



## ENTER ENERGY SOMALIA - RESULTS AND LESSONS

September 2024 - March 2025

#ElectrifyingBarwaaqo.

## Enter Energy Somalia - Partners

**Enter Energy Somalia (EES)** is a public-private-partnership project funded with **UK aid** through the **British Embassy in Mogadishu** via the **Transforming Energy Access** platform (TEA). The project was implemented by **Mercy Corps** and **Baidoa Electric Company (BECO)** in collaboration with the **Southwest State** of Somalia Government through the **Baidoa District Council**, and support from **IOM**.

Transforming  
Energy  
Access

### Citation:

This report was developed and the evaluation conducted by Mercy Corps as part of an internal Post-Project Implementation Review led by the project team, aimed at capturing lessons learned for future projects or similar initiatives.

### Disclaimer:

*This material has been funded by UK aid from the UK government; however, the views expressed do not necessarily reflect the UK government's official policies.*

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## ACRONYMS

BECO	Baidoa Electric Company
CARM	Community, Accountability and Response Mechanisms
EES	Enter Energy Somalia
FGDs	Focused Group Discussions
HumEn	Humanitarian Energy PLC
IBS	International Bank of Somalia
KIIs	Key Informant Interviews
LG	Life's Good
LV	Low Voltage Pole
MC	Mercy Corps
MEL	Monitoring, Evaluation and Learning
PDM	Post distribution Monitoring
PIR	Post Implementation Review
PUE	Productive Use of Energy
TEA	Transforming Energy Access
UKAID	United Kingdom's Overseas Aid



## INTRODUCTION

Enter Energy Somalia (EES) is a public-private-partnership project funded with UK aid through the British Embassy in Mogadishu via the Transforming Energy Access platform (TEA). The project was implemented over a period of 7 months (September 2024 – March 2025) by Mercy Corps and Baidoa Electric Company (BECO), in collaboration with the Southwest State of Somalia Government through the Baidoa District Council, and support from IOM. The aims of the project was to extend electricity to 3,159 households in the resettlement of Barwaaqo and the Northern Baidoa area.

To build off its infrastructure gains, the project also supported a strengthening of productive use of energy (PUE) component for 149 small businesses in the area. This was achieved through tailored business development training, credit appraisals, and appliance grants, directly contributing to increased economic activity, with evidenced use of new access to electricity in income generating ventures.

With the project now completed, a Post-Implementation Review (PIR) was conducted to evaluate the effectiveness, efficiency, and impact of the EES project, focusing on the following components: infrastructure, productive use of energy (PUE), and community engagement. The review also aimed to identify lessons learned, document best practices, and provide recommendations for future projects.

### Objectives:

The main objective of the PIR is to deliver a thorough, evidence-based assessment of the EES Project. Specific objectives:

- Assessing the achievement of project goals and outcomes.
- Evaluating the project performance based on time, scope, cost, quality, and risk management.
- Collecting and analysing stakeholder feedback.
- Identifying operational gaps and challenges.
- Documenting lessons learnt and providing actionable recommendations.

### Methodology:

To ensure a well-rounded and inclusive evaluation, the PIR used a mix of quantitative and qualitative methods based on Mercy Corps' Monitoring, Evaluation, and Learning (MEL) standards and ethical research practices. This approach helped maintain a high level of rigour while encouraging diverse perspectives and cross-checked findings. Methods included:

- 1. Document Review:** Project materials (project proposals, logframes, and progress updates) were reviewed to see how well the project maintained its original goals and targets.
- 2. Key Informant Interviews (KIIs):** Semi-structured conversations with staff from IBS Bank, project field officers, BECO representatives, and local community leaders provided strategic insights and practical feedback from those directly involved.
- 3. Focus Group Discussions (FGDs):** Group discussions with PUE beneficiaries in Barwaaqo 1, 2, and 3 allowed participants to share their firsthand experiences with the energy appliances and how the distribution process bettered their daily lives.
- 4. Field Observations:** Site visits to businesses and homes offered a chance to see the appliances in use, check installation quality, and understand how they fit into the local context.
- 5. Financial Analysis:** A close look at the grant disbursement records, compared to planned budgets, helped assess whether the project was cost-effective and managed its finances responsibly.

