

Improving Sustainability in Uganda's Solar Market - Linking Off-Grid Solar Energy Companies to a Credit Reference System

Issues paper and action plan

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1. Executive Summary



The Off-Grid Solar (OGS) sector has spurred a wide range of positive developments over the last years, despite still dealing with challenges regarding consumer protection, e-waste and long-term profitability. Not only are OGS solutions key to “*ensuring access to affordable, reliable, sustainable and modern energy for all*” (Sustainable Development Goal 7) by serving large parts of the population that would otherwise remain unserved or underserved, the sector has also been critical in opening a variety of direct and indirect employment and job opportunities across different skills levels.¹

At the same time, OGS companies’ credit portfolio quality is a well-guarded secret and no such information is publicly available.² Until now, most OGS companies operate entirely independently from the formal financial sector regulators, making credit decisions based on data they have at their disposal. This data is currently not available to other stakeholders let alone the whole sector, as no structured way of sharing is in place.

The purpose of this paper is therefore to shed some light on both, the opportunities and risks that could arise for customers, energy firms and others from linking energy companies to a formal Credit Reference System (CRS). The analysis shows that an improved level of credit information sharing represents a so far largely untapped opportunity with the potential to increase portfolio quality, improve the financial inclusion of solar customers and foster sustainable growth in the OGS sector. At the same time, linking OGS companies to a CRS is a rather new topic that entails several risks, which need to be managed well.

The first part of the paper introduces the Pay-As-You-Go (PAYG) business model followed by an overview of the risks and opportunities of credit information sharing. Based on that, the paper concludes that Uganda represents a promising environment to successfully pilot the integration of off-grid energy companies into the credit reference system. The paper zooms into the specific situation in Uganda by providing a snapshot of both the OGS- and the financial sector. This is followed by a description of the approach that will be followed to turn the idea into action. Finally, next steps are presented.

¹ See GOGLA’s series of briefing notes on employment opportunities funded and supported by GIZ.

² Radloff, 2017.

2. PAYG credit information sharing

Today, over 25 percent³ of OGS products sold globally, especially larger solar-home systems are bought on credit under the PAYG business model, which can be divided into two types, although a range of blended models also exist.⁴

Flexible PAYG

Customers pre-pay for energy access, which unlocks the ability to use devices based on the amount paid (usually for a set period of time). Often, but not always, a portion of customer payments count towards purchasing the device for ownership. In this model there are no “expected” obligatory payments per se, since customers who do not pay are not in violation of any agreement but rather lack access to use their devices.

Asset finance

Customers purchase devices on loan, contributing an up-front downpayment with scheduled periodic payments for the loan duration (including principal and interest). Customers own the device once all principal payments equal its total cost. In this model customers have obligatory payments which result in scheduled, expected revenue for companies.

With all payments and transactions performed digitally, the PAYG sector has the potential to generate and gather large amounts of credit-related data. While already using such data for internal purposes, the majority of OGS companies have not yet begun to systematically share their credit data in a broader context.

What is the risk of limited credit information sharing?

The risk of keeping credit data within the boundaries of a company is threefold:

- **Firstly**, OGS customers, who have entered into a financial obligation⁵ with an OGS company, may end up in financial distress or even over-indebted if the aggregated sum of their outstanding payment obligations exceeds their capacity to repay (consumer protection & responsible finance issue).⁶
- **Secondly**, OGS companies may end up building up a significant Portfolio at Risk (PAR) in their loan books, if they onboard customers, who – for a variety of reasons – cannot afford to pay when these financial obligations are due (loan portfolio quality issue). At this stage, much of what is known about PAR and over-indebtedness in the OGS sector is based on anecdotal evidence and limited data, because of limited credit information availability. The *World Bank Group* through its *Lighting Global Program*

³ See GOGLA’s state of the market report from the second half of 2019.

⁴ For the definitions of the PAYG business model used in this paper, compare the [Key Performance Indicator Technical Guide for the Off-Grid PAYG Sector](#) developed by World Bank Group, Lighting Global and GOGLA.

