

Tunisia Renewable Energy Framework

A framework to be improved upon to open up possibilities

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Eversheds Sutherland

- Advised on over 40GW of renewable energy projects
- 150+ clean energy lawyers globally
- In 2016, we **advised on more renewable energy M&A deals globally** than any other law firm – Clean Energy Pipeline League tables
- Eversheds Sutherland Africa Law Institute (EALI) which currently comprises **38 member law firms across 37 African countries**

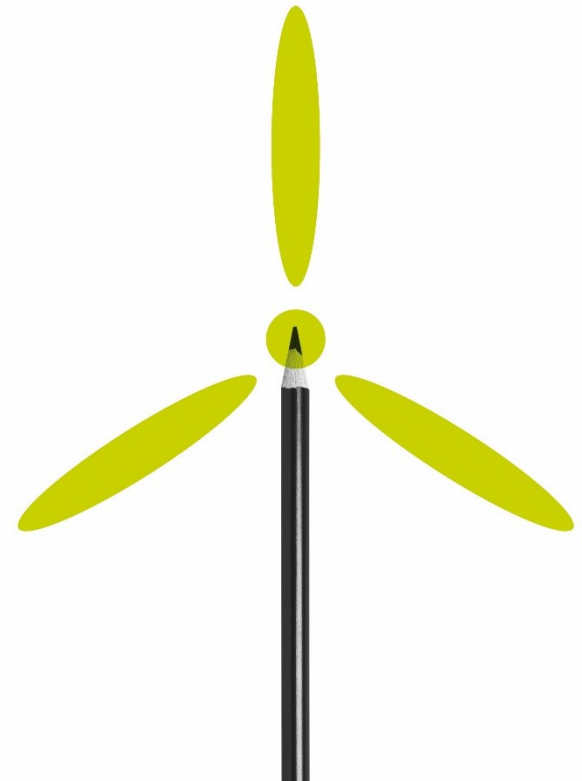
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- London
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Renewable energy policy targets

- 1,000 MW by 2020
- 2,500 MW by 2025.
- technologies wind, solar PV, CSP and biomass



Three different regimes being proposed

- producer-consumer/auto consumption schemes
- authorisation schemes
- concession schemes

Planned installed capacity by 2020

	Concession	Authorization	Auto Consumption	STEG
Solar	100	120	130	300
Wind	100	90	80	80

Renewable Energy Schemes

Producer-consumer/auto consumption schemes

- LV net metering
- MV/HV net metering and wheeling
 - industry, agriculture and service sector
 - 30% export cap

First round Authorization Scheme Call for IPP Proposals Capacity

Source of energy	Total Capacity (MW)	Individual Project Capacity (MW)	Offer deadline
Wind	60	30	15 November 2017
	10	5	
	60	30	15 August 2018
	10	5	
Solar PV	60	10	15 November 2017

Concession details being developed. Anticipated to cover both developer sites and Government procured sites.

Authorisation tender:

— Prequalification criteria:

- experience
- sources of finance
- site procurement progress
- technical analysis
- local resources
- job creation
- compliance with environmental standards

— Tariff

- Dinar, Dollars and/or Euros
- One fixed tariff for 12 years and another for remaining 8 years

Award based on tariff formula

Key terms of the PPA include:

- STEG offtaker
- 20 years with a take or pay mechanism
- 72 hours of permissible outages for programmed grid maintenance
- 72 hours of non-scheduled interruptions permissible
- grid connection conditions and process not covered
- connection costs to be developer's responsibility

Key issues under the PPA include:

- no sovereign guarantee
- changes in shareholding to be approved by Ministry of Energy
- arbitration and seat in Tunis
- no compensation for political force majeure events
- no guaranteed protection in respect of change in law
- no compensation on termination provisions

Questions?



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