IFC International Finance Corporation
World Bank Group

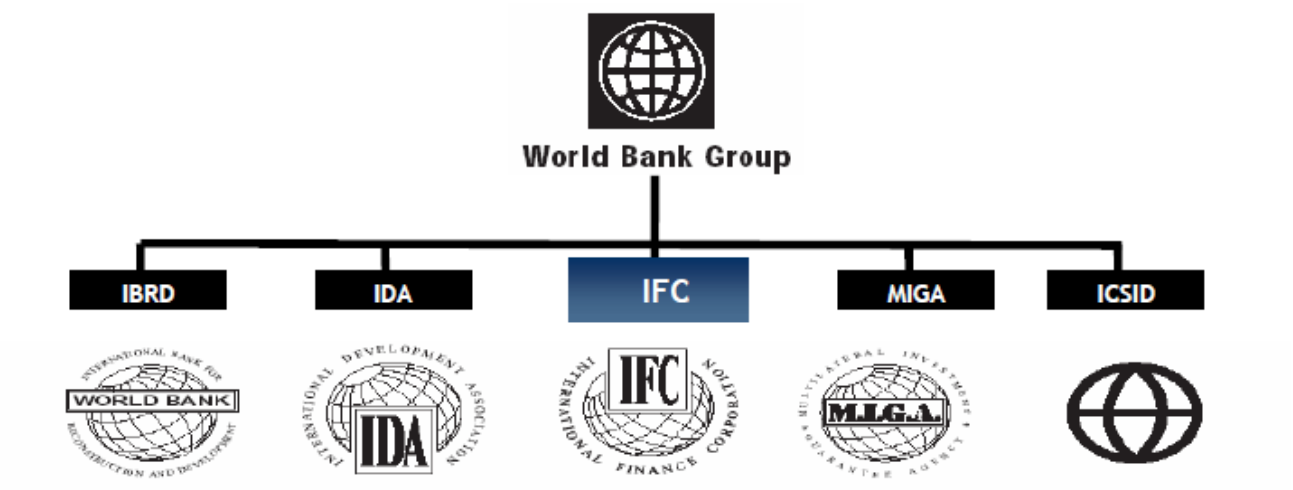
GSMA Green Power for Mobile

Creating Opportunity: Green Power for Mobile

In partnership with the Netherlands

Working Group Meeting
Cape Town, South Africa
Nov 7-8th, 2011

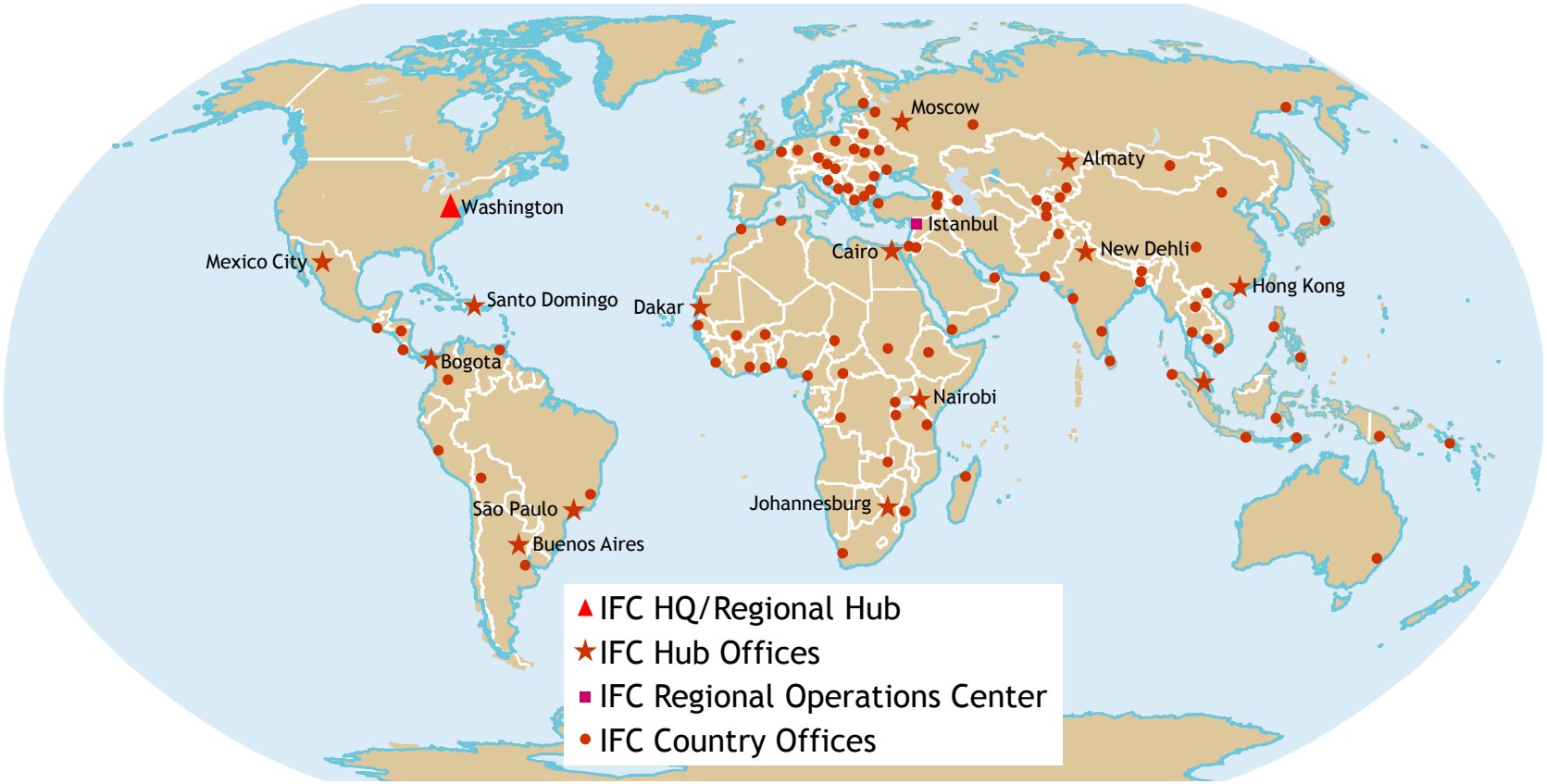
