



**PFAN**

Accelerating Investment  
for Climate and Clean Energy

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# Annual Report

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# PFAN in Numbers

Total investment leveraged (USD billions)

**1.84**

Projects that reached financial closure

**28**

Clean energy capacity added (MW)

**1159**

Total projects supported by PFAN

**916**

Total projects that reached financial closure

**155**

Projects that reached financial closure (%)

**17**

Potential CO2 emission mitigation in mega-tonnes/year

**4.14**

Number of countries in which financial closure was reached

**30**

Number of countries in which PFAN is active

**52**

# 4 PFAN in 2020

**The outbreak of the Covid-19 pandemic in 2020 had severe consequences on economies and societies around the globe.**

Despite the challenges posed by the pandemic, PFAN extended tailored coaching support to a further 157 projects in 2020, successfully increasing the number of supported climate and clean energy projects by 30% compared to 2019. We also strengthened our network by adding 23 PFAN Advisors in 2020, bringing the total number up to 141 clean energy financing experts coaching projects in 52 countries around the world.

In addition to PFAN's successful scale-up in terms of projects and network members and despite the more difficult environment for attracting investments, 28 PFAN-supported projects were able to raise a total investment of just under USD 142m. These projects added a total of 62.8 MW capacity, which would be enough to supply about 156k average Indian households for one year. Moreover, these projects were mitigating more than 514k tonnes CO<sub>2</sub>e which is equivalent to taking more than 100k passenger vehicles off the road for one year[1].

Beyond the numbers, stand out positives during the year included: Asia and Central America and the Caribbean (CCA) leading the way in the organisation of virtual events with partners and investors; our first financial closures in CCA and Eastern Europe & Central Asia; intensification of the origination, project development and advisory work in Africa; meaningful market penetration and network establishment in Fiji as our beachhead in the Pacific, where the new virtual reality actually accelerated and facilitated our efforts.

Total investment leveraged (USD millions)

142

Projects that reached financial closure

28

Clean energy capacity added (MW)

62.8

Projects provided PFAN support

157

New partnerships established

26

New PFAN Advisors added

23

PFAN Advisors around the world

141

[1] <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

## A word from Peter Storey, PFAN Global Coordinator

In 2020, none of us could have predicted the unprecedented events which unfolded from the end of February last year onwards and the effect that they would have and continue to have on all aspects of our work and private lives. I am – and I think we can all be – immensely proud of the way PFAN as an organisation and group of people responded to the extraordinary demands placed on us.



**Peter Storey**  
Global Coordinator

“ The work we are doing is important and is contributing to fundamental shifts in the way people live and work in developing countries and helping drive the transition to low carbon economies, ensuring a more sustain-able future for us all in the long run. ”

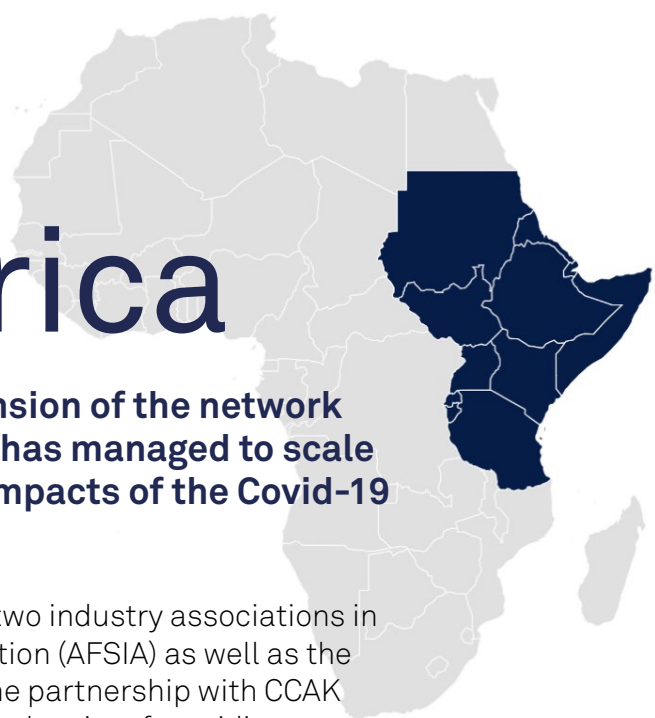
There were of course frustrations as well as we all adapted to the new (ab)normal. As good as our response programme ensuring business continuity in turbulent times was, we weren't able to connect enough of our clients to the emergency liquidity they urgently needed. But learning from this we are now building increased resilience into our own operations and making sure it is embedded also in our clients' business models, such that we can all withstand future shocks better.

### Adaptation in practice!

PFAN is in a good place going into 2021. The work we are doing is important and is contributing to fundamental shifts in the way people live and work in developing countries and helping drive the transition to low carbon economies, ensuring a more sustainable future for us all in the long run.



# Eastern Africa



With 25 supported projects and the expansion of the network to 22 members, the Eastern Africa region has managed to scale up PFAN activities last year, despite the impacts of the Covid-19 pandemic.

Moreover, PFAN has established partnerships with two industry associations in the region, namely the Africa Solar Industry Association (AFSIA) as well as the Clean Cooking Association of Kenya (CCAK). While the partnership with CCAK will focus on outreach to clean cooking ventures with the aim of providing some capacity building to the sector, the AFSIA partnership is leaning towards investor outreach and introduction of PFAN projects to potential investors.

Additionally, Kenya Climate Ventures (KCV), an investment management company that seeks to accelerate the development of climate smart solutions, has also become a PFAN Partner in 2020. Together with KCV and Camco Clean Energy, PFAN has organised a “Meet the Investor” webinar, in which PFAN services were introduced to a group of project developers as well as the Investors’ perspective was presented. In addition to outreach webinars, Eastern Africa network members have represented PFAN at various conferences and workshops, such as a consultative forum on sound chemicals management mainstreaming and UPOPS reduction in Kenya.

## Eastern Africa in 2020

Total investment leveraged (USD)

144,500

Projects that reached financial closure

2

Total Advisors

22

Female Advisors

5

Locally-based Advisors (%)

95

Total number of projects supported

25

Total number of projects supported by country

Ethiopia



Kenya



Rwanda



Tanzania



Uganda



0 1 2 3 4 5 6 7 8 9

## Meet our Network in Eastern Africa



### **PFAN Advisor - Diana Gichaga**

Diana is a frontier markets professional providing business and transaction advisory services to SMEs within Sub-Saharan Africa.

This support entails deal origination, investor readiness, deal structuring, capital raising, investor relations and portfolio company support for SMEs.

Diana has over 16 years work experience in the capital markets and private equity/venture capital industries in Sub Saharan Africa. She is the Founder and Managing Partner of Private Equity Support (PES) – an Enterprise Support Advisory organisation. PES works with Small and Growing Businesses (SGBs) to provide investor readiness support to SGBs seeking to raise early stage financing or reposition for sustainable growth.

Diana has previously worked in asset management at Britam Asset Management where she focused on the private equity and real estate segments. She was also the Head of Investor Relations at Fusion Group Africa, a regional private equity firm domiciled out of Guernsey, raising over USD 40m for a first time team, on a first time fund, investing in East Africa.

Prior to that, Diana set up and led the Investor Relations department at the Nairobi Securities Exchange, including managing the public relations and communications aspects.

## Country Coordinators



- 
- Ethiopia** – Mika Turpeinen
  - Kenya** – Patrick Thimba
  - Rwanda** – Mansul Kakimba
  - Tanzania** – Philemon Msuya
  - Uganda** – Arnold Byarugaba

## New Partners in 2020



### Africa Solar Industry Association (AFSIA) Industry association

AFSIA, the reference association for solar professionals in Africa, promotes solar power in the African region from large scale grid-connected projects to off-grid solar home systems.



### Clean Cooking Association of Kenya (CCA-K), Kenya Non-profit

BCSDZ was formed 25 years ago by a group of leading business people in Zimbabwe who shared common concerns over environmental issues and who wished to make and encourage a commitment by business to the phased implementation of environmental management programmes, and assist in enhancing appropriate knowledge.



### Kenya Climate Ventures (KCV), Kenya Impact fund manager

Kenya Climate Ventures Limited, founded in 2016, is an investment management company that seeks to accelerate the development of climate smart solutions by providing tailored and targeted financial and managerial assistance support to innovative early and growth stage businesses.





# Kuza Energy



Country

**KENYA**

Investment Amount (USD)

**100,000**

Business type

**GREENFIELD**

Project IRR (%)

**13**

Installed capacity (MW)

**2.5**

GHG mitigation impact  
(tonnes of CO<sub>2</sub>e/year)

**5648**

Technology Area

**HYDRO-  
POWER**





The project is a 2.5 MW small hydro power generation scheme that sells clean energy to the national grid operator, Kenya Power Company. The power generated helps to supply the South Nyanza distribution network and load centres in the vicinity of the project site, and the generated electricity is then sold to Kenya Power under a standardised Power Purchase Agreement as per the feed-in-tariff policy. The project site is located in Kisii County, one of Kenya's 47 counties which lies in the west of the country. The county has a maximum demand of 391MW, and the South Nyanza sub-region which encompasses Kisii County has an annual demand of 86 GWh. About 60% of the residents in this region are not connected to the national grid and rely mainly on kerosene for lighting and firewood for cooking.

Japheth Omari, CEO of Kuza, was supported by PFAN in putting together his financial model and was advised with regards to the business model. PFAN's assistance continued to the investor stage, where his PFAN Advisor reviewed and advised on grant agreements and accompanied him to meetings with grantors and helped in the negotiations, assisting Kuza in reaching financial closure.



**Japheth Omari**  
CEO of Kuza

“ Through PFAN's support in polishing our business model, coaching and investor linkages, Kuza has met and negotiated with different investors. PFAN has supported us in every step, increasing our project attractiveness to investors. We are greatly indebted to PFAN and specifically thank Wilfred Mworira, our Advisor and East Africa Regional Coordinator, for going an extra mile to support us in every step of our journey. ”

## Regional Coordinator, Eastern Africa



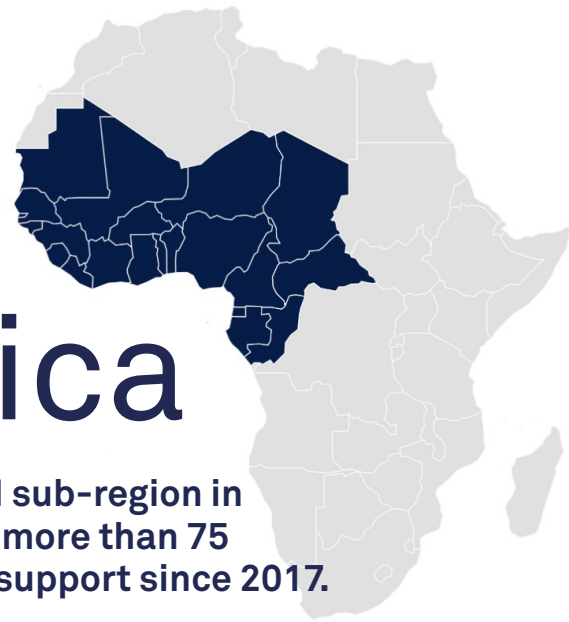
**Wilfred Mworja**  
[wilfred.mworja@pfan.net](mailto:wilfred.mworja@pfan.net)

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Wilfred started his career in enterprise software, working for several local and international software houses. With a keen interest in the transformative potential of entrepreneurship, he ventured out into tech enterprise for a number of years, after which he found he could have greater impact by enabling other entrepreneurs to thrive. He has since worked in various capacities providing business strategy and investment support to entrepreneurs.

