

Ilanga 1 CSP Project wins PFI solar deal of the year

The Ilanga 1 CSP Project recently won the 2015 Project Finance International (PFI) Solar Deal the Year. The award ceremony took place earlier in February in London. The plant is located about 30km east of Upington and forms part of the Karoshoek Solar Thermal Park. Ilanga 1 is a 100MW parabolic trough plant with a thermal energy storage system.



Image source: Infrastructure Investment Awards 2015

Apart from the significant job-creating opportunities, the project promises to deliver over half a billion rand annually to socio-economic development over a 20-year period. The surrounding areas will benefit from these socio-economic development initiatives.

Jen Stolp, partner in Baker & McKenzie's banking and finance department, acted as lender counsel. Lenders of the project included the Development Bank of Southern Africa (DBSA), the Public Investment Company (PIC), the Industrial Development Corporation (IDC), Nedbank, Investec, Standard Bank and ABSA.

"In developed markets, projects funded by development finance institutions attract tens of millions US dollars from other investors for every dollar allocated. Africa is not attaining that level yet, but programmes such as REIPP point encouragingly in this direction," Stolp says.