## Achievement of Project Objectives



Photo: A resident of the Barwaaqo 1 resettlement site switches on the newly installed electricity in her shop in Baidoa



Photo: Baidoa Electric Company (BECO) engineers test electricity transformers and ensure the power lines are energised and functioning properly



Photo: A small business owner receives electrical appliances, including a refrigerator and a blender, to support their business operations

### Electricity Access:

The project successfully energised 2,241 households, progressing significantly toward the target of 3,159 households. The remaining connections were formally handed over to BECO and the Baidoa Municipality for completion, with a strong local commitment.

### Infrastructure Development:

The Medium Voltage (MV) component was fully completed with all 148 poles installed. Of the 1,781 planned Low Voltage (LV) poles, 1,209 were completed and energised. The remaining infrastructure was officially transferred to local authorities and BECO for finalisation.

### PUE Support to SMEs:

The PUE component support 149 small business owners (112 women, 37 men), through tailored business development training, credit appraisals, and appliance grants. This directly contributed to increased economic activity, with reported use of electricity in income generating ventures (e.g., ice production, cold beverage sales).

To help businesses acquire appliances, the project partnered with IBS Bank, a financial institution that works with micro, small and medium sized enterprises. Mercy Corps and IBS jointly developed a matching grant product that allowed selected businesses, especially those needing more capital than the grant could cover, to take up additional financing through loans with longer repayment periods.

This setup also ensured appliances were sourced from trusted suppliers tied to the financing, and made participants bankable. During the loan assessment process, many informal businesses were supported to register and meet basic financial requirements, helping them take a step toward formal inclusion in the financial system.



## Successful 'Lights On' Event.

- The project brought light to Barwaaqo, providing residents, local businesses, and internally displaced families access to reliable electricity for the very first time. The milestone was celebrated with a special 'Lights On' event attended by the President of the Southwest State, the Governor of the Bay region, the Mayor of Baidoa, and BECO leadership.



Photo: The President of Southwest State, along with members of the state leadership, officially cuts the ribbon to mark the successful implementation of the EES project and the "Lights On" event.

## Successful Project Handover

- The project concluded with a final handover ceremony, where a tripartite agreement was signed between BECO, Mercy Corps, and the Baidoa Municipality.
- This agreement transferred liability for the remaining works to BECO and the Municipality, with clear guidance to ensure the infrastructure continues to adhere to accepted technical standards.
- The event was witnessed by key partners, including IBS Bank, the Mayor of Baidoa, and the Governor of the Bay region. The electrification process was officially transferred to BECO and Baidoa Municipality.



Photo: The Mayor of Baidoa Municipality, the Southwest State Governor, BECO, and Mercy Corps pose for a photo after signing the handover documentation and certificates at the Barwaaqo resettlement site.

## PROJECT PERFORMANCE

To comprehensively assess whether the project's success criteria were met, the project team conducted a post-implementation review focusing on key constraints such as time, scope, cost, quality, and risk management and adaptability. Feedback from the EES project stakeholders was gathered to ensure a well-rounded review. Additionally, a gap analysis was performed to identify areas for improvement, complemented by a comparison of estimated versus actual costs to assess overall project efficiency and effectiveness.

### 1. Scope, Time, and Cost Management:

- With a tight timeline, daily field supervision helped keep the project on track. Strong coordination between Mercy Corps, BECO, and Humanitarian Energy enabled quick responses to any issues that came up in the field. Throughout the process, the project's budget was closely monitored using detailed financial tracking and Monthly Budget Versus Actuals (BVA) analysis to ensure responsible spending.

### 2. Quality Assurance:

- Infrastructure (both LV and MV lines) were commissioned following technical standards supported by Humanitarian Energy Plc, with milestone reporting ensuring transparency and accountability. The SparkMeter smart metering system enabled reliable electricity access and monitoring.

