

PRESS RELEASE

CrossBoundary Access' Blended Finance Model Attracts \$10 Million for Mini-Grids from AfDB's Sustainable Energy Fund for Africa (SEFA)

- *CrossBoundary Access secures \$10m from AfDB/SEFA to bring clean energy to 1m people in rural Africa via solar mini-grids.*
- *This adds to \$25m raised from ARCH, Bank of America, and Microsoft in 2022 for CrossBoundary Access' mini-grid pipeline.*
- *CrossBoundary Access' blended finance approach unlocks the capital needed to scale the mini-grid sector and bring renewable electricity to rural Africa*

19 September 2023, Nairobi — Africa's first blended finance facility for mini-grids, CrossBoundary Access, announced \$10 million in new funding commitments from the African Development Bank (AfDB) Sustainable Energy Fund for Africa (SEFA). This investment adds to the \$25m raised from ARCH Emerging Markets Partners Limited, Bank of America, and Microsoft Climate Innovation Fund in June last year to invest in CrossBoundary Access' near-term pipeline of solar powered mini-grids.

CrossBoundary Access will deploy a total of \$150 million over the next three years to bring clean energy to one million people in Africa. The mini-grids combine solar and batteries to provide 24/7 grid-quality power to households and businesses. This initiative will enable individual local residential and small business subscribers to access renewable electricity for the first time. These solar-powered mini-grids will help bridge the gap by bringing clean electricity to rural areas of Africa that do not presently have access to electricity.

According to the International Energy Agency (IEA), the solar mini-grid sector needs \$187 billion to achieve universal energy access by 2030. CrossBoundary Access believes project finance is key to unlocking the long-term, infrastructure-type capital required for the mini-grid sector. CrossBoundary Access first pioneered its blended project finance structure in 2019 with funding from Rockefeller Foundation, Ceniarth, DOEN Foundation, Shell Foundation and UK Aid.

According to the IEA, nearly 580 million people in Africa do not have access to electricity. This puts a brake on economic growth, productive investment, job creation, and poverty reduction. Solar mini-grids provide a solution to this issue, unlocking the potential of those living without electricity. CrossBoundary Access' blended finance approach creates a new model for funding rural electrification in Africa, bringing renewable electricity to one million people once the target \$150 million is fully deployed.

Lynne Wesonga, Associate Director, CrossBoundary Access, says, "CrossBoundary Access is proud to partner with SEFA, AfDB to bring clean energy to people in rural Africa. This \$10 million investment is a testament to the growing maturity of the mini-grid sector and its ability to attract impact-driven



institutional capital. Our blended finance approach coupled with support from our partners will be fundamental in unlocking the capital needed to bridge the gap for those who do not presently have access to electricity.”

Joao Cunha, Manager of SEFA, AfDB, says, “We are thrilled to partner with CrossBoundary Access to deliver on our common vision of mini-grids as a bankable asset class. SEFA’s patient capital investment will go a long way towards demonstrating a viable project finance model, attracting more commercial financiers and scaling-up access to renewable electricity in the African continent.”

Gabriel Davies, Managing Director and co-Founder of CrossBoundary Access, says, “This is another crucial step for CrossBoundary Access towards unlocking the private and public capital needed to scale the mini-grid sector. We look forward to mobilizing this investment to bring the projects in our pipeline to life and provide power to African homes and businesses through these distributed renewable assets.”

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About CrossBoundary Access

<https://www.crossboundary.com/energy-access/>

CrossBoundary Access is the first blended finance facility for mini-grids in Africa, which are small solar-storage grids that bring electricity to rural communities. By using blended finance and an innovative project financing structure, CrossBoundary Access unlocks capital for mini-grids with a mission to bring electricity for the first time to more than 1 million people. CrossBoundary Access is a direct investment platform of the CrossBoundary Group.

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