

UNOPS S3i, IFU and ACME sign landmark investment deal for a 250-megawatt solar park in Rajasthan, India

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UNOPS Sustainable Investments in Infrastructure and Innovation (S3i) has made equity investment in renewable energy.

The deal supports India's ambitious renewable targets and will provide clean electricity to half a million families.

S3i helps structure deals and invests in sustainable infrastructure, and boosts impactful innovation, aiming to bring the Sustainable Development Goals (SDGs) closer to reality.

S3i has signed a landmark shareholders' agreement to invest in a 250-megawatt solar power plant located in Rajasthan State, India. Collaborating with strategic and institutional investors, S3i aims to invest in large-scale infrastructure projects in developing countries focusing on its mandated areas of affordable housing, renewable energy and health. In the renewable energy sector, S3i's main objective is to scale up investments towards the carbon neutrality agenda and consequently improve the lives of millions of people around the globe.

Once in operation, the solar plant will provide clean electricity to the equivalent of 500,000 households. It is also estimated that the project will create some 225 jobs in the construction phase, and 75 jobs while the plant is in operation. UNOPS express their appreciation to Myra Investments for their support in structuring this transaction.

In addition to its equity investment, S3i will be playing an operational role in the project with a major emphasis on social impact measurement. The total value of the project is the equivalent of just under US\$200 million, of which about a quarter is financed through the medium of equity contributions by three co investors with UNOPS' share being 10 per cent. Partner co-investors are the developer of renewable energy projects Acme Solar, a leading Solar IPP in India and IFU, the Danish Investment Fund for Developing Countries that has made the investment on behalf of the Danish SDG Investment Fund, which is backed by the Danish state, large Danish Pension funds and other private investors.

"Providing clean and green power is at the forefront of global commitments to address climate change. We need an urgent transition from fossil fuels to renewable energy. UNOPS are proud to support India's climate targets and all of the partners in this landmark renewable energy project" said Grete Faremo, UN Under-Secretary-General and UNOPS Executive Director.

"We are delighted to have had this opportunity to demonstrate our commitment to the government and people of India and show that we care and willing to take risks while the country is working so hard to combat the devastating COVID-19 pandemic. As the world is slowly but surely recovering from this modern plague, building back green is the fastest and most optimal way to a more sustainable future" said Vitaly

Vanshelboim, UN Assistant Secretary-General and Chief Executive of Sustainable Investments in Infrastructure and Innovation (S3i).

“We are delighted to be part of this investment as it fits very well with our strategy to create green, just and inclusive societies and matches our requirement of co-investing with strong and competent partners. It is our first investment under the India-Denmark Green Strategic Partnership signed between the governments of India and Denmark in 2020, and we hope this will be a stepping-stone for creating an even stronger green cooperation between India and Denmark, going forward, said Reik Haahr Müller, Vice President, Climate at IFU.

“This is a historic partnership agreement and we are very excited to have UNOPS S3i and IFU as our partners and co-investors in India for the development of solar projects. ACME will jointly develop world-class solar plants using the experiences of our partners in social impact measurement while optimizing operations and energy generation. This partnership is a key milestone towards ACME’s vision for developing a portfolio of 25 gigawatts of renewable energy projects which comes in line with India’s plans to achieve 450 gigawatts of renewable energy by 2030.” said Manoj Upadhyay, Founder and Chairman, ACME Group.

It is estimated that reaching the SDGs by the year 2030 would require an additional five to seven trillion US dollars’ worth of investments. SDG goal number seven sets out the promotion of investments in energy infrastructure and clean technologies, targeting increased access to affordable, reliable, sustainable and modern energy for all.

While there’s been great improvement in access to electricity across the world, much more needs to be done to improve access to clean, safe and sustainable energy for 2.8 billion underserved people. More than 60 per cent of India’s energy is produced with fossil fuels. With the growing population and rapid urbanization further increasing demand for electricity, the Indian government has made renewable energy a high priority.

Notes:

UNOPS Sustainable Investments in Infrastructure and Innovation (S3i) is dedicated to making the SDGs a reality by investing with meaningful and measurable impact in affordable housing, renewable energy and health, and boosting innovation. Our unique role as co-investor and trusted partner enables us to channel private financing in regions and sectors that have struggled heretofore to attract capital. We bring to bear the UN’s impartiality, fairness and anti-corruption drive further reinforced by UNOPS’ flexible, agile and solution-oriented approach.

IFU – the Investment Fund for Developing Countries is a Danish impact investor contributing to green, just and inclusive societies as well as supporting the Sustainable Development Goals. IFU provides risk capital to companies operating in developing countries across Africa, Asia, Latin America and parts of Europe. Investments are made on commercial terms in the form of equity, loans and guarantees. IFU has co-invested in over 1,300 companies in more than 100 developing countries and emerging markets.

Contracted investments total EUR 31 billion, of which IFU has contributed EUR 3.4 billion. Capital under management is EUR 1.7 billion. Read more at www.ifu.dk (<https://www.ifu.dk>)

ACME Solar is one of India's leading IPP player in solar energy sector with a portfolio of c.5.0 GWp, out of which 2.3 GWp is operating and 2.7 GWp in under construction. The assets are well diversified with a presence across 13 states in India and a central: state mix of 65:35. The company has an asset base of c. US\$2 billion. ACME has brought several innovations and introduced the latest technologies for the best solar plant operations.

MYRA Investments invests, manages and provides structuring advice on the development, construction and operations of solar, wind, hydro and storage projects in select Emerging Markets. Read more at www.myra-investments.com (<https://www.myra-investments.com>)