⁵ BFA Global highlights the importance of clearly explaining to customers what is meant by PAYG: “Depending on what is possible in your market, consider lease-to-own, rent-to-own, or pay-to-own language, with a key focus on this as a financial obligation and not a fee-for-service (unless that is your model!). See [BFA Global Blog](#)

⁶ Please note that GOGLA has attached great importance to this aspect under its Consumer Protection Code for the OGS sector. The [principle on “Responsible sales and pricing”](#) emphasizes the importance of ensuring that OGS companies “take adequate care to ensure consumers can afford to pay for the product and / or service without becoming overburdened”.

highlights an important aspect in this context: “In search of new customers, many PAYG companies have expanded into customer segments that have increased their bad-debt ratios significantly (i.e. higher number of customers default on payments). Across the [world’s] top-10 PAYG players, rates vary widely, suggesting that portfolio quality will be a key competitive advantage going forward.”⁷

- **Thirdly**, regulators or associations overseeing the operations of OGS companies, their subsidiaries or partners may experience significant challenges in advising or regulating the sector as a result of incomplete or inaccurate credit information with regard to outstanding credit exposures, PAR, past and future expected credit losses, credit indebtedness levels of different customer segments, and so forth. This is because regulators and associations typically use information related to cross-borrowing to run projections on PAR and over-indebtedness within the sector.⁸

What are the benefits of systematic credit information sharing?

Sharing and exchanging information on OGS clients’ repayment histories with other market participants through a formalized CRS appears to create a number of benefits:

- **Firstly**, credit information sharing via Credit Reference Bureaus (CRBs⁹) could become a major opportunity for OGS customers, who could benefit in many ways from developing a positive digital repayment track record. In fact, a positive (both digitally and paper-based) credit history could not only lead to an improved access to energy, but also provide OGS customers with better access to formal financial services such as savings, credit, payments and insurance. Ultimately, an objectively verifiable proof of creditworthiness could help boost financial inclusion.
- **Secondly**, sharing such information could lead to more informed credit decisions, a better loan portfolio quality and ultimately to an improved access to local currency finance for OGS companies.¹⁰
- **Thirdly**, the regulator could benefit from gaining a more comprehensive view of the overall credit situation in the market. Detecting signs of credit distress much earlier would help the regulator to better forecast disturbances and adverse developments in the credit market. This in turn would help the regulator to ensure that the credit market operates in a safe and sound manner and that credit providers provide fair access to financial services, treat customers fairly, and comply with applicable laws and regulations.

⁷ [Off-Grid Solar Market Trends Report 2018](#)

⁸ Such information to a regulator helps with the generation of models on indebtedness. Important questions include: How many borrowers have more than one loan with different institutions? What percentage of these cross-borrowers are in arrears vis-à-vis the percentage of non-cross-borrowers in arrears (one would expect that more cross-borrowers are in arrears)? How likely are cross-borrowers to default on one or both loans as opposed to non-cross-borrowers defaulting on a single loan?

⁹ This paper uses Bank of Uganda’s definition of a CRB as laid out in the [Financial Institutions \(Credit Reference Bureaus\) Regulations, 2005](#). A Credit Reference Bureau (CRB) - i.e. a “legal entity [...] that allows financial institutions and Microfinance Deposit Taking Institutions to exchange information on their clients’ repayment history and current debt profiles and which compiles a database that collects, stores, consolidates and processes information related to persons, companies and enterprises” – traditionally only covers the formal financial sector regulated by a financial supervisor, often a central bank.

¹⁰ UNCDF in its recent publication on “Digital Finance for Energy Access in Uganda: Putting Mobile Money Big Data Analytics to Work” has emphasized that the PAYG model may offer a good use case for wider digital financial inclusion. (UNCDF, 2020)

Successful OGS companies such as M-KOPA in Kenya have already reported¹¹ that sharing credit information can create substantial benefits for their customers.

