



GROUPE DE LA BANQUE AFRICAINE DE DÉVELOPPEMENT
AFRICAN DEVELOPMENT BANK GROUP

Press Release

For immediate
release



THE AFRICAN DEVELOPMENT BANK SIGNS A \$500 MILLION LOAN WITH ESKOM

JOINT MEDIA STATEMENT

ESKOM SIGNS A USD 500 MILLION LOAN WITH THE AFRICAN DEVELOPMENT BANK

Johannesburg, 10 November 2008– Eskom today signed a 20 year loan for USD 500 million, the largest ever granted by the Private Sector Window of the African Development Bank (AfDB), as part of capital-raising plans to fund its build programme.

The loan agreement was signed by Dr. Mandla S Gantsho, vice-president in charge of infrastructure, the private sector, and regional integration of the African Development Bank and Mr Bongani Nqwababa, the Finance Director of Eskom Holdings Ltd in Sandton, Johannesburg.

South Africa's national electricity company, Eskom Holdings Ltd, is rolling out a capital expansion programme that seeks to increase generation capacity and strengthen the transmission and distribution grid, to support growth in the region.

In his statement, **Vice President Mandla Gantsho** underscored the importance of the AfDB's commitment to assisting its regional member states in improving their electricity capacity and underlined that "by supporting Eskom expansion program the AfDB will seek to address not only to help the energy problem in South Africa but also the whole sub-region as Eskom is expected to play an important role in some of the key regional programs.

Eskom Finance Director, Mr. Bongani Nqwababa said "the extent and timing of the AfDB loan, reinforces the extent to which institutions based on the continent can provide support which fosters growth. The foundation for this relationship is all the more entrenched due to the two institutions' critical developmental mandate both in South Africa and the region."

To date, the bank has approved a total of nine private sector operations amounting to approximately USD 1.2 billion in South Africa, and two regional projects amounting to USD 105 million.

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Issued by the African Development Bank and Eskom Media Desk

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