

## **EVOLUTION II FUND, NORFUND AND SAGEMCOM CLOSE US\$35 MILLION COMMITMENT TO ESTABLISH AND FINANCE ESCOTEL, SETTING NEW STANDARDS IN AFFORDABLE CLEANER ENERGY SERVICES FOR AFRICAN MOBILE TELECOM OPERATORS.**

Inspired Evolution, an Africa-focused investment advisory firm that specialises in clean and renewable energy, led a US\$35 million equity investment by its Evolution II Fund and co-investors, Norfund and Sagemcom, to establish and finance ESCOTEL, an energy services company currently focused on Sub-Saharan Africa countries.

Headquartered in Mauritius, ESCOTEL has been set up to provide energy services to mobile tower owners and operators, owning and operating decentralised renewable energy infrastructure across Africa. ESCOTEL will initially supply, install, operate and maintain decentralised solar and storage hybrid power systems for a portfolio of around 900 telecom sites in Sierra Leone, Liberia and over time the Democratic Republic of Congo, owned by subsidiaries of France-based telecommunications company, Orange S.A.

Evolution II has committed US\$20 million alongside US\$10 million from Norfund and US\$5 million from Sagemcom Energy & Telecom, which will also act as equipment supplier, EPC contractor and O&M provider to ESCOTEL.

Wayne Keast, Managing Partner at Inspired Evolution said “We are excited to partner with Norfund and Sagemcom to establish and provide financing to ESCOTEL and to assist local Orange mobile operators to transition to a lower carbon infrastructure, at the same time improving operating efficiency and reducing costs. This is achieved by hybridising existing power systems of telecom sites with the supply, installation, and operations of solar and storage power systems, as well as by deploying these cleaner power systems to new telecom sites. ESCOTEL’s initial investment will abate more than 6,240 tons of CO<sub>2</sub> every year in Sierra Leone, and 10,092 tons of CO<sub>2</sub> every year in Liberia.”

ESCOTEL has secured insurance from the Multilateral Investment Guarantee Agency (MIGA), a division of the World Bank. MIGA’s exposure will be shared with the Private Sector Window (PSW) of the International Development Association (IDA), which meets minimum concessionality principles of IDA. The insurance covers the risk of transfer restrictions and inconvertibility, war and civil disturbance, and expropriation for an initial period of up to 10 years.

Pål Helgesen, Investment Director – Clean Energy at Norfund said, “We are delighted to take part in an investment showcasing a business model based on locally generated renewable energy that will contribute to providing cleaner and more reliable power to telecom operators. This will enable the telecom operators to free up their investment capabilities for their core business

activities, namely building new telecom sites and increasing coverage. ESCOTEL's activities will thus support the fast-growing digital and telecom economy that is essential to create more jobs in the region, and in a more sustainable manner."

Eric Rieul, CEO at Sagemcom Energy & Telecom said, "This initiative creates a powerful vehicle for ESCO projects in Africa. ESCOTEL combines unique experiences and competencies of Inspired Evolution, a specialised African renewable energy investor, Norfund, a large fund focusing on clean energy and renewable infrastructure and us, Sagemcom offering our knowledge and experience in implementing and maintaining power projects in 22 African countries. ESCOTEL is thus able to provide the most up to date power solutions for telecom networks all over Africa, increasing mobile service quality, reducing the cost of ownership, and decreasing CO<sub>2</sub> emissions."

### **About Inspired Evolution and Evolution II Fund**

Inspired Evolution, investment advisor to Evolution I and Evolution II Funds, is a specialised clean energy infrastructure and resource efficiency investment advisory platform with offices in Cape Town, London, Nairobi, Abidjan and Mauritius. Inspired Evolution has been involved in developing and financing more than 1,000 MW of renewable energy infrastructure generation projects across Sub-Saharan Africa.

Evolution II Fund's investors include the African Development Bank ("AfDB"), The CDC Group, Cyane Holdings, the European Investment Bank ("EIB"), the Dutch Development Bank FMO, the Global Energy Efficiency and Renewable Energy Fund ("GEEREF"), the Finnish Fund for Industrial Cooperation ("Finnfund"), Morgan Stanley, Norwegian Investment Fund for Developing Countries ("Norfund"), Swiss Investment Fund for Emerging Markets ("SIFEM") managed by Obviam, the Swedish government development financier, Swedfund and a US Healthcare investor. For more information, please visit [www.inspiredevolution.co.za](http://www.inspiredevolution.co.za).

### **About Norfund**

The Norwegian Investment Fund for Developing Countries is the Norwegian government's main instrument for strengthening the private sector in developing countries. The mission is to create jobs and improve lives by investing in businesses that drive sustainable development. Norfund does this by providing equity, other risk capital and loans to companies in selected countries in Sub-Saharan Africa, South-East Asia and Central America. With a portfolio of USD 2.6bn, Norfund invests in four main sectors: clean energy, financial institutions, green infrastructure and scalable businesses.

### **About Sagemcom**

Sagemcom is a headquartered technological company specialised in audio-video, broadband and energy-telecom solutions with revenues of EUR2.1bn, 5,500 employees, working in 50 countries. Its subsidiary Sagemcom E&T has a well-established track-record and experience in both the

energy and telecom sectors and already a supplier of solutions of MNOs and TowerCos in Sub-Saharan Africa.

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