

ROLE OF FINANCIAL INSTITUTIONS IN SUPPORTING SMEs TO SCALE CLIMATE SOLUTIONS : ROGEAP

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BOAD : created 1973 for funding the development projects of 8 countries of **W**est **A**frican **E**conomic and **M**onetary **U**nion (**WAEMU**)



- 08 countries : 130 millions
- Model of integration in Africa
- Various Shareholders : Estates (46,86%), BCEAO (46,86%) and Partners (6,28% : France, Allemagne, Belgique, BAD, Chine, Inde, ...)
- BOAD committed in Climate finance
- Accredited by : AF, GEF and GCF
- International rated : BBB
« Investment grade »

❑ FINANCIAL INSTITUTIONS

❖ 152 FI

➤ 109 banks, branches of 32 holding and controle 85% of market

➤ 43 banks

❖ 521 Microfinance institutions

❖ E&S policies → all activites not covered

❑ SMEs

❖ 80% of economic activites

❖ Low Management capacities

❖ Low access to finance due to lack of financial information, garanties

❖ Lack of E&S and climat policies

❑ BOAD to FI PARTNERS

- ❖ Implementation of E&S and climate policies
- ❖ Funding SMEs activities through FI
- ❖ Apply E&S and climate policies to SMEs

❑ DFI Partners (AFD, KfW and WB) to BOAD and FI

- ❖ Capacity building to BOAD and FI
- ❖ Concessional or relevant commercial funding to SMEs activities through BOAD and FI

- ❑ **DONOR AND INTERNATIONAL COMMUNITY (AF, GEF and GCF)**
 - ❖ **Support FI and SMEs for integration of climate requirements into their activities : grant**
 - ❖ **Technical assistance to SMEs to inter to the market**
 - ❖ **Assistance to access to funding**
 - ❖ **Relevant commercial funding of SMEs**

ROGEP : Regional Off-Grid Electrification Access Project

→ **Objective** : increase electricity access to households, schools, SMEs in rural areas of 19 countries

→ **2 components** :

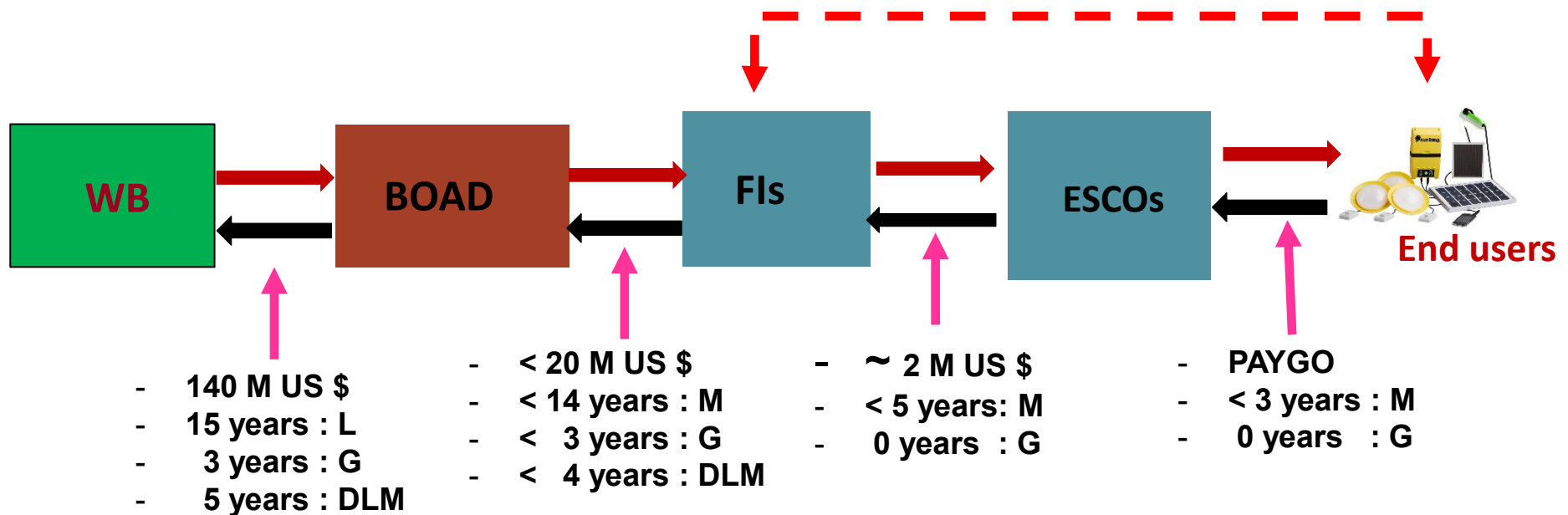
❖ Development of a regional market for off-grid solar (**ECOWAS**)

