

Sunref

UN LABEL



Sunref Mauritius

Towards a greener future



The lending programme that promotes green and inclusive growth

A tailor-made offer to finance green and inclusive investments by businesses and individuals

#MondeEnCommun

Developed by



With the financial participation of



In partnership with



Implemented by



SUNREF Mauritius

AFD's green finance label

The Agence Française de Développement (AFD) has been involved since 2009 in assisting Mauritius in its transition towards a greener and more sustainable economy. In association with three local partner banks, AFD has successfully developed a green finance market with appropriate marketing and technical approaches.

A green credit line for businesses and individuals, through partner banks and local technical assistance

Developed by AFD in more than 30 countries, SUNREF (Sustainable Use of Natural Resources and Energy Finance) is part of a broad initiative to promote energy efficiency and renewable energy, as well as the sustainable use of natural resources in priority sectors, namely: Construction, Hospitality, Manufacturing and Agriculture.

In partnership with The Mauritius Commercial Bank Ltd (MCB), AfrAsia Bank Ltd (ABL) and SBM Bank (Mauritius) Ltd (SBM), SUNREF Mauritius offers both financial and technical assistance, so that companies can seize the opportunities of green growth, increase their competitiveness, improve their brand image and get access to new markets.

Thematics covered by SUNREF Mauritius: Mitigation & Adaptation to climate change as well as Gender issues

SUNREF is the tailor-made solution that enables companies to invest in equipment and innovative green technologies, thereby adopting business models that are more sustainable and environment-friendly, allowing them to enhance their energy security and resilience to climate change, while reducing their operating costs and environmental footprint. Moreover, the issue of gender equality, between men and women in the Mauritian economy is also addressed in this programme.

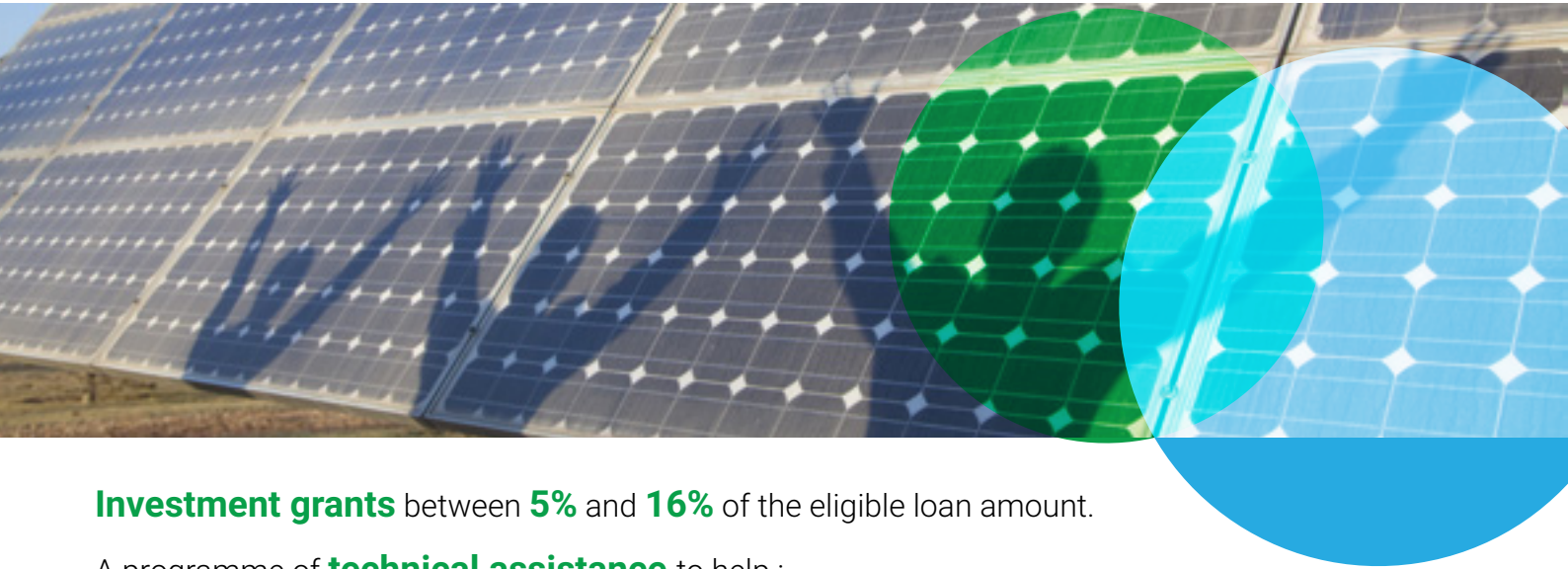


What is SUNREF Mauritius?

