Early Warning System

IFC-51294

AFC Warehouse Facility - PAYGO Receivable Financing

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Quick Facts

Specific Location	Sub-Saharan African
Financial Institutions	International Finance Corporation (IFC)
Status	Proposed
Bank Risk Rating	B
Voting Date	2026-04-27
Borrower	RAMP Warehouse S.a r.l
Sectors	Energy, Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 30.00 million
Project Cost (USD)	$ 125.00 million

Project Description

According to the Bank’s website, African Frontier Capital (“AFC”) is establishing a multi-originator warehouse facility (“WHF”) to provide off-balance-sheet financing to distributed energy service companies (“DESCOs”) across eligible Sub-Saharan African countries operating under the pay-as-you-go (“PAYGo”) model. The WHF is expected to raise up to US$125 million from a group of lenders, comprising up to US$100 million in senior debt and up to US$25 million in subordinated debt, providing a credit enhancement to senior lenders. By addressing a critical financing bottleneck in the off-grid solar PAYGo sector, the Project is intended to enable DESCOs to scale affordable clean energy solutions for low-income households, crowd in private capital, and accelerate the transition away from polluting fuels through a scalable and replicable financing platform.

Early Warning System Project Analysis

The Project has been categorized as FI 2 under IFC's Policy on Environmental and Social Sustainability because the WHF will finance a portfolio of underlying DESCO exposures that are expected to entail generally moderate E&S risks, while AFC's current E&S management capacity and systems are still being strengthened to ensure consistent screening, due diligence, monitoring, and corrective action across the pipeline and portfolio. Key E&S risks relate to implementation of E&S requirements during DESCO onboarding and operations (including for DESCOs operating in FCV contexts), as well as labor and working conditions and GBV/SEAH risk management gaps (notably where field based agents may operate in remote or isolated locations, and where training and formal processes to implement/operate relevant policies and grievance channels are limited). Applicable E&S requirements for the Project include the IFC Exclusion List and applicable host country E&S laws and regulations. The Project will not support activities on the IFC Exclusion List (AFC has reported no exposure to excluded activities in the submitted excluded activities form).

Investment Description

- International Finance Corporation (IFC)

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IFC's proposed investment in the WHF comprises a senior loan of up to US$30 million for IFC's own account.

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- African Frontier Capital (Financial Intermediary)

Private Actors Description

The WHF will be managed by *African Frontier Capital LLC*, a data-driven investment firm specializing in receivables financing and securitization solutions for energy-access companies operating under PAYGo business models. AFC structures off-balance-sheet financing that enables companies to convert future customer payments into upfront liquidity, supporting business growth and expanded access to energy. Since 2020, AFC has successfully launched and scaled five facilities in Kenya, Tanzania, and Nigeria, as well as a multi-country facility, financing over US$400 million of receivables.

Contact Information

For Inquiries About the Project, Contact

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