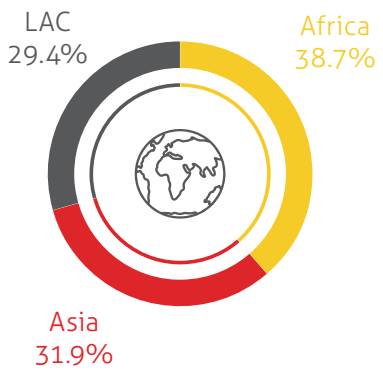
# BIO solutions
# *infrastructure*

**Adequate access to infrastructure is a basic service to the population. It is also indispensable for economic growth and sustainable private sector activities.**

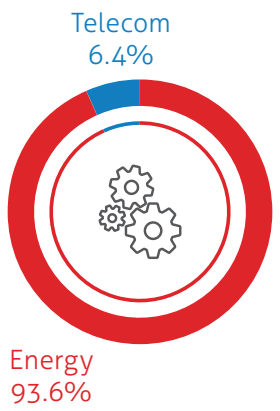
BIO invests in projects to increase basic services to the population including access to energy and water, telecommunications and transport. Over the past years, BIO's focus has been mostly on renewable energy (including solar, hydro, wind), allowing not only improved and cheaper energy access but also contributing to a reduction of greenhouse gas emissions and to the fight against climate change. BIO has supported both on-grid and off-grid projects and has been able to offer long maturity financing well-adapted to the repayment capacity of the projects. BIO has adopted a two-prong approach: "follow the lead" of sizeable DFIs for large projects and "take the lead" for smaller projects (up to 20MW). Beyond capital and debt, BIO can support the development of projects by providing access to grants for feasibility and technical studies. BIO is also very attentive that these projects are executed in good cooperation with local communities and in compliance with high environmental and social standards.

**Net commitments (12/2018) - € 165.4 M - 18 projects**

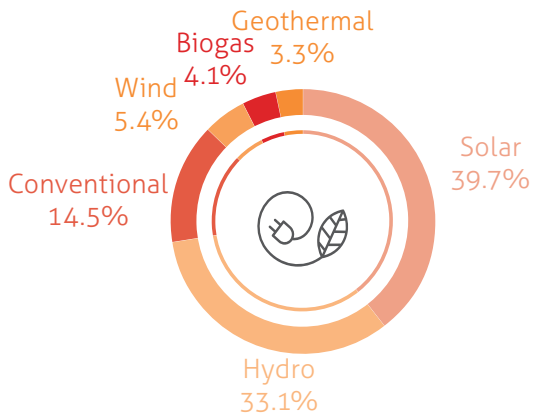
Regions




Sectors




Subsectors energy




# i like to create new things

## *bósforo*

My father is an American who moved to El Salvador after meeting my mother, a Salvadorian. I was born in El Salvador and went to high school, university and my first job in Florida. Eventually I moved to Colombia, then Mexico and finally ended up coming back to El Salvador. There is nothing like having family around and friends from childhood, and we have a pretty good life here: we have beaches, we have mountains, and my family has coffee farms, so we always have somewhere beautiful to go on weekends.

The solar trend here started off when the Salvadorian government, as part of its energy policy, decided to promote investment in renewable energy in the country. In 2016 AES participated in an auction which we lost by a very small margin, and that same year we moved forward investing in distributed energy projects. We looked for ten sites where local demand could absorb a 10 MW plant's production capacity, designing them all identically. We developed Bósforo in a joint venture with CMI, a Guatemalan company.

Our mission at AES is to improve lives by accelerating a safer and greener energy future, which we are pursuing here in El Salvador with projects like Bósforo. Although solar in El Salvador is a relatively small market, renewable generation is still growing including other renewables like wind and geothermal energy.

Also, interactions with the local communities are intense due to the project having ten geographically separate sites. We have educational and environmental programs, for example. Young guys and girls graduate as electricians with the goal of providing them with a marketable skill. In conjunction with local governments and schools, we have developed programs for planting native tree species at risk. We are also supporting communities with infrastructure such as road improvements, meeting centers, parks, perimeter walls around medical centers and schools for increased security, among other projects which are selected in direct collaboration with the communities.

I really like large, big-ticket projects because you can have a real social impact and ensure its sustainability. I like to create new things, doing things right, and making a difference.

*John Davenport is the Bósforo Project Director*

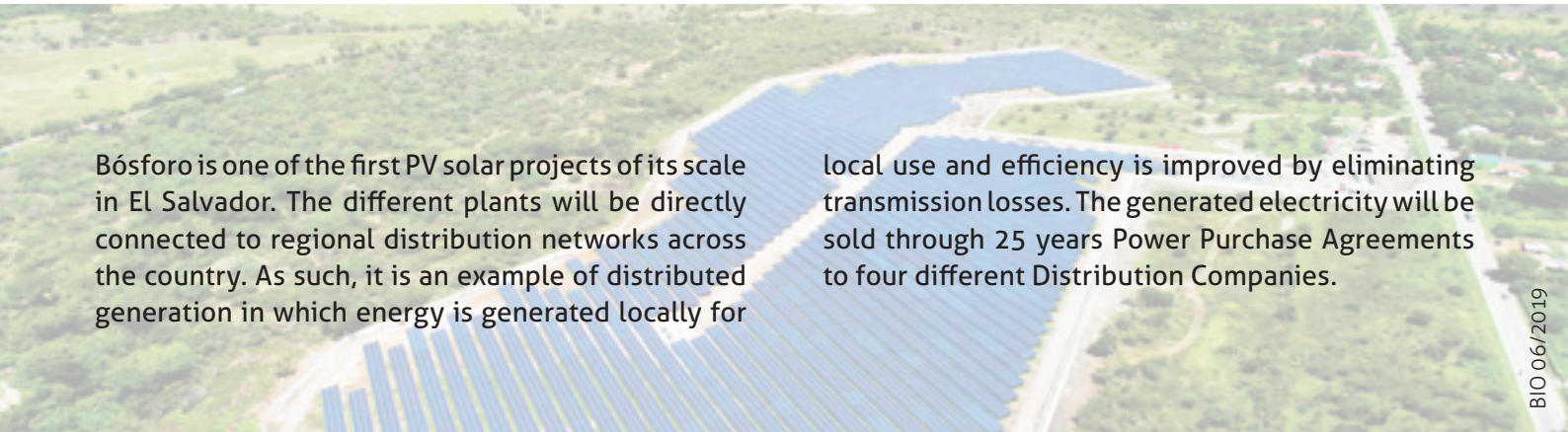
## Facts & figures

| | | | |
|---|---|---|---|
| **Sector** | Infrastructure | **Subsector** | Energy - Solar |
| **Region** | El Salvador, Latin America | | |
| **Instrument** | Debt | **Amount** | € 14.2 M |

## Development Impact

Access to basic services and goods: The plant will provide over 200 GWh/year of renewable energy ensuring enough electricity for 186,042 people.

Fight against climate change: Bósforo avoids local emissions usually attached to conventional energy, saving up to 91,400 tonnes of $CO_{2eq}$/year.



Bósforo is one of the first PV solar projects of its scale in El Salvador. The different plants will be directly connected to regional distribution networks across the country. As such, it is an example of distributed generation in which energy is generated locally for local use and efficiency is improved by eliminating transmission losses. The generated electricity will be sold through 25 years Power Purchase Agreements to four different Distribution Companies.