



جمعية الشرق الاوسط لصناعات الطاقة الشمسية
Middle East Solar Industry Association

Middle East Solar Market: *Risks & Rewards*

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Solar PV Investment and Financing EMEA

March 13, 2014

Agenda

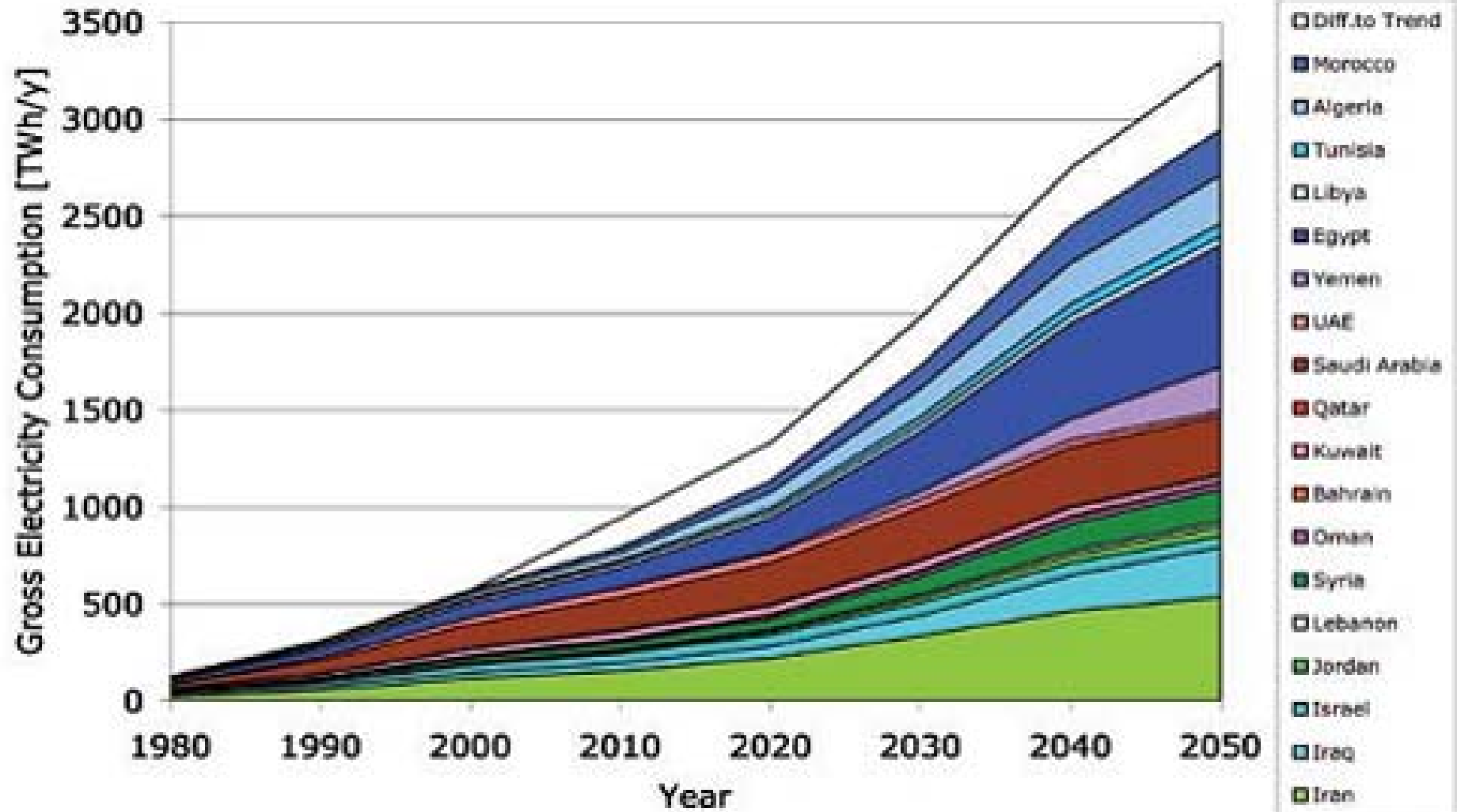


1. Middle East power market
2. Factors driving solar
3. Upcoming projects
4. Three tips

Electricity demand: soaring



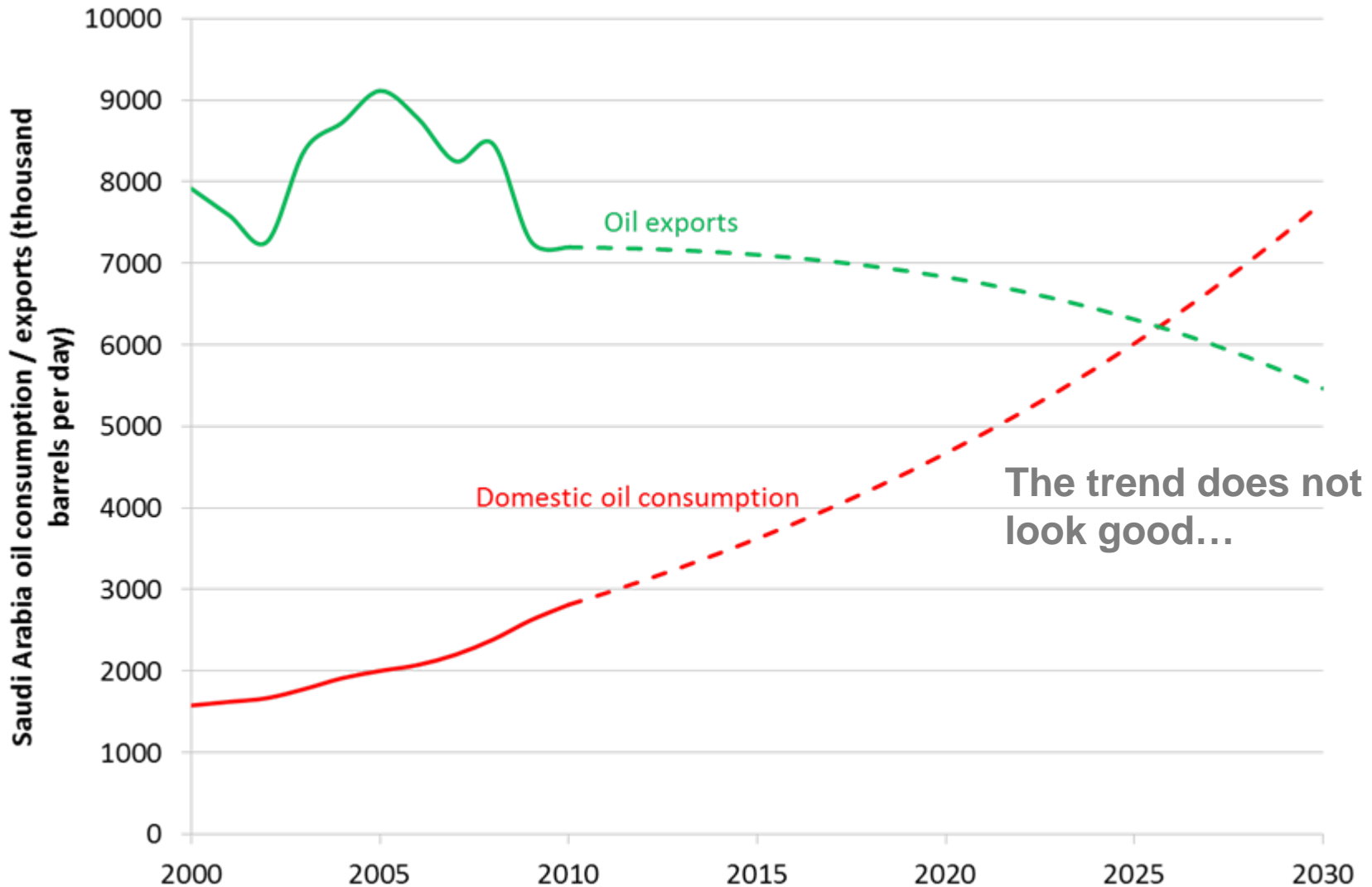
Electricity demand