IFC at a glance



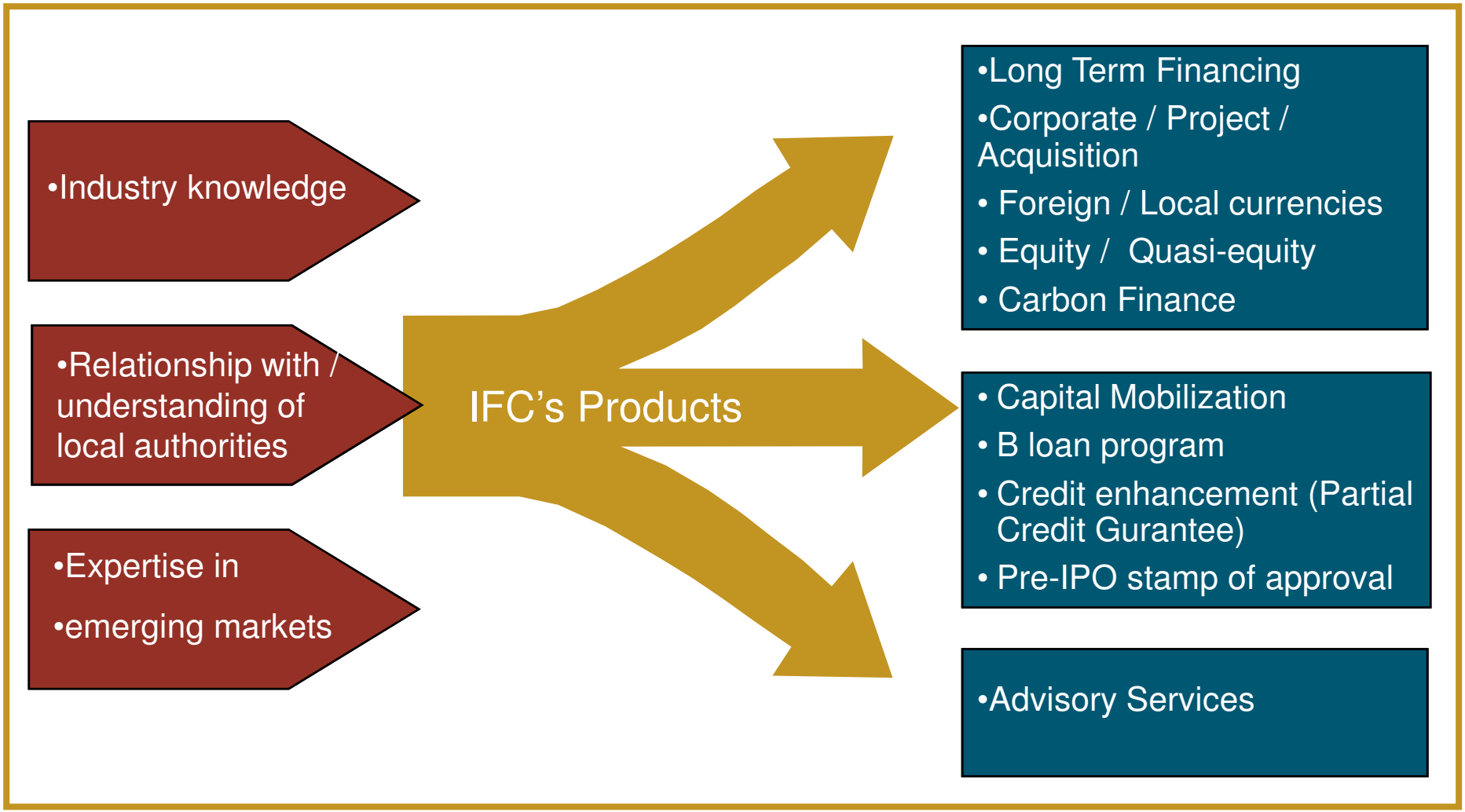
- IFC, founded in 1956, is the private sector arm of World Bank
- Promote & support economic growth by catalyzing private sector investment in developing countries
- Legally distinct part of the World Bank Group with a shared Board of Directors and President, but separate development mandate, Articles of Agreement, staff, capital base, operating/financial policies
- Only global multilateral source of debt and equity financing for private enterprise in developing countries
- Over 102 offices worldwide in 92 countries with 55% of IFC's 3,438 staff in field offices.

