

OSLO, 25.11.2024

Information session

For applicants to Norway's Sovereign Guarantee Scheme for Renewable Energy in low-and middle-income countries



Agenda

- Welcome and purpose of the meeting
- Quick overview of the application process – 10 min
- Q&A – 45 min



Relevant elements of the guarantee scheme

The Guarantee Scheme is a 5-year (pilot) 5bn NOK unfunded guarantee scheme that aims to catalyse investments for renewable energy projects in low- and middle-income countries

Two tracks

- **65%** - with multilateral development banks
- **35%** - other actors (which will go through the call for proposals)

Who

Banks, funds, specialised entities focusing on guarantees and other financial institutions, individual projects and/or companies – Norwegian and international actors

Objectives

- Development and poverty alleviation
- Reduction in greenhouse gas emissions
- Supporting national policy agendas towards renewable energy

Performance indicators

Mobilised capital, number of additional households with access to electricity, number of jobs created, MW renewable energy installed, avoided CO2 emissions

The call for proposals and application process

- **Overarching approach:**
 - Looking to support specialised entities focusing on guarantees, banks and other financial institutions, including a small number of individual projects (indicative guarantee amount 200m NOK)
 - Prioritise credit guarantees
- **Two-stage process:**
 - **Phase 1** – concept note
 - **Phase 2** – a more comprehensive proposal (by invitation)
 - **Due diligence:** An initial assessment (with indicative pricing) and then the formal due diligence
 - **Open ended:** Planning first round of assessments in January
- Guarantee premiums will primarily reflect the risk covered. The pricing will as an outset not include any profit elements.
- Separate application process for subsidising guarantee premiums
- Q&A from this meeting, as well as other questions we receive throughout the process will be published at www.norad.no



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