

MANUFACTURING AFRICA



Manufacturing Africa aims to reduce poverty in Africa by attracting £1.2 billion of foreign direct investment into manufacturing and creating 90,000 jobs over 7 years (2019-2026). The programme is funded by the UK government through the Foreign, Commonwealth & Development Office (FCDO)



Building Local Capacity for Production of Solar Energy Units

Munyax Eco is a Rwanda-based woman owned company that offers a range of solar energy solutions including solar water heaters (SVH), photovoltaic (PV) rooftop system for commercial buildings, solar home systems (SHS), solar cold chain solutions (SCC), mini-Grids and hybrid solar equipment.

The Government of Rwanda is committed to ensuring that by 2024, 48% of all household electricity connections will be through off-grid power systems such as solar energy. The state-owned Rwanda Energy Group (REG) therefore included Munyax Eco to the list of certified suppliers/installers of solar energy equipment in Rwanda.

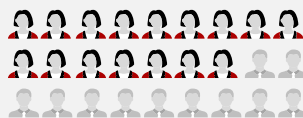
Since 2014, Munyax Eco has been importing, distributing, installing, and maintaining various solar energy units and has installed around 4,000 solar systems.

The company also has a partnership with GIZ to set up a training center specifically focused on solar energy. The center aims to create local expertise in the solar energy sector as well as in the energy audit sector (energy efficiency).



80%

Of Munyax's 30 staff are female



75%

Of Munyax's management are women

THE CHALLENGE

Due to the import model, the company has been incurring excessive costs especially because Rwanda is a landlocked country. To address this issue the company is looking to locally assemble the products and manufacture water tanks. At least 60% of the raw material will be imported and the rest of the parts including copper and aluminum sheets will be sourced locally. According to the company, local assembly will reduce their operating costs by up to 30%.

The company is looking to raise
\$4 million
to finance the transition from an import model to local production.

MA SUPPORT

The MA team is working to support Munyax Eco's local assembly and manufacturing project and has delivered the following:



BUSINESS PLAN:

MA reviewed the existing business plan and observed that it was not clearly phased out. The MA team worked with the promoter to create a strategic implementation in several stages



INVESTOR READINESS MATERIAL:

MA worked with the promoter to develop documents relevant for investor engagement i.e., financial model and an Information Memorandum



DEAL STRUCTURE SUPPORT:

The MA team helped to structure a deal between Munyax Eco and the technical partner that will guide the actual manufacturing of the solar equipment



IMPACT

MA's involvement has accelerated Munyax Eco's plan to transition to local assembly and manufacturing as follows:


The company's plan has become more attractive to potential partners and investors as the documents developed by MA clearly articulate the opportunity in local assembly.

The company has already registered interest from a serious investor and are in discussions.

Following the engagement with MA, the technical partner has more confidence in the business and is considering expanding the manufacturing plan to additional items such as solar collectors.

MA support has added credibility to the company especially with state agencies.

QUOTE BY COMPANY REPRESENTATIVE

 *Embarking on local manufacturing is an idea that I have had for a long time but did not know how to actualize. MA has been a game changer because they helped me structure the thinking on how we will build the local manufacturing component of the business and offered a lot of expert advice that will progress the project*

Francine Munyaneza, Founder & CEO, Munyax Eco 

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