



REACT 2.0

WINDOW 2: SCALING DIGITAL INNOVATION FUNDING
WINDOW TERM SHEET

Regional - Digital Innovation Fund for Energy & Climate Programme (DIFEC)



Sweden
Sverige





REACT 2.0 - Digital Innovation Fund for Energy & Climate (DIFEC) call has two separate term sheets. This term sheet applies to Window 2 - Scaling Digital Innovation Fund. The term sheet for Window 1: Growing Digital Innovation Fund, is on a different link. Follow the REACT 2.0 Regional Digital Innovation Fund website here: <https://www.aecfafrica.org/approach/our-programmes/renewable-energy/react-2-0-regional-digital-innovation-fund-for-energy-climate-programme-difec/>

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Programme Summary

● Catalysing Digital Innovation ● for Energy & Climate ● Solutions in Africa



Supporting Early-Stage & Growth-Stage Digital Enterprises



Promoting Secure & Resilient Digital Ecosystems



Advancing Energy Access & Gender Inclusion



Enhancing Climate Adaptation & Sustainability

The Renewable Energy and Climate Technologies (REACT) 2.0 Regional Programme – Digital Innovation Fund for Energy & Climate (DIFEC) is a regional programme designed to catalyse private-sector-led digital innovations that accelerate clean energy access and strengthen climate resilience across Sub-Saharan Africa. The programme targets early-stage and growth-stage enterprises developing digital solutions for distributed renewable energy (DRE), clean cooking, productive use of energy, e-mobility, digital agriculture, and circular economy systems.

DIFEC addresses structural barriers that constrain the development and scaling of digital solutions in African energy and climate markets, including limited early-stage financing, fragmented markets, regulatory complexity, and constrained access to technical and investment support. Through the provision of catalytic grant financing and tailored technical assistance, the programme seeks to build a pipeline of scalable, investable digital solutions capable of operating across multiple African markets.

In recognition of the increasing reliance on digital systems within distributed energy and climate solutions, the programme also promotes the development of secure, resilient, and sustainable digital ecosystems built on similar principles to those outlined in the Principles of Digital Development. This includes encouraging applicants to consider digital risks, cybersecurity vulnerabilities, data-protection obligations, and the potential impact of digital system failures on essential services such as critical services facilities (health, water, energy systems) as well as communications and productive-use enterprises.

The programme further supports the adoption of secure-by-design digital approaches, the responsible use of data, alignment with open-source and digital public goods principles, and practices that strengthen long-term ecosystem stability and reduce systemic digital risks.

The programme objectives are to improve clean energy access for last-mile households and enterprises, enhance gender inclusion within energy and climate value chains, strengthen climate mitigation and adaptation outcomes, promote energy efficiency and sustainable transitions, and foster replicability and systemic value through regionally scalable digital innovations.



Programme duration

3 years (2026-2028)

Geography



The programme has a regional scope and is open to eligible digital enterprises operating or seeking to operate in Africa. Priority will be accorded to enterprises that are based in Sub-Saharan Africa, demonstrate clear potential for regional scalability, and propose digital solutions that can be deployed across multiple African markets.

Eligible organizations

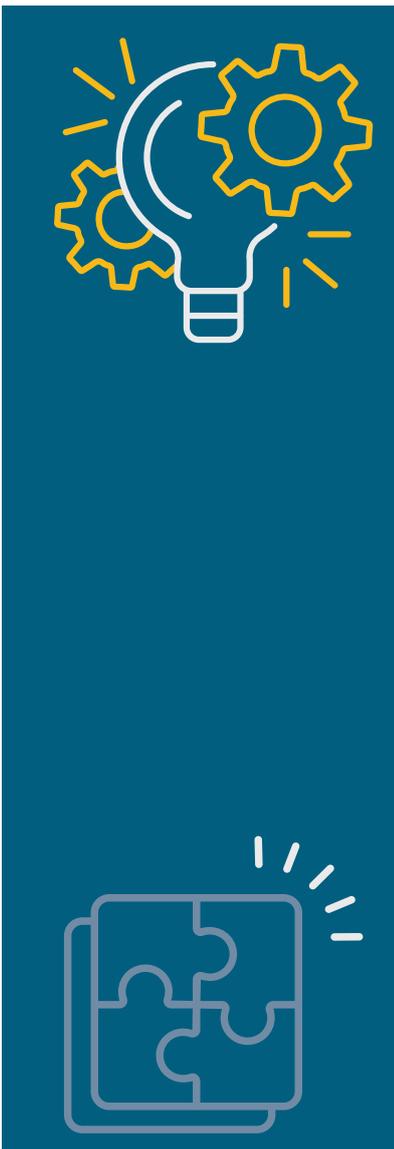


Private, for-profit enterprises that are legally registered entities, including subsidiaries or branches of international for-profit companies, and that demonstrate credible pathways for deployment and scaling of their proposed digital solutions within African markets.

