



*Building the bridge from where you are...  
To where you want to be.*

# Funding Strategies in Today's Financial Marketplace





*Building the bridge from where you are...  
To where you want to be.*



# What Has Happened

## Banking Crisis





*Building the bridge from where you are...  
To where you want to be.*



# What Has Happened

**Banking Crisis**

**Loan Competition**





*Building the bridge from where you are...  
To where you want to be.*



# What Has Happened

**Banking Crisis**

**Loan Competition**

**Fluctuating Oil Prices**





*Building the bridge from where you are...  
To where you want to be.*



# What Has Happened

**Banking Crisis**

**Loan Competition**

**Fluctuating Oil Prices**

**Volatile Commodity Prices**





*Building the bridge from where you are...  
To where you want to be.*



# What Has Happened

**Banking Crisis**

**Loan Competition**

**Fluctuating Oil Prices**

**Volatile Commodity Prices**

**No Secondary Market for Loans**





*Building the bridge from where you are...  
To where you want to be.*

# Funding Strategies

## Smaller, Regional Projects





*Building the bridge from where you are...  
To where you want to be.*



# Funding Strategies

**Smaller, Regional Projects**

**Liquid Equity & Capital Reserves**







*Building the bridge from where you are...  
To where you want to be.*



# **Funding Strategies**

**Smaller, Regional Projects**

**Liquid Equity & Capital Reserves**

**Loan Guarantees & Grants**





*Building the bridge from where you are...  
To where you want to be.*



# **Funding Strategies**

**Smaller, Regional Projects**

**Liquid Equity & Capital Reserves**

**Loan Guarantees & Grants**

**Carbon Credits & RECs**





*Building the bridge from where you are...  
To where you want to be.*

# **Funding Strategies**

**Smaller, Regional Projects**

**Liquid Equity & Capital Reserves**

**Loan Guarantees & Grants**

**Carbon Credits & RECs**

**Long-term Off-Take & Feedstock**

**Agreements**





*Building the bridge from where you are...  
To where you want to be.*

## Key Issues in Africa's Energy Sector

**Low access and insufficient capacity** - Some 24 percent of the population of sub-Saharan Africa has access to electricity versus 40 percent in other low income countries. Excluding South Africa, the entire installed generation capacity of sub-Saharan Africa is only 28 Gigawatts, equivalent to that of Argentina.

**Poor reliability** - African manufacturing enterprises experience power outages on average 56 days per year. As a result, firms lose 6 percent of sales revenues in the informal sector. Where back-up generation is limited, losses can be as high as 20 percent.

**High costs** - Power tariffs in most parts of the developing world fall in the range of US\$0.04 to US\$0.08 per kilowatt-hour. However, in Sub-Saharan Africa, the average tariff is US\$0.13 per kilowatt-hour. In countries dependent on diesel-based systems, tariffs are higher still. Given poor reliability, many firms operate their own diesel generators at two to three times the cost with attendant environmental costs.

## The World Bank's strategy to support energy development in Africa is three-fold:

Support for scaling-up of generation capacity via transformative regional projects;

Improving the effectiveness and governance of state-owned utilities, in the context of hybrid electricity markets; and

A new commitment to rolling out energy access programs via sector-wide engagement.

## Tariff Schedule

**Table 2: Full tariff schedule – 2008 to 2013 (c/kWh)**

<b>Technology Type</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Wind	65.48	63.87	62.31	60.78	59.29	57.84
Hydro	73.76	73.34	72.92	72.51	72.10	71.69
Landfill gas	43.21	42.71	42.21	41.72	41.23	40.75
Concentrating solar	60.64	60.03	59.43	58.84	58.25	57.67



*Building the bridge from where you are...  
To where you want to be.*



**Cindy Thyfault, President  
Westar Trade Resources**

**100 Crescent Court, 7<sup>th</sup> Floor  
Dallas, TX 75201  
214-320-0900  
[www.westartrade.com](http://www.westartrade.com)**

