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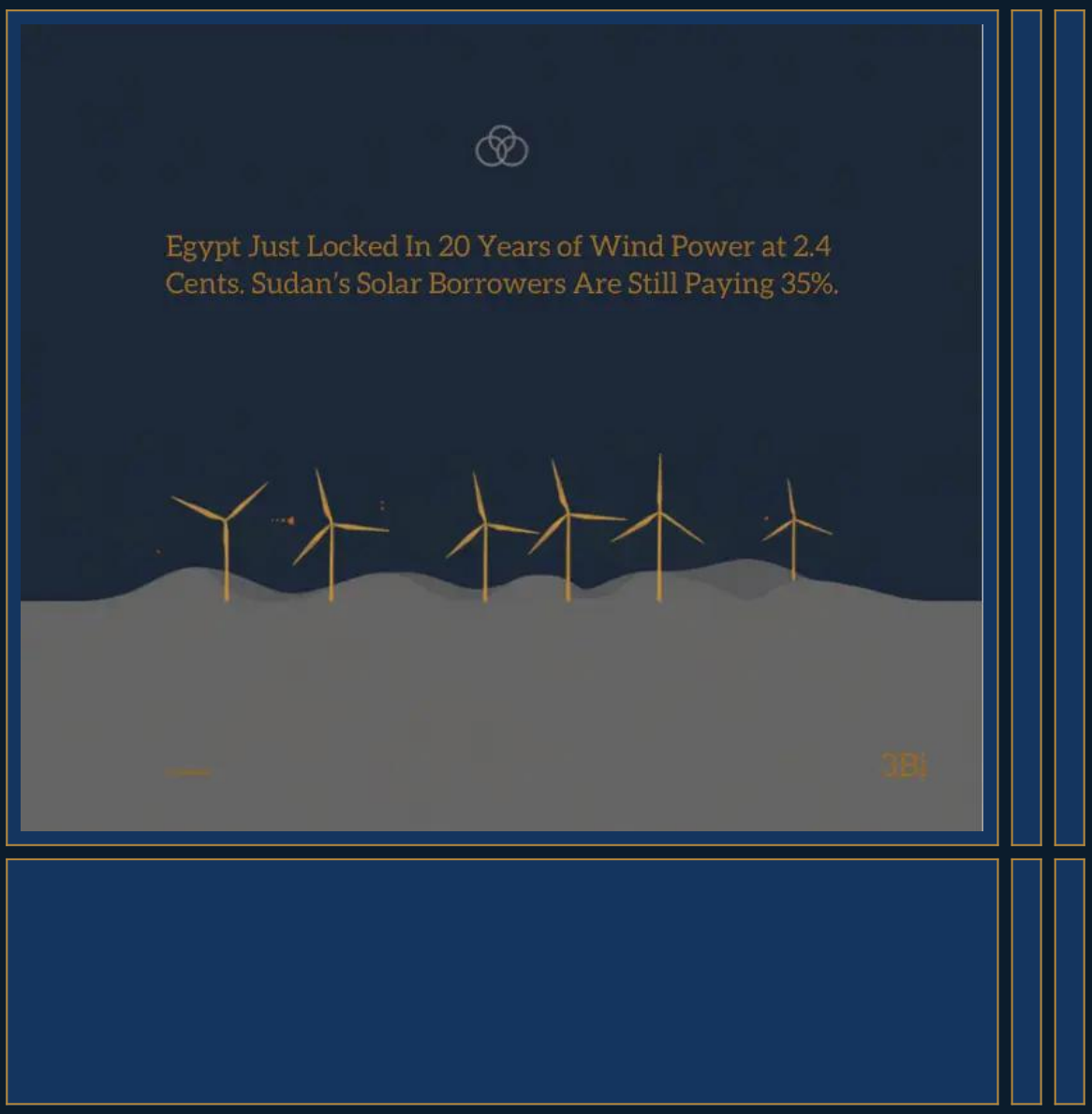

Egypt Just Locked In 20 Years of Wind Power at 2.4 Cents. Sudan's Solar Borrowers Are Still Paying

35%.

Two 20-year wind PPAs in ten days show what Sudan's solar financing gap is missing.

Research Team

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Egypt signed two 20-year wind power PPAs in ten days at 2.4 cents/kWh. Sudanese solar borrowers still pay 20-35% interest. The contract structure, not wealth, is the transferable lesson.

3Bi Research Team

The Hook

On 12 August 2026, Egypt's state transmission company signed a 20-year deal to buy every megawatt-hour from a new 869-megawatt wind farm at Zafarana for 2.4 US cents per kilowatt-hour (attaqa.net, 12 August 2026). Ten days earlier, it signed the same kind of deal with a different foreign developer for a different wind farm on the same stretch of desert (attaqa.net, 12 August 2026, citing the 3 August 2026 agreement with UAE-based Alcazar Energy). Two contracts, two continents' worth of capital, one price nobody in Sudan's solar market would recognize as real.