Wilfred is PFAN's Regional Coordinator in the Eastern Africa Region, where he works to grow investment towards clean energy ventures.





# Western Africa

**The Western Africa Region is the largest PFAN sub-region in Sub-Saharan Africa in terms of projects, with more than 75 projects in West Africa having received PFAN support since 2017.**

To continue high-quality project support and investment facilitation, considering the requirements of investors, PFAN has managed to establish two important partnerships with banks in the region. The partnership agreement with Fidelity Bank Ghana recognizes the respective strengths of the parties, where the bank has started referring projects to PFAN to evaluate, prepare and „recondition“ and for the supported projects to be sent back to the bank for financing.

Additionally, PFAN has established a partnership with the West African Development Bank (BOAD), a development finance institution that promotes the development of its member countries and fosters economic integration within West Africa by financing priority development projects.

The Covid-19 pandemic affected the way PFAN conducted its activities in the region, especially regarding roadshows that provide the platform for our services to be promoted to entrepreneurs. However, PFAN was able to conduct several virtual outreach events with more than 50 participants. These events served a dual purpose: to inform entrepreneurs about PFAN services and also to build their capacity on developing good business plans and financial models.

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## Western Africa in 2020

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Total Advisors

**27**

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Total number of projects supported

**19**

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Total investment leveraged (USD)

**575,000**

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Female Advisors

**7**

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New partnerships established

**2**

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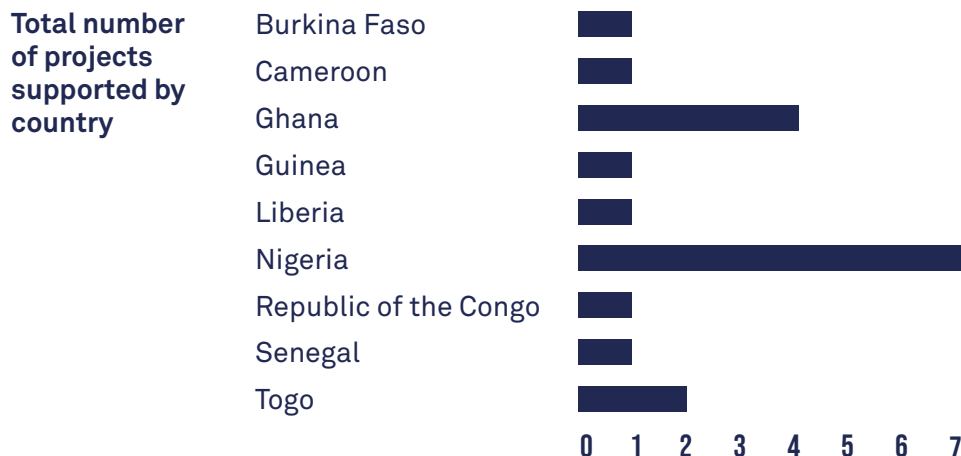
Projects that reached financial closure

**3**

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Locally-based Advisors (%)

**85**



## Meet our Network in Western Africa



### PFAN Advisor - Ujunwa Ojemeni

Ujunwa Ojemeni is an impact investing, energy and development expert with experience in the areas of opportunity maturation, financing, and policy focused on driving the achievement of SDG 7 in Africa by 2030 and an advocate for gender inclusivity/equal representation in the energy sector.

At the Office of the Honourable Commissioner for Energy & Mineral Resources Lagos State, she drives policies, investments opportunities and implementation strategies to deliver reliable energy to the citizens of the State.

Ujunwa has coordinated several energy projects as well as energy funds worth over \$1 Billion and was previously at Axxela Limited (energy infrastructure project development) and All On (off-grid energy access investing).

In 2020, Ujunwa was appointed to the Advisory Board of the Renewable Energy Association of Nigeria (REAN). She has received several awards for her phenomenal work in the energy sector including the 2020 Energy leader by the Energy Institute, and the 2019 Young Leaders Award in the Energy and Sustainability category by the Mandela Washington Fellowship Alumni Association in Nigeria. In 2019, she was selected as one of 60 young African Clean Energy Leaders by Enel Foundation, and was also a finalist at the IFC Sustainability Exchange Contest in 2019.



Ujunwa is the founder of the African Women in Energy Development Initiative (AWEDI) focused on promoting the growth of women in the sector through mentorship programs, career sponsorship (acceleration), networking opportunities, professional development and leadership training for women at all stages of their energy careers and for female students at the secondary and tertiary levels.

## Country Coordinators



- Burkina Faso** – Maiga Bintou
- Cote d'Ivoire** – Pierre Claver Kouakou
- Ghana** – Agnes Ansah Osei
- Liberia** – Wilson Idahor
- Mali** – Djigui Diallo
- Nigeria** – Olugbolahan Mark-George
- Senegal / Guinea** – Antoine Faye
- Sierra Leone** – Aminata Dumbuya
- Togo / Benin** – Sena Ayenu

## New Partners in 2020



**Fidelity Bank Ghana Limited, Ghana**  
Commercial bank

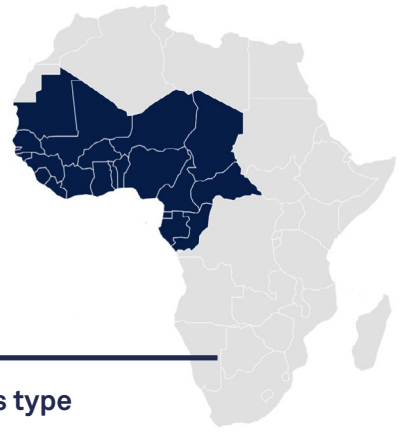
Fidelity Bank is a commercial bank in Ghana offering a wide variety of services.



**Banque Ouest Africaine de Développement (BOAD)**  
DFI

BOAD is the common development finance institution whose purpose is to promote the balanced development of its member countries and foster economic integration within West Africa by financing priority development projects.

# Sahelia Solar



Country

**BURKINA  
FASO**

Investment Amount  
(USD millions)

**6.7**

Business type

**GREENFIELD**

Project IRR (%)

**7.2**

Installed capacity (MW)

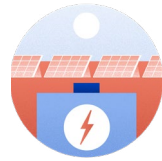
**4**

GHG mitigation impact  
(tonnes of CO<sub>2</sub>e/year)

**1737**

Technology Area

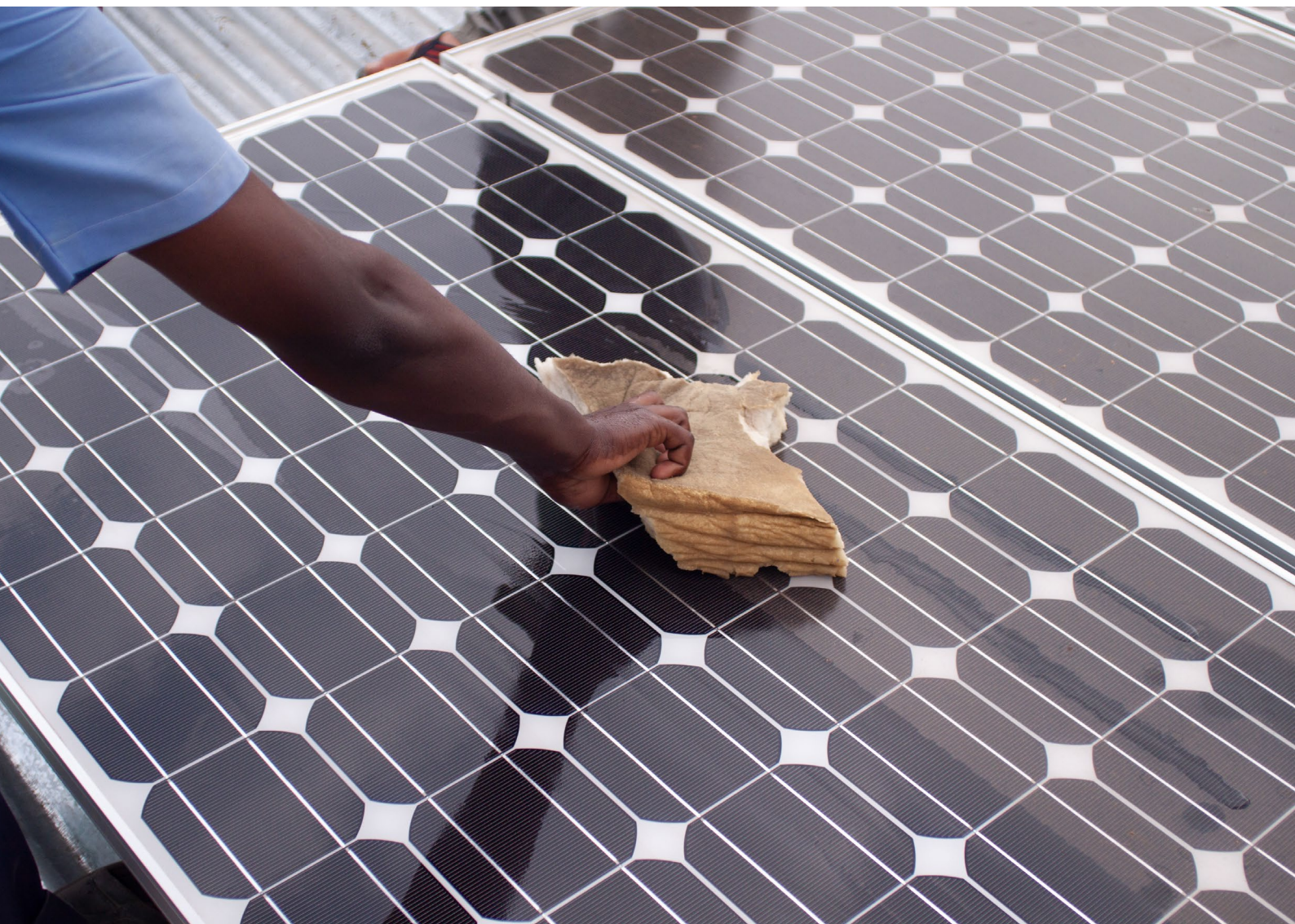
**SOLAR  
ENERGY**





Sahelia Solar is a Burkina Faso based solar engineering company with the objective to make access to clean and affordable energy a reality in West Africa. They develop community solar energy platforms (CSP) and mini-grids to provide modern electricity services to more than 100 villages in Burkina Faso. The project has been designed to bring significant improvements over the government's existing Multi-Functional Platform (MFP) programme, which is related to high maintenance requirements, costs, and logistics of fuel supply of diesel engines at existing MFPs.

The community solar energy platforms' preliminary design integrates ~15 kWp of photovoltaic capacity, ~60 kWh of storage capacity, electrical agro-processing equipment, and a mini-grid that should enable connection for approximately 10 micro-businesses and 25 households. In addition, the energy and equipment will be made available for use by community members, households and micro businesses on a pay-as-you-go basis with mobile payments.





