

ACCESSIBLE FINANCE FOR RENEWABLE ENERGY PROJECTS IN DEVELOPING COUNTRIES

BACKGROUND

The International Renewable Energy Agency (IRENA) and the Abu Dhabi Fund for Development (ADFD) have collaborated on a joint Project Facility to support replicable, scalable and transformative renewable energy projects in developing countries. ADFD committed USD 350 million in concessional loans, over seven annual funding cycles, to renewable energy projects recommended by IRENA. Projects were selected for funding in January 2014 in the first cycle.

The sixth cycle will open to receive summary applications between mid-November 2017 and 15 February 2018. Please register on the website www.irena.org/adfd for details on the application process closer to the opening.

ADFD FUNDING

USD 50 million available in each cycle.

USD 5-15 million ADFD loans for each project covering up to 50% of the project costs.

1-2% loan rates, 20-year loan period including 5-year grace period.

HOW IT WORKS

Applicants are first asked for an Executive Project Summary which must be submitted by **15 February 2018** in the sixth cycle. The applications are evaluated by an independent, international Panel of Experts which shortlists projects based on technical feasibility, economic/financial viability and socio-economic and environmental impacts.

The proponents of shortlisted projects are then asked to submit Full Project Proposals in May and June of each year including a full economic feasibility study. The Advisory Committee, appointed by IRENA members, assesses the projects to ensure alignment with national development priorities, geographic spread and diversity of technologies. ADFD makes the final selection of projects from IRENA's recommended list by December of each year.

To be shortlisted, projects must be:

- > transformative
- > replicable/scalable
- > economically feasible

They must also:

- > have a positive development impact
- > improve energy access
- > address energy security
- > have government support



A 2 MW solar project in Senegal, selected in the third cycle.

CO-FINANCING

The ADFD sovereign loans cover up to 50% of the project costs with the rest needing co-financing. Co-financing can come from any sources including government, development funds and the private sector. IRENA can share the application with other funds for co-financing, if requested. Applicants can also register on the IRENA Sustainable Energy Marketplace to explore co-financing opportunities.



ELIGIBILITY

Projects submitted for funding to the IRENA/ADFD Project Facility must meet the following requirements:

COUNTRY LEVEL CRITERIA

- Projects must be submitted by Members of IRENA, Signatories of the Statute, or States in Accession which are developing countries on the OECD “DAC List of ODA Recipients”.
- Projects must have the support and prioritisation of the host government and be able to obtain a sovereign government guarantee.

TECHNOLOGY

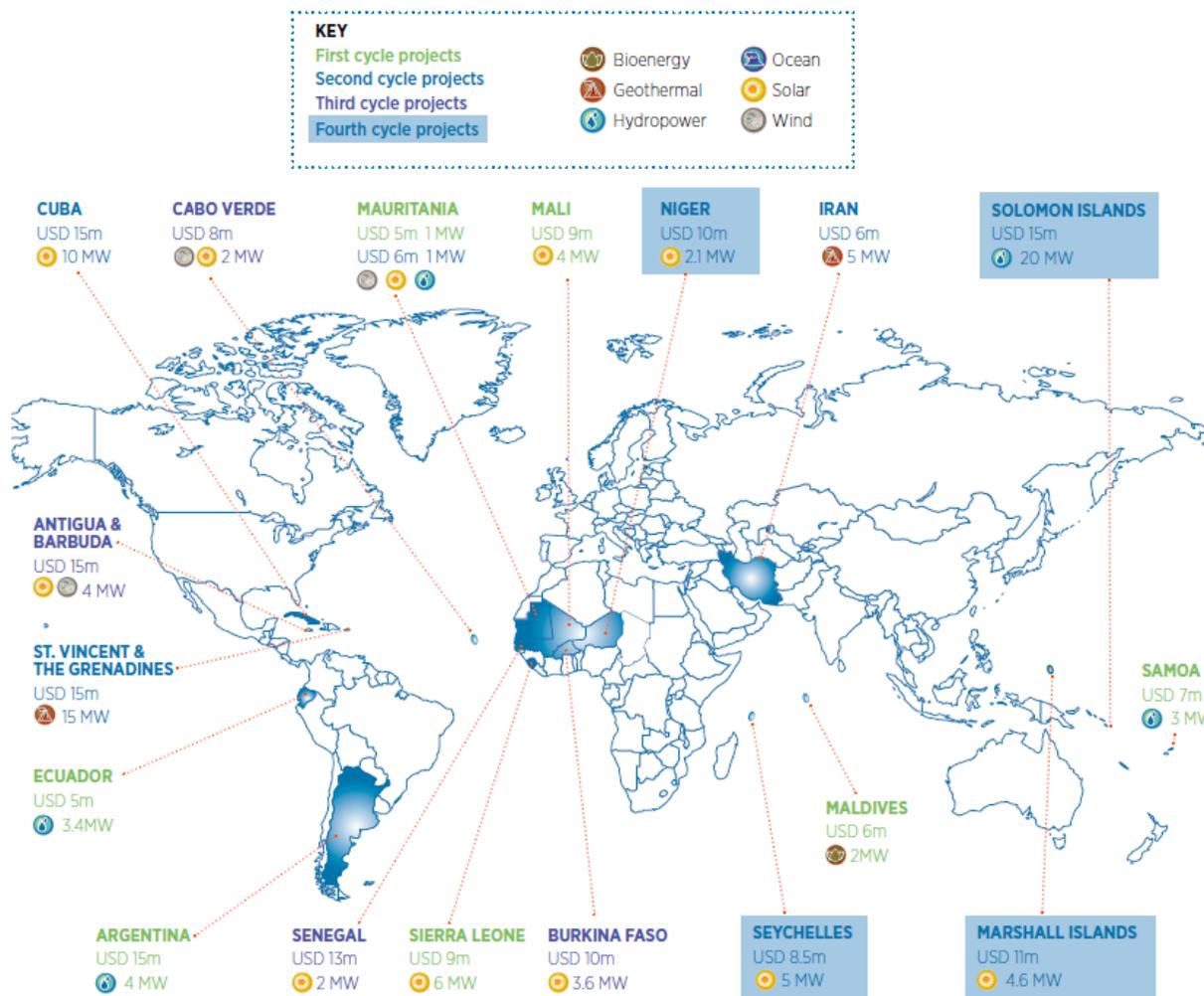
Projects deploy renewable energy as defined in the Statute of IRENA, including bioenergy, geothermal energy, hydropower, ocean energy, solar energy, and wind energy.

PROJECT STAGE

Projects must be at feasibility study and pre-implementation stage i.e. prior to tendering and procurement execution.

PROJECTS SELECTED FOR FUNDING

- > Since January 2014, loans worth **USD 189 million** have been allocated to **19 renewable energy projects**.
- > IRENA/ADFD backing has helped to leverage over **USD 387 million** from other funding sources for remaining project costs.
- > Around **100 MW** of renewable capacity is set to come online.
- > Over **one million people** will benefit from increased access to energy and improved livelihoods.



Please visit www.irena.org/adfd or email adfd@irena.org for further information on applying for funding or participating as an expert (submit nomination by end October 2017) or for co-funding opportunities.