Physical presence in Africa is preferred but not mandatory, provided that the applicant can demonstrate viable partnerships, market entry strategies, or operational arrangements to ensure effective implementation on the African continent.

Applicants must demonstrate compliance with applicable national legal and regulatory requirements in their countries of registration and operation, including data protection, licensing, and sector-specific standards. All funded activities must be implemented in Africa.

Eligible solutions



The programme will support digital innovations that contribute to expanded clean energy access, strengthened climate resilience, improved enterprise performance, and the development of safe secure and sustainable regional digital ecosystems. The programme recognises that digital systems embedded in energy and climate solutions may introduce risks related to essential services, data protection, and system reliability, and therefore encourages secure-by-design approaches, responsible data practices, and proportionate cybersecurity awareness.

Digital solutions for energy access- eligible solutions include, but are not limited to:

- Pay-as-you-go (PAYGo) platforms and digital consumer financing tools
- IoT-enabled monitoring systems for solar home systems, mini-grids, and productive-use equipment
- Smart metering, diagnostics, and remote service management platforms
- Digital tools supporting distribution, after-sales service, and maintenance

Applicants are encouraged to adopt secure communications, device lifecycle management, and responsible data governance practices, proportionate to the scale and maturity of the enterprise.

The programme will also support digital solutions for climate resilience and adaptation, including:

- Weather forecasting and early-warning systems
- Remote sensing and satellite-based environmental monitoring
- Digital tools for natural resource management and regenerative agriculture
- Climate advisory platforms serving farmers and rural communities

Where such systems support essential community or livelihood services, applicants should identify potential cyber-physical risks and outline reasonable mitigation measures.

In addition, DIFEC will support digital solutions that advance gender inclusion and the empowerment of women and girls, including gender-responsive digital finance products, workforce development and inclusion platforms, and digital tools that reduce time burdens associated with energy use, including clean cooking monitoring and energy-use optimization. Applicants are encouraged to integrate gender-sensitive approaches to digital safety, reflecting the programme's broader gender objectives.

Support may be provided to enterprise performance and investment-readiness technologies such as enterprise resource planning (ERP) systems, customer relationship management (CRM) tools, data analytics, decision-support and AI-enabled forecasting tools, and digital environmental, social and governance (ESG) monitoring and impact-tracking systems.

The programme will also support regional digital ecosystem solutions that promote interoperability, replication, cross-border market integration, the use of open-source solutions, circular economy practices, including e-waste traceability and digital marketplaces. Where feasible, such solutions are encouraged to adopt open standards, responsible data-protection practices, and digital public goods principles to strengthen long-term ecosystem sustainability.



Funding Windows & Instruments



As part of the application process applicants will be required to submit a concise digital risk analysis outlining key digital, cybersecurity, and data-protection considerations relevant to their innovation. This requirement is intended to improve understanding of potential risks and inform capacity-building needs and will not be used as an exclusion criterion.

THIS TERM SHEET APPLIES TO THE WINDOW DESCRIBED BELOW.

Window 2: Scaling Digital Innovation Funding Window

- 1 **Objective:** To provide scaling financing and specialised technical assistance to enterprises that have demonstrated successful commercial deployment of digital solutions and are ready to scale operations across multiple African markets. The objective of this window is to accelerate regional expansion, strengthen operational performance, and enhance investment readiness for scalable digital innovations supporting clean energy access and climate resilience.
- 2 **Target Companies:** Growth-stage enterprises that are generating revenue and have validated their digital solutions in at least one African markets. Eligible enterprises must demonstrate a clear pathway to regional scalability and the operational capacity to expand their solutions across diverse market and regulatory contexts within Africa.
- 3 **Financing instrument:** Matched, non-repayable grant financing disbursed on a milestone-based basis to support the scaling of digital innovations related to market expansion, operational performance, and impact delivery.

