PUET is found to be sold in another place other than the prescribed location in the Claim Form, Technical feature of the PUET is different than the one mentioned in the Sales Contract, the documents provided are found to be different from the ones initially submitted in the claim, the disseminated PUET is not compliant with RSB/RICA standard, the submitted payment proof is invalid, etc.
 - (c) PUE-C is found distributing the PUET instead of proper installation.
 - (d) Undeclared repossessions found.
 - (e) Poor performance against the agreed time-bound action plan.
 - (f) EDCL verification finds a higher failure rate and/ or technical issues quantified as >10% of the total sample size in two consecutive claims of the same milestone.
 - (g) Any other conditions mentioned in the PUE-RBF OM.
- 14.4. The Bank shall follow the procedure established in Section 6.6.5 of the PUE-RBF OM for suspending the PUE-C and revoking them from the suspension.

ARTICLE 15: EVENTS OF DEFAULT

- 15.1. Failure to honor a subsidy amount claimed by the PUE-C.
- 15.2. Misrepresentation.
- 15.3. Any breach of any of the conditions and obligations relating to this Contract, including but not limited to the ones provided under Article 5 of this Contract.

- 15.4. Material adverse change in the management, business, control of the business or financial position of the PUE-C.
- 15.5. Qualified report by the auditor of the PUE-C's financial statements.
- 15.6. Nationalization of the project or the PUE-C.
- 15.7. Seizure of the PUE-C's assets by third parties due to unfilled or unsettled by obligations by PUE-C.
- 15.8. Expropriation of the project.
- 15.9. Suspension or abandonment of the project by PUE0C for maximum period of 30 days.
- 15.10. Dissolution of the PUE-C.
- 15.11. Commencement of Judicial bankruptcy or insolvency proceedings.
- 15.12. Repudiation or challenge of administrative documents of the project.
- 15.13. Cancellation or removal of authorizations necessary for the PUE-C to implement the project.
- 15.14. Failure to transfer all legal rights to any Emission Reductions to BRD, as provided under Article 5 of this Contract
- 15.15. Failure to comply with the obligations in cooperation agreement signed between EDCL and PUE-C.

ARTICLE 16: REMEDIES TO EVENTS OF DEFAULT

If the PUE-C fails or is unable to remedy such default within thirty (30) days of receipt of written notice thereof from the Bank, the latter shall reserve the right to terminate the Contract and initiate legal proceedings against PUE-C.

ARTICLE 17: FOLLOW-UP

During the entire period of the Contract, the PUE0C shall, at any moment, allow the Bank to have access to the location of the PUET product installed for any information on how the subsidy is being utilized.

ARTICLE 18: REPORTING

- 18.1. The PUE-C shall submit on a quarterly basis report on the performance of the subsidy to the Bank. The report will be prepared using the template provided by the Bank.
- 18.2. The PUE-C shall provide any information on its business and/or operation requested by the Bank in support of its project.
- 18.3. Submission of financial reports is an integral part of the conditions for funding and failure to produce the required reports at the end of each quarter will constitute a breach of this Contract.

ARTICLE 19: LIABILITY AND PENALTIES FOR DELAY TO CORRECT MISTAKES

- 19.1. Each party shall be solely responsible for, and shall indemnify, defend, and hold harmless the other party from and against, any and all losses or damages (whether direct or indirect) suffered or incurred as a result of its own negligence, breach of this Contract, or the actions or omissions of its employees.
- 19.2. If it is found out that contract activities were poorly executed such that some of them are defective or are not in conformity with the requirements of this contract, the PUE-C corrects such mistakes or replaces the supplies delivered that did not conform to what was required within a period not exceeding fifteen (15) days starting from the date of reception of the request, or otherwise incurs delay penalties for each day of delay. For the first seven (7) days of delay, the PUE-C incurs a penalty of one thousandth (1/1000) of the value of the item that has been reported to be defective or does not conform to the requirement of this contract. If that period expires, the PUE-C in addition incurs one thousandth (1/1000) of the value of the item for each day of

delay up to the time when he/she corrects or replaces the defective item in accordance with the requirements of this contract.