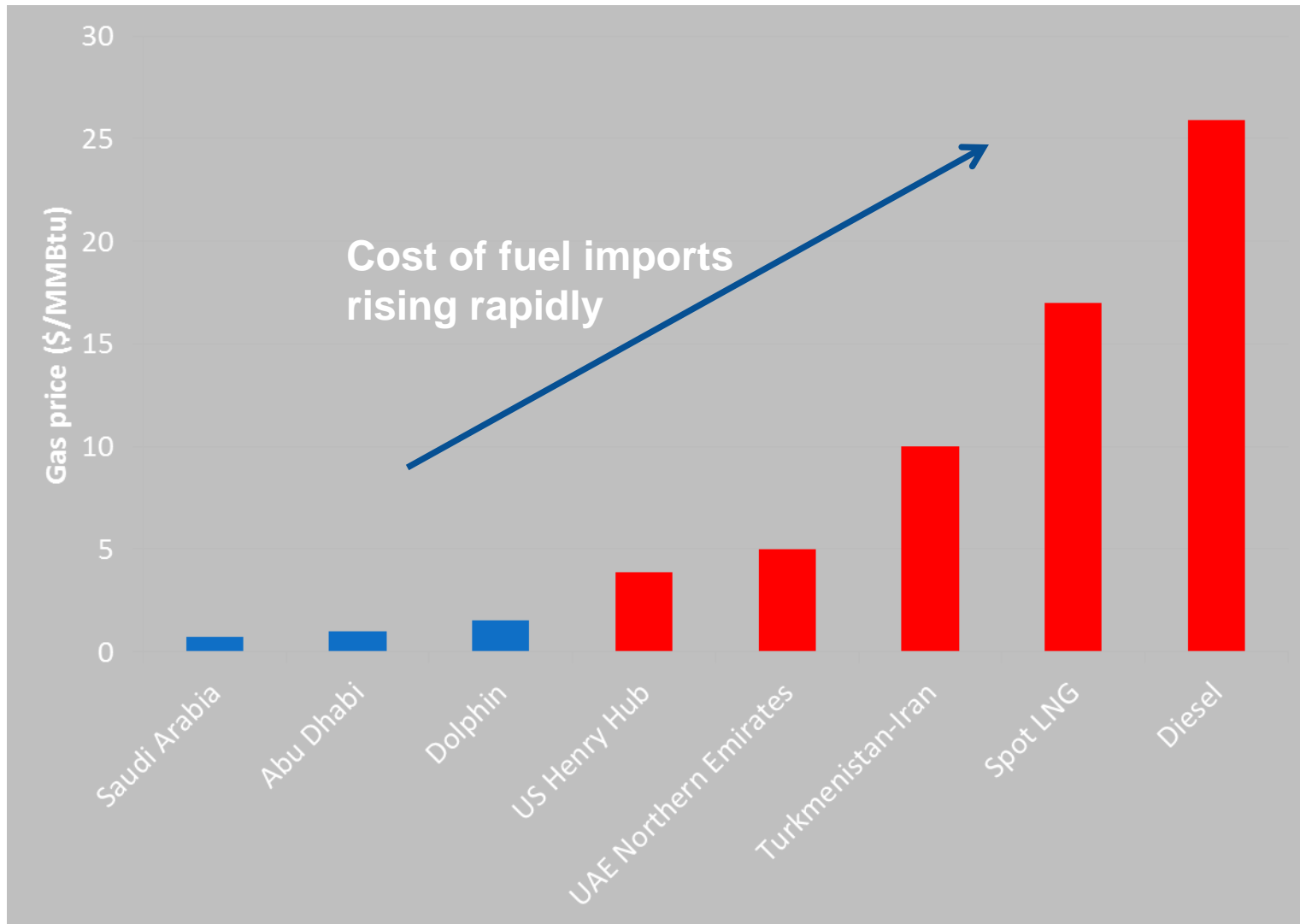


3 factors driving shift to renewables

1. Pressure on reserves



2. Rising volumes/cost of imports



3. Social unrest





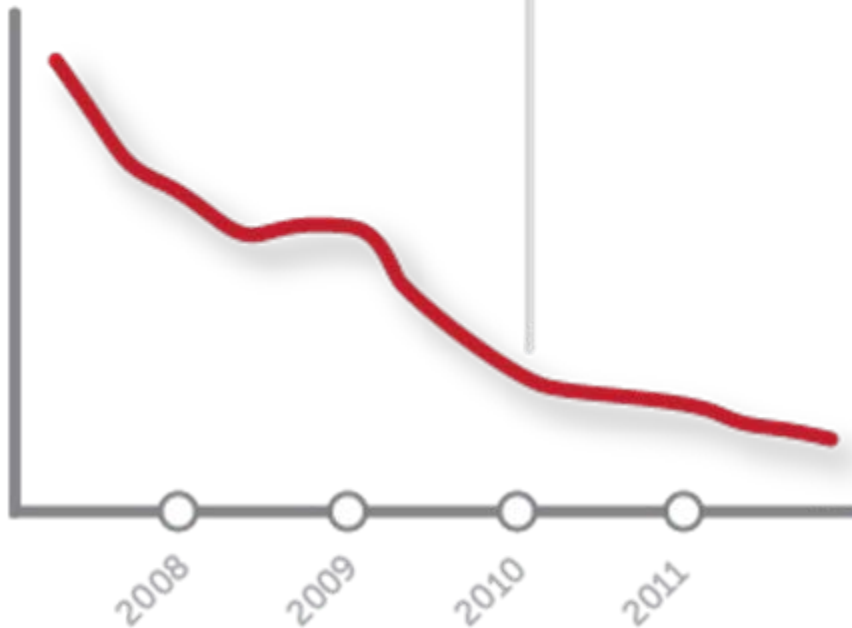
Why solar is attractive

