

SUNREF- Sustainable Use of Natural Resources and Energy Finance

SUNREF is the “green finance” label of the AFD (Agence Francaise de Development).

Objective: Promote, in developing countries, private sector investments in favour of energy management and sustainable management of natural resources, through loans granted to partner banks.

This innovative programme endeavours at assisting the transition of developing countries towards green growth, by enabling businesses, in line with specific eligibility criteria, to benefit from incentive-based loans for the financing of projects in the fields of environmental performance and energy efficiency, renewable energy or adaptation to climate change.

SUNREF in Mauritius

SUNREF mobilises AFD’s banking partners: MCB and SBM, as well as private sector operators, in an inclusive manner, in order to foster green and inclusive growth, whilst enhancing the resilience of the country to the adverse impacts of climate change.

The first two credit facilities focused only on climate change mitigation, as follows:

SUNREF I : 2008 - 2013

- A €40 M facility allocated to 4 banks
- An investment grant representing 12% of the borrowed amount
- A scheme that supported the role of private sector in the first national green growth strategy « Mauritius, sustainable island »
- Number of projects financed : 102

SUNREF II: 2014 - 2017

- A €60 M facility allocated to two banks: SBM and MCB
- An investment grant amounting to 8% of the borrowed amount
- A technical assistance programme financed through a € 1,7 grant from the EU
- A support to the National Energy Efficiency Programme (PNEE) for the development of EE projects.
- Number of projects financed : 156

The **SUNREF III** (2018-2022), consists of a financial package of €75million and is sustained by the contribution of the European Union (€7million). The SUNREF line of credit pursue the efforts to **promote mitigation of climate change** (renewable energy, energy efficiency, reduction in greenhouse gas emissions), as well as **facilitate the transition of Mauritius towards a more resilient and inclusive economy**. This line of credit, made available to Mauritian partner banks, is accompanied by technical assistance, the management of which has been entrusted to Business Mauritius.

Through this financing package, AFD encourages the local banks in providing loans to private sector companies fostering green investments and promoting gender equality. These companies

will benefit from loans with financial incentives, such as investment grants financed by the AFD and the EU, the amount of which will be adjusted according to the nature of the investment(s) made. The technical assistance seeks to strengthen capacity building across the different partners of the programme.

Some Projects under SUNREF

1. Mr P. Ramiah installed a photovoltaic system connected to the grid of a total capacity of 5.76 kWp with battery storage. Part of the solar production is for self-consumption while the excess is sold to the CEB.
 - Total amount 25 456 euros.
 - Loan amount 25 456 euros.
 - Emission reduction: **4,5** t_{eq} CO₂/year
 - Capacity installed: **5.76** kWp
 - Green energy production: **9 216** kWh/year
2. Super U equipped one of its mall (shops and supermarket, under a roof area of nearly 10 000 m²) with the best technologies available: thermic isolation of the total roof surface; air conditioning including a central refrigerating unit with cold storage by phase change nodules; photovoltaic panels for a total power of 1 117kW for self-consumption; cold rooms with variable speed drive compressors; LED lighting; etc. The mall has also invested in a rain water harvesting system, the installation of a wastewater treatment facility allowing recycling for every non-drinkable use and a set of equipment enabling to save water.
 - Total amount EUR 20 744 000.
 - Loan amount EUR 7 000 000.
 - Energy savings: **3 885 000** Kwh/y
 - Solar production: **1 788 000** Kwh/y
 - Water savings: **10 000** m³/y
3. Solar Field has installed a 2 MW photovoltaic farm to supply more than 4 million kwh/year to the grid.
 - Total amount EUR 4 740 000
 - Loan amount EUR 4 000 000
 - Solar production: **4 000** MWh/Y
 - Greenhouse gas reduction: **3 667** tCO₂eq/Y
4. Maurilait replaced its cooling systems functioning on R22, a refrigerant gas with damaging effects on the ozone layer, to ammonia gas, which is less energy intensive and more respectful of the environment, as well regarding its effects on the ozone layer as on its greenhouse effect. To improve the system performances, variable speed motors were installed on the compressor of both the cold unit and the condensation unit. A hot gas recovery defrosting system has also been installed to reduce the defrosting duration and reduce its electricity consumption.

- Total amount 570 510 euros
 - Loan amount 279 346 euros
 - **454 185** kWh of electricity saving
 - **500** tons of CO₂ avoided
5. **Omnicanne has built an ethanol distillery to allow its production from molasses distillation, a waste of sugar production. In addition, they have built a recuperation and conditioning unit of the CO₂ from the ethanol production and an evaporation and liquid storage unit for the concentrated molasses, producing 72 000 tons per year of natural agricultural fertilizer. All the energy (steam and electricity) necessary for the industrial process comes from the bagasse combustion, a fibrous residue from the sugar cane. Therefore, this new installation guarantees the reduction of chemical fertilizers importation and the use of fossil fuels and allows the recuperation of part of the CO₂ emissions to use in carbonated drinks local market.**
- Total amount 16 000 000 euros
 - Loan amount 3 500 000 euros
 - Emission reduction: **24 000** teq CO₂/year
 - **25 000** t ethanol production
 - **72 000** t/year of sugar wastes reused