“To date, we have enabled over 450,000 low-income Kenyans to establish creditworthiness and we are proving, with our portfolio performance, that the unbanked population is just as trustworthy with credit as the general Kenyan population.” (M-KOPA, 2019)

The following sections examine in more detail the different opportunities and risks that could arise from linking OGS companies to a Credit Reference System.

2.1 Opportunities

Incentivizing OGS companies to voluntarily exchange credit data with other market participants via CRBs could unleash substantial benefits for a variety of actors. However, as of today most OGS firms operate independently making credit decisions based on limited credit information. The following section presents how OGS customers and OGS companies, the regulator, CRBs, but also other parties such as investors stand to gain from an improved credit information sharing.

#1 OGS customers

OGS customers will have a chance – and in most cases for the first time ever – to establish an objectively verifiable proof of their creditworthiness. Equipped with such a digital transaction history, they could use it for a variety of purposes¹², for example, to apply for a loan from a formal financial institution with greater confidence, to negotiate better loan terms such as a reduction in interest rates or to get easier approval for rental houses and apartments. Whereas an excellent digital repayment history may not automatically guarantee all these benefits, it is obvious that a poor credit history decreases one’s chances to realize such opportunities significantly. A positive digital track record can be deemed particularly valuable for all those clients who lack other forms of bankable assets. As women in general are considered less likely than men to have bankable securities, this reputational collateral could be especially relevant for female customers of OGS companies. Even though globally, out of the household members identified as the purchaser of a solar product, 75% are male,¹³ in Uganda ownerships statistics for example show higher female individual house or land ownership compared to men¹⁴. The potential implications on resulting opportunities for women related to PAYG systems and the establishment of credit histories can be seen as an additional aspect to be explored during pilot activities.

¹¹ See [M-KOPA Impact Report 2019](#), p.11.

¹² For a more comprehensive overview of potential benefits, also compare [“9 Benefits of Having a Good Credit Score”](#). Depending on the specific country context, only some of the benefits listed therein may be relevant.

¹³ As shared in the recent [“Powering Opportunity” GOGLA report](#).

¹⁴ As highlighted in the 2017 Report by the Uganda Bureau of Statistics on [“Women and Men in Uganda”](#)

Give people compelling reasons to pay consistently and complete the purchase. This can be [...] reporting positive repayment histories to credit bureaus". (BFA Global, 2020)

#2 OGS companies

By joining a CRS, OGS companies could significantly reduce their cost of screening customers, but also deepen their level of information on which they base their final credit decision. This can contribute to a healthier credit portfolio and subsequently to more sustainable business operations and a competitive advantage in the sector. Improving the level of credit transparency alone, however, may not suffice. Therefore, it should ideally go hand in hand with an improvement of the credit analysis skills on the side of the OGS companies. Developing OGS companies' capacities in this area will allow them to make better use of CRB credit reports and to better manage their credit portfolios.¹⁵ Over time, this combination could lead to a much healthier credit portfolio on the "financial institution arm" of the OGS (CGAP, 2018) due to a reduction of loan defaults.

#3 Credit Reference Bureaus

Through collaboration with OGS companies, CRBs will be able to tap into a completely new market segment of credit providers. CRBs could therefore significantly increase their footprint within this sector by attaining visibility of credit transactions therein. This will aid CRBs in the development of more comprehensive reports, insightful analytics and accurate scores based on the credit exposure of existing and new borrowers.

#4 Financial Regulator

The financial regulator, e.g. a central bank, will be in the position to better monitor developments in the local credit market by having a more accurate picture and comprehensive view of borrowers' debt profiles. To make credit information sharing even more relevant and meaningful, the financial regulator should try to incentivize other types of credit providers to also join the CRS. In case the other types of providers are licensed, regulated and supervised by another regulator, the other regulator should also be involved in the process.¹⁶

¹⁵ The ability of the companies to manage their credit portfolio could, for example, be tackled via Business Development Service interventions.

