Early Warning System

FMO-58844

AFRICA RENEWABLE ENERGY FUND II LP

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Quick Facts

Financial Institutions	Netherlands Development Finance Company (FMO)
Status	Active
Bank Risk Rating	A
Voting Date	2021-06-14
Borrower	Berkeley Energy
Sectors	Energy
Investment Type(s)	Loan
Investment Amount (USD)	$ 9.70 million
Project Cost (USD)	$ 9.70 million

Project Description

The Africa Renewable Energy Fund II ("AREF II") is a private equity fund investing in clean energy generating assets across Sub-Saharan Africa (excluding South Africa). The fund is managed by Berkeley Energy (the "Fund Manager") and is expected to reach first close in 2020, having development finance institutions including FMO as anchor investors. AREF II is the follow-on fund of the Africa Renewable Energy Fund ("AREF"), in which FMO invested in 2014.

FMO's investment in the Africa Renewable Energy Fund II will come from two government funds, Access to Energy Fund ("AEF") and Building Prospects Fund ("BPF"). The funding objective is to deploy capital towards investments that deliver social and environmental benefits as well as financial returns. The AREF II investment mandate is focused on renewable energy generation in Africa, and as such the fund will play an important role in the support to the transition to clean energy as well as increasing access to energy in underserved and challenging markets. The Fund Manager has a unique blend of team skills, experience and networks allowing for a compelling proposition.

By investing in the Africa Renewable Energy Fund II, FMO seeks to address the market need for energy in Africa in a sustainable and responsible manner, by increasing the production of clean energy. FMO will play an anchor investor role in AREF II. A successful final closing of the fund means that more risk capital is available for renewable energy and clean technologies in Africa, which is fully in line with FMO's investment strategy. Also, most of AREF II target countries are included in the United Nation's list of Least Developed Countries ("LDC"). Supporting investments in LDCs is one of the core strategies of FMO, AEF and BPF. Finally, by investing in the fund FMO demonstrates continued support towards Berkeley Energy as one of FMO's key fund managers.

Investment Description

- Netherlands Development Finance Company (FMO)

Contact Information

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ACCESS TO INFORMATION

As part of FMO's ex-ante disclosure (disclosure of transactions before contracting), you can send requests or questions for additional information to: disclosure@fmo.nl

ACCOUNTABILITY MECHANISM OF FMO

Communities who believe they will be negatively affected by a project funded by the Dutch Development Bank (FMO) may be able to file a complaint with the Independent Complaints Mechanism, which is the joint independent accountability mechanism of the Dutch Development Bank (FMO) and the German Investment Corporation (KfW). A complaint can be filed in writing, by email, post, or online. The complaint can be filed in English or any other language of the complainant. The Independent Complaints Mechanism is comprised of a three-member Independent Expert Panel and it can provide either problem-solving, compliance review or both, in either order. Additional information about this accountability mechanism, including a guide and template for filing a complaint, can be found at: https://www.fmo.nl/independent-complaints-mechanism

Bank Documents

- Project Information Document