- 19.3. Money deducted as penalties for delaying in executing activities or for poorly executed activities is deducted from the amount of the approved invoices or claims for subsidy due for payment. If the value of the penalties for delaying executing activities or for poorly executed activities or both, exceeds the value of approved claims for subsidy, the contract will be automatically cancelled and the PUE-C will be held responsible for any loss incurred by the Bank.

ARTICLE 20: OFFICIAL ADDRESS

20.1. **The BRD:** at its head office in Nyarugenge district, P.O. Box 1341, Kigali city, RWANDA

20.2. **The PUE-C:** at its head office inAvenue,District, Rwanda

ARTICLE 21: TERMINATION

21.1. BY THE BANK

The Bank may terminate this Contract, by not less than thirty (30) days' written notice of termination to the PUE-C, to be given after the occurrence of any of the events specified in paragraphs (a) through (d) of this Clause and sixty (60) days' in the case of the event referred to in (e):

- (a) if the PUE-C does not remedy a failure in the performance of their obligations under the Contract, within thirty (30) days after being notified or within any further period as the Bank may have subsequently approved in writing.
- (b) if the PUE-C becomes insolvent or bankrupt.
- (c) if, as the result of Force Majeure, the PUE-C is unable to perform a material portion of the Services for a period of not less than sixty (60) days; or
- (d) if the PUE-C, in the judgment of the Bank has engaged in corrupt or fraudulent practices in competing for or in executing the Contract. For the purpose of this clause: "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the selection process or in contract execution.
"fraudulent practice" means a misrepresentation of facts in order to influence a selection process or the execution of a contract to the detriment of the Bank, and includes collusive practice among PUE-Cs (prior to or after submission of proposals) designed to establish prices at artificial non-competitive levels and to deprive the Bank of the benefits of free and open competition.
- (e) if the Bank, in its sole discretion, decides to terminate this Contract.

21.2. BY THE PUE-C

The PUE-C may terminate this Contract, by not less than thirty (30) days' written notice to the Bank, such notice to be given after the occurrence of any of the events specified in paragraphs (a) and (b) of this clause:

- (a) if the Bank fails to pay any monies due to the PUE-C pursuant to this Contract and not subject to dispute in sixty (60) days after receiving written notice from the PUE-C that such payment is overdue; or
- (b) if, as the result of Force Majeure, the PUE-C is unable to perform a material portion of the Services for a period of not less than sixty (60) days.

21.3. PAYMENT UPON TERMINATION

Upon termination of this Contract pursuant to term/clause in this Contract, the Bank shall make payments to the PUE-C for PUETs satisfactorily supplied and installed prior to the effective date of termination.

21.4 SURVIVAL

The parties' rights and obligations under this Contract will survive the termination of this Contract, if applicable, to the extent that no new claims will be honored if such claims are in regard to installations or sales made after the effective date of termination.

ARTICLE 22: LANGUAGE

All notices, correspondence, documentation or communications of whatsoever nature, reports submitted or prepared under or in connection with this Contract shall be in the English or French or Kinyarwanda language.

ARTICLE 23: CONFIDENTIALITY

The PUE-C and the Bank will not reveal to a person or unauthorized entity any confidential information obtained during the execution neither of the services nor to make public any conclusion or recommendation relating to the services without prior written consent from the other Party to this Contract.

ARTICLE 24: FORCE MAJEURE

Neither Party will be responsible for failure of performance due to causes beyond its control, including: pandemics, epidemics, acts of God or nature; labor disputes; sovereign acts of any federal, state or foreign governments; network and/or computer failure or shortage of supplied materials ("Force Majeure Event"); provided that the affected Party makes a reasonable attempt to remove the impact of the Force Majeure Event as soon as reasonably possible. Either Party will have the right to terminate this Contract upon written notice if a force majeure occurrence continues to impact performance of the other Party for more than sixty (60) consecutive days.

