Mergers & Acquisitions

Project Finance

Strategic Advisory

RENEWABLES IN WEST AFRICA

ata insights

Webinar
April, 24th 2019

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1. **ECOWAS Overview**
2. Market Structuring & Tenders
3. Financial Institutions & Instruments

ECOWAS OVERVIEW

- GDP : $ 590 bn (66% from Nigeria)
- Electricity demand (2018) : 15.3 GW
- Annual electricity demand growth rate : **8%** (forecasted 2019-2034)
- Ongoing development of network interconnection
- Forecast 2029 : 38% of production coming from renewables (hydro, solar, wind)

Source: ECOWAS MASTER PLAN FOR THE DEVELOPMENT OF REGIONAL POWER GENERATION AND TRANSMISSION INFRASTRUCTURE 2019-2033), December 2018

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2019 TENDERS - ECOWAS

BURKINA FASO
Solar Tender

NIGER
Solar Tender – 30+20+10 MW

CABO VERDE
Solar & wind Tenders

IVORY COAST
Solar Tender – 60 MW
Scaling Solar

BENIN
Solar Tender (MCC Program)
1 for SHS + 1 for minigrids

NIGERIA
Solar Tender

Legend:

Solar *Wind*

Scaling Solar | AN INNOVATION OF WORLD BANK GROUP

MILLENNIUM CHALLENGE CORPORATION
UNITED STATES OF AMERICA

GET FiT

IVORY COAST – SOLAR TENDER

COUNTRY: Ivory Coast

TECHNOLOGY: Solar PV

CAPACITY CALLED: 60 MW

TENDER TYPE : IPP

122nd/190

EASE OF DOING BUSINESS

- Ivory Coast has around 2.2 GW of installed capacity (2017) and is the electricity powerhouse of West Africa. The country commits to promote renewables energies : they should reach 15% of the energy mix in 2020, and 20% in 2030 (large hydropower excluded)
- This tender should be launched in late 2019 by the World Bank

OFF-TAKER:

Compagnie Ivoirienne d'Electricité

CREDIT RATING:

B+

(Source: Fitch2017)

KEY TENDER FEATURES:

- **Capacity called:** 60 MW_{AC}
- **Timing**
  - Selection of candidates to conduct feasibility studies is on-going
  - More information should be disclosed during Q1 2019

OTHER KEY CONSIDERATIONS:

- This tender is a Scaling Solar program for Ivory Coast, which may be announced by the government in 2019

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FINANCIAL INSTITUTIONS

Equity funds

- Investec
- AIIM – AFRICAN INFRASTRUCTURE INVESTMENT MANAGERS
- Cubico – SUSTAINABLE INVESTMENTS
- ARM – INFRASTRUCTURE FUND MANAGERS
- Harith
- stoa – INFRA & ENERGY
- meridiam
- DENHAM CAPITAL
- EIG – GLOBAL ENERGY PARTNERS
- BlackRhino
- GIC
- Vanguard
- PUBLIC INVESTMENT CORPORATION
- ENGIE
- EDF
- AXA
- acciona
- enel

DFIs & Banks

- EDFI
- ElectriFI
- PROPARCO – GROUPE AGENCE FRANÇAISE DE DÉVELOPPEMENT
- AFD – AGENCE FRANÇAISE DE DÉVELOPPEMENT
- IFU – INVESTMENT FUND FOR DEVELOPING COUNTRIES
- GEEREF – Global Energy Efficiency and Renewable Energy Fund
- DEG – DEG - Deutsche Investitions- und Entwicklungsgesellschaft mbH
- AFREXIMBANK
- IFC – International Finance Corporation
- PIDG – Private Infrastructure Development Group
- BNP PARIBAS
- Standard Bank
- SOCIETE GENERALE
- ZENITH

SELECTION CRITERIA

PROJECT	▶ Country ▶ Project Type and Size ▶ Stage of development (pre-feasibility, feasibility, choix EPC, ready-to-build)
DEVELOPMENT	▶ Track record of the developer ▶ Technology and equipment used ▶ Share of the developer equity in the project
FINANCE	▶ IRR > 10% ▶ DSCR > 1.2 ▶ Payback period ▶ Project finance structure
RISKS	▶ Reliability of the revenue forecast (electricity sale through PPA? Off grid project?) ▶ PPA : risk allocation ▶ Currency exchange rate volatility ▶ Concession, authorization, etc.

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Thanks for your attention

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