



## PRESS RELEASE

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## ENEL SIGNS 25-YEAR PPA WITH ZAMBIAN NATIONAL UTILITY ZESCO

- *Through the PPA, the 34 MW Ngonye solar project will supply Zambia's state-owned utility ZESCO with clean energy for 25 years*
- *Enel will be investing approximately 40 million US dollars in construction of Ngonye, Enel's first project in Zambia and awarded following first round tender of Zambia's Scaling Solar programme in June 2016*

**Rome and Lusaka, April 4<sup>th</sup>, 2017** – Enel, acting through its Renewable Energies Division Enel Green Power (“EGP”), has signed a 25-year power purchase agreement with Zambia's state-owned utility ZESCO for the 34 MW Ngonye<sup>1</sup> PV solar project won in June following the first round tender of the Scaling Solar programme, which was launched by state-owned investment holding company Industrial Development Corporation Limited (“IDC”). Ngonye is located in the Lusaka South Multi-Facility Economic Zone in southern Zambia, and the awarding of the capacity to Enel marked the Group's entry into Zambia's renewable energy market.

Enel will be investing approximately 40 million US dollars in the construction of the new PV plant, which is expected to generate around 70 GWh per year. Ngonye will be owned by a special purpose vehicle in which EGP will hold 80% and IDC will have a 20% minority stake.

Zambia is characterised by strong growth in electricity consumption (with an average of around 5-6% per year) and the need to diversify an energy generation mix that is dominated by hydro. The country also aims to increase the security of supply, improving service quality and encouraging the electrification of rural areas. Zambia's President, His Excellence Edgar Chagwa Lungu launched a set of initiatives to promote the development of renewables generation capacity, focusing in particular on solar PV, with the goal of installing up to 600 MW within the next two to three years.

The first round of the Scaling Solar programme was part of these initiatives and provided for the development of two PV projects with a total capacity of up to 100 MW. IDC structured the tender according to the Scaling Solar initiative developed by the World Bank, with the International Finance Corporation (IFC) acting as advisor.

*Enel is a multinational power company and a leading integrated player in the global power, gas and renewables markets. It is the largest integrated utility in Europe in terms of market capitalisation and figures among Europe's leading power companies in terms of installed capacity and reported EBITDA. The Group operates in over 30 countries worldwide, producing energy through approximately 85 GW of managed capacity. Enel distributes electricity and gas through a network of over 2 million kilometres, and with over 65 million business and household customers globally, the Group has the largest customer base among European competitors. Enel's renewable energy division Enel Green Power already manages almost 38 GW of wind, solar, geothermal, biomass and hydropower plants in Europe, the Americas, Africa and Asia.*

<sup>1</sup> The project was known as Mosi-oa-Tunya when Enel was awarded the 34 MW in June 2016.



***The Industrial Development Corporation** of Zambia is an investment company wholly owned by the Zambian government, incorporated in early 2014. The IDC facilitates provision and raising of long term finance for projects. Simultaneously, IDC serves as an investment holding company for State-Owned Enterprises (SOEs) and new investments that ultimately generate earnings for the proposed Zambia Sovereign Wealth Fund. The IDC is an active shareholder and investor focused on a broad spectrum of sectors including agriculture, forestry, manufacturing, financial services, mining, energy, telecommunications, logistics, medical, education, tourism, real estate and media.*

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