Early Warning System

IFC-44613

Botswana Solar

Quick Facts

Countries	Botswana
Specific Location	Selebi Phikwe, Phokoje, Mmadinare
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2023-08-03
Borrower	Selebi Phikwe Solar Pty Ltd, Scatec ASA
Sectors	Energy
Investment Type(s)	Loan
Investment Amount (USD)	$ 24.00 million
Loan Amount (USD)	$ 24.00 million
Project Cost (USD)	$ 60.00 million

Project Description

The Project consists of the development, financing, construction, operation, and maintenance of a 50 MWac solar PV plant at Selebi Phikwe in Botswana. The Project will be supplying power to Botswana Power Corporation (BPC) under a 25-year Power Purchase Agreement, signed on August 31, 2022. The Project was bid under a competitive process conducted by BPC in October 2020 and awarded to Scatec in August 2021.

The Project is located close to Selebi Phikwe town and will interconnect to the 220kV transmission line between Selebi Phikwe and Phokoje substation. The Phokoje substation is situated on Southern African Power Pool north-south 400kV transmission backbone providing the project a very stable point of interconnection as well as a strategic location in respect of the SAPP. The Project will cover an area of 121ha and will have an installed peak capacity of 60MW, making use of single axis trackers and bifacial solar panels.

Investment Description

- International Finance Corporation (IFC)

As stated by the IFC, the Project cost is estimated at USD 60 million (including VAT). IFC intends to provide an A loan of up to USD 24 million equivalent, to be split between USD and Pula-linked financing. In addition, IFC is also mobilizing up to BWP 300 million from the South African bank Rand Merchant Bank (“RMB”). The balance is covered by equity from Scatec.

Private Actors Description

As stated by the IFC, the Project Company is Selebi Phikwe Solar Pty Ltd, a Special Purpose Vehicle incorporated in Botswana. Scatec ASA indirectly owns 100% of the SPV's shares (through Scatec Netherlands) and will act as the EPC, O&M and Asset Manager in the Project delivery through its vertically integrated business model. To serve this purpose a separate, wholly owned subsidiary has been incorporated in Botswana as Scatec Operations Botswana Pty Ltd. A sell down of 40% of shares in the Project Company to local Batswana investors is envisioned within 5 years after Commercial Operation Date on a best-effort basis.

Scatec, listed on the Oslo stock exchange, is a leading global renewable power producer, delivering affordable and clean energy. Scatec develops, builds, owns, and operates solar, wind and hydro power plants and battery energy storage solutions. With over 767 employees, Scatec has 3.4GW of operational assets and 1.3 GW under construction spread across 21 countries.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Rand Merchant Bank	Investor	Finance
-	-	-	-	Scatec ASA	Parent Company	Energy

Contact Information

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ACCESS TO INFORMATION

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

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

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

- Environmental and Social Review Summary

Other Related Projects

- IFC-49569 Botswana Solar Phase 2