Grants under this window will range from USD 250,000 to USD 400,000 and a maximum duration of thirty-six (36) months. Grant disbursements are linked to the achievement of agreed milestones

Enterprises supported under this window will also receive tailored technical assistance, including market research refinement, financial and commercial planning, regulatory and digital infrastructure advisory, investment readiness support, transaction advisory services, and facilitation of cross-border scaling through relevant ecosystem actors.

Ticket Size

USD 250,000 -
USD 400,000
Maximum duration of up to
thirty-six (36) months.

Under the Scaling Digital Innovation Funding Window, grant awards will range from USD 250,000 to USD 400,000, depending on the scale, maturity, and regional expansion potential of the proposed digital solution, as well as the enterprise's demonstrated capacity to absorb and effectively deploy the funding. Grants under this window are intended to support market expansion, operational scaling, and investment readiness and will be provided for a maximum duration of up to thirty-six (36) months.

Grant amounts awarded under this window will be determined on a case-by-case basis, considering the applicant's business model, financial capacity, proposed milestones, and the anticipated contribution of the project to clean energy access, climate resilience, gender inclusion, and regional scalability objectives of the DIFEC programme.

Desired socio-economic impact



Business models must demonstrate how they deliver and sustain social, economic, and environmental impact in their target markets and how they contribute to the objectives of AECF and the REACT 2.0 Regional – Digital Innovation Fund for Energy & Climate (DIFEC) programme.

Specifically, this includes expanded access to clean and affordable energy and climate solutions through digital innovation, including the number of households, enterprises, and institutions benefiting from digital-enabled energy services; improvements in service efficiency and affordability; strengthened enterprise performance; job creation; income improvements; women's inclusion; market growth stimulation; and the development of scalable digital solutions and supporting value chains. Emphasis should be placed on job creation, greenhouse gas emissions reduction, climate resilience, and gender inclusivity.

In addition, enterprises should demonstrate how their digital innovations contribute to a safe, secure, and sustainable digital ecosystem, recognising that digital components increasingly support essential community services and may introduce risks if not appropriately designed or managed. Applicants should show reasonable consideration of cybersecurity, data-protection practices, digital reliability, and the potential impacts of digital system failures on end users, enterprises, or connected essential services.

Companies should articulate their strategy to meet the following:

- 1 Committed founders in the operations of the entity.
- 2 Clear and demonstrable benefits to target communities and markets, including increased access to digital-enabled energy and climate solutions and improved economic opportunities.
- 3 Qualitative and quantitative indicators showing improved access to clean energy, productive use of energy, climate-related digital services, or efficiency gains enabled through digital solutions in underserved and last-mile contexts.
- 4 A clear end-user financing mechanism or strategy, where relevant, enables households and enterprises with low or irregular incomes to access digital-enabled energy and climate solutions.
- 5 Evidence of economic development potential and improved livelihoods for individuals, enterprises, and communities served by the solution.
- 6 Environmentally sustainable project design. Where required, environmental and social impact assessments and approved mitigation measures from relevant authorities must be obtained.
- 7 Continuous demonstration, throughout the funding period, that the enterprise promotes sustainable development outcomes in its target markets.
- 8 Contribution to enterprise resilience and market systems by improving reliability, efficiency, and data-driven decision-making in energy and climate value chains.
- 9 Creation of direct and indirect green jobs in digital solution development, deployment, operations, maintenance, and

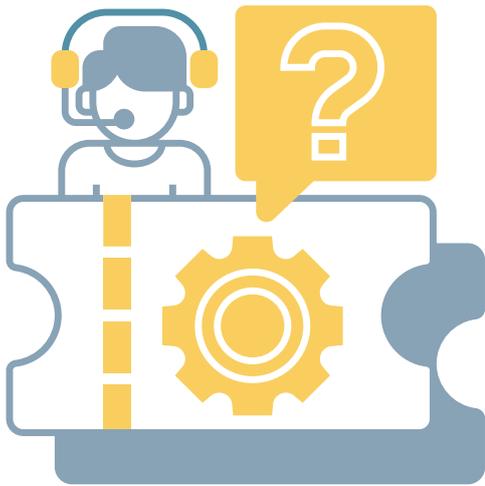
associated services.