### 3. Risk Management and Adaptability:

- Challenges such as infrastructure delays were mitigated through adaptive management and collaboration with local government and technical partners. Unforeseen delays were addressed proactively with on-site engineering supervision.

### 4. Stakeholder Feedback:

- BECO, IBS Bank, local leaders, and community members revealed strong satisfaction with project outcomes. The involvement of the Baidoa Municipality provided participants with legal certification support, enhancing trust and local ownership.

### 5 GAP and Constraints Analysis:

- The gap between the targeted 3,159 household connections and the achieved 2,241 connections was attributed to logistical and time constraints. All 149 PUE participants accessed grants, but not all PUE participants accessed bank loans; only 18 opted for additional financing of up to \$5,000, highlighting the need for individual business appraisals prior to grant/loan structuring.
- Initially, the proposed matching grant structure required preselected businesses to contribute 10% as a down payment, with a 40% grant component and 50% as a loan. While this setup was initially seen as feasible, credit appraisals showed that most businesses had limited ability to pay, prompting the need for flexibility to accommodate more participants. Of the 149 preselected businesses, 18 had higher capital needs and a stronger ability to repay, making them eligible for additional loan financing.
- To strengthen future implementation, financial service providers should be involved from the beginning, during business selection, mentorship, and training, so that beneficiaries are assessed using existing lending criteria. This will make the design of financial products more informed and better suited to business capacity.



No	Appliance Grant Amount	Number of Businesses	Total Grant Value
1	\$2,500	131	\$327,500
2	\$3,000 (grant +\$500 loan)	7	\$17,500
3	\$3,500 (grant +\$1,000 loan)	2	\$5,000
4	\$5,000 (grant +\$1,000 loan)	9	\$22,500
<b>Total</b>		<b>149</b>	<b>\$372,500</b>

Fig 1.1: Breakdown of Grants and Loans awarded the PUE Participants of the EES Project.

## NOTABLE QUOTES FROM STAKEHOLDERS

*“This project was initiated by the Mayor of Baidoa in collaboration with development partners including Mercy Corps, IOM, UNDP, and UN-Habitat, as part of the broader development plans for Baidoa Municipality. The project targeted 3,159 households for electricity access in the Barwaaqo settlement, along with an additional 149 small business owners who received electrical appliances with the support of IBS Bank. Today, they not only have access to electricity but are also using it productively to improve their livelihoods.” –*  
**Daud Jiran, Mercy Corps Somalia Country Director.**



Photo: Daud Jiran, Mercy Corps Somalia Country Director.

*“Through this project, BECO has extended electricity coverage by approximately 10 kilometers for medium voltage power lines and about 47 kilometers for low voltage power lines. Additionally, we introduced new technology by implementing SparkMeter prepaid electricity meters, enabling the Barwaaqo community to conveniently top up their electricity as needed,”*  
**– Sheikh Ibrahim Ali, Board Chair - BECO**



Photo: Sheikh Ibrahim Ali- Board Chair - BECO



Photo: Baidoa municipality Mayor - Mr Abdullahi Watiin

*“The EES project is both cost-effective and reliable, providing the community with access to 24-hour affordable electricity. Residents now benefit from prepaid electricity meters an advanced technology available in only a few regions and countries. By making electricity affordable, we not only stimulate economic growth but also enhance healthcare services and significantly improve people’s overall livelihoods.”* – **Mr. Abdullahi Watiin, the Mayor of Baidoa.**



Photo: UK Ambassador for Somalia His Excellency, Mike Nithavrianakis

*“Projects like EES light up homes, power businesses, and ignite hope for a more prosperous future”,* **UK Ambassador for Somalia His Excellency, Mike Nithavrianakis**



Photo: Southwest State President Hon Abdiiaziz Mohamed Laftagareen

*“Today, we light the way forward—not just for Barwaaqo, but for all of Somalia,”* – **H.E President Abdiiaziz Mohamed Laftagareen, Southwest State of Somalia President**





Photo: The EES Project team and stakeholders pose for a photo after the closing event at the SWS Presidential Palace in Baidoa