## Regional Coordinator, Western Africa



**Albert Boateng**  
[albert.boateng@pfan.net](mailto:albert.boateng@pfan.net)

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“ Each project requires a different amount of attention; our coaches work very closely with developers to meet their specific needs, something which makes the PFAN model unique. PFAN empowers the developer to recognise and communicate the value of their project to potential investors. ”



Albert is an experienced renewable energy finance expert and transactions advisor. He joined PFAN as a coach in 2013 and became the Regional Coordinator the following year. As regional coordinator, he supports project development and finance facilitation across West Africa. The region covers 15 countries, and more than 200 projects have been coached.

Albert's role includes connecting projects to coaches, providing guidance to the coaches, building relationships with network partners and growing the network in the region. Prior to this role, he was the Regional Director of Persistent Energy Partners, a clean energy investment company. He oversaw the investment and portfolio development of PEP's West Africa operations including pipeline development, investment appraisal, transactions structuring, asset management and implementation of exit/liquidation strategies.

Albert holds an MBA from Boston College, Massachusetts, USA and is a Certified Expert in Climate and Renewable Energy Finance (CECREF).

# Southern Africa

A map of the African continent with the Southern Africa region highlighted in dark blue. The highlighted region includes South Africa, Lesotho, Swaziland, Botswana, Zimbabwe, Mozambique, and Madagascar.

**PFAN activities in Southern Africa this year were shaped by the close collaboration with the SADC Centre for Renewable Energy and Energy Efficiency (SACREEE).**

SACREEE's mission is to increase access to modern energy services and increase energy security by promoting the adoption of renewable energy and energy efficient technologies and services in the Southern Africa Development Community.

Strengthening the relationship with SACREEE, PFAN has organized webinars in collaboration with the centre to discuss opportunities for financing climate and clean energy projects, expand the profile of PFAN within the SADC region and to identify prospective entrepreneurs. The webinars were attended by more than 80 interested entrepreneurs as well as representatives of local PFAN partners, such as the Business Council for Sustainable Development Zimbabwe.

Additionally, the PFAN Country Coordinators in the region conducted virtual roadshows to promote PFAN services to entrepreneurs. Thus, despite the region being severely hit by the COVID-19 pandemic, the Southern Africa region has managed to keep PFAN activities and advisor support ongoing and to successfully organize several virtual outreach events.

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## Southern Africa in 2020

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Total Advisors

**20**

Total number of projects supported

**13**

Total investment leveraged (USD)

**673699**

Female Advisors

**4**

New partnerships established

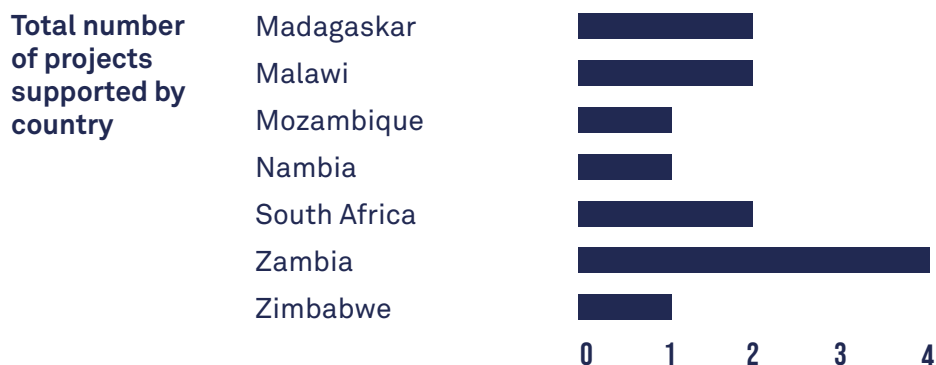
**2**

Projects that reached financial closure

**1**

Locally-based Advisors (%)

**100**



## Meet our Network in Southern Africa



### PFAN Advisor - Mohamed Allie Ebrahim

Allie is a qualified Chartered Accountant, CA (SA), with 19 years consulting experience in financial and transaction advisory services. He spent close to 15 years working in the corporate finance department of one of the global Big Four auditing and advisory services firms. Since July 2016, he has been providing consulting services as an independent consultant.

Allie has advised (delivered, managed and/or led) financial due diligence investigations, business and asset valuations and appraisals, financial model reviews, financial modelling and strategic financial advisory assignments. He has a good understanding of corporate and project finance principles and seeks to apply his financial expertise and broad transaction advisory experience to inform and support the strategic, financial and capital decisions of clients.

Allie has also developed a keen interest in low-carbon economic development, clean energy, business sustainability and the green economy. The focus is therefore not only on financial returns, but also socio-economic transformation and positive environmental impact. As a result, most of his recent projects have a strong developmental and/or sustainability purpose.



### **Regional Coordinator - Thaven Naidoo**

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Thaven has experience in various sectors, ranging from agriculture and mining to media and technology, as well

as adaptation and development. He first became involved in PFAN through the development of the adaptation work stream, before becoming regional coordinator. Adaptation has since been mainstreamed into PFAN’s work, a move he believes has been very positive.

Passionate about innovation and with a deep understanding of the challenges facing entrepreneurs, Thaven enjoys seeing projects grow from concept to financial close. “We’ve seen world-class, large scale projects find investment in Southern Africa, and in East Africa we’ve seen many smaller innovative projects achieve finance.” The market, he says, is full of good ideas that become great projects thanks to the guidance of PFAN’s coaches.

### **Country Coordinators**



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**Malawi – Andrew Nkoloma**

**Madagascar – Daniela Rakotomamonjy**

**Mozambique – Kemal Vaz**

**Namibia – Harald Schütt**

**South Africa – Michael Sudarkasa**

**Zambia – Sabera Khan**

**Zimbabwe – Chandirekera Mutubuki-Makuyana**

## New Partners in 2020



### **Business Council for Sustainable Development Zimbabwe, Zimbabwe** Non-profit

The BCSDZ was established in 1993 with the mission to promote the proactive and continuous improvement of sustainable development in business in Zimbabwe through the interlinked pillars of corporate environmental, economic and social responsibilities, and to act as a catalyst for capacity-building in business through knowledge-sharing and liaison with national and international private and public sector organizations.

### **Eos Capital, Namibia**

Eos Capital's objective is to contribute to the growth of the Namibian economy as a leading Private Equity player that is the first choice for investors to manage private equity funds, as well as the preferred partner for companies looking for financing in Namibia, building on its strong local network and ability to add value to portfolio companies.



# South & Southeast Asia



**Asia, PFAN's largest and most active region, managed to sustain the development of its project pipeline despite the impacts of the Covid-19 pandemic.**

More than 140 applications were evaluated over the year, with 72 selected for PFAN support.

PFAN also established key partnerships with Sangnam Ventures, 1337 Ventures and Clime Captial among many others. In India, PFAN's most active country, the programme partnered with the Confederation of Indian Industries to develop a series of webinars to reach out to climate mitigation and adaptation businesses in the region, such as the Climate Smart Agriculture Investment Opportunities in Southeast Asia held together with USAID Green Invest Asia.

A major milestone was the inception of the Pakistan Private Sector Energy Project (PPSE) supported by USAID, which focuses on expanding the portfolio of commercially-viable clean energy projects in Pakistan and providing support to enable them to access financing and reach financial close.

In total, 14 projects in the region successfully raised more than USD 107M over the year, with just under 900 jobs expected to be created as a result.





## SSEA in 2020

Total investment leveraged (USD millions)

107.9

Projects that reached financial closure

14

Clean energy capacity added (MW)

42

Total Advisors

41

Female Advisors

13

Locally-based Advisors (%)

92

Total number of projects supported

72

New partnerships established

13

Total number of projects supported by country

Bangladesh  
Cambodia  
India  
Indonesia  
Malaysia  
Myanmar  
Nepal  
Pakistan  
Philippines  
Sri Lanka  
Thailand  
Vietnam





24

# Bakas Renewable Energy

Country

**NEPAL**

Investment Amount  
(Million USD)

**2.26**

Business type

**GREENFIELD**

Project IRR (%)

**23.6**

GHG mitigation impact  
(tonnes of CO<sub>2</sub>e/year)

**3600**

Technology Area

**BIOFUELS**







Bakas Renewable Energy is the first company to produce biomass pellets on an industrial scale in Nepal. The raw materials they use for the pellets are forest floor undergrowth from a plantation site, agricultural biomass, sugarcane bagasse, saw dust and wood waste from neighboring saw mills. They process these raw materials through sund drying, chipping, crushing, pelleting and packing, then distribute them – the pellets are in high demand and are ideal for brick and cement kilns, industrial boilers, large kitchens, household cooking and heating and high-altitude trekkers.

Furthermore, the removal of forest floor biomass helps to substantially reduce forest fire vulnerability and save an estimated US\$ 100,000 annually. The company has signed a 20-year concession agreement with the Sagarnath Forestry Development Project has for the collection of 30,000MT equivalent of biomass annually from the forest floor, and they will begin producing pellets within the next 12 months.

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“ This project is highly relevant to Nepal. It helps emission reduction caused by forest fires, reduces industrial use of coal and fossil fuels as well as provides employment to the poor and vulnerable people living in neighborhoods of the forest area. ”

**Santosh Mani Nepal,**  
Chairman of Bakas

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## Meet our Network in South & Southeast Asia



### PFAN Advisor - Sujan Paudel

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Sujan leverages over two decades of experience in management, consulting and energy financing, helping businesses become profitable and sustainable. He holds an MBA in Finance and has experienced a blend of energy and

finance while working at the Clean Energy Development Bank. He specializes in project due diligence, financial modeling and drafting of financial contracts and covenants.

As a PFAN Advisor he has mentored several projects helping them to become bankable and investor-ready, many of which have now secured financial closures. Besides running his own consultancy firm, he also advises SNV Netherlands Development Organisation on energy financing.

As PFAN Country Coordinator for Nepal, he actively conducts outreach activities throughout the country and originates high-impact projects to be introduced to PFAN for further support.



## Country Coordinators



- 
- Bangladesh** – Shaymal Barman
  - Cambodia** – Cécile Dahomé
  - Indonesia** – Hari Yuwono
  - Malaysia** – Kevin Hor Chan Wah
  - Myanmar** – Min Chan Win
  - Nepal** – Sujan Paudel
  - Pakistan** – Saima Qadir
  - Philippines** – Laurie Navarro
  - Thailand** – Itty Varugis
  - Vietnam** – Hao Vu



## Regional Coordinator, South & Southeast Asia



**Peter DuPont**  
[peter.dupont@pfan.net](mailto:peter.dupont@pfan.net)

Peter has more than 30 years' experience developing sustainable energy and climate programs in the U.S. and Asia. He has extensive expertise in the

design, implementation, and evaluation of clean energy policy and plans, energy and climate finance, and climate change programs. He has worked in a variety of roles consulting and managing for non-profit and private consultancies and development agencies, with a focus on energy efficiency, renewable energy, finance and market incentives, and climate change.

Peter is based in Bangkok and is Managing Partner of Asia Clean Energy Partners Limited, an international consultancy that initiates partnerships and initiatives that accelerate the pace of clean energy investment and deployment. Since 2007, he has been the Co-Chair of the Asia Clean Energy Forum, a flagship clean energy event organised annually by the Asian Development Bank, the US Agency for International Development, and the Korea Energy Agency.

