

Standard Bank Leads Landmark Renewable Energy Project in South Africa

February 26, 2025



Standard Bank has cemented its leadership in South Africa’s renewable energy transition by acting as sole mandated lead arranger for the groundbreaking 140MW Ishwati Wind Farm. This R4.9 billion (approximately \$266.8 million) project marks the first large-scale renewable energy initiative in the country to secure a Generator Power Purchase Agreement (GPPA) with a renewable energy aggregator, NOA.

Developed by Africa Clean Energy Developments (ACED) with shareholders including the AIIM-managed IDEAS Fund and Reatile, the Ishwati Wind Farm reached financial close and commenced construction in September 2024. The wind farm, comprised of 32 turbines, each 120 meters tall, is expected to begin generating electricity in 2026.

This pioneering project is significant because it establishes a new model for energy procurement in South Africa. NOA Group, having received its trading license in January 2025, will purchase all electricity generated by the Ishwati Wind Farm. NOA Trading, the group’s trading arm, is authorized to aggregate this power, along with electricity from other independent power producers (IPPs), and “wheel” it through the Eskom grid to diverse offtakers across the market.

“This marks the first large-scale renewable project in South Africa to reach financial close with an energy trader as the offtaker,” said Karel Cornelissen, CEO of NOA Group. He explained that Ishwati’s wind power, generated in the Western Cape, will be transmitted to end-users such as Tronox, MMC, Old Mutual Properties, and Netcare.

Sherrill Byrne, Standard Bank Executive: Project Finance, Energy and Infrastructure Finance, emphasized

the bank's commitment to supporting market liberalization. "Together with our partners, we are proud to be the sole mandated lead arranger to this first-of-a-kind project, presenting a long-term solution and response to the market liberalization in SA," she stated. By aggregating multiple generators (wind, solar, and battery projects), NOA can provide a profile of green electrons to multiple end-users under flexible arrangements.

Standard Bank recognized the growing importance of aggregators two years ago and has since been actively partnering with them. The bank has now been mandated for four renewable power aggregators in South Africa, reflecting the market shift driven by amendments to the Electricity Regulatory Act.

"We're delighted to have closed and commenced construction on this complex and pioneering project – the first trader offtake project at scale," said James Cumming, CEO of ACED. He highlighted the importance of long-term PPAs, like the one with NOA, in bringing these projects to fruition, driving sustainable development and job creation.

Standard Bank is committed to achieving net-zero carbon emissions from its own operations by 2040 and from its financed emissions portfolio by 2050, aligning with the Paris Agreement. Vincenzia Leitich, Standard Bank Executive: Energy and Infrastructure, noted the unique partnership approach required to bank the first project with an aggregator, emphasizing the shared vision for risk allocation, value creation, and innovative solutions to market needs. This project underscores Standard Bank's dedication to empowering clients in their transition to a greener future.