



AFRICAN DEVELOPMENT BANK GROUP



Investment Prospectus in the context of SE4ALL

ECOWAS Workshop
24 March 2015 - Abidjan

Dr. Daniel-Alexander Schroth
Coordinator SE4ALL Africa Hub

Presentation outline

■ SE4ALL Investment Prospectus

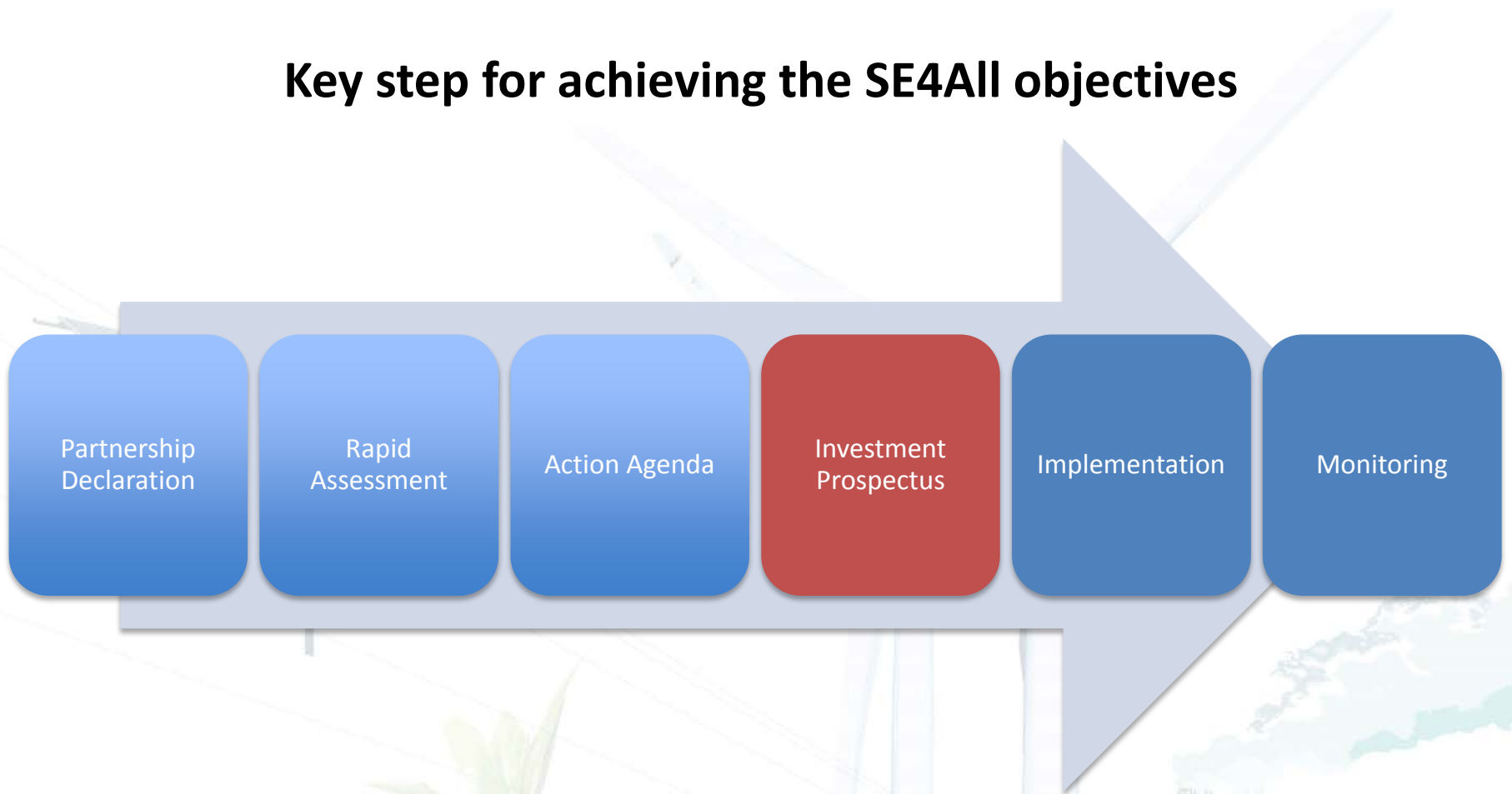
- Objectives
- Audience
- SE4ALL Requirements
- Nature of the IP
- Structure of the IP

■ Comparison between IP and AA



Investment Prospectus

Key step for achieving the SE4All objectives



AFRICAN DEVELOPMENT BANK GROUP

Investment Prospectus

Objectives

Promote investment opportunities in the Country

(it's not a research paper, nor a policy document or a feasibility study)

- Conversation starter for a variety of investment opportunities that will provide prospective financiers just enough information to decide whether or not they might want to liaise with specific project
- Not a bankable document, but sets out country and market context and provides enough information to a financier to decide whether or not to enter into detailed due diligence
- The information on IP investment opportunities could feed into a virtual SE4ALL “market place” that could facilitate match-making between potential investors and investment opportunities

Investment Prospectus

Audience

- ✓ Public sector donors
- ✓ DFIs
- ✓ Foundations
- ✓ Private sector investors
- ✓ Banks
- ✓ Private equity funds
- ✓ etc.

