

Powering Africa: **The Financial Options**

PAFO 2008

An Executive Meeting

Mövenpick Resort & Spa Mauritius - **12th-14th November**

Unlocking the Financing of Africa's Power Projects

Why is it getting more difficult to finance power projects in Africa?

- Is it the fault of the governments?
- Is it the fault of the banks?
- Is it the fault of the lawyers?
- What is the responsibility of the developer?
- And what is a "Sponsor Support Guarantee"?

The stamina and resources one needs to see an African power projects though to financial close is Herculean. But with the right structures and constructive cooperation power deals could become attractive to more players.

A group of professionals will gather at the Mövenpick Resort & Spa in Mauritius to explore solutions to what is fast becoming a financing impasse for African power projects. The meeting has added importance because the discussions will be informed by government ministers, who are so often criticised for slowing negotiations.

Those wishing to participate in the discussions are invited to register their interest as soon as possible, as attendance at the meeting is restricted.

For details of the meeting contact
Rod Cargill – cargill@energynet.co.uk
Bruno Cockburn – bruno@energynet.co.uk

Government officials to date

Bernhardt Esau

Deputy Minister of Mines & Energy
Namibia

Charles Keter

Assistant Minister of Energy
Kenya

John Michuri

Minister of Finance
Kenya

Imo Ekpo

Federal Ministry of Water Resources, Nigeria

Patrick Nyoike

Permanent Secretary
Ministry of Energy
Kenya

John Titus

Director: Administration & Finance
Ministry of Mines and Energy, Namibia



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Government Officials

John Michuri

Minister of Finance, Kenya

Bernhardt Esau

Deputy Minister of Mines and Energy, Namibia

Charles Keter

Assistant Minister of Energy, Kenya

Imo Ekpo

Federal Ministry of Water Resources, Nigeria

Patrick M. Nyoike

Permanent Secretary, Ministry of Energy, Kenya

John Titus

Director: Administration & Finance

Ministry of Mines and Energy, Namibia

Ministry of Finance and Economic Development

Mauritius

PAFO members

Anand Naidoo

Head: Power & Energy: Investment Banking Division **ABSA Capital**
South Africa

Paul Kunert

Principal Investment Officer, **Actis**, London

Darma Veragoo

Chief Financial Officer, **Central Electricity Board**, Mauritius

Brian Parry

Project Development Manager, **ClimateCare**, Mauritius

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Stephan Diefenthal

Vice President New Business Africa, **DEG GmbH**, Germany

Garry Akpobire

Chairman, **Delta Integrated Development Programme**, Nigeria

Neil Upton

Partner-Head of Power & Water EMEA

DLA Piper UK LLP, United Kingdom

Dan Croft

Director, Business Development, **Empower**, London

Felix Ngamlagosi

Director Regulatory Economics, **Energy and Water Utilities Regulatory Authority (EWURA)**, Tanzania

Nicoline Bredenkamp-Boshoff

International Trader, **Eskom Transmission Division**

Penny Herbst

Specialist Multilateral Finance, **Eskom Treasury**, South Africa

Judith (Judy) Raphael

Corporate Specialist (Finance), **Eskom Finance Division**

Lynette Vajeth

Generation Division: Strategy, Technology and Assurance Department
Eskom, South Africa

David White

Head of Regional Representation for Southern
African & Indian Ocean, **European Investment Bank**

