



# PFAN 2<sup>nd</sup> Round Table on Financing Energy Access in Fiji

14<sup>th</sup> October 2020



## Profile and Track Record

- PFAN is a project preparation programme jointly hosted by UNIDO and REEEP
- PFAN advises low-carbon, climate resilient businesses in developing countries, and matches projects to appropriate private financing
- PFAN mobilizes private financing to reduce GHG emissions and build climate resilience – contributing to Paris Agreement and SDGs:
  - SDGs 5 (Gender), 7 (Energy), 9 (Industry), 13 (Climate Action), and 17 (Partnership)
- Achievements since inception:



**\$ 1.7 bn**

Total investment leveraged



**>1000 MW**

Clean energy generation capacity added



**126**

Total closed projects



**18 %**

Success rate – financial closures (in %) of projects that have received PFAN support



**4 m<sub>t</sub>**

Annual CO<sub>2</sub> emission mitigation

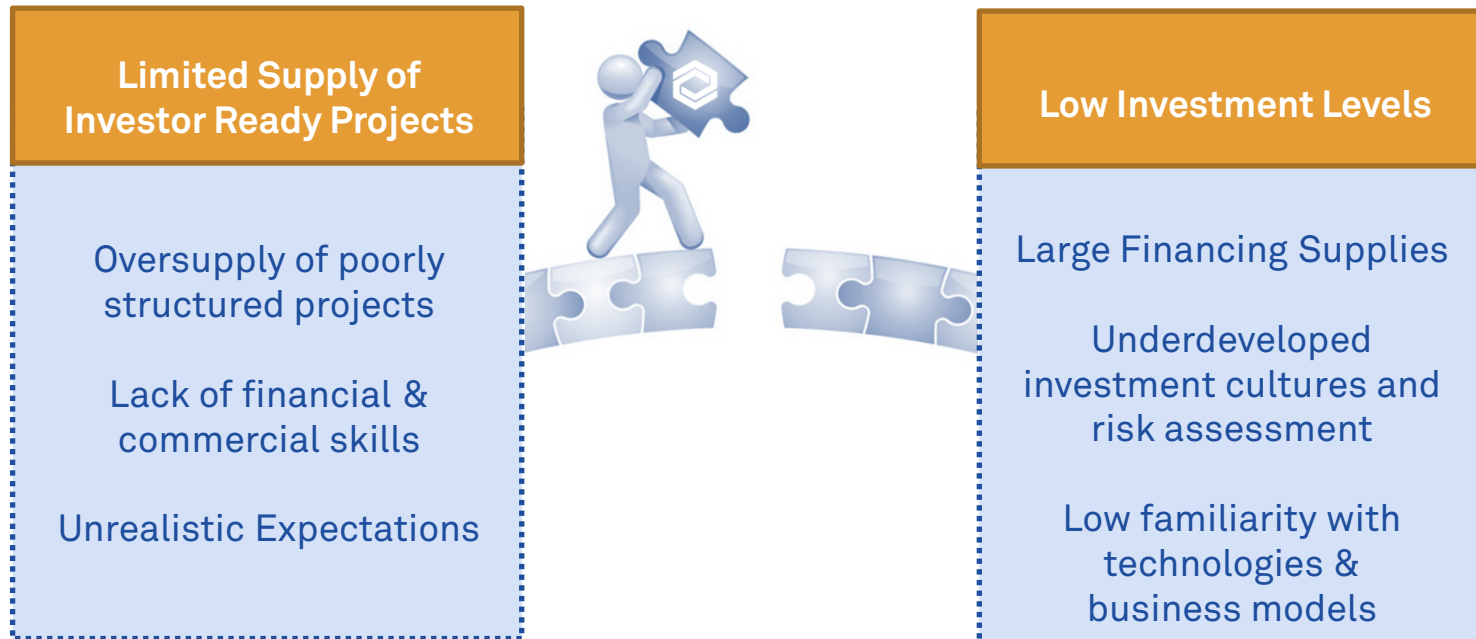


**465**

Total projects in the development pipeline

# Value Proposition

## Addressing the Barriers and Bridging Gaps



# PFAN Journey

## From submitting a proposal to financial close



1. Open-ended  
Call for Projects



2. Project Evaluation  
and Selection



3. Business Coaching



6. Financial Close



5. Tipping Point  
Technical Assistance



4. Investor  
Introductions



# Presentation from Okra Solar



## Energy Access in Fiji

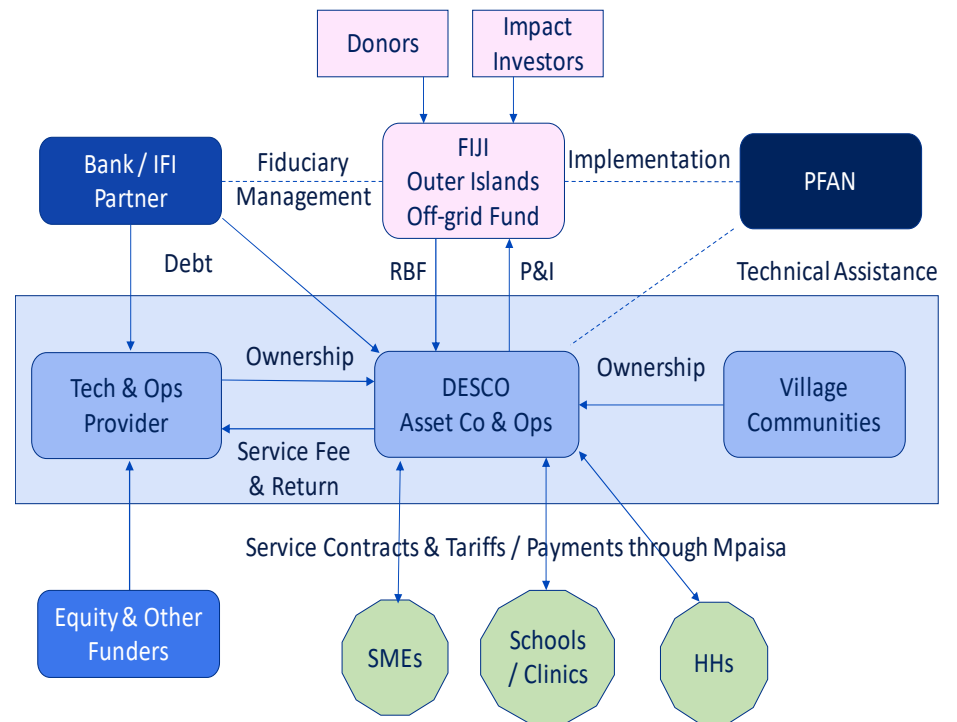
- Last mile energy access identified as a priority strategic focus area for PFAN in the Pacific subsequent to market scoping
- Objectives
  - Electrification of the +/- 5 % of population that don't have access
  - Transition to high quality clean energy for the 5 – 10% that have poor access (powered by diesel gensets) predominantly in the outer islands and other remote off-grid locations
  - Increased role of private sector
  - Increased sustainability and viability
  - Reduced reliance on donor funding
- Teamed up with FREF and FDB as key partners
  - Helping FREF refine their financial model
  - Accelerate the go to market approach

# Proposed Funding Mechanism

## Business Model characteristics

- Distributed and managed through e.g. FREF
- Subsidy through a Reverse Auction approach
- DESCOs function as local utilities
- Uniform basic DESCO structure
- Operational elements may vary from island to island and grid to grid
- Blending to occur at operative level

## Indicative Fund Structure





# Q & A

