

 Early Warning System

AFDB-P-EG-F00-018

Egypt - Dandara 500MW PV+100MWh BESS Project



Quick Facts

Countries	Egypt
Specific Location	Nagaa Hammadi, Qena Governorate
Financial Institutions	African Development Bank (AFDB)
Status	Approved
Bank Risk Rating	A
Voting Date	2026-07-08
Borrower	Scatec ASA
Sectors	Energy, Industry and Trade
Investment Type(s)	Grant, Loan
Investment Amount (USD)	\$ 66.00 million
Loan Amount (USD)	\$ 46.00 million
Grant Amount (USD)	\$ 20.00 million
Project Cost (USD)	\$ 292.05 million



Project Description

As stated by the AfDB, the project aims to support the decarbonization of EgyptAlum by supplying renewable electricity from a 500 MW solar PV plant combined with a 100 MWh battery storage system, while contributing to Egypt's broader energy transition. More specifically, the project seeks to reduce EgyptAlum's dependence on fossil-fuel-based grid electricity, lower greenhouse gas emissions, preserve the company's competitiveness and access to the European Union market under the Carbon Border Adjustment Mechanism, increase renewable generation and storage capacity in Egypt, and support the country's target of reaching 42% renewable energy in the electricity mix by 2030. The project is expected to avoid approximately 0.5 million tonnes of CO₂ equivalent emissions per year.

The Dandara 500 MW Solar PV & 100 MWh Battery Energy Storage System (BESS) Project is a private-sector renewable energy and industrial decarbonization project in Egypt. The project involves the design, construction, operation and maintenance of a 500 MWac solar photovoltaic power plant, co-located with a 100 MWh battery energy storage system, together with an associated high-voltage step-up substation at Nagaa Hammadi. The project will connect to the national transmission network through the existing 220 kV Nagaa Hammadi Substation, located approximately 1 km from the project site. The project is being developed by Scatec ASA through the special-purpose vehicle Dandara Solar Power S.A.E. Its main purpose is to decarbonize the electricity consumption of the Aluminium Company of Egypt (EgyptAlum).

Electricity generated by the plant will be injected into the national grid under a corporate Power Purchase Agreement signed directly with EgyptAlum, allowing the company to receive credit for the renewable electricity produced. The Egyptian Ministry of Finance has guaranteed certain payment and termination obligations under the PPA. The total project cost is estimated at USD 292.05 million, financed through a combination of debt and equity.

The African Development Bank is considering financing of up to USD 66 million, comprising up to USD 46 million from its ordinary resources and up to USD 20 million from the Clean Technology Fund (CTF). The remaining debt will be provided by other participating development finance institutions, although their individual amounts are not specified in the document. The Bank will also act as a co-Mandated Lead Arranger, leading key technical, financial modelling and tax advisory workstreams. The project will be implemented under Scatec's integrated EPC and long-term operation and maintenance model, with Scatec ASA and Scatec Egypt LLC responsible for engineering, procurement, construction and long-term plant operation.



Investment Description

- African Development Bank (AFDB)

According to the AfDB, the total project cost is estimated at USD 292.05 million, to be financed through a mix of debt and equity. The AfDB is committing up to USD 66.0 million, comprising up to USD 46.0 million from its ordinary resources and up to USD 20 million from the Clean Technology Fund (CTF). The remaining debt will be provided by other participating Development Finance Institutions (DFIs).



Private Actors Description

As stated by Bloomberg, Scatec ASA operates as an energy company. The Company develops, builds, owns, operates and maintains solar, hydro, and wind power plants that generate clean and reliable electricity. Scatec serves customers worldwide.

Egypt Aluminium manufactures aluminum products. The Company produces aluminum alloys, billets, wire, T-bars, slabs and sheets and semi-finished goods including hot and cold rolled plates and strips. Egypt Aluminium markets its products in Egypt and exports to Europe, North America, the Near East, and Asia.



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Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
Egypt Aluminium Company (Egyptalum)	Buyer	Industry and Trade	contracts with	Scatec ASA	Client	Energy



Contact Information

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ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.afdb.org/en/disclosure-and-access-to-information/request-for-documents>. Under the AfDB's Disclosure and Access to Information policy, if you feel the Bank has omitted to publish information or your request for information is unreasonably denied, you can file an appeal at <https://www.afdb.org/en/disclosure-and-access-to-information/appeals-process>.

ACCOUNTABILITY MECHANISM OF AfDB

The Independent Review Mechanism (IRM), which is administered by the Compliance Review and Mediation Unit (CRMU), is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an African Development Bank (AfDB)-financed project. If you submit a complaint to the IRM, it may assist you by either seeking to address your problems by facilitating a dispute resolution dialogue between you and those implementing the project and/or investigating whether the AfDB complied with its policies to prevent environmental and social harms. You can submit a complaint electronically by emailing crmuinfo@afdb.org, b.kargougou@afdb.org, b.fall@afdb.org, and/or s.toure@afdb.org. You can learn more about the IRM and how to file a complaint at: <https://www.afdb.org/en/independent-review-mechanism/>



Bank Documents

- [Environmental and Social Impact Assessment](#)
- [PROJECT SUMMARY NOTE](#)



Other Related Projects

- EBRD-55956 Project Dandara
- EIB-20250695 DANDARA SOLAR PV AND BESS