Improved economics



PRICE OF SOLAR PANELS

dropped 75% since 2008

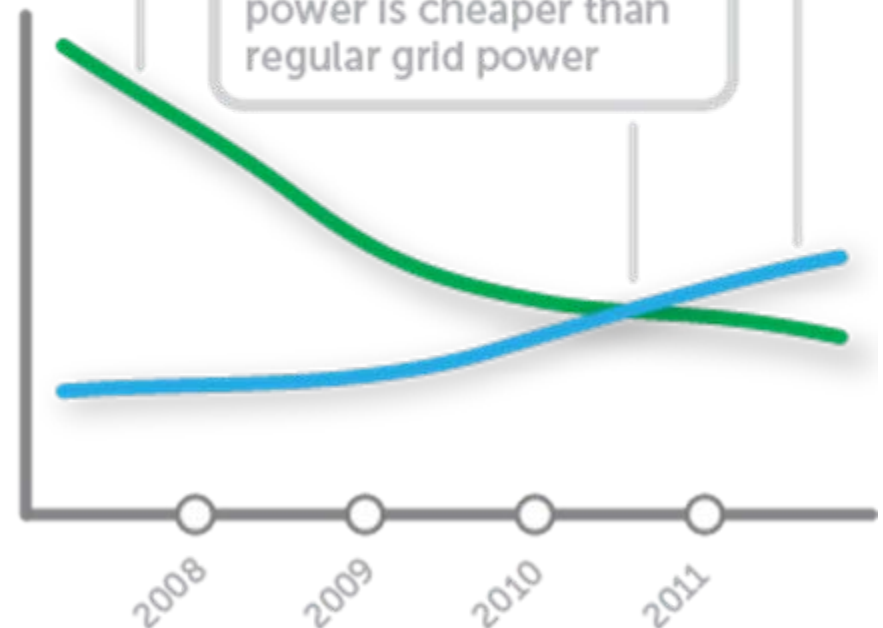


SOLAR POWER

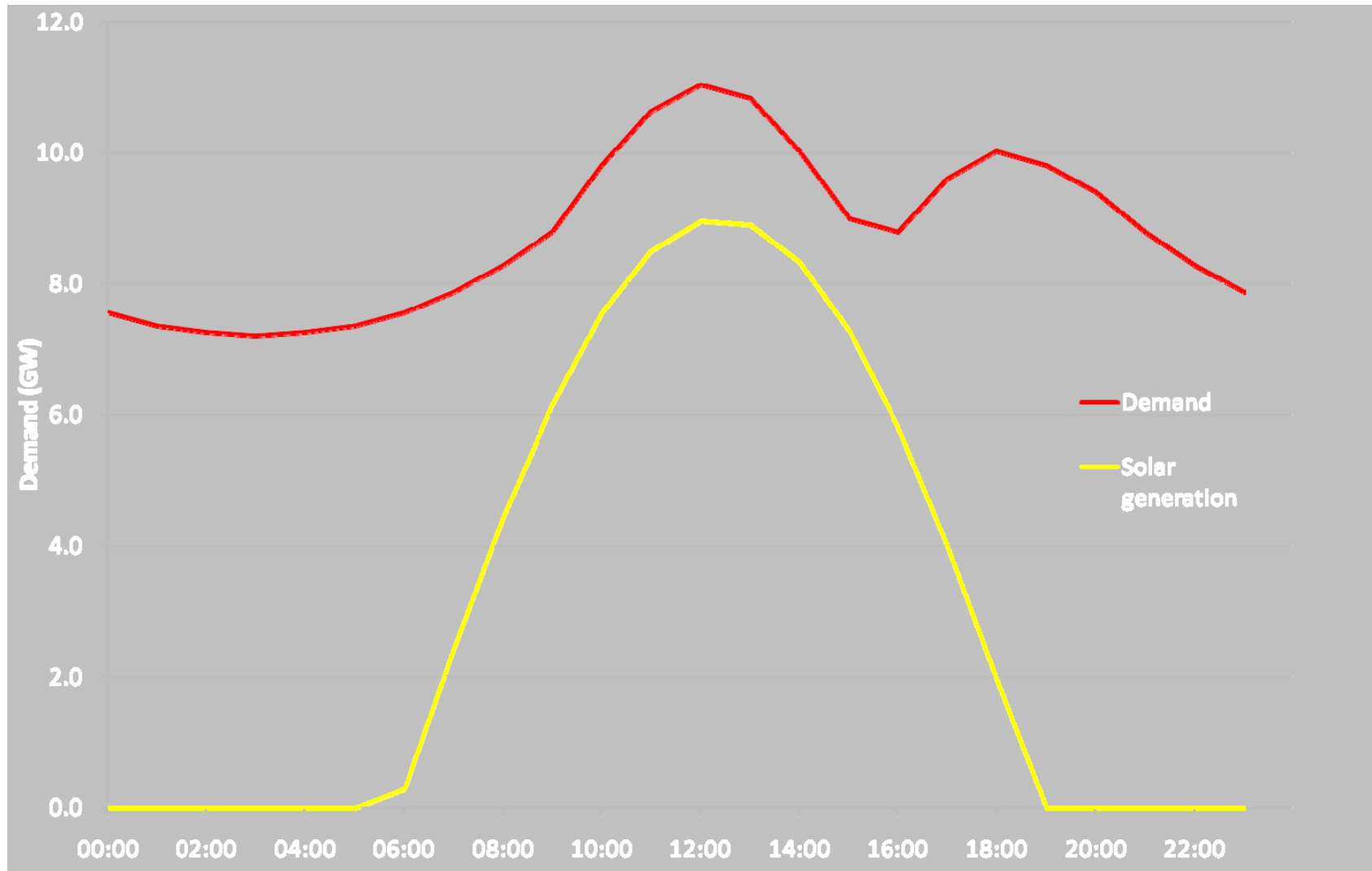
GRID POWER

GRID PARITY

The moment when solar power is cheaper than regular grid power



