

Scatec Secures \$479 Million for Landmark Obelisk Hybrid Solar and Storage Project in Egypt

June 17, 2025



Scatec, a leading independent power producer (IPP), today announced it has successfully secured US\$479 million in funding for its Obelisk hybrid solar and battery storage project in Egypt. This significant financial close represents a major stride in advancing clean energy initiatives in the region.

The funding package for the **US\$590 million** project is being provided by a consortium of prominent development finance institutions, including the **European Bank for Reconstruction and Development (EBRD)**, the **African Development Bank (AfDB)**, and **British International Investment (BII)**. This commitment covers approximately 80% of the total project cost, complementing the **US\$120 million** in equity bridge loans (EBL) previously secured by Scatec.

The **1.1GW/200MWh solar-plus-storage project** will be developed in two phases. The initial phase, comprising **561MW of solar power** and **100MW/200MWh of battery storage**, is slated for commercial operation in the first half of 2026. The second phase will add an additional **564MW of solar capacity**, with operations expected to commence in the latter half of 2026.

Terje Pilskog, CEO of Scatec, highlighted the importance of this milestone. “The financial close for the Obelisk project is a major achievement,” said Pilskog. “We are incredibly proud to partner with these leading development finance institutions to support Egypt’s ambitious clean energy goals.”

The energy generated by the Obelisk project will be sold to the **Egyptian Electricity Transmission Company (EETC)** under a **25-year power purchase agreement (PPA)**, reinforced by a sovereign guarantee. Scatec will leverage its integrated capabilities to provide **engineering, procurement, and construction (EPC)**, as well as **asset management (AM)** and **operations and maintenance (O&M)**

services for the project. The EPC component, managed directly by Scatec, accounts for approximately 70% of the project's total capital expenditure.

Earlier this year, in March 2025, Scatec also finalized a 25-year PPA with **Egypt Aluminium**, the nation's largest industrial power consumer. This agreement is strategically designed to assist Egypt Aluminium in meeting the European Union's Carbon Border Adjustment Mechanism (CBAM) rules, which are set to take effect ahead of 2026. Scatec had previously indicated its intention to reduce its full ownership in the project by bringing in equity partners, further diversifying its investment base.

This comprehensive funding and strategic partnerships underscore the growing momentum for large-scale renewable energy projects in emerging markets, driven by a global commitment to decarbonization and sustainable development.