REQUEST FOR CEO ENDORSEMENT

PROJECT TYPE: (choose project type)
TYPE OF TRUST FUND:GEF Trust Fund

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PART I: PROJECT INFORMATION

Project Title: Sustainable Caribbean Basin Energy Fund (CABEF)			
Country(ies):	Regional	GEF Project ID:[1]	5388
GEF Agency(ies):	IADB (select) (select)	GEF Agency Project ID:	RG-Q0034
Other Executing Partner(s):		Submission Date:	2016-08-11
GEF Focal Area (s):	Climate Change	Project Duration(Months)	180
Name of Parent Program (if applicable): ➢ For SFM/REDD+ ☐ ➢ For SGP ☐ ➢ For PPP ☐		Project Agency Fee ($):	1,200,000

A. FOCAL AREA STRATEGY FRAMEWORK[2]

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Trust Fund	Grant Amount ($)	Cofinancing ($)
CCM-1 (select)	Outcome 2.2: Sustainable financing and delivery mechanisms established and operational	Output 2.2: Volume of Investment mobilized	GEF	5,500,000	19,500,000
CCM-2 (select)	Outcome 3.2: Investment in renewable energy technologies increased	Output 3.2: Renewable energy capacity installed	GEF	9,500,000	226,500,000
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
		Total project costs		15,000,000	246,000,000

B. PROJECT FRAMEWORK

Project Objective: Catalyze private sector investments into renewable energy, energy efficiency and distributed generation projects and business models in the Caribbean Basin

Project Component	Grant Type	Expected Outcomes	Expected Outputs	Trust Fund	Grant Amount ($)	Confirmed Cofinancing ($)
Launch Multi-focal Investment Fund	Inv	Established investment fund serving the Caribbean Basin with a full range of sustainable private sector investments, including climate	-Fund launched -Project pipeline developed -Project private sector financing identified, negotiated and approved -Energy saved	GEF	15,000,000	246,000,000

[1] Project ID number will be assigned by GEFSEC.
[2] Refer to the Focal Area Results Framework and LDCF/SCCF Framework when completing Table A.

		change mitigation	-Renewable energy capacity installed -GHG emission reduced			
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
Subtotal					15,000,000	246,000,000
Project management Cost (PMC)[3]				(select)		
Total project costs					15,000,000	246,000,000

C. SOURCES OF CONFIRMED COFINANCING FOR THE PROJECT BY SOURCE AND BY NAME ($)

Please include letters confirming cofinancing for the projeSct with this form

Sources of Co-financing	Name of Co-financier (source)	Type of Cofinancing	Cofinancing Amount ($)
Private Sector	Emerson Collective	Investment	10,000,000
Other Multilateral Agency (ies)	Multilateral Investment Fund	Investment	5,000,000
Foundation	Calvert Foundation	Soft Loan	5,000,000
Private Sector	Other impact investors (TBC)	Investment	25,000,000
Private Sector	Investment Partners and Lenders in projects supported by CABEF	Investment	201,000,000
(select)		(select)	
(select)		(select)	0
(select)		(select)	
Total Co-financing			246,000,000

D. TRUST FUND RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY[1]

GEF Agency	Type of Trust Fund	Focal Area	Country Name/ Global	(in $)		
				Grant Amount (a)	Agency Fee (b)[2]	Total c=a+b
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0

[3] PMC should be charged proportionately to focal areas based on focal area project grant amount in Table D below.

(select)	(select)	(select)				0
(select)	(select)	(select)				0
Total Grant Resources						

[1] In case of a single focal area, single country, single GEF Agency project, and single trust fund project, no need to provide information for this table. PMC amount from Table B should be included proportionately to the focal area amount in this table.

[2] Indicate fees related to this project.

F. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

Component	Grant Amount ($)	Cofinancing ($)	Project Total ($)
International Consultants	0	0	0
National/Local Consultants	0	0	0

G. DOES THE PROJECT INCLUDE A "NON-GRANT" INSTRUMENT? Yes

(If non-grant instruments are used, provide in Annex D an indicative calendar of expected reflows to your Agency and to the GEF/LDCF/SCCF/NPIF Trust Fund).

PART II: PROJECT JUSTIFICATION

A. DESCRIBE ANY CHANGES IN ALIGNMENT WITH THE PROJECT DESIGN OF THE ORIGINAL PIF[4]

A.1 National strategies and plans or reports and assessments under relevant conventions, if applicable, i.e. I NBSAPs, national communications, TNAs, NCSA, NIPs, PRSPs, NPFE, Biennial Update Reports, etc. N/A

A.2. GEF focal area and/or fund(s) strategies, eligibility criteria and priorities. N/A

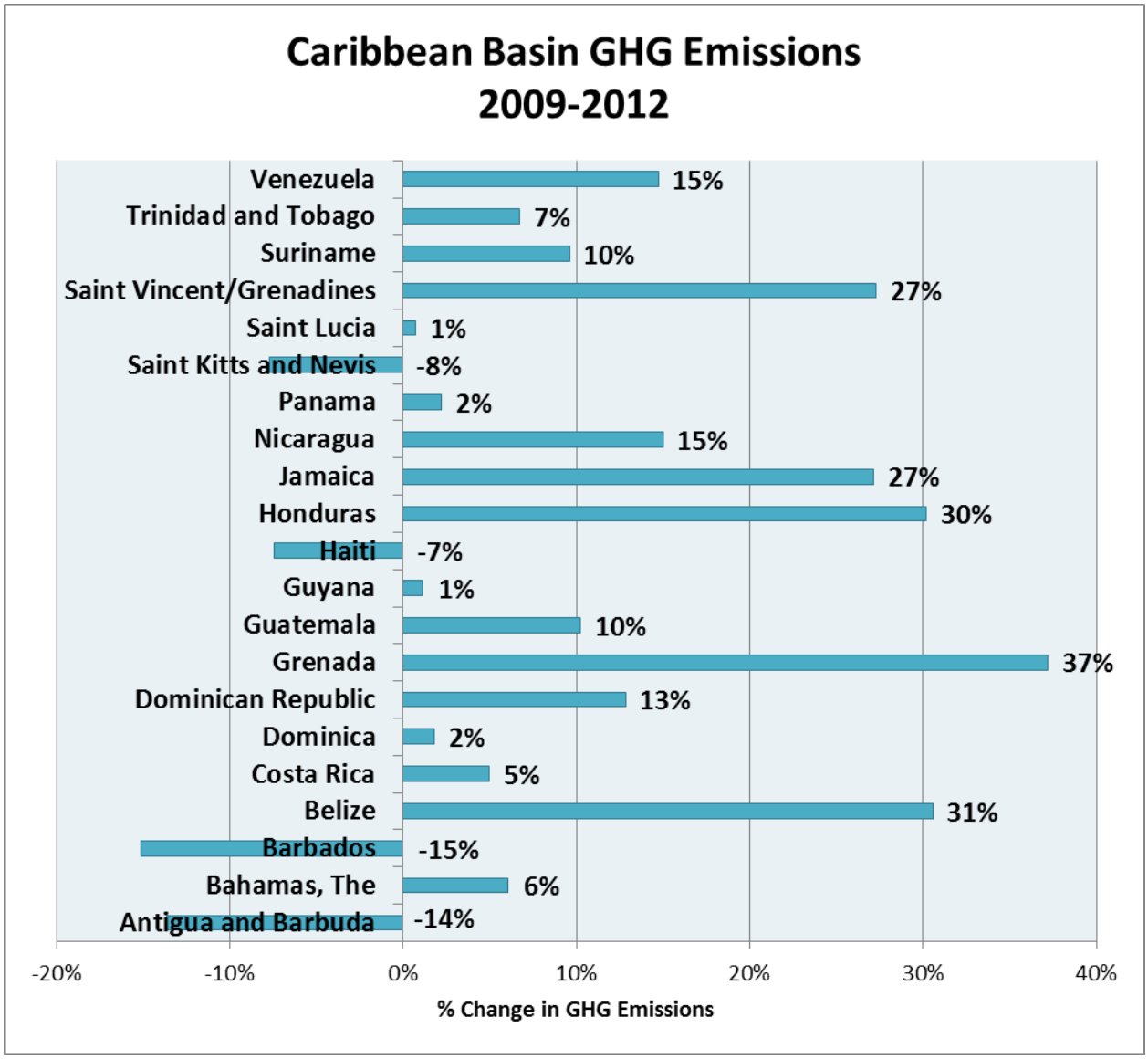
A.3 The GEF Agency's comparative advantage: N/A