SUNREF Mauritius provides a holistic, distinctive and innovative approach, combining an attractive financial offer, with specialized technical assistance:

A credit line:

Euros 85 millions provided by AFD through partner banks to finance green projects.



Investment grants between **5%** and **16%** of the eligible loan amount.

A programme of **technical assistance** to help :

- Build the technical capacity of partner banks to identify investment opportunities in climate change mitigation and adaptation, as well as in gender equality.
- Advise investors on the eligibility of their investment under the SUNREF Mauritius programme and propose best in class technologies, as they develop their project.
- The banks market, communicate and promote the financial offers available under the credit line.

As the major private organization, promoting economic development, social capital, sustainable and inclusive business growth, Business Mauritius is a key partner in the implementation of the Technical Assistance.

Business Mauritius has upskilled its capability to foster the development/emergence of green projects within the private sector. The Technical Assistance expertise is financed by the European Union and is **free of charge for investors and banks.**

Who can benefit from SUNREF Mauritius?

- Any existing or new client of the MCB, SBM and ABL applying for a loan to finance a green project in Mauritius.
- Any company or individual who will benefit directly from the implementation of a project promoting climate change mitigation or adaptation or gender equality.

A tailor-made approach

Small-scale investment projects – up to MUR 10 million

- Up to 100% of the investment amount.
- Loan of up to EUR 250,000 (approx. MUR 10 million) for the purchase and installation of any equipment and technologies contained in a List of Eligible Materials and Equipment (LEME) established by the Technical Assistance and available online on Business Mauritius' website.
- The partner banks are entitled to directly approve the project through a simplified process.

Large-scale investment projects – up to MUR 200 million

- Up to 100% of the investment amount.
- Maximum eligible loan amount of EUR 5 million (approx. MUR 200 million).
- Each project will be subject to a comprehensive technical assessment by dedicated expert(s) to assess and ascertain its eligibility against a pre-determined set of criteria for each of the investment categories covered by SUNREF (Mitigation, Adaptation, Gender).

Investment grants (applicable for small & large scale investment projects) and which will be paid after verification of installation of the equipment.

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|----------------------------|-----------|-----------------------------|------------|--|
| Mitigation Projects | 5% | of the eligible loan amount | +1% | additional investment bonus granted to companies willing to assess and promote women's employment and professional equality (via a self-assessment questionnaire and the development of a gender action plan). |
| Adaptation Projects | 5% | of the eligible loan amount | +1% | additional investment bonus granted to companies willing to assess and promote women's employment and professional equality (via a self-assessment questionnaire and the development of a gender action plan). |

Additional grants*

| | | |
|--|------------|--|
| Adaptation au changement climatique | 10% | extra grant for eligible climate change adaptation projects. |
| Gender Projects | 10% | grant on new investments resulting from the gender action plan. The overall grant for a "gender-related" project stemming from the gender action plan will then be of 10% (5%+5%). |

* Please note that projects financed by AfrAsia Bank are not eligible for these additional grants.

Financial conditions and attractiveness of the offer are at the discretion of the banks.

SUNREF Mauritius, a driver for competitiveness

Financial gains

- Free assistance to prepare projects.
- Attractive investment grant for eligible investments.
- Reduced operational costs and environmental footprint.

Improved competitiveness

- Financing of best available technologies for efficient, cost-effective and environment friendly operations.
- Reduced cost of operations and maintenance.
- Better and more efficient processes leading to improved productivity and modernization of companies.
- Improved human resource performance through professional gender equality measures.

Stronger corporate brand

- Enhanced brand recognition among stakeholders (customers, employees, civil society or financial partners).
- Projection of a modern and forward-looking corporate image.
- Access to new markets or revenue channels through better customer adhesion to the company's brand.



