

Productive Use Financing Facility (PUFF) 1st

General Window: Frequently Asked Questions

This resource covers frequently asked questions (FAQs) for the Procurement Incentives and Technical Assistance- Enterprise Development Grants (EDG) components of the Facility. This document is for informational purposes only. In the event of any inconsistency between this FAQ and the Facility's Terms and Conditions, the Terms and Conditions shall prevail.

Who manages the Productive Use Financing Facility (PUFF)?

[CLASP](#) serves as the operating agent and administrator of both the Procurement Incentive and Enterprise Development Grants components of the Facility.

For more information on the financing Facility, please check our [website](#) or contact financing@clasp.ngo.

Which companies are eligible to participate in the Productive Use Financing Facility?

The Facility is open to Productive Use Equipment (PUE) distributors and other companies that play a role in facilitating PUE procurement and distribution, operating across the off-grid Solar (OGS), mini-grid, and grid-connected (utility) sectors in the following countries: Nigeria, Ethiopia and Kenya. There are no exceptions to the geographic scope.

What are the eligible technologies?

Eligible technologies include grain mills, solar water pumps, refrigerators, freezers, and walk-in cold storage units. We also encourage applications for other technologies with strong productive use cases, such as coffee pulpers, honey extractors, or brooding/incubation units. Electric cooking and fans are not eligible for consideration in this round.

Kindly note that participating companies will not receive their initial subsidy disbursements until all technologies included in a subsidy request have successfully completed quality assurance testing. This means that the product must fall under any of the following:

1. Products named Winners or Finalists of 2019, 2020, and 2022 Global LEAP Awards for solar water pumps, refrigerators, and walk-in cold storage units, OR
2. Products already included in the [VeraSol Product Database](#), OR

3. Products that have undergone testing according to the relevant Global LEAP test methods, and whose performance benchmarks satisfactorily against the lowest performing Winner or Finalist product in the same size/form factor category in the most recent Global LEAP Awards competition, OR
4. Other PUE products that are included in the expanded track (e.g., solar sprayers, solar threshers, walk-in cold storage, brooding and incubation technologies that comply with the requirements detailed in the Productive Use Financing Facility: Eligibility for Expanded Track Appliances document.

Exceptions to the quality assurance guidelines and the potential inclusion of technologies listed as under the case-by-case basis will be made at the Administrator's sole discretion.

How do I complete the product testing process?

The testing process is managed in collaboration with the Verasol program and is described [here](#). Companies may request financial support to offset costs associated with the testing process. For questions about that financial support, please contact the CLASP at financing@clasp.ngo.

For questions about testing laboratories or other aspects of the testing process, please contact testing@verasol.org

When should I start the product testing process?

Testing is not required to submit a subsidy request, but testing must be complete before any subsidies are disbursed. Companies may therefore wait to initiate the testing process until their procurement incentive request has been approved. In addition, companies must provide evidence of having initiated the testing process no more than three weeks after a subsidy request is approved.

How can I obtain an exception to the quality assurance guidelines or the technological scope?

For such requests, please contact financing@clasp.ngo with your proposed exception and rationale.

What can the Enterprise Development Grants be used for?

Enterprise Development Grants (EDGs) are one-time grants available to companies selected for participation in the subsidy program. Companies must indicate their interest in an EDG during the application process. EDG funding is awarded separately from procurement subsidies and requires a simple proposal and budget outlining the intended use of funds (e.g., staffing, testing costs, warehousing, training, etc.). EDG requests are capped at \$10,000.

How do I participate in the Productive Use Financing Facility?

Subsidies are disbursed via competitive auction windows open to all eligible distributors in the relevant national markets. CLASP will post a link to the Subsidy Request Form on the program's webpage (<https://www.clasp.ngo/appliance-financing/>) when a bid submission window is open.

A summary of the information required in the Subsidy Request Form is available [here](#). We encourage all interested companies to review the required fields prior to the opening of an auction window.

Can I make updates to my application after submission?

No material changes (e.g., product models, subsidy amounts, or sales volume) may be made after the application deadline. If you identify an error in your submission shortly after the deadline, please contact financing@clasp.ngo — CLASP may consider corrections on a case-by-case basis.

Will I have to submit any other forms after completing my subsidy form?

Yes, CLASP will send a Transaction & Sales forecast form link to participants with successful requests. These participants will be required to submit sales forecasts along with additional details and documentation related to the PUE procurement to confirm their participation in the Program. Participants will also need to complete forms related to the contracting and onboarding process.

How are subsidy amounts determined?

Companies determine their subsidy amounts in the Subsidy Request forms, calculated as a percentage of a product's Free on Board ("FOB") origin price and multiplied by the volume of products a company indicates they will sell with a given subsidy level. We encourage all interested companies to request the minimum amount of subsidy required to enable them to achieve their desired business outcomes.

In general, CLASP will prioritize companies with smaller overall subsidy requests, and requests that represent a smaller percentage of a product's FOB price. In addition, CLASP may approve a smaller subsidy than what is included in a company's request. Please refer to the Terms and Conditions document for a full summary of the evaluation process for subsidy requests submitted during auction windows.

Subsidy requests are capped at \$250,000.

How will I know if my subsidy request is approved?

Participants should expect to receive notification of the outcome of their bid within a month of the request submission closing date.

What if the price of my product changes?

You will be expected to fill out the product price Variance declaration form provided by CLASP. The form allows you to explain the reason(s) for the deviation between the declared and submitted product FOB Price on the invoice and how the deviations will impact the planned purchase orders.

What is the subsidy disbursement schedule?

Subsidies will be disbursed after participants achieve key milestones, including demonstrating compliance with the Facility's verification process. The first payment (40%) will be made after verifying that the distributor has procured products (e.g., that a down payment has been completed and the transaction is

finalized and legitimate). The second tranche (20%) will be disbursed after verification that products have been sold to end customers. The final tranche (40%) will be disbursed 12 months after installation of the appliance. Subsidy disbursements aligned to the verification of product sales will be made on a rolling, quarterly basis upon completion of verification surveys.

For more information on disbursement and verification, please read the [Terms and Conditions](#).

How will product sales be verified?

CLASP is engaging a third-party firm to conduct customer verification and impact surveying on behalf of the Facility. Participating companies will be required to submit customer contact information for all sales. Companies may also be asked for calls to discuss the Facility's impact and additional data. Sensitive company data will not be made public without the company's express permission.

How long do I have to sell my products?

All products supported by this window must be sold to eligible end users no later than April 2027. Please note that 'sale' means a completed transaction to a customer, and not merely product import or distribution.

Will there be future rounds?

Please subscribe to CLASP's [newsletter](#) to hear about future rounds and other exciting PUFF updates.

Can I participate if I already received PUFF 1.0 support?

Yes, companies are encouraged to apply again.

Who owns the customer data?

Participating companies retain ownership of their customer data. However, as a condition of participation in the Facility, companies are required to share specific customer and sales data with CLASP and its contracted verification and monitoring partners for the purposes of verification, monitoring, evaluation, learning, audit, and reporting.

CLASP and its partners will:

- Use the data solely for program administration, verification, impact assessment, and donor reporting purposes;
- Handle data in accordance with applicable data protection and privacy regulations; and
- Not make company-specific or personally identifiable customer data public without the company's or customer's consent, except where required by law or donor compliance obligations.

Can I apply for multiple countries/models in one application? Who

Yes, companies may apply to sell products in multiple countries and may also apply to sell multiple models/technology types.