- 10 Strengthening the resilience of communities and enterprises to climate-related shocks through improved access to clean energy, climate information, adaptive technologies, or efficient resource use.
- 11 Contribution to climate mitigation objectives through reduced emissions intensity, displacement of high-emission energy practices, or improved energy efficiency enabled by digital solutions.
- 12 Demonstrable improvements in energy efficiency, where applicable, leading to reduced energy consumption or losses.
- 13 Demonstrable benefits to the local community in terms of increased access to products and services, and higher income.
- 14 Demonstrate understanding of contribution to a sustainable, safe and secure digital ecosystem.

Progress in attaining the above will be measured through:

- 1 Increased access to digital-enabled clean energy and climate solutions for households, enterprises, and institutions in underserved markets.
- 2 Strengthened enterprise performance and scalability, including improvements in operational efficiency, financial sustainability, and readiness for investment.
- 3 Climate mitigation and adaptation outcomes enabled through digital solutions, including improved resource efficiency, emissions reduction, and resilience to climate-related shocks.
- 4 Job creation and skills development associated with digital energy and climate solutions, with specific attention to opportunities for women and youth.
- 5 Adoption and implementation of gender-inclusive business practices, including completion of gender needs assessments and execution of gender action plans.
- 6 Replicability and regional scalability of supported digital solutions across multiple Sub-Saharan African markets.
- 7 Strengthened digital resilience, including improved reliability and security of digital components used in energy and climate solutions.
- 8 Monitoring and reporting against these indicators will be undertaken in accordance with AECF's results measurement systems and the programme's agreed monitoring, evaluation, and learning framework.

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Type of support available

Successful applicants will receive the following support under the Digital Innovation Fund for Energy and Climate (DIFEC):

- 1 **Financial support:** Milestone-based, non-repayable grant financing provided under the applicable funding windows, disbursed against the achievement of agreed technical, commercial, and operational milestones.
- 2 **Technical assistance (TA):** Tailored technical assistance to strengthen business performance, product development, and market delivery. This includes support related to business modelling, sales and marketing strategies, customer engagement, distribution models, after-sales service, digital development, and operational efficiency, delivered through AECF's advisory mechanisms and selected ecosystem partners. There will also be TA in relation to digital security, related risks and the digital eco system.
- 3 In addition, TA will include focused support on digital security, cybersecurity awareness, data-protection practices, and digital risk mitigation, helping enterprises understand how digital components interact with essential services and how to adopt security-by-design and privacy-respecting approaches proportionate to their stage of growth. TA may also guide enterprises on the use of open-source solutions and digital public goods where feasible, to strengthen digital ecosystem sustainability.
- 4 **Venture-building and investment readiness support:** Access to structured venture-building support, including guidance on financial planning, governance, leadership development, and preparation for follow-on investment, including investor engagement and transaction advisory support where relevant.
- 5 **Gender and inclusion support:** Assistance in conducting gender needs assessments and designing and implementing gender action plans to strengthen women's participation as customers, workers, entrepreneurs, and decision-makers within supported enterprises.
- 6 **Environmental, Social and Governance (ESG) support:** Tools, guidance, and training to support compliance with environmental, social, and governance standards, including environmental and social risk management, responsible business practices, and impact reporting.
- 7 **Ecosystem and partnership support:** Facilitation of connections with relevant ecosystem actors, including innovation hubs, technical partners, investors, and regional stakeholders, to support knowledge exchange, peer learning, and cross-border collaboration in line with the programme's regional scope.



Funds available



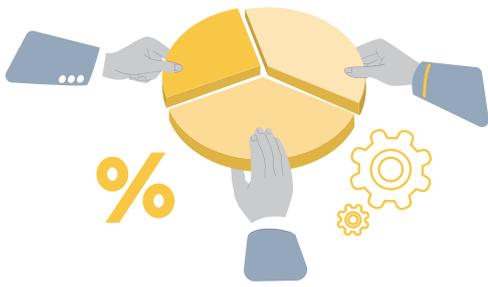
Funding under the REACT 2.0 Regional – Digital Innovation Fund for Energy & Climate (DIFEC) will be provided to competitively selected enterprises in the form of non repayable, milestone based grants.

Funding is subject to the programme's matching contribution requirements (see Matching Contributions section).

Applicants should apply for funding in line with their project requirements, stage of development, and demonstrated capacity to absorb and effectively deploy the proposed grant funding.

Grant funding will be provided in the form of milestone-based, non-repayable grants. Disbursements will be made against the achievement of mutually agreed technical, commercial, and operational milestones, as defined in the Funding Agreement between AECF and the investee.