¹⁶ The accreditation process entails a technical vetting by CRBs and an administrative vetting by the Central Bank.

#5 Others

Investors and financiers will be more inclined to finance or invest in OGS companies, if the overall level of credit transparency improves.¹⁷ As of now, investors and financiers are mostly interested in the proverbial “top 10 percent” of the market and, hence are “more inclined to offer debt financing to large companies, leaving smaller businesses to struggle for more expensive debt”.¹⁸ The more OGS companies and financiers look into the option of securitization¹⁹, the more relevant a sound receivables book on the side of an OGS company becomes. A healthier receivables portfolio should translate into a lower discount factor applied by an investor.

2.2 Risk considerations and mitigation measures

Despite all the opportunities, it is also key to keep a close eye on the risk side of credit information sharing as well as potential mitigation measures. The following section highlights some of the main risk considerations that arise when linking OGS companies to CRBs.

#1 Reporting complexity

OGS firms are different from financial institutions and largely inexperienced in sharing their credit data with CRBs. Hence, data reporting standards for OGS companies need to take this aspect into account. The number of mandatory reporting fields and the level of complexity will need to be adapted to the OGS sector in such way that credit reporting is still manageable for OGS companies. Of course, adapting credit reporting requirements to an OGS company’s reality should not imply that a lower quality of data is acceptable. On the contrary, all data that enters the database of a CRB needs to be as sound as can be to be truly meaningful. The strength of a CRB lies in the rigour with which it collects sound quality data – regardless of the institution or company that is submitting the information.

#2 Data protection

A responsible use of personal data is of utmost importance, especially in the context of data-intensive processes such as the generation of automated credit scores.²⁰ Therefore, data protection needs to be looked at very carefully – also from the legal perspective. Questions around data protection such as “who owns the data”, “who can use it for what purposes”, “what sanctions are in place for misuse” and “what are the procedures for dealing with complaints” need to be dealt with very carefully. OGS-companies need to abide by sound data privacy and client protection standards when submitting and sharing sensitive information about their customers. Similarly, CRBs need to apply rigorous data protection standards when dealing with sensitive credit customer information that accredited credit providers such as OGS

¹⁷ OCA analyzed that poor data quality and limited internal technical capacity often hinders an effective due diligence process.

¹⁸ Uganda Off-Grid Market Accelerator (UOMA), 2019

¹⁹ The financial practice of pooling various types of contractual debt (or other non-debt assets, which generate receivables) and selling their related cash flows to third party investors as securities (Radloff, 2017).

²⁰ Please also refer to GIZ’s paper on the “Responsible use of personal data and automated decision-making in financial services”, which aims at promoting responsible digital financial inclusion.

companies submit to them. Ensuring OGS companies that the provided data cannot be misused by their competitors will be crucial to ensure their interest in such an activity.

#3 Credit reporting

Whereas the creation of credit discipline is important to prevent customers hopping from one energy supplier to the next without completing their payment obligations²¹, negative credit reporting to CRBs should be considered carefully to prevent detrimental effects on financial inclusion and on customers creditworthiness. However, this is not meant to exclude the reporting of negative data per se. Otherwise one may rightly ask of what value positive data is, if you know that negative data is potentially being hidden away? At the same time, negative data also brings about negative consequences and especially in the OGS sector, safeguards need to be in place to ensure that product quality and warranty issues are not the reason for a customer who is not paying. Hence, there is a need to find an appropriate balance between the two.

#4 Failure to achieve consensus

Linking OGS companies to a CRS has not been tested in many markets. Therefore, it is key to have a common understanding about the potential outcomes of such an activity early on as well as to develop a joint approach how to get there. A failure to achieve a common understanding between all relevant parties – OGS-companies and their apex body, financial institutions, CRBs, the financial regulator and others – could be detrimental to achieving the desired outcomes.

