

## CALL FOR TENDERS "SOLAR 1000 MW"

### Deadline extension

Algiers, 5 July 2022



#### Key points

- Extension of the deadline for submission of offers sine die.
- International arbitration clause in the PPA (ICC, Paris).
- Minimum local content rate set at 30%.
- Recourse to international financing allowed subject to SHAEMS prior approval.
- Project eligible for the exception regime allowing to obtain numerous tax and customs exemptions.

The Algerian Renewable Energy Company "SHAEMS", mandated by the Ministry of Energy Transition and Renewable Energies (MTEER), for the preparation and processing of the call for tenders, to investors No. 01/MTEER/2021 for the realisation of the "**Solar 1000 MW**" project, has issued numerous press releases and addenda since the publication of the specifications last February.

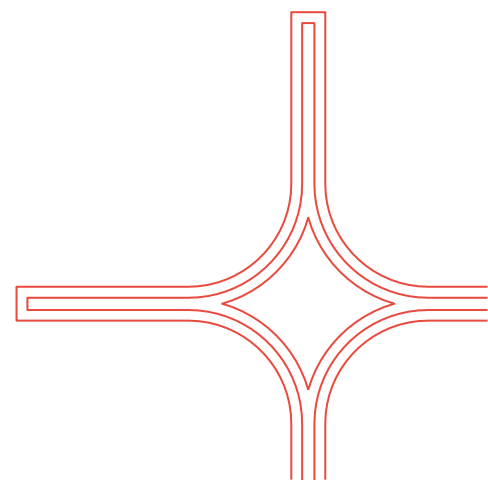
SHAEMS also responded to a Q&A with over 200 questions to clarify certain points raised by investors.

Site visits by bidders also took place between 10 May – 30 May 2022.

Part IV of the tender documentation has not been disclosed yet (shareholders' agreement, articles of association of the project company, land occupation agreement between the project company and SHAEMS, etc).

The main changes and updates can be summarised as follows:

- On 14 June 2022, SHAEMS announced that it was extending the deadline for submitting bids (originally 15 June 2022) to a later date. The new deadline is not known yet.
- Replacement of the local arbitration clause by an international arbitration clause (International Chamber of Commerce, Paris) in the power purchase agreement.
- The minimum local content rate was set at 30% (services and equipment).



- Concerning the financing of the project:
  - The financing of 80% of the project by bank loan lies on the project company and the investor. SHAEMS will not provide guarantees.
  - International financing remains an option subject to SHAEMS prior approval. In case of exclusive local financing, SHAEMS will arrange financing through local banks on terms applicable to all bidders.
  - SHAEMS will have the possibility to transfer up to 14% of its participation in the project company to a state-owned or private Algerian company, designated as financial partner.
  - Possibility of bidding for several lots, it being understood that the award will be limited to 300 MW.
- The bidder will have to align its offer with the lowest price, each lot being treated independently.
- The bidder may use the credentials of its parent company in the development, implementation, operation and maintenance of solar photovoltaic projects, provided that it produces a contract with its group (SHAEMS has not indicated what this contract should cover).
- Sharing of the environmental attributes between the offtaker and the project company (until now only the offtaker was entitled to them).
- Confirmation of the eligibility of the project to the exceptional regime of the investment agreement, which allows to obtain numerous tax and customs advantages from the National Agency for Investment Development (ANDI).

Should you have any questions about the solar tender, please do not hesitate to contact us.

## CONTACT:



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