



## **Alliance for Green Infrastructure in Africa**

The Alliance for Green Infrastructure in Africa (AGIA or Alliance) is a \$10 billion execution-led initiative that seeks to address the lack of bankable green infrastructure projects, to accelerate Africa's just and equitable transition to Net-Zero and bridge the continent's infrastructure gap in a low carbon and climate resilient manner, extensively leveraging the private sector.

AGIA's core objectives are to prepare and to develop a robust pipeline of bankable green projects and to catalyze \$10 billion of private sector funding for greening Africa's infrastructure. To achieve these objectives, AGIA is being implemented through three pillars:

- a **\$100 million grants Project Preparation facility** which seeks to address, through technical assistance, barriers to investments in green infrastructure projects, including insufficient climate risk assessments, deficits in the supportive environment and regulatory framework and more generally, upstream activities that pave the way for project development and project financing.
- a **\$400 million Project Development Fund** which is a blended finance fund that uses grants and concessional capital to attract commercial resources into project development, which is currently scarce. The overarching aim is to provide the whole ecosystem of developers with additional resources to substantially increase the number of bankable green infrastructure projects on the continent. Hence, AGIA will be working with Africa50 as a Fund Manager and co-investing with local, emerging, and established developers allowing them to develop more bankable projects that will attract more private capital.
- the **Financing and Investment pillar** which seeks to build a framework to facilitate the mobilization of \$10 billion financing (longer-term equity, project finance and risk mitigation products, etc.) to enable the large-scale financing for projects supported under Pillars 1 and 2 without increasing African governments' debt.

The Alliance will make transformative investments, such as renewable energy or green hydrogen projects; sustainable transport projects, including e-mobility solutions; solar and hybrid energy for heavy industry, logistics companies; energy storage; water and sanitation; and new technologies.

The initiative has gathered momentum and support across targeted partners since COP28, with more than \$216 million pledges secured (including from 4 of the G7 countries: Italy, France, Japan, Germany, African MDBs, and US-based philanthropists). AGIA is in discussion with other G7 countries, which are expected to join the initiative as well as other prospective investors with **a goal to achieve a first close of c. \$250 – 300 million for the first two pillars, in September 2024.**

Considering the strong alignment between AGIA and PGI, the African Development Bank invited all the G7 countries to individually contribute to the Project Preparation facility and/or to the Project Development Fund. This will also enable Multilateral Development Banks, Export Credit Agencies, private sector, and institutional investors in G7 and partner countries to have access to AGIA's pipeline of projects and to be part of the co-financiers of projects developed by AGIA.