A.4. The baseline project and the problem that it seeks to address:

Caribbean Basin Energy Context: Despite an abundance of natural resources, providing accessible, affordable, and reliable energy continues to be a challenge for many countries in the Caribbean Basin. These nations are diverse in terms of social and economic differences, a fact which extends to the makeup of their power sectors. While Trinidad and Tobago, Mexico, Colombia, and Venezuela export oil and other non-renewable energy sources, the large majority of Caribbean Basin countries rely on oil or fossil fuel imports to meet their domestic demand, with ten countries importing over 80% of their total energy needs. This reliance on imports leads to high electricity costs, with Barbados experiencing the regional high of $0.37/kWh. Although clean energy exists in varying degrees across nations, it only represents 6% of the total energy in the region with approximately 8 GWH installed. If large hydropower plants are included, however, the percentage rises to 38%.

Although Greenhouse Gas Emissions (GHG) in the Caribbean Basin account for 4% of total emissions in North, Central, and South America, or approximately 336 million metric tons, as illustrated in the table below, there is a worrying trend of emissions increasing each year. Between 2009 and 2012, greenhouse gas emissions increased by 27% in Jamaica, 30% in Honduras and 37% in Grenada in the Eastern Caribbean which had the highest levels over the period. Targeted investments in renewable energy projects and energy efficiency measures in the Caribbean Basin will reverse this worrying trend and could serve as an example for other regions of the world.

[4] For questions A.1 –A.7 in Part II, if there are no changes since PIF and if not specifically requested in the review sheet at PIF stage, then no need to respond, please enter "NA" after the respective question.



Source: U.S. Energy Information Administration (EIA), "International Energy Statistics," www.eia.gov/cfapps/ipdbproject/IEDIndex3.cfm, viewed 26 June 2016.

There are approximately 16 million people in LAC without access to electricity, with half residing in rural Haiti and the remaining 8 million dispersed throughout Central America and the Caribbean. It is often time-intensive and expensive to expand traditional power systems to small and/or isolated communities, who also tend to represent the most vulnerable segments of the population. The development of off-grid renewable energy systems can quickly expand access through a number of methods, including constructing self-sufficient mini-grids or by offering subsidies to consumers to install their own systems, such as solar PV. Enabling electricity and power access can have significant effects on productivity, allowing businesses to operate at night and individuals to spend less time collecting firewood and coal for cooking.

In addition, renewable energy generation and energy efficiency projects can mitigate the macroeconomic effects of high electricity prices. As illustrated in the table below, high electricity prices pervade in every country except Suriname, Trinidad and Tobago, and Venezuela. Many Caribbean Basin nations are reliant on fossil fuels and subject to fluctuations in the global oil markets that leave them vulnerable vis-a-vis macroeconomic shocks and sharp increases in energy prices. Given the presence of both net exporters and importers of oil in the Caribbean Basin, the rise and fall of global oil prices will have varying effects across the region. For example, the high oil prices from 2010-2012 negatively affected net importing countries while more recent low prices facilitated a drop in electricity prices. In Jamaica, prices decreased from .37 to .34 $/kWh . Despite becoming more affordable, the uncertainty in electricity prices may still

reduce current spending, lower the aggregate income, and may decrease aggregate demand.[5] Illustrating the volatility of the market, electricity prices increased once more in Jamaica in June 2016 after oil prices rebounded, pushing up the price of fuel.[6] For businesses and industrial sectors, the price fluctuations affect their ability to predict future cash flows and costs, reducing competitiveness and efficiency. In a Latin America-wide regional analysis, the IDB estimated the positive benefits of avoiding this oil volatility at .0041 to .0095 cents/kWh.[7] Clean energy access or energy savings from energy efficiency projects in the region could represent savings from 14 to 28.5 cents/kWh if the opportunity costs and benefits for avoiding negative externalities are accounted for. Even without factoring in these direct and indirect costs, renewable technologies are becoming cost-competitive against traditional forms of energy production, most prominently in wind and solar though also in hydroelectricity in some nations. This competitiveness may explain the trend towards increasing investment in clean energy despite the macroeconomic downturns that occurred during the latter half of 2014.[8]

Average Electricity Prices by Country, 2014

Country	Avg. Electricity Price USD/KWh	Country	Avg. Electricity Price USD/KWh
Bahamas	$ 0.30	**Honduras**	$ 0.19
Barbados	$ 0.37	**Jamaica**	$ 0.33
Belize	$ 0.20	**Nicaragua**	$ 0.24
Costa Rica	$ 0.17	**Panama**	$ 0.16
Dominican Republic	$ 0.19	**Suriname**	$ 0.04
Guatemala	$ 0.23	**Trinidad and Tobago**	$ 0.06
Guyana	$ 0.31	**Venezuela**	$ 0.02
Haiti	$ 0.33		

The main problem to be addressed with this project is the lack of equity financing for SMEs and the challenging risk profile facing investments in the clean energy space.

Most recently in the last two years several initiatives have emerged providing grants and loan funding for renewable energy and energy e investments in both the public and private sector. These include the Clean Energy Finance Facility for Central America and the Caribbean that provides early-stage grants, and a recent MOU signed between The Caribbean Community, the Caribbean Development Bank, the US Department of Energy and the IDB concerning cooperation on clean energy, which falls under the US Caribbean Strategic Engagement Act (HR 4939).

