USING THE CDM AND CLIMATE FUNDS TO ATTRACT FINANCE FROM THE CAPITAL MARKET FOR THE AFRICAN ENERGY SECTOR

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Vision and mission

**ABREC**
An international organisation backed by African states and financial institutions headquartered in Lome (Togo)
- 16 states
- 06 financial institutions

**Vision**
- Universal access to energy for African population through renewable energies

**Mission**
- Fostering of a Green Economy in Africa through the conception, funding and sponsoring of high impact public sector and private sector renewable energy initiatives in Africa
- Funding sponsoring and managing further high impact strategic initiatives that promote the green economy across the African continent

**FINANCIAL INSTITUTIONS**
- ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT (EBID)
- INTERNATIONAL ENERGY INSURANCE (IEI) OF NIGERIA
- ECOBANK DEVELOPMENT CORPORATION (EDC)
- FONDS AFRICAIN DE GARANTIE ET DE COOPERATION ECONOMIQUE (FAGACE)
- NEXIM BANK (NIGERIA EXIMBANK)

20,5 % OF SHARES
### Selected key milestones

#### OPERATIONAL ACTIVITIES (2010 – 2015)

| PRODERE | 2.15 MW installed  
|         | 3 million people access to energy  
|         | Reducing CO2 emissions: 2,500 tonnes/year |
| PREE    | Energy savings: 20 GWh;  
|         | Reducing CO2 emissions: 70,750 tonnes/year. |
| PROVES BENIN | 105 solar mini grids;  
|         | 15,000 solar street lights  
|         | Reducing CO2 emissions: 4,300.8 tonnes/year |
| 13,000 Solar street lights in Togo | 02 million people benefit from public lighting  
|         | Reducing CO2 emissions: 2,900 tons/year |
| FRAED   | Grid Connexion 200 MW  
|         | Reducing CO2 emissions: 187,000 tons/year |
Economic model for rural electrification

Solar Power plant sized to accommodate 05 levels of rural services for powers from 50 to 500 kWc:

- Water – Electricity – Health – Education - Communication

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>NUMBER OF POWER PLANTS</th>
<th>TOTAL INSTALLED POWER (MW)</th>
<th>GENERATED ENERGY (MWH/YEAR)</th>
<th>POPULATION (000)</th>
<th>ESTIMATED PROJECT COSTS (MILLIONS €)</th>
<th>AVOIDED CO2 EMISSIONS (TONS PER YEAR)</th>
<th>COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Togo</td>
<td>293</td>
<td>17</td>
<td>10,220</td>
<td>250</td>
<td>137,20</td>
<td>8176</td>
<td>100% solar</td>
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<tr>
<td>Mali</td>
<td>250</td>
<td>16</td>
<td>19,162.5</td>
<td>325</td>
<td>156,22</td>
<td>6132</td>
<td>hybride</td>
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<tr>
<td>Niger</td>
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<td>9</td>
<td>5,320</td>
<td>155</td>
<td>90,00</td>
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<td>GB</td>
<td>39</td>
<td>3,3</td>
<td>1,970</td>
<td>85</td>
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<tr>
<td>Benin</td>
<td>105</td>
<td>4,3</td>
<td>5,376</td>
<td>115</td>
<td>38,11</td>
<td>4300,8</td>
<td>100% solar</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>887</strong></td>
<td><strong>49,6</strong></td>
<td><strong>42,048.5</strong></td>
<td><strong>930</strong></td>
<td><strong>453,52</strong></td>
<td><strong>21887,2</strong></td>
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[https://cdm.unfccc.int/Projects/PriorCDM/notifications/index.html](https://cdm.unfccc.int/Projects/PriorCDM/notifications/index.html).
Managed by Private sector: Built Operate and Develop

The private sector involvement faces to the following milestones:

- The tenor of the financing (interest rate 7.5% for a repayment period 7 years including 02 of grace period);
- The levelized cost of energy in the rural areas is not enough attractive for private sector.

What solutions?

- Seek assistance of GCF (guarantee and/or facilitate the access to the capital market for better conditions of loans);
- Direct access to the capital market (equity, loan, green bonds, soft loan, mezzanine).
THANK YOU