

# S.Africa solar plan draws interest: government

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Animal tracker Blade Witbooi goes hunting, in Andries Vale village in the Kalahar area of Northern Cape in July. South Africa's plan to build what could become the world's biggest solar project on the edge of the Kalahari desert has drawn keen interest from investors

South Africa's plan to build what could become the world's biggest solar project has drawn keen interest from investors even though it is still in its infancy, an official said Friday.

More than 400 investors and [solar industry](#) insiders from around the world converged on the town of Upington in South Africa's arid Northern Cape province this week for a two-day conference aimed at generating investor interest in plans for a 5,000-Megawatt solar park at the edge of the Kalahari Desert.

The park, whose estimated price tag is 150 billion rands (21.3 billion dollars, 15.4 billion euros), would provide one-eighth of South Africa's current [generation capacity](#), helping end the country's reliance on coal and the power shortages that pummelled its economy in 2008.

Speaking at the close of the conference, Ompi Aphane, acting deputy director general of the Department of Energy, said investors were "very excited" about the project even though it is still in the planning stage.

"There's a lot that's out there in the market about our urgent need for capacity and I think investors want to take advantage of that, particularly if it's clean energy," he told reporters.

"There are concrete financial proposals that have been received, notwithstanding the fact that some of the transaction issues have not been resolved."

Aphane said officials received a billion-dollar investment proposal from a European development firm and several others from firms around the world.

"It's unbelievable how some of the developers want to take development risk and put their money into the project even without any definition of the process," he said.

South Africa unveiled plans for the park in September after a study by the Clinton Climate Initiative indicated that the area around Upington has some of the best conditions in the world for solar power.

The energy ministry says the government would provide infrastructure for the project, then lease out land to private developers who would finance and build individual projects that would sell power to the national grid.

But officials say the government still needs to conduct a feasibility study and decide exactly how the power purchase deals would work.

The energy ministry has set a production target of 1,000 Megawatts by 2012 and 5,000 Megawatts by 2020.

If it reaches full capacity, the park would be five times bigger than the Blythe solar power plant, which won approval Monday to begin construction in southern California and is currently on track to become the world's largest [solar project](#).

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