



Max Thompson &lt;max.thompson@txfmedia.com&gt;

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**PRESS RELEASE: MIGA Backs Baseload Solar Power Generation in South Africa**

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**Punjanit Leagnavar** <pleagnavar@worldbank.org>  
Reply-To: pleagnavar@worldbank.org  
To: Max.Thompson@txfmedia.com

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**NEWS RELEASE**

*Plant serves 330,000 households in Northern Cape region, avoids annual greenhouse gas emissions of 315,000 tons*

**WASHINGTON DC, July 22, 2019** – MIGA, a member of the World Bank Group, has issued \$98.6 million in guarantees to Atlantica Yield PLC ('Atlantica') for the ownership and operation of the 100MW KaXu Solar One solar power plant in South Africa. The Agency is providing protection from Breach of Contract, future returns and investments into the project.

KaXu is located in the Northern Cape Province in South Africa and was awarded in 2011 as part of the First Round Bid window of South Africa's Renewable Energy Independent Power Producer Program (REIPPP). The plant has been operating since 2015.

*"This project is part of a broader effort to diversify South Africa's energy mix and help transition the country to a low-carbon economy," MIGA EVP & CEO Keiko Honda said. "The project also aims to provide reliable power among lower-income communities while supporting local employment."*

Power generated by the plant can be stored and discharged at any time, keeping the plant running during times of reduced sunshine, and allowing it to extend power production for up to three hours after sunset at full capacity. This unique ability allows KaXu to meet grid dispatch requirements and supply baseload power during peak demand, something that not all solar plants can do.

*"At Atlantica, sustainability is a key pillar of our strategy. We are focused on climate change solutions in the power sector and we therefore see sustainability and climate change as growth opportunities for us. KaXu is a perfect example of the positive impact of our business. This asset not only avoids 315,000 tons of greenhouse gas emissions annually, it also participates in the social and economic development of local communities",* said **Santiago Seage, CEO of Atlantica**.

South Africa is among the top ten coal producers, and as of May last year, power generation capacity was dominated by coal-fired generation, which accounted for approximately 76 percent of total installed capacity. The energy sector will need a complete transformation of its future energy mix and replacement of ageing coal-fired power plants with cleaner energy production technology. The REIPPP targets the installation of approximately 19GW of renewable energy by 2030.

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MIGA was created in 1988 as a member of the World Bank Group to promote foreign direct investment in emerging economies by helping mitigate the risks of restrictions on currency conversion and transfer, breach of contract by governments, expropriation, and war & civil disturbance; and offering credit enhancement to private investors and lenders.

Since its creation, MIGA has issued over \$55 billion in guarantees across 111 developing countries.

**Contacts:**

*In Washington:* Vamsee Krishna Kanchi, (202) 458-9771, [vkanchi@worldbank.org](mailto:vkanchi@worldbank.org)

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Multilateral Investment Guarantee Agency (MIGA) World Bank Group, 1818 H Street, NW, Washington, DC 20433 United States