Sudanese households, farms, and small businesses financing solar systems today pay 20–35% annual interest, with loan terms as short as six to eight months (UNDP Sudan, Solar Energy Value Chain Study, May 2026). Egypt just locked in financing that amortizes over 20 years at a rate that would be a rounding error next to Sudan's. The gap is not about sunlight — Sudan has more of it than Egypt does in most seasons. It is about what a lender is willing to believe about getting paid back, and for how long.

Big Idea: Egypt's back-to-back wind deals show that the 2.4-cent tariff is a function of contract architecture — long-tenor, sovereign-backed offtake — not of national wealth or peacetime alone; Sudan's actors, from mining exporters to diaspora investors, do not need to wait for the war to end to start building the same kind of instrument at a smaller scale.

The Argument

1. Egypt didn't get a cheap price. It built a structure that produces cheap prices, and it just proved the structure is repeatable.

The Voltalia agreement gives the Egyptian Electricity Transmission Company (EETC) the right to buy the entire output of the 869 MW Zafarana project for 20 years at 2.4 cents/kWh, with construction beginning in the fourth quarter of 2026 and commercial operation targeted for 2028 (attaqa.net, 12 August 2026). The site — 120 square kilometers of a retired government wind farm — was allocated to Voltalia in exchange for the company setting aside 2% of the project's output, with total project investment estimated at roughly $800 million. Cabinet had already approved the underlying project in June 2026, when Voltalia committed an initial $53 million to move it

forward (Egypt Oil & Gas, 17 June 2026). Three days before the Voltalia signing, EETC closed a near-identical 20-year power purchase agreement (PPA) with Alcazar Energy of the UAE for a smaller, 407 MW wind project on the same site, also targeting 2028 commercial operation (attaqa.net, 12 August 2026). Two sovereign-backed offtake contracts, two different foreign developers, ten days apart, both landing at rates most emerging-market wind projects don't reach. That is not a one-off negotiation win. It is a template EETC has now run twice.

2. Sudan has the resource and the demand. What it doesn't have is anything resembling that template.

Sudan's war has cost its electricity grid an estimated $3 billion in damage (UNDP Sudan, 26 May 2026), pushing millions of households, farms, and clinics onto solar out of necessity rather than policy choice. But the financing available to them looks nothing like a PPA: 20–35% interest rates, repayment windows of six to eight months, and hardware prices that have more than quadrupled since the war began — a 550-watt panel that cost roughly SDG 75,000 before the war now sells for around SDG 330,000 (UNDP Sudan, Solar Energy Value Chain Study, May 2026). The Central Bank of Sudan issued a directive in June 2024 instructing commercial banks to expand solar financing; more than two years later, it has not moved borrowing costs off that 20–35% band (pvknowhow.com, citing Al-Taghyeer, June 2024; 3Bi analysis). The policy signal exists. The delivery mechanism — a long-tenor, creditworthy offtake structure that lets a lender price risk over years rather than months — does not.

3. The fix Sudan needs isn't a bigger version of Egypt's deal. It's a smaller one, built by actors who don't have to wait for the state to be whole again.

Egypt's PPA works because EETC is a single, sovereign, creditworthy buyer that can promise 20 years of purchases. Sudan's fragmented power market cannot replicate that at national scale right now, and pretending otherwise would be dishonest. But the underlying mechanism scales down. Gold exporters and other hard-currency earners, municipal utilities in more stable states, agro-processing firms with predictable output, and diaspora-linked investment vehicles are all potential anchor buyers capable of signing a five- or ten-year offtake commitment for a solar mini-grid or captive plant — short of a national PPA, but long enough to change how a lender prices the loan. UNDP Sudan's own study points in exactly this direction, recommending blended-finance vehicles — grants paired with revolving loans, the same logic Jordan used to bring 2.29 million beneficiaries onto renewable energy since 2015 (3Bi Research Team, 11 August 2026; JREEEF Decade of Achievement report, cited via attaqa.net, 10 August 2026). Egypt's deal is proof that the architecture works at scale. Sudan's task now is building the small-scale version before the war ends, not after.

Why It Matters to the Reader

If you work in Sudan's energy, humanitarian, or private sector, the 20–35% financing gap is not an abstraction — it is the reason a clinic runs on diesel it can't afford, or a farm's irrigation pump sits idle for want of a loan a bank won't extend past eight months. Every month that passes without a longer-tenor financing instrument is another month of solar hardware priced out of reach for the households and small businesses who need it most, and another month of predatory-rate lending becoming the default rather than the exception. For donors and blended-finance institutions reading this before COP31 (Antalya, 9–20 November 2026) starts shaping its finance-gap agenda, Egypt's back-to-back deals are a working example, ten days apart, of the exact instrument type Sudan's recovery planning needs — proof of concept sitting one border away.

Close

Egypt did not discover a cheaper way to build a wind turbine. It found a way to convince a lender that it would still be a reliable buyer in 2046, and it did that twice in ten days. Sudan cannot offer that promise at national scale today. But a gold exporter, a diaspora investment fund, or a stable-state municipality can offer a smaller version of it now — and every year that offer goes unmade is another year Sudanese households finance solar panels like payday loans instead of infrastructure.

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