IFC's Global Reach

100+ country and regional advisory services offices worldwide



IFC Value Added



IFC clients in TMT sector in Africa

























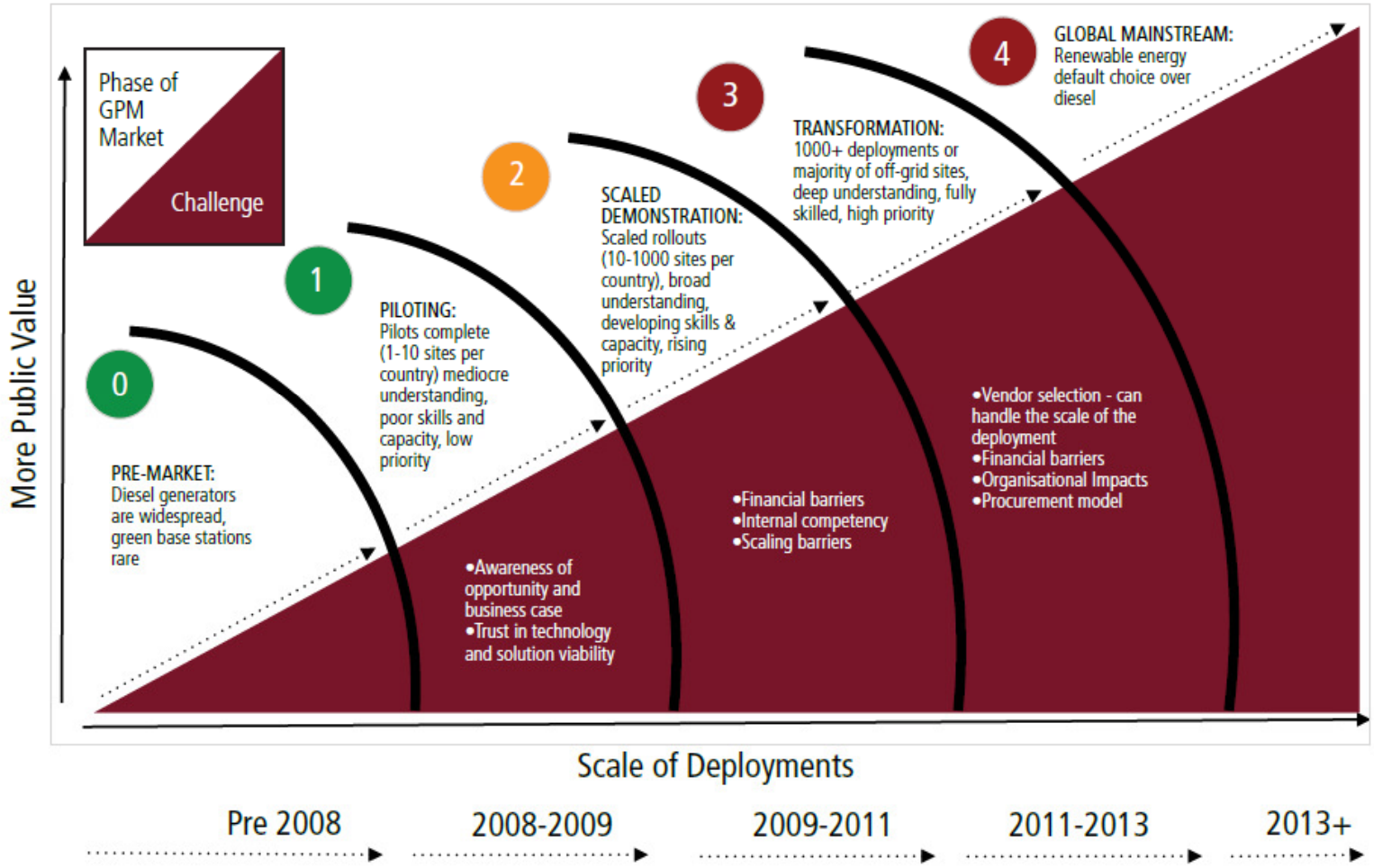








Our Goal


Phase of GPM Market
Challenge
More Public Value
0
PRE-MARKET:
Diesel generators are widespread, green base stations rare
1
PILOTING:
Pilots complete (1-10 sites per country) mediocre understanding, poor skills and capacity, low priority
•Awareness of opportunity and business case
•Trust in technology and solution viability
2
SCALED DEMONSTRATION:
Scaled rollouts (10-1000 sites per country), broad understanding, developing skills & capacity, rising priority
•Financial barriers
•Internal competency
•Scaling barriers
3
TRANSFORMATION:
1000+ deployments or majority of off-grid sites, deep understanding, fully skilled, high priority
•Vendor selection - can handle the scale of the deployment
•Financial barriers
•Organisational Impacts
•Procurement model
4
GLOBAL MAINSTREAM:
Renewable energy default choice over diesel
Scale of Deployments
Pre 2008
2008-2009
2009-2011
2011-2013
2013+

Barriers

[Information gap]
- Unproven reliability vs 99.95%+ up time demand
- Low efficiency of clean energy
- Negative images created by bad products

[High costs of first movers]
- High CAPEX vs diesel generator (DG)

[Lack of business models]
- Complex installation compared to DGs
- Competing investment priorities
- Outsourcing trends of MNOs
- Lack of expertise / human resources to manage clean energy solutions
- Community conflicts

[Lack of financing]
- Lack of qualified ESCOs

For discussion: IFC-GSMA GPM India Project

- **Client Need**

✓ MNOs and Tower Companies (in India, passive infrastructure is mostly outsourced to tower co's then to ESCOs partially) looking to reduce OPEX of off-grid base stations currently powered by diesel for 24/7 by substituting with renewable energy