Peter has a Master's degree in Public Health from the University of California, Berkeley, and a Ph.D. in Energy and Environmental Policy from the University of Delaware.





## New Partners in 2020



### **Clime Capital, Singapore** Clime Capital

Clime Capital Management identifies and creates investment opportunities that contribute towards alleviating climate change risk, alleviating infrastructure gaps, and building sustainable economies and societies.



### **CIMB, Malaysia** Commercial bank

CIMB Group is a leading ASEAN universal bank headquartered in Kuala Lumpur, Malaysia, and one of the region's foremost corporate advisors, as well as a leader in Islamic finance.



### **Confederation of Indian Industries, India** Industry association

The Confederation of Indian Industry (CII) works to create and sustain an environment conducive to the development of India, partnering industry, Government, and civil society, through advisory and consultative processes.



### **Energy Efficiency Practitioners Association of the Philippines (ENPAP 4.0), Philippines** Industry association

Energy Efficiency Practitioners Association of the Philippines is an organization of Energy Efficiency and Conservation Management Practitioners, Professionals and Consultants.



### **Green Artha** Venture capital fund

Green Artha is a climate venture fund and innovation firm established to make a low-carbon economy possible.



### **Malaysia Green Building Council, Malaysia** Industry association

Started in May 2007, Malaysia GBC's vision is to make Green buildings and Communities available to all Malaysians.



## New Partners in 2020



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### Renewable Energy Confederation of Nepal (RECON), Nepal

Industry association

Renewable Energy Confederation of Nepal (RECON) is a common forum of associations of private sector involved in supply and delivery of alternative energy systems and services and NGOs involved in promotion of alternative energy in Nepal.



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### Sangam Ventures, India

Venture capital fund

Sangam Ventures is a seed and early stage venture fund that invests to improve access to sustainable energy and resource productivity solutions for the underserved in India.



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### 1337 Ventures, Malaysia

Accelerator

1337 is a technology accelerator and early stage venture capital focused on doing pre-seed and seed stage investments in Malaysia.



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### R3i Ventures, Singapore

Venture capital fund

R3i Ventures connect deep technology and healthcare visionaries to the talent, know-how, and access to capital for real-world impact and extraordinary returns.



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### Sustainable Energy Association Of Singapore (SEAS), Singapore

Industry association

The Sustainable Energy Association of Singapore (SEAS) is a non-government and non-profit business association that represents the interests and provides a common platform for companies in Sustainable Energy sector to meet, discuss, collaborate and undertake viable projects together.



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### RISE

Project Preparation Facility

RISE is a USAID funded project to invest seed capital through a new facility that will grow and evolve into a multi-donor services platform.



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### USAID Green Invest Asia (GIA), Thailand

Project Preparation Facility

USAID Green Invest Asia supports mid-growth agriculture and forestry companies with business strategies, environmental assessments and advice to improve their sustainable commodity production and business practices.



# Eastern Europe & Central Asia

**Although the effects of the Covid-19 pandemic had severe impacts on economies and societies in Eastern Europe and Central Asia, PFAN's activities in the region in 2020 were very successful.**

In the light of the measures taken to condemn the pandemic, PFAN turned to virtual outreach efforts for project origination as well as holding capacity building webinars and conferences such as the Renpower Central Asia 2020 – Post Covid-19 Development Scenarios Online Forum. In addition, PFAN managed to increase its presence in Central Asia through appointing country coordinators for Mongolia and Tajikistan.

The increase of outreach efforts was rewarded with a record high number of project applications and projects supported in the region. While previously the most project proposals were received from Ukraine, 2020 showed a significant increase of project applications from other countries such as Moldova, Kazakhstan, and Uzbekistan. Projects supported by PFAN were able to raise a total of USD21m in 2020.

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**EECA  
in 2020**

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**Total investment  
leveraged (USD millions)**

**20.8**

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**Projects that reached  
financial closure**

**6**

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**Clean energy capacity  
added (MW)**

**20.78**

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**Total Advisors**

**21**

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**Female Advisors**

**5**

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**Locally-based  
Advisors (%)**

**100**

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**Total number of  
projects supported**

**23**

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**New partnerships  
established**

**1**

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## Meet our Network in Eastern Europe & Central Asia



### **PFAN Advisor - Alexander Kaipetskiy**

Alexander Kaipetskiy has over 15 years of consulting experience, including in investment advisory services focusing on feasibility studies, financial modeling, business opportunities evaluation and investment facilitation.

Between 2015 and 2019, he became more engaged in investment facilitation in the agriculture, aquaculture, construction materials and energy sectors, working as an independent financial analyst. As one of PFAN's entrepreneur-to-advisor success stories, he was first introduced to PFAN in 2015 as a project developer with a biogas station project, and in 2019 he was personally offered the role of PFAN Advisor by EECA Regional Coordinator Rostyslav Maraiyin.

Prior to that, Alexander was the Deputy Head of Foreign Trade Department at the Ukrainian Chamber of Commerce and Industry (UCCI), developing export strategies and building and maintaining partnerships with foreign stakeholders.

## Regional Coordinator, Eastern Europe & Central Asia



**Rostyslav Maraikin**  
[rostyslav.maraikin@pfan.net](mailto:rostyslav.maraikin@pfan.net)

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Rostyslav joined PFAN after more than 15 years working in the power sector. He coordinates operations in Eastern Europe and Central Asia – a relatively young market for PFAN and the development of clean energy projects.

This region faces a number of challenges, which highlights the need for PFAN. It lacks professional support for start-ups and has a small private investor pool; banks tend to be the major financiers of renewable energy projects, and they focus specifically on solar and wind projects.

Rostyslav is tasked with growing the network through his team of coaches, sourcing new projects, identifying new opportunities to support climate and clean energy projects and connecting new investors to innovative projects.





## Country Coordinators



- 
- Azerbaijan** – Nikolay Ilyin
  - Georgia** – Taras Seryy
  - Kazakhstan** – Diyaz Baiseitov
  - Moldova** – Piotr Comarov
  - Mongolia** – Zula Luvsandorf
  - Tajikistan** – Furugzod Usmonov
  - Uzbekistan** – Ildar Yunusov



## New Partners in 2020



**AIFC Green Finance Centre Ltd, Kazakhstan**  
Industry association

The AIFC Green Finance Centre is an AIFC Organisation created to enable the development of green finance in Kazakhstan and Central Asia. The main goal is to bring investments to sustainable economy through trending financial instruments, such as green and social bonds. In addition it is a regional think-tank which provides strategic and business consulting in green finance and sustainable development to Governments, quasi-state organisations and entrepreneurs.



# Promeco Ukraine



Country

**UKRAINE**

Investment  
Amount (USD)

**450000**

Business type

**GREENFIELD**

Project IRR (%)

**33.5**

GHG mitigation impact  
(tonnes of CO<sub>2</sub>e/year)

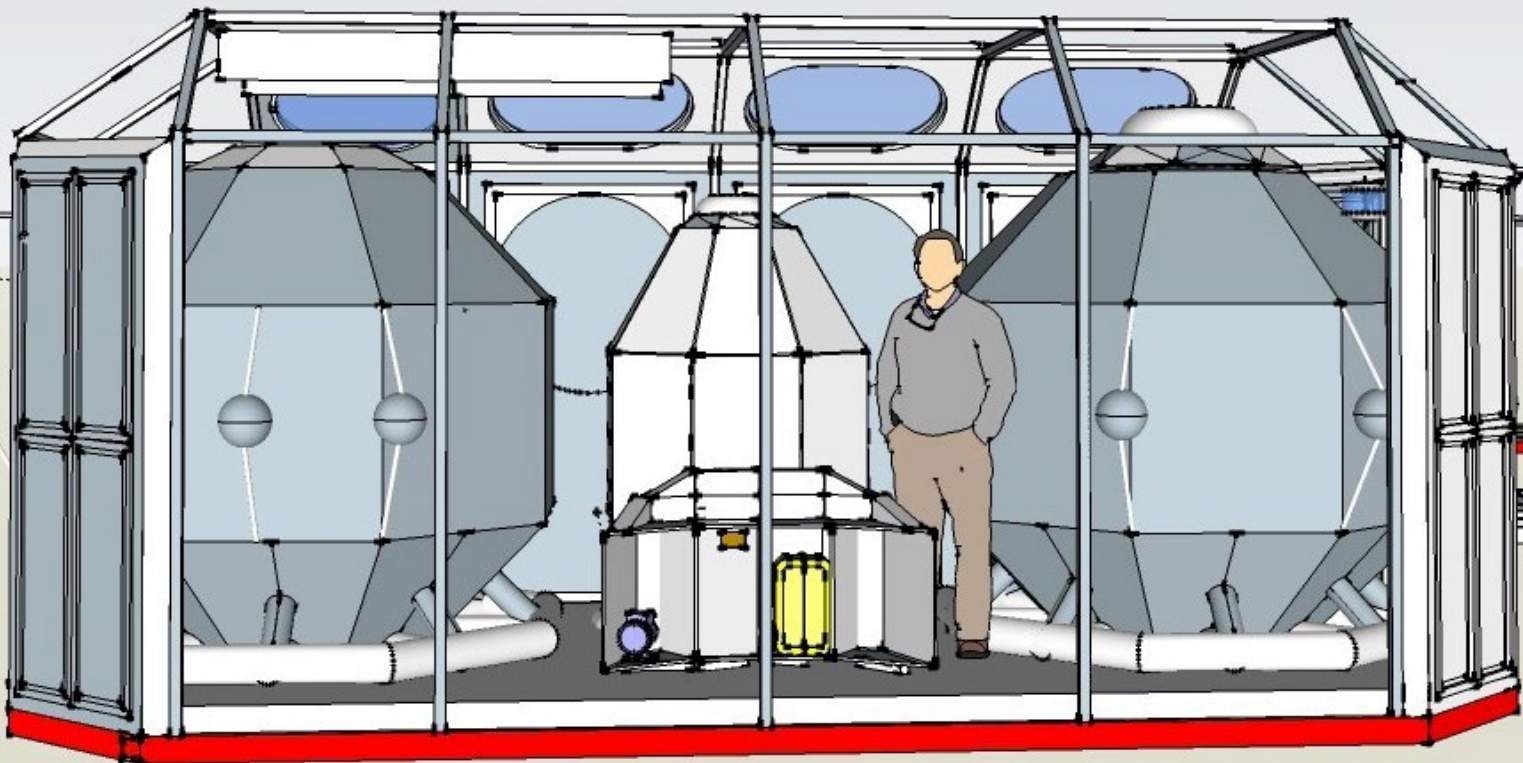
**19919.65**

Installed capacity (W)

**36000**

Technology Area

**BIOGAS**





Environmental pollution resulting from the high amount of animal manure produced by farms has become a significant problem in Ukraine. Promeco Ukraine is a biomass project located near the Ukrainian capital Kyiv, which has developed its own technology to address the environmental pollution by using the animal waste, especially from chicken farms, to produce biogas. The technology used in this project is the developer's own design, which features the production of biogas and biohumus (which is often referred as organic fertilizer, however, in fact is artificial top soil), and thus was regarded an upstream technology.

