Case study: Bridging gaps in the project development life cycle for African subnational governments

A successful case study showcasing how a knowledge broker, like ICLEI Africa and other stakeholders, can collaborate to overcome challenges that subnational governments face in the project development life cycle – turning project ideas into on-the-ground action.

AFMEG project progress: The Alternative Financing for Municipal Embedded Generation (AFMEG) project addressed the resource and capacity gaps of four intermediary South African cities in applying to the Development Bank of Southern Africa’s Project Preparation Facility (PPF). Through AFMEG, each municipality designed a Solar PV project to meet the needs of their municipality. In doing so, AFMEG provided key early stage project preparation support which is desperately needed to develop urban Africa climate projects. ICLEI Africa implemented the AFMEG project in 2021 and 2022.

Pathways to progress
AFMEG’s Model for municipal innovation

The four municipalities participating in AFMEG were trailblazers in the municipal embedded generation sector. The AFMEG project has created a pathway for other municipalities across the continent to (a) enter into DBSA’s project preparation facility and (b) access climate finance. This pathway is also applicable to other sectors needing infrastructure projects (such as water, waste, housing etc.).

Expected impact

- Power capacity of solar PV systems
  107 MW: Enough to power almost 70,000 homes in South Africa.

- Potential finance unlocked by AFMEG from EGIP for municipalities
  R2,04 bn

- Estimated carbon saved over the projects’ lifetime
  3.6 million tons CO2eq: The equivalent of taking more than 300,000 cars off the road

The AFMEG project could translate into municipal savings of R3 bn: Savings on municipal electricity costs can be used for other much needed service delivery sectors, such as health, water, resilient housing and waste collection.