

## **EAIF commits c. USD 19 million senior secured debt for 20MW solar PV power project in north-western Uganda**

- The Ituka PV plant in West Nile will be EAIF's third PV project in Uganda
- EAIF backs power plants supplying over 9.4% of Uganda's electricity
- Ituka takes EAIF's total capital commitments to Uganda to over \$138m

**Dubai, 5 December 2023** – The Emerging Africa Infrastructure Fund (EAIF), a Private Infrastructure Development Group (PIDG) company, has committed c. USD19 million to a new 20MW solar PV project designed to provide clean, affordable energy for one of the most remote and underserved regions in north-western Uganda. The financing was concluded during COP28 and advances progress towards the goals of the Summit, contributing to SDG 7 (affordable and clean energy) and §SDG13 (climate action). The project delivers significant climate impact as it reduces reliance on the expensive and highly polluting thermal (Heavy Fuel Oil) power currently used to service peak demand in the West Nile region.

Ituka is a powerful example of the PIDG strategy in action, demonstrating the technical and financial viability of innovative low carbon and climate resilient infrastructure in low income and emerging markets of Africa and Asia. The EAIF team supported AMEA Power to structure the transaction, overcoming a series of technical and financial challenges to ensure the project was bankable as the developmental impact would be transformative for local communities.

The project involves the development, construction, and operation of a 24MWp/20MWac solar PV power plant in Ombachi, around 400km from Kampala in the north-western part of the country, bordering DRC and South Sudan. Uganda has one of the lowest electricity access rates in sub-Saharan Africa and the West Nile region is one of the regions in the country with the most acute need for quality infrastructure development.

Demand for electricity in West Nile is estimated to be around 13-15 MW, but it currently can supply less than 7MW. The region will be connected to the national grid for the first time in 2024, enabling communities and businesses currently grappling with frequent load shedding and blackouts to become more productive and resilient. The West Nile region is expected to see an increase in demand for clean and affordable power, including a gradual build-up of load from ancillary industries and increased SME activities. The Ituka power plant will play a transformative role in enabling historically underserved communities.

EAIF has a successful track record of financing solar power projects in Uganda, with the 10MW Tororo Solar PV plant and the 10MW Soroti solar plant already operational and collectively serving around 159,000 people and their communities in Uganda.

Ituka West Nile Uganda Limited has entered into a 20 year Implementation Agreement with the Government of Uganda and the project will sell power to Uganda Electricity Transmission Company Limited, based on a 20 year Power Purchase Agreement (PPA). The project has been developed by AMEA Power, a fast growing renewable energy company in the region with a successful track record and a clean energy pipeline of over 6GW across 20 countries. AMEA Power will be the sole equity provider to the project, whilst EAIF will be the sole lender.

The development of solar power is strategically aligned with the Government's Vision 2040, designed to expand generation capacity and reduce dependence on hydropower by diversifying its energy



generation mix. The National Development Plan (NDP) III, which operationalises the government's Vision 2040 strategy, focuses on 2 main objectives for the power sector: increasing access and use of electricity and increasing generation capacity. Targets include increasing the proportion of the population with access to electricity from 24% to 60%, increasing per capita electricity consumption from under 100 kWh to 578 kWh and nearly doubling the total length of transmission lines from 2 354 km to 4 354 km.

Commenting on the transaction, **Paromita Chatterjee, Director at Ninety One, the Fund Manager of EAIF**, said “We are excited to partner with AMEA Power to develop the Ituka power plant and bring the communities of West Nile affordable access to clean energy, enabling them to thrive and reducing dependence on expensive, carbon intensive HFO power.”

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### **About EAIF**

The Emerging Africa Infrastructure Fund provides a variety of debt products to infrastructure projects promoted mainly by private sector businesses in Africa and parts of the Levant. The Fund helps create the infrastructure framework that is essential to sustained economic stability, business confidence, job creation and poverty reduction. It has to date supported 96 closed infrastructure projects across nine sectors in over 20 African countries. At 31 December 2022 EAIF had a committed loan book portfolio of over US\$1.15 billion. EAIF is part of PIDG. EAIF was established and substantially funded by the governments of the United Kingdom, The Netherlands, Switzerland, and Sweden. It raises its debt capital from public and private sources, including Allianz, the global insurance and financial services company; Standard Chartered Bank; the African Development Bank; the German development finance institution, KfW and FMO, the Dutch development bank. EAIF is managed by Ninety One. [www.eaif.com](http://www.eaif.com)

### **About PIDG**

The Private Infrastructure Development Group (PIDG) is an innovative infrastructure development and finance organisation which encourages and mobilises private investment in pioneering infrastructure in the frontier markets of sub-Saharan Africa and south and south-east Asia to promote economic development and combat poverty. PIDG delivers its ambition in line with its values of opportunity, accountability, safety, integrity, and impact. Since 2002, PIDG has supported 211 infrastructure projects to financial close which provided an estimated 222 million people with access to new or improved infrastructure. PIDG is funded by six governments (the United Kingdom, the Netherlands, Switzerland, Australia, Sweden, Germany) and the IFC. [www.pidg.org](http://www.pidg.org)

### **About Ninety One**

Ninety One is an independent, active global asset manager listed on the London and Johannesburg stock exchanges. Established in South Africa in 1991, as Investec Asset Management, the firm was a pioneer in emerging markets in Africa. In 2020, almost three decades of organic growth later, the firm de-merged from Investec Group and became Ninety One. Today, Ninety One offers distinctive, active strategies across equities, fixed income, multi-asset and alternative investments to institutions, advisors and individual investors around the world. [www.ninetyone.com](http://www.ninetyone.com)



### **About AMEA Power**

Headquartered in Dubai, AMEA Power is a developer, owner and operator of renewable energy projects. As one of the fastest growing renewable energy companies in the region, the company is rapidly expanding its investments in wind, solar, energy storage and green hydrogen, demonstrating its long-term commitment to the global energy transition. AMEA Power has assembled a world class team of industry experts to deliver projects across Africa, the Middle East and other emerging markets. <https://www.ameapower.com/>

### **Notes to Editors**

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