

 Early Warning System

IFC-43792

Benin Solar 50MW



Quick Facts

Countries	Benin
Specific Location	Natitingou, Djougou, Parakou, Bohicon
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2025-10-10
Borrower	ParaBo SAS, NatiDjo SAS
Sectors	Energy
Investment Type(s)	Loan
Investment Amount (USD)	\$ 19.52 million
Loan Amount (USD)	\$ 19.52 million
Project Cost (USD)	\$ 48.22 million



Project Description

According to the IFC, the proposed investment seeks to support the construction and operation of a portfolio of 50 MWac solar photovoltaic (PV) projects located in four different sites in the Republic of Benin and bundled into two lots (A and B). The Project will be developed by a consortium between Axian Energy and Egnon Consulting (hereafter referred to together as “the Sponsors”) through two special purpose vehicles (SPV), ParaBo SAS and NatiDjo SAS (one SPV per lot). With headquarters in Madagascar, Axian Energy is an experienced player in the energy industry and has operations across East, West and Central Africa.

IFC obtained PDS-Concept approval and Blended Finance Committee endorsement to provide financing for Lot A and Lot B comprising of a total of: i) A loans for up to c. EUR 11m; ii) Blended Finance (“BF”) loans for up to EUR 9m; iii) interest rate swaps covering the A loan and potentially the loan from Proparco, IFC’s co-lender. It is expected that each institution will provide 50% of the debt, IFC’s 50% share being equally split between the IFC’s A loan and BF tranches.

The project will reduce Benin’s dependence on electricity imports and will be the first solar independent power producer (IPP) in Benin.

The proposed project sites are greenfield sites located across Benin, positioned in strategic locations to reinforce the electricity network of the Société Béninoise d’Énergie Électrique (SBEE), the national electricity distribution utility: Natitingou (20 ha site; 10 MWac; 550 km north-west of Porto Novo), Djougou (20 ha site; 10 MWac; 450 km north-west of Porto Novo), Parakou (51.5 ha site; 15 MWac; 340 km north of Porto Novo), and Bohicon (50 ha site; 15 MWac; 100 km north-west of Porto Novo). The project sites are located in peri-urban/rural areas, near main roads, with the nearest villages adjacent to the site (for Bohicon and Natitingou sites) or about 1 km away (for Djougou and Parakou sites). The four plots were acquired by the Government of Benin with the support of the Millenium Challenge Account (MCA)-Benin II program and will be made available to the sponsors in charge of the development, construction, and operation of the power plants for a total period of 20 years, comprising 1 year of construction and 19 years of production.

Construction is to be carried out by an Engineering, Procurement, Construction (“EPC”) contractor and the Operation and Maintenance (“O&M”) phase is to be carried out by the same contractor for the first year (with a possible extension for an additional year depending on performance), and Axian’s O&M company for the remaining years. A Concession Agreement exists between the sponsors and the State of Benin which outlines, amongst other, E&S responsibilities between the two parties and commitments to local content and community investment. The plants will consist of, at each site, up to 30,000 modules of 620Wp per unit with solar trackers, inverters of 330kVA per unit, transformer substations of 5 MVA the unit, and containerized delivery substations. The plants will also include ancillary structures such as a security guard post, sanitary block, weather stations, and internal and site access roads (of up to 400 m from the nearby main roads); the plant sites will be completely fenced.

Associated facilities include an approximately 6.5 km overhead transmission line at Natitingou, a 2.5 km underground transmission line at Parakou, a 200 m underground transmission line at Bohicon, a 1.8 km underground transmission line at Djougou, and a sub-station at the Bohicon site. These facilities were constructed by the SBEE with the support of the MCA in 2023 and 2024.

Early works are expected to start in August 2025, while construction is expected to commence in late 2025 for a duration of approximately 12 months.



Investment Description

- International Finance Corporation (IFC)

As stated by the IFC, the total project cost is estimated at up to EUR 22.7 million for the ParaBo SPV (covering the Parakou and Bohicon plants) and up to EUR 18.8 million for the NatiDjo SPV (covering the Natitingou and Djougou plants). The proposed IFC investment is up to EUR 16.8 million, comprising of: i) up to EUR 9.2 million to ParaBo SAS; and ii) up to EUR 7.6 million to NatiDjo SAS.



Private Actors Description

As stated by the IFC, ParaBo SAS will implement the Parakou and Bohicon power plants, and NatiDjo SAS will implement the Natitingou and Djougou power plants. Both project companies are special purpose vehicle (SPV) incorporated in Benin and are each owned 80% by Axian Energy Green and 20% by Sika Capital.

Axian Energy Green is wholly owned by Axian Energy. With USD 455 million of revenues in 2023 and direct operations in 5 countries in Africa, Axian Energy is currently operating power plants for a total of approximately 298MW with an additional 60MW capacity currently in the construction phase. Axian Energy has a target of 1GW of renewable capacity installed in Africa by 2030.

Sika Capital is a Benin-based investment vehicle founded in 2021, which operates across the entire renewable energy infrastructure lifecycle. It is owned 60% by Egnon Consulting, a Beninese advisory firm, which supported over 200 MW of renewable energy projects in West Africa. The remaining 40% is owed by the Caisse des Dépôts et Consignations du Benin, a government-owned financial institution investing in innovative projects in Benin.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
Axian Group	Parent Company	Infrastructure	owns	Axian Energy	Client	Energy
Egnon Consulting	Investor	Finance	contracts with	Axian Energy	Client	Energy



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You can submit a request for information disclosure at: <https://disclosures.ifc.org/#/inquiries>

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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

- [5.4.1.24.1+IPP50_EIES_Bohicon_07062024_V2-comp](#)
- [5.4.1.24.2 IPP50_EIES_Djougou_07062024_V2_01](#)
- [5.4.1.24.2 IPP50_EIES_Djougou_07062024_V2_02](#)
- [5.4.1.24.3 IPP50_EIES_Natitingou_07062024_V2](#)
- [5.4.1.24.4 IPP50_EIES_Parakou_07062024_V2](#)
- [Environmental and Social Review Summary](#)