Jonathan Berman

Principal, **Fieldstone Africa (Pty) Ltd**, Johannesburg

Diana Wesselius

Manager LDC and Energy Funds, **FMO**, The Netherlands

Orli Arav

Director, **Frontier Markets Fund Managers**, London

Jean Pierre Sanchis

Director General, **Hydelec Madagascar SA**

Paul Eardley-Taylor

Senior Vice President, Debt & Infrastructure, **HSBC Africa**

Edwin Momife

CEO, **MTel**, Nigeria

Miquelina Menezes

Chairperson, **National Fund for Energy (FUNAE)**, Mozambique

Ben Munanga

CEO, **Oceangate Congo sprl**, DRC

Oti Ikomi

Executive Director, **Oceanic Bank**, Nigeria

Patrick Okonjo

Partner, **Okonjo & Okonjo**, Nigeria

Makole Maponya

Portfolio Manager

Old Mutual Investment Group SA, Cape Town

Stéphanie Mouen

Investment Officer Infrastructure and Mining, **Proparco**, Paris

Juliet Rugeiyamu Kairuki

Project Manager, Public Private Partnerships, **SADC Banking Association**

Brian Potgieter

Director, **SAHA International (South Africa)**

Lui Kai

Regional Director, **SINOHYDRO Corporation Limited**, South Africa

Dongsheng Song

Deputy Managing Director, **SINOHYDRO Corporation Limited**, Beijing

Jay Govender

Director, **Siwendu and Partners Inc**, South Africa

Christophe Nairac

Sustainomics Limited, Mauritius

Daniel B. Dexter

Vice President - TAQA Global Power, **TAQA New World, Inc.**

Zeph Mbugua

Vice-Chairman, **Trans-Century Ltd**, Nairobi

James Mworira

Senior Investment Officer, **Trans-Century Ltd**, Nairobi

Thierry Koenig

Director, **The Mauritius Commercial Bank Limited**

Jean Michel Ng Tseung

Chief Manager, **The Mauritius Commercial Bank Limited**

Haddis Tilahun

Director, **United Africa Group (Pty) Ltd**, Namibia

Khalil Elahee

Lecturer, Faculty of Engineering, **University of Mauritius**

Indur Fagoonee

Vice Chancellor, **University of Mauritius**

Brigitte Baillie

Partner, **Webber Wentzel**, Johannesburg

Jason van der Poel

Partner, **Webber Wentzel**, Johannesburg

Pat Naidoo

Chief Executive, **Western Power Corridor Project of SADC**



PAFO Agenda

Wednesday, November 12, 2008

19:00

Welcome Drinks

Thursday, November 13, 2008

09:00

Powering Africa: The Financial Options

In response to calls at the 2008 Africa Energy Forum in Nice that the African power sector should identify in stark relief the problems that beset the industry and be equally robust in proposing solutions, the PAFO meeting in Mauritius will examine how governments, utilities and developers can structure their projects to address the concerns of financiers, and increase the likelihood of achieving that much sought after goal—financial closure. But this quest for understanding and consensus must also be supported by financiers themselves who need to be sympathetic to the concerns of the borrower and demonstrate a flexibility that will encourage accommodation and understanding of all parties. The ingredient that will facilitate negotiations and clinch the deal is professional and appropriate advice.

Who Favours What and Why?

Chairman

Neil Upton

Partner-Head of Power & Water EMEA, DLA Piper UK LLP
United Kingdom

Welcome address

What has good planning and a sound fiscal policy meant to the Mauritian electricity sector and the wider economy, and how will this reflect on the development of the renewable energy sector?

Dr Ahmed Rashid Beebeejaun (invited)

Deputy Prime Minister &
Minister of Renewable Energy and Public Utilities, Mauritius

Topics for discussion

Political constituency: what are governments looking for in a private power project and why do they so rarely find it?

Financing the expansion of public utilities: what do politicians see as the best scenario and why is it often so difficult to achieve.

More bonds please: are there any downsides?

Sovereign risk guarantees: given the benefit to the economy of power development, why do governments see guarantees as problematic?

Private power providers: their greatest skill is the ability to put together the finance for a project?

