

USAID PFAN-Asia Quarterly

Volume 011

March 31, 2017

Recent Successes

5 deals representing US\$27M of investment achieved financial mobilization in Q2.

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7th Annual AFCEF

PFAN-Asia showcases 12 projects at its Investor Forum, featuring a total investment of \$145M

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SMART Solutions Toolkit

PFAN-Asia released a Smart Solutions Toolkit to support mentors in advising smart solution projects.

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Dear Colleagues and Friends,

Welcome to the eleventh issue of our Quarterly Newsletter!

It is with great pleasure that we present the eleventh issue of the USAID PFAN-Asia Quarterly Newsletter to you—our important stakeholders. This newsletter covers the program's recent activities, as well as other industry news.

In the second quarter of this financial year, PFAN-Asia successfully mobilized financing for 5 projects, representing US\$27M in total investment. PFAN successfully co-hosted the Seventh Asia Forum for Clean Energy Financing (AFCEF-7) business plan competition in Singapore, bringing together hundreds of leading clean energy entrepreneurs and investors from across the region.

We hope that you will find the newsletter useful and informative. Please contact us if you have questions, need more information, or have suggestions for improvements.

Yours truly,
The PFAN-Asia Team
asia@cti-pfan.net

Connect with us at upcoming events

May 16, 2017
Bangkok, Thailand

Project Development & Financing Workshop

June 5-10, 2017
Manila, Philippines

Asia Clean Energy Forum

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Recent Successes

	Q2 FY17 Active Activity	Program Totals
Investment Mobilized		
#s of Projects	2	42
Total Investment (USD)	\$ 27,025,914	\$ 532,299,387
Pipeline Status		
#s of Projects	165	305
Total Investment (USD)	\$ 3,516,196,562	\$ 11,124,956,892



Image: GerWeiss Electric Vehicles in Boracay
Photo credit: GerWeiss Motors Corporation

◆ **GerWeiss Motors Corporation (GMC)** is an electric vehicles manufacturer in Boracay Island, a famous tourist attraction in the Philippines. GMC was contracted by the Aklan Municipality to replace all 538 gasoline tricycles in Boracay Island with e-trikes starting from 2014. As of end of 2016, it has 60 units of e-trikes plying in the tourist island. USAID PFAN-Asia assisted GMC in preparing the necessary financial documents and assessment as required by the lenders. Through support from USAID PFAN-Asia, GMC has successfully mobilized three rounds of funding, with the total amount of US\$645K.

◆ **Vietpeco Co. Ltd.** proposes to build a 6MW Biomass Thermal Power Plant in Que Son, one of the poor communities in Danang, a coastal city in Vietnam. The power plant will use agroforest residues to produce electricity. The annual electricity output is expected 35,070,000 KWh. The generated electricity would be sold to EVN at US\$8.77 cents/kWh. USAID PFAN-Asia has been supporting Vietpeco in seeking equity investor and debt financing since 2015. The USAID PFAN-Asia Mentor advised the company during the process of negotiation with the local

bank until successful completion. Thanks to those efforts, Vietpeco mobilized US\$10.5M to construct the power plant.

◆ **Radix Lifespaces Pvt. Ltd.** is developing and rolling out of modular bio-methanation plants for the treatment of organic waste in rural areas. The plant will treat and process 25-30 tons of organic waste a day, turning it into biogas and using 0.75MW of gas turbine to generate electricity. The project was first introduced to USAID PFAN-Asia program through the AFCEF-3 business plan competition in 2012. Since that time, USAID PFAN-Asia has advised Radix on a range of issues, including its capital raising approach, corporate legal structure, as well as strategic business opportunities. Through support from USAID PFAN-Asia, Radix has successfully mobilized two rounds of funding, with the total amount of US\$441K.

◆ **Big C Supercenter** (Big C) is a grocery and general merchandising retailer headquartered in Bangkok, Thailand. Big C operates 124 retail outlets across Thailand and electricity costs makes up the company's second largest operational expense. In recent years, Big C considered switching to renewable energy sources, recognizing both potential cost savings and positive impacts on the environment. Since 2015, USAID PFAN-Asia has assisted Big C in the development, tendering, and evaluation of proposals to make the switch to renewable energy financially viable. The company has recently announced the planned installation of solar rooftop systems at 16 retail outlets, with each having a capacity of 1MW. The total investment of these projects are valued at US\$25M. USAID Clean Power Asia helped bring the deal to closure, validating principal concepts in the PPA and advising corporate executives on negotiation strategies.

Recent Successes

◆ **Kamworks Utility Ltd.** (Kamworks) is a Cambodia's leading solar energy company. Kamworks has the largest track record with both on-grid as well as off-grid solar energy systems in the country. To date, more than 150,000 rural residents in Cambodia have received power through Kamworks. Kamworks is building a 4MW rooftop solar for a beverage company in Phnom Penh. USAID PFAN-Asia helped Kamworks develop the financial model and review the term sheets/proposals from a number of



Image: Kamworks Moonlight Solar Lights
Photo Credit: Kamworks Utility Ltd.

investors. USAID PFAN-Asia is working with Kamworks to secure an amount of US\$4.1M from an international investor for this project.



Image: Fourth Energy Partner Private Ltd. won first place at AFCEF-7.