#5 Costs

There is a cost to OGS companies requesting credit information about a customer from the CRB that will need to be looked at and compared with the benefits. In addition to the costs of accessing a report also the costs around compliance and data reporting need to be considered before joining a CRS.

#6 Competition

Given the competitive spirit among OGS companies, some providers may be hesitant or even unwilling to share customer-specific credit information with their competitors. This hesitation may be natural. However, it is important to keep in mind the neutral role of CRBs and the CRS as a whole, which aims at collecting, storing, consolidating, processing, and disseminating credit information in such way that all reporting entities – be it a financial institution or an OGS-company, just to name a few – can benefit from an improved credit information sharing.

²¹ An issue that was raised by USEA in Uganda in 2019.

#7 Over-reliance and false expectations

There may also be a risk of false expectations and excessive demands on what a CRB report can provide. This aspect is crucial and therefore deserves close attention. The degree of usability of CRB reports depends on two key aspects: First, on the reliability and soundness of the information entailed in a report. Second, on the richness of the information, i.e. the level of detail that a CRB report provides. A report can be of sound quality (i.e. the information contained is fully correct), but shallow in terms of contents (e.g. as only little may be known about the potential borrower). Informal borrowings from friends, family and unregulated loan sharks for example cannot – by nature – be captured by a CRB. At first glance, this may seem somewhat disappointing as one may have hoped to gain more information from a CRB report. Against this background, it is important to keep in mind that CRB reports are no silver bullets and therefore should never become the one and only decision-making tool. In fact, a CRB report should only complement and ease credit decision-making processes rather than replace them. This implies that an OGS-company should still carry out a thorough credit assessment using a CRB report as important information source prior to making a final credit decision. This is not unusual and applies to any financial institution alike.

2.3 Conclusion

The opportunities outlined above suggest that linking OGS companies to a CRS can create a wide range of benefits for a multitude of actors. However, there is a need to particularly pay attention to the risks that would arise from such an activity as well as to manage expectations. CRBs are only able to capture, analyse and disseminate the information reported to them in addition to what is publicly available. Informal borrowing and lending activities will always take place regardless of the potential risks associated with it, e.g. lack of consumer protection, opaque fees and in-transparent pricing, reckless collection efforts by loan sharks and so forth. Informal loan exposures - captured or not – still impact on the real credit situation and the borrowing capacity of a person and therefore need to be kept in mind when interpreting credit reports. However, the fact that people also borrow informally should not question the relevance and usefulness of credit information sharing as such. In fact, more efforts should be made, especially by regulators, CRBs and others (e.g. associations) to encourage more formal credit providers to join a CRS system. The more institutions report their data, the more substance future CRB reports will have. Fortunately, the importance of establishing mechanisms of CRB reporting is well recognised and efforts to also include lower-tier institutions are underway.²²

A sound financial sector enabling environment, a dynamic OGS sector and a functioning Credit Reference System are necessary starting points for the implementation of such an activity. The following sections explain why Uganda represents the type of environment in which to pilot the approach.

²² For example, the lower tier 4 microfinance institutions segment in Uganda, which is not regulated by Bank of Uganda but rather by the Uganda Microfinance Regulatory Authority (UMRA) will also have to share their credit data with a Credit Reference Bureau (see p.15 [TIER 4 MFI AND MONEY LENDERS ACT 2016](#)).

3 The case of Uganda

3.1 The OGS sector in Uganda

Even though detailed market data research for the Ugandan OGS market only started recently with a representative sample of companies, the first Solar Market Data Collection²³ as highlighted under figure 1 gives a picture of the dynamic potential.