The revenue streams of the biogas plant are the selling of biomethane or the production of electricity using biogas. The biogas plant can process 60t of chicken manure on a daily basis and an annual production capacity of 1.533.000m<sup>3</sup>.

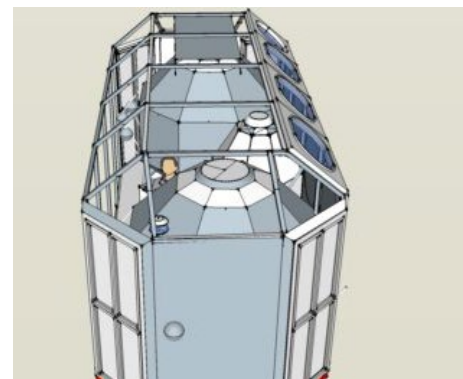
PFAN's coaching helped the developer to build a comprehensive, sustainable business model that was attractive to potential investors, prepare a workable financial model, and create different scenarios for business development. It was recommended to focus on the sales of electricity under the FiT, as it was the most sustainable source of income.

One of the difficulties that the project faced was the absence of collateral for quickly obtaining financing. As the investment amount for the whole project had reached 1.2 million USD, it was hard to find an investor. Therefore, to minimize the investor's risks, the developer split the investment in two stages. First, to install the equipment sufficient to launch the biogas station, and second, to extend the facility with a series of reactors. This step allowed for reducing the initial investment to 500,000 USD.

Eventually, an investor was found who was engaged in building thermal power plants using biomass (and hence was familiar with electricity sales under FiT as a business model). Before investing 500,000 USD into the pre-built facility, it was decided to construct a laboratory biogas station that would not only prove the efficiency of the technology, but also produce samples of biohumus to present potential customers while the main biogas station is being constructed (over a period of 6-9 months).

Now (after some financial delays) the laboratory biogas station is at the final stage of assembly and should be completed and launched within the next 2 months, and work on the initial station will continue.

During the period of PFAN support, the technology attracted a lot of attention from private investors, feed-stock suppliers and governmental bodies across the world (including investors from Europe, the USA and the Middle East). There are multiple pre-orders for similar biogas stations on the way, as the laboratory station is put into operation.



# Latin America & the Caribbean



**Even though the outbreak of the Covid-19 pandemic early 2020 had severe consequences for Latin America and the Caribbean, the regional team managed to expand PFAN's network of advisors and partners in the region.**

Due to the professional continuous support provided by PFAN's advisors and despite the negative impact of the pandemic, projects succeeded in raising investments worth USD 11.9m.

Due to the restrictions imposed to fight the Covid-19 pandemic, previously planned in-person events and investment forums in the region had to be conducted virtually. The aim of the events was primarily to increase the visibility of PFAN in Latin America and the Caribbean for both project developers and investors. As a result of the particularly successful virtual Clean Energy Investment Forum on December 2-3, five projects started active negotiations with interested investors.

<b>LAC in 2020</b>	<b>Total investment leveraged (USD millions)</b> <b>11.9</b>	<b>Projects that reached financial closure</b> <b>2</b>
<b>Total Advisors</b> <b>9</b>	<b>Female Advisors</b> <b>1</b>	<b>Locally-based Advisors (%)</b> <b>78</b>
<b>Total number of projects supported</b> <b>5</b>	<b>New partnerships established</b> <b>2</b>	



## Meet our Network in Latin America & the Caribbean



### **PFAN Advisor - Ernesto Hanhausen**

Ernesto has more than 20 years direct experience in originating, developing, analyzing, structuring, implementing and managing investment projects and business opportunities in sustainable sectors such as Energy Efficiency (EE), ESCOs and Renewable Energy (RE) and water in Mexico and Central and South America.

He has been instrumental in structuring and implementing the most successful EE projects in Mexico, including EE in large hotels, large chains of department stores and supermarkets, industries and municipalities, as well as cogeneration projects. He has a proven track record in business development, structuring, implementation and management of private equity investments in the EE, ESCOs, RE and sustainable technologies sectors and has actively collaborated in the formation, structuring and development of successful ESCOs and renewable energy platforms in Mexico.

Ernesto has generated substantial deal flow and structured, developed and managed a number of investments. Ernesto is partner at Becquerel Capital, mainly in charge of an Energy Efficiency and Distributed Generation Platform.

## New Partners in 2020



**Fundación Solar,  
Guatemala**  
Industry association

Fundación Solar is a private development organization that supports and develops projects focused on the use of renewable energy and the conservation of the environment.

**SEAF, USA**  
Impact fund

SEAF (“Small Enterprise Assistance Funds”) is an independent organization specializing in the sponsorship and management of investment funds targeting growth-oriented, emerging enterprises located in countries underserved by traditional sources of capital.



## Regional Coordinator, Latin America & the Caribbean



**Federico Fische**  
[federico.fische@pfan.net](mailto:federico.fische@pfan.net)

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Federico Fische is an economist with more than 20 years of experience in international development cooperation and private sector development. He specialises in renewable energy solutions, clean tech innovations and energy efficiency, private sector projects and public sector programme funding in the Caribbean, Latin America and Africa.

During the last three years, he has led the implementation of USAID's US\$ 10 million Clean Energy Finance Facility for the Caribbean and Central America. This grant programme has funded over 20 projects and leveraged over \$800 million in potential investments. Later, Federico became the Key Expert for Latin America, Caribbean and Pacific region for the EU Technical Assistance Facility for Sustainable Energy for Neighbourhood (East and South), Asia, Latin America, Caribbean and Pacific. In this role, he supports policy analysis, development and implementation for the clean energy sector, with the aim to accelerate and implement countries' sector reform policies related to access to clean energy, and to foster and facilitate project funding.





# Cauchos Renovables

Country

**PANAMA**

Investment  
Amount (USD)

**1,000,000**

Business type

**SCALE-UP**

Project IRR (%)

**48**

Technology Area

**CLIMATE  
ADAPTATION**

**WASTE-TO  
-ENERGY**







Cauchos Renovables SA (CARESA) is a Panamanian company that began operations in 2015 and seeks to reduce the amount of waste tires and to generate a positive impact on the environment and the health of the Panamanian population. Seeing the opportunity to turn the problem into a green business one, the company seeks to expand its collection capacity and include new cutting-edge technologies for the disintegration of used tires for the production of TDF.

CARESA collects, recycles and reuses waste tires by converting them to their primary state, so that they can be reinserted into international production lines. Annually, they collect and recycle 2,400 tons on annual basis which represents ~ 6% of the market. They are a 100% recyclable company without any type of persistent polluting emissions, thus complying with the Basel and Stockholm agreements, by “using the best option of the industrial process with zero emissions”.

CARESA is the first processing company of recycled rubber granules and powders, steel and textiles (nylon and polyester ) in Panama, and one of the first in Central America, with enough industrial capacity to positively and notably impact the environment.



# Pacific Islands



## In 2020, PFAN started to gain traction on network activities in the Pacific.

A series of round tables were held to engage with policy makers and donors and with private sector stakeholders, entrepreneurs, equipment suppliers and investors on energy access in Fiji. The meetings were formulated to identify the challenges for last mile electrification of remote pacific island communities in Fiji and as a way to structure financing solutions, leveraging the financing and risk mitigation potential of private sector investors and project developers.

As a result of these meetings, PFAN has forged a strategic partnership with the Fiji Rural Electrification Fund (FREF), which will see the 2 organisations cooperate on electrifying the ca 5% of the Fiji population currently without access to energy. This currently consists mostly of remote communities on outlying islands, which either have no access or are reliant on expensive and unreliable diesel power.

PFAN is working with FREF to create a 3 year strategic plan and an investment memorandum to help mobilise the necessary financing to facilitate the transition to distributed clean energy solutions. One of the options PFAN is working on together with FREF is the creation of a blended fund, which will incentivise private sector investment into small scale solar micro-grids and stand-alone solar systems utility-type operations on the Fiji outer Islands using a results based financing approach.

It is envisaged that this approach, if successful, could be rolled-out throughout the region and will help to expand private sector involvement in the off-grid energy sector in the Pacific, making energy generation and distribution operations more sustainable from commercial and environmental points of view and reducing dependency on government and donor funding.

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**Pacific  
Islands in  
2020**

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**Total Advisors**

**1**

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**New partnerships  
established**

**2**

## Meet our Network in the Pacific Islands



### PFAN Advisor - Peceli Nakavulevu

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Peceli has spent a good part of his career working to assist communities in the areas of Rural Electrification and Energy Access

and Sustainable Energy (Renewable Energy and Energy Efficiency) in Fiji and the Pacific. He has a profound interest in private companies which engage in these areas and believes that home grown or Pacific renewable energy companies have had a big role in assisting people of the Pacific to improve their living standards. With this interest, he has joined a number of development partners in the region working towards supporting these private companies to excel and has taken up higher responsibilities for the betterment of the lives of the people of the Pacific.

Peceli is PFAN's Incoming Regional Coordinator in the Pacific Islands and continues to work and encourage companies to push boundaries, whilst simultaneously assisting communities adapt to their respective environments.

## New Partners in 2020



### Fiji Development Bank DFI

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The Fiji Development Bank provides finance, financial and advisory services to assist in the economic development of Fiji and in particular in the development of agriculture, commerce and industry.



### Fiji Rural Electrification Fund Government and policy makers

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Inspired by Fiji's Presidency of COP23, the Fijian Government, with the support of the Leonardo DiCaprio Foundation, will bring renewable energy to eligible rural communities.