ARTICLE 25: CONTRACT DOCUMENTS AND ORDER OF PRECEDENCE

- 25.1. The following documents shall constitute the Contract Documents between the Bank and the PUE-C, and each shall be read and construed as an integral part of the Contract:
- (a) This Contract, including the Annexes and notifications hereunder.
 - (b) The PUE-RBF Operations Manual and its amendments.
 - (c) The application form submitted by PUE-C and as accepted by the Bank.
- 25.2. In the event of any ambiguity or conflict between the Contract Documents listed above, the order of precedence shall be the order in which the Contract Documents are listed above.

ARTICLE 26: ENTIRE CONTRACT

This Contract contains the entire contract and understanding between the parties, superseding all prior contemporaneous communications, representations, agreements, and understandings, oral or written, between the parties with respect to the subject matter hereof. This Contract may not be modified in any manner except by written amendment executed by each party hereto.

ARTICLE 27: APPLICABLE LAW, SEVERABILITY, RESOLUTION OF DISPUTES AND JURISDICTION

- 27.1. The present contract is governed by the laws of the Republic of Rwanda.
- 27.2. If a provision of this Contract is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect the validity or enforceability in that jurisdiction of any other provision of this Contract, or the validity or enforceability in other jurisdictions of that provision or any other provision of this Contract.
- 27.3. All disputes related to the performance of this Contract shall be settled amicably. In case of failure of amicable settlement, they will be referred to Rwandan competent courts.

ARTICLE 28: TAKING EFFECT

This Contract takes effect from the date forth in the preamble.

This Contract may be signed in any number of counterparts each of which shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

For the Bank

.....
Director, Legal Affairs

.....
Chief Executive Officer

Witness

.....
Director, Business Development

For the PUE-C

.....
Managing Director

GRANT CONTRACT ANNEX A: SUBSIDY LEVELS

Table 1: Subsidy levels

Product Category	PUE Technology	Subsidy Rate (%)	Subsidy Cap (FRW)
A	Solar Irrigation Pump (surface/ submersible)	70%	1,750,000
B	AC Irrigation Pumps (surface/submersible)	60%	1,200,000
C	Solar Refrigerator	60%	1,200,000
D	AC refrigerators	50%	500,000
E	Electric Pressure Cookers (AC/DC, AC or DC)	40%	400,000

For customers already included in the RBF, subsidy levels at the time of sales registration will be honored until the completion of the subsidy payment even if the subsidy levels for new customers change over time. An amendment to this Contract will be signed to reflect such changes.

GRANT CONTRACT ANNEX B: SUBSIDY DISBURSEMENT SCHEDULE

Table 2: Subsidy disbursement schedule for PAYGO/credit sales

Disbursement	Condition	% of Subsidy
1 st installment	Upon successful verification of PUE-C's sales/claim report with user contact information. After installation.	50%
2 nd Installment	Upon independent verification of PUE technology usages and adequate after-sale service, and 15% customer contribution. After 3 months.	40%
3 rd Installment	Upon independent verification of PUE technology usages and adequate after-sale service, and 100% customer contribution. After 1 year.	10%
	Total Subsidy	100%

Table 3: Subsidy disbursement schedule for cash sales

Disbursement	Condition	% of Subsidy
1 st installment	Upon successful verification of PUE-C's sales/claim report with user contact information. After installation	60%
2 nd Installment	Upon independent verification of PUE technology uses and adequate after-sale service. After 1 year.	40%
	Total Subsidy	100%

Annex 4: Claim Form

Productive Use of Energy Results-Based Financing Program

Claim Form

To be completed and submitted by participating PUE-Cs to EDCL with a copy to BRD. The Claim Form needs to be prepared in Excel as per the template available on BRD website.

