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BII signs agreement with Meridiam to provide $15m to Rift Valley Energy to expand access to sustainable energy in Tanzania

- BII has signed an agreement to provide $15m with the potential to increase this to $25m to Rift Valley Energy.
- It will finance the installation of an additional 7.6MW of renewable energy for Tanzania's national grid.
- This will provide energy to about 170,000 people per year and connect 4,000 businesses and households to the grid for the first time.
- About 1,800 new power-enabled jobs will be created and it is expected to avoid up to 17,000 tonnes of carbon emissions per year by the end of 2027.

Tanzania, 18 June 2024 – British International Investment (BII), the UK's development finance institution (DFI) and impact investor, today signed an agreement to provide $15m with the potential to increase this to $25m, to renewable energy platform Rift Valley Energy (RVE), owned and managed by Meridiam. The funding will support part of RVE's ambitious investment and development plan for future renewable energy projects in Tanzania.

The DFI's support will contribute to the financing and installation of new wind and hydropower capacity - increasing the national grid's supply of sustainable and affordable electricity to businesses and communities in low-income areas in rural Tanzania. The projects will sit alongside RVE's existing run-of-river hydros as well as the only operational wind farm in Tanzania – Mwenga Wind.

RVE, a Tanzania-based renewable energy infrastructure development company, is wholly owned by Meridiam, an independent investment Benefit Corporation and an asset manager that specialises in the development, financing, and long-term management of sustainable public infrastructure. Meridiam acquired RVE in 2023 with a view to grow its generation assets.

RVE owns, operates and is developing a portfolio of 30MW of renewable energy generation alongside its subsidiary Mwenga Power Services, which operates two rural distribution networks (460 km long); all of which are located in the Southern Highlands of Tanzania. Beyond RVE, Meridiam recently invested in 100MW of wind assets in Kenya reinforcing its regional footprint in renewable energy. BII has partnered with Meridiam over several years, investing in past and current funds, which have successfully developed major greenfield and brownfield infrastructure projects in Africa.

National electrification rate in Tanzania is 37 per cent and as low as 24 per cent in rural areas.[1] With the financing from BII, RVE is expected to support an additional 7.6MW of new renewable energy assets which will provide power to about 170,000 people per year and connect 4,000 businesses and households to the grid for the first time. The provision of clean and affordable power to local industries including factories that process tea, veneer, timber as well water and pole treatment plants is expected to create 1,800 jobs.

[1] Energy Sector - GET.invest (get-invest.eu)

BII's Chief Executive Officer, Nick O'Donohoe, during his week-long visit to East Africa including Tanzania, said: *"Millions of people in Tanzania do not have access to energy and this greatly impacts on their ability to access essential services and opportunities. This agreement with Meridiam to support Rift Valley Energy will improve the lives of thousands of people in rural Tanzania as the energy it will provide will empower many sectors which will help to enhance educational opportunities, healthcare services, job creation and industrial productivity."*

Meridiam's Deputy CEO and Africa Head, Mathieu Peller said: "*Rift Valley Energy is an investment which is true to Meridiam's mandate and purpose, and we are pleased to partner with BII to grow the renewable energy projects being developed by the company. This facility affirms our confidence in Tanzania as a market, where the Government has clear and ambitious economic development plans which we look forward to supporting through sustainable investment.*"

BII has a strong track record of investing in East Africa as a long-term partner, supporting private sector growth through first-of-its-kind projects, strategic partnerships and innovative financing solutions that help to shape businesses and economies. Its portfolio in East Africa is currently valued at $1.4bn.

BII made commitments of over $355m in 2023 across critical sectors including clean energy, infrastructure, telecoms, and financial services. Recent highlights include:

- $30m investment in TowerCo of Africa Tanzania to build 200 additional telecoms sites throughout Tanzania which will link previously isolated populations and help to improve the lives of up to 600,000 people.
- $30m anchor investment to Helios Towers as part of its $700m public bond offering to mobilise private capital to support Africa's digital transformation.
- $20m facility with Dashen Bank in Ethiopia to help drive agriculture exports and provide access to much-needed foreign exchange within the country.
- $15m anchor investment in the Tanzania shilling tranche of the NMB Bank sustainability bond, the largest ever issued in East Africa.
- $100m risk-sharing facility with Citi to support trade finance in frontier and emerging African economies.
- $5m debt facility in Kenyan-based transport group BasiGo for delivery of 100 electric buses.
- Successful sale of BII's stake in I&M, the Kenyan-based bank, to AfricInvest.

British International Investment has an office in Nairobi, which is headed by Seema Dhanani Head of Office, Kenya and Coverage Director, East Africa.

Meridiam has a regional office in Addis Ababa, which is headed by Marvin Bell, East Africa Director.

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Notes to editors

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About British International Investment

British International Investment (BII) is the UK's development finance institution and a trusted investment partner to businesses in Africa, Asia, and the Caribbean. It invests to create productive, sustainable, and inclusive economies in eligible markets. Between 2022 and 2026, at least 30 percent of BII's total new commitments by value will be in climate finance. The company has investments in over 1,470 businesses in

emerging economies across 65 countries and total assets of £8.1 billion. For further information about BII and its impactful initiatives, please visit: www.bii.co.uk | Watch here

About Meridiam

Meridiam was founded in 2005 by Thierry Déau, with the belief that the alignment of interests between the public and private sector can provide critical solutions to the collective needs of communities. Meridiam is an independent investment Benefit Corporation and an asset manager. The firm specializes in the development, financing, and long-term management of sustainable public infrastructure in three core sectors: sustainable mobility, critical public services and innovative low carbon solutions. With offices in Addis Ababa, Amman, Dakar, Istanbul, Johannesburg, Libreville, Luxembourg, Paris, Vienna and Washington, Meridiam manages over US$22 billion and more than 125 projects to date. Meridiam is certified ISO 9001: 2015, Advanced Sustainability Rating by VigeoEiris (Moody's), ISO 37001 Anti-Corruption certification by AFNOR and applies a unique methodology in relation to ESG and impact based on United Nations' Sustainable Development Goals (SDGs).