

IFC and WindForce partner on Sri Lanka's first large scale Solar project to lower power costs, strengthen Energy security



Seated: Gevorg Sargsyan, Asgi Akbarally, Edore Onomakpome, Manjula Perera, and Ranil Pathirana. Standing: Lasith Wimalasena, Rasanja Perera, Rusiri Cooray, Rifat Zaman, Arvind Kumar, and Vinod Hirdaramani.

The International Finance Corporation (IFC), a member of the World Bank Group, announced a partnership with WindForce to develop Sri Lanka's first utility-scale 100 megawatt (MW) solar power facility, a landmark project that will accelerate the country's energy transition, strengthen energy security, lower electricity costs, and create thousands of jobs. The project will generate around 220 gigawatt hours (GWh) of clean electricity each year, advancing Sri Lanka's goal of increasing renewables to 50-70 percent of the power mix by 2030. It will strengthen grid reliability, lower electricity costs for consumers, and create more than 3,000 jobs, including skilled and semi-skilled positions that build capacity in the renewable

energy and infrastructure sectors.

IFC is investing up to USD 18 million through a local currency loan, supported by the IDA21 Private Sector Window (IDA PSW) Local Currency Facility, in WindForce, Sri Lanka's leading renewable energy company, to finance the solar power plant and related infrastructure. This also enables future utility-scale battery storage and renewable projects, helping strengthen grid stability. Beyond financing, IFC will deliver targeted advisory support to strengthen WindForce's technical and operational capacity, spanning engineering, procurement, maintenance, sustainability, grid resilience, and cybersecurity.

Aligned with the World Bank Group's programmatic approach to scaling renewable energy—a key priority under the World Bank Group Country Partnership Framework for Sri Lanka—the partnership blends private capital with market creation to strengthen grid resilience, accelerate the integration of variable renewable energy, and support macroeconomic recovery by reducing reliance on imported fuel and enhancing energy security. The project complements Phase I of the World Bank's Secure, Affordable, and Sustainable Energy Program, which includes a USD 30 million IDA credit to strengthen transmission infrastructure and institutional capacity for renewable energy integration.

Why it Matters

Sri Lanka's high electricity costs and vulnerability to external energy shocks make affordable and reliable domestic power critical for economic recovery and competitiveness. With annual electricity demand at 15,000–16,000 GWh—among the highest cost power markets in the region—scaling up renewables will enhance grid stability and energy supply, support the Government's 2030 renewable energy targets, and help build a robust and resilient energy system.

What they're saying

"This is a defining milestone for WindForce. Partnering with IFC, one of the world's most respected development finance institutions, is a strong validation of our strategy, governance standards, and long-term vision. This financing enables us to accelerate our investments in renewable energy and energy storage, supporting Sri Lanka's transition to a more sustainable and resilient energy future," Manjula Perera, MD, WindForce.

“Reliable, affordable power is fundamental to investment and growth. This investment—IFC’s first infrastructure energy transaction since the crisis, and the first energy deal in Sri Lanka in over a decade—shows how private capital, supported by the right reforms, and in collaboration with partners like WindForce, can accelerate the country’s energy transition while strengthening energy security, competitiveness and job creation,” Gevorg Sargsyan, Country Manager, World Bank Group in Sri Lanka and Maldives.

The Bottom Line

By aligning private investment with the World Bank Group’s programmatic approach, IFC is helping de-risk Sri Lanka’s renewable energy market, crowd in capital, and accelerate the build-out of solar power and battery energy storage systems.

The goal: to reduce electricity costs, strengthen energy security, and create a more resilient energy system that supports Sri Lanka’s economic recovery and long-term competitiveness.