



ANALYSIS OF MOROCCO'S €40 BILLION SILA ATLANTIK UNDERSEA CABLE PROJECT AND ITS GLOBAL IMPLICATIONS FOR THE RENEWABLE ENERGY SECTOR



Introduction

Morocco has emerged as a frontrunner in Africa's renewable energy transition, steadily investing in solar and wind projects to become not just energy self-sufficient, but also a regional exporter of clean power. In line with this vision, the country has announced the €40 billion Sila Atlantik undersea cable project, which aims to supply renewable electricity to Europe, with a particular focus on meeting up to 5% of Germany's power demand. This development represents more than just an infrastructure project, it underscores a broader shift in global energy dynamics, where renewable energy trade between continents is becoming increasingly feasible and strategically important. The project positions Morocco at the center of a new Africa–Europe renewable energy corridor, while providing Germany and the wider EU with an opportunity to diversify energy sources and accelerate decarbonization goals.



The €40 Sila Atlantik Cable Undersea Project

The Sila Atlantik project is conceived as one of the most ambitious renewable energy export ventures in the world. It seeks to harness Morocco's vast solar and wind resources, particularly those in the southern Sahara region, where sunlight is abundant during the day and winds are strong at night; and deliver this clean power to Europe through a subsea transmission network. The project is expected to supply up to 26 terawatt-hours of electricity annually, equivalent to around 5% of Germany's total consumption. For a country like Germany, which is actively working to phase out coal and reduce reliance on imported natural gas, such an arrangement provides a strategic opportunity to diversify supply; while advancing climate targets.

Technically, the project relies on high-voltage direct current (HVDC) transmission, a technology uniquely suited for long-distance electricity trade because of its ability to minimize losses over thousands of kilometers. The planned cable would extend nearly 4,800 kilometers, making it one of the longest undersea electricity interconnectors ever attempted. The route is expected to run along the Atlantic seabed and pass through the maritime zones of Portugal, Spain, France, Belgium, and the Netherlands before making landfall in Germany. To handle this enormous task, parallel cables will be installed, initially designed to carry 3.6 gigawatts of power, with potential expansion up to 15 gigawatts in future phases depending on market demand and regulatory approvals.

Financially, the scale of investment is staggering, with estimates ranging between €30 billion and €40 billion. Stakeholders in the project include Xlinks Germany, a spinoff of the UK-based Xlinks initiative originally conceived to connect Morocco to the United Kingdom, and energy industry veterans from companies such as EnBW and Ørsted. There is also growing interest from major European utilities, including E.ON and Uniper, and investors such as Octopus Energy. Given its transnational nature, the success of Sila Atlantik will depend heavily on regulatory alignment across multiple jurisdictions, coordinated permitting processes, and possible state-backed guarantees to de-risk the venture for private capital.

The project is envisioned to start delivering electricity by 2034, with a gradual scale-up in subsequent years. Its rollout will coincide with the EU's broader strategy to integrate renewable energy imports as part of its decarbonization roadmap and long-term energy diversification agenda. If successful, Morocco would not only cement its reputation as Africa's renewable energy hub, but also establish itself as a cornerstone of Europe's clean energy supply chain. However, the project is not without risks. These include technical uncertainties surrounding the laying and long-term reliability of such an extensive undersea HVDC network, environmental considerations in both marine and desert ecosystems, and the challenge of ensuring sufficient balancing and storage capacity to smooth out renewable intermittency before transmission to Germany.

Global Implications for the Renewable Energy Sector

The Sila Atlantik project carries broad implications that extend beyond Morocco and Germany, reshaping trends within the renewable energy industry worldwide. Key implications include:

1. **Energy Security and Diversification** – Enhances Europe's resilience by reducing dependence on fossil fuels and single-source energy supplies.
2. **Expansion of Renewable Energy Trade** – Establishes a precedent for large-scale cross-border electricity trade, potentially linking other regions with renewable surpluses to those with high demand.
3. **Technological Advancement** – Advances the global deployment of high-capacity undersea transmission infrastructure, setting benchmarks for future projects.
4. **Geopolitical Realignment** – Strengthens Africa–Europe energy ties, shifting the balance of power in global energy markets and reducing Europe's reliance on traditional fossil fuel exporters.
5. **Acceleration of Climate Goals** – Contributes significantly to global decarbonization efforts, by enabling cleaner electricity flows on a continental scale.



Conclusion

Morocco's Sila Atlantik undersea cable project is not merely an ambitious infrastructure investment; it represents a bold reimagining of the global renewable energy landscape. By leveraging its natural resources to meet international demand, Morocco is emerging as a critical partner in Europe's clean energy transition. At the same time, the project demonstrates how renewable-rich countries can monetize their energy potential while contributing to global sustainability goals. If successfully executed, the initiative could serve as a model for future cross-continental renewable energy corridors, accelerating the world's collective path towards a low-carbon future.

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