



Africa Renewable Energy Scale-Up Facility (ARE Scale-up)

ACTIVITY REPORT

2017
2025

7 AFFORDABLE AND
CLEAN ENERGY



L launched in 2017, the Africa Renewable Energy (ARE) Scale-Up Facility aims to accelerate renewable energy deployment across Africa, respond to urgent sustainable energy access needs, and contribute to global climate goals.

With a budget of €16.3 million co-financed by Agence Française de Développement (AFD) and the European Union, ARE Scale-Up has supported technical assistance initiatives in 24 African countries over eight years. These interventions help prepare projects designed to catalyze financing from international donors and development partners.

By financing feasibility studies and technical assistance, the program supports a wide range of renewable energy, grid rehabilitation and reinforcement, and rural energy access projects. Thanks to ARE Scale-Up, €1.7 billion in investments has been mobilized to expand renewable energy and improve electricity access for more than one million people.

"At AFD, we are working to accelerate Africa's energy transition. The ARE Scale-Up Facility has been an essential lever in effectively preparing renewable energy projects. Its flexibility and rapid mobilization of funds have helped structure projects on solid foundations and strengthen trust with international partners."

Nicolas Guichard, Energy Director, AFD.

Strategy of the ARE Scale-Up Facility

The ARE Scale-Up program aims to sustainably address Africa's growing energy demand while supporting economic growth and social development and reducing greenhouse gas emissions.

One program, two ambitions :

Accelerate access to electricity



Increase renewable energy deployment



To achieve these objectives, the initiative seeks to :



Improve regulatory, institutional, and investment frameworks to facilitate renewable energy project development and encourage private sector participation.



Prepare financing from European Financial Institutions, (including AFD, KfW, and the European Investment Bank) for a substantial portfolio of public and private projects.

The program supports activities including :

Direct project preparation support : financing technical and financial feasibility studies and institutional, legal, and financial structuring – primarily targeting projects close to maturity.

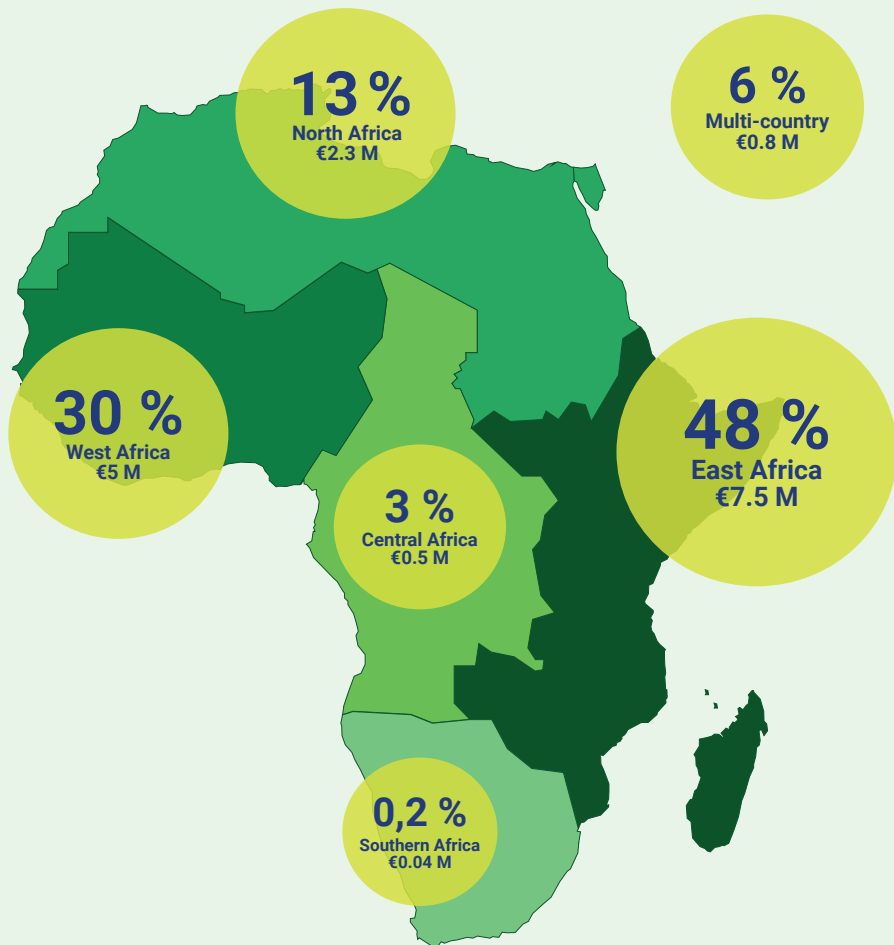
Strategic support, developing or revising sector strategies and master plans when needed to enable coherent project pipelines aligned with low-carbon and climate-resilient development pathways.