Government representatives

John Michuri

Minister of Finance, Kenya

Bernhardt Esau

Deputy Minister of Mines and Energy, Namibia

Charles Keter

Assistant Minister of Energy, Kenya

Patrick M. Nyoike

Permanent Secretary, Ministry of Energy, Kenya

Commentators

Khalil Elahee

Lecturer, Faculty of Engineering, University of Mauritius

Paul Kunert

Principal Investment Officer, Actis, London

11:30

Financing renewable energy: the options

Regional perspective and options

Ivory Coast
Kenya
Mozambique
Namibia
Nigeria

Government representatives

Léon Monnet

Minister of Mines and Energy, Ivory Coast

Bernhardt Esau

Deputy Minister of Mines and Energy, Namibia

Charles Keter

Assistant Minister of Energy, Kenya

Ali Mansoor

Financial Secretary
Ministry of Finance and Economic Development, Mauritius

Patrick M. Nyoike

Permanent Secretary, Ministry of Energy, Kenya

Commentators

Miquelina Menezes

Chairperson, National Fund for Energy (FUNAE), Mozambique

Imo Ekpo

Federal Ministry of Water Resources, Nigeria

13:00

Lunch at Mövenpick

To suggest topics for discussion please contact Rod Cargill (cargill@energynet.co.uk) or Bruno Cockburn (bruno@energynet.co.uk)

PAFO Agenda

14:30

Risk—a new world order

Chairman

Fiona Thompson

Energy Consultant, United Kingdom

Topics for discussion

The foreign indexation risk: the existence or creation of products to minimise the implications of this to developing countries.

A project breaker: what is so difficult about the appropriate apportioning of risk?

Minimum lending requirements: how do commercial and investment banks assess the bankability of a project?

Credit crunch: is Africa immune?

Tightening EPC resources: are contractors likely to take less of the construction risk, and what affect will this have on developers?

A perfect concept: insure against loss if the investment turns sour—could anything be simpler?

Commentators

Paul Eardley-Taylor

Senior Vice President, Debt & Infrastructure, HSBC Africa

Oti Ikomi

Executive Director, Oceanic Bank, Nigeria

Makole Maponya

Portfolio Manager, Old Mutual Investment Group SA, Cape Town

Anand Naidoo

Head: Power & Energy: Investment Banking Division
ABSA Capital, South Africa

Judith (Judy) Raphael

Corporate Specialist (Finance), Eskom Finance Division

David White

Head of Regional Representation for Southern African & Indian Ocean,
European Investment Bank

16:00

Competition works

Topics for discussion

Qualifying for investment funds: what are the criteria?

A country needs to attract finance for its power sector: what will give it a competitive edge over other countries?

Africa is a growing market for international banks: how are African banks faring against the increased competition?

Competition sharpens the financial performance of utilities: so what?

The cost of finance: is there anything new to learn about how to reduce the cost?

Development finance institutions: pivotal to progress?

Commentators

Orli Arav

Director, Frontier Markets Fund Managers, United Kingdom

Jonathan Berman

Principal, Fieldstone Africa (Pty) Ltd, South Africa

Miquelina Menezes

Chairperson, National Fund for Energy (FUNAE), Mozambique

Stéphanie Mouen

Investment Officer Infrastructure and Mining, Proparco, Paris

Diana Wesselius

Manager LDC and Energy Funds, FMO, The Netherlands

Friday, November 14, 2008

09:30

Sharing financial experience

Chairman

Neil Upton

Partner-Head of Power & Water EMEA, DLA Piper UK LLP
United Kingdom

Switzerland of the south: how to develop a resilient financial services industry, and what is its impact on economic growth?

Indur Fagoonee

Vice Chancellor, University of Mauritius

Topics for discussion

Central Electricity Board: how to manage debt in a market of uncertain exchange and interest rates.

Managing the public purse for economic growth: how will South Africa guarantee long-term stability?

Financing Eskom's New Capacity: what are the options and the criteria of choice?

Sinohydro: sharing the experience of Africa's hydro-power development.

Loads of money: why is it not finding its way into power projects?

Lessons from MENA: the metamorphosis of state utilities.

How other regions do it: are the elements of success that support power growth in Asia and the Middle East identifiable and transferable?

Strangled by power shortages: just how is Nigeria going to buy its way out of the present power dirth?

