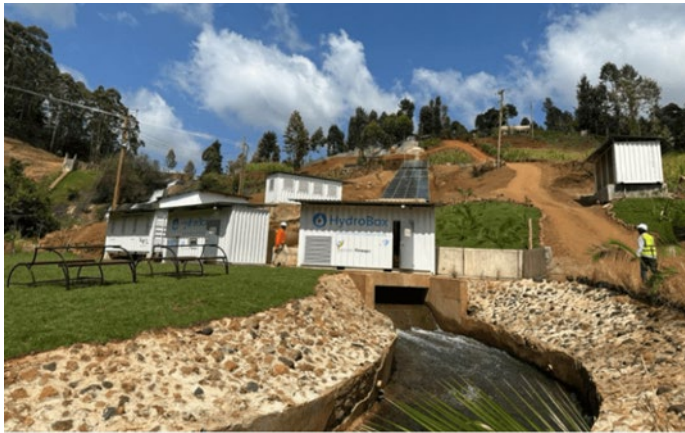


# Hydrobox

NOVEMBER 2023



## Project overview

Hydrobox develops and operates minigrids powered by small, run-of-river hydropower or hybrid hydro/solar plants across Kenya and operated as an anchor-business-customer (ABC) business model. Hydrobox currently has 3 operating hydro plants (interconnected in 1 minigrid), and a pipeline of 6 additional hydro assets, powering 5 minigrids in total, for a total installed capacity of 2.3MW, to be built over the coming 12-18 months.

## Funding objective

ElectriFI will provide a senior loan facility to Hydrobox Infrastructures in Kenya, to expand its portfolio of minigrids in rural Kenya.

## Investment rationale

ElectriFI supports this investment for the following reasons: (i) hydro-based minigrids are a perfect solution in areas where the resource allows, as they allow for a very low LCOE and a good base load, (ii) the ABC business model is well-suited to sufficiently scale the generation assets and guarantee demand and (iii) high long-term impact with 2582 new physical connections (~11,130 beneficiaries), total GHG avoidance of 17,772 tCO<sub>2</sub> and 297 jobs created.

## AT A GLANCE

- **Investment/Project:** Hydrobox Infrastructures
- **Total ElectriFI financing:** USD 2m
- **Financial instrument:** senior debt
- **Status:** Approved investment
- **Region:** East Africa
- **Country:** Kenya
- **Sector:** Renewable Energy
- **Allocation:** Country Window Kenya

## ENVIRONMENTAL & SOCIAL ASSESSMENT

The E&S risk category of the transaction is classified as B+. IFC PS 1 -6 are applicable, potentially PS 8 (if rivers to be found as sacred sites) and PS 7 considered not triggered at this stage.

Operations have limited environmental and social impacts which are expected to be site-specific and can be avoided or mitigated by adhering to recognized performance standards, procedures, guidelines and design.