

## News & Intelligence

Scatec Solar taps commercial banks for 77% of \$394 million financial close

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Norwegian

**developer Scatec Solar reached financial close on Tuesday for 258 MW of solar power projects in South Africa.**

Scatec closed financing for the three solar projects in question just a week after it signed [long-awaited power purchase agreements](#) with state-owned utility company Eskom, along with host of other winners from the fourth round Renewable Energy Renewable Independent Power Producer's Programme (REIPPP).

At a total cost of ZAR4.76 billion (\$394 million), Scatec secured ZAR3.68 billion (\$304 million) of non-recourse project finance from a consortium of commercial banks and DFIs, with Standard Bank as lead lender.

The amount accounts for 77% of the total project cost.

A source close to the deal told Clean Energy Pipeline that Riverside Risk Advisors acted as the mandated hedge adviser, which led the design of the interest rate and current hedging components of the financing.

### Commissioning on the horizon

Also in the role of EPC provider, Scatec Solar is expected to start construction on three solar plants in the third quarter of this year, before bringing the trio online by the end of 2019.

The Norwegian firm added that the plants would likely generate ZAR720 million (\$59.7 million) of revenues in their first year of operations.

Organisation:	Subject:
<a href="#">Scatec Solar ASA</a>	Deal news, Project / Asset Finance
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South AfricaSolar, Solar Plant, Photovoltaic (PV)