

Actis Announces Exit Of Globeleq Africa To CDC And Norfund Consortium

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[EMAIL ACTIS](#)

Globeleq, a company owned by Actis, the pan-emerging market investor, has completed the sale and transfer of Globeleq Africa, the leading power generation platform in Africa, to a company owned by Norfund, the Norwegian investment fund for developing countries and CDC Group (“CDC”), the UK government’s development finance institution.

Norfund acquired a significant minority stake (30%) in Globeleq Africa for a final cash consideration of US\$227 million. CDC, which already held a majority indirect investment in Globeleq Africa via the Actis Infrastructure 2 fund, transferred its interest into the new company owned jointly with Norfund.

Globeleq Africa manages electricity-generating assets across Cameroon, Tanzania, Cote d’Ivoire, Kenya and South Africa, spanning gas, heavy fuel oil (HFO) wind and solar technologies. During the past seven years, through Globeleq, Actis has invested over \$350m in Globeleq Africa. As a result, Globeleq Africa has more than doubled its installed capacity to 1,234MW and the business is now the leading power generation platform on the continent.

Actis applies rigorous Environmental, Social and Governance standards across its portfolio companies and Globeleq Africa is no exception; the business operates with world-class ESG standards in every underlying asset. The strong commitment to maintaining these standards will continue under the ownership of CDC and Norfund.

Key milestones during Actis’s investment in Globeleq Africa have included the completion, on time and below budget, of the Azito power plant conversion in Cote d’Ivoire from open to combined cycle technology. The conversion increased the plant’s installed capacity by almost 50% (to 432MW) eliminating the need for additional gas, this has significantly contributed to the stability of Côte d’Ivoire’s power sector. Globeleq Africa also successfully backed the construction of three renewable energy generation assets with a combined capacity of 238MW under the first round of the ambitious South African Renewable Energy Procurement Program. The next growth milestone will be the expansion of the Kribi generation plant in Cameroon, currently in advanced development and expected to reach financial close later in the year.

Torbjorn Caesar, Actis Senior Partner said: “We are proud of what we have achieved over the past decade in terms of creating a much needed energy infrastructure in Africa. We are confident that CDC and Norfund, working as direct investors with Globeleq Africa’s management team, can successfully continue that work.”