1. RBF claim details

Company name:		
Claim number:	Claim date	[DD/MM/YYYY]
Claim amount:	[RWF]	
Remaining subsidy amount (as per Contract with BRD):	RWF	

2. Claim by PUE Technology

PUET Category A: Solar Irrigation Pump

Milestone claimed	# of customers		Subsidy amount claimed		
	PAYGO	Cash	PAYGO	Cash	Total
M1	-	-	RWF -	RWF -	RWF -
M2	-	-	RWF -	RWF -	RWF -
M3	-	-	RWF -	RWF -	RWF -

PUET Category B: AC Irrigation Pump

Milestone claimed	# of customers		Subsidy amount claimed		
	PAYGO	Cash	PAYGO	Cash	Total
M1	-	-	RWF -	RWF -	RWF -
M2	-	NA	RWF -	NA	RWF -
M3	-	-	RWF -	RWF -	RWF -

PUET Category C: Solar Refrigerator

Milestone claimed	# of customers		Subsidy amount claimed		
	PAYGO	Cash	PAYGO	Cash	Total
M1	-	-	RWF -	RWF -	RWF -
M2	-	NA	RWF -	NA	RWF -
M3	-	-	RWF -	RWF -	RWF -

PUET Category D: AC Refrigerator

Milestone claimed	# of customers		Subsidy amount claimed		
	PAYGO	Cash	PAYGO	Cash	Total
M1	-	-	RWF -	RWF -	RWF -
M2	-	NA	RWF -	NA	RWF -
M3	-	-	RWF -	RWF -	RWF -

PUET Category E: Electric Pressure Cooker

Milestone claimed	# of customers		Subsidy amount claimed		
	PAYGO	Cash	PAYGO	Cash	Total

M1	-	-	RWF -	RWF -	RWF -
M2	-	NA	RWF -	NA	RWF -
M3	-	-	RWF -	RWF -	RWF -

3. Certification

I, *[names]*, *[Title]* of *[name of the company]*, by signing this Claim Form and the attached list of customers on behalf of *[name of the company]* certify that all information contained herein is accurate and truthful. I confirm that none of the [PUET name] sold under this claim is from refurbished [PUET name].

I declare that I have submitted together with this Claim Form the complete list of customers whose [PUET name] has been repossessed as per the company policy. I confirm that the technical issues of the customers identified in the previous claim verification have been fixed within the timeline given on the Operations Manual.

I understand that any wilful misstatement described herein will lead to the disqualification from the PUE-RBF Program and will result in a claim by BRD for the return of any subsidy provided based on result claims affected by the fraud, and may be prosecuted by judicial means.

[Signature]

[Seal]

[Name and Title]

Annex 4.1: Step-by-step procedure for submitting Claim Form

A template of the Excel-based tool of Claim Form is available on BRD website. The PUE-Cs are required to download from the website, complete it and submit to EDCL and BRD for the subsidy payment. The Claim Form has the following key components:

Tab	Title	Access	Instructions
1	Table of Contents	Locked	Information purpose only. This tab is locked.
2	Explanations	Locked	This tab provides the detailed instructions to the key information the PUE-C should submit to EDCL.
3	Customer raw data submission	Company to fill in	PUE-Cs must submit required data on each customer for which subsidy is claimed, regardless of milestone or type of sale.
4	Payments raw data submission	Company to fill in	PUE-Cs must submit the complete payments data for each PAYGO and Cash customer for which a milestone subsidy is being claimed.
5	Technical issues	Company to fill in	PUE-Cs must submit the list of customers identified by EDCL as having technical issues in the previous claim verification and fixed by the PUE-C within a period of 2 weeks. These customers will be eligible for subsidy payment subject to the confirmation by EDCL that the technical issues have been fixed as per the program OM.
6	Repossession	Company to fill in	Companies must submit the list of customers who were connected under PUE-RBF but the PUET was repossessed at a later stage. These customers will not be considered for subsidy payment and be treated as “permanent fail” from the program.
7	Summary Table	Locked	Once all raw data is submitted in tab 3 and 4, PUE-C can submit the Claim Form to EDCL together with this summary table printed and signed by the PUE-C. The summary table also contains disclaimer confirming that a. none of the PUET installed under this claim is from refurbished PUET b. the PUE-C has submitted the complete list of customers repossessed, and c. the PUE-C has submitted the list of customers whose technical issues have been fixed by the PUE-C. This Summary Table is available above in Annex 4.