Sponsors of renewable energy and energy efficiency projects in the region, depending on project size, have had some success in financing projects with local or outside capital. However, financing has been far more difficult for SMEs and for small projects in renewable energy and energy efficiency. These opportunities exceed most investors' risk appetites and generally do not meet local banks credit conditions where there is ample financing available for these kinds of projects, except for smaller and newer projects. Equity is a key requirement for investment, whether it comes from the developer, end-user or from another source as it enables other forms of financing. However, the majority of small greenfield projects need some equity to operate until these are able to attain debt, and energy efficiency improvements for example are self-financed by the end user, which impedes the investment scale-up necessary for a 2° Celsius temperature rise global scenario. Due to the burden that debt adds to budgets, third party equity financing is needed, but

[5] "Mitigating Vulnerability to High and Volatile Oil Prices," World Bank, 2012.
[6] "Light Bills to go up this month," *Jamaica Observer*, (Kingston) 14 June 2016.
[7] "Societal benefits from renewable energy in Latin America and the Caribbean," IDB, 2014.
[8] "Climatescope 2015," MIF, UKAid, PowerAfrica, Bloomberg, 2015.

currently plays only a marginal role (IEA, 2014). By providing this capital as the principal financial vehicle to support renewable energy and energy efficiency companies and projects, the fund addresses a key gap for investment in developing countries. In addition, fund management companies provide indirect benefits such as management professionalization, governance, and network that help these projects to reduce their risk profile.

The project also aims to overcome a limited track record in Caribbean Basin countries of strong private participation in equity investment funds in the sector, as most of these have heavily rely on development bank and/or government support with some of them being entirely public.

CABEF will eventually become the equity provider of the Caribbean Energy Co-Financing Facility and will contribute to developing the ecosystem for private investment in SMEs with clean energy solutions throughout the region. To contribute to building local capacity in the region's investment ecosystem, the MIF will disseminate the Fund's operational experience and relevant lessons through knowledge and communications activities that will involve the publication of case studies and the participation in local and international events reaching a wide variety of target stakeholders, including local and international investors, fund managers and government institutions.

This project will support IDB's energy objectives for the region, which includes promoting universal access to electricity, while also recognizing the need for energy efficiency, renewables, and clean energy to create diversified, sustainable, and secure energy sectors for the region. Furthermore, broadening access to clean energy aligns with the Bank's Updated Institutional Strategy for 2016-2019 to address social exclusion and inequality by providing inclusive infrastructure. The IDB has set a target to increase climate change related financing to 30% of approvals by 2020, valued at approximately $4 billion per year. However, since the regional need for this type of investment is estimated at over $75 billion per year, the IDB is encouraging further coordination with the private sector in Latin America and the Caribbean to address the challenges.

The IDB's commitment to diversify the energy sector is also reflected in several national governments' pledges and policies. There are six countries that have set renewable electricity reduction targets for 2015 and beyond, including Barbados, Jamaica and the Dominican Republic in the Caribbean. The Dominican Republic, Panama, and Honduras have established feed-in tariffs to encourage greater private investment fin renewables, and Barbados, the Dominican Republic, Costa Rica, Jamaica and Mexico have net metering programs or are undergoing pilots. There are a number of fiscal incentives available, including tax relief, income tax breaks, and the removal of import duties for renewable energy parts. Central America nations lead in offering these incentives, with Guatemala and Honduras offering all three while Nicaragua and Panama each offer two. Throughout CARICOM, countries are adopting national strategies to address the short term, medium term, and long term goals to mitigating GHG emissions and diversifying their energy sectors to incorporate more renewables. For example, Jamaica's "National Renewable Energy Policy 2010-2030" aims to include renewables as 20% of its total energy matrix by 2030. Through the implementation of this plan, Jamaica also intends to reduce their global greenhouse gas emissions by 10% below the current levels. It is estimated that for Jamaica to achieve these targets it will require additional investments of approximately $120 million from 2018 to 2023.[9] This type of large investment characterizes much of the needs of the region in renewable energy infrastructure and energy efficiency projects. In some countries such as Honduras, this rise in demand was met with a dramatic increase in supply: Honduras experienced the largest increase in clean energy investments, rising from $74 million to over $800 million from 2013 to 2014.[10] However, much of this spending continues to be driven by the public sectors including bilateral and multilateral development organizations.

CABEF complements existing IDB projects, including the MGM Sustainable Energy Fund (MSEF) of which the MIF is an investor. MSEF is a private equity fund providing equity and mezzanine financing to sustainable energy projects including the demand-side energy efficiency and renewable energy sectors in Latin America. Given that the MSEF invests in both Latin America and the Caribbean, there could be potential competition between the two funds. However, MSEF's funding availability of $63 M together with CABEF's target funding of $80 M still represent much less than the available financing opportunities in the region, limiting the prospects for competition. Furthermore, MSEF is approaching the end of its investment period, which will further ensure complementarity between the two funds. For projects with greater than $ 3M needed in investment, it is possible for CABEF and the MSEF to act as co-financers. CABEF will also complement existing and IDB and MIF interventions to support venture capital as well as renewable

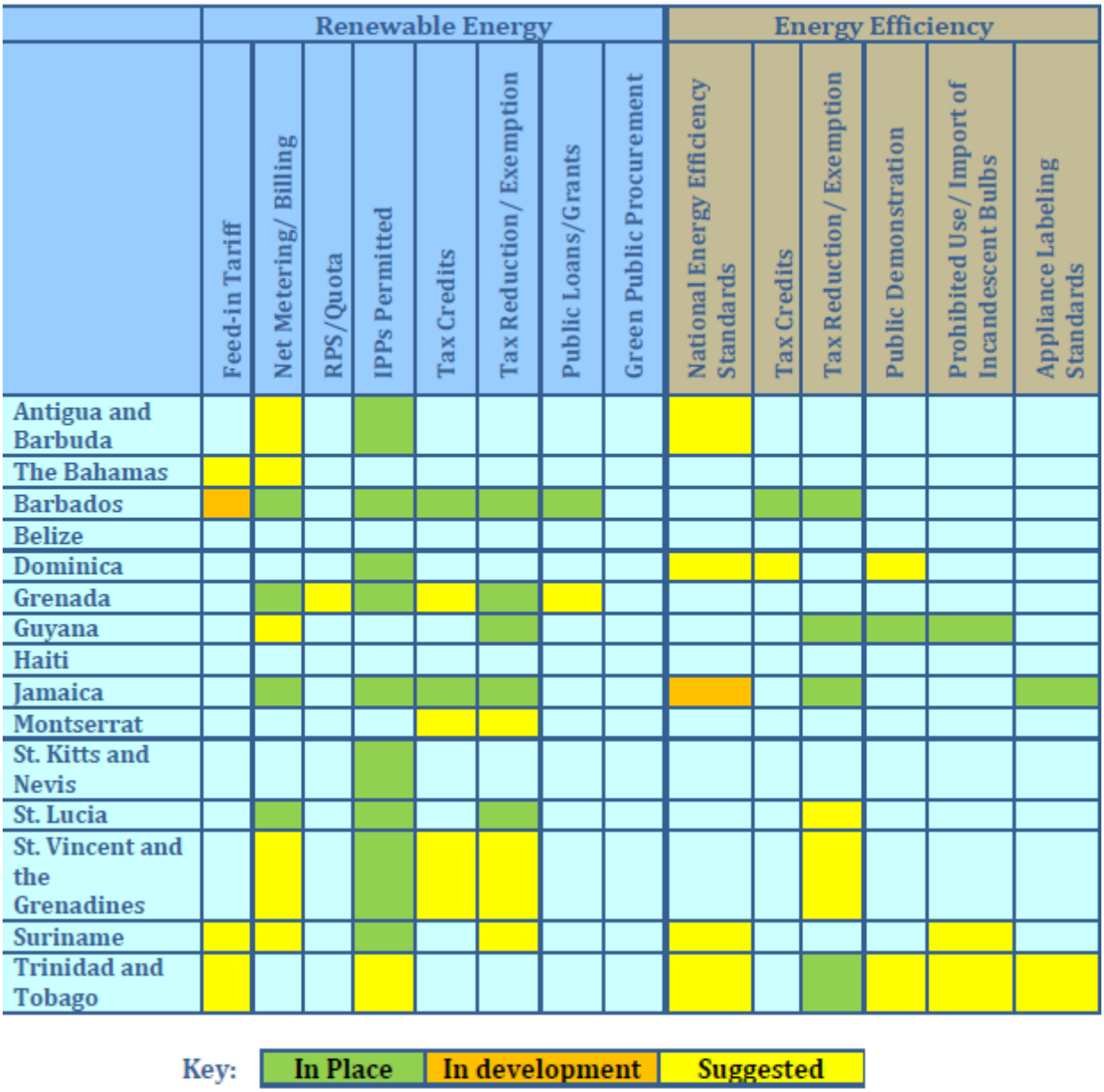
[9] Sustainable Energy Roadmap, Castalia Report, IDB, and IMF staff estimates.