Depending on the specific investment thesis the target audience could be one or more of these audience groups.



AFRICAN DEVELOPMENT BANK GROUP

Investment Prospectus

SE4ALL requirements

- “Validated” by relevant national SE4ALL structures and subject to consultations with relevant stakeholders;
- “Validated” IP to be publicly available;
- IP should benefit from SE4ALL AA/IP Quality Circle support prior to validation.



AFRICAN DEVELOPMENT BANK GROUP

Investment Prospectus

Nature of the IP

- Short- to medium-term set of investment opportunities (3-5 years);
- Presents a set of prioritized and sequences investment opportunities;
- Presents an investment thesis rather than covering the whole energy sector (e.g. mid-sized renewables, gas-based power plants, energy efficiency etc.) ;
- The thesis approach allows for projects to be added as and when ready so that the IP is a “live” document with regard to investment opportunities;
- IP should have at least 3 – 6 projects where “bankable” documentation is available.

Investment Prospectus

Structure of the IP

1/ Description of the Investment thesis

General context of the investment thesis (policy, legal and regulatory issues) and link to the AA

2/ Outline of the project/investment opportunities

- ✓ Investment description (summary information of the project/opportunity)
- ✓ Relevant implementation arrangements (legal issues, authorizations. related infrastructure, etc.)
- ✓ Financing overview (cost overview, financing allocated, financing gap, etc.)
- ✓ Timeline (envisaged project timeline)
- ✓ High-level overview of relevant risks, and risk mitigation
- ✓ Contact details of the Sponsor (which can be a public or private sector entity depending on the opportunity)

3/ Description of overall implementation arrangements

How to access additional sector-level information, nation contact point, monitoring and revision

Presentation outline

■ SE4ALL Investment Prospectus

- Objectives
- Audience
- SE4ALL Requirements
- Nature of the IP
- Structure of the IP

■ Comparison between IP and AA



Comparison AA/IP

TITRE DE LA PRESENTATION

Action Agenda

Strategic and Holistic

Identifies targets, priority areas, coordination and follow up.

Long term vision

Coordination basis for all actors

AA process important by itself

Investment Prospectus

Focused and practical

Identifies investment opportunities

Short term focus

Document for investors

Important if it mobilizes investments

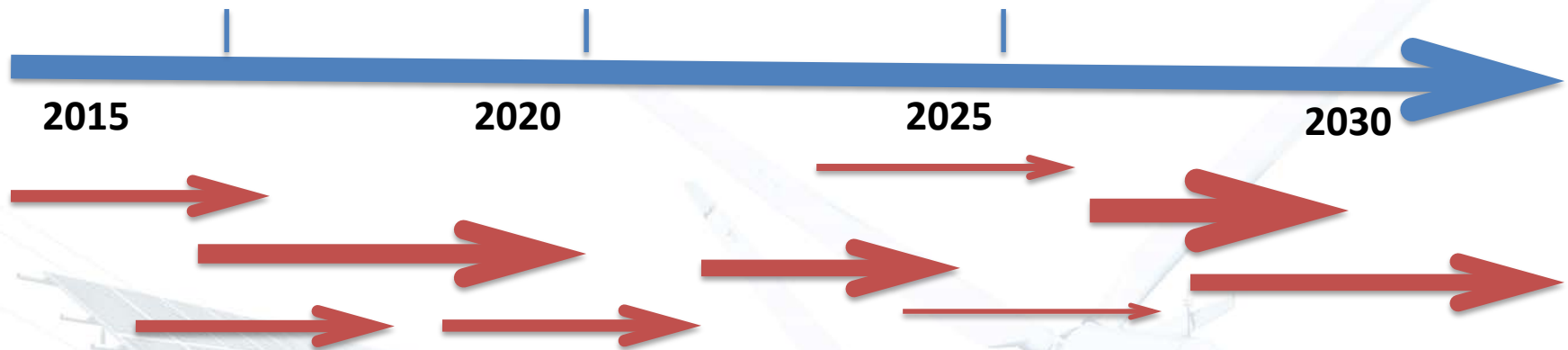


AFRICAN DEVELOPMENT BANK GROUP

Comparison AA/IP – Time horizon

TITRE DE LA PRESENTATION

Action Agenda



Investment Prospectuses

AA will be a “live” document revised regularly (think PRSP), keeping a long term vision.

IPs will be short-term, new IPs will be produced with time to address changing opportunities or conditions, different IPs can be produced for sectors and subsectors.

Comparison AA/IP - Audience

TITRE DE LA PRESENTATION

Action Agenda

- AA is a multi-stakeholder process that (ultimately) produces a document.
- The process involves stakeholders, it creates dialogue, build political consensus, promote multisectoral action
- The document is a country reference to coordinate the actions in the field

Investment Prospectus

- IP is a document with narrower audience and scope, but not less important
- IP is an instrument to be presented to investors (private, public, MDBs etc.).
- There are no results without investments!

Thank you!

AFRICAN DEVELOPMENT BANK

Contact:
Dr. Daniel Alexander Schroth
d.schroth@afdb.org



SUSTAINABLE
ENERGY FOR ALL



AFRICAN DEVELOPMENT BANK GROUP

