

Ost Engages With Lenders And Ipps At 2gw Egyptian Pv Site

Leading technical advisor delivers due diligence services to international investors at largest PV development area in the world, Ben Ban

Aswan, Egypt 23rd February 2016 – OST Energy (OST), a leading technical advisor for wind, solar and energy storage initiatives, is working with a number of major international development finance institutions and independent power producers (IPPs) to provide lender's engineering and due diligence services at the 2GW Ben Ban solar PV development site in Aswan, Egypt. OST has signed several high-profile contracts with investors, major IPPs and lenders.

While solar development has yet to take place in Egypt on a commercial scale and current installed capacity is low, ambitious targets set by the Egyptian government to bring online 2.3GW of small and utility-scale solar by 2017 have attracted the attentions of the international investment community.

In order to incentivise development and meet these targets, a Feed-in Tariff (FiT) for solar projects up to 50MW has been introduced and a number of development areas have been assigned for allocation to domestic and international IPPs. The Ben Ban development area in the governorate of Aswan is the largest of these – a 37km² site consisting of 36 plots for projects of between 20 and 50MW.

Once fully occupied and operational, the site will have a capacity of nearly 2GW, providing the vast majority of solar power required to meet Egyptian targets, and will constitute one of the largest PV installations in the world. However, with installation due to commence in mid-2016 and scheduled for completion at the end of 2017, a rapid development timeline has been set for the Ben Ban projects.

Given Egypt's limited track record developing utility-scale sites, the investment community – led by international financial institutions and development banks – has called for the technical and commercial expertise of independent advisors and engineers as they make crucial

early decisions with a bearing on the financial success of these projects.

OST Energy, an international consultancy with extensive experience helping investors bring projects to fruition throughout Africa and the Middle East, has so far been appointed by lenders including EBRD, Proparco and OPIC, alongside a number of IPPs to provide technical advisory and due diligence services on a total of 15 projects, split between the Ben Ban site and other locations across Egypt.

These services range from lender's technical advisory and owner's engineering services to environmental and social advisory support, and OST will be engaged throughout the construction phases and early operations of a number of sites until 2017 and beyond.

"Egypt has become one of the most interesting markets for solar development in the MENA region, which has attracted both international renewable energy developers and large local conglomerates," said Fulvio Mariani, Director, OST Energy, "The Ben Ban site, once completed, will be the largest solar PV development area in the world, with some of the highest potential solar resources."

"However, developers will face a number of challenges due to the harsh environment, and overlapping of several projects under construction at the same time. The definition of appropriate technical requirements for PV plants in these environmental conditions and effective coordination between the developers will be key to the success and timely completion of these projects. "

"In the space of just a couple of years, the country is looking to progress from having practically zero solar installed capacity to bringing online one of the largest PV sites in the world. For the sponsors and developers responsible for making this happen, building on the technical and commercial lessons learnt in both developed and emerging markets internationally will be of crucial importance."

Harry Boyd-Carpenter, Senior Banker at EBRD, said: "OST Energy is helping us to make informed decisions throughout the early stages of project development,"

“Having a partner on board that understands not only the technical considerations of building a large-scale PV site, but also the market-specific complexities of working in the MENA region is a huge advantage as we look to expand our portfolio of development sites in the Egypt.”

OST Energy has an expanding global presence, employing a growing team of over 100 renewable energy experts spread across offices in the UK, Italy, France, South Africa, the USA, Australia and India. The firm has worked on over 1,000 renewable energy projects in more than 50 countries across the globe.

In the Middle East and Africa, OST has delivered technical advisory services for more than 3 GW of renewable energy projects in territories including Jordan, Saudi Arabia, United Arab Emirates, Morocco, Egypt, South Africa, Senegal, Uganda, Botswana, Mozambique, Cameroon, Ghana, Nigeria, Tanzania, Kenya and Chad.