

**Project Disclosure**  
**Empower C&I, pan-Africa**  
**8 April 2022**



## Who is our prospective client?

Climate Investor One (“CI1”) is considering an investment opportunity in Empower, an impact and investment vehicle for small and medium-sized captive commercial and industrial (“C&I”) renewable energy projects across Africa. Empower has developed long-term partnerships with local developers and has built a pipeline of rooftop and small ground-mount solar PV C&I projects, some with storage solutions, in several African countries (Egypt, Ghana, Kenya, Morocco and Nigeria, as well as Cameroon, Ivory Coast, Rwanda, Senegal, Sierra Leone and Zambia).

Empower co-develops the projects with local development partners through Engineering, Procurement and Construction (EPC) and Operations and Maintenance (O&M) contracts.

## What is the funding objective?

CI1’s investment will be used to finance the solar and storage-related capital expenditure required to execute the pipeline of Empower projects. With CI1’s investment, Empower’s projects will improve access to reliable and clean energy for C&I offtakers across Africa, displacing costly and polluting fossil fuel-based grid electricity and diesel generators, and enabling African C&I offtakers to make substantial savings on their electricity bills.

## Why do we want to fund this?

In many countries in Africa, C&I offtakers cannot rely on grid electricity due to inadequate, unstable and poor-quality power supply, and must meet their energy demands through self-generation in order to run productive operations. The cost of solar power is cheaper than grid electricity in many African countries, even in countries with reliable grids, and the economics of solar are expected to strengthen further as equipment costs continue to decline globally. This investment will enable CI1 to participate in this high-potential African C&I space and contribute to addressing the significant self-generation and suppressed demand market in Africa, while delivering substantial environmental and social (E&S) benefits.

## Environmental and social rationale

This investment opportunity has been classified as Category B in accordance with CI1’s E&S risk categorisation, which is equivalent to the International Finance Corporation (IFC) E&S risk category B. Given the nature of the investment, with the underlying projects comprising small solar installations on C&I offtaker premises in urban or agri-industrial areas, adverse E&S impacts are expected to be limited, site-specific and readily managed/mitigated.

The main E&S considerations relate to IFC Performance Standard (PS) 2 (occupational health and safety and third-party labour and working conditions, including in the supply chain) and PS 3 (sustainable water use and waste management, including safe recovery and disposal of wastes from end-of-life solar panels and batteries).

Empower has developed an environmental and social management system (ESMS), which sets out requirements for local development partners to conduct feasibility studies and E&S risk assessments, obtain all required permits and approvals, and develop project-specific IFC-compliant ESMSs to be implemented by the EPC and O&M contractors during project design, construction and operation.