The duration of the Funding Agreement shall align with the applicable funding window and shall not exceed thirty six (36) months.



Matching contributions

The programme operates on a 1:1 matching funds principle where each company is required to contribute an amount equivalent to the grant provided by AECF. This co-investment approach ensures shared risk and commitment between AECF and the investees, while leveraging additional private capital to enhance the sustainability and scale of programme outcomes.

Proof of the availability of matched funding is required during the selection process and prior to any disbursement

Matching contributions may include founder equity, supplier credit, inventory or other verifiable business inputs.

Where at least one party (e.g., venture capital firm, impact investor, incubator/accelerator, foundation, or the founder) agrees to provide funding to the applicant. Evidence accepted includes a signed MoU or contract, a bank statement, and a letter confirming the total amount disbursed or to be disbursed by the other party. The submitted documents to the Fund of matching commitments must include all conditions, timescales, and any other considerations.

Examples include:

- Investment funding (equity funding)
- Impact investment
- Crowd funding
- Internal resources such as loans from founders, family etc.
- Loans from financial institutions



Eligible companies



To be eligible for funding under the REACT 2.0 Regional – Digital Innovation Fund for Energy & Climate (DIFEC) programme, private sector companies must meet the following criteria:

- 1 Request a grant within the stipulated range applicable to the relevant funding window.
- 2 Be legally registered as a private, for-profit company (e.g. corporation, limited liability company, or equivalent), including subsidiaries or branches of international for-profit companies. Physical presence in Africa is preferred but not mandatory, provided that the applicant demonstrates credible pathways for deployment, partnerships, or market entry in African markets at the time of award.
- 3 Demonstrate that the proposed activities and use of grant funding will be implemented on the African continent, in line with the regional scope of the programme.
- 4 **Demonstrate financial and operational capacity appropriate to the funding window applied for, including:**
 - For the Scaling Digital Innovation Funding Window: provision of audited financial statements for the past two (2) years and demonstration of a sustainable financial position, including an annual turnover matching the grant amount requested, or equivalent financial robustness at group level.
- 5 Demonstrate a clear alignment with the programme's thematic focus, including digital solutions for clean energy access, climate mitigation and adaptation, productive use of energy, clean cooking, e-mobility, digital agriculture, circular economy systems, or related enabling digital technologies.
- 6 Demonstrate commitment to providing matching contributions in line with the programme's one-to-one (1:1) matching requirement, as set out in the Matching Contributions section.
- 7 Be compliant with applicable national laws and regulations in the country or countries of operation, including tax compliance, data protection, licensing, and sector-specific regulatory requirements relevant to the proposed activities. This includes adherence to internationally recognised data-protection frameworks such as the EU General Data Protection Regulation (GDPR) where applicable to the applicant's operations, customer base, or data flows, and alignment with regional instruments such as the African Union Malabo Convention on Cyber Security and Personal Data Protection, particularly for enterprises handling sensitive personal or operational data in digital energy systems.
- 8 In contexts where national data-protection or cybersecurity regulations are yet to develop, applicants must still demonstrate reasonable and proportionate safeguards for secure data management, privacy protection, and the digital security of systems supporting energy and climate services.
- 9 Be compliant with international human rights standards, labour standards, and environmental management requirements, and commit to implementing agreed environmental, social, and governance (ESG) action plans where applicable.
- 10 Successfully pass AECF's Know Your Customer (KYC), Anti-Money Laundering and Counter-Financing of Terrorism (AML/CFT), Politically Exposed Persons (PEP), and Integrity Due Diligence (IDD) screening processes, based on information submitted during the application and due diligence stages.
- 11 NOT be involved in any act of corruption. AECF requires that applicants, including their staff, contractors, and suppliers, are not involved in offering, soliciting, accepting, or being promised any form of improper payment, benefit, or advantage that could be interpreted as an illegal or corrupt practice.
- 12 NOT be associated with activities prohibited by the government of country listed for implementation of the project, terrorism, money laundering, or a list that prohibits trading with some business (IFC, USAID, UN, EU, and any other networks), United Nations Security Council resolutions issued under Chapter VII of the UN Charter. The screening will be conducted for all applicants and associated parties against provisions such as <https://sanctionssearch.ofac.treas.gov/>, www.worldbank.org/debar World-Check, [EU sanctions list](#), etc.
- 13 NOT be a representative of a government or semi-governmental agency. This includes government-owned or partially government-owned enterprises, or companies with ownership or substantial business ties to government or quasi-government bodies. Any subsequent identification of such links may result in termination of the funding agreement
- 14 Allow regular due diligence, monitoring, and audit activities as required by AECF throughout the funding period including review of digital security practices, GDPR-aligned data-handling approaches, and adherence to principles outlined in the Malabo Convention, where relevant to the digital components of the funded innovation.
- 15 Demonstrate additionality, meaning that the proposed project would not proceed, or would proceed at a smaller scale, slower pace, or reduced impact, without support from the DIFEC programme; see broad view guide on additionality in text below.

