



### Editor's Note, October 16, 2020

Sales of off-grid solar products in developing economies [have fallen by 26%](#) in 2020 due to the impact of the coronavirus pandemic, according to new data from the global association for the off-grid solar energy (GOGLA).

The organization warns that the drop threatens the sector's progress in recent years, averaging about 10% growth annually, and seeing investment rise sixteen-fold from \$21m in 2012 to \$352m in 2018.

It's been a particular hit in Africa, home to 600m people without reliable power access. More than \$1.1bn was invested in off-grid solar projects in sub-Saharan Africa between 2012 - 2019. [According to the World Bank](#) there are currently 4,000 mini-grid projects in the works across Africa, and the lender estimates that 500m people could be connected this way by 2030.

It's a good story, with some important gaps.

Just ten companies have received 78% of all capital invested in the sector from 2012 - 2019. These are mostly in East Africa, which also accounts for 76% of all investment on the continent.

To meet the World Bank's 500m target by 2030, investment needs to increase by 685%, from \$28bn - \$220bn. The number of projects deployed annually would need to rise from 1-50 to over 1,500.

Even with a gradual shift away from donor funding and development finance - instrumental in driving sector growth - to more commercial sources in recent years, the odds of this happening were slim even before the pandemic.

Put differently, the jury is still out on how viable the off-grid sector really is.

## This week's Picks

### From The Continent

**Angolan authorities have reportedly seized assets of two high profile allies of former president José Eduardo dos Santos, as part of an anti-corruption drive under his successor João Lourenço.** Since taking office in 2017 he has overseen reforms aimed at tackling a legacy of poor governance and corruption in the oil-rich country. **More:** [Reuters](#)

**Côte d'Ivoire's main opposition leaders have called for a boycott of presidential elections on October 31 over the decision by incumbent Alassane Ouattara's decision to seek a contentious third term.** The move has raised concerns about potential instability in the world's top cocoa producer, which has a recent history of civil and political conflict. **More:** [Bloomberg](#)

### THE WEEKLY STAT

**\$200,000,000**

**The amount San Francisco-based payment company Stripe is paying to acquire Nigerian startup Paystack, marking its first investment on the continent.**

**More:** [Bloomberg](#)

[The Global Perspective](#)

**The G20 has extended its debt-relief initiative - a suspension on debt service payments for poor countries - by six months to help weather the coronavirus pandemic.** The initiative has been criticized by some African governments for not going far enough, amid a brewing debt crisis on the continent. **More:** [Al Jazeera](#)

**The European Union (EU) has accepted a request from Mozambique's government to support it in countering an Islamist insurgency in the country's north that is threatening to derail billions of investment into its nascent natural gas sector.** The bloc will provide training, and support on logistics and humanitarian services like medical care. **More:** [Reuters](#)