[10] Climatescope 2015

energy and energy efficiency. These include a project to help create a venture capital ecosystem in Jamaica - "Supporting the Development of an Entrepreneurial and Early Stage Ecosystem in Jamaica"; and existing energy-related funds in the region such as CHENACT and MCD2F. CHENACT focuses exclusively on energy efficiency in the Caribbean Tourism sector while MCD2F finances energy efficiency and climate finance projects throughout Latin America. By offering equity financing for renewable and energy efficiency projects, CABEF seeks to catalyze additional private sector and equity investors in the region for SMEs and other underserved populations that lack traditional access to finance.

It is important to note that this emerging clean energy framework in the region is supported by public sector policies as illustrated in the table below on national renewable and energy efficiency policies in the Caribbean:

Renewable Energy and Energy Efficiency Support Policies in CARICOM Member States



Source: WorldWatch via "Caribbean Sustainable Energy Roadmap: (C-SERMS)," IDB Working Paper, June 2013

A.5. Incremental /Additional cost reasoning: describe the incremental (GEF Trust Fund/NPIF) or additional (LDCF/SCCF) activities requested for GEF/LDCF/SCCF/NPIF financing and the associated global environmental benefits (GEF Trust Fund) or associated adaptation benefits (LDCF/SCCF) to be delivered by the project:

CABEF will invest in equity and quasi-equity instruments in the Caribbean Basin, especially in grid-connected renewable energy generation projects selling through long-term power purchase agreements. These types of investments will account for a projected 62.5% of the total portfolio. The Fund will also invest in energy efficiency and distributed generation projects using financial leases, which provide stable and steady cash flows that can be tied to the energy savings. Energy efficiency projects will focus on the installation of energy efficiency technologies on the premises and/or facilities of a diversity of firms in business, industry, commercial, and tourism sectors that are well established and have more than 3 years of operations. In the Caribbean Basin as a whole, solar PV and wind represent the most attractive investment opportunities, though individual countries may be more favorable to other renewable technology investments. Energy efficiency projects, along with off-grid renewable energy projects, will account for up to 37.5% of the Portfolio. This is likely to be divided with 30% in Central America and 70% in the Caribbean.

The value-added of the GEF contribution to CABEF will be the increased availability of financing to cumulative environmental benefits as per the table below. The data is derived from SECA's projected project impacts:

Offset GHG Emissions (TCO2e)- Cumulative

Year	1	2	3	4	5	6	7	8	9	10	11	12	13
Solar-Wind	-	55,188	165,564	331,128	551,880	772,632	993,384	1,214,136	1,434,888	1,655,640	1,876,392	2,097,144	2,317,896
EE/Dist. Gen.	1,840	5,519	11,038	17,476	24,835	33,113	41,391	49,669	57,947	66,226	74,504	82,782	91,060
Total	**1,841**	**60,709**	**176,605**	**348,608**	**576,720**	**805,751**	**1,034,782**	**1,263,813**	**1,492,844**	**1,721,876**	**1,950,907**	**2,179,938**	**2,408,969**

H-REFF Merger and proposed CABEF: At the end of 2015, the MIF invested $4 M into the Honduras Renewable Energy Finance Fund (H-REFF) with Sustainable Energy Central America acting as the fund manager. MIF funding originated in part from the Scaling Up Renewable Energy Program in Low-Income Countries program (SREP) that is part of the Strategic Climate Fund of the Climate Investment Funds and attracted other investors including the Calvert Foundation and the GEF. With the goal to create new economic opportunities while increasing access to energy, the H-REFF was envisioned as a Honduras-centric financing facility focused on small-scale renewable energy projects, particularly hydropower. Recognizing the complementarity between H-REFF and the proposed CABEF, SECA proposed a merger of the two funds as part of its expression of interest to manage CABEF. Through a competitive process that included an independent, inter-departmental evaluation committee at the IDB, SECA was chosen as the Fund manager. The merger of H-REFF and CABEF was received positively by existing LPs in H-REFF and the merger between the two funds will continue as planned.

The merger of H-REFF and CABEF has been received positively by existing LPs in H-REFF and potential LPs in CABEF including private sector anchor investor Emerson Collective. The merger between CABEF and H-REFF will produce a geographically diverse fund with greater opportunity to leverage investors. The merger between the two funds will occur once the fund manager gets the concurrence from H-REFF LPs and legal documentation of fund is amended. It is important to note that the MIF will have records for both GEF sources of funding and will properly account for the two different GEF projects.

Estimated Number of Investments in Renewable Projects in Years 1-6

Renewable Technology/Investment Year	1	2	3	4	5	6	Total #	% of Total
Solar, Wind, Other	0	1	1	1	1	0	4	31%
EE/Dist. Gen.	2	2	2	1	1	1	9	69%
Yearly Total	**2**	**3**	**3**	**2**	**2**	**1**	**13**	100%

Indicative Pipeline of Renewable Energy Projects

Project	Country	Tech.	Total Est. Cost (US $)	Potential investment
18MW Waste-to-energy generation plant with MSW	Jamaica	RE	$103.00	$3.00 M
Distillery: biogas plant to operate generators to include CCHP	Guyana	RE/EE	$6.00 M	$3.00 M
Caribbean Hotels (over 100) light retrofits, A/C, control systems, VSD, Solar Thermal and Solar PV	Caribbean islands	RE/EE	$25.00 M	$10.00 M
Distillery: Use wastewater from distillery to produce energy	Barbados	RE/EE	$0.70 M	$0.50 M
Food Processing Facility: Solar PV and Solar Thermal for energy and improve refrigeration system	Jamaica	RE/EE	$ 0.40 M	$0.30 M
Soft Drinks bottler: Solar PV and efficient refrigeration equipment	Jamaica	RE/EE	$ 1.10 M	$ 0.90 M
Milk Processing Company: Solar PV and energy efficiency improvements	Jamaica	RE/EE	$ 0.60 M	$ 0.50 M
Pig Farmers Association, several producers: biogas to electricity and refrigeration projects	Jamaica	RE/EE	$ 10.00 M	$7.00 M
Potato farmers corporation: Solar PV and wind farm	Jamaica	RE	$ 0.65 M	$ 0.50 M
Farmers association: Solar PV and Solar Thermal	Jamaica	RE	$ 0.30 M	$ 0.25 M
Pasta producer: Solar PV and solar Thermal	St. Vincent	RE	$ 0.25 M	$ 0.20 M
Hotels: Grid-Connected solar PB systems for two hotels	Barbados	RE	$ 0.30 M	$ 0.20 M