Photo: Deputy Federal Minister Mrs Zahuur - Ministry of Energy and Water Resources Somalia participating the EES project "Lights On" Event in Baidoa



## LESSONS

### Tailored Match Financing Models:

- ◇ Relying on a uniform grant-loan structure across all participants proved to be less effective in meeting the diverse financial realities of small businesses and households. A more adaptive financing approach grounded in early-stage business assessments can help align the financial model with each participant's capacity to repay and invest. For instance, businesses with higher cash flow potential may benefit from more substantial loan components, while more vulnerable groups, such as newly resettled families, may need greater grant-based support. Tailoring the financing structure not only improves affordability but also enhances repayment rates and long-term sustainability.

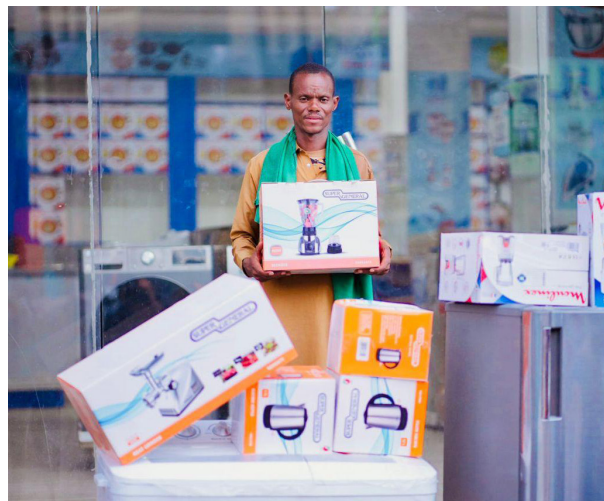


Photo: A small business owner receives electrical appliances to support their business operations

### Local Leadership Engagement:

- ◇ The active involvement of Baidoa Municipality played a pivotal role in ensuring the project's success on the ground. Their support helped bridge the gap between the implementing partners and the community, creating an environment of trust and transparency. Additionally, local government backing facilitated smoother navigation of legal and administrative processes such as securing business permits, thereby accelerating project implementation and community acceptance.



Photo: EES Leadership, local government, and partners progress, challenges and lessons learned at the Mayor's Office

### Close Field Supervision:

- ◇ Daily field-level monitoring of low-voltage (LV) line installations and customer connection activities was essential for maintaining quality control and staying on schedule. This hands-on supervision allowed project teams to identify and address technical issues in real time, mitigate delays, and ensure that contractors met safety and installation standards. In a dynamic context like Barwaaqo, where logistical and environmental challenges are common, consistent field presence was a key factor in keeping the project aligned with its delivery timeline.



Photo: EES Project Engineers conducting daily supervision and ensuring Low Voltage lines are energised and working well



## LESSONS

### Community Feedback Integration:

- ◇ The EES project conducted training sessions for participants, specifically targeting 149 PUE participants, to enhance their understanding of community accountability and reporting mechanisms, as well as gender, equity, diversity, and safeguarding procedures and policies guiding the project. Facilitated by Mercy Corps, these trainings aimed to promote safe and inclusive protocols while creating safe spaces for participants to share feedback.
- ◇ The implementation of Community Accountability and Reporting Mechanisms (CARM) enabled community members to express to Mercy Corps their concerns, report issues, and provide feedback throughout the project's duration. This two-way communication not only fostered trust with beneficiaries but also allowed for real-time adjustments to project activities. For instance, feedback on appliance suitability, connection delays, and service quality informed operational improvements and facilitated prompt grievance resolution. By incorporating community input into decision-making processes, the project strengthened participants' sense of ownership and satisfaction with the outcomes.

### Active Beneficiary Involvement Enhances Transparency and Satisfaction:

- ◇ Engaging beneficiaries throughout the project process from needs assessments to implementation and feedback fosters a sense of ownership and builds trust. When community members are actively involved, they are more informed about the selection criteria, distribution processes, and project goals. This transparency reduces misunderstandings, improves acceptance, and increases overall satisfaction with the project outcomes. It also ensures that interventions are responsive to actual community needs rather than assumptions.

