

# Zambia's power grid gets \$60m cash injection

A \$60m loan will finance capital expenditure for Zambia's Electricity Supply Corporation's (Zesco) Lusaka Transmission and Distribution Rehabilitation Project (LTDRP) as well as provide bridge financing to facilitate new connections to the grid.



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In this transaction, [Standard Chartered](#) has partnered with the US government, through the United States Agency for International Development (USAID), to deliver a term loan to the energy supplier, making this one of the largest facilities that the agency has delivered within President Obama's 'Power Africa' partnership since the campaign's launch in 2013.

## Meeting a critical need

"Part of our strategic plan is to improve the quality of electricity and enhance connections to the national grid," commented Zesco's managing director, Victor Mundende. "USAID and Standard Chartered's support has already delivered more than 15,000 new power connections. Furthermore, some of the funds provided will be used for other scheduled power system upgrades, contributing to new and existing connections to homes and businesses across the country. Zesco remains committed to meeting its aspirations of electrifying 60% of Zambia by 2030."

USAID/Zambia mission director, Michael Yates, added, "Power Africa is a broad partnership which aims to boost economic development, by providing access to electricity to homes and businesses across Africa. This is one of our largest commitments in Africa to date, and will enable us to meet a critical need for a quarter of a million Zambians and the economy as a whole."

## Second Power Africa partnership

Andrew Okai, CEO of Standard Chartered Zambia, commented, "By using our strengths in structuring financial solutions which promote economically enhancing partnerships and improve the lives of individuals, Standard Chartered can demonstrate our promise to be 'here for good'. This is the bank's second Power Africa partnership to benefit Zambia, with the first being Standard Chartered's private equity investment in Zambian Energy Corporation."

For this Zesco/USAID partnership, Standard Chartered acted as the global coordinator, structuring bank, bookrunner, mandated lead arranger, facility agent and account bank. The international bank demonstrated its commitment to President Obama's Power Africa campaign, which was launched in 2013, by more than doubling its original commitment to \$5bn

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