Capacity building for project counterparts.



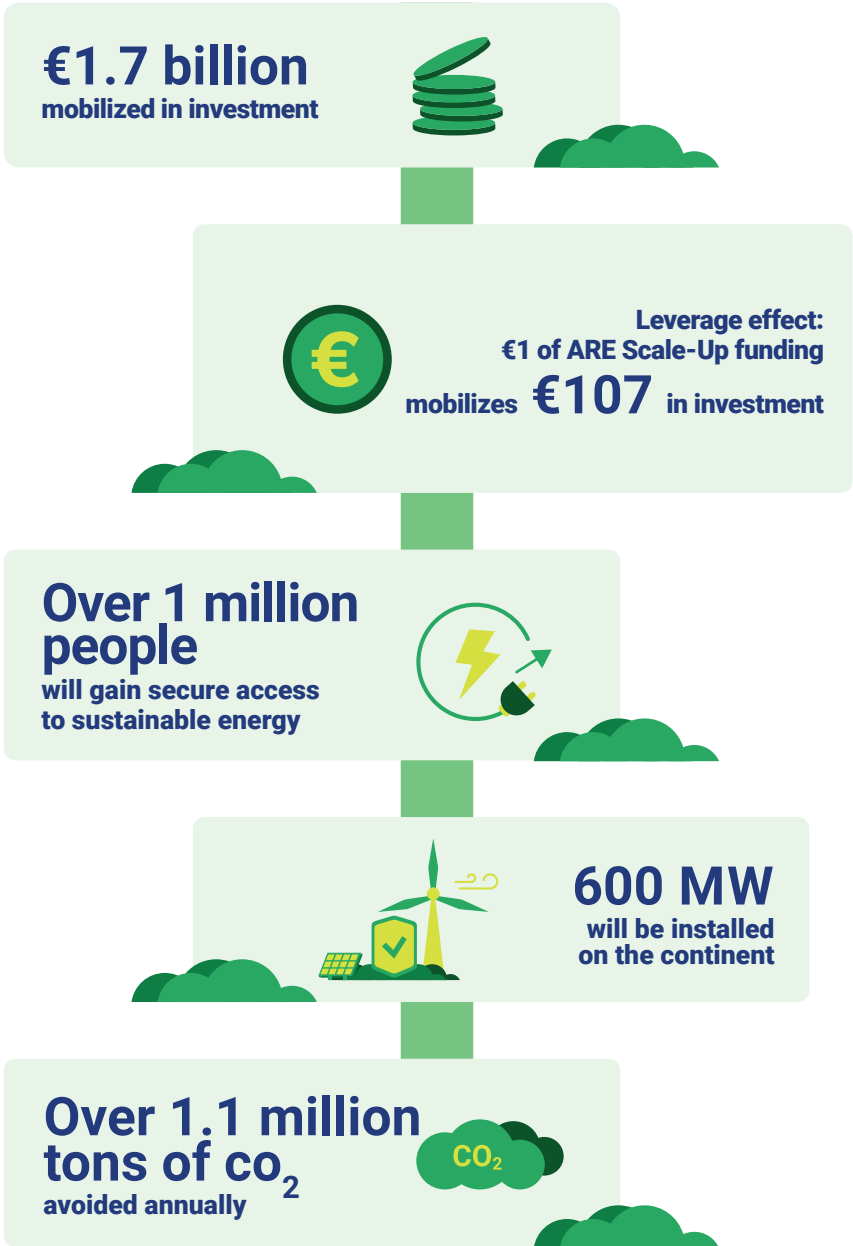
Africa at the heart of the program (2017-2025)

Between 2017 and 2025, ARE Scale-Up supported 53 renewable energy projects in 24 African countries, with a total budget of €16.3 million. Among consulting firms mobilized, 90% were European, including 70% French firms.



53 projects | **24** countries | **€ 16,3 M**

ARE Scale-Up key figures



A selection of flagship projects

ARE Scale-Up provides assistance for solar, wind, hydroelectric, and energy access projects, as well as capacity-building initiatives.

Below are **seven projects** illustrating the program's diversity and impact.

1 MAURITANIA

Rural mini-grid project (€25 million)

ARE Scale-Up funding : €190,000

Supported by AFD and the European Union, the project will :

- Install seven solar mini-grids,
- Connect 47 localities,
- Provide electricity access to 20,000 people and 700 businesses.