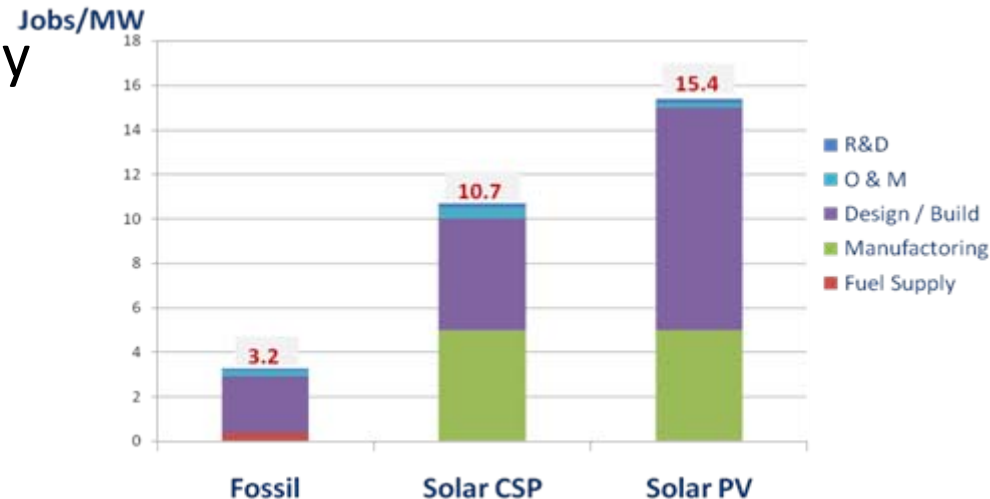
Synergies with power demand



Macro benefits



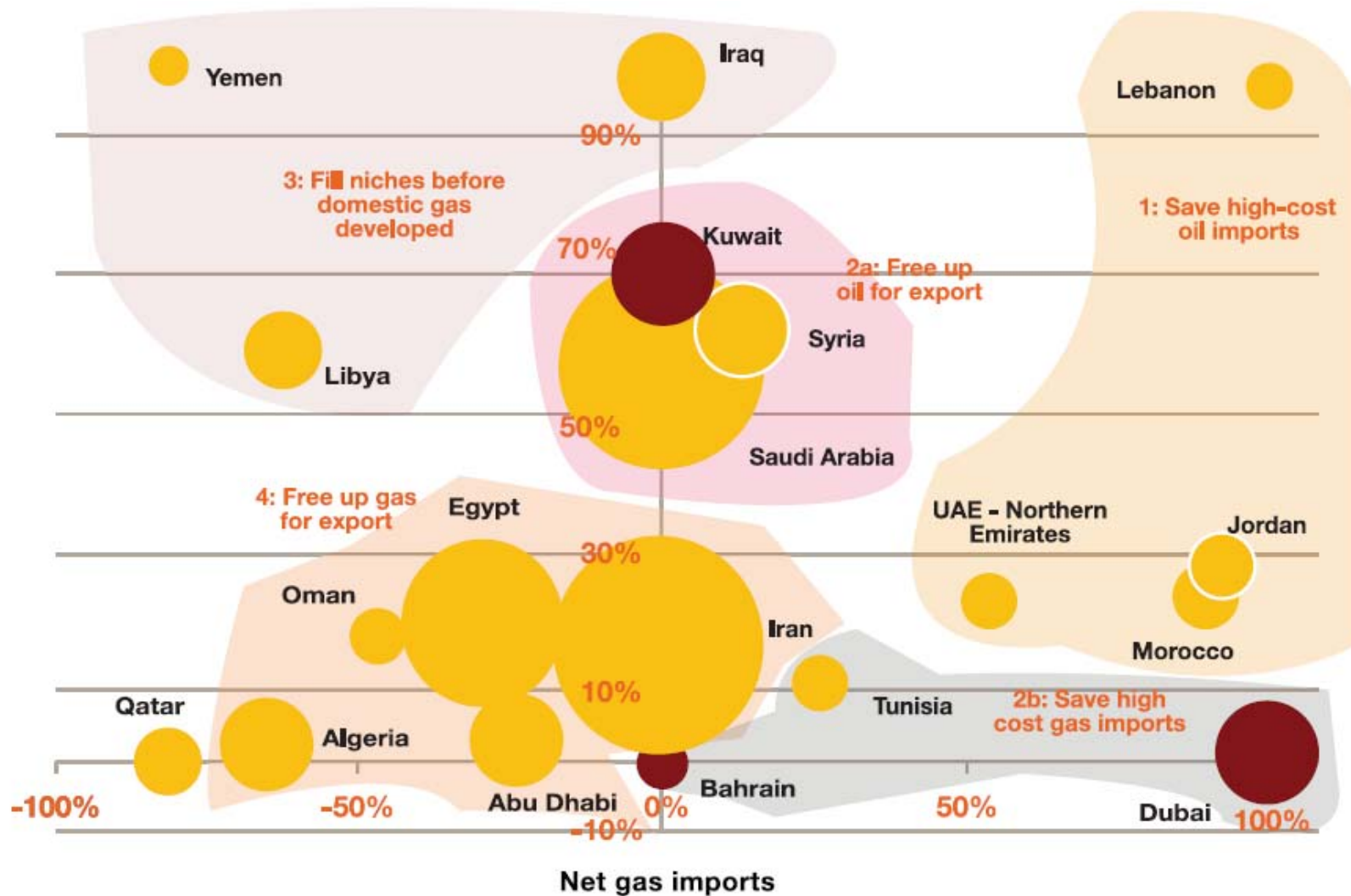
- **GDP contribution:**
 - 100 MW of solar = \$ 600mn in GDP (10x more than fossil fuel)
- **Fuel savings:**
 - Preserving oil & reducing imports
- **Environmental benefits:**
 - Cutting 2.5mbb/yr of diesel = 1 million tons of CO2
- **Jobs:**
 - KSA: 1,000 jobs needed/day
 - Solar: 15 jobs/MW
 - 40 GW = 600k jobs








