



## SlimSun Swartland Solar Park

*SlimSun has developed and is currently constructing a 5MW solar photovoltaic (PV) park: Swartland Solar Park. The first phase of the project is currently in the final construction stage and scheduled to begin commercial operations in September 2014. The second phase will entail an additional 5MW capacity of solar energy. SIFEM has invested into SlimSun via Evolution One, a private equity fund dedicated to clean and renewable energies in South Africa.*



Location:	Malmesbury region, Western Cape, South Africa
Business focus:	Renewable energy - solar photovoltaic
Investment year:	2011
Status:	Project under construction
Fund intermediary:	Evolution One
SIFEM investment into fund:	USD 8 million
Fund investment into SlimSun:	USD 2 million
Employment:	5 permanent operational jobs 88 temporary construction jobs
CO <sub>2</sub> emission reduction:	8,700 tonnes annually

### The Situation in South Africa

- **Currently only about 85% of South Africa's population have access to electricity** and the country's demand is expected to double in the next 20 years. Large-scale national electrification interventions have provided a foundation for many communities to improve their economic well-being, health and quality of life, but around 8 million people still lack access to electricity.
- **The Renewable Energy Independent Power Producer Procurement Programme (REIPPPP) has been designed by public authorities to encourage private companies to assist in reaching a targeted production of 10,000 GWh of renewable energy.** This is equivalent to about 5% of the present electricity generation in South Africa, and is the amount of electricity required for approximately 2 million households. Projects which succeed to take part in the program are able to sell their production to the national grid at previously agreed tariffs.
- **Local job creation, local ownership, and economic and socio-economic development are criteria** which the projects must fulfill to qualify for the REIPPPP.
- **Photovoltaic is emerging as a major power source** due to its numerous environmental and economic benefits and proven reliability. It is the fastest growing power generation technology in the world.
- **The South African government aims to have photovoltaic energy supplying 19.7% of the country's renewable energy** by 2030 as part of increasing and diversifying the sustainable energy mix.

### Development Effects in a Nutshell

- **The project is expected to generate approximately 8.7GWh of clean energy per annum – enough to power around 5,000 houses in the area.** This will enable the mitigation of approximately 8,700 tonnes of greenhouse gases each year through the substitution of dirtier coal- powered generation alternatives.
- **SlimSun is taking part in the REIPPPP as a small independent power producer** and has set itself the target to use the lowest amount of water per unit of electricity in comparison to all other independent power producers.
- **SlimSun's participation in REIPPPP would not have been possible without both the financial and the resource investment made by Evolution One.** The Fund was integrally involved from project inception as adviser to develop the strategy, systems and procedures required to fully inform the business structure of SlimSun.
- **Technology and skills transfer form a key part of the process** and contribute to the social development of the community. During construction, 88 temporary jobs are being created for unskilled or poorly skilled laborers who live within a 50km radius of the project site and five permanent jobs will be created for the operation of the project.
- **Approximately 35% (USD 3.6 million) of the total investment will be deployed locally** and will contribute the economic development of the community.
- **The Swartland Community Trust has been created with an allocated 20% share** as part of the black economic empowerment scheme; it is structured to channel revenue shares of more than USD 4.7 million to local community projects over the course of the project's life, projected to be a minimum of 20 years.



*“ Evolution One has played a critical role in facilitating SlimSun's development of environmental, social and sustainability programmes which meet and in most cases exceed the extensive requirements set down within the REIPPPP programme. ”*

- Anthony Corin, CEO SlimSun