❖ Access to finance for off-grid solar SMEs and consumers (**BOAD**)

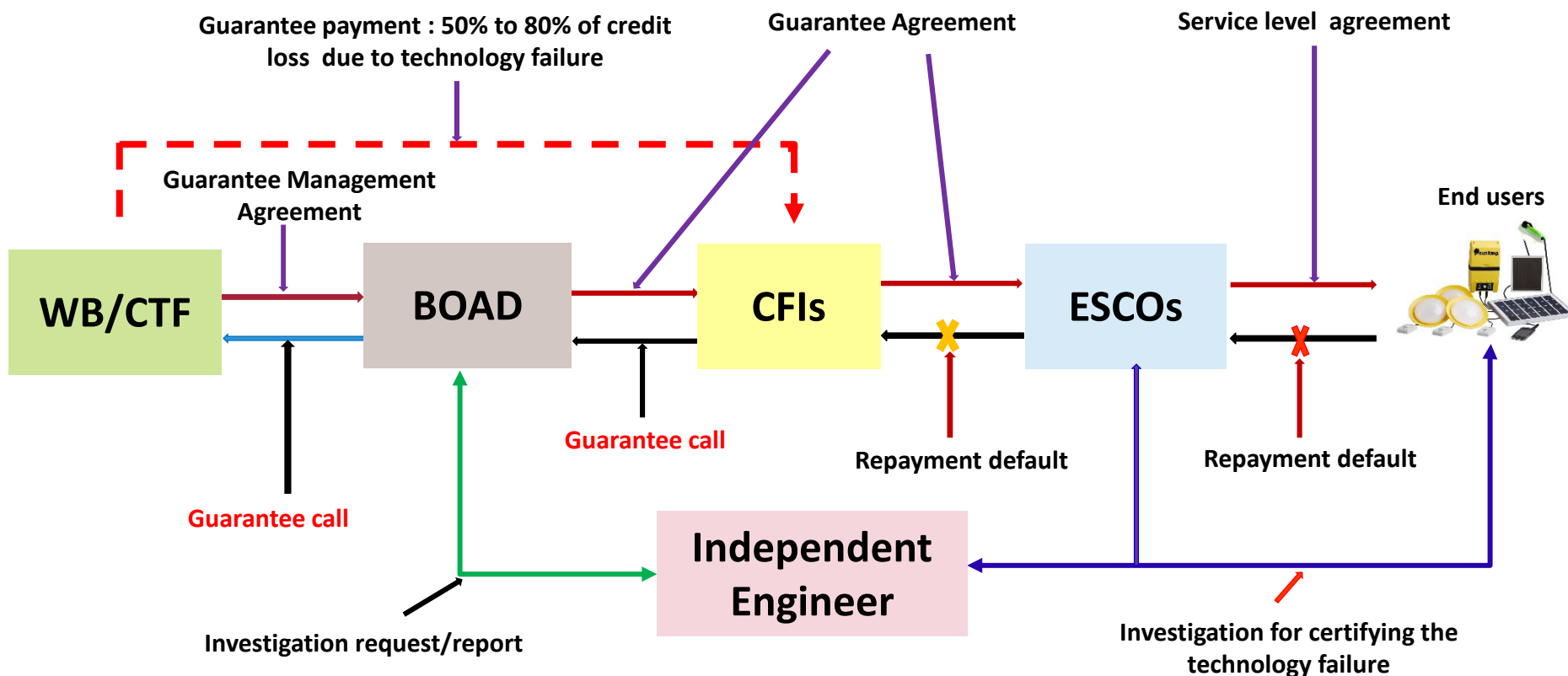
❑ ACCESS TO FINANCE FOR STAND-ALONE SOLAR SYSTEM :

➔ 2 Sub-components :

❖ Sub-component 2A : Credit Line (US\$ 140 million)



❖ Sub-component 2B : Contingent grant (US\$ 67,2 million)



❑ to **BOAD and FI**

- ❖ Environmental and Social Risk Management Strategy
- ❖ Sector Guide on Off Grid Standalone Solar for Financial Service Providers
- ❖ Grievance Redress Mechanism

❑ to **STAND-ALONE SOLAR SYSTEM companies**

- ❖ Waste management
- ❖ Occupational health and safety
- ❖ Reporting to FI



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