



Standard Bank



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Regional Collaboration and Innovative Financing Addresses Zambia's Energy Crisis

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Africa GreenCo Group (GreenCo) through its newly incorporated Zambian subsidiary GreenCo Finance Solutions Limited (**GreenCo FinanceCo**) has signed a USD 55.5 million Facilities Agreement with Stanbic Bank Zambia and the Standard Bank of South Africa Limited (acting through its Corporate and Investment Banking division), to finance power imports and alleviate Zambia's energy crisis.

GreenCo FinanceCo will use the facilities to prepay for over 130MW of electricity imports during the current energy crisis, alleviating the financial pressure on its clients to prepay for the power they need. The requirement to prepay for electricity has been a significant financial constraint on offtakers in Zambia. This strategic collaboration would not have been possible without the cooperation and support of Zambia's national utility, ZESCO, and comes at a crucial time as Zambia faces a prolonged electricity crisis caused by the ongoing drought, which has significantly reduced hydropower generation.

Johannes Baake, Chief Financial Officer at GreenCo noted that: *"Innovation is an integral part of GreenCo's DNA. These facilities bridge the gap between the need for imports to be prepaid and the commercial imperative for power consumed to be post-paid. The ability to prepay for electricity on behalf of our clients is a significant step in addressing the immediate energy challenges faced in Zambia, enabling us to import more power and serve more Zambian industries. The imported volumes exceed the immediate needs of our clients, ensures that their industrial operations remain uninterrupted, while also freeing up electricity for households and smaller businesses. We are grateful to ZESCO for their ongoing collaboration and to Stanbic and Standard Bank for their confidence and support in our mission to bring sustainable energy solutions to the region to ensure energy security in Africa."*

Helen Lubamba, Head of Corporate and Investment Banking at Stanbic Bank Zambia said: *"We are proud to be able to support GreenCo in their efforts to address the energy challenges facing Zambia. By providing these prepayment facilities, we are not only supporting critical business ventures but also contributing to the national and regional effort to mitigate the impact of the electricity crisis. This loan facility is an investment in Zambia's future, ensuring that businesses, communities and consumers have access to the power they need for growth and development. Additionally, the structure of this facility answers the call to find innovative funding solutions in addressing the energy shortfall."*

Sherrill Byrne, Executive in the Energy and Infrastructure Finance team at Standard Bank, added *"We have been actively following the progress of GreenCo over recent years and discussing a number of potential transactions across the SADC region. We are delighted to be supporting our colleagues at Stanbic Zambia in providing these facilities and hope it will be the first of many transactions with GreenCo in the region."*

This innovative financing arrangement highlights GreenCo's role in helping to balance regional energy deficits and surpluses, facilitating cross-border power trade, and enhancing GreenCo's creditworthiness and reputation as a key player in the energy space within the Southern African Development Community. We are optimistic about the positive impact this prepayment model will have on both the economy and regional integration.

For media inquiries and further information, please contact: info@africagreenco.com



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About GreenCo

GreenCo is a renewable energy buyer and trader operating in Southern Africa (Zambia, South Africa, Zimbabwe and Namibia); purchasing power from renewable energy generators and selling that electricity to utilities, private sector offtakers (i.e. commercial and industrial users), national power trading markets and to the competitive markets of the Southern African Power Pool (SAPP). GreenCo is an active trader on SAPP and holds a number of applicable licenses covering its operations within the Southern African region. Through its activities, GreenCo will increase the supply of, and demand for, finance for energy projects, and mobilise private sector capital more quickly towards critical and transformative capacity addition. For more information please see: www.africagreenco.com

GreenCo's innovative business model was incubated with grant funding and strategic input from **The Rockefeller Foundation, Convergence** and the **P4G**. GreenCo also benefited from the support of **SADC PPDF** via the **Development Bank of Southern Africa** and **USAID's Power Africa**, of which GreenCo is a private sector partner.

About the Standard Bank Group

The Standard Bank Group is the largest African bank by assets, operating in 20 African countries, 4 global financial centres and 2 offshore hubs. Headquartered in Johannesburg, South Africa, we are listed on the Johannesburg Stock Exchange, with share code SBK, and the Namibian Stock Exchange, share code SNB. As at 30 June 2024, the group's market capitalisation was R347 billion (USD19 billion). The group's headline earnings for the period ended 30 June 2024 were R22.0 billion (USD1.2 billion) and total assets were R3.1 trillion (USD170 billion). Standard Bank has a 161-year history in South Africa and started building a franchise outside southern Africa in the early 1990s. Our strategic position, which enables us to connect Africa to other select emerging markets as well as pools of capital in developed markets, and our balanced portfolio of businesses, provide significant opportunities for growth. As at 30 June 2024, Standard Bank Group had 19.5 million clients, employed nearly 51 000 people (including Liberty) and had almost 1 200 points of representation and 5 500 ATMs on the African continent. The group's largest shareholder is the Industrial and Commercial Bank of China (ICBC), the world's largest bank, with a 19.4% shareholding. In addition, Standard Bank Group and ICBC share a strategic partnership that facilitates trade and deal flow between Africa, China and select emerging markets.

About Stanbic

Stanbic Bank Zambia is a wholly owned subsidiary of Standard Bank Group. The group is listed on the Johannesburg Stock Exchange. On the Zambian market, the bank has been in existence for over 66 years and is currently providing financial services to over 150,000 customers.

Stanbic Bank has 26 branches and 99 ATMs across the country. Our digital services on our online platforms such as internet banking, Business Online and Enterprise Online can be accessed from anywhere across the globe. Currently, Stanbic Bank Zambia is the largest bank by capital base in the market. The Bank is committed to driving Zambia's growth and provides a full spectrum of financial services covering Consumer and High Net worth, Commercial Banking and Corporate and Investment Banking