



Call for Applications – Ghana

1. INTRODUCTION

About *frankly.green*

frankly.green is a new **crowdfunding platform that is looking for green projects and companies to promote!** As the name suggests, *frankly.green* is dedicated to realize green investments by:



promoting a wide range of environmental and climate protection measures – including but not limited to renewable energy



targeting exclusively local borrowers – initially in Ghana, and subsequently in other countries



promoting markets and selecting technologies that traditional financial institutions might not feel comfortable with



working with local partners for credit/impact analysis and monitoring

NOTE: *frankly.green* is a service provider and investment facilitator – not an investor. **Investors are “the Crowd”, i.e. typically a larger number of retail investors that collectively finance an investment.**

1. INTRODUCTION

Type of investment and criteria for borrowing

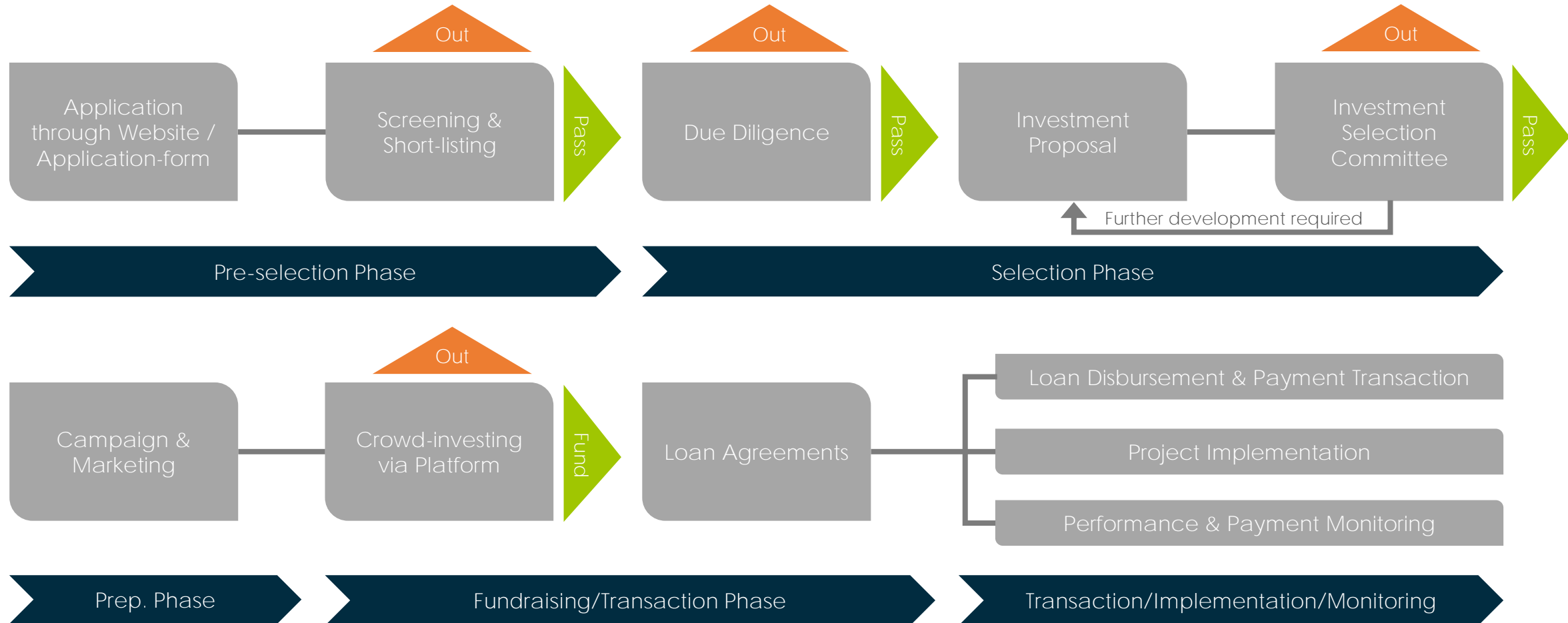
Type of investment:	Qualifying subordinated debt. Loan contracts are being signed directly between investors and borrowers – not by <i>frankly.green</i> .
Volume and currency:	100,000 to 300,000 EUR; ability to absorb EUR loans and/or ability to mitigate FX risk is essential.
Tenor:	2 to 5 years; exception up to 7 years.
Financial viability:	The investment is financially self-sufficient and/or the company possesses sufficient assets and revenues from its ordinary business activity.
Impact:	Ability to demonstrate that the planned investment will have a positive impact as defined by the “three pillars of green investments”.

Basic requirements for borrowers:

Accounting:	Financial statements of the three recent financial years.
Environmental and social:	Compliance with national laws and international standards.

1. INTRODUCTION

Investment process



2. SCOPE OF INVESTMENT

The three pillars of green investments

Broadly defined, a green investment must support at least one of the points under the key pillar – environment – and ideally have a positive impact on society and/or economy:

ENVIRONMENT

- Reduces/eliminates pollution of air, water, land and/or soil.
- Contributes to protection, restoration and/or sustainable management of ecosystem health and resilience.

SOCIETY

- Improves health and well-being of its immediate and extended community.
- Promotes social equity, builds social capital and enhances the resilience of local communities.

ECONOMY

- Creates and sustains decent jobs.
- Supports resource-efficient, low-carbon and climate-resilient growth.

NOTE: It goes without saying that, while positively impacting at least one of the above points, **the investment must not have any negative impact** on any of the other points.