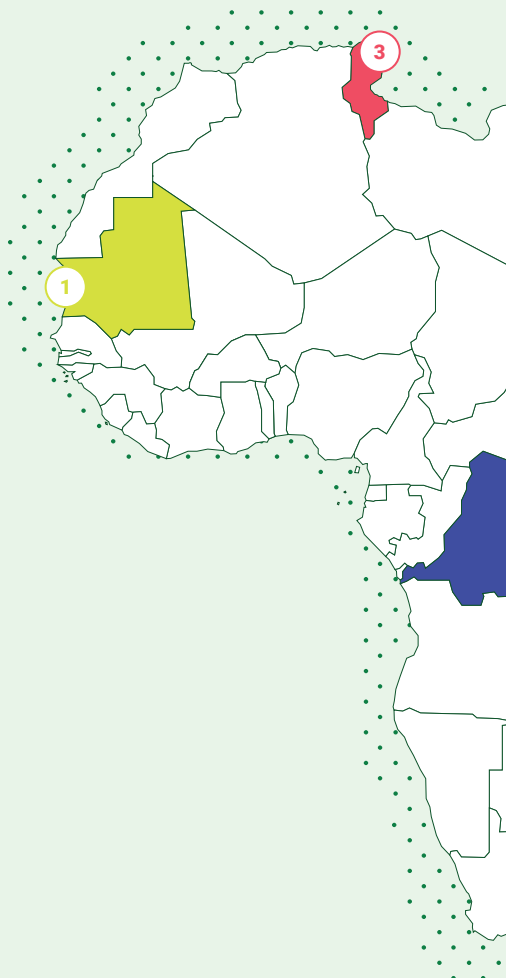
2 DEMOCRATIC REPUBLIC OF THE CONGO

Tshopo 1 hydropower plant (€50 million)

ARE Scale-Up funding : €335,000

The project aims to :

- Rehabilitate the 20 MW Tshopo 1 plant,
- Electrify the city of Kisangani.



3 TUNISIA

STEG smart grid project (€120 million)

ARE Scale-Up funding : €210,000

The installation of smart meters aims to :

- Reduce technical losses,
- Facilitate renewable energy integration into the national grid,
- Create employment opportunities for women,
- Reduce CO₂ emissions by 30,000 tons annually

4 EGYPT

Energy policy-based loan (€178 million)

ARE Scale-Up funding : €1.1 million

Carried out by AFD and the European Union, the loan aims to strengthen the Egyptian New and Renewable Energy Authority by supporting governance, planning, operational capacity building, and technology development.

5 KENYA

Masinga hydropower dam (€76 million)

ARE Scale-Up funding : €1.35 million

Thanks to this AFD-funded project :

- 72 GWh of renewable electricity produced annually,
- 6.5 million beneficiaries,
- 16,000 tons of CO₂ avoided per year

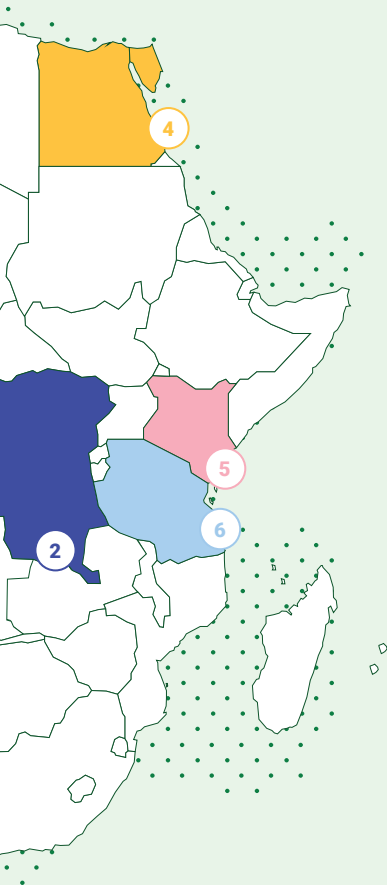
6 TANZANIA

Shinyanga solar power plant (€207 million)

ARE Scale-Up funding : €830,000

The 100 MW solar plant will :

- Provide electricity access to 15,000 people,
- Avoid 88,360 tons of CO₂ annually.



Spotlight on four high-impact projects

Smart grid project - Senegal

The Senegal smart grid project aims to modernize the electricity transmission network to better integrate renewable energy and manage intermittency. It includes network reinforcement works, a battery storage unit, and a new control center. ARE Scale-Up supported Senelec through technical assistance that enabled the development of a new grid code and an electricity market code. A feasibility study also recommended the installation of lithium-ion batteries (56 MW, 56 MWh) at the Diass substation to stabilize the grid.

KEY FIGURES :

PROJECT LEAD :
Senelec



TOTAL FINANCING :
€70 million



Installed capacity :
56 MW

IMPACT :



300 000
people will benefit from
improved access to electricity.

