

Private Financing Advisory network (PFAN)

The Private Financing Advisory network (PFAN) is an existing multilateral public private partnership that matches private financing with innovative low carbon, climate resilient projects in developing countries and emerging economies. PFAN is hosted by the United Nations Industrial Development Organization (UNIDO) and executed in collaboration with the Renewable Energy and Energy Efficiency Partnership (REEEP).

The contribution is in line with the government's strategy for regional development cooperation with sub-Saharan and contributes to Result area 1, "Sustainable use of natural resources and increased resilience to mitigate environmental impacts and climate change" and specifically sub-result area 1.3 "Increased production of and access to, renewable energy. It also has bearing on Result area 3 "Better opportunities and tools to enable poor and vulnerable people to improve their living conditions".

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PROGRAM CONTENT

The main expected outcomes of the PFAN Program are increasing investments in low carbon, climate resilient projects for sustainable development, leading to reductions in emissions of greenhouse gases and enhanced climate resilience and sustainable development, including energy access.

PFAN serves three functions: (1) Capacitate entrepreneurs and businesses to develop bankable projects (2) Mitigate investor risk and (3) Facilitate project funding to increase and mainstream investments in low carbon, climate resilient projects for sustainable development.

PFAN mobilizes the expertise of private sector companies in financing climate friendly projects and technologies to screen business plans and select the most economically viable and environmentally and socially beneficial projects. For the entrepreneurs and businesses selected, PFAN provides Transaction Advise and guidance on economic feasibility, project structure, investment and financing, preparation of the business plan, and introductions to investors.

Sweden currently chairs the Steering Committee which consists of the different donors to the programme (Norway, US, Sweden and Australia)

TARGETED GEOGRAPHICAL AND THEMATIC AREAS

PFAN supports investments in low- and middle-income countries. The Swedish support is divided into two components; core support to PFAN global programme with 40 MESK and, earmarked support to the SSA regional programme with 40 MSEK. The regional SSA program will focus primarily on the countries where Sida has a bilateral support strategy.

The expected results of the programme are increased investment in renewable energy and climate adaptation projects. PFAN project development pipeline currently numbers some 334 renewable energy projects with a total potential investment volume of USD 8.4 billion, 16.6 million tons of CO2 equivalent reduction potential and 4.8 GW of renewable energy capacity.

FURTHER INFORMATION

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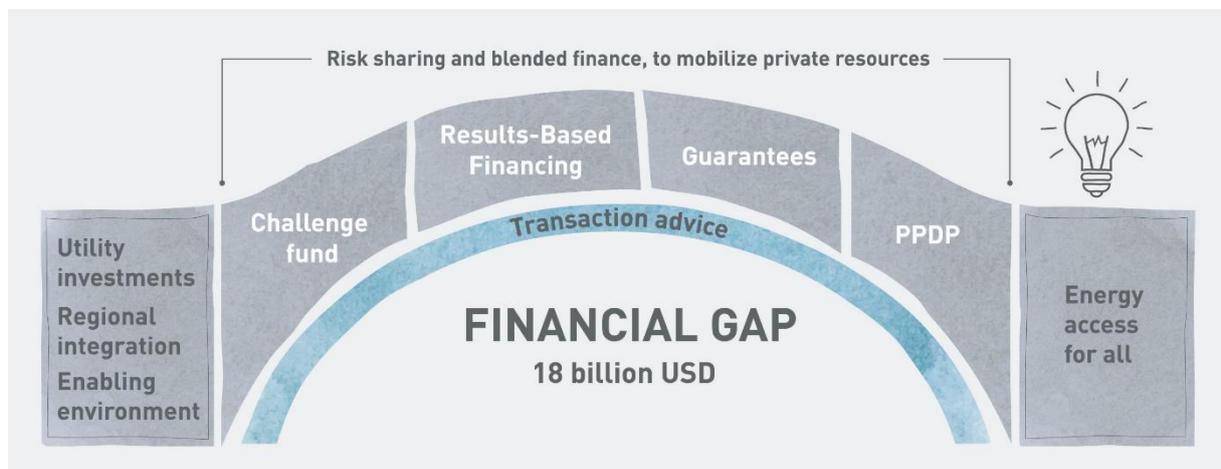
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Sida uses several methods to support development of bankable projects and support renewable energy access-companies to become eligible for long-term debt financing. PFAN is a Transaction Advice contribution, learn more at sida.se/powerafrica