DBSA’s exposure under the project is R2.06bn comprising R1.7bn of the commercial facilities and R368m of Empowerment Financing which enabled both the SIOC Community Development Trust and the Kathu Local Community Trust to acquire equity stakes in the Project. The Kathu Local Community Trust will represent the interests of the local communities in the John Taalo Gaetsewe District Municipality in the Project.

Positive socio-economic impacts associated with the Kathu Project include the creation of jobs, skills transfer and contributions to the local, regional and national economies. Approximately 500 jobs will be created during the construction phase.

The local communities also stand to benefit from the dividend flows to the Kathu Local Community Trust, the provision of social infrastructure such as schools and libraries funded from the Project cashflows and from the stimulation of the local economy through the provision of services to the Project by local entrepreneurs.

Upon completion, the Project will contribute approximately 390,000MWh per annum of clean energy to the national grid thereby powering an estimated 179,000 South African homes. The Project will save approximately six million tons of CO2 over the 20 year operational period.

FINANCING BEYOND SOUTH AFRICA

The DBSA is committed to regional development and integration aimed at facilitating trade in Africa and as a result has invested in energy projects in the SADC region. The DBSA has contributed an additional 420MW to energy production in SADC and disbursed more than R1.4 billion into the SADC energy sector in 2015.

PROJECT OVERVIEWS

In 2010, the Zambia Power System Development Plan (PSP) approved the development of the Hydropower Generation Project on the Kafue River in Zambia; an expansion of the Ithezi-Thezi (ITT). This was identified as a critical energy generation project which will assist with the country’s targeted projected growth of 4.4% per annum in electricity demand for the following 25 years.

The DBSA has contributed USD23 million (of its USD35 million facility) to ITT Independent Power Producer for the generation of 120MW from a hydro power plant. The Plant is already fully operational, with Commercial Operation Debt being reached in March 2016, and had a total cost of USD244 million.

AWARDS

Over the years, the DBSA has received both local and international awards and recognition for its work in the energy sector.