Early Warning System

WB-P514521

Repowering Energy Systems for Energy Transition PforR Program

Quick Facts

Countries	South Africa
Specific Location	Camden, Hendrina, Grootvlei, Arnot and Kriel
Financial Institutions	World Bank (WB)
Status	Proposed
Bank Risk Rating	U
Voting Date	2027-02-18
Borrower	Eskom Holdings SOC LTD
Sectors	Energy, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	$ 140.00 million
Project Cost (USD)	$ 2,501.13 million

Project Description

According to the Bank’s website, the objective of this project is to repower select Eskom coal plants with new renewable energy capacity.

Results Area 1: Renewable Energy. This Results Area will involve the installation of renewable energy generation and energy storage systems through public-private partnerships to enhance system reliability and flexibility, thereby reducing reliance on coal-based power generation. It will be implemented in the outer areas surrounding the originally targeted Camden, Grootvlei, Hendrina, Arnot, and Kriel power stations. Specifically, the repowering initiative will include the installation of up to 1,572 MW of solar and wind power, along with 850 MW of Battery Energy Storage Systems (BESS).

Results Area 2: Private Sector Mobilization. This Results Area will support Eskom (Renewable division) work on establishing PPP arrangements that aim at attracting private sector participation while ensuring Eskom’s role in South Africa’s clean energy transition.

Results Area 3: Emissions Reduction. This results area will support Eskom in optimizing its dispatch system to prioritize generation from more efficient and affordable stations, which will facilitate the reduction of coal consumption and GHG emissions from other coal stations.

Results Area 4: Workforce Transition (to be confirmed). This results area will support Eskom in designing a comprehensive Workforce Transition strategy to ensure a just and well-planned transition for workers at the five coal-fired power stations scheduled for decommissioning under Phase 3 of the MPA. Key activities will include a detailed worker profiling exercise across all five stations to inform the development of a comprehensive transition strategy outlining clear pathways for upskilling and reskilling aligned with emerging employment opportunities, redeployment within Eskom and the broader energy and infrastructure ecosystem, and voluntary separation or early retirement options for those choosing to exit the workforce.

Early Warning System Project Analysis

According to the Program Information Document (PID), an Environmental and Social Systems Assessment (ESSA) will be undertaken prior to Appraisal to further evaluate the environmental and social effects of the Program and the adequacy of borrower systems.

Investment Description

- World Bank (WB)

Total Project Cost: US$ 2501.13 million

IBRD Commitment: US$ 140.00 million

Private Actors Description

Eskom Hld SOC Ltd is a South African state-owned electricity public utility. The utility is the largest producer of electricity in Africa, and it operates a number of notable power stations, including Matimba Power Station and Medupi Power Station in Lephalale, Kusile Power Station in Witbank, Kendal Power Station, and Koeberg Nuclear Power Station in the Western Cape Province, the only nuclear power plant in Africa.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Eskom Holdings SOC Ltd	Client	-

Contact Information

World Bank

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Borrower/Client/Recipient

Eskom Holdings SOC LTD

Implementing Agencies

Eskom Holdings SOC LTD

ACCESS TO INFORMATION

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Bank Documents

- Concept Program Information Document (PID)