2. SCOPE OF INVESTMENT

Green investment examples

- Renewable energy and energy efficiency
- Improvement of industrial processes and cleaner production
- Solid waste management
- Recycling and circular economy



- Water supply, saving and conservation
- Sustainable transport
- Sustainable and climate-smart agriculture
- Biosphere and ecosystem conservation

NOTE: *frankly.green* supports green investments in their realisation and in all parts of the value chain! For example, we do not only support the implementation of an energy efficiency project in an SME (**direct impact**), but also SMEs that produce or distribute energy efficient technologies and materials (**indirect impact**).

2. SCOPE OF INVESTMENT

Industry sector examples

“Green investments” are not limited to specific sectors. In fact, **there is green investment potential (e.g. energy and resource efficiency) in almost every sector**, from the extraction of raw materials, through manufacturing, to services. Yet, the following sectors may be considered as particularly relevant due to their a) high potential for negative impact on the environment and society; b) high potential for positive impact regarding climate change mitigation and adaptation.



Manufacturing
and energy



Construction
and buildings



Agriculture
and water



Forestry
and fisheries



Waste
and recycling



Tourism
and transport




NOTE: *frankly.green* will not support any type of project, activity or industry sector as defined by the IFC Exclusion List! www.ifc.org/exclusionlist

3. APPLICATION & SELECTION PROCESS

Call for applications and project concept note

frankly.green herewith calls for applications – **open to every project and company** that meet the investment scope and criteria.

In response to this call, applicants are invited to submit:

-  **Project concept note**, using the *frankly.green* template that is available upon request via email, providing a detailed description of the planned investment incl. costs, benefits, environmental impact etc.
-  **Company profile and financial statements** of the three most recent financial years.
-  Other project-specific support documentation.

3. APPLICATION & SELECTION PROCESS

Pre-selection criteria

As the first step, *frankly.green* assesses the application against the following criteria:

Green investment and positive impact as defined by the investment guidelines.

Overall **creditworthiness** of the potential borrower and **financial viability** of the proposed project.

Type of company, required loan volume and tenor (see “criteria for borrowing”).

frankly.green then **pre-selects a limited number of projects for a detailed due diligence**. Those applicants will be requested for additional information as well as an introductory video-call with the company's management.

NOTE: All other points being equal, *frankly.green* might give **preference to project proposals with a rather unique focus and objective**. In other words, *frankly.green* aims at offering the Crowd a variety of projects – including green investment opportunities that do not frequently appear on other platforms.

3. APPLICATION & SELECTION PROCESS

Due diligence and selection committee

frankly.green thoroughly evaluates the financial situation of the potential borrower, all financial and technical aspects of the proposed project, and has a close look at the applicant's management, organisation and operation. *frankly.green* performs the due diligence in a two-step approach:



DESK ANALYSIS

Review of financial statements, creditworthiness assessment, initial analysis of financial and technical project viability, compliance with environmental and social standards.



ON-SITE VISIT

Verification of initial results; inspection of project site, facility, technology; personal impression of potential borrower, management, project implementation team; potentially meeting with project beneficiaries and other stakeholders.

An investment selection committee **makes the final decision on which projects are being presented to investors on the *frankly.green* platform.**

4. FUNDRAISING & MARKETING

Information campaign

The *frankly.green* website will provide potential investors with detailed information on each aspect of the project, including...



... a detailed impact analysis of the project, including targeted SDGs.

... a section containing all specifics of the campaign as well as all documents necessary for investment.



... an overview at the top of each page, summarising the cornerstones of each campaign.

... a video introducing the project and the people behind.



4. FUNDRAISING & MARKETING

Required inputs and preparatory work

While most technical and financial information can be drawn from the project concept note, **the borrower will be required to support the marketing campaign** with the following materials such as:

- One or more high-quality, content-rich video explaining the project and introducing the team;
- Written or (ideally) video testimonials from customers, financiers or partners helping to promote the project;
- Pictures of the team, current operations, and/or the planned project;
- Other documents such as letters of intent, etc.

In addition, *frankly.green* will “activate” the Crowd through various marketing channels such as:

- Emails and newsletters;
- Online marketing on social media and through search engines;
- Offline advertising;
- Media and PR, etc.

5. APPLICATION & CONTACT

Want to know more? Please reach out to us!



For general inquiries: info@frankly.green

For applications: application@frankly.green

ANNEX

Who is behind *frankly.green*?



- Frankfurt School is one of Europe's leading business schools.
- Its International Advisory Services is committed to improving financial markets and increasing access to financial services.



- GLS Bank is Germany's leading social bank.
- It focuses on financing sustainable projects and companies in sectors such as ecological agriculture, renewable energy, sustainable housing, education, health and culture.



- FS Impact Finance, an independent group company of Frankfurt School, is a specialised asset and fund manager.
- Its focus is on developing countries and emerging markets with a strong foothold in micro and SME finance.



- The FS-UNEP Centre encourages and assists the finance community to scale-up current investments, or to take first steps into new markets.
- It aims at bringing together demand and supply of sustainable financing by promoting smart structures and mechanisms.



- Wangara Green Ventures is an impact investment company in Ghana.
- It invests equity and quasi-equity in high-growth, high-impact SMEs or small growing businesses.

Supported by:



frankly.green is part of the International Climate Initiative (IKI). The Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU) supports IKI based on a decision of the German Bundestag.

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