

## Attractive investments in the Nigerian solar sector

Berlin, 5 December 2018 – The current framework conditions in Nigeria paired with low cost photovoltaic equipment makes investments in the Nigerian PV sector more attractive than before. This is the main result of the updated business cases which are part of the recent study "Enabling PV Nigeria" by the German Solar Association (BSW), and its partners, which includes the Renewable Energy Association of Nigeria (REAN).

It is particularly attractive to invest in diesel-offsetting (also called captive power). There is a huge market for this as Nigeria is one of the biggest markets for diesel generators in the world. In the best case and within the region with the country's highest solar irradiation the payback period is a little over two years, the updated study finds.

"The calculations show that with PV prices continuing to fall, solar electricity is not only an ecologic, but an economically competitive option to meet the growing power demand in Nigeria", says David Wedepohl, Managing Director of International Affairs at BSW.

Battery storage combined with PV has additional benefits like constant supply while maintaining frequency stability in an otherwise unstable grid. This protects the investment of businesses into sensitive equipment and machines. The calculations found that when captive power is combined with battery storage, the payback period has dropped from 17 to under 7 years when compared to the beginning of the project. Large solar parks have a payback time of about six and a half years while grid connected (embedded) systems a little under eight.

The payback times of course only provide a snapshot as prices for PV generators and batteries continue to fall. Those who consider investing can use the PV calculation tool to plug in their specific use case and get an idea of the payback time at <http://letsmakesolarwork.com> or at <http://www.solarworks.ng>

The "snapshot" use cases mentioned above can be downloaded as PDF at <https://bsw.li/2SygBLb>.

The full report update can be downloaded as PDF at <https://bsw.li/2LK6Xkw>.

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