

U.S.-Africa Clean Energy Finance Initiative (ACEF)

Catalyzing private sector investment in African clean energy solutions



ACEF is an innovative financing program developed by the Overseas Private Investment Corporation (OPIC), the U.S. Department of State, the U.S. Trade and Development Agency (USTDA), and the U.S. Agency for International Development (USAID). The goal of the four-year program is to catalyze much-needed private sector investment in clean energy projects in Africa by providing support for early stage project development costs. Only 26% of African households have access to electricity, yet Africa has abundant clean energy resources waiting to be developed.

Potential Applicants

Project developers or investors who could potentially utilize OPIC financing or insurance products, but require early stage support to develop their clean energy projects into bankable opportunities.

Eligible Projects

- Environmentally sustainable and economically developmental
- Commercially viable technology
- Supported and managed by experienced energy professionals
- U.S. private sector involvement
- Project must be in an eligible country (see list on next page)

Uses of ACEF Funds

OPIC contracts directly with third-party vendors, such as:

- **Engineering costs** associated with project design, technology assessment, and overall feasibility studies
- **Legal costs** for preparation of documentation related to permitting, PPAs, EPCs, O&M, and financing agreements
- **Consulting costs** for the preparation of environmental and social impact studies
- **Third-party costs** associated with physical and technical analysis of renewable resources

OPIC's Products for Supporting Renewable Energy *Loans & Guarantees*

U.S. Dollars, fixed rate, long-term financing through direct loans or loan guaranties up to \$250 million with tenors extending up to 20 years.



Supporting Small-Scale Solutions
Market-based solutions that involve the sales and distribution of residential and commercial clean energy systems that provide access to electricity



Supporting Large-Scale Solutions
Construction, operation, and management of utility scale power generation facilities (solar, wind, hydro, biomass, geothermal, etc.)

Political Risk Insurance

Coverage for protection against investment risks in emerging markets up to \$250 million, including governmental interference (e.g., expropriation, changes in law, and breach of contract by a government off-taker), political violence, and currency inconvertibility. Specifically for Renewable Energy projects, OPIC has expanded its expropriation coverage to protect investors against unforeseen changes in regulations that could result in a reduction in feed-in tariffs during the life of the project.

Investment Funds

OPIC provides support for the creation of privately-owned and managed investment funds, including renewable energy and renewable resources investment funds.

ACEF Eligible African Countries

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|----------------------|--------------------|------------|---------------------|
| Algeria | Dem. Rep. of Congo | Kenya | Nigeria |
| Angola | Côte d'Ivoire | Lesotho | Rwanda |
| Benin | Djibouti | Liberia | São Tomé & Príncipe |
| Botswana | Egypt | Madagascar | Senegal |
| Burkina Faso | Equatorial Guinea | Malawi | Sierra Leone |
| Burundi | Eritrea | Mali | South Africa |
| Cameroon | Ethiopia | Mauritania | Swaziland |
| Cape Verde | Gabon | Mauritius | Tanzania |
| Central African Rep. | Gambia | Morocco | Togo |
| Chad | Ghana | Mozambique | Tunisia |
| Comoros Islands | Guinea | Namibia | Uganda |
| Congo | Guinea-Bissau | Niger | Zambia |

Contact Us

ACEF is operated out of OPIC's offices in Washington, DC and Johannesburg, South Africa

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Small and medium enterprise (SME) clients, which are often more capital constrained, are expected to be the biggest beneficiaries of ACEF.