

ADB Masdar to build 3 solar power plants in Uzbekistan

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The Asian Development Bank (ADB) and Abu Dhabi Future Energy Company PJSC (Masdar) have signed three loans to build three solar power plants in Uzbekistan's Surkhandarya (Sherabad), Samarkand, and Jizzakh regions. Together these power plants will be able to generate 897 MW, making them the region's largest solar power development.

The financing package is composed of three loans from ADB's ordinary capital resources amounting to \$36.7 million for Sherabad, \$13.5 million for Samarkand, and \$14.3 million for the Jizzakh power plant. Additionally, ADB mobilised much-needed private institutional capital for the three power plants. This was achieved through the arrangement of an aggregated B-loan syndication of \$37.5 million. The B-loan participant is ILX Fund I, an Amsterdam-based SDG-focused emerging market private credit fund.

ADB is joined in the financing of the three projects by the Asian Infrastructure Investment Bank, the European Bank for Reconstruction and Development, and the European Investment Bank as parallel lenders.

"Uzbekistan has tremendous potential to generate clean energy through its abundant solar and wind resources, and ADB's financing plays a part in Uzbekistan's journey towards a carbon-neutral economy. ADB strives to promote an enabling environment through these transformative projects," said Suzanne Gaboury, ADB Private Sector Operations Department's Director General.

The Sherabad power plant project development, the largest of the three projects, was led by ADB through its public-private partnership transaction advisory services role to the Government of Uzbekistan which consisted of assisting in its preparation and structuring of the successful tender. ADB also provided a \$9.1 million partial credit guarantee to support the tariff payment obligations of the National Electric Grid of Uzbekistan, the off-taker. The three power plants will offset more than 1 million

metric tons of carbon dioxide-equivalent emissions annually on average, and power over one million households.

“Reaching this milestone for all three projects is a proud moment for Masdar and a key stage for Uzbekistan’s clean energy journey. Masdar is already playing a significant role in supporting the Government of Uzbekistan’s ambitious renewable energy objectives, and we look forward to continuing to grow our portfolio of projects in this key strategic market,” said Niall Hannigan, Masdar Chief Financial Officer. “This achievement would also not have been possible without the support of the Government of Uzbekistan as well as our financial partners, who have demonstrated an unwavering commitment to driving sustainable economic growth for the people of Uzbekistan.”

The solar power plants will improve the affordability and accessibility of reliable and clean energy for all the people of Uzbekistan, including households and businesses. Moreover, the borrower committed to implementing a gender action plan that will benefit women’s standing in the energy field, facilitate their access to jobs and economic opportunities in Uzbekistan’s clean energy transition, and encourage women’s overall participation in the renewable energy sector.