



Press Release
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Economic Sustainability Plan: Over 200,000 Solar Home Systems to be rolled out under the “Solar Power Naija” partnership between the Nigeria Sovereign Investment Authority (NSIA) and the Rural Electrification Agency (REA)

Abuja, Thursday, 23rd December 2021: The Nigeria Sovereign Investment Authority (NSIA) is investing in the Off-Grid renewable space in partnership with the Rural Electrification Agency (REA). The Solar Power Naija Program is being launched under the Buhari Administration's Economic Sustainability Plan (“ESP”) and supervised directly by the Vice President of the Federal Republic of Nigeria, Prof. Yemi Osinbajo.

The NSIA-REA partnership will see the NSIA creating an initial revolving fund of ~₦10 billion for qualified developers to distribute and manufacture Solar Home Systems. The fund will be accessible by Nigerian Electrification Program qualified developers under the existing REA and World Bank scheme that guides technical qualification and provides grants for developers to invest and participate in Off-Grid Electrification projects. The REA under the Ministry of Power will provide technical and advisory support to the NSIA as it rolls out the program.

This investment by NSIA is targeted at catalysing 200,000 Off-Grid connections in the first instance with a goal of reaching over 500,000 systems as the Fund revolves and is expanded through to 2023. The program is estimated to also create up to 20,000 jobs across manufacturing, assembly, installation and retail over the period. Additionally, this partnership will help Nigeria meet its ESP target of increasing Electrification, this is a step towards creating 5 million solar connections over the next few years. At completion, it is expected that this investment will demonstrate locally that the Solar Off-Grid space is an investable segment of the power market.

Speaking on the partnership and the programme, Ahmad Salihijo, the MD/CEO of the REA said *“the partnership with NSIA is exciting in so many ways, we believe this investment commitment as approved by the NSIA Board is a harbinger for increased investments in the Off-Grid renewable space that will help Nigeria achieve its goals under COP 26 and eliminate the Electrification Gap in the country”*.

Mr. Uche Orji, MD/CEO of the NSIA in his comment said *“NSIA continues to prioritize climate-smart infrastructure to create access to affordable power to Nigeria's underserved communities, particularly in the rural areas. NSIA recognizes the latent potential in these communities and believes that access to power is fundamentally important to enhancing the capacity of SMEs in these communities to support the economic growth of the country and employment creation”*.

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Note the Editor

About REA

The Nigerian Rural Electrification Agency (REA) is the Implementing Agency of the Federal Government of Nigeria tasked with the electrification of rural and unserved communities. Its mission is to provide access to reliable electric power supply for rural dwellers irrespective of where they live and what they do, in a way that would allow for a reasonable return on investment through an appropriate tariff that is economically responsive and supportive of the average rural customer.

The agency has a threefold mandate which includes to; promote rural electrification in the country, co-ordinate rural electrification programs in the country, and administering the Rural Electrification Fund (REF) to promote, support, and provide rural electrification through public and private sector participation. For more information, please visit www.rea.gov.ng

About NSIA

The Nigeria Sovereign Investment Authority (NSIA) is an investment institution of the Federation set up to manage funds in excess of budgeted hydrocarbon revenues. Its mission is to play a leading role in driving sustained economic development for the benefit of all Nigerians through building a savings base for the Nigerian people, enhancing the development of Nigeria's infrastructure, and providing stabilization support in times of economic stress.

The NSIA is empowered to receive, manage, and invest funds in a diversified portfolio of medium and long-term assets on behalf of all three tiers of government including the Federal Capital Territory, in preparation for the eventual depletion of Nigeria's hydrocarbon resources. For more information, please visit www.nsia.com.ng