TOWARDS A GREENER FUTURE

The Indian Ocean lending programme that promotes green growth
A turnkey offer to finance green investments for businesses
What is SUNREF?
SUNREF (Sustainable Use of Natural Resources and Energy Finance) has been designed to help businesses in the Indian Ocean seize the opportunities created by the ecological transition. It is part of an ambitious initiative that was developed by AFD (Agence Française de Développement) to mobilise public and private banks in partner countries to finance investments in the private sector that ensure greater use of green technologies and sustainable energies.

The aim of the SUNREF program is to facilitate access to affordable green technologies, thereby guaranteeing the development of a low-carbon economy and contributing to the reduction of the causes of climate change and other environmental disturbances. SUNREF Indian Ocean aims to:

- Facilitate access for enterprises to bank financing for green investments
- Increase the competitiveness of the private sector
- Develop a functioning sustainable green market
- Reduce the dependency on raw materials and energy supplies
- Strengthen the capacity of banks, businesses, suppliers and manufacturers to exploit the opportunities of the green revolution

SUNREF, new opportunities thanks to sustainable energies
Whether businesses want to purchase equipment, undertake a modernization project, or renovate a commercial or industrial building, they can reduce operating costs, increase productivity, mitigate the environmental impact and therefore improve their competitiveness by considering energy efficiency and renewable energies in the project design.

SUNREF offers its partners an innovative and global approach that makes investments in sound environmental technologies sustainable and affordable, using a combination of tools and products as described hereafter.

A sustainable and innovative offer
To encourage enterprises to invest in sustainable energies and environmental solutions, SUNREF loans are available on very flexible and attractive terms to:

- Fund any efficient technologies that significantly reduce energy, water, or waste charges; or that produce energy based on renewable resources
- Provide loans up to EUR 7 million
- Subsidize investments that reduce environmental costs and increase competitiveness: to increase the competitiveness of enterprises, AFD provides an 8% incentive grant which will be paid out by the partner bank upon successful implementation of the project
- Help businesses meet international environmental standards: as more and more trading blocks and financing institutions sign up to stringent environmental standards, businesses that avail of SUNREF to improve their energy and environmental performance will be better able to access funding and compete for a growing market

A credit line: EUR 60 million provided by AFD to partner commercial banks in the Indian Ocean

SUNREF loans at a glance
- Available for loans up to EUR 7 million
- For investments that reduce energy, water or waste charges, or produce energy based on renewable resources
- To companies in Mauritius, Seychelles, Madagascar, Mozambique and Comoros
- Through:
  - State Bank of Mauritius
  - Mauritius Commercial Bank
- Comes with:
  - Free expert advice
  - A grant upon completion of project investment, calculated as 8% of the loan

SUNREF Indian Ocean comprises specific and innovative financial and technical products:
- A credit line: EUR 60 million provided by AFD to partner commercial banks in the Indian Ocean
- A program of technical assistance to help
  - Identify investment opportunities in energy efficiency and renewable energies
  - Advise investors as they develop their project and check investment eligibility
  - Monitor the implementation of their projects
- The banks market, communicate and promote the financial offers available under the credit line

The technical assistance expertise is financed by the European Union, so it is free of charge to investors and banks.
SUNREF, the green finance for competitiveness

FINANCIAL BENEFITS
Flexible financing
Subsidized investments
Improved productivity
Reduced operational costs for the enterprise

A SMOOTH LOAN APPLICATION PROCESS
Fees technical assistance from the assessment of the application to monitoring the implementation

CUSTOMIZED SUPPORT
Expert advice in the right choice of investments to upgrade and improve facilities and processes in accordance with international standards

REGULATORY CONFORMANCE
Consultation will be given to regulatory aspects to ensure compliance with the requirements of international markets

IMAGE IMPROVEMENT
Investments in environmental protection and sustainable development will improve a business’s image and access to markets
Company modernization

A tailor-made approach

SMALL-SCALE INVESTMENT PROJECTS
Up to 100% of the investment amount, subject to the decision of the partner bank
Loans of up to EUR 250,000 for the purchase and installation of new equipment and technologies on a List of Eligible Equipment and Materials because they meet high performance standards
Grant of 8% of the total amount of the loan, paid upon verification of installation of the equipment

LARGE SCALE INVESTMENT PROJECTS
Up to 100% of the investment amount, subject to the decision of the partner bank
Loan of up to EUR 7 million
Grant of 8% of the total amount of the loan, paid after verification of installation of the equipment
Investments requiring a more complete technical and financial evaluation can avail of technical assistance to assess the eligibility of the projects, receive technical advice to optimize the investment and choice of technologies, and calculate the anticipated economic, financial and environmental benefits

CONDITIONS
All loan applications must meet the partner bank’s standard lending criteria, to be checked with the partner banks in terms of creditworthiness, status and conformity with national legislation.

PROJECTS
Investments in energy efficiency and renewable energies, exclusively in the private sector, including:
- Industry, buildings, agriculture, transport, tourism
- Biomass, solar, wind energy, photovoltaic
- Air and water depollution, waste disposal

TECHNICAL CRITERIA
Energy Efficiency projects
- Result in an energy savings ratio of at least 20%
- Pay back in 2-8 years from savings, of which at least 50% must be energy-related
- Involve the best available technologies in case of greenfield investments

Renewable Energy projects
All kinds of renewable energy resources (solar, wind, biomass etc.) and all kinds of equipment and technology are eligible as long as they meet recognized international quality standards.

Environmental projects
All projects which improve the local and global environment, or help reduce its degradation, e.g. by:
- Reducing the consumption of natural resources
- Reducing the generation of any type of pollution: wastewater, chemical, agricultural or noise pollution
- Decontamination, waste management solutions
The target is based on a case-by-case approach (e.g. a reduction of 50% for specific use or 20% reduction of the total use).

Eco business loans
Available on a case-by-case basis for equipment and service providers seeking to improve the availability and quality of renewable energies, energy efficiency or environmental equipment or services on the market.

FINANCIAL BENEFITS
Flexible financing
Subsidized investments
Improved productivity
Reduced operational costs for the enterprise
Examples of projects in commercial buildings

- Thermal insulation of the building envelope (interior walls, roofs, basements)
- Replacement of inefficient air-conditioning
- Solar water heaters
- Roof photovoltaic systems
- Efficient lighting

Examples of projects in industry

- Replacing or upgrading of energy-intensive equipment (ovens, furnaces etc.)
-Cogeneration of heat and power (heat, refrigeration and electricity)
- Solar replacement (with economizers, improved insulation, regenerative burners etc.)
- Heat recovery systems
- Modernization of ventilation/air-conditioning systems, installation of more efficient chillers
- Use of renewable energy sources
For more information about the loan conditions and application procedures, you can reach us through any of our partner banks, or directly

CONTACTS:

AGENCE FRANÇAISE DE DÉVELOPPEMENT
Laurent Bergadaa
bergadaal@afd.fr
Tel: (230) 213 64 00

SUNREF
Mickael Apaya (Joint Economic Council Coordinator)
mickael.apaya@mauritianmanufacturers.mu
Tel: (230) 433 67 62

SUNREF PARTNER BANKS

Mauritius Commercial Bank
Ashwin Foogooa
ashwin.foogooa@mcb.mu
Tel: (230) 202 6468

State Bank Mauritius
Balkrishna Jhurry
kris.jhurry@sbmgroup.mu
Tel: (230) 202 1471