Commentators

Daniel B Dexter

Vice President - TAQA Global Power, TAQA New World, Inc, USA

Song Dongsheng

Deputy Managing Director, Sinohydro Corporation, Beijing

Paul Eardley-Taylor

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Permanent Secretary, Ministry of Energy, Kenya

Darma Veragoo

Chief Financial Officer, Central Electricity Board, Mauritius

13:00

Lunch at Mövenpick - End of PAFO 08



Mövenpick Resort & Spa Mauritius, located on the south west coast of Mauritius, is a beachfront property in Bel Ombre with Dutch and British influence set amid lush casuarinas trees, 10 kilometres from Le Val nature park. The literature describes it as offering a unique atmosphere of a traditional sugar cane plantation from the early 17th century.

All rooms in this first-class property have a terrace or balcony overlooking the Indian Ocean, are air-conditioned, and combine Portuguese and Moorish styles, with wood or palm thatched roofs. The rooms are set in a 22-acre tropical garden, among casuarinas, coconut trees, frangipanes, hibiscus and bougainvilleas. Space, tranquillity and service are the key words to define this unique resort.

PAFO 2008

Registration & Hotel Information



Please register the following to attend the "Powering Africa: The Financial Options" executive meeting at a cost of £795 per attendee. Discounts for multiple attendees are 5% for two, 10% for three, 15% for four, and 20% for five and above.

Full name: _____

Position: _____

Company/Organization: _____

Address: _____

Tel: _____ Fax: _____

Email: _____

Company activity: _____

Signature: _____ Date: _____

Pay online at www.energynet.co.uk

Payment by credit card

Credit card number: _____

Security No. (usually on the signature strip) _____

Expiry Date: _____

The card is in the name of: _____

Visa/Master/Euro 0 Diners 0

Credit card billing address: _____

Payment by Bank Transfer (attach copy or supply full details of transfer). Payment should be made through the Royal Bank of Scotland plc, quoting (1) account number 70545244; (2) sort code 15-30-00; and (3) swift(BIC) code RBOS GB2L, noting "PAFO", delegate name & company. All transfer costs to be paid by sender; alternatively add £16 to your total fee.

Payment by Cheque drawn on a UK Bank, payable to EnergyNet Ltd.

Please return your completed form to: Evelyne Cargill

EnergyNet Limited • 110 Elm Road • Kingston upon Thames • Surrey KT2 6HU • United Kingdom

• Tel +44 (0)20-85 47 06 98 • Fax +44 (0)20-85 41 32 44 • evelyne@energynet.co.uk

The fee covers:

- Access to the "Power Africa: The Finance Options" executive meeting
- Lunches and dinners
- Documentation
- Executive networking facilities on the website
- Presentations online

Cancellation: The fee is non-refundable if cancellation is received after October 15, 2008. For a cancellation before this date the fee will be refunded, less a handling charge of £50.

Venue: Mövenpick Resort & Spa Mauritius
www.moevenpick-hotels.com

Meeting agenda: EnergyNet reserves the right to alter the timing, content, and speakers of Powering Africa: The Financial Options

Hotel accommodation:

Rooms at the Mövenpick Resort & Spa Mauritius Allée des Cocotiers, Bel Ombre, Mauritius, have been reserved for PAFO attendees at a special rate of:

£85.00 per person per day for single room deluxe

£65.00 per person per day double room deluxe

The accommodation rates are quoted in pounds sterling and are per person per night for rooms on a run of the house basis, inclusive of an extensive buffet breakfast, all current taxes and VAT at 15%.

To reserve accommodation, please contact

Mövenpick Resort & Spa

Phone +230 623 5000

Fax +230 623 5001

Email: esmeeta.ramchurrun@moevenpick.com

www.moevenpick-mauritius.com

November is high season, and therefore it is advisable to reserve your hotel room in the Mövenpick as soon as possible. EnergyNet cannot guarantee that there will be rooms available in the Mövenpick. There are other hotels in the vicinity.