

Public Information Summary

Host Country(ies)

Mozambique

Name of Counterparty / Issuer

Globeleq Africa Limited

Project Description

DFC will provide a pre-investment Technical Assistance (TA) grant to develop the Temane Expansion Power Plant with a Carbon Capture and Storage (CCS) solution for potential DFC debt financing over a period of approximately 12 months. TA activities will fund a portion of the development budget with a view to reaching financial close.

The initial Central Terminal Temane (“CTT”) project is a 450MW combined cycle unabated gas fired power facility that reached Financial Close on 8 December 2021 and is currently in construction with commercial operations expected in 2025. The sponsor is proposing an expansion of the facility (“Temane Expansion”). The Temane Expansion project will be an additional ~ 450MW combined cycle gas turbine facility, which will double the generation capacity of the co-located CTT. The Temane Expansion facility will utilize a CCS solution by making use of saline aquifers or depleted gas reservoirs in the adjacent Temane area. The transmission component for the power generated from the plant will enable the connection of Mozambique’s southern transmission system to its central and northern systems.

The TA will enable funding for early-stage activities for the Temane Expansion project across the full value chain to de-risk the development that will include confirming technical design aspects, obtaining feasibility level cost estimates, identifying key risk and mitigation options, and defining appropriate commercial structures and regulatory framework supportive of successful project implementation. The TA package will be split between the CCS development scope as well as selected early-stage value chain activities related to power plant, transmission solution and gas supply arrangements to manage the project risk.

DFC Product Type

Technical Assistance

DFC Investment / Insured / Equity Amount

\$5,000,000 in Technical Assistance Funds

Total Project Costs

\$52,443,853

U.S. Involvement

N/A

Insurance Specific

Private Insurer Participation

N/A

Investment Type

N/A

Foreign Enterprise

N/A

Fund Specific**Fund Manager**

N/A

Equity Specific**Grants Assessment**

N/A

Policy Review**U.S. Economic Impact**

The Project is not expected to have a negative impact on the U.S. economy.

Developmental Objectives

- Increased access to sustainable energy
- Improved quality, quantity, and reliability of electricity
- Reduced greenhouse gas emissions
- Improved quality of life, economic, and social health
- Reduced vulnerability to climate shocks and stresses

Environment and Social Assessment**Screening:**

This Project has been reviewed against DFC's categorical prohibitions and determined to be categorically eligible.

Applicable Standards:

N/A

Environmental and Social Risk and Mitigation:

N/A