

AFRIGREEN announces the financing of the 4 MW Sandveld Solar Park in Ghanzi, Botswana developed by Energy Systems Group and Sahara Renewables Group



Gaborone, Abidjan, Paris, October 22nd, 2024 – AFRIGREEN Debt Impact Fund (“AFRIGREEN”), a leading investment fund, managed by RGREEN INVEST, and advised by Echosys Invest, focused on sustainable energy solutions and backed by prominent institutions including the European Investment Bank (EIB), the International Finance Corporation (IFC), BIO, FMO, Proparco, Société Générale, and BNP Paribas, is pleased to announce that it has entered into a USD 2.5 million loan with

Sandveld Solar Park Ltd, a project company owned by Gaborone-based developers Energy Systems Group (“ESG”) and Sahara Renewables Group (“SRG”).

The project company has been awarded a 25-year power purchase agreement by Botswana Power Corporation through a competitive tender process. The long-term loan provided by AFRIGREEN will facilitate the construction and operational phases of a 4 MW solar plant adjacent to the city of Ghanzi, which will create jobs and stimulate local economic development.

The Ghanzi project aims to harness the abundant solar resources available in Botswana, providing clean, reliable energy to local communities in the Western part of the country while reducing reliance on coal-fired generation. This project aligns with the Botswana Government’s Vision 2036 roadmap to address the United Nations Sustainable Development Goals (SDGs). A key partner in this initiative is the national electricity company, Botswana Power Corporation, who is leading the way towards achievement of a green energy through signing of several power purchase agreement with independent power producers.

This initiative is a testament to the commitment of all parties involved to drive forward the transition to clean energy in Botswana. The Ghanzi project has benefitted from the support of many stakeholders including the Ministry of Energy, the Ministry of Finance, the Botswana Energy Regulation Authority, and BPC.

The collaboration between AFRIGREEN Debt Impact Fund SLP, New Sahara Ventures, Energy Systems Group, and Botswana Power Corporation showcases the power of partnership in addressing energy challenges and enhancing energy access in Africa.

“We are excited to support this groundbreaking initiative that aligns with our mission to promote sustainable energy solutions across Africa,” said Alexandre Gilles, AFRIGREEN fund advisor’s Managing Director. “This transaction marks our first investment in Botswana and more generally in Southern Africa. We have been very impressed by the quality of the development work done by our partners ESG and SRG and the robustness of the contractual framework implemented by BPC. We look forward to investing more funds in quality projects, in Botswana and in the greater region.”



“This is indeed a great milestone for our people, our partners and all our stakeholders who have worked tirelessly to reach this point of project development. The economic and environmental impact that the project will have on the Ghanzi township, and its surroundings promises to be a great one and we are excited to be part of this history making development”, said Felix Chavaphi, Managing Director of Energy Systems Group.

Advisors

ANF Capital is serving as financial advisor to the project company and the sponsors, ESG and SRG. Fresh Legal Perspectives and Collins Chilisa Consultants are serving as legal counsel to the project company.

Minchin & Kelly (Botswana) is serving as legal counsel, Everoze as technical advisor, and IBIS Consulting as E&S advisor to AFRIGREEN.

About Energy Systems Group

Energy Systems Group (Proprietary) Limited, based in Gaborone, Botswana, is a leading provider of renewable energy solutions with over 20 years of experience in the industry. As an integrated Engineering, Procurement, and Construction (EPC) company, it specializes in solar energy and mechanical installations, offering a comprehensive suite of services that include design, installation, operation, and maintenance.

The company has established itself as a trusted partner to a diverse range of clients, including commercial, industrial, mining, hospitality, agriculture, and military sectors in Botswana. Their expertise is complemented by strong relationships with world-renowned manufacturers in the solar industry, ensuring that their clients benefit from the highest quality products and technology available.

Their portfolio includes the successful commissioning of a combined capacity of over 4MWp, including PV mini-grid projects.

About Sahara Renewables Group

With Pipeline of close to 300MW covering C&I and Utility scale markets, Sahara Renewables Group’s focus is to implement sustainable renewable energy and community centered solar farms across the SADC region. The Group looks forward developing a strong relationship with AFRIGREEN in delivering more sustainable clean energy solutions across the wider Southern African Development Community.



About AFRIGREEN Debt Impact Fund (Fund)

AFRIGREEN is an infrastructure senior debt fund that offers financing solutions for commercial & industrial (C&I) consumers and public utilities in Africa, enabling their installation of on-and off-grid solar power plants to help reduce their energy bill as well as their dependency on fossil fuel. AFRIGREEN is jointly managed by RGREEN INVEST and ECHOSYS INVEST.

AFRIGREEN applies IFC Performance Standards and EIB Environmental & Social Standards. It follows an environmental and social management system under which all projects are audited to assess positive and negative impacts in terms of environmental and social aspects. AFRIGREEN pays specific attention to the risk of forced labour being used in the production of solar photovoltaic panels and their components. It condemns the use of such forced labour for the production of solar photovoltaic panels or their components.

About Echosys Invest (Fund Advisor)

ECHOSYS INVEST, a 50/50 joint venture between RGREEN INVEST and ECHOSYS ADVISORY, was created in 2021 as the fund advisor designed to manage and structure the AFRIGREEN investment strategy and to focus on Africa's energy transition, and more specifically to bolster solar penetration across the Sub-Saharan region.

About RGREEN INVEST (Fund Manager)

RGREEN INVEST is an independent, mission-driven and B Corp Certified investment management company founded in Paris in 2013. The company has a proven track record of investing in and financing infrastructure projects that power our energy transition, climate change mitigation and adaptation. With 50+ experienced professionals whose expertise spans fund management, investment banking and renewable energy, RGREEN INVEST has one of the most comprehensive teams of specialists in Europe. The company pays careful attention to sustainability and incorporates robust ESG principles in its investment criteria.

As an investment company, we consider it our responsibility to lead by example and drive this necessary change to create a future we can be proud to leave as a legacy.

RGREEN INVEST'S INVESTMENT STRATEGIES ARE OPEN ONLY TO PROFESSIONAL AND QUALIFIED INVESTORS

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