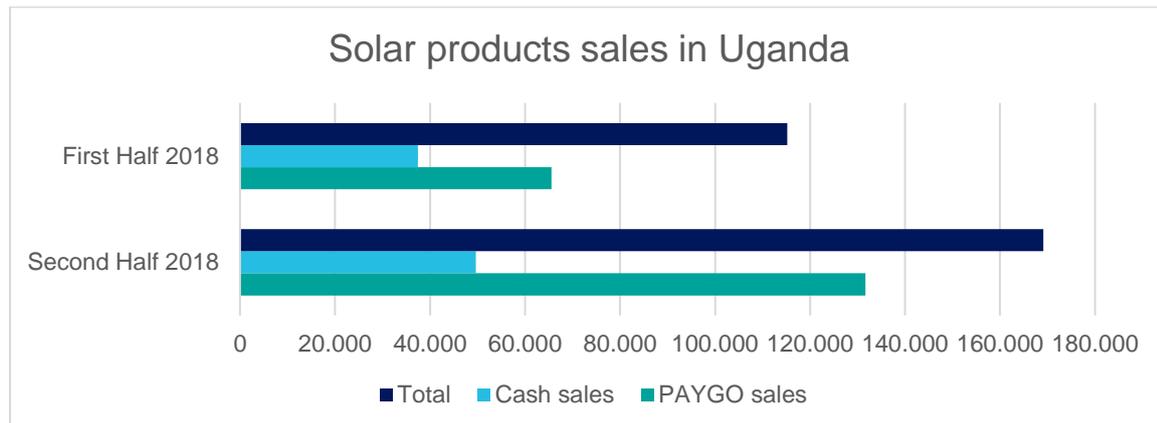


Figure 1: Solar products sales in Uganda

The sales of quality off-grid solar products from the surveyed 23 OGS companies that are members of the Uganda Solar Energy Association (USEA), improved energy access for almost 1.3 million people throughout the country in 2018 alone.²⁴ Early indication EnDev market observation and the GOGLA market reports indicate a continuous growth pattern in 2019 and early 2020. Despite these numbers, it is important to highlight that a large part of the sector still remains in infant or early growth stages, specifically those segments related to higher tier products. Also, profitability has not been reached by all market players. Finally, it is important to keep in mind that many solar customers have been hard hit by the economic impacts of the global COVID-19 pandemic²⁵, which represents a significant threat for the profitability and growth of the sector itself.

The PAYG business model compared to cash sales has seen strong pre-COVID growth in the Ugandan market and accounted for over 75% of solar products sales in the second half of 2018, specifically among higher tier solar home systems. This shows the increased prominence of the PAYG sales compared to cash sales, which allowed OGS companies to reach more customers who are not able to afford the system with full up-front payment. However, the sector experiences extremely low profit margins, high payment default rates and insolvencies from time to time. The need for healthier business operations is obvious; improving the credit portfolio has the potential to contribute to this.

At the same time OGS companies and especially those that provide their products and services based on a PAYG²⁶ business model can be considered as “strange beasts” (CGAP,

²³ According to the USEA Annual Sales & Impact Data Report for 2018

²⁴ According to the USEA Annual Sales & Impact Data Report for 2018

²⁵ Relevant survey’s include the 60Decibel Consumer insights dashboard including insights from Uganda

²⁶ For an explanation on what is often meant (and what not) by PAYG in the context of OGS, see the section on “Explain what is meant by “pay-as-you-go” in the [BFA Global Blog](#).

2018), i.e. hybrids between energy companies and non-bank financial service providers. A role that also came with a range of new challenges for the OGS companies themselves, managing the shift towards this new highly capital-intensive business model.²⁷ However, by offering their customers the possibility to make incremental daily, weekly or monthly (mobile) payments, these companies generate large amounts of credit-related information and data.

Using such data for the purpose of credit information sharing therefore represents a so far untapped opportunity to increase portfolio quality, promote responsible financial inclusion and foster sustainable growth in the OGS sector while at the same time creating valuable impact for its customers as detailed in section 1.1.