Customized support

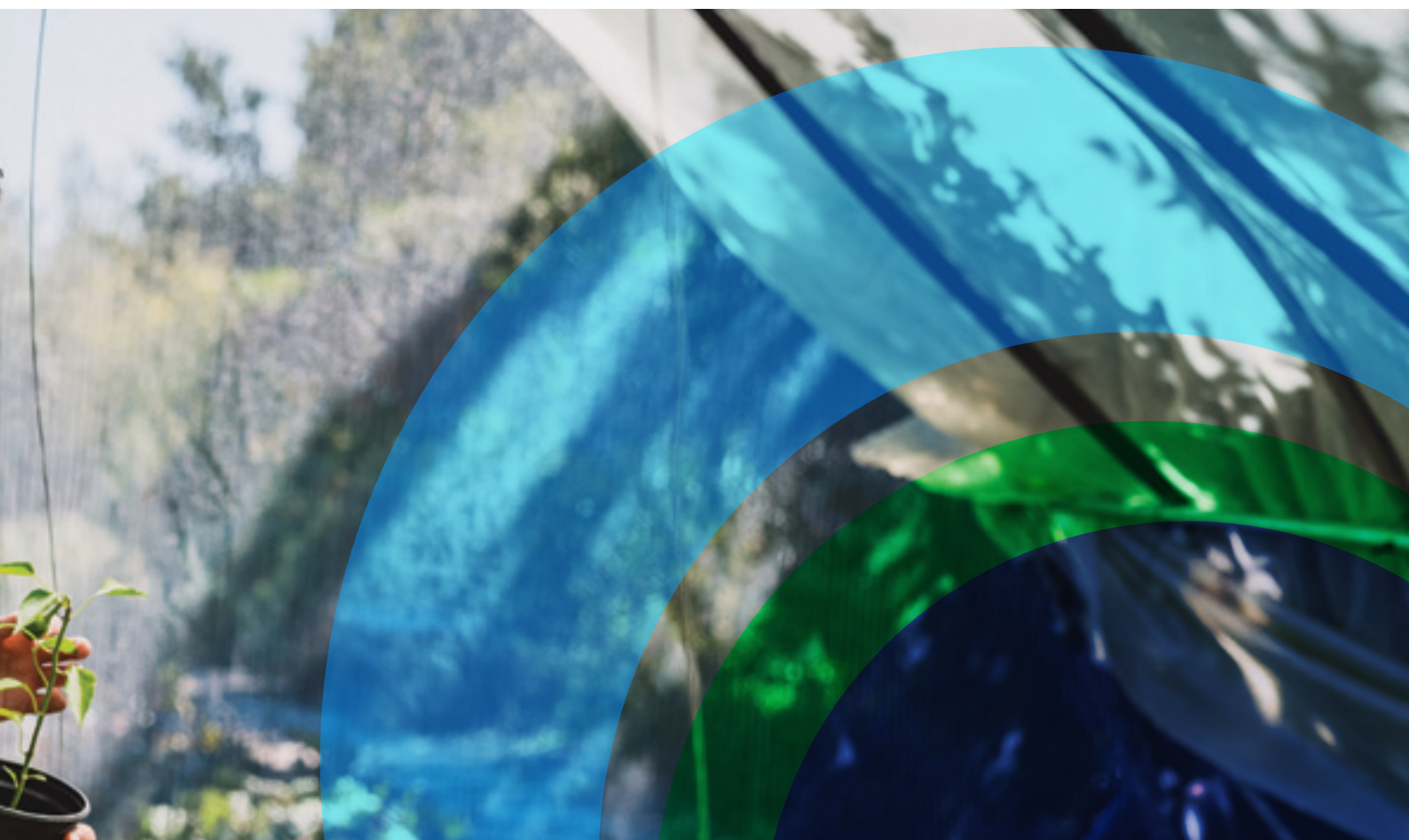
- Support from the technical assistance team, from initial project assessment to loan application.
- Specific expertise to guide investors in reaching decisions and selecting the best available technologies.
- Dedicated support to develop eligible, innovative and profitable green projects.

Compliance with International Environmental Standards

- Better preparedness to future environmental regulations (energy efficiency and environmental protection).
- Getting access to new international markets.

Attractive loans, flexibility and availability

- Smooth loan application process.
- Financing from partner banks.
- Fast-track approach for small-scale investments (less than EUR 250k and listed on a pre-established list of eligible equipment).
- Investment grants from 5% to 16% of the loan amount.