Perrine Giraud,
Deputy Director, AFD Dakar :



"ARE Scale-Up contributed to several studies covering different components of Senelec's 'Smart Grid' transmission network reinforcement project. This structuring project will increase renewable energy penetration, notably through the addition of a centralized storage system, in a country that is highly active in solar energy deployment. The centralized storage project is a first for Senegal and could serve as a model across the sub-region."

RISED project – Ethiopia

Ethiopia faces several challenges related to its electricity network, including overvoltage, transmission losses, and supply interruptions, exacerbated by recent conflicts. To address these issues, Ethiopian Electric Power (EEP) has developed a strategy to rehabilitate, modernize, and expand the national grid. With support from ARE Scale-Up Facility (ARESUF), a feasibility study laid the groundwork for a project aimed at rehabilitating infrastructure, integrating renewable energy, and strengthening EEP's technical capacity.

KEY FIGURES :

PROJECT LEAD :
**Ethiopian
Electric Power
(EEP)**



TOTAL FINANCING :
€280 million

ARESUF MOBILIZED :
€0.5 million
for technical assistance and
to carry out the feasibility
study

IMPACTS :



327 204
people will benefit from
improved access to electricity



1 088
direct jobs created

Julia de Pierrepont
Project Team Manager, AFD :



"The project required close collaboration across several AFD departments, including Energy, Digital Technology, and Education, due to its multidimensional nature. It combines grid modernization, support for digital transition, workforce training improvements, and capacity strengthening to enable long-term transformation.

ARESUF played a critical role in the project's development. The feasibility studies made it possible to accurately assess costs, identify appropriate solutions, and define the conditions necessary for effective implementation."

Kakono hydropower plant - Tanzania

The Kakono hydropower plant project (87.8 MW), located on the Kagera River, aims to stabilize electricity supply in the Lake Victoria region and strengthen the national grid. Situated near the Ugandan border, the plant could pave the way for Tanzania–Uganda interconnection. It will provide low-cost renewable energy and avoid 214,000 tons of CO₂ emissions annually. ARE Scale-Up financed the project's environmental and social studies with €1.6 million in funding.

KEY FIGURES :

PROJECT LEAD :
TanESCO



TOTAL FINANCING :
€296 million



Installed capacity :
87,8 MW

IMPACT :



4,5 Millions
people will benefit from
improved access to electricity



1 000
jobs created

Céline Robert,
Country Director, AFD Tanzania :

"ARE Scale-Up makes it possible to finance studies on key issues while initiating dialogue with the European Union from the earliest project phases. In the case of the Kakono dam, this dialogue helped mobilize a €36 million EU grant to support TanESCO in implementing the environmental and social management plan."



Cédric Merel,
Head of Cooperation, European
Union Delegation to Tanzania :

"AFD loans and EU grants work hand in hand to finance project preparation, construction, and supervision, while reducing the debt repayment burden on Tanzania's national budget."

Angovo rural electrification program - Madagascar

Financed by AFD and the European Union, the Angovo project aims to electrify 130 localities across five regions of Madagascar through 128 hybrid solar mini-grids and two hydropower sites. It promotes productive uses of energy – particularly for women – to reduce inequalities. A feasibility study financed by ARE Scale-Up (€221,000) identified priority localities and assessed the project's technical and financial requirements.

KEY FIGURES :

PROJECT LEAD :
**Rural
Electrification
Agency (ADER)**



TOTAL FINANCING :
€33,2 million



Installed capacity :
5 MW

IMPACT :



175 000
people will benefit from
access to electricity



Emissions reduced by
3 190
tons of CO₂ per year

Joelinet Vanomaro,
Executive Secretary, Rural Electrification Development Agency (ADER):



"The Angovo rural electrification project, supported by the ARE Scale-Up Facility, represents an important step toward delivering affordable and sustainable electricity to rural communities in Madagascar. The feasibility study financed by ARE Scale-Up enabled the selection of the most relevant sites, ensuring the project's technical and economic viability. More than 175,000 people will gain access to energy, with particular emphasis on productive uses by small businesses and targeted support for women-led enterprises."

Toward a world in common

AFD Group finances and drives the transition to a fairer, safer and more resilient world, working with its partners to support communities all over the world. Drawing on the complementary strengths of its entities – Agence Française de Développement for public financing, Proparco for responsible private investment, and Expertise France for technical expertise – the Group is ideally positioned to meet all sustainable development challenges.

Working in over 160 countries, including France's Overseas Territories and Departments, the Group adapts its operations to the realities on the ground, actively supporting local initiatives. With over 4,000 projects, whose objectives are aligned with the Sustainable Development Goals (SDGs), AFD Group works on behalf of the French people, together with all stakeholders committed to economic development and the preservation of common goods : climate, biodiversity, peace, gender equality and global health. Working by your side, toward a world in common.



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