3.2 Financial Sector in Uganda

Uganda's financial system is composed of a variety of formal, semi-formal and informal institutions. Formal institutions comprise commercial banks (tier 1), credit institutions (tier 2), microfinance deposit-taking institutions (MDIs) (tier 3), insurance companies, development banks, pension funds and capital markets. The semi-formal institutions include savings and credit cooperatives (SACCOs) and other microfinance institutions (tier 4), whereas the informal ones are mostly Village Savings and Loans Associations (VSLAs). The Bank of Uganda (BoU), i.e. the Central Bank of the Republic of Uganda, supervises banks and some non-bank financial institutions in the country. These include 26 licensed supervised commercial banks (tier 1), four credit institutions (tier 2), six microfinance deposit-taking institutions (tier 3), over 200 forex bureaus and more than 70 money remitters. Moreover, BoU is also responsible for licensing, regulating and supervising CRBs in Uganda. Currently, there are two providers in the market – Compuscan and Metropol – serving the formal financial sector.

BoU realised the potential and importance of widening the scope of credit reporting from the informal and semi-formal sector and therefore initiated changes to the *Financial Institutions Act, 2004*, which resulted in the *Financial Institutions Amendment Act, 2016*.²⁸ Through the Amendment Act, the Bank has created a voluntary accreditation window for other types of credit providers – “Accredited Credit Providers” (ACPs) – that are not licensed by the Central Bank, but which are involved in the provision of goods and services on credit to the public. The idea behind broadening the CRS framework is simple: The more credit providers, also from the non-BoU regulated sector join the formal CRS, the more value credit information delivers.

Figure 2 below again shows the different actors and their respective roles in the Ugandan credit reference system:

²⁷ This was highlighted also by Open Capital Advisors & GOGLA in their report on “Increasing local financial institution investment in the off-grid solar sector, lessons from East Africa”. (OCA 2018)

²⁸ See [Fin-Amendment-Act-2016](#)