- **Support provided through a partnership with GSMA**

✓ Piloting of RE base stations with 2 entities
✓ RFP definition and evaluation
✓ Green Power for Mobile network design tool and training
✓ Supply template PPA agreement and provide
✓ Procurement model analysis (Capex vs Opex)
✓ Local ESCO and Vendor Mapping
✓ Resource mapping (solar, wind with operator network overlay)
✓ Case studies and bi-annual reports
✓ Local Working Group meetings



- **Expected Impact**

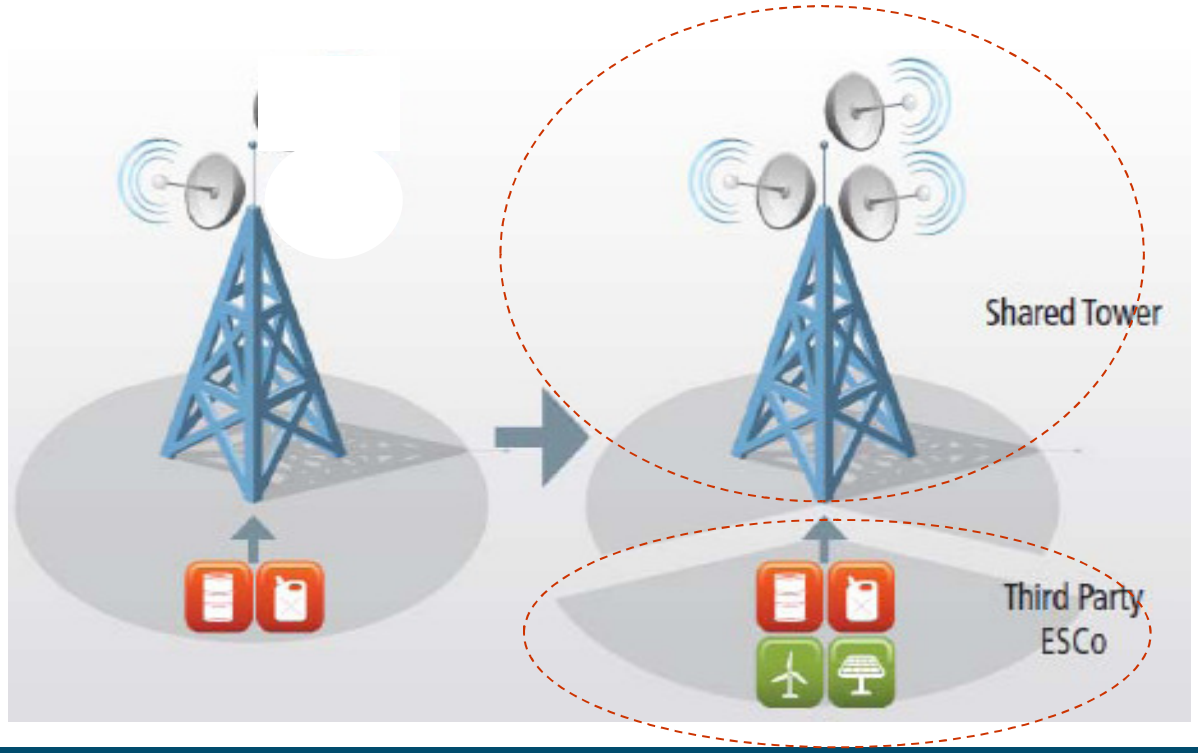
✓ Green Power sites deployed
✓ Investment flow into GPM
✓ Large-scale roll-out, more NW coverage in off-grid areas
✓ CO2/ GHG mitigation