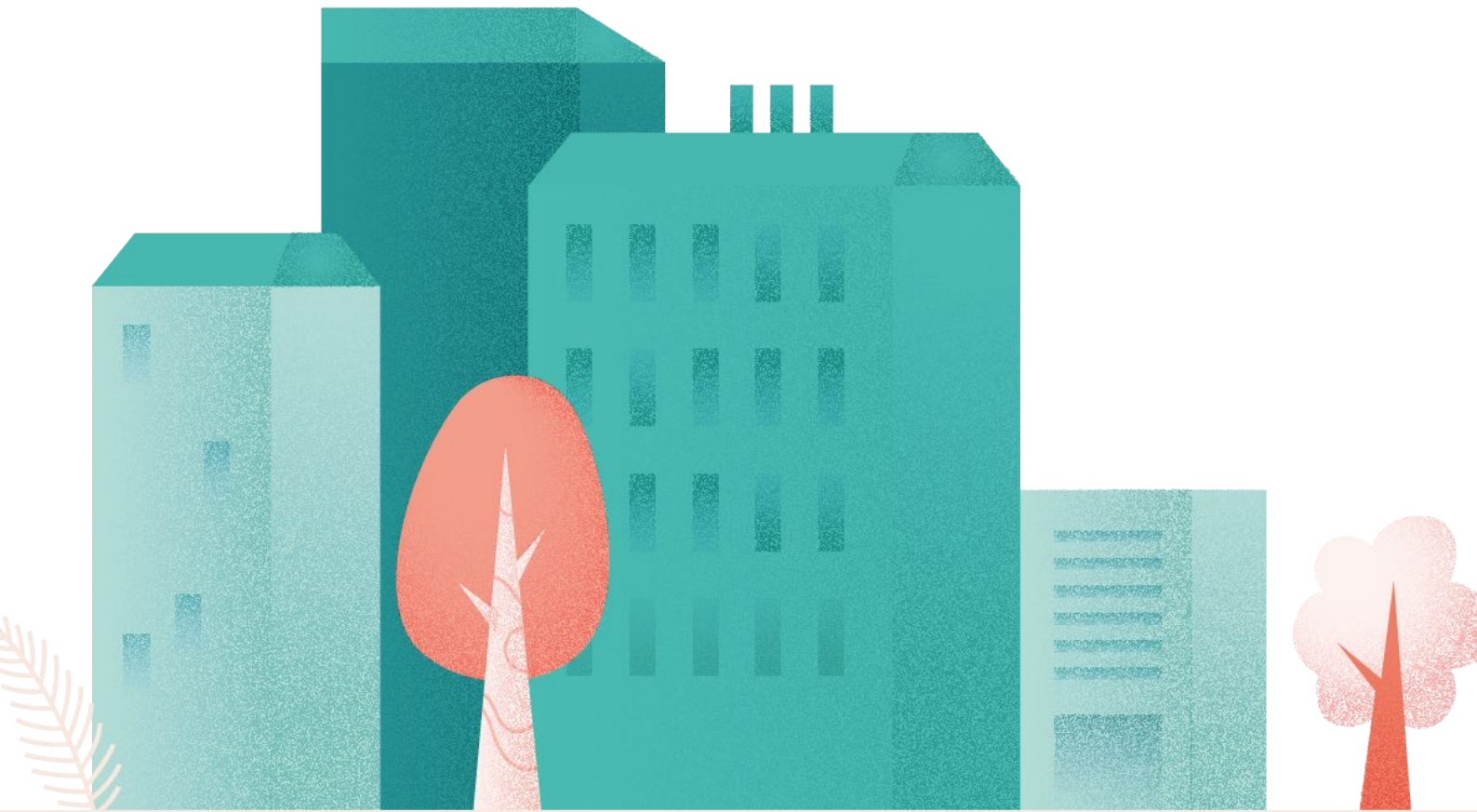
# The PFAN Journey

The Private Financing Advisory Network (PFAN) is a global network of climate and clean energy financing experts, which offers free business coaching and investment facilitation to entrepreneurs developing climate and clean energy projects in emerging markets.

Since 2006, PFAN has been bridging the gap between promising entrepreneurs who may have difficulty finding access to funding and international investors who have difficulty finding good opportunities in low- and middle-income countries.

Climate mitigation and adaptation projects inducted into PFAN's development pipeline receive support in a three-stage process known as The PFAN Journey. This journey was modernised in July 2020 to better adapt to entrepreneurs' needs, as well as to better adapt PFAN's processes to the Covid-19 pandemic.





After each stage, a review is conducted by PFAN’s Regional Coordinators to ensure the business is ready to proceed to the next stage, if not, PFAN provides guidance on the next steps to pursue. This has enabled closer handholding and guidance of the project developer by, not just the advisor, but also PFAN’s most senior project development specialists and investment facilitators.

This structure has provided PFAN with the flexibility to fast track advanced projects that would benefit from advancing from Stage 1 directly to Stage 3, or even repeat stages, for less mature projects, thereby better providing a more customer-oriented tailored service to PFAN’s entrepreneurs.

Since the launch of the revamped PFAN Journey, over 140 entrepreneurs across the globe have received PFAN support, of whom 93 and 37 of reached Stage 2 and Stage 3 respectively. Despite the effects of the pandemic, over 30 projects within the development pipeline have reached the end of the Journey with an investment successfully facilitated, thanks to PFAN’s intervention.

# The PFAN Journey in Action



After five years of development, Thulo Khola Hydropower Project, one of PFAN's 14 budding hydro projects in the Nepalese Himalayas, sought PFAN's support in early September 2020.



## OCTOBER 2020: ACCEPTANCE INTO THE PFAN DEVELOPMENT PIPELINE

PFAN's regional evaluation panel and technical committee reviewed the entrepreneur's application and, considering its potential impact and maturity, decided to induct Thulo Khola Hydropower Project into the PFAN Journey.

## NOVEMBER 2020: STAGE 1 – ACTION PLAN DEVELOPMENT

Once the project was selected for PFAN support, the advisor, Sujan Paudel, developed a plan with the entrepreneur to further refine the financial model of the 21MW hydro project and develop its equity valuation.





### DECEMBER 2020: STAGE 2 – PROJECT DEVELOPMENT

Mr Paudel implemented the plan as set out in Stage 1 and assisted the entrepreneur in further developing their business plan to get the project ready for investor introductions. Furthermore, Mr Paudel guided Thulo Khola on perfecting their investor pitch and coached them on how to best prepare and arrange their documents to meet prospective investors' expectations.

### MARCH 2021: STAGE 3 – INVESTMENT FACILITATION

Upon Mr Paudel's request and approval by the Senior Coordinators, Stage 3 started ahead of schedule in mid-March 2021. Mr Paudel developed and customized PFAN Project Teasers for Thulo Khola which presented the project according to the targeted investors' requirements. Various documents including a checklist for FDI with each party's responsibilities and a Memorandum of Intent (to invest) as per prospective investor's requirements were produced.



### INVESTMENT LEVERAGED

The project was able to secure USD 22M debt financing, and, with the PFAN Thailand Country Coordinator, Itty Varugis, Mr Paudel and Thulo Khola Hydropower Project are facilitating raise of a further USD 5M equity from another investor.

As a result of the revamped approach in providing support, the entrepreneurs supported by PFAN under the Journey have stated a higher level of satisfaction with the new process that provides a framework from which PFAN's services are provided:

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““ During the coaching process, answers to the questions we asked and support were received from the consultant in full. The coach provided us with new skills and knowledge in the process of attracting investment for the project. ””

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““ The coach contributed in our ability to understand the industry we operate, how to present convincing valuation of our business and difference between investor pitch deck and grant competition pitch deck. ””

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““ Our project is better structured and positioned to start raising finance compared to how it was before. The coach helped incredibly to develop the business model and marketing strategy, as well as in building a robust financial model. ””

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# Theory of Change

**There is insufficient private finance flowing into low carbon and climate resilient projects and businesses in developing countries.**

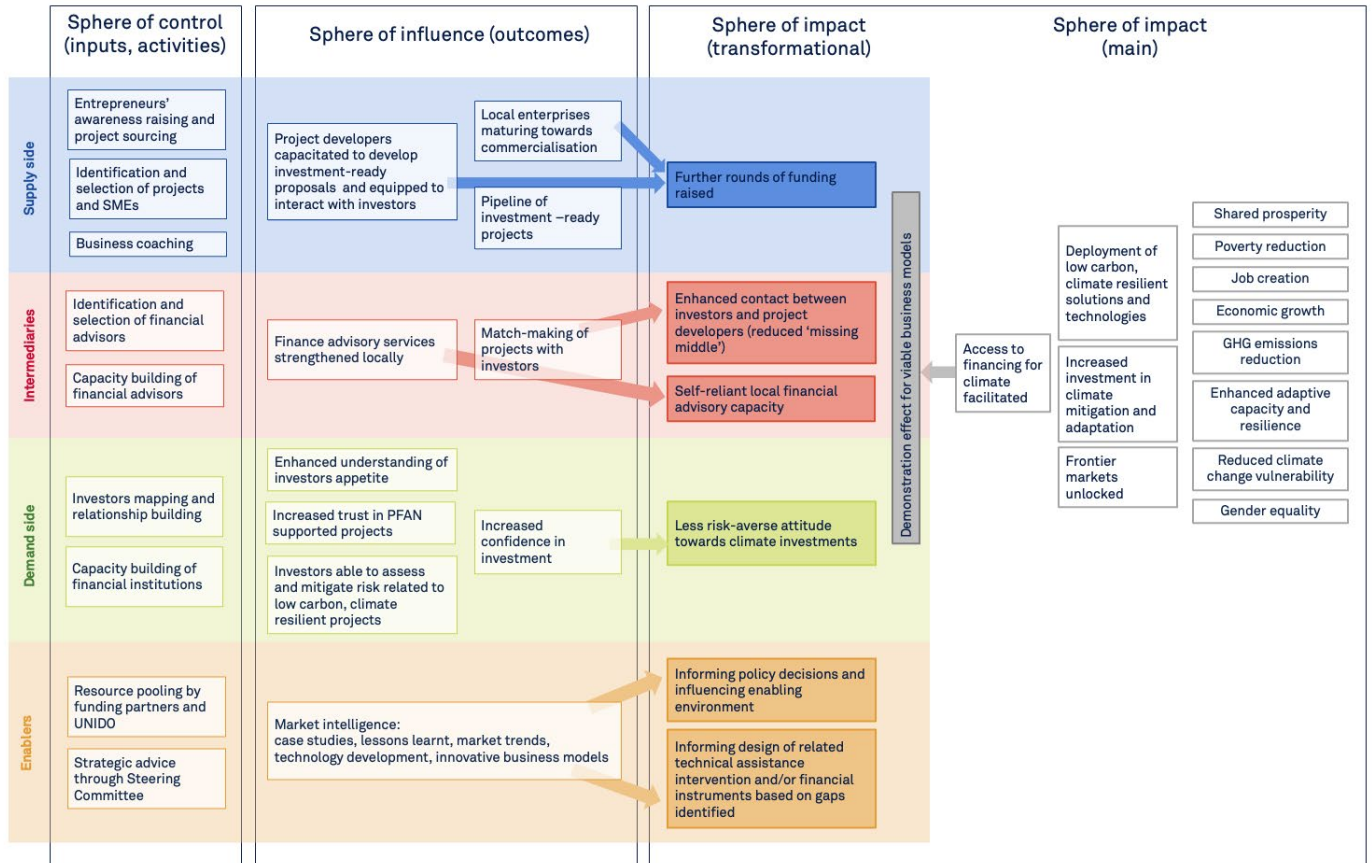
The deployment of climate mitigation and adaptation solutions is hindered, which impedes progress towards climate and developmental objectives. The problem is well documented in the literature and recognised by the international community, and was a main reason for the establishing PFAN.

PFAN addresses this problem in targeting market imperfections on both the supply (e.g. SMEs in frontier markets that do not have the capacity to develop bankable projects or businesses) and the demand sides (e.g. investors that are not aware of projects or businesses in frontier markets or have confidence in them). There also are shortcomings at the ecosystem level as well as the capacity and expertise for financing advisory services in those markets.

PFAN's main objective is to facilitate financing for low carbon, climate-resilient projects and businesses in developing countries. It pursues this objective by deploying targeted and highly specialized technical assistance and by creating a more conducive environment in the target markets. PFAN works to influence the knowledge, attitude, skills and aspirations of key stakeholders, notably entrepreneurs, investors and local financial advisory experts.

This leads to a facilitated access to finance, which in turn accelerates the deployment of climate solutions, increases investment in climate mitigation and adaptation and unlocks frontier markets. The anticipated impact is – aligned with global priorities – a reduction of greenhouse gases, increased climate resilience and socio-economic development.

