Early Warning System

# AFDB-P-TD-F00-006 Chad - Gassi and Lamadji Solar PV DtP



### **Quick Facts**

Countries	Chad
Specific Location	Gassi, Lamadji, N'Djamena
Financial Institutions	African Development Bank (AFDB)
Status	Approved
Bank Risk Rating	A
Voting Date	2024-12-16
Borrower	Qair International SAS
Sectors	Energy
Investment Type(s)	Loan
Investment Amount (USD)	\$ 14.17 million
Loan Amount (USD)	\$ 14.00 million
Project Cost (USD)	\$ 43.45 million



### **Project Description**

As stated by the AfDB, the Project entails the design, construction and operation of two 15MWp solar PV plants close to the Lamadji and Gassi substations with a total capacity of 30 MWp, connected to the 90 kV loop around N'Djamena.

The Project includes the construction of new substations and 14 kms (Lamadji 4 kms and Gassi 10 kms) of interconnection infrastructure, transferred to the national utility, Societe Nationale d'Electricite ("SNE"), on project completion, and a 6 MWh Battery Energy Storage System (BESS) to support integration of intermittent generation to the grid.

The Project is an important milestone in the Desert to Power ("DtP") Roadmap and will build on the contractual structure and on Technical Assistance to SNE for the integration of Variable Renewable Energy ("VRE") with the support of Sustainable Energy Fund for Africa ("SEFA").

This project primarily contributes to climate mitigation results. As such, 100% of the total approved amount is attributed as climate finance, of which 100% is dedicated to mitigation.

The Project will replicate the contractual structure of the Djermaya project. It will displace 61 GWh of high cost HFO/diesel generation thereby reducing government subsidies to the national utility. It will form a major part of the country's approach to sustainable development, delivering benefits in climate mitigation -through reducing GHG emissions by 49kt CO2e per annum - and adaptation by diversifying energy supply options away from fossil fuel sources.

The construction phase is expected to provide temporary employment for 200 individuals, with 15% of these jobs designated for women and 60% for youth. Being in the renewable energy sector, these are green jobs that will support the country in its transition towards green growth. The operations will create 34 permanent jobs and 30 temporary jobs, maintaining the same inclusivity targets of 15% women and 60% youth, for the duration of the PPA. This corresponds to 60 fulltime equivalent (FTE) jobs during both construction and operation.

### **Investment Description**

• African Development Bank (AFDB)

According to the AfDB, the Bank's involvement is expected through (i) an AfDB senior loan of up to EUR 13.5 million (ii) mobilization of a reimbursable grant to offset increased costs linked to the BESS component and (iv) provision of a PRG instrument with a face value of up to EUR 8 million (UA 6.58 million) backstopping a standby L/C which covers SNE payments following a request received from the Government of Chad ("GoC"). 50% would be covered by Green Climate Fund under DTP, and 50% covered by ADF, requiring an allocation of UA 0.82 million under ADF16.





### **Private Actors Description**

As stated by the AfDB, the borrower is a single SPV registered as Quadran International Tchad ("QIT"), fully owned by Qair International ("QI") as sponsor of the Project. QI is an Independent Power Producer ("IPP"), operating 1.1 GW of power generation assets exclusively from renewable sources and has an ambitious development pipeline of 35 GW, across the thirteen territories in which it operates (including Burkina Faso and Mauritius).



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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
-	-	-	-	Qair International SAS	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-toinformation/request-for-documents. Under the AfDBÕs 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**

- Appraisal Report
- Environmental Study