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Lusaka, Zambia, 27 May 2016 – Zambia’s Industrial Development Corporation (IDC) has opened bids from seven leading renewable energy developers seeking to build large-scale solar power plants in the southern African country where power shortages are acute. The bid tariffs ranged from US¢6.02 / kWh to US¢ 10.6 / kWh.

The proposals, first submitted on Friday 6 May 2016, relate to the development of two utility-scale solar power projects of up to 50 MW each, the first large-scale solar IPPs in the country’s history and the inaugural projects for the World Bank Group’s Scaling Solar program. The two projects are expected to help the country address its ongoing power shortages.

IFC, a member of the World Bank Group, acted as lead transaction advisor to the Government of Zambia and helped run the tender process for the two projects, which started in October 2015.

The tender initially attracted 48 developers, of whom 11 were prequalified for the subsequent bidding process. In the end seven bidders submitted final proposals as follows:

- Access / Eren Zambia 1
- EDF Energies Nouvelles
- Enel Green Power S.p.A.
- Mulilo Zambia PV1 Consortium
- Globeleq
- NEOEN S.A.S. / First Solar Inc.
- Shanghai Electric Power / AVIC

The winning bidders will be selected on the basis of the lowest proposed tariff. Provisional results indicate that NEOEN S.A.S. / First Solar Inc. and Enel Green Power S.p.A. will win the two projects at tariffs of US¢6.02 / kWh and US¢7.84 / kWh respectively. However this remains subject to completion of all necessary procurement formalities over the coming days.

IDC was very pleased with the level of competition, stating that the lowest tariff, which will remain fixed for 25 years, is believed to be the lowest in sub-Saharan Africa. IDC further noted that the two provisional winning tariffs are both well below those typically offered under unsolicited proposals from solar developers in Zambia or elsewhere in Africa, which is testament to the value of Scaling Solar’s transparent and competitive tender process.

Local Zambian participation in the two projects will be ensured through IDC taking a 20% shareholding in each of the two project companies. IDC’s interests are expected to be offered to Zambian investors as a preferential offer in due course.

Round 2 of the Scaling Solar program in Zambia, with a target capacity of a further 200 MW, has recently been launched by Zambia’s President, His Excellency Mr. Edgar Chagwa Lungu. Work has already commenced on a high-level study of the national grid to determine the optimal location and size of these and other future solar PV projects.

“IDC is delighted with the high level of competition and the quality of bidders that Scaling Solar has delivered,” said Andrew Chipwende, Chief Executive Officer of IDC. “To get from His Excellency the

President's initial procurement directive to the opening of financial proposals in ten months has only been possible through the adoption of the Scaling Solar model, which brought together all the necessary public sector stakeholders, led by the Ministry of Finance, as well as the various members of the World Bank Group."

"Solar power has enormous potential to help African countries meet their energy needs," said Dan Croft, Senior Investment Officer for IFC's PPP Transaction Advisory Services team. "The experience here in Zambia has proved the effectiveness of Scaling Solar to help countries add solar power to their energy mix quickly and affordably. We look forward to delivering similar results in Senegal, Madagascar and any other countries that sign up with Scaling Solar."

About the Industrial Development Corporation

IDC is an investments holding company wholly owned by the Zambian government, and was incorporated in early 2014. IDC's mandate is to play a catalytic role in deepening and supporting Zambia's industrialization capacity to promote job creation and domestic wealth formation across key economic sectors. The IDC plays its role through evaluation, pricing and lowering the investment risk profile by serving as co-investor alongside private sector investors. For more information, please visit www.idc.co.zm.

About The World Bank Group

The World Bank Group plays a key role in the global effort to end extreme poverty and boost shared prosperity. It consists of five institutions: the World Bank, including the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA); the International Finance Corporation (IFC); the Multilateral Investment Guarantee Agency (MIGA); and the International Centre for Settlement of Investment Disputes (ICSID). Working together in more than 100 countries, these institutions provide financing, advice, and other solutions that enable countries to address the most urgent challenges of development. For more information, please visit www.worldbank.org, www.miga.org, and ifc.org.

About Scaling Solar

Scaling Solar is a World Bank Group solution that makes it easier for governments to quickly procure and develop large-scale solar projects with private financing. It includes a 'one-stop shop' package of technical assistance, templated documents, pre-approved financing, insurance products, and guarantees. Scaling Solar is designed to allow governments to get fast, affordable, utility-scale power up and running within two years of engagement. It has financing support of USAID's Power Africa, the Ministry of Foreign Affairs of the Netherlands, the Ministry of Foreign Affairs of Denmark, and the Infrastructure Development Collaboration Partnership Fund (DevCo). For more information, visit www.scalingsolar.org.