Key growth markets in the Middle East

Key markets for solar PV



Dubai market



	Project	Status
	Sh. Mohmamed bin Rashed Solar park (phase 1)	13MW solar PV plant commissioned by First Solar in Oct. 2013 on an EPC basis
	Sh. Mohmamed bin Rashed Solar park (phase 2)	100 MW PV to be launched in April 2014 on an IPP basis
	Solar Rooftop Program	100MW residential/industrial micro projects to be launched in 2015

Target: 1,000MW by 2030

Jordan market



Background	4,000 MW of generation 2,660 MW of Peak demand (2011) 96% of demand met with imports
Objectives	Diversify energy mix Address 5.5% annual demand growth 10% Renewable Energy by 2020 1,800 MWs – 1,200 MW Wind, 600 MW Solar
Deployment model	Tendering of Projects (IPP model) Direct proposals by private sector New FIT enacted late 2012 Jordan origin bonus
Current status	Renewable Energy and efficiency law published April 2012 22 Projects Pre-qualified for MoU (Mostly Solar – 470 MW) Phase 2 Solar IPP program launched (200MW)

Target: 1,800MW by 2020

Saudi market



- **100% based on oil and gas**
- No solar, no wind, no hydro
- Huge drain on reserves
- Consumption growing 8% yr/yr

