Early Warning System

# IFC-36787

## Mocuba Solar

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### Quick Facts

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| **Countries** | Mozambique |
| **Financial Institutions** | International Finance Corporation (IFC) |
| **Status** | Proposed |
| **Bank Risk Rating** | A |
| **Voting Date** | 2016-10-27 |
| **Borrower** | Mocuba Solar PV |
| **Sectors** | Energy |
| **Investment Amount (USD)** | $ 42.20 million |
| **Project Cost (USD)** | $ 84.00 million |

## Project Description

Central Solar de Mocuba (the "project" or "the company") consists of the design, construction and operation of a 40MW solar photovoltaic (PV) power plant in Mocuba, in the Zambezia Province in Central Mozambique. The total project cost is estimated at US$84m. IFC's proposed investment consists of an A loan of up to US$21 million and a B Loan of up to US$21.2 million from the Emerging Africa Investment Fund. The project sponsors are - Scatec Solar (52.5%), a Norwegian solar power company; Norfund (22.5%), the Norwegian Investment Fund for Developing Countries; and Electricidade de Mozambique (EDM, 25%), Mozambique's state-owned public power utility. The project will be financed through a special purpose vehicle (SPV) created for the project and IFC's funds will be routed through this SPV. The project will sell 100% of its output to EDM under a 25-year power purchase agreement.The power plant will be built on a 126-hectare (ha) plot near the existing EDM substation in Mocuba, 13 km from the center of the city of Mocuba, in the Zambezia Province, Mozambique. The proposed site is located in the Special Economic Zone of Mocuba (Zona Economica Especial de Mocuba). The District of Mocuba is characterized by slightly undulating rolling hills with rocky summits and Mocuba is part of the erosion plain of Zambezia. The project area is located on a relatively flat area and is mostly underlain by rocks. The project site is located within the Licungo River basin; the nearest point from the project perimeter is about 2.5 km from the eastern bank of the Licungo River. The Egaro River is closer to the project area and is located directly adjacent to the site towards the east.The project site was previously used for subsistence farming and the surrounding land use includes a mixture of agricultural land and uncultivated land. The project will include a 500-1000m 33kV transmission line to the Mocuba substation and the construction of a 500-1000m gravel road to connect the project site to the main road (R479).The solar power plant will compose of panels of polycrystalline PV modules, suitable for 1,500V PV system applications. It is expected that there will be 32 modules per string; each PV module's power rating will be 320Wp and the number of strings will be 3952 (equaling a total number of modules of 126,464). The PV modules will be mounted using a steel substructure embedded in the ground. The total amount of AC installed power will be 30MW and total DC power will be approximately 40MW. The plant will occupy approximately 70 ha of the 126 ha site.Central Solar de Mocuba (CESOM) has assigned Scatec Solar as the engineering, procurement and construction (EPC) contractor as well as the operations and maintenance (O&M) contractor. As at the time of IFC's visit in November 2015, construction had not started but de-mining operations and geotechnical surveys were being carried out. The construction phase is expected to take nine months; commissioning is expected to be in December 2016 with plant take-over expected in February 2017.

## Investment Description

- International Finance Corporation (IFC)

## Contact Information

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ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/

## Bank Documents

- Mocuba Solar Simplified Environmental Study.pdf
- Mocuba Solar Simplified Land Use and Compensation Plan.pdf
- Project Information