Early Warning System

MIGA-14661

Central Termica de Temane

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Quick Facts

Countries	Mozambique
Specific Location	Northern Inhambane Province, Mozambique
Financial Institutions	Multilateral Investment Guarantee Agency (MIGA)
Status	Approved
Bank Risk Rating	A
Voting Date	2021-12-08
Borrower	Globeleq Africa Limited
Sectors	Energy
Investment Type(s)	Guarantee
Investment Amount (USD)	$ 251.30 million

Project Description

According to bank provided information, on December 8, 2021, MIGA signed contracts issuing guarantees totaling US$251.3 million to Globeleq Africa Limited, Sasol Africa Proprietary Limited, and Moz Power Invest, S.A. for their equity and quasi-equity investments in the Central Termica de Temane gas-fired power plant project in the Republic of Mozambique. The guarantees are issued for up to 20 years against the risks of transfer restriction and breach of contract.

The project consists of the design, construction, ownership, operation, maintenance, financing and management of the 450 MW (net capacity) Central Termica de Temane greenfield gas-fired power station, insurance of said activities and of assets and income associated thereto, the conversion by the power station of natural gas as supplied by EDM into electricity on behalf of EDM by making available to EDM the dependable power generation capacity and electrical output of the power station in consideration for payment, the interconnection with the national transmission network, use of water resources, and the provision of incidental services and all related activities(the Project or CTT). The Project will be an independent power producer, generating an average of 3,143 GWh annually (under current dispatch assumptions) for sale to Electricidade de Mocambique E.P. (EDM) under a 25-year Tolling Agreement. The electricity produced by the Project will be injected into the national grid and sold by EDM to Mozambican end-consumers and to neighboring countries under bilateral contracts or through the Southern African Power Pool. The termination payment obligations of EDM will be guaranteed by the Government of Mozambique represented by the Ministry of Mineral Resources and Energy (MIREME). Construction is expected to begin in January 2022 and operations around November 2024.

The project is located in northern Inhambane Province, Mozambique, approximately 30 km southwest of the town of Inhassoro, 20 km inland from the coast.

Investment Description

- Multilateral Investment Guarantee Agency (MIGA)

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Globeleq Africa Holdings Limited	Client	-
-	-	-	-	Sasol Africa Proprietary Limited	Client	-

Contact Information

Contact information not provided at the time of disclosure

ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://www.miga.org/contact/access_to_information

You can also request general information about MIGA and for information on guarantees by emailing: migainquiry@worldbank.org

ACCOUNTABILITY MECHANISM OF IFC/MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org

Other Related Projects

- DFC-2024-GLOBELEQTEMANE Globeleq Temane Expansion CCS TA