

KARADENIZ POWERSHIP ZEYNEP SULTAN CO.

CUSTOMER

Karadeniz Powership Zeynep Sultan Co. (KPS11) is a Special Purpose Vehicle established for the construction and operation of a dual-fuel (HFO- and gas-fired) 115MW powership. While KPS11 is being constructed in Turkey, the powership is to be deployed to multiple developing countries facing electricity shortages or suffering from inefficient generation capacity.

REGION

Europe

COUNTRY

Turkey

SECTOR

Energy

SIGNING DATE

01-2015

TOTAL DEG FINANCING

USD 25 million

ENVIRONMENTAL & SOCIAL
CATEGORY (A, B+, B or C)

B+

WEBSITE OF THE CUSTOMER

www.karadenizenergy.com

FUNDING OBJECTIVE

The funding provided will be directed toward the construction of the powership. The loan facility of USD 75 million was arranged by DEG, with the participation of FMO and Cordiant/ICF.

REASONS FOR FINANCING

Developing countries face electricity shortages or suffer from inefficient generation capacity. The powerships of the Karadeniz Group are competitive given their size and relatively low cost structure based. As such they can provide cheaper power to developing countries.

By arranging this transaction, DEG contributes to relatively more efficient and cheap energy access in countries with lower local energy supplies. The three development finance institutions (DFIs) provide project financing that is not customarily available from the local banks. The engagement of the DFIs will help the client to extend its network of international finance institutions and use this as access for potential future financing that the Karadeniz Group will need for its ambitious growth strategy.

The investment contributes to DEG's strategy of supporting energy supply in developing countries.