The PUE-C-RBF will have only one Claim Form irrespective of business model (Cash versus PAYGO) and milestone (Milestone 1, 2, 3) claimed for. The PUE-Cs are required to complete the Claim Form as per the instructions provided on the Explanation tab. The PUE-Cs should provide accurate information with no data cleaning issues in order to minimize the inconsistencies in the desk check. The EDCL provides hands-on coaching to the PUE-C when needed.

The step-by-step procedure for PUE-C for completing the Claim Form:

1. Download the Claim Form Raw Data template from BRD website. The template maybe adjusted over the period following the lessons learnt from the program.
2. Read carefully the instructions given on the template.
3. Complete the “customer raw data submission” tab with the basic information such as customer name, customer national ID or business registration number, phone number,

PAYGO or cash sales, tier of the PUET, date of confirmed sales, total sales price, subsidy amount, and milestone claimed for. The other information such as customer payment to date, milestone 1 subsidy, milestone 2 subsidy, milestone 3 subsidy, percentage of total payment made by the customer, and eligibility for milestone 2 and milestone 3 subsidy are auto calculated.

4. The information to be provided on the “customer raw data submission” tab are mainly “copy” and “paste” from the PUE-C’s own databank such as PAYGO platform.
5. Complete the “payment raw data submission” tab with the basic information such as date of payment transaction, time of transaction, company ID, payment account number (MM: Phone #, bank, cash), payment amount, customer name, and national ID.
6. The Claim Form (“total customer payment to date” column under “customer raw data submission” tab) will auto sum the total payments through a script.
7. The information to be provided on the “payment raw data submission” are mainly “copy” and “paste” from the PUE-C’s PAYGO platform.
8. Complete the “technical issues” tab with the information such as customer name, national ID or business registration number, phone number, type of technical issues identified by EDCL, and the date of technical issues fixed by the PUE-C. The technical issues must be fixed within 2 weeks after the feedback received from EDCL.
9. Complete the “repossession” tabs with information such as customer name, national ID or business registration number, phone number, payment mode, date of PUET installed, date of PUET repossessed, and the reason for repossession.
10. The “summary” tab is auto calculated.
11. The PUET in-charge of completing the Claim Form should provide attention while completing the relevant tabs. For example, the customer national ID or business registration number must have apostrophe ' followed by the 16 digits: 'XXXXXXXXXXXXXXXXXX (for the ID) no dashes.
12. The PUE-C can submit the Claim Form to EDCL (through email with CC to BRD) once it is completed as per the instructions given in the program Operations Manual.

Before submitting the Claim Form, the PUE-C have to check the percentage of end-user amount paid and the duration of the PUET installed to ensure that claim is eligible for submission, mainly for Milestone 2 and Milestone 3 submission.

Annex 5: Template of Sales Contract (in Kinyarwanda)