A.6 Risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and measures that address these risks:

Investment Risk: Although the Fund is innovative for its focus of investing in small and medium scale projects and SMEs, these types of investments carry certain capacity, technical, and implementation risks. One of the major risks of renewable energy and energy efficiency projects at this scale is the risk of project delays that extend the life of the project and affect the ability to earn an expected return. Another one is project failure.

Considerations: The Manager has experience dealing with these types of delays and has taken measures to evaluate and predict the risks associated with projects. The Manager will work with Technical Advisors Pedra Clau and Chirripos Consultores to effectively identify risks, manage inefficiencies, and support project development and implementation. There will be a certain amount of TC funds made available to promising projects to assist in pre-investment or early stage support such as feasibility studies, workforce training, management capacity building, and knowledge transfer to minimize project implementation delays or to ensure that positive returns are made.

Management Risk: Even though the GP, Fernando Alvarado, has raised two clean energy investment funds before, this Fund will be the second time he has worked together with Pedra Clau, S.A. and Chirripo Consultores as part of a fund management structure and the second time Pedra Clau has participated in an investment fund. In addition, the Fund will have a lifespan of 13 years, presenting greater risks of management changeover during the Fund's life. Considerations: Key persons have had a longstanding professional relationship. A key person clause which limits access to carried interest will help to incentivize retention of the key managers.

Financial and Exit Risk: The Fund may incur losses, be unable to find sufficient pipeline operations that fit within the Fund's investment guidelines and strategy, or be unable to find suitable exit options to liquidate investments. Considerations: As the Fund will utilize equity and mezzanine instruments, most exits will be based on amortization payments with the possible upside structured through preferred shares and convertible debt.

Curtailment Risk: Oversupply and grid instability due to intermittency of the ramp up in renewable energy may cause curtailment of solar and wind production.

Considerations: The Fund will focus on primarily non-intermittent power sources such as hydro, biomass and energy efficiency. In addition, wind and solar power have a strong complementarity in time of production. Furthermore, the Central American Electrical Interconnection System (SIEPAC) is expected to allow for evacuation of excess capacity up to 300MW with a potential expansion up to 600 MW.

Social and Environmental Risk: While renewable energy technologies can reduce reliance on fossil fuels for power generation, they can also have adverse impacts on local communities and the natural environment. For example, small hydropower systems will need concrete and clearing for construction, can have impacts on stream flow that affect ecosystem health, and raise issues of ownership and access rights for both water and land.

Considerations: The Fund will mainly target small scale non-conventional renewable energy technologies that typically have relatively lower environmental and social impacts. The Fund will develop and apply an ESR policy compliant with IDB Safeguards as well as all national laws and regulations. Each investment of the Fund will be required to carry out an extensive social and environmental impact due diligence and submit to the Investment Committee an environmental and social risk management report that complies with IDB Safeguards. As part of fulfilling the requirements of the MIF's Environmental and Social Guidelines, the GP and team will participate in a MIF/IDB-approved training course on environmental and social review for financial intermediaries, and develop a manual for the Fund, for the use of every officer of the Fund when performing the due diligence on potential investee companies. In addition, the Fund management team will have a full-time environmental and social risk management specialist, based in Costa Rica, who has an extensive track record environmental and social risk management in energy projects in Honduras. Ms. Luna will also train a full-time ESR officer for the Caribbean-based office. The fund will also have a technical assistance facility, which will be used to further enhance engagement with local communities, mitigate potential environmental impacts and provide training and capacity to local project developers on best practices in environmental and social risk management.

A.7. Coordination with other relevant GEF financed initiatives: The Fund will work in close coordination with the GEF funded MIF-IDB Public-Private Partnership Platform (GEF Project ID 4959).

B. ADDITIONAL INFORMATION NOT ADDRESSED AT PIF STAGE:

B.1 Describe how the stakeholders will be engaged in project implementation.

The fund will have limited partners (LPS) including private companies, individual investors, international organizations, impact investors, multilateral development banks, national development banks, family offices or other organizations willing to invest equity in the fund. LPs will interact closely with the fund manager and its investment staff (General Partner or GP) and will work to ensure that there are open communication channels andthat reporting is timely following international best practices. Beyond the investments and its financial standing, the GP will ensure that the fund has robust environmental and social safeguards in place and that all fund operations comply with local laws and requirements.

In addition to their investments, some LPs and other Donors have expressed interest in providing technical

assistance funding to the fund to strength investee projects, companies and/or the fund management team.

The MIF will work with its investor partners during implementation, will communicate to share views on the investment and divestment process, the fund governance, etc. The MIF will conduct independent evaluations of the fund as will be described in the section below and will share its lessons with other relevant stakeholders.

.2 Describe the socioeconomic benefits to be delivered by the Project at the national and local levels, including consideration of gender dimensions, and how these will support the achievement of global environment benefits (GEF Trust Fund/NPIF) or adaptation benefits (LDCF/SCCF):

Even though the focus of this fund is not gender specific, women and local low income populations may benefit from these investments.

a) Increased energy efficiency, renewable energy with corresponding reductions in greenhouse gas emissions and measurable improvements in the sustainable use of natural resources.

b) Growth in local jobs associated with funds' investments in energy efficiency, renewable energy and associated local multiplier effects.

c) Increased benefits for low income households and greater access of women to affordable energy efficient appliances, thereby reducing household electricity bills and ghg emissions.

d) Increased in new market entrants (investors, business start-ups, private lending) resulting from successful pilots from first-movers and associated demonstration effects in energy efficiency, renewable energy and sustainable businesses.

e) Increased entrepreneurial opportunities for groups and developers that traditionally were not able to secure financing (which may include women), in areas such as renewable energy and energy efficiency projects and companies.

f) Increased public and in particular private sector awareness of the promising market in renewable and energy efficient technologies.

B.3. Explain how cost-effectiveness is reflected in the project design:

The cost effectiveness of this project is related to the ability to attract private investors to the Fund and lenders at the project level and prove that investments through funds are feasible in these sectors. GEF and MIF resources in this case are very catalytic in attracting other players to the Fund, as the fundraising market for any environmental related fund is currently very complicated due to the macroeconomic uncertainties in the region and, lack of track record in these types of investments.

At the project level, the provision of equity by the Fund will also help with the limited availability of debt financing from banks for these investments. Most of the banks would require some equity to provide a loan and still will have difficulties understanding the risk profile of the investments. Banks tend to lend only to companies with strong balance sheets, leaving out smaller actors. The Fund would allow banks to deal with developers or ESCOs with an equity commitment that provides a first protection to their loan.