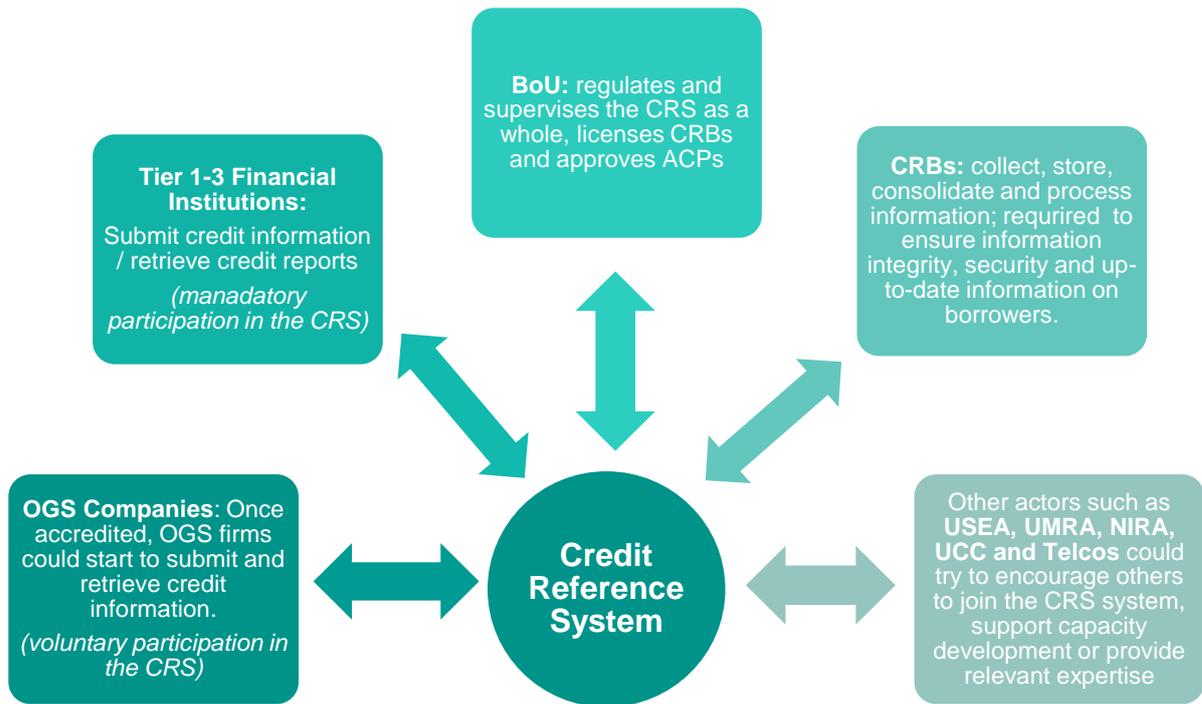


Figure 2: Credit Reference System

3.3. Approach

Energising Development (EnDev) Uganda together with the *GIZ Sector Project Financial Systems Development* intends to kick-off an intervention to link OGS companies with the financial sector.

The analysis suggests the development of a phased approach with, in parts, parallel building blocks to ensure the existing CRS ecosystem in Uganda is also suitable for OGS companies. The sequencing comprises the following key steps:

Linking energy companies to a CRS in Uganda



Figure 3: Sequencing

1. **Roundtable discussion(s)** to identify risks and opportunities and to find a common ground
 - Based on a thorough identification of all the relevant actors who are core to the realization of this undertaking including interested OGS companies, CRBs, BoU, USEA, UMRA and other actors and experts
 - Ensuring a close involvement of all relevant actors in the discussions from a very early stage to foster trust and create a transparent environment
 - Reaching clarity and an agreement on rules, standards, processes and timelines in the credit information sharing process between the various actors

2. **Identification and intake of OGS companies** interested in joining a pilot activity for credit data sharing
 - Informed by roundtable discussions
 - 3 to 4 established sector players with interest and capacity to pilot
 - Establish baseline information on portfolio quality, credit management practices and customer profiles to prepare targeted support

3. **Onboarding & accreditation** (*running in parallel*)
 - a) **Individual support for OGS companies** participating in the pilot
 - Individual support phase for companies to accompany their onboarding and accreditation process
 - Capacity building to enable each company to become a part of the credit reference system and ensure maximum benefits for customers, companies and the credit reference system

 - b) **Technical vetting** of OGS companies joining the credit reference system
 - Ensuring the functioning of the technicalities of the interconnected systems
 - Supporting pilot companies in setting up the technical process together with participating CRBs to ensure a smooth data sharing process
 - Review the existing and future credit information sharing practices to ensure they are in compliance with the Uganda Data Protection and Privacy Act.

 - c) **Administrative vetting** of OGS companies joining the credit reference system
 - BoU putting in place guidelines and a robust system for managing ACPs This means meeting requirements for accreditation and maintaining standards to remain accredited over time.
 - Supporting pilot companies in going through the administrative vetting and accreditation process together with BoU

4. **Further support** of accredited OGS companies as well as detailed **review and progress monitoring**
 - d) Closely monitor the progress of the intervention to gain further insights on benefits, risks and opportunities for customers, companies and other involved stakeholders as well as to ensure the existing complexity is sufficiently addressed.
 - e) Continued capacity building to ensure credit data is shared and used appropriately
 - f) Raising customers' awareness to explain the importance of credit discipline and the advantages of creating a digital credit history.

GIZ is looking forward to piloting this activity for the benefit of the OGS sector and its customers in close collaboration with the relevant stakeholders.

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Abbreviations

ACP	Accredited Credit Provider
BoU	Bank of Uganda
CRB	Credit Reference Bureau
CRS	Credit Reference System
EnDev	Energising Development
FIA	Financial Institution Act
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH
MDI	Microfinance deposit-taking institutions
NIRA	National Identification and Registration Authority
OGS	Off-Grid Solar
PAYG	Pay-As-You-Go
SACCO	Savings and Credit Cooperative
UCC	Uganda Communications Commission
UMRA	Uganda Microfinance Regulatory Authority
USEA	Uganda Solar Energy Association
VSLA	Village Savings and Loan Association

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