

Ignite Power Agrees Terms for Carbon Off-Take Agreement with SEFE, Advancing Goal to Connect 100 Million by 2030

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EINPresswire.com/ -- [Ignite Power](#), a leading distributed renewable energy (DRE) provider in Sub-Saharan Africa, has signed a Term Sheet with SEFE, an international energy company, for a carbon off-take transaction targeting carbon markets under Article 6. The facility is a key milestone in Ignite's journey to connect 100 million people to clean, sustainable energy by 2030.



This innovative transaction, which represents a significant advancement in climate finance and energy access, will drive the company's expansion across both West and East Africa, where it is deploying off-grid solar systems to underserved and unserved communities.

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Yariv Cohen, CEO of Ignite Power

This funding allows the company to improve end client affordability, and scale more rapidly across multiple countries. By receiving payments in hard currency, Ignite Power also mitigates the financial risks associated with currency depreciation in local African markets, ensuring a stable revenue stream as operations expand.

SEFE, a leading player in carbon market solutions, has extensive experience in structuring innovative financial mechanisms that unlock capital for climate impact. The transaction is part of a larger strategy to create scalable, replicable carbon finance models that drive both

environmental and social benefits. Through this agreement, SEFE will facilitate the generation, verification, and trading of emission reductions tied to the deployment of Ignite Power's solar systems. This not only provides capital to Ignite but also positions the company to generate

additional revenue through the sale of emission reductions on global markets.

The carbon market in Africa has tremendous growth potential. While the global voluntary carbon market is currently valued at over \$2 billion and projected to reach \$50 billion by 2030, Africa remains a largely untapped frontier for carbon finance. According to recent reports, Africa accounts for less than 5% of the world's carbon credits, despite its vast potential for carbon sequestration and renewable energy projects. Transactions like this one have the potential to show the pathway to unlock billions in carbon financing, not only for the African continent, which could be reinvested into sustainable infrastructure projects that drive long-term economic growth and social prosperity while combating climate change.

Disruptive Potential in the Off-Grid Solar Sector

The off-grid solar sector in Africa has grown exponentially in recent years, driven by the urgent need to provide affordable and sustainable electricity to the 600 million people on the continent who still lack access to power. By 2030, the global off-grid solar market is expected to surpass \$25 billion, with Africa representing the largest growth opportunity. As one of the market leaders, Ignite Power has already connected over 3 million people across nine countries. The new facility will enable Ignite to further accelerate its deployments, increasing energy access in both established markets and new regions across West and East Africa.

This first-of-its-kind off-take agreement is not only a financial milestone but also a disruptive force in the off-grid solar sector. The agreement demonstrates the power of carbon markets to attract large-scale private investment into decentralized energy solutions. While traditional energy financing models have often struggled to scale due to high up-front capital costs and complex infrastructure requirements, by integrating carbon credits into the financial model, Ignite is able



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to mobilize new sources of capital, reduce deployment costs, and pass on savings to end-users, making off-grid solar even more affordable for low-income households.

As part of the broader global effort to achieve universal energy access, the World Bank's ASCENT program aims to connect 300 million people across Sub-Saharan Africa to electricity by 2030. Ignite Power's plan to connect 100 million people aligns closely with this vision, contributing to the collective goal of large-scale electrification. The ASCENT program, backed by significant international funding, emphasizes the need for innovative financing mechanisms like this carbon transaction to make universal energy access a reality.

Technology Driving Impact

Central to Ignite Power's success is its advanced Monitoring, Reporting, and Verification (MRV) digital platform, which allows for seamless real-time data collection and reliable verification of the carbon savings generated. This technology ensures full transparency, traceability and accountability, a set of key requirements for generating high-quality carbon credits. The platform's ability to track carbon savings in real-time, even in areas with limited or no connectivity, gives Ignite a significant competitive advantage. By leveraging this data-driven approach, the company is able to ensure compliance with international carbon standards and optimize the value of carbon credits sold on the market.

Yariv Cohen, CEO of Ignite Power, highlighted the far-reaching potential of this collaboration: "Africa presents a unique opportunity to build the next generation of utility infrastructure—one that is 100% clean, renewable, and sustainable. If we fail to establish the sector in this way, the alternative is adding extremely polluting projects at a high cost. On the other hand, off-grid solar solutions have proven to be the most impactful, affordable, and scalable option for large-scale electrification efforts and have a critical role in providing hundreds of millions with electricity. This \$24 million off-take agreement with prepayment, made possible through our partnership with SEFE, is just the first step, as the combination of advanced financial structures, carbon markets, and cutting-edge technology is a game changer for Africa's energy future. The road to connecting 100 million people is challenging, but with the right partners and financial tools, we're confident in our ability to achieve this ambitious goal and redefine what's possible in the off-grid solar sector."

Frederic Barnaud, Chief Commercial Officer at SEFE highlights: "At SEFE, we are deeply committed to supporting only the highest quality projects with the utmost integrity, and our partnership with Ignite Power perfectly embodies this commitment. Beyond the substantial CO2 emission reductions this project will achieve, we are particularly proud of the profound impact it will have on the lives of countless African families, providing them with clean and affordable energy instead of relying on harmful kerosene for lighting. This initiative holds tremendous developmental potential, and we are optimistic that it will bring lasting, positive change to these communities."

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