



Project overview

Ilute Solar is a greenfield 25MW solar project located in Western Zambia. Power will be sold under a 25-year PPA with GreenCo, acting as an intermediary off-taker that purchases power from renewable energy IPPs and sells that electricity to utilities and private sector off-takers via the Southern African Power Pool.

Funding objective

ElectriFI is considering an investment of up to USD 3.5m in a subordinated loan pari-passu with FMO, with the aim to support the funding of a Project that will generate c. 70GWh of electricity annually, the equivalent of having 13,200 households connected and benefiting c. 84,750 people in Zambia.

Investment rationale

EDFI ElectriFI is supportive of this Project, as it is a landmark project, which has the potential to unlock vast new amounts of renewable energy in the region, demonstrating that supply and demand can be balanced regionally, and the success of such projects no longer depends on only the performance of stated-own utilities, but also on private IPPs.

AT A GLANCE

- **Investment/Project:** Ilute Solar
- **Total ElectriFI financing:** up to USD 3.5 m
- **Financial instrument:** Subordinated Loan
- **Status:** Approved investment
- **Publication date:** November 2024
- **Region:** Southern Africa
- **Country:** Zambia
- **Sector:** IPP
- **Allocation:** Country Window Zambia

ENVIRONMENTAL & SOCIAL ASSESSMENT

The E&S risk category of the transaction is B+, entailing potential limited adverse social and environmental (E&S) risks and / or impacts that are few in number, generally site-specific, largely reversible and readily addressed through mitigation measures.

Standards: Applicable IFC PS for the project to be financed are 1 to 6 and 8.