Ifishi y'uhawe nkunganire ku bikoresho bikoresha ingufu mukubya inyungu			
Intara :	Akarere :	Umurenge:.....	Akagali:
Umudugudu:	Coordinates X:	Y:	
Amazina y'uhawe igikoresho gikoresha ingufu mukubya inyungu		Serial no.:	
Nimero y'indangamuntu/Nimero y'ubucuruzi			
Agaciro k'igikoresho gikoresha ingufu mukubya inyungu :		Frws	
nkunganire yahawe:	Frws	Ayo agomba kwishyura:
Telephone y'uguze igikoresho gikoresha ingufu mukubya inyungu		Telephone y'umuyobozi w'umudugudu	Telephone y'umukozi wa company itanze igikoresho gikoresha ingufu mukubya inyungu
			Telephone ya REG/EDCL 2 7 2 7
Umukono w'uhawe igikoresho gikoresha ingufu mukubya inyungu mukubya inyungu		Umukono na kashi bya company igikoresho gikoresha ingufu mukubya inyungu mukubya inyungu	
Italiki ahereweho igikoresho gikoresha ingufu mukubya inyungu		Italiki	ukwezi
Igihe cyo gukurikirana imikorere y' igikoresho gikoresha ingufu mukubya inyungu mukubya inyungu (after-sale-service)		Umwaka	
Igihe cya garanti (Warranty period)		Ubwoko bw'igikoresho gikoresha ingufu mukubya inyungu gitanzwe	
		Ubushobozi bw'igikoresho gikoresha ingufu mukubya inyungu	
Ayandi mabwiriza			
Uhawe igikoresho gikoresha ingufu mukubya inyungu mukubya inyungu		Yemeye gufata neza igikoresho gikoresha ingufu mukubya inyungu no kugikoresha uko byajyanye, kutakigurisha cg ngo agitangemo impamo, kwishyura uruhare rwe ku buryo bwumvikanweho hejuru, kutagira ikindi igikoresho gikoresha ingufu mukubya inyungu mukubya inyungu gisa nacyo afata yahawe nkunganire muri.	
		Yemeye gutanga uburenganzira bwose bujyanye no kugabanya imyuka yangiza ibidukikije hashingiwe ku amabwiriza agenga umushinga w'icyiciro cya 3.3 ASCENT RBF wo gutanga nkunganire ku igikoresho gikoresha ingufu mukubya inyungu mukubya inyungu bitangiza ibidukikije kuri BRD, nta kiguzi gisabwe, kandi nta yandi mafaranga, inyungu, itambamira cyanga ubusabe busabwe BRD.	
Utanze igikoresho gikoresha ingufu mukubya inyungu mukubya inyungu		Gusobanurira uhawe igikoresho gikoresha ingufu mukubya inyungu mukubya inyungu neza ibigendanye n'amabwiriza ya Porogaramu	

Ndemeza ko amakuru ntanze yuzuye kandi ari ukuri. Ndemeza kandi ko yaba nje ndetse n'urugo rwanjye/ ubucuruzi bwanjye tutigeze tugura ibindi bikoresho bikoresha ingufundi ku nkunga/nkunganire iyo ari yo yose. Ndemeza kandi ko igihe naba ntanze amakuru Atari yo nabihanirwa. Amazina n'umukono by'uhawe igikoresho gikoresha ingufu mukubya inyungu :

Annex 5: Template of Sales Contract (in English)

Customer Code:

Province:	District:	Sector:	Cell:
Village:		Coordinates X:	Y:

Name of the recipient of the productive use of energy technology (PUET)		Serial no.:					
ID number/business registration number							
The value of the PUET:		Subsidy:		To be paid by the recipient:		Frw	
The recipient's phone contact		Telephone of the Chief of the village		A company field employee's phone contact		REG/EDCL's Toll-free number	
						2 7 2 7	
The signature of the recipient of the PUET				Name and signature of the employee's company that gives the PUET			
PUET distribution date:		Date Month Year		Type (name) of the PUET provided		
After sale service period				Technical features/specifications		
Warranty period						
Other instructions							
PUET Beneficiary		S/He agreed to take good care of it and use it, not to sell or donate it, to pay for his contribution as agreed above.					
On behalf of the PUET's aggregator		Explain to the beneficiary the guidelines on the RBF-PUE program					

I certify that the information I have provided above is true and complete to the best of my knowledge. I hereby declare that I and my family/business have never purchased a subsidized productive use of energy in the past. I am aware that any falsified information I have provided may lead to any legal actions as deemed necessary".

Name and Signature of the beneficiary/customer:

Annex 5.1: Template of sales list to be approved (stamped) from the local authority.