C. DESCRIBE THE BUDGETED M &E PLAN:

MIF investments in VC Funds have the following requirements:

- Annual audited financial statements

- Quarterly financial statements

- Annual valuation of portfolio companies

In addition to this information, the MIF:

- Participates as a member in the Fund's Advisory Committee

- Participates as an observer in the Fund's Investment Committee

- Prepares an Annual Supervision Report analyzing the fund's governance, financial status of the investees and pipeline,expected realizations, and compliance with MIF-IDB environmental guidelines

- Sponsor two to three independent evaluations of each Fund (i.e. one evaluation at year 3, year 7, and at the end of the Fund)

In general, Funds spend around $150,000 per year on those activities and to cover all M&E requirements. The resources to pay for those would come from the Fund management fees, and some items can be charged directly to the Fund, which is later covered by the Fund's investors.

The project Monitoring and Evaluation (M&E) plan is consistent with the GEF Monitoring and Evaluation policy. The Fund will have a Results Framework which includes SMART indicators for each expected outcome, as well as midterm and end-of-project targets. These indicators, along with the key deliverables and benchmarks, will be the main tools for assessing the Fund’s implementation progress and whether expected results are being achieved. The means of verification and the costs associated with obtaining the information to track the indicators will be finalized and integrated in the overall program budget at time of approval of the Fund.

The IDB will submit to the GEF a yearly report on Project Implementation (covering a Fiscal Year, July to June) which will include an assessment of GEF ratings on Global Environment Objective/Development Objective, Implementation Progress, and Risks. A mid-term review will take place in project year 6 (the end of the investment period). The review will include all parameters recommended by the GEF Evaluation Office for terminal evaluations and will verify information gathered through the GEF tracking tools, as relevant. It will, inter alia:

- Review the effectiveness, efficiency and timeliness of project implementation;

- Analyze effectiveness of implementation and partnership arrangements;

- Identify issues requiring decisions and remedial actions;

- Identify lessons learned about project design, implementation and management;

- Highlight technical achievements and lessons learned; and

- Propose any mid-course corrections and/or adjustments to the implementation strategy as necessary.

- Verify actual direct and indirect leverage ratios. Direct relates to the Fund level, whereas indirect to the investee companies.

An independent terminal evaluation will take place at the end of project implementation. The terminal evaluation will review project impact, analyze sustainability of results and whether the Project has achieved its objectives, in addition to relevant points described above. The evaluation will furthermore provide recommendations for follow-up activities, and will be submitted to the GEF Evaluation Office no later than 6 months after the completion of the evaluation.

GEF Tracking Tools will be updated and verified at mid-term and at the end of the project and will be submitted to the GEF Secretariat for the AMR. As per GEF M&E minimum requirements, GEF Focal Points in all participating countries will be informed and, where applicable and feasible, involved in the M&E activities of this project.

PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)

A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT(S) ON BEHALF OF THE GOVERNMENT(S):): (Please attach the Operational Focal Point endorsement letter(s) with this form. For SGP, use this OFP endorsement letter).

NAME	POSITION	MINISTRY	DATE *(MM/dd/yyyy)*

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF/LDCF/SCCF/NPIF policies and procedures and meets the GEF/LDCF/SCCF/NPIF criteria for CEO endorsement/approval of project.

Agency Coordinator, Agency Name	Signature	Date *(Month, day, year)*	Project Contact Person	Telephone	Email Address
Michael Collins		08/11/2016	Paola Pedroza	(202) 255-2178	paolap@iadb.org

ANNEX A: PROJECT RESULTS FRAMEWORK (either copy and paste here the framework from the Agency document, or provide reference to the page in the project document where the framework could be found).

Logical Framework Sustainable Caribbean Basin Energy Fund (CABEF) (RG-Q0034)

IMPACT							RISKS
The intended impact of the project is to reduce greenhouse gas emissions, catalyze and promote investment and entrepreneurship in rural energy, and expand economic opportunities in rural communities and towns.	***Indicator 1***	*Year 0*	*Year 4*	*Year 7*	*Year 10*	*Year 13*	See Risks in section A5.
	Net jobs created – (CRF 330301)	*0*	*960*	*1270*	*1270*	*1270*	
	Formula/Definition						
	Includes temporary jobs created during construction phase as well as permanent jobs created for plant operations	***Source:*** *Investee financial reports and board meetings; fund monitory systems; audited financials; GIIRS assessments; external evaluations*					
	Indicator 2	*Year 0*	*Year 4*	*Year 7*	*Year 10*	*Year 13*	
	Tons of CO2-equivalent emissions avoided (CRF 340100)--cumulative	*0*	*348,604*	*1,034,775*	*1,721,866*	*2,408,956*	
	Formula/Definition						
	Estimations assumes emissions factor 0.67 by MWh generated	***Source: :*** *Investee financial reports and board meetings; fund monitory systems; audited financials; GIIRS assessments; external evaluations*					
	Indicator 3	*Year 0*	*Year 4*	*Year 7*	*Year 10*	*Year 13*	
	Number of firms with reduced annual energy costs (CRF 330410)—To be presented once investments are selected						
	Formula/Definition						

		Source: *Investee financial reports and board meetings; fund monitory systems; audited financials; GIIRS assessments; external evaluations*				
	Indicator 4	*Year 0*	*Year 4*	*Year 7*	*Year 10*	*Year 13*
	Number of households with reduced annual energy costs (320201)-- To be presented once investments are selected					
	Formula/Definition					
		Source: *Investee financial reports and board meetings; fund monitory systems; audited financials; GIIRS assessments; external evaluations*				
	Indicator 5	*Year 0*	*Year 4*	*Year 7*	*Year 10*	*Year 13*
	13 of the Fund's portfolio companies that exit successfully.	*0*	*0*	*2*	*9*	*13*
	Formula/Definition					
	Assumes base case of 5% write off rate	***Source:*** *Investee financial reports and board meetings; fund monitory systems; audited financials; GIIRS assessments; external evaluations*				
RESULTS						**RISKS**
The intended results are renewable energy SMEs obtain access to financing, capacity strengthened among local developers in environmental and social risk management, and jobs created and benefits shared with local communities.	***Indicator 1***	*Year 0*	*Year 4*	*Year 7*	*Year 10*	*Year 13*
	MW of new installed capacity from renewable sources	0	97	129	129	129
	Formula/Definition					
		Source: *Fund reports and evaluations*				
	Indicator 2	*Year 0*	*Year 4*	*Year 7*	*Year 10*	*Year 13*

