Public Information Summary

Host Countries	Sub-Saharan Africa
Name of Borrower	SDG Investment Fund S.A., SICAV-RAIF and its investment vehicle, Energy Entrepreneurs Growth Fund (“EEGF”).
Project Description	Capitalization of a fund that will make downstream loans and select equity investments to off-grid solar energy companies in Sub-Saharan Africa.
Proposed DFC Loan	$40 million
All-Source Funding Total	$120 million
Policy Review	
Developmental Objectives	EEGF is expected to have a highly developmental impact through investment in SMEs offering clean energy solutions to last-mile consumers across sub-Saharan Africa. The limited capacity of countries in sub-Saharan Africa to generate enough electricity is an economic hinderance, costing consumers nearly double the average global price and reduces the region’s potential annual economic output by between 2 to 4% of GDP. If current trends remain constant there will still be over 530 million people without access to electricity in sub-Saharan Africa in 2030. The region has untapped renewable potential, which if leveraged could alleviate the electricity generation shortage. EEGF investments will provide access to clean energy to an estimated five million last-mile beneficiaries across rural sub-Saharan Africa.
Environment and Social Assessment	The project has been reviewed against DFC’s 2020 Environmental and Social Policies and Procedures manual (“ESPP”) and has been determined to be categorically eligible. DFC direct investments into Investment Funds to support on-lending to growth-stage off-grid solar small and medium enterprises (“SMEs”) are screened as a Category C for environmental and social assessment. These downstream investments are expected to result in minimal adverse environmental and social impacts. Therefore, all those downstream investments have been pre-screened as Category C and further review and consent is not required for these investments. To ensure that the Borrower’s investments are consistent with the DFC’s statutory and policy requirements, the DFC loan will be subject to conditions regarding the use of proceeds. The primary environmental and social issues identified in this transaction relate to the need for an

	Environmental and Social Policy ("ESP") that meets the 2012 IFC Performance Standards. Under the DFC's ESPP, the Borrower is required to comply with applicable local and national laws and regulations related to environmental and social performance and applicable provisions of the 2012 International Finance Corporation's Performance Standard ("PS") 1 and 2. A desk-review-based due diligence assessment indicates that because the project involves DFC support to an investment fund for on-lending to growth-stage off-grid solar SMEs, significant adverse impacts concerning community health and safety, biodiversity, land acquisition and resettlement, indigenous peoples, and cultural heritage are not anticipated. Therefore, PS 3, 4, 5, 6, 7, and 8 are not triggered at this time. EEGF has adequate environmental and social impact monitoring and reporting procedures but will be required to update its internal grievance process prior to receipt of DFC support to align with the DFC's ESPP. EEGF is in the process of updating its ESMS to strengthen its supply chain risk assessment. EEGF will be providing the DFC its updated ESMS for review when complete.