Selection Criteria



Applicants are expected to submit a short funding application with their concept, justifying their requirements for the business and/or idea to be funded, the funding amount and the project duration. Shortlisted applicants will be requested to submit a more comprehensive full proposal and business plan.

Each applicant will be evaluated and scored against the following criteria:

- 1 Geographic focus and regional relevance, including alignment with the programme's Sub-Saharan Africa scope and demonstrated potential for regional scalability across multiple African markets.
- 2 Commercial and technical viability of the proposed digital solution. The proposal must present a commercially sustainable business model, be technically sound, and demonstrate clear alignment with the objectives of the Digital Innovation Fund for Energy & Climate. The proposal should clearly define how performance will be measured and evaluated, including agreed indicators, targets, and milestones.
- 3 Track record and capability of the applicant, including satisfactory performance of the entrepreneur(s), technical personnel, or business. Where available, evidence of past performance or references may be submitted.
- 4 Management team capacity, including submission of curricula vitae of key personnel demonstrating appropriate education, skills, and experience relevant to the technical and commercial nature of the proposed project.
- 5 Stakeholder and market engagement, including the applicant's approach to engaging relevant partners, customers, and stakeholders in target markets, and, where applicable, coordination with local institutions or communities.
- 6 Product and solution quality, where applicable, include evidence that digital solutions and any associated technologies meet relevant quality, safety, and industry standards.
- 7 Market traction and commercial performance, for existing companies, including demonstrated revenue generation, customer adoption, or successful deployment of the solution in at least one market.
- 8 Financial capacity and management, including evidence of sound financial health, appropriate financial management systems and procedures, and the availability of audited financial statements in line with the requirements of the applicable funding window.
- 9 Access to and mobilisation of matching funds, including demonstrated investment relationships or realistic potential to secure the required matching contributions and leverage additional or follow-on financing.
- 10 Implementation capacity, including the ability of the management team and organisation to deliver the proposed project within the agreed timeframe, using adequate internal resources and systems.
- 11 Contextual understanding, including demonstrated knowledge of the operating environment, regulatory context, and market dynamics in the countries where the solution is being deployed or scaled. Applicants should also demonstrate awareness of relevant data-protection and cybersecurity frameworks, including where applicable the EU General Data Protection Regulation (GDPR) and the African Union Malabo Convention on Cyber Security and Personal Data Protection.
- 12 Development impact and additionality, including how the proposed business model will deliver and sustain socio-economic and climate impact and how AECF funding will catalyse outcomes that would not otherwise be achieved.
- 13 Environmental, social, and governance (ESG) considerations, including a clear description of potential environmental and social impacts, waste management practices where relevant, and alignment with applicable national and international environmental and social standards.
- 14 Matching funds availability, including clarity on the source, timing, and conditions of matching contributions.
- 15 Understanding of digital risks, including the applicant's awareness of the risks associated with providing an essential service via digital systems—such as cybersecurity vulnerabilities, privacy risks, data-protection considerations, and digital safety—and how the solution contributes to a safe, secure, and sustainable regional digital ecosystem.
- 16 Risk assessment and mitigation, including identification of key risks to project implementation and proposed mitigation measures.

Preference will be given to applicants that demonstrate:

- 1 Strong digital innovation addressing clean energy access, climate mitigation or adaptation, or efficient natural resource management.
- 2 Scalable, interoperable and secure digital solutions with clear potential for replication across multiple African markets.
- 3 Inclusive business models that intentionally integrate women and youth as customers, employees, entrepreneurs, or decision-makers.
- 4 Robust approaches to affordability and access, including digital financing, data-driven service delivery, or innovative distribution models suited to underserved markets.
- 5 Clear pathways to investment readiness and growth, including potential to attract private capital following programme support.