Indian Solar Firm Shines at AFCEF-7

USAID PFAN-Asia program co-hosted the Seventh Asia Forum for Clean Energy Financing (AFCEF-7) business plan competition in Singapore on February 10, 2017. AFCEF-7 brought together leading clean energy entrepreneurs, investors and financiers from across Asia. Twelve project finalists from India, Cambodia, Vietnam, Nepal and Indonesia pitched business plans with a total investment value of US\$145M. They made their pitches to a panel of independent judges and an audience of more than 150 investors and government representatives. The panel selected "Helios," a solar rooftop project from India by Fourth Energy Partner Private Ltd., as the

Event Highlights

winner. The runner-up was the Banea Mini Hydropower Project in Sumatra by PT Entec Indonesia, while ATEC's Cambodia Biogas project and Kamworks PAYGO Solutions, a solar project from Cambodia, tied for second runner-up.

Bankers Converge on Energy Efficiency in Bangkok

USAID PFAN-Asia, the Energy Engineering Institute at Kasetsart University, and GoGreen Advisory co-hosted the Energy Efficiency Project Technical Evaluation Workshop for Bankers on March 17, 2017 in Bangkok, Thailand. The workshop brought together ten representatives from five Thai banks and financial institutions to discuss the risks and rewards of energy efficiency project financing and promote the utilization of the US\$130M Energy Efficiency Revolving Fund set up by Thailand's Ministry of Energy and managed by Energy Engineering Institute at Kasetsart University.

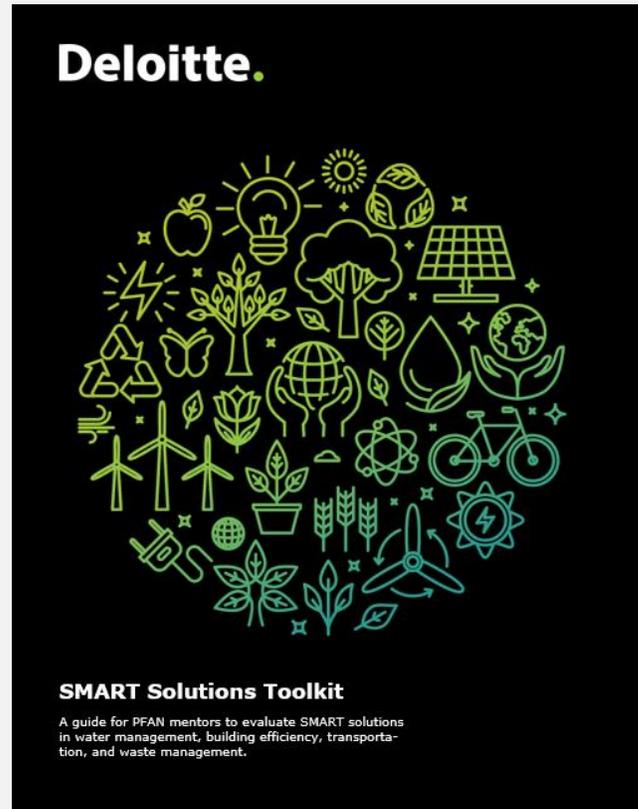
Expert's Opinion

SMART Solutions Toolkit

Jenny Huang and Adam Newman
Deloitte Specialists

Climate change and urbanization are putting pressure on many urban and rural communities to better deliver services to a greater and more demanding population. Traditional solutions, particularly in water management, building / infrastructure efficiency, transportation, and waste management, are no longer able to adequately address citizen needs, so many communities are focusing on new, innovative, and forward-looking solutions to address these challenges and build more adaptable communities and cities.

The Deloitte Team developed a Smart Solutions Toolkit that serves as a reference guide for the USAID PFAN-Asia mentor community to use while advising smart solutions projects and matching them with appropriate financing that addresses their needs. This guide includes leading practices on business model development, financing options, and stakeholder engagement that are specific to



SMART solutions in emerging markets. The guide also features 12 case studies of successful and unsuccessful SMART solutions across the region and within the four sector areas. These case studies provide an overview of each solution and lessons learned that will help future projects: 1) analyze the market for their services, 2) understand the public and private financing landscape for various countries, technology types, and sectors, and 3) understand the importance of effectively engaging stakeholders to maximize their market potential.



Image: Bandung City at Night, Indonesia. Photo Credit: Syed Abdul Khaliq. 2008



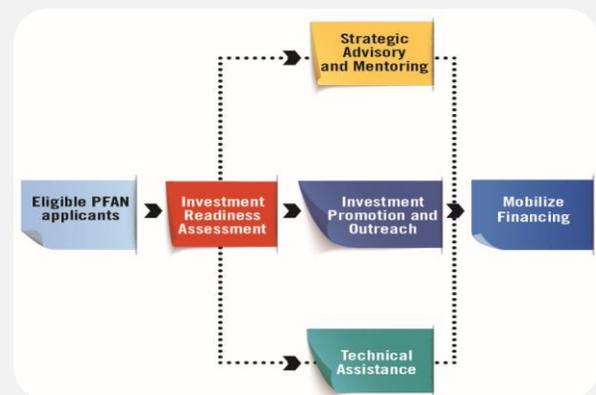
Work with Us

USAID PFAN-Asia is actively looking to support clean energy entrepreneurs in raising capital for their projects. Upon admission into the program, each new project to PFAN-Asia is provided an **Investment Readiness Assessment**, or IRA. Based on the outcome of IRA, further support may include one of three services below:

1. Strategic Advisory and Mentoring: USAID PFAN-Asia provides strategic advisory and mentoring on the preparation and refinement of the business plan and other related documentation necessary for investor outreach. Mentorship will be conducted by individuals who possess extensive track record of successfully raising capital for clean energy companies.

2. Investment Promotion and Outreach: USAID PFAN-Asia promotes and matches investment-ready proposals with suitable investors.

3. Technical Assistance: Tipping point technical assistance refers to late-stage technical assistance that pushes projects up and over the tipping point so that an investor decides to move forward with the investment (e.g., legal opinion, technical review or engineering feasibility report).



For further information, please contact us at:

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