

MUBUGA



Location
Burundi

PROJECT SUMMARY

An ambitious project to build a 7.5MW* solar PV power plant in one of the world's least electrified countries has reached commercial operation.

Located in Mubuga in the Gitega Province, the project – which is the country's first grid-connected solar project by an independent power producer (IPP) – has made a meaningful contribution to Burundi's generation capacity. It has also increased Burundi's resilience to climate change and improved its energy security by diversifying its energy mix to include solar, since the country currently relies largely on hydropower which is increasingly affected by droughts and imported diesel for gensets.

The project was developed as a public-private partnership between the Government of Burundi and developer Gigawatt Global Coöperatief (Gigawatt) and has already paved the way for other renewable energy projects in the country.

Full construction of the plant got underway in January 2020 after the project had become the first REPP-supported grid-connected project to achieve financial close in 2019. Commercial operation was achieved in 2021 following a series of delays due to COVID-19, and it is estimated that the plant is now supporting the electricity needs of approximately 90,000 people and businesses through the improved stability of the local distribution network. Around 190 temporary time jobs were created during construction, of which around a half were held by women, and eight long-term jobs during the ongoing operational phase.

REPP has supported the development of the Mubuga project since December 2016, culminating in a construction bridge loan (alongside Evolution II Fund, managed by Inspired Evolution Investment Management) and a subordinated term loan.

As the first of its kind in Burundi, the project has a strong demonstration impact, building capacity within government and strengthening political buy-in and support for small-scale utility renewables, thereby establishing a more viable market for renewable energy projects in the country.

* 8.67MWp DC



Country policy alignment

REPP's investment in Mubuga supports Burundi's Updated NDC (2021) conditional target to reduce GHG emissions by 23% by 2030. The project is also listed in the Updated NDC as a priority project to help Burundi meet its unconditional 3% GHG emissions reduction target. It is also listed as a priority initiative in the National Development Plan (2018) and represents strong support for the country's vision for sustainable development.

AT A GLANCE

Technology:

Grid-connected solar PV



Project type:

Greenfield, grid-connected

Offtaker:

Régie de Production et de Distribution D'eau et D'électricité (REGIDESO)

KPIs



GHG emissions avoided to date: 2,542 tCO₂e



Improves stability of grid supply



Installed capacity: 7.5MW*

FUNDING STRUCTURE

Signed: 7 December 2016

Type: Development finance

REPP funding: Undisclosed

Signed: 17 December 2019

Type: Construction finance

REPP funding: Undisclosed

Signed: 17 December 2019

Type: Subordinated term loan

REPP funding: Undisclosed

SDGs

7



8



11



13



17



"The scale of impact the Mubuga project will have on ordinary people's lives and businesses cannot be overestimated, and in the process will mark the dawn of a new era for renewable energy in Burundi. REPP's support has made this possible. The project will be the model that will be followed by other foreign investors and will raise the image of Burundi for long-term investment by international financiers."

Honourable Jean Jacques Nyenimigabu, former MP from Mubuga