



The European Investment Bank in the Republic of South Africa

Since 2004, the EIB has supported development and economic activity in South Africa with loans and equity investment worth over EUR 2.5 billion.

In South Africa, we act upon mandates entrusted to us by the European Council.

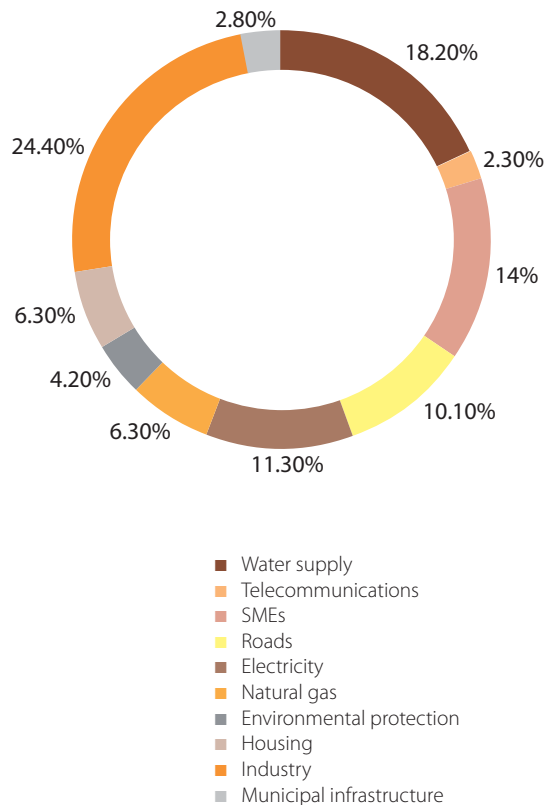
The current mandate covers the period 2007-2013 for up to EUR 936 million for both private and public sector operations. Additional resources are available for climate action projects.

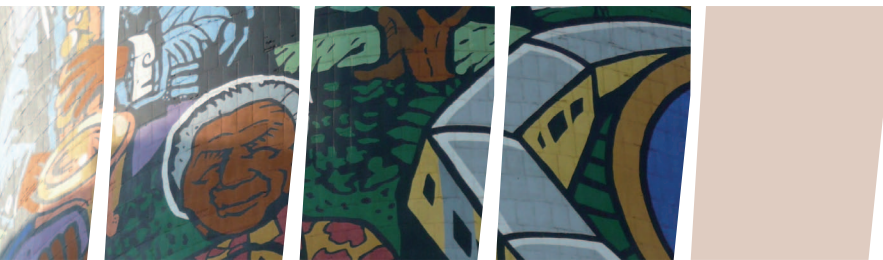
Since 2004, the EIB has invested over EUR 2.5 billion in South Africa.

Our activities in the Republic of South Africa focus on:

- Private sector development.** We help in the country's fight against poverty and the high rates of unemployment by extending credit lines directly or via partner banks to support the local private sector in South Africa.
- Reinforcing the country's infrastructure.** We finance projects that aim to improve municipal infrastructure and the delivery of basic services. We put a special focus on financing affordable housing in South Africa.
- Supporting climate change mitigation and adaptation.** We finance key renewable energy and energy efficiency projects carried out by both public and private sector developers. We support the South African government's initiative to increase the share of renewable energy to 15% of electric power generation by 2020.

EIB portfolio in the Republic of South Africa, lending by sector (2003-2012)

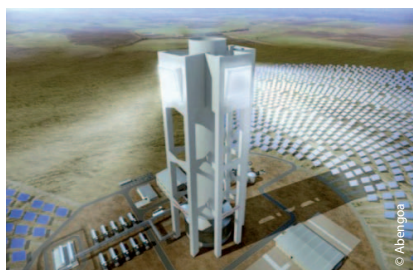




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Khi Solar One: financing renewable energy.

In 2012, we approved a EUR 50 million loan to help finance the Khi Solar One Tower Project. This is the first implementation in South Africa of a new technology which will enable electricity to be distributed outside of the hours of direct sunlight by utilising heat storage facilities. Located on a 600 hectare site in Northern Cape province, it will supply renewable energy to an equivalent of 37 000 middle income households during peak hours of consumption. During the two years planned for construction, the project will create an average of 600 jobs, 35 full-time on-site jobs, and some 140 indirect jobs. Khi Solar One will improve the overall quality of electricity supply. In addition, a special purpose community trust will own 20% of the project company and will be used exclusively to promote the economic and social welfare of the local communities.



Increasing access to safe water in KwaZulu-Natal

Three EIB loans for a total of EUR 165 million are helping KwaZulu-Natal to meet the water needs of 5.5 million people in the region by 2025. One loan supported the increase of the treatment, storage and delivery capacity of the bulk water infrastructure of Umgeni Water, the regional water authority. The project will ensure the supply of potable water to Umgeni Water's customers and provide access to areas that previously had none. The two other loans helped finance the upgrading and expansion of the water infrastructure programme for the eThekweni municipality in Durban, the construction of a dam on the Mooi River and a conveyance system to the Mgeni water supply system.

Supporting urban regeneration

A EUR 50 million EIB loan is supporting the rehabilitation, upgrading and extension of key municipal infrastructure in eThekweni, municipality of Durban, and will benefit 30 priority projects in the municipality's Integrated Development Plan.

This includes the major upgrade of roads, improved electricity access and better water and sanitation facilities in informal settlements, as well as health-care and fire emergency training centre facilities. Specific projects include road improvements at Inanda, upgrading of the Ridgeside electricity sub-station at Umhlanga and a new water pumping station at Durban Point. Our support will be managed by FirstRand Bank, which will also contribute directly to the investment programme.



European Investment Bank
98-100, boulevard Konrad Adenauer
L-2950 Luxembourg
☎ (+352) 43 79 - 1
☎ (+352) 43 77 04
www.eib.org/acp

Information Desk
Corporate Responsibility and
Communication Department
☎ (+352) 43 79 - 22000
☎ (+352) 43 79 - 62000
✉ info@eib.org