## Theory of Change



# Fourth Partner Energy

Country

**INDIA**

Investment Amount  
(USD millions)

**135**

Business type

**GREENFIELD**

Project IRR (%)

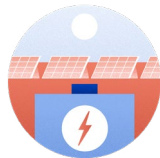
**16**

Installed capacity (MW)

**400**

Technology Area

**SOLAR  
ENERGY**



## What has PFAN done?

In 2016 and 2017, the company benefitted from PFAN's advisory services, helping it to develop a business plan and financial model for the construction of solar plants for captive consumption. PFAN Advisors advised on a debt-to-equity mix and valuation and exit perspectives, whilst providing guidance on the company's risk management strategy. Moreover, comprehensive analyses were carried out on order mix and working capital requirements based on the company's targeted customers' profiles.

In addition to customised support from seasoned advisors, PFAN introduced Fourth Partner Energy to selected investors, as well as provided the space to present its business and project in front of international investors. In 2017, Fourth Partner Energy was shortlisted to participate at the PFAN 7th Asia Forum for Clean Energy Financing, where it won the competition for best clean energy project. Fourth Partner Energy was also selected to showcase its business at the Vienna Energy Forum in 2017.

As a result of these efforts, Fourth Partner Energy gained visibility and attracted investors' interest, and raised financing for its project. In 2018, the TPG Rise Fund made a private equity investment of USD 70 million in Fourth Partner Energy. This was followed by two credit lines, amounting to USD 50 million and USD 15 million, by Bank of America in 2019 and the Swiss investment firm, ResponsAbility in 2020 respectively.

Fourth Partner Energy's portfolio includes rooftop, ground mounted and car port installations accross India.



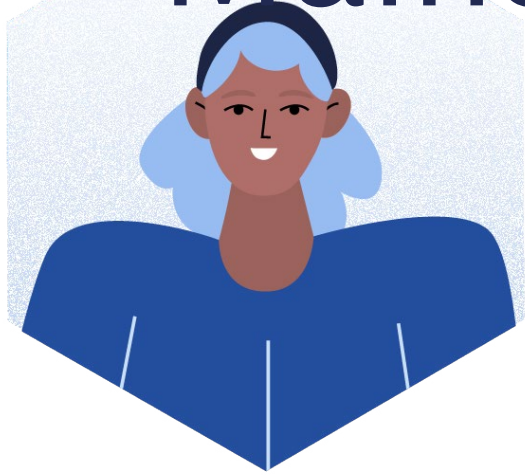
## What transformational change did PFAN lead to?

- ❖ **Subsequent rounds of financing raised.** Thanks to PFAN's support, Fourth Partner Energy improved its skills and knowledge to establish sound business models and financial plans, as well as to present them effectively to investors. The enhanced capacity helped Fourth Partner Energy raise subsequent rounds of financing without the need for continued PFAN advisory services.
- ❖ **Financial advisory services in emerging markets enhanced.** Gautam Handa, the firm's former CFO and main beneficiary of PFAN's advisory services, is currently one of PFAN's top advisors and was selected to provide emergency support to projects affected by Covid-19 in India.
- ❖ **The deployment of clean energy solutions accelerated.** Since 2017, Fourth Clean Energy has added a clean energy capacity amounting to 400 MW, reducing CO2 emissions annually by 500,000 tonnes in India.
- ❖ **Livelihoods in rural communities improved.** Clean energy solutions introduced by Fourth Clean Energy impacted the lives of thousand in rural India. Not only has energy access of rural communities increased, but clean energy projects have indirectly supported socio-economic development by creating jobs and offering new business opportunities.

## PFAN's strong track record shows clear evidence of creating long-lasting transformational change and structural alterations. In particular:

- ❖ Subsequent rounds of financing raised – thanks to the capacity originally built by PFAN – funding without, or to a lesser extent, further PFAN investment facilitation services;
- ❖ PFAN's Advisors becoming independent market players, having gained confidence to offer their services on market terms to entrepreneurs and businesses not associated with PFAN;
- ❖ Investors, after having acquired relevant knowledge about emerging markets and low carbon climate resilient technologies, as well as having gained enough confidence in them as a result of deals successfully closed;
- ❖ PFAN's projects having successfully raised financing create a demonstration effect. This enables a paradigm shift towards low and climate resilient development by making business models around the deployment of such solutions viable and mainstream;

# Gender Mainstreaming



**PFAN recognizes not only its responsibility but also the opportunity to contribute towards the overarching goal of gender equality and the empowerment of women within both its internal operations and regional activities.**

PFAN's gender strategy is built on this foundation, which was developed into its 2019 Gender Action Plan focusing on the mainstreaming of gender equality. In 2020 this plan was disrupted by the outbreak of Covid-19 pandemic, and PFAN turned its focus toward virtually-held regional gender awareness trainings.

PFAN's wide network of advisors offers the unique opportunity for disseminating and multiplying concepts and information through capacity building. This was actualised through a series of four regional gender awareness trainings in Africa, Asia and Latin America for PFAN Advisors which informed them on topics including gender imbalances and biases in the clean energy and investment space. These webinars featured case studies and experiences shared by PFAN Advisors from the region as well as the business case for gender, encouraging them to become the main agents of change.



**Diana Gichaga**  
PFAN Advisor in Kenya,  
Managing Partner at  
Private Equity Support

“ For every single female entrepreneur who is successful, there are probably tens of others who have not had a similar opportunity to be able to exercise that entrepreneurship opportunity, mainly because of some of these gender biases that exist. ”

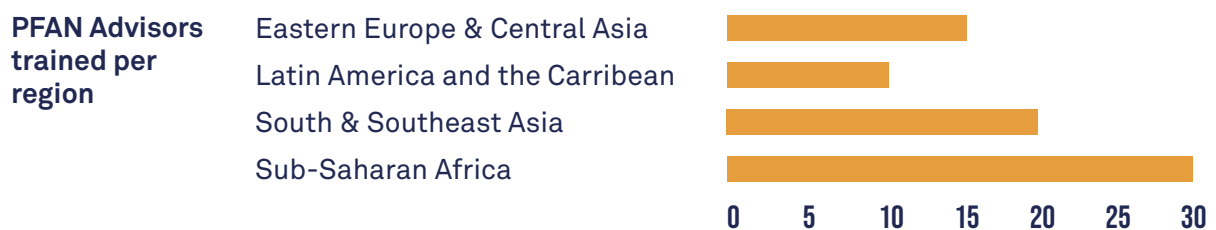


**Jorge Barrigh**  
PFAN Regional Transaction  
Manager for Latin America  
and the Caribbean

“ The gender aspect of a project increases the umbrella of opportunities in terms of financing. It doesn't mean that it's easier, it just means that you're probably talking to other people than the traditional. ”

As they work directly with entrepreneurs as well as in the ecosystem that supports them, they not only have the opportunity to identify and solve disparities and gaps that exist between men and women, but they are also in the best position to influence entrepreneurs and investors to become more gender responsive.

This is why the awareness webinars were not only focused on increasing PFAN's engagement with women as beneficiaries, but also explained how a diverse workplace makes for competitive advantage and financial sense and showed them how pursuing gender balance can improve business practices.

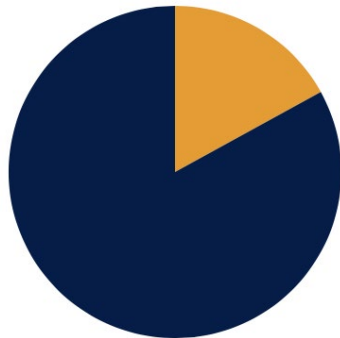


Feedback from and discussions throughout the gender awareness webinars also helped to guide upcoming targeted trainings, with the aim of furthering gender inclusion objectives for businesses.

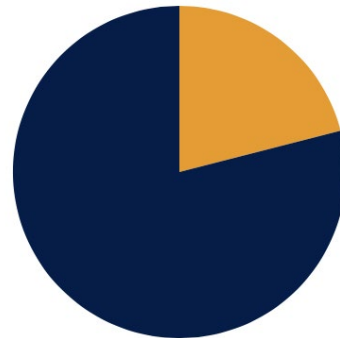
Given PFAN's aspiration to play a central role in advancing gender lens investing in private markets in developing countries, this work, supported by Value for Women, not only focuses on further developing the capacity building of PFAN Advisors, but also includes practical and scalable ways in which a gender lens can be applied to the advisory and evaluation processes.

## Spotlight on Asia

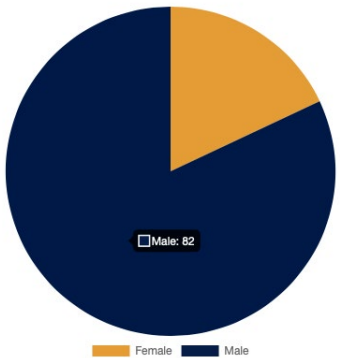
PFAN not only aims to increase the pool of women-led and gender-focused projects in the clean energy and climate adaptation sector, it also wants to provide women and men with the same opportunity to be part of PFAN: as employees, advisors, entrepreneurs or network members. This is why the gender split of the network is closely monitored and reviewed. In 2020, we shine a spotlight on Asia, where the share of women entrepreneurs and country coordinators was above the average across all regions, and PFAN's female advisors were particularly successful in raising finance for the projects they supported.



Entrepreneurs newly inducted into the PFAN Pipeline globally in 2020 (%)



Entrepreneurs newly inducted into the PFAN Pipeline in Asia in 2020 (%)



Advisors who supported projects that reached financial closure globally in 2020 (%)



Advisors who supported projects that reached financial closure in Asia in 2020 (%)



Country Coordinators globally in 2020 (%)



Country Coordinators in Asia in 2020 (%)



## Sneak Preview 2021

In order to accelerate and disseminate PFAN's effort in gender mainstreaming, PFAN is also establishing partnerships with women networks in the regions such as AWEDI, the African Women in Energy and Development Initiative. AWEDI's mission is to encourage and unite women in the energy sector by offering a guiding platform for their progress in the industry through career accelerators, mentorship, professional development and networking opportunities. The collaboration with AWEDI will be an opportunity for PFAN advisors as well as entrepreneurs to benefit from their mentoring programmes and establish a mutual beneficial support network.

PFAN will also be working with the "EmPower – Women for Climate Resilient Societies" project which aims to support countries to implement gender inclusive climate change, renewable energy and Disaster risk reduction (DRR) actions. The main purpose of the collaboration will be to strengthen and promote access to affordable finance for women's enterprise development with renewable energy as well as promote renewable energy and women entrepreneurship in regional fora.

PFAN's work on capacitating advisors was highlighted at the Gender Smart Investing Summit in February 2021, and is at the core of the commitment UNIDO made on "Embedding gender smart practises in climate entrepreneurship ecosystems".





# Cooling in Focus

**In recent years, cooling has emerged as an important piece of the puzzle in climate change response.**

Air conditioners and fans account for nearly 20% of the total electricity used in buildings around the world today; additionally, the so-called 'F-gases' used for refrigerants in cooling are also powerful greenhouse gases. The Kigali Amendment to the Montreal Protocol, passed in 2016, recognized that tackling the phaseout of harmful refrigerants at the same time as accelerating cooling efficiency can have a huge multiplier effect on emission reductions.

