



CVF

CLIMATE
VULNERABLE
FORUM

CPP PROJECT #5

EASTERN PROVINCE SCHOOL ROOF SOLAR PROJECT

PROJECT SNAPSHOT

PROJECT OVERVIEW

- **Project Location:** Eastern Province, Sri Lanka, the project is located approximately 270 km from the Bandaranaike International Airport.
- **Project size/capacity:**
- **Energy:** 50 MW rooftop solar power capacity installed across various schools and government buildings.
- **Land Area:** Distributed rooftop installation, so no specific land area is involved.
- **Sector:** Solar power (renewable energy)
- **Project stage:** Conceptual/Feasibility, with implementation plans. The project has been contracted with the Eastern Provincial Council.

Key partners and stakeholders:

1. Kapital Energy EP (Pvt) Ltd (Project developer)
2. Eastern Provincial Council
3. Provincial Government Education Ministry
4. Ceylon Electricity Board
5. Sustainable Energy Authority of Sri Lanka

BANKABILITY & FINANCIAL VIABILITY

- **Total project cost:** USD102m
- **Funding required:** The project follows a Public-Private Partnership (PPP) model where costs are managed through revenue sharing.

- **Financial model/structure:** The project operates under a PPP model with no initial cost to the Provincial Council.
- **Revenue sharing:** 15% of revenue for the first 7 years, 20% revenue for the next 13 years.

Revenue Streams:

- Electricity Sales: Generated from solar power fed into the grid via the Net Plus system.
- Revenue sharing: 15-20% share with the Provincial Council from electricity sales
- Payback period: 20 years, a return would likely be realized over this period.

Key investors/partners (if any):

- Kapital Corp International (Pvt) Ltd (Project Developer)
- Ceylon Electricity Board
- Potential for more investors as the project expands.

Risk mitigation strategies:

- **Standard Power Purchase Agreement (SPPA):** Ensures long-term power sales agreements with the Ceylon Electricity Board.
- **Revenue sharing model:** Reduces upfront financial risk for the Provincial Council.

CLIMATE RESILIENCE & MITIGATION

Climate Resilience Measures:

- **GHG Emissions Reduction:** By generating renewable solar energy, the project contributes to significant reductions in CO₂ emissions, replacing the need for thermal power sources.
- **Quantified reduction:** Not specified, but given the scale (50 MW), a substantial amount of emissions would be offset.

Adaptation Strategies

- **Use of solar power:** Helps diversify the energy mix in Sri Lanka, reducing dependency on fossil fuels, which mitigates risks associated with energy price fluctuations and supply disruptions.
- **Infrastructure resilience:** The project aids in building climate-resilient infrastructure through decentralized energy production.

Alignment with Climate Policies and Regulations

- **Soorya Bala Sangramaya:** The project aligns with Sri Lanka's "Soorya Bala Sangramaya" solar energy initiative, which aims to increase solar capacity to 1,000 MW by 2025.

RESOURCE EFFICIENCY

- **Energy Efficiency Measures:** The project promotes the use of solar rooftop space, reducing the need for additional land and maximizing energy production.
- **Water/Resource Conservation:** Solar energy generation does not require water, thus contributing to resource efficiency.

ALIGNMENT WITH 1.5°C TEMPERATURE THRESHOLD

- **GHG Reduction:** The project directly contributes to reducing emissions from energy production, aiding Sri Lanka's efforts toward limiting global temperature rise.
- **Technological Innovations:** New Solar Panels are the best innovations in Sola PV
- **Scaling Impact:** As more rooftop installations are installed, the emissions reduction potential scales up accordingly

SOCIAL IMPACT & SDG CONTRIBUTION

- **Job Creation:** The project will create numerous jobs during installation and ongoing operations across the Eastern Province.
- **Support for Vulnerable Communities:** By targeting schools and hospitals for solar installations, the project indirectly supports these communities, reducing energy costs and improving energy access.
- **Social Inclusion Measures:** The project engages local communities in installations, fostering skills development.
- **SDG Alignment:**
 1. SDG 7: Affordable and clean energy.
 2. SDG 13: Climate action.
 3. SDG 8: Decent work and economic growth.

CONTRIBUTION TO GHANA'S CLIMATE PROSPERITY PLAN & NDC COMMITMENTS

This project contributes to Sri Lanka's climate goals in line with its NDCs. And CPPs

INVESTMENT OPPORTUNITY & EXIT STRATEGY

- **Unique Selling Points:**

1. A large-scale renewable energy project in a developing economy with strong government backing.
2. Secure long-term revenue streams through SPPA.
3. Significant social and environmental impact.

- **Investor Benefits:**

1. Long-term revenue generation through energy sales.
2. Contributions to sustainability and corporate social responsibility goals.
3. Stable revenue from a government-backed contract.

- **Exit Strategy:** Investors can exit after the first 7 years or once revenue targets have been met, with a stable exit route via revenue share arrangements.

ADDITIONAL INFORMATION

- **Project certifications (if any):** Not specified.
- **Project Certifications:** The project aligns with the national solar initiative "Soorya Bala Sangramaya".
- **Third-Party Endorsements:** Guarantee from Recognised Multilateral Institution

CONTACT INFORMATION

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