

Power Africa

www.sida.se/powerafrica

Mobilising investments for increased access to renewable energy

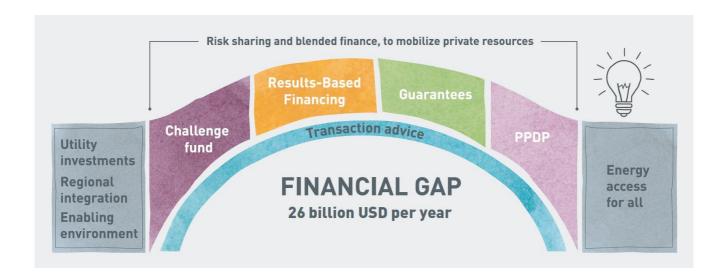
Our strategy

Sweden has participated in the Power Africa initiative since 2015. We focus on increasing electricity access from renewable sources and energy efficiency in sub-Saharan Africa by mobilising private capital for investments. Our goal is to mobilise 1 billion USD over 10 years.

To achieve this, we use different mechanisms to engage and mobilise private resources. Innovative methods, enable project developers to develop bankable projects and access suitable financing. This is essential to increase private and public investments in renewable power infrastructure and energy efficiency. Our strategy emphasises risk sharing and blended finance. Through blended financing approaches and capacity building, we want to create the right conditions.

The funding needed to electrify sub-Saharan Africa far exceeds the funding available from governments and donors. Our strategy is to contribute to bridging the financial gap with methods that catalyses private investments in energy efficiency and in increasing access to modern renewable energy services.

Read more about our methods here.



To bridge the financial gap in the power sector, the right foundation must first be put in place: Utility investments, regional integration and an enabling environment.

FOUNDATION:

UTILITY INVESTMENTS

Public-owned power utilities must be strengthened to increase efficiency, reduce losses and ensure cost recovery. Utility investments are grants for improving operational efficiency and expanding transmission, distribution and generation capacity in state-owned power utilities.

REGIONAL INTEGRATION

Both financial and environmental resources can be used more efficiently with deeper regional integration of energy infrastructure. Regional collaboration and integration can attract more private investments and public-private partnerships and contribute to solving part of the regions power sector investment need.

ENABLING ENVIRONMENT

With an enabling environment, renewable resources can be leveraged to increase generation, improve energy efficiency, and expand access to renewable energy services. This includes supporting energy sector reform and strengthening organisational capacity to ensure independent, impartial and competent energy agencies. It also includes the creation of customer awareness about opportunities with energy and demands on efficiency, safety and value for money.



Sida focuses on increasing energy efficiency and electricity access from renewable sources in sub-Saharan Africa.

"We contribute to bridging the financial gap and achieving universal energy access."