	MWh generated annually from portfolio companies	0	*245,718*	*327,186*	*327,186*	*327,186*	
	Formula/Definition						
		Source: *Fund reports and evaluations*					
	Indicator 3	*Year 0*	*Year 4*	*Year 7*	*Year 10*	*Year 13*	
	# of households powered	*0*	*360,000*	*459,000*	*459,000*	*459,000*	
	Formula/Definition						
		Source: *Fund reports and evaluations*					
	Indicator 4	*Year 0*	*Year 4*	*Year 7*	*Year 10*	*Year 13*	
	# of rural households with access to new or improved basic services	*0*	*140*	*140*	*140*	*140*	
	Formula/Definition						
		Source: *Fund reports and evaluations and GIIRS rating*					
COMPONENT 1							**RISKS**
The objective of this component is to invest in CABEF so that the Facility can mobilize capital to invest in 13 renewable energy and energy efficiency SMEs.	***Indicator 1***	*Month 0*	*Month 5*	*Month 10*	*Month 15*	*Month 18*	
	The fund has its first closing within 12 months of MIF approval					1	
	Formula/Definition						
		Source: *Legal documents signed, project documents*					
COMPONENT 2							**RISKS**
The objective of this component is to provide technical assistance to	***Indicator 1***	*Year 0*	*Year 4*	*Year 7*	*Year 10*	*Year 13*	
	Number of fund evaluations		*1*	*2*		*3*	

enhance employment opportunity for young people, support acceleration of renewable energy enterprise acceleration; build the capacity of local project developers in social and environmental management and community engagement;	*conducted*					
	Formula/Definition					
		Source: *project documents*				
	Indicator 2	*Year 0*	*Year 4*	*Year 7*	*Year 10*	*Year 13*
	Number of GIIRS assessments after first year of operations		*1*	*1*	*1*	*1*
	Formula/Definition					
		Source: *GIIRS ratings*				
	Indicator 3	*Year 0*	*Year 4*	*Year 7*	*Year 10*	*Year 13*
	Number of developers trained in environmental and social risk management	*3*	*6*	*6*	*6*	*6*
	Formula/Definition					
		Source: *Fund reports and TC facility reports*				
	Indicator 4	*Year 0*	*Year 4*	*Year 7*	*Year 10*	*Year 13*
	Number of developers trained	*3*	*6*	*6*	*6*	*6*
	Formula/Definition					
		Source: *Fund reports and TC facility reports*				

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

STAP Comments	IDB Responses
Baseline, barriers and problems. Role of the GEF and incremental activities	The baseline, barriers and the problems that the GEF will address are described in section A4 of the CEO Endorsement request and the indicators section in the Logical Framework. The role of the GEF in this project is catalytic and transformational. Just from an initial work program inclusion and pre-approval of a $15 million investment by the GEF, with its credibility in the space has been already able to mobilize for this project $15 million more from additional players in the private sector investors. The GEF credibility in the space is expected to further mobilize additional $231 million from other investors for the Fund and/or at the project investment level, meaning that every dollar invested by the GEF will leverage $15.4 dollars for green investments. In addition to this, grants are also expected from other relevant stakeholders to complement Fund investments. This Fund is also expected to increase the demand of green investments in the region.
Potential investments in the Project (The Fund):	The GEF investment will be in an investment in a Fund. It is very early to determine in which projects the Fund will ultimately invest, however the Fund manager has already identified an indicative pipeline of potential projects that will be considered by the Fund. Additional projects will be identified during the investment period. See Indicative Pipeline in Section A5.
Governance of the Fund	See Section B1.The IADB's Multilateral Investment Fund will represent the GEF in the governance of the Fund, i.e. in the Advisory Committee and the Investment Committee following the same practices as with the MIF-IDB Public-Private Partnership Platform (GEF Project ID 4959).
Fund Management Team	The Costa Rican firm Sustainable Energy Central America (SECA) will be the Management Company of CABEF and will sign the agreement with the Bank. Through a competitive process that included an independent, inter-departmental evaluation committee at the IDB, SECA was chosen as the Fund manager for CABEF. Mr. Fernando Alvarado serves as SECA's CEO and will be in charge of overall Fund management, fundraising, project origination, project assessment, evaluation and analysis, project due diligence, preparation of investment proposals, portfolio and asset management, corporate governance and investors' reporting (the "Manager"). Mr. Alvarado has over 25 years of experience in investment banking, fund management, renewable energy finance, and project development in the Central America region. SECA will contract the Honduran firm Pedra Clau, S.A (Pedra Clau), led by Mr. Javier Prats, to assume the technical, social-environmental, and investee project development due diligence and oversight (the "Advisor"). In addition, a Costa Rican firm, Chirripo Consultores, will be responsible for technical assessments of energy efficiency and renewable energy distributed generation projects to provide technical support and monitoring. For the past 15 years, the company has been focusing on the technical assessment of renewable energy and energy efficiency distributed generation projects, preparation of technical reports, monitoring of investee project implementation. The Fund's Manager will be a Delaware LLC created by SECA. SECA will provide management services to the Fund pursuant to a management agreement. This structure insulates the manager from general liability arising from claims against the Fund, per common market practice. The fees for SECA's management services will

	be set according to a cost-plus arrangement, and SECA will pay taxes in Costa Rica for any profits obtained from these services. The profits obtained by the SPV will not be taxed at that level – the SPV will be treated as a pass-through entity for tax purposes, and its shareholders will be directly responsible for the payment of tax in Costa Rica. The proposed management structure is an innovation in traditional fund management companies. It combines management, financial, environmental, social, legal, and engineering principles applied to renewable energy projects. The main office will be located in San Jose, Costa Rica and will start with a team of two energy finance experts on the staff and will expect to hire another Investment Officer in 2017. The Fund is also establishing a Caribbean Office either in Jamaica or Trinidad and Tobago. There will be a staff of four at this office, including Investment Officer Rosemarie Morgan with over 30 years of experience in the field of project financing and investment, commercial and development banking, financial accounting coupled with a keen grasp of corporate governance and risk management practices, and Senior Investment Advisor Kingsley Thomas. He is recognized as one of the Caribbean's leading development bankers with 25 years management experience with development finance institutions in the Caribbean, including 16 years as the CEO of the Development Bank of Jamaica. There will be a senior Investment Officer hired in 2016, once the fund is launched. The Manager was chosen as a result of a competitive selection process under an evaluation committee composed of members of the IDB group, including the MIF and IIC, and a representative from Emerson Collective. The Evaluation Committee scored the potential Managers according to a set of desired qualities including experience in the region, sector expertise in renewable energy and energy efficiency, and willingness to invest in SMEs. Of the three finalists SECA received the most favorable scores due to their previous experience in Central America, Caribbean-based staff, and management expertise in renewable energy and energy efficiency funds as well as a positive working relationship with other MIF projects including H-REFF.
Investment Risks	Please see other risks in Section A6. Although the Fund is innovative for its focus of investing in small and medium scale projects and SMEs, these types of investments carry certain capacity, technical, and implementation risks. One of the major risks of renewable energy and energy efficiency projects at this scale is the risk of project delays that extend the life of the project and affect the ability to earn an expected return. Another one is project failure. Considerations: The Manager has experience dealing with these types of delays and has taken measures to evaluate and predict the risks associated with projects. The Manager will work with Technical Advisors Pedra Clau and Chirripos Consultores to effectively identify risks, manage inefficiencies, and support project development and implementation. There will be a certain amount of TC funds made available to promising projects to assist in pre-investment or early stage support such as feasibility studies, workforce training, management capacity building, and knowledge transfer to minimize project implementation delays or to ensure that positive returns are made.
Coordination with related initiatives	The merger between CABEF and H-REFF will produce a geographically diverse fund with greater opportunity to leverage investors. CABEF complements existing IDB projects, including the MGM Sustainable Energy Fund (MSEF) of which the

