

**SEAF Colombia Agribusiness Fund Invests in Kingo, Leading Renewable Energy Company in Latin America**

*Bogota, Colombia – February 12, 2019* – The SEAF Colombia Agribusiness Fund is pleased to announce it has closed an investment in Kingo, a renewable energy company dedicated to installing, distributing and maintaining prepaid solar energy to homes and businesses in communities beyond the reach of an interconnected electric power distribution grid, known as “of-the-grid” (OTG) in Colombia and Central America. Kingo uses proprietary technology to deliver the decentralized service at a lower cost than existing alternatives.



These OTG populations, estimated at 30 – 40 million individuals in Latin America alone, typically consist of the poorest individuals of these countries, with the fewest opportunities for advancement. Moreover, the methods of power generation in these communities are frequently from inefficient and dirty fossil fuels, cut trees, or derived from other means that harm the environment.

Kingo’s main distribution channel is its network of small, local shopkeepers who sell prepaid solar credit to customers, allowing it to provide electricity to low-density populations in remote areas while simultaneously avoiding collection risk. In contrast, most of existing market players lack a presence at the local level, relying primarily on mobile money operators. As part of SEAF’s investment, the shop owners, frequently members of the local communities, will be trained to assume more capabilities and responsibilities regarding the installation and maintenance of Kingo’s infrastructure. The training will provide quality jobs to vulnerable, low-income individuals who, in turn, can support their communities.

Kingo offers access not just to lighting, but also to fans, refrigerators, mobile phone chargers, and, more importantly, motors and other appliances that can serve to increase productivity and income-generating capabilities. Instead of paying a fixed monthly fee, customers can purchase power as their budget permits. Kingo’s cloud-based software suite allows it to monitor and manage operations remotely.

The company currently provides prepaid energy as a service to over 60,000 users and expects to grow rapidly to over half a million users. Kingo’s energy solutions are aligned neatly with the Colombian government’s mandate to provide electricity to all citizens. (The country currently has between 4% and 7% of homes OTG). As a result, the Colombian Ministry of Mines and Energy recently signed a Letter of Intent with Kingo to install equipment for an initial 5,000 users in Colombia, and if this first phase is a success, then an additional 100,000 households thereafter. Similar agreements are in negotiations with the relevant officials in Panama and elsewhere in Central America.

“We are very excited about our investment in Kingo,” stated Mauricio Samper, Managing Director of the SEAF Colombia Agribusiness Fund. “It allows us to help alleviate income inequality within Colombia, as well as within the region while providing clean, affordable and effective solutions to underprivileged communities, particularly those in rural areas that have been neglected and plagued by conflict.”

The SEAF Colombia Agribusiness Fund has invested in Kingo not only for its prospects for high growth but also for the significant social impact it has on OTG populations. The company contributes to the following six UNDP Sustainable Development Goals (SDGs): SDG #1 – No Poverty, SDG #7 – Affordable and Clean Energy, SDG #8 – Decent Work and Economic Growth, SDG #9 – Industry, Innovation and Infrastructure, SDG #10 – Reduced Inequalities, and SDG #13 – Climate Action.



SEAF CEO Bert van der Vaart commented, “Kingo is positioned to be the leading OTG player in northern Latin America and Central America. As it scales up, we expect that within the next three years it will serve more than 400,000 customers with clean and renewable electricity, where such customers have heretofore had to rely on kerosene, candles and wood.”

For more on Kingo, visit: [www.kingoenergy.com](http://www.kingoenergy.com)

### **About the SEAF Colombia Agribusiness Fund**

The SEAF Colombia Agribusiness Fund is private equity fund that invests growth capital in small and medium-sized enterprises along the agribusiness value chain in Colombia, targeting those outside of the urban centers. The Fund, which was founded in 2017, focuses on SMEs with proven track records, high growth potential, and seeking sustainable triple bottom line returns: financial, social impact and environmental. USAID is a significant investor in the fund, along with local impact investors and SEAF itself.

### **About SEAF**

SEAF is a global fund management company headquartered in Washington, DC that invests in small and medium-sized enterprises (SMEs) in emerging and frontier markets, seeking both financial returns and impact on economic and social development; and providing technical assistance to improve the performance of the enterprises. SEAF, with committed capital of \$1.3 billion, has more than 30 years of

experience with 40 funds in over 30 countries. SEAF also supports 11 Centers for Entrepreneurship and Development (CEED) around the world ([www.ceed-global.org](http://www.ceed-global.org)), providing training, mentoring, professional networks and global access to entrepreneur-run businesses. For more about SEAF, see [www.seaf.com](http://www.seaf.com). ###

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