

## News & Intelligence

INTERVIEW: "Strong economic growth" in SE Asia underpins \$500 million greenfield investment plan

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**French energy company EREN Renewable Energy has established several local partnerships in South-East Asia to help push through its multi-million green investment plan in several of the continent's emerging markets, a spokesperson for the power producer told Clean Energy Pipeline.**

"It's been two years since EREN started looking at the SEA market: this market combines all the key characteristics of EREN's business strategy and objectives," the spokesperson said.

"That is excellent endowment in wind and solar resources, strong economic growth, growing energy demand, and the will to diversify the energy mix and political support to alternative sources of energy."

The two-year study has led EREN Renewable Energy to target \$500 million of investments in the "promising" Southeast Asian renewable energy market. According to the spokesperson, the company will only develop greenfield solar and wind projects over the next five years.

"In the short-term we will focus on Thailand, Indonesia, the Philippines and Vietnam," the source said. "We will also keep an eye on any opportunity arising on the solar rooftop market in Singapore. Singapore, where EREN Development Asia has established its headquarters, is also a great operational base for the group thanks to its strategic geographic location in the region and concentration of skills and expertise."

The company has already developed several partnerships and projects in Indonesia and Thailand, and is investigating its inaugural entry into the Philippines, Vietnam and Myanmar.

This forms part of a holistic "partnership-based approach" from the company to develop and invest equity over the lifetime of a project.

EREN RE is backed with Eur600 million of equity from its shareholder and parent company EREN Groupe SA.

The spokesperson said: "EREN launched PACE Energy, a joint venture [vehicle] with CWP Energy Asia to develop wind projects in Indonesia, and signed a joint development agreement with The Blue Circle (Singapore-based wind developer, primarily operating in the Mekong region) for wind projects in Thailand. We also have development agreements with individual developers across the region."

Markets such as Thailand are expected to see an expected uptake in global developers flocking to the region to take part in upcoming utility-scale tenders, despite being dominated by local and East Asian firms. Firms active in the region include KPN Group, Gunkul Engineering Public Co. Ltd., Superblock PCL and Suntech Power Holdings.

Thailand's attractive feed-in tariffs and favourable policy towards new greenfield projects is expected to boost international uptake of clean developments.

Pichai Tinsuntisook, Chairman of the Federation of Thai Industries' renewable energy division, said recently that Thailand expects to add 1.5 GW of new solar capacity to its grid this year, which would require an investment of approximately \$2.7 billion.

The French independent power producer's plans for the rest of 2015 will further target greenfield solar and wind projects across four continents, with a particular focus on emerging markets "where renewable energy stands as a viable and profitable response to energy needs".

"EREN is actively developing wind, solar and hybrid projects across the world, and in particular in Latin America, Sub-Saharan Africa, India and of course South East Asia," the spokesperson said. "EREN owns projects under construction in Greece, Italy and France and should achieve financial closing for a significant pipeline of projects in India and Uganda."

The reporter, *Andrew Nguyen*, can be reached at [Andrew.nguyen@vbresearch.com](mailto:Andrew.nguyen@vbresearch.com)

Organisation:

[Eren Groupe SA](#)

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