<u>LIST Y'INGO/UBUCURUZI BAGUZE IBIKORESHO BIKORESHA INGUFU</u>				
Izina ry'ikigo gitanze igikoresho gikoresha ingufu mukubyara inyungu :				
Akarere:		Umurenge:		Akagali:
SN	Amazina	Numeroy'Indangamuntu/y'ubucuruzi	Umudugudu	Ubwoko (izina'ry'amashyira)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				

Itariki bikoreweho:		
Umukono, amazina na Telephone by'umuyobozi w'umudugudu	Umukono, amazina , kashe na Telephone'by'umuyoboz' w'Akagali	Umukono, amazina na Kashe'by'ikigo gitanze ishyiga

Annex 6: Template of formal letter requesting for Subsidy Financing under PUE-RBF

[DD/MM/YYYY]

Chief Executive Officer
Development Bank of Rwanda
P.O. Box 1341, KN 3 Ave, Kigali

Subject: Application for ASCENT Subcomponent 3.3 RBF Program participation

Dear CEO,

In reference to the Rwanda - Accelerating Sustainable and Clean Energy Access Transformation in AFE MPA (ASCENT - Rwanda)) Sub-component 3.3 Operations Manual published on your website, we hereby kindly express our interest in the Productive Use of Energy Results-based Financing scheme.

[provide one paragraph summary of your operations in Rwanda]

Based on our past performance and leveraging benefit from this RBF scheme, we plan to connect [provide number of potential customers] new customers in the next one year. We anticipate realizing [insert sales revenue projected for one year, in FRW] in sales and FRW (insert expected subsidy amount] in subsidy in the coming year.

We look forward for a continuous partnership with BRD's PUE-RBF project. We are waiting to welcome BRD for the appraisal and discussions on our request.

Sincerely yours,

[insert the name of the authorized person of your company]
[insert title]

Enclosure:

- Dully signed Productive Use of Energy RBF Application Form
- Company registration certificate, issued by Rwanda Development Board (RDB);
- Audit report. The start-up companies who are not able to provide audited reports should at minimum provide management accounts;
- Tax Clearance certificate from Rwanda Revenue Authority and Rwanda Social Security Board.
- CV of the board members and the management team;
- Business plan of the company, if available;
- Copy of cooperation agreement signed with EDCL;
- A confirmation from EDCL that the proposed productive use of energy products is in the PUE-RBF eligible productive use of energy technologies list.

Annex 7: Logbook template for grievance registration

Name of the affected person	National ID	Beneficiary's mobile, if available	Sector	Cell	Village	Name of solar company	Date of complaint registered	Complaint registered by	Nature of the complaint	Complaint addressed by GRC? Y/N
1.										
2.										
3.										
4.										
5.										
6.										
7.										
8.										
9.										
10.										
11.										
12.										
13.										
14.										
15.										

Annex 8: Frequently Asked Questions

PRODUCTIVE USE OF ENERGY RBF SCHEME

Frequently asked questions (FAQs)

Q1: What is results-based financing?

Results-based financing (RBF) scheme is different from traditional grants because incentives are disbursed upon delivery and independent verification of results. This means that participating companies will have to pre-finance their projects, either through loans or other sources of funds. This RBF provides direct financial support to entrepreneurs to buy down the cost of a PUET product.

Q2: What are the eligibility criteria for a company to participate PUE-RBF?

Any participating company should go through the eligibility criteria provided in the ASCENT Subcomponent 3.3 Operations Manual, **Section 5.12**. Failure to comply with the eligibility criteria will lead to suspension of the company from participating in ASCENT Subcomponent 3.2PUE-RBF. The company should comply with these criteria at all times. Whenever the company deviates from the eligibility criteria and the stipulated roles and responsibilities, a credible commitment in the form of a time-bound action plan needs to be prepared by the company and submitted to EDCL and BRD. EDCL, BRD, and the World Bank team will closely review the action plan and decide accordingly.

Q3: Can two individuals from the same household apply for the PUE-RBF subsidy?

No. Once an individual from an eligible household/customer buys a PUET product all household members will be marked as ineligible. In other words – one subsidized system per household/customer.

Q4: Can household/Customer already having PUE product (subsidized or not) apply for the PUE-RBF?

If a household/customer is already fully using a PUET at the time of registration, the household/customer is not eligible for the PUE-RBF subsidy.

Q5: Are companies able to claim incentives for PUET products sold before the PUE-RBF started?