Investment Principles

This section defines the basis of making funding decisions. The AECF investment principles will guide the investment decisions. These principles shall be applied in evaluating project ideas and making final award decisions.

Investment Principles:

- a **Private sector demand-driven:** The programme is demand-driven and harnesses private-sector initiative, innovation capacity, and implementation capability to achieve sustainable energy access and climate outcomes. Funding is provided in response to commercially grounded proposals led by private enterprises developing and scaling digital solutions for energy and climate challenges.
- b **Systemic Change:** the funded projects must illustrate the potential to generate impact beyond the immediate enterprise or project scope by contributing to broader market transformation. This includes changing how energy and climate services are delivered, financed, monitored, or scaled through digital innovation, with the potential to influence sector practices and market structures across multiple countries. Systemic change also encompasses strengthening the resilience and security of digital energy systems, promoting secure-by-design digital development, and contributing to the emergence of safe, sustainable, and interoperable regional digital ecosystems.
- c **Address Market Failure or otherwise demonstrate additionality:** Funding under DIFEC is intended to address clearly articulated market failures or constraints, including early-stage risk, lack of catalytic capital, limited access to technical expertise, fragmented markets, or barriers to regional scaling. Applicants must demonstrate that the proposed project would not proceed, or would proceed at a significantly reduced scale, pace, or impact, without support from AECF.
- d **Risk sharing:** AECF shares risk with supported enterprises to enable innovation and scaling in challenging markets. The programme requires enterprises to contribute matching resources, ensuring that recipients retain a higher level of risk exposure and commitment to successful implementation. Financial and in-kind contributions by recipient companies are required to reinforce ownership and sustainability. Grants from other funding sources are not considered for match funding. Risk sharing applies not only to commercial and operational risks but also to digital and cybersecurity risks, recognizing that secure digital practices reduce long-term systemic vulnerability across the energy and climate sectors.
- e **Competition:** the programme application process and term sheets are available in the public domain to ensure that all eligible organizations have equal opportunity to compete for the available funds and ensure transparency.
- f **Additionality:** the funded projects seek to create social and economic benefits that would not have been attained without this support. Therefore, funded projects should clearly demonstrate the additionality of the funding provided.



Classification of additionality

Additionally, it refers to the unique value or impact created by AECF funding that would not have occurred or would have been delayed, smaller, narrower in scope, or less inclusive without this support.

While we recognize that additionality is context-specific (e.g., geography, sector, etc.), below is a description of different types of additionality:

- a **Faster:** Funding from AECF helps the company to launch or grow much sooner than it can on its own, speed up, create transformational changes quicker and expose the business to attract additional investments.
- b **Bigger:** the funding allows the company to grow larger and create a greater development impact than it would with only its own resources.
- c **Wider scope:** the funding enables the company to expand geographically or serve more clients, multiplying impact
- d **More inclusive:** the funding helps the company in extending products and services to disadvantaged groups especially women and youth who are typically harder and more costly costlier to reach by mitigating operational and market risks while operating in such challenging environments.





Commitments from successful grantees

If selected, applicants must be committed to:

- a Collaborate with AECF to finalize contract milestones and Key Performance Indicators. Indicators and milestones are agreed upon with AECF before signing the contract.
- d Share data, including performance against indicators and milestones. All data will be treated confidentially unless otherwise agreed in advance.
- c Ensure that data shared with AECF is handled in line with good data-protection practices, and where applicable, with recognised frameworks such as GDPR and the Malabo Convention on Cyber Security and Personal Data Protection.
- d Gather, analyze, and share learnings from the project with AECF.
- e Report according to agreed schedules and the requirements of AECF.
- f Participate in AECF annual programme reviews.
- g Ensure financial data and other management systems are accessible for audit purposes upon request.
- h Implement reasonable safeguards to protect digital systems, user data, and essential service continuity.
- i Participate in cybersecurity, digital-risk, and data-protection capacity-building activities



Applications will be managed under AECF's Challenge Fund competition model, summarized below:

- 1 Concept note submission through AECF's online platform.
- 2 Screening and shortlisting against eligibility and criteria.
- 3 Business plan development and due diligence (including site visits, governance review, financial checks, ESG, and integrity due diligence).
- 4 Review by Investment Committee and approvals.
- 5 Contracting and induction: Successful applicants sign the grant agreement, finalize gender/ESG action plans, and attend the induction workshop.
- 6 Project Implementation, monitoring, and reporting.



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