### Strong Coordination with Stakeholders is Key:

- ◇ Effective collaboration among key stakeholders including IBS Bank, BECO, and local authorities was vital for addressing operational issues and ensuring smooth implementation. Regular communication, joint problem-solving, and shared accountability helped streamline processes such as loan disbursement, electricity connections, and technical troubleshooting. It also ensures that interventions are responsive to actual community needs rather than assumptions.



Photo: EES Project team field inspections during the installation of electricity transformers in the relocation site of Barwaaqo.

## RECOMMENDATIONS & WAY FORWARD

### MAINTAIN

- **Sustain the strong collaboration mechanisms:** Continue the strong partnership between BECO, Baidoa Municipality, and community leaders through joint oversight. This will ensure the completion of remaining works, long-term infrastructure maintenance, and accountability for service quality.
- **Maintain and expand PUE support through IBS Bank:** Ensure the continuation of business development services, including mentorship and access to credit, through partners like IBS Bank. This will empower small business owners to sustain and scale their productive energy use, enhancing local economic development.
- **Embed routine monitoring, evaluation, and learning (MEL) systems:** Institutionalise the use of ongoing data collection (e.g., customer feedback surveys, appliance verification, performance tracking) to inform energy service improvements and future project designs. Mercy Corps' MEL approach should be adopted by local stakeholders for continuous quality assurance.

### AMPLIFY

- **Scale up Productive Use of Energy (PUE) support across additional communities:** Leverage the successful pilot in Barwaaqo to replicate business training, appliance grants, and financial linkages in other displacement-affected or underserved areas (Hudur, Waajid etc), boosting entrepreneurship and income generation.
- **Publicise the tripartite partnership model as a blueprint for energy access programs:** Use the Barwaaqo model linking government, private sector (BECO), and NGOs to advocate for similar collaborative frameworks across Somalia, emphasising how shared responsibility drives sustainability and accountability.
- **Expand smart metering infrastructure and digital payment systems:** Build on the successful deployment of SparkMeter technology to enable wider access to pay-as-you-go electricity services, improve revenue collection, and promote energy efficiency across new and existing electrified zones.

### RECONSIDER

- **Low Voltage infrastructure and Household connections:** Ensure future projects allocate sufficient time and resources to fully complete all LV installations and household connections before handover, minimising service gaps and potential community dissatisfaction.
- **Limited reach of the PUE support package:** While impactful, the current PUE intervention only supported 149 participants. Future iterations should explore more inclusive criteria or phased approaches to reach a larger number of aspiring entrepreneurs.
- **Heavy reliance on external partners for monitoring and commissioning:** Strengthen the capacity of local institutions and BECO to lead ongoing monitoring and quality assurance independently, reducing dependency and reinforcing long-term ownership of the energy infrastructure.





Photo: Official EES project Handover and Lights On Event at the Southwest Presidential palace in Baidoa, Somalia



Photo: The Mayor of Baidoa Municipality, the Southwest State Governor, BECO representatives, and EES project leadership pose for a photo after signing the handover documentation and certificates at the Barwaaqo resettlement site.







## ABOUT THE ENTER ENERGY SOMALIA (EES) PROJECT

The Enter Energy Somalia Project was a PPP project funded with UK aid through the British Embassy in Mogadishu via the Transforming Energy Access (TEA) platform. The project was implemented by Mercy Corps and Baidoa Electric Company (BECO) in collaboration with the Southwest State of Somalia Government through the Baidoa District Council with support from IOM. The project aimed to extend electricity to 3,159 households in the resettlement of Barwaaqo and Northern Baidoa area, ultimately reaching 2,241 households, with the remaining connections transferred to BECO for completion.





## Transforming Energy Access

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### About Mercy Corps:

Mercy Corps is a leading global organisation powered by the belief that a better world is possible. In disaster, in hardship, in more than 40 countries around the world, we partner to put bold solutions into action – helping people triumph over adversity and build stronger communities from within. Now, and for the future.



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