No. Companies are only able to claim PUE product sold after the date of signature on the Grant Subsidiary Contract (GSC) between the company and BRD. The GSC specifies the contract period and timelines for claim submission, verification, and disbursement.

Q6: Can companies claim a subsidy for a refurbished PUET, in case one customer defaulted and the PUET is repossessed and provided to a new customer?

No. Companies can repossess the PUET from defaulted customers and redeploy the PUET to a new customer but not claim subsidy on the refurbished PUET.

The company should report to EDCL the list of repossessed customers together with Claim Form. EDCL will check and deduct the subsidy from the claim if the repossessed customers have received the previous subsidy milestone. The company will not get the remaining subsidy amounts of those repossessed customers.

The company is not allowed to claim subsidy for another customer using the same repossessed PUET.

Q7: What is the incentive level for an eligible household/Customer?

The subsidy level is different for different PUET. See the PUE-RBF Operations Manual (**Section 5.5 and Section 5.7**) about the subsidy amount and the disbursement schedule.

Q8: How frequently can participating companies claim for the subsidy payment?

Participating PUET companies can submit one claim quarterly in case the number of customers served is lower than 200. If the claims are for more than 200 costumers, PUET can submit three claims per quarter per milestone. In this event, companies can effectively claim one subsidy claim per milestone every month.

Q9: How much is the maximum threshold of subsidy amount per participating company?

There is no threshold of subsidy amount for participating company. However, the company can sign GSC at a level of maximum FRW 200 Million subsidy (contract) amount. Once the company utilizes the committed amount, BRD can renew the GSC for another round of the contract amount. BRD reviews the GSC every six months and may adjust the initially agreed amount.

The companies are encouraged to apply for next tranche of subsidy amount immediately after the 70% of the approved subsidy funds are committed or at least two (2) months before the expected utilization of the approved tranche. This will avoid the financing gap and ensure smooth continuity of the installation of PUET by the company.

Q10. What type of business models are allowed under PUE-RBF?

Companies are free to apply any type of business models, i.e. PAYGO, cash, SACCO, etc. However, at the time of application, the company should provide the different price of different sales models.

Q11: Is there any cost the PUE-RBF charges to participating companies?

Yes. BRD charges 4% plus 18% VAT of the subsidy amount as a management fee. The company has two options: this fee will either be paid upfront, at the time of signing GSC or it will be deducted from the confirmed subsidy amount, at the time of disbursement. This fee will slightly reduce the actual subsidy amount for final beneficiary households/customers.

Q12: Will my company be suspended from the program?

Yes. The company may be suspended from the program if the failure rate is and or technical issues is >10% in two consecutive claims under same milestone. The detail provision about suspension is provided in the Operations Manual (Section 6.6.5).

Q13: Will the claim be processed for payment if >10% of customers are found having technical issues during claim verification?

No. BRD will put the entire claim on hold for maximum 2 weeks from the date the verification report is received from EDCL. BRD will initiate the disbursement after 2 weeks. The

disbursement can be initiated within 2 weeks if BRD receives the confirmation from EDCL that the technical issues have been addressed by the PUE-C.

Q14: Will the subsidy claim of my company be paid if >10% failure rate is observed during EDCL verification?

Yes. The subsidy will be paid irrespective of the percentage failure rate observed during verification. However, a bigger percentage failure rate will lead to the deduction of a big amount of subsidy since the failure rate will be extrapolated to the entire claim. The company will also be at the high risk of being suspended from the program if more than 5% failure rate and or technical issues are observed in two consecutive claims of same milestone payment.

Date: 14/01/2026

To the Productive Use of Energy companies,

This is to certify that the Operations Manual (OM), Ver 02/14.01.2026 for ASCENT PUE-RBF is effective from January 14, 2025.

Effective from the date, all subsidy claims and verification methodology, procedures, and actions pertaining to the project/program shall adhere to the guidelines laid out in the Ver 02 of the Operations Manual.

[-----]
Project Coordinator's signature