

ACCESS CO-DEVELOPMENT FACILITY 2017



Application Guidelines
March 2017



Introduction

Africa's power sector and wider economy can be transformed by the large amount of money pledged to finance projects across Africa. However, this funding cannot have an impact without well-resourced and experienced developers willing to take early-stage project risk and turn good concepts into bankable projects.

Access Power has designed the Access Co-Development Facility '**ACF**' to serve as a unique platform to bridge the gap between local project developers/ originators and the experience/ funding required to bring such projects to fruition. To achieve its objectives, Access Power through the ACF will form several development partnerships with selected developers/ originators and co-develop the projects bringing them to financial close at the shortest time possible following which Access Power and its partners will continue to own and operate the asset.

This document provides information on the application procedure, application and selection timeline, evaluation criteria, and selection processes for the ACF.

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ABOUT ACCESS POWER

Access Power '**Access**' is a developer, owner and operator of power assets in emerging and frontier markets. Access is today one of the fastest growing independent power producers in emerging markets, and is currently developing power projects worth more than US\$1 billion in 23 countries across Africa and Asia.

Our core expertise:

- Development of early stage projects; taking them from concept to commercial operations
- Rigorously applying well developed processes and procedures to ensure the bankability of development assets
- Innovative debt and equity structures ensuring the fastest route to financial close and long term sustainability of the asset
- Long term owners and operators of power plants in emerging and frontier markets.

For more information on Access Power please visit www.access-power.com

OVERVIEW OF THE ACF

The ACF is a financial and technical support mechanism designed to provide local project developers and originators in Africa with the technical expertise and funding required to bring their renewable energy projects to fruition.

- The ACF is at the forefront of an exciting new concept as the first private sector driven crowdsourcing origination platform for power projects in Africa.
- Access Power works closely with international partners that participate in the selection process, in the past years those partners included: African Development Bank, FMO, IFC, Proparco, and InfraCo Africa.

This year marks the third deployment of the ACF, building on the success of previous rounds in 2015 and 2016 which saw a total of five projects being awarded and three Joint Development Agreements signed.

OBJECTIVE

Through the ACF, Access Power aims to contribute its project development expertise and resources to catalyze power projects across the African continent. We partner with local power developers, and assist them through the project development stage while also providing them with the certainty of final ownership for these projects.

FOREWORD

ACF was originally inspired by our firm belief that Africa's power sector and wider economy can be positively transformed if local entrepreneurs are afforded the funding and technical assistance they need to bring their early stage project concepts to fruition. We are delighted to see that over the last two years ACF has become a viable tool and enabler of such transformation. In 2017, ACF continues to lead the way in crowdsourcing renewable energy projects that will help meet Africa's urgent need for electrification.

Last year we received a total of 96 submissions from 25 countries across Africa, including solar, wind, hydro, hybrid and bio-mass projects. 2017 is set to build on that success as we look forward to receiving this year's entries and witnessing the judge's final decision during an exciting live event at the Africa Energy Forum in Copenhagen on the 7th of June 2017.

The success of ACF 2016 wouldn't have been possible without our world class panel of judges. My sincere appreciation goes to the esteemed panel made up of senior officials of InfraCo Africa, Proparco, FMO, AfDB and IFC.

The 2017 selected project developers/originators will enter into a Joint Development Agreement with Access Power or its affiliates, pursuant to which Access will inject equity in the project alongside the developer/originator, and provide:

- > Technical support*
- > Financial structuring*
- > Development process management*
- > Fund all third-party development costs related to the project (such as feasibility studies, grid studies, environmental and social impact assessments, due diligence fees)*

Together we can make a difference

Reda El Chaar

Executive Chairman, Access Power

HISTORY OF THE ACF

Round 1 - 2015

In ACF's inaugural deployment in 2015, we received 55 applications from 18 African countries covering all commercially proven renewable energy technologies. After the completion of the final selection round the following projects were selected to enter into Joint Development Agreement discussions:

- I. Quaint Solar Energy (50MW solar PV in Nigeria)
- II. Flatbush Solar (20 MW solar fixed ground mount PV in Cameroon)