	MIF is an investor. MSEF is a private equity fund providing equity and mezzanine financing to sustainable energy projects including the demand-side energy efficiency and renewable energy sectors in Latin America. Given that the MSEF invests in both Latin America and the Caribbean, there could be potential competition between the two funds. However, MSEF's funding availability of $63 M together with CABEF's target capitalization of $80 still represent much less than the available financing opportunities in the region, limiting the prospects for competition. Furthermore, MSEF is approaching the end of its investment period, which will further ensure complementarity between the two funds. For projects with greater than $3M needed in investment, it is possible for CABEF and the MSEF to act as co-financers. In addition, CABEF will complement existing and IDB and MIF interventions to support venture capital as well as renewable energy and energy efficiency. These include a project to help create a venture capital ecosystem in Jamaica - "Supporting the Development of an Entrepreneurial and Early Stage Ecosystem in Jamaica"; and existing energy-related funds in the region such as CHENACT and MCD2F. CHENACT focuses exclusively on energy efficiency in the Caribbean Tourism sector while MCD2F finances energy efficiency and climate finance projects throughout Latin America. By offering equity financing for renewable and energy efficiency projects, CABEF seeks to catalyze additional private sector and equity investors in the region for SMEs and other underserved populations that lack traditional access to finance.
Success of GEF Investment/Fund	Success can be measured in many ways beyond return on investment and other indicators included in the Logical Framework and the Tracking Tool. As explained in the document, the role that this investment is playing to attract private capital could be another way to measure its success. Importantly, CABEF will be considered the equity arm of the "Caribbean Energy Co-Financing Facility" proposed by the government of Trinidad and Tobago, which is seeking to provide a comprehensive approach to energy financing in the Caribbean, including, equity, debt and technical assistance components. Since the implementation of the Facility as a whole has somewhat stalled due to political factors, the execution of CABEF could provide a signal to other prospective donors of the IDB's commitment to the Facility and revitalize interest in its development. CABEF will contribute to developing the ecosystem for private investment in SMEs with clean energy solutions throughout the region. To contribute to building local capacity in the region's investment ecosystem, the MIF will disseminate the Fund's operational experience and relevant lessons through knowledge and communications activities that will involve the publication of case studies and the participation in local and international events reaching a wide variety of target stakeholders, including local and international investors, fund managers and government institutions. Replication of similar initiatives will also be a key indicator of the Fund's success.
Canada Comments	IDB Response
Challenges and lessons learned from GEF Project ID 840	GEF Project 840, "Caribbean Renewable Energy Development Program," (CREDP), was implemented in 2004 with the main objective to remove barriers to the increased use of renewable energy and also to reduce implementation costs in order to decrease Caribbean dependence on fossil fuels. The relevant lessons learned from CREDP that apply to CABEF operations include the need to develop attractive financing mechanisms and linking renewable energy to energy efficiency measures. CREDP underperformed financially in the first stage of project implementation, eventually abandoning loans and guarantees during the second phase of the project in favor of

	grants. CABEF is not offering loans or guarantees; by utilizing equity and mezzanine financing with the possibility for targeted reimbursable and non-reimbursable TC loans, CABEF will avoid many of the issues that confronted CREDP. Equity, however, brings a unique set of considerations that are addressed throughout CABEF's project design. These include the necessity for a longer investment timeframe at 13-15 years instead of the traditional 10 years, geographic diversification across Central America and the Caribbean, and project diversification between renewable energy and smaller-scale energy efficiency projects, given the importance of both for the region. In addition, CABEF has chosen a Fund manager with specific experience in the renewable energy and energy efficiency sectors. All of these measures have been taken to mitigate the risks of equity.
Japan Comments	**IDB Response**
Lessons learned by Japan UNDP Partnership Fund	While the pipeline for potential projects continues to be in development for CABEF, the project team will make use of relevant lessons learned and case studies for related projects as the execution stage begins. For example, the UNDP and Japan ODA project on "South-South Cooperation between Pacific and Caribbean SIDS on Climate Change Adaptation and Disaster Risk Management". One of the successes and lessons of this project was its ability to identify, document, and disseminate best practices for integrated climate change adaptation and disaster risk management in the Caribbean. Similarly, CABEF will be taking advantage of MIF and IDB resources through the Fund manager to disseminate best practices and lessons learned throughout Latin America and the Caribbean to inform project development, investments, and build management capacity of selected firms. Lessons learned from previous projects will serve an ongoing role to inform operations and achieve meaningful impact on the Caribbean Basin.
United States Comments	**IDB Response**
Successful deployment of the Fund	Please see answer above: Success of GEF Investment/Fund
Investment in Cuba	The Fund will not invest in Cuba.

ANNEX C: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS[11]

A. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES FINANCING STATUS IN THE TABLE BELOW:

PPG Grant Approved at PIF:			
Project Preparation Activities Implemented	***GEF/LDCF/SCCF/NPIF Amount ($)***		
	Budgeted Amount	***Amount Spent Todate***	***Amount Committed***
Total	0	0	0

[11] If at CEO Endorsement, the PPG activities have not been completed and there is a balance of unspent fund, Agencies can continue undertake the activities up to one year of project start. No later than one year from start of project implementation, Agencies should report this table to the GEF Secretariat on the completion of PPG activities and the amount spent for the activities.

ANNEX D: CALENDAR OF EXPECTED REFLOWS (if non-grant instrument is used**)**

Provide a calendar of expected reflows to the GEF/LDCF/SCCF/NPIF Trust Fund or to your Agency (and/or revolving fund that will be set up)

Item	Data
GEF PMIS #	5388
Agency	IADB
Investment Name or Number	Sustainable Caribbean Basin Private Equity Fund
Regional Description	LAC Region
Description of Investment Purpose	CABEF will be a regional investment fund for renewable energy, energy efficiency and clean technology deployment.
Estimated Agency Board approval date	September 7, 2016
Investment Type Description	GEF funding will be invested as a full limited partner alongside MIF investment in an equity investment fund
Type of non-grant instrument[12]	Equity
Expected start of investment	Q4 2016
Amount of investment (USD GEF funds)	$15,000,000
Amount of investment (USD co-financing)	$258,000,000
Estimated interest rate/return	10.5%
Term of investment	13 years
Estimated Reflow Schedule	
Repayment method description	Reflows to start in 2018-2019. The Fund is currently fundraising and first closing (fund start date) is expecting for fourth quarter of 2016. CABEF will use some mezzanine mechanisms which will provide current income to the Fund. This income can be either distributed to shareholders or used to pay fund expenses, in this

	case freeing up more resources for investments. Because of this characteristic, the MIF expects reflows of CABEF to start earlier, perhaps within seven years of the first investment.
Frequency of reflow payments	Subject to investments
First repayment date	Q1 2023
First repayment amount	Subject to investments
Final repayment date	2029 if no extensions to Fund are granted
Final repayment amount	n/a
Total principal amount to be reflowed	$15,000,000
Total interest/earnings amount to be reflowed	Approx. $7,000,000-$10, 000,000 subject to target capitalization and performance of investments.-