Saudi market

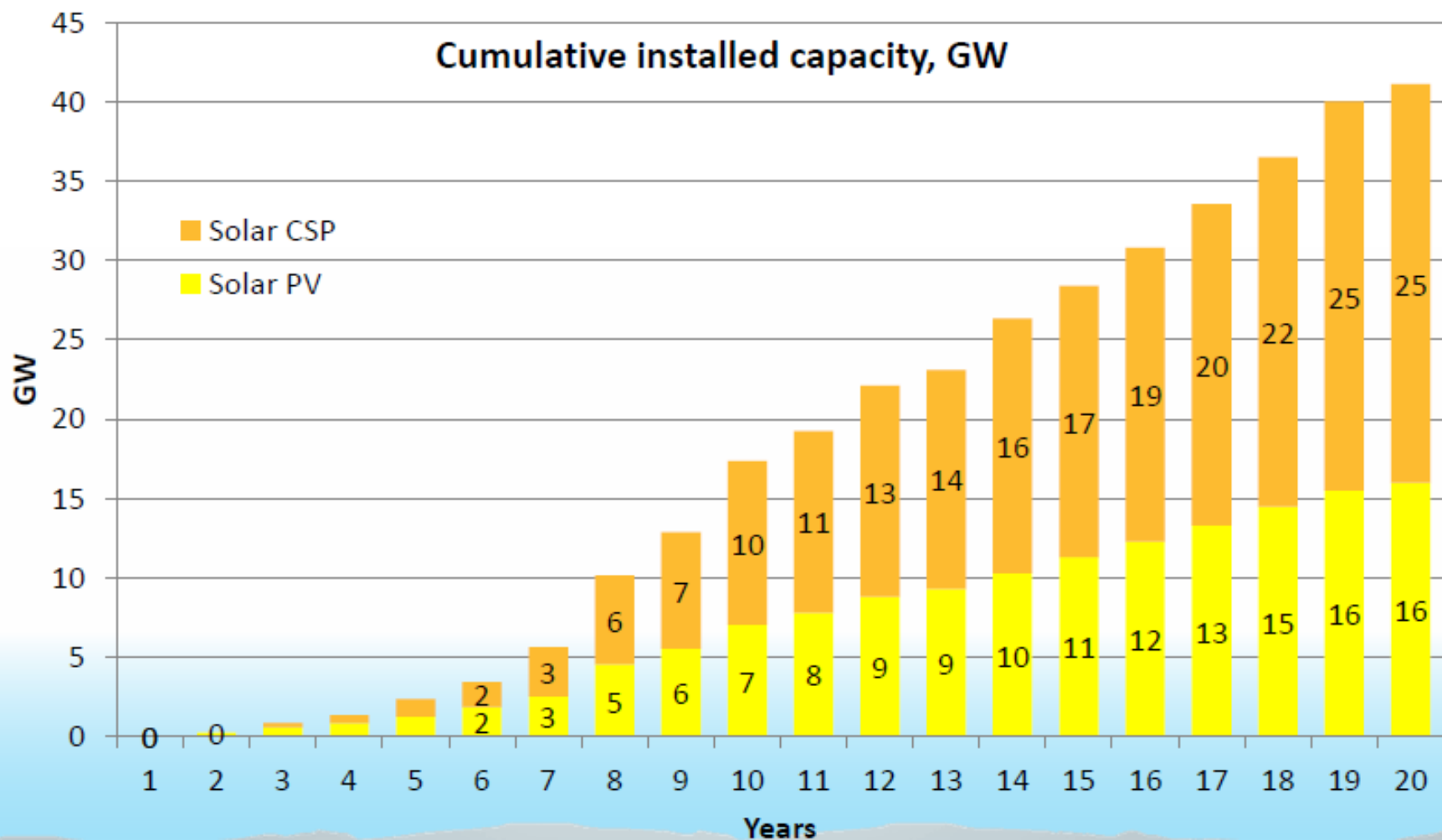


- Peak **power demand to triple** in the next 20 years to 121GW in 2032
- Royal Decree in April 2010: Diversified energy mix; K.A.CARE established
- Solar energy to supply 20% of the country's energy mix

Target: 41,000MW by

Saudi outlook

Cumulative installed capacity, GW



What is MESIA?



1. Largest solar association in MENA, est. in 2009
2. Provide a bridge between suppliers and project owners
3. Represent companies from the entire solar value chain

MESIA programs



1. Organize **Breakfast Briefings** & educational workshops
2. Initiate **networking** events
3. Support **policy making** through work with gov't
4. Implement **pilot projects** to test performance



Who is part of MESIA?



- 15 Founding Members
- 120+ Members
- 3,200 regional subscribers



MESIA reports



May 2013

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With input from:
ESIA
الجمعية العامة للصناعة الشمسية
Emirates Solar Industry Association

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MESIA: PROMOTING SOLAR POWER ACROSS THE MIDDLE EAST

The Middle East Solar Industry Association (MESIA) is the largest solar association in Middle East. We provide an inclusive platform for companies and organizations who want to work together and grow the footprint of solar power across the Middle East.



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