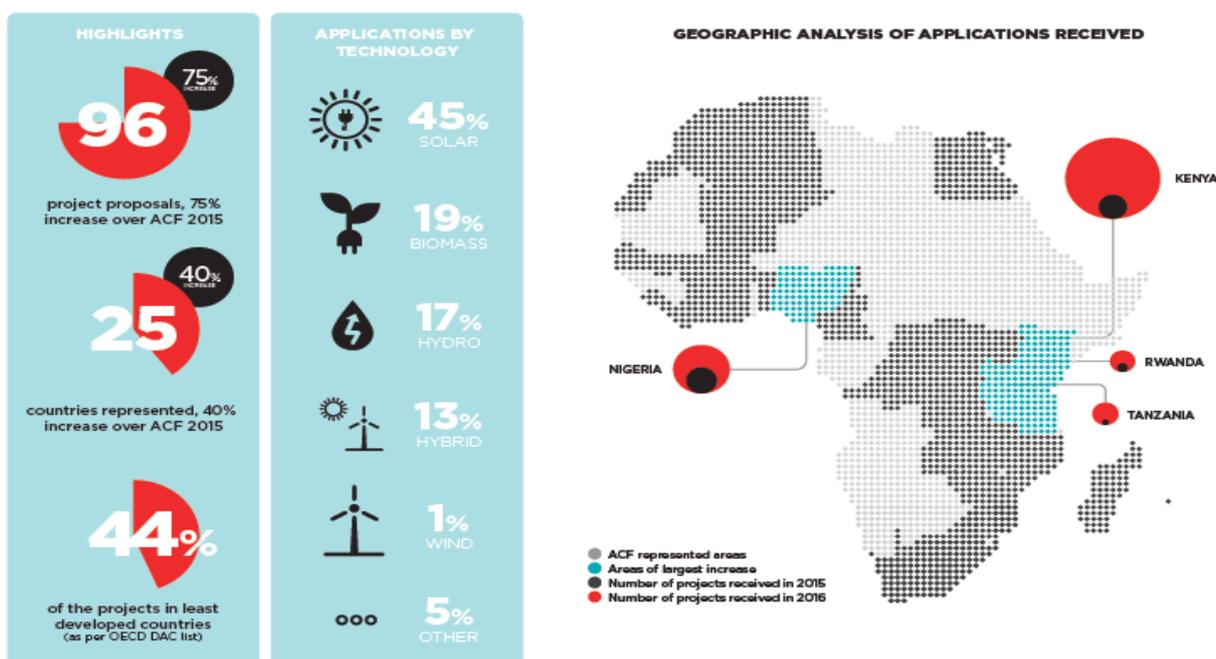
Since its selection and successful negotiation of a Joint Development Agreement, the Nigerian project has advanced rapidly and is targeting Financial Close in Q3 of 2017.

Round 2 - 2016

During the 2016 deployment, ACF received 96 applications from 25 countries, covering several renewable energy technologies. Following a live judging session, the following three winning projects were selected:

- I. Stucky Ltd (25MW Hydro & Solar project in Madagascar)
- II. AGES PLC (25MW solar project in Sierra Leone)
- III. Menatech Energy (50 MW wind project in Nigeria)

Access and the originators of the 25 MW project in Madagascar and the 50 MW project in Nigeria successfully entered into a Joint Development Agreement and commenced the funding of the development of those projects.



THE OPPORTUNITY

Maintaining the momentum from last year's success, US\$ 7 million dollars have been deployed for the 2017 edition to co-develop up to three power projects. The projects will be selected following the selection process outlined in this document.

The selected project developers/originators will benefit from:

- The necessary technical, legal and financial expertise required to bring a project to financial close
- Funding of all third party development costs related to the project (such as feasibility studies, grid studies, environmental and social impact assessments, due diligence fees, statutory payments, etc)
- A clear route to exit the project at financial close (if desired)

ELIGIBILITY

Projects owners applying for the Access Co-Development Facility should meet the following minimum requirements.

Projects must be:

- I. Located in Africa
- II. Utilizing a commercially-proven power generation technology
- III. Based on renewable energy (including hydro) or hybrid power generation technologies

ACF STRUCTURE

The funding and technical assistance will be made available pursuant to a Joint Development Agreement which will be executed with the successful applicant/s.