Globally, energy related emissions from cooling are roughly equally split between space cooling, stationary refrigeration and mobile cooling. But beyond energy benefits, clean and efficient cooling is critical for achieving a number of development goals, including for storage and transport of food, shelf life of medicines, overall health and economic livelihoods. Yet more than a billion people have clear shortfalls in their access to cooling. As temperatures and incomes rise, so too does demand for cooling and higher levels of comfort, with increases in both days of cooling demand and cooling penetration levels set to triple overall demand for cooling globally by 2050.



**PFAN Success Story  
- PAC Corporation  
Thailand**

PFAN has an important contribution to make to the necessary push for access to sustainable cooling for all, through its support of entrepreneurs in developing countries with locally appropriate cooling solutions and technologies. With support from the Kigali Cooling Efficiency Program (K-CEP) commencing in late 2019, PFAN has actively sought out and encouraged cooling technology entrepreneurs to apply for assistance. Since then, more than 30 cooling projects with an investment requirement of over \$150m have been supported in business plan development and investment facilitation activities. A few niches have emerged in which PFAN can play a very active role; for example, there is a wide need for effective cold-chain business models and technologies that will need to be met with local-scale interventions.



Globally, it is estimated that approximately 15% of agricultural produce perishes before it can reach markets and consumers, rising to as much as one-third of all meat and fish; PFAN is actively supporting new cooling business models and technologies in a range of countries that will benefit both the climate and local economies. These same cold chains and logistical models can also be deployed to bolster effective vaccine rollout, something that is critically important to developing countries in the current circumstances.

## New Partners in 2020



**Basel Agency for Sustainable Energy (BASE), Switzerland**  
Non-profit

Established in 2001, BASE is a Swiss not-for-profit foundation and a Specialized Partner of United Nations Environment. BASE builds bridges between sectors and actors at the nexus between sustainable energy, finance and international development.



# Covid-19 Response

**The unexpected Covid-19 pandemic turned 2020 into a difficult year. Most of the countries in the world entered lockdown, disrupting logistical value chains, commerce and quickly reaching all different areas.**

Covid-19 forced PFAN to adapt to a different operational reality. PFAN responded to the sudden change in a quick and agile way, successfully adapting to it. The effects of the pandemic were minimised and business continuity was ensured by transforming its operations digitally. Flexible telecommuting was guaranteed for all personnel and online meetings and webinars were held instead of traditional in-person meetings and events. The virtual methods allowed PFAN to continue cultivating close relationships with its partners.

Furthermore, PFAN initiated a specific Covid-19 response in partnership with GET. Invest to offer its expertise in helping climate entrepreneurs towards ensuring business continuity during the turbulent times caused by the pandemic. The scope of support is in line with PFAN's core expertise around the areas of developing bankable projects and enabling access to finance. In this specific case, the focus of the mentoring is on business continuity and supporting rescheduling and renegotiation of existing facilities.

The response was designed as a three-step approach, consisting of 1) informative webinars, 2) virtual clinics and learning sessions, and 3) tailored 1-1 advice.



Companies benefitted from insights and technical assistance from experienced advisors, helping them adapt their business model to the new normal (e.g., to digitalize more, pivot their business models), and to build back better and more resilient.

During PFAN webinars and clinics, climate SMEs mentioned various challenges they faced due to the pandemic. Access to working capital has been named the most frequently. In that respect, PFAN and GET.Invest have also developed a database of Covid-related support initiatives for climate SMEs, ranging from relief support to other useful resources publicised by organisations around the world. There were more than 120 initiatives listed that were made available to all public with the ease of a click.

## Market insights survey

To receive further insights from the field, PFAN has conducted a survey among its Country Coordinators to better understand the impact of Covid-19 on SMEs and their needs.

Highlights from the survey:

- Majority of the respondents think that the effects of the pandemic will continue for 1 to 2 years in their countries, and that pandemic has affected entire supply chains.
- Around 30% of respondents think that the pandemic has severely affected the Power Generation and Distribution sector. The rural electrification sector has been somewhat (according to 43% of the respondents) or badly (according to 40% of the respondents) affected. A high majority of respondents indicate that the business and project development activities in these sectors have been majorly affected.
- In addition to sectors listed above, the following are named among the most affected: tourism (23%), agriculture (13%), and manufacturing (12%).



**Duygu Aladag Baldauf**  
PFAN Relationship  
Management Officer

“ The world will not be the same after the pandemic – neither the climate SMEs nor investors’ expectations. Developing resilient business models will be of high importance. Building on the insights gained and lessons learned, PFAN will thrive to continue supporting the climate SMEs and contributing towards a sustainable future. ”

# Meet our Donors



PFAN has been generously funded by:



**Australian Government**

**Department of Foreign Affairs and Trade**

Department of Foreign Affairs  
and Trade (DFAT), Australia



Kigali Cooling Efficiency Program (KCEP)



Norwegian Ministry  
of Foreign Affairs

Ministry of Foreign Affairs (MFA),  
Norway



SWEDISH INTERNATIONAL  
DEVELOPMENT COOPERATION AGENCY

Swedish International Development  
Cooperation Agency (Sida), Sweden



United States Agency for International  
Development (USAID), USA

## Interview with Maximilian Jönsson

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Senior Advisor and Programme Manager,  
Swedish International Development  
Cooperation Agency (Sida)



SWEDISH INTERNATIONAL  
DEVELOPMENT COOPERATION AGENCY



### 1. What are the main features and priorities of SIDA's work in fostering private sector development in emerging economies?

The private sector is crucial in global development and poverty reduction. It is key in accelerating and scaling the implementation of the Sustainable Development Goals (SDG's).

SIDA works, often through partners, with companies and private sector organisations that contribute to economic, social and environmental sustainable development.

When working with the private sector, there are in addition to overriding priorities of poverty reduction, dignity for all and sustainability a few principles that are of specific importance. For example:

- ❖ Our involvement should generate multiplier effects and catalyse additional resources such as knowledge, innovation capacity and investment from private sector partners to reach development objectives.
- ❖ Private sector collaboration (PSC) must integrate and further Environmental, Social and Governance responsibility.
- ❖ Sound risk- and cost-sharing is key for ensuring a catalytic effect and sustainable results beyond the intervention.
- ❖ We ultimately target systemic impact and to contribute to market reforms by enabling well-functioning, inclusive and sustainable markets, value chains or business models.
- ❖ SIDA uses a number of instruments for PSC, including Guarantees, Challenge funds, Results-Based Financing, Project Preparation Facilities, Public Private Development Partnerships, Policy Dialogue, and Investor Networks.

## 2. In your opinion, what are the main challenges faced by the private sector in contributing to the clean energy transition in emerging economies?

A key challenge is developing enough projects and businesses in terms of numbers and scale which have a risk- and return profile which can be financed by the market. For example,

- ❖ Project- and business development is a long, risky and costly process. This phase therefore tends to attract insufficient financing.
- ❖ Some concrete challenges with which we currently grapple include utility solvency for larger projects, productive-use load and income generation for off-grid, and perhaps user behaviour and business models for clean cooking, just to name a few.
- ❖ There are often solutions for risk-sharing for debt once a project approaches bankability, but the risk faced by the developer- and equity investors is challenging.
- ❖ Lastly, the ever present challenges of developer capacity and political- and regulatory risk.

## 3. Can you tell us more about SIDA's support for PFAN, and how this support contributes to SIDA's overall strategy and priorities?

SIDA has supported PFAN initially since 2016, with a step-up in recent years. Currently support to PFAN is provided under SIDA Regional Africa- and Global Strategies. PFAN contributes to strategy objectives of increased production and access to renewable energy, improved conditions for decent and productive jobs and to some extent, resilience. PFAN is considered to be a good example of a catalytic approach which helps mobilise private sector resources to generate development.

PFAN is an important complement to SIDA contributions and instruments which, in general, sits in between challenge funds and guarantees and support via funds.

## 4. What are your suggestions for PFAN's future direction in light of SIDA's priorities for its development co-operations?

This is of course something discussed with donors and PFAN in the Steering Committee, but some food for thought:

- ❖ Business plan preparation and investor pitches are clearly key. We also encourage your reflection on if- and how to further increase support to project development and structuring.
- ❖ We also follow with interest the PFAN work around partnerships for making available micro-mezzanine financing – clearly a gap in the market.
- ❖ PFAN is well placed to increasingly capture, analyse and communicate learning on markets, challenges, opportunities and solutions – potentially huge value add.
- ❖ A challenge for all is to ensure that the clean energy transition maximizes development impacts such as decent and productive jobs, income generation, resilience and gender equality.





# Get Involved



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## Get advice for your project or scale up your business

The experts in our network can offer you free, personalised one-on-one coaching and targeted introductions to investors, providing a fast-track to investment. If you're an entrepreneur developing a project or scaling up an existing business in clean energy or climate adaptation please contact us or visit [www.pfan.net](http://www.pfan.net) for information on eligibility criteria and the application process.



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## Find projects for your investment portfolio

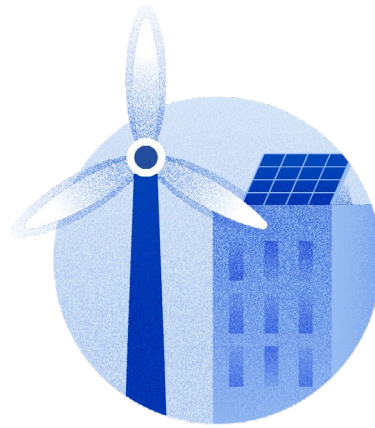
We have a pipeline of investment-ready climate and clean energy projects, coached and carefully vetted by experts and selected for economic viability, environmental sustainability and social impact. We also actively involve investors from our network in the vetting of our projects, for instance by being involved as judge in our business plan competitions. Contact us to receive information on projects specially selected to match your interests and investor profile or to get actively involved in PFAN activities.



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### Join our global network of advisors

Are you a financial expert with a track record in raising finance for clean energy and climate change projects? Become a part of our global community as a advisor or country coordinator! We offer the chance to work with exciting, high-potential projects, reliable, timely payments and international visibility. Please contact us for more information.



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### Become a PFAN Partner

PFAN works with partners to support our activities in a mutually beneficially partnership. Our partners help us organise targeted calls for proposals, cross-publicise activities and events, align with local policy and regulations and the business climate, and expand our local footprint. In turn, we help to build their capacity, organise joint events and outreach and engage in cross-referrals. Contact us to collaborate in investment as well as non-investment-related activities.

## Hosting Partners



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The United Nations Industrial Development Organization (UNIDO) is a specialized agency of the United Nations that promotes industrial development, while adhering to the following four strategic objectives: creating shared prosperity, advancing economic competitiveness, safeguarding the environment, and strengthening knowledge and institutions. In the pursuit of its mission, UNIDO supports entrepreneurship and facilitates innovation in low- and middle-income countries, while also ensuring that this enhances their progress towards a low-carbon and climate resilient future.



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The Renewable Energy and Energy Efficiency Partnership (REEEP) is an international non-profit based in Vienna, Austria. REEEP designs and implements tailor-made financing mechanisms, utilising targeted injections of public funding to build dynamic, sustainable markets and ultimately make clean energy and energy efficiency technology accessible and affordable to all. REEEP invests primarily in disruptive approaches led by small- and medium-sized enterprise (SME) players in low- and middle-income countries, facilitating market- and community-led energy transitions.



[www.pfan.net](http://www.pfan.net)