Key facts

Priority Sectors

This list is non-exhaustive and investment is not limited to the sectors mentioned below:

Climate change mitigation

- Investments in renewable energies (RE).
- Investments in energy efficiency projects (EE).
- Investments in electric mobility.
- Financing of eco-businesses.
- Investments in green buildings with technologies/solutions to reduce energy consumption (projects will be considered on a case-by-case basis).

Climate change adaptation

- Investments in **water resource management** (irrigation, recycling, rainwater harvesting, desalination plant).
- Investments in **smart agriculture projects** (for example: sheltered farming, resilient varieties, use of technology, etc...).
- Investments geared towards **coastal zone protection & rehabilitation**.
- Investments related to **thermal insulation** (using bio/plant based materials, green roofs, etc...).
- Investments related to **treatment of wastewater & effluents**.
- Investments in **green buildings with resilient solutions** (with regards to treatment on water management, resilience against strong winds, risk of flooding, extreme temperatures, etc...). Certified green buildings are eligible under Mitigation and/or Adaptation (case-by-case treatment to identify the nature of the certification and the solutions implemented).

Gender

Investments based on the action plan delivered after the **gender self-assessment**.



What types of projects are financed under SUNREF Mauritius?

All SUNREF loan conditions must first meet the partner banks' (MCB, SBM & ABL) standard lending criteria. These must be checked with partner banks, in terms of creditworthiness, status and conformity with national legislation.

Financial indicators

- Maximum eligible loan amount per project: EUR 5 million (approx. MUR 200 million), even though the project cost and the overall loan amounts subscribed with the partner bank might be greater than EUR 5 million.
- Loan Currency: EUR/MUR or any other currency.
- Loan tenor: minimum 4 years.
- Maximum grace period under the granted loan: 3 years (not applicable to ABL).
- Interest rate cap (ceiling): none (at the discretion of the partner bank).

Technical eligibility criteria (climate change mitigation)

Brownfield investments (including retrofitting projects):

- Minimum 20% reduction in energy consumption.
- Energy savings should represent at least 50% of cost savings induced by project with a payback period between 2 to 8 years.

Investissements 'Greenfield':

- Renewable energy projects such as solar photovoltaic, wind turbine, etc...
- Energy from sustainable biomass sources, provided that the biomass resource does not originate from deforestation activities.
- Mini-hydro or biomass power stations.
- All other investments will be considered on a case-by-case basis, on the best available technologies concept.

Technical eligibility criteria (climate change adaptation)

- Minimum reduction in water consumption:
 - for domestic purposes: 30%.
 - in agriculture: 10%.
 - in smart agriculture (green houses): 20% less per kg of produce.
 - due to rainwater harvesting or due to wastewater recycling: 10%.
- Wastewater reuse for non-drinking purposes: 20%.
- Compliance to norms and standards depending on nature of project.
- Compliance to environmental targets defined and approved in pre-feasibility studies prior to the project launch.

Some adaptation investments are complex and will be assessed on a case-by-case basis.

Gender eligibility criteria

- On a case-by-case basis and upon validation by the assigned expert in the technical team prior to project launch.

An innovative approach: building a SUNREF project in

9 easy steps

SUNREF Mauritius offers a dedicated support mechanism allowing a project bearer, who wishes to benefit from the programme, to obtain support for assessing the financial and technical viability of their project and to obtain enhanced assistance for the successful implementation of the project, based on a network of committed partners.

These steps include:

1

Initiating contact through one of the available channels (partner banks or technical assistance) to have preliminary discussions on the proposed project, evaluate its feasibility and determine its potential technical and financial outcomes.



2

Formal loan application request by the project bearer to the partner bank (MCB, SBM & ABL).



3

Decision by the partner bank to finance the investment and to request SUNREF financing as well as expertise from the technical assistance.



4

Issuance by the technical assistance of the SUNREF Technical Eligibility Opinion with a project appraisal report and submission to AFD and to the partner bank, for large scale investments only.



5

Non-objection opinion from AFD to finance the project under SUNREF.



6

Signature of the loan agreement between the project bearer and the partner bank.



7

Validation, disbursement and implementation of the project following terms and conditions listed in the loan agreement.



8

In operational phase, monitoring and impact assessment of the project with recourse to a verification consultant mandated by AFD, at no cost for the project bearer.



9

Payment of the applicable investment grants upon completion of the project.



CONTACTS



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