The key terms of the Joint Development Agreement are as follows:

- ACF shall fund all third party development costs to bring the project to financial close. The development budget shall be presented by the applicant in the application form.
- ACF provides technical, financial and legal resources towards the project in accordance with the following table:

Responsibilities of ACF	Responsibilities of the Applicant
Manage the development process in accordance of industry best practices	Manage the interface between the project and local authorities
Provide in house technical, financial and legal support throughout the development process	Lead the process for the acquisition of required local permits and licenses
Secure project financing for the project	On the ground management of the various project consultants including environmental and technical consultants.
At financial close inject or arrange to inject the required equity	Secure the land rights and associated easements

- At financial close the applicant will receive a development success fee depending on the business case for each project
- The applicant shall have the right to convert all or part of the development success fee into equity in the project (if desired)

Overview – Contractual Terms

The terms of the Joint Development Agreement are fully subject to negotiations between Access and each of the selected applicants. In general, the contract terms are expected to include but not limited to:

- I. **Contract Value:** US\$7 million pot of fund is set aside to be utilized by the winning projects we expect that third party development costs per project will be 1 to 2 million USD.
- II. **Contract Term:** shall be from effective date till Financial Close, unless otherwise agreed
- III. **Roles:** Access shall lead the development of the project in partnership with the applicant. Access shall arrange its equity contribution as well as debt financing for the project.
- IV. **Cost Allocation:** Access shall fund all third party development costs.
- V. **Remuneration:** Applicant shall be entitled to Success Fee, and other benefits as would be agreed in the Joint Development Agreement.

PROJECT SELECTION FORMAT

Stage 1 – Applicant Shortlisting

- The applicant shall fill in the Project Proposal Form (the “Form”) in accordance with the requirements of the Form. The Form is to all and available online to downloaded from Access Power website (www.access-power.com) from March 8th to May 8th 2017.
- The Form (along with optional supporting documents) shall be submitted in accordance with the Submission section of this document.
 - Section A covers basic information about the applicant
 - Section B covers the Technical, Commercial and Socio-economic & Environmental aspects of the project
- The information is collected to assess and score each application based on Evaluation Criteria specified below.
- ACF will shortlist up to 5 applicants for Stage 2.

Stage 2 – Live Panel Evaluation

- Shortlisted applicants will be invited to present the projects to an independent panel of experts during the Africa Energy Forum on 7th - 9th of June 2017 in Copenhagen, Denmark.
- The judging panel will be comprised of industry experts from Power Africa, InfraCo Africa, Proparco, FMO and Access Power.
- Access will provide guidance notes and presentation format to shortlisted applicants to enable them to prepare for the panel session.
- During the panel evaluation each applicant will present their project and take questions from members of the judging panel. The judges will independently score each presentation, and the top 3 projects whose total score is above the 70% pass mark will be announced as winners.
- Results will be announced directly after the panel session.
- Access shall engage the selected winners in negotiation of a Joint Development Agreement shortly after. Following the execution of the Joint Development Agreement, winners will have access to the funding as well as the development expertise of Access.

EVALUATION CRITERIA

The applications submitted as part of Stage 1 and 2 shall be evaluated based on the following criteria:

- Experience of the Originator 10%
- Enabling Regulatory Framework 20%
- Technical Aspects: 20%
- Commercial Aspects: 30%
- Environmental & Social Aspects: 20%

For the purpose of Stage 2 panel selection, the top 5 highest scoring applications from stage 1 will be invited to Africa Energy Forum 2017 (7th - 9th June 2017) in Copenhagen, Denmark.

EXPECTATIONS OF WINNERS

Selected winners will be expected to:

- Undertake local ground work required in the development of the project
- Leverage local knowledge, experience and relationships to advance the course of the project
- Share market knowledge, project experience and lessons
- Align overall incentives towards project success

SUBMISSION

Application Forms along with any supporting attachments shall be submitted in electronic format to the following e-mail address:

ACF@access-power.com

Applicants are encouraged to submit as many supporting documents as they see necessary to strengthen their position and validate the information contained in the Form.

All applications shall be submitted on or before **8th of May 2017 at 11:00 AM UAE Time.**

CLARIFICATIONS

Questions and clarifications can be directed to

ACF@access-power.com

Deadline for submitting requests for clarification is **20th April, 2017.**

TERMS & CONDITIONS

ACF is under no obligation to provide justification to non-selected candidates, or to reconsider the non-selection of an application. Access Power shall not accept any liability for any damages whatsoever as a result of the participation by a candidate in the process.

Candidates undertake that the information provided is true and accurate, to the best of their knowledge.

Selected applicants will be subject to further Due-diligence and KYC requirements of Access, and must comply with Access Power's Anti-Bribery & Corruption policy (to be provided to Selected Winners).



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