WHAT IS SEFA?

The Sustainable Energy Fund for Africa (SEFA) provides much-needed financial support to medium- and small-scale clean energy and energy efficiency projects in Africa. In many African countries, smaller clean energy projects could be commercially viable; however, the upfront development costs prevent them from accessing financing and reaching market. SEFA provides resources to off-set those preparation costs, enabling small and medium-size clean energy projects to become bankable. SEFA, established in the summer of 2011, is built upon the premise that secure, clean energy can contribute to strong African economies, thereby increasing opportunities for employment particularly for women and youth.

ACHIEVING SEFA SUPPORT

Currently, SEFA is in its first operational phase and is seeking to support projects under preparation with cost-sharing grants. Sponsors with potential projects are strongly encouraged to approach the AfDB for further consultation. SEFA can support the full range of project preparation activities, from pre-feasibility studies and PPP preparation up to assistance in achieving financial close.
ELIGIBILITY CRITERIA

SEFA is currently in its first operational phase. As such, only grant support to projects fulfilling the following criteria are eligible for support:

- Project undertaken in the Bank’s Regional Member Countries
- Proposed project’s sponsor is a privately-owned or is a PPP
- Proposed project shows strong commercial viability (including a favorable regulatory environment, as applicable)
- Proposed project, once fully prepared, will have total capital needs between USD 30-75 million
- Proposed project will result in an increased availability/delivery of productive energy from renewable resources, or project will measurably increase energy efficiency in the market served

Though not an eligibility criteria, it is hoped that project preparation support from SEFA will enable the AfDB to engage in financing the project. However, proposal for AfDB financing is entirely separate and SEFA support does not guarantee downstream AfDB financing.

REVIEW and APPROVAL

Candidate project will be screened initially by an AfDB investment officer. If deemed viable, the investment officer will assume the role of task manager. The project sponsor and AfDB task manager will collaborate to author an initial proposal for SEFA support, which will be reviewed by management. Once endorsed, the project sponsor and AfDB task manager will coordinate to produce a full project proposal, outlining activities to be undertaken under SEFA support. The proposal will be reviewed for technical feasibility, development outcomes and strategic alignment with SEFA and AfDB strategies.

CONTACT INFORMATION

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