IFC can finance the entire GPM value chain

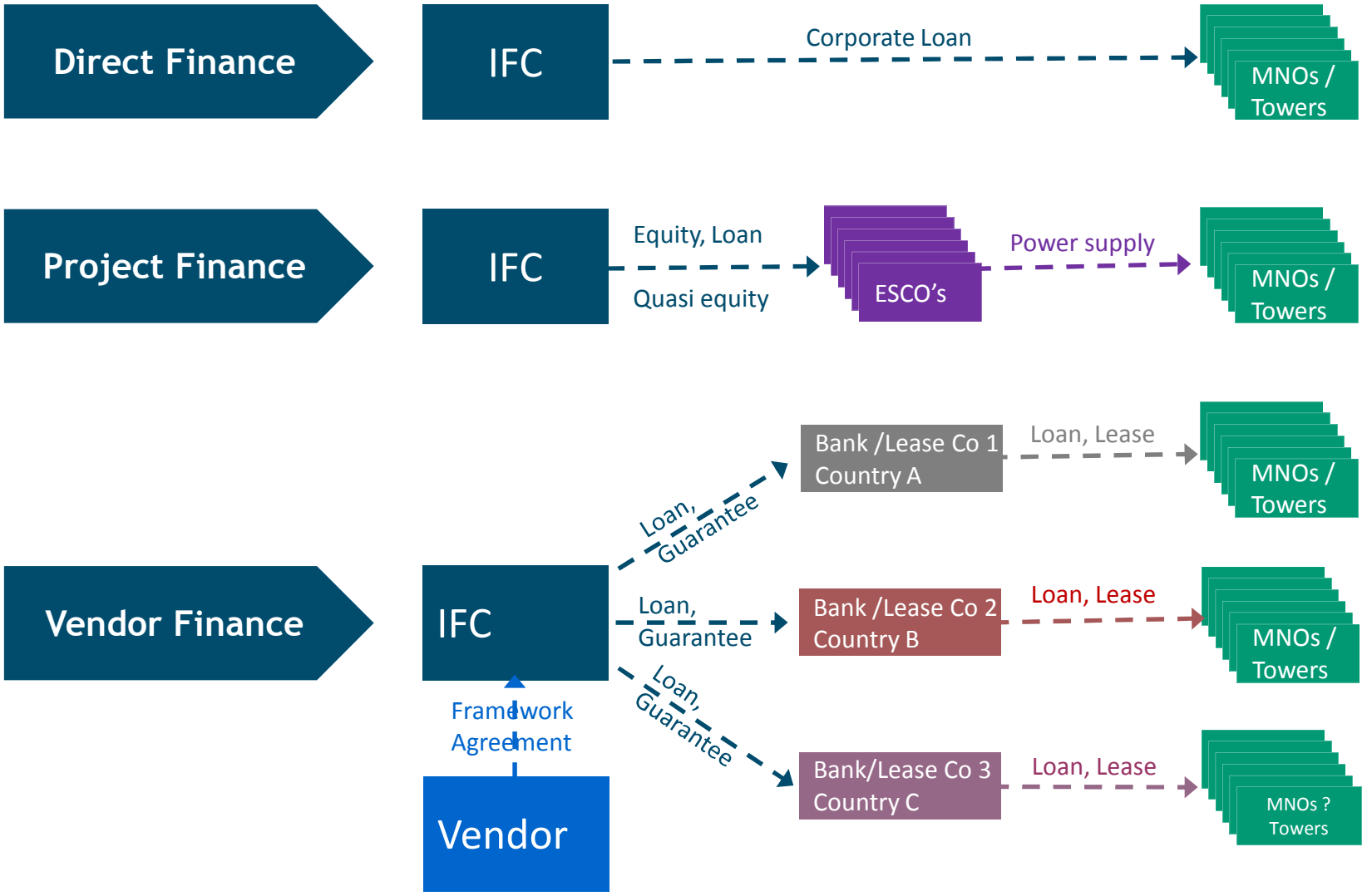
Equipment Vendors / Contractors → Mobile operators (MNO) → Tower companies → 3rd party energy services co (ESCO)



Managed services



Possible financing structures



Modus operandi

- Eligibility criteria
  - Emerging markets
  - Commercially viable projects
  - Development impact
- Deal processing cycle time
  - It depends
- Benefits
  - Stamp of approval
  - Flexible financing solutions
  - Attractive market-based financing terms
  - Industrial specialization / expertise
  - Global reach with regional presence

Thank you!

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