Accelerating Private Investment in Large-Scale Solar Power
Solar power has enormous potential as a quick-to-build electricity source in emerging markets, where needs are great. Even though prices have fallen dramatically over the past years, many countries have struggled to develop utility-scale solar plants due to challenges that include:

**INSTITUTIONAL CAPACITY:** Many governments have limited capacity to manage, structure and negotiate private power concessions.

**LACK OF SCALE:** Navigating small and distinct power markets can deter investors and small grids can only absorb small projects.

**LACK OF COMPETITION:** Many power projects are not competitively tendered.

**HIGH TRANSACTION COSTS:** Individually negotiated contracts have high transaction costs.

**HIGH PERCEIVED RISK:** Poor credit utility off-takers and political risks increase the cost of capital, driving up tariffs.

Scaling Solar is a “one stop shop” solution for governments to rapidly mobilize privately funded grid connected solar projects at competitive tariffs. This proven program is based on a templated approach to create viable markets for solar power in each client country and brings together a suite of World Bank Group services under a single engagement, including:

**ADVICE** to assess the right size and location for solar PV power plants in a country’s grid and to prepare and develop sites for tender.

**SIMPLE AND RAPID TENDERING** to ensure strong competition from committed industry players.

**FULLY DEVELOPED TEMPLATES** of bankable project documents that can eliminate negotiation.

**COMPETITIVE FINANCING AND POLITICAL RISK INSURANCE** attached to the tender and available to all bidders.

**RISK MANAGEMENT AND CREDIT ENHANCEMENT PRODUCTS** to lower financing costs and tariffs.

The World Bank Group:
A One Stop Shop for Solar Power

The World Bank Group has a long track record in the power sector. **IFC** is experienced in developing bankable private power projects and has a substantial track record in both tendering and financing solar plants. The **World Bank** supports client country governments with financing and advice to extend access to electricity, expand least-cost generation, create sustainable regulation and leverage the private sector. **MIGA** provides a range of political risk insurance products to attract private capital into emerging markets.
Governments and Utilities

SPEED: Templates for all processes and documents enable rapid preparation, tendering and financial close.

CERTAINTY: The use of balanced, bankable documents guarantees pre-approved financing for suitable bidders.

LOW COSTS: Scaling Solar tenders attract competition among top-tier investors and minimize resulting tariffs.

Project Developers and Investors

MARKET CREATION: Consistent tendering and bankable documents across multiple countries open up regional opportunities for developers looking for new markets.

REDUCED DEVELOPMENT TIME AND COSTS: Project preparation and due diligence supported by the World Bank Group; bankable documents, and pre-approved financing in place.

A LEVEL PLAYING FIELD: Clear and transparent award process allows developers and investors to compete on the basis of lowest tariffs and long-term commitment.

International Donors and Development Partners

REACH: Support to multiple low-income, fragile, and conflict-affected states to achieve energy security and sustainable low-carbon growth.

LEVERAGE: Donor support leverages significant private capital through transparent, competitive tenders.

IMPACT: Rapid delivery of low-cost, sustainable electricity, helping developing countries meet urgent needs.
With Scaling Solar, committed partners can achieve solar generation in as little as **two years**.

**The Process**

**Steps 1-3**
- **Project & Bid Prep**
  - Technical & economic analysis
  - Site investigation
  - Legal & regulatory analysis

**Steps 4**
- **Financial Close**
  - Finalization of contracts
  - Final project approvals
  - Finalization of loan agreements, insurance, and risk management

**Steps 5**
- **Construction & Operation**
  - Construction